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HOUSE OF REPRESENTATIVES—*April 29, 1986*

The House met at 12 noon.

The Reverend August Claus, chaplain (retired), Veterans' Medical Center, Fresno, CA, offered the following prayer:

Eternal God and Father.

We pause as another day is before us to acknowledge our dependence upon Thee. We humbly implore Thee graciously to regard our President, his counselors, and all others in authority over us. Grant them Thy grace and guidance, that they may ever labor for the welfare of the people and the honor of our land. We pray Thee, Father, to hasten the time when nation shall not lift up sword against nation, neither shall they learn war anymore. In Thy name we pray Holy Father. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

REV. AUGUST CLAUS

(Mr. LEHMAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEHMAN of California. Mr. Speaker, our guest chaplain this morning is my constituent and friend, August S. Claus. Chaplain Claus was born April 26, 1906, in the Province of Hanover, Germany. He married Maria B. Langner on September 5, 1930. They arrived at New York later that year as immigrants. Pastor and Mrs. Claus served churches in Nebraska until 1936 when they came to California and served churches at Sanger, Biola, and Fresno. Chaplain Claus served as pastor of St. Paul's Lutheran Church in Fresno for 42 years. On a personal note, I must mention that I was baptized by Pastor Claus 37 years ago.

During World War II, Pastor Claus served as chaplain to 90,000 German prisoners of war throughout California. After the war, he was director of gathering clothing, food, and medicine for war-torn Europe and then directed the resettlement of refugees from Eastern Europe. During these past 18 years, Pastor Claus has been chaplain at the Veterans' Administration Medical Center in Fresno. As a medical doctor, he has especially assisted the elderly who cannot afford to see a doctor. Pastor Claus' work has been recognized with numerous awards and degrees. Twice he has been made honorary mayor of Fresno.

It is an honor to have Reverend Claus here today.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 1116. An act to implement certain recommendations made pursuant to Public Law 98-360.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 739. An act relating to the documentation of the vessel Marilyn to be employed in the coastwise trade; and

H.R. 2478. An act to amend the Revised Organic Act of the Virgin Islands, to amend the Covenant to Establish a Commonwealth of the Northern Mariana Islands, to amend the Organic Act of Guam, to provide for the governance of the insular areas of the United States, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2329. An act to make technical corrections in the higher education title of the Consolidated Omnibus Budget Reconciliation Act of 1985.

REAFFIRMING CONGRESS' RECOGNITION OF THE VITAL ROLE PLAYED BY MEMBERS OF THE NATIONAL GUARD AND RESERVE IN THE NATIONAL DEFENSE

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H.J. Res. 220) to reaffirm Congress' recognition of the vital role played by members of the National Guard and Reserve in the national defense with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments as follows:

Page 3, after line 13, insert:

SEC. 2. EXTENSION OF DEADLINE RELATING TO OBLIGATION OF FUNDS FROM MILITARY PERSONNEL ACCOUNTS OF THE DEPARTMENT OF DEFENSE.

Notwithstanding any other provision of law, until, but not after, June 1, 1986, obligations from the Department of Defense military personnel accounts may exceed a rate in excess of the rate required to limit total obligations to the obligation ceilings established by law for such accounts for fiscal year 1986.

Amend the title so as to read: "A joint resolution to affirm Congress' recognition of the vital role played by members of the National Guard and Reserve in the national defense, and for other purposes".

Mr. MONTGOMERY (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. WRIGHT). Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Mississippi?

Mrs. HOLT. Mr. Speaker, reserving the right to object, I shall not object, and I yield to the gentleman from Mississippi [Mr. MONTGOMERY] so that he might explain the resolution.

Mr. MONTGOMERY. Mr. Speaker, this resolution recognizes the vital role of the National Guard and Reserve Forces in our national defense. It passed the House under suspension a couple of weeks ago.

It has now returned from the other body with an amendment extending for 1 month, Mr. Speaker, the deadline for legislative action on the Military Retirement Reform Act of 1986. Retirement reform has passed the House and has been reported by the Senate Armed Services Committee.

Unfortunately, the other body has not been able to schedule floor action. The 30-day extension provided by the Senate amendment will afford us more than sufficient time to complete action on the retirement reform and the issue of unauthorized appropriations.

I would emphasize that I do not believe we will need the full 30 days for either of the issues. These are matters that can be resolved quickly if the will exists to do it. We are agreeing to the full extension requested by the Senate, with the understanding that both issues will be resolved during the period of extension.

The Committee on Armed Services would not look favorably on a further extension of this deadline.

Mrs. HOLT. Mr. Speaker, under my reservation, I support the request of the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Mississippi?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Joint Resolution 220, the joint resolution just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON PUBLIC BUILDINGS AND GROUNDS OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT ON WEDNESDAY, APRIL 30, 1986, DURING 5-MINUTE RULE

Mr. YOUNG of Missouri. Mr. Speaker, I ask unanimous consent that the Subcommittee on Public Buildings and Grounds of the Committee on Public Works and Transportation may have permission to sit while the House is under the 5-minute rule on Wednesday, April 30, 1986.

Mr. Speaker, this has been cleared with the minority.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

BANNING THE BALLISTIC KNIFE

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, my biggest fear is that the criminal of today is better armed than the police officer. The criminal of today wears a bullet-proof vest, uses a plastic gun, and fires armor-piercing cop-killer bullets.

But that is not all. We are told the latest in criminal technology is the ballistic knife. It looks like an ordinary knife, but can be propelled 30 feet by the push of a button at high velocity. It is sharpened on both sides and pointed at the end. The knife can penetrate the soft body armor worn by police when it strikes at certain angles.

It sells for some $80, and can be purchased through the mail, with no questions asked. Originally developed in the Soviet Union for the elite Soviet guerrilla forces, now a United States company is using it as a way to make big bucks, obviously without regard for police or other innocent lives.

The manufacturer claims it is for recreational use, but its advertising disputes the claim. The advertising says: "It kills swiftly and silently without warning." Maybe the manufacturer was referring to the recreational killer, of which there are more than a few in our country.

The police officer's job is tough enough, without having to face a shooting knife. That is why I am introducing a bill today to ban the manufacture, importation, sale, or possession of the so-called "ballistic knife."

The criminals will not be happy, but police lives will be saved.

□ 1210

FEDERALLY FUNDED LEGAL SERVICES: BENEFITING THE POOR?

(Mr. COMBEST asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. COMBEST. Mr. Speaker, there is a desperate need for Congress to undertake a serious review of the Legal Services Corporation [LSC]. Allegations abound of taxpayer dollars funding political activist lawyers throughout the country. Restrictions placed on the activities of these lawyers by Congress have been completely ineffective. We continue to hear stories of tax dollars being spent on social reform and blatantly illegal activities.

In a dissent to LSC's fiscal year 1987 budget request, an LSC Board member reveals some astounding facts that confirm the urgent need for Congress to reevaluate our Nation's current Legal Services Program. For example, the average LSC staff attorney salary increased by 27 percent in a 2-year period. Considering our overwhelming Federal deficit, such excess and misuse is unforgivable. In fact, the Board member maintains that the LSC request for $305.5 million in fiscal year 1987 funding is exorbitant and should be no more than $280 million. The dissent also highlights the increasing availability of non-Federal funds for legal services and alternative sources of effective legal assistance for the poor.

I continue to fully support total defunding of LSC.

I consider the LSC budget dissent to be an invaluable contribution to the federally funded legal services debate. I include a summary for Members' consideration in the hope that Congress will focus on the LSC and make efforts toward a more efficient allocation of precious Federal dollars:

EXECUTIVE SUMMARY—DISSENT ON 1987 LSC BUDGET REQUEST [1]

This report reviews LSC funding and resource allocation for the period 1981 to 1985. It supports the proposal that LSC's FY 1987 budget be reduced from the $305.5 million request passed by the Board December 19, 1985 to no more than $280 million. The report demonstrates that:

Increased appropriations from FY 83 to FY 85 have been absorbed in recipient personnel salaries and benefits;

Increased appropriations have not increased the number of lawyers and paralegals in direct service to the poor;

Outside funding of Legal Services recipients has increased from $47.8 million in FY 82 to $106 million in FY 85, contributing to record total funding levels with FY 85 funds exceeding any previous high by $40 million;

"Minimum Access" is a flawed mechanism for determining the legal needs of the poor because it fails to take into account sources of available legal assistance other than LSC;

A wide range of economical, effective services for the poor currently provide substantial legal assistance;

Alternative dispute resolution services increase options available to the poor;

The funding of National and State Support contractors diverts funds from the delivery of legal assistance;

Special funding for migrants is duplicative and should be reduced or eliminated;

Recipients continue to carry significant fund balances in an era of deficit spending;

Expansion of alternative funding makes a $280 million federal appropriation to the Legal Services Corporation more than sufficient to meet program needs.

[1] This report reflects the views of Board member LeaAnne Bernstein.

SOCIAL SECURITY NOTCH

(Mr. ROYBAL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROYBAL. Mr. Speaker, on Thursday, May 15, hundreds of senior citizens will rally on the Capitol Grounds to seek redress of an inequity known as the Social Security notch, an inequity that has reduced the average monthly benefit of this year's 65-year-old retirees by $124 when compared to retirees born in 1916—$577 versus $701.

The Select Committee on Aging has held eight hearings around the country and documented the cases of numerous individuals born after 1916 who are receiving at least $100 less than they would have received if they had been born even a few months earlier.

Last year I introduced H.R. 1917, a bill to eliminate the current inequity. Because of strong grassroots support of senior citizens all over the country, H.R. 1917 now has 116 bipartisan cosponsors.

There are those who say that we cannot afford to solve any part of the notch problem. That is simply not true. Last year the Social Security trust funds had a $12.4 billion surplus. And under the present economic assumptions, Social Security surpluses will average $36.7 billion per year over the next 4 years.

Even if H.R. 1917 is passed—including full retroactive payments to all 10 million notch babies—Social Security assets would still exceed $100 billion in 1990 without any increase in scheduled tax rates.

Mr. Speaker, the hundreds of senior citizens who are coming to Washington on May 15 have a just cause. And, I believe their pursuit of a fair resolution will not diminish until the Congress and the President act in a responsible way to recognize and correct the inequities of the notch.

I urge my colleagues to take time on May 15 to attend the morning rally sponsored by grassroots notch organizations and the afternoon hearing of the Select Committee on Aging.

INDIAN HEALTH CARE AMENDMENTS OF 1986

(Mr. McCAIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCAIN. Mr. Speaker, I would like to call the attention of the House to a vote which will occur shortly on H.R. 4600, the Indian Health Care Amendments of 1986.

I urge my colleagues to reject passage of this measure under suspension so that we may take it up under a rule and give this subject the due consideration it deserves.

My objections to this measure, as currently written, are many. However, they all could be remedied by adequate consideration of the bill. Let me cite a few reasons why you should join in rejecting this procedural approach to Indian health care:

H.R. 4600 is a gutted version of the original Indian Health Care amendments with its costs set so that procedural requirements of the suspension calendar are met, not the true health care needs of our native Americans. Indians oppose this bill. The bill's opponents list a number of associations which favor passage. However, the National Tribal Chairmen's Association, the elected leaders of the Indian people all over this Nation oppose this bill. H.R. 4600 changes the historical basis of Federal-tribal relations from a government-to-government relationship to one based on race. This is inappropriate. The administration will veto this bill in its current form.

Let us bring this measure right under a rule so that we can have an open and honest debate, a chance to correct the bill's deficiencies, work with the administration and pass a measure which will truly address the health needs of America's Indians.

This is no way to pass a bill which it clearly contravenes the wishes of a majority of our Nation's Indians and does not adequately address the health care needs of native Americans.

Vote "no" on H.R. 4600.

SOCIAL SECURITY "NOTCH BABIES"

(Mr. DYMALLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DYMALLY. Mr. Speaker, when the 95th Congress tried to reform the Social Security trust fund, it created a problem called the notch effect. In 1977, informed that the Social Security benefit formula in effect then would raise benefits so quickly that it would bankrupt the system, Congress modified the formula to slow benefit growth. It also built an abrupt transition point, or notch, into the transition process. Benefits of pre-1982 retirees would be computed under the old formula; retirees in notch years 1982 to 1985 could switch to the new formula or a modification of the old formula. The result? The Social Security check of a 1982 retiree might be as much as $120 less than that of a 1981 retiree. Since the average Social Security check is only about $400 per month, a $120 drop pushes some retirees from marginal poverty to deep poverty.

Thanks to Congressman ROYBAL and Congressman CHRISTOPHER SMITH, we have legislation to alleviate the "notch effect." I am proud to cosponsor both pieces of legislation. I urge my colleagues to listen to the plight of Social Security retirees. After giving a lifetime of service to America, they deserve the chance to retire free from fear of being deprived of the basics of existence. As their representatives, it is incumbent on us to see that they have that chance.

TERRORISM SHOULD BE PROPERLY ADDRESSED

(Mr. COBLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBLE. Mr. Speaker, I rise to reiterate the concern of all Americans for the safety of the American hostages in the Middle East.

Today is a somber day for the family of the former chief librarian at the American University of Beirut, Peter Kilburn, whose funeral will take place today in California. Mr. Kilburn was found shot to death on April 17 along with two British teachers.

My condolences go out to the Kilburn family. Ambassador Newlin, a senior deputy assistant secretary for consular affairs, will attend Mr. Kilburn's funeral, along with Mr. John Adams of the Consular Affairs office, who has been in contact with the families of these missing Americans. I am in contact with the State Department frequently and am convinced that our Government is continually working, in concert with our allies, to gain the safe release of the American hostages.

Those who support and encourage terrorism are friends to none of us and are concerned only about their cause. Only when our allies recognize this will terrorism be properly addressed.

SHOW ME

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, in his book entitled "Christian Topography," the 6th-century Byzantine traveler, Cosmas Indicopleustes, tells us about his trip to Ceylon. The King of Ceylon engaged him and another traveler from Persia in an argument as to which empire, the Byzantine or the Persian, was the greater. Since there was no way of doing justice to the rival claims of the two men, the King finally asked to see the coinage of each realm. Upon examining a golden bezant and the corresponding coin from Persia, the King declared that Byzantium was certainly the greater, and in its honor had Cosmas "mounted on an elephant and conducted around the city with drums and high state."

Throughout history there has existed an unmistakable relationship be-

tween good coinage and national prestige. Perhaps, if the dollar was made convertible into a fixed amount of gold, as it had been before 1971, then American tourists and diplomats would be received abroad with greater courtesy, and there would be less violence and terrorism in the world.

TWENTY THOUSAND AIDS CASES—10,800 DEAD

(Mr. WEISS asked and was given permission to address the House for 1 minute to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, yesterday, the Centers for Disease Control [CDC] announced that the number of Americans struck down by AIDS has passed 20,000. More than half, almost 11,000 men, women, and children, have died. And no one knows how many cases go unreported, for fear of reprisal and discrimination, or for other reasons.

In the last few months, the number of new cases seemed to be leveling off, and earlier predictions of AIDS cases doubling in 1986, appeared too pessimistic. But at the current rate, the doubling of AIDS cases will occur this year.

In each year of the epidemic, the Congress has overcome the unwillingness of the administration to fund AIDS. Each year, the Congress has appropriated almost double the previous year's funds; but, each year, we have had to force the administration to spend even that amount.

This year, in spite of budget pressures, I am hopeful that the Congress will again take the lead in the AIDS fight by increasing the Federal commitment, well above the current $244 million level.

Twenty thousand persons with AIDS; 11,000 dead. Statistics are inept measures of human suffering, but they are the basis of our decisionmaking in Government.

In the coming weeks, the right decision will be to attack AIDS with sufficient resources.

THE REAL ENEMY OF LAW AND ORDER IS THE LIBERAL COMMUNITY

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARLENEE. Mr. Speaker, in an April 28 editorial, "More Fast Buckshot by the NRA," the Washington Post would have you believe the National Rifle Association, which is composed of sportsmen, law enforcement officers, and gun owners, is the enemy of law enforcement. The Post wants you to think the NRA is the embodiment of cop killers and is tearing down law and order.

I don't believe the Post, and never have.

Friday afternoon, as I addressed the National NRA Convention in New Orleans, I asked that every one who supported law and order and would lay their lives on the line supporting police officers to please stand. The troopers of this Nation had reinforced what most of them already knew.

Every single delegate of the thousands at the convention stood in unanimous applause for the troopers. The real enemy of law and order has been the liberal community who have placed roadblock after roadblock in the way of the police and have torn down property rights and the judicial system.

It's amazing how far the liberal media will go to perpetrate and force their own convoluted ideals on the rest of us.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 4567

Mr. SMITH of Florida. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 4567.

The SPEAKER pro tempore (Mr. HEFNER). Is there objection to the request of the gentleman from Florida?

There was no objection.

GAUCHER'S DISEASE AWARENESS WEEK

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, today I am introducing a resolution designating the week beginning September 7, 1986, as "Gaucher's Disease Awareness Week."

Gaucher's Disease is the most prevalant among seven genetic disorders known to primarily affect Jewish Eastern European populations. As many as 1 in 12 Jewish persons may be a carrier of Gaucher's disease which means that an estimated 1 child in every 600 born could have the disease.

Gaucher's disease is caused by the body's failure to produce an essential enzyme. The absence of this enzyme causes the body to store abnormal quantities of lipids in the liver and spleen and can have an adverse effect on tissues in the body, especially bone tissue. Commonly associated symptoms include an enlarged spleen, unusual bruising or bleeding, and bone and joint pain.

There is no known cure for Gaucher's disease nor any successful treatment. In 1984, the National Gaucher Foundation was established to promote and support Gaucher's research and increase public awareness regarding this disease.

Gaucher's disease is a genetic time bomb. I urge you to join me in cosponsoring "Gaucher's Disease Awareness Week" to focus much needed attention on understanding and finding a cure for this disease.

□ 1225

THE SOVIET UNION IS PART OF THE WORLD COMMUNITY

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, when the Three Mile Island accident occurred, within hours literally every citizen in the world knew about the accident, and a swarm of reporters from every nation in the world came to Harrisburg, PA, to record every single development in that incident.

In my judgment, the Soviet Union has committed an international crime in not reporting that tragedy that is occurring now in their backyard to the entire world, so that the Scandinavian countries and Western Europe and the United States and every other country in the world could adequately prepare for it and, yes, adequately provide help when it would be needed even to the Soviet Union.

Mr. Speaker and Members of the House, we ought to join in an effort to signal exactly what the Soviet Union has done. Within its closed society, it has chosen to endanger the world by maintaining its aegis of secrecy so that it can preserve whatever it wants to preserve within its borders. But a nuclear incident, ladies and gentlemen, is one which cannot be hidden, and it is about time the Soviet Union recognize that it is a part of the world community.

ADEQUATE SAFEGUARDS FOR HANDLING RADIOACTIVE MATERIALS

(Mr. BOSCO asked and was given permission to address the House for 1 minute.)

Mr. BOSCO. Mr. Speaker, today's news of an apparent nuclear reactor disaster in the Soviet Union draws our attention to the impossibility of handling radioactive materials without threat of serious danger to hundreds of thousands of people.

Just this month the FDA approved regulations that will allow fruit and vegetables to be radiated with cesium 137 and cobalt 60. Tons of these enormously toxic radioactive materials will now be transported to hundreds, perhaps thousands, of locations throughout our country—in a matter of a few years irradiation centers can become a part of our communities throughout the country.

Mr. Speaker, although there are minimal benefits to food irradiation the risks to human health from tons of radioactive materials crisscrossing the country in trains, trucks, and vans, then being handled by thousands more people in thousands more locations—these risks far outweigh any benefits.

I am introducing legislation to stop this proliferation until adequate public safeguards are ensured and I invite the help and cooperation of our Members.

RICHARD G. TAYLOR HONORED BY INDEPENDENT INSURANCE AGENTS OF UTAH

(Mr. MONSON asked and was given permission to address the House for 1 minute.)

Mr. MONSON. Mr. Speaker, today, the Independent Insurance Agents of Utah are honoring Richard G. Taylor of the Grant-Hatch Agency in Salt Lake City.

I have known Dick Taylor for a number of years. His personal commitment to charitable organizations, national professional associations, and the business and civic groups of our State are a testament to his outstanding service.

This year, Dick is serving as president of the Independent Insurance Agents of America, the Nation's largest insurance producers' group representing more than 220,000 people in every city and State in this Nation.

Dick is an extremely able representative of the insurance industry internationally, as well as here in this country. He also has effectively represented the views of his industry before committees of Congress.

He has been singled out by President Reagan for his efforts on behalf of the sight impaired, and is an active member of his church.

So tonight in St. George, UT his fellow insurance agents will honor his accomplishments, his dedication, and his commitment. With the strong support of his wife, Marilyn, Dick Taylor will continue on the path of excellence.

This Nation was founded by men and women of vision, courage, and selfless dedication to their fellow man.

Dick Taylor exemplifies that spirit today, and will continue to do so in the years to come.

Congratulations Dick, you've earned it.

WE NEED TO CORRECT THE SOCIAL SECURITY NOTCH PROBLEM

(Mr. FRANK asked and was given permission to address the House for 1 minute.)

Mr. FRANK. Mr. Speaker, I want to congratulate the chairman of the Select Committee on Aging, the gentleman from California [Mr. ROYBAL] for the hearings which he announced earlier here today on the Notch Act.

The Notch Act is an unfair piece of legislation which needs to be changed. We cannot afford and we should not be trying to repeal it altogether, but we have to use some of the surplus funds now being generated in the Social Security System to provide more equity. It simply is not worthy of a government as compassionate as the United States to have a situation where people are discriminated against solely because of the month or year in which they are born.

Mr. Speaker, we have got our hard-working citizens now in retirement, two people who worked side by side in the same job for the same wages in the same period of time, because one was born a couple of months after another, that former individual can be getting $50, $75, or $100 a month less in Social Security.

Social Security has been cut time and again to the point where we now are generating surplus funds in the Social Security System. Some of those funds, responsibly and in the name of equity, ought to be used to deal with the unfairness that has been inflicted on people who are affected by the Notch Act.

The hearing on May 15 before the House Aging Committee will give us a chance to demonstrate how we can be fair in a responsible way.

CONGRESS' NEED TO CORRECT THE SOCIAL SECURITY NOTCH PROBLEM

(Mr. LIGHTFOOT asked and was given permission to address the House for 1 minute.)

Mr. LIGHTFOOT. Mr. Speaker, on May 13, a bus filled with Social Security recipients will depart from my district in Iowa to travel to Washington to protest the notch inequity in the Social Security System. These people will travel over 1,200 miles to attend a notch rally on the Capitol lawn on May 15. They will join with hundreds of other Social Security notch babies from around the country to demand that Congress take action to correct this serious inequity in the Social Security System.

These people will only be a small portion of the people who are affected by the notch. But, they will represent the solid determination of other notch babies from around the country. They will be here to persuade Members from both sides of the aisle and from both Houses of Congress that they will not go away until positive action is taken on the notch. And if their efforts fail this time, they will be back again—in greater numbers and with greater determination.

This issue is of great importance to these people. They have been treated unfairly by Congress and have begun to lose faith in our ability to correct a wrong. We can change this, however, by taking a closer look at this issue during the coming weeks. Let's greet the notch people on May 15, with the statement that "Yes, Congress will do something to correct this terrible injustice."

CONGRESS ITSELF SHOULD ELIMINATE UNNECESSARY SPENDING

(Mr. RAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RAY. Mr. Speaker, Congress should take the lead in cutting unnecessary spending from its budget, and I have previously urged that we make a number of changes in the way we do business around here in order to show the rest of the country that we are serious about eliminating the deficit.

We have all had to make several cutbacks in our office budgets in order to meet the requirements of Gramm-Rudman, and Congress as an institution in having to reduce its spending in various areas.

One category of spending that is being closely examined is congressional postage—an area where spending has skyrocketed in recent years. Senator PETE WILSON has suggested that we can reduce mail costs dramatically if we just cut out the newsletters that Members send to every household in their districts. I endorse this proposal and urge my colleagues to read the guest editorial that Senator WILSON wrote on this subject for the Sunday edition of the Washington Post.

I submit Senator WILSON's editorial for the RECORD:

[From the Washington Post, Apr. 27, 1986]

NEWSLETTERS WE DON'T NEED

(By Pete Wilson)

From the earliest days of the Republic, members of Congress have enjoyed a franking privilege—that is, a privilege to send correspondence "postage-free" to their constituents.

The postage is not really free. Rather, Congress' postage is paid by a congressional appropriation of tax dollars. The privilege was given to ensure that members of Congress would have the ability to respond to the inquiries, opinions and requests of their constitutents.

Unfortunately, in recent years, the privilege has been seriously abused. In unsolicited "newsletters" reporting the activities of a senator or congressman, too often the line between information and propaganda has been crossed. In the process, taxpayers have been stuck with substantial costs and have become unsuspecting contributors to Rep. Blank's reelection campaign.

Consider the following: two years ago, during our last election year, Congress' post-

age bill ran to $111 million. Since then, it has soared to $146 million. Just how much money is Congress spending on self-promotion? That $146 million is roughly equivalent to all the federal income tax dollars collected in a city the size of Long Beach or Oakland, Calif.

Now, I don't mean to suggest that all the letters that pour out of Capitol Hill offices add up to political junk mail. Most congressional offices make a great effort to answer carefully and thoughtfully thousands of constituent requests each week. I welcome the opportunity to respond to citizens who have a position to state, a question to pose, a bureaucratic knot to unravel. Such communication is essential to the functioning of representative democracy, as the Founding Fathers recognized in granting Congress the privilege of sending letters under the frank.

But the Founding Fathers never envisioned the congressional "newsletter" or how the franking privilege might be and has been abused. Right now, senators spend less than 5 percent of their postage budget on responses to constituent letters. They spend four times as much in notifying constituents of upcoming "town meetings." That means at least 75 percent of that $146 million goes for newsletters—unsolicited mailings that purport to inform the reader and that more often serve to establish personal contact with the voter.

Even if a newsletter were purely informational and entirely free of any self-promotion by the sending member of Congress, it compares very poorly with other forms of communication on a cost/effective basis. For instance, at virtually no cost to taxpayers, Senate proceedings are now being broadcast by radio and will soon be televised. News services continue to report our activities. And there are all those letters—15,000 or so each week in my office alone—that demand and deserve a thoughtful reply. Literally thousands of informational pamphlets are sent daily by a host of federal agencies. The people, in short, are not dependent for information on costly legislative newsletters.

We live in a time of austerity. A time when there are many things we might like to have, but cannot in good conscience afford. A time when everyone in government is straining to meet the stringent budget requirements set forth in the Gramm-Rudman-Hollings bill. I voted for that fiscal straitjacket to restrain runaway spending. And now I think it's up to Congress itself to set an example.

At a time when we find ourselves forced to make cuts in health care and medical research, in drug enforcement, meals for senior citizens, education and a host of vital activities, I cannot in good conscience vote a blank check for congressional self-promotion. The time has come to demonstrate to those who work hard to make ends meet, and who expect their government to show a little respect for their hardearned dollars, that Washington is sensitive to their needs.

To this end I have introduced legislation that would eliminate funding for congressional newsletters. This would in no way limit the ability of congressmen and senators to respond to the mail that is sent to them. Nor would it curtail notices of town meetings. What it would abolish are all those mailings that have not been solicited—those too often conspicuous mainly for personal advertising, which often wind up in the trash, unwanted, unread, a costly waste of taxpayers' money.

There is a principle at stake, one that can't be measured in dollars and cents. Quite simply, it's a question of fairness. If Americans are being asked to accept reductions in government service, then how on earth can we who hold office go on about our business as usual, shaking the public money tree to help ensure our reelection?

This is one piece of mail that belongs in the dead letter box.

THE LIABILITY CRISIS—TWO NATIONAL SOLUTIONS

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, last week, I said the States had to act on the liability crises or we, in Washington, would. The trial lawyers say this is a national problem and we should. They say, create a new program of Federal reinsurance to provide insurance protection not provided in the market.

Anyone knowing how juries now tap the insurance coverage or the deep pockets of a large municipality or corporation, can only imagine how juries will tap a Federal fund. Juries awards that are now at the $5 million level, will go to $15 million.

If we must have a Federal solution, how about a national personal injury compensation program modeled on workers' compensation that will provide the same and known recoveries for the same injuries, and will do so without the need to prove negligence, without delay and without recourse to the courts. That's a national solution but one I suspect trial lawyers wouldn't find too appealing.

□ 1235

LET'S FIX THE "NOTCH"

(Mr. MANTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MANTON. Mr. Speaker, when I arrived in Washington a little more than a year ago, I was shocked to learn that one retiree could receive a Social Security check that was up to $160 less than a neighbor who had a similar work history but was born a few months earlier.

The Social Security System was designed to treat all Americans equally. I believe that, by and large, it does—unless you happen to have been born between the years 1917 and 1921. The people in this category are commonly known as "notch babies." They are called this because they receive lower Social Security benefits due to their birth date. The Social Security notch affects 7 to 9 million Americans. Many are veterans who have defended our country.

At every town meeting I have held in my congressional district I have been approached by constituents who are opposed to the Social Security notch. To date, my congressional office has received over 300 letters protesting the notch, and there are currently two separate petition drives underway in my district protesting the notch and asking the Congress for action.

Congress can fix the notch. H.R. 1917, introduced by Congressman ROYBAL and cosponsored by over 100 Members, is a reasonable way to correct this inequity. H.R. 1917 would restore a sense of equality to older Americans who are treated unfairly under the current benefit formula. I urge my colleagues to join in cosponsoring H.R. 1917 and I hope this legislation can soon be brought to the floor for expedited consideration.

MACHINE TOOLS—WHO IS STALLING?

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, the machine tool industry, central to our maintaining and developing our industrial strength, has fought for more than 2 years to get its case for protection from import undercutting heard and determined. After almost 26 months, they are still waiting for relief.

During that whole long ordeal, they have had the forceful and capable help of the Secretary of Commerce, Malcolm Baldrige, and our Trade Representative, Clayton Yeutter. The resourceful advocacy of these two men and their organizations have finally brought the 232 petition to the White House, where it has been languishing for more than 5 weeks.

The Trade Representative is satisfied that they have made their case. The Secretary of Commerce endorses the petition for relief. But the machine tool people still have no relief.

They watch themselves being slowly strangled, not by redtape, though they have had their share of that, but by simple inaction. Our machine tool industry needs help now, while remnants are still alive. To approve this petition after it no longer matters would be a national disaster for the industry, our defense capacity, and for our industrial future.

ELECTIONS IN HAITI

(Mr. OWENS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS. Mr. Speaker, the failure to set a date for elections in Haiti has resulted in a continuing escalation of confusion, chaos, and violence.

Last week, at least eight Haitians died, and scores of others were wound-

ed, in unnecessary violence. These are casualties to the confusion which will continue until we set a date for free elections.

The United States has a great deal of influence in Haiti and should try to influence that government to move as rapidly as possible to set a date for free elections.

Those who have contended that more education and literacy is necessary before free elections can be held are misguided.

Many of the underdeveloped countries of the world have had free elections, using symbols and signs, and free elections can be held effectively without literacy.

The procedures and the process of preparing for the elections are just as important as the date itself or the event itself. If we would set a date and start the process of getting ready, it would give focus to the situation in Haiti, and the scores of people who are afraid that the drift that is taking place now will result in a return of the same old conditions would be satisfied.

Elections are the medicine which is needed to cure the sick soul of the body politic of Haiti. As soon as possible, a date should be set and the procedure to move toward that election should go forward.

PENSION PLANS

(Mr. CHANDLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHANDLER. Mr. Speaker, Congress has changed tax laws governing pension plans numerous times in the last few years, creating many compliance problems for employers. In many cases, these employers, particularly small and independent businesses, are forced to simply terminate a retirement plan, rather than incur the additional cost of bringing a plan into compliance with all of the changes in law. This certainly was not the intent of Congress.

These problems have been brought to my attention recently by IRS Notice 86-3, which requires all pension plans to be in compliance with all of the provisions of the Tax Equity and Fiscal Responsibility Act of 1982, the Tax Reform Act of 1984, and the Retirement Equity Act of 1984, by November 1985. As has been true with many such changes, the compliance date falls within days of when some of the changes were made public.

Today I am introducing a bill to extend the compliance date to September 15, 1986. It is important for Congress to be aware that we cannot broaden the number of employees covered by retirement plans unless we allow plan administrators to qualify their plans without inordinate difficulty. This bill is simply one good step in that direction.

CORRECTING THE "NOTCH" PROBLEM IN THE SOCIAL SECURITY SYSTEM

(Mr. MICA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICA. Mr. Speaker, I am very pleased to join Chairman ROYBAL in encouraging legislative initiatives and efforts to address what is commonly known as the notch problem. We have all been contacted by those affected by the notch and share a common goal of seeking a fair solution to this problem. The legislation enacted in 1977 to address predictions of financial insolvency in the Social Security System awarded some Social Security recipients less benefits than, in some cases, beneficiaries born only a few months previously.

Although the Social Security System was financially stabilized by this legislation, for those born between 1917 and 1921, the bill created an unfair payment of Social Security benefits. There are 37.1 million Social Security recipients in the United States, and 6.2 million of those are affected by the notch. That's 27 percent of total Social Security recipients. Unfortunately, many of these notch babies, as many residents in my district call themselves, fought in World War II. It seems unfair to them that although they defended our country as soldiers, no one will defend their rights to Social Security benefits.

I understand that the cost of reforming the system to address this problem would be steep. In our present era of fiscal restraint and austerity, the reinstatement of the lost benefits will be a difficult struggle. But for many Social Security beneficiaries, a hundred dollars less a month means a hundred dollars less in a tight and already stretched budget. I was pleased to be the original cosponsor of Chairman ROYBAL's bill to correct the benefit disparities caused by the legislation in 1977, and support other congressional initiatives to resolve this issue. I am grateful that the Aging Committee has decided to hold a hearing in May on the notch, and expect that increased public awareness of the issue will inspire further support for a fair resolution of the notch.

THE MACHINE TOOL INDUSTRY

(Mrs. JOHNSON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. JOHNSON. Mr. Speaker, the silence is deafening. It has been 3 years and some weeks since the machine tool industry submitted their 232 petition and 1 month since the Cabinet considered it.

Mr. Speaker, action is imperative. Time is of the essence. The machine tool industry is critical to our ability as a nation to defend ourselves, to defend the free world, to retain our position as an economic leader in international trade and in America.

It is critical to our ability to be out there on the cutting edge of technology.

My colleague, the gentlewoman from Illinois [Mrs. MARTIN], and I introduced legislation many months ago that would prevent this kind of travesty from happening, that would require that 232 petitions whose basis of logic rests on national security concerns be considered in 3 months. I am pleased that my colleague, the gentlewoman from Connecticut [Mrs. KENNELLY], has joined us in such legislation.

What is happening is a travesty. Justice delayed is justice denied in trade as in all else, and I urge my colleagues to join me in urging the President to act on this important petition.

A FEDERAL BUDGET

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, it was with some confusion that I read in today's New York Times that a distinguished Member of the other body said that Congress had become "so enmeshed in political maneuvering" that it cannot produce a Federal budget. A little later in the article he said he wanted to wait until he could get a majority of his party to agree on a budget before he would bring one to the floor. And the confusion about this, Mr. Speaker, is very simple. There are 24 Republicans generally on the right side of the other body who are saying that they will not go for a budget unless XYZ is met.

That is no way to produce a budget, Mr. Speaker. If on our side of the aisle we decided that we had to bring every Member along and every Member's specific interest had to be weighed without compromise, we would not have a budget either. Imagine if the 100 most liberal Members of our side said that unless the budget meets our concerns, we are not going to produce a budget.

I say to my colleagues in the other body, it is about time you tried to reach a consensus, as some of your Members are starving to do, and move on a budget in the Senate.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. RAY). The Chair wishes to point out

that the gentleman should not refer to proceedings from the other body.

THE SOCIAL SECURITY "NOTCH"

(Mr. LENT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LENT. Mr. Speaker, most of us find cause to celebrate our birthdays each year. However, if you are one of the so-called notch babies, your birthday will undoubtedly be the source of some consternation.

On May 15, senior citizens from across the United States will converge upon the Capitol to protest the Social Security benefit disparity known as the "notch" which affects those individuals born between 1917 and 1921.

The notch was created in 1977 when Congress revised the 1972 Social Security benefit computation formula. As a result, individuals born months, weeks, and even days apart receive widely disparate benefits. While the goal of this legislation was admirable—to ensure the solvency of Social Security—the means to achieve it discriminated arbitrarily against some beneficiaries. This is unfair and undermines public confidence in the Social Security System.

I urge my colleagues to join the effort to correct the notch inequity and give our seniors the peace of mind and security they so richly deserve.

A WORLD TRAGEDY

(Mr. MARKEY asked and was given permission to address the House for 1 minute.)

Mr. MARKEY. Mr. Speaker, the Soviet accident could be a radioactive Mt. Saint Helen's. The Russians could face contamination of a land area the size of Pennsylvania. This is not a Soviet tragedy. This is a world tragedy. Nothing, not Three Mile Island, not Bhopol, not even the worst commercial plane accident in history, compares potentially to this catastrophe.

What has happened in the Soviet Union in the past few days is the accident that is yet to happen in this country precisely because the Congress, the American public, and Wall Street have insisted on safety precautions.

The fact is that there are known defects in the Soviet nuclear program. Unfortunately, the American nuclear power program also has defects. Last year the Nuclear Regulatory Commission testified before the subcommittee which I chair and reluctantly admitted that its own safety studies suggest that the probability of a core meltdown at a U.S. nuclear plant could be 45 percent in the next 20 years. Over the weekend, it appears that such an accident occurred in the Soviet Union.

To those who say it could not happen here, I can tell you that the fact that the U.S. atomic reactors have containment buildings which may or may not successfully hold deadly radioactive materials from the environment and the public is not comfort enough, given a 50-50 chance of a meltdown.

We should be doing more to ensure that nuclear plants are as safe as possible. This is because a worst case nuclear accident can result in thousands of fatalities and cancers and can contaminate hundreds of square miles.

SOVIET UNION NUCLEAR ACCIDENT

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, we are all disturbed by the news coming out of the Soviet Union with regard to the nuclear accident which has obviously taken place there and has caused injuries and perhaps thousands of deaths.

What is particularly disturbing is the Soviet response to their accident. First of all, they did not bother to inform the world immediately about it. They allowed a radioactive cloud to drift over Western Europe, and then at one point, after it had been detected, even lied about the accident itself.

I am prepared today to introduce a resolution. It has already had original cosponsorship by about 50 Members of this body. It condemns the Soviet Union's failure to provide the world with notification and information about that nuclear accident, particularly since that catastrophe has such implications for many of the world's nations, particularly neighbors of the Soviet Union.

In addition, the resolution would call on the Soviet Union to allow outside nuclear experts to come in to help them deal with the accident, and also to allow the international press corps free access to cover the situation so that the world may be assured of complete and reliable information.

I would hope that this resolution is something that could be acted upon very quickly by the House so that we can make the Soviet Union completely aware that we, in this country, are disturbed and concerned about their actions thus far relating to that accident.

□ 1250

OLDER AMERICANS' MONTH

(Mr. BONER of Tennessee asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONER of Tennessee. Mr. Speaker, since May 1986 is Older Americans' Month, I would like to take this opportunity to express my concern over administration reports and rumors that the elderly of America are no longer a disadvantaged segment of our society.

Older women, mostly widows, make up 71 percent of the elderly poor. Only 23 percent of older women receive both Social Security and a private pension. I contacted the Census Bureau and was informed that for the year 1984, the median income for women over age 65 who were on Social Security or other pensions was $6,131—which is less than $900 over the poverty line of $5,250.

We cannot rose-color the fact that our elderly need the help of those of us here in Congress to ensure that they can live out their retirement years in a dignity which they richly deserve.

SOLVING "NOTCH" PROBLEM COULD COST $9 BILLION

(Mr. STRATTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRATTON. Mr. Speaker, we have had in the last few minutes a number of 1-minute speeches pointing out the so-called notch problem and indicating that some Member is going to do something about it with some particular piece of legislation.

This problem has been before us for a very substantial time, and probably the best expert on it is the gentleman from Texas [Mr. PICKLE], the former chairman of the Subcommittee on Social Security of the House Committee on Ways and Means. Mr. PICKLE has pointed out that if we were to solve this particular problem by the means suggested, it would require some $9 billion, and Congressman PICKLE pointed out at the time that that amount of money was the money that had to be included in the Social Security fund at the time that Congress, in 1982, approved legislation to keep Social Security fiscally solvent until the year 2027, the bipartisan proposals of the Greenspan Commission strengthened it with the resolutions that came out of the Greenspan committee.

I know that this is a perplexing problem that has upset a large number of our constituents, but it is not going to be solved in a couple of days, and in the year of Gramm-Rudman austerity, $9 billion will be hard to come by. Let's not give our constituents false hopes.

COMMENDING DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE JOHN N. McMAHON

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate concurrent resolution (S. Con. Res. 133) to commend Deputy Director of Central In-

telligence John N. McMahon for exceptionally distinguished service to the United States of America, and ask for its immediate consideration.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

Mr. STUMP. Mr. Speaker, reserving the right to object, I yield to the gentleman from Indiana.

Mr. HAMILTON. Mr. Speaker, the purpose of this resolution is to honor John N. McMahon, who recently retired as Deputy Director of Central Intelligence. John served 34½ years in the intelligence business, nearly all of them at the Central Intelligence Agency.

To those in the Congress who knew him, particularly on the Intelligence Committee, he was as fine a public servant as has appeared before any committee of the House or Senate. He had a well-deserved reputation for honesty, candor, and knowledge. He used those traits and very hard work to gain solid achievement in service to this Nation's intelligence efforts. As a high intelligence official under three Presidents, he earned each one's admiration and respect. He was a great supporter of responsible congressional oversight.

But, it is not just the Congress or any one President who will miss him the most. It will be his colleagues, coworkers, and subordinates at the Central Intelligence Agency and within the intelligence community who, no doubt, will experience this loss most severely. Year after year John McMahon gave the intelligence community and policymakers sage advice. He has been the conscience and the continuity of what many of us consider to be the finest intelligence capability in the world.

Mr. Speaker, Senate Concurrent Resolution 133 attempts to say this in a complimentary fashion and it is a worthy vehicle for the expression by this House of thanks for John's service to this country. However, the words of this resolution will never capture the essential force of this man who is a living embodiment of the intelligence professional upon whom this country so often and so greatly depends every day to protect its security.

Mr. Speaker, it is with great pleasure that I urge the adoption of this resolution and the recognition of appreciation of John N. McMahon that it represents.

Mr. STUMP. Mr. Speaker, further reserving the right to object, I associate myself with the remarks of my colleague and chairman of the House Intelligence Committee in commending John McMahon for his 34 years of dedicated service to this Nation. The intelligence community will miss his knowledge, capability, and contributions.

John McMahon has distinguished himself on numerous occasions before the House Intelligence Committee and other committees of Congress. As a hallmark of John McMahon's service and as a standard for those who follow him. John always conducted himself in a professional, honest, and forthright manner. It seems most fitting that Congress would honor John McMahon in his retirement for a job well done.

Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. BOLAND], the distinguished former chairman of the Permanent Select Committee on Intelligence.

Mr. BOLAND. I thank the gentleman for yielding.

Mr. Speaker, I rise in strong support of Senate Concurrent Resolution 133 to honor John N. McMahon for his long and distinguished career in the intelligence service of our country.

I met John in 1977 when I became chairman of the House Permanent Select Committee on Intelligence in that capacity, and in the contacts I have had with him since I left the committee, I have found John to be thoroughly competent, strictly honest, and unswervingly fair, not only in his relationship with the Intelligence Committee, but in his dealings with the Congress at large.

The essential characteristic of John McMahon, that which defined him as a public servant and which defines him as an individual, is his integrity. As the distinguished chairman of the Intelligence Committee, the gentleman from Indiana [Mr. HAMILTON] remarked earlier, it was the essential integrity of John McMahon that has helped show the American people that the profession of intelligence is an honorable one—one that deserves the support and appreciation of the American people.

His career also deserves our highest praise. John McMahon held every single intelligence position of importance within the Central Intelligence Agency, save that of the Director. In my judgment, he was the key influence behind some of the wisest policy decisions ever made by the intelligence community. But, beyond those important achievements, John made a singularly beneficial contribution to the morale of his colleagues. His example of the way in which to discharge essential, but often thankless duties, was an inspiration to those with whom he worked, and those, with whom his work, brought him into contact. It is therefore appropriate that we take note of his distinguished career. I enthusiastically support the passage of this resolution.

Mr. STUMP. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 133

Whereas, John McMahon has devoted his entire professional career to the intelligence service of his Nation, performing with dedication, honor and distinction for nearly 35 years since his graduation from the College of the Holy Cross in 1951;

Whereas, John McMahon's career has been one of outstanding accomplishment in diverse intelligence duties spanning the full range of technical, operational and analytical intelligence activities;

Whereas, John McMahon has an unparalleled record of service in key Central Intelligence Agency positions, including Executive Director, Deputy Director for Intelligence and Deputy Director for Operations, and also has had key management responsibilities for Intelligence Community affairs;

Whereas, John McMahon's career progression from communications clerk to Deputy Director of Central Intelligence personifies the finest traditions of our Nation's professional intelligence officers;

Whereas, John McMahon's many commendations and awards, including two Distinguished Intelligence Medals, testify to his extraordinary skill and outstanding leadership;

Whereas, during a period of increasingly varied and complex international developments of concern to the United States, in which demands for timely, accurate intelligence information to support national policymakers are becoming simultaneously more intense and diverse, John McMahon has been instrumental in preparing the Intelligence Community for the challenges of the future and has thus made a major and lasting contribution to the national security of the United States;

Whereas, John McMahon has earned the respect, admiration, and trust of the highest officials in the executive and legislative branches of our Government, and particularly of the present and former members of the Intelligence Committees of the Senate and House of Representatives for his integrity and positive approach to Congressional oversight of our Nation's intelligence activities: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That on the occasion of his retirement from an extraordinary career of public service, the Senate and House of Representatives of the United States of America express and record on behalf of the American people, their deep appreciation to John N. McMahon for his exceptionally distinguished service to the United States.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the Senate concurrent resolution just concurred in.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has been concluded on all motions to suspend the rules.

□ 1300

OFFICE OF ENVIRONMENTAL QUALITY AND COUNCIL ON ENVIRONMENTAL QUALITY AUTHORIZATIONS, 1987, 1988, AND 1989

Mr. BREAUX. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4353) to authorize appropriations for the operations of the Office of Environmental Quality and the Council on Environmental Quality during fiscal years 1987, 1988, and 1989.

The Clerk read as follows:

H.R. 4353

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 205(d) of the Environmental Quality Improvement Act of 1970 (42 U.S.C. 4374(d)) is amended by striking out "and September 30, 1986." and inserting in lieu thereof ", 1986, 1987, 1988, and 1989.".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Louisiana [Mr. BREAUX] will be recognized for 20 minutes and the gentleman from Alaska [Mr. YOUNG] will be recognized for 20 minutes.

Mr. BREAUX. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4353 would provide continuing authority under the Environmental Quality Improvement Act of 1970 to provide for the Office of Environmental Quality. This office provides the staff support for the Council on Environmental Quality.

The Council on Environmental Quality and its staff receive funding authorizations under both the National Environmental Policy and the Environmental Quality Improvement Acts. The former provides a continuous authorization of $1 million per year for an unspecified period. The authorization of the Environmental Qaulity Improvement Act, currently set at $840,000 per year, will expire at the end of this fiscal year and it is that authorization which our bill addresses.

The Council on Environmental Quality was established by the National Environmental Policy Act. This three member council, located within the Office of the President, provides advice to the President and Congress on environmental issues, overseas the operation of NEPA and conducts studies on environmental issues.

The total of the NEPA authorization of $1 million and the authorization for the Office of Environmental Quality of $480,000 contained in this legislation will provide sufficient funding for the Council and its staff. I urge its adoption by the House.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support continuing authority for the Office of Environmental Quality and urge the adoption of H.R. 4353.

The responsibilities of the CEQ are somewhat broad though center on analyzing important environmental conditions and trends. It reviews and appraises Federal Government programs having an impact on the environment. It recommends policy for protecting and improving the quality of the environment. It assists in coordinating Federal environmental programs which involve more than one agency and assists in the preparation of the President's Annual Report to Congress.

This bill is in keeping with the current climate of fiscal restraint by seeking a simple reauthorization of current appropriations. I support the adoption of this bill.

Mr. BREAUX. Mr. Speaker, I had planned to yield to the chairman of my committee, who does not seek to be recognized, but I thank the gentleman for his work and his support.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. LENT].

Mr. LENT. Mr. Speaker, H.R. 4353 would provide continuing authority under the Environmental Quality Improvement Act of 1970 for the Office of Environmental Quality, the support staff for the Council on Environmental Quality.

The Council on Environmental Quality was established by the National Environmental Policy Act. Its basic responsibilities involve providing advice to the President and Congress on environmental issues. It assists in coordinating Federal environmental programs which involve more than one agency and assists in the preparation of the President's Annual Report to Congress on the environmental quality of the Nation.

I support the continued authority of the Office of Environmental Quality and urge the adoption of H.R. 4353 by the Members of this body.

Mr. JONES of North Carolina. Mr. Speaker, I rise in support of H.R. 4353, legislation to extend the current annual authorization of $480,000 through fiscal year 1989 for the Council on Environmental Quality and the Office of Environmental Quality.

The Council advises the President on matters of environmental quality and studies and interprets trends in the quality of the environment. The Office of Environmental Quality provides the Council with staff support.

The President has generally ignored the Council by reducing its staff from 29 employees in 1980 to 10 employees today. By reauthorizing this legislation, we can continue to provide the President with at least this minimal amount of environmental staff support.

This bill is in keeping with the current atmosphere of fiscal restraint. It seeks a straight reauthorization of the current level of appropriations. It is not a controversial piece of legislation and is consistent with the administration's proposed budget for CEQ for fiscal year 1987. I urge all members to support this legislation.

Mr. YOUNG of Alaska. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BREAUX. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Louisiana [Mr. BREAUX] that the House suspend the rules and pass the bill, H.R. 4353.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BREAUX. Mr. Speaker, I ask unanimous consent that all Members who wish to do so may have 3 legislative days in which to file their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

ATLANTIC STRIPED BASS CONSERVATION ACT AUTHORIZATION

Mr. BREAUX. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3358) to reauthorize the Atlantic Striped Bass Conservation Act, and for other purposes as amended.

The Clerk read as follows:

H.R. 3358

Be it enacted by the Senate and House of Represenatives of the United States of America in Congress assembled,

SECTION 1. DEFINITIONS.

Paragraphs (3) and (4) of section 3 of the Atlantic Striped Bass Conservation Act (16 U.S.C. 1851 note) are amended to read as follows:

"(3) The term 'coastal waters' means—

"(A) for each coastal State referred to in paragraph (4)(A)—

"(i) all waters, whether salt or fresh, of the coastal State shoreward of the baseline from which the territorial sea of the United States is measured; and

"(ii) the waters of the coastal State seaward from the baseline referred to in clause (i) to the inner boundary of the exclusive economic zone;

"(B) for the District of Columbia, those waters within its jurisdiction; and

"(C) for the Potomac River Fisheries Commission, those waters of the Potomac River within the boundaries established by the Potomac River Compact of 1958.

"(4) The term 'coastal State' means—

"(A) Pennsylvania and each State of the United States bordering on the Atlantic Ocean north of the State of South Carolina;

"(B) the District of Columbia; and

"(C) the Potomac River Fisheries Commission established by the Potomac River Compact of 1958.".

SEC. 2. COMMISSION FUNCTIONS.

(1) Section 4 of the Atlantic Striped Bass Conservation Act is amended by striking subsections (a) and (c) and redesignating subsections (b) and (d) as (a) and (b) respectively.

(2) Subsection (a) (as so redesignated) is amended to read as follows:

"(a) MONITORING OF IMPLEMENTATION AND ENFORCEMENT.—

"(1) Commencing on July 1, 1986, the Commission shall monitor on a biannual basis—

"(A) whether each coastal State has adopted all regulatory measures necessary to fully implement the Plan in its coastal waters; and

"(B) the enforcement of the Plan by each coastal State for purposes of deciding if enforcement is satisfactory. Enforcement by a coastal State may not be considered satisfactory by the Commission if the enforcement is being carried out in such a manner that the implementation of the Plan is being, or will likely be, substantially and adversely affected.

"(2) The Commission shall immediately notify the Secretaries of each negative determination made by it under this subsection.".

(3) Subsection (b) (as so redesignated) is amended to read as follows:

"(b) SECRETARIAL ACTION AFTER NOTIFICATION.—Upon receiving notice from the Commission under subsection (a) that a coastal State has not taken the actions described in that subsection, the Secretary shall determine, within 30 days, whether that coastal State is in compliance with the Plan and, if the State is not in compliance, the Secretary shall declare a moratorium on fishing for Atlantic striped bass within the coastal waters of that coastal State. In making such a determination, the Secretary shall carefully consider and review the comments of the Commission, that coastal State in question, and the Secretary of the Interior.".

SEC. 3. MORATORIUM.

Section 5 of the Atlantic Striped Bass Conservation Act is amended as follows:

(1) Subsection (a)(1) is amended by striking "4(d)" and inserting "4(b)";

(2) Subsection (a)(2) is amended to read as follows—

"(2) The term 'moratorium period' means the period beginning on the day on which a moratorium is declared under section 4(b) regarding a coastal State and ending on the day on which the Commission notifies the Secretary that that State has taken appropriate remedial action with respect to those matters that were the cause of the moratorium being declared and the Secretary, upon review, agrees with the determination of the Commission.".

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

Section 7 of the Atlantic Striped Bass Conservation Act is amended to read as follows:

"SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

"For each of fiscal years 1986 and 1987, there are authorized to be appropriated such sums as may be necessary or appropriate to carry out the provisions of this Act.".

SEC. 5. EFFECTIVE PERIOD.

Section 9 of the Atlantic Striped Bass Conservation Act is amended by striking out "18 months after the date of the enactment of this Act." and inserting in lieu thereof "at the close of September 30, 1987."

SEC. 6. FUNDING OF STRIPED BASS STUDIES.

Section 7(d) of the Anadromous Fish Conservation Act (16 U.S.C. 757g(d)) is amended by striking out "and September 30, 1986" and inserting in lieu thereof "September 30, 1986, September 30, 1987, and September 30, 1988".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Louisiana [Mr. BREAUX] will be recognized for 20 minutes and the gentleman from Alaska [Mr. YOUNG] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Louisiana [Mr. BREAUX].

Mr. BREAUX. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill our committee now brings before the House for consideration addresses yet another important ocean resource requiring the special attention of Congress.

The Atlantic striped bass, one of the world's premier food and game fish, is currently at its lowest level of abundance ever recorded. Although this species is known to spawn each and every year, the Atlantic coast striped bass has failed for the last 15 years to produce a sufficient number of offspring to sustain a healthy population. There is very serious and warranted concern among the scientific community that, unless some substantial action is taken, the striped bass may never be restored or regain its past prominence in the sport and commercial fisheries of the Atlantic coast.

A number of factors have been suggested to be the cause of the striped bass decline including poor water quality and overfishing. To date, the primary focus of efforts to restore this resource has been to regulate fishing. Because the striped bass is highly migratory and anadromous in nature, the Atlantic States Marine Fisheries Commission has attempted to coordinate the multijurisdictional management of striped bass fisheries by developing an interstate fisheries management plan. In 1984, however, it became obvious to the 98th Congress that voluntary State compliance with this plan would not be adequately achieved without some Federal encouragement.

The purpose of the Atlantic Striped Bass Conservation Act of 1984 was to provide such encouragement by virtue of a Federal moratorium on striped bass fishing in States that failed to comply with the plan. As a result of that legislation, all of the affected States were quick to adopt adequate striped bass regulatory provisions. Since 1984, however, the Atlantic States Marine Fisheries Commission has developed a revised management plan which contains even more stringent management measures necessary to protect this species from total collapse, therefore, further Federal encouragement of State compliance will be necessary.

The bill before us would not only extend through fiscal year 1987 the provisions of the Atlantic Striped Bass Conservation Act in order to ensure State compliance with the new striped bass plan, but would also extend for 2 years the emergency striped bass research study which provides all of the data for management of this species.

Mr. Speaker, I ask for the unanimous support of the House for the bill before us. Not only does it provide a mechanism proven to be effective for properly managing this important resource, but, in addition, the bill ensures that the necessary scientific research will continue to support management decisions well into the future.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this bill and urge its adoption by the House.

This bill will allow us to continue to provide assistance for the implementation of interstate conservation and management regimes concerning Atlantic striped bass. It authorizes the Departments of Commerce and Interior to continue scientific research, including an emergency study on the decline of striped bass. The bill also continues the enforcement power of the Secretary of Commerce to ensure that coastal States are cooperating in striped bass management and, finally, makes some technical changes to existing law to include the District of Columbia within the management area.

The Atlantic Striped Bass Conservation Act is an example of cooperation among coastal States and with the Federal Government in effectively conserving and managing a resource that migrates throughout the waters of those States and beyond the 3-mile territorial sea. Without such cooperative efforts, this important species of fish, which is well known to commercial and sport fishermen alike, would be in danger of depletion. Reauthorization of the act as is contemplated

under this bill would allow the cooperative effort to continue.

Mr. Speaker, I believe that this is a good bill, and I urge its adoption by the House.

Mr. BREAUX. Mr. Speaker, I yield such time as he may need to the distinguished chairman of our committee, the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Speaker, the bill now before us, H.R. 3358, would reauthorize the Atlantic Striped Bass Conservation Act through fiscal year 1987 and would reauthorize the emergency striped bass study through fiscal year 1988.

The Atlantic coast striped bass populations are in very poor condition. The Chesapeake Bay stocks, which normally account for the vast majority of Atlantic coast landings, are at an all-time low. Significant successful spawning has not occurred in over 15 years. State and Federal scientists have identified several factors that may act in concert, causing the striped bass decline. Unfortunately, a definitive answer to the decline is lacking.

The bill before us would ensure that the States will continue to manage the Chesapeake Bay striped bass stocks in a uniform manner. This is very important because these stocks migrate through the jurisdiction of 12 Atlantic coast States. In addition, this bill would extend the emergency striped bass study under which the Federal Government and the States are attempting to better understand the root cause of the striped bass decline.

The administration supports the reauthorization of the Striped Bass Conservation Act, and I would urge the Members to support the bill now before us.

Mr. BREAUX. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. STUDDS] who has been most helpful and involved in preparing this legislation.

Mr. STUDDS. Mr. Speaker, I want to thank the distinguished chairman of the subcommittee and of the full committee and the members on the minority side, especially the gentleman from Alaska, who has given such a lengthy and thoughtful and impassioned statement in defense of the bill. He has been very helpful in working on this.

Let me just say very briefly, as the author of the act, I think Members know that the striped bass is one of the more remarkable of God's creatures in the relationship that it has developed over time with man. It is held in something approaching veneration.

It is also a most intelligent fish. The management of the striped bass presents a problem to the political jurisdictions of man, and that is because it swims through the waters of States from North Carolina to Maine, but it has uncanny good taste in that it generally avoids swimming through Federal waters. The problem comes before us, or it did a couple of years ago, of how one responds at the Federal level to an emergency involving a species of such extraordinary importance.

The law which we seek to extend, as I think Members know, represents a compromise originally between those who wanted us to step in and impose a Federal moratorium on all fishing in what are essentially and traditionally State waters, on the one hand, and those on the other who would have had us, characteristically, do nothing at all.

I think we have chosen the wise course in leaving it to the Atlantic States Marine Fisheries Commission to devise the guidelines, and to hold in abeyance the prospect of a Federal moratorium in the event that any State failed to comply. It has not been necessary to date to impose a moratorium from the Federal level on any State, although several States, as I think Members know, have concluded in the last few months that the extraordinary pollution of the stocks required a moratorium in their own waters.

Again, I want to thank the leadership on both sides of the aisle. This is a bill of extraordinary consequence I think to a large part of the country and it is also refreshingly without controversy.

I rise in strong support of H.R. 3358, a bill to continue our effort to restore the Atlantic striped bass to its traditional status as one of the leading sport and commercial fish species on the east coast.

The bill would extend, through September 1987, the provisions of the Atlantic Striped Bass Conservation Act, which was signed into law 18 months ago. In so doing, it would extend the authority of the Secretary of Commerce to declare a moratorium on fishing for striped bass in any State that fails to comply with guidelines approved by the Atlantic States Marine Fisheries Commission [ASMFC] to restrict fishing for the species.

The striped bass is in deep trouble.The best available scientific evidence indicates that its population can be restored, but that a significant reduction in fishing effort will be required for this to occur.

The Atlantic Striped Bass Conservation Act was based on two principles: That there was a strong national interest in preventing the further decline of the striped bass, and that State governments should retain primary responsibility for managing the species. It was essential that a partnership be developed between the States and the Federal Government that would ensure adequate protection for the striped bass, without violating the right of State governments to manage fisheries that are found primarily in their waters.

This partnership is reflected in the Striped Bass Conservation Act, and in the legislation to extend the provisions of that act that we are considering today. The responsibility for managing the striped bass remains with the States, acting on a regional basis through the ASMFC. The role of the Federal Government is to encourage State compliance with the guidelines approved by the regional organization. This is accomplished by making any State that fails to meet its obligation to comply with the ASMFC guidelines subject to a moratorium on all fishing for striped bass.

Thus far, this cooperative effort in behalf of the striped bass has worked well. State governments have responded by complying with the regional guidelines, thus avoiding the need for the Federal Government to declare a moratorium in any State.

Despite the progress that has been made, the ultimate purpose of the Atlantic Striped Bass Conservation Act has not yet been achieved. The ASMFC recently adopted new guidelines that will further restrict fishing in the months ahead. A major goal of these amendments is to protect the female population of the relatively abundant 1982 year class, thus assuring its survival to spawn. These new regulations are necessary, but they are not universally popular, and the incentives for compliance provided by Federal legislation are still required.

The striped bass problem does not stem entirely from overfishing. Pollution, including that resulting from acid rain, is an important cause—and perhaps the primary cause—of the crisis we now face. The Striped Bass Conservation Act is no substitute for vigorous action to clean up pollution in Chesapeake Bay, Delaware Bay, the Hudson River and other habitat critical to the species. We need a comprehensive approach to the problem; the Striped Bass Conservation Act is a vital component of such an approach; but our effort to improve the health and cleanliness of our waterways must go forward, as well.

The striper is a great fish, admired for its guile and beauty as well as for its taste, and it must be saved. Passage of this bill, which was reported without opposition from the Committee on Merchant Marine and Fisheries, will help ensure that survival. The law has been successful, costs the Federal Government almost nothing, and its reauthorization is supported by the administration. I trust that it will be overwhelmingly approved by the House today.

Mr. YOUNG of Alaska. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. LENT].

Mr. LENT. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I would like to identify myself with the very cogent remarks of the last gentleman who spoke, the gentleman from Massachusetts [Mr. STUDDS].

Mr. Speaker, I support the reauthorization of the Atlantic Striped Bass Conservation Act. The act, signed into law during the 98th Congress, was a direct result of the efforts of the Merchant Marine and Fisheries Committee to protect a vitally important species for both commercial and recreational fishermen along the east coast.

The act encourages States to implement and enforce their own fishery management plans to help turn around the rapid decline of Atlantic coast striped bass stocks. H.R. 3358 would reauthorize the Atlantic Striped Bass Conservation Act through fiscal year 1987, and would continue the authorization of appropriations for the emergency striped bass study.

Because populations of this species are declining, I think it is important that we make every effort to promote sound conservation measures as found in this legislation.

I support passage of H.R. 3358 and urge its adoption by this body.

Mr. BREAUX. Mr. Speaker, it is obvious that the striped bass has many friends in the House of Representatives and in the other body. This legislation is sincerely needed to continue the management.

It is interesting—just yesterday, I introduced legislation dealing with another species of fish that does not have the good sense not to swim in Federal waters, and that is the Red Fish in the Gulf of Mexico, which is in a very serious state near depletion and is being taken indiscriminately by many fishermen who have no concern about the needs to manage this species properly.

Just this weekend, over 100,000 pounds of thrown-away Red Fish, thrown overboard by fishing vessels in the gulf, that did not have enough space on board to even hold the fish on their vessels, were just thrown overboard and found themselves washing up on the beaches of Louisiana and Mississippi. That is a very gross example of mismanagement.

The only other problem is that the Gulf Fisheries Management Council has not developed a Red Fish management plan, which they should have done long ago.

I have introduced legislation yesterday which would place a temporary moratorium on all taking of Red Fish in the Gulf of Mexico for 90 days, which would give the National Marine and Fisheries Service ample time to develop an emergency plan for regulations to regulate the taking. This is similar. It is unfortunate that we, in the Congress, have to be involved in developing management plans, but when we find situations where councils and States have not done so, I think it is important that we go ahead and take appropriate action.

Mr. YOUNG of Alaska. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BREAUX. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Louisiana [Mr. BREAUX] that the House suspend the rules and pass the bill, H.R. 3358, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BREAUX. Mr. Speaker, I ask unanimous consent that all Members who wish to do so may have 3 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana.

There was no objection.

ATLANTIC TUNAS CONVENTION ACT OF 1975 AUTHORIZATION

Mr. BREAUX. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3133) to authorize appropriations to carry out the Atlantic Tunas Convention Act of 1975 during fiscal years 1987, 1988, and 1989.

The Clerk read as follows:

H.R. 3133

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 10 of the Atlantic Tunas Convention Act of 1975 (16 U.S.C. 971h) is amended by striking out "and 1986" and inserting in lieu thereof "1986, 1987, 1988, and 1989".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Louisiana [Mr BREAUX] will be recognized for 20 minutes and the gentleman from Alaska [Mr YOUNG] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Louisiana [Mr BREAUX].

Mr. BREAUX. Mr Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3133, which reauthorizes the Atlantic Tunas Convention Act, will ensure continued U.S. participation and leadership in the International Convention for the Conservation of Atlantic Tunas [ICCAT]. This Convention was negotiated 20 years ago for the purpose of promoting an effective conservation and management program that recognizes the unique problems related to the highly migratory nature of tunas. U.S. participation in ICCAT is predicted on a sound U.S. juridical position that effective conservation and management of highly migratory species of tuna cannot be achieved on a unilateral basis. Instead, such efforts must be pursued on the basis of international cooperation throughout the range of the species.

Of particular concern to ICCAT has been the conservation and restoration of the Atlantic bluefin, or "giant" tuna, a very important commercial and recreational species which was heavily overfished in the 1970's. In fact, some of the most destructive fishing practices occurred in the Gulf of Mexico off of my home State of Louisiana where Japanese longline fishermen once targeted the spawning concentrations of this species. By 1981, ICCAT scientists reported that the abundance of bluefin tuna was only 15 percent of the 1960 level.

Since 1981, ICCAT nations have taken extreme measures to protect this valuable resource from further decimation including the termination of all directed bluefin tuna fishing on the Gulf of Mexico spawning grounds. I would like to note that our committee has received a very favorable progress report from the U.S. Commissioner and Chairman of ICCAT regarding these efforts. Apparently, all indications are that this program is working and that the bluefin tuna resource is recovering, and so I ask for the Members' support for this legislation today.

□ 1315

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. BREAUX. I yield to the distinguished gentleman from New York.

Mr. STRATTON. I thank the gentleman for yielding.

Mr. Speaker, my major connection with tuna is a tuna fish sandwich usually at lunchtime, but I would like to ask the gentleman from Louisiana if this refers only to Atlantic tuna. Is that my understanding?

Mr. BREAUX. The gentleman is correct, and he can be assured that this legislation will go a long way to protecting his daily tuna fish sandwich.

Mr. STRATTON. I am glad to hear that, but last January the Committee on Armed Services took a tour of the Southern Pacific and we discovered that there were a good many complaints from many of the smaller countries and the smaller islands in connection with what they felt were improper practices on the part of American tuna fishermen.

Does the gentleman have any information with respect to that, because it looked to me as though this could develop into a serious political problem.

Mr. BREAUX. Let me respond to the gentleman by assuring him that the legislation today, and the convention that we are talking about, deals only with the Atlantic side of the problem. Other problems in the Pacific are subject to ongoing negotiations. This in no way addresses that. This is just with nations dealing with the Atlantic tuna take.

Mr. STRATTON. But the gentleman does recognize that there is a problem.

Mr. BREAUX. Absolutely.

Mr. STRATTON. I appreciate the gentleman's remarks.

Mr. BREAUX. Mr. Speaker, I reserve the balance of my time.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of this legislation and urge its adoption by the House.

This bill, which is supported on both sides of the aisle, will continue U.S. participation in the International Convention for the Conservation of Atlantic Tunas. This international body, which is charged with the conservation and management of highly migratory species in the Atlantic, has been successful in ensuring that tuna stocks are preserved under sound scientific principles. The United States is 1 of 19 nations participating in this international conservation regime.

Because tuna are highly migratory fish, they can be managed effectively only through a cooperative international system. The Atlantic Tunas Convention is one such system. Based on scientific reports, the activities conducted under the Convention have been responsible for stopping the decline of bluefin tuna stocks and will allow an increase in stock size. This is a good example of international cooperation, and the legislation continuing U.S. participation is supported by the administration.

Mr. Speaker, I urge the support of all Members for this bill.

Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. LENT].

Mr. LENT. I thank the gentleman for yielding this time to me.

Mr. Speaker, H.R. 3133, a bill to reauthorize the Atlantic Tunas Convention Act, implements for the United States the International Convention for the Conservation of Atlantic Tunas. The Convention provides an effective program for international cooperation in research and conservation of tuna, a very valuable commercial fishing resource.

The United States is a party to the Convention along with 18 other nations. The act also furthers the U.S. juridical position which maintains that effective conservation and management of highly migratory species such as tuna can only be achieved through international regimes whose authority extends throughout the geographic range of the species.

I support the reauthorization of the Atlantic Tunas Convention Act and urge my colleagues to adopt this bill.

Mr. JONES of North Carolina. Mr. Speaker, H.R. 3133, authorizes appropriations to carry out the Atlantic Tunas Convention Act of 1975 for fiscal years 1987, 1988, and 1989.

The Atlantic Tunas Convention Act authorizes U.S. participation in the International Convention for the Conservation of Atlantic Tunas. The Convention was negotiated in response to the decline of Atlantic Tuna stocks caused by overfishing by various nations. In 1981, scientists reported that bluefin tuna stocks were only 15 percent of their 1960 levels. In an effort to correct this situation, the Convention recommended severe reductions in the take of bluefin tuna. Recently acquired data now indicates that bluefin tuna stocks in the western Atlantic are beginning to show an increase. This increase has been largely due to the conservation restrictions recommended by the Convention and adopted by its member nations.

Although the management of bluefin tuna stocks is showing success, other tuna stocks are still depleted. Therefore, the Convention should continue its research and conservation efforts with strong U.S. support.

I urge Members to support continued U.S. participation in the conservation of Atlantic tunas by voting for this bill.

Mr. BREAUX. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Louisiana [Mr. BREAUX] that the House suspend the rules and pass the bill, H.R. 3133.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BREAUX. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3133, the bill just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

DESIGNATION OF THE ARTHUR R. MARSHALL LOXAHATCHEE NATIONAL WILDLIFE REFUGE

Mr. BREAUX. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1438) to change the name of the Loxahatchee National Wildlife Refuge, FL, to the Arthur R. Marshall Loxahatchee National Wildlife Refuge, as amended.

The Clerk read as follows:

H.R. 1438

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Loxahatchee National Wildlife Refuge, in the State of Florida, shall hereafter be known and designated as the "Arthur R. Marshall Loxahatchee National Wildlife Refuge". Any reference in any law, regulation, map, document, record, or other paper of the United States to such wildlife refuge, shall be held and considered to be a reference to the "Arthur R. Marshall Loxahatchee National Wildlife Refuge".

SEC. 2. The second sentence of section 3(a) of the Act entitled "An Act to provide for additional authorization for appropriations for the Tinicum National Environmental Center", approved July 25, 1980 (P.L. 96-315, 94 Stat. 957) is amended—

(1) by inserting "(1)" after "include"; and

(2) by inserting before the period the following: "; and (2) all full-time residents of that area as of June 30, 1985, who held, before December 31, 1979, valid Fish and Wildlife Service weekend access permits to the refuge and who can substantiate to the Refuge Manager that access is essential to the maintenance of their livelihood, as long as they remain full-time residents".

The SPEAKER pro tempore. Is a second demanded?

Mr. YOUNG of Alaska. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Louisiana [Mr. BREAUX] will be recognized for 20 minutes and the gentleman from Alaska [Mr. YOUNG] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Louisiana [Mr. BREAUX].

Mr. BREAUX. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1438 would change the name of the Loxahatchee National Wildlife Refuge in Florida to the Arthur R. Marshall Loxahatchee National Wildlife Refuge. The bill was introduced by the gentlemen from Florida [Mr. LEWIS], in whose district the Loxahatchee Refuge is located, and has been cosponsored by the entire Florida congressional delegation.

Art Marshall was a leader of the movement to preserve the environment of south Florida. A scientist who worked for the U.S. Fish and Wildlife Service for 15 years, he recognized the effect that growth was having on the natural water system of south Florida. He realized that the environment of south Florida was an integral whole and that the Everglades could not be protected without protecting the natural systems that make the area unique. He also demonstrated that protecting the Everglades and maintaining the natural water system was essential to replenishing the aquifer and providing water to south Florida in times of drought.

It is fitting that we name the Loxahatchee Refuge after Art Marshall. Not only will it honor a man who devoted his life to the natural sciences and the natural world, it will also educate the thousands of visitors to the refuge about the work of a great conservationist and scientist. It may inspire others to devote themselves to the cause of conservation.

The legislation also contains a provision clarifying the access provisions of Back Bay National Wildlife Refuge. It would allow long time residents of Currituck County, NC, who work in Virginia Beach to transit the refuge.

The impact on the refuge by the few additional permittees would be minimal.

Mr. Speaker, this legislation is not controversial and would recognize the work of a noted conservationist. I urge my fellow Members to give it their support.

Mr. Speaker, I reserve the balance of my time.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1438, a bill that would add the name of Arthur R. Marshall to the Loxahatchee National Wildlife Refuge, and the committee amendment.

I understand that Mr. Marshall throughout his life was an avid conservationist, respected by his peers, and active in the fight to conserve Florida's valuable fish and wildlife resources and their environment.

The addition of Mr. Marshall's name to this refuge is a justifiable tribute to his dedication to the conservation of our natural resources.

I especially want to commend Congressman LEWIS and the other members of the Florida delegation on this legislation, and I urge its adoption.

Mr. Speaker, I yield 5 minutes to the gentleman from Florida [Mr. LEWIS].

Mr. LEWIS of Florida. I thank the gentleman from Alaska for yielding this time to me.

Mr. Speaker, as distinguished members of the Committee on Merchant Marine and Fisheries have stated, H.R. 1438 changes the name of the Loxahatchee National Wildlife Refuge in Palm Beach County, FL, to the Arthur R. Marshall Loxahatchee National Wildlife Refuge.

This legislation honors the memory of an individual who contributed to the enhancement and protection of one of our greatest national treasures, Florida's natural environment.

The Loxahatchee National Wildlife Refuge was established in 1951 for the purpose of managing and protecting a portion of the Florida Everglades and its native species of wildlife. This area encompasses 220 square miles and is one of the largest freshwater marshes in North America.

Arthur R. Marshall, a pioneer of environmental conservation, served as adviser to three Florida Governors and worked for the U.S. Fish and Wildlife Service for 15 years, and was named Conservationist of the Decade by the Florida Wildlife Federation. He received numerous awards from the Izaak Walton League, the Sierra Club, and the Audubon Society.

Art Marshall waged one conservation battle after another, and many of his ideas and initiatives have today been put into conservative action. With Art Marshall's death early last year, it is highly appropriate that an example of the habitat and natural systems he diligently worked to preserve should bear his name.

I and my Florida colleagues urge passage of H.R. 1438.

Mr. LENT. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of Florida. Certainly I yield to the gentleman from New York.

□ 1325

Mr. LENT. Mr. Speaker, I rise in support of H.R. 1438 which would simply add the name of Mr. Arthur R. Marshall to the Loxahatchee National Wildlife Refuge in southern Florida.

The bill introduced by Congressman LEWIS of Florida along with the support of the entire Florida delegation is a fine tribute to a man who spent close to 30 years of his life involved with protecting the fragile balance of natural systems found in the Everglades.

Mr. Marshall, an ecologist, was one of the early pioneers in developing theories regarding the impact of growth on south Florida, specifically the disruption it had on the habitat and ultimately the fish and wildlife resources.

I want to commend Congressman LEWIS on the legislation and urge the Members of the House to support its adoption.

Mr. JONES of North Carolina. Mr. Speaker, I rise in support of H.R. 1438, legislation to rename a national wildlife refuge for the late Arthur R. Marshall. This bill, cosponsored by the entire Florida delegation in the House, honors a well-known Florida conservation leader.

During his lifetime, Mr. Marshall led the conservation efforts to preserve the Florida Everglades ecosystem. He worked for the U.S. Fish and Wildlife Service for 15 years, after which he taught at several universities in Florida. Throughout his various occupations, however, his career was guided by his firm dedication to the protection of this country's natural resources.

There is a committee amendment on this bill which addresses a problem for several North Carolina residents in Currituck, NC. This amendment will allow certain full time residents of the Currituck outer banks, who live north of Corolla, NC, and whose livelihood depends on this access, to be eligible for a permit to travel through the Back Bay National Wildlife Refuge. I feel it is necessary to help these few people whose livelihood is dependent on traveling to Virginia Beach each day. This amendment will improve their situation by cutting out 3 hours of driving time daily.

There is no authorization of appropriations associated with this legislation. It is a noncontroversial bill, one I hope all Members will support.

Mr. BREAUX. Mr. Speaker, I yield back the balance of my time.

Mr. YOUNG of Alaska. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Louisiana [Mr. BREAUX] that the House suspend the rules and pass the bill, H.R. 1438, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to change the name of the Loxahatchee National Wildlife Refuge, FL, to the Arthur R. Marshall Loxahatchee National Wildlife Refuge, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BREAUX. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1438, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

INDIAN HEALTH CARE AMENDMENTS OF 1986

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the unfinished business is the question of suspending the rules and passing the bill, H.R. 4600, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona [Mr. UDALL] that the House suspend the rules and pass the bill, H.R. 4600, as amended, on which further proceedings were postponed on Monday, April 28, 1986, and on which the yeas and nays are ordered.

The vote was taken by electronic device and there were—yeas 263, nays 141, not voting 29, as follows:

[Roll No. 98]

YEAS—263

Ackerman	Breaux	Dingell
Akaka	Brooks	Dixon
Alexander	Brown (CA)	Donnelly
Anderson	Broyhill	Dorgan (ND)
Andrews	Bruce	Dowdy
Annunzio	Bryant	Downey
Anthony	Burton (CA)	Durbin
Applegate	Bustamante	Dwyer
Aspin	Byron	Dymally
Atkins	Carper	Early
Barnard	Chapman	Eckart (OH)
Barnes	Chappell	Edwards (CA)
Bates	Chappie	Erdreich
Bedell	Clay	Evans (IA)
Bellenson	Coelho	Evans (IL)
Bennett	Coleman (TX)	Fascell
Bentley	Collins	Fazio
Bereuter	Conte	Feighan
Berman	Conyers	Flippo
Bevill	Cooper	Florio
Biaggi	Coughlin	Foglietta
Boggs	Coyne	Ford (MI)
Boland	Craig	Ford (TN)
Boner (TN)	Crockett	Fowler
Bonior (MI)	Darden	Frank
Bonker	Daschle	Fuqua
Borski	de la Garza	Garcia
Bosco	Dellums	Gaydos
Boucher	Derrick	Gejdenson
Boxer	Dicks	Gephardt

Gibbons	Martin (NY)	Schuette
Gilman	Martinez	Schumer
Gonzalez	Matsui	Seiberling
Gordon	Mavroules	Sensenbrenner
Gradison	Mazzoli	Sharp
Gray (IL)	McCloskey	Shelby
Gray (PA)	McCurdy	Sikorski
Green	McHugh	Sisisky
Guarini	McMillan	Skeen
Hall (OH)	Mica	Skelton
Hall, Ralph	Mikulski	Slattery
Hamilton	Miller (CA)	Smith (FL)
Hatcher	Miller (WA)	Smith (IA)
Hawkins	Mineta	Smith, Robert (OR)
Hayes	Mitchell	Snowe
Hefner	Moakley	Solarz
Heftel	Mollohan	Spratt
Hendon	Montgomery	St Germain
Henry	Moody	Staggers
Hertel	Murphy	Stallings
Horton	Murtha	Stangeland
Howard	Natcher	Stark
Hoyer	Neal	Stokes
Huckaby	Nelson	Studds
Hunter	Nielson	Synar
Jacobs	Nowak	Tallon
Jeffords	O'Brien	Tauke
Jenkins	Oakar	Tauzin
Johnson	Oberstar	Thomas (GA)
Jones (NC)	Obey	Torres
Jones (OK)	Owens	Torricelli
Jones (TN)	Panetta	Towns
Kanjorski	Pashayan	Traficant
Kaptur	Pease	Traxler
Kastenmeier	Penny	Udall
Kennelly	Perkins	Valentine
Kildee	Porter	Vander Jagt
Kleczka	Price	Vento
Kolter	Pursell	Visclosky
Kostmayer	Rahall	Walgren
LaFalce	Rangel	Watkins
Lantos	Ray	Waxman
Leach (IA)	Reid	Weiss
Lehman (CA)	Richardson	Wheat
Lehman (FL)	Robinson	Whitley
Leland	Rodino	Whitten
Levin (MI)	Roe	Williams
Levine (CA)	Rose	Wilson
Lewis (FL)	Rostenkowski	Wirth
Lipinski	Roth	Wolpe
Long	Rowland (GA)	Wortley
Lowry (WA)	Roybal	Wright
Luken	Russo	Wyden
Lundine	Sabo	Yates
MacKay	Savage	Yatron
Manton	Scheuer	Young (AK)
Markey	Schneider	Young (MO)
Marlenee	Schroeder	

NAYS—141

Archer	Edwards (OK)	Livingston
Armey	Emerson	Lloyd
Bartlett	English	Lott
Barton	Fawell	Lowery (CA)
Bateman	Fields	Lungren
Bilirakis	Fish	Mack
Bliley	Frenzel	Madigan
Boehlert	Gallo	Martin (IL)
Boulter	Gekas	McCain
Broomfield	Gingrich	McCollum
Burton (IN)	Goodling	McEwen
Campbell	Gregg	McGrath
Carney	Gunderson	McKinney
Chandler	Hammerschmidt	Meyers
Cheney	Hansen	Michel
Clinger	Hartnett	Miller (OH)
Coats	Hiler	Molinari
Cobey	Hillis	Monson
Coble	Holt	Moore
Coleman (MO)	Hopkins	Moorhead
Combest	Hubbard	Morrison (WA)
Courter	Hughes	Myers
Crane	Hyde	Olin
Daniel	Ireland	Oxley
Dannemeyer	Kasich	Packard
Daub	Kemp	Parris
DeLay	Kindness	Petri
DeWine	Kolbe	Quillen
Dickinson	Kramer	Regula
DioGuardi	Lagomarsino	Ridge
Dornan (CA)	Latta	Rinaldo
Dreier	Leath (TX)	Ritter
Duncan	Lent	Roberts
Dyson	Lewis (CA)	Roemer
Eckert (NY)	Lightfoot	Rogers
Roukema	Smith, Denny (OR)	Swindall
Rowland (CT)	Smith, Robert (NH)	Taylor
Rudd	Snyder	Thomas (CA)
Saxton	Solomon	Volkmer
Schaefer	Spence	Walker
Schulze	Stenholm	Weber
Shaw	Strang	Whitehurst
Shumway	Stratton	Whittaker
Shuster	Stump	Wolf
Siljander	Sundquist	Wylie
Slaughter	Sweeney	Young (FL)
Smith (NE)		Zschau
Smith (NJ)		

NOT VOTING—29

AuCoin	Frost	Mrazek
Badham	Glickman	Nichols
Brown (CO)	Grotberg	Ortiz
Callahan	Hutto	Pepper
Carr	Loeffler	Pickle
Davis	Lujan	Swift
Edgar	McCandless	Vucanovich
Fiedler	McDade	Weaver
Foley	McKernan	Wise
Franklin	Morrison (CT)	

□ 1340

Messrs. ENGLISH, WATKINS, and JONES of Oklahoma changed their votes from "yea" to "nay."

Messrs. JONES of Oklahoma, SYNAR, McCURDY, and WATKINS changed their votes from "nay" to "yea."

So (two-thirds not having voted in favor thereof) the motion was rejected.

The result of the vote was announced as above recorded.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4409, PANAMA CANAL COMMISSION AUTHORIZATION ACT, FISCAL YEAR 1987

Mr. WHEAT, from the Committee on Rules, submitted a privileged report (Rept. No. 99-565) on the resolution (H. Res. 436), providing for the consideration of the bill (H.R. 4409) to authorize appropriations for fiscal year 1987 for the operation and maintenance of the Panama Canal, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4208, COAST GUARD AUTHORIZATION ACT OF 1986

Mr. WHEAT, from the Committee on Rules, submitted a privileged report (Rept. No. 99-566) on the resolution (H. Res. 437) providing for the consideration of the bill (H.R. 4208) to authorize appropriations for the Coast Guard for fiscal years 1987 and 1988, and for other purposes, which was referred to the House Calendar and ordered to be printed.

COMMUNITY SERVICES PROGRAMS AMENDMENTS OF 1986

Mr. WHEAT. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 428 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 428

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4421) to authorize appropriations for fiscal years 1987, 1988, 1989, and 1990 to carry out the Head Start, Follow Through, dependent care, community services block grant, and community food and nutrition programs, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, and each section of said substitute shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous questions shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

□ 1350

The SPEAKER pro tempore. The gentleman from Missouri [Mr. WHEAT] is recognized for 1 hour.

Mr. WHEAT. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 428 is an open rule providing for consideration of H.R. 4421, the Community Services Programs Amendments of 1986. The resolution provides for 1 hour of general debate to be divided equally between the chairman and ranking minority member of the Committee on Education and Labor and makes in order the amendment in the nature of a substitute recommended by the Committee on Education and Labor, now printed in the bill. The substitute shall be considered for amendment under the 5-minute rule and each section shall be considered as having been read.

Finally, Mr. Speaker, the rule provides for one motion to recommit, with or without instructions.

H.R. 4421 reauthorizes five community service programs for fiscal years 1987 through 1990. Included in the bill

are reauthorizations for the Head Start, Follow Through, Dependent Care, and Community Food and Nutrition Programs. Also included in the bill is a reauthorization for the Community Services Block Grant Program.

The bill authorizes the appropriation of $1.7 billion for fiscal year 1987 and such sums as may be necessary for the three succeeding fiscal years.

Mr. Speaker, House Resolution 428 is a fair rule as are all rules written by the Rules Committee, which provides for the consideration of important legislation. I urge that we adopt the rule.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill reported by the Committee on Education and Labor, which the rule makes in order, is a relatively straightforward reauthorization of the five community service programs with little change or modification to their present structure.

These five programs are Head Start, Follow Through, Dependent Care, Community Services Block Grant, and Community Food and Nutrition Programs.

The bill reauthorizes these for several years at a cost of approximately $7 billion.

Over the years, I have supported these programs generally. I know that there is opposition to them. I know that the administration opposes the bill as it is written, but the administration supports the extension of Head Start.

Mr. Speaker, I have no further request for time. I urge adoption of the rule.

Mr. Speaker, I reserve the balance of my time.

Mr. WHEAT. Mr. Speaker, there appears to be no opposition to the rule. I have no requests for time.

Mr. QUILLEN. Mr. Speaker, I yield back the balance of my time.

Mr. WHEAT. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

Mr. QUILLEN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 406, nays 0, not voting 27, as follows:

[Roll No. 99]

YEAS—406

Ackerman	Applegate	Bartlett
Akaka	Archer	Barton
Alexander	Armey	Bateman
Anderson	Aspin	Bates
Andrews	Atkins	Bedell
Annunzio	Barnard	Bellenson
Anthony	Barnes	Bennett
Bentley	Fish	Lloyd
Bereuter	Flippo	Long
Berman	Florio	Lott
Bevill	Foglietta	Lowery (CA)
Biaggi	Foley	Lowry (WA)
Bilirakis	Ford (MI)	Luken
Billey	Ford (TN)	Lundine
Boehlert	Fowler	Lungren
Boggs	Frank	Mack
Boner (TN)	Frenzel	MacKay
Bonior (MI)	Fuqua	Madigan
Bonker	Gallo	Manton
Borski	Garcia	Markey
Bosco	Gaydos	Marlenee
Boucher	Gejdenson	Martin (IL)
Boulter	Gekas	Martin (NY)
Boxer	Gephardt	Martinez
Breaux	Gibbons	Matsui
Brooks	Gilman	Mavroules
Broomfield	Gingrich	Mazzoli
Brown (CA)	Glickman	McCain
Brown (CO)	Gonzalez	McCloskey
Broyhill	Goodling	McCollum
Bruce	Gordon	McCurdy
Bryant	Gradison	McEwen
Burton (CA)	Gray (IL)	McGrath
Burton (IN)	Gray (PA)	McHugh
Bustamante	Green	McKinney
Byron	Gregg	McMillan
Campbell	Guarini	Meyers
Carney	Gunderson	Mica
Carper	Hall (OH)	Michel
Chandler	Hall, Ralph	Mikulski
Chapman	Hamilton	Miller (CA)
Chappell	Hammerschmidt	Miller (OH)
Cheney	Hansen	Miller (WA)
Clay	Hartnett	Mineta
Clinger	Hatcher	Mitchell
Coats	Hawkins	Moakley
Cobey	Hayes	Molinari
Coble	Hefner	Mollohan
Coelho	Heftel	Monson
Coleman (MO)	Hendon	Montgomery
Coleman (TX)	Henry	Moody
Collins	Hertel	Moore
Combest	Hiler	Moorhead
Conte	Hillis	Morrison (WA)
Conyers	Holt	Mrazek
Cooper	Hopkins	Murphy
Coughlin	Horton	Murtha
Courter	Howard	Myers
Coyne	Hoyer	Natcher
Craig	Hubbard	Neal
Crane	Huckaby	Nelson
Crockett	Hughes	Nielson
Daniel	Hunter	Nowak
Dannemeyer	Hutto	O'Brien
Darden	Hyde	Oakar
Daschle	Ireland	Oberstar
Daub	Jacobs	Obey
de la Garza	Jeffords	Olin
DeLay	Jenkins	Owens
Dellums	Johnson	Oxley
Derrick	Jones (NC)	Packard
DeWine	Jones (OK)	Panetta
Dickinson	Jones (TN)	Parris
Dicks	Kanjorski	Pashayan
Dingell	Kaptur	Pease
DioGuardi	Kasich	Penny
Dixon	Kastenmeier	Perkins
Donnelly	Kemp	Petri
Dorgan (ND)	Kennelly	Porter
Dornan (CA)	Kildee	Price
Dowdy	Kindness	Pursell
Downey	Kleczka	Quillen
Dreier	Kolbe	Rahall
Duncan	Kolter	Rangel
Durbin	Kostmayer	Ray
Dwyer	Kramer	Regula
Dymally	LaFalce	Reid
Dyson	Lagomarsino	Richardson
Early	Lantos	Ridge
Eckart (OH)	Latta	Rinaldo
Eckert (NY)	Leach (IA)	Ritter
Edwards (CA)	Leath (TX)	Roberts
Edwards (OK)	Lehman (CA)	Robinson
Emerson	Lehman (FL)	Rodino
English	Leland	Roe
Erdreich	Lent	Roemer
Evans (IA)	Levin (MI)	Rogers
Evans (IL)	Levine (CA)	Rose
Fascell	Lewis (CA)	Rostenkowski
Fawell	Lewis (FL)	Roth
Fazio	Lightfoot	Roukema
Feighan	Lipinski	Rowland (CT)
Fields	Livingston	Rowland (GA)
Roybal	Smith, Robert (OR)	Traxler
Rudd	Snowe	Udall
Russo	Snyder	Valentine
Sabo	Solarz	Vander Jagt
Savage	Solomon	Vento
Saxton	Spence	Visclosky
Schaefer	Spratt	Volkmer
Scheuer	St Germain	Walgren
Schneider	Staggers	Walker
Schroeder	Stallings	Watkins
Schuette	Stangeland	Weber
Schulze	Stark	Weiss
Schumer	Stenholm	Wheat
Seiberling	Stokes	Whitehurst
Sensenbrenner	Strang	Whitley
Sharp	Stratton	Whittaker
Shaw	Studds	Whitten
Shelby	Stump	Williams
Shumway	Sundquist	Wilson
Shuster	Sweeney	Wirth
Sikorski	Swift	Wolf
Siljander	Swindall	Wolpe
Sisisky	Synar	Wortley
Skeen	Tallon	Wright
Skelton	Tauke	Wyden
Slattery	Tauzin	Wylie
Slaughter	Taylor	Yates
Smith (FL)	Thomas (CA)	Yatron
Smith (NE)	Thomas (GA)	Young (AK)
Smith (NJ)	Torres	Young (FL)
Smith, Denny (OR)	Torricelli	Young (MO)
Smith, Robert (NH)	Towns	Zschau
	Traficant	

NOT VOTING—27

AuCoin	Franklin	Nichols
Badham	Frost	Ortiz
Boland	Grotberg	Pepper
Callahan	Loeffler	Pickle
Carr	Lujan	Smith (IA)
Chappie	McCandless	Vucanovich
Davis	McDade	Waxman
Edgar	McKernan	Weaver
Fiedler	Morrison (CT)	Wise

□ 1405

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1415

The SPEAKER pro tempore. Pursuant to House Resolution 428 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4421.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4421) to authorize appropriations for fiscal years 1987, 1988, 1989, and 1990 to carry out the Head Start, Follow Through, Dependent Care, Community Services Block Grant, and Community Food and Nutrition Programs, and for other purposes, with Mr. SMITH of Florida in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Michigan [Mr. KILDEE] will be recognized for 30 minutes and the gentleman from Iowa [Mr. TAUKE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 4421 extends five vital human services programs: Head Start, Follow Through, the Dependent Care Grants Program, the Community Services Block Grant, and the Community Food and Nutrition Program.

The current authorization for each of these important programs expires on October 1, 1986.

H.R. 4421 was reported out of the Education and Labor Committee by unanimous voice vote.

The bill seeks no major legislative changes.

Each program is authorized for 4 years, at a funding level of "such sums as may be necessary," except CSBG which is authorized at $390 million for fiscal year 1987 and "such sums" for the 3 following years.

The programs reauthorized by this legislation share a common history, a common orientation and a common objective.

They all work within the community, providing flexible and cost-effective assistance to low-income individuals and families.

Most importantly, these programs share the same basic goal—to help people develop their potential and move from situations of dependency to self-sufficiency.

For 21 years Head Start has been providing comprehensive services to address the educational, social, nutrition, and health needs of preschool-aged children from low income families.

Results of longitudinal studies such as the High-Scope Educational Research Foundation's Perry Preschool project indicate that the return on the initial investment for a quality preschool program is seven times the cost of providing 1 year of services.

This saving is due to the fact that substantially fewer graduates of quality preschool programs are placed in remedial education classes, drop out of school, become involved in crime or receive welfare.

Follow Through focuses on the continuing development of disadvantaged children.

Testimony before the committee demonstrated conclusively that follow through assists children in continuing to meet achievement goals in the early elementary grades.

In a time when increasing amounts of attention are being paid to improvements in the public schools system, follow through is a program with a proven track record of success.

The dependent care program is a modest initiative intended to encourage local partnership solutions to the child care needs of working families.

By allowing parents to work, child care helps families to become more self-sufficient.

A study in Ohio found that the average $2,000-a-year State investment in full-time child care saved $6,000 a year in public assistance per family.

No program epitomizes more the progress that can be made in moving people out of dependency and into self-sufficiency than the CSBG.

One of the principal reasons for its success is the unique ability of community action agencies to bring a variety of resources from the public and private sectors together to develop comprehensive solutions to the problems of poverty.

The effectiveness of this approach is evidenced by the fact that a recent General Accounting Office review found no duplication of services between CSBG and the social services block grant in the programs they visited.

When President Reagan talks about public/private partnerships, local initiative, local control, local decisions, that is what community action is.

Not only is CSBG successful, it is extremely cost effective.

Information provided to the committee showed that during 1984-85, community action programs in one State alone resulted in an estimated savings in public expenditures by Federal, State, and local programs of almost $35 million.

To help people be self-sufficient is one of the best investments I know of.

It is an investment where the Government is repaid in the productivity of its citizens who are helped by these programs.

I urge my colleagues to join me in supporting the reauthorization of these critical community services programs.

Mr. Chairman, I reserve the balance of my time.

Mr. TAUKE. Mr. Chairman, I commend the gentleman from Michigan [Mr. KILDEE] for his excellent work on this legislation.

Mr. Chairman, I do have a statement which I will make in a short time. First, however, our colleague, the gentleman from Indiana [Mr. COATS], is involved in a very important markup and wants to make a statement on this legislation, so I yield 4 minutes to the gentleman.

Mr. COATS. I thank the gentleman from Iowa for yielding time to me.

Mr. Chairman, I am pleased to rise in support of H.R. 4421, the Community Services Programs Amendments of 1986. The core of this legislation, which I have cosponsored, is the reauthorization of the Head Start Program and the Community Services Block Grant Program.

This year is the 20th anniversary of the Head Start Program. I believe that this program contains all of the ingredients necessary for legitimate Federal involvement because: It is targeted to low-income families with preschool children in need of comprehensive developmental services; it is community based; and it has a high rate of parent participation.

There is no question that this program does what it set out to do—to break the cycle of poverty, to significantly alter the life course of children enrolled, and, to establish expectations of success for both the families and the children. A recent federally financed review of over 1,600 studies on Head Start confirms that children enrolled in Head Start make significant immediate gains in intellectual, social, emotional and physical development. This same study revealed that Head Start fosters a positive change, not only in poor children themselves, but in their families and in their communities.

We can ask a Federal program to do more. However, we are all aware of many Federal programs that do considerably less. I urge my colleagues to support the reauthorization of this valuable program.

This bill would also reauthorize the Community Services Block Grant [CSBG] through 1990. CSBG is mandated to apply comprehensive community solutions to the problems of poverty with the goal of moving the poor toward greater self-sufficiency. Local communities identify their own needs and provide specific services that are not available under any Federal or State program. A recent GAO's analysis indicates that CSBG money does not go to duplicate other Federal or State efforts but provides money for outreach activities, emergency services and nutrition services to the poor.

Let me give you an example of how the Community Action of Northeast Indiana uses its CSBG funds: It administers and makes available both the Head Start Program and the WIC Program; it provides outreach services to isolated low income people; and it develops and supports a variety of locally initiated self-help projects. For every dollar of CSBG funds received, this local Community Action Program leverages $25.09 in other community resources.

CSBG funds are targeted to the poor and administered by local communities that are free to determine their own needs. One of the reasons for the success of this program is that it allows local people to apply unique and comprehensive solutions to the poverty problems in their own communities. This program has been shown to result in savings in public expenditures through its aggressive antipoverty activities.

Section 5(d) amends the CBSG to authorize funds for the Community Food and Nutrition Program through 1990. This appropriation will provide grants to public and private nonprofit agencies for community based, local

and statewide programs. It is my hope that this money will be used for start-up purposes where needed to assist local communities to develop their own strategies for providing food assistance to the poor.

Recently, I visited a very successful community effort in northeastern Indiana called the Community Harvest Food Bank. This privately supported project collected surplus food and warehoused this food to make it available to 176 local charitable groups. This food bank, like many others in Indiana, provides food assistance through the use of volunteers.

It is my hope that the community food and nutrition reauthorization under the CSBG will make it a priority to provide startup money for programs that can eventually become self-sufficient through the use of volunteers and the harnessing of private sector support.

In sum, I urge my colleagues to support H.R. 4421, the reauthorization of valuable programs that are targeted to the needy, involve parents and the local community, and, allow for local discretion to determine program priorities.

Mr. KILDEE. Mr. Chairman, I yield 1 minute to the gentleman from Hawaii [Mr. AKAKA].

Mr. AKAKA. I thank the gentleman from Michigan for yielding me this time.

Mr. Chairman, I thank the gentleman for yielding me this time. As a cosponsor of H.R. 4421, I rise to voice my support of this bill that authorizes funding for five important and essential programs—Head Start, Follow Through, Dependent Care, Community Services Block Grant, and Community Food and Nutrition—to benefit the economically disadvantaged. Unfortunately, though not surprisingly, the President has proposed that four of these five programs be eliminated, with only the Head Start Program remaining. Passage of this bill will be a strong indicator of Congress's committment as a guardian for programs that provide vital assistance to low-income families nationwide.

The Economic Opportunity Act of 1964 was the vehicle by which Head Start, Follow Through, and other community services programs were established. The purpose of this act was to combat poverty by providing a means for the impoverished to better their education, employment opportunities, and overall standard of living. The Community Services Block Grant Program, created in 1981, has been successful in sponsoring State initiatives aimed at promoting economic self-sufficiency. The Dependent Care Program was first authorized in fiscal year 1985. It helps perform a valuable service by providing 75 percent matching grants to States for dependent care services and for establishing or expanding local resource and referral systems providing information on dependent care services.

We are all aware of the necessity to keep spending levels down in this day of soaring deficits. However, I find the President's budget unreasonable in its request for such deep cuts in domestic programs, when, at the same time, it proposes extravagant increases in defense spending. It is our duty, then, to maintain a more equitable balance in domestic versus defense spending reductions. Passage of H.R. 4421 will help restore that balance.

May I take this opportunity to also encourage my colleagues to vote against all debilitating and extraneous amendments. I hope I am not alone in my conviction that the committee-recommended authorization levels for all five programs without new restrictions will best serve the needs of the recipients.

Mr. TAUKE. Mr. Chairman, I yield 4 minutes to the gentleman from Vermont [Mr. JEFFORDS], the distinguished ranking minority member on the full committee.

Mr. JEFFORDS. Mr. Chairman, I rise in strong support of H.R. 4421, the Community Services Programs Amendments of 1986. This measure calls for a 4-year reauthorization of the Head Start, Follow Through, and Community Services Block Grant Programs, as well as the State Planning Grants for Dependent Care services.

This legislation is a simple reauthorization of current policy; only a few changes of a technical and perfecting nature have been adopted.

Authorization levels are set at "such sums," with the exception of the Community Services Block Grant [CSBG]. In the case of CSBG, funding for fiscal year 1987 is $390 million, which is a presequestration current-policies level, and "such sums" are provided in each of the remaining fiscal years.

At the centerpiece of this legislation is the reauthorization of the Head Start Program. Now in its 21st year, Head Start continues to provide a broad range of quality educational, health, nutrition, and related social services to preschool children from low-income families. With a major emphasis on parental involvement, the Head Start Program can claim credit for establishing and strengthening important linkages between Head Start parents and local school systems.

Since Head Start utilizes parents as classroom aides, teachers, and volunteers, it provides education and training that improves their employability. The benefits of the Head Start Program, however, extend beyond families participating in the program to the community at large. Clearly, Head Start Programs have demonstrated their ability to effect institutional changes within the community and serve often as an invaluable information and referral resource for non-Head Start low-income families.

The Head Start Program has long enjoyed broad, bipartisan support in the Congress. The reason is simple: Head Start works and works well.

The other major program reauthorized in this legislation is the Community Services Block Grant. What is true for Head Start is also true for CSBG. It, too, is a program that works.

It is appropriate that these two programs are reauthorized together, as just over one-half of all Head Start grantees are also grantees under CSBG. The goals of these two programs are largely the same, to attack the causes and impact of poverty—whether it be by educating, feeding, training or sheltering low-income families. CSBG provides vital resources and flexibility to the network of community action agencies across the country to carry out these goals. Nationwide, I believe these agencies provide a critical and unique service. In my own State, I know they do.

Mr. Chairman, I wish to commend the chairman of the Human Resources Subcommittee, Mr. KILDEE; our chairman, the gentleman from California, [Mr. HAWKINS] and the ranking Republican member of the subcommittee, Mr. TAUKE for their combined efforts in bringing to the floor a bill to extend these proven educational and community services programs. I especially want to acknowledge Mr. KILDEE's willingness to work with the minority on a bipartisan basis. I urge my colleagues to join me in voting for H.R. 4421.

□ 1430

Mr. KILDEE. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. BEDELL].

Mr. BEDELL. Mr. Chairman, today I rise in support of H.R. 4421, a bill to reauthorize, among others, the Community Services Block Grant Program.

Alleviating the causes and conditions of poverty in our communities has long been the work of community action agencies across the Nation. Community Service block grant funds have made it possible for these agencies to provide food, shelter, educational, and training programs to low-income persons in real need of such services.

The need is especially acute in my area of the country. The farm crisis continues to take its toll among our rural communities, and community action agencies have been able to respond to this need competently and efficiently. They have indeed made a real difference in the lives of many families who have found themselves in the middle of serious financial troubles, and in desperate need of the sup-

port services provided by the community action agencies.

This is clearly an important program which warrants our continued support. I strongly urge my colleagues to vote in favor this vital legislation.

Mr. TAUKE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I commend the gentleman from Michigan, the chairman of the Subcommittee on Human Resources, for his work on this legislation. In general, I share his strong support for H.R. 4421, the Community Service Programs amendments, and I have only one amendment that I will offer to this bill at the appropriate time.

As has been mentioned, this bill makes no major policy changes in the programs it reauthorizes. Many of these programs have proven track records of success, and only minor refinements are needed. Head Start and the Community Services Block Grant, in particular, are instrumental in the Government's efforts to break the cycle of poverty.

Evidence we compiled at a hearing in Iowa strongly suggests that comprehensive services at the preschool age, such as those provided through Head Start, have tremendous impact on children's development. This legislation reauthorizes the valuable and effective Head Start Program for 4 years.

The bill also reauthorizes the Community Services Block Grant for 4 additional years. This block grant enables community based organizations to provide a variety of services to their local communities. While often attacked as a duplicative program, a GAO investigation established the unique nature of the services provided with CSBG funds.

I do, however, have some reservations about reauthorizing the Dependent Care Grants Program and the Community Food and Nutrition Program, both of which originated 2 years ago, for another 4 years.

While there may be a need for more child care and nutrition services in this country today, it is clearly not the time for the Federal Government to be developing new programs. We are confronted with nearly $200 billion deficits and another round of across-the-board cuts if the deficit reduction target of $144 billion is not met. It is time for Congress to set priorities, not to routinely reauthorize all programs without first scrutinizing their need and effectiveness. I do not believe that we have demonstrated the essential nature of these two, relatively new programs.

Finally, I believe that the Follow Through Program should be considered on its own merits, and not continued simply because it is packaged with the popular Head Start Program. I will therefore offer an amendment to repeal the authorization for Follow Through at the appropriate time.

I want to reiterate, however, that I do support the larger programs—Head Start and the CSBG—wholeheartedly, and I urge my colleagues to support this legislation.

Mr. KILDEE. Mr. Chairman, I yield 3 minutes to the gentleman from Tennessee [Mr. FORD].

Mr. FORD of Tennessee. I thank my colleague from Michigan for yielding time to me.

Mr. Chairman, I rise today to speak in support of H.R. 4421, the community services programs amendments.

The programs funded by this bill are vital to disadvantaged children nationwide who desperately want to succeed in life. These children do not have access to important, basic, educational, and motivational facilities which are the foundation for success in life.

These programs provide tutoring, personal counseling, meals, and nutrition which give children the knowledge, skills, and confidence to fulfill their ambitions.

The half million children reached by these programs are less likely to be held back a grade or assigned to a special education class than similar children who do not attend these programs. They receive significantly higher levels of health care than children not in the programs and perform better on physical tests.

But, 500,000 children are only 16 percent of the total number of children who need these services. I say that in these times when America is searching for solutions to the problems of improving education and improving child health care, community services programs must be protected and increased. The passage of this bill will allow the Federal Government to maintain and expand its commitment to the progress of all God's children.

In all of those private and public studies that we have seen, trends will show us that these programs are in fact vital to the welfare of the children of this Nation.

I certainly would urge my colleagues to look at those programs in the past that have been able to respond to the human needs of the children of this Nation, and we will see that that safety net that was promised in 1981 has not protected the children of this country.

It is our responsibility in this Congress to send a clear message with these amendments that are before this House floor today, and in other legislation hopefully that will be forthcoming in the near future, that we are not going to forget the children of this country, and that we are going to provide those programs that would in fact let children excel, not only with education, but also to have the proper nutrition and to have the type of academic readiness that they can enter into the primary and secondary levels of school and be productive citizens of this country.

□ 1440

Mr. TAUKE. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise to urge my colleagues to support H.R. 4421, legislation to reauthorize several essential community service programs which I trust will continue to receive the support that they deserve. The subcommittee chairman, the gentleman from Michigan [Mr. KILDEE], and the ranking member, this gentleman from Iowa [Mr. TAUKE], should be commended for bringing this legislation before us today and for their commitment in ensuring the sustained success of these programs, which include Head Start, Follow Through, Community Services Block Grant [CSBG], and several other worthy services.

This legislation is unique in the sense that States have a great deal of flexibility in the implementation of these programs. The Community Service Block Grant is exemplary of the positive impact which the infusion of Federal moneys can have at the local level. In my district alone, I can attest to the fact that vital nutrition, housing, and employment programs thrive because of the manner in which CSBG moneys are tailored to the needs of each and every community. The splendid work at the local level deserves the support which the Federal Government is so able to provide. I am distressed that fulfilling this obligation to our communities is looked upon as a controversial issue.

It does not take much imagination to conclude that we must meet our obligations to respond to the needs of economically disadvantaged children. That is why I cannot stress enough the vital role which programs such as Head Start and Follow Through play in the proper development of children of low-income families. In my own district, there are many Head Start Programs providing valuable services to thousands of families. It is my understanding that the waiting list for entrance into one of these programs is long, attesting to the success record of Head Start, and to the need for additional services. I would like to note that with regard to the Follow Through Program, it also has an impressive record, having the highest proportion of projects validated by the Department of Education's Joint Dissemination Review Panel of any Federal education program.

H.R. 4421 is not an extravagant measure, but conversly, takes into consideration these budget-conscious

times. The Committee on Education and Labor has worked long and hard to draft a bill which clarifies eligibility requirements and includes an annual evaluation of the impact of CSBG Programs on children, pregnant youth, homeless families, and the elderly. Acutely aware of budgetary constraints, the committee also replaced the cost-of-living adjustment for Indian and migrant programs with a funding floor set at fiscal year 1985 levels. The programs we are reviewing today are modest investments that have widespread effect, and I give my wholehearted support to the legislation as reported by the committee.

The availability of child care services is also addressed in this legislation. As women enter the workplace in continually increasing numbers, we are confronted with the need for reliable child care services, a dilemma about which we are only beginning to understand the dimensions. While I recognize worthy private-sector initiatives in this area, the need for a coordinated Federal, State, and local effort is essential.

I must stress at this time that these programs are not duplicative of other social service initiatives. Can one say with honesty, for instance, that the nutritional needs of low-income people have been met, or that we are adequately addressing the low-income housing shortage?

May I reiterate that what makes these programs so vital are that they are truly geared to the needs of the community and escape the entanglements of a federally controlled bureaucracy. In addition, we owe our support to all the dedicated individuals working in our communities who provide quality services for the disadvantaged. With these thoughts in mind, Mr. Chairman, I urge my colleagues to lend their support for this timely measure.

Mr. KILDEE. Mr. Chairman, I want to thank the gentleman from New York [Mr. GILMAN], who has been very deeply and effectively involved in all these programs. His advice and counsel through the years while I worked on these programs has been very helpful to me and I thank the gentleman very much.

Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Chairman, I thank the distinguished chairman and also join the others in complimenting and thanking him for the fine work he has done in preserving and extending these very fine programs.

I was one of the original coauthors following the leadership of the great Carl Perkins, the father of our colleague, the gentleman from Kentucky [Mr. PERKINS], who was the spiritual head, so to speak, of the so highly constructive programs. He was chairman of the Education and Labor Committee at the time.

I was one of those who pushed and through the years sustained and have followed through in these harsh years in which this kind of program has become a target for extinction.

I think, sorrowfully and sadly and dramatically like nothing else, it shows the perversity in priorities that we in this country are giving to things that we should give priority to and do not.

For example, we are quibbling here, preserving the lives of some, and we have already been told there will be amendments to delete equally valuable programs that though they may have started as experimental programs, the reason was that the opposition compelled a compromise and if they have sustained even as experimental programs, there is a good reason for it and that is that they hold out a hope of enriching our communities, of adding to the substance and the wealth of our communities and the development of our youth.

The perversity of priorities stems from the fact that we will spend a few hours debating a question that will amount to a much less total of $50 million, while without a whisper we have approved an appropriation, not an authorization, of over $50 billion for the Trident 5, which may never, never function.

I think it is a sorrowful shame and I hope that we will support this bill in its entirety with no crippling amendments.

Mr. TAUKE. Mr. Chairman, I have no further requests for time. I reserve the balance of my time.

Mr. KILDEE. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. OWENS].

Mr. OWENS. Mr. Chairman, I think it should be noted that praises for these programs have come from both sides of the aisle. The successes of Head Start, of course, have been well-documented. There are numerous studies that show that without a doubt the money invested in youth at a very early age through the Head Start Program pays great dividends. As the years go by and the Head Start youngsters, who in the first programs proceed through life, some are college graduates now, we will have more documented studies illustrating what it means to invest in young lives at a very early age.

The Community Services Block Grant does not enjoy the same success, because they are in such a variety of programs that it is hard to measure their success; nowever, the committee had businessmen who testified to the basic principle and bore witness to the basic principle of the Community Block Grant Programs. The community action agencies are agencies which take a very small investment. They are models for the kind of interaction which Government should have with private services providing agencies. They take a very small investment of Federal money and they are able to parlay that money into tremendous amounts of services.

Only about 12 percent of the budget of each community action agency is money which flows from the Community Services Block Grant. With that tiny 12 percent they are able to get another 88 percent of programs which are operated by that administrative overhead provided by that 12 percent. Some of the programs that they are involved in are the weatherization programs, programs which provide heating, utility grants for the elderly, and numerous other basic programs such as the Head Start Program, which half of the Head Start programs in the country are operated by community action agencies.

The community action agencies can move and some have already moved into other critical areas. They are in touch with the people who have the worst problems. They are not just in touch with those people. In many cases those people are involved in the interaction and running of the programs.

The programs for the homeless, for example, are run already by many community action agencies and they could run more if they had more money.

Teenage pregnancy prevention programs have already been pioneered by some of the community action agencies and they could do more if they were given more authority and had more money.

It is the same with drug prevention programs.

These programs are doing very well. They could do much better and the question is why do they not get more support? If they are not broken, they do not need to be fixed; however, they have worked very well. Therefore, they should be rewarded. Why do we not reward the Head Start Program by increasing the funding instead of holding it at the present level?

The President and Mrs. Reagan are very fond of the Head Start Program. They certify to its broad base support. Head Start should have an increase in funding instead of being held at its present level.

The programs are resounding successes in many ways. The Community Services Block Grant services cannot be matched by any other Government program in the way it uses a small amount of money and then multiplies that money into greater and greater benefits.

I do not think that the amendments to be offered later are in order at all. They do not take into the consideration the fact that the committee

which authorizes the programs understands the needs better than anybody else. The committees have wrestled with the problem of fiscal responsibility. The recommendations that we make today in terms of authorized funding are very conservative already. They are much too conservative and they do not need to be cut any further by crippling amendments.

We are different from the Appropriations Committee. The Appropriations Committee will have its opportunity, unfortunately, to reduce the authorized levels. We speak for the need and for the justice that these programs deserve.

Mr. KILDEE. Mr. Chairman, I thank the gentleman from New York. There is no one in this House more familiar with the effectiveness of the community action agencies than the gentleman from New York, MAJOR OWENS. I appreciate his stalwart support in the whole process of bringing this bill to the floor. His advice and his expertise have been most helpful.

Mr. Chairman, I yield 3 minutes to the gentleman from Virginia [Mr. OLIN].

Mr. OLIN. Mr. Chairman, I thank the gentleman for yielding this time. I congratulate him for bringing this legislation forth.

I would like to just say a few words today about Head Start and about the Community Services Block Grant.

When I moved to Roanoke almost 20 years ago, my wife got a job with the Head Start Program as a school psychologist. She worked for 10 years with a 1-to-1 approach with deprived kids, aged 3, 4, and 5, that came into that program.

I can tell you, there is not any program of this Federal Government, bar none, that has more to do with breaking the chains of poverty than the Head Start Program, because it takes young people at a time when their learning is at the greatest and where they need intellectual stimulation and confidence and the ability to enter school and get the benefit of the school. This program gives that to countless deprived people who would otherwise get into school, would not keep up and finally drop by the wayside, dropout, become criminals or whatever.

This is a program that continuously has had support throughout the depression and everything else that we have had. It needs to be kept up strong. It should be increased, if anything.

The community services, the city of Roanoke started a community service action program called TAAF, Total Action Against Poverty, a little more than 20 years ago. One of the principal businessmen in town, Cabel Brand, became president of the TAAF board. He is still on that job 21 years later. He has donated about 20 percent of his time for that entire period of time helping that operation succeed.

I have seen people from the deprived community, both black and white, never able to hold a steady job before, come into that organization, take positions of varying responsibility, work their way up, graduate into the regular society where they hold regular jobs, paying jobs, pay taxes. There is not any program I know of that has had more in our community to do with an upward migration of people that had previously been deprived than the TAAF Program.

The Community Services Block Grant provides somewhere around 10 percent of the money. It is seed money. It provides an umbrella. I had made possible volunteers like Cabel Brand, who has devoted 20 percent of his time for 20 years to the program and he does that for nothing.

□ 1455

There are countless other individuals like him. This program should not be terminated. It should not be X'd out and coupled with some other block grant with no money provided. We ought to recognize what has been done in Roanoke. We have the same thing going along in Lynchburg in my district, and there are thousands and thousands of other places in the country where this program has been equally successful.

I commend this bill to all my colleagues. I think that the kind of progress and real value that is being attained by these seed funds is something that this country can ill afford to slough off.

Mr. KILDEE. Mr. Chairman, I want to thank the gentleman from Virginia [Mr. OLIN] not only for his strong support for this bill, but for bringing Mr. Cabel Brand before our subcommittee for some of the most effective and cogent testimony I have ever heard on the CSBG. I want to thank the gentleman for that.

Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. BIAGGI].

Mr. BIAGGI. I thank the gentleman for yielding this time to me, and I would also commend him for his expeditious treatment of this legislation.

Mr. Chairman, I rise in strong support of H.R. 4421, the Community Services Programs Amendments, which would extend the Community Services Block Grant, Head Start, Follow Through, Dependent Care, and Community Food and Nutrition Programs through fiscal year 1990.

This is a watershed bill, in my judgment. What we know in this Nation is that the rate of poverty is going up among all groups. We also know that the resources available to assist those to escape poverty's clutches—or to prevent them from falling into it—are declining. There are few, if any, programs beside these that are specifically designed to alleviate the problems posed by poverty. The question we must ask ourselves with this bill is: In our passion for economy, do we abandon our commitment to passion?

H.R. 4421 answers "no" to this question. It reauthorizes five critical human service programs for 4 years—the Community Services Block Grant, Head Start, Follow Through, Dependent Care, and the Community Food and Nutrition Programs. I am proud to be an original cosponsor of this legislation.

Each of these programs has a growing constituency. Each of these programs has a proven track record of helping those in need.

The Community Services block grant is especially critical. In my home State of New York, we received over $30 million for the CSBG Program, which in turn served over 2 million people. These funds were used to address a number of problems plaguing the poor of New York.

Over 1.6 million people were served by nutrition activities—activities used to counteract the conditions of starvation and malnutrition.

Almost 100,000 were assisted in their efforts to secure and retain meaningful employment, including training, skill enhancement, and direct job placement activities.

Over 110,000 needy citizens were served by programs to improve the quality of housing, maintain and rehabilitate existing housing, and to build new housing.

In the city of New York, $16.7 million was received under CSBG, matched with $4.3 million in tax levy support from city moneys distributed to 330 community-based organizations among services provided daily for the elderly, home care, senior centers, access services for youth, truancy, dropout prevention services.

This legislation also extends the successful Head Start and Follow Through Programs. Head Start is a national education program of early intervention for the disadvantaged designed to give these children classroom instruction, in addition to essential social and human services. It is a program that has benefited hundreds of thousands of children since its inception as part of Lyndon Johnson's War on Poverty campaign. Follow Through has ensured that those educational gains made by children who participated in Head Start and similar programs are continued once they enter public schools.

I am also pleased that this legislation addresses the Dependent Care Program—a program instrumental in allowing mothers to enter and remain in our Nation's workplace. By providing grants to States for both before and after school child care programs,

and an information and referral system, we are providing women with the tools necessary to achieve economic equity in the work force. Today, over one-fourth of our Nation's pool of workers are mothers. If we are to effectively utilize our strength as a nation with respect to the workplace, dependent care and similar programs are vital in ensuring the maintenance and expansion of millions of productive workers.

And finally, this bill authorizes funding for the Community Food and Nutrition Program to help combat the problem of hunger. Although most people associate hunger with the famine ravaged African nations, U.S. hunger and malnutrition do exist and are particularly severe for migrant and seasonal farmworkers, native Americans, and the elderly. It is certainly one of the more pressing problems facing our society today.

All of these programs are defensible, utilized, and achieving their objective. They deserve to be reauthorized. Let us not be intimidated by the Gramm-Rudman law. It was not a license for us to walk away from our commitments to the poor and needy. We can reduce the deficit—we must reduce the deficit—but not on the backs of those in need.

A vote for H.R. 4421 is a reaffirmation of our commitment to the poor, a reaffirmation of our desire to continue to wage war on poverty in this Nation. As an original cosponsor of H.R. 4421 and a strong advocate of these important community services programs, I urge my colleagues to vote in support of this measure which will allow an estimated 40 million citizens a chance to move from poverty into a life of productivity and self-sufficiency. I am proud to give my unqualified support for H.R. 4421.

Mr. KILDEE. Mr. Chairman, I have no further requests for time, and I reserve the balance of my time.

Mr. TAUKE. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. KILDEE. Mr. Chairman, before I yield back the balance of my time, I would like to thank the gentleman from New York [Mr. BIAGGI] for his very strong, continuing, and effective support for the programs in this bill.

Mr. AUCOIN. Mr. Chairman, I rise in strong support of this vital legislation extending the authority for a number of community services programs including Head Start, the Community Service Block Grants, and Community Food and Nutrition Programs.

Over the years, these programs have made real differences in the quality of people's lives. I've seen them work effectively and efficiently throughout my district, I've participated in helping volunteers with some of them, and my appreciation for the direct impact these services have on individual lives has grown tremendously.

In my district, the Tualatin Valley Food Center distributes food to 50 groups, most affiliated with churches that do not have the ability to provide either the volunteers or staff dollars to meet the need. The Head Start Program has helped countless children in our State overcome the barriers that poverty puts in the way of productive lives. The Yamhill Community Action Program has provided the most fundamental service of giving shelter to the homeless. These are but a few of the services proved in my district. There are more—in Washington County, in the city of Portland, and on the coast. Throughout Oregon, night shelters, neighbor care, food distribution, emergency energy help, child care, and employment training are some of the services made available because of the existence of CSBG.

Our directors of these programs in Oregon estimate that the $2.5 million they receive allows them to raise funds and leverage other services that provide nearly $50 million in benefits to the poor. These services are cost-effective and the savings that would be derived from their elimination will cost society many times over.

Surely part of the measure of a humane and moral society is the degree to which we care for the underprivileged, the needy, the homeless, the hungry, and the youngest among us.

These programs address real needs. They provide vital services. They are an investment in the future of this country. We should continue them.

The administration adamantly opposes this bill because it continues four programs it wants to terminate forever—the Community Services Block Grant, Follow Through, Dependent Care, and Community Food and Nutrition.

The administration also wants to terminate these and 40 other programs ranging from sewage treatment grants to rural housing to the soil conservation service and Amtrak. Well, the Republican controlled Senate voted last week overwhelmingly not to terminate all of these programs.

Taken together, those 43 programs amount to $4 billion. That's a lot of money. But it pales in comparison to some single line items over at the Pentagon and is exactly double the extra $2 billion Secretary Weinberger found in his budget last week, even after Gramm-Rudman.

I think that Senate vote was illustrative of how little eliminating all these domestic programs will do to cure our deficit woes. It would make a small dent, but comes nowhere close to filling the gap between reality and fantasy in terms of what steps we must take to reduce the deficit.

Those who've been saying that all we need to do is cut domestic spending, and our problems will be solved simply haven't given serious deliberate attention to the hard numbers involved in getting rid of our massive debt.

Do we need to cut back on some of these 43 programs, and eliminate others? Certainly. And I'll support sensible measures to do just that. And to the extent we provide certain increases in these programs to cover inflation or increased need, I'll fight for reductions elsewhere. We've got to examine every part of the budget to get the deficit down. But we shouldn't take leave of our senses and just write off wholesale certain budget activities, just because the President wants us to.

It is our responsibility as elected representatives of all the people of these United States to consider the pluses and minuses of continuing or eliminating a program and how much such action would actually contribute to deficit reduction. And I believe that the relatively small savings (under $1 billion in fiscal year 1987) which would be achieved by eliminating CSBG Programs are penny-wise and pound-foolish.

Cutting the deficit is necessary to repair our damaged economy. But this country is strong enough to do both—cut the deficit and feed the poor and care for the needy. We are a rich people compared to most of the rest of the world. We must allocate our resources responsibly, for the choices we make define what America is.

Mr. PORTER. Mr. Chairman, I rise in strong support of the authorizing legislation for the Follow Through Program. Follow Through was enacted in 1968 as a program to provide disadvantaged primary schoolchildren coming from Head Start with a high quality classroom program and support services to enable them to succeed in primary school.

While I understand deficit reduction imperatives, Follow Through has proven a very successful and cost-effective program in my district in Illinois. Waukegan, IL, established the Carman School as the home of the Waukegan behavioral analysis Follow Through Program—one of the first in the country. The Waukegan Program became one of the 21 Follow Through projects approved by the Department of Education for national dissemination. During the 1983–84 school year, 3,550 children were served by the Waukegan Center at a cost of $19 per student.

Over the years, the Carman School has been a source of great pride to both Waukegan and the State of Illinois. Eliminating this program would be waste of a substantial investment in the many cost-effective and educationally valuable programs that have flourished across the country.

Given the current budgetary crisis, I would favor freezing the authorization level for Follow Through at the fiscal year 1986 level of $7.5 million. I urge my colleagues to support the continuation of Follow Through.

Mrs. LLOYD. Mr. Chairman, I rise in strong support of H.R. 4421, the community services programs amendments which authorizes appropriations for the Head Start, Follow Through, Dependent Care, and Community Food and Nutrition Programs for fiscal years 1987 through 1990.

These programs are valuable and effective, particularly in the State of Tennessee, and their continuation is vital to the hundreds of thousands of disadvantaged nationwide who depend on them for quality educational, health, nutritional, and other community-based services. The comprehensive services they provide are a particularly good example of a cost-effective investment for society.

In the early 1960's national statistics showed that one in five Americans lived in poverty. As a result, Head Start, Follow

Through, and Community Services Programs were established under the Economic Opportunity Act which stated that their purpose was "to eliminate the paradox of poverty in the midst of plenty * * * by opening to everyone the opportunity for education and training, the opportunity to live in decency and dignity."

These programs share a common history and a common orientation of working within the local community to address the needs of individuals. Their common goal, that of helping people to move from situations of dependency to situations of self-sufficiency must be supported and I urge my colleagues to join with me in maintaining our firm commitment to this intent and passing this vital legislation.

Mr. LELAND. Mr. Chairman, I rise in strong support of H.R. 4421 as reported by the Education and Labor Committee. I believe this bill, as drafted, offers Congress the opportunity to assure the operation of services which have a solid track record in fighting poverty and hunger.

As chairman of the House Select Committee on Hunger, I have grown familiar with the many problems we must address in our quest to alleviate these conditions in this country. Through our committee hearings and research I have gained new insight about the need to expand the horizon of support for the poor. The Federal commitment must comprise not only direct assistance in the form of benefits, but assistance which offers individuals the opportunity to help themselves. These opportunities are made possible through many of the programs and services proposed for reauthorization in H.R. 4421.

I woud like to focus for just a moment on the Community Food and Nutrition Program [CFNP]. With CFNP funding, communities throughout the country have sponsored a variety of public education, access, planning and direct delivery approaches to nutrition assistance for low-income Americans. In my own State of Texas, I have seen this support transformed into Food Stamp Program information and prescreening services; increased availability of meals served through the Meal-on-Wheels Program to the immobile elderly; consumer education clinics on food buying; and community canneries. Projects like these are not unique to Texas. They are operational thoughout the country and, where in place, they provide vital immediate services to low-income people and promote long-range services which will aid them in helping themselves.

Clearly, these projects make a forceful case for reauthorizing the Community Food and Nutrition Program. I am going to support this bill, because I believe it offers us the opportunity to reap large returns on a moderate Federal investment. I encourage you to join me.

Mr. HAWKINS. Mr. Chairman, I rise in support of the bill, H.R. 4421, the Community Services Programs Amendments of 1986.

This bill reauthorizes the following programs for 4 years at "such sums" authorizations: Head Start, Follow Through, State Grants for Dependent Care, Community Services Block Grant, and Community Food and Nutrition.

Mr. Chairman, these vital programs provide the means to enable many low-income individuals and families to become self-sufficient. The Head Start Program, which currently serves only 17 percent of the eligible preschool population, has been shown to be extremely effective. Several years ago, the General Accounting Office released an evaluation of Head Start, which found that the program "has been meeting its objectives of improving the education and health of particular children and in encouraging parental involvement in the program and in the development of their children".

Compared to their peers without a similar experience, Head Start graduates have spent more time in school, have better paying jobs and are more satisfied with their work. Clearly, this program has made the difference between success and failure for hundreds of thousands of youngsters.

Equally important, during a time of fiscal restraint, Head Start is cost effective in both the short and long run. The benefits of 2 years of preschool outweigh the cost of the program by more than seven to one. In later life, Head Start participants are less likely to be receiving food stamps or other social benefits, to require job training or to be in trouble with the law.

Passage of this bill will enable Head Start to continue its outstanding ability to improve the future of the Nation's economically disadvantaged children.

Another integral part of this package is the Follow-Through Program, which focuses on the continuing development of disadvantaged children who participate in Head Start. The Follow Through Program is effective in serving disadvantaged children in the primary grades and should be continued.

The Community Services Block Grant Program, which encompasses many of the antipoverty programs, provides funds for the States to ameliorate the causes of poverty in communities within the States. The program also provides for discretionary funds for such programs as Community Economic Development and Rural Housing.

For the past 4 years, however, the Reagan administration has attempted to terminate the Community Services Block Grant Program because it believes that it duplicates other programs. Earlier this year during reauthorization hearings, witnesses before the Subcommittee on Human Resources, including the General Accounting Office [GAO], testified that there was no duplication between Community Services Block Grant and the Social Services Block Grant Program. Despite the administration's repeated requests, Congress has continued to fund this program which provides much needed assistance to low income individuals.

Many of the programs contained in this bill are part of the war on poverty, which had as its main objective "eliminating the paradox of poverty in the midst of plenty." In the past two decades, we, in Congress, have been committed to developing and extending programs to combat poverty. We must renew that commitment today by extending these vital programs for the next 4 years.

Mr. Chairman, I urge my colleagues to vote in support of H.R. 4421.

Mr. DASCHLE. Mr. Chairman, I rise today in strong support of H.R. 4421, the Community Services Programs Amendments of 1986.

This legislation reauthorizes several programs critical to human needs, including Head Start, Follow Through, Dependent Care, Community Services Block Grant, and Community Food and Nutrition Programs.

These programs represent a significant and wise investment in the learning and lives of the low-income children and families. They provide an opportunity for people who want to become independent and self-sufficient to make significant gains toward doing so.

Programs like Head Start are the basis for enrichment and improvement of the lives of people who want to better themselves and their station in life. Head Start is geared toward the Nation's neediest preschoolers and their families, 90 percent of whom have incomes below the poverty level. The goal of this program is to try to offset many of the educational and social handicaps encountered by this disadvantaged group.

I have heard from many South Dakotans involved in the Head Start Program, either as parents or teachers of students, who attest to the worthiness and success of this program. It is a cost-effective, comprehensive program that really works. Followup studies reveal that Head Start participants, armed with higher self-esteem and skills, ultimately are more likely to graduate from high school and eventually will have a better chance of securing gainful employment. These are major factors in the development of a healthier and stronger person who is able to lead a happier and more productive life.

H.R. 4421 provides the authorization to continue these vital programs in spite of administration attempts to terminate or reduce funding for them.

I urge my colleagues' favorable consideration of the community services programs amendments and believe that we have an obligation and more than ample incentive to give the bill our support.

Mr. RODINO. Mr. Chairman, I rise in strong support of H.R. 4421, of which I am a cosponsor. This measure would reauthorize several essential human services programs, including Head Start, Follow Through, Community Services Block Grant, Community Food and Nutrition and State Child Care Grants Programs. These are all important programs designed to increase the ability of individuals and families to become self-sufficient.

Head Start has provided comprehensive services to meet the educational, social, nutrition, and health needs of preschool-aged children from low income families for 21 years. It is a highly successful program which has been a cost-effective investment for our Nation. Studies have proved that substantially fewer graduates of quality preschool programs were placed in remedial or special education classes, dropped out of school, became involved in crime or received welfare. Head Start now serves 452,000 children, which is only 17 percent of those who are eligible.

Follow Through is the program providing assistance for the continuing development of disadvantaged children who participated in Head Start or similar preschool programs when they enter kindergarten through the primary grades. This, too, is a cost-effective program. While its serves only about 13,500 children directly each year, thousands of others benefit indirectly because their local school

districts utilize Follow Through techniques to operate additional programs.

The Community Services Block Grant Program is the only Federal program with the specific goal of poverty prevention and alleviation as its primary objective. It has been successful in sponsoring State and local efforts directed toward promoting economic self-sufficiency. It provides block grants to States for services and activities and also provides a discretionary fund to support programs addressing the needs of low-income persons with regard to rural housing, national youth sports, community economic development, migrant and seasonal farmworker assistance, and, most recently, community food and nutrition programs.

The small but essential child care programs provide 75 percent matching grants to States for child care services before and after school and also for local resource and referral systems providing information on available services. Sixty percent of the funds are for services to school-age latchkey children.

Mr. Chairman, it is vital that we extend authorizations for these programs so essential to meet the needs of disadvantaged children and other vulnerable members of our society. I urge approval of H.R. 4421 without amendment.

Mr. CONTE. Mr. Chairman, I rise in support of H.R. 4421, legislation to reauthorize several critical community service programs. I'd like to focus my remarks today on two of these very important programs: Community Service Block Grants and Head Start.

Mr. Chairman, the CSBG Program was authorized under the 1981 Budget Reconciliation Act. At the time, we were told that this was the best route to go to avoid duplication of Government programs. Well, today there are still those who say the CSBG program duplicates existing programs and that it now must be eliminated.

I don't buy that argument. In fact, the General Accounting Office testified that there is no duplication between CSBG programs and Social Service Block Grant programs. Community Action agencies across the Nation do a tremendous job with CSBG funds, in addition to their work with the Low Income Energy Assistance Program, the Head Start Program, WIC, and elderly nutrition.

The CSBG provides funds to address the needs of low-income persons with regard to rural housing, national youth sports, community economic development, and community food and nutrition programs. CSBG is both a successful and critical national program.

As I mentioned, community action agencies also provide funds for the Head Start Program, which is reauthorized as well in H.R. 4421. Head Start celebrated its 20th anniversary last May, and has been tremendously successful. It was conceived not so much as a Federal effort, but as a neighborhood effort.

Under the program, low income preschool children get educational services and the medical and dental attention they need, while their parents receive counseling on improving the home environment. It is one of the most successful, cost-effective and popular programs ever established by the Federal Government.

I'm also pleased that the committee mentioned in their report the issue of salaries for Head Start staff. In my work as ranking Republican on the Appropriations Committee, I've done what I can with limited funds to insure adequate salaries for the fine Head Start people like the ones in my district. As President Johnson said of those involved with Head Start back in 1965, "the bread that they cast upon these waters will surely return many thousandfold."

Mr. Chairman, they have. These are important programs, and I urge support for this legislation.

Mr. MILLER of California. Mr. Chairman, I want to express my enthusiastic support for H.R. 4421, the Community Service Programs Amendments of 1986.

Since 1965, Head Start has provided enriched early childhood education for millions of low-income and disabled children, as well as an array of supportive services, including health, nutrition and social services.

This legislation, which reauthorizes the Head Start Program, renews our commitment to these early comprehensive intervention services, and to quality early childhood education.

The Select Committee on Children, Youth, and Families documented the dramatic and significant cost-savings achieved in Head Start in its report, "Opportunties for Success: Cost-Effective Programs for Children." We showed that high quality preschool education for disadvantaged children results in fewer placements in special education, higher academic performance, higher high school completion, lower crime rates, and improved prospects for a better quality of life.

We showed that a $1 investment in high quality preschool education returns $4.75 to the taxpayer, because of lower costs of special education, public assistance, and crime.

I recall an article from USA Today last October 3, 1985, which summarized the results of a study done by a prominent New York University researcher, who found that twice as many Head Start graduates end up in full-time jobs as their peers who did not participate.

As that article noted, we've never really made the necessary investment in Head Start, despite its proven success and cost benefits.

This legislation helps move us closer to a real commitment, by extending the program for another 4 years. By allowing a Head Start Program to serve a child for more than 1 year, it will also help ensure continuous quality early education.

I would, in addition, direct special attention to sections of this legislation that would extend authorization of the dependent care programs to fund resource and referral services, and school-age child care programs.

This is a subject the select committee learned a great deal about, during its bipartisan year-long national initiative on child care, which found that the current supply of child care is inadequate and in need of improvement.

At our very first child care hearing, a prominent researcher told us that little or no national data exist to tell us how and where our children are cared for. In addition to linking families with licensed child care, resource and referral services can help us document the availability of and the demand for child care services at the local level.

At a time when all of us are concerned about the quality of child care settings, improved resource and referral can enhance parental involvement, and help, ultimately, to assure the well-being of children in out-of-home care.

Successful child care resource and referral services also streamline communication and cooperation between the public and private sectors, and are often used as a first step by employers considering provision of child care services for employees. Such efforts provide incentives for greater involvement by the private sector.

A second component of the Dependent Care Program addresses the critical shortage of child care for school-age children by providing minimal start-up costs for new after-school programs. The select committee learned that anywhere from 2 to 7 million school-age children remain unsupervised during before and after school hours because there are insufficient child care programs for this age group.

My own State of California has taken an historic lead in the provision of services for these "latch-key" children. Last year, the California State legislature appropriated $15 million which will allow after-school care for 16,000 children of working parents. While this represents only a small part of the need—there are an estimated 800,000 latch-key children in California—it is representative of what can be done to improve and expand options for working families.

In closing, Mr. Chairman, the Community Services Program Amendments of 1986, is a relatively low-cost Federal initiative that can improve our child care system by modestly expanding the supply of child care, by improving resource and referral services, while indirectly encouraging public and private sector approaches.

H.R. 4421 is an important effort, which can help us begin to improve the national child care situation.

I urge my colleagues to join in support of its passage.

Mr. TALLON. Mr. Chairman, I rise in strong support for this measure to maintain several essential community services programs. These programs are critical in combatting poverty, its effects and conditions. Community Services Block Grant, Community Food and Nutrition, Head Start, Follow Through, and State child care programs have a proven record of success. These programs are vital to disadvantaged children, providing them with health and educational assistance that is a prerequisite for successful performance. Moreover, the flexibility provided by this legislation has enabled communities across America to develop successful, creative assistance and incentive programs. This is a modest, wise investment in our human resources which will yield the generous dividends of a healthier, better educated and more productive public. I urge my colleagues to join me in support of this important investment in our future.

Mr. COLEMAN of Texas. Mr. Chairman, I rise in support of H.R. 4421, the community services programs amendments which includes the reauthorization of funds for the

Head Start Program and the Community Services Block Grant. These two programs in particular have proven to be most effective in my district.

The Head Start Program services are comprehensive and provide badly needed educational, social, nutritional, and health services of preschool children from low-income families. It provides disadvantaged children with a chance equal to that of their more advantaged peers to reach their full potential. The inclusion and encouragement of strong family involvement in the Head Start Program helps parents who are trapped in a cycle of poverty and deprivation become partners in their children's learning experiences and taken steps toward self-sufficiency themselves. Since its inception in 1965, the program has pioneered concepts that now are widely accepted as key to successful child development. The multifaceted approach of the Head Start Program is reflected in Head Start's broad set of objectives. In addition to improving the cognitive, emotional and overall health of disadvantaged children, the impact of the Head Start experience lasts through high school and beyond benefiting society as much as the children.

The funds provided by the Community Services Block Grant Program are essential to the smooth implementation of several grant programs because of the administrative support it provides. The money from the program that is disseminated to Community Action agencies to help set up neighborhood centers has helped less advantaged move from dependency to self-sufficiency. I feel that these programs are imperative, particularly at a time when the poverty rate of children is rapidly growing.

Mr. DE LA GARZA. Mr. Chairman, I rise in support of the Community Services programs amendments, H.R. 4421, because of the positive effect the Head Start, Follow Through, Dependent Care, Community Services Block Grant, and Community Food and Nutrition Programs have had in combating poverty in my district.

My congressional district in south Texas suffers from some of the highest unemployment in the country. Were it not for the services provided through the Community Services Block Grant Program, many of the unemployed, handicapped, and low-income elderly in the area would be left hungry and destitute with no hope of survival. The local community services agencies fill an age old gap in the social services net by providing adequate food, counseling, and educational services to the at-risk, poor population.

The education of our children is of equal importance in breaking the cycle of poverty in this country. Having served in Congress since 1965 when the Head Start Program was first initiated, I have had the opportunity over the years to observe firsthand the educational development of a number of youths who were enrolled in the program at its inception. Many of these young people would not have had the skills, confidence, or vision to continue in a course of university study had they not been so inspired at an early age by a Head Start learning experience, and later by a Follow Through Program activity.

In conjunction with these programs, the Community Food and Nutrition Program has provided low-income children and their families with the sustenance needed to fuel mental and physical development. It is well-known that children who miss breakfast and who have little to eat during the day have a difficult time concentrating and excelling in school. If we are to break the cycle of poverty, we must invest not only in our childrens' education, but in their diets as well.

Dollar for dollar, there is probably no better investment of money than in educating our children and in seeing to it that the poor and the hungry are properly fed. H.R. 4421 with its reauthorization of Community Services programming is a worthy bill stating the Congress' commitment to fighting poverty here at home. I would urge you to join me in supporting this legislation.

Mrs. JOHNSON. Mr. Chairman, I rise in support of H.R. 4421, which reauthorizes the Community Services Block Grant, the Head Start Program, and which extends many other essential service programs that are vital to the continued well-being of our communities.

Our current fiscal health in this country forces us to look at the cost of programs with a more discriminating eye. We can no longer afford to fund programs which are not cost effective, which do not promote the maximum use of scarce resources, and which do not provide the services which people depend on.

That is why today we must vote to extend the Community Services Block Grant program.

This money is money well spent. It supplements direct services in programs which have proven their worth over the years: Head Start, Low Income Energy Assistance, Child Day Care, Summer Youth Employment, Weatherization, Community Neighborhood Services, and others too numerous to mention.

I am sure that few would quibble with the importance of these programs to their own communities, but how many realize that it is the CSBG that provides the administrative and management support that keep them viable and running smoothly? How many realize that this money allows an agency to concentrate local and private funds on gaps in services, or providing leverage for new resources to provide assistance to the poor?

Finally, because the CSBG allows for flexibility in spending, it enables a community action agency to tailor services to the needs of the community, avoiding the duplication of services that we desperately need to eliminate if we are to concentrate resources on good programs that work.

Mr. Chairman, what we are considering now is whether to continue to provide effective support for low income individuals, or to cripple a program that has effectively aided communities.

I urge my colleagues to join me in supporting this important legislation. A vote for H.R. 4421 is a vote for these programs and the services they provide.

Mr. KILDEE. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired. Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill shall be considered as an original bill for the purpose of amendment, and each section shall be considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Community Services Programs Amendments of 1986".

The CHAIRMAN. Are there any amendments to section 1? If not, the Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. HEAD START PROGRAMS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 639 of the Head Start Act (42 U.S.C. 9834) is amended—

(1) by striking out "$1,093,030,000 for fiscal year 1985, and", and

(2) by inserting before the period at the end thereof the following: "and such sums as may be necessary for each of the fiscal years 1987, 1988, 1989, and 1990".

(b) ALLOTMENT OF FUNDS FOR INDIAN AND MIGRANT HEAD START PROGRAMS.—Section 640(a)(2)(A) of the Head Start Act (42 U.S.C. 9840(a)(2)(A)) is amended to read as follows:

"(A) Indian and migrant Head Start programs and services for handicapped children, except that there shall be made available for use by Indian and migrant Head Start programs, on a nationwide basis, no less funds for fiscal year 1987 and each subsequent fiscal year than were obligated for use by Indian and migrant Head Start programs for fiscal year 1985;".

(c) PRESERVATION OF INCOME CALCULATION METHOD.—Section 645(a)(2) of the Head Start Act (42 U.S.C. 9839(a)(2)) is amended by striking out "1986" and inserting in lieu thereof "1990".

The CHAIRMAN. Are there any amendments to section 2? If not, the Clerk will designate section 3.

The text of section 3 is as follows:

SEC. 3. FOLLOW THROUGH PROGRAMS.

Section 663(a)(1) of the Follow Through Act (42 U.S.C. 9862(a)(1)) is amended—

(1) by striking out "$10,000,000 for the fiscal year 1985 and", and

(2) by inserting before the period at the end thereof the following: "and such sums as may be necessary for each of the fiscal years 1987, 1988, 1989, and 1990".

The CHAIRMAN. Are there any amendments to section 3?

AMENDMENT OFFERED BY MR. TAUKE

Mr. TAUKE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TAUKE: Page 3, strike out lines 9 through 17, and insert in lieu thereof the following:

SEC. 3. REPEAL OF FOLLOW THROUGH ACT.

The Follow Through Act (42 U.S.C. 9801-9877) is repealed.

Mr. TAUKE. Mr. Chairman, the amendment I am offering deletes the reauthorization for Follow Through from H.R. 4421 and once again repeals the Follow Through Act.

The Follow Through Act has been scheduled for repeal twice in recent years—once in 1984 and again in 1986. H.R. 4421 once again resurrects the

Follow Through Program for an additional 4 years.

It is critical to understand the nature of Follow Through and its stated purpose. Only 58 of the more than 14,000 local education agencies across the country directly benefit from the Follow Through Program. Under conditions of the law, no other school districts are eligible for a Follow Through grant. The same schools are receiving Follow Through grants year after year. No new schools have been funded under Follow Through since 1972. Thus, the vast majority of school districts must rely on their own resources to develop compensatory education programs.

The question is not whether the Follow Through Program benefits those schools receiving grants. Clearly, investing over $600 per student per year will be a great help to those schools. But, can we justify continuing a $7.5 million or greater program to such a limited population?

Proponents of Follow Through will argue that many more children benefit from the investment in this program through the dissemination of model plans across the country. I agree. But it is not necessary to continue Follow Through as a categorical program to continue to disseminate the dozens of model programs that are available today to school districts that wish to set up their own program.

Follow Through was initiated 20 years ago as a demonstration program. We can consider the demonstration successfully completed. No further research is needed.

Terminating the Follow Through Program will not destroy the 20-year investment we have made in this program. The universally available chapter 1 and chapter 2 Block Grant Programs are providing similar compensatory education services nationwide, and model plans will continue to be disseminated.

Congress should permit the orderly phaseout of Follow Through as was the intent of the 1981 Omnibus Reconciliation Act. I urge my colleagues to support my amendment.

Mr. KILDEE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Iowa [Mr. TAUKE].

Mr. Chairman, the sponsor and I have worked for a year and a half on this bill. We have been able to reach agreement on most parts. We have not been able to reach agreement on this. I know the gentleman feels strongly on this, and I feel equally as strongly on this.

The gentleman does speak about the small number of students served by Follow Through. It does serve directly 20,000 students through those 58 local school districts of which he speaks, but through those dissemination efforts, over 400,000 more students are served in an additional 700 school districts.

Dissemination has worked. It has been one of the programs that really has been effectively disseminated throughout the country. When we look at the changes in our society and recognize that society itself is dynamic and that the educational system has to be dynamic, this dissemination must be an ongoing thing. What may have worked 6 years ago may not be working well today, or new methods have been discovered. That dissemination reaches out to many communities, over 700 communities and 400,000 students, reaching very often into your very community even with this small amount of money invested.

We have already dropped educational funding at the Federal level 31 percent in real dollars since 1980. I think it is incumbent upon us to protect those programs, even though the money is not great, because they do reach out way beyond the communities which they directly serve. That has been certified, and I do not think anyone questions that this is the most disseminated program of the package of programs that we have are in a dynamic society right now and we have to make sure we spread these ideas to those other communities.

Let us not dismantle this very, very small but very, very effective program that serves, directly or indirectly, about 400,000 children. This is a small amount, $7½ million, a small amount of money, but its effectiveness is enormous. That $7½ million would not even be a blip on Cap Weinberger's computer, a small amount of that budget.

But it is very important that we keep this money in education.

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Now I know that the sponsor of this amendment's motive is pure and is based on the gentleman's consideration of fiscal and educational matters. I know that because I have worked with the gentleman closely for a year and a half. I know the gentleman's motivations are pure.

But let's look at the result of this amendment. Where is this money going to go? You know where it is going to go. We all know where it is going to go. Cap Weinberger is going to get the money. He has almost doubled his budget in the last 5 years. Where did he get those extra dollars? Not from extra taxes, we know that. We cut taxes in 1981.

Cap Weinberger got his extra dollars by filching them from other programs. That is where he got his dollars. Let's not aid and abet him in his filching operation. That is what he is doing. Hey, Cap, leave the kids alone. Go get your money someplace else. Leave our kids alone.

Mr. PETRI. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, Shakespeare once observed that "All's well that ends well." This concept is especially true in Government at this time of hemorrhaging Federal deficits where every program must terminate in a timely fashion once its purpose has been served.

Follow Through is a classic example. Beginning 20 years ago a temporary demonstration project, Follow Through has kept on following through year after year after year at a continuing multimillion-dollar cost to our taxpayers. Every golfer appreciates the need for a good follow-through. There comes a time when the followthrough must end so that the next stroke can begin.

Now is the time to free up Follow Through funds for other educational programs. The benefits of Follow Through have been amply demonstrated to any and all interested school districts. No constructive purpose is served by continuing this demonstration for another half decade.

Over a decade after the project was scheduled to end, Federal Follow Through funds continue to flow to the very same handful of school districts year after year. If the project had merit, then at the very least, those school districts should continue it themselves and the demonstration funds be shifted to different school districts.

Instead, the 58 recipient school districts treat the funds as their own Federal entitlement program. I strongly support Head Start as a proven program that broadly distributes Federal funds to help preschooling for the disadvantaged, but I cannot continue to support a limited demonstration project like Follow Through.

The useful purpose of Follow Through has been accomplished. The project Follow Through has been amply demonstrated, studied, and reviewed. Local school districts can now choose to adopt Follow Through if they wish.

Further demonstration will only drain Federal funds without any general public benefit.

As Shakespeare observed, "All's well that ends well." The way for Follow Through to end well is to vote for this amendment sunsetting authorization for the project.

Mr. KILDEE. Mr. Chairman, will the gentleman yield?

Mr. PETRI. I yield to the gentleman from Michigan.

Mr. KILDEE. Mr. Chairman, I know the gentleman from Wisconsin is fiscally responsible, too, and the gentleman certainly has a refined, huge sense of fiscal responsibility, but the

gentleman talks about the hemorrhaging Federal budget.

When we look at where it is hemorrhaging, this is $7.5 million. I believe in a first-class defense, and the gentleman knows that I do. I have always supported a first-class defense. But the other day, Cap Weinberger found $2.2 billion in a drawer—$2.2 billion. Will you join with me, perhaps, in trying to stop that hemorrhaging?

This is $7.5 million for little kids.

Mr. PETRI. Absolutely, but where I come from, $7.5 million is a lot of money. Demonstration projects are important. It just seems to me that here we are spending on 58 school districts out of 14,000 school districts in the United States, and I do not know what makes them better than all of the rest. They have had that money for 20 years and the other 13,900-and-some have not.

The demonstrations have served their purpose.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. PETRI. I yield to the gentleman from Vermont [Mr. JEFFORDS], the ranking Republican on the committee.

Mr. JEFFORDS. Mr. Chairman, I thank the gentleman for yielding.

I think that we ought to recognize that in the appropriations process, there is going to be so much money set aside for education. Cap is probably not even interested in $7.5 million; he would not know where to put it. He does not have a drawer that small.

What we would be doing is making more money available for education in other areas. So I do not think I follow at all the rationale of the gentleman from Michigan [Mr. KILDEE] in saying that this money will be lost to education.

I agree with the gentleman that this was an excellent demonstration project, but at some point it has got to end. The question is whether you want to take that $7.5 million, which could be used for other worthwhile educational projects, and say, no, we are going to set that aside for those 58 school districts; those 13,000 young people will get the advantage of it.

It is time to make use of the program, but make use of it the way it was intended, and that is, for school districts who feel it is appropriate through chapter 2 money or whatever other money they want, or even the $7.5 million which may be put into that fund, to utilize that money to help others to design programs or whatever.

So I agree with the amendment. I think that it is important that we make that $7.5 million, which will happen in the normal appropriation process, be available for other educational programs.

Mr. WILLIAMS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman. I feel some impatience which is being reflected in the debate and reflected, symbolized, perhaps, by this amendment; some impatience with Follow Through and maybe with Head Start and with the efforts to try to move some day toward an end to poverty, particularly poverty among children in the United States.

But the hard fact is that Americans are in for a long pull because, as we were told 25 years ago, all of this will not be accomplished in the first 1,000 days or perhaps in our lifetime on this planet. So we begin. We began with Head Start and then we looked at Head Start as a good investment, but we saw some slippage following Head Start. We saw some of those children begin to slip back a little bit, so we decided to run Head Start and some children's antipoverty programs like a business.

We decided to invest more in what we had already invested in in order to prevent the slippage. So we decided to follow Head Start with this program called Follow Through.

The interesting thing is this: At the turn of the last decade, the American people had committed $69 million to the Follow Through effort. Some people in high places would tell you that nothing is ever cut. No antipoverty program efforts are ever cut in America and yet we were at $69 million in 1970, 1969, and 1970. Today, we are at $7 million, and so perhaps the impatience from some on the other side is really accounted for by the fact that this program called Follow Through is not big enough. It is not able to follow through to the degree to which it should.

I would suggest to the House that we really ought to be at least tripling the expenditure to no less than $20 million, but certainly let's not end the effort. Let's not become so impatient with our children's progress toward the day when they will move out of poverty that we throw up our hands and say we cannot do it; let's end all efforts after Head Start. Surely that would be a mistake.

We have done too much of it, as those appropriation figures which I just shared with the body, demonstrate. We have done too much of throwing up our hands in despair.

In 1960, the poverty rate among children in America was 27 percent. Then we decided to attack it with programs, grant programs such as Head Start, and a few years later, Follow Through, and within a decade, we had reduced that poverty rate in half. The poverty rate fell below 14 percent.

In the last few years, tragically, we have moved away from giving children a head start. We have moved away too rapidly from following through off of that good head start and, of course, the results are in now, and the data is one of pain and poverty for America's children because now the poverty rate has gone from about that 14 percent level up to about 22 and tragically it may get back very soon to what it was a quarter of a century ago when we launched this attack.

We do not want to get impatient. We do not want to give up on Follow Through or Head Start. I think when the Members of the House vote on this, they are going to vote very clearly that we want to continue Follow Through. We want to follow through on that good head start that this country has decided to give the poorest of its children, a follow through that is working and would work a lot better if this Congress would fully commit itself to a good Follow Through program like the one we had a quarter of a century or so ago.

Mr. OWENS. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I thank the gentleman from Montana [Mr. WILLIAMS] for restoring some perspective to this discussion.

The proponents of this amendment indeed offer very unusual arguments against a very tiny program. They say that if you cannot have more, then you should not have any. Big is better, and if it is not big, we should get rid of it altogether. We should throw more dollars or have more dollars to throw at a program or project or not have the project at all.

I do not understand how that argument fits with their concerns about fiscal responsibility. I do not understand the argument because there are so few, they automatically are bad.

The Follow Through Programs are so few because they have been cut from $69 million to $7 million. That is unfortunate. We wish there were more.

However, the few also serve a very important purpose. I have not heard advocates of this amendment for a single scholar or a researcher who is concerned with early childhood education. What is happening in Head Start and what is happening with Follow Through is being studied. It is being studied by quite a number of scholars.

Early childhood education is one of the most popular concepts in educational circles now. There are some States and some localities that are beginning to consider expanding the years that youngsters spend in school as a result of the work that was pioneered by Head Start and by Follow Through.

If the Follow Through Programs are disseminating information, if they are serving a purpose for scholars who are studying the process, then they are serving a very worthwhile purpose that usually does not take place in the case of many other education experi-

ments. One of the problems with social science experimentation, and with experiments in education, has been that there is not enough continuity. You are dealing with human beings and the number of years that it takes to really document whether a worthwhile result was obtained or not is considerable.

So you must have an experiment which spreads over a number of years. If we cannot spread all of the Follow Through Programs over a number of years and keep them going, then at least we have a few. The rest of the school districts of America can serve as the control groups. We can look at what happens in these few districts, compare them to other similar districts, and then you have a basis for coming to some real sound conclusions.

The Follow Through Program, like the Head Start Program, is very innovative. But the Follow Through Program probably has a greater impact as a component of Head Start than if it were not there, and Head Start would have a lesser impact rather than more because the Follow Through Program seeks to determine how these youngsters who get off to a very good start through the techniques that are developed through the innovations that are developed in Head Start, how will they impact on the large, monstrous public school systems, the systems that never respond to any other experiments? How will Head Start impact on them? For years, we have seen a positive impact. We would like to see more, and we would like to see the innovations that are taking place now as they are performed, tested, examined, and studied as they apply in the public school arena.

□ 1520

So I do not understand why we should take away a program which is now spending no more than $7 million; does not amount to the nuts and bolts that would go into an MX missile, why we should have a crusade to stop the hemorrhaging in the Federal budget directed against a program which offers such great benefits.

I think this amendment should be defeated. We owe it to the school children of America to keep this program going.

Mrs. SCHROEDER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I certainly hope that Members vote against this amendment. I think this is a terribly important program, and I just wanted to tell the committee that this weekend I had the honor of meeting with many of the directors of the Head Start programs in my region.

They were very distressed about what they are seeing happening with the fund cuts. Follow Through may be needed more than ever, because they are being told that if a child really needs Head Start for 2 years, they can only put them in for 1 year, because they are interested in numbers, numbers, numbers. I thought we were interested in results, results, results.

Many of the sponsors at the local level are getting very tired of some of things that are happening because again they see it less and less child oriented and more we want to have all sorts of numbers in here; we are forgetting about the quality of education.

So I think the Follow Through Program may be needed more than ever after talking to my directors and seeing what kind of pressure they are under, and after talking to some of the sponsors who were saying that they are getting tired of this and at some point they may just quit because they are putting in so much money and they do not feel they are getting the support, and they do not feel they are getting the local input that they really need to get; that they are just being told what to do, and: "If you don't do it, you're causing trouble."

So I can understand why people may want to cut Follow Through; because if you cut Follow Through, then you will not find out how the quality of Head Start maybe has dropped out; we won't have those different measuring points.

We are concerned, in the Rocky Mountain region, that the quality of Head Start is really, really being affected by the budget cutting and the penny pinching that is going on, and I want to see Follow Through stay out there so we can measure it and find out what is really happening.

These are terribly important programs; there is nothing more important than the young people of America, and I think the real question is, "Do we want to pay now or pay later?"

Let me say, it is a whole lot cheaper to pay now. Because if we let this whole generation go through without adequate education, we are going to pay later and we are going to pay a whole lot more.

So this is the best investment we have got; we are very worried about the political games being played with it. I certainly want to compliment the gentleman from Michigan and his outstanding commitment for the work and the dedication and all the time they have put in there, but let us also think about the children. They cannot vote; it is very easy to vote to cut something for people who cannot vote and get retaliation, but let me say, we really will be shortchanging ourselves and every taxpayer and our own children in the long run.

I hope we vote down this amendment, and do it rapidly.

Mr. PERKINS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, today we have in front of us one of the finest pieces of legislation that it has been our privilege to see come before this body in this session.

Let me say a little bit about real terms, what this program does for children. We are talking about children that, when they get through the Head Start Program—which I think we all agree is an excellent program—they come to school and this program allows them to care in these areas: Their nutritional needs, health needs and their educational needs in one package.

The program looks at that child, it figures out what is wrong with them as a team, and they try to put together something that takes care of that child.

Now, I will agree with my distinguished colleague and friend from the State of Iowa that this program is too scattered; and I will further agree with my dear friend from Montana that it should be more than tripled. I had an amendment that I was going to offer to the amendment of the gentleman from Iowa [Mr. TAUKE] today that would have expanded this very program; and out of a sense of loyalty to my dear, beloved friend from Michigan, the committee chairman, I did not do so.

I believe very strongly that this program should be expanded, because it goes at the root; it asks parents to take some time themselves to come to school with these children, to get involved, and if the parents do not do it, then they are not eligible for the benefits. It is one of the great programs that we have, that attacks adult illiteracy. It brings a parent in and it teaches them the same things it teaches the child. It puts it together. It is a coordinated effort in an attempt to try to attack the basic problems of lack of education in this country today.

This is an excellent program.

Now, Members have heard the figures; Members have heard that this program is used nationwide by 2 million students, and these students, according to the definitions in the guidelines, are basically the poorer students of America; these students are the ones who need our assistance.

I heard a $600-per-student figure used over here. That is $30 a student if you use the 2-million figure, and you indeed have 2 million American students, using materials from this program that cost $7.5 million.

Mr. Chairman, we paid $69 million to this program in 1972. We ought to be paying up around a billion, in my estimation, for this type of program. We ought to be going out there and attacking the problems of poverty in

America today; but what are we doing? We are sitting back and watching these children go on and on, and we are going to pay for it, just like the gentlewoman from Colorado [Mrs. SCHROEDER] said, in the future.

If we do not attack the problem of education among children in America, it is going to keep on; it is not going to stop; it is not going to go away; it is going to be there, and this is exactly the type of program that follows a child's education from kindergarten to preschool and on up. This is the kind of program that is important to our children.

I urge my colleagues to vote against this amendment, because this program, the Follow Through Program, is exactly the basis on which we are going to have to build America's future.

Mr. TAUKE. Mr. Chairman, I rise to strike the requisite number of words.

Mr. Chairman, I rise again in order to correct a few of the misstatements that have been made relating to the Follow Though Program. First of all, I think it is critically important that Members understand that the Follow Through Program was established as a demonstration program; that Congress has since twice tried to end the program, and this is a year in which it was supposed to end.

This reauthorization attempts to undo what Congress has decided earlier to do; namely, end the demonstration program. It is not as if, by ending the demonstration program, that we are saying that it was not successful. In fact, what we will be doing is saying that it was successful; that it created the demonstrations that we needed, that that material is being disseminated among all those other school districts that have never received direct Follow Through funds.

Now I understand why the Members who represent the 58 school districts out of the 14,000 in the country would be interested in trying to save the program; but this program on its own merits should end, because it has accomplished what it was supposed to accomplish; continuing to fund it is simply funding a pork barrel project for the 58 school districts to get that money.

The suggestion has been made by some that this is the only thing we do for children who are educationally disadvantaged, once they come out of Head Start. That is so much poppycock.

We are not spending the billion dollars that the gentleman just asked for; instead we are spending a half billion this year in chapter 2 and $3.5 billion in chapter 1, for the very students who would be served by this demonstration program.

Mr. Chairman, this program has served us well. It has done what it was supposed to do; it is time to end it. I think that those who are contemplating voting against this amendment need to ask themselves, "How long must we demonstrate before a demonstration program ends?"

They must ask themselves, "Why is it that we in Congress want to turn every demonstration program into an entitlement program for just a few?" Can we as a Congress ever make a decision to end a program which has accomplished what it was supposed to do?

When we make a decision to finally phase out a program, which Congress has done in this case, can we resist the bureaucracy established to implement the program? Or are we going to cave in to it every time?

□ 1530

Only a few students in the country continue to receive benefits from this program. Actually only a few school districts in the country receive benefits. Other school districts provide the same programming; they just do it themselves.

This is a program which picks out a few school districts, the same ones since 1972, and says, "You get a little extra money from the Federal Government."

It is not fair, it is not justified. The program should be ended because it does not merit continuation.

Mr. KILDEE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I would like also to summarize a bit here. The gentleman sincerely talks about some possible duplication. But there is really no duplication with chapter 1. Chapter 1 is basically remedial.

This program, Follow Through, tries to prevent that child from failing. That is the key of it, to try to prevent that child from failing.

Now, I have taught school and, as I have said many times, I was a schoolteacher, that is what I was trained for. I have taken this long sabbatical into politics.

I know once a child fails it is hard really to bring that person back.

Let me tell you this. We have been dropping the amount of money for chapter 1, too. We have been dropping that, now we are asked to drop this program which really is not remedial. This keeps the child hopefully from failing so he would not need that remedial action.

Let me tell you this: I think the basic function of government, its basic function is to promote, defend, protect, and enhance human dignity. I try to examine every bill that comes before this body and ask myself: Will this bill promote, defend, enhance, and protect human dignity, or will it tend to denigrate human dignity?

To keep a child from failing is an enormously important thing because, if that child tastes success in those early grades in the school, that child is more likely to be successful when they reach those grades which I taught in high school.

Let me tell you a little story: We all think of the dignity of our own children. You and I make enough in this Chamber. We make $75,000 per year. I can provide programs for my children. And I try to help my children feel that success and that dignity and that net worth.

My 13-year-old boy, Paul, about 4 years ago, when he was 9 years old, I was tucking him in bed, as is my custom as the father of a family, and hearing his prayers.

After he finished his formal prayers, he said, "I love God, I love mommy, I love daddy, I love Laura, I love David, and I love me."

That was very important. That young boy of mine had a good feeling about himself. And I was able to provide all those things.

But very often the poor, as much as they might try, do not have the means to help that child feel success.

Mr. DICKS. Mr. Chairman, I rise today in opposition to the Tauke amendment to H.R. 4421. This amendment would eliminate authorization for the Follow Through Education Program.

Since 1967, Follow Through has provided disadvantaged children, primarily from the Head Start Program, with the extra support they need to succeed in elementary school. Located in 58 school districts across the United States, Follow Through programs meet the educational, social, and health needs of approximately 20,000 children. In my own district over 400 children receive the benefits of this program.

Follow Through does not duplicate services provided by other programs such as chapter 1. Its primary focus is preventive, not remedial. Many educators agree that the cycle of school failure that grows out of poverty is most successfully addressed during a child's early schooling. Later efforts are helpful, but the earlier investment by the Follow Through Program is both productive and cost-effective.

The current authorization for Follow Through expires at the end of this fiscal year. I urge my colleagues to join me in rejecting the Tauke amendment to strike the Follow Through authorization from H.R. 4421 so that this program may continue its highly successful services to children.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. TAUKE].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. TAUKE. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. Pursuant to

the provisions of clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 100]

Ackerman	Crockett	Hartnett
Akaka	Daniel	Hatcher
Alexander	Dannemeyer	Hawkins
Anderson	Darden	Hayes
Andrews	Daschle	Hefner
Annunzio	Daub	Heftel
Anthony	de la Garza	Hendon
Applegate	DeLay	Henry
Archer	Dellums	Hertel
Armey	Derrick	Hiler
Aspin	DeWine	Hillis
Atkins	Dickinson	Holt
AuCoin	Dicks	Hopkins
Barnard	DioGuardi	Horton
Bartlett	Dixon	Howard
Barton	Donnelly	Hoyer
Bateman	Dorgan (ND)	Hubbard
Bates	Dornan (CA)	Huckaby
Bedell	Dowdy	Hughes
Beilenson	Downey	Hunter
Bennett	Dreier	Hutto
Bentley	Duncan	Hyde
Bereuter	Durbin	Ireland
Berman	Dwyer	Jacobs
Bevill	Dymally	Jeffords
Biaggi	Dyson	Jenkins
Bilirakis	Early	Johnson
Bliley	Eckart (OH)	Jones (NC)
Boehlert	Eckert (NY)	Jones (OK)
Boggs	Edwards (CA)	Jones (TN)
Boland	Edwards (OK)	Kanjorski
Boner (TN)	Emerson	Kaptur
Bonior (MI)	English	Kasich
Bonker	Erdreich	Kastenmeier
Borski	Evans (IA)	Kemp
Bosco	Evans (IL)	Kennelly
Boucher	Fascell	Kildee
Boulter	Fawell	Kindness
Boxer	Fazio	Kleczka
Breaux	Feighan	Kolbe
Brooks	Fields	Kolter
Broomfield	Fish	Kostmayer
Brown (CA)	Flippo	Kramer
Brown (CO)	Florio	LaFalce
Broyhill	Foglietta	Lagomarsino
Bruce	Foley	Lantos
Bryant	Ford (MI)	Latta
Burton (CA)	Ford (TN)	Leach (IA)
Burton (IN)	Fowler	Leath (TX)
Bustamante	Frank	Lehman (CA)
Byron	Frenzel	Lehman (FL)
Callahan	Fuqua	Leland
Carney	Gallo	Lent
Carper	Garcia	Levin (MI)
Chandler	Gaydos	Levine (CA)
Chapman	Gejdenson	Lewis (CA)
Chappell	Gekas	Lewis (FL)
Chappie	Gephardt	Lightfoot
Cheney	Gibbons	Lipinski
Clay	Gilman	Livingston
Clinger	Gingrich	Lloyd
Coats	Glickman	Long
Cobey	Gonzalez	Lott
Coble	Goodling	Lowery (CA)
Coelho	Gordon	Lowry (WA)
Coleman (MO)	Gradison	Luken
Coleman (TX)	Gray (IL)	Lundine
Collins	Gray (PA)	Lungren
Combest	Green	Mack
Conte	Gregg	MacKay
Conyers	Guarini	Madigan
Cooper	Gunderson	Manton
Coughlin	Hall (OH)	Markey
Courter	Hall, Ralph	Marlenee
Coyne	Hamilton	Martin (IL)
Craig	Hammerschmidt	Martin (NY)
Crane	Hansen	Martinez
Matsui	Rahall	Spratt
Mavroules	Rangel	St Germain
Mazzoli	Ray	Staggers
McCain	Regula	Stallings
McCloskey	Reid	Stangeland
McCollum	Ridge	Stark
McCurdy	Rinaldo	Stenholm
McEwen	Ritter	Stokes
McGrath	Roberts	Strang
McHugh	Robinson	Stratton
McKinney	Rodino	Studds
McMillan	Roe	Stump
Meyers	Roemer	Sundquist
Mica	Rogers	Sweeney
Michel	Rose	Swift
Mikulski	Rostenkowski	Swindall
Miller (CA)	Roth	Synar
Miller (OH)	Roukema	Tallon
Miller (WA)	Rowland (CT)	Tauke
Mineta	Rowland (GA)	Tauzin
Mitchell	Roybal	Taylor
Moakley	Rudd	Thomas (CA)
Molinari	Russo	Thomas (GA)
Mollohan	Sabo	Torres
Monson	Savage	Torricelli
Montgomery	Saxton	Towns
Moody	Schaefer	Traficant
Moore	Schneider	Traxler
Moorhead	Schroeder	Udall
Morrison (CT)	Schuette	Valentine
Morrison (WA)	Schulze	Vander Jagt
Mrazek	Schumer	Vento
Murphy	Sensenbrenner	Visclosky
Murtha	Sharp	Volkmer
Myers	Shaw	Walgren
Natcher	Shelby	Walker
Neal	Shumway	Watkins
Nelson	Shuster	Waxman
Nielson	Sikorski	Weber
Nowak	Siljander	Weiss
O'Brien	Sisisky	Wheat
Oakar	Skeen	Whitehurst
Oberstar	Skelton	Whitley
Obey	Slattery	Whittaker
Olin	Slaughter	Whitten
Owens	Smith (FL)	Williams
Oxley	Smith (IA)	Wilson
Packard	Smith (NE)	Wirth
Panetta	Smith (NJ)	Wolf
Parris	Smith, Denny (OR)	Wolpe
Pashayan	Smith, Robert (NH)	Wortley
Pease	Smith, Robert (OR)	Wyden
Penny	Snowe	Wylie
Perkins	Snyder	Yates
Petri	Solarz	Yatron
Porter	Spence	Young (AK)
Price		Young (FL)
Pursell		Young (MO)
Quillen		Zschau

□ 1555

The CHAIRMAN. Four hundred five Members have answered to their names, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Iowa [Mr. TAUKE] for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 161, noes 245, not voting 27, as follows:

[Roll No. 101]

AYES—161

Archer	Byron	Crane
Armey	Callahan	Daniel
Barnard	Carney	Dannemeyer
Bartlett	Carper	Darden
Barton	Chandler	Daub
Bedell	Chapman	DeLay
Bilirakis	Cheney	DeWine
Bliley	Coats	Dickinson
Boehlert	Cobey	DioGuardi
Boulter	Coble	Dornan (CA)
Broomfield	Coleman (MO)	Dreier
Brown (CO)	Combest	Eckert (NY)
Broyhill	Courter	Edwards (OK)
Burton (IN)	Craig	English
Fields	Lungren	Schuette
Frenzel	Mack	Schulze
Gallo	Madigan	Sensenbrenner
Gekas	Marlenee	Shaw
Gingrich	Martin (IL)	Shumway
Goodling	McCain	Shuster
Gradison	McCollum	Siljander
Gregg	McCurdy	Skeen
Gunderson	McEwen	Slaughter
Hall, Ralph	McGrath	Smith (IA)
Hammerschmidt	McKinney	Smith (NE)
Hansen	McMillan	Smith, Denny (OR)
Hartnett	Meyers	Smith, Robert (NH)
Hiler	Michel	Smith, Robert (OR)
Hillis	Miller (OH)	Snowe
Holt	Miller (WA)	Snyder
Hopkins	Monson	Spence
Hunter	Montgomery	Stangeland
Hutto	Moore	Stump
Hyde	Moorhead	Sundquist
Ireland	Morrison (WA)	Sweeney
Jeffords	Myers	Swindall
Jenkins	Nielson	Synar
Johnson	Olin	Tauke
Jones (OK)	Oxley	Taylor
Kasich	Packard	Thomas (CA)
Kemp	Parris	Vander Jagt
Kindness	Penny	Walker
Kolbe	Petri	Watkins
Kramer	Ray	Whitehurst
Lagomarsino	Regula	Whittaker
Latta	Ridge	Wolf
Leach (IA)	Ritter	Wortley
Leath (TX)	Roberts	Wylie
Lent	Rogers	Young (AK)
Lewis (CA)	Roth	Young (FL)
Lewis (FL)	Roukema	Zschau
Lightfoot	Rowland (CT)	
Livingston	Rudd	
Lott	Saxton	
Lowery (CA)	Schaefer	

NOES—245

Ackerman	Dingell	Hendon
Akaka	Dixon	Henry
Alexander	Donnelly	Hertel
Anderson	Dorgan (ND)	Horton
Annunzio	Dowdy	Howard
Anthony	Downey	Hoyer
Applegate	Duncan	Hubbard
Aspin	Durbin	Huckaby
Atkins	Dwyer	Hughes
AuCoin	Dymally	Jacobs
Bateman	Dyson	Jones (NC)
Bates	Early	Jones (TN)
Beilenson	Eckart (OH)	Kanjorski
Bennett	Edwards (CA)	Kaptur
Bentley	Emerson	Kastenmeier
Bereuter	Erdreich	Kennelly
Bevill	Evans (IA)	Kildee
Biaggi	Evans (IL)	Kleczka
Boggs	Fascell	Kolter
Boland	Fawell	Kostmayer
Boner (TN)	Fazio	LaFalce
Bonior (MI)	Feighan	Lantos
Bonker	Fish	Lehman (CA)
Borski	Flippo	Lehman (FL)
Bosco	Florio	Leland
Boucher	Foglietta	Levin (MI)
Boxer	Foley	Levine (CA)
Breaux	Ford (MI)	Lipinski
Brooks	Ford (TN)	Lloyd
Brown (CA)	Fowler	Long
Bruce	Frank	Lowry (WA)
Bryant	Fuqua	Luken
Burton (CA)	Garcia	Lundine
Bustamante	Gaydos	MacKay
Chappell	Gejdenson	Manton
Chappie	Gephardt	Markey
Clay	Gibbons	Martin (NY)
Clinger	Gilman	Martinez
Coelho	Glickman	Matsui
Coleman (TX)	Gonzalez	Mavroules
Collins	Gordon	Mazzoli
Conte	Gray (IL)	McCloskey
Conyers	Gray (PA)	McHugh
Cooper	Green	Mica
Coughlin	Guarini	Mikulski
Coyne	Hall (OH)	Miller (CA)
Crockett	Hamilton	Mineta
Daschle	Hatcher	Mitchell
de la Garza	Hawkins	Moakley
Dellums	Hayes	Mollohan
Derrick	Hefner	Moody
Dicks	Heftel	Morrison (CT)

Mrazek	Rostenkowski	Tallon
Murphy	Rowland (GA)	Tauzin
Murtha	Roybal	Thomas (GA)
Natcher	Russo	Torres
Neal	Sabo	Torricelli
Nelson	Savage	Towns
Nowak	Scheuer	Traficant
O'Brien	Schneider	Traxler
Oakar	Schroeder	Udall
Oberstar	Schumer	Valentine
Obey	Seiberling	Vento
Owens	Sharp	Visclosky
Panetta	Shelby	Volkmer
Pashayan	Sikorski	Walgren
Pease	Sisisky	Waxman
Perkins	Skelton	Weber
Porter	Slattery	Weiss
Price	Smith (FL)	Wheat
Pursell	Smith (NJ)	Whitley
Quillen	Solarz	Whitten
Rahall	Spratt	Williams
Rangel	St Germain	Wilson
Reid	Staggers	Wirth
Richardson	Stallings	Wolpe
Rinaldo	Stark	Wright
Robinson	Stenholm	Wyden
Rodino	Stokes	Yates
Roe	Stratton	Yatron
Roemer	Studds	Young (MO)
Rose	Swift	

NOT VOTING—27

Andrews	Franklin	Nichols
Badham	Frost	Ortiz
Barnes	Grotberg	Pepper
Berman	Loeffler	Pickle
Campbell	Lujan	Solomon
Carr	McCandless	Strang
Davis	McDade	Vucanovich
Edgar	McKernan	Weaver
Fiedler	Molinari	Wise

Mr. DINGELL changed his vote from "aye" to "no."

Mr. HUNTER changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. KILDEE

Mr. KILDEE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KILDEE: Page 3, line 10, insert "(a)" before "Section".

Page 3, after line 17, insert the following:

(b) Section 670 of the Follow Through Act (42 U.S.C. 9861 note) is amended by striking out "1986" and inserting in lieu thereof "1990".

Mr. KILDEE. Mr. Chairman, this amendment really corrects a drafting error in the bill.

Mr. Chairman, I have discussed this amendment with the gentleman from Iowa [Mr. TAUKE] and I yield to the gentleman for a discussion on it.

Mr. TAUKE. Mr. Chairman, by adopting this amendment we, in essence, continue the Follow Through Program. So, in a sense, it is more than technical, but it was a drafting error.

In view of the vote that we have just taken, it does seem to me appropriate to approve this amendment without discussion or debate.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. KILDEE].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to section 3?

If not, the Clerk will designate section 4.

The text of section 4 is as follows:

SEC. 4. DEPENDENT CARE PROGRAMS.

Section 670A of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9871) is amended to read as follows:

"SHORT TITLE; AUTHORIZATION OF APPROPRIATIONS

"SEC. 670A. (a) This subchapter may be cited as the 'Dependent Care Program Act'.

"(b) For the purpose of making allotments to States to carry out the activities described in section 670D, there are authorized to be appropriated $20,000,000 for each of the fiscal years 1985 and 1986, and such sums as may be necessary for each of the fiscal years 1987, 1988, 1989, and 1990.".

The CHAIRMAN. Are there any amendments to section 4?

If not, the Clerk will designate section 5.

The text of section 5 is as follows:

SEC. 5. COMMUNITY SERVICES BLOCK GRANT PROGRAM.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 672(b) of the Community Services Block Grant Act (42 U.S.C. 9901(b)) is amended—

(1) by striking out "$400,000,000 for the fiscal year 1985, and", and

(2) by inserting after "1986," the following: "$390,000,000 for the fiscal year 1987, and such sums as may be necessary for each of the fiscal years 1988, 1989, and 1990,".

(b) EVALUATION OF COMPLIANCE.—Section 675(i)(1) of the Community Services Block Grant Act (42 U.S.C. 9904(i)(1)) is amended by adding at the end thereof the following: "Such evaluations shall include identifying the impact that the uses made of such funds have on children, pregnant youth, homeless families, and the elderly poor.".

(c) DISCRETIONARY GRANT AUTHORITY OF SECRETARY.—Section 681(a)(2) of the Community Services Block Grant Act (42 U.S.C. 9910(a)(2)) is amended—

(1) in the matter preceding subparagraph (A) by striking out "of this subtitle" and inserting in lieu thereof "specified in section 616 of the Community Economic Development Act of 1981",

(2) by amending subparagraph (A) to read as follows:

"(A) programs of the types specified in paragraphs (1) through (4) of section 617(a) of the Community Economic Development Act of 1981;", and

(3) in subparagraph (D) by inserting before the semicolon the following: "(in selecting entities to carry out such programs, the Secretary shall give priority to private nonprofit organizations that before the date of the enactment of the Community Services Programs Amendments of 1986 carried out such programs under this subparagraph)".

(d) COMMUNITY FOOD AND NUTRITION.—Section 681A(b) of the Community Services Block Grant Act (42 U.S.C. 9910a(b)) is amended by inserting before the period at the end thereof the following: ", and such sums as may be necessary for each of the fiscal years 1987, 1988, 1989, and 1990".

The CHAIRMAN. Are there any amendments to section 5?

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: On page 4, in line 14, strike "$390,000,000" and insert in lieu thereof "$370,300,000".

Mr. WALKER. Mr. Chairman, this amendment is essentially a freeze amendment. It would freeze the Community Services Program at their 1986 outlay level. Now, that is the appropriations level. And I would say that it is a figure even higher than what the actual spending rate is because under the sequestering order that took place earlier this year, the actual figure is $354 million of actual spending. But what I have done is, I have taken the $370 million figure, which was the appropriations figure for this year, and suggested that we freeze authorizations at that level.

The committee bill would have us take authorizations to a $390 million level.

I think that it is very clear that it is time that we recognize our need to get spending under control, and if we are dealing in real-time kinds of issues, some figures ought to be a little bit of concern to this body and to the country as a whole.

As of yesterday, the Treasury Department announced that the March budget deficit widened to $30.14 billion from the figure of $29.5 billion in March of 1985; in other words, the deficit, March to March, is up 2.1 percent if you compare those 2 months. That is a pattern that we are seeing throughout this year.

□ 1610

Already this year—if you take the first 6 months, October to March of this fiscal year—spending is up by $22.94 billion in the first 6 months of this year. So the idea that we somehow are doing our job around here of containing spending is just nonsense. The deficits are going up, and they are going up as a result of spending that we are doing, and it is high time that we begin to control that.

What my amendment proposes to do is to start to control right here by authorizing no more money for this program than we appropriated to be spent this year. That is all the amendment does, is use a very, very simple device to try to get us to freeze our spending levels at this year's outlay level.

Mr. Chairman, I ask adoption of the amendment.

Mr. KILDEE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as we all know in this process, H.R. 4421 is an authorization bill. I recognize that we cannot run high, wide, and handsome even in authorization bills, but we certainly have not run high, wide, and handsome. I think I have bled a bit already on this bill, as I am sure the gentleman from Iowa can testify, because, Mr. Chairman, we reduced it. The present level of authorization in the present law is

$415 million. With a great deal of persuasion and input from the gentleman from Iowa [Mr. TAUKE], I was talked into and agreed to drop that authorization level from $415 million to $390 million and we had negotiations going on at length.

In so doing, I had to use every bit of credibility with certain people on my side in that committee to do that, but I recognize that we do have to bring authorizations much closer to the area where we might reasonably expect the appropriations.

Let me reiterate, in trying to be responsible and in trying to cooperate with the minority side of the subcommittee and the full committee, we have already agreed to drop the authorization level $25 million. This freeze amendment, or whatever you want to call it, would go even beyond that. I think we have already exercised a high degree of reasonableness and discretion by taking $25 million off of that authorization level.

I vigorously oppose this amendment. Since this authorization has a 4-year level, let us give some wiggle room, in case things develop, for the Appropriations Committee to determine whether or not they wish to go on beyond the present level of appropriation. That is all we have done: we have given them some wiggle room in the next 4 years.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Chairman, I think the real question that we have, if you really want to get at the problem of spending in this body, is that question of wiggle room. Under the provisions of the gentleman's bill he appropriates such sums as may be necessary for the outyears. So the only year that we are talking about is 1987. All this gentleman is suggesting with his amendment is that we ought to freeze this level of spending for this year. That is all my amendment would do. It would not affect at all the such sums that may be necessary in 1988, 1989, and 1990. So they have wiggle room into those years.

I would say to the gentleman that my amendment seeks to do something about this year, when we are already almost $23 billion up in spending, and we are only halfway through the year.

Mr. KILDEE. Mr. Chairman, reclaiming my time, I submit that that is properly an argument before the Committee on Appropriations and when the appropriations bill comes here.

If you want to go into substance, however, we can argue this bill does save much money in other areas of the budget: For example, the CSBG counseling of families on their default in mortgages. For each foreclosure on which we have been able to counsel the people who are going to be foreclosed on their FHA-guaranteed mortgages, we are saving about $12,000 per mortgage. So if you want to get into substance, this program is a good investment.

To get back to the gist and the main part of the argument, we have already cut $25 million from the authorization level, and I think that that is enough. We should leave some room for the appropriating process.

Mr. Chairman, I oppose the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. WALKER. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. Pursuant to the provisions of clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 102]

Ackerman	Bryant	Dingell
Akaka	Burton (CA)	DioGuardi
Alexander	Burton (IN)	Dixon
Anderson	Byron	Donnelly
Andrews	Callahan	Dorgan (ND)
Annunzio	Carney	Dornan (CA)
Anthony	Carper	Dowdy
Applegate	Chandler	Downey
Archer	Chapman	Dreier
Armey	Chappell	Duncan
Atkins	Chappie	Durbin
AuCoin	Cheney	Dwyer
Bartlett	Clay	Dymally
Barton	Clinger	Dyson
Bateman	Coats	Early
Bates	Cobey	Eckart (OH)
Bedell	Coble	Eckert (NY)
Beilenson	Coelho	Edwards (CA)
Bennett	Coleman (MO)	Edwards (OK)
Bentley	Coleman (TX)	Emerson
Bereuter	Collins	English
Berman	Combest	Erdreich
Bevill	Conte	Evans (IA)
Biaggi	Conyers	Evans (IL)
Bilirakis	Cooper	Fascell
Bliley	Coughlin	Fawell
Boehlert	Courter	Fazio
Boggs	Coyne	Feighan
Boland	Craig	Fields
Boner (TN)	Crane	Fish
Bonior (MI)	Crockett	Flippo
Bonker	Daniel	Florio
Borski	Dannemeyer	Foglietta
Bosco	Darden	Ford (MI)
Boucher	Daschle	Ford (TN)
Boulter	Daub	Fowler
Boxer	Davis	Frank
Breaux	de la Garza	Frenzel
Brooks	DeLay	Fuqua
Broomfield	Dellums	Gallo
Brown (CA)	Derrick	Garcia
Brown (CO)	DeWine	Gaydos
Broyhill	Dickinson	Gejdenson
Bruce	Dicks	Gekas
Gephardt	Martin (IL)	Schneider
Gibbons	Martin (NY)	Schroeder
Gilman	Martinez	Schuette
Glickman	Matsui	Schulze
Gonzalez	Mavroules	Schumer
Goodling	Mazzoli	Seiberling
Gordon	McCain	Sensenbrenner
Gradison	McCloskey	Sharp
Gray (IL)	McCollum	Shaw
Gray (PA)	McCurdy	Shelby
Green	McEwen	Shumway
Gregg	McGrath	Shuster
Guarini	McHugh	Sikorski
Gunderson	McKernan	Siljander
Hall (OH)	McKinney	Sisisky
Hall, Ralph	McMillan	Skeen
Hamilton	Meyers	Skelton
Hammerschmidt	Mica	Slattery
Hansen	Michel	Slaughter
Hartnett	Mikulski	Smith (FL)
Hatcher	Miller (CA)	Smith (IA)
Hawkins	Miller (OH)	Smith (NE)
Hayes	Miller (WA)	Smith (NJ)
Hefner	Mineta	Smith, Robert (NH)
Heftel	Moakley	
Hendon	Molinari	Smith, Robert (OR)
Henry	Mollohan	
Hertel	Monson	Snowe
Hiler	Montgomery	Snyder
Hillis	Moody	Solarz
Holt	Moore	Spence
Hopkins	Moorhead	Spratt
Horton	Morrison (CT)	St Germain
Howard	Morrison (WA)	Staggers
Hoyer	Mrazek	Stallings
Hubbard	Murphy	Stangeland
Huckaby	Murtha	Stark
Hughes	Myers	Stenholm
Hunter	Natcher	Stokes
Hutto	Neal	Strang
Hyde	Nelson	Stratton
Ireland	Nielson	Studds
Jacobs	Nowak	Stump
Jeffords	O'Brien	Sundquist
Jenkins	Oakar	Sweeney
Johnson	Oberstar	Swift
Jones (NC)	Obey	Swindall
Jones (OK)	Olin	Synar
Jones (TN)	Owens	Tallon
Kanjorski	Oxley	Tauke
Kaptur	Packard	Tauzin
Kasich	Panetta	Taylor
Kastenmeier	Parris	Thomas (CA)
Kennelly	Pashayan	Thomas (GA)
Kildee	Pease	Torres
Kindness	Penny	Torricelli
Kleczka	Perkins	Towns
Kolbe	Petri	Traficant
Kolter	Porter	Traxler
Kostmayer	Price	Udall
Kramer	Pursell	Valentine
LaFalce	Quillen	Vander Jagt
Lagomarsino	Rahall	Vento
Lantos	Rangel	Visclosky
Latta	Ray	Volkmer
Leach (IA)	Regula	Walgren
Leath (TX)	Reid	Walker
Lehman (CA)	Richardson	Watkins
Lehman (FL)	Ridge	Waxman
Leland	Rinaldo	Weber
Lent	Ritter	Weiss
Levin (MI)	Roberts	Wheat
Levine (CA)	Robinson	Whitehurst
Lewis (CA)	Rodino	Whitley
Lewis (FL)	Roe	Whittaker
Lightfoot	Roemer	Whitten
Lipinski	Rogers	Wilson
Livingston	Rose	Wirth
Lloyd	Rostenkowski	Wolf
Long	Roth	Wolpe
Lott	Roukema	Wortley
Lowery (CA)	Rowland (CT)	Wyden
Lowry (WA)	Rowland (GA)	Wylie
Luken	Roybal	Yates
Lungren	Rudd	Yatron
Mack	Russo	Young (AK)
MacKay	Sabo	Young (FL)
Madigan	Savage	Young (MO)
Manton	Saxton	Zschau
Markey	Schaefer	
Marlenee	Scheuer	

□ 1620

The CHAIRMAN. Four hundred and one Members have answered to their

names, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Pennsylvania [Mr. WALKER] for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 140, noes 267, not voting 26, as follows:

[Roll No. 103]

AYES—140

Andrews	Hammerschmidt	Porter
Archer	Hansen	Pursell
Armey	Hartnett	Ray
Bartlett	Hendon	Regula
Barton	Hiler	Ridge
Bateman	Hillis	Ritter
Bilirakis	Holt	Roberts
Bliley	Hopkins	Rogers
Boulter	Hubbard	Roth
Broomfield	Huckaby	Rudd
Brown (CO)	Hunter	Schaefer
Broyhill	Hutto	Schuette
Burton (IN)	Hyde	Sensenbrenner
Byron	Ireland	Shaw
Callahan	Johnson	Shumway
Carney	Kasich	Shuster
Carper	Kindness	Siljander
Chandler	Kolbe	Slattery
Cheney	Kramer	Slaughter
Coats	Lagomarsino	Smith (NE)
Cobey	Latta	Smith, Robert (NH)
Coble	Leach (IA)	Smith, Robert (OR)
Coleman (MO)	Leath (TX)	Snyder
Combest	Lewis (CA)	Spence
Coughlin	Lewis (FL)	Stallings
Craig	Lightfoot	Stangeland
Crane	Livingston	Stenholm
Daniel	Lott	Strang
Dannemeyer	Lungren	Stump
Daub	Mack	Sundquist
DeLay	Madigan	Sweeney
DeWine	Marlenee	Swindall
Dickinson	Martin (IL)	Tauke
DioGuardi	McCain	Taylor
Dornan (CA)	McCollum	Thomas (CA)
Dreier	McEwen	Thomas (GA)
Eckert (NY)	Meyers	Vander Jagt
Edwards (OK)	Michel	Walker
Evans (IA)	Miller (WA)	Weber
Fawell	Monson	Whitehurst
Fields	Montgomery	Wolf
Frenzel	Moore	Wylie
Gekas	Moorhead	Young (FL)
Gingrich	Myers	Zschau
Glickman	Nelson	
Goodling	Nielson	
Gradison	Oxley	
Gregg	Petri	

NOES—267

Ackerman	Boxer	Dingell
Akaka	Breaux	Dixon
Alexander	Brooks	Donnelly
Anderson	Brown (CA)	Dorgan (ND)
Annunzio	Bruce	Dowdy
Anthony	Bryant	Downey
Applegate	Burton (CA)	Duncan
Atkins	Bustamante	Durbin
AuCoin	Chapman	Dwyer
Barnard	Chappell	Dymally
Bates	Chappie	Dyson
Bedell	Clay	Early
Beilenson	Clinger	Eckart (OH)
Bennett	Coelho	Edwards (CA)
Bentley	Coleman (TX)	Emerson
Bereuter	Collins	English
Berman	Conte	Erdreich
Bevill	Conyers	Evans (IL)
Biaggi	Cooper	Fascell
Boehlert	Courter	Fazio
Boggs	Coyne	Feighan
Boland	Crockett	Fish
Boner (TN)	Daschle	Flippo
Bonior (MI)	Davis	Florio
Bonker	de la Garza	Foglietta
Borski	Dellums	Foley
Bosco	Derrick	Ford (MI)
Boucher	Dicks	Ford (TN)
Fowler	Markey	Russo
Frank	Martin (NY)	Sabo
Fuqua	Martinez	Savage
Gallo	Matsui	Saxton
Garcia	Mavroules	Scheuer
Gaydos	Mazzoli	Schneider
Gejdenson	McCloskey	Schroeder
Gephardt	McCurdy	Schulze
Gibbons	McGrath	Schumer
Gilman	McHugh	Seiberling
Gonzalez	McKernan	Sharp
Gordon	McKinney	Shelby
Gray (IL)	McMillan	Sikorski
Gray (PA)	Mica	Sisisky
Green	Mikulski	Skeen
Guarini	Miller (CA)	Skelton
Gunderson	Miller (OH)	Smith (FL)
Hall (OH)	Mineta	Smith (IA)
Hall, Ralph	Mitchell	Smith (NJ)
Hamilton	Moakley	Snowe
Hatcher	Molinari	Solarz
Hawkins	Mollohan	Spratt
Hayes	Moody	St Germain
Hefner	Morrison (CT)	Staggers
Heftel	Morrison (WA)	Stark
Henry	Mrazek	Stokes
Hertel	Murphy	Stratton
Horton	Murtha	Studds
Howard	Natcher	Swift
Hoyer	Neal	Synar
Hughes	Nowak	Tallon
Jacobs	O'Brien	Tauzin
Jeffords	Oakar	Torres
Jenkins	Oberstar	Torricelli
Jones (NC)	Obey	Towns
Jones (OK)	Olin	Traficant
Jones (TN)	Owens	Traxler
Kanjorski	Packard	Udall
Kaptur	Panetta	Valentine
Kastenmeier	Parris	Vento
Kennelly	Pashayan	Visclosky
Kildee	Pease	Volkmer
Kleczka	Penny	Walgren
Kolter	Perkins	Watkins
Kostmayer	Price	Waxman
LaFalce	Quillen	Weiss
Lantos	Rahall	Wheat
Lehman (CA)	Rangel	Whitley
Lehman (FL)	Reid	Whittaker
Leland	Richardson	Whitten
Lent	Rinaldo	Williams
Levin (MI)	Robinson	Wilson
Levine (CA)	Rodino	Wirth
Lipinski	Roe	Wolpe
Lloyd	Roemer	Wortley
Long	Rose	Wright
Lowery (CA)	Rostenkowski	Wyden
Lowry (WA)	Roukema	Yates
Luken	Rowland (CT)	Yatron
MacKay	Rowland (GA)	Young (AK)
Manton	Roybal	Young (MO)

NOT VOTING—26

Aspin	Frost	Ortiz
Badham	Grotberg	Pepper
Barnes	Kemp	Pickle
Campbell	Loeffler	Smith, Denny (OR)
Carr	Lujan	Solomon
Darden	Lundine	Vucanovich
Edgar	McCandless	Weaver
Fiedler	McDade	Wise
Franklin	Nichols	

□ 1635

Mr. RALPH M. HALL changed his vote from "aye" to "no."

Messrs. HILLIS, STANGELAND, THOMAS of Georgia, and SWEENEY changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. DARDEN. Mr. Chairman, I was inadvertently absent from the floor during rollcall 103. Had I been present, I would have voted "aye."

The CHAIRMAN. Are there further amendments to section 5? If not, the Clerk will designate section 6.

The text of section 6 is as follows:

SEC. 6. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect on October 1, 1986.

The CHAIRMAN. Are there any amendments to section 6?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SMITH of Florida, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4421) to authorize appropriations for fiscal years 1987, 1988, 1989, and 1990 to carry out the Head Start, Follow Through, Dependent Care, Community Services Block Grant, and Community Food and Nutrition Programs, and for other purposes, pursuant to House Resolution 428, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

RECORDED VOTE

Mr. TAUKE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 377, noes 33, not voting 23, as follows:

[Roll No. 104]

AYES—377

Ackerman	Atkins	Bentley
Akaka	AuCoin	Bereuter
Alexander	Barnard	Berman
Anderson	Barton	Bevill
Andrews	Bateman	Biaggi
Annunzio	Bates	Bilirakis
Anthony	Bedell	Bliley
Applegate	Beilenson	Boehlert
Aspin	Bennett	Boggs

Boland	Gibbons	McCurdy
Boner (TN)	Gilman	McEwen
Bonior (MI)	Gingrich	McGrath
Bonker	Glickman	McHugh
Borski	Gonzalez	McKernan
Bosco	Goodling	McKinney
Boucher	Gordon	McMillan
Boulter	Gradison	Meyers
Boxer	Gray (IL)	Mica
Breaux	Gray (PA)	Mikulski
Brooks	Green	Miller (CA)
Broomfield	Gregg	Miller (OH)
Brown (CA)	Guarini	Miller (WA)
Broyhill	Gunderson	Mineta
Bruce	Hall (OH)	Mitchell
Bryant	Hall, Ralph	Moakley
Burton (CA)	Hamilton	Molinari
Bustamante	Hammerschmidt	Mollohan
Byron	Hatcher	Montgomery
Callahan	Hawkins	Moody
Carney	Hayes	Moore
Carper	Hefner	Morrison (CT)
Chandler	Heftel	Morrison (WA)
Chapman	Hendon	Mrazek
Chappell	Henry	Murphy
Chappie	Hertel	Murtha
Clay	Hiler	Myers
Clinger	Hillis	Natcher
Coats	Holt	Neal
Cobey	Hopkins	Nelson
Coble	Horton	Nowak
Coelho	Howard	O'Brien
Coleman (MO)	Hoyer	Oakar
Coleman (TX)	Hubbard	Oberstar
Collins	Huckaby	Obey
Conte	Hughes	Olin
Conyers	Hunter	Owens
Cooper	Hutto	Oxley
Coughlin	Hyde	Packard
Courter	Ireland	Panetta
Coyne	Jacobs	Parris
Crockett	Jeffords	Pashayan
Daniel	Jenkins	Pease
Darden	Johnson	Penny
Daschle	Jones (NC)	Perkins
Daub	Jones (OK)	Petri
Davis	Jones (TN)	Porter
de la Garza	Kanjorski	Price
Dellums	Kaptur	Pursell
Derrick	Kasich	Quillen
DeWine	Kastenmeier	Rahall
Dickinson	Kemp	Rangel
Dicks	Kennelly	Ray
Dingell	Kildee	Regula
DioGuardi	Kindness	Reid
Dixon	Kleczka	Richardson
Donnelly	Kolbe	Ridge
Dorgan (ND)	Kolter	Rinaldo
Dowdy	Kostmayer	Ritter
Downey	Kramer	Robinson
Duncan	LaFalce	Rodino
Durbin	Lagomarsino	Roe
Dwyer	Lantos	Roemer
Dymally	Latta	Rogers
Dyson	Leach (IA)	Rose
Early	Leath (TX)	Rostenkowski
Eckart (OH)	Lehman (CA)	Roth
Eckert (NY)	Lehman (FL)	Roukema
Edwards (CA)	Leland	Rowland (CT)
Edwards (OK)	Lent	Rowland (GA)
Emerson	Levin (MI)	Roybal
English	Levine (CA)	Russo
Erdreich	Lewis (CA)	Sabo
Evans (IA)	Lewis (FL)	Savage
Evans (IL)	Lightfoot	Saxton
Fascell	Lipinski	Scheuer
Fawell	Livingston	Schneider
Fazio	Lloyd	Schroeder
Feighan	Long	Schuette
Fields	Lowery (CA)	Schulze
Fish	Lowry (WA)	Schumer
Flippo	Luken	Seiberling
Florio	Lundine	Sharp
Foglietta	MacKay	Shaw
Foley	Madigan	Shelby
Ford (MI)	Manton	Sikorski
Ford (TN)	Marlenee	Siljander
Fowler	Martin (IL)	Sisisky
Frank	Martin (NY)	Skeen
Frenzel	Martinez	Skelton
Fuqua	Matsui	Slattery
Gallo	Mavroules	Slaughter
Garcia	Mazzoli	Smith (FL)
Gaydos	McCain	Smith (IA)
Gejdenson	McCloskey	Smith (NE)
Gephardt	McCollum	Smith (NJ)
Smith, Denny (OR)	Swift	Weiss
Smith, Robert (NH)	Synar	Wheat
Smith, Robert (OR)	Tallon	Whitehurst
Snowe	Tauke	Whitley
Solarz	Tauzin	Whittaker
Spence	Thomas (CA)	Whitten
Spratt	Thomas (GA)	Williams
St Germain	Torres	Wilson
Staggers	Torricelli	Wirth
Stallings	Towns	Wolf
Stangeland	Traficant	Wolpe
Stark	Traxler	Wortley
Stenholm	Udall	Wright
Stokes	Valentine	Wyden
Strang	Vander Jagt	Wylie
Stratton	Vento	Yates
Studds	Visclosky	Yatron
Sundquist	Volkmer	Young (AK)
Sweeney	Walgren	Young (FL)
	Watkins	Young (MO)
	Waxman	Zschau
	Weber	

NOES—33

Archer	Dornan (CA)	Nielson
Armey	Dreier	Roberts
Bartlett	Gekas	Rudd
Brown (CO)	Hansen	Schaefer
Burton (IN)	Hartnett	Sensenbrenner
Cheney	Lott	Shumway
Combest	Lungren	Shuster
Craig	Mack	Snyder
Crane	Michel	Stump
Dannemeyer	Monson	Swindall
DeLay	Moorhead	Walker

NOT VOTING—23

Badham	Grotberg	Pepper
Barnes	Loeffler	Pickle
Campbell	Lujan	Solomon
Carr	Markey	Taylor
Edgar	McCandless	Vucanovich
Fiedler	McDade	Weaver
Franklin	Nichols	Wise
Frost	Ortiz	

□ 1700

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 4421, COMMUNITY SERVICES PROGRAMS AMENDMENTS OF 1986

Mr. KILDEE. Mr. Speaker, I ask unanimous consent that, in the engrossment of the bill, the Clerk be authorized to correct section numbers, punctuation, and cross references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending the bill, H.R. 4421.

The SPEAKER pro tempore (Mr. LUKEN). Is there objection to the request of the gentleman from Michigan?

There was no objection.

GENERAL LEAVE

Mr. KILDEE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4421, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE RESOLUTION 386

Mr. PORTER. Mr. Speaker, I ask unanimous consent that I may withdraw the name of the gentleman from California [Mr. ROBERT K. DORNAN] as a cosponsor of House Resolution 386. His nae was incorrectly included in the list of cosponsors.

The SPEAKER pro tempore, is there objection to the request of the gentleman from Illinois?

There was no objection.

THE REAL CULPRIT IS SYRIA'S ASSAD

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, CBS News reported this morning that the notorious Abu Nidal and his brand of terrorists have singled out experts at the Heritage Foundation and three former and current high officials of the Federal Government as targets for their murderous assassination attacks: Security expert Dr. Edward Luttwak, retired Gen. John Singlaub, and Presidential Adviser Oliver North. It was Abu Nidal, of course, who was responsible for the December airport massacres in Rome and Vienna that killed 20 people.

Now in recent weeks, when the issue of terrorism is discussed, talk seems to center around Libya's Mu'ammar Qadhafi, but we must never lose sight of the fact that Qadhafi is only a junior partner, and a minor one at that, in a terrorist syndicate that includes many players.

Foremost on the list is Syria's Hafiz el-Assad, the godfather of global terrorism. Assad's hands are covered with the blood of innocent victims spanning the globe from Rome, Vienna, Athens, across the Middle East to New Delhi. And Abu Nidal may kill on command for the highest bidder but his headquarters are in Syria, Damascus, and his real boss is Assad.

We must remember it was not Qadhafi but Assad:

Who was behind the attack which killed 241 American marines at their Beirut barracks in October 1983;

Who was responsible for bombs that killed Americans and damaged U.S. Embassies in Beirut and Kuwait in 1973;

And who perpetrated the executions of American Ambassadors and aides in Paris and Sudan.

Assad's victims include Americans, Israelis, and Jordanians, among others.

It was Assad, not Qadhafi, whose butchery of 20,000 men, women, and

children in Hama, Syria, in February 1982 makes him unique among merchants of terrorism—even in the blood-soaked Middle East.

I commend President Reagan for issuing a stern warning to Syria and Iran that terrorism will not be tolerated and that the United States will take strong action against any nation that condones or provokes terrorism.

We must stress how important it is for our allies in Western Europe to thwart the roots of terrorism as a unified phalanx.

And I hope Assad—the kingpin of terrorism—gets the message.

NEW HORIZONS FOR AMERICA'S YOUTH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut [Mr. McKINNEY] is recognized for 5 minutes.

Mr. McKINNEY. Mr. Speaker, I would like to take a moment to recognize a very talented and patriotic young man from my congressional district, Christopher Russell Gaudio, the Connecticut winner of the Voice of Democracy Scholarship Program.

Chris, a student at Saint Basil College Prep, wrote the following award-winning script, which is a wonderful tribute to the spirit of youth in America.

NEW HORIZONS FOR AMERICA'S YOUTH

America—the land of opportunity. From its very beginnings, its people showed the youthful spirit of hope and optimism. Americans cut down trees in the dark forests of a new and unconquered land, built homes and forged roads, declared independence and won a revolutionary war; they continued onward and probed into the depths of space. Where, now, our own space shuttle orbits the earth proudly displaying the flag which symbolizes the united efforts of a country of free people who have clearly demonstrated their will to prosper and to open new vistas of progress.

American has shaped a new and innovative means to strive for happiness—individual liberty and freedom. The freedom to choose and to exchange ideas and actions, along with the fruits of those actions, is the basis of our strength and prosperity. It is this spirit of the American past working in our present which will allow the youth of today to forge horizons anew tomorrow.

Enterprise and dynamic ingenuity make innovation and creativity a common practice in America. Here, every idea, no matter how large or small, can move from the realm of the "possible" to the probable. All one needs is the necessary commitment to nurture and to develop it. There is no limit to what the youth of America can dream or imagine. They possess the ultimate tool to become entrepreneurs of the future: a free mind seeking and striving to meet and solve the problems of the world.

Science and technology have already advanced and improved the quality of our lives. Through the remainder of this century and into the next, further advances in medical research, computer technology, and communications will continue to enhance and secure an even higher quality of living and working. Businesses and homes alike will become increasingly efficient through innovations still undreamed of in our day. The implications are staggering to contemplate. To be young now and realize that research and technology are only in the "budding" stages of development can only make one's blood rush with excitement. Our meager understanding and knowledge have given us merely the ability to discover what the frontiers of America have to offer. Our responsibility, as the new generations who will experience the new horizons of tomorrow, is to utilize and to apply this knowledge and understanding in order to meet the challenge ahead.

Now breakthroughs and advances in medical research such as genetic engineering, microsurgery, laser technology, and transplant specialization have just recently surfaced. The job of youth is to shape and mold these foundations to see how far they can actually reach. Each new discovery promises a new step forward in the conquest of illness and in disease and in the advancement of longer, healthier lives.

Consider the accomplishments possible in the future due to the new dawn of the computer age. Information services are expanding at a faster, more accurate and organized rate. Whether for business or home use, for national or global usage, we are able to locate, identify, and assimilate enormous amounts of knowledge and news. Accordingly, this onslaught of technology has opened the doors of space, whose own endlessness gives us opportunities just as boundless. In fact, at this very moment, Voyager 2 will continue up and out of the Universe . . . Voyager 2 will continue up and out of our solar system to visit new the unknown horizons of the Universe. We have not even begun to grasp the resources space has to offer! It is, by far, the most fascinating new horizon of all for youth to explore.

In the final analysis, then, we, the youth of today, who are striving towards new tomorrows must be concerned with challenging ourselves. We must find our own limitations and be willing to go beyond them. We must never lose sight of the fact that we can be better than we were yesterday, are today, or will be tomorrow.

A new kind of torch is about to be passed on with the coming of the 21st century. The question is not whether there will be new horizons for youth, but only what they will assume. Since it is man's freedom to think, to choose, to risk, to create that makes progress possible, it will be the mind of young entrepreneurs which must ultimately grasp the implications of those discoveries to come; and it will be the responsibility of youth to defend and further those liberties which will give future horizons their form.

This brings us back to where we began. Optimism—a major component of freedom. Optimism which was born out of the promise of freedom attracted millions to America. The freedom they found here secured their futures, and, in turn, will secure ours—and that of generations to come.

TRIBUTE TO THE LATE HONORABLE JOSEPH P. ADDABBO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. RODINO] is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, I rise to pay tribute to a great friend and colleague, a skillful leader and true man of the people, Joe Addabbo, who passed away on April 10, 1986, at age 61.

Joe was elected in 1960 to represent the people of the Sixth Congressional District of New York and he served them and his Nation well.

On behalf of the people of the Sixth District, in Queens, Joe fought to make Government more responsive and sensitive to the need for good education, decent housing, efficient mass transportation, special care for the elderly, the poor, and the disabled. On behalf of his country, Joe took on President Nixon in order to put an end to the madness of the Vietnam war by stopping congressional funding for the United States bombing of Cambodia—and Joe won.

As chairman of the Appropriations Subcommittee on Defense, Joe fought for a strong, but efficient and fair defense policy. Ever vigilant to maintain the Nation's security, Joe understood that security is jeopardized by fraud and waste, and he insisted on the aggressive oversight of defense spending and Pentagon weapons proposals. Never fearful of bucking coventional wisdom, Joe raised his voice in opposition to the MX and the B-1 bomber and other weapons he considered ineffective. In 1984, he led the fight to expose Defense Department and military excess: the purchase of equipment under Government contracts allowing inflated prices.

Mr. Speaker, Joe Addabbo has been considered by his colleagues and the people of his district a voice of sanity, a voice of compassion. That voice is now silent and will be sorely missed for years to come.

I include for the RECORD the following AP article:

REPRESENTATIVE ADDABBO DEAD; HELD SWAY ON DEFENSE

WASHINGTON—Rep. Joseph P. Addabbo (D-N.Y.), praised as Congress' "voice of sanity" for using his powerful Appropriations Committee post to curb defense spending, has died after a long bout with bladder cancer.

Addabbo, 61, who for years kept his disease secret from even his closest colleagues, died last Thursday at Walter Reed Army Medical Center, officials said yesterday. He had been in a coma since March 12.

"It's an absolute tragedy for the American people because Joe had enormous clout in the whole military appropriations process. He was the voice of sanity in our defense strategy and tactics," said Rep. James Scheuer (D-N.Y.)

House Speaker Thomas P. O'Neill Jr. said Addabbo "fought many difficult appropriations battles" and "won the respect of members of Congress from both sides of the aisles."

"He worked diligently to ensure that America's defense was strong, efficient and effective," O'Neill said. "He demanded quality for each defense dollar. In addition, Joe Addabbo will be remembered as playing a strong part in the effort to end the Vietnam War."

New York Gov. Mario Cuomo called Addabbo "a warm, compassionate and relentlessly committed congressman and leader." Cuomo did not say whether he would call a special election to fill the new vacancy, the only one in the House.

New York City Mayor Edward I. Koch said, "Joe Addabbo's voice was one of the most forceful, but also one of the most fair, ever heard on the floor of the House."

A jovial Democrat from the 6th Congressional District in Queens, Addabbo was elected to the House of Representatives in 1960 and became chairman of the Appropriations subcommittee on defense in 1979.

Addabbo spent four months at Walter Reed in 1985 for what at the time his office said was a kidney ailment. He resumed his congressional duties in January, but on March 6 was stricken at a luncheon. His office announced March 12 he had slipped into a coma and was not expected to live.

THE SOVIET UNION'S NONNOTIFICATION TO THE WORLD OF ITS NUCLEAR ACCIDENT—AN INTERNATIONAL CRIME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GEKAS] is recognized for 5 minutes.

Mr. GEKAS. Mr. Speaker, when the incident happened at Three Mile Island several years ago, almost instantaneously the shock was heard around the world. Why? Because in our open society, such an event could not escape notice, and did not, and really it was the responsibility of the people at Three Mile Island to notify, as they did, within hours after the incident occurred, everyone who should have known and should have been notified about the incident.

Not so in the Soviet Union. Regrettable as the tragedy is and the most recent reports indicate it may be more tragic than first thought, it is also tragic that the Soviet Union failed to notify the entire world of what has occurred. Else, how can the world prepare for such an event? How can we even help the Soviet Union in this tragic incident?

I believe it amounts to an international crime on the part of the Soviet Union not to have notified the world.

I remember very well that in Harrisburg on the date of the incident there, the entire place was crowded with reporters and media representatives from every corner of the world; and there was not one development that occurred throughout that long and dangerous period that was not reported to the international community through their own reporters, their own media mechanisms, all located in Harrisburg at the time of the Three Mile Island incident.

I hope that this latest tragedy in the Soviet Union produces minimum damage to life and property and future consequences; but one lesson that ought to be learned beyond the technical nuclear problems that have to be corrected is that nuclear energy is an international force, and secret society or no, the Soviet Union must join the international community in recognizing that notification to the world is absolutely necessary to minimize the danger of these kinds of events.

We in the United States stand ready to offer a help for the human tragedy that is occurring now in the Soviet Union; but let the Soviet Union know that henceforth, it owes responsibility to the rest of the world.

I have joined Congressman WALKER in a resolution that will bring the sense of Congress more forcefully on the point, namely, that this is too important for any government to imprint its own set of secret principles; and that it must join the international community in safeguarding the future of mankind.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. FRANKLIN (at the request of Mr. MICHEL), for today and the balance of the week, on account of illness.

Mr. GROTBERG (at the request of Mr. MICHEL), for today and the balance of the week, on account of illness.

Mr. LUJAN (at the request of Mr. MICHEL), for today and the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DEWINE) to revise and extend their remarks and include extraneous material:)

Mr. MCKINNEY, for 5 minutes, today.

Mr. GEKAS, for 5 minutes, today.

Mr. WALKER, for 60 minutes, today.

Mrs. BENTLEY, for 5 minutes, on May 1.

(The following Members (at the request of Mr. KILDEE) to revise and extend their remarks and include extraneous material:)

Mr. RODINO, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. DICKS, prior to the vote on the Tauke amendment to H.R. 4421, Community Services Programs Amendments of 1986, in the Committee of the Whole today.

Mr. DARDEN, following the vote on the Walker amendment, in the Committee of the Whole, today.

(The following Members (at the request of Mr. DEWINE) and to include extraneous matter:)

Mr. WORTLEY.

Mr. CONTE in four instances.

Mr. COURTER in two instances.

Mr. DEWINE in two instances.

Mr. FIELDS.

Mr. MICHEL.

Mr. MCMILLAN.

Mr. CRANE in two instances.

Mr. SHUMWAY.

Mr. PORTER.

Mr. DANNEMEYER.

Mr. LAGOMARSINO in two instances.

Mr. GOODLING.

Mr. SMITH of New Jersey.

Mr. WEBER.

Mr. GEKAS.

Mr. LEWIS of California.

Mr. JEFFORDS.

Mr. BROOMFIELD.

(The following Members (at the request of Mr. KILDEE) and to include extraneous matter:)

Mr. FAZIO.

Mr. LANTOS in two instances.

Mr. GARCIA in two instances.

Mr. ROE.

Mr. RANGEL.

Mr. LEVINE of California.

Mr. LEVIN of Michigan in four instances.

Mr. SWIFT.

Mr. RAHALL.

Mr. STARK in two instances.

Ms. KAPTUR.

Mr. RODINO.

Mr. ST GERMAIN.

Mr. AUCOIN.

Mr. LIPINSKI.

Mr. STALLINGS.

Mr. DWYER of New Jersey.

Mr. MONTGOMERY.

Mr. YATRON.

Mr. FASCELL.

Mr. DOWNEY of New York.

Mr. GRAY of Pennsylvania.

Mr. WIRTH.

Mr. LOWRY of Washington.

Mr. KANJORSKI in two instances.

Mr. COLEMAN of Texas.

Mr. LELAND.

Mr. TALLON.

Mr. HOWARD.

SENATE ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to an enrolled bill and joint resolutions of the Senate of the following titles:

S. 1952. An act to provide for the striking of medals to commemorate the Young Astronaut Program;

S.J. Res. 187. Joint resolution designating Patrick Henry's last home and burial place, known as Red Hill, in the Commonwealth of Virginia, as a National Memorial to Patrick Henry; and

S.J. Res. 264. Joint resolution designating April 28, 1986, as "National Nursing Home Residents Day."

ADJOURNMENT

Mr. COELHO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 10 minutes p.m.), the House adjourned until tomorrow, Wednesday, April 30, 1986, at 3 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3385. A letter from the Secretary of Defense, transmitting a report on U.S. expenditures in support of NATO, pursuant to 22 U.S.C. 1928 nt.; to the Committee on Armed Services.

3386. A letter from the Secretary of the Navy, transmitting the Navy's recommendations for improving the acquisition reporting process under section 139a of title 10, United States Code (selected acquisition report), as required by the conference report on S. 1160; to the Committee on Armed Services.

3387. A letter from the Chairman, Professional Audit Review Team, transmitting the results of their evaluation of the performance of the Energy Information Agency, pursuant to 15 U.S.C. 790d(a); to the Committee on Energy and Commerce.

3388. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of a proposed license for the export of major defense equipment sold commercially under a contract in the amount of $14,000,000 (Transmittal No. MC-13-86), pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

3389. A letter from the Secretary of State, transmitting his determination that Israel is not being denied full participation in the International Atomic Energy Agency, pursuant to FAA, section 302(a)(1)(C), Public Law 99-83, section 402(a)); to the Committee on Foreign Affairs.

3390. A letter from the Chairman, National Transportation Safety Board, transmitting a report on the Board's activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3391. A letter from the Director, Administrative Office of the United States Courts, transmitting two proposed amendments to the Criminal Justice Act; to the Committee on the Judiciary.

3392. A letter from the Secretary of Transportation, transmitting the annual report of the Maritime Administration for fiscal year 1985, pursuant to 46 U.S.C. app. 1118; to the Committee on Merchant Marine and Fisheries.

3393. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend section 7 of the Fishermen's Protective Act of 1967, as amended, to transfer the functions of the Secretary of Commerce under that section to the Secretary of State; to the Committee on Merchant Marine and Fisheries.

3394. A letter from the Deputy Assistant Secretary of the Air Force (Logistics and Communications), transmitting notification of the proposed decision to convert to contractor performance the administrative telephone switchboard operations function at Shaw Air Force Base, SC, pursuant to 10 U.S.C. 2304 nt.; jointly, to the Committees on Armed Services and Appropriations.

3395. A letter from the Comptroller of the Currency, transmitting a report on the activities of the consumer affairs division during 1985, pursuant to 15 U.S.C. 57a(f)(6); jointly, to the Committees on Banking, Finance and Urban Affairs and Energy and Commerce.

3396. A letter from the Acting Comptroller General of the United States, transmitting a report entitled, "Navy Contracting—Status of the 1978 Shipbuilding Claim Settlement at Electric Boat" (GAO/NSIAD-86-54), pursuant to Public Law 95-485, section 821(c); jointly, to the Committees on Government Operations and Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. S. 1068. An act to eliminate unnecessary paperwork and reporting requirements contained in section 15(1) of the Outer Continental Shelf Lands Act, and sections 601 and 606 of the Outer Continental Shelf Lands Act Amendments of 1978 (Rept. 99-558, Pt. 1). Ordered to be printed.

Mr. BROOKS: Committee on Government Operations. Electronic collection and dissemination of information by Federal agencies: A policy overview (Rept. 99-560). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government Operations. Farm Credit Administration's role in the system's crisis (Rept. 99-561). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government Operations. Overpricing of defense contracts is extensive, expensive and avoidable (Rept. 99-562). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government Operations. Misuse of Government equipment in defense production (Rept. 99-563). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government Operations. Luxury ship travel by State Department and U.S. Information Agency employees: A flagrant misuse of the taxpayers' money (Rept. 99-564). Referred to the Committee of the Whole House on the State of the Union.

Mr. DERRICK: Committee on Rules. House Resolution 436. Resolution providing for the consideration of H.R. 4409, a bill to authorize appropriations for fiscal year 1987 for the operation and maintenance of the Panama Canal, and for other purposes (Rept. 99-565). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 437. Resolution providing for the consideration of H.R. 4208, a bill to authorize appropriations for the Coast Guard for fiscal years 1987 and 1988, and for other purposes (Rept. 99-566). Referred to the House Calendar.

Mr. GLICKMAN: Committee on the Judiciary. H.R. 1338. A bill to amend title 28, United States Code, to allow suits against the United States for acts or omissions of contractors in carrying out the atomic weapons testing program, and to substitute the United States as the party defendant in suits brought against such contractors (Rept. 99-567). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. Allocation of budget totals under the First Concurrent Resolution on the Budget—Fiscal Year 1986. (Rept. 99-568). Referred to the Committee of the Whole House on the State of the Union.

Mr. FASCELL: Committee on Foreign Affairs. House Joint Resolution 589. Joint resolution prohibiting the proposed sales of certain missiles to Saudi Arabia. (Rept. 99-569). Referred to the Committee of the Whole House on the State of the Union.

[Omitted from the Record of April 24, 1986]

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. RODINO: Committee on the Judiciary. H.R. 1140. A bill to amend the Sherman Act to prohibit a rail carrier from denying to shippers of certain commodities, with intent to monopolize, use of its track which affords the sole access by rail to such shippers to reach the track of a competing railroad or the destination of shipment and to apply Clayton Act penalties to monopolizing by rail carriers; with amendments; referred to the Committee on Energy and Commerce for a period ending not later than June 27, 1986, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee over railroads pursuant to clause 1(h)(11), rule X. (Rept. 99-559, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CHANDLER (for himself, Mr. CLAY, Mr. JEFFORDS, Mr. DUNCAN, Mrs. ROUKEMA, and Mr. FAWELL):

H.R. 4694. A bill to grant certain employee benefit plans additional time to comply with the requirements of recent legislation affecting such plans; jointly, to the Committee on Education, and Labor and Ways and Means.

By Mr. FRANK:

H.R. 4695. A bill to amend the Internal Revenue Code of 1954 to provide that a married individual who maintains a separate household shall be treated as unmarried; to the Committee on Ways and Means.

By Mr. FRANK (for himself, Mr. FISH, Mr. RUSSO, Mr. GILMAN, Mr. HAWKINS, Mr. JEFFORDS, Mr. ACKERMAN, Mr. BARNES, Mr. BEDELL, Mrs. BENTLEY, Mr. BERMAN, Mr. BOEHLERT, Mr. BOLAND, Mr. BONER of Tennessee, Mr. BORSKI, Mr. BOUCHER, Mrs. BOXER, Mr. BROOKS, Mr. BRUCE, Mr. BRYANT, Mrs. BURTON of California, Mrs. BYRON, Mr. CARR, Mr. COELHO, Mrs. COLLINS, Mr. CONTE, Mr. CONYERS, Mr. DELLUMS, Mr. DIOGUARDI, Mr. DOWDY of Mississippi, Mr. DYSON, Mr. FAUNTROY, Mr. FAZIO, Mr. FLORIO, Mr. FOGLIETTA, Mr. FORD of Michigan, Mr. FORD of Tennessee, Mr. GEJDENSON, Mr. GEKAS, Mr. GRAY of Illinois, Mr. HENDON, Mr. HENRY, Mr. HORTON, Mr. HOYER, Mr. HUGHES, Mr. KANJORSKI, Mrs. KENNELLY, Mr. KINDNESS, Mr. KLECZKA, Mr. KOSTMAYER,

Mr. LANTOS, Mr. MANTON, Mr. MARKEY, Mr. MARTIN of New York, Mr. MARTINEZ, Mr. MCCLOSKEY, Mr. MCDADE, Mr. MCHUGH, Mr. MCKINNEY, Mr. MITCHELL, Mr. MOAKLEY, Mr. MOODY, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. NOWAK, Mr. OBEY, Mr. OXLEY, Mr. PEASE, Mr. PEPPER, Mr. PETRI, Mr. QUILLEN, Mr. RINALDO, Mr. ROBINSON, Mr. ROTH, Mr. SABO, Mr. SCHEUER, Mr. SEIBERLING, Mr. SENSENBRENNER, Mr. SHELBY, Mr. SMITH of Florida, Mr. STOKES, Mr. STUDDS, Mr. TORRES, Mr. TOWNS, Mr. VENTO, Mr. WEAVER, Mr. WOLPE, Mr. WORTLEY, Mr. WYDEN, Mr. YATRON, Mr. YOUNG of Missouri, and Mr. LAFALCE):

H.R. 4696. A bill to amend the requirements of the manufacturing clause of title 17 of the United States Code, the copyright law; jointly, to the Committee on the Judiciary and Ways and Means.

By Mr. GEJDENSON:

H.R. 4697. A bill to amend the Public Health Service Act to encourage and assist States in requiring hospitals to establish protocols for identifying potential organ and tissue donors; to the Committee on Energy and Commerce.

By Mr. GEJDENSON (for himself, Mr. DONNELLY, Mr. MCKINNEY, Mrs. KENNELLY, and Mr. MORRISON of Connecticut):

H.R. 4698. A bill to amend the Carl D. Perkins Vocational Education Act to provide for an industry-education partnership for training and retraining in defense-dependent communities; to the Committee on Education and Labor.

By Mr. RALPH M. HALL:

H.R. 4699. A bill to repeal the windfall profits tax; to the Committee on Ways and Means.

By Mr. LEVINE of California (for himself and Ms. SNOWE):

H.R. 4700. A bill to prohibit U.S. companies from assisting in the production, marketing, or distribution of Libyan oil; to the Committee on Foreign Affairs.

By Mr. ST GERMAIN (for himself and Mr. WYLIE) (by request):

H.R. 4701. A bill to preserve the authority of the Federal banking supervisory agencies to arrange interstate acquisitions and mergers for failed and failing banks, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. STAGGERS:

H.R. 4702. A bill to require the Secretary of Agriculture to conduct a feasibility study to providing flood protection on the North and South Branch of the Potomac River, the Cheat River, and the Greenbrier River systems; to the Committee on Agriculture.

H.R. 4703. A bill to establish a program to assist local governments in the provision of essential services, and for other purposes; to the Committee on Government Operations.

By Mr. SWIFT:

H.R. 4704. A bill to revise the boundaries of Olympic National Park and Olympic National Forest in the State of Washington, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TRAFICANT:

H.R. 4705. A bill to amend title 18, United States Code, to provide enhanced penalties for use of a firearm in connection with certain illicit drug-related crimes; to the Committee on the Judiciary.

By Mr. RODINO (for himself, Mr. GUARINI, Mr. GALLO, Mr. FISH, Mr. DWYER of New Jersey, Mr. COURTER, Mrs. BENTLEY, Mr. HOWARD, Mr. AUCOIN, Mr. TORRICELLI, Mr. STARK, Mr. TOWNS, Mr. FAZIO, Mr. GUNDERSON, Mr. WORTLEY, Mr. DE LUGO, Mr. SMITH of Florida, Mr. MRAZEK, Mr. SAXTON, Mr. BRYANT, Mr. LAGOMARSINO, Mr. DORNAN of California, Mr. MITCHELL, Mr. BIAGGI, Mr. ROE, and Mr. FAUNTROY):

H.J. Res. 613. Joint resolution allowing qualified persons representing all the States to be naturalized on Ellis Island on July 3 or 4, 1986; to the Committee on the Judiciary.

By Ms. OAKAR (for herself and Mr. GARCIA):

H.J. Res. 614. Joint resolution to designate the week beginning May 4, 1986, as "Working Women's Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. SMITH of Florida:

H.J. Res. 615. Joint resolution to designate the week beginning September 7, 1986, as "Gaucher's Disease Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. BROOMFIELD (for himself, Mr. WALKER, and Mr. GINGRICH):

H. Con. Res. 324. Concurrent resolution expressing the sense of the Congress on reducing the number of personnel of the Libyan mission to the United Nations and on restrictions on the activities of those personnel; to the Committee on Foreign Affairs.

By Mr. LANTOS (for himself and Mr. LELAND):

H. Con. Res. 325. Concurrent resolution to commend the government and people of Berlin for keeping alive the spirit of equality, freedom, and human dignity through their solemn commemoration of the 50th anniversary of Jesse Owens' victories at the 1936 Berlin Olympic games; to the Committee on Foreign Affairs.

By Mr. LANTOS (for himself and Mr. VANDER JAGT):

H. Con. Res. 326. Concurrent resolution expressing the sense of the Congress that the existence of the Berlin Wall after 25 years is a visible indictment of the Communist system and that the continued vitality of the western sectors of the city is a testament to the Berliners' courage and devotion to freedom; to the Committee on Foreign Affairs.

By Mr. PORTER:

H. Res. 438. Resolution expressing the sense of the Congress that multilateral negotiations should begin to strengthen the safety standards of the world's nuclear powerplants; to the Committee on Foreign Affairs.

By Mr. WALKER (for himself, Mr. GINGRICH, Mr. BROOMFIELD, Mr. WOLPE, Mr. MCCAIN, Mr. MONTGOMERY, Mr. COBLE, Mr. DANNEMEYER, Mr. MARLENEE, Mr. HUBBARD, Mr. DEWINE, Mr. GEKAS, Mr. LIVINGSTON, Mr. SPENCE, Mr. BATEMAN, Mr. SENSENBRENNER, Mr. SLAUGHTER, Mr. LIGHTFOOT, Mr. MONSON, Mr. RAY, Mr. RUDD, Mr. ROEMER, Mr. HUTTO, Mr. ERDREICH, Mr. EARLY, Mr. LEWIS of Florida, Mr. STUMP, Mr. PORTER, Mr. DIOGUARDI, Mr. STRATTON, Mr. LUNGREN, Mr. HAMMERSCHMIDT, Mrs. BENTLEY, Mr. CHANDLER, Mrs. JOHNSON, Mr. WORTLEY, Mr. GEJDENSON, Mr. SCHUMER, Mr. JONES of North Carolina, Mr. YOUNG of Florida, Mr. MICA, Mr. OWENS, Mr. MANTON, Mr. LENT, Mr. CHAPPIE, Mr. STANGELAND, Mr. COBEY, Mr. QUILLEN, Mr. PETRI, Mr. GREEN, Mr. BENNETT, Mr. SMITH of Florida, Mr. PANETTA, Mr. CLINGER, Mr. YOUNG of Alaska, Mr. BOLAND, Mr. GRAY of Illinois, Mr. SWEENEY, Mr. RIDGE, Mr. OXLEY, Mr. TRAFICANT, Mr. FRENZEL, Mr. HENRY, Mr. WALGREN, Mr. HENDON, Mr. MYERS of Indiana, Mr. SMITH of Iowa, Mr. BREAUX, Mr. WIRTH, Mr. EMERSON, Mr. COATS, Mr. BILIRAKIS, Mr. LOTT, Mr. NIELSON of Utah, Mr. BARTON of Texas, Mr. DELAY, Mr. DREIER of California, Mr. RITTER, Mr. WEBER, Mr. BIAGGI, Mr. TORRICELLI, Mr. SMITH of New Hampshire, Mr. ROTH, Mr. GOODLING, Mr. THOMAS of California, Mr. ROBERT F. SMITH, Mr. MOORHEAD, Mr. SKEEN, Mr. ZSCHAU, Mr. DORNAN of California, Mr. CRAIG, Mr. GILMAN, Mr. MACK, Mrs. ROUKEMA, Mr. CRANE, Mr. LAGOMARSINO, Mr. LOWERY of California, Mr. CHENEY, Mr. HORTON, Mr. MILLER of Washington, Mr. PENNY, Mr. HUNTER, Mr. ARMEY, Mr. WATKINS, Mr. MCCURDY, Mr. CHAPMAN, Mr. KEMP, Mr. BROWN of Colorado, Mr. TAYLOR, Mr. HOPKINS, Mr. PERKINS, Mr. GONZALEZ, Mr. BROYHILL, Mr. ROBERTS, Mr. ROSE, Mr. TAUKE, Mr. CARPER, Mr. COUGHLIN, Mr. MCEWEN, Mr. HYDE, Mr. IRELAND, Mr. JEFFORDS, Ms. SNOWE, Mr. BURTON of Indiana, Mr. BLILEY, Mr. ROBINSON, Mr. RALPH M. HALL, Mr. TAUZIN, Mr. LEATH of Texas, Mrs. LLOYD, Mr. STENHOLM, Mr. PARRIS, Mr. WOLF, Mr. MICHEL, Mr. SILJANDER, Mr. BOULTER, Mr. SHAW, Mr. SHUMWAY, Mr. MOLINARI, Mr. LEHMAN of Florida, and Mr. FUQUA):

H. Res. 439. Resolution to express the sense of the House of Representatives concerning the Soviet nuclear accident at Chernobyl; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

349. By the SPEAKER: Memorial of the Senate of the Commonwealth of Kentucky, relative to the sales tax provisions of the Federal Food Security Act of 1985; to the Committee on Agriculture.

350. Also, memorial of the General Assembly of the Commonwealth of Pennsylvania, relative to the "price affirmation" policy's effect on the Pennsylvania Liquor Control Board; to the Committee on the Judiciary.

351. Also, memorial of the Legislature of the State of Alaska, relative to the establishment of advanced all-weather satellite coverage of North Pacific waters; jointly, to the Committee on Science and Technology and Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROOKS:

H.R. 4706. A bill for the relief of Rick Hangartner, Russell Stewart, and David Walden; to the Committee on the Judiciary.

By Mr. TAUZIN:

H.R. 4707. A bill for relief of Joseph W. Newman; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 147: Mr. RINALDO, Mr. LUJAN, Mr. FOGLIETTA, and Mr. SAXTON.

H.R. 471: Mr. DORGAN of North Dakota, Mr. WEBER, Mr. DAVIS, Ms. KAPTUR, and Mr. CRANE.

H.R. 864: Mr. AKAKA.

H.R. 1052: MR. WEBER.

H.R. 1398: Mr. WILLIAMS and Mrs. BENTLEY.

H.R. 1435: Mr. COELHO.

H.R. 1950: Mr. MANTON and Mrs. SCHROEDER.

H.R. 2504: Mr. WORTLEY.

H.R. 2952: Mr. DONNELLY.

H.R. 3006: Mr. WHITEHURST and Mr. DE LUGO.

H.R. 3042: Mr. HORTON, Mr. FAUNTROY, Mr. PEPPER, Mr. FORD of Tennessee, Mr. WHEAT, Mrs. COLLINS, Mr. DELLUMS, and Mrs. BENTLEY.

H.R. 3145: Mr. COELHO.

H.R. 3294: Mrs. MARTIN of Illinois.

H.R. 3388: Mr. FRANKLIN, Mr. HUNTER, Mr. ANNUNZIO, Mr. DIOGUARDI, Mr. BEVILL, Mr. KASICH, Mr. BRYANT, Mr. SCHULZE, Mr. LUJAN, Mr. MYERS of Indiana, Mr. LIPINSKI, Mr. HENRY, Mr. REID, Mr. HUTTO, Mr. RICHARDSON, Mr. KLECZKA, Mrs. BENTLEY, Mr. DARDEN, Mr. KOLBE, Mr. SMITH of New Jersey, Mr. LEVIN of Michigan, Mr. MONSON, Mr. COBLE, and Mr. SHUMWAY.

H.R. 3465: Mr. MOODY.

H.R. 3701: Mr. BURTON of Indiana, Ms. MIKULSKI, and Mrs. MEYERS of Kansas.

H.R. 3799: Mr. GUNDERSON, Mr. DICKS, Mr. LEWIS of Florida, and Mr. STUDDS.

H.R. 3894: Mr. LEHMAN of Florida, Mr. GONZALEZ, Mr. CHAPPIE, Mr. HENRY, Mr. THOMAS of California, Mr. BATEMAN, Mr. BORSKI, Mr. LEVIN of Michigan, Mrs. COLLINS, Mr. COOPER, and Mr. RICHARDSON.

H.R. 4003: Mr. LUNDINE and Mr. EVANS of Illinois.

H.R. 4030: Mr. SCHUMER, Mr. BONIOR of Michigan, and Mr. TORRES.

H.R. 4067: Mrs. LLOYD, and Mr. COUGHLIN.

H.R. 4186: Mr. ORTIZ, Mr. GRAY of Pennsylvania, Mr. COYNE, Mr. CHAPMAN, Mr. WIRTH, Mr. HARTNETT, Mrs. LLOYD, Mr. ROYBAL, Mr. SCHUMER, Mr. GEKAS, Mr. STRANG, Mr. PEPPER, Mr. LIGHTFOOT, Mr. HUGHES, Mr. HUNTER, Mr. ROE, Mr. DELAY, Mr. ECKERT of New York, Mr. CHAPPIE, Mr. YATES, Mr. Latta, Mr. CARR, Mr. AKAKA, Mr. JONES of Oklahoma, Mr. WALKER, Mrs. ROUKEMA, Mr. MILLER of Ohio, Mr. CRAIG, Mr. BEILENSON, Mr. NIELSON of Utah, Mr. MCHUGH, Mr. PETRI, Mr. GONZALEZ, Mr. SYNAR, and Mr. RICHARDSON.

H.R. 4191: Mr. LIGHTFOOT.

H.R. 4194: Mr. CROCKETT, Mr. YATES, Mr. SUNIA, Mr. LIPINSKI, Mr. FASCELL, Mr. STUDDS, Mr. EVANS of Illinois, Mr. CARPER, and Mr. BORSKI.

H.R. 4204: Mr. TORRICELLI.

H.R. 4232: Mr. ROTH, Mr. STANGELAND, and Mr. SENSENBRENNER.

H.R. 4275: Mr. DANIEL, Mr. KANJORSKI, Mrs. BOXER, Mr. HORTON, Mr. MITCHELL, and Mr. CROCKETT.

H.R. 4278: Mr. DYSON and Mrs. BOXER.

H.R. 4333: Mr. OLIN.

H.R. 4357: Mr. SMITH of Florida, Mr. COLEMAN of Texas, Mr. BARTON of Texas, Mr. DORNAN of California, Mr. HATCHER, Mr. MONTGOMERY, Mr. BROWN of Colorado, Mr. WEBER, Mr. SKEEN, Mr. REID, Mr. DIOGUARDI, Mr. BRYANT, Mr. BEVILL, Mr. CHANDLER, Mr. ROBINSON, Mr. SWIFT, Mr. RAY, Mr. MARTINEZ, Mr. ECKART of Ohio, Mr. KINDNESS, Mr. DARDEN, Mr. MONSON, Mr. EDWARDS of Oklahoma, Mr. LUNDINE, Mr. BARTLETT, Mrs. MARTIN of Illinois, Mr. KOLBE, Mr. WATKINS, Mr. COATS, Mr. BROOMFIELD, Mr. PURSELL, and Mr. KLECZKA.

H.R. 4391: Mr. JEFFORDS and Mr. DOWNEY of New York.

H.R. 4393: Mr. AKAKA, Mr. BATES, Mr. BENNETT, Mr. BILIRAKIS, Mr. BORSKI, Mr. DE LA GARZA, Mr. DOWDY of Mississippi, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. ENGLISH, Mr. FAWELL, Mr. FROST, Mr. HARTNETT, Mr. KANJORSKI, Mr. LIPINSKI, Mr. MANTON, and Mr. MCDADE.

H.R. 4524: Mr. BLILEY, Mr. WORTLEY, Mrs. LLOYD, Mr. LEWIS of Florida, Mr. WHITEHURST, Mr. MURPHY, and Mr. MCCAIN.

H.R. 4545: Mr. HAYES, Mr. SCHEUER, Mr. LEHMAN of Florida, and Mr. FUSTER.

H.R. 4567: Mr. CLAY, Mr. DE LUGO, and Mr. OLIN.

H.R. 4610: Mr. STALLINGS, Mr. JONES of North Carolina, and Mr. WEBER.

H.R. 4650: Mr. DIOGUARDI and Mr. WORTLEY.

H.R. 4679: Mr. FOGLIETTA, Mr. FUSTER, Mr. TOWNS, Mr. KLECZKA, Mr. OWENS, Mr. HAYES, Mr. FAUNTROY, Mr. GRAY of Illinois, Mr. DIXON, Mr. RANGEL, Mr. CROCKETT, Mr. LELAND, and Mr. STOKES.

H.J. Res. 244: Mr. DOWDY of Mississippi, Mr. QUILLEN, Mr. DERRICK, Mr. WOLF, and Mr. BROYHILL.

H.J. Res. 381: Mr. ASPIN, Mr. PURSELL, Mr. MOAKLEY, Mr. COLEMAN of Texas, Mr. CHENEY, Mr. BUSTAMANTE, Mr. FUQUA, and Mr. FUSTER.

H.J. Res. 422: Mr. LUKEN.

H.J. Res. 435: Mr. FISH.

H.J. Res. 492: Mr. UDALL, Mr. YOUNG of Missouri, Mr. KEMP, Mr. GORDON, Mr. SPRATT, Mr. FUSTER, Mr. MOLINARI, Mr. RANGEL, Mr. TALLON, Mr. FROST, Mr. KASTENMEIER, Mr. DANIEL, Mr. COURTER, Mr. JENKINS, Mr. BORSKI, Mr. DIOGUARDI, Mr. BADHAM, Mr. AKAKA, Mr. ATKINS, Mrs. LLOYD, and Mr. ROWLAND of Georgia.

H.J. Res. 510: Mr. STENHOLM, Mr. FOLEY, Mr. COATS, and Mr. ASPIN.

H.J. Res. 527: Mr. LEVINE of California, Mr. SHUMWAY, Mr. HEFNER, Mr. MACKAY, Mr. DENNY SMITH, Mr. LAGOMARSINO, Mr. NEAL, Mr. CALLAHAN, Mr. FUQUA, Mr. MURTHA, Mr. MAZZOLI, Mr. RAHALL, Mr. ST GERMAIN, Mr. BURTON of Indiana, Mr. HENRY, Mr. CHAPPIE, Mr. CHENEY, Mr. HANSEN, Mr. DEWINE, Mr. BLILEY, Mr. CARNEY, Mr. GUARINI, Mr. BONER of Tennessee, Mr. DIOGUARDI, Mr. MAVROULES, and Mr. BROOMFIELD.

H.J. Res. 560: Mr. ANDREWS and Mr. BRYANT.

H.J. Res. 562: Mrs. MEYERS of Kansas, Mr. TAUZIN, Mr. RODINO, Mr. KEMP, Mr. LENT, Mr. LIPINSKI, Mr. DIXON, Mr. LUNDINE, Mr. BILIRAKIS, Mr. KINDNESS, Mr. MARTIN of New York, Mr. NELSON of Florida, Mr. KASTENMEIER, Mr. LEHMAN of California, Mr. CHAPMAN, Mr. STANGELAND, Mr. SHAW, Mr. MORRISON of Washington, Mr. MCCOLLUM, Mr. VOLKMER, Mr. MADIGAN, Mr. SMITH of Iowa, Mr. BATEMAN, Mr. GUARINI, Mr. HENDON, Mr. WHITTEN, Mr. LOTT, Mr. SWEENEY, Mr. MICA, Mr. GINGRICH, Mr. EVANS of Iowa, Mr. SWINDALL, Mr. SHUMWAY, Mr. LEVINE of California, Mr. PEPPER, Mr. LEWIS of California, Mr. APPLEGATE, Mr. BOSCO, Mr. HAMMERSCHMIDT, Mr. CAMPBELL, Mr. MOAKLEY, Mr. MILLER of Washington, Mr. TRAFICANT, Mr. WALGREN, Mr. EMERSON, Mr. DYSON, Mr. SKELTON, Mr. ATKINS, Mr. YOUNG of Alaska, Mr. GALLO, Mr. BERMAN, Mr. TALLON, Mr. MANTON, Mr. BIAGGI, Mr. WAXMAN, Mr. LEVIN of Michigan, Mr. MOORHEAD, Mr. FRENZEL, Mr. STOKES, Mr. FRANKLIN, Mr. CRAIG, Mr. STARK, Ms. OAKAR, Mr. BEDELL, Mr. BARNARD, Mr. BOLAND, Mr. BOUCHER, Mr. CALLAHAN, Mr. CLINGER, Mr. COELHO, Mr. PERKINS, Mr. HARTNETT, Mr. HUNTER, and Mr. JONES of Tennessee.

H.J. Res. 569: Mr. LIPINSKI, Mr. AKAKA, Mr. BATEMAN, Mr. NICHOLS, Mr. CALLAHAN, Mr. CARNEY, Mr. DONNELLY, Mr. DANNEMEYER, Mr. DAUB, Mr. DIOGUARDI, Mr. DYSON, Mr. BORSKI, Mr. FAUNTROY, Mr. FUSTER, Mr. MINETA, Mrs. BYRON, Mr. RALPH M. HALL, Mr. HUGHES, Mr. FROST, Mr. MCEWEN, Mr. KEMP, Mr. IRELAND, Mr. CARPER, Mr. MOORHEAD, Mrs. BENTLEY, Mr. LEHMAN of California, Mrs. LLOYD, Mr. BLAZ, Mr. WOLF, and Mr. STRATTON.

H.J. Res. 583: Mr. FUSTER, Mr. DANIEL, Mr. DYMALLY, Mr. TOWNS, Mr. MINETA, Mr. WORTLEY, Mr. HAYES, Ms. SNOWE, Mr. RAHALL, Mr. DE LUGO, Mr. CROCKETT, Mr. HENRY, Mr. NIELSON of Utah, Mr. FISH, Mr. FAZIO, Mr. WEBER, Mr. LEVIN of Michigan, Mr. HUGHES, Mrs. HOLT, Mr. VENTO, Mr. WOLF, Mr. SMITH of Florida, and Mr. SAVAGE.

H.J. Res. 589: Mr. BENNETT, Mr. THOMAS of Georgia, Mr. MCCURDY, Mr. DICKS, Mr. BRUCE, Mr. COOPER, Mr. PERKINS, Mr. EARLY, Mr. VISCLOSKY, and Mr. FOLEY.

H.J. Res. 591: Mr. MCDADE, Mr. LEVIN of Michigan, Mr. MONTGOMERY, Mr. MATSUI, Mr. BUSTAMANTE, Mr. LAGOMARSINO, Mr. LIPINSKI, Mr. LANTOS, Mr. ROE, Mr. HUGHES, Mrs. BENTLEY, Mr. VALENTINE, Mr. MONSON, Mr. MRAZEK, Mr. KASICH, Mr. NIELSON of Utah, Mr. FISH, Mr. MARTINEZ, Mr. CONTE, and Mr. LEWIS of Florida.

H.J. Res. 594: Mr. MATSUI, Mr. MOORE, Mr. MRAZEK, Mr. MURPHY, Mr. O'BRIEN, Mr. ORTIZ, Mr. MARTIN of New York, Mr. MORRISON of Connecticut, Mr. MCGRATH, Mr. NATCHER, Mr. BENNETT, Mr. KOLTER, Mr. RAHALL, Mr. DAUB, Mr. DARDEN, Mr. LIPINSKI, Mr. TAUZIN, Mr. LUNGREN, Mr. SWINDALL, Mr. HUGHES, Mr. MARTINEZ, Mrs. HOLT, Mr. MINETA, Mr. LUNDINE, Mr. HUNTER, Mr. WOLF, Mr. FLIPPO, Mr. DANIEL, Mr. LEWIS of California, Mr. COUGHLIN, Mr. BOUCHER, Mr. EARLY, Mr. MCHUGH, and Mr. BRYANT.

H.J. Res. 602: Mr. STAGGERS, Mr. FRENZEL, Mr. STUMP, Mr. BLILEY, Mr. MCHUGH, Mr. DORGAN of North Dakota, Mr. SYNAR, Mr. LEWIS of Florida, Mrs. MEYERS of Kansas, Mr. HUTTO, Mr. HENDON, Mr. DAUB, Mr. HEFTEL of Hawaii, and Mr. LEHMAN of California.

H.J. Res. 606: Ms. MIKULSKI.

H. Con. Res. 26: Mr. EARLY.

H. Con. Res. 308: Mr. WHITLEY, Mr. MADIGAN, Mr. ROSE, Mr. DARDEN, Mr. JONES of North Carolina, Mr. JACOBS, Mr. LIGHTFOOT, Mr. ROGERS, Mrs. LLOYD, Mr. WATKINS, Mr. DE LA GARZA, Mr. GORDON, Mr. STANGELAND, Mr. DERRICK, Mr. WYDEN, Mr. NEAL, Mr. DORGAN of North Dakota, Mr. EMERSON, Mr. JEFFORDS, Mr. SUNDQUIST, Mr. NICHOLS, Mr. HUBBARD, Mr. GINGRICH, Mr. BEDELL, Mr. VALENTINE, Mr. OBERSTAR, Mr. WEBER, Mr. GLICKMAN, Mr. JONES of Oklahoma, Mr. ROBERTS, and Mr. ROBINSON.

H. Con. Res. 315: Mr. ROBINSON, Mr. ASPIN, Mr. SMITH of Florida, Mr. HENDON, Mr. COURTER, and Mr. SCHEUER.

H. Con. Res. 321: Mr. MARTINEZ, Mr. LEVIN of Michigan, Mr. REID, Mr. STRANG, and Mr. LAFALCE.

H. Res. 418: Mr. STALLINGS.

H. Res. 424: Mr. PEPPER, Mr. PORTER, Mr. COLEMAN of Missouri, Mr. RICHARDSON, and Mr. MICA.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 4567: Mr. SMITH of Florida.

H. Res. 386: Mr. DORNAN of California.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

323. By the SPEAKER: Petition of the City Council of Gothenburg, Sweden; relative to Nicaragua; to the Committee on Foreign Affairs.

324. Also, petition of the House of Representatives, Republic of Cyprus, relative to the Turkish invasion of Cyprus; to the Committee on Foreign Affairs.

325. Also, petition of the Cayuga County Legislature of Auburn, NY, relative to the General Revenue Sharing Program; to the Committee on government Operations.

326. Also, petition of the Watertown School Committee, Watertown, MA, relative to tax-exempt financing for local governments; to the Committee on Ways and Means.

327. Also, petition of the Board of Education, District 127, of Worth, IL, relative to tax-exempt financing for local governments; to the Committee on Ways and Means.

328. Also, petition of Mr. George R. Adam of San Mateo, CA, relative to his tax case; to the Committee on Ways and Means.

SENATE—*Tuesday, April 29, 1986*

(Legislative day of Monday, April 28, 1986)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Eternal God, Sovereign Lord of history and the nations, nothing about this great city and its suburbs is a mystery to You. You know the thoughts and intents, the secrets of its people—the powerful and the powerless—the prosperous and the poor—the vocal and the voiceless—the oppressor and the oppressed. You see behind the walls of every home, church, school, club, office, to the inward condition of each person—the unconfessed sin—the lust and greed and avarice and jealousy and covetousness—the hope and the hopelessness—the fulfillment and the frustration—the peace and the anxiety—the happy and the sad—the satisfied and the insatiable. You know the circumstances from which we come and the situation into which we go. You know every microscopic detail of our past, present, and future. Great God of compassion and grace, use the Greater Washington Crusade this week as a time of healing, forgiveness, and reconciliation. Anoint Your servant Billy Graham and all who work with him, that Your truth will be proclaimed, Your love manifested, Your will realized. Unite us in Your love and make us ready, the leadership of our city and its people, for the critical days which lie ahead. For Your glory and a blessing to the Nation and the world. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator DOLE, is recognized.

SCHEDULE

Mr. DOLE. Mr. President, Senator THURMOND, under the standing order, the leaders will have 10 minutes each, followed by special orders in favor of Senators HAWKINS, CRANSTON, WALLOP, and PROXMIRE; routine morning business not to extend beyond 10:30 a.m., with Senators permitted to speak for 5 minutes each and then by consent agreement, which is in the RECORD, there will be votes on, first, the DeConcini amendment, then the Melcher amendment. There will be a recess from 12 to 2 for the weekly party caucuses. At 2 p.m. the Senate resumes consideration of the budget resolution. I guess it is safe to say we will be in session rather late this evening. There are still 20 hours on Senate Concurrent Resolution 120. It would seem to me that if we are going to complete action this week, one way or the other, either pass or reject it, or modify it, or whatever, we need to start taking a look at how we can achieve that.

I want to insert in the RECORD at this point a letter which arrived on Friday, April 24, from the President as he departed for the Far East. It is a letter with reference to the budget. In what I think is the most important paragraph—and I would quote paragraph three—the President says:

I am certain that Congress, like those millions of budgetary-conscious Americans, can cut unnecessary or extravagant spending. Unfortunately, the Senate Budget Committee has taken a step in the wrong direction. They have relied on unacceptable tax increases and defense cuts to produce the reductions mandated by the Gramm-Rudman-Hollings Act. For those reasons I find S. Con. Res. 120 totally unacceptable.

In the next paragraph, the President says:

Americans are enjoying unprecedented prosperity, 40 months of uninterrupted economic growth and continuing low inflation. Accordingly, I am not prepared to change my course by agreeing to new taxes and deep cuts in defense spending that jeopardize this economic progress. Therefore, I hope you and your colleagues will demonstrate leadership and fortitude in constructing a budget resolution that meets these goals.

I ask unanimous consent that the entire letter be made a part of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, April 24, 1986.

Hon. BOB DOLE,
U.S. Senate,
Washington, DC.

DEAR BOB: As I depart for the Far East, I am pleased to note that the Senate is considering the Congressional Budget Resolution as required by law. I would have hoped that the House of Representatives would have followed your leadership in fulfilling its legal requirements to pass a Budget Resolution. Nonetheless I commend you and your colleagues for your efforts to tackle this most important pressing issue.

But preparing a Budget resolution that reduces the deficit to the Gramm-Rudman-Hollings target must be done in the proper way. It must recognize that the nation's budget deficit is not the result of people paying too little in taxes but is the result of the government spending too much money. The answer to trimming the deficit therefore lies in responsible budget restraint. The solution on a nationl scale is to emulate the common sense of millions of American families who live within their means.

I am certain that Congress, like those millions of budget-conscious Americans, can cut unnecessary or extravagant spending. Unfortunately, the Senate Budget Committee has taken a step in the wrong direction. They have relied on unacceptable tax increases and defense cuts to produce the reductions mandated by the Gramm-Rudman-Hollings Act. For those reasons I find S. Con. Res. 120 totally unacceptable.

Americans are enjoying unprecedented prosperity, 40 months of uninterrupted economic growth and continuing low inflation. Accordingly, I am not prepared to change my course by agreeing to new taxes and deep cuts in defense spending that jeopardize this economic progress. Therefore, I hope you and your colleagues will demonstrate leadership and fortitude in constructing a budget resolution that meets these goals.

I salute your efforts to get an acceptable budget package moving, and it is my earnest hope that you will be successful.

Sincerely,

RONALD REAGAN.

Mr DOLE. Mr. President, I underscore what President Reagan indicates in his letter. It is my hope that there still can be a bipartisan budget resolution. It seems to me that we are getting down to the time we need to really focus on it. I must say, as the President indicates, we have gone back to essentially the old ways—raising taxes, cutting defense spending and not reducing the growth in domestic spending to any great extent.

I have had brief discussions with leaders of the Budget Committee on both sides. I certainly do not criticize either Senator DOMENICI or Senator CHILES, but I am not certain where the votes are for the budget resolution that came out of the Budget Committee. Some like it. They have that right. But I do believe we can do a great deal better on the revenue side, in the defense area and also in additional spending reductions. It would seem to me, after the rather valiant efforts the Senate made last year, we should not be retreating from a position of keeping our foot on the brake of Federal spending. I do not believe there has been any change, as far as I can determine, across the country about the need to restrain the growth of Federal spending.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

There are some programs, as obviously the Senate Budget Committee recognized, that had been cut enough, or the rate of growth had been reduced enough in the past, but I am hopeful that by tomorrow sometime there may be a viable substitute because it would seem to me that we are much better off if we can put together a package that has strong bipartisan support, 65 to 75 to 80 votes. Perhaps the present budget could squeak through the Senate if the Democrats are willing to furnish about 35 or 40 of the votes. There might be 19 or 20 Republicans vote for it. But it seems to me it is in our interest to go back and see if we cannot do a little better. I certainly commend both Senators DOMENICI and CHILES for their efforts in beating back amendments on the Senate floor so that we do not further add to the problem. It is my hope that by working together we can reach a better result.

I recognize the President is not involved in the first budget resolution directly but indirectly he is because if we have reconciliation following the budget resolution, then obviously the President will be directly involved. So I certainly have an obligation as the leader to confer with the President's representatives, and I intend to do that throughout the week and hopefully all of us can get, if not total agreement, something where we will have a strong bipartisan vote.

□ 0940

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. GORTON). Under the previous order, the Democratic leader is recognized.

Mr. BYRD. I thank the Chair.

THE BUDGET RESOLUTION

Mr. BYRD. Mr. President, the distinguished majority leader has indicated that the Senate may be in late today. I assume that when the two managers of the resolution come to the floor, we might be able to determine whether or not, indeed, the Senate will be in late and, if so, some idea of how late the Senate will be in, so that our colleagues might be able to make their plans accordingly.

I ask the distinguished majority leader if that is a fair assumption.

Mr. DOLE. It certainly is. It might be, in view of the way we have been able to accommodate our colleagues in the last week on this issue, that if there are no amendments, perhaps we can agree on a time reduction. The point is that we need to eat up the 50 hours, and we have made pretty good progress.

Mr. BYRD. I thank the distinguished majority leader.

I think there are some amendments hovering around; and with the passage of time, a situation may develop whereby those who have amendments may not have much time to debate them, unless they call them up reasonably soon.

Mr. President, the distinguished majority leader has read extracts from a letter from the President. I want to say that the President has not been very helpful himself in this whole matter with respect to the budget. I can understand the burden of the majority leader and others on both sides of the aisle who work with the Budget Committee and within the Budget Committee. They certainly have had it very difficult, to try to put together a budget resolution that will reduce the deficit and will provide adequately for our national defense, which is the No. 1 priority of the country, in any event, and which will avoid, if possible, an increase in revenues. I feel that Senators on both sides of the aisle would find it a little easier to formulate a budget if we had some clear indication that the White House is going to cooperate, instead of standing on the sidelines.

Incidentally, I feel that the President's letter is a bit premature, in view of the fact that the Senate has not completed action on Senate Concurrent Resolution 120, and the resolution still must be taken up in the House of Representatives and will likely still go to conference. So it may be a little while before the final product will be enacted.

NATIONAL SOFTWARE AWARENESS WEEK

Mr. BYRD. Mr. President, I introduce a joint resolution to designate the week of November 16, 1986, through November 22, 1986, as "National Software Awareness Week."

I ask that the resolution be appropriately referred, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 332

Whereas the security of our Nation is a basic and fundamental responsibility of the United States Government;

Whereas computer software is vital to the economic security and defense of the United States;

Whereas the application of software engineering has brought about significant technological advances and innovations in computer science, space science, mathematics, medical science, defense, and government;

Whereas software engineering is recognized as a professional occupation; and

Whereas it is the intent of the Congress of the United States to ensure there are no impediments to the technological advances in software development, and that a climate is maintained to nurture innovation in the software industry: Now, therefore, be it

Resolved by the Senate and House of Representaties of the United States of America in Congress assembled, That the week of November 16, 1986, through November 22, 1986, is designated as "National Software Awareness Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States, all Federal, State, and local government agencies, and the software industry to observe such week with appropriate programs and activities.

Mr. BYRD. Mr. President, I ask unanimous consent that I may reserve the remainder of my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WALLOP. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR WALLOP

The PRESIDING OFFICER. Under the previous order, the Senator from Wyoming [Mr. WALLOP] is recognized for not to exceed 5 minutes.

FUSION ENERGY AGREEMENTS WITH JAPAN AND EEC AND U.S.S.R.

Mr. WALLOP. Mr. President, I find the signing of a major international agreement on magnetic nuclear fusion energy research, the Fusion Energy Agreement with Japan and the European Economic Community, recently done at Munich, Germany, to be an appalling breach of the oversight functions of the U.S. Senate. I am amazed that the agreement was signed and slipped by us unnoticed until we read about it in the European press. That press gloats that the agreement represents a major strengthening of the European lead in this field of science. Then I heard, Mr. President, that this agreement was done within the framework of long-term science and technology arrangements which do not require congressional consent. But at the very least, Mr. President, we should have been informed.

Mr. President, I am dismayed to note that the project covered by the agreement is joint research in tokamak experimental devices. Tokamak is a Russian word which stands for toroidal magnetic chamber. It was first conceived by Soviet scientists in the 1950's, led by Soviet physicist Dr. Andrei Sakharov, who languishes in prison at Gorky, in KGB hands, because of his legitimate human rights activities. As I understand it, the trilateral United States/EEC/Japan

fusion cooperation agreement, signed in Munich early this year, may soon be expanded to include cooperation with the Soviet Union, but Dr. Sakharov and other Soviet scientific dissidents will not be allowed to participate.

Not only that, Mr. President. I just learned that the Department of Energy plans to use the agreement with Japan and the EEC to extend Western cooperation with the Soviet Union by building a magnetic fusion energy research reactor with the Soviets in Geneva. In that project, DOE will try, in some way which mystifies me and many scientists as well, to give Soviet scientists limited access to a joint facility! That facility will contain highly sophisticated computers otherwise embargoed for the Soviet Union. Scientists say that there is no technically feasible way to compartment the technology involved in the research reactor to prevent Soviet access to this computer equipment.

Mr. President, I fear that once again the Soviet Union has hoodwinked the West into believing that it is to the West's advantage to build a fusion engineering test reactor with them in Geneva to reduce costs! This notion fits with Soviet lies that the West will do anything for money, a basic tenet of Marxist-Leninist schooling for Soviets who work abroad. So the Soviets believe that we, the Japanese, and the EEC are going to build this reactor with them in Geneva to save money. This is utter folly.

Mr. President, the trilateral nuclear fusion agreement with the EEC and Japan is the first step toward this greater cooperation with the U.S.S.R. in the Geneva project. That agreement was signed without a word to congressional committees. It fails to deal with any human rights questions, which used to be standard for agreements of this kind. And then it will be followed by expanded cooperation with the Soviets in the very sort of research from which courageous human rights activist and noted nuclear physicist, Dr. Andrei Sakharov, is excluded. This makes no sense at all!

Mr. President, I learned with respect to these international fusion research plans that U.S. trade and scientific advancement will also be hurt. The United States already has a better way to conduct fusion research through using laser technology. So why are we involved at all in this other type of fusion research? Instead, we have signed a cooperative science agreement with trade rivals to put U.S. taxpayer's money into a program which will help them expand their competitive edge in a technology we know how to do better on our own? And the Department of Energy then plans to broaden this questionable enterprise to include the Soviets who otherwise are barred from some of the computer technology involved? And then, Mr. President, the whole project will be put in Geneva, Switzerland, home of arms control negotiations and symbol of U.S./U.S.S.R. cooperation?

Worst of all, Mr. President, we do not yet know for sure what the military and nuclear proliferation implications of fusion energy research may be. Is it smart to share this potentially dangerous technology with anyone at all when we don't yet know where it will lead? This could be a hydra we later cannot control, and we will have put U.S. resources into it to help spread it around the world, when we might have developed our own laser-related fusion energy research program here at home under our own controls.

Mr. President, I am most angered by the fact that both technology-sharing schemes, first with the EEC and Japan and then with the U.S.S.R., were dreamed up in the halls of the bureaucracy by people who want to give away the store and without any consultation with Congress. At the very least, the Department of Energy should brief the Congress. We may want to hold hearings as well. Congress clearly has a role to play but is neither informed, nor consulted.

Mr. President, important international scientific agreements with profound potential for the next century, and with profound implications for our national security, are slipping past Congress or being presented to us as faites accomplis. Japan and the EEC must gloat when they can get us to sign on to help them develop fusion methods we could do better in alternate ways. Then they cannot wait to spread all this to the Soviets and their clients through this ill-conceived Geneva fusion reactor scheme.

This must not happen. I urge my colleagues to take immediate steps to prevent this plan from going forward.

Mr. President, I ask unanimous consent that an article from the February 28 issue of Europe magazine be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Europe, Feb. 28, 1986]

FUSION ENERGY AGREEMENT SIGNED

A major international agreement between the European Community, the United States and Japan for cooperation in the field of research on controlled nuclear fusion has recently been signed in Munich. The agreement brings together the three largest tokamak-type experimental fusion devices in the world: JET, which has been built at Culham in the United Kingdom as part of the E.C.'s fusion program; TFTR, which is installed at Princeton, New Jersey; and JT-60 at Naka-machi, Japan. As described in the agreement, the cooperation between the three centers will take many different forms, including more extensive exchanges of information and researchers, joint preparation of certain research programs, joint organization of symposia, and so on.

The term "tokamak" is of Russian origin and means "toroidal magnetic chamber." It describes the configuration of the vessel in which the fusion process takes place. In the current state of research, physicists generally consider it more than likely that the feasibility of fusion will be demonstrated in a tokamak, and generally take the view that such a demonstration is possible in the large second-generation tokamaks such as the ones involved in the agreement. This, in fact, is what makes the cooperation agreement so important: it makes it possible to further consolidate the most advanced concept in the nuclear fusion field.

For the E.C., the agreement represents the possibility of retaining and strengthening the position it now occupies in the forefront of the field, the result of 20 years of sustained effort.

□ 0950

SENATOR PAULA HAWKINS' SPECIAL ORDER

Mr. WALLOP. Mr. President, I have been asked by the Senator from Florida [Mrs. HAWKINS] to deliver a statement in her behalf.

The PRESIDING OFFICER. Under the previous order, the Senator from Wyoming is recognized for that purpose.

Mr. WALLOP. Mr. President, on behalf of Senator HAWKINS, this is the following statement called "New Hope for Mexican Cooperation in Drug Cases."

NEW HOPE FOR MEXICAN COOPERATION IN DRUG CASES

Mrs. HAWKINS. Mr. President, Attorney General Edwin Meese and key officials of the Justice Department, Customs Service, Coast Guard, Drug Enforcement Administration, and the Department of State recently concluded a meeting in Mexico City with their counterparts in the Mexican Government. This summit conference on law enforcement problems shared by the two nations hopefully will produce some concrete results and common understanding of the frustrations that each country has with the other. The conferees discussed complex legal questions, mutual legal assistance, border problems, immigration, and the vexing question of international narcotics trafficking.

An effective working agreement with Mexico and cooperation of Mexican authorities, particularly in the area of drug trafficking, are very important to use for a variety of reasons. Mexico is the largest exporter of heroin to the United States. One-third of the heroin consumed here is produced in Mexico and another one-third passes through Mexico enroute to the streets of California, Arizona, Texas, and Florida. The preferred method of shipment is small planes which fly low across the border and head for remote private landing strips, straight ribbons of highway, or level stretches of the desert. Mexico also has become the largest supplier of marijuana shippped into the United States. The merchants of misery move their goods by four-wheel-drive vehicles and backpackers, who wade across the Rio Grande with 60 to 100 pounds of marijuana strapped to their backs. A "human mule" can pick up a fast $200 for a night's labor, if he makes it to the

American side without getting caught—more money than he could earn in a couple of weeks, if he can find work in Mexico.

Customs Commissioner William von Raab says the United States-Mexican border is the new frontier of drug smuggling. With the tough crackdown by law enforcement agencies in the southeast it is easier to smuggle drugs across the Mexican border than into Florida and neighboring States. Colombian drug traffickers have moved in on both the American and Mexican sides of the border and set up smuggling operations there. The offshoot is that drug trafficking is out of control, Federal agents are being attacked, and cash in suspicious amounts is being circulated. The Federal Reserve Bank in El Paso, TX, had a negative cash-flow in 1981 and 1982. However, in 1984, when big time drug operations got underway, the bank's books showed a $600 million surplus. Deposits in local banks in the lower Rio Grande Valley, one of the poorest areas in the Nation, showed a $720 million increase in a year's time.

In an interview with Washington Post reporter Mary Thornton, Customs Commissioner von Raab described the situation as a "modern-day horror story" and disclosed that he has proposed that the Reagan Administration declare the southwest border a "crisis zone." Von Raab told the reporter, "It's a runaway operation right now . . . it's a no-man's land." Horace Cavitt, of the El Paso Intelligence Center, a multiagency operation concerned with narcotics trafficking, guns, and aliens, notes that while law enforcement agencies have concentrated on trouble areas, such as Florida and elsewhere, "The Mexican border has been ignored. It's 2,000 miles long and there are a million places to cross." The border for the most part consists of a waist-high, four-strand barbed wire fence. In many places, the fence has been cut or knocked down by four-wheel-drive vehicles. In other places, the border is marked by a chain link fence. Gaping holes in the fence are commonplace. Border stations are few, in some stretches 150 miles apart. There is radar to detect incoming aircraft, but it is military radar, programmed to spot planes approaching at 14,000 feet and above. Small planes operated by drug smugglers come in low, at 5,000 feet altitude, and escape the radar net. They also come in at night with no lights and their identifying numbers taped over or painted over. If they are detected, all the pilots have to do is head for the Mexican border and, once they reach it, they are home free.

Which brings me to the question of cooperation between American and Mexican authorities. It just does not exist. It certainly does not exist to the extent that we think necessary to protect American interests from drug trafficking. And I wish the Mexican officials would understand that it is not in their national interest to snuggle up to the drop smugglers and permit them to call the shots. It is, in the end, Mexican institutions that will be destroyed, Mexican health that will be wrecked, and Mexican vitality that will be sapped. I ask, "Is it worth it for a handful of narco-dollars?" It is my fervent hope that Attorney General Meese and his colleagues made some headway in persuading the Mexicans to cooperate with the United States in solving common legal problems and working together in our mutual interest. Mexico has not prosecuted a major drug trafficker in ten years. As an act of good faith, Mexican authorities could bring to trial the murderers of DEA Agent Enrique Camarena Salazar, whose slaying was ordered by drug dealers 14 months ago. That would be a start.

Mr. WALLOP. Mr. President, that concludes the statement which I have delivered on behalf of Senator HAWKINS.

I am sure I join with other Senators in wishing our colleague a speedy recovery from the back surgery which she has had.

As I understand, she is improving daily, getting stronger, and is moving about well.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

□ 1000

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PRESSLER). Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

WHY ESTIMATES TO DATE HAVE GROSSLY UNDERESTIMATED THE COST OF STAR WARS

Mr. PROXMIRE. Mr. President, in previous speeches on the floor of the Senate, I have charged that the cost of the star wars or SDI program will probably exceed a trillion dollars. I have contended that its annual operation, maintenance, and modernization cost might nearly double our overall military spending. A recent article in the New York Times issue of April 23, by Stuart Diamond provides an actual record of experience that suggests that star wars spending may substantially exceed current estimates. Star wars costs could easily explode to several times these projections. Doubt it? Consider our experience with the National Aeronautics and Space Agency—NASA. The NASA analogy is almost perfect. Not only was that experience concerned with the cost of developing a new technology. It was concerned with the same space environment that challenges star wars. Yes, there is a difference. The difference is that the star wars problem will be bigger and more expensive by a hundredfold. But it promises to skyrocket projected costs when we have to pay for the funding in much the same way as the NASA funding went through the roof.

So what do we learn from that NASA experience? Let us consider the record for the shuttle. The projected orbiter cost of the *Challenger* in constant 1986 dollars was $675 million. And what was the actual cost? More than twice as much. It came in at $1.47 billion. The orbiter experience is likely to be duplicated by the experience we can expect with the star wars kinetic kill vehicle or "battle station." The battle station is now projected at about $500 million—a half billion dollars, that is. Do not be surprised if it comes in at $1 billion or more. How many of these kinetic kill vehicles will we need? Answer: Several thousands. One thousand at a billion dollars each would be a trillion dollars.

If you think NASA's experience with the orbiter was out of line, consider the NASA experience with the external tank. The tank was supposed to cost $4.73 million per copy in 1974. Its actual cost in the same dollars—that is allowing for inflation—was a cool $28 million. How much of an increase was that? It was not double. It was not triple. It was a sixfold increase. Apply that experience to the battle station and the cost of just one of those vehicles would be $3 billion and, as I have said, we will need thousands of them.

How about the NASA experience with the productivity of the shuttle? The productivity of a battle station will tell us how many of them we need. Of course, the more we need, the higher the cost. So what has been our experience with the shuttle? Consider three measures of productivity. First, orbiter payload. The projected orbiter payload was 65,000 pounds, the actual payload turned out to be only 53,000 pounds, a 20 percent disappointment in performance. It gets worse. Flights in the first 12 years were projected at 725. But the actual number of flights in that 12-year period was little better than one-third of the projection with a bare 267 flights. And it gets still worse. The turnaround time for the shuttle was projected at 160 hours. The actual experience: more than seven times greater turn around time—1,240 hours.

Is there any basis for expecting the performance of the star wars hardware to show any better record as compared with projections? No, indeed. The star wars technology suffers from much the same technology problem as the shuttle did. It should be no surprise if overall productivity of the SDI system turns out to be three to six times lower than projected.

Now finally let us compare the projected cost per launching of the shuttle with the actual cost. The projected cost per launching was $28 million. The actual cost? Get ready for a shock. It was $279 million, almost precisely 10 times as much as projected. And the final measure of cost to efficiency is cost per payload pound. The projected cost per pound was $270.

The actual cost, nearly 20—that is right, nearly 20—times higher at $5,264 per payload pound. All of these figures are real dollars, that is fully adjusted for inflation.

□ 1010

Is it possible that the actual cost of star wars will exceed projected costs by 20 to 1. Could this project end up costing not $1 trillion but $20 trillion? Why not? Why should not we look to the actual, practical experience we have just had with a space program run by the most competent and efficient professionals we could hire? Too seldom, Mr. President, has the Senate or the House considered what we can learn from past experience, especially when it comes to spending the taxpayers money. This is why this Federal Government has been running such massive deficits for the past 5 years. Here we have as close an analogy in the technological, the economic and the space challenge as we can find. This country has been burned badly in the run-away cost of the space program. Fortunately the level of the program was sufficiently modest that the enormous overruns did not sink our Government in a sea of red ink. Now we have a Star Wars Program that promises to be many times bigger than NASA has ever become. The cost of the shuttle was about $20 billion. Physics Today estimates the cost of star wars at $2 trillion. That is literally 100 times more than the cost of the shuttle. Overruns like the shuttle overruns may be so big that this time we can literally sink in a sea of red ink. The experience with the shuttle is loud and clear. We should not close our eyes to it.

MYTH OF THE DAY—CONSUMERS WANT NEW BANK SERVICES

Mr. PROXMIRE. Mr. President, the Reagan administration wants banks to be able to move into a wide variety of new businesses including insurance, real estate, and securities. They believe banks should become "financial supermarkets" and offer many new services they cannot offer under current banking law. The myth of the day, Mr. President, is that retail customers want their banks to become "financial supermarkets." In actuality, most consumers want better service, not more services.

A soon-to-be released study by Prof. Robert Metzger of the University of Southern California, and Prof. Sukhen Dey of Indiana University, shows that more than 85 percent of the retail customers surveyed have absolutely no interest in having any new products or services offered by their bank. Similar results were obtained in an east coast study.

The Metzger-Dey study interviewed almost 900 retail customers of a west coast bank. The bank's average customer had an income in excess of $60,000—presumably a prime target for the various services suggested for "financial supermarkets." And yet, the study overwhelmingly found that these customers view their bank's primary role as being the custodian of their liquid assets. They do not and cannot perceive of any other major relationship with their bank or its staff.

In looking at the customers' responses, Professors Metzger and Dey found that less than 10 percent of those surveyed would be interested in using their bank for such services as tax planning and preparation, investment advice, stock portfolio management, home banking, insurance brokering, or trust management. Also, more than 15 percent of the customers explicitly rejected the idea of using their bank for such services as tax preparation, insurance brokerage, stock portfolio management, estate planning, and will preparation. Even more noteworthy, Mr. President, is a list compiled from the study's data which shows the 10 factors cited by those surveyed as the most important when selecting a bank.

Of the top 10 reasons cited by customers as to why they chose a particular bank, the availability of innovative services ranks ninth. Outscoring innovative service and ranking first through fourth in importance were such items as accuracy, quality of overall service, the friendliness of the staff, and the speed of the teller lines—or in other words, good service is more important than more services. Other factors that outranked innovative service included account insurance, the bank's reputation, branch location, and employee expertise. All of these factors were more important to the customers than innovative service.

Mr. President, as the siren enticed the ancient traveler into danger, I think we need to ask if the administration's song of deregulation will lead us into trouble. Must we "help" consumers whether they like it or not? With many banks in the Nation facing tough economic times, it may be time to slowly and carefully choose our steps down the path of deregulation and allow the banking industry to catch its breath before we follow the siren's call.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

□ 1020

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR CRANSTON

The PRESIDING OFFICER. Under the previous order, the Senator from California [Mr. CRANSTON] is recognized for not to exceed 5 minutes.

PUBLIC TRANSPORTATION AND CALIFORNIA

Mr. CRANSTON. Mr. President, a few days ago, I addressed the Senate on the subject of automobiles and California.

Today I want to talk about public transportation and California.

Mass transit is essential to the Nation's economic growth and vitality.

It is essential to the increased productivity of our great urban centers.

That is true throughout the Nation, but especially in California.

And most especially of Los Angeles and the San Francisco Bay area.

For Los Angeles—the center of the Pacific Rim market and economy—public transportation is the key to the future.

The population there increased by more than 1.3 million people in the decade before 1980—more than any urban area in the Nation.

The increase of nonagricultural jobs during that decade was nearly four times greater than that of New York, eight times greater than Chicago.

Of the 100 largest industrial companies in California, 63 are headquartered in the Los Angeles area—including 7 of the top 10 industrial firms, four major banks, 6 of the 10 largest savings and loan associations, and 6 of the 10 largest merchandising companies.

To slow transportation in Los Angeles would be to stifle economic growth.

And to stifle economic growth in this major trade center would be to set back economic growth in the Nation.

Yet that is what we are expected to do by the current administration, which has been engaged in an unrelenting attack on the Federal role in urban transportation since it took office.

We face proposals that would drastically reduce transit assistance, which has already been cut 24 percent since 1981.

And the heavy ax of Gramm-Rudman threatens even more cuts.

Federal subsidies represent as much as 20 percent of transit operators' budgets in the Los Angeles basin.

Losing those critical dollars means those who can least afford it pays more—or stay home.

Almost the entire Los Angeles basin is in a rush-hour gridlock—and rush

hours get longer and longer and longer.

A comparable situation exists in the San Francisco Bay area.

Over 1 million more people will be living there in 15 years.

In various parts of the bay area, commuter traffic is expected to increase anywhere from 45–140 percent.

Yet under the administration's budget request, operations of bay area transit authorities would be cut by $160 million—about 20 percent—in fiscal 1987 alone.

Mr. President, mass transit serves all Americans, those who live in cities and those who benefit from cities.

It is a job that cannot be done by cities and States on their own.

They need a Federal partner.

That was the reason for Federal involvement in the first place, when the Urban Mass Transportation Act was passed 22 years ago.

The act is due to expire this year.

We must not allow that to happen.

We must take these needs into account as we deal with the legislation now before the Senate, the budget resolution.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, with statements limited therein to 5 minutes each.

LA PRENSA: NICARAGUA'S VOICE OF FREEDOM

Mr. HATCH. Mr. President, freedom of the press is one of the many privileges that we who live in the United States tend to take for granted. We gripe about the "slant" of this newspaper or that journalist and complain about the media in general. But whatever our particular criticisms may be, I think we can all agree that the news media in our country reflect a wide variety of opinion, and that freedom of the press is one of our most cherished freedoms. Indeed, without it, democracy could not exist.

As my colleagues are well aware, Mr. President, the Nicaraguan people do not enjoy freedom of the press. There is only one non-Government-controlled newspaper in Nicaragua, La Prensa. Founded in 1926, La Prensa was a bitter foe of the Somoza regime. Ever since the Marxist-backed Sandinistas seized control of Nicaragua in 1979, La Prensa has had to contend with another enemy: The repressive regime of Nicaraguan dictator Daniel Ortega. As La Prensa director Pablo Cuadra said recently:

> First we fought to the death a dictatorship of the right, now we're fighting to the death against a tyranny of the left. We have never seen a day when we didn't have to fight.

Last October Mr. Ortega instituted a harsh "emergency decree" which has led to a severe crackdown on La Prensa. Censorship now runs as high as 90 percent, according to the U.S. State Department.

Mr. President, I have visited La Prensa headquarters in Managua, and I was deeply impressed by the courage and the determination of the La Prensa staff. They are totally committed to their work. I remember especially the paper's codirector, Jaime Chamorro, who was kind enough to give me a tour of La Prensa's very modest office. Courageous men and women such as Jaime Chamorro and his sister-in-law Violetta, who is the widow of the paper's founder, deserve our encouragement and our support. They deserve the right to print their articles free of Government censorship and reprisals. In short, they—and all Nicaraguans—deserve the right to freedom of speech and freedom of the press.

Mr. President, I am pleased to note that the National Endowment for Democracy, on whose board I serve, has made two $100,000 grants to La Prensa during the last 2 years to keep the paper going. This is just one example of the fine work the endowment is doing to promote democracy abroad. That it is succeeding in its mission is apparent by the fact that the Soviets attack the endowment, which they describe as "an antisocialist orgy." There is little doubt that the endowment's support for La Prensa is a thorn in the side to those who seek to crush the voice of freedom in Nicaragua.

Mr. President, knowing of the immense might of the Sandinistas regime, one might ask why do the Sandinistas allow La Prensa to exist? Mrs. Chamorro provided the insightful, regrettable answer to this question when she said:

> By letting us exist, the Sandinistas can fool foreigners into believing there is democracy in Nicaragua. It is a lie.

With the dedication to freedom that burns in the hearts of the Nicaraguan people, I am convinced that one day their country will be free.

I ask unanimous consent that a recent article entitled "Anatomy of Censorship: One day in the Life of La Prensa," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Times, Apr. 15, 1986]

ONE DAY IN THE LIFE OF LA PRENSA, MANAGUA'S LAST "FREE" NEWSPAPER

(By Don Kowet)

MANAGUA, NICARAGUA.—It was 9 a.m.

The taxi passed makeshift homes with corrugated tin roofs and patchwork wooden walls. Some had no windows.

A small model community, built in cooperation with the Cubans, stood in stark contrast to squatter families living in gutted government buildings, ruined in an earthquake 14 years ago and never repaired.

On a recent Tuesday Managua had no water. This happens two days a week. Friday is the other.

Welcome to the Marxist millennium.

9:15 a.m.: The taxi stopped to turn left across traffic. Spanning a narrow alley, a sign saying "La Prensa" faces graffiti on a wall across the street saying "Partido Communista."

The newspaper's offices were in a one-story building at the back of a dusty compound. On the wall outside, a sign asked, "Freedom of the Press?" The answer was a large bulletin board, "The Wall of Censorship," papered with recent articles rejected by the government censor.

La Prensa was founded in 1926 by Pedro Chamorro Cardenal. The newspaper was a bitter foe of the Somoza regime, whose national guardsmen attacked it with grenades in revenge for its support of the Sandinista revolution. Mr. Chamorro's assassination uncorked the final fury that caused Somoza's collapse.

"First we fought to the death a dictatorship of the right, now we're fighting to the death against a tyranny of the left," said La Prensa Director Pablo Cuadra. "We have never seen a day when we didn't have to fight."

9:45 a.m.: Co-director Jaime Chamorro, the brother of La Prensa's founder, was sitting in his office. Behind him, nailed to the wall, was a tall wooden crucifix.

Mr. Chamorro guides the newspaper daily, since his nephew Pedro Jr. (the founder's son) tired of butting his head against the Saninista censorship and exiled himself to Costa Rica.

Mr. Chamorro inherited the job—and the frustrations. The day before, for the 40th time in the last four years and the second time this year, La Prensa did not publish a newspaper.

The editors had been ordered to kill 22 of Monday's 35 articles. The headline story on Page 1—the annual "Letter From the Nicaraguan Episcopate," issued by the top Catholic clergy—had been held by the censor for "further study." A decision would be rendered today.

The 12 articles not banned had been butchered, with the censor slicing out paragraphs and ordering word substitutions.

There wasn't enough material left to publish a two-page newspaper, let alone La Prensa's standard 12.

It used to take only two hours for the censor to make a decision on what could or could not be printed. By 1984, the delay had reached three hours.

"Now," Mr. Chamorro said, "it takes a minimum of 4½ hours before the censor gives an answer, some days five hours or more."

Two weeks ago, La Prensa tried an experiment, submitting its articles at 9 a.m. instead of noon.

"We hoped the censor would give us the decisions three hours earlier," said Mr. Chamorro.

The censor's decisions still didn't come until 5 or 6 o'clock.

Yesterday, Mr. Chamorro said, he had talked by telephone with the censor, Capt. Nelba Cecilia Blandon, a 28-year-old former attorney.

"She told me," said Mr. Chamorro, "that the problem is La Prensa's 'level of disinformation.'"

10:30 a.m.: Carlos Ramirez, La Prensa's editor, was at his desk in the newsroom. The 12 articles which the censor had approved from Monday's canceled edition would run

today, reducing the number of new articles he had to submit.

A reporter who covers the political beat—the ministries, the chancellery, etc.—handed in his daily article.

"For the archives," he said.

Almost nothing this reporter writes gets published.

"I write for the censor," he said.

11:05 a.m.: Mr. Ramirez was supervising in the makeup room as an assistant pasted up pages. The day's headline article, on Page 1, was the story the censor had withheld from the paper the previous day for further study. Cardinal Miguel Obando y Bravo, the leader of the Nicaraguan Catholic Church, had read aloud the four-page "Letter From the Nicaraguan Episcopate" preaching reconciliation during Mass on Sunday.

Starting several weeks ago, the censor had barred the paper from printing the cardinal's weekly column, "The Voice of Our Pastor."

Nicaragua's two pro-government papers go on sale in the morning, while La Prensa is supposed to appear in the afternoon. This morning, Barricada, the official Sandinista Party newspaper, had published an article calling Cardinal Obando a creature of the CIA and "The Spiritual Leader of the Mercenaries"—the anti-Sandinista rebels.

Last October, the government seized the Catholic radio station and the church presses. They are still controlled by the police. Since Easter, said Mr. Cuadra, La Prensa's director, the personal attacks against Cardinal Obando by the government press—all the press in Nicaragua, except for a La Prensa—had been growing steadily more vicious.

"On Holy Thursday," said Mr. Cuadra, "so many thousands turned out for the annual procession that they entirely filled the Plaza of the Republic. The turnout," he added, "was a testament to the loyalty of Nicaraguan Catholics—80 percent of the people—to Cardinal Obando. The people see Obando as a symbol of resistance to the regime."

The Sandinistas have never dared to censor in La Prensa the annual "Letter From the Nicaraguan Episcopate."

11:40 a.m.: The last two pages of today's newspaper were being pasted up. Staffers were photocopying completed pages.

"We send three copies of each page to the censor," said Mr. Chamorro. "What they cut out," he added, "we replace with refill."

Until two months ago, the changes the censor wanted could be called in by telephone. Now the staff had to alter the copy and reship the clean page to the censor's office a second time. "The double censoring adds at least a half-hour to the delay before we get the papers onto the street," Mr. Chamorro said.

The purpose behind all this delay, Mr. Chamorro said, was to make the newspaper "low in interest to people. Our news is old by the time people read it. The Sandinistas want us to be untimely and, therefore, dull."

12:15 p.m.: A messenger collected all the photocopies and sprinted out the door. He drove five miles to the censor's office, submitting the pages at 12:30 p.m.

In his office at La Prensa, Mr. Ramirez said, "Now we sit and wait."

He pulled out a list of recent articles, showing the titles, and the censor's decisions:

"Labor Unrest in Coca-Cola"—"Don't Publish."

"Cardinal Obando Condemns All Violations of Human Rights"—"Don't Publish."

"Workers Have Faith In A Favorable Verdict"—"Don't Publish."

"Protest of Educators"—"Don't Publish."

Anything to do with any Nicaraguan political party except the Sandinistas and the Communist Party; most editorials; anything that suggested the rulers of Nicaragua were less than saints; anything good about the United States or bad about the Cubans or Soviets (calling them "Russians" was forbidden); any news about wildcat strikes, or protests by parents over their 14-year-old sons being kidnapped from their classrooms for military service—"Don't Publish."

No topic was too trivial:

The headline read: "Elizabeth Couldn't Take Communion." Said the censor: "Change the title in order to tell why."

The anti-government rebels had to be called "counterrevolutionaries." The words "dialogue" and "reconciliation" were taboo.

"We put in what we should," said Mr. Ramirez. "They do what they want. I'm not going to do their job for them."

The censor had even prohibited La Prensa from publishing that it was censored.

In a letter dated March 16, 1982, the censor, Miss Blandon, notified the newspaper that it was forbidden to leave "blank spaces, or to mention that the published material had been approved by" the censor.

A week ago, the newspaper tried to print one of Miss Blandon's own orders.

The censor censored herself.

Miss Blandon's ultimate boss is Minister of the Interior Tomas Borge. Comandante Borge used to be the sales agent for La Prensa in the city of Leon.

"Tomas and I are still friends," said Mr. Cuadra. "Why? Out of inertia, I suppose."

Mr. Borge isn't the only Sandinista ruler with roots in La Prensa.

A source said that Rosario Murillo, the wife of Nicaraguan leader Daniel Ortega Saavedra, was for a while the personal secretary of the newspaper's founder, Pedro Chamorro Cardenal. A La Prensa reporter grew up around the corner from Mr. Ortega.

"There were very few chairs in the Ortega living room," he recalled. "But on a table there was a shortwave radio, with the antenna always fully extended. It was in the days when Fidel [Castro] used to deliver his six-hour-long speeches," the journalist added. "The Ortegas never missed a word."

Bayardo Arce, another comandante of the nine-man Nicaraguan ruling junta, was a reporter for La Prensa. One of Mr. Arce's most famous articles was a lengthy piece praising Cardinal Obando on the occasion of his appointment to archbishop.

The current minister of transport was also a La Prensa reporter. Violeta Chamorro, the widow of La Prensa's founder, was a member of the ruling junta immediately after the Sandinistas took power.

"Little by little, I withdrew," she said, sitting in her husband's old office, surrounded by his mementos. "All of Nicaragua was united in favor of the change from Somoza," she added, "but there was treason."

An assistant ushered in a woman selling a bagful of plastic baby bottles.

Mrs. Chamorro bought the bag.

"I don't know where they get them, or why I keep buying them," she said. "But the people are very poor. We buy what they sell."

4:45 p.m.: Carlos Ramirez, the La Prensa editor, was still waiting for the pages he had sent to the censor, five miles away, at 12:30 p.m.

"They bleed us to death," he was saying.

Daily more than 200 workers have to be paid overtime and fed dinners.

"There is no money," said Mrs. Chamorro. "We survive off loans from abroad."

The two pro-government newspapers, Barricada and El Nuevo Diario—both run by pro-Sandinista members of the Chamorro clan—are supported by government advertising. State-controlled institutions are prohibited from signing contracts with La Prensa.

La Prensa has more private-sector advertisers than it needs, but the government-imposed page limitation keeps advertising revenues low.

5 p.m.: A pair of Americans from an organization that funds worthy causes were waiting to see Mrs. Chamorro. Nicaragua was teeming with Americans, many from religious organizations such as "Witness For Peace."

"The Sandinistas send some of them up north, to serve as shields against attacks from the Contras," said a visiting reporter from a Houston all-news radio station.

The reporter, doing a series of spots on Texans in Nicaragua, had just come from the government press office. To get interviews with government officials, he said, he had to fill out a form, present three photos and pay $20.

"I told them I was going to do all my interviews in English," he said, "but they kept badgering me to take along one of their translators." The reporter didn't.

Many foreign journalists, said Mrs. Chamorro, "arrive at La Prensa preprogrammed by the government."

Most visiting American journalists don't speak Spanish. The government not only offers them access and transportation, but fluent-in-English officials, perfect for a television interview. The only executive at La Prensa who speaks English fluently is Jaime Chamorro. A television crew from the Canadian Broadcasting Co. left his office complaining he was unintelligible.

"We'll have trouble," said one crew member, "getting even a 35-second sound bite."

The Canadians had filmed a story on the "squabbling going on here in the Catholic Church," a theme that suited the government because it served to further discredit Cardinal Obando.

5:15 p.m.: A messenger arrived with the censor's verdict. Not counting the material approved the previous day, 17 of the 22 new articles bore the death warrant "Don't Publish."

"Public School Charged $400 A Month Per Pupil," "A Cleric Meets With the Cardinal," "Nicaragua: The Situation of the Church . . ." all were marked "Don't Publish."

5:20 p.m.: Frantically, Mr. Ramirez and his staff began ripping columns off their pasteboards, tossing the prohibited ones aside, snipping offending titles and paragraphs from articles that could be published after changes were made.

5:40 p.m.: The staff was still scrambling, searching the refill pile for substitutes.

"Cholera In A Pig"—"Don't Publish," the censor had said a few weeks earlier.

The graveyard of dead articles kept growing.

5:50 p.m.: For the second time, the messenger left for the censor's office, carrying a fresh set of photocopies.

Moments later, a subordinate ran into the room.

No one had noticed, but the "Letter from the Nicaraguan Episcopate," held over from

Monday by the censor for further study, was listed among today's banned articles. This was today's headline and lead story.

Mr. Ramirez seemed stunned.

The Sandinistas had never banned the annual "letter" before.

6:20 p.m.: The messenger returned. Mr. Ramirez and his staff tore off the prohibited Page 1 headliner, replacing it with a less important story. On Page 6, there was now a three-column hole. Mr. Ramirez caulked it with "refill."

6:40 p.m.: Pages were still being revised.

"At this rate," said Mr. Ramirez grimly, "the paper will be selling on the street at 8:30, when everyone is at home. Home deliveries will arrive at 10 p.m., when most people are already asleep." Outside Managua, today's paper would not go on sale until tomorrow.

6:58 p.m.: The messenger departed on this third trip that day to the censor's office.

7:02 p.m.: Mr. Ramirez was pacing nervously, stopping to check and recheck the censor's list of "resolutions."

7:16 p.m.: A telephone rang in an adjoining room. Mr. Ramirez ran to answer it. A moment later, he returned smiling.

"Yes," he said. La Prensa would be on the streets in an hour, each article reading exactly as the censor had edited it.

Only once did La Prensa dare to defy the censor. It was on direct orders from Mrs. Chamorro.

About a year and a half ago, Mrs. Chamorro woke up one morning to find that someone had painted her house with pro-Sandinista graffiti. A reporter from La Prensa wrote a story about it. The censor sent it back, saying "Don't Publish." Mrs. Chamorro ordered her editor to publish it, anyway. The government closed down La Prensa.

Mrs. Chamorro happened to meet her former employee, Minister of the Interior Tomas Borge. " 'Thanks for painting my house,' I told him."

Mr. Borge lifted the suspension.

"By letting us exist," said Mrs. Chamorro, "the Sandinistas can fool foreigners into believing there is democracy in Nicaragua. It is a lie."

Mrs. Chamorro grew silent.

"I had to put up a wall to protect my house," she said softly. "They told me putting up a wall was illegal. I covered it completely with flowers. Nobody has said anything. I live in my oasis. I live behind walls."

CRITICISM BY THE CHINESE AMBASSADOR OF UNITED STATES ACTIONS AGAINST LIBYA

Mr. DENTON. Mr. President, a very interesting article appeared in the Houston Chronicle on April 21, 1986, that should not escape the attention of the Senate. The article quoted the Ambassador of the People's Republic of China, Han Xu, as stating that the United States' recent air strike against Libya was "state terrorism." Speaking in Houston, TX, Han made other statements which provide a real insight into the true attitude of the People's Republic of China toward the United States.

Han was quoted as saying that his country opposes "State-run terrorism, a kind of terrorism organized by the State." But did Han then condemn the terrorist attack which Libya and other members of the Radical Entente have supported and facilitated in recent months? He did not. Instead, he condemned United States actions to prevent such terrorist acts in the future, and accused the Republics of Israel and South Africa of being State sponsors of terrorism.

In perhaps the most revealing statement he made about the nature of international terrorism, the Chinese Communist Ambassador noted that his country had not yet had to deal with an act of terrorism. That comes as no surprise to those of us who have followed closely the pattern of international terrorism as coordinated by its radical nation-state sponsors, such as Libya, Iran, Syria, Cuba, and North Korea. Not only have the countries of the Communist bloc been untouched by terrorist violence, they are, in fact, the beneficiaries of the low-intensity warfare being waged by international terrorists to erode the influence and strategic position of the United States and Western democracies, in general, and to enhance the power of the Communist superpowers and their client States and allies, in particular.

Mr. President, I recommend the Houston Chronicle article containing Mr. Han's remarks to all of my colleagues. It would be especially instructive to the apologists and lobbyists for Communist China who continually try to convince us that the so-called People's Republic is a good friend of the United States. As recent events have demonstrated, you find out who your real friends are when the going gets tough.

Mr. President, I ask unanimous consent that the complete text of the Houston Chronicle article appear in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHINESE ENVOY CALLS U.S. BOMBING STATE TERRORISM

(By Nicholas C. Chriss)

The People's Republic of China ambassador to the United States says the U.S. bombing of Libya was "state terrorism" that should have been avoided through fair and reasonable discussions.

"The Chinese government has always condemned all forms of terrorism, but at the same time we are against the encroachment upon the territory of a sovereign state under the pretext of striking against terrorism," Han Xu said in Houston Sunday.

"We have always been in favor of seeking a fair and reasonable settlement of differences among states through peaceful dialogue."

Han, 62, is a veteran diplomat, having served in the Soviet Union, in China's Liaison Office in Washington, D.C., from 1973 to 1979 during the Cultural Revolution and in the Foreign Ministry at home.

Texas officials invited him to take part in the Sesquicentennial and San Jacinto Day celebration in Houston.

In 1971, when Secretary of State Henry Kissinger made a secret visit to China to prepare for an unprecedented visit by a U.S. president—Richard M. Nixon—he was met at the airport in Peking by Han, then a Foreign Ministry official.

"The use or threat of force can only further complicate an issue rather than facilitate a settlement," Han said, regarding the Libyan bombing.

"We ask the U.S. government to stop forthwith its encroachment upon the territory and sovereignty of Libya and call on the parties concerned to exercise restraint, cease hostilities and avoid the further deterioration of the situation in the interests of peace and the stability in this region."

Asked what the United States should do to combat Libyan-inspired and financed terrorism. Han replied:

"I don't want to get involved in the conflict. I haven't heard what the Libya side of the argument is. We have to listen to both sides."

Han said terrorism had its roots in the displacement of the Palestinian people from their homeland by Israel, a position China has maintained for years.

During the last several years, some members of Yasser Arafat's Palestine Liberation Organization had reportedly received training in China.

Han, who has been in this country one year, said the displaced Palestinians could not return home. "So they did something, and so it goes back and forth and there is no end.

"We also oppose state-run terrorism, a kind of terrorism organized by the state. And such a terrorism also exists in the world, and it kills a lot of people."

Han cited the bombing of Tunisia by Israeli planes and the South African attack on Namibia.

"The United States' bombing in Libya is also a kind of state terrorism to a certain extent," he said.

The question of the U.S. air strike on Libya was being taken up by the United Nations, Han said, and "I think the majority of the members condemn this kind of attack."

Asked what China would do if faced with continual attacks of terrorists on its citizens. Han replied, "We believe all this kind of terrorism should be punished." He referred to an attempted airliner hijacking several years ago by a co-pilot and his subsequent sentencing to prison.

"We will condemn them (the terrorists)." Han said, "We will try to find out why it happened. We would try to seek a settlement with a fair and reasonable dialogue. But up to now we haven't met such a situation."

Whether a fair and reasonable dialogue works depends on "whether you have tried enough or not," Han said.

"The countries that support the United States (for its Libyan bombing strike) are Britain and Israel.

"I hope the United States will make a very easy calculation," he said, referring to its support of Israel, with 3 million people, in the Middle East, instead of 20 million Arabs.

"It's a simple matter of mathematics: You are supporting the minority instead of the majority.

"You gave support to Taiwan and opposed the People's Republic of China in the past, and you support South Africa instead of the majority of African people, and you supported (President Anastasio) Somoza (of Nicaragua) and opposed the people in Central America.

"We hope the United States will get along with the other countries in the world, on good terms. If you adopt the correct pos-

ture, you can do a lot of things that are good for the people in the world.

"You send your fleet so far away to other countries (in the Mediterranean Sea), and you bomb other countries. For instance, if Libya sends its fleet to the Gulf of Mexico, what would be the United States' reaction? Sometimes you have to think what the people in the world feel.

"But we are friends, and I also hope we can learn from you."

In other matters, Han said:

China's oil and gas potential is large, that the price-per-barrel decline will probably have some impact on offshore drilling, but that none of the foreign energy companies have ceased their exploration efforts in the South China Sea.

China's new economic reforms should not be mistaken for a transition to capitalism but rather as the building of a socialist system with "Chinese characteristics."

Its once-inadequate agricultural system can now export cotton and grain.

The economic reforms and the consequent new wealth have led to some problems with crime, pornography and corruption but "when you open the door, you cannot prevent some flies from coming in or you must keep it closed."

China's policy now is to maintain an open door policy, and that it hopes one day to establish a relationship with Taiwan as it intends to do with Hong Kong when that British crown colony island is returned to the Chinese in 1997, "one country with two systems"—communist and capitalist.

NEWSPAPER PRESERVATION ACT

Mr. HATCH. Mr. President, a few days ago, on behalf of myself, Senator GARN and Senator INOUYE, I introduced a bill, S. 2314, to amend the Newspaper Preservation Act.

For those of my colleagues who are not familiar with this legislation, the Newspaper Preservation Act was enacted in 1970. Its purpose and intent were to preserve separate news and editorial voices in those cities which could not otherwise provide more than one newspaper with a sound financial base. Specifically, Congress sought to preserve and encourage joint operating agreements whereby two newspapers join their commercial functions while retaining two separate and distinct news voices.

Our predecessors in the 91st Congress were aware of the steady diminution in the number of American cities where there were two or more newspapers in both commercial and editorial competition. By 1970, there were only 45 cities with commercially competitive newspapers, plus 22 cities with joint newspaper operating agreements. The concept of joint operating agreements for newspapers began in Albuquerque, NM, in 1933, where two publishers recognized that there was only enough advertising to support one successful commercial operation. In order to maintain two separate and distinct editorial and news voices of the two newspapers, they agreed to merge the business operations of the two newspapers, leaving one sales force and one business office to buy supplies and provide for the circulation of both newspapers. There were still two mechanical staffs, because production of morning and evening newspapers require two production staffs, but only one plant. Through the savings accomplished by this commercial merger, both newspapers were able to continue their true rivalry by maintaining separate and distinct news and editorial voices.

As just mentioned, there were 22 cities with joint newspaper operating arrangements in 1970, one of which—Bristol, VA-TN—ceased being a true joint operating management by virtue of having come under single ownership. Of the remaining 21 in 1970, 18 remain intact and in operation—with one plant but two news voices. That is a retention of over 85 percent. During this period since 1970, three additional joint operating agreements, approved by Attorneys General in accordance with the Newspaper Preservation Act, have come into existence and are still in operation.

During this same period, from 1970 through 1985, there had been a sharp reduction in the number of cities where two or more newspapers are in commercial competition. Possibly more significant is the fact that in 1970 there were some 150 cities with morning and evening editions published by one owner, but today that number has been reduced to some 85 newspapers, a loss of about 65 news voices. Fortunately, through the Newspaper Preservation Act, we still have editorial and news competition in 24 cities where it would not otherwise exist.

The act has worked well, and has served the public interest. My bill recognizes this fact, and does not seek or propose radical changes in the Newspaper Preservation Act. Rather, S. 2314 is in the nature of a technical amendment to the act, clarifying two provisions in order to make explicit what was clearly the intent and purpose of the 91st Congress in enacting the legislation.

In the 15 years since the enactment of the statute in 1970, vast technological and consumer marketing changes has reshaped the business world as a whole and the newspaper publishing business in particular. Dissemination of the kind of information traditionally associated with newspapers is no longer confined solely to the newsprint formats, and electronic transmission of newspapers to individual readers is now practical. Marketing strategies have evolved in response to changing demographics and consumer interest, and techniques such as total market coverage [TMC], whereby some or all of a newspaper is provided to all readers in a given area, have become conventional tools in the competition to secure increased revenues, at least among non-JOA papers.

When Congress enacted the NPA in 1970, it could not reasonably have foreseen the substantial pressures such technical advances and redesigned strategies would exert on the newspaper publishing business and consequently did not draft the legislation with them specifically in mind. Nevertheless, the basic congressional purpose was and continues to be the preservation of competitive reportorial and editorial voices by authorizing competing newspapers to engage in joint commercial activities associated with publishing their individual newspapers. It is imperative that we now make clear, by way of amendment, that the NPA has sufficient elasticity to accommodate changing times—and form of peril—to insure that the legislative goal set in 1970 still remains within reach.

Fundamental to the continued financial well being of JOA's, as with all newspapers, is the ability to make use of the new technology and marketing techniques. However, arguable ambiguity in the language of the act has placed a cloud on JOA's right to do so. For example, the act does not affirmatively permit a JOA to engage in any business activities which would be lawful for a single newspaper, although that was Congress' clear intent in 1970. Further, the list of traditional newspaper functions authorized in section 3(2), 15 U.S.C. § 1802(2) and the definition of "newspaper publication" in section 3(4), 15 U.S.C. § 1802(4), can be misread as more restrictive than those provisions were intended to be.

The potential this statutory ambiguity gives rise to for a harshly narrow construction of JOA's exemption under the act effectively chills some JOA's in their commercial endeavors. Not only must a JOA fear criminal prosecution if it guesses wrong on some business activity, but it faces the threat of treble damages in a civil suit, not to mention the exceptionally high cost—win or lose—of antitrust litigation, a threat which many of the parties to such agreements are unequivocally unable to bear.

These fears are far from groundless. Although there has been no new Supreme Court decision to prompt concern in the tradition of the *Citizen Publishing Co.* v. *United States*, 394 U.S. 131 (1969), which helped give rise to the 1970 legislation, the court in *Wick* v. *Tucson Newspapers, Inc.*, 598 F. Supp. 1155 (D. Ariz. 1984), involving the same Tucson JOA, raised questions regarding certain marketing activities undertaken by the JOA on the basis of a narrow and restrictive construction of the act. The court expressly noted that authorization for the challenged activities should come from Congress.

The combination of the chilling effect inherent in the arguable ambiguity of the act, together with past and threatened litigation, acts powerfully to undermine Congress's declared purpose to preserve multiple editorial voices through JOA's. Fear of prosecution and/or civil damages will discourage JOA's from competing on an equal basis in the information dissemination business, with negative impact on their financial well-being. Inevitably, an existing JOA, thus hamstrung, may lose its appeal for the financially healthy member of the agreement, and the prospects for future JOA formation will be sharply diminished.

The proposed amendment will, through clarification of Congress' original intent, help to insure the future of multiple editorial voices through JOA's and thereby implement the congressional goals which underlie the 1970 legislation.

The bill amends the definition of "newspaper publication" contained in section 3(4) of the act, 15 U.S.C. §1802(4), and provides clarification in section 4(c) regarding the legitimate scope of activities engaged in by the participants in a joint newspaper operating agreement which the Congress deems consistent with antitrust laws.

The amendment to the definition of "newspaper publication" is designed to permit JOA's to operate, as do all other newspapers, daily and weekly, in an economic environment characterized by rapidly changing technology and marketing techniques. The deletion of the reference to "newsprint paper" will encourage JOA's to utilize newly emerging equipment and supplies, including improved resolution paper, such as "slick" paper, and to engage in newly emerging technology such as electronic publishing which would otherwise be incompatible with the production of a traditionally conceived newsprint format newspaper.

Reference in the amendment to delivery "in whole or in part" acknowledges changing marketing strategies which may call for the distribution of variously composed portions of newspapers at commercially opportune times, as well as electronic delivery. Use of the phrase "whole publication" is designed to forestall the sort of costly hair-splitting which characterizes the approach of the Wick court and returns the focus of any inquiry to the entire publication, where it belongs, and not to individual components. The term "readers," as opposed to "subscribers," is expressly employed to permit JOA's to make use of TMC—total market coverage—a technique with wide application in today's competition for advertising revenue.

The language added to section 4(c), 15 U.S.C. § 1803(c), provides a positive thrust to the act, the absence of which appears to have led to unnecessarily restrictive interpretations which have been contrary to legislative intent. It was felt that although section 4(c) as originally enacted made abundantly clear that actions prohibited to single newspapers were equally unlawful when undertaken by JOA's, it should be equally clear that JOA's are entitled to engage in all of the same commercial activities which are lawfully undertaken by single newspapers. Thus, S. 2314 makes explicit what is implicit in the Newspaper Preservation Act.

The amendment should not be construed to favor a JOA newspaper over any other newspaper, nor should it be construed to exempt any predatory pricing, any other predatory practice, or any other conduct which would violate the antitrust laws if engaged in by a single newspaper. S. 2314 reaffirms that a JOA should be analogized to a merger. Thus, the JOA itself is not illegal if the requirements of the act are satisfied, but its behavior will be illegal to the same extent as the same behavior by a single newspaper.

The public interest in preserving JOA newspapers, and permitting them to compete as single newspapers compete, is a sound basis for the proposed amendment.

Mr. President, let me add one more, and I would concede, parochial reason why I am sponsoring this bill. Salt Lake City, and the State of Utah, have been blessed with two excellent newspapers which operate under a joint operating agreement. These two newspapers—each with its own and independent news voice—well serve the public, their readers, and advertisers. I do not wish to see any unfair restrictive limitations put upon their operations. It is to further preserve joint operating agreements, like that involving the Salt Lake Tribune and the Deseret News, that I have sponsored this limited amendment to the Newspaper Preservation Act.

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

□ 1030

Mr. DECONCINI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1987

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of Senate Concurrent Resolution 120, which the clerk will state by title.

The assistant legislative clerk read as follows:

A Senate concurrent resolution (S. Con. Res. 120).

A concurrent resolution (S. Con. Res. 120) setting forth the congressional budget for the United States Government for the fiscal years 1987, 1988, and 1989.

The Senate resumed consideration of the concurrent resolution.

Pending:

DeConcini Amendment No. 1803, to increase budget authority and outlays for fiscal year 1987 for functional category 730, administration of justice.

Melcher Amendment No. 1806, to transfer $21,000,000 from function 50 (National Defense) to function 270 (Energy) to fund research and development of Magnetohydrodynamic (MHD) Generators.

AMENDMENT NO. 1803

Mr. DECONCINI. Mr. President, am I correct that the pending business is the DeConcini-Abdnor amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. DECONCINI. Mr. President, I ask the Chair to advise me of the time remaining on the amendment.

The PRESIDING OFFICER. There is one-half hour remaining on the amendment. The Senator from Arizona has 20 minutes; the Senator from New Hampshire has 5 minutes; the Senator from New Mexico has 5 minutes.

Mr. DECONCINI. I thank the Chair.

Mr. President, I ask unanimous consent that the distinguished Senator from Florida [Mrs. HAWKINS] be added as a cosponsor to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, there have been essentially three arguments raised against the pending amendment. First, both the chairman of the Foreign Relations Committee and the ranking member of the Foreign Operations Subcommittee of Appropriations have charged that somehow the authors of this amendment have retreated from their original purpose as outlined in our Dear Colleague letter of April 22, signed by Senator ABDNOR and myself; that somehow we have heard the ground swell of opposition against cutting the international affairs function and recrafted our intentions; and that somehow we scrambled around on the Senate floor to invent new ways to achieve savings in function 150 in light of charges that our amendment would cripple aid to Israel or Egypt or our international antiterrorist programs. To these charges I say, nonsense.

This amendment does not do anything to cut aid to Israel and Egypt. As was pointed out last Thursday by Senator LUGAR, there is roughly $8.3

billion there for Egypt and Israel and international security assistance, leaving over $10 billion for other functions in the foreign assistance function. This means we can easily absorb the $163 million we are talking about here.

Our amendment is very clear. The "Dear Colleague" letter was clear and our floor statements are clear that we want to reduce total spending for international affairs and general government in order to accommodate an increase in administration of justice to beef up certain law enforcement activities. Our floor statements elaborate on our amendment's purpose by saying that we do not need any cuts in aid to Israel or Egypt in order to achieve the overall reductions proposed. In fact, we suggest a number of other programs where this small reduction can be achieved without all of the doom and gloom that the opponents of this amendment seem to think will be forthcoming if our amendment prevails.

In fact, everybody knows that the final appropriation will occur in the Appropriations Subcommittee on Foreign Operations. We will fund, and this Senator has been a leader in the determination to continuously and fully fund the needs of Israel and Egypt.

We all refer to function 150 as the "foreign operations" function or the "foreign aid" function; or, as Senator LUGAR referred to it, "the foreign assistance" function. But there is much more in that function than just so-called foreign aid programs—I know it and the opponents of this amendment know it. For those who choose to narrowly construe the intent of our amendment, I would refer them to pages 5-18 in the President's budget book to see what other activities are covered by that function and our amendment. If time permitted, I would read them into the RECORD here.

Second, it is argued that a cut in function 150 would cripple the budgets of those programs contained in that function. Nonsense. Our reduction in function 150—BA—presents a cut of 0.89 percent—less than 1 percent below the budget resolution level of funding for 150. The cut in outlays is only $84 million or 0.58 percent below the budget resolution level, so I find it hard to believe that our amendment will make even a "ripple" in the "sea of billions" that makes up the international affairs function. It is also hard to cry many tears over function 150's plight when we all know that foreign aid outlays have increased by 113 percent in the last 5½ years.

On the other hand, an increase of $200 million for the three law enforcement agencies that are the target of our amendment, will prevent the loss of 2,800 law enforcement officers who are currently involved in our war on drugs; combating domestic terrorism; protecting the President; and fighting weapons and explosives traffickers. If the opponents of this amendment are "singing the blues" about how tight function 150 spending will be next year, I suggest that they take a look at what this budget resolution would do to the Customs Service, the Bureau of Alcohol, Tobacco, and Firearms, and the Secret Service.

Finally, the opponents of the pending amendment argue quite skillfully that a cut in function 150 is a threat to our national security.

All of a sudden, foreign aid has become a national security issue. It was not so a few years ago. It was "foreign aid" and a big giveaway. Again, I say these charges are nonsense and I suspect that my good friends on the other side know full well that our international security programs, including aid to Israel and Egypt, and our war against terrorism will not lose a nickel by this amendment.

Neither the Foreign Relations Committee nor the Appropriations Committee is going to let our critical international programs be touched even though foreign aid is up over 113 percent over the past 5 years. My colleagues also know full well that there are programs and activities in function 150 that have nothing to do with "national security."

Let me give you a few nifty examples: $400,000 by the State Department for luxury ocean liner travel by Embassy employees; $8.5 million over 3 years for an exhibition and fair in Brisbane, Australia; Over $9 million on films portraying "Film Making in the U.S.A.," "American Theatre Today," and other cultural and educational exhibits. The fiscal year 1986 request for educational and cultural programs was $159.1 million—up 56 percent over fiscal year 1984 levels; $349,000 on a Sports America Program; a 197-percent increase in State Department operational expenses over the past 6 years; a 117-percent increase in USIA travel since fiscal year 1981; $29.5 million for public relations and congressional affairs at the State Department; and funds were spent out of the United Nations Relief and Work Agency [UNRWA] program to support primary and secondary schools in Jordan and Syria.

□ 1040

So let us not drape the cloak of "national security" over function 150 when we see these kinds of accounts and expenditures.

One other point, Mr. President. We are all obsessed with the issue of revenues and how we can increase them without a tax increase. This amendment calls for nothing in the area of tax increases. I can tell you that if the DeConcini amendment passes and the Appropriations Committee provides the actual appropriations for the Customs Service, our data shows that Customs will bring an additional $1.5 billion into the Treasury next year.

That is more than a 10-to-1 return to the Treasury on the money that will be spent to boost Customs staffing next year. I hope that the smokescreen and cloak of national defense thrown around foreign aid—which I must say is a new and innovative approach for the foreign aid giveaway program—is not taken seriously.

I will be glad to yield to the Senator from New Hampshire on his time.

Mr. RUDMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. RUDMAN. Mr. President, the DeConcini amendment would increase budget authority by $200 million and outlays by $168 million for fiscal year 1987 for the programs of function 750, administration of justice. Offsets are provided in function 150, international affairs, and function 800, general government.

I say to the Senator from Arizona, throughout my career as attorney general of New Hampshire, and also here in the Senate, I have been a strong supporter for law enforcement and adequate funding for it. Many of the programs of function 750 are within the jurisdiction of the Appropriations Subcommittee on Commerce, Justice, and State, the Judiciary, and Related Agencies, of which I am chairman. Therefore, I share the concern of the sponsors of this amendment that in our efforts to reduce the deficit we do not shortchange essential programs to protect our citizens. Indeed, the need to protect our citizens is the reason why I must oppose this amendment.

As I understand it, the sponsors of this amendment originally intended that the increase for law enforcement programs be accommodated by a decrease in foreign aid. On Thursday, the distinguished chairman of the Foreign Relations Committee, Senator LUGAR, and my colleagues Senator PELL and Senator INOUYE presented evidence of the impact of this amendment on foreign aid programs. If it is now the intention of the sponsors that funds for the State Department be reduced, the result in part could be the elimination of the Diplomatic Security Program—a program already reduced substantially by the Budget Committee.

The administration has requested $2.1 billion for the diplomatic security program in 1986 and 1987. The Budget Committee assumes $500 million in budget authority and less than $100 million in outlays to initiate this program. If the $84 million decrease in outlays proposed by this amendment were applied exclusively to the State Department, no additional diplomatic

security funds will be available to protect American personnel overseas.

The Appropriations Committee could, of course, decide to fund diplomatic security by reducing the funding level for other State Department operations. While we may decide to do this to some extent, the Budget Committee already assumes a freeze for the salaries and expenses account of the State Department. Therefore, it will be difficult to achieve further reductions, without in some cases doing things which I do not think the Senator from Arizona would want to do.

If the outlay reduction were to be assessed against the U.S. Information Agency and the Board for International Broadcasting, it is going to require a massive reduction beyond the 10 percent cut below a breeze—and I emphasize "below a freeze"—already assumed by the Budget Committee. As it is, the budget resolution assumes a funding level $281.7 million below the requests of these agencies. This may halt the modernization efforts at the Voice of America, Radio Liberty, and Radio Free Europe, and substantially reduce student exchange programs in Central America and elsewhere where we must continue to compete with our ideological adversaries. Further cuts will cripple the ability of the United States to provide unbiased news and information to the rest of the world.

The amendment would also shift funds from general government budget function to administration of justice programs. The sponsors of the amendment intend that the funds be available for the law enforcement agencies of the Treasury Department. Since the Appropriations Subcommittee on Treasury, Postal Service and general government has jurisdiction over programs in both budget functions, and since the sponsors of the amendment include the chairman and ranking minority member of that subcommittee, they are free to shift funds between appropriations accounts as they see fit. Therefore, this debate should more properly occur in the context of the section 302(b) allocation process of the Appropriations Committee, and during committee consideration of the Treasury bill.

Mr. President, I share the concern of my colleagues from Arizona and South Dakota over the level of funding assumed in the budget resolution for programs in budget function 750. As we continue work on the budget resolution, I may want to address the inadequate funding levels for the Federal judiciary and the Bureau of Prisons. However, the amendment in its present form could sacrifice the safety of American citizens overseas for programs that could be funded from other areas of the budget. Therefore, I urge my colleagues to oppose the amendment.

Mr. President, I thank the managers of the resolution for protecting my right to debate this amendment and I yield back the balance of my time.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. RUDMAN. I would ask for an additional 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RUDMAN. Mr. President, Senator Hollings has asked that I request unanimous consent that he be given permission to withdraw as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RUDMAN. Mr. President, Senator HOLLINGS has a statement that he wishes to have appear in the RECORD at this point as if read.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, last week I was added as a cosponsor of the Abdnor/DeConcini amendment adding $200 million to function 750. I thought it was a good amendment as the Customs Service, Secret Service, and Bureau of Alcohol, Tobacco, and Firearms certainly needs the enhancements that those additional funds would have provided. As I understood the Dear Colleague letter that was circulated on behalf of the amendment, the additional allocation for function 750 would have been offset by decreases for foreign aid and general government.

I have read the RECORD of last Thursday's debate on the amendment and find that the reduction in function 150 is now to come from State Department operations. While I would expect that the State Department could be trimmed back some, we need anything that we can save for the protection of our posts overseas. The overall amount projected for the Department in the resolution is not sufficient to mount the security enhancement program requested.

Mr. President, in view of the changed circumstances I ask that my name be deleted as a cosponsor of the Abdnor/DeConcini amendment.

Mr. RUDMAN. I thank the distinguished chairman of the Budget Committee and my friend from Arizona for being so gracious in yielding me this time at this point.

Mr. DECONCINI addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. Mr. President, I yield 5 minutes' time to the Senator from California.

The PRESIDING OFFICER. The Senator from California.

□ 1050

Mr. WILSON. Mr. President, I rise to commend my colleague from Arizona and to support his amendment.

I am not unimpressed with the ardor of the opponents. I think, however, that the grave analysis which the Senator from Arizona has made of their arguments lays bare the fact that his amendment does not propose to take money from essential functions. It does not in any way threaten our national security. It certainly does not undermine the assistance we have steadfastly provided to allies—specifically, to Israel and Egypt—in order to achieve the overall reduction, the rather small one he is proposing, which, though small, can have an enormous impact in improving the quality of law enforcement, in improving the effectiveness of the efforts made by those seeking to wage a very lopsided war against drug and substance abuse in this country.

I think the Senator from Arizona has made very clear that there are any number of items within the overall function of foreign assistance that really do not meet the test of priorities. Rather than repeat all those arguments, I invite my colleagues to focus upon what this budget resolution is all about.

Yes, we can wait until the Appropriations Committee and the individual authorizing committees seek to pinpoint these expenditures in the bills which are their responsibility, but in this budget resolution what we are concerned with is the setting and keeping of priorities.

I cannot think of a more urgent priority than the improvement of the means whereby those in the Customs Service and the related law enforcement agencies seek to combat the traffic of drugs into this Nation; because, to the extent they are successful in dealing with the problem at its origin and to the extent they are successful in interdicting the flow of drugs into the United States, we avoid the infinitely more costly problem of dealing with it at the retail level, where individual police departments are required to hire more police, where there are more prosecutors who do nothing but prosecute drug cases, where prisons are filled to the extent of 50 percent of their capacity by those convicted of drug related cases.

It is inexpressibly costly to the people who should be our basic concern, the youth of America, many of whose lives are blighted permanently because of the failure of this Nation to deal adequately with this matter or to accord adequate responses to this fight.

Mr. President, I yield to no one on this floor in terms of my commitment to national security. I think we need to honor our treaty obligations. This Nation has given abundant proof that it is a dependabe ally. But that is not threatened in the amendment of the Senator from Arizona.

To the contrary, what he is saying is that this Nation thinks enough of its primary resource, its young people, to expend some financial resources for their protection. He could not be more right. That is the highest priority, certainly a higher priority than ocean liner voyages or art exhibitions.

I happen to represent the State that is the home of the moving picture industry. I am delighted that the State Department is proud of that industry and is willing to expend some money on filming the U.S.A. There are more urgent priorities.

I think the Senator from Arizona has made clear in this brief sample that not everything contained in this budget resolution for the purpose of foreign assistance is absolutely essential to our national security, to our honoring our treaty obligations. What he is saying is that we must honor a commitment to basic decency. We must say to those whose lives are laid on the line as law enforcers that we are not going to subject them needlessly to a volume of drug traffic that can be curtailed if we provide adequate resources.

Recently, I flew over the border in my home community of San Diego. There has been a successful campaign waged against drug traffic in south Florida. Its success is reflected in the increased drug traffic and pressure on the Southwestern part of the United States. The Customs Service is inadequately prepared and inadequately equipped to deal with the sophisticated methodology and equipment used by those engaged in the very profitable drug traffic.

I want some aircrafts, some radar, and some personnel to try to plug this gap. We are talking about a much more challenging situation to the Customs Service. The Southwestern part of the United States is not flat. It has a border filled with valleys and mountains. Radar does not have the same effectiveness there which it has in the Southeast.

What the Senator from Arizona is asking is little enough. It is right. He deserves to be supported. It will not undermine our national security if we are successful in the fight against the drug traffickers who reap massive profits.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, a parliamentary inquiry.

How much time does the Senator from Arizona have on the amendment?

The PRESIDING OFFICER. Eight minutes.

Mr. DOMENICI. I yield myself 3 of my 5 minutes.

Mr. President, last week we saw a vote whereby the U.S. Senate decided that it was not going to move $25 million out of function 150 into another part of Government, health, so as to indicate that we might want an additional $25 million spent for immunization for disease than is currently being contemplated by this budget. The U.S. Senate turned that amendment down by a vote of 49 to 46.

Having done that, I cannot imagine that the Senate would not now understand that the prediction made then on the floor by the chairman of the Foreign Relations Committee, Senator LUGAR, is not now beginning to occur.

The Budget Committee sets broad parameters in each of these functions, and where they are discretionary appropriated accounts, none of these numbers is the final word. All of the programs involved in this amendment are clearly discretionary. The only thing that is the final word is the sum total; and the appropriators will have their turn, through formal allocations between those functions, to determine precisely at what level each small number within those large functions is going to be.

The chairman of the Foreign Relations Committee said that the $25 million for immunization would just be the first of a series of efforts to come here and have us make an easy vote.

After all, even if it is not terribly determinative of what happens, why do you not decide that we should take funds out of foreign relations for now and put funds in drug enforcement and other things for now, and indicate that you made a good vote?

I compliment the Senate for understanding that the function 150, foreign assistance, was cut more by the Budget Committee in its assumptions than any other program the President sent us.

Mr. President, I yield myself 1 additional minute.

I remind Senators again that it is no coincidence that my wonderful friend from Arizona and my wonderful friend Senator ABDNOR are here. They are the appropriators for that part of Government that has these programs in it. They are not the appropriators for the Foreign Assistance Program. So they come here and say: "We have looked, and we think it will be easier for us to get what we are going to need in appropriations"—not assured, but easier—"if we can take money from somewhere else today, even though this action is not conclusive, and put it in our function from which we have to appropriate."

I hope that the budget process on the floor, in the remaining days, does not lend itself to each appropriation group similarly coming here and saying, "Mine is kind of tight, and I will take it out of defense or foreign assistance."

□ 1100

My bottom line is if there is more money needed for Customs, Senator DOMENICI wants more; if there is more needed for those other programs that Senator DOMENICI is talking about here, I am also for them.

Clearly we can argue that out in the appropriation process. That is where it will occur. That is where the decision will end up being binding.

But to come down here to the Senate floor and find the least politically supported program around, foreign aid, and, at least for now until the consequences are understood, act like we are doing something good by taking something away from a budget function that has little support, is, I believe, the wrong way to do things.

I hope the Senate will continue to have the strong will that it had last week in rejecting a supposed tradeoff between international programs and a much more emotional domestic program, a much smaller amount of money.

Mr. DECONCINI. Mr. President, I thank the Senator from New Mexico for the position I know he is obligated to take as chairman of the Budget Committee and also for his strong support in the Appropriations Committee and other areas demonstrated for the effort to combat drugs.

He points out, however, or leaves the impression that we are just picking on foreign assistance and the Foreign Operations Subcommittee. That is not true.

One hundred million dollars of this transfer comes out of general Government—an account that directly affects the Treasury Subcommittee. The Senator from South Dakota is the chairman of the subcommittee, and the Senator from Arizona, is the ranking minority member. So we have split it, and not taken all of the offsetting reductions in function 150.

Mr. President, let me just quickly point out some statistics on Customs funding and personnel. In 1980, there were 13,820 people involved in the Customs drug effort. This is the air marine, and other drug interdiction programs. In 1985, there were 13,042, and estimated for 1986 are 13,264. So it has gone down over 5 years.

I do not think the State Department can show that its personnel levels have gone down, because they have not. They have gone up substantially.

Let us just talk about foreign aid, what we give away in this country to other countries.

Bolivia is a nice country with good people, but a major drug producer. I am sure they would like to see their government turn around and change. They receive $54 million in loans and grants from the United States, and $1.4 billion from the international agencies to which the United States is the largest contributor.

Columbia receives $12.1 million in loans and grants from the United

States of America and $7.8 billion from international agencies, and again, the United States is the largest contributor.

Belize, a major transshipment point for drugs into the United States, receives $23.3 million in loans and grants.

Outlays for foreign aid, Mr. President, to wind up this debate, are up 113 percent since 1980. Military assistance grants since 1980 are up 580 percent. FMS credits and grants are up 96 percent since 1980. Economic support cash transfers are up 80 percent since 1980, and the USIA budget is up 87 percent.

My good friend from New Hampshire said we will cripple our ability to tell the story about democracy. How do you tell the story with USIA when their travel since 1981 is up 117 percent? That is not telling any story. It is wasting money and giving it to the wrong place when we have a good alternative.

In the State Department have operation expenses been hurt? Have they slid like Customs and other drug enforcement agencies? Not at all. State Department operational expenses since 1980 have gone up 197 percent.

So do not tell or kid anybody that we cannot afford a $163 million transfer from the international affairs account. We can. It is important that the priorities be established here on the Senate floor. As the Senator from California pointed out, where is this country if we cannot put these priorities as number one—to do something about drugs.

I yield 3 minutes to the Senator from South Dakota.

Mr. ABDNOR. I thank the Senator for yielding.

I am one of the cosponsors and one of the principal supporters of this amendment.

I have done a lot of thinking about this over the weekend, trying to place everything in appropriate priorities. No matter how I look at this problem I am firmly convinced this amendment is the right way to go to do justice to budgets of the Customs Service, Secret Service, and Bureau of Alcohol, Tobacco, and Firearms.

When we speak of national security, I do not know where we could speak stronger for national security than describing what these agencies provide.

We are trying to be fiscally responsible, as I know the chairman of the Budget Committee would want us to do. We think we are here.

Function 150, the international affairs account, which totals $18.3 billion in budget authority, would be reduced by only $163 million in budget authority for the purposes set out in this amendment.

From where, Mr. President, do we suggest that this adjustment could be made in the 150 international affairs function without crippling our national security? I do not think we have to look very far to find it.

Let me give you a couple thoughts here.

Substantially more than $1 billion would be provided to multilateral development banks.

I cannot think of a better place to invest than for national security, if you want to invest into that by funding Customs and these other agencies of which we speak.

Another $6 billion appears in foreign military credit sales, involving more credit actually than hard sales, I might say.

Listen to this: Nearly $1 billion would be given by way of assessments and contributions for the United Nations and related activities.

Let us quit kidding ourselves. Are we suggesting the $163 million we are talking about taking out of this huge account will really make for some true national security. I think not. We are trying to keep drugs out of this Nation, to protect our people, to carry out the function and, yes, these agencies are collectors of revenues for the Federal Treasury.

Mr. President, I want to add a few other words in conclusion on this amendment. We have discussed the merits of it in the debate over the last several days. It is a good amendment. We are all concerned about the drug problem and the debate has centered on this issue. I would, however, stress the fact that by increasing the staffing levels at customs and the Bureau of Alcohol, Tobacco, and Firearms we can raise significant revenue from duty collection. We will also protect American business and jobs by reducing the importation of fraudulent goods such as steel and textiles.

Mr. President, we are all concerned about the deficit. Projections are that collections from these additional personnel could total over a billion dollars.

I repeat that. Added personnel in these agencies could bring in as much as an extra $1 billion in the next year. That alone should justify support for this amendment.

Mr. President, I would hope that my colleagues will join with me in support of this amendment.

I thank my colleague, Senator DECONCINI, for yielding to me.

The PRESIDING OFFICER. The Senator from New Mexico has 1 minute remaining.

Mr. DOMENICI. How much time does the opponents have?

The PRESIDING OFFICER. There is no time remaining.

Mr. LEAHY. Mr. President, I am pleased to support my colleagues from Arizona and South Dakota, Senators DECONCINI and ABDNOR, in this amendment to transfer $200 million from the foreign operations account to function 750—administration of justice. Senator DECONCINI and I both sit on the Foreign Operations Subcommittee. We have always been supporters of sensible foreign aid. Used wisely, it can offer hope and opportunity to millions of people overseas who live in poverty. But in the past 6 years, we have seen spending on grant military aid increase 580 percent and our overall spending for foreign aid increase 113 percent. This year we are being asked to increase foreign aid another 8 percent, at the same time that we are making major cuts in vital domestic programs.

One of these cuts which concerns me very much is the administration's proposed $4.282 million cut in Federal funding for meals, lodging, and travel expenses for State and local law enforcement officers who take part in training programs at the FBI Academy at Quantico, VA.

These 11-week programs provide State and local law enforcement agencies with the very best training available. Letters I have received recently from Vermont police officers describe their training at Quantico as the single most important experience in their early law enforcement careers. I am reminded by the National Association of Counties, which has come out strongly against this cut, that it would have a particularly devastating effect on small, rural police departments that cannot afford to pay these expenses.

Senator DECONCINI and I are both former prosecutors. We know that there is simply no substitute for well-trained law enforcement officers. They are the key to successful prosecutions, particularly in the most serious cases involving violent crimes. Big-time drug traffickers and organized crime are serious problems today, and the Federal and State officers who handle these cases get the largest share of Federal funds. But the local police officer who is on the front line solving the daily rapes and robberies also needs our support. These crimes occur in rural as well as urban communities, and they are equally terrifying to their victims.

Mr. DECONCINI. If my colleague from Vermont would yield for a moment, I want to say that I could not agree with him more on this point. There is nothing more frustrating than to see a case involving a heinous crime be thrown out of court because of some avoidable mistake by a police officer who mishandled the investigation, whether it was a failure to properly secure the evidence or an improperly obtained confession. Well-trained police officers and good law enforcement are synonomous.

Mr. LEAHY. Mr. President, the administration's proposal would result in a cost of $2,250 for each State or local

law enforcement officer for meals and lodging for the basic 11-week training course, and additional expenses for travel. For a single Vermont trainee, the total cost would exceed $2,500 dollars. This may sound like a small amount of money for a large, urban law enforcement agency, but for rural States like Vermont it would drastically curtail if not completely eliminate the availability of these important training courses for State and local police officers.

Mr. DECONCINI. Mr. President, I would like to say that for my own State the effect of this cut would be equally devastating. At a time when the rate of violent crime is again on the rise, we should not be cutting funds for our most important training programs. State and local law enforcement agencies simply do not have the equipment nor the expertise to adequately train new officers for investigating violent crimes. What can be more important than this? What foreign aid program is more important to the security of Americans than training local police officers to combat violent crime at home?

Mr. LEAHY. Am I right, Senator ABDNOR, that this amendment, after restoring a total of $195 million to the Customs Service, Bureau of Alcohol, Tobacco and Firearms, and the Secret Service, would make available a balance of $5 million for other function 750 high-priority law enforcement programs? I can think of no more high-priority program than training police officers to combat violent crime, and I would urge that $4.282 million of this balance be used to maintain Federal funding for State and local trainees at the FBI Academy.

Mr. ABDNOR. That is right, and I agree with you that $4.282 million of that balance should be used to restore Federal funding for State and local law enforcement trainees at the FBI Academy. I cannot think of any more appropriate use of these funds.

Mr. DECONCINI. I feel the same way. This would be an excellent use of the balance of these funds.

Mr. LEAHY. Thank you. I too am convinced that we should do whatever we can to maintain at least the same level of participation by State and local police officers in these important training programs. While I understand that some Senators are concerned that any reduction in foreign aid may somehow threaten our national security, I cannot believe that the American people, who are already being asked to pay $1.3 billion more for foreign aid this year than last, would not prefer to see these $200 million spent on domestic law enforcement. The $4.2 million for the FBI Academy programs is money exceptionally well spent, and this is an excellent amendment to preserve these funds. I want to again thank my colleagues from Arizona and South Dakota for their support, and urge other Senators to vote for their amendment.

Mr. PELL. Mr. President, as has been pointed out in earlier debate on this amendment, the international affairs function of the budget, always an easy target for savings, has already absorbed a whopping $5 billion reduction from the President's request and an absolute 11-percent reduction below the post-sequestration levels mandated by Gramm-Rudman

In both our development and security programs we would have to terminate all new initiatives, and, most likely, pull out of a large number of countries where we have important interests;

On the security side, for example, the budget now before the Senate, if adopted, would permit full funding of Egypt, Israel and five base rights nations and permit $25 million to be shared by all of the rest of the world—Central America, Asia, Africa and South America—for foreign military sales. While I favor significant reductions in our military assistance program, such a draconian cut absent an orderly phaseout of these programs could have serious repercussions in our security relationships overseas;

On the development side, a program that has pretty much remained stagnant these past 5 years, the Budget Committee recommends a severe 21 percent cut from last year's authorization level, and a 15 percent cut from this year's request. Such a reduction, if approved, almost surely will result in cutbacks in important areas such as child immunization, research in a malaria vaccine, new advances in crop yields, irrigation, and reconstruction in famine-stricken sub-Saharan Africa;

Mr. President, I believe that the 150 function of the budget has already been reduced below levels that are sustainable; any further raids on this function simply put at risk America's ability to carry on its foreign policy in a serious, sustained manner. I must urge that my colleagues reject the DeConcini amendment, however noble and worthy its intention.

Mr. DOMENICI. Mr. President, I have a letter from the distinguished chairman, Senator LUGAR, of the Foreign Affairs Committee, asking that we vote down this amendment just as we did the previous Bumpers amendment last week and for the same reasons. I have a letter from the Acting Secretary of State John C. Whitehead indicating that we have already proposed to cut this the international affairs function substantially, well beyond what the State Department thinks it can live with. He urges that we go through the appropriations process with at least the level for function 150 that is included in the budget resolution.

Although I disagree with some of the numbers used in this letter, which tend to exaggerate the impact of the committee recommended resolution because they are OMB numbers and not the CBO estimates that we use here in the Senate, and I disagree with some of his conclusions, I ask that Acting Secretary Whitehead's letter be inserted at this point in the RECORD, along with the letter from Chairman LUGAR.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

COMMITTEE ON FOREIGN RELATIONS,
Washington, DC, April 28, 1986.

DEAR COLLEAGUE: During last Thursday's floor debate on the budget resolution, Dale Bumpers offered an amendment to transfer $25 million from foreign assistance to child immunization. As Peter Domenici explained, this amendment would have no practical impact in providing for child immunization and would better be addressed in the authorization or appropriations process. The amendment could be viewed as an act of showmanship designed to provide a difficult vote. I deeply appreciate your support on that vote.

This assault on the 150 account, I fear, will not be the last. The international affairs budget has already undergone considerable reductions.

The Budget Committee has recommended an 11% cut in the foreign assistance account from the already truncated FY '86 post-sequestration levels. Adding in the Gramm-Rudman cuts and the reductions made last year in FY '86 appropriations, the total reductions amount to a very substantial cut from the President's request. The Budget Committee, for example, has recommended a $1 billion cut in foreign military sales credits from the post-sequestration level as well as a 10% reduction in development assistance and a 10% reduction in the U.S. Information Agency. According to the Budget Committee, this would result in some $4.5 billion in reductions in the 150 account.

I have had discussions with George Shultz concerning the impact of these cuts on the national security interests of the United States. The Administration believes that FY '86 post-sequestration levels are already harmful to these interests. Underlining this belief is the willingness of the President to use funds from vital Defense Department programs to meet emergency expenses such as assisting the Contras and the Philippines rather than further reduce other programs within the 150 account.

A strong case can be made for raising the FY 1986 funding rather than cutting it further. I will not make that argument at this time, but urge you to help stave off future efforts to impose further reductions harmful to our national interest.

Sincerely,

RICHARD G. LUGAR,
U.S. Senator.

DEPARTMENT OF STATE,
Washington, DC, April 28, 1986.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget,
U.S. Senate.

DEAR MR. CHAIRMAN: The very substantial reductions recommended by the Budget Committee in the President's FY 1987 budget request for Function 150 will have

serious consequences for our ability to meet our foreign policy and national security objectives. The Committee's mark calls for a reduction of $600 million in outlays below the FY 1986 Gramm-Rudman-Hollings post-sequestration baseline, for a new outlay total of $14.4 billion. This amount represents a cut of $4.2 billion in outlays from the OMB-estimated level of $18.6 billion needed to fund the President's request—a reduction of 23 percent. These proposed resource levels are inadequate to achieve the President's program.

Your proposal to fund existing programs as well as the Inman embassy security initiative at overall levels drastically below the already inadequate FY 1986 post-sequestration baseline would force us to make major painful reductions in foreign aid and the Department's operating expenses. In foreign assistance, we would be unable to fulfill all of our international responsibilities and many of the President's priority national security and foreign policy objectives. Your proposed reductions in security assistance funding would only leave some $200 million after meeting our commitments to Israel and Egypt, Pakistan, and the base rights countries. This amount is clearly inadequate to meet our objectives in Central and South America, the Middle East, and in East Asia. AID's economic development program would also suffer serious across-the-board cutbacks, as would those for refugee assistance and narcotics control.

In the conduct of foreign affairs, our operating expense outlays would be reduced 15 percent below our request, thereby forcing a drastic reduction in United States presence overseas and our ability to collect critically needed foreign information necessary to keep pace with our adversaries. The Committee's recommendations for the Inman diplomatic security program would cut that program by more than half at a time when the program should be accelerated in the face of worldwide terrorist attacks. Proposed reductions in USIA's funding levels would virtually eliminate the advances of the past several years and would seriously inhibit USIA's ability to implement the U.S.-USSR exchange requirements agreed to at the Geneva Summit. In addition, these reductions would cut almost in half the Board for International Broadcasting's activities when its critical programs should be expanding, not contracting.

As I have indicated, the funding reductions you have proposed would have serious repercussions for our national security. These levels are unacceptable. Draconian cuts such as these would signal a major United States retreat from its commitments to its friends and Allies. Yet the Senate is considering additional reductions in Function 150 levels. This must not happen. I urge you to communicate to your fellow Senators that additional cuts would undermine the Administration's foreign policy accomplishments of the past five years. I urge that you give careful consideration to the extreme difficulties our international affairs programs face, and that you continue to oppose vigorously efforts by your colleagues to reduce further the resource levels for Function 150.

Sincerely,

JOHN C. WHITEHEAD,
Acting Secretary.

Mr. DOMENICI. I once again indicate to Senators a vote on this amendment will in no way determine that we are going to get more for Customs. It is just an indication that we are moving money around, the budget authority and outlays, in such a way that it is still up to the appropriators, when they make their mandatory crosswalks to determine how much they want in the Treasury Subcommittee of the Appropriations Committee and how much in the Foreign Operations Subcommittee, the Commerce-State Subcommittee, or the Agriculture Subcommittee, all of which have jurisdiction over international programs.

I urge that we send this budget resolution out of the Senate with the priorities that were established by the bipartisan vote in the committee. I appreciate the assistance of Senators INOUYE, RUDMAN, and PELL in opposing this amendment.

Mr. President, has all time expired on the amendment?

The PRESIDING OFFICER. All time has expired.

Mr. DOMENICI. I move to table the pending amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico to lay on the table the amendment of the Senator from Arizona.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Maine [Mr. COHEN] and the Senator from Florida [Mrs. HAWKINS] are necessarily absent.

I also announce that the Senator from Maryland [Mr. MATHIAS] is absent on official business.

I further announce that, if present and voting, the Senator from Florida [Mrs. HAWKINS] would vote "nay."

The result was announced—yeas 42, nays 55, as follows:

[Rollcall Vote No. 81 Leg.]

YEAS—42

Biden	Hatfield	Moynihan
Boschwitz	Hecht	Packwood
Chafee	Helms	Pell
Cochran	Hollings	Quayle
Danforth	Humphrey	Rudman
Dole	Inouye	Sarbanes
Domenici	Johnston	Simon
Durenberger	Kassebaum	Simpson
Eagleton	Kasten	Stafford
Evans	Kennedy	Stennis
Garn	Levin	Stevens
Goldwater	Lugar	Trible
Gorton	McConnell	Warner
Hart	Metzenbaum	Weicker

NAYS—55

Abdnor	Chiles	Gore
Andrews	Cranston	Gramm
Armstrong	D'Amato	Grassley
Baucus	DeConcini	Harkin
Bentsen	Denton	Hatch
Bingaman	Dixon	Heflin
Boren	Dodd	Heinz
Bradley	East	Kerry
Bumpers	Exon	Lautenberg
Burdick	Ford	Laxalt
Byrd	Glenn	Leahy
Long	Nunn	Specter
Matsunaga	Pressler	Symms
Mattingly	Proxmire	Thurmond
McClure	Pryor	Wallop
Melcher	Riegle	Wilson
Mitchell	Rockefeller	Zorinsky
Murkowski	Roth	
Nickles	Sasser	

NOT VOTING—3

Cohen	Hawkins	Mathias

So the motion to lay on the table amendment No. 1803 was rejected.

□ 1130

Mr. DOMENICI. Mr. President, I have no desire to have an up-or-down vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment No. 1803.

The amendment was agreed to.

Mr. DOMENICI. What did the Chair rule, Mr. President?

The PRESIDING OFFICER. That the "ayes" have it.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DECONCINI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1806

Mr. DOMENICI. Mr. President, I understand the Melcher amendment is now the pending business and we each have 15 minutes; then we shall vote. From my 15 minutes, I now yield to the chairman of the Committee on Appropriations whatever time he desires.

Mr. HATFIELD. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Oregon.

Mr. HATFIELD. Mr. President, I wish to echo the remarks made a few moments ago by the chairman of the Committee on the Budget [Mr. DOMENICI] and urge that we not spend the remaining time on this budget resolution on amendments transferring relatively small amounts of money from the jurisdiction of one Appropriations subcommittee to another. We can and will accomplish those adjustments when the Appropriations Committee meets to make its subcommittee allocations under section 302(b) of the Budget Act.

Mr. President, let me reiterate that the Appropriations Committee is in no way bound by the assumptions of the budget resolution and I believe the chairman of the Budget Committee supports me fully in that assertion. So I join my colleagues from New Mexico in expressing the hope that we will devote ourselves to the big-picture items of the budget resolution—address defense, entitlements, taxes, and nondefense discretionary—and leave the subcommittee allocations to the Appropriations Committee. That is where we will do it notwithstanding

whatever amendments may or may not pass to this budget resolution on the floor.

Mr. DOMENICI. Mr. President, I thank my friend. I think he is absolutely right—even more so now. I say to my friend, the chairman of the Appropriations Committee, that each amendment has to be neutral, so it is truly a transfer as the chairman has indicated. Those who voted on the last amendment have absolutely no assurance that they have taken funds away from foreign assistance and added them to drug enforcement and other programs.

I thank the chairman for supporting that position. That is the way it is going to be. There is no question about it—that is the policy, that is the precedent, and that is the prerogative.

Mr. President, I yield the floor, reserving the remainder of my time.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. MELCHER. Mr. President, this is a rather modest amendment. It is a transfer of $21 million from the Department of Defense to the Department of Energy. I took note of the very pertinent remarks made by the chairman of the Committee on Appropriations and I certainly concur in those remarks. After all, the appropriations process and the authorization process will take charge of where the money is spent and in which department, which functions it is spending it. However, despite the fact that this is a rather modest amendment, only covering a very small amount in relation to the total of the budget before us, it is absolutely essential, I believe, that we review the facts and make the judgment on whether or not the Senate at this particular time, April 29 of this year, should take a position on the vital necessity of research in magnetohydrodynamics.

□ 1140

Mr. President, there are 20 letters in that word. It is a very long word. For short, it is called MHD, and so I will refer to it by that, MHD. It follows the theory developed by Faraday in the last century where, using a fuel burned at very high temperatures in an electromagnetic field, electricity would be generated.

Now, we have for well over 100 years known about and understood the theory but have not applied it in a practical way to either our domestic needs or our military needs, and I will talk about both of those.

The research and development that has gone on in this country has been principally done at the University of Tennessee, the University of Mississippi, and in Butte, MT, at the Component and Development Integration Facility for MHD that is managed by the Department of Energy, but it has been done by a number of contractors that are worthy of note, too: Avco, General Electric, Westinghouse, TRW. It is basic research to apply engineering to where MHD becomes fruitful.

What do I mean by that? Under MHD, for every unit of fuel burned, we will get about a 50-percent increase in electricity. In other words, a great stride forward in efficiency. Most of the work that we have undertaken in the past several years has only dealt with domestic utilization of this very fine technique. We are not too far off, but it will take a number of years before we will use it domestically to generate electricity in a more efficient and cleaner manner. However, I want to turn to its use in national defense.

A pulse generator of small size, about 15 megawatts, utilizing MHD technology or one of the other types of technologies that we have not yet perfected is thought to be the most practical way of providing electrical energy for lasers to be used in space. It is still basic research.

Now, Mr. President, the countries that have been principally involved in MHD research—and this does not encompass all countries that do MHD research—are Russia, Japan, and ourselves. We have found that the Soviets have been able to move faster than we have in applying MHD technology, MHD engineering for domestic uses. They do have some plants of fairly good size that do generate electricity successfully in the Soviet Union. We have generated it in a very modest way but have not used it for domestic purposes yet. The Soviets apparently are ahead of us also in their utilization in the pulse generators of about 15-megawatt size for their research and development of lasers in space. This was called to our attention by our colleague from Utah, Senator HATCH, in a statement he made on the floor on April 14. It is an area which needs much more of our attention.

So why would it be necessary to transfer money from one function in the budget to another if we are going to pay more attention to it? Simply this: I believe it is absolutely essential in doing MHD research for the pulse generator of a small size to be utilized with lasers in space that we coordinate it with the work being done in the Department of Energy.

I believe it is time to prod the Department of Defense for a little more coordination and a little more dedication to pursuing this type of research.

The University of Tennessee Space Institute has done some basic research in this field in years past but are not engaged, as far as I know, in any meaningful way at the present time. The University of Mississippi has done very meaningful work in all phases of MHD research. We should pick up on their expertise and their continuity and move forward in a faster manner.

The Department of Energy, since it is in charge, has the responsibility for whatever MHD research is done. It is a logical point to coordinate our activities. I believe, Mr. President, we will get more bang for the buck if we pursue this in the most rapid way we can but do it in a coordinated fashion. It is for that reason I now offer this amendment to make this modest transfer of funds for MHD research, coordinating it within the Department of Energy.

Mr. President, I reserve the remainder of my time.

● Mr. BAUCUS. Mr. President, I am pleased to join Senator MELCHER in sponsoring an amendment to Senate Concurrent Resolution 120, the Congressional Budget Act for 1987.

This amendment would transfer $21 million from function 50, national defense, to function 270, energy, to fund research and development of magnetohydrodynamic [MHD] generators.

I have long been a supporter of the MHD program. MHD technology is an efficient, environmentally sound method of using coal to produce electric power. MHD is the only advanced coal conversion technology that converts coal directly to electricity.

In addition to the generation of base load electric power, MHD has possible applications in other areas, including the defense power source area.

Mr. MELCHER'S amendment would ensure that this possible application is thoroughly investigated.

In our efforts to reduce the Federal budget deficit, we must not lose sight of an important initiative like MHD. MHD promises to increase coal-fired electric power generation, expand power intensive/high temperature industrial processes, and enhance national security from a strategic defense viewpoint.

I urge my colleagues to support this important amendment.●

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. How much time does the Senator from Montana have?

The PRESIDING OFFICER. Seven minutes and thirty-nine seconds.

Mr. DOMENICI. I was going to yield back all my time except for 5 minutes. I wonder if the Senator will yield some of his remaining time.

Mr. MELCHER. Mr. President, if the chairman will yield, the answer to that is yes, I would be delighted to yield back all of my time except for 4 minutes.

Mr. DOMENICI. Mr. President, I do not know that I have yet been able to make the point with the Senate. We just finished voting to transfer funds from foreign aid to a budget function that includes drug enforcement. I have tried to tell the Senate that

those kinds of transfers are a totally ineffective vote because the Senate rules and the law says that after we are finished the appropriators will go back through this budget and assign specific amounts to their subcommittees. If they desire to add more to drug enforcement, they can take it out of another account.

Obviously, from the last vote, there are Senators who want to go on record as being in favor of drug enforcement even more than assumed in the budget resolution since funding for drug enforcement was already up, and because it is easy to take money out of foreign assistance even if that is not going to end up happening, that is why the vote occurred. The net effect on the budget is zero because it is a deficit neutral amendment.

Now we have an amendment that says let us take $21 million in outlays, and $40 million in budget authority out of defense and let us put it into the energy function. The distinguished Senator from Montana, who has been a staunch advocate of the program, puts that $21 million in a broad energy function. The Senator would ask us to vote as if the vote means defense will be cut and his program will be funded. Frankly, whether either occurs, we will wait the next 3 or 4 months as the appropriators do their work before the outcome is known.

Nonetheless, for those who want to vote on this as if it was a substantive vote, although I will move to table it, to further make the point that it is not a substantive vote, this amendment will, for those who consider it substance, again cut defense even further.

□ 1150

Everyone knows that the Senate Budget Committee has cut $25 billion in budget authority off the President's desired budget authority for defense—$25 billion.

For many Members who have signed letters to the majority leader and to me indicating that the defense number was already too low, as generally prescribed by the Budget Committee, it would appear to me that on that ground alone they ought not begin to tinker here on the floor with removing funds from defense, even though it is hypothetical as I have described it.

In addition, if there are advocates here on the floor who think that this energy program, the one that the good Senator urges we support, magnetohydrodynamics [MHD] if anyone thinks this vote will get MHD funded, I can assure them that this vote is 99 percent irrelevant on that score. The subcommittee chaired by Senator McCLURE and by the distinguished House Member will ultimately fund programs in this energy field. They will decide whether $21 million that is assigned to them, if it is assigned to them in the appropriation crosswalk from this amendment, goes to MHD, whether it goes to SPRO, whether it goes to laser fusion, whether it goes to a myriad of programs that are already tight, and some of which are cut.

So, actually, it is not a vote in favor of MHD. They cannot even be assured that that is what they are voting for.

I urge that we leave the Budget Committee's allocations alone.

I will move to table the amendment in short order, and we will vote before we go into recess.

I yield back any remaining time I have on this amendment, and I will move to table it when the Senator has used his time.

Mr. MELCHER. Mr. President, the chairman of the Budget Committee has spoken very directly to this point, about the process of appropriations making the decision on whether or not there would actually be money for MHD research spent for this purpose out of funds appropriated for the Department of Energy or the Department of Defense. I have no argument with that at all.

What I attempted to do in this amendment is to establish the groundwork, to lay the basis, for following up on what Senator HATCH told us on April 18: That we are behind, way behind, in this type of research, and to make some corrections in the coming year so that we begin to catch up.

The fact is that the Department of Energy has precious little funds except what we insist in Congress to allow for MHD research and development. The domestic programs have been cut back to some extent, and the Department of Energy fund for basic research and development of this type of technology and other promising technologies has been cut to the bone.

What we are finding here now is a question of whether or not we would like to establish that more research be done on MHD for the utilization, the possibility, of pulse generators of small size to be used in space for the laser weapons. It is basic research. It is the type of research that should go on regardless of what anybody thinks about the question of space weapons. This type of basic research is absolutely essential.

The importance of the amendment is simply this: Does the Senate want to serve notice that it has some desire for part of the $295 billion of funds that will be appropriated for the Department of Defense to be utilized for this purpose? I think the answer to that will be "yes."

The second point is this: Is it better that it be done through the auspices, the coordination, and the continuity of the Department of Energy, which has done the basic research on MHD over the past 18 years, or is it to be taken away and somehow run separately? I think on that point we would find that the usual procedure would prevail, of letting the dominant department doing the basic research be in charge of that.

For that reason, I draw the attention of the Senate to these two points at this time with respect to this amendment. I think the research would be done better and it would be better coordinated, with more continuity and more bang for the buck, if it were tied in with the Department of Energy.

I believe the answer simply will be this: First of all, the Department of Defense will engage in this type of research, and most of those contracts will be put out to the various universities, some of which I named earlier. They will be carried out in coordination with some of the basic research contractors, such as GE, Westinghouse, AVCO, and TRW; and it will be done better if it is under the auspices of the Department of Energy, because that is where our basic research has been done on MHD.

It is for that reason that I ask now for an affirmative vote on the amendment. If it is not tabled, I would ask the reverse of that, for a quick voice vote saying that it is the intention and the guidance of the Senate at this time.

I thank the chairman of the committee, and I thank the Senate for its indulgence.

Mr. DOMENICI. Mr. President, I say to the Senator from Montana that the distinguished chairman of the Committee on Energy and Natural Resources asked me if he could speak for 2 minutes. I have yielded back about 8 minutes of my time.

Mr. MELCHER. I have no objection.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Senator from Idaho be granted 2 minutes. Immediately after that, the time will have run, will it not?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMENICI. Immediately thereafter, we will proceed with disposition of the amendment.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. I thank the Senator from New Mexico and the Senator from Montana for making this accommodation. We are in the midst of a hearing in the Committee on Energy and Natural Resources, and I was necessarily chairing that hearing.

Mr. President, I rise in opposition to the amendment, not because I take the floor at this time in opposition to MHD. The Senator from Montana knows that we have discussed that over the last several years.

The question is, What are the priorities? As I understand this amendment and its effect, it does not say that we

will spend more money for MHD. It simply increases the size of the pot.

It is my conviction that the MHD question will be resolved on its merits within the appropriations process. There is nothing in terms of its authorization that is likely to be changed—at least, so far as I know.

So it really devolves upon the appropriations process, and I think that will be determined in the appropriations process on the merits of the MHD program. It can be funded under the existing level of funding or not, based upon its merits and not upon the amount of money.

I see no reason now to reduce the amount of money in the defense portion of this budget and transfer it for this particular reason when it can be accommodated. A decision will be made on its merits, under the budget resolution as reported by the committee.

Therefore, I think the amendment is not necessary and does not really solve the problem; because if it is turned down on its merits, it will be turned down on its merits whether this amendment is adopted or not.

Mr. MELCHER. Mr. President, I ask unanimous consent for 15 seconds.

Mr. GOLDWATER. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DOMENICI. Mr. President, I move to table the amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Maine [Mr. COHEN] and the Senator from Florida [Mrs. HAWKINS] are necessarily absent.

I also announce that the Senator from Maryland [Mr. MATHIAS] is absent on official business.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 79, nays 18, as follows:

[Rollcall Vote No. 82 Leg.]

YEAS—79

Abdnor	D'Amato	Goldwater
Andrews	Danforth	Gorton
Armstrong	Denton	Gramm
Bentsen	Dixon	Grassley
Biden	Dodd	Hart
Bingaman	Dole	Hatfield
Boren	Domenici	Hecht
Boschwitz	Durenberger	Heflin
Bradley	Eagleton	Heinz
Bumpers	East	Helms
Chafee	Evans	Hollings
Chiles	Exon	Humphrey
Cochran	Garn	Johnston
Cranston	Glenn	Kassebaum
Kasten	Mitchell	Stafford
Kennedy	Moynihan	Stennis
Kerry	Murkowski	Stevens
Lautenberg	Nickles	Symms
Laxalt	Nunn	Thurmond
Leahy	Packwood	Trible
Levin	Proxmire	Wallop
Long	Pryor	Warner
Lugar	Quayle	Weicker
Mattingly	Rockefeller	Wilson
McClure	Rudman	Zorinsky
McConnell	Simpson	
Metzenbaum	Specter	

NAYS—18

Baucus	Harkin	Pressler
Burdick	Hatch	Riegle
Byrd	Inouye	Roth
DeConcini	Matsunaga	Sarbanes
Ford	Melcher	Sasser
Gore	Pell	Simon

NOT VOTING—3

Cohen	Hawkins	Mathias

So the motion to lay on the table the amendment (No. 1806) was agreed to.

□ 1220

RECESS UNTIL 2 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate now stands in recess until 2 p.m.

Thereupon, at 12:20 p.m., the Senate recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. WILSON).

□ 1400

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. HART. Mr. President, I suggest the absence of a quorum with the time equally divided on both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

□ 1440

Mr. DOMENICI. Mr. President, I ask unanimous consent that the clerk dispense with further reading of the roll.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, as previously announced, we are now ready to discuss the Kennedy amendment. I understand that perhaps the distinguished senior Senator from Massachusetts and Senator DURENBERGER, chairman of the appropriate subcommittee, want to discuss the issue along with the principal cosponsor, the senior Senator from Pennsylvania [Mr. HEINZ], which may indeed avoid presentation and vote on the amendment. But I would now yield the floor to the distinguished senior Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I would like to ask our ranking minority floor leader for time.

Mr. CHILES. I yield such time as the Senator might need off the bill.

AMENDMENT NO. 1807

(Purpose: To add funds for Medicare in order to allow a change in the method of calculating deductibles)

Mr. KENNEDY. Mr. President, I send to the desk an amendment on behalf of myself and Senator HEINZ for the purpose of discussion.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY], for himself Mr. HEINZ, Mr. BYRD, Mr. BURDICK, Mr. GORE, Mr. MATSUNAGA, Mr. RIEGLE, and Mr. KERRY, proposes an amendment numbered 1807.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, increase the amount on line 3 by $440,000,000.

On page 2, increase the amount on line 4 by $690,000,000.

On page 2, increase the amount on line 5 by $660,000,000.

On page 2, increase the amount on line 8 by $440,000,000.

On page 2, increase the amount on line 9 by $690,000,000.

On page 2, increase the amount on line 10 by $660,000,000.

On page 2, decrease the amount on line 19 by $20,000,000.

On page 2, decrease the amount on line 20 by $75,000,000.

On page 2, decrease the amount on line 21 by $145,000,000.

On page 2, increase the amount on line 24 by $440,000,000.

On page 2, increase the amount on line 25 by $690,000,000.

On page 3, increase the amount on line 1 by $660,000,000.

On page 3, decrease the amount on line 10 by $460,000,000.

On page 3, decrease the amount on line 11 by $1,225,000,000.

On page 3, decrease the amount on line 12 by $2,030,000,000.

On page 3, decrease the amount on line 15 by $460,000,000.

On page 3, decrease the amount on line 16 by $765,000,000.

On page 3, decrease the amount on line 17 by $805,000,000.

On page 5, increase the amount on line 5 by $440,000,000.

On page 5, increase the amount on line 6 by $690,000,000.

On page 5, increase the amount on line 7 by $660,000,000.

On page 5, decrease the amount on line 10 by $20,000,000.

On page 5, decrease the amount on line 11 by $75,000,000.

On page 5, decrease the amount on line 12 by $145,000,000.

On page 5, increase the amount on line 15 by $440,000,000.

On page 5, increase the amount on line 16 by $690,000,000.

On page 5, increase the amount on line 17 by $660,000,000.

On page 18, decrease the amount on line 16 by $20,000,000.

On page 18, increase the amount on line 17 by $440,000,000.
On page 18, decrease the amount on line 24 by $75,000,000.
On page 18, increase the amount on line 25 by $690,000,000.
On page 19, decrease the amount on line 8 by $145,000,000.
On page 19, increase the amount on line 9 by $660,000,000.
On page 33, decrease the first amount on line 7 by $440,000,000.
On page 33, decrease the amount on line 8 by $690,000,000.
On page 33, decrease the second amount on line 9 by $660,000,000.
On page 33, increase the amount on line 13 by $440,000,000.
On page 33, increase the first amount on line 14 by $690,000,000.
On page 33, increase the second amount on line 14 by $660,000,000.
On page 43, decrease the first amount on line 25 by $440,000,000.
On page 44, decrease the amount on line 1 by $690,000,000.
On page 44, decrease the second amount on line 2 by $660,000,000.
On page 44, increase the amount on line 6 by $440,000,000.
On page 44, increase the first amount on line 7 by $690,000,000.
On page 44, increase the second amount on line 7 by $660,000,000.
On page 39, decrease the second amount on line 8 by $440,000,000.
On page 39, decrease the second amount on line 10 by $690,000,000.
On page 39, decrease the second amount on line 12 by $660,000,000.

Mr. KENNEDY. Mr. President, last year senior citizens were shocked to learn that the Medicare hospital deductible—the amount Medicare beneficiaries must pay out of their own pocket every time they enter the hospital—would increase $92 on January 1, 1986. This whopping 23-percent increase—the largest dollar increase in the history of the Medicare Program—pushed the total deductible to $492, an amount far in excess of the deductibles typical of private insurance policies.

Now insult has been added to injury. In the last few days, HHS has announced that the deductible for 1987 is likely to rise an additional $80, to a staggering $572. This adds up to a 43-percent increase over the 2 years 1986-87. If the projected 1987 increase is put into effect, the deductible will have grown more over this 2-year period than it did in the first 15 years of the Medicare Program's existence.

The exorbitant increase in the hospital deductible was not intended by anyone. It is an unintended consequence of the new Medicare prospective payment system and of Congress' failure to modify the method of calculating the deductible to reflect the new payment system.

Since the beginning of the Medicare Program, the deductible has been calculated on the basis of the cost of an average day of care.

Increases in the deductible were supposed to reflect increases in the cost to Medicare of a typical hospitalization, and as long as Medicare paid hospitals for services to Medicare beneficiaries on a daily cost basis, the annual increases in the deductible were reasonably fair.

But, today Medicare no longer pays for hospital care on a daily cost basis. Beginning with legislation enacted in 1982, Medicare began to pay a fixed price—set in advance—for each Medicare admission. The fixed price varied depending on the diagnosis that was treated, but the key feature of this prospective payment system was that the price was set in advance and was based on admissions and diagnosis, not days of care.

The prospective payment system has reaped enormous savings for the Federal budget and has had a major impact in slowing the growth in health care costs. In the next 5 years alone, prospective payment will reduce the deficit in excess of $50 billion.

But, while prospective payment has brought relief to the Federal budget, it has created heavy additional costs for senior citizens already burdened with high health care expenses. Prospective payment encourages hospitals to economize by reducing length of stay. Between 1982 and 1985, average hospitalization for Medicare beneficiaries dropped from 10.24 days to a projected 8.75 days. Between 1983 and 1984 alone, length of stay dropped almost a full day, from 9.84 to 9.05.

The result of this drop in length of stay—combined with the fact that hospital occupancy rates are now at historic lows—has been that hospitals' costs are concentrated in fewer days of care. The rate of increase in total costs and costs per admission has slowed dramatically, while the costs of care per day have soared.

Senator HEINZ and I introduced an amendment to the continuing resolution last year that was unanimously approved on a voice vote. That amendment expressed the sense of the Senate that:

> The Committee on Finance shall report legislation no later than April 15, 1986, which will reform the calculation of the annual increase of such deductible so that it is more consistent with annual increases in Medicare payments to hospitals. It is further the sense of the Senate that any reforms shall be retroactive to January 1, 1986.

April 15 has now come and gone, and our senior citizens have received no relief. I believe it is the responsibility of the Congress to act now before further damage is done.

The amendment I am introducing today will modify the budget resolution to provide funds to link future increases in the hospital deductible to increases in Medicare payments for each hospital admission. If this reform had been in effect last year, the increase in the hospital deductible would have been $36 instead of $92. If it is adopted today, next year's increase will be $52 less than under current law—and all future increases will reflect actual increases in Medicare payments to hospitals.

The amendment will add approximately $440 million to outlays in 1987, $690 million in 1988, and $660 million in 1989, offset by equal revenue increases.

Our senior citizens deserve to have a fairly calculated deductible. Congress' failure to act when the prospective payment system was first put into law can be excused on the grounds of ignorance; no such excuse is possible now.

Mr. President, just prior to offering this amendment, I talked with the chairman of the Finance Committee, Senator PACKWOOD; Senator DURENBERGER; Senator DOMENICI; and Senator CHILES. They have approached me, because of their sympathy toward the objective of my amendment. They have suggested another way of meeting this problem which might not require my amendment to be offered. I hope we will have a chance to hear their proposal at an early stage of this discussion, because it makes a great deal of sense. It would give assurances to the elderly people that the objectives of this amendment will be achieved—and achieved, perhaps with greater certainty than even the acceptance of the actual amendment, for a variety of technical reasons.

Mr. HEINZ. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield such time as the Senator from Pennsylvania desires.

□ 1500

Mr. HEINZ. Mr. President, I thank my good friend from Massachusetts, Senator KENNEDY, for yielding.

I am, of course, pleased to join with him in cosponsoring the amendment we have sent to the desk.

Mr. KENNEDY. If the Senator from Pennsylvania could possibly use his time, he is a sponsor.

Mr. HEINZ. Mr. President, will the Senator yield not to exceed 5 minutes.

Mr. DOMENICI. I yield as much time as the Senator desires.

Mr. HEINZ. I thank my friend from New Mexico.

Mr. President, I am pleased to join my distinguished colleague from Massachusetts in offering this amendment which seeks to curb the escalating out-of-pocket costs of hospitalization and extended nursing home care facing America's 31 million Medicare beneficiaries. I do this with a sense of urgency: We in the Congress cannot let another year go by without changing the outmoded formula for calculating the part A deductible that is adding millions of dollars to the cost of care for our sickest elderly and disabled.

Mr. President, the Health Care Financing Administration has once again sent a shock to this Nation's Medicare beneficiaries. HCFA now estimates that on January 1, 1987, the part A deductible—the fee paid out of pocket by Medicare beneficiaries for their first day of hospitalization—will raise an estimated $80, from $492 to $572. This is another whopping 16-percent increase, coming on the back of last year's unprecedented 23-percent jump. While Medicare is saving billions of dollars with each successive year that hospitals are under the prospective payment system, Medicare beneficiaries are being asked to dig ever deeper into their wallets to pay for needed health care.

Last December 10, Senator KENNEDY and I proposed an amendment to the continuing resolution to protect senior citizens from the unfair 1986 deductible increase and to reform the calculation of the deductible for future years. Our amendment, which was adopted by voice vote, expressed the sense of the Senate that—

> The Committee on Finance shall report legislation no later than April 15, 1986, which shall reform the calculation of the annual increase in such deductible so that it is more consistent with annual increases in Medicare payments to hospitals.

April 15 has come and gone. The 8 million elderly and disabled Medicare beneficiaries who will enter the hospital in 1986 have received no relief from the 1986 deductible increase and now they are faced with a further—and totally unjustified—increase in 1987.

Our amendment seeks to correct this injustice. It would provide for sufficient funds to limit the percentage increases in the part A deductible for 1987 and future years to the percentage increases in Medicare's payment for each hospital admission. The amendment would also increase Federal spending by approximately $440 million in 1987 and raise revenues by an offsetting amount. In addition, the amendment would slow the increase in the amount paid by beneficiaries for the 21st through 100th day of skilled nursing care because the copayment for extended care is pegged to the part A deductible. Under this provision, the 1987 deductible would rise to $520, rather than $572 as currently projected by HCFA. The amendment would also provide for smaller increases in future years.

The Senate spoke with one voice on December 10 out of a recognition that the formula fueling the annual increases in the part A deductible is an anachronism—a dinosaur even—whose time has come for extinction. As long as Medicare paid hospitals for services to Medicare beneficiaries on a daily cost basis, the annual increases in the deductible were a fair representation of the increase in the cost to Medicare of a typical hospitalization. But when Congress enacted the prospective payment system [PPS] in 1983, Medicare stopped paying hospitals on the basis of a cost of a day of care. Under PPS, Medicare gives hospitals a prospectively determined rate based on diagnostic categories. This system has led to a dramatic decline in the length of hospital stays of Medicare beneficiaries. Although the total added or variable cost of a hospitalized patient has probably, on average, declined, hospitals' fixed costs per patient are concentrated in fewer days. The accountants allocation of these fixed costs thereby dramatically drives up the average per diem cost of care. Since the part A deductible is calculated based on the average per day cost of care, it too has skyrocketed. With total health care costs increasing at about 7 percent a year, there is no rational justification for increasing the deductible a staggering 39 percent in just over 12 months.

The magnitude of the effects of leaving the existing formula in place can no longer be overlooked. If we fail to act, beneficiaries can expect to pay $648 for the first day of hospitalization by 1989. I do not believe any of us want this to happen.

Mr. President, there is mounting evidence that Medicare's prospective payment system is resulting in substantial cost shifting onto beneficiaries. In its February 1986 report to Congress, the Prospective Payment Assessment Commission [Propac], indicated that over half of last year's increase in the part A deductible was due to decreases in the average length-of-stay attributed to prospective payment. It also estimated that this factor alone shifted $550 million onto Medicare beneficiaries. In its April 1, 1986, report to the Secretary of HHS, Propac concluded that the current formula used to calculate the deductible should be revised so that "it is more consistent with the annual per-case [DRG] increase in Medicare payments to hospitals."

This new wave of cost-shifting is especially painful for older Americans living on the margin. The Congressional Budget Office has estimated that about one-fifth of elderly individuals have no protection other than Medicare against health care costs. Nearly 30 percent of the elderly with family incomes under $9,000 have neither private coverage nor Medicaid eligibility. How can we expect these low-income Americans to shoulder an automatic $572 in out-of-pocket costs each time they are hospitalized?

Unfortunately, the added beneficiary cost-sharing that results from increases in the part A deductible does not stop at the hospital door. This is because the copayment for skilled nursing care is directly linked to the part A deductible. This year older Americans needing extended skilled nursing care—21 days or more—will pay $61.50 per day. This amount already exceeds the private pay costs for nursing home care in many areas of the country. If the deductible is allowed to go up another 16 percent, as planned, beneficiaries will have to pay $71.50 for every day beyond 20 that they require skilled nursing care. The result will be nothing less than the elimination of the skilled nursing home care benefit for any senior citizen needing more than 20 days of nursing home care.

Mr. President, we are placing beneficiaries in an ever-squeezing vise of higher costs on the front end of a hospital stay and higher out-of-pocket costs for posthospital care.

I urge my colleagues to join us in supporting this amendment, so that we may finally protect Medicare beneficiaries from unjustified increases in the part A deductible.

I think the Senator from Massachusetts has outlined the problem quite clearly. It is probably worth reminding people that there are some 31 million Medicare beneficiaries and in any 1 year fully 25 percent, a quarter, of those beneficiaries, about 8 million of them, will be in the hospital.

As a result of the soaring increases in the Medicare deductible, the payment for the first day that a Medicare beneficiary stays in the hospital amounts not only to a very substantial amount of money were we to allow the $572 number to go into effect. It would also amount to nothing less than a tax on the sick.

It is this Senator's view that we cannot allow another year to go by without doing something about the artificially high increase in the Medicare deductible. It went up to $492 last year. That was a 23-percent jump and this year, of course, it is estimated to go up another 16 percent. That is 39 percent in the way of an increase in the Medicare deductible in just a little over 12 months.

People might properly ask how on Earth now that you have a new payment system, the prospective payment system that uses DRG, diagnosis-related groups, could that possibly happen?

What happened was that when Congress enacted prospective payment back in 1983, Medicare stopped paying hospitals on the basis of a cost of a day of care, because under prospective payment Medicare gives hospitals a prospectively determined rate based on the diagnostic category.

What this has led to is a dramatic decline in the length of stay in the hospital.

Now, ironically, although the total added cost or, if you are an accountant, the variable costs of hospitalizing a patient for the average patient stay has probably decreased, Medicare patients are in the hospital for fewer days; that is, hospitals' fixed costs per

patient are concentrated on fewer days. The accountants allocate those fixed costs and that dramatically drives up the average total per diem cost of care.

Since the part A deductible is calculated based on the average per diem cost, it, too, has skyrocketed, as the Senator from Massachusetts, Senator KENNEDY, has explained.

Of course, the irony of this is that with total health care costs increasing about 7 percent per year, there is no rational justification for increasing the deductible a staggering 39 percent over 1 or 2 years.

So, Mr. President, that is why the change being proposed by the Kennedy-Heinz amendment so very much needs to be made.

The Senator from Massachusetts has indicated that we have discussed this amendment with Senator PACKWOOD, Senator DURENBERGER, Senator DOMENICI, the first two being members of the Finance Committee, and we do find them not only sympathetic but in fact supportive of the objective of this amendment.

What it comes down to is this: the chairman of the Finance Committee, Senator PACKWOOD, and Senator DURENBERGER, the chairman of the Health Subcommittee, have said that if we do not press this amendment to a vote they guarantee us that they will make the changes contained in the amendment in the course of the Finance Committee's consideration of legislation, probably reconciliation later this year. That is a guarantee from the chairman, from the chairman of the Health Subcommittee. As a member of the Finance Committee, I can tell you that those two gentleman are indeed totally honorable. If they say they are going to do it they will do it, and they will also, of course, have my vote.

If, on the other hand, we proceed with the other alternative, which is for Senator KENNEDY and me to propose to offer our amendment, we have no guarantees, frankly, that the Finance Committee will do exactly what we want them to do. All we are doing here, as we consider a budget resolution, is to change the totals in the functional categories. That in no way, irrespective of what we may say those things in the categories will allow the Finance Committee to do, will in any way, shape, or form force the Finance Committee to do it.

So it seems to me that we have worked out a procedure today where if we agree to the Finance Committee's offer, we for sure win and our senior citizens win and they forego a tax on them of $572 for their first day in the hospital. If on the other hand we were to press ahead, we have no guarantees for them or for our amendment. That, to me, seems like a pretty straightforward proposition. I have no doubt where any sensible person would come down.

So at this point, Mr. President, I think Senator KENNEDY and I would be pleased to enter into a colloquy with the Senator from Minnesota, Senator DURENBERGER, as to whether the understanding that Senator KENNEDY and I have put forth on the record is accurate and fairly reflects the discussion we have had.

Mr. DOMENICI. Mr. President, before I yield the floor to my friend from Minnesota, I am going to have to leave the floor for about 10 minutes. I want to come back and join the colloquy. I wonder if the distinguished Senator from Pennsylvania would control the time on our side, that whatever time he needs to yield to anyone he may. I would appreciate not disposing of the matter until I return, but it will not be but a few moments.

Mr. HEINZ. Very well.

Mr. DOMENICI. I thank the Chair.

Mr. DURENBERGER. Mr. President, will the Senator from Pennsylvania yield me an appropriate amount of time?

Mr. HEINZ. The Senator from Pennsylvania yields to the Senator from Minnesota such time as he may require.

The PRESIDING OFFICER (Mr. ARMSTRONG). The Senator from Minnesota is recognized.

Mr. DURENBERGER. Mr. President, I rise to support the request by two of the experts in the Senate on health care policy—and certainly two of the people who are most sensitive to the role the Federal Government needs to play in responding to the health care needs, particularly the hospitalization needs, of the elderly in this country—to adjust the deductible for Medicare part A, the hospital portion of Medicare, in some reasonable fashion.

I would say to my colleagues that we could be faced here today with an amendment which would freeze the deductible at $492 per day as in current law, or an amendment which would permit it to increase by no more than the Medicare price index for this year, or by some other, or some lesser amount.

Instead, in their usual reasonable fashion, the Senator from Massachusetts and the Senator from Pennsylvania provide us with a second opportunity to try to make some sense out of the cost-sharing portion of Medicare.

The first opportunity they presented us with occurred when they asked the Senate Finance Committee, which has jurisdiction over Medicare, under circumstances very similar to this, to deal with the issue that both these Senators have laid out for us, and that is that the original notion of the deductible, which was to assess each user of the hospital with 1 day's portion of the cost of all Medicare hospitalization, may have worked in the old days of cost-based reimbursement but it does not work in the new day of prospective reimbursement. As both Senators have indicated to our colleagues, the problem with which we have been presented over the 2½ years since prospective payment went into effect—and even before that, I think in anticipation of PPS—is that hospitals are hospitalizing people less frequently for fewer number of days but when they are hospitalized the seriousness of the illness is much greater for each day spent in the hospital and, therefore, the programmed costs to be assessed against each day in the hospital are substantially greater than the average rise per year in the cost of all Medicare part A hospital costs.

□ 1510

So that is why you have this incongruity here of a decrease in hospital utilization, savings to the Medicare Trust Fund from less frequent hospitalization of people, and all of the wonderful things that are starting to happen out there, but, at the same time, you have this huge per year jump in the deductibles.

I think it is very appropriate that they present us with this issue. I have been authorized to say, on behalf of the chairman of the Finance Committee, who has been quoted here directly earlier, that he would support this amendment. I came to the floor prepared with a series of arguments against it, but they were all only on the issue of timing, not on the issue of substance. The chairman of the Finance Committee would have supported the amendment. He does support, as I do, the proposition laid before us by the Senator from Massachusetts and the Senator from Pennsylvania as they have already articulated it.

It is unfortunate that this issue comes before us only in the form of a budget resolution for reconciliation, because then we stand here and we seem to be debating who is going to pay for Medicare. Are we going to have the beneficiaries pay for it, the doctors pay for it, the hospitals pay for it, general taxation, payroll tax, and so forth pay for it? And for the last 3 years we seem to be spending an awful lot of time debating how to pay doctors, hospitals, and other health care providers around the budget. I think it is very inappropriate.

I think my colleagues from Massachusetts and Pennsylvania are dying for the day when we might be presented by the Senate Finance Committee with a Medicare reauthorization bill so that we could all come to the floor—and not just the three or four of us, but more of our colleagues who care about more appropriate health care for the elderly—and we would be able to engage in a more sensible debate to

the public over the restructuring of Medicare. I think that debate has to take place.

Tomorrow the Secretary of Health and Human Services begins the process of making a recommendation to the President of the United States, which was requested in the State of the Union Message, that there be a proposal in the Congress for the next year on the issue of health care coverage for catastrophic illness. That process starts tomorrow. I have been appointed to represent all of you here in this body on that task force. I think, through that process, we will deal with acute care, catastrophic, the problems of chronically ill, the problems that, bless his heart, Jack Javits brought to us every week right up until the week before he died on behalf of the elderly and disabled of America who do not have the resources that he had to deal with Lou Gehrig's disease, or to deal with Alzheimer's, or to deal with these incredibly disabling illnesses which require people, when they are visited with these illnesses to spend precious dollars and resources that they often do not have in order to maintain the longer lifetime that medical technology has made possible.

I think, if we were here talking about health care for the elderly in America, these are the issues we would be debating. We have been denied that opportunity because so much of our debate has strictly been around the dollars involved and the process of coming up with a budget resolution.

So I commend my colleagues again for this amendment. We really do need to be here discussing wellness provisions and catastrophic provisions and the problems of shifting people from part A to part B and those kinds of issues, rather than coming in here piecemeal having to say that the deductible is too great or not enough, or whatever.

I do not know if it is in the printed RECORD here, but I would point out on behalf of my colleagues who are the sponsors of this amendment, that 98 out of the 468 current diagnosis-related groups, the so-called DRG's involve average lengths of stay of fewer than 5 days. So, in effect, what is happening is, as I think they probably have pointed out, people are going into the hospitals for fewer than 5 days and they are being socked up front with $572 just for spending fewer days—on the average—in the hospital. Of the top 25 DRG's in terms of utilization, two have average lengths of stay of fewer than 3 days in the hospital. It is an incredible system in which this much money up front can be used, or, in effect, I think, abused, in this way.

So I hope that, whether it is through this task force or through the Finance Committee dealing with the recommendations the President will give us, we will deal realistically with this. This year our commitment to our colleagues is to allow no more than $520 deductible. By next year, I hope we are talking about a $100 deductible or a $75 deductible, something reasonable.

There may be other forms of cost sharing in Medicare that make more sense—I do not know what they are—per diems or something else. But we know that per diem deductibles, once they get up past a couple hundred dollars, do not make sense anymore as a disincentive to overutilization, particularly with the DRG's in place. So I hope that we can guarantee our colleagues in the near term no more than $520 and in the long term something closer to $100 than the $520. Obviously, beneficiaries will have to recognize that that does not mean their participation in financing the system is going to be reduced but maybe it will become more realistic.

Mr. KENNEDY. Mr. President, I thank the Senator from Minnesota, the chairman of the Health Subcommittee of the Finance Committee, for his statement and for his strong continuing commitment to work in this area.

I wish to inquire of the Senator from Minnesota whether it is his understanding, and whether it is the understanding of the chairman, for the benefit of our colleagues and for those that are concerned about this issue, that it is the commitment of the chairman of the Finance Committee and the Senator from Minnesota and others that you will report out legislation assuring a deductible for 1987 which will not exceed $520, that future increases in the deductible will be no higher than the increases in Medicare coverage payment per hospital admission, and that this legislation will be included in the reconciliation bill.

Mr. DURENBERGER. Will my colleague from Pennsylvania yield?

Mr. HEINZ. Yes, I yield to the Senator from Minnesota.

Mr. DURENBERGER. Mr. President, I certainly do assure my colleague from Massachusetts of the accuracy of the commitment as he stated it. As I understand the facts, it was recommended by the President of the United States for the fiscal year 1987 budget to reduce Medicare outlays over fiscal 1987, 1988, and 1989 by $34,850,000,000 and to increase revenues by $17.2 billion and that the reconciliation instructions for the Finance Committee in the Senate budget resolution have reduced the outlay requirements to $7,915,000,000 and the revenue requirement in total listed as unspecified for the 3 years was $68,486,000,000.

I can assure my colleague from Massachusetts and my colleague from Pennsylvania and my colleagues on the Budget Committee, who certainly have a concern about our ability to meet this, that somewhere in the $7.915 billion outlay reduction and the revenue area and the 20-percent so-called fudge factor there——

Mr. DOMENICI. Fungibility.

Mr. DURENBERGER. Fungibility; that is much better than the "fudge factor"—the fungibility rule regarding the budget resolution, that we will guarantee that the Medicare part B premium will be no more than $520 this year and in subsequent years it will be no more than $520 modified by the medical price index, if I have accurately stated the limitation.

□ 1520

Mr. KENNEDY. Is it your understanding that it will be no higher than the increase in the average payment per admission.

Mr. DURENBERGER. I am informed by staff that the annual adjustment figure would be the average per day cost of hospitalization, which is in effect the PPS proposal modified by casemix.

Mr. KENNEDY. I think the figure we are looking for is the average payment per admission.

Mr. DURENBERGER. I think the Senator has more correctly than I stated the appropriate index.

Mr. KENNEDY. There are a number of different measuring devices. This is the one that has been assumed in the amendment that Senator HEINZ and I have offered. I would be interested, if the chairman of the Budget Committee and perhaps the Senator from Florida, the ranking member, could just speak briefly to this issue, and if they agree that we can achieve the objectives that are included in our amendment. I would appreciate their assurance, and I know they are interested in this issue and that they have worked very closely with us on it.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I yield myself such time as I need to respond to the inquiry of the Senator from Massachusetts and to give my observations to the Senators.

Let me first thank my friend, the senior Senator from Florida, for his help on this issue which I believe we are going to resolve shortly, but also as we proceeded through debates to bring a bipartisan budget resolution to the floor. Clearly we look to him when we address issues like Medicare, and those problems that are serious for the senior citizens. We were quite confident when we came to the floor with a budget resolution that the senior Senator from Florida joining the senior Senator from New Mexico, and others, had a budget resolution including Medicare that was clearly consist-

ent and fair to the seniors of this country.

Let me further thank Senators KENNEDY, HEINZ, and PACKWOOD, who has now permitted us to speak in his behalf, and certainly Senator DURENBERGER who chairs the subcommittee on the Finance Committee that will be making the recommendations.

This is a very strange situation that we confront ourselves with here today. I might say it is inadvertent as I see it. Over the years we have had very little success in significantly reducing the cost of hospitalization for the American people, and being more specific, for senior citizens. The distinguished Senator from Massachusetts just pointed out in his charts how dramatically they were going up even when we started to get hospital costs under control.

The American people and everyone that looked at hospital and health care knew it was out of hand. The so-called retrospective cost-based reimbursement method of calculating costs and making reimbursement, which I say only for myself, was an invitation to charge more rather than less, because ultimately you got paid for it. If you charged a lot this year, you would get to collect later. That system was with us for a long time. It permitted us to say, well, we will just look back at last year's costs and whatever that cost we will make sure you are made whole.

That was an invitation, at the bare minimum, not to be concerned about costs.

In 1983 a new system was put in place called the prospective payment system. It has been eminently successful, everyone would admit, to bringing the costs down. On the other hand, it was more successful than anyone thought. Consequently, what we assumed in the budget resolution, and what was assumed last year, for the amount that the senior citizens would pay for their stay, went up dramatically. It happened because the length of stay is shortened, so the first day's costs as a percentage of costs are substantially more than anyone thought they would be.

We did not expect, and the budget resolution did not assume, 23 percent and 16-percent increases back-to-back in the senior citizens' deductible.

What the proponents of the amendment would have done to the budget resolution is put back outlays and increased revenues to make up that difference. What we are telling the proponents today is that the chairman of the Finance Committee, the chairman of the Health Subcommittee, and another member of the committee, Senator HEINZ who is principal cosponsor of this amendment, have said to us, "When we sit down to do the reconciliation work mandated by this budget resolution, we give you assurance that we will, within our mandate modify and amend the Medicare law to protect the senior citizens from any more of the costs that they must bear that were prescribed in the Kennedy amendment."

I believe that is what has been said here on the floor, rather than talk about what the specific percentages are. We know what the Kennedy-Heinz amendment intended. Senators PACKWOOD and DURENBERGER from the Finance Committee know, Senator CHILES, who has been a participant in urging that we resolve that issue knows. The committee is saying, "We will do that."

Our seniors should know that there will be relief. The Finance Committee will receive such a large mandate for savings in other areas, and they will receive a mandate for new revenues whatever budget resolution clears here—whether it is the one that is before us at $19 billion with the amendments, or some modification thereof.

The committee has plenty of latitude to make the changes in the amendment within that instruction. Even if the committee could not find additional savings, they have 20-percent fungibility between savings and taxes. We did this at the request of the chairman of the Finance Committee. We were glad in the Gramm-Rudman-Hollings modifications to the Budget Act to make our Finance Committee somewhat more consistent with the House Ways and Means Committee under reconciliation. They can be 20-percent higher or lower in taxes and spending so long as the total is the total mandated. That is sufficient to predicate and assurances given by Senator DURENBERGER on behalf of Senator PACKWOOD, and obviously Senator HEINZ, the principal cosponsor on our side, who serves on that committee.

So I urge that we not add revenues and savings to the budget resolution. There is no more assurance it would occur if we voted on the amendment than there is that it will occur because of the assurances that have been given to us here on the floor today.

The Senator from Pennsylvania, Senator HEINZ, made that last point in our private deliberations on the matter. I believe he was correct, and I state it publicly here. I think that is the case. I hope we can dispose of this amendment with the assurance to the cosponsors that they are as well off, if not better, without forcing the amendment here today. They might not have won, but even if they did, they are more assured of a change taking place this way than had an amendment passed.

With that, I yield the floor.

Mr. CHILES addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. Mr. President, I want to thank my friend, the distinguished chairman of the Budget Committee, for his words about the work we attempted to do in the bipartisan plan. He was a willing ally, trying to make sure we protected senior citizens, especially in the areas of health care and medical costs.

□ 1530

Let me also congratulate and thank the distinguished senior Senator from Massachusetts for focusing on this issue. His amendment is the opportunity to reassure our senior citizens they are not going to face increased deductible costs which are clearly higher than was anticipated by Congress. As the Senator from Massachusetts has said, the costs are already higher than in any private insurance policy out there today.

We have the assurance of the chairman of the Committee on Finance [Mr. PACKWOOD] and Senator DURENBERGER, the chairman of the Health Subcommittee. I notice that Senator BAUCUS is on the floor, the ranking Democrat on the Health Subcommittee of the Finance Committee. I know of his long interest in this area and that he will be working along with Senator PACKWOOD, Senator DURENBERGER, Senator HEINZ, Senator BENTSEN, and other members of the Committee on Finance to see that this issue is resolved.

With this kind of assurance, we know we will protect our senior citizens, a much greater assurance than we would have if we had adopted the amendment today on the Senate floor. By presenting this amendment, the Senator from Massachusetts has brought together a meeting of the minds. All the parties wanted to come together, because everyone's intent was the same, to see that we did not continue to have this rapid increase in regard to the Medicare hospital deductibles.

With these assurances, I feel confident we are taking care of the problem, and I know the chairman of the Budget Committee also has that feeling. I think this is an issue we are resolving without adding revenue to the budget resolution or requiring additional outlays of spending to the budget resolution. At the same time we are going to accomplish the overall goal of the Senator from Massachusetts and the goal is shared by all of us participating in this colloquy today.

Mr. President, I yield such time to the distinguished Senator from Montana [Mr. BAUCUS] the ranking Democrat on the Health Subcommittee, as he might need.

Mr. BAUCUS. I thank the Senator. Mr. President, Medicare beneficiaries are required to pay an initial deducti-

ble to cover the first 60 days of hospital care.

When the Medicare program began 20-years ago, the deductible cost the elderly $40. Today, the deductible is $492.

Between 1985 and 1986, the Medicare deductible increased by 23 percent, jumping in 1 year from $400 to $492.

This increase directly affects 8 million senior citizens who enter the hospital each year.

Increases in the Medicare hospital deductible hit hardest on those who are least able to afford quality health care and who are unable to purchase expensive private supplemental health insurance to cover increases in these out-of-pocket expenses.

The sad irony of the increase in the costs to the elderly is that much of the sharp rise is due to the reductions in the amount of time that the elderly now spend in the hospital, declines brought about by the new Medicare payment policy.

In other words, the Federal Government is benefiting from shorter hospital stays and the elderly are paying for these efficiencies with rapid increases in their out-of-pocket costs for needed health care.

The drop in the average length of stay means that the Medicare cost per day of hospitalization has soared, even though health costs paid by the Federal Government have slowed down significantly.

Last year Congress was told that the rapid increase in the Medicare deductible was a 1-year problem and that starting in 1987 the deductible would level off to more normal rates.

That prediction was not correct.

Current estimates by HHS show that the elderly may face another 16-percent increase in out-of-pocket costs for hospitalization starting on January 1, 1987.

If the Medicare deductible increases by the amount HHS now projects, the elderly will pay $572 for hospital coverage, a whopping 43-percent increase over 2 years.

On Tuesday, April 22, the President's nominee to head the Health Care Financing Administration, Dr. William Roper, told the Senate Finance Committee that he believes that the sharp increase in the Medicare deductible "is unfair to many elderly." This is the first time that anyone from the administration has stated for the record that there is a problem with this matter.

I ask unanimous consent to enter into the RECORD my April 9, 1986 letter to Dr. Otis Bowen, the HHS Secretary, raising my concerns about the Medicare costs to the elderly and seeking his views on what the administration plans to do about lowering these unreasonable increases.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, April 9, 1986.

Hon. OTIS R. BOWEN, M.D.,
Secretary of Health and Human Services, 200 Independence Avenue SW., Washington, DC.

DEAR MR. SECRETARY: I am writing to express my concerns on behalf of over 30 million American seniors and disabled citizens whose out-of-pocket costs for the Medicare hospital insurance program (Part A) are continuing to increase sharply due to rises in Medicare's deductible and copayment charges.

Earlier this week, the President signed the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA contains a provision that I sponsored to require HHS to publish an announcement, prior to September 15 each year, on the amount of the Medicare hospital inpatient deductible. The purpose for this provision is to make sure that Congress and the public are given earlier notice of the Department's projected increase in the Medicare deductible and related Part A copayments.

For 1986, the Medicare deductible for the first sixty days of hospital coverage increased by 23 percent, up from $400 to $492. This amount is nearly twice the rate of the average annual increase in the deductible since Medicare began twenty years ago. I am particularly concerned that much of the increase is due to the decline in the length of stay of hospital inpatients since the enactment of the prospective payment system.

In their April 1, 1986 report to HHS, the Prospective Payment Assessment Commission (ProPac) concluded that the formula used to calcuate the Medicare hospital deductible is unfair to beneficiaries and should be changed. Specifically, the Commissioners stated that the deductible "was never intended to increase as a result of shorter lengths of stay."

I strongly agree with the Commission's conclusion that America's senior citizens should share in the gains resulting from Medicare's new payment policy. As ProPac pointed out, hospitals and the federal government have both benefited from the shorter stays by Medicare inpatients. It is simply not fair that beneficiaries are being penalized for the very efficiencies that prospective payment was intended to cause in the health care system.

I understand that HHS currently estimates that the Medicare hospital deductible will increase by another $80 starting on January 1, 1987, and that by 1991 the deductible may be as high as $732. I am deeply concerned that these increased costs to beneficiaries are far in excess of the rate of increase in federal payments to hospitals and other health care providers.

The deductible hits hardest on those who are least able to afford quality health care services. For those whose out-of-pocket costs are covered by private supplemental insurance, increases in the Medicare deductible are passed along in the form of higher premiums.

I would appreciate your reply on the extent to which next year's change in the Medicare deductible is due to the continued decline in the length of stay of Medicare inpatients. Also, I would like to know your response to the recommendation made by ProPac to change the way the deductible is calculated so that beneficiary costs, relative to total program payments, remain constant in the future. I believe that the Department should give ProPac's recommendation serious consideration.

Finally, I understand that the Department may be considering other alternatives to restructure the Medicare beneficiary cost sharing provisions under the hospital insurance program. I would appreciate knowing what recommendations that you believe would address the serious problems facing Medicare beneficiaries due to the rapid increases in their out-of-pocket expenses.

I look forward to hearing from you soon.

With best personal regards, I am

Sincerely yours,

MAX BAUCUS.

Mr. BAUCUS. Mr. President, officials from the Department of Health and Human Services have informed me and assured the Senate Finance Committee that efforts are underway, at the Secretary's personal direction, to determine what policy options the Department may recommend to respond to the sharp increases in the Medicare deductible.

The Finance Committee was told last Friday that recommendations should be on the Secretary's desk within the next few weeks.

I know that many members on both sides of the aisle share my concern that the problem of the steep increases in health care costs to the elderly should be addressed. And it must be addressed this year, if we find that the deductible really is going to skyrocket for a second year in a row.

I am prepared to continue to work with my colleagues in the Senate, once we have the facts and know what the options are, to bring the expenses of the elderly for health care under control. I support the chairman of the Finance Committee in his efforts to address the issue of the Medicare deductible. I look forward to working in the Finance Committee to ensure that the problem of unfair increases in health care costs for the elderly is addressed properly.

THE PROBLEM THE AMENDMENT IS DIRECTED TO IS A REAL ONE

Mr. CHILES. Mr. President, the amendment addressed an issue of great importance of all Medicare beneficiaries. When a Medicare benficiary enters a hospital, he must pay an initial deductible amount. The deductible increases every year by law, and always has been tied to the increase in daily hospital costs. It is a substantial amount. Last year it was $400. On January 1 of this year it jumped to $492. That was a 23-percent increase in 1 year—and it was very hard for Medicare beneficiaries to swallow.

The ironic part of that great increase was that no one ever expected it to jump that high in 1 year. It was an unintended and unexpected result of the new Medicare hospital prospective payment system. Our efforts to cut overall hospital costs have unintentionally resulted in an increase in beneficiary out-of-pocket costs.

Why is this so? Because the formula used in current law to increase the hospital deductible every year is tied to average increases in Medicare daily hospital costs. The formula could be pegged to other indicators—for instance increased costs per admission, or increased costs for total hospital payments. But because it is now tied to average per diem increases it has been skewed by the new reimbursement system.

Even though hospital costs per admission have gone down, and total costs have gone down, shorter lengths of stay and fewer admissions for Medicare beneficiaries have caused the per day cost calculation to go up.

The Prospective Payment Assessment Commission estimated in their recent report to Congress that half of the $92 increase was due to this formula problem. It shifted $550 million in hospital costs to beneficiaries above what had been expected.

Further, since reductions in length of stay and frequency of admissions continue, CBO and the Department now estimate that Medicare beneficiaries may face another unduly large deductible increase next January. Expectations now are that the deductible will increase by another 16 percent—to $572 per hospital admission. After next year, projections are that the annual increases will settle back to a more normal level.

THE FORMULA USED TO CALCULATE THE DEDUCTIBLE SHOULD BE CHANGED

Nevertheless, it is fairly clear now that the old formula is not appropriate to the new hospital payment system. The formula should be changed. Medicare beneficiaries should not be hit with increased out-of-pocket costs as a direct result of efforts to bring down the overall costs of Medicare. Indeed, they should be able to share in the benefits of cost-cutting.

Last year, when we were considering the budget reconciliation bill here on the Senate floor, I supported two amendments to get the wheels started and come up with a new deductible formula. Senator KENNEDY offered an amendment to instruct the Finance Committee to change the formula—and Senator BAUCUS offered an amendment to require the Department to notify Congress of an anticipated deductible increase several months ahead of the time it would go into effect. Then we could take action in time if it was going to be unnecessarily large.

THE CURRENT BUDGET RESOLUTION LEAVES SUFFICIENT ROOM FOR THE CHANGE ALREADY

However, Mr. President, I believe that the Finance Committee will have sufficient room under this budget resolution to make an appropriate change in the deductible formula—without this amendment. And I would even add that I continue to urge members of the committee to take whatever action is necessary to prevent future large increases in the deductible. We now have assurances from the committee chairman that will be done.

Fiscal year 1987 savings for Medicare in the budget resolution now are $800 million. That number was carefully crafted in the Budget Committee to ensure that the savings could be achieved through continued necessary provider reforms—without increasing out-of-pocket costs to beneficiaries. The problem of the deductible was taken into consideration when we came up with that number.

Mr. President, the Medicare savings in the resolution now are only 17 percent of the $4.6 billion Medicare cut recommended in the President's budget for fiscal year 1987. They are $800 million less than was originally proposed by the chairman of the Budget Committee. I think that gives a fairly clear perspective on how much flexibility the Finance Committee already has.

Further, I would like to point out that reconciliation instructions in the budget resolution allow the Finance Committee to be in compliance with their targets even if their total package shifted up to 20 percent of total deficit reductions from spending to revenues. Instructions to the Finance Committee now include total spending savings of $1.1 billion in fiscal year 1987. Revenue and user fee instructions to the committee include $17.4 billion in fiscal year 1987.

There is clearly a lot of room there, and I do not believe that this amendment is necessary for the Finance Committee to make appropriate changes in the deductible formula. Members of the Committee have agreed today in this colloquy that that is the case, so now I think we have the best solution to the problem we could have gotten.

Mr. President, I ask that the following letters of support for the Budget Committee reported budget resolution from the American Association of Retired Persons, the American Hospital Association, the American Nurses Association, the American Medical Association, the Federation of American Health Systems, and the National Governor's Association be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

APRIL 29, 1986.

Hon. LAWTON CHILES,
Ranking Minority Member, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR SENATOR CHILES: As the Senate moves toward final action on S. Con. Res. 120, the FY 1987 budget resolution, we want to reiterate our support and appreciation for your efforts to protect Medicare, Medicaid and other federal health programs from severe reductions.

Your committee's budget plan significantly improves the budget targets for these vital programs, particularly, from what was proposed in the Administration's budget. To help preserve your budget proposal from damaging floor amendments, we and 104 other organizations have made a public statement in the Washington Post, warning against further health spending cuts. We hope that our statement will contribute to strengthening support for your responsible approach.

As our statement indicates, we understand that a balanced approach is necessary in reducing the federal deficit. It is important that the Senate adopt a budget plan that has solid support, so that a firm basis is established for further legislative action in agreeing to a workable budget. As your efforts continue, we want to play a constructive role in achieving an agreement on federal budget priorities.

Sincerely,

JOHN ROTHER,
Associate Director, American Association of Retired Persons.
JUDITH A. RYAN,
Executive Director, American Nurses Association.
JAMES SAMMONS, M.D.,
Executive Vice President, American Medical Association.
JACK W. OWEN,
Executive Vice President, American Hospital Association.
MICHAEL BROMBERG,
Executive Director, Federation of American Health Systems.

AARP,
Washington, DC, April 4, 1986.

Hon. LAWTON W. CHILES,
U.S. Senate, Washington, DC.

DEAR SENATOR CHILES: On behalf of the American Association of Retired Persons, the largest aging organization representing 22 million members, I want to express our support for the Domenici-Chiles Bi-Partisan Budget (S. Con. Res. 120). The budget approved by the Senate Budget Committee with support from a majority of Republicans and Democrats not only reduces the deficit but also accomplishes this in a manner that is fair.

There are, of course, some provisions with which we might take exception. On balance, however, we believe that this package merits strong support and the Senate's adoption.

Sincerely,

CYRIL F. BRICKFIELD.

AMERICAN HOSPITAL ASSOCIATION,
Washington, DC, April 22, 1986.

Hon. LAWTON CHILES,
U.S. Senate, Washington, DC.

DEAR SENATOR CHILES: On behalf of the 6,100 institutional members of the American Hospital Association, I urge your support of the Domenici-Chiles budget proposal.

During the past five years, the Medicare program has been cut by nearly $40 billion. This constitutes 12 percent of total budget cuts even though Medicare represents only 7 percent of federal outlays. Now the Administration is proposing $55 million in additional Medicare cuts over the next five years. The Medicaid program is already unable to protect millions of indigent patients because of inadequate funding. However, the Administration also proposes to cut $1.3 billion from Medicaid in 1987.

The Administration, as part of its Fiscal Year 1987 budget proposal, has recommended large, arbitrary Medicare and Medicaid reductions, totaling $6 billion—$4.7 billion in Medicare and $1.3 billion in Medicaid. The Domenici-Chiles bipartisan budget proposal would reduced Medicare and Medicaid significantly less—$800 million and $160 million, respectively.

We urge the Senate to adopt a budget resolution that rejects such arbitrary health cuts and to establish reasonable targets—such as those proposed by the Domenici-Chiles budget proposal—for health programs in the fiscal 1987 budget resolution.

Sincerely,

JACK W. OWEN,
Executive Vice President.

NATIONAL GOVERNORS' ASSOCIATION,
Washington, DC, April 11, 1986.

TO ALL GOVERNORS:

Gramm-Rudman-Hollings (GRH) requires the U.S. Congress to adopt a budget resolution by April 15 that reduces the deficit to $144 billion for fiscal year 1987. If the Congress does not adopt a budget resolution by that date, GRH prohibits the Senate from considering any committee legislation for new budget authority, changes in revenues, new entitlement authority, new credit authority, or a new public debt limit. Consequently, additional funding for critical programs such as Superfund or Clean Water would be at risk this year. Furthermore, a gridlock may occur if the fiscal year 1987 resolution is not adopted until early fall or the automatic sequester takes effect on October 1, 1987. Such budget uncertainty will only compound the already bleak fiscal condition of the twenty-seven states that have current balances less than one percent. Most states will already be several months into their fiscal years before the level of federal funding will be known. It is, therefore, critical that both the House and Senate act quickly to adopt a budget resolution.

From a state perspective, the Senate Budget Committee's resolution is not perfect, but it does represent a reasonable approach. It is essential that the Senate pass a budget resolution in order to make possible further congressional action on the deficit as called for by the Governors for the past three years. We have examined the FY 1987 budget resolution passed by the Senate Budget Committee (S. Con. Res. 120) and urge that it be sent to the floor of the Senate for action. We urge you to support timely Senate action on the budget resolution for the following reasons:

1. It is a reasonable bipartisan compromise endorsed by over one-half of the members of both parties on the Senate Budget Committee. Some want more or less for defense, some want more or less for domestic programs, some want more or less in revenues. While no one agrees totally with the Committee-passed resolution, and some amendments may be necessary, it generally represents an acceptable budget in line with NGA policy.

The resolution (S. Con. Res. 120) is a general freeze, with exceptions such as: a few program terminations (Work Incentive Program, General Revenue Sharing, SBA disaster loan program); a second round of 10 percent cuts in EDA, ARC, UDAG, and Community Services Block Grant; plus a 20 percent cut in UMTA operating assistance and the education block grant. The resolution would also recapture $943 million of stripper well oil overcharge funds for energy programs. The resolution protects the safety net programs, and rejects the proposed cap on federal contributions to Medicaid. It also makes room for the new NGA-sponsored program of Medicaid services to pregnant women and infants below the poverty line but not on AFDC.

2. For defense, the resolution is a compromise in that it provides an increase of $8 billion in additional budget authority and $10 billion more in additional outlays from current (1986) spending levels. This is only $2 billion less in outlays than the President requested for FY 1987. If the Senate does not pass a budget resolution and the GRH cuts go into effect, either automatically or through a new emergency Joint Budget Committee, the cuts in defense would be draconian and unacceptable. The automatic cuts for defense under GRH would be $49 billion less in budget authority and $16 billion less in actual outlays from the President's request. The Congressional Budget Office estimated in February that GRH sequestering for defense in 1987 would cut budget authority by $30 billion below the 1987 current services baseline. Senate passage of the Budget Committee resolution is currently the only way to prevent large cuts in defense from current spending levels.

3. The Committee resolution raises revenues $19 billion in FY 1987, which includes $5.9 billion proposed by the President. The President proposes $22 billion in new revenues over three years from the following areas: $10 billion from increased IRS audits; $5 billion in increased cigarette taxes; $4 billion in additional pension contributions from federal employees; $2 billion in faster deposits of state and local payroll taxes; and $1 billion in federal oil overcharge funds. No one agrees with the specifics of new revenues, but the proposal is reasonable. NGA policy allows for unspecified new revenues sufficient to meet deficit reduction targets after other actions are taken. Our policy calls for reform of all major non-means tested entitlements. The resolution addresses some of these in Medicare and pensions, but makes no changes in social security.

In summary, we urge your support for Senate actioin on the FY 1987 resolution proposed by the Budget Committee. It is a reasonable proposal and the only way to avoid compounded fiscal uncertainty. We have each faced these same budget restrictions and most of us have frozen or cut the budget and/or raised revenues to met our budget targets.

NGA has fought hard for three years to propose reasonable approaches to deficit reduction. This process is now as a critical point in the U.S. Senate. The Senate Budget Committee resolution meets the Gramm-Rudman-Hollings target of reducing the deficit to $144 billion for FY 1987. It should be brought to the floor. We urge you to support this action.

Sincerely,

GOV. LAMAR ALEXANDER,
Chairman.
GOV. JOHN CARLIN,
Lead Governor for Budget Issues.

Mr. CHILES. Mr. President, I yield such time to the minority leader as he may wish.

Mr. BYRD. I thank the distinguished Senator from Florida, the ranking manager of the budget resolution.

Mr. President, I congratulate the senior Senator from Massachusetts, who is properly a recognized leader on the vital Medicare issue, and the senior Senator from Pennsylvania. It is they who have brought this distressing situation concerning the Medicare hospital deductible before us for action today. As a result of their initiative, they have obtained the assurances of the distinguished chairman of the Finance Committee and the distinguished chairman of its Health Subcommittee that their objective of reducing the rapidity of the growth of the hospital deductible will be achieved as a provision of the Finance Committee's response to the reconciliation instructions contained in this budget resolution.

In actuality, Mr. President, it is far more likely as has been pointed out that the reduction in the deductible which they, I, and a number of other Members of this body sought will be enacted than if this change were to have depended on a favorable vote on an amendment to this budget resolution—although I am confident there would have been a favorable vote—a decisive vote. The importance of the effort can be seen easily by the casual observer of either the health care system or of the problems of the elderly. It is clear that the method for calculating the Medicare part A deductible must be changed.

On January 1 of this year, as the distinguished Senator from Massachusetts [Mr. KENNEDY] has pointed out in the graphs in the rear of the Chamber, the Medicare hospital deductible increased 23 percent, to a record out-of-pocket expense for a Medicare patient. In the next year, if nothing is done, the most recent Medicare trustees report projects that the "part A" deductible will increase another $80, for a total deductible of $572.0

Medicare beneficiaries now pay more out-of-pocket expenses for health care, as a percentage of their incomes, than the aged were paying prior to enactment of the Medicare Program in 1965. These out-of-pocket expenses are far above the deductible levels in many private insurance plans, and certainly above the insurance deductibles found in the best high option plans available to Members of Congress and their staffs.

The marked increase in the "part A" deductible in recent years has caused hardship for Medicare patients. If the increases continue to spiral, the hardships could become untenable for many patients who could, of necessity, forego needed hospitalization because the deductible takes too high a bite out of an already strained, fixed income budget. I am especially concerned that this could be the case with a large number of the over 280,000 Medicare beneficiaries in West Virginia.

Should this occur, Mr. President, we will be on the road toward unraveling

the very premise on which we so proudly enacted the Medicare Program in 1965. That premise was to provide affordable access to quality medical care for our Nation's elderly, so that the general health and well-being of our country's elderly population would rise to a level acceptable for a country which was, and is, the leader of the free world.

Before Medicare was enacted, many of our elderly citizens did not receive proper health care. They often did not go to a doctor or a hospital—either because they could not find one nearby, or because they could not afford the cost. In 1958, 52 percent of Americans 65 years of age or older did not see a physician—not even one time that year.

Medicare changed all that. Five years after the authorization of Medicare, that statistic had been cut in half. Now, I am proud to state, over 93 percent of our elderly citizens have some regular source of medical care. Medicare has brought our elderly citizens into the mainstream of American health care and eliminated the most shameful differences in the quality of health services available to those elderly who are poor and not so poor.

Medicare was guided by a special vision of Congress. Now, in order to preserve that vision, we must make an adjustment in the way the "Part A" deductible is calculated.

Beginning next year, it will tie the increase in the deductible to the increase in the "payment per admission" under Medicare, rather than to the cost-per-day of care now used to compute it. As we all know, one of the unintended results of the enactment of the Medicare prospective payment system in 1983 has been to skew the cost-per-day figure. Because the prospective payment system is decreasing the average length of stay, while costs per hospital episode are held constant by that system, the average daily cost of each hospital stay is increasing faster than are the costs of the entire stay. Consequently, the payment per admission figure is not rising nearly as fast.

This year, as I have said, the Medicare "Part A" deductible—pegged to the cost-per-day figure—increased 23 percent. The cost per admission figure, however, went up only 9 percent. Next year, if the deductible is pegged to the per-admission figure, it is expected that the deductible will rise only roughly $26, rather than the $80 rise which would occur if the Senate did nothing.

On behalf of our Nation's elderly citizens, we cannot afford to do nothing to change this course.

Mr. President, I am pleased and relieved the chairmen of the Finance Committee and its Health Subcommittee have pledged to make the needed change, and I congratulate the senior Senators from Massachusetts and Pennsylvania, Mr. KENNEDY and Mr. HEINZ, respectively, on obtaining this pledge as a result of their efforts I was proud to support.

I also congratulate the chairman of the Budget Committee and the ranking managers, Mr. DOMENICI and Mr. CHILES, respectively, for the support they have given for these efforts.

Mr. CHILES. Mr. President, I yield 2 minutes to the distinguished Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I thank the distinguished Senator from Florida for yielding me 2 minutes.

First, I want to congratulate the managers of this bill, plus those who submitted this amendment, for the course they are taking today. This is an issue which I believe, first of all, is an extremely serious one and it is a problem we should address.

The distinguished Senator from Massachusetts and others have presented the problem clearly. But also I believe it is an issue which we can adequately address in the Finance Committee this year during the reconciliation process.

Mr. President, I want to say as somebody who is deeply interested in this subject in our State, we have the second highest number of senior citizens proportionately of any State in the Nation, and so the people I represent, of course, are deeply concerned about this matter.

Mr. President, the pending amendment would have addressed a problem that is an unintended result of the enactment of the Medicare Prospective Payment System. To leave the formula for the Medicare Part A deductible in its current form truly would be unfair.

The Prospective Payment System established a single rate of payment for hospital based upon the illness to be treated—the DRG rate. This new payment system has created an incentive for hospitals to economize, which, in turn, has resulted in shorter hospital stays for Medicare beneficiaries. One problem which has developed as a result of these incentives is in the calculation of the Part A deductible which the sponsors of this amendment seek to address.

Currently, the Part A deductible is based on the national average cost pay in the hospital. However, because we now pay a flat rate per hospital stay and hospital stays on the average are shorter, the average cost per day for Medicare beneficiaries has increased at a tremendous rate due to fixed hospital costs which now must be allocated over a shorter period of time.

At the same time health care costs are increasing at only about 10 percent, the Part A deductible will increase at about 43 percent over 2 years. Last year alone, the Part A deductible for Medicare increased by an unprecedented 23 percent—from $400 to $492. The projected increase for 1987 is another $80—which would bring the first day deductible to $572.

The adoption of this amendment would reduce the increase in the Part A deductible.

While I agree with the intent of the sponsors of this amendment, I was extremely concerned about the prospect of this amendment being offered in the context of the budget resolution for two reasons.

First, this is an issue which we can adequately address in the Finance Committee this year during the reconciliation process, as a member of that committee I intend to work to ensure that we do effectively address the problem. Second, I believe that the Domenici-Chiles budget proposal is the most fair and responsible proposal to be considered by Congress in the past few years and I was concerned that if this amendment were adopted, then the budget proposal will unravel. I know that many of the organizations representing the elderly felt the same way.

This is a complicated problem, and one which should be dealt with cautiously and carefully in the Finance Committee—the committee with jurisdiction. Whatever solutions we may adopt will affect the health of the Hospital Insurance Trust Fund which may have solvency problems by the mid-1990's.

I am extremely pleased that we have been able to reach an agreement on this issue. I intend to work closely with my colleagues on the Finance Committee to ensure that we resolve this troubling problem over the next few months during the reconciliation process.

Mr. BRADLEY. I rise as a cosponsor of the amendment offered by the Senators from Massachusetts [Mr. KENNEDY] and Pennsylvania [Mr. HEINZ] to reduce the increase in the Medicare hospital deductible that the elderly must pay for their first day of hospital stay.

Mr. President, under current law, a Medicare recipient pays $492 for his or her first day of a hospital stay. This rate is scheduled to increase to $572 on January 1, 1987. Last year the deductible increased by $92.

If this additional increase is provided, on January 1, 1987, older Americans will have paid over a 2-year period a 43 percent increase in the Medicare deductible. These increases—significantly more than the level of inflation—are an unintended consequence of the shift to the prospective method of reimbursing hospitals for their Medicare patients. The DRG System caused a significant reduction in the average length of a hospital stay, but this reduction significantly increased the average cost per day,

thereby increasing the cost that the elderly must pay for their first day of a hospital stay. An increase of this magnitude is simply unfair, and that is why I am a cosponsor of this amendment to hold the increase for next year to $28 rather than $80. This would still represent a 5-percent, but that is far more reasonable than a 14-percent increase.

Mr. President, adoption of the prospective payment system for paying hospitals has saved the Federal Government billions of dollars over the past 3 years. Medicare beneficiaries should share in those savings, rather than being forced to pay considerably more for their health care. I urge adoption of this amendment.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I would like to withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I yield myself as much time as I need off the resolution.

First, I want to thank everyone who has participated in this colloquy. I think we have done the right thing. I particularly want to thank the Senator from Massachusetts. I most appreciate it.

Obviously, the Finance Committee, headed by Senator PACKWOOD, will be charged with doing this. I think it is eminently clear that the most important fact is that they have committed to do it, not whether or not the amendment which has been withdrawn passed or did not pass.

I mentioned in some of my remarks "retrospective" and "prospective," and I think I might have used them improperly, so let me just make sure that I properly state them.

The old system was a retrospective cost-based reimbursement system. That is the system that the Senator from New Mexico categorizes as the more you charge, the more you ultimately get reimbursed. I think that fact was shown in the ever-accelerating costs of the Medicare Program.

The new system, post-1983, is called the prospective payment system. That means that the payment is not basd upon what happened last year or the year before but, rather, is a flat amount per hospital admission based upon what we now commonly called DRG's, the diagnostic-related groups. That is a mouthful.

Basically, the new system is beginning to work. We are beginning to establish some sound bases. We never intended that the deductible for Medicare beneficiaries would go up that much in the first year because we did not believe that the system would work that effectively.

I think we have addressed that problem in the dialog here today. Frankly, I am delighted with the result and thank everyone again.

Now, Senators HART and CHILES are going to propose an amendment. I want to see if Senator HEINZ, who had an amendment that would not be contested, is ready to come to the floor and offer his amendment, which we would accept.

Might I ask whether the Senator from Pennsylvania would like to do that now or do it after we have completed disposition of the Hart-Chiles amendment?

We will ask the distinguished senior Senator from Pennsylvania to offer his amendment after the disposition of the Hart-Chiles amendment, and I yield the floor.

AMENDMENT NO. 1808

(Purpose: To foster economic growth and competitiveness through investment in programs relating to science and technology, resource development, and education and training)

Mr. HART addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. HART. Mr. President, I send an amendment to the desk on behalf of myself and the Senator from Florida [Mr. CHILES], and approximately 10 or 11 other cosponsors. The amendment is a growth through investment amendment, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Colorado [Mr. HART], for himself, Mr. CHILES, Mr. BYRD, Mr. KENNEDY, Mr. RIEGLE, Mr. ROCKEFELLER, Mr. KERRY, Mr. MATSUNAGA, Mr. SIMON, Mr. BINGAMAN, Mr. HARKIN, Mr. SASSER, Mr. DECONCINI, and Mr. SARBARNES, proposes an amendment numbered 1808.

Mr. HART. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, increase the amount on line 3 by $2,700,000,000.

On page 2, increase the amount on line 4 by $3,500,000,000.

On page 2, increase the amount on line 5 by $8,000,000,000.

On page 2, increase the amount on line 8 by $2,700,000,000.

On page 2, increase the amount on line 9 by $3,500,000,000.

On page 2, increase the amount on line 10 by $8,000,000,000.

On page 2, increase the amount on line 19 by $2,800,000,000.

On page 2, increase the amount on line 20 by $8,500,000,000.

On page 2, increase the amount on line 21 by $10,600,000,000.

On page 2, increase the amount on line 24 by $2,700,000,000.

On page 2, increase the amount on line 25 by $3,500,000,000.

On page 3, increase the amount on line 1 by $8,000,000,000.

On page 5, increase the amount on line 5 by $2,700,000,000.

On page 5, increase the amount on line 6 by $3,500,000,000.

On page 5, increase the amount on line 7 by $8,000,000,000.

On page 5, increase the amount on line 10 by $2,800,000,000.

On page 5, increase the amount on line 11 by $8,500,000,000.

On page 5, increase the amount on line 12 by $10,600,000,000.

On page 5, increase the amount on line 15 by $2,700,000,000.

On page 5, increase the amount on line 16 by $3,500,000,000.

On page 5, increase the amount on line 17 by $8,000,000,000.

On page 8, increase the amount on line 16 by $300,000,000.

On page 8, increase the amount on line 17 by $200,000,000.

On page 8, increase the amount on line 24 by $400,000,000.

On page 8, increase the amount on line 25 by $300,000,000.

On page 9, increase the amount on line 7 by $600,000,000.

On page 9, increase the amount on line 8 by $500,000,000.

On page 9, increase the amount on line 16 by $300,000,000.

On page 9, increase the amount on line 17 by $200,000,000.

On page 9, increase the amount on line 25 by $300,000,000.

On page 10, increase the amount on line 1 by $200,000,000.

On page 10, increase the amount on line 9 by $400,000,000.

On page 10, increase the amount on line 10 by $300,000,000.

On page 10, increase the amount on line 19 by $200,000,000.

On page 10, increase the amount on line 20 by $200,000,000.

On page 11, increase the amount on line 4 by $300,000,000.

On page 11, increase the amount on line 5 by $300,000,000.

On page 11, increase the amount on line 13 by $500,000,000.

On page 11, increase the amount on line 14 by $400,000,000.

On page 11, increase the amount on line 23 by $200,000,000.

On page 11, increase the amount on line 24 by $200,000,000.

On page 12, increase the amount on line 8 by $200,000,000.

On page 12, increase the amount on line 9 by $200,000,000.

On page 12, increase the amount on line 17 by $300,000,000.

On page 12, increase the amount on line 18 by $200,000,000.

On page 13, increase the amount on line 2 by $200,000,000.

On page 13, increase the amount on line 3 by $200,000,000.

On page 13, increase the amount on line 11 by $200,000,000.

On page 13, increase the amount on line 12 by $200,000,000.

On page 13, increase the amount on line 20 by $200,000,000.

On page 13, increase the amount on line 21 by $200,000,000.

On page 16, increase the amount on line 13 by $1,300,000,000.

On page 16, increase the amount on line 14 by $1,500,000,000.
On page 16, increase the amount on line 22 by $6,400,000,000.
On page 16, increase the amount on line 23 by $1,800,000,000.
On page 17, increase the amount on line 6 by $7,600,000,000.
On page 17, increase the amount on line 7 by $5,600,000,000.
On page 17, increase the amount on line 16 by $300,000,000.
On page 17, increase the amount on line 17 by $200,000,000.
On page 17, increase the amount on line 24 by $700,000,000.
On page 17, increase the amount on line 25 by $500,000,000.
On page 18, increase the amount on line 7 by $1,000,000,000.
On page 18, increase the amount on line 8 by $800,000,000.
On page 33, increase the amount on line 13 by $2,700,000,000.
On page 33, increase the first amount on line 14 by $3,500,000,000.
On page 33, increase the second amount on line 14 by $8,000,000,000.
On page 44, increase the amount on line 6 by $2,700,000,000.
On page 44, increase the first amount on line 7 by $3,500,000,000.
On page 44, increase the second amount on line 7 by $8,000,000,000.
On page 44, after line 21, add the following:

SENSE OF THE SENATE

SEC. 4. It is the sense of the Senate that the revenue increases recommended in this concurrent resolution should not increase income taxes on low- and middle-income Americans.

□ 1550

Mr. HART. Mr. President, in November of last year, I wrote over 100 of this Nation's economic, academic, business, and political leaders to discuss budget policy in the aftermath of the so-called Gramm-Rudman amendment. I would like to share with my colleagues comments from the replies I received from these 100 or 50 national leaders.

Referring to the Reagan economic program, Dr. Walter Heller, the distinguished former Chairman of the Council of Economic Advisers, said this:

This "fiscal child abuse" will shortchange future generations by leaving them with a smaller productive patrimony. What to do about it? (First), shrink government spending and boost government revenues to narrow the deficit.

That is what the budget resolution does, Mr. President. But then Dr. Heller proceeds to say this:

Boost government investment in human brain power—education, training and the like; and research, development and technology * * * that is so vitally needed for a healthy (economy).

This last prescription, Mr. President, is what the Hart-Chiles amendment does.

Nobel Laureate James Tobin urged:

Re-educate the public regarding the social value of government expenditures. Investment in human capital may well do more for the future well-being of society than more plastic and glass shopping centers.

Mr. Lee B. Thomas, Jr., chairman of the board of the Vermont America Corp., said this:

In my judgment, security does not come out of a bomb. It comes from a viable system where we are sufficiently prosperous that we are not a threat to others and where we can help those less fortunate.

I received a number of letters which expressed the same thoughts. Over and over, the message communicated was this:

If you care about our country and the economy, write a budget that invests in the future. If you care about the ability of this Nation to compete in the global economy, invest in the future. If you care about the wasted talent in our schools, our factories, and our barrios, write a budget that lifts the skills of the people who are our future.

The amendment the Senator from Colorado and the Senator from Florida are offering today, with 11 of our colleagues, is a direct response to those concerns. It complements—and improves upon—the education amendment that was adopted last week by the Senate.

Senators DOMENICI and CHILES deserve credit for trying to reverse the flawed priorities that have haunted our budgets since 1981. But we must challenge this body to do more than rearrange the austerity of Gramm-Rudman. This amendment would commit the Nation in 1987 to $3 billion in key investments—for education, science, retraining, and basic research. It is a statement by its supporters that our goal should not be cutting less, but accomplishing a lot more.

How do we propose to accomplish more? By investing. By paying now for benefits that will accrue for the remainder of this century and into the 21st century. These investments are sound proposals to fund new initiatives and invest more in the most successful or current programs. Three major investment strategies are proposed in this amendment: Investing in science and technology, investing in resource development, and investing in education and training.

INVESTING IN SCIENCE AND TECHNOLOGY

Our amendment proposes $600 million more in science and technology oriented programs in fiscal 1987. The returns of this investment will be substantial. Study after study show the astronomical rates of return that accrue to society when innovations take place. A median return of more than 50 percent was recently reported in a study of major innovations. The history of our Nation's involvement in scientific research demonstrates clearly that there is a role for the Government to play as a catalyst for innovation, encouraging all aspects of that complex and critical process.

We need to increase our support for research into tomorrow's technologies—from theoretical physics to advanced ceramics and robotics, from biomedical research to information technology. These research programs, centers, and—most critically—scientists and innovators are the intellectual infrastructure of this Nation's economic future. We all recognize the need to preserve and, where cost effective, expand our system of roads, bridges, and waterways; we must recognize these same needs in the less tangible but, for our future, far more important infrastructure of our Nation's knowledge.

INVESTING IN RESOURCE DEVELOPMENT

Our legacy will consist largely of the quality of the natural resources we leave to the next generation. This amendment seeks to provide for this legacy by using research and development techniques to improve this Nation's resources.

We can improve energy conservation, and supply, thus contributing to national security. We can lower the cost of farming, thus contributing to a long-term solution to the farm crisis. We can develop better, lower cost, technologies for environmental protection, and thus fuller development of many of our most plentiful natural resources. We can invest in metallurgical technologies; in Landsat, in hydrology. The list of high return investments is numerous, but the total cost is, by the standards of our national budget as a whole, quite small. This amendment proposes investing an additional $600 million for these programs in fiscal 1987.

INVESTING IN EDUCATION AND TRAINING

Last week the Senate made a substantial improvement in this resolution by increasing funds for education. We heard many persuasive arguments concerning the need for increased investments in education. I agreed with these arguments and voted for the amendment. This proposal builds on that advance.

We propose substantially increasing the commitment to new initiatives in education; the Federal Government should assist and encourage the States to innovate. I have proposed initiatives to improve math, science, and communications education that go beyond restoring the Gramm-Rudman slashes. The American Defense Education Act, the High Tech Morrill Act, and others are proposals that in detail layout the role the Federal Government can play to assist industry and academia to cooperate on technology education. These and other new initiatives could be funded by the increase in education proposed by this amendment.

This amendment also calls for increasing outlays for training by $500 million in fiscal 1987. The past 5 years have seen the Federal commitment to

training shrink almost as dramatically as the need for such programs has grown. Funding has dropped at an average annual rate of 10 percent per year; while some of this decline can be attributed to programs that were not working, the proper response is to develop better programs, not abandon commitments to our work force. The Hart-Chiles amendment would allow for the expansion of successful programs to provide a wide range of training services for the out-of-work workers of this Nation.

This amendment recognizes what the writers of Business Week recently found about training programs for minorities is also true for a wide range of training programs—and, for that matter, investment programs generally. Simply, we know what to do. We know what works. In the words of Business Week:

> What has been missing is a commitment from any Congress or Administration to organize these proven ideas into a cohesive effort—and provide the money to make it succeed.

Accomplishing more for America will cost more. As with the Andrews proposal of last week, our amendment will pay for these investments dollar-for-dollar with new revenues, just as the law requires. Further, our amendment makes clear that added revenues to fund essential investments should not, must not, and will not come from the income taxes paid by low- and middle-income Americans.

In an era of cheap political dialog, it has become fashionable to pummel ideas with slogans that fit comfortably on bumper stickers, but which have no real place in the U.S. Senate.

The Senator from Colorado was not surprised to hear this amendment called tax-and-spend in last week's debate, but he was disappointed to hear such jargon coming from a member of his own party. Some people may be embarrassed by the legacy of a party which supported infrastructure, the GI bill, the National Defense Education Act, NASA, and Medicare. But this Senator is proud of a country that cares enough about its people to invest in programs that make growth and opportunity possible for an ever wider range of Americans.

The Senator from Colorado believes that the content of Government spending is more important than its overall level. There are those who argue about defense spending only in terms of percentage increases or decreases. This mentality has led us to spend more on defense, but we have not seen an equivalent return in our Nation's security.

The rate of return on this amendment will be substantial. We know that the private market, left to its own devices, performs too little R&D. Good business practices dictate that any expenditure be compared to the return it offers the company making the investment. Their private rate of return is often less than the return which accrues to society as a whole. Computers, for example, have led to greater savings to society than the benefits which accrued to the innovators.

Current estimates show the rate of return on education investments to be at least 7 to 11 percent after inflation; a higher return than IRA investments; more than double the return of the Dow Jones Industrial average over the last 20 years—a higher rate of return than the cost of Federal debt. Put another way, Mr. President, it is estimated that an educated American produces about $6 in advantages to this Nation's economy for every dollar that it costs for that education.

Three billion dollars in 1987 may look substantial in comparison to the revenues provided in the resolution. It represents, however, an overall revenue increase of less than one-half of 1 percent. The additional revenues are less than one-tenth of 1 percent of our gross national product. Three billion dollars is roughly the same share of the economy as half a penny is to a 10-dollar bill.

This amendment is worth the money it costs. Senator CHILES and I believe that our people are willing to spend money, invest money, to help our economy grow, to create new opportunities, to meet and overcome the challenges we face from abroad. In contrast to the "borrow and spend" philosophy which has animated our budgets for 6 years, we are proposing a modest "pay-as-you-invest proposal" to help secure this country's future.

The promise of American life has been realized as each generation has created new opportunities for the one that follows. There are 20 million young Americans between the ages of 18 and 22. Another 15 million are 14 to 17 years old. It will be their skills and their creativity which lead this economy into the 21st century. Decisions we make today, on this amendment and on our budget priorities as a whole, will determine, 14 years later, whether that promise of a better life and a better future will be fulfilled.

Mr. President, I yield to the Senator from Florida.

Mr. CHILES. Mr. President, I join my colleague, Senator HART, and congratulate him on his work on the amendment we are offering today. It certainly represents what we believe should be done to make sure this country will be able to compete in the future much better than it does today.

I want to begin by telling you what the amendment does not do. It makes no further cuts in military spending beyond those contained in the budget resolution reported by the committee. And it includes language rejecting any proposal to increase the average American's income tax.

What it does do is increase the chances for all Americans to meet the competition by making our foundations stronger.

The bipartisan budget plan accomplishes the necessary task of eliminating crushing Federal deficits which block the path to economic growth. Deficit reduction is a necessary step, but it is not sufficient to achieve growth. Now it is time to build. And what we need is a design, and that design I think should be the kind included in this amendment.

Starting right now, we need to invest in our country. We need to educate and train our people who want good jobs.

We need to accelerate research in science, medicine, and basic technology. And, if we want to keep the American economy moving, we must expand our search for foreign markets.

Smart farmers with a good harvest in the barn start planning right away for the next crop. Their future depends on hope and hard work. And so does the future of this Nation.

So this amendment includes three major initiatives in science and technology; in resource development; and, in education and training.

These are all tied together—if we want good engineers, we must improve our math and science teaching. We must provide graduate training and we must provide research and development opportunities once they are trained. The Japanese and Germans outinvest us.

Over the 3 years between 1987 and 1989, the amendment calls for a $3.1 billion investment in science and technology.

More than ever before, we must see the future for what it is: A test of the Nation's imagination to be successful in a more competitive world.

Over the next 3 years, this amendment calls for a $2.2 billion investment in resource development, including funds for agriculture and energy. With oil prices as low as they are, memories grow short. We forget about the mid-seventies and the warnings that oil resources were dwindling.

Today, the low price of oil is a function of production rather than new finds. This is exactly the time we should try and anticipate how to deal with tomorrow's demand. And with agriculture under the gun, we should be looking forward to see how fresh research can help in the future. That same thinking applies when it comes to natural resources. Certainly, we should not need to be reminded how a tense world can lead to embargoes on critical materials.

Finally, the amendment includes spending of $12 billion over 3 years on education and training.

Every generation in this country—whether living was "soft"or times were hard—made the sacrifice and the investment to make those times better for the generations to follow.

If we excel in some areas today, it is because we made investments yesterday. And if we have problems in other areas now, they would be far more serious if we had not made investments before.

Investments now will make us a stronger nation, more efficient, and better able to protect ourselves at lower cost as we unfold new technology and discover better materials. It will certainly make us stronger as we help our workers and young people develop better skills to prosper in a competitive world.

So I hope my colleagues in the Senate will give their support to this initiative.

The PRESIDING OFFICER (Mr. EVANS). Who yields time?

Mr. DOMENICI. Mr. President, I yield myself as much time as I may need.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, the ideas of my good friends on the other side of the aisle have some merit, but, frankly, I believe that this amendment is really tax, tax, and spend, spend. I do not think there is any other way to categorize it. Three billion dollars in the first year in new budget authority, and over the next 3 years, not $5 billion, not $10 billion, not $20 billion, but $21 billion in new budget authority.

We already have heard that the budget before us, which contains $18 billion in new taxes and $72 billion over 3 years, is more taxes than a number of Senators think the American people want to pay, and certainly more than we can pass in the Senate. Anyone who thinks that $72 billion is too much should add the $14 billion proposed by this amendment, and realize that we are talking about $87 billion in new taxes over 3 years.

Anyone who likes can come here on a budget resolution and say: "Here is my amendment. I want to add $3 or $4 billion to the resolution, and here is where I want to spend it. I look at the programs our country has, and some of them are outmoded. I do not want the money that I am adding spent for these outmoded programs. I have a new idea; I want to revitalize America's scientific education programs. Therefore, I want to spend $3 or $5 billion on my new program."

But the truth of the matter is that is not the nature of budget resolutions. If the Senate adopts this amendment, what we have effectively done is told the Finance Committee: "You raise these new taxes." I assure you that this instruction is effective because it is forthright, and simple. Furthermore, it is directed to the committee responsible for raising new taxes. That instruction you will get accomplished, assuming the President signs the bill.

The second half of the equation, and I say this with all deference to my good friends on the other side of the aisle, is nothing more than a wish list. Anyone who wants to have a new wish list for the United States can come here and propose one. But all the new money that is added to these various functions of Government will be added with absolutely no assurance that the Senate will adopt a single new idea.

□ 1610

Yes, we will have added taxes, and, yes, we will have added spending. But there is no assurance that any of the new ideas proposed will be authorized and funded.

I think I can safely say without a great deal of fear of being wrong, that this money would be used. If the Congress raises taxes, the money will be used. However, there is only a slim chance this money would be spent for any new ideas.

Think about this, I say to my colleagues. Where is there authority to spend any of this money on these programs? It does not exist. We would have to pass a new auhorizing bill, perhaps called the Hart education program, or the Hart science research program. This authorization bill would have to pass the Senate and the House, and be signed by the President. But if that does not happen, the Congress will spend the new tax money on whatever programs it chooses.

Frankly, I really do not believe there are an awful lot of U.S. Senators that, understanding this, would support a tax increase of $15 billion without one single assurance that there would be any change in the portfolio of existing programs.

Now I could say a lot more, but let me instead summarize. Being as generous as I can, this amendment is an invitation to add $15 billion in new taxes in the next 3 years and to add—and I regret to use this expression but I will, nonetheless—a slush fund for the U.S. Congress. It is a slush fund to be used for whatever existing programs Congress chooses to fund, with no assurance that we will be on a new path with regard to education, science, and research.

I do not think that this is an overstatement of the case.

I yield the floor at this time. I would only ask Senator HART how much longer he thinks he needs to debate on his side.

Mr. HART. Mr. President, I want a few minutes to respond to comments made by the distinguished Senator from New Mexico. I know the minority leader, Senator BYRD, is a principal sponsor of this measure and he wants to be heard also. I would think at least another 15, 20 minutes on our side.

Mr. DOMENICI. I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. I believe the Senator has time on his own amendment.

The PRESIDING OFFICER. The Senator from Colorado.

□ 1620

Mr. HART. Mr. President, we have heard a great deal from the President of the United States, the White House, and others in the last few years about a strong America. "Daylight or dawn has come to America. America is standing tall."

Well, that all sounds very good. And, to the degree this country stands tall only by spending $1½ trillion on one agency, the Defense Department, I suppose there is a degree of truth to it, presuming all those $1½ trillion were wisely and well spent and what standing tall means is buying more weapons.

But, Mr. President, life is not quite that simple. Strength is not quite that simply defined.

For the information of my colleague from New Mexico and perhaps others, let me read off some rather disturbing information that has to do with whether or not we are standing tall, and whether dawn or whatever it is has come back to America.

Mr. President, we continue as we have for the past 5 or 6 more years to lose the race with our international competition. The result is a lower standard of living for America. In the last 5 years the U.S. trade balance in high technology where we are supposed to have leadership has declined by more than $20 billion. That is to say we have lost $20 billion of income to our foreign competitors in the area of international competition where we are supposed to be the world leader.

By 1985, the number of robots installed in Japanese factories was twice as great as the United States. That is a nation about a one-third of the size in population. As a proportion of gross national product the United States spends less than any of its major trading partners on industrial research and development. The military proportion of Federal research and development was 50 percent of our Federal budget in 1980. This will grow to 75 percent under the President's budget; three-quarters of all Federal dollars spent on research will be spent by one agency, the Pentagon. Japan graduates twice as many engineering students per capita as the United States. The U.S. productivity growth in this decade has been the lowest among our major trading partners.

Mr. President, many of us saw a news story that was disturbing to us

who care about a strong America that showed that 13 percent of all adult Americans are functionally illiterate. That is not what I call a strong America. U.S. students scored at or below the average of 19 other countries on a series of math achievement tests administered to 8th and 12th graders. High school seniors fell to the lowest fourth in the countries on the algebra and geometry and numbers system test—the lowest fourth of the countries. Only 15 percent of American high school students study a foreign language, down from about 24 percent in 1965. That is not what I call a strong America.

Over 27 million adult Americans are functionally illiterate with less than 10 percent of those receiving remedial education each year—not a strong America. Over 11 million workers permanently lost jobs to the plant closings and layoffs between 1979 and 1984. Nearly half were employed by manufacturing industries hardest hit by foreign competition—not what I would call a strong America.

Yet, at most, out of those workers 5 percent of those eligible to participate in training programs are being served at existing funding levels. At least 20 percent of displaced workers lack reading and basic math skills. When they lose job-specific skills, seniority, benefits, and long-term earnings losses result. Among displaced workers who find reemployment, 45 percent report pay cuts.

The list goes on, Mr. President. We are talking about a strong America. We are talking about America standing tall in the 1980's. This is the untold story. This is the dirty little secret of the so-called economic recovery. We are not recovering economically. We are recovering in certain industries. The defense industry is certainly recovering. That is where most of the Federal spending has gone.

The Senator from New Mexico talks about a wish list. How in the world have we been financing our so-called military buildup if it has not been a wish list? It is the biggest wish list in this or any other country's history. How can a President and how can that President's party say that we automatically get stronger militarily by throwing money at the Pentagon when we do not automatically get stronger by putting money into education, training, and research programs?

Where does the logic fail? Why is the Pentagon a so much more efficient spender of Federal tax dollars than the Department of Education? Is there not here an ideological bias, Mr. President? Is there not here a bias that says every dollar we send across the river to the largest bureaucracy in the Federal Government is well spent, where every dollar we put into education programs and training programs is poorly spent?

Of course, it is a wish list. But it is a wish list founded upon fact. The fact is this country is falling behind. The fact is this country is getting weaker and not stronger in terms of educating and training our citizens, and making our factories more competitive.

Why is it that a wish list for the Pentagon is all right, and a wish list for education is somehow bad? The Senator from New Mexico says there is no guarantee that the programs designed for these investments will be passed. But that Senator well knows if he were on the floor that, if we were to go to the authorizing committees and ask for the passage of the American Defense Education Act, an act that has been pending or a bill that has been pending for the last 5 or 6 years in this Senate, the first thing we would hear is, well, we cannot authorize this program because the budget contains no money for it. The Senator knows that very well.

So what he is doing is turning the chicken and egg situation back on itself. What he is saying is we cannot put money in this budget because the American Defense Education Act has not been authorized, nor has the High Technology Act, nor have a number of other bills that have been pending for several years in the Senate to address the economic grievances in this Nation and invest in this Nation's future. They are not being passed because people say there is no money in the budget. Where do you break the cycle? If we cannot put money in the budget because the bills have not been passed, and we cannot pass the bills because there is no money in the budget, this country is going to continue to spiral downward.

How can we have a 5- or 6-year military buildup based upon wish lists when we cannot do the same thing for a fraction of the cost for the education and training of the young people and the workers of this country? How can we continue to see this country decline in terms of information, in terms of intelligence, in terms of reading skills, in terms of investments in the factories and the workers and the machinery of this Nation because it is a wish list? Of course it is a wish list. It is a wish list for a different kind of country. It is a wish list for a country that can compete with our foreign competitors.

Where is the vision in the U.S. Senate? Where has it gone? Was it stolen away by Gramm-Rudman? Is this country going to continue to be a second-class power because all we have are wish lists? I thought that is what this country was based upon—vision or wishes, and belief in the people of this Nation. Why can we believe we are going to get stronger as a nation for spending $1½ trillion in one agency when spending a fraction of that amount on the people of this country is not also going to make us strong? Why did one kind of spending get to be effective spending, and other kinds of spending did not get to be effective? It is because the priorities of this Nation are warped, Mr. President. That is what this debate is all about.

The Senator from New Mexico talks about taxes, a dirty word—a word that has been made very dirty by this President. Where did the money come from for the military buildup? It did not come from the tooth fairy. It came from taxes. I believe the American people if they were presented a vision and presented a sound and sane set of priorities, and they knew that the money we were asking for was going into the education of their children, the training of our workers, research in agriculture, energy, and new technologies, they would pay that money. But they are not being asked. They are being told if you advocate any of these programs, it is tax and spend, and it is the old way of doing business. Well, I say nonsense. If we do not raise some revenues from cigarettes, from alcohol, from gasoline, from a variety of other sources, and direct that revenue into this kind of investment, we are going to be a second-class power and we are going to deserve it.

You do not get to be a first-class power in this world by just building MX missiles. That is what we have tried to do for 6 years, and it has not worked. Education levels are falling, competitive skills are falling, productivity is falling, and that is not national strength.

That is what this debate is all about. How come we can raise taxes to pay for the military and we cannot raise taxes to pay for college education? How come we can find the money for MX missiles and B-1 bombers and all the rest of it, but we cannot raise 2 cents' worth on a gallon of gasoline or a cent on a package of tobacco or cigarettes and put it into the education system of this country? Something is wrong with our priorities, Mr. Presiden.

We have been intimidated by Gramm-Rudman. We have been intimidated as the infamous Mr. Stockman has now said by false and phony created deficits so we could not raise the revenues to pay for these kinds of programs.

Sure, there are wish lists, Mr. President. I do not want to be in the U.S. Senate when this country quits wishing, when this country has no vision, when this country thinks national strength is only nuclear weapons.

There is a wish list. There are new ideas. There are specific programs that can be passed. And there is the money to pay for them.

I think the case ought to be taken to the American people and I think the sponsors of this amendment would win.

You can reduce the vision of the country if you wish. You can do it for 5 or 10 years. But the people of this country are going to want that vision back. They are going to know, as they know today, that the hope and promise of tomorrow is not found in one agency alone called the Pentagon. It is found in the hearts and the minds of the young people and the workers of this country.

Mr. President, that is what this amendment is all about.

□ 1630

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Other than Senator BYRD, who will speak shortly, there are no other Senators who wish time on the Senator's side. Is that right?

Mr. HART. The distinguished Senator from West Virginia, to my knowledge, is the only Senator requesting time.

Mr. DOMENICI. Let me use 2 or 3 minutes and then I will be glad to yield to the minority leader.

The Senator from New Mexico made a statement that we could increase taxes here today by telling the Ways and Means and Finance Committees to raise $15 billion in new taxes over and above the $72 billion in this resolution. But with regard to the new programs that the distinguished Senator has in mind for this country, there is little or no assurance that they would be passed and funded. Funding these programs require new laws to be passed.

Incidentally, it is interesting to note that the money would even be available for defense programs.

The distinguished Senator from Colorado ought to know that the reason we do not pass a new Defense Education Act is because we do not have any money to pay for it. Let me say that the Senator from Colorado also ought to know that the Budget Act does not place any restrictions on passing new authorization bills, unless they create automatic spending.

If there is someone who wants to pass the Defense Education Act, there is no point of order under the Budget Act. And once passed, it would compete with all the other authorization bills when the appropriators decide whether or not to pay for it.

The Budget Act is not the restraint. It may very well be that the President of the United States would not sign the bill. That may be why it does not pass the Senate. But that is the issue entirely.

I want to make one last statement. The Senator from Colorado knows that I have great respect for him. I think he knows that I am one of those who believe that the real downside of our current austerity is that we cannot fund any new ideas to adjust to new problems.

But there are two reasons that we cannot do any new things. One is simply not enough money. The other is that Congress continues to insist that all the old programs continue, even if they are not working. Congress seems to be afraid to reform or eliminate our current programs in order to do something new.

But the most preposterous statement that I must correct, is the statement by my friend from Colorado that we are going to have a new day, a new country, if we pass his program.

Let me put that in perspective.

Is the Senator really serious that with $3 billion in 1987, we can change America? Is he really serious that that is all it takes to turn America from whatever he thinks she is to whatever he thinks she ought to be?

That is a bit of an overstatement. I have never doubted the sincerity of the Senator from Colorado that he thinks these things ought to be done. But how can he claim that adding $3 billion the first year and $21 billion over the next 3 years in new spending to an America whose gross national product approaches $4.5 trillion a year and where 92 percent of the education dollars spent in the country come from non-Federal sources, we will change the country? That somehow we will wake up in 2 years or 3 years or 4 years and we will no longer have competitive problems with Japan? We will become more productive? Our education dollars will be spent better? Our young people will be better trained?

I really cannot resist saying I think this is a bit of an overstatement.

I repeat, this is a budget resolution. If you read the amendment carefully, you will not find a single statement about specific programs. What you will find is that the tax side of the budget will go up. On the spending side, four or five of the major functions of Government will have money added under the Hart amendment without specific instructions on how to spend the money. That is what we are voting on.

The rest of it, as I indicated before, is a wish list.

Mr. CHILES. I yield such time as the distinguished minority leader might desire.

The PRESIDING OFFICER. The Democratic leader.

Mr. BYRD. I thank the Chair.

Mr. President, the amendment now before the Senate sponsored by Senators HART, CHILES, and myself, along with others, is an embodiment of the democratic view of this Nation's budget priorities. These priorities—economic growth, international competitiveness, and investment in the future—have been sadly lacking in the past 5 years.

In fact, with the record deficit financing during that period, and the staggering level of public debt that has ensued, the Federal Government has, in effect, embarked on a course of massive disinvestment in the future prosperity of this Nation. By continuing a philosophy of "borrow and spend," this administration has foisted onto our children the bills that rightfully belong to this generation.

If this Nation is to have a bright future for all its citizens, the Federal Government must wean itself from this practice and demonstrate the wisdom and courage to decide what this country needs and then develop the means to pay for it. This amendment would do just that.

Mr. President, unlike the Gramm-Rudman budget's tunnel vision, this amendment projects a vision of the future. It would restore funds to education programs so that our children can develop the basic skills and creativity that will be necessary in the world tomorrow. It would foster the additional scientific research and technological development that will be a cornerstone of tomorrow's economy. It promotes maintenance of a skilled and flexible work force. It provides for the wise and productive use of our natural resources. And it will encourage the expansion of opportunities in the international marketplace.

This amendment was crafted by the budget working group of the Democratic conference, under the able leadership of the senior Senators from Colorado Mr. [HART] and Florida Mr. [CHILES]. Working with other members of the group, they devoted considerable time and effort to transforming the statement of budget principles, which was endorsed by the conference in January, into the legislative amendment now before the Senate.

Before I go any further, let me say that this amendment repairs a major flaw in the budget resolution reported by the committee. While I commend the chairman of the committee, Senator DOMENICI and the ranking member, Mr. CHILES, for their leadership in bringing this bipartisan budget to the floor, I believe that the resolution can be significantly improved. This amendment is an attempt to do just that.

While this amendment will promote economic growth, enhance our international competitiveness, and provide for necessary investments in the future prosperity of this Nation—by investing $3 billion more in fiscal year 1987, and $17.1 billion more over the next 3 years, in the vital fields of education, job training, and basic science and research than would the budget resolution reported from the Senate Budget Committee—it will also pay for those investments. The amendment rejects the "borrow and spend" philoso-

phy that has permeated this Government's fiscal policies since 1981. The supporters of this amendment believe that it is time to halt that destructive practice before it adds yet another trillion dollars to the public debt—debt that must be paid off by future generations.

But in proposing this "pay as you invest" amendment, the sponsors are unequivocal in their belief that the revenue necessary to fund these investments must not come from increased income taxes on low- and middle-income Americans. These citizens have formed the backbone of this Nation and its tax system. Yet, to ask them to pay even more while profitable corporations and wealthy individuals escape or evade paying their fair share is unconscionable.

Some two-thirds of the funds in this amendment, $11.8 billion over the next 3 years, would go into the education and training function of the budget. These funds would restore the Nation's historic commitment to the education of our children and the development of a skilled and flexible work force, and will encourage development of new curriculums, especially in math, science, and foreign languages; combat adult illiteracy and growing high school dropout rates; and ensure a better education for those children most at risk.

These investments in education also make a significant contribution to our future national security. I firmly believe that, along with strong Armed Forces, an educated society is one of our first lines of defense.

As the economy expands, the changes with which workers must cope also increase. The training funds in this amendment could expand training programs for dislocated and disadvantaged workers as well as develop new approaches to dealing with the worker's role in the changing job picture.

The amendment would also commit $5.3 billion over the next 3 years to fund initiatives in scientific and technological research as well as resource development. Tomorrow's economy will demand the latest state-of-the-art developments in biomedical research, supercomputers, fiber optics, and other advanced processes. And with such advancements will come the need to develop and manage our natural resources even more wisely.

Mr. President, this amendment is a vital improvement to the resolution reported from the committee. It would redirect the budget priorities of the Federal Government toward the investments necessary to provide for the long-term future prosperity of this Nation.

Therefore, I urge my colleagues to support this amendment.

□ 1640

Mr. HART. Mr. President, a parliamentary inquiry: How much time remains on the side of the proponents of the amendment?

The PRESIDING OFFICER. There are 27 minutes for the proponents, 38 minutes for the opponents.

Mr. HART. Mr. President, I yield myself as much time as I may consume.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. HART. Mr. President, I am perplexed by the response of the Senator from New Mexico, for whom this Senator and all Senators have such high regard. The first 20 minutes of his argument against this amendment were that it spent too much money. The last 5 minutes, his argument was that it did not spend enough. I am not quite clear what his objection is.

The Senator from Colorado has been guilty of rhetorical excess, as perhaps one or two other Senators in the history of this body have been, but in this case, I think not to the degree that the Senator from New Mexico has said. I think a clear and distinct record of the remarks made by the Senator from Colorado in support of this amendment would show my colleague from New Mexico that no vast promises of the sort he was responding to were made. What the Senator from Colorado was talking about was a different set of priorities for this body, that it address strength from a somewhat different, somewhat more complex point of view than just buying military weapons.

The Senator from Colorado was strongly indicating, perhaps not as clearly as he might have, that these investments, as small as they might seem to the Senator from New Mexico, were adequately addressing somewhat different priorities. No intent was contained in the remarks of the Senator from Colorado that these investments alone would fix this Nation's serious structural problems. But they are a beginning.

If we had a larger fraction of the amount of money spent in the last 5 or 6 years on military weapons, that would go even further, but we do not.

This is a modest amendment. I think the Senator is correct in that regard. It is not out of proportion to the needs of the Nation. It is a beginning and it is fashioned along the lines of what the Senators from Colorado and Florida thought we could achieve in terms of Senate support and national support.

Mr. President, I wonder what the mood of this Chamber would be—indeed, the mood of the American people—if we were to awaken tomorrow to the news that the Soviet Union had made a dramatic scientific breakthrough; if somehow, in space or here, on Earth, the Soviet Union had managed to make some giant leap into the future that we were unprepared to match. I think I can guess, because we have had some experience with that. I think there would be a hue and cry in this country for this country, the Congress and the Government, to do more: "Why don't we have more scientists, more physicists; why are we not turning out more mathematicians; why are our language skills so low; why has not the Congress done what it should do to make our country competitive with the Russians?"

That happened before, in 1958. The Russians put a little ball into orbit, called Sputnik. Americans went crazy, and rightly so, because politicians were asleep at the switch. We had not been paying much attention. American superiority in technology had declined.

What was the response of the American people? What I have indicated—do more, catch up, do what it takes, regain superiority, become competitive. Did we do that from the private marketplace? Did we wait for the States to educate scientists and mathematicians? No; we passed a national law, called it the National Defense Education Act. It was supported by a Republican President, Dwight D. Eisenhower. It spent Government money, it took tax dollars, and it educated a generation of scientists and mathematicians and indeed, we caught up. We caught up and we surpassed the Russians. And for a while, at least, we have had a tenuous lead in space.

We have also educated a generation of Americans that have made economic expansion in the sixties and seventies available to millions that would otherwise not have had those opportunities.

I hope it does not take another Sputnik. I hope it does not take another shock of some major Soviet initiative to wake this place up, wake up the politicians who say we cannot afford these things, we cannot afford to invest in education and training, science, mathematics and research, we cannot afford it. I hope it does not take some major dash of cold water in our national face to show that we have slipped so badly behind. I am afraid it might.

I just want the record to show that this Senator, the Senator from Florida, and a few others were issuing a warning to this country while an awful lot of our colleagues, probably a majority, were focusing on austerity, somehow finding dollars for the defense increases we constantly need, while a few are warning that this country is falling behind.

We may have the biggest aircraft carriers, but we are not educating enough engineers. We may have the most destructive warheads, the most accurate delivery systems, but we

cannot speak the foreign languages to make our business people competitive.

We may have the finest military power on Earth, but our factories are declining and rusting. And the list goes on, Mr. President.

I do not call that national strength. I call that national weakness. I think we had better wake up to what is going on.

□ 1450

Fifteen billion dollars is too much for the Senator from New Mexico on the one hand and not enough on the other. I would like to know what the number is. I know it is higher. I know it is higher than 15. How high I do not know, but we have to start someplace and then when we try to start the Senator and others say, "No, that is too much; we cannot afford that."

Well, we are either in trouble or we are not. There is either a serious problem or there is not. I know the Senator from New Mexico well enough to know that he does not believe the States are going to take care of this problem or the marketplace is going to take care of this problem. This country and its Government is going to have to help take the lead and take care of this problem.

I would like this amendment before we vote on it to contain language, as it does, which says that none of the revenues will come from income taxes on middle- and lower-income Americans because that is not the way we should finance these programs. There are other ways to finance these programs—oil import fees, and a variety of other ways, all spelled out by the Senator from Colorado and others. But as the Senator from New Mexico has reminded this Senator and as I guess all of us know, the Budget Act and the procedures of the Senate do not permit us to make those kinds of designations and so we will have to take that language out of the amendment. I would move that the amendment be so modified by deleting section 4 in the amendment to comply with the Budget Act.

The PRESIDING OFFICER. The Senator has a right to modify his amendment, and it will be so modified.

The amendment (No. 1808), as modified, is as follows:

On page 2, increase the amount on line 3 by $2,700,000,000.

On page 2, increase the amount on line 4 by $3,500,000,000.

On page 2, increase the amount on line 5 by $8,000,000,000.

On page 2, increase the amount on line 8 by $2,700,000,000.

On page 2, increase the amount on line 9 by $3,500,000,000.

On page 2, increase the amount on line 10 by $8,000,000,000.

On page 2, increase the amount on line 19 by $2,800,000,000.

On page 2, increase the amount on line 20 by $8,500,000,000.

On page 2, increase the amount on line 21 by $10,600,000,000.

On page 2, increase the amount on line 24 by $2,700,000,000.

On page 2, increase the amount on line 25 by $3,500,000,000.

On page 3, increase the amount on line 1 by $8,000,000,000.

On page 5, increase the amount on line 5 by $2,700,000,000.

On page 5, increase the amount on line 6 by $3,500,000,000.

On page 5, increase the amount on line 7 by $8,000,000,000.

On page 5, increase the amount on line 10 by $2,800,000,000.

On page 5, increase the amount on line 11 by $8,500,000,000.

On page 5, increase the amount on line 12 by $10,600,000,000.

On page 5, increase the amount on line 15 by $2,700,000,000.

On page 5, increase the amount on line 16 by $3,500,000,000.

On page 5, increase the amount on line 17 by $8,000,000,000.

On page 8, increase the amount on line 16 by $300,000,000.

On page 8, increase the amount on line 17 by $200,000,000.

On page 8, increase the amount on line 24 by $400,000,000.

On page 8, increase the amount on line 25 by $300,000,000.

On page 9, increase the amount on line 7 by $600,000,000.

On page 9, increase the amount on line 8 by $500,000,000.

On page 9, increase the amount on line 16 by $300,000,000.

On page 9, increase the amount on line 17 by $200,000,000.

On page 9, increase the amount on line 25 by $300,000,000.

On page 10, increase the amount on line 1 by $200,000,000.

On page 10, increase the amount on line 9 by $400,000,000.

On page 10, increase the amount on line 10 by $300,000,000.

On page 10, increase the amount on line 19 by $200,000,000.

On page 10, increase the amount on line 20 by $200,000,000.

On page 11, increase the amount on line 4 by $300,000,000.

On page 11, increase the amount on line 5 by $300,000,000.

On page 11, increase the amount on line 13 by $500,000,000.

On page 11, increase the amount on line 14 by $400,000,000.

On page 11, increase the amount on line 23 by $200,000,000.

On page 11, increase the amount on line 24 by $200,000,000.

On page 12, increase the amount on line 8 by $200,000,000.

On page 12, increase the amount on line 9 by $200,000,000.

On page 12, increase the amount on line 17 by $300,000,000.

On page 12, increase the amount on line 18 by $200,000,000.

On page 13, increase the amount on line 2 by $200,000,000.

On page 13, increase the amount on line 3 by $200,000,000.

On page 13, increase the amount on line 11 by $200,000,000.

On page 13, increase the amount on line 12 by $200,000,000.

On page 13, increase the amount on line 20 by $200,000,000.

On page 13, increase the amount on line 21 by $200,000,000.

On page 16, increase the amount on line 13 by $1,300,000,000.

On page 16, increase the amount on line 14 by $1,500,000,000.

On page 16, increase the amount on line 22 by $6,400,000,000.

On page 16, increase the amount on line 23 by $1,800,000,000.

On page 17, increase the amount on line 6 by $7,600,000,000.

On page 17, increase the amount on line 7 by $5,600,000,000.

On page 17, increase the amount on line 16 by $300,000,000.

On page 17, increase the amount on line 17 by $200,000,000.

On page 17, increase the amount on line 24 by $700,000,000.

On page 17, increase the amount on line 25 by $500,000,000.

On page 18, increase the amount on line 7 by $1,000,000,000.

On page 18, increase the amount on line 8 by $800,000,000.

On page 33, increase the amount on line 13 by $2,700,000,000.

On page 33, increase the first amount on line 14 by $3,500,000,000.

On page 33, increase the second amount on line 14 by $8,000,000,000.

On page 44, increase the amount on line 6 by $2,700,000,000.

On page 44, increase the first amount on line 7 by $3,500,000,000.

On page 44, increase the second amount on line 7 by $8,000,000,000.

Mr. HART. Revenues can be raised. They do not need to be raised from income taxes on middle- and lower-income Americans. There are a lot of ways to provide the revenues for this modest beginning in a kind of national recovery. What we are really debating here, Mr. President, is not taxes and it is not how much money is the right amount for science. What we are debating here is two visions about this country. One is that things are going pretty well; that we are strong because we built up our military; that we will be competitive because the marketplace and other levels of Government will make us competitive somewhere down the road; and that all our job is here is to comply with Gramm-Rudman, and that is where our vision ought to be, compliance with Gramm-Rudman.

Well, Mr. President, that is not the vision of the people who have offered this amendment. It is not enough. It ought to be more. We ought to change our basic priorities. The National Government, the politicians in Congress ought to take the lead in telling the American people what our priorities ought to be for the future to truly make this country strong. This is a step in that direction. Those Senators who share that vision, I hope, will support this amendment as a step back to true national strength and true national recovery and true opportunity for all Americans.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I understand there is one additional Senator desiring to be heard on the other side. The Senator from Colorado has how much time remaining in favor of his amendment?

The PRESIDING OFFICER. Eighteen minutes.

Mr. HART. I understand the Senator from Montana [Mr. BAUCUS] wishes to be heard and I would like to protect his right. Once he is heard, then we are prepared to go to a vote.

Mr. DOMENICI. I thank the Senator. While we are waiting for the Senator from Montana to arrive, let me just repeat a little bit of what I said before. This amendment, if adopted, would do one thing for certain. It would raise taxes in the first year by $15 billion. It adds $21 billion to the budget authority available for the U.S. Congress to spend over the next 3 years. Beyond that, it is nothing more than a hopeful statement of what some Senators would like to use this money for. There is nothing in this amendment that would assure the sponsors of this amendment that this funding would be used to fund their ideas.

Senators might recall how many years we went through trying to save. Whether one believes it was the right thing or the wrong thing, just remember the struggles we have gone through, House and Senate together, to reduce the expenditures of this Government. Does anybody know how much money was saved by the first reconciliation bill? My recollection is that we will spend as much under this amendment in 3 years as we saved in that entire exercise.

I want to repeat the other part of what I said earlier. I raised a question as to whether or not $3 billion would change the direction of our country. I might very well vote to make changes in existing programs in some of the areas that the Senator from Colorado proposes. We should do more in math and science. We should be educating more engineers. But, this amendment will not do that.

We could do many things differently. But it is rather preposterous to assume in a nation of our size, with education money coming from so many diverse sources, that the dramatic changes contemplated by the Senator from Colorado could be accomplished with $3 billion. A new day he said, a new competitive spirit, a new opportunity to be productive. I question whether anyone really believes that $3 billion more for job training and education would accomplish that. I cannot believe it.

Now, as I understand it, those who propose this amendment will try to tell the U.S. Congress as well as their constitutents that they know precisely where the taxes will come from.

□ 1700

I assure you that no one who comes to the floor—whether it be the Senator from New Mexico with a budget resolution, the senior Senator from Colorado with his amendment, or anyone else—no one will tell the American people that they may raise their income taxes.

Let me suggest that all we are doing here is saying to the committees that raise taxes: "You raise $15 billion more—no more, no less. We hope you will raise it through an import fee, which the distinguished Senator from Colorado has been for as well as the Senator from New Mexico. Or we hope you will raise gasoline taxes."

In reality, this amendment can only say to the committees of Congress that raise taxes: "Under our budget resolution, you are charged with raising $72 billion in taxes over 3 years. If this amendment is adopted, you will be charged with raising $15 billion more, and we hope you do it right. We hope you do it the way we have been telling the American people it ought to be done."

There are Senators on both sides of the aisle who believe that the U.S. Government ought to be concerned about some of the areas about which the Senator from Colorado has expressed concern. I know there are members of the Budget Committee on both sides who have done that. But I submit to all of them, that to vote for this amendment does not accomplish any of these things. It raises revenue and hopes that the new funding will be spent in the right place. If we get new laws passed, if the House and the Senate agree, then maybe it will be spent that way.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. COHEN). Who yields time?

Mr. HART. Mr. President, I yield the Senator from Montana such time as he may require.

Mr. BAUCUS. Mr. President, I join my colleagues, Senator CHILES and Senator HART, in supporting the American competitiveness amendment which they are offering.

I do so because our country is facing a crisis, not only because of our international trade deficit, but also, and more important, because of our decline in our American competitive position relative to the competitiveness of other countries.

We all know that we are facing a trade crisis. The fact is that our trade deficit with Japan last year was 50 percent higher than our 1980 total deficit was with the entire world.

Moreover, we are a debtor Nation. The United States of America is a debtor Nation. We owe more to foreigners than foreigners owe to us.

The last time that happened was in 1914. At that time, in 1914, we Americans were borrowing to finance industrialization. America was starting to grow.

Now that we are a net debtor Nation, what are we doing? We are borrowing. We are borrowing to finance consumption, and the debt is piling up.

At the rate we are going, our international debt will soon exceed the debt of Brazil, Mexico, and Venezuela combined.

If we are honest with ourselves, we must realize that much of our problem is lack of our competitive position compared to other countries.

Let us look at productivity growth. Between 1960 and 1983, the last year for which we have these figures, U.S. productivity grew by only 1.2 percent a year. During that same period, Japan's productivity grew by 6 percent a year.

The United Kingdom, which some regard as an empire in decline, rose by 2.3 percent. That was almost twice the annual rate of the U.S. increase in productivity.

There are many things we must do to strengthen our competitiveness; but the first thing we have to do is make a commitment, and this amendment that Senator HART and Senator CHILES are offering is a first good step in that direction. It is a statement of commitment, an American commitment, to do something about the underlying problem we face.

It directs spending to those areas where it is most needed—research and development, education, training, resource development.

I also intend to introduce a bill shortly to address these problems, and I must say that it will address the point the Senator from New Mexico made—that is, is this amendment of the Senator from Colorado just a wish, is it just a hope, or will it do something?

It is my hope that the bill that I and others will be introducing, authorizing legislation, will begin to address our competitive position. Of course, it is not the only solution. Many other bills will be introduced. I think it is a good start, because it takes up on the Young Commission report. The President asked the Young Commission to look into it, and the Young Commission report proposed that certain actions be taken to address American competitiveness. I must say that, unfortunately, the President has not yet given that Young Commission report the light of day. It has been buried, and it is gathering dust in the White House.

Essentially, the bill I will be introducing takes that report, makes sure it does not end up as wastepaper, and instead takes many of those provisions,

and we hope to authorize them into law.

At this point, I will not go into more detail with respect to the Young Commission, but it will flesh out some of the provisions that the Senator from Colorado and the Senator from Florida are beginning to address.

The long and short of this is that we have to begin. Our country must make a commitment, and we have to resolve to address our competitive position. It is clear to me that the amendment offered by Senator CHILES and Senator HART does that.

It is a statement of commitment. It is a statement to the people of our country and a statement to the world that, yes, the United States is going to do something about our decline.

It is true, as the Senator from New Mexico points out with respect to all the details of the pending amendment, that we are not at that position yet. This is a budget resolution. But before we can go down the road of fleshing out the meat and the bones and the kinds of competitive legislation we need, we have to get the budget authorization available, and that is what this is about.

Mr. President, I think that when we look back to this moment, whether this amendment is adopted or not, it is going to be one of those times when it is clear that if the amendment is adopted, it is a step in the right direction; and if it is not adopted, we will look back upon this time, and some Americans will think: "Maybe you made a mistake. You should have made that commitment."

I say that because our international competitiveness problem is not going to get better but will get worse unless we address it in the way the Senator from Colorado is attempting to do.

Mr. President, I yield the floor.

Mr. BINGAMAN. Mr. President, as a cosponsor of this amendment, I would like to offer my support for its adoption and urge my colleagues to join with me in its adoption.

As I have said during this debate, the resolution passed by the Senate Budget Committee, which is before us today, is a balanced and effective deficit reduction package. It complies with the Gramm-Rudman-Hollings target for fiscal year 1987 of $144 billion. It is a balanced approach in that it addresses the need for moderation in defense spending, some domestic cuts, as well as addressing the need for more revenues. It is a bipartisan approach and I support it and I compliment the chairman and ranking minority member for their leadership in bringing it to us.

Nevertheless we are faced with difficult choices that will directly affect our future. It has been recognized for some time now that our world leadership is at stake, as is our ability to provide for our people the standard of living and opportunity to which they aspire. This threat comes from the unprecedented emergence of strong foreign economic competition.

Yet, we as a nation have failed to grasp the challenge of the competition. Despite a declining dollar, the United States has posted another world record annual trade deficit which continues to worsen month by month. To pay for these foreign made products, the United States has become a net debtor for the first time since we emerged as a major world power in 1914. Borrowing at a rate of over $120 billion per year, the United States has already become the world's largest debtor. We have saddled ourselves and our children with enormous future obligations.

Wage rates and living standards are stagnant in real terms and we have 8 million people actively looking for work. U.S. productivity growth is only a fraction that of our competitors. Business investment in new, commercially productive plant and equipment is extremely low, as 20 percent of our industrial capacity remains idle.

Clearly, we have a severe, national economic problem which we need to address in a responsible, bipartisan manner.

The amendment before us today recognizes this challenge. It attempts to address our future needs and it calls for an investment in our future—in science, education, technological development, training, and trade promotion. These are the very areas that will make the country strong, competitive and capable. These are the programs that create new opportunities for all Americans.

The growth initiative would invest $3 billion more in fiscal year 1987 and $17.1 billion over the next 3 years in those carefully targetted programs which we need to stay competitive. These investments would be financed through increased taxes. However, the amendment provides that these revenues not come from increasing income taxes on low-and-middle income Americans.

Mr. President, this amendment provides a comprehensive program for economic growth and it importantly recognizes the challenge and opportunities for the future. it focuses on three major initiatives: Investment in science and technology, in resource development, and in education and training. We need to maintain these programs to help us to sustain our competitiveness in the world.

Mr. President, I urge the adoption of the amendment.

Mr. CHILES. Mr. President, we have modified this amendment to remove, for procedural reasons only, an important section which stated that "It is the sense of the Senate that the revenue increase recommended in this concurrent resolution should not increase income taxes in low- and middle-income Americans."

I believe, as do all the cosponsors of the amendment, that it is clearly possible to achieve the revenues necessary to pay for our investments in the future by making all individuals and corporations pay their fair share of taxes and not raise taxes on the coverage of individual taxpayers.

We have removed that language only because Members on the other side of the aisle objected to it being there. The point of order is not "self-executing." That means it did not have to be raised. No precedent would have been set if the point of order was not raised. We would have kept the language and kept the explicit statement that remains implicit.

● Mr. KERRY. Mr. President, I rise in support of the amendment offered by my colleagues, Senators HART and CHILES. This amendment affords us the opportunity to build upon the strong foundation provided for in the concurrent budget resolution presently before the Senate.

The sponsoring Senators have appropriately termed their amendment as a growth and investment initiative since it contends that certain investments must be made for necessary economic growth to occur. This proposal represents a comprehensive approach to funding programs in the following basic areas: Science and technology, resource development, and education and training. It provides financial assistance:

In science and technology for vital basic research and for new technological development in biomedical and biotechnical research, supercomputers, robotics, and fiber optics;

In resource development to support new initiatives in natural resources, including energy, agriculture, and metallurgy;

In education and training to ensure access to educational programs of highest quality and to provide dislocated and disadvantaged workers with the training necessary for their reentry into the work force.

Our Government has traditionally invested in the future of its people. Our general economic well-being is, in large part, a result of these historic investments. I urge my colleagues in the Senate to continue this tradition; to support these initiatives to increase our Nation's strength, its competitiveness, and its ability to provide its people with worthwhile opportunities; and to vote in favor of this amendment.●

Mr. MOYNIHAN. Mr. President, last week, I was pleased to cosponsor an amendment to the budget resolution offered by my distinguished colleague from North Dakota Mr. [ANDREWS], to restore vital funds for education programs. This amendment, which the Senate passed by a vote of 60 to 38, adds $1.2 billion in budget authority

and $200 million in outlays to the budget resolution for education.

The Andrews amendment assumes the fiscal year 1986 appropriations presequester levels plus inflationary increases for all discretionary education programs. Since it offsets the additional outlays with additional revenues, it is deficit neutral.

From fiscal year 1980 to fiscal year 1987, when adjusted for inflation, there was a 31.4-percent reduction in budget authority for all education programs. Although this administration would have us believe that it is committed to education, in fact, the President's fiscal year 1987 budget proposal would have cut education programs $3.2 billion—or 18 percent below the fiscal year 1986 pre-Gramm-Rudman appropriated level.

When the Senate Budget Committee, of which I am a member, considered the President's budget, a bipartisan majority of my colleagues opposed the severe cuts to education programs contained in the plan, and voted to defeat it.

Although a compromise proposal adopted by the Senate Budget Committee did include increases for education programs over the funding levels proposed by the President, they were not sufficient, and so again I voted "no."

Our amendment increases funding for the major education programs—well over the levels contained in the President's budget, and over those in the compromise plan, as well. For example, it will permit an additional 328,077 students to be served by title 1. That's 128,000 more students than would have been served under the compromise adopted by the Budget Committee and over 500,000 more students than are currently served. The same is true for the Pell Grant Program: Under the current services level, 2.8 million students are served by the program; under the compromise, 3.1 million students would have been served. However, under our amendment, 3.6 million students will receive Pell grants. And the list of programs goes on. Chapter 2, handicapped education, impact aid, vocational education, adult education, bilingual education, and most postsecondary student financial aid programs—funding for all will be increased under our amendment.

An amendment offered today by my good friend from Colorado [Mr. HART] and the distinguished ranking member of the Budget Committee [Mr. CHILES] would add about $3 billion for education, training, research and development, and investment in science and technology in fiscal year 1987. Another $14 billion would be added in fiscal years 1988 and 1989.

The intentions of the amendment are good, the programs worthwhile. Unfortunately, I cannot support an amendment that would require the Finance Committee to raise taxes an additional $17 billion above the $76 billion already required in the budget resolution.

It is not that I do not believe that taxes are a part of the solution to our deficit crisis. I do. In fact, in both the 98th and 99th Congresses, I introduced legislation to revise the Tax Code to provide that all persons who earn substantial income and all corporations that earn substantial profits pay a minimum amount to the Federal Government. We ought to have a fair Tax Code.

We also ought to collect what is owed us. That is why I joined Senator LAUTENBERG in introducing legislation to establish a Federal tax amnesty program.

We face the deficit crisis as a result of a deliberate policy of the administration to shrink the size of Government. In his new book, David Stockman makes explicit that the deficit was planned to make this necessary:

> The success of the Reagan Revolution depended upon the willingness of the politicians to turn against their own handiwork—the bloated budget of the American welfare state. Why would they do this? Because they had to! In the final analysis, I had made fiscal necessity the mother of political invention.

He ends by judging the whole exercise a failure:

> . . . [it] was a willful act of ignorance and grotesque irresponsibility . . . In the entire twentieth-century history of the Nation there has been nothing to rival it.

For the last 2 years, I have suggested that the Federal Government ought to sell some of its $257 billion portfolio of direct loans. The Congressional Budget Office has estimated that we could raise well over $100 billion from such sales. This year, the President included loan asset sales of about $2 billion in his budget. The Senate Budget Committee approved the idea this year, and such sales are included in the budget resolution.

We cannot rely simply on taxes and spending reductions to solve the deficit crisis. We must invest in our future—in educating our young, in training and retraining, in science and technology. But we have placed ourselves in a box, even over my strong objections. Taxes will be raised, but we must rely on other sources for revenue. Deficits must be reduced, and our commitment to education maintained. I will continue to support initiatives that accomplish these objectives.

The PRESIDING OFFICER. Who yields time?

Mr. GORTON. Mr. President, with one exception, I believe that this side is ready to yield back all time. The distinguished Senator from Washington [Mr. EVANS] wishes to speak. He is now on the floor, so I yield to the Senator from Washington such time as he may desire.

The PRESIDING OFFICER. The Senator from Washington is recognized.

□ 1710

Mr. EVANS. Thank you, Mr. President.

I shall not take long, and I do not intend to speak to the details of the amendment proposed by the Senator from Colorado and others.

But I do want to speak for just a few minutes about what he calls a vision for America or vision of America.

I think we all have a vision of America. Perhaps mine is a little different than that of the Senator from Colorado.

We can argue and have argued over the last few years about the adequacy of national defense. I have been as distressed as anyone in this Chamber about some of the stories about the inadequacies of performance. But let us remember just one thing, that a strong and able national defense is a priority for this Nation. The consequences of mistake are terminal.

Let me repeat that. The consequences of mistake are terminal. We must maintain a strong and able defense in order to ensure the freedom, continuation of our form of government and our very Nation itself.

Some programs in this Nation we just simply cannot quite let go. On the domestic side, my vision of America is that from time to time we ought to review what we have been doing. And we should recognize in some cases that good programs are no longer needed and programs we thought were good have turned out not to be quite so able.

The Senator from Colorado talked about meeting Gramm-Rudman. I think there is an enormous bank of misunderstanding about Gramm-Rudman and what it is, especially as we deal with the front end of the budget cycle. There is only one thing to meet and that is a specific level of deficit—a fixed rather than a floating target. It is the same requirement we place on nearly every State of this Nation. It is the same requirement we place on almost all of the local communities of the Nation. It is the same requirement we place on ourselves and on the businesses of this country—to meet a fixed target, not a floating target.

The Senator from Colorado suggests that somehow meeting Gramm-Rudman is a terrible confinement. It is no confinement at all. You can spend as much as you wish. The only requirement is that you tax accordingly. That is a pretty honest way, it seems to me, to look at budgeting.

The budget need not be restricted in national defense, in education, in wel-

fare, in Social Security, or anything else, as long as we are willing to stand up and vote for the taxes necessary to support that spending.

So let us dismiss from this argument the question of unusual limitations under Gramm-Rudman.

I guess my vision for a strong America and a free America is one where jobs are built, not welfare. One where our fiscal house is in such order that we continue to lower interest rates, and by lowering interest rates, make new homes affordable for our citizens and put people in the timber industry in my area of the country and in the construction industry throughout the country, back to work. We seek to create the jobs in a free enterprise economy that will ensure that we need not spend so much money on artificial welfare programs.

Let us ensure that through a strong economy and lowered interest rates people can afford new cars, and appliances, and new spending—spending that will make their lives and their families lives better.

This is not really a question of austerity. It is a question of choice, of common sense, of what comes first, and what direction this Nation ought to take in the next few years.

If interest rates come down and can aid us in this process, then too, will the dramatic reduction in inflation aid us in building a stronger and a freer economy.

Those we worry about who live on fixed incomes, who have no chance to respond to high inflation, are helped more by an economy that eliminates inflation than anything else we can do artifically. The biggest cheat of our elderly is high inflation—a tax that is not even levied but which steals from them just as surely as any tax we might levy in this Chamber.

The differences in the budgets which are being discussed are really not remarkable. We are operating at the margins. We are not talking about huge differentials in defense or nondefense spending. But what is remarkable is the difference in the signals that are sent. Will this be a signal for investment in America, for new factories and new jobs, and new confidence; or will we send a signal that we have chosen that old merry-go-round, the old merry-go-round of tax and spend and scare off investment and push us once again into high inflation, high interest rates, and recession?

I guess we should make a choice, Mr. President, and I know that I have made mine.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I yield myself as much time as I need. I want to respond to the distinguished Senator from Washington for just a moment.

Before he leaves the floor, might I say to my good friend, the junior Senator from Washington, that I greatly appreciate the few moments he spent here and I compliment him for his remarks.

As I indicated earlier, one of the problems Congress has is that we very rarely reform or eliminate our existing programs even if we believe that we should do things differently.

I think the Senator said it much better than I, and for that, I compliment him.

I would like to talk for a moment about fiscal austerity and what we can and cannot do under our current restraints.

I would like the Senate to know that under the Gramm-Rudman-Hollings 5-year emergency bill the Senator from Washington is absolutely right. The reason we are here on the floor is because we must get to a $144 billion deficit for the year 1987, as my friend from Washington said so aptly a few minutes ago.

Now, Mr. President, is that austerity? Is that austerity? This will be the fourth year since the recession. Now we have not had 4 years of sustained growth but clearly we have had 4 years of recovery. If we can meet the $144 billion deficit, that will be seen by some as a real achievement in austerity. It will be the fourth largest deficit in the history of the Republic, the fourth largest. We have only had three deficits heretofore that will exceed this austerity that everybody is talking about.

It would seem to me that if we need some new programs in our inventory of government activities, if we need to change direction, that the Budget Committee has given us some good targets.

The Senator from Colorado keeps alluding to his idea that those who want a stronger defense and have agreed to pay for it think it is our concern. I do not believe that.

I believe the decade of the seventies dictated the decade of the eighties our need for defense increases. We have denied our President, in this resolution, some $30 billion that he thinks he needs for defense.

But the point remains: Even if we get to the Gramm-Rudman-Hollings total, we will still have a deficit of $144 billion, the fourth largest in history. And if I read my friend from Washington correctly, he is suggesting that that ought to be enough. We should not be fearful about the $144 billion target. We ought to be honest that we are getting there in a budget resolution with some new revenues because we do not think we can hit the target without it.

□ 1720

But can we stand here and say that Gramm-Rudman is the reason we cannot do what we might want to as a government? It appears to me it is not. I believe that we must just decide how much taxes are enough. When can we reform some programs to allow room for some new ones? Is it true that we cannot in any way substantially alter those that we have? Are there none that we can get rid of? I think there are 3,500 on the books now—from as new as last year to as old as 25, 30, 40 years old.

I thank the Senator for his comments. Whatever his vision of America is, I share it. I also think that implicit in what he said is that clearly there are some things we ought to be doing that we are not doing. I think he was saying we can do some things better than we are right now, but I think he also believes that Gramm-Rudman-Hollings targets is the inhibitor. We can find ways to do it if we want to. But we cannot have everything we have right now and more without raising taxes to pay for it.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. GORTON. I yield such time to the distinguished Senator from Texas as he may desire.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. Mr. President, I appreciate having time yielded. I rise in opposition to the Hart-Chiles amendment.

Mr. President, as I look at this amendment, I see what is trying to be passed off as new ideas. Let us spend money investing in science and technology, the amendment says. Let us invest in resource development. Let us invest in education and training.

I detect here not a new or novel song, but an old siren tune. If this amendment had been offered in 1950 or 1960, it might have been passed off as a new idea—let us invest through Government for growth and opportunity—but today this is not a new song. This is a siren song of a past failure.

The truth is, in the last 30 years we have invested in science and technology. We have invested in resource development and in education and training. The result has been economic stagnation. And the reason we have had economic stagnation is exactly the reason that this amendment will produce more of the same, because, in order to invest in these things, taxes have to be increased. And I know the numbers have changed, but the last one I have is $14.2 billion.

Now, if these things are all good and we might think they are positive in their impact, how come they are going to hurt the country? I mean, how can I say, on one hand, the investment in science and technology and in resource development and education and training are good, positive things and, on

the other hand, say this is an old, tired siren song? Well, the reason is: Where is the $14.2 billion going to come from? It is not coming from heaven. It is coming from American industry and from the American family.

I submit, Mr. President, that in taking $14.2 billion away from American families, we are taking money away from education and training. After all, what were American families doing with their part of the $14.2 billion? They were investing their part of the $14.2 billion in the American dream. And that investment in the American dream was an investment in sending Johnny to Texas A&M to get a degree in electrical engineering. They were investing by saving money so papa could stop working for the Jones Plumbing Co. and go to work himself as a plumber. They were investing and trying to improve the production skills of their family.

Are we to believe that somehow this great Government of ours, functioning under the wisdom of 100 Members of the Senate and 435 Members of the House and the President, that we have a great knowledge about education and training and what is good and what is bad than 230 million Americans? Are we to assume that we know more about what is going to make Johnny productive in the future than his family? Are we to assume that we care more about the future of the American family than the American family does?

I submit, Mr. President, that that is a ridiculous assertion; that, in fact, what we are going to do by raising taxes by $14.2 billion is that we are going to take that money away from families that were investing in all the things that made America grow and prosper in the first place.

Now, not all the money is going to come from families, at least directly. Some of it is going to come from American industry. Now, granted, it would be nice to have more research in science and technology and in resource development. But what is American business doing with this money? American business is investing in science and technology, in the development of new products and new techniques and in the development of new plant and equipment.

How are we to assume that we in Congress know more about technology and science and resource development than all the hundreds of thousands of American corporations that are investing in these areas? Are we to believe that we embody a knowledge that American business does not have; that we can, by picking the pockets of American business, spend the money on the development of new products and new techniques more efficiently than they can?

Are we to believe that, being motivated by politics, the net result of our decisions is going to be more efficient for the future of America than the cumulative decisions of hundreds of thousands of business people who are motivated by the bottom line of having to compete on an increasingly competitive market and having to try to earn a profit on the basis of their decisions?

I submit, Mr. President, that this is not a new approach at all. This is an old siren song. It tries to cloak itself in new ideas, but it is, in fact, socialism wrapped in computer paper. There is nothing new or novel about this idea. Ever since mankind has formed a relationship with government, every government has argued they can make decisions better than the family; that those who have the good fortune of being elected take on a super intellect that allows them to know more about what is good for our children than the parents know; that allows Congress the ability to make investments that are better than the investments of 230 million Americans and better than the investments of American business.

I submit that there is nothing new about this idea. This is an old, tried, and rejected idea. And the repudiation of this approach is what the Reagan program was all about.

The idea was a simple one in the Reagan program. Let the money stay in the pockets of the people who earned it, for two reasons: First, to provide incentives for them to work, save, and invest. That is why 10.3 million people have gone to work under the Reagan program. And, second, it was a recognition that not all wisdom is based in Government. There is a recognition that an innate wisdom is based in every family and every business, and by letting them make investments, since they are more judicious in the use of their money than we are in the use of their money, that society benefits, that we prosper, that we grow, that freedom and jobs and opportunity can expand.

So in the name of science and technology and resource development and education and training, I urge my colleagues to vote down this amendment. Because by taking $14.2 billion away from the American family and from American business, we hurt science and technology, we set back resource development, and we hurt education and training.

Let us leave this money in the pockets of the people who earned it in the first place. Let us let those corporations who made judicious investments and have a proven track record invest in new science and technology for America.

□ 1730

Let us let families that are out working every day earning a living that have individual aspirations for their children make investments in education and training. I submit that they make those investments with much greater wisdom than we could ever have. That is the fundamental issue here. It is not a primary issue that we have already 56 billion dollars' worth of taxes in this budget, taxes that the President has said he will not sign into law, and, therefore, if adopted, this budget would not meet the requirements of Gramm-Rudman. It might meet it in scoring, but not in reality and implication. It is not simply that we ought not to add another $14 billion of taxes that will not be signed into law. The point is more basic than that.

The point is that this amendment is wrong-headed, and it is a movement back in the direction of past failures. The future of America is not based on more government. The future of America is based on more opportunity. That is the decision we are making in this amendment, and to a real extent, the decision we are making in this budget—do we want more opportunity or do we want more government? Those who have submitted this amendment say we want more government, and that the future of America is based on more government. I reject that. I believe the American people reject it. I am hopeful that the Senate will reject it.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. CHILES addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. Mr. President, it is an interesting discussion and argument by my good friend from Texas.

I want to say that perhaps this is not totally a new song. Perhaps this is an old song. If it is—and I think it is—I do not see anything wrong with some of the refrains of that old song.

I happened to have gotten a chance to go to law school because there was something called a GI bill. That is one of those "crazy" things Government did. The Government did that because it believed it would be helpful to educate some people who had served their country, and promote opportunity. So it took some of your money, and provided for this kind of education.

I submit to you this country leaped years ahead—years ahead of the rest of the world—because we sent a higher proportion of our young men to college than we had ever done before. Prior to that time, prior to World War II and the GI bill, how many people could go to college? How many people had a chance to go to college? What kind of percentage? Maybe if you lived in Texas, maybe you could do that. Maybe there were some oil revenues out there to do that. But I can tell you in my State, the percentage was very, very low. As a result, guys who never

thought they could go to college had an opportunity. They took that opportunity. And those people on the whole I think have furnished the leadership of this country ever since.

The National Defense Education Act we passed—that is an old song. But it is a song paying us dividends today. It did yesterday. Some of those dividends will run out if we do not put something back in the till. If you have a view of the world that says we did not need the GI bill, a socialist program like that, pure socialism, then why in the world should we have it? I feel ashamed that I went to college and took that. But I did. And I think I have been a better citizen because of it. I think I put something back in the till in my tax dollars. My earnings have been higher. I had a chance to aspire to be more. When I read what Jefferson said, and read about our Founding Fathers, they said this country is going to try to provide a free education for people. We are going to try to do some things that are necessary. Nothing is free. Somebody has to pay. But I do not think they decided that everything will be done by each individual family. What was the reason to pour myself into some collective society? Does there have to be some reason for it?

If we can trust corporations to do everything, we do not need any antitrust laws—and some of us wonder whether there are any today or not. If we do not need anything, then why do we have the money in here now for education? Let us get rid of that. Why is there any need at the State or local level if every family is going to be able to decide that?

When we started off as a country, we said we were going to try to provide some opportunities. We were going to collectively let people decide through their legislative representatives whether there should be some moneys collected so that we could provide those opportunities. It is just like that old farmer who decides he is going to take some of his seed corn, and save it for the next time. He is not going to use it all. He has the future in mind.

That is what we are talking about—planting seed corn for our own security and advancement. We did it in the sixties. We are reaping the results now. Our Cancer Institute, a large part of the progress we are making now in biotechnology comes from money we invested in our Space Exploration Program, in our National Institutes of Health, and in the other grant programs.

I would venture to say when Johnny goes to school at Texas A&M, Texas A&M gets a lot of Federal dollars. Johnny's mommy and daddy would be paying a lot more money for his education in that school if it were not for Uncle Sam's grants, research money, Pell money, and the other grants we made available. Johnny's mommy and daddy have to do their part, too. Absolutely they do. But at some stage it seems to me that there is a role of Government.

We can have all kinds of debates as to what that legitimate role should be. I sure did not know it was socialism when I took the GI bill. I did not know it was socialism when I got my first mortgage, and an FHA guaranteed mortgage. I paid it off. I thought I did the right thing at that time. I thought the program was pretty sound. I did not know that it led us to bankrupt policies or the stagnation of this country.

It seems to me there are some legitimate areas here. And that is what we are talking about when we discuss planning for the future of this country. Should we be looking forward, and asking what do we owe the people of the year 2000 and beyond? What effort do we owe now to the America of the future?

In the sixties, we decided to have the National Defense Education Act. In the forties, we made choices about the post war world. Should we not do the same now in the eighties, and plot the path for progress?

Mr. HART. Will the Senator yield for a question?

Mr. CHILES. I yield.

Mr. HART. One thing the Senator from Florida has in common with the Senator from Texas is, as I recall, a rather large proportion of our space effort. I wonder if the Senator from Florida believes that is a socialistic effort, and if the Senator from Texas thinks it is socialism, and those are Government dollars. Then I think he ought to be willing to vote against NASA, vote against the Space Program, and just fold up in Texas. We ought to abandon that. It is socialism. That is taking those tax dollars out of working Americans' pockets and putting them into a Government program; an awful, terrible Government program that provided about 50,000 jobs in the State of Texas—socialism.

Mr. CHILES. More than the jobs it provides. Consider the technology and spinoffs that have come from the Space Program. There is no car we get into, there is no watch we put on, there is not a health instrument we use, no music we play, no television we watch——

Mr. HART. I wonder why we did not let General Motors run the Space Program. They know how to invest research dollars. If this laissez-faire economy wanted to go to the moon, let corporate America do it. Do not tax people. Do not create a Government program to go into space. Certainly if you are going to do that, do not put it in the State of somebody who hates the Government. It does not make any sense to me. If people do not want the Government, they just probably should not have those agencies in their States I suppose.

Mr. CHILES. I just do not have an answer for that question.

The PRESIDING OFFICER. Who yields time?

Mr. GORTON. I yield two additional minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized.

□ 1740

Mr. GRAMM. Mr. President, I thank my colleague for yielding, and I congratulate the Senator from Florida on his excellent speech. It was a good speech. Had it been made at the founding of the Republic as we set out the roles of Government in terms of providing an education benefit to those who returned from the Nation's wars, had it been set out as a program to try to encourage home ownership for our citizens, had it been set out at the beginning in setting out local education funded at the local level, I would have applauded it and supported it.

The point is, however, that this is not a seed corn program. This is being added to a $1 trillion budget.

My point is that if we want all these things, rather than taking the money out of the pockets of the American people where they will be forced to cut down their funding to American business on science, technology, and resource development or to reduce the family budget for education and training, why do we not take it away from another part of that $1 trillion use?

My colleague has talked about FHA and the GI bill, but those programs are not listed here.

I would like to talk a little bit in my 2 minutes about this. The point I wanted to make is this: This idea that there is something new about having the Government come in and choose which industries are to grow, in having Government come in and expend funds to promote economic growth, there is nothing new about that idea. The problem comes that you have to take the money away from somebody in order to do those things.

The real test of Government, it seems to me, is, do the benefits in taking the money away and expending it exceed the cost? I would submit on top of a $1 trillion budget that this amendment does not stand the test; that, in fact, the impact on science and technology of taking another $14 billion away from American industry is likely to be negative, not positive; that the impact on resource development is likely to be negative; and that, in fact, the impact on education and training is likely to be negative.

So if my colleague had set about to take this money away from some other part of the budget that might be a lower priority than science and tech-

nology and resource development and education and training, I might likely be supporting it. But what has been proposed here is taking the money away from the people who do the work and pay the taxes.

I think, quite frankly, that the benefits do not equal the cost. That is the basic point I sought to make.

The PRESIDING OFFICER. Who yields time?

Mr. GORTON. We yield back all remaining time.

Mr. HART. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, I ask unanimous consent to proceed for 3 minutes, not on the amendment but to discuss what the schedule may be.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, the distinguished minority leader is not on the floor but I am trying to determine whether or not there will be any rollcall votes after this one. There are a number of Senators, I think about a dozen, who wish to participate in the Billy Graham Crusade this evening and others have obligations. If we can just have a minute or so, maybe the managers can tell us whether they expect any more votes.

Mr. DOMENICI. Mr. President, let me respond as best I can to the majority leader.

Senator WILSON has an amendment that transfers a small amount of money from one function to another. We have agreed that he should be next. We will ask him if he insists on a rollcall vote.

Senator HEINZ has an amendment that we have agreed to accept. It is laudatory language with reference to scorekeeping on loan programs. He has worked hard on it, trying to make some improvements. I believe we are in a position to accept it.

Beyond that, we still have a number of amendments but none of the Senators are prepared to bring them to the floor tonight. Most of them, I say to the distinguished majority leader, are from our side of the aisle. I believe the minority has two or three to call up. We have a list of about 9 or 10.

Senator GRASSLEY has a small amendment. He may want to offer it tonight, too. We will confer with him shortly. I believe it is $30 million. We will try to accommodate that.

I would hope that the majority leader will join me in indicating here tonight that when we set the resolution back on the floor tomorrow Senators will have to decide whether they want to offer these amendments or not. Time is running out. We would be delighted to accommodate Senators. I will try to call some of them personally and see if they desire to offer their amendments. I think we can get out of here rather quickly.

Mr. DOLE. Mr. President, a parliamentary inquiry. How many hours remain on the resolution?

The PRESIDING OFFICER. Fifteen hours, twenty-nine minutes.

Mr. DOLE. Mr. President, let me suggest the absence of a quorum. If the Wilson amendment can be disposed of on a voice vote, I would want Senators to have that information before this rollcall vote.

The other two amendments referred to will be taken. There will be no need to keep Senators around.

If we cannot get any more amendments up, I want to join with the distinguished chairman of the committee and the ranking member, Senator DOMENICI and Senator CHILES, to urge colleagues, particularly on this side of the aisle since we have the bulk of the amendments, to be prepared, once we are in session tomorrow, to offer the amendments. We are down to 15 hours. On tomorrow, I know there is a long-standing commitment of the chairman which will mean we cannot go late into the evening. It would be my hope that we could work it down to about 12 hours, having 6 hours tomorrow and perhaps wrap this up or wrap something up on Thursday, or decide not to wrap it up.

Then there have been a number of Senators making inquiry about Friday. I think there is a race somewhere. I do not know what it is called. A derby or something. We are trying to figure out whether we can accommodate Senators. We do not know at this point. But with cooperation we might be able to.

Mr. HART. Will the majority leader yield for a question?

Mr. DOLE. I am happy to.

Mr. HART. I wonder if we can have the vote now while they are trying to work this out?

Mr. DOLE. A lot of Members have been asking if there will be more votes. We cannot yet tell them.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

□ 1750

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I have consulted with the managers and I have also notified, through staff, the distinguished minority leader. It seems to me it would serve no purpose to keep Senators here. I am advised by the distinguished Senator from California that he is prepared to lay his amendment down. If it can be worked out, it will be accepted. If not, we will vote on it, if there is a request for a rollcall vote on it, tomorrow morning.

In addition, I am advised by the managers that they would be in a position to accept one or two amendments so we can work on them tonight.

I am prepared to announce there will be no more rollcall votes following the vote on the Chiles-Hart amendment. This will be the last rollcall vote today.

Mr. DOMENICI. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMENICI. Has time expired on the Hart amendment?

The PRESIDING OFFICER. All time has been yielded back.

Mr. DOMENICI. Has our side yielded back our time?

The PRESIDING OFFICER. All time has been yielded back.

Mr. DOMENICI. Mr. President, I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senators from Colorado and Florida. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Arizona [Mr. GOLDWATER] and the Senator from Florida [Mrs. HAWKINS] are necessarily absent.

I also announce that the Senator from Maryland [Mr. MATHIAS] is absent on official business.

The PRESIDING OFFICER (Mr. DENTON). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 32, nays 65—as follows:

[Rollcall Vote No. 83 Leg.]

YEAS—32

Baucus	Harkin	Metzenbaum
Biden	Hart	Mitchell
Bingaman	Inouye	Pell
Boren	Johnston	Pryor
Bradley	Kennedy	Riegle
Burdick	Kerry	Rockefeller
Byrd	Lautenberg	Sarbanes
Chiles	Levin	Sasser
DeConcini	Long	Simon
Ford	Matsunaga	Specter
Gore	Melcher	

NAYS—65

Abdnor	Domenici	Helms
Andrews	Durenberger	Hollings
Armstrong	Eagleton	Humphrey
Bentsen	East	Kassebaum
Boschwitz	Evans	Kasten
Bumpers	Exon	Laxalt
Chafee	Garn	Leahy
Cochran	Glenn	Lugar
Cohen	Gorton	Mattingly
Cranston	Gramm	McClure
D'Amato	Grassley	McConnell
Danforth	Hatch	Moynihan
Denton	Hatfield	Murkowski
Dixon	Hecht	Nickles
Dodd	Heflin	Nunn
Dole	Heinz	Packwood

Pressler	Stafford	Wallop
Proxmire	Stennis	Warner
Quayle	Stevens	Weicker
Roth	Symms	Wilson
Rudman	Thurmond	Zorinsky
Simpson	Trible	

NOT VOTING—3

Goldwater	Hawkins	Mathias

So the amendment (No. 1808), as modified, was rejected.

□ 1810

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I understand that the distinguished senior Senator from Pennsylvania has an amendment. Senator CHILES and I have agreed to it. So I yield the floor at this time.

The PRESIDING OFFICER. The Senator from Pennsylvania.

AMENDMENT NO. 1809

(Purpose: To express the sense of the Congress that there should be Federal credit budget reform)

Mr. HEINZ. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. HEINZ] proposes an amendment numbered 1809.

Mr. HEINZ. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the resolution, add the following:

FEDERAL CREDIT PROGRAM REFORM

SEC. —. (a) The Congress finds that—

(1) The Federal Government is a major lender and allocator of capital through direct loan and loan guarantee programs.

(2) The creation of the Federal Financing Bank was a major step in streamlining and reducing the cost of these programs.

(3) Despite the improvements in funding brought about by the Federal Financing Bank, however, serious shortcomings remain in the allocation and management of Federal credit programs.

(4) Current allocation decisions for a loan and loan guarantee programs do not adequately reflect economic costs and, because cost calculations are not uniform across programs, they do not allow accurate comparisons among programs.

(5) Current Federal credit program controls provide little incentive for sound credit management practices or timely debt collection.

(b) It is therefore the sense of the Congress that the appropriate committees of the Congress should initiate a comprehensive reform of the Federal credit budget in order to—

(1) ensure uniform budget treatment of Federal credit programs based on their subsidy cost;

(2) permit accurate comparison of credit and spending programs based on their true economic cost;

(3) promote effective management of Federal credit programs, providing accurate and comprehensive data on Federal credit activity and encouraging timely debt collection; and

(4) undertake accounting and management reforms for Federal credit programs as appropriate.

□ 1820

Mr. HEINZ. Mr. President, what I am proposing in this amendment which is really a sense-of-the-Senate resolution is that the Senate go on record in favor of a comprehensive and workable reform of the budgetary treatment of Federal credit programs.

I think the many Members of this body are well aware of the many problems with the budget treatment of Federal credit. I know Senator DOMENICI and Senator CHILES are.

Indeed, last year, in the Budget Committee report on the budget resolution, it was stated that the unified budget does not accurately reflect the cost of credit and a more meaningful cost measure was needed, and I quote from the committee report: "The credit budget overstates the true cost in many instances and is an ineffective control mechanism." And our experience with the Federal financing bank shows that off-budget gimmicks are a constant threat. With the ink barely dry on Gramm-Rudman there are now proposals to shift credit programs to more costly market borrowing in order just to escape the budget accounting kinds of mechanisms that are being imposed.

I can cite one personal example, the one I am quite familiar with involving the Export-Import Bank where the administration proposed what has come to be called the I-Match Program, which stands for interest rate matching, and in this program, what happens is that Federal direct loans would actually be replaced with more expensive to the taxpayers private borrowing supported by direct subsidy payments to commercial banks. That is what we would do in the name of budget savings.

While what we would get is a paper transaction that looked good, we would have less direct credit. Budget authority for loans would be almost eliminated, but the actual cost to the Federal taxpayer would increase because of the added interest payments we would have to make to commercial banks.

What the resolution, I have sent to the desk, does is to establish two principles for resolving these problems. The first principle is very simply to get the price right, that we ought to measure the subsidy of credit programs and to score them in the budget; and the second principle would be to ensure that all programs were counted on budget.

It is this Senator's view, and it is one that is shared by some of the other experts, such as CBO and OMB, that the term "subsidy" is what we ought to use as the true cost of government credit, and this cost can be determined in two ways: One way is it can be projected using expected market interest rates and terms and agency lending guarantee terms and conditions; or, in the alternative, where appropriate by market available or reinsurance of government credit.

All programs would be scored in the budget, preserving and protecting the improvements in credit control made last year in Gramm-Rudman.

Mr. President, pre-Gramm-Rudman, the Federal financing bank transactions of many programs, such as Farmers Home, Rural Electric Administration, Foreign Military Sales Credit, all of those and more, were off-budget. Based on 1985 transactions, outlays of nearly $8 billion were simply not counted in the budget totals. After Gramm-Rudman, post-Gramm-Rudman, all costs have been moved on-budget and the budget authority and outlays associated with these Federal financing bank transactions are now counted in the budget against each credit program, and that is all to the good.

But as I alluded to a moment ago, as quickly as reform has come an avalanche of off-budget schemes to shift programs to market borrowing has descended upon us as a means of evading budget scoring.

The budget resolution I am proposing expresses the sense of Congress that reform of credit budgeting should be undertaken as a high priority. The reform should be based on the principles that would require all credit programs to be on budget with subsidies and operating expenses scored as the budget cost of each program, and this subsidy-based budget mechanism, I submit, will not only control Federal credit and permit accurate comparison of credit and spending programs, it should and I think will provide incentives for improved credit management by agencies and will increase overall efficiency of Federal credit activities.

It is this Senator's view, Mr. President, that it is high time that we take some concrete steps to effectively manage credit programs, and I urge the support of the Senate for this resolution.

I will only add that I will shortly be introducing substantive legislation to achieve this. It will be referred to the appropriate committee or committees, and I will have more to say about that legislation on another occasion. But it is important for the Senate to go on record as in favor of standardizing

what we do with the credit budget. We do not want to see games continue to be played or incentive for still more of that kind of tempting chicanery.

So I am very much pleased that the managers of the bill have indicated a willingness to consider this amendment.

I am happy to yield to my friend and colleague from New Mexico, Senator DOMENICI.

Mr. DOMENICI. Mr. President, I think the distinguished Senator from Pennsylvania has stated the nature of the problem. Obviously, it is a continuing one, one that we have worked on for a long time and one in which he has been interested in for a long time.

We have worked with him on this amendment. While it will not accomplish the purposes set forth, because that requires substantive legislation, I believe we ought to accept it. It would be a statement of the Senate's desire to move forward with some reform in this area. I compliment the Senator.

Speaking for the Senator from Florida, the minority manager, he sees no objection to it either.

We yield back our time in opposition.

Does the Senator yield the time he has remaining?

Mr. HEINZ. Before I yield my time back, I thank Senator DOMENICI and Senator CHILES for their acceptance of the amendment. It is much appreciated, and I yield back the balance of my time.

The PRESIDING OFFICER. All time is yielded back.

The question is on agreeing to the amendment of the Senator from Pennsylvania.

The amendment (No. 1809) was agreed to.

Mr. DOMENICI. Mr. President I move to reconsider the vote by which the amendment was agreed to.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I say to the Senate that I believe the distinguished Senator from California, Senator WILSON, has an amendment that he will lay before the Senate. It will be the first amendment up tomorrow when we return to the bill.

The leader has indicated that there will be no further votes tonight. I am waiting around for some instructions from the leader. We are finished on the budget for the evening. But I suggest the absence of a quorum and ask unanimous consent that it be charged equally to each side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DISLOCATED WORKERS

Mr. DIXON. Mr. President, Senator HEINZ and I were going to offer an amendment to the budget resolution, providing for an earmark of an additional $57 million in Function 500 for title III of the Job Training Partnership Act. However, it is my understanding that there is sufficient latitude within the function to accommodate an appropriation of $222.5 million should the Congress decide to return this program to 1985 levels. I sincerely hope that will occur and I will do whatever I can to see that it does.

Title III provides training for people who have had a significant attachment to the work force. They were auto workers, steel workers, textile workers, coal miners, and farmers. Some of them made heavy equipment such as farm implements and road graders. Those two kinds of ex-workers happen to be very prevalant in my State of Illinois. they are now faced with the prospect of no job and no hope of every being rehired in the field in which they were employed. These plants are gone. Gone from Rock Island, where the International Harvester Farmall plant once employed 3,600 people. Gone from Springfield where the Fiat Allis plant once employed 1,300 people.

These funds are used to provide training for the jobs of the future. Recently, Illinois was fortunate to land the new joint venture between Chrysler Corp. and Mitsubishi Motors. That plant, Diamond-Star Motors, will be located in Bloomington, IL, and will provide thousands of new jobs for our workers. Title III funds are being used to provide training for those new, highly technical manufacturing jobs. The funds are also utilized, whenever possible, to attract new industry to Illinois.

Last October, I offered an amendment to restore $122.5 million to the Labor-HHS appropriation bill for this year. It wasn't an increase, just a restoration to 1985 levels—an amount inadequate to serve the literally millions of people who will never return to their old jobs.

The amendment to restore those funds failed by a vote of 53 to 33, and the program was cut by 55 percent.

In an article last week in Time magazine, the current jobless situation and the perplexing job surplus were discussed. The article pointed out there is a serious mismatch between new jobs that are available and people who are available to fill them. Many who are out of work are not where the jobs are, or lack the skills to fill them. This, at a time when we are cutting Federal support for education and training. Employers are going outside the country to hire engineers and other highly skilled individuals. The article cited an example of Grumman Corp. which recently hired 28 engineers from Britain for 6 months to help design United States military aircraft.

I regret that it is necessary to bring this matter to the attention of the Senate. There has been partial restoration of funds in the budget resolution we are considering. However, there is still a shortfall of $57 million from the fiscal year 1985 level for this program. It is better than last year, but still insufficient to address the tremendous need this program addresses. I will bring this matter up again during consideration of the Labor-HHS appropriation for 1987. It is my hope that at that time, the Senate will see the wisdom of investing in the training of people who can contribute to the economic security of our Nation by once again becoming productive workers in a changing workplace.

USER FEES

● Mr. GORTON. Mr. President, as one of several members of the Budget Committee who strongly opposed the imposition of housing "user fees" on Fannie Mae, Freddie Mac, Ginnie Mae, and the Federal Home Loan Bank System, I am most pleased that this proposal in the President's budget was not included in the resolution reported by the committee.

However, despite the action taken by the Budget Committee, certain administration officials have suggested that user fees are in some way assumed in the resolution.

To put to rest this suggestion once and for all, I would like to ask the distinguished chairman of the committee if I am correct in stating that these housing user fees are not assumed in any function of the budget resolution?

● Mr. DOMENICI. The Senator is completely correct. The resolution does not assume any user fees for Fannie Mae, Freddie Mac, or the Federal home loan banks; nor does it assume the proposed increase for Ginnie Mae.

● Mr. GORTON. The committee's revenue figures include the level of new revenues proposed by the President, as well as additional revenues.

Let me ask the chairman if, by assuming the revenue increase proposed in the President's budget, the resolution does in fact incorporate these housing user fees?

● Mr. DOMENICI. To answer the question raised by the Senator from Washington, let me first point out that the committee has made no specific assumptions about the source of revenue increases in the resolution. It incorporates the level of new revenues in the President's budget, but does not necessarily adopt his proposals.

More importantly, the housing user fees are not treated as revenues in the President's budget. The administration counts these as offsetting collections on the spending side of the budget, as the Budget Committee would if it had included the fees in the resolution.

● Mr. GORTON. I thank the Chairman.●

ROUTINE MORNING BUSINESS

Mr. DOMENICI. Mr. President, I received notice from the leader's office that he desires that we return to morning business.

Mr. President, I ask unanimous consent that we proceed as if in morning business for a period of time not to go beyond 6:45 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

CHERNOBYL NUCLEAR FACILITY ACCIDENT

Mr. ROTH. Mr. President, I send a resolution to the desk and ask that it be held at the desk until the close of business tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

□ 1830

Mr. ROTH. Mr. President, the world has sustained a major nuclear disaster and there can be no comfort in the fact that it occurred in the Soviet Union. The term disaster is not used without reflection; Three Mile Island was an "accident." It is already apparent that the scope of the consequences of events at Chernobyl is infinitely broader than any other nuclear incident ever witnessed in peacetime. This is, indeed, a disaster.

Nuclear power constitutes both a great horror and a mighty source of power. In its horrific form, we use it to add deadly poison to the tips of our weapons. We can also harness this elemental power, which formed the universe, to light our homes and power our industries. No matter how we use it, nuclear power must be treated with grave respect. The moment we neglect this prime necessity, as the Soviet Union did at Chernobyl, this awesome weapon bites back at the country which holds it.

Many contradictory lessons will be drawn from the meltdown of the reactor at Chernobyl—except in the Soviet Union, where the authorities will undoubtedly forcibly suppress its memory. Hardline anti-Soviets will see it as conclusive evidence of Moscow's barbaric lack of concern for the well-being of the Soviet proletariat which it claims to represent. Antinuclear activists will view Chernobyl as constituting further evidence that the world should turn its back on nuclear power.

Neither position is fully acceptable. Nuclear programs such as Moscow's, which are pushed forward without adequate safeguards, pose a real threat to the entire global community and simple condemnation will not suffice to deal with this problem. Nor is it likely that, as our fossil fuels deplete, we will simply be able to ignore the global potential of nuclear power. True, nuclear power has its perils, but so do most forms of power; the children of Aberfan and the victims of black lung died deaths no less horrible than those at Chernobyl.

Chernobyl must, above all, be viewed as the clarion call for a worldwide reexamination of safety standards in nuclear power plants everywhere and for firm international action requiring all nations to open their facilities to international inspection. We should not forget that this disaster could have happened, and may be repeated, in many different nations. Argentina, Brazil, India, South Africa and Pakistan, to name a few, are pushing to join the nuclear superclub. Such programs ar· matters of international prestige, and when prestige is on the line, safety standards are frequently dropped in the interests of speed.

With this in mind, I introduce today a resolution calling for a thorough investigation by the International Energy Agency into the Soviet nuclear reactor program.

As well, it calls for an international requirement that any nation which sustains a nuclear accident must notify all neighboring countries immediately in order to minimize dangers posed by such an accident.

My resolution also asks the President of the United States to raise the question of nuclear safety, and the future of the Soviet nuclear program, at the next United States-Soviet summit meeting.

And it calls upon the United States to offer appropriate technical and medical assistance to the Soviet Union to mitigate the perils posed to their own citizens and to the international community by this most recent reactor accident.

Mr. President, I ask unanimous consent the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S. RES. 390

Whereas, the Soviet Union has sustained a major accident at its nuclear power generation facility at Chernobyl in the Ukraine.

Whereas, that accident poses grave dangers to the health and safety of the international community.

Whereas, that reactor was constructed without proper containment facilities.

Whereas, the Soviet Union took no steps to notify neighboring endangered countries of the perils posed by the accident at Chernobyl.

IT IS THE SENSE OF THE SENATE

The International Atomic Energy Agency should initiate a thorough investigation of the Soviet civilian nuclear program with a view to determining whether that program, as currently constituted and carried out, poses a continuing threat to the health and safety of the citizens of the Soviet Union and the international community at large.

Any nation which sustains a nuclear accident should notify all neighboring countries immediately in order to mitigate international dangers posed by such an accident.

The President should raise the question of the safety and the future of the Soviet nuclear program at the next U.S.-Soviet summit meeting.

The United States should offer all appropriate technical and medical assistance to the Soviet Union to mitigate the perils posed to the international community by the reactor accident at Chernobyl and to minimize and to eliminate the incidence of future catastrophies associated with nuclear power.

Mr. ROTH. Mr. President, I had hoped that we might be able to act upon this immediately, but this has not proved possible. I am hopeful that sometime tomorrow this sense-of-the-Senate resolution can be promptly voted upon.

At this time, I am very happy to yield to the Senator from Kentucky, Mr. MCCONNELL.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, I am pleased to join with the distinguished senior Senator from Delaware as an original cosponsor of the resolution which I hope we will be considering tomorrow.

Mr. President, news accounts indicate that the nuclear accident which has occurred near Kiev in the Soviet Union is not just an accident, it is a nightmare of untold and, in all likelihood, catastrophic proportions. Unconfirmed estimates—and I emphasize unconfirmed—suggest as many as 2,000 people have already died and thousands more may have suffered radiation. I extend my deepest sympathy to all the families and communities who are victims of this tragedy.

I have two concerns that result from this accident. First, I am worried by the fact that this accident is still occurring. We simply do not know how extensive the damage will be when it is all over. I would urge my colleagues to keep in mind the fact that Kiev is situated in the economic heart land of the Soviet Union. The Ukraine, where the accident has occurred, has always been known as the breadbasket of the nation. What kind of crisis will the Soviets face in feeding their people? How much damage has been done? We simply do not know and cannot judge at this point.

Just as important, the Donets Basin, south of the accident, is the industrial center of the Soviet Union. The Donets Basin is the Soviet hub of machine building, metal working, petrole-

um refining, chemical production as well as a primary source of the country's coal, natural gas, and iron. Has this accident made this area uninhabitable? Has the water supply or atmosphere been contaminated preventing any productive use of the region for the forseeable future? The answer, I am sorry to say, is we simpy do not know. Again, I am deeply concerned about the fact that this accident is still occurring and the extent of the pain, loss of human life and livelihood, and damage simpy cannot be estimated yet.

My second concern is a little less immediate, but just as important. I would be the first to admit I am not a nuclear physics expert. However, from all accounts part of the problem with the reactor involved in this accident is the fact that it did not have a containment vessel around the nuclear reactor core. My understanding is it is just such a vessel that was able to prevent the diffusion of toxic radiation into the atmosphere at Three Mile Island. It is just such a vessel which protects most U.S. nuclear reactors. I cannot help but wonder what safety precautions were in effect at the Soviet facility. Again, our information is limited. For this reason, I have joined Senator ROTH in introducing this resolution in hopes that the International Atomic Energy Agency will conduct an assessment of the Soviet civilian nuclear program and make any necessary recommendations regarding safety measures which should be introduced. After all, as the evidence shows, more than the 2 million people in the Kiev area are threatened by this accident. Many of the European nations are directly affected. The safety and health of the international community must be taken into consideration by the Soviet Union as it reviews its reliance upon a nuclear program to supply its energy needs.

In conclusion, Mr. President, I urge my colleagues to support immediate passage of this resolution. I am confident the International Atomic Energy Agency can provide invaluable assistance in identifying effective safety measures which will prevent these kinds of disasters from occurring in the future. I believe it is the sense of this body to support this kind of initiative, just as I am sure my colleagues share the resolution's recommendation that the United States provide any technical and medical assistance that the Soviet Union may require. After all, every nation is threatened by this accident. In fact the cloud of radiation hovering over Scandinavia may very well drift further.

I do not think the safety and health of the European Community or American families should depend upon which way the wind blows.

□ 1835

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

□ 1850

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE LEGAL COUNSEL REPRESENTATION

Mr. SIMPSON. Mr. President, I send a resolution to the desk, after consulting with the Democratic leader, Senator BYRD, on behalf of Senator DOLE and Senator BYRD, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 391) to direct the Senate legal counsel to represent Senator HEINZ in a civil matter.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, Senator JOHN HEINZ has been named as a defendant in a civil action in which the plaintiff, a western Pennsylvania nursing home, is seeking damages for alleged injuries to its reputation and income. The suit relates to numerous State and Federal regulatory proceedings over the past several years to determine whether the home's license should be revoked or that its Medicare and Medicaid certification should be withdrawn.

In his capacity as chairman of the Special Committee on Aging, Senator HEINZ has been examining allegations of inadequate conditions at a number of nursing homes, including the plaintiff, and the administrative process regulating them. The Brownsville home has charged that this amounts to a conspiracy to injure it and has interfered with the home's business relations.

The resolution would authorize the Senate Legal Counsel to represent Senator HEINZ in the defense of this action.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 391) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 391

Whereas, in the case of *Brownsville Golden Age Nursing Home, Inc. v. Joann Wells, et al.*, Case No. GD86 5965, pending in the Civil Division of the Court of Common Pleas of Allegheny County, Pennsylvania, the plaintiff has asserted a claim against Senator John Heinz;

Whereas, pursuant to section 703(a) and 704(a) of the Ethics in Government Act of 1978, 2 U.S.C. 288b(a) and 288c(a) (1982), the Senate may direct its counsel to defend Members of the Senate in civil actions relating to their official responsibilities: Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent Senator Heinz in the case of *Brownsville Golden Age Nursing Home, Inc. v. Joann Wells, et al.*

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORIZATION FOR FEDERAL HOUSING ADMINISTRATION AND GOVERNMENT NATIONAL MORTGAGE ASSOCIATION TO ENTER INTO ADDITIONAL COMMITMENTS

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of H.R. 4602 dealing with the FHA and Government National Mortgage Association, which is being held at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 4602) to authorize the Federal Housing Administration and the Government National Mortgage Association to enter into additional commitments to ensure loans and guarantee mortgage-backed securities during fiscal year 1986, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

Mr. BYRD. There is no objection.

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 1810

(Purpose: To provide stop-gap funding and authorization for FHA home mortgage insurance, to increase GNMA loan guarantee authority and to provide for reports to Congress on such housing activity)

Mr. SIMPSON. Mr. President, I send an amendment in the nature of a substitute to the desk on behalf of Senator GARN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. SIMPSON], on behalf of Mr. GARN, proposes an amendment numbered 1810.

Mr. SIMPSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

FEDERAL HOUSING ADMINISTRATION FUND

SECTION 1. (a) The applicable limitation on additonal commitments to insure mortgages and loans to carry out the purposes of the National Housing Act during fiscal year 1986 is increased by an additional $17,000,000,000 of mortgage and loan principal.

(b) Each provision of law amended by Public Law 99-267 is amended by striking out "April 30, 1986" wherever it appears and inserting in lieu thereof "June 6, 1986".

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION GUARANTEES OF MORTGAGE-BACKED SECURITIES

SEC. 2. The applicable limitation on new commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act during fiscal year 1986 is increased by an additional $60,684,750,000 of principal.

ADMINISTRATIVE PROVISION

SEC. 3. (a) The Secretary of Housing and Urban Development (hereinafter referred to as the "Secretary") shall estimate the rates at which the authority to make commitments to insure mortgages and loans under the National Housing Act, and the authority to make commitments to issue guarantees under section 306(g) of that Act, are likely to be used for the remainder of any fiscal year. The Secretary shall make these estimates at such times as the Secretary deems appropriate, but not less frequently than monthly.

(b) If an estimate under subsection (a) indicates that either limitation on authority to make commitments for a fiscal year referred to in subsection (a) will be reached before the end of that fiscal year, or in any event whenever 75 per centum of either authority to make commitments has been utilized, the Secretary shall promptly so notify the Committee on Appropriations and the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Appropriations and the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

Mr. GARN. Mr. President, although Congress provided a $9.1 billion increase in the FHA loan guarantee limit in the fiscal year 1986 Appropriations Act, our best estimate of current activity indicates FHA will exhaust this total sometime this week. Despite assurances of the adequacy of secondary market loan guarantee limits the Appropriations Committee received as late as December, GNMA exhausted its entire $65 billion loan guarantee limitation 3 weeks ago.

A week ago the House passed H.R. 4602, a bill which would increase the current limit on FHA loan guarantees by $37 billion and the limit on GNMA by $35 billion. These increases reflect the exploding demand for housing credit.

At long last, we are seeing the real start of the housing recovery. I, for one, am relieved that finally mortgage interest rates are responding to the lower rates of inflation in the economy. This, in turn, is stimulating levels of home buying and overall housing activity which are long overdue.

I cannot over emphasize the importance of this necessary revitalization of a key sector of our economy. Indeed, in view of the multiplier effect of housing investment, this recovery is a key to providing the real economic growth which continues to be of prime concern to all of us.

Mr. President, it is indeed gratifying that while we were anticipating this recovery in the housing industry, that it is coming at a pace which exceeds even our most optimistic and hopeful estimates. Only a month ago, the best estimate of fiscal year 1986 FHA loan guarantee demand totaled $95 billion. While this is a 60-percent increase over the fiscal year 1985 level, it has been rapidly overtaken by the latest HUD statistics on current loan commitment rates. In March of this year, $11.5 billion of FHA loan guarantee commitments were issued. Preliminary April data, however, is at a $15 billion per month rate. Even if this acceleration in home mortgage demand levels out, the revised requirement for fiscal year 1986 now totals nearly $130 billion—more than twice last year's rate.

What we are seeing, at this very moment, is a housing recovery unparalleled in our Nation's history. That is why it is so critical that we quickly move on this legislation to provide the increase in FHA and GNMA authority both to maintain the necessary liquidity in home mortgage credit markets and to sustain this long awaited resurgence in the housing industry.

Mr. President, it bears repeating that this legislation involves only authority for the Federal Government to guarantee loans. It will increase the contingent liabilities of the Government, but since this is mortgage credit, each of these loan guarantees is well supported by underlying assets. Furthermore, a user fee of 3.8 percent is charged for each dollar of guarantee made by the Government.

In fact, this increase in loan guarantee, over the short term, will be a significant moneymaker for our deficit-ridden budget. Over time, it is true that additional outlays will be incurred, as some of the mortgages go into default, but again these will merely draw against the significant up-front user premium revenue paid into the Treasury.

This is a very mild form of Federal intervention into the private credit market. It is well supported by fees charged those who seek to benefit from this assistance. And, finally, it is perhaps the single most useful service the Government can perform toward assuring the continuing recovery of the housing industry.

Mr. President, I am offering an amendment to the House-passed legislation which, aside from making minor technical corrections, does essentially three things. First, the amendment inserts a provision which extends the necessary authorization for FHA and a number of other programs through June 6, 1986. The authority for these programs will otherwise lapse on April 30, only a day from now. Even if the loan guarantee limit were raised, without this extension in authorization, FHA activities would have to be terminated. This short-term reauthorization will provide the Banking Committees of the House and the Senate time to enact a long overdue housing authorization bill, including urgently needed reforms in the UDAG selection criteria, as well as consideration of a limited number of other important adjustments in our housing programs.

I understand that the House Banking Committee has nearly reached agreement to take a less controversial, pared-down housing bill to the Rules Committee and then to the full House. I appreciate the indulgence of the Senate in allowing that process to proceed. I believe the ultimate progress of housing legislation will be enhanced if the judgment of the full House on many controversial proposals is determined before many of the same issues must be considered in the Senate. If the House does not act soon though, I now agree that the Senate Banking, Housing, and Urban Affairs Committee should proceed on its own to mark up housing legislation by the middle of May.

The second significant aspect of my substitute reduces the additional loan guarantee authority for FHA from the $37 billion provided in the House-passed version down to $17 billion. This is our best estimate of the current requirement for FHA loan guarantees through June 6. This merely adjusts the loan guarantee limit increase proportionate to the extension of the underlying FHA authorization.

Finally, the substitute amendment increases the total amount for GNMA authority to $126 billion for fiscal year 1986. This increase of $26 billion over the level contained in the House-passed bill merely reflects later information on FHA and VA primary loan guarantee activity. In fact, preliminary data on April activity indicates that even this higher estimate may significantly understate this fiscal year's demand. It is my intention to closely review both FHA and VA housing credit activity, and, based on our assessment, adjust the limits not only for those programs but also GNMA in the supplemental appropriation bill which we expect in May.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute.

The amendment in the nature of a substitute (Amendment No. 1810) was agreed to.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill, H.R. 4602, as amended, was read the third time, and passed.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL ANDREI SAKHAROV DAY

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S.J. Res. 323, to designate May 21, 1986, as "National Andrei Sakharov Day," and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 323) to designate May 21, 1986, as "National Andrei Sakharov Day."

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

□ 1850

The joint joint resolution was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution (S.J. Res. 323), with its preamble, is as follows:

S.J. RES. 323

Whereas Andrei Sakharov has earned world-wide admiration and respect for his courageous and energetic efforts to secure fundamental human freedoms for the peoples of the Soviet Union, including those rights guaranteed in the Final Act of the Conference on Security and Cooperation in Europe signed at Helsinki, Finland on August 1, 1975;

Whereas Andrei Sakharov has been awarded the 1975 Nobel Peace Prize for "his love of truth and strong belief in the inviolability of human beings . . . his courageous defense of the human spirit . . ." and for his life which has made him "the conscience of mankind";

Whereas Andrei Sakharov, due to his selfless work for human rights and world peace, has been illegally banished by the Government of the Union of Soviet Socialist Republics to the closed city of Gorky, where on May 21, 1986, he will spend his sixty-fifth birthday in almost total isolation;

Whereas Andrei Sakharov has been subjected to cruel and unusual medical procedures by the Soviet authorities when he conducted hunger strikes to protest repeated denials of his wife's, Elena Bonner's, request to be permitted to go to the West for medical treatment;

Whereas the Government of the Union of Soviet Socialist Republics has undertaken extraordinary measures, including confiscation of personal and professional correspondence and intensive physical and electronic surveillance, to isolate Andrei Sakharov and Elena Bonner in Gorky;

Whereas the Soviet Union as signatory to the Universal Declaration of Human Rights has committed itself to respect the rights to freedom of movement and of residence within the borders of each state as well as the right to leave one's own country and return to it;

Whereas the Soviet Union and other signatories of the Helsinki Final Act stated their desire "to contribute to the strengthening of peace and understanding among peoples and to the spiritual enrichment of the human personality" and were "conscious that . . . contacts between people, and the solution of humanitarian problems will contribute to the attainment of these aims," further made it their objective "to facilitate freer movement and contacts, individually and collectively, whether privately or officially, among persons, institutions and organizations of the participating states, and to contribute to the solution of the humanitarian problems that arise in that connexion;"

Whereas the participating states of the Helsinki Final Act are convened in Bern, Switzerland, at the Human Contacts Experts Meeting inter alia to discuss implementation of those Helsinki Final Act provisions concerning the resolution in a positive and humanitarian spirit questions related to family visits, the reunification of families, binational marriage and promotion of other personal and professional contacts between people and between organizations; and

Whereas Andrei Sakharov continues to advocate full compliance by all signatory states with the provisions of the Helsinki Final Act and the Universal Declaration of Human Rights; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That May 21, 1986, is designated "National Andrei Sakharov Day" and that the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe that day with appropriate ceremonies and activities, and be it further

Resolved, That the President of the United States is authorized and requested to urge the Government of the Union of Soviet Socialist Republics to permit Andrei Sakharov and Elena Bonner freely to choose their place of residence.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the joint resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE CALENDAR

Mr. SIMPSON. Mr. President, I inquire of the minority leader if he is in a position to consider the following items on the Executive Calendar: Calendar No. 758, James Larry Edmondson; and Calendar No. 759, Henry E. Hudson?

Mr. BYRD. Mr. President, both of those nominees have been cleared on this side of the aisle and we are ready to proceed.

Mr. SIMPSON. I appreciate that.

EXECUTIVE SESSION

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations just identified.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nominations will be stated.

THE JUDICIARY

The assistant legislative clerk read the nomination of James Larry Edmondson, of Georgia, to be U.S. circuit judge for the eleventh circuit.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF JUSTICE

The assistant legislative clerk read the nomination of Henry E. Hudson, of Virginia, to be U.S. Attorney for the Eastern District of Virginia.

The PRESIDING OFFICER. The nomination is considered and confirmed.

Mr. SIMPSON. I move to reconsider the vote by which the nominations were considered and confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE HOUSE

At 2:14 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its clerks, announced that the Speaker has signed the following enrolled bill and joint resolutions:

S. 1952. An act to provide for the striking of medals to commemorate the Young Astronaut Program;

S.J. Res. 187. Joint resolution designing Patrick Henry's last home and burial place, known as Red Hill, in the Commonwealth of Virginia, as a National Memorial to Patrick Henry; and

S.J. Res. 264. Joint resolution designating April 28, 1986, as "National Nursing Home Residents Day."

The enrolled bill and joint resolutions were subsequently signed by the President pro tempore [Mr. THURMOND].

At 3:44 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 1818. An act to prevent the sexual molestation of children in Indian country.

The message also announced that the House agrees to the amendments of the Senate to the following joint resolution:

H.J. Res. 220. Joint resolution to reaffirm Congress' recognition of the vital role played by members of the National Guard and Reserve in the national defense.

The message further announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2998. An Act to make technical amendments to title 18, United States Code, relating to victims of crime and to the Victims of Crime Act of 1984.

MEASURES REFERRED

Pursuant to the order of the Senate of March 7, 1986, the following bill, which had been reported from the Committee on Environment and Public Works, was referred to the Committee on Commerce, Science, and Transportation for a period not to exceed 14 calendar days:

S. 1813. A bill to amend and extend the Atlantic Striped Bass Conservation Act, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WEICKER, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 1874. A bill to authorize quality education programs for deaf individuals, to foster improved education programs for deaf individuals throughout the United States, to reenact and codify certain provisions of law relating to the education of the deaf, and for other purposes (Rept. No. 99-290).

By Mr. HELMS, from the Committee on Agriculture, Nutrition, and Forestry, with an amendment in the nature of a substitute:

S. 2045. A bill to amend the Commodity Exchange Act to reauthorize appropriations to carry out such Act, and for other purposes (Rept. No. 99-291).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. GOLDWATER, from the Committee on Armed Services:

Mr. GOLDWATER. Mr. President, from the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of April 8, April 9, April 14, April 18, and April 24, 1986, at the end of the Senate proceedings.)

*1. Gen. Robert W. Sennewald, U.S. Army, to be placed on the retired list; and Lt. Gen. Joseph T. Palastra, Jr., U.S. Army, to be general and reassigned. (Ref. No 992)

*2. Maj. Gen. H. Norman Schwarzkopf, U.S. Army, to be lieutenant general. (Ref. No. 993)

**3. In the Army Reserve there are 87 promotions to the grade of colonel and below (list begins with Duane Austin). (Ref. No. 994)

**4. In the Army there are 25 promotions to the grade of lieutenant colonel (list begins with George C. Baxley). (Ref. No. 1001)

**5. In the Army Reserve there are 581 promotions to the grade of colonel and below (list begins with Henry E. Blechl). (Ref. No. 1002)

**6. In the Navy there are 46 appointments to the grade of ensign (list begins with Lori P. Anderson). (Ref. No. 1003)

*7. Maj. Gen. Gerald T. Bartlett, U.S. Army, to be lieutenant general. (Ref. No. 1010)

*8. Vice Adm. Donald S. Jones to be reassigned. (Ref. No. 1018)

**9. Chaplain Stanley E. White for appointment in the Regular Air Force in a grade no higher than lieutenant colonel. (Ref. No. 1019)

**10. In the Air Force there are two promotions to the grade of lieutenant colonel and below (list begins with Fredric L. Bauer). (Ref. No. 1020)

**11. In the Air Force there are 308 appointments in the Regular Air Force in a grade no higher than major (list begins with Loren G. Aquillard). (Ref. No. 1021)

**12. In the Air Force there are 2,638 promotions to the permanent grade of major (list begins with Glennis L. Aavang). (Ref. No. 1022)

**13. In the Army there are 13 promotions to the permanent grade of colonel and below (list begins with Robert H. Johns). (Ref. No. 1023)

**14. In the Marine Corps there are 108 promotions to the permanent grade of colonel (list begins with John H. Admire). (Ref. No. 1024)

**15. In the Navy Reserve there are 440 promotions to the permanent grade of captain (list begins with Arthur P. Abel). (Ref. No. 1025)

**16. In the Navy there are 40 appointments to the permanent grade of ensign (list begins with Elmer J. Aguigam). (Ref. No. 1026)

**17. Maj. Gen. John D. Bruen, Army, to be placed on the retired list, and Maj. Gen. Kenneth E. Lewi, Army, to be major general and reassigned. (Ref. No. 1032)

**18. In the Army there are 850 appointments to the grade of second lieutenant (list begins with Brian S. Abraham). (Ref. No. 1036)

**19. In the Navy there are 896 promotions to the grade of commander (list begins with Mary Raftery Adams). (Ref. No. 1037)

**20. In the Army there are 1,013 appointments to the grade of second lieutenant (list begins with Eric D. Adams). (Ref. No. 1038)

Total: 7,055.

By Mr. STAFFORD, from the Committee on Environment and Public Works:

Frank H. Dunkle, of Montana, to be Director of the U.S. Fish and Wildlife Service.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MURKOWSKI (for himself, Mr. CRANSTON, Mr. SIMPSON, Mr. THURMOND, Mr. SPECTER, Mr. DENTON, Mr. BOSCHWITZ, Mr. DECONCINI, and Mr. ROCKEFELLER):

S. 2381. A bill to revise the guaranteed loan limitation amount applicable to chapter 37 of title 38, United States Code, for fiscal year 1986, for the purpose of implementing any order issued by the President for such fiscal year under any law providing for sequestration of new loan commitments; to the Committee on Veterans Affairs.

By Mr. HUMPHREY (for himself, Mr. EAST, Mr. DENTON, and Mr. HELMS):

S. 2382. A bill to amend the Internal Revenue Code of 1954 to deny status as a tax-exempt organization, and as a charitable contribution recipient, for organizations which directly or indirectly perform, finance, or provide facilities for abortions, except to prevent the death of the mother; to the Committee on Finance.

By Mr. TRIBLE (for himself, Mr. KASTEN, Mr. HELMS, Mr. HUMPHREY, Mr. DURENBERGER, Mr. EAST, Mr. PROXMIRE, and Mr. WARNER):

S. 2383. A bill to amend the Nuclear Waste Policy Act of 1982 to remove the requirement of a second repository for the disposal of high-level radioactive waste and spent nuclear fuel, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. ROCKEFELLER (for himself and Mr. BYRD):

S. 2384. A bill to amend Public Law 95-625 to permit the acquisition of certain lands for an administrative site for the New River Gorge National River, WV; to the Committee on Energy and Natural Resources.

By Mr. ROTH:

S. 2385. A bill to extend the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983; to the Committee on Governmental Affairs.

By Mr. BYRD:

S.J. Res. 332. A joint resolution to designate the week of November 16, 1986,

through November 22, 1986, as "National Software Awareness Week"; to the Committee on the Judiciary.

By Mr. ANDREWS:

S.J. Res. 333. A joint resolution designating the week of May 18, 1986, through May 24, 1986, as "National Food Bank Week"; to the Committee on the Judiciary.

By Mr. LAUTENBERG (for himself and Mr. BRADLEY):

S.J. Res. 334. A joint resolution allowing qualified persons representing all the States to be naturalized on Ellis Island on July 3 or 4, 1986; to the Committee on the Judiciary.

BY Mr. CHILES:

S.J. Res. 335. A joint resolution to designate May 8, 1986, as "Naval Aviation Day"; to the Committee on the Judiciary.

By Mr. GARN (for himself and Mr. GLENN):

S.J. Res. 336. A joint resolution to express the sense of Congress on recognition of the contribution of the seven Challenger astronauts by supporting establishment of a Children's Challenger Center for Space Science; to the Committee on Commerce, Science, and Transportation.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. ROTH (for himself and Mr. MCCONNELL):

S. Res. 390. A resolution relating to the nuclear accident at Chernobyl in the Union of Soviet Socialist Republics; ordered held at the desk.

By Mr. SIMPSON (for Mr. DOLE (for himself and Mr. BYRD)):

S. Res. 391. A bill to direct the Senate Legal Counsel to represent Senator HEINZ in a civil matter; considered and agreed to.

By Mr. GARN (for himself and Mr. GLENN):

S. Con. Res. 134. A concurrent resolution expressing the sense of the Congress that the Secretary of the Army should place an appropriate memorial marker in Arlington National Cemetery honoring members of the crew of the Space Shuttle Challenger who died during the launch of the spacecraft on January 28, 1986; to the Committee on Veterans' Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MURKOWSKI (for himself, Mr. CRANSTON, Mr. SIMPSON, Mr. THURMOND, Mr. SPECTER, Mr. DENTON, Mr. BOSCHWITZ, Mr. DECONCINI, and Mr. ROCKEFELLER):

S. 2381. A bill to revise the guaranteed loan limitation amount applicable to chapter 37 of title 38, United States Code, for fiscal year 1986, for the purpose of implementing any order issued by the President for such fiscal year under any law providing for sequestration of new loan guarantee commitments; to the Committee on Veterans' Affairs.

RAISING CREDIT EXTENSION AUTHORITY FOR THE VA LOAN GUARANTY PROGRAM

Mr. MURKOWSKI. Mr. President, I rise today to introduce a bill to provide relief to veterans who wish to buy or refinance a home and are eligible to use the Veterans' Administration's Home Loan Guaranty Program. This legislation is needed in spite of the fact that 2 months ago the Congress acted to provide relief from an identical situation affecting the same program. My proposed legislation would raise the baseline level of credit extension authority from which the 1986 sequester would occur to $30.9 billion.

The Balanced Budget and Emergency Deficit Control Act of 1985, for the first time placed a limit on the number of loans the VA can guarantee in a given fiscal year. As was the case in February of this year, the Loan Guaranty Program is on the verge of shutting down due to the greatly increased volume of loan activity which, if unrestricted, would far exceed the already elevated level of credit extension authority. I believe that any adverse effect on the Loan Guaranty Program as a result of Gramm-Rudman was unintended, yet the ramifications are very real and should not be allowed to go uncorrected.

On January 15 of this year, the level of loan activity for the VA Loan Guaranty Program for fiscal year 1986 was estimated to be approximately $12 billion. In accordance with the sequester order for the current fiscal year that figure was to be reduced by 4.3 percent. The VA recognized that $11.5 billion in credit authority would not last much past the second quarter of the fiscal year. A revised estimate of $18.2 billion was therefore provided. Senator CRANSTON introduced legislation, of which I was an original cosponsor, to raise the baseline figure to that level. A companion measure was introduced in the House. Both Houses acted expeditiously and the House-passed version of the bill was agreed to by the Senate. Public Law 99-255 was signed by the President on March 7, 1986, and provided what was thought to be sufficient credit authority to carry the program to the end of the fiscal year.

Unfortunately, however, we find ourselves in the same predicament once again. With interest rates dropping to 9.5 percent for VA mortgages, the number of applications for new loans and refinancing of existing loans has far exceeded all predicted levels. The VA will not be able to continue to guarantee either of those types of loans unless the Congress acts again to raise the credit authority level of the program. The latest estimate of loan activity for fiscal year 1986 provided by the VA is $30.9 billion. My bill would raise the baseline figure to that level from which the 4.3-percent reduction would occur. I submit for the record, an exchange of letters between myself and Gen. Thomas K. Turnage, the Administrator of Veterans' Affairs on the VA's revised estimate of projected loan activity, and ask unanimous consent that they be printed at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC, April 28, 1986.

Hon. THOMAS K. TURNAGE,
Administrator of Veterans' Affairs, Veterans' Administration, Washington, DC.

DEAR TOM: It has come to my attention that the legislative relief which the Congress provided relative to the credit extension authority for the Loan Guaranty Program for FY 1986 may be insufficient to allow the program to continue throughout the fiscal year. As a result of the continued decline in interest rates and subsequent increase in applications for the refinancing of existing loans, the increase in the baseline estimate to $18.2 billion may fall far short of the actual program activity level for FY 1986.

I am prepared to introduce legislation that would amend Public Law 99-255 to increase the baseline figure from which a 4.3-percent reduction would be taken so as to more accurately reflect current projections of loan activity for the remainder of FY 1986.

Please provide me with your most recent estimate of loan activity level for FY 1986, taking into account current activity levels, including refinancing, and the potential for further decline in the interest rates. I trust this most recent estimate will accurately reflect the credit extension authority needed for the remainder of the fiscal year.

I appreciate your expeditious response to this request and thank you for your continued cooperation.

Sincerely,

FRANK H. MURKOWSKI,
Chairman.

VETERANS ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS AFFAIRS,
Washington, DC.

Hon. FRANK H. MURKOWSKI,
Chairman, Committee on Veterans' Affairs, Washington, DC.

DEAR MR. CHAIRMAN: Loan Guaranty program activity through April 22, 1986 has resulted in the obligation of $13.2 billion. Currently weekly activity is approximately $750 million. Based on these factors, we anticipate reaching the Loan Guaranty limit in early June.

Analysis of possible future loan activity indicates that $13.5 billion (18 weeks x $750M) additional loan guaranty authority, raising the total FY 1986 Loan Guaranty authority to $30.9 billion, is required for the continued operation of this important benefit.

Sincerely,

THOMAS K. TURNAGE,
Administrator.

Mr. MURKOWSKI. Mr. President, Gramm-Rudman was enacted to reduce the deficit by limiting Federal spending. Ironically, though, the deficit may actually be increased if the credit authority is limited. By the end of the fiscal year as much as 50 percent of the loan activity will be the refinancing of existing loans. Refinancing existing loans may be in the VA's best interests, as many veterans will be able to get out from under their high-

interest loans through refinancing at the current low rates. The result may potentially limit the VA's losses as a result of foreclosures. In addition, the VA receives 1-percent origination fee for the new loans and refinanced loans it guarantees.

As much as $122 million in revenues can be gained for the VA's loan guaranty revolving fund [LGRF] under this proposed legislation to raise the credit authority and allow the VA to guaranty the additional $12.2 billion in loans. The LGRF required over $0.5 billion in direct appropriations in 1984 and 1985 to cover the losses of the program. To forego the revenue generated by the origination fee would only increase the possibility for the need for another direct appropriation.

An issue not addressed by this legislation but one which is troubling to me is the severe burden being placed on the VA's loan guaranty staff in the field. They have been reduced by 4.3 percent under the fiscal year 1986 sequester order. This has happened at a time when their volume of business has skyrocketed to an unmanageable level even if it has happened under conditions with ideal staff support. I wish to acknowledge their superior efforts in taking on this incredible volume of work in order to ensure the continuation of this important program.

The intent of Congress was never to limit the number of veterans able to use the benefit to which they are entitled, nor was it the intent of Congress to reduce the revenue received by LGRF from the program. The Veterans' Affairs Committee will examine this issue more closely in the coming weeks in order to determine if it would be more appropriate to exempt this program from any reduction under Gramm-Rudman in the future. I am not now suggesting that course of action, but for now I ask my colleagues to provide temporary relief through the timely enactment of this bill.

Mr. President, I ask unanimous consent that the bill I have proposed be printed in the RECORD.

There being no objection, the bill was ordered be be printed in the RECORD, as follows:

S. 2381

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the act entitled "An Act to establish, for the purpose of implementing any order issued by the President for fiscal year 1986 under any law providing for sequestration of new loan guarantee commitments, a guaranteed loan limitation amount applicable to chapter 37 of title 38, United States Code, for fiscal year 1986", approved March 7, 1986 (Public Law 99-255; 100 Stat. 39), is amended by striking out "$18,200,000,000" and inserting in lieu thereof "$30,900,000,000".

Mr. CRANSTON. Mr. President, as the ranking minority member of the Committee on Veterans' Affairs, I am pleased to join with the distinguished chairman of the committee [Mr. MURKOWSKI] in introducing S. 2381. Joining with us are the Senators from Wyoming [Mr. SIMPSON], South Carolina [Mr. THURMOND], Pennsylvania [Mr. SPECTER], Alabama [Mr. DENTON], Minnesota [Mr. BOSCHWITZ], Arizona [Mr. DECONCINI], and West Virginia [Mr. ROCKEFELLER], who also serve on the committee. The purpose of this measure is to further revise the fiscal year 1986 loan activity baseline estimate used to determine the limitation that the order issued by the President on February 1, 1986, under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 imposes on Veterans' Administration home-loan guaranties under chapter 37 of title 38, United States Code.

Mr. President, this is the second time this year that efforts have been undertaken to protect the very valuable home-loan guaranty benefits for veterans. On February 5, 1986, I introduced S. 2052, together with the chairman of the committee [Mr. MURKOWSKI], as well as the Senators from Arizona [Mr. DECONCINI], South Carolina [Mr. THURMOND], and West Virginia [Mr. ROCKEFELLER]. Subsequently, Senators ABDNOR, BAUCUS, BOREN, DENTON, DODD, EAGLETON, GORE, GORTON, GRASSLEY, HAWKINS, HELMS, HOLLINGS, INOUYE, KERRY, MATSUNAGA, MATTINGLY, MOYNIHAN, SARBANES, SIMON, TRIBLE, WARNER, and WILSON joined as cosponsors of the measure. The purpose of that measure, which was unanimously reported favorably by the committee on February 24, was nearly identical in purpose—that was, in light of prior inaccurate VA, CBO, and OMB projections of VA home-loan guaranty activity in fiscal year 1986, to establish a corrected amount for the guaranteed loan limitation amount being applied in fiscal year 1986 under the President's February 1, 1986, sequestration order. On February 25, the Senate passed an identical measure, H.R. 4130, in lieu of S. 2052 as reported. That measure, enacted into law as Public Law 99-255 on March 7, established that, for the purpose of implementing the fiscal year 1986 sequestration order, the VA-guaranteed loan limitation amount is $18.2 billion.

The underlying premise of the measure we are introducing today is once again to protect this valuable assistance from being drastically and unduly curtailed pursuant to restrictions placed on it under the President's February 1 order.

Due largely to lower interest rates and a rapidly expanding housing market, activity in the VA's home-loan guaranty program is far ahead of where it was last fiscal year, during the entirety of which the VA guaranteed $11.45 billion in home loans. Through April 22, the VA had guaranteed a total loan guaranty amount of almost $13.2 billion. Indeed, the VA, in a letter to the chairman of the committee which he has inserted in the RECORD in connection with his introductory remarks, has advised that it is currently operating at a weekly activity volume of approximately $750 million.

Thus, just as the original estimate of a program level of $12 billion in fiscal year 1986 was unrealistic, the corrected estimate established by Public Law 99-255 is too low to reflect the current volume of loan activity in the VA. The agency anticipates reaching the recently established loan guaranty limit under Public Law 99-255 "in early June." At that point, the effect of sequestration at this $18.2 billion level would be to eliminate all further guaranties for the balance of the fiscal year. That would mean a more than 43-percent reduction in the total amount of loans that would otherwise be guaranteed in fiscal year 1986—10 times the 4.3-percent sequestration rate general applicable to other nonexempted, nondefense programs in fiscal year 1986.

The VA has advised that raising the limitation to $30.9 billion is required for the continued operation of the program in fiscal year 1986.

Mr. President, as I said in introducing and again in urging Senate passage of our prior legislation, I am certain that the Congress did not intend for the fiscal year 1986 sequestration process to have such an enormous adverse impact on this program of such importance to our Nation's veterans and our economy.

Without contesting or attempting at this point to revise basic tenets of the Gramm-Rudman law, our measure would again simply make a correction in the so-called base amount to which sequestration would apply. To do this, the bill would provide that, for purposes of implementing the President's February 1 fiscal year 1986 sequestration order, the VA-guaranteed loan limitation amount would be $30.9 billion reduced by the percentage generally being applied under Gramm-Rudman to nonexempted, nondefense programs, 4.3 percent—or $29.571 billion. The $30.9 billion level is, as previously noted, the VA's current estimate of loan guaranty activity in fiscal year 1986.

Mr. President, I want to stress that this legislation, as was the case with its predecessor, S. 2052, is not intended to resolve or express any view on certain questions—which I noted in my February 5 introductory statement on that bill, beginning on page S 1065—regarding the legality of sequestration being made applicable to this program in fiscal year 1986. Rather, the bill we are introducing simply provides for a

further revised estimate to be used in carrying out the sequestration order and does not address whether the order itself or the sequestering of VA loan guaranty commitments is lawful.

Mr. President, at this time I want to take a moment to express my thanks to the distinguished chairman of the committee [Mr. MURKOWSKI] for his diligence in pursuing this matter at this time. In reporting S. 2052, the committee had some concerns that the level provided therein might not have been sufficient. In connection with the prior legislation, I stated that if it turned out that the $18.2 billion level was inadequate, I would pursue further legislation to remedy the situation.

I am pleased to join in this effort to ensure the continued operation of the VA's loan-guaranty program and avoid the extreme and unwarranted disruption that will result in early June, according to the VA, unless remedial legislation is enacted.

By Mr. HUMPHREY (for himself, Mr. EAST, Mr. DENTON, and Mr. HELMS):

S. 2382. A bill to amend the Internal Revenue Code of 1954 to deny status as a tax-exempt organization, and as a charitable contribution recipient, for organizations which directly or indirectly perform, finance, or provide facilities of abortions, except to prevent the death of the mother; to the Committee on Finance.

TAX-EXEMPTION EQUITY ACT

● Mr. HUMPHREY. Mr. President, on behalf of myself, Mr. EAST, Mr. DENTON, and Mr. HELMS, I introduce a bill denying tax exempt and tax deductible status to abortion providers.

It has long been the policy of Congress not to use Federal funds to pay for abortions. In fact, the Hyde amendment has been in effect since 1976, prohibiting the use of Federal tax dollars under the Medicaid Program for abortions. Language similar to the Hyde amendment has been attached to other appropriation bills as well, including, but not limited to, Defense Department funds, Legal Services Corporation funds, Indian Health services, and the Peace Corps. Clearly the American people do not want public funds used to pay for abortions, and the Congress has supported this desire with appropriate legislation. And yet, through the tax subsidization of some nonprofit organizations, Congress is indeed doing just that: We are subsidizing abortions. Specifically, groups which provide, finance, or provide facilities for abortions, are receiving tax exemptions and tax deductions under sections 501(c)(3) and 501(c)(4) of the Internal Revenue Code.

Mr. President, it is clear that abortion clinics are being subsidized by the American people. It is equally clear that Congress has the right to discontinue this subsidization of abortion. Indeed, I submit that we have more than just the right, we have the obligation, to stop paying for abortion, and abortion services.

That is why I have introduced the bill.

This bill will deny both tax deductible and tax exempt status from clinics, hospitals, and organizations that perform abortions, finance them, or provide facilities for the performance of abortions, either directly or indirectly, except to prevent the death of the mother.

In 1983, the U.S. Supreme Court made clear that conferring tax exempt status or eligibility for tax deductible contributions is a form of Government subsidy. In the words of the Supreme Court,

> Both tax exemptions and tax deductibility are a form of subsidy that is administered through the tax system. A tax exemption has much the same effect as a cash grant to the organization of the amount of tax it would have to pay on its income. Deductible contributions are similar to cash grants of the amount of a portion of the individual's contributions.

In fact, we are subsidizing dozens, if not hundreds, of clinics and organizations whose nominal business is providing family planning services to the poor and needy, and whose primary industry often is no more than doing abortions. Each of these clinics is both exempt from paying taxes and is a charitable contribution recipient that may receive tax deductible contributions.

While these abortion providers may be tax exempt, it is clear that we are under no obligation to subsidize their activities. In 1980, the U.S. Supreme Court held that Congress may refuse to subsidize abortions under the Medicaid Program, even while subsidizing childbirth, because the Government maintains a legitimate interest in the unborn child. Withholding money used for the destruction of that unborn child is, of course, rationally related to that interest.

The Court applied the lower level rational basis test rather than higher level strict scrutiny, even though abortion is considered a fundamental right, because the Hyde amendment—limiting Federal funding of abortions under Medicaid—"places no governmental obstacle in the path of a women who chooses to terminate her pregnancy, but rather, by means of unequal subsidization of abortion and other medical services, encourages alternative activity deemed in the public interest."

I should also note that this bill adheres to current constitutional provisions allowing counseling and referral for abortion, and allowing organizations to establish separate organizations that may provide a variety of abortion services.

Mr. President, I am proud to introduce this bill today, on my behalf and on behalf of my colleagues. It will put an end to this subsidization of abortion with public funds. It will reaffirm congressional commitment to the promotion and support of childbirth. And it will restate our legitimate interest in the protection of the lives of the unborn. I encourage all my colleagues to cosponsor this bill and to support efforts to bring the bill for a vote.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2382

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Tax Exemption Equity Act of 1986".

SEC. 2. DENIAL OF TAX BENEFITS FOR ORGANIZATIONS WHICH PERFORM, FINANCE, OR PROVIDE FACILITIES FOR ABORTIONS.

(a) DENIAL OF TAX-EXEMPT STATUS.—Section 501 of the Internal Revenue Code of 1954 (relating to exemption from tax on corporations, certain trusts, etc.) is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

"(m) DENIAL OF EXEMPTION FOR ORGANIZATIONS WHICH PERFORM, FINANCE, OR PROVIDE FACILITIES FOR ABORTIONS.—

"(1) IN GENERAL.—An organization shall not be treated as described in subsection (a) if such organization directly or indirectly performs, finances, or provides facilities for any abortion.

"(2) ABORTION DEFINED.—

"(A) IN GENERAL.—For purposes of paragraph (1), the term 'abortion' means any action using any instrument, medicine, drug, or any other substance or device to terminate the pregnancy of a woman known to be pregnant.

"(B) EXCEPTION.—

"(i) IN GENERAL.—The term 'abortion' shall not include any medical procedure required to prevent the death of either the pregnant woman or her preborn child so long as every reasonable effort is made to preserve the life of each.

"(ii) PREBORN CHILD DEFINED.—For purposes of this paragraph, the term 'preborn child' means an individual organism of the species homo sapien from the instant of fertilization until live birth.".

(b) DENIAL OF ELIGIBILITY FOR CHARITABLE CONTRIBUTION.—

(1) INCOME TAX.—Section 170(c) of the Internal Revenue Code of 1954 (defining charitable contribution) is amended by adding at the end thereof the following: "For purposes of this section, such term does not include a contribution or gift to or for the use of any organization which performs, finances, or provides facilities for any abortion (within the meaning of section 501(m))."

(2) ESTATE TAX.—

(A) IN GENERAL.—Section 2055 of such Code (relating to transfers for public, charitable, and religious uses) is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) DENIAL OF DEDUCTION FOR CONTRIBUTIONS TO ORGANIZATIONS WHICH PERFORM, FINANCE, OR PROVIDE FACILITIES FOR ABORTIONS.—No deduction shall be allowed under this section for a transfer to or for the use of any organization which performs, finances, or provides facilities for any abortion (within the meaning of section 501(m))."

(B) TECHNICAL AMENDMENTS.—

(i) Subparagraph (E) of section 2106(a)(2) of such Code (relating to transfers for public, charitable, and religious uses from taxable estates of nonresidents not citizens) is amended by striking out "section 2055(e)" and inserting in lieu thereof "subsections (e) and (f) of section 2055".

(ii) Subparagraph (F)(ii) of section 2106(a)(2) of such Code is amended by striking out "section 2055(f)" and inserting in lieu thereof "section 2055(g)".

(3) GIFT TAX.—Section 2522 of such Code (relating to charitable and similar gifts) is amended by redesignating subsection (d) as subsection (e) and by inserting after subsection (c) the following new subsection:

"(d) DENIAL OF DEDUCTION FOR CONTRIBUTIONS TO ORGANIZATIONS WHICH PERFORM, FINANCE, OR PROVIDE FACILITIES FOR ABORTIONS.—No deduction shall be allowed under this section for a gift to or for the use of any organization which performs, finances, or provides facilities for any abortion (within the meaning of section 501(m))."

(c) EFFECTIVE DATES.—

(1) ABORTIONS AFTER DATE OF ENACTMENT.—The amendments made by this section shall take into account only abortions (as defined in section 501(m)(2) of the Internal Revenue Code of 1954 as added by this Act) performed after the date of the enactment of this Act.

(2) SUBSECTION (a).—The amendment made by subsection (a) shall apply to taxable years ending after the date of the enactment of this Act.

(3) SUBSECTION (b).—The amendments made by subsection (b) shall apply to estates of decedents dying, and transfers after the date of the enactment of this Act.●

By Mr. TRIBLE (for himself, Mr. KASTEN, Mr. HELMS, Mr. HUMPHREY, Mr. DURENBERGER, Mr. EAST, Mr. PROXMIRE, and Mr. WARNER):

S. 2383. A bill to amend the Nuclear Waste Policy Act of 1982 to remove the requirement of a second repository for the disposal of high-level radioactive waste and spent nuclear fuel, and for other purposes; to the Committee on Energy and Natural Resources.

NUCLEAR WASTE POLICY ACT AMENDMENTS

Mr. TRIBLE. Mr. President, the bill I introduce today makes needed changes in the Nuclear Waste Policy Act of 1982 by removing the requirement of a second repository for the disposal of high-level nuclear waste and spent nuclear fuel.

There is no need for our Nation to pursue the plans for a second permanent repository. The requirement for a first and second repository was based on a projected need to store 140,000 metric tons of high-level nuclear waste by the year 2020. The latest projection from the Department of Energy, however, suggests that earlier estimates were exaggerated.

DOE's Energy Information Administration [EIA] recently released projected ranges on nuclear waste in the United States by the year 2020. The figures range from 75,000 metric tons to 126,000 metric tons. The lower estimate of 75,000 is only 5,000 metric tons over the capacity of the repository to be located in the Western United States.

Moreover, there is no technical basis for the 70,000-ton capacity. That figure was arrived at merely by dividing the original projection of total nuclear waste in the United States in half.

The revised data compiled by the Energy Information Administration clearly indicates that the first repository can provide more than adequate storage for all the waste generated in the United States possibly until the year 2020 merely by removing an arbitrary cap.

There is another reason for terminating the second repository program. While DOE is projecting declining waste production, estimates of the costs of disposal sites rose from $19.6 billion to $26.7 billion in only 18 months.

At a time of fiscal restraint, it makes little sense to incur the expense of an analysis of sites for a second repository. It is essential that we terminate the second repository and get on with a sound, fiscally responsible Nuclear Waste Disposal Program. I would hope that my colleagues would see this is a prudent solution, and join me in supporting this.

● Mr. KASTEN. Mr. President, I am pleased to introduce legislation with Senator TRIBLE that amends the Nuclear Waste Policy Act of 1982 by terminating the search for a second high level nuclear waste repository. This legislation prevents further expenditures on activities related to a second repository and strikes all language referring to a second repository from the Nuclear Waste Policy Act.

While I am committed to finding a safe, reliable, and geologically suitable manner to isolate nuclear waste, I am convinced that the Nation's interest would be better served by a single repository. There is no physical need for establishing two separate high level nuclear waste facilities. In fact, I questioned the Director of the Office of Civilian Radioactive Waste Management, Mr. Ruschee, about the need for duplication of disposal facilities during oversight hearings before the Appropriations Committee. As part of the cross-examination process, Mr. Ruschee confirmed my beliefs and admitted that there is no technical reason that a second repository is required.

The Energy Information Administration's most recent projections show that the quantity of nuclear waste to be disposed of by the year 2020 will be substantially less than the 157,000 metric tons projected in 1983. The current figures are projected to be as low as 75,000 metric tons.

By building a second repository, we would be doubling many of the problems associated with the siting of any nuclear waste facility. It is much safer to guarantee the security of a single facility than to try to protect two. Only one containment facility to physically isolate the waste need be built and operated. The attention of management could be concentrated and better utilized with a single site.

It would cost billions less to operate a single waste repository than to develop two facilities that perform the same function. Let me emphasize, selection of a second site would require the expenditure of billions of additional dollars to do a job which can be better accomplished by a single site.

Before we consider a potential site for a second repository, I believe evidence must be presented that the Nation's interest would be better served by duplicating facilities. Politicizing critical decisionmaking processes related to the Nuclear Waste Disposal Program only sets back our objectives. All evidence gathered thus far indicates the Nation's interest is better served by one repository. For this reason, the search for a second repository should be stopped immediately.

I commend my distinguished colleague from Virginia for introducing the Nuclear Waste Policy Act Amendments of 1986. I am proud to join him. I am hopeful that my colleagues will join us in cosponsoring this legislation as well.●

● Mr. HELMS. Mr. President, as a cosponsor of S. 2383 a bill to amend the Nuclear Waste Policy Act of 1982, I would note that this bill, when enacted, will do two things—raise the amount of spent fuel the first repository can store, and eliminate the Department's authority to site a second high level nuclear waste repository.

In response to growing projections for spent fuel generation, the Congress, in 1982, enacted the Nuclear Waste Policy Act of 1982 (Public Law 97-425). This legislation required the Department of Energy to site, design, construct, and operate the first repository for the disposal of high level nuclear waste and spent fuel. Under statutory guidelines the first repository will begin to receive waste by 1998 and can store only 70,000 metric tons of spent fuel and high-level waste.

In addition, the Nuclear Waste Policy Act of 1982 direct the Department of Energy to conduct siting activities for a second repository. It did not authorize construction of the second repository. Construction can proceed only after Congress authorizes and appropriates funding for the project.

Mr. President, changes in the energy industry and the Federal economy dictate that the Federal Government should not build a second repository. Since the 1982 bill was enacted, projections for spent fuel generation have plummeted while the costs of building a repository and the Federal deficit have skyrocketed.

The 1983 Energy Information Administration [EIA] projections indicated that by the year 2000, 48,200 metric tons of spent fuel would be generated, and by 2020, the cumulative amount would reach 132,600. The 1985 EIA projections dropped to 41,700 metric tons for the year 2000 and to 106,400 metric tons by 2020.

Mr. President, the slowdown in the construction of nuclear power facilities confirms these statistics. Not one nuclear powerplant has been ordered in the past 9 years. There are 100 facilities now on line, and only 20 others under construction.

This shift away from nuclear power, and the decline in spent fuel projections, must be put on the scale when the Congress weighs whether the second repository is needed.

At a time of imperative need to reduce the Federal deficit, we are obliged to consider the cost of siting, designing, and constructing a second repository. Finding a site, alone, costs the American taxpayer between $500 million to $1 billion. Designing, construction, and maintaining a second repository could run in the neighborhood of hundreds of millions more. That's a pretty expensive neighborhood for something we don't need.

This bill will close the debate on the second repository once and for all. It's an extravagance the American taxpayers can neither afford nor need. I urge Senators to support this bill.●

By Mr. ROCKEFELLER (for himself and Mr. BYRD):

S. 2384. A bill to amend Public Law 95-625 to permit the acquisition of certain lands for an administrative site for the New River Gorge National River, WV; to the Committee on Energy and Natural Resources.

ADMINISTRATIVE SITE FOR NEW RIVER GORGE NATIONAL RIVER

● Mr. ROCKEFELLER. Mr. President, today I am introducing, along with the distinguished senior Senator from West Virginia, a bill that would authorize the construction of an administrative headquarters, maintenance facility, and small visitors' center for the new River Gorge National River. The new park headquarters in Glen Jean will benefit the 700,000 tourists and white water rafters that visit the New River Gorge National River each year.

Presently, the administrative headquarters for the New River are temporarily located in three rented buildings in Oak Hill. To consolidate and improve operations, the National Park Service selected a 10-acre site for the new headquarters in the historic coal town of Glen Jean.

While the Glen Jean site is well located near the mid-point of the New River and is easily accessible for a major highway that runs parallel to the River, the site is outside the River's authorized boundary. This legislation makes it clear that funds appropriated for land acquisition within the National River may be used to acquire property for the administrative headquarters site at Glen Jean.

Mr. President, the New River Gorge National River is one of southern West Virginia's most powerful tourist draws, generating a considerable amount of revenue to this financially troubled area. The new park headquarters, maintenance center, and visitor's center will ensure effective administration and management of this popular, scenic area.●

By Mr. ROTH:

S. 2385. A bill to extend the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983; to the Committee on Government Affairs.

EXTENSION OF FEDERAL EMPLOYEES' RETIREMENT CONTRIBUTION TEMPORARY ADJUSTMENT ACT

● Mr. ROTH. Mr. President, today I am introducing legislation that will extend for 1 more month the interim retirement plan for Federal workers who began employment with the Government after January 1, 1984 and are participating in the Social Security System.

At midnight, April 30, the current plan will expire and over 300,000 employees enrolled in this system will have to pay double coverage for their retirement benefits. We do not want to subject them to this financial burden nor do we want to incur additional expenses for their employer—the Federal Government.

The House and Senate are currently in conference on the legislation that provides a new retirement system for these workers. The conferees and their staffs have worked most diligently for several months to produce a bill that is certain to be landmark legislation in the area of pension reform. But the conference is not quite done with the details and some legitimate disagreements exist between the House, Senate and the administration.

However, these differences are not insurmountable. They will take time to sort out but I have all confidence that they can be settled if we keep moving at a steady deliberate pace. First, however, we should pass a month's temporary extension and prevent the considerable anxiety that is going to result when Federal workers get their May 20 pay checks and discover that they are paying double for their retirement benefits. In that atmosphere we will be rushed and not produce the kind of legislation that the Federal workers deserve.

So I would urge my colleagues to support this very short extension despite the disappointment many of the conferees must feel over falling just slightly short of their goal. Federal employees should be protected while the conferees complete their work.●

By Mr. BYRD:

S.J. Res. 332. Joint resolution to designate the week of November 16, 1986, through November 22, 1986, as "National Software Awareness Week"; to the Committee on the Judiciary.

(The remarks of Mr. BYRD and the text of the legislation appear earlier in today's RECORD.)

By Mr. ANDREWS:

S.J. Res. 333. Joint resolution designating the week of May 18, 1986, through May 24, 1986, as "National Food Bank Week"; to the Committee on the Judiciary.

NATIONAL FOOD BANK WEEK

Mr. ANDREWS. Mr. President, today I am introducing a Senate joint resolution to designate May 18-24, 1986 as National Food Bank Week.

This joint resolution is identical to House Joint Resolution 234, which the House passed on April 14, 1986, and commemorates the critical role of food banks in alleviating the plight of the Nation's hungry. Today, almost 15 million Americans live below the poverty line and according to recent statistics, 20 million Americans go hungry in a nation known for its material wealth, abundant natural resources, and its ability to produce food.

Mr. President, I suggest that hunger in America is no longer confined to the poor in our larger, urban centers. Hunger has, in fact, left the cities and today can be found at the very doorstep of the Nation's breadbasket.

Mr. President, the contribution of food banks in helping to alleviate this terrible plight is enormous. Last year, approximately one-fifth of all the food produced in the United States was wasted. At the retail and wholesale levels, the amount of waste in dollar figures totals over $6 billion. Food banks, in cooperation with the private sector, have done much to reduce this waste by collecting surplus goods and distributing them to various feeding assistance organizations and social welfare agencies.

In 1985, Second Harvest, Inc., the largest food bank network, aided by more than 250 private-sector companies, distributed over 100 million pounds of food products to the hungry. Additionally, 750,000 pounds alone were distributed last year by the Great Plains Food Bank, which serves

Minnesota and my own State of North Dakota.

Mr. President, the concerted effort put forth by the Nation's food banks merits recognition. Therefore, I offer this joint resolution to salute and publicly applaud these organizations and the individuals who make them work because of a deeply held personal commitment to seeing that our Nation's hungry are fed. I want to congratulate our colleagues in the House for adopting their joint resolution of recognition of the outstanding work done by our Nation's food banks. I am confident that the Senate will follow suit.

By Mr. LAUTENBERG (for himself and Mr. BRADLEY):

S.J. Res. 334. Joint resolution allowing qualified persons representing all the States to be naturalized on Ellis Island on July 3 or 4, 1986; to the Committee on the Judiciary.

NATURALIZATION CEREMONIES ON ELLIS ISLAND

● Mr. LAUTENBERG. Mr. President, today I am introducing legislation, with my colleague from New Jersey, Senator BRADLEY, to allow residents of each of the 50 States to participate in naturalization ceremonies being held on Ellis Island on July 3 as part of Liberty weekend. Congressmen RODINO, GUARINI, and GALLO are introducing companion legislation in the House of Representatives today.

Immigration regulations state that residents must be naturalized at the place where they filed their papers, and where they have resided for the required period of time. Under these rules, the naturalization ceremonies surrounding Liberty weekend would have been open only to residents of New York.

As the son of immigrant parents who, along with thousands of other new citizens, first entered this country through Ellis Island, I felt that this limited participation was the wrong way to celebrate the rededication of the Statue of Liberty. Only a truly national ceremony can symbolize what the Statue of Liberty continues to mean to all Americans—an affirmation of the spirit of freedom and opportunity.

Last week, Senator BRADLEY and I were named to the board of trustees of the American Museum of Immigration housed on Liberty Island. This museum, which preserves the rich history of the immigrants who settled this country, will include continuing exhibits on the Statue of Liberty and its symbolism throughout the World. I am honored to be associated with such a program.

Mr. President, this legislation has the support of the Immigration and Naturalization Service, whose regulations were the source of the earlier restrictions. The INS recognizes that becoming a naturalized citizen of the United States is a lifelong dream for the great numbers of people who have immigrated here and settled in every State, not just the New York area. This legislation will ensure that representatives of each of the 50 States will be able to participate in this once-in-a-lifetime ceremony. I urge my colleagues to give it their fullest support.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 334

Whereas citizenship ceremonies are planned on July 3 and 4, 1986, as part of the centennial celebration of the Statue of Liberty;

Whereas, as this is a national celebration, these ceremonies should include a naturalization ceremony that truly reflects that the United States is a Nation of Immigrants;

Whereas, the immigrants who entered the United States through Ellis Island settled throughout the United States;

Whereas, it should be most appropriate to have residents from all the States participating in the naturalization ceremony; and

Whereas, the Immigration and Nationality Act limits participation in the naturalization ceremony to individuals who reside only within the jurisdiction of a single district of a United States District Court: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF 2 RESIDENTS REPRESENTATIVE OF EACH STATE.

The Governor of each State is requested to and may designate (to the Attorney General, or his designee, by not later than June 1, 1986) 2 qualified persons (as defined in section 4(1)) for naturalization as citizens of the United States in an appropriate ceremony on Ellis Island on July 3 or 4, 1986.

SEC. 2. WAIVER OF CERTAIN PROVISIONS OF THE IMMIGRATION AND NATIONALITY ACT.

Notwithstanding any provision of title III of the Immigration and Nationality Act and notwithstanding any provision of chapter 87 of title 28, United States Code, to the contrary, each qualified person who is designated under section 1 may be naturalized on Ellis Island on July 3 or 4, 1986, before any judge or justice of the United States.

SEC. 3. NO AUTHORIZATION OF ADDITIONAL FUNDS.

This Act does not authorize the appropriation of any amounts for the transportation, lodging, or other expenses associated with the naturalization of designated, qualified persons under section 2.

SEC. 4. DEFINITIONS.

In this Act:

(1) QUALIFIED PERSON.—The term "qualified person" means, with respect to a State, a person—

(A) who is a resident of the State, but not a citizen of the United States,

(B) who, except as provided in section 2, has completed all statutory and regulatory requirements for naturalization, and

(C) whose application to file a naturalization petition (Form N-400) on the person's own behalf has been approved before June 1, 1986.

(2) STATE AND GOVERNOR.—The term "State" means each of the 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, and Guam, and the term "Governor" means, with respect to a State, the chief executive officer of the State.●

● Mr. BRADLEY. Mr. President, I join my good friend and colleague from New Jersey [Mr. LAUTENBERG] in introducing a bill that requests each Governor to designate two persons who will participate in the Ellis Island naturalization ceremony scheduled for July 1986.

Mr. President, this July Fourth holiday is a special one. Not only do we remember the 210th anniversary of this Nation's birth, but we also celebrate the renovation of one of this Nation's most cherished and revered landmarks. Of course, I am speaking of the Statue of Liberty. After extensive effort and at considerable expense, the lamp of Liberty will shine forth once again.

Mr. President, the Statue of Liberty is one of the greatest symbols of the freedom for which this Nation stands. Her lamp is a beacon to the world, calling forth those who Emma Lazarus deemed the "huddled masses yearning to be free." But, while the Statue of Liberty was the first sight American immigrants saw as they arrived in America, until only a few decades ago, Ellis Island was the first bit of American ground they touched.

Like the Statue of Liberty, Ellis Island is also a national landmark. Mr. President, the United States is a nation of immigrants, and nothing so symbolizes our great melting pot as Ellis Island. In order to commemorate our heritage, a special naturalization ceremony on Ellis Island has been set for July 1986.

Mr. President, since every State in the Union has enjoyed the fruits of immigration, I believe that is only appropriate that every State should be allowed to participate in this ceremony. This bill would allow each State to do so. The bill requests that each Governor designate two qualified persons to participate in the special naturalization ceremony on Ellis Island. Mr. President, this ceremony promises to be both moving and meaningful for its participants. I urge my colleagues to join us in this effort to allow future American citizens from each State to participate.●

By Mr. CHILES:

S.J. Res. 335. Joint resolution to designate May 8, 1986, as "Naval Aviation Day"; to the Committee on the Judiciary.

NAVAL AVIATION DAY

● Mr. CHILES. Mr. President, today I am introducing legislation which would commemorate May 8, 1986, as "Naval Aviation Day." This date will coincide with the 75th anniversary of the Naval Aviation Program, which will be celebrated throughout the country by a variety of festivities and events planned by the U.S. Navy.

For example, in the Pensacola, FL, area, from May 5 through May 11, the Association of Naval Aviation in conjunction with the Naval Aviation Museum Association, the Pensacola Naval Air Station, the State of Florida and the city of Pensacola will be sponsoring a major celebration which will include air shows, aircraft carrier cruises, sporting events, numerous receptions, a parade in downtown Pensacola and a Bob Hope television special totally devoted to the celebration of this diamond anniversary.

For 75 years naval aviation has had a proud heritage in the defense of this country. A heritage that began back in the days when the dream of an airplane taking off and landing on the deck of a naval ship became a reality. over the years, naval aviation has contributed much to military history through its participation in World Wars I and II and the Korean and Vietnam conflicts. It was a Navy aircraft that made the first transatlantic crossing. It was Navy aviators flying off the decks of aircraft carriers that served to turn the tide of the war in the Pacific. Since that time, naval aviation has continued to be a dominant force in naval warfare.

Naval aviation has come a long way since Capt. Washington Irving Chambers prepared the requisition for the Navy's first aircraft in 1911. I think it is fitting that we now commemorate those historic accomplishments. The resolution I have introduced today is identical to one which Representative EARL HUTTO introduced in the House of Representatives.

Mr. President, I ask unanimous consent that the text of the joint resolution I am introducing be printed in the CONGRESSIONAL RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 335

Whereas the official date of the founding of the United States naval aviation is May 8, 1911, a date on which Captain Washington Irving Chambers, a naval officer in charge of naval aviation, prepared the requisition for the Navy's first aircraft;

Whereas naval aviation has played a vital role in the development of aviation technology and space exploration;

Whereas naval aviation has contributed much to military history through its participation in World Wars I and II, and the Korean and Vietnam conflicts;

Whereas naval aviation remains a vital force in our national security with aircraft carrier presence in most oceans and approximately five thousand seven hundred and twenty active, inventoried aircraft at sea and at shore stations;

Whereas the naval aviation flight training program has trained more than one hundred and thirty-six thousand pilots since 1920; and

Whereas it is appropriate, on the day marking the seventy-fifth anniversary of the founding of naval aviation, that the people of the United States and our friends and allies throughout the world become better acquainted with the history and accomplishments of naval aviation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That May 8, 1986, is hereby designated as "Naval Aviation Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.●

By Mr. GARN (for himself and Mr. GLENN):

S.J. Res. 336. Joint resolution to express the sense of the Congress on recognition of the contributions of the seven *Challenger* astronauts by supporting establishment of a Children's Challenge Center for Space Science; to the Committee on Commerce, Science, and Transportation.

CHILDREN'S CHALLENGE CENTER FOR SPACE SCIENCE

● Mr. GARN. Mr. President, The remains of the seven brave crew members from *Challenger* have now left the Kennedy Space Center, en route to their final resting places. Once again, we are reminded of their sacrifice, and of their courage and dedication to our Nation's Space Program and the promise it holds for mankind's future.

It is that vision and dream of the future that lives on, and which serves as the inspiration for the families of the *Challenger* crew, as it should for all of us, to move forward with the realization of that dream.

Last week, I had the privilege of visiting once again with the families of the *Challenger Seven.* They expressed their feelings about the most appropriate manner in which their loved ones should be remembered and memorialized. They outlined their plans to develop a living memorial, at the Johnson Space Center in Houston, TX. It would serve as a place where people, especially young people, could gain an understanding and appreciation for the values of space exploration.

They met with Vice President BUSH, who issued a statement of support for their project; they met with Members of the House of Representatives, and Congressmen BROOKS, FUQUA, and ANDREWS introduced House Joint Resolution 607, which expresses the sentiment of the Congress in support of the proposed Children's Challenge Center for Space Science.

Today, my colleague Senator JOHN GLENN and myself are introducing a companion joint resolution to the House measure, as well as a concurrent resolution, Senate Concurrent Resolution 134, and urge our colleagues to support this resolution.

I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was orderd to be printed in the RECORD, as follows:

S.J. RES. 336

Whereas the crew of the space shuttle Challenger was dedicated to stimulating the interest of American children in space flight and science generally;

Whereas the members of that crew gave their lives trying to benefit the education of American children;

Whereas a fitting tribute to that effort and to the sacrifice of the Challenger crew and their families is needed; and

Whereas an appropriate form for such tribute would be to expand educational opportunities in science by the creation of a center that will offer children and teachers activities and information derived from American space research: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the sense of Congress that—

(1) a Children's Challenge Center for Space Science should be established in conjunction with NASA at the Johnson Space Center as a living memorial to the seven Challenger astronauts who died serving their country and to other individuals who gave their lives in exploration of the space frontier; and

(2) the Federal Government should, along with public and private organizations and persons, cooperate in the establishment of such a Center.●

ADDITIONAL COSPONSORS

S. 1134

At the request of Mr. COHEN, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 1134, a bill to amend title 5, United States Code, to provide administrative civil penalties for false claims and statements made to the United States by certain recipients of property, services, or money from the United States, by parties to contracts with the United States, or by Federal employees, and for other purposes.

S. 1900

At the request of Mr. ROTH, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 1900, a bill to amend the Foreign Agents Registration Act of 1938 by providing for the 5-year suspension of exemptions provided to an agent of a foreign principal convicted of espionage offenses.

S.2230

At the request of Mr. ROTH, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 2230, a bill to improve the management of the Government by establishing an Office of Federal Management in the Executive Office of the President, and for other purposes.

S. 2273

At the request of Mr. KASTEN, the names of the Senator from Nebraska [Mr. ZORINSKY], and the Senator from Minnesota [Mr. BOSCHWITZ] were added as cosponsors of S. 2273, a bill to amend the Internal Revenue Code of 1954 to deny the tax exemption for

interest on industrial development bonds used to finance acquisition of farm property by foreign persons.

S. 2274

At the request of Mr. KASTEN, the name of the Senator from Nebraska [Mr. ZORINSKY] was added as a cosponsor of S. 2274, a bill to provide that certain individuals who are not citizens of the United States and certain persons who are not individuals shall be ineligible to receive financial assistance under the price support and related programs administered by the Secretary of Agriculture.

S. 2286

At the request of Mr. DECONCINI, the names of the Senator from Colorado [Mr. HART], the Senator from Massachusetts [Mr. KERRY], the Senator from California [Mr. CRANSTON], the Senator from Hawaii [Mr. INOUYE], the Senator from Ohio [Mr. METZENBAUM], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from North Dakota [Mr. ANDREWS], and the Senator from Michigan [Mr. RIEGLE], were added as cosponsors of S. 2286, a bill to prohibit the sale, donation, or other transfer of Stinger antiaircraft missiles to democratic resistance forces in Afghanistan and Angola unless certain conditions are met.

S. 2288

At the request of Mr. CHILES, the names of the Senator from Missouri [Mr. DANFORTH], and the Senator from Hawaii [Mr. MATSUNAGA] were added as cosponsors of S. 2288, a bill to amend title XIX of the Social Security Act to permit States the option of providing prenatal, delivery, and postpartum care to low-income pregnant women and of providing medical assistance to low-income infants under 1 year of age.

S. 2295

At the request of Mr. GOLDWATER, the names of the Senator from Arkansas [Mr. BUMPERS], and the Senator from Minnesota [Mr. DURENBERGER] were added as cosponsors of S. 2295, an original bill to amend title 10, United States Code, to reorganize and strengthen certain elements of the Department of Defense, to improve the military advice provided the President, the National Security Council, and the Secretary of Defense, to enhance the effectiveness of military operation, to increase attention to the formulation of strategy and to contingency planning, to provide for the more effective use of resources, to strengthen civilian authority in the Department of Defense, and for other purposes.

S. 2332

At the request of Mr. BOSCHWITZ, the name of the Senator from Missouri [Mr. DANFORTH] was added as a cosponsor of S. 2332, a bill to provide credit assistance to borrowers of loans made by commercial lending institutions, Farm Credit System institutions, and the Farmers Home Administration, and for other purposes.

S. 2333

At the request of Mr. DURENBERGER, the names of the Senator from Arkansas [Mr. BUMPERS], and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of S. 2333, a bill to amend title XIX of the Social Security Act to strengthen and improve Medicaid services to low-income pregnant women and children.

SENATE JOINT RESOLUTION 134

At the request of Mr. BIDEN, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of Senate Joint Resolution 134, a joint resolution to designate "National Safety in the Workplace Week."

SENATE JOINT RESOLUTION 245

At the request of Mr. HATFIELD, the names of the Senator from Washington [Mr. EVANS], the Senator from Utah [Mr. HATCH], the Senator from New York [Mr. MOYNIHAN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Arkansas [Mr. PRYOR], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Idaho [Mr. MCCLURE], the Senator from New Jersey [Mr. BRADLEY], the Senator from California [Mr. CRANSTON], the Senator from Alabama [Mr. DENTON], and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of Senate Joint Resolution 245, a joint resolution designating "National Epidermolysis Bullosa Awareness Week."

SENATE JOINT RESOLUTION 318

At the request of Mr. ABDNOR, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of Senate Joint Resolution 318, a joint resolution designating November 1986 as "National Diabetes Month."

SENATE JOINT RESOLUTION 323

At the request of Mr. D'AMATO, the names of the Senator from Indiana [Mr. QUAYLE], the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Pennsylvania [Mr. HEINZ], and the Senator from Georgia [Mr. MATTINGLY] were added as cosponsors of Senate Joint Resolution 323, a joint resolution to designate May 21, 1986, as "National Andrei Sakharov Day."

SENATE JOINT RESOLUTION 327

At the request of Mr. SASSER, his name was added as a cosponsor of Senate Joint Resolution 327, a joint resolution to provide for the President to report on the status and implementation of the recommendations of the President's Commission on Industrial Competitiveness.

SENATE CONCURRENT RESOLUTION 125

At the request of Mr. HEINZ, the name of the Senator from Utah [Mr. GARN] was added as a cosponsor of Senate Concurrent Resolution 125, a concurrent resolution recognizing the achievements of the Ireland Fund and its founder, Dr. Anthony J.F. O'Reilly.

SENATE RESOLUTION 369

At the request of Mr. MCCONNELL, the names of the Senator from Idaho [Mr. SYMMS], the Senator from South Dakota [Mr. ABDNOR], the Senator from Kentucky [Mr. FORD], the Senator from Tennessee [Mr. GORE], the Senator from Pennsylvania [Mr. HEINZ], the Senator from South Carolina [Mr. HOLLINGS], the Senator from South Carolina [Mr. THURMOND], the Senator from Virginia [Mr. TRIBLE], and the Senator from California [Mr. WILSON] were added as cosponsors of Senate Resolution 369, a resolution relating to trade between the United States and the Republic of Korea.

SENATE RESOLUTION 381

At the request of Mr. DECONCINI, the names of the Senator from Virginia [Mr. TRIBLE], the Senator from New Hampshire [Mr. RUDMAN], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of Senate Resolution 381, a resolution expressing the sense of the Senate with respect to United States corporations doing business in Angola.

AMENDMENT NO. 1803

At the request of Mrs. HAWKINS, her name was added as a cosponsor of Amendment No. 1803 proposed to Senate Concurrent Resolution 120, an original concurrent resolution setting forth the Congressional Budget for the United States Government for the fiscal years 1987, 1988, and 1989.

At the request of Mr. HOLLINGS, his name was withdrawn as a cosponsor of Amendment No. 1803 proposed to Senate Concurrent Resolution 120, supra.

SENATE CONCURRENT RESOLUTION 134—REGARDING THE PLACEMENT OF A CHALLENGER ASTRONAUT MEMORIAL MARKER

Mr. GARN (for himself and Mr. GLENN) submitted the following concurrent resolution; which was referred to the Committee on Veterans, Affairs.

S. CON. RES. 134

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the Secretary of the Army should construct and place in Arlington National Cemetery a memorial marker honoring the seven members of the crew of the Space Shuttle Challenger who died on January 28, 1986, during the launch of the Space Shuttle mission 51-L, from Cape Canaveral, Florida.

SENATE RESOLUTION 390—REGARDING THE MAJOR ACCIDENT AT THE CHERNOBYL NUCLEAR FACILITY IN THE UKRAINE

Mr. ROTH (for himself and Mr. MCCONNELL) submitted the following resolution; which was ordered held at the desk until the close of business April 30, 1986.

S. RES. 390

Whereas the Soviet Union has sustained a major accident at its nuclear power generation facility at Chernobyl in the Ukraine.

Whereas that accident poses grave dangers to the health and safety of the international community.

Whereas that reactor was constructed without proper containment facilities.

Whereas the Soviet Union took no steps to notify neighboring endangered countries of the perils posed by the accident at Chernobyl.

IT IS THE SENSE OF THE SENATE

The International Atomic Energy Agency should initiate a thorough investigation of the Soviet civilian nuclear program with a view to determining whether that program, as currently constituted and carried out, poses a continuing threat to the health and safety of the citizens of the Soviet Union and the international community at large.

Any Nation which sustains a nuclear accident should notify all neighboring countries immediately in order to mitigate international dangers posed by such an accident.

The President should raise the question of the safety and the future of the Soviet nuclear program at the next U.S.-Soviet summit meeting.

The United States should offer all appropriate technical and medical assistance to the Soviet Union to mitigate the perils posed to the international community by the reactor accident at Chernobyl and to minimize and to eliminate the incidence of future catastrophies associated with nuclear power.

SENATE RESOLUTION 391—DIRECTING THE SENATE LEGAL COUNSEL TO REPRESENT SENATOR HEINZ IN A CIVIL MATTER

Mr. SIMPSON (for Mr. DOLE (for himself and Mr. BYRD)) submitted the following resolution; which was considered and agreed to.

S. RES. 391

Whereas, in the case of *Brownsville Golden Age Nursing Home, Inc.* v. *Joann Wells, et al.*, Case No. GD86 5965, pending in the Civil Division of the Court of Common Pleas of Allegheny County, Pennsylvania, the plaintiff has asserted a claim against Senator John Heinz;

Whereas, pursuant to section 703(a) and 704(a) of the Ethics in Government Act of 1978, 2 U.S.C. 288b(a) and 288c(a) (1982), the Senate may direct its counsel to defend Members of the Senate in civil actions relating to their official responsibilities: Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent Senator HEINZ in the case of *Brownsville Golden Age Nursing Home, Inc.*, v. *Joann Wells, et al.*

AMENDMENTS SUBMITTED

FIRST CONCURRENT RESOLUTION ON THE BUDGET

KENNEDY (AND OTHERS) AMENDMENT NO. 1807

Mr. KENNEDY (for himself, Mr. HEINZ, Mr. BYRD, Mr. BURDICK, Mr. GORE, Mr. MATSUNAGA, Mr. RIEGLE, and Mr. KERRY) proposed an amendment to the concurrent resolution (S. Con. Res. 120) setting forth the congressional budget for the U.S. Government for the fiscal years 1987, 1988, and 1989: as follows:

On page 2, increase the amount on line 3 by $440,000,000.

On page 2, increase the amount on line 4 by $690,000,000.

On page 2, increase the amount on line 5 by $660,000,000.

On page 2, increase the amount on line 8 by $440,000,000.

On page 2, increase the amount on line 9 by $690,000,000.

On page 2, increase the amount on line 10 by $660,000,000.

On page 2, decrease the amount on line 19 by $20,000,000.

On page 2, decrease the amount on line 20 by $75,000,000.

On page 2, decrease the amount on line 21 by $145,000,000.

On page 2, increase the amount on line 24 by $440,000,000.

On page 2, increase the amount on line 25 by $690,000,000.

On page 3, increase the amount on line 1 by $660,000,000.

On page 3, decrease the amount on line 10 by $460,000,000.

On page 3, decrease the amount on line 11 by $1,225,000,000.

On page 3, decrease the amount on line 12 by $2,030,000,000.

On page 3, decrease the amount on line 15 by $460,000,000.

On page 3, decrease the amount on line 16 by $765,000,000.

On page 3, decrease the amount on line 17 by $805,000,000.

On page 5, increase the amount on line 5 by $440,000,000.

On page 5, increase the amount on line 6 by $690,000,000.

On page 5, increase the amount on line 7 by $660,000,000.

On page 5, decrease the amount on line 10 by $20,000,000.

On page 5, decrease the amount on line 11 by $75,000,000.

On page 5, decrease the amount on line 12 by $145,000,000.

On page 5, increase the amount on line 15 by $440,000,000.

On page 5, increase the amount on line 16 by $690,000,000.

On page 5, increase the amount on line 17 by $660,000,000.

On page 18, decrease the amount on line 16 by $20,000,000.

On page 18, increase the amount on line 17 by $440,000,000.

On page 18, decrease the amount on line 24 by $75,000,000.

On page 18, increase the amount on line 25 by $690,000,000.

On page 19, decrease the amount on line 8 by $145,000,000.

On page 19, increase the amount on line 9 by $660,000,000.

On page 33, decrease the first amount on line 7 by $440,000,000.

On page 33, decrease the amount on line 8 by $690,000,000.

On page 33, decrease the second amount on line 9 by $660,000,000.

On page 33, increase the amount on line 13 by $440,000,000.

On page 33, increase the first amount on line 14 by $690,000,000.

On page 33, increase the second amount on line 14 by $660,000,000.

On page 43, decrease the first amount on line 25 by $440,000,000.

On page 44, decrease the amount on line 1 by $690,000,000.

On page 44, decrease the second amount on line 2 by $660,000,000.

On page 44, increase the amount on line 6 by $440,000,000.

On page 44, increase the first amount on line 7 by $690,000,000.

On page 44, increase the second amount on line 7 by $660,000,000.

On page 39, decrease the second amount on line 8 by $440,000,000.

On page 39, decrease the second amount on line 10 by $690,000,000.

On page 39, decrease the second amount on line 12 by $660,000,000.

HART (AND OTHERS) AMENDMENT NO. 1808

Mr. HART (for himself, Mr. CHILES, Mr. BYRD, Mr. KENNEDY, Mr. RIEGLE, Mr. ROCKEFELLER, Mr. KERRY, Mr. MATSUNAGA, Mr. SIMON, Mr. BINGAMAN, Mr. HARKIN, Mr. SASSER, Mr. DECONCINI, and Mr. SARBANES) proposed an amendment, which was subsequently modified, to the concurrent resolution (S. Con. Res. 120), supra; as follows:

On page 2, increase the amount on line 3 by $2,700,000,000.

On page 2, increase the amount on line 4 by $3,500,000,000.

On page 2, increase the amount on line 5 by $8,000,000,000.

On page 2, increase the amount on line 8 by $2,700,000,000.

On page 2, increase the amount on line 9 by $3,500,000,000.

On page 2, increase the amount on line 10 by $8,000,000,000.

On page 2, increase the amount on line 19 by $2,800,000,000.

On page 2, increase the amount on line 20 by $8,500,000,000.

On page 2, increase the amount on line 21 by $10,600,000,000.

On page 2, increase the amount on line 24 by $2,700,000,000.

On page 2, increase the amount on line 25 by $3,500,000,000.

On page 3, increase the amount on line 1 by $8,000,000,000.

On page 5, increase the amount on line 5 by $2,700,000,000.

On page 5, increase the amount on line 6 by $3,500,000,000.

On page 5, increase the amount on line 7 by $8,000,000,000.

On page 5, increase the amount on line 10 by $2,800,000,000.

On page 5, increase the amount on line 11 by $8,500,000,000.

On page 5, increase the amount on line 12 by $10,600,000,000.

On page 5, increase the amount on line 15 by $2,700,000,000.
On page 16, increase the amount on line 16 by $3,500,000,000.
On page 5, increase the amount on line 17 by $8,000,000,000.
On page 8, increase the amount on line 16 by $300,000,000.
On page 8, increase the amount on line 17 by $200,000,000.
On page 8, increase the amount on line 24 by $400,000,000.
On page 8, increase the amount on line 25 by $300,000,000.
On page 9, increase the amount on line 7 by $600,000,000.
On page 9, increase the amount on line 8 by $500,000,000.
On page 9, increase the amount on line 16 by $300,000,000.
On page 9, increase the amount on line 17 by $200,000,000.
On page 9, increase the amount on line 25 by $300,000,000.
On page 10, increase the amount on line 1 by $200,000,000.
On page 10, increase the amount on line 9 by $400,000,000.
On page 10, increase the amount on line 10 by $300,000,000.
On page 10, increase the amount on line 19 by $200,000,000.
On page 10, increase the amount on line 20 by $200,000,000.
On page 11, increase the amount on line 4 by $300,000,000.
On page 11, increase the amount on line 5 by $300,000,000.
On page 11, increase the amount on line 13 by $500,000,000.
On page 11, increase the amount on line 14 by $400,000,000.
On page 11, increase the amount on line 23 by $200,000,000.
On page 11, increase the amount on line 24 by $200,000,000.
On page 12, increase the amount on line 8 by $200,000,000.
On page 12, increase the amount on line 9 by $200,000,000.
On page 12, increase the amount on line 17 by $300,000,000.
On page 12, increase the amount on line 18 by $200,000,000.
On page 13, increase the amount on line 2 by $200,000,000.
On page 13, increase the amount on line 3 by $200,000,000.
On page 13, increase the amount on line 11 by $200,000,000.
On page 13, increase the amount on line 12 by $200,000,000.
On page 13, increase the amount on line 20 by $200,000,000.
On page 13, increase the amount on line 21 by $200,000,000.
On page 16, increase the amount on line 13 by $1,300,000,000.
On page 16, increase the amount on line 14 by $1,500,000,000.
On page 16, increase the amount on line 22 by $6,400,000,000.
On page 16, increase the amount on line 23 by $1,800,000,000.
On page 17, increase the amount on line 6 by $7,600,000,000.
On page 17, increase the amount on line 7 by $5,600,000,000.
On page 17, increase the amount on line 16 by $300,000,000.
On page 17, increase the amount on line 17 by $200,000,000.
On page 17, increase the amount on line 24 by $700,000,000.
On page 17, increase the amount on line 25 by $500,000,000.
On page 18, increase the amount on line 7 by $1,000,000,000.
On page 18, increase the amount on line 8 by $800,000,000.
On page 33, increase the amount on line 13 by $2,700,000,000.
On page 33, increase the first amount on line 14 by $3,500,000,000.
On page 33, increase the second amount on line 14 by $8,000,000,000.
On page 44, increase the amount on line 6 by $2,700,000,000.
On page 44, increase the first amount on line 7 by $3,500,000,000.
On page 44, increase the second amount on line 7 by $8,000,000,000.

HEINZ AMENDMENT NO. 1809

Mr. HEINZ proposed an amendment to the concurrent resolution (S. Con. Res. 120), supra; as follows:

At the end of the resolution, add the following:

FEDERAL CREDIT PROGRAM REFORM

SEC. . (a) The Congress finds that—

(1) The Federal Government is a major lender and allocator of capital through direct loan and loan guarantee programs.

(2) The creation of the Federal Financing Bank was a major step in streamlining and reducing the cost of these programs.

(3) Despite the improvements in funding brought about by the Federal Financing Bank, however, serious shortcomings remain in the allocation and management of Federal credit programs.

(4) Current allocation decisions for a loan and loan guarantee programs to not adequately reflect economic costs and, because cost calculations are not uniform across programs, they do not allow accurate comparisons among programs.

(5) Current Federal credit program controls provide little incentive for sound credit management practices or timely debt collection.

(b) It is therefore the sense of the Congress that the appropriate committees of the Congress should initiate a comprehensive reform of the Federal credit budget in order to—

(1) ensure uniform budget treatment of Federal credit programs based on their subsidy cost;

(2) permit accurate comparison of credit and spending programs based on their true economic cost;

(3) promote effective management of Federal credit programs, providing accurate and comprehensive data on Federal credit activity and encouraging timely debt collection; and

(4) undertake accounting and management reforms for Federal credit programs as appropriate.

COMMITMENTS TO INSURE LOANS AND GUARANTEE MORTGAGES BY THE FEDERAL HOUSING ADMINISTRATION AND THE GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

GARN AMENDMENT NO. 1810

Mr. SIMPSON (for Mr. GARN) proposed an amendment to the bill (H.R. 4602) to authorize the Federal Housing Administration and the Government National Mortgage Association to enter into additional commitments to insure loans and guarantee mortgage-backed securities during fiscal year 1986, and for other purposes; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

FEDERAL HOUSING ADMINISTRATION FUND

SECTION 1. (a) The applicable limitation on additional commitments to insure mortgages and loans to carry out the purposes of the National Housing Act during fiscal year 1986 is increased by an additional $17,000,000,000 of mortgage and loan principal.

(b) Each provision of law amended by Public Law 99-267 is amended by striking out "April 30, 1986" wherever it appears and inserting in lieu thereof "June 6, 1986".

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION GUARANTEES OF MORTGAGE-BACKED SECURITIES

SEC. 2. The applicable limitation on new commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act during fiscal year 1986 is increased by an additional $60,684,750,000 of principal.

ADMINISTRATIVE PROVISION

SEC. 3. (a) The Secretary of Housing and Urban Development (hereinafter referred to as the "Secretary") shall estimate the rates at which the authority to make commitments to insure mortgages and loans under the National Housing Act, and the authority to make commitments to issue guarantees under section 306(g) of that Act, are likely to be used for the remainder of any fiscal year. The Secretary shall make these estimates at such times as the Secretary deems appropriate, but not less frequently than monthly.

(b) If an estimate under subsection (a) indicates that either limitation or authority to make commitments for a fiscal year referred to in subsection (a) will be reached before the end of that fiscal year, or in any event whenever 75 per centum of either authority to make commitments has been utilized, the Secretary shall promptly so notify the Committee on Appropriations and the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Appropriations and the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, April 29, in executive session, to discuss the fiscal year 1987 defense funding level; and to consider military nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the

Senate on Tuesday, April 29, to receive testimony on nuclear testing issues.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Energy Research and Development of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, April 29, to hold an oversight hearing on Department of Energy's budget with respect to its nuclear activities.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. WALLOP. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet during the session of the Senate on Tuesday, April 29, 1986, in order to consider the nomination of Frank H. Dunkle to be Director of the U.S. Fish and Wildlife Service, and to conduct a hearing on domestic and international oil pollution issues.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

CONGRESSIONAL CALL TO CONSCIENCE VIGIL FOR SOVIET JEWRY

● Mr. QUAYLE. Mr. President, today I am pleased to participate in the Congressional Call to Conscience Vigil for Soviet Jewry. In the State of Indiana many are frustrated with the deteriorating situation for Soviet Jews. One group of concerned citizens has worked for over a decade to draw public attention to human rights abuses in the Soviet Union. Located in the heartland of our Nation, these Hoosiers exemplify the grassroots concern that exists across the United States for the plight of Soviet Jews and others who wish to know freedom as we do. Known as the Greater Lafayette Committee on Human Rights in the Soviet Union, this organization has sponsored human rights weeks, circulated petitions and communicated with United States and Soviet officials on behalf of several Soviet families. Perhaps their greatest contribution has been the moral support they have provided to their "adopted families" throughout years of hopeless waiting. It is easy to understand how refusenik families find comfort knowing that there are others here in the West following their plight and working on their behalf.

One such family is that of Vladimir Prestin, who has now waited 14 years from the time he first applied for an exit visa. Prestin, a computer engineer who wishes to emigrate to Israel, quit his job in 1968 to avoid being denied an exit visa because of the excuse that he knew "scientific secrets." Since then, he has found employment in various odd jobs that require no technical expertise. Since 1970 he has been continuously denied permission to emigrate on the grounds that he knows technical secrets. During this time, he and his family have endured years of harassment.

In light of such cases, we must continue to insist on a regular emigration policy guaranteeing the right to emigrate and be reunited with loved ones abroad. We cannot be appeased by the "trickle" of cases being resolved each year. The efforts of groups such as the one in Lafayette, IN, will send a clear message to the Soviets that people everywhere are watching this issue. As legislators we must continue to support such efforts by our constituents and deliver their message in our dealings with the Soviets.●

THE WEATHERSFIELD WEEKLY

● Mr. LEAHY. Mr. President, Vermont has been blessed by an open and free press throughout our long history. The independence and excellence of that press is best typified by papers such as the Weathersfield Weekly.

This newspaper, run by Armstrong and Edith Hunter, recently published its last edition. The closing of a publishing giant could not have occasioned more comment throughout our State.

I recall once the publishers of the Washington Post told me of a disagreement the Post had with a position I was taking and that they intended to write an editorial objecting to my position. I told the publishers that I had far more concern about the Weathersfield Weekly taking issue with me, both because it is read by far more Vermonters but also it is far more typical of Vermont thinking.

Perhaps the whole Congress would be better served if we were more concerned about the feelings of the Weathersfield Weeklys of our States and realize that we are here, after all, to represent our States in putting together the mixture of thoughts which eventually forms national policy.

Mr. President, I ask that some excellent articles and editorials regarding the Weathersfield Weekly be placed in the RECORD at this point.

AFTER THE LAST WEEKLY

(By Armstrong Hunter)

EDITOR'S NOTE.—Armstrong and Edith Hunter began publishing the Weathersfield Weekly 15 years ago and stopped publishing last week. The paper circulated about 600 copies and grossed about $15,000 a year; every word had something to do with Weathersfield. In the upper right hand corner of the final issue where the publication number is listed was the simple message: "That's All Folks." Otherwise it was Weathersfield business as usual.

The paper is out. Edith is off on the route. She's being followed by a girl with a camera in an Escort, who is taking pictures of the nation's oldest, smartest and perhaps tiredest papergirl at various delivery stops.

Always, after a paper's out there are loads of things to do. Clean up the pressroom. Sweep the office. Put things away. Wipe files from the computer disks, being careful not to destroy something not yet used. Write items of things thought of while printing the paper. Order replenishments of supplies. Billing; yes, billing. Must get to that. And to the government reports, too.

But never is there lingering energy enough to do the things that need to be done Friday afternoons after the paper's out. It's been such a struggle all week, to remember what information has to be gathered, answer the phone, coax machines to work as they should, get notes written up, set type, take proofs to the house for Edith to proofread, print out her disks, develop film and make screened prints, check ads scheduled for Friday (never very many), paste up, make everything fit in appropriate place, think up fillers so no pages have empty spaces, then shoot pages, make plates, wash the press and, finally, print the pages one by one, then gather the sheets in sequence, glue them, and slit them apart. Fold them after Edith's addressed them. Count the extras into 10s. Make the postal report. Put the Post Office papers in the back of the car, the store supply in the front. Wave goodbye to the oldest, smartest, tiredest and prettiest newsgirl we know as she backs the car out the driveway and then pulls to the road.

A moment to look over the paper is always discouraging. Always the feeling: so few pages, small pages at that; why did it take so much work? So much effort for such dinky result! And always, always, the will to do the things that need doing now—the sweeping, the mopping up, the putting things away and, oh yes, the posting and the billing—just is not where it ought to be and cannot be found or roused or summoned.

You know how it is after the last exam. You can wonder why you didn't do better and how it was you didn't think of something you should have thought of; you can think of things you probably ought to be doing now that the exam is out of the way, things that have been put off. But you don't feel up to anything except sitting and drinking coffee and smoking, your feet up all the while. "When this is over I'm going to sit in a rocking chair for a while, and after a time begin to rock." Some general said something along those lines near the end of World War II.

Well, it's like that in the weekly paper business every Friday afternoon, at least in the weekly newspaper business of the sort we've been in for the last 15 years. When the papers are on their way to the post office and the stores, inertia sets in. A line from a seasonal hymn says it: "The strife is o'er, the battle done."

Later, yes, later, we'll try to get to the sweeping, the mopping up, the erasing of disk copy, the readying for the weekend of commercial printing, and, sometime, the posting and billing. How long can we go before getting some money in? And when we finally do get the bills out, will the people pay their bills to a no longer circulating newspaper?

People have asked us what we will do with our time after the Weekly is gone.

Parkinson's Law will take care of any vacuum. We observe Parkinson's Law around here. I've always observed Parkinson's Law. I mean of course Parkinson's First Law: Work fills available time. Observe Parkinson's Law and you won't have time hanging heavy on your hands.

But the real problem is—How will we know what is going on?

When Myrtle Baker is thinking? What new sputterings might Patrick Scanlon wish to share? What Marge Wilsey has to report about events in Ascutneyville? How will we know that the Zigman's bluebirds are back, that the Matulionis girl has won a statewide poster contest, that along with the controversies the other papers cover the selectmen have done something on a matter of special and non-controversial interest, that the school directors haven't yet faced up to the issues we feel strongly about, that it's dog licensing time, that Wilgus State Park got its permit to construct three more lean-tos, and what's happening at Connecticut River Grange or at the library or with the fire departments? Will we be told anywhere who is applying for and getting zoning permits, or who has sold and who has bought property in Weathersfield? How will we know the things we've come to want to know, when the Weekly is no more? Where will we learn of the public hearings on matters affecting the community? And the Nature Corner—what will stir us to thought or observation as that week by week column has? The news, the views—how will we get them?

For 15 years we've tried to cover everything that moves in Weathersfield. People used to be able to do that, in the days long ago—50, 100 years ago—at the general store or the post office or after church.

People don't find time for visiting that way much anymore.

We started our little paper so people who are interested—and we ourselves—could keep up with Weathersfield. We've seen problems solved and new ones take their place, controversies flare and then be superseded or die, factions rise and fall or rearrange, friendships form and break. We've seen youngsters grow to adulthood, and we've followed their achievements or underachievements along the way. We've recorded the births, the marriages, the changes of property, the successes, the failures, the dreams and the nightmares in people's lives. We've known what's up generally. We've been involved in things. To paraphrase the ancient Roman whose name we never can remember, "Part of this we heard; part of this we saw; part of this we were."

We used to say that although reading the Weathersfield Weekly might not make you smart, at least it kept you from being ignorant.

What will, now?

Putting out a little paper is like shooting an arrow into the air as the poet described. You don't know just where it's headed or where it will land—"it fell to earth, I know not where." But then you hear from someone who tells you something did hit, and you wonder why or how. Because of the paper we've made friends we didn't know about at all; we may never meet them but we know them nonetheless because they have written. We've made some unfriends too, of course, but we soon learned about them.

You never can anticipate when you get an issue out quite what reactions will come. You try to get enough of a variety into it so that almost everyone can find something of interest. Even, in accord with the old excuse, a typographical error or two so that those who seek such may find.

I was told a long time ago that Hard News—that is, the kind of news that means getting to a meeting or doing some investigation—doesn't sell community newspapers, and I believe it. I was told instead that two things sell extra papers—weddings, and obituaries. With the Weekly obituaries may sell extra papers but I've found wedding stories—with pictures supplied to us—don't. We've used pictures with wedding stories whenever we've been supplied them, even those instant color photos of the happy couple 30 feet away in the shade of trees on an overbright day. ("Took it with a flash, too. Don't understand why he & she are so dark. Can you make something of it? It's the best of the lot.") Want to know why stories of weddings with photos supplied never sell extra Weeklies? Because Edith always leaves, free, several tearsheets of the wedding story when she returns the photo along the way on her paper route, that's why.

Next to the contact with the people who write for us and the people who have been our parish, I think we will miss most the being able to put things into print which we know other people will maybe comment on or remember but at least see. After the Weekly dies we won't be able to pontificate, or get after the school board, or remind the selectmen of an oversight or contradiction or stupidity. We won't be able to share observations with others. We will have no audience, and having an audience is always nice. Of course, Edith will have me for an audience and I'll have Edith for an audience at meals, but that's not quite the same.

It means too that Edith and I, who enjoy writing, will have to submit things to editors, who may get around to reading them sometime, and even if they are accepted we'll have to wait until the writings appear in print. Edith says she looks forward to getting rejection slips. I don't. It's been wonderful to know that one can be published whenever one wishes. Kind of puts you up there with John Kennedy Galbraith, Isaac Asimov, Henry Kissinger.

Not having a local newspaper will shut off some community discussion which has been possible through the Weekly. Our Letters to the Editor column never has been overused, but it's been used some, at times by people pretty angry about something or other. When they get angry in the future how are they going to let their neighbors know without letting the world at large know also?

It's been fun to share ourselves and to enable others to share themselves. I cannot imagine anyone who does not wish at times to share his/her observations, ideas, little jokes, with others.

But more than that, it's been *privilege* to publish our little paper. Both Edith and I had "ministerial training." I went on to be ordained; she, offered honorary ordination by her fellow Unitarian church members recently, declined. I've never quite understood that. But with the Weekly we've had a sort of pastorate of a sharing and caring secular church; we've been lucky to have an alive, alert, attentive, at times argumentative congregation, which now we find is appreciative too. Such is real privilege, and it's rare.

I have often thought: when a parish of a non-heirarchial denomination wishes to call a pastor to minister among the people, a committee is formed, the resumes of eligible candidates are gathered and discussed, the selected candidates are visited, interviewed, heard in neutral pulpits, and then, on recommendation by the committee, the church calls one of the candidates to serve. In due time he or she is installed by ecclesiastical council.

Not so for the similar position of community editor or publisher. Any person can launch a newspaper on an unsuspecting community, and can do with it what he or she wishes, whether as exploiter or moneygrubber or partisan or propagandist—or as pastor. I've known several editors and publishers who have been secular pastors, though I've known some too who have been of lesser calling.

Indeed, years ago I had a dream, of a denomination—in this case my own Congregational Christian Churches—recruiting a group of ministry-minded but journalistically-inclined young people and sending them forth to start small community papers across the land. They would be charged with publishing papers which would serve individual body politic parishes, to be leaven in the lump, and to minister to "even the least of these" at least equally to the high and the mighty. People find reasons not to be members of churches, but there are no acceptable intellectual arguments which support not being members of a body politic.

I still feel there's a ministry of this sort to be encouraged, developed, assisted. I'm not talking about sending out constant preachments for a town; I'm talking about helping to build an informed and caring citizenship and community, about providing a vehicle for the celebration of a people and their surroundings, an ebenezer where people's victories could be recognized and their defeats felt, where life and environment are lifted high.

I found no denominational enthusiasm for the dream, of course, as it wasn't church-oriented or denominational enough. But here and there I've seen papers start and do the sort of things I felt needed doing. Our times are peopled with lonely crowds unless such things sprout up. We can give thanks for the greening.

I give thanks I lived at a time and in a place where it was possible for us to experiment a little in the vineyard—with so many great people—and that it was so much fun.

[From the Rutland Daily Herald, Apr. 9, 1986]

AN HONORABLE LEGACY

Edith and Army Hunter restore a citizen's belief in newspapering as a community service. They have provided the prime example of a newspaper that can bind together a community that has no real reason to think of itself as a community. With publication last week of their final edition of the Weathersfield Weekly, they ended a dramatic demonstration of a newspaper's highest calling. Like puppets on a fistful of strings, the seven separate Weathersfield communities were brought together by the Hunters' effort to keep them informed.

When Armstrong and Edith Hunter started their weekly 15 years ago, nobody in the newspaper business thought it could last. There wasn't the advertising base to make it a viable operation. Still, they kept it going. They told the little bits of news as well as the momentous events of everyday Weathersfield life. A bird-watcher's hike was as important as a raging controversy over locating the town office. A neighbor who knows all the hamlets of Weathersfield has

to marvel at the manner in which the Hunters took care of everybody. There was news from The Bow, Greenbush, Amsden and the Marsh Districts well as from Perkinsville and Ascutney, or the Hunters' own Center.

Perhaps the lasting memories of their weekly newspaper will linger most fondly on the unusual policy of telling it all. A selectmen's meeting, for instance, wasn't winnowed in an effort to separate the wheat from the chaff. From call-to-order to adjournment, it was all there. "If those cusses spend too much time on a coffee break, we know about it, " said one grateful Weathersfield resident a few years ago. He might also have added that if selectmen or school directors met behind closed doors, the readers knew about it. As has been noted in the past, if it didn't concern Weathersfield, it wasn't printed. Conversely, there was little happening locally that didn't, sooner or later, find its way into print.

The publishing family has roots, contacts and friends in all those little population enclaves that make up the Town of Weathersfield. It can probably be assumed that they were the eyes and ears of the Weekly. They didn't let it succumb to the dullness that can easily suffocate a local newspaper. There has been no word from the Hunters as to whether their paper broke even financially. But that's all right. They seem happy, and the community should certainly be happy that it had 15 years of the glue that unites such diverse places as The Bow and Greenbush.

If a proposed successor, the Times of Weathersfield, gains enough subscribers to start publishing, it will help fill the void. We wish it well in its efforts to open doors, ruffle feathers, educate, bind up wounds, tell secrets, offer praise and deflate egos. It has a good example to follow. Maybe a new publication can even make it a paying proposition as Weatherfield grows it way toward the 21st Century.

[From the Rutland Daily Herald, Apr. 5, 1986]

WEATHERSFIELD LOSES A FRIEND AS WEEKLY NEWSPAPER FOLDS

(By Susan Smallheer)

Weathersfield Center—"Every town should have its own newspaper."

That credo came to an end in Weathersfield Friday.

The final edition of the Weathersfield Weekly was printed, collated, glued and sliced, labeled and folded Friday—ending 15 years of publishing small-town news.

New England's smallest newspaper, the Weekly, will no longer inform people of Ascutney Union Church turkey pie suppers, Audubon Society programs, rabies clinics, as well as the latest zoning snafu or selectmen's spat.

At his paper's demise, it is the small things—the intimate community events—that worry Armstrong Hunter, the paper's publisher. "Who is going to tell them when to get their dogs licensed?" worried Hunter as he collated his paper in his cluttered printing shop, a small cigar in his hand.

The small, idiosyncratic paper serves one of Vermont's typical small towns, population 2,534. The paper's heart and soul has been Armstrong and Edith Hunter.

The husband-and-wife team raced through the last chores of getting the paper on the newstands, gathered around an old oak table in their 18th century home with a stunning view of Mount Ascutney, Hawk Mountain and Okemo Mountain.

Armstrong Hunter had already collated the special 14-page edition, stacking it three feet high, slapping on the glue just right. When the glue was dry, he sliced the paper expertly with a large bread knife to produce the final product.

Newspapers are made no other way in New England.

Just after 2 p.m., the last paper was folded, piled in a box and toted to the car for the final ride to the Perkinsville Post Office.

"The strife is over, the battle won," proclaimed Armstrong Hunter, a minister's son and an ordained minister himself.

The small community paper, printed on heavy white paper with distinctive narrow columns and with an even more distinctive writing and reporting style, has dominated the Hunters' lives for 15 years. Community writers—housewives, retired teachers, and small farmers—contributed weekly columns ranging from chitchat to major stories. They played a big role in molding the paper's distinctive style.

They published a paper following no journalistic blueprint. Edith Hunter was an award-winning writer and Armstrong a minister-turned-printer.

They played David to Springfield's Goliath, peppering that town's proposal for a Black River hydroelectric project with criticism and successfully fueling the project's opponents with arguments against the plan. They published "editorialized news stories" and printed literature for the project's opponents.

"I'll take credit for the printing," Armstrong Hunter said of the project that threatened some Weathersfield homes because of the planned dams.

They also traveled to New York City for the 1982 March for Justice and Peace, and in 1977 for the Seabrook demonstrations.

Fifteen years of devotion brought dividends to not only the Hunter family, but to Weathersfield. According to the citation from the Horace Greeley Award given to Edith Hunter in 1983 by the New England Press Association, the Weekly had given the town a sense of community it had lacked before the paper started publishing in April 1971.

Armstrong Hunter and his son, Sen. William A. Hunter, D-Windsor, founded the paper in 1971, with Edith Hunter joining the effort soon after. The Hunter family had a major hand in establishing The Windsor Chronicle, and Will Hunter also founded The Black River Tribune in Ludlow.

Friday's final edition was vintage Hunter: notes that the first hepatica was seen in the Augustus Aldrich sugarbush, the chronological report of the school board's meeting, an April Fool's Day column by chief of bureau Patrick Scanlon, and "a positive environmental note in the Weekly's 15 years, the increase in blue birds in town."

It included a column on the prospects of the Boston Red Sox by Andrew Richardson, a Weathersfield high school student; an account of the hatching of a lunar moth, as well as a 'pro vita sua' by Armstrong Hunter, "my swan song."

"I've worked for the weekly for nine years and it's monopolized my life," said Scanlon, a talc miner who moonlights as the paper's town government reporter.

"Most people in Weathersfield know everybody else. I think things will really change," he said.

The weekly has emphasized the "good news" that is often overlooked by the big dailies. The bread-and-butter issues of police and court reports are missing to a large extent.

The two biggest stories during the 15 years were fires—last summer's tragic burning of the historic Weathersfield Center Church and the 1978 fire that gutted The Top Hat, a restaurant and country and western nightspot in Ascutney.

Weathersfield still might have its own newspaper, but an effort by Raymond Phelan, publisher of the would-be "Times of Weathersfield," appears to be expiring. The economics just aren't there, even with 305 good-faith subscription checks in hand. The Hunters had had independent means.

The Hunters aren't giving up the publishing battle without regrets—they fear the close coverage given Weathersfield will peter out and town officials will go back to doing things the way they want to do things.

But age is catching up with the couple. Armstrong is 65 and Edith 66. And the grind of night meetings and doing it practically all by themselves has been wearying.

Edith would rather spend the time in her vegetable garden or indexing the historical articles they've published in those 15 years, and writing about children and education. And Armstrong would rather spend his time in his printing shop, under no deadline but his own.●

JOHN CAMP—PULITZER PRIZE WINNER

● Mr. DURENBERGER. Mr. President, the Pulitzer Prize is an award which is made each year to this Nation's outstanding journalists.

This year, I am proud that the Pulitzer Prize for feature writing is being given to John Camp, a veteran reporter and columnist for the St. Paul Pioneer Press Dispatch.

John Camp's Pulitzer Prize was for a five-part series of articles detailing the trials faced and overcome by a southwestern Minnesota farm family. The articles were part of a major project which the St. Paul Dispatch & Pioneer Press called "Life on the Land: An American Farm Family."

The subject of the project was the Benson family of Bigelow, MN, a farm and farm family in transition, handing the torch of ownership from one generation to another, with a third generation now learning the skills of its elders.

John Camp, 41, joined the Dispatch and Pioneer Press in 1978 as a general assignment reporter. He began writing a general news column in 1980 and also does special projects reporting.

John started his career in 1968 as a reporter for the Southeast Missourian in Cape Girardeau, MO. He moved to the Miami Herald in 1971 and was a projects and investigative reporter before becoming city editor of the Herald's Broward County Bureau.

Mr. Camp holds two degrees from the University of Iowa—a bachelor's degree in American studies and a master's degree in journalism. He served in the U.S. Army in South Korea for 2 years.

He has won numerous other writing awards and was a finalist for a Pulitzer Prize in 1980 for a story on Indians.

John was assisted in this project by photographer Joe Rossi who previously worked for two southwestern Minnesota dailies, the Marshall Independent and Worthington Daily Globe.

The "Life on the Land" series culminating in a special section which details the Bensons' farming year, from planting to harvest. The special section was published December 8, 1985.

Mr. President, because of the significance of this award, and because of the important story about the very real crisis now facing American agriculture which this project details, I ask that the final article in this distinguished series be printed in the RECORD:

LIFE ON THE LAND: AN AMERICAN FARM FAMILY

(By John Camp)

The November landscape was brown and black and tan, spotted with stark clusters of leafless treees, dark evergreen windbreaks, and here and there a glint of silver from a frozen pond. It was a rough, grainy Middle Age landscape painted in bleak northern earth colors by Pieter Bruegel the Elder, and revealed by John Deere.

But a winter storm was prowling down to the south, over Iowa somewhere, and the fast-talking television weathermen said the border country was in for it. Anyone who must go on the road should carry blankets and a source of heat. If the car goes into a ditch, stay with it.

Along the Minnesota-Iowa border, farmers pushed their tractors and looked to the south. The sky was an edgeless slab of mean gray cloud that obliterated any hint of the sun. The prairie wind, whipping in from the northeast, cut your face like splinters of broken glass.

Time was trickling away. Snow flakes in the air, one here, one there, like ghosts of summer fireflies. Everytime you looked up, there were more of them. At midmorning, the grain elevator at Bigelow, Minn., three miles to the south, had been sharp on the horizon. By mid-afternoon, it was hidden by the falling snow.

On the west side of an unmarked gravel road, a combine was broken down with no more than a dozen rows of corn still standing in the field. The John Deere service man crouched at the front of the machine, his back hunched against the wind, trying to wring a last mile out of the 1985 harvest.

On the east side of the road, David Benson pulled his corn picker out of the field and stopped. It wasn't riding right. It had a tired sag. He had been having trouble with corn stalks wrapping into the picking gears, but this was something else. He climbed down from the tractor to look.

"Oh man, look at that," he said to a friend. "It just gave out." He pointed at a main support strut in the picker's frame. The quarter-inch-thick steel strut was twisted and folded like a piece of fabric. Benson's picker is old; he bought it for $92 at a spring auction.

"It's going to take time, take too much time," he said, looking south. "The corn is good. I bet we're getting 90 to 100 bushels an acre. Boy, I'd like to get it out."

The cure for the corn picker was simple but time-consuming. Tow it carefully back to the farm shop, straighten the folded strut with a winch and reinforce it by welding in a couple of pieces of angle-iron.

But with winter coming in, other tasks were pressing—the barn to close up, two wagons of corn to unload, animals to move. Night comes early. By 6 p.m., it's too dark to work.

Across the road, the neighbor was working again, snow squalls whipping around his ungainly green combine. The prairie was flat enough, and the neighbor's corn was tall enough, that a man on the road couldn't see beyond it. There was only the wall of corn, and the sky. But as the combine chopped the last rows, the countryside beyond it became visible, as though the machine were pushing back a theater curtain.

The year went like this:

Spring came early. The oats were in by the first week of April, and the corn and soybeans by early May. The first cutting of hay came shortly afterwards, and it was a good one, "maybe the best first cutting we've ever had," Benson said. The cutting and baling of hay was followed by hand-hoeing the beans and corn, a long stretch of hot, back-breaking work that extended into the heart of the summer.

In mid-July, the second cutting of hay came, and when that was done, the oats were ready. They were out by the end of the month. Then came the rains. From the second week of August through early October, the fields were too wet to work. The last cutting of hay was lost, and the soybean harvest was delayed a month.

The beans finally were harvested at the end of October, and the yield was mediocre. Then more waiting as the moisture left the slower-drying corn. When the corn eventually was picked, the yield was as high as it ever had been.

But prices were low all year and dropped even more through the harvest season. More farmers than ever quit the land. The Bensons held on.

That was the year by the calendar, also a market year, a year you could summarize and graph, a year with a mean, a mode and a median, a year squeezed into this block of type. A year that says nothing of the faces, the names, the smells and the sounds, the feel of the work.

FARM YEAR, POKER ARE ALIKE

A farm year knits together personalities and opportunities, market prices and snow storms, machines and philosophical tendencies that produce different quantities and qualities of oats and corn and soybeans and alfalfa.

It's an accumulation of quick conversations behind hot waiting tractors, of grunts and warm drinking water exchanged on 100-degree days on hay racks, of equipment breakdowns and apple picking, of kitchen smells and dim, cool milkings in the bottom of the barn, of country music blaring from the corn patch to repel the raccoons, of nights so dark and so far from city lights that the Milky Way looks like Manhattan.

A farm year is like a poker game. A poker game is not simply a matter of who won and lost—knowing the game is knowing how the cards were played, the tension, the bluffs, the hard decisions, the bets.

A year on the farm is a playing of cards, each card an individual, yet each related, each card a memory and simultaneously a new day, cards that are played out in hands that are always familiar and always subtly different.

David Benson is a large man with blue eyes that turn down at the outside edges. He has a walrus mustache and an unruly mop of blondish hair, smile lines in his cheeks and crow's-feet at his eyes.

He has what friends teasingly call an act. With intellectuals, he talks like an intellectual; with other friends, he's full of yups and ain'ts and gol-lies.

It's not an act. His two sides are simply that.

He reads Lewis Mumford and Alan Watts and has a reputation as a fine diesel mechanic and welder. He drives 90 miles on Sundays to a Unitarian church in Sioux City, Iowa, to hear discussions of moral philosophy, and on Sunday nights he rebuilds Volvos and Volkswagens. He reads each night before sleeping, serious works on ecology and feminism, political theory and economics, and he is building a new house.

He climbs hundreds of feet up radio towers to earn extra money by replacing burned-out or damaged beacon lights, and he gives public radio a break on his price for hightower work because he values public radio.

CAN'T AFFORD A MISTAKE

Sometimes, sitting around a dinner table, he talks like this:

"The future of farming is in the hands of the older farmers. The financial system we have right now makes it almost impossible for new farmers to get started. The financing terms are so bad that a new farmer, once he buys his land and equipment, can't afford to make a single mistake, ever. If he does, it's all gone. Everybody makes mistakes. Everybody.

"You don't even have to make a mistake. You can do everything the extension people tell you to do, you can do everything the government wants you to do, then we get a new president and he changes something, and everything is up for grabs. Somebody changes the rules, and what used to be a good practice is now a mistake and you're out of business."

Talk at the kitchen table. Talk and food, food and talk. The two are inextricably tied together. For the Benson families, as with many farm families, the kitchen table is at the center of life.

There are two houses at the Benson farm. One shelters David, 38, and Sally-Anne, 36, and their children, Heather, 12 and Anton, 9. It is about a mile, by road, from the main farmstead, where David's parents, Gus, 83, and Bertha, 76, live. The farm is nine miles south of Worthington and just north of the Iowa line.

The kitchen tables are important in both homes. This is where the plans are made, the reverses are assessed, the stories are told. This is where the talk is.

And the talk, in this bitter year of 1985, often has to do with the agricultural crisis.

"Older farmers, the ones who want to get out and retire have it in their power to provide more favorable terms for new people coming in," Benson said. "Maybe they could farm shares, maybe just taking a little less money.

OLDER FARMERS ONLY HOPE

"You know a bank isn't going to do that—a bank is set up to make as much money as possible. That's what it's for. But an older farmer, who has taken a good living out of the land over the years and wants to retire, maybe he'd be willing to take a little less for moral or philosophical reasons. It might be the only hope we have. We may be at the point we have to depend on altruism to save us, because nothing else works."

The present system of farming frightens all the Bensons, the older Gus and Bertha as well as the younger David and Sally-Anne.

"If you are pushed to the financial wall, you'll take extreme measures to save yourself," David Benson said. "Forget good farm practice—water structures, conservation and all that. You'll have to get the most possible profit every year just to pay off the debt load.

SHORT-TERM VIEW WRONG

"That means you'll soak the place in pesticides, which may be a terrible decision in the long run. You'll soak the soil with fertilizer instead of trying to build it up naturally, which may be a terrible thing in the long run. You'll plow it the fastest way that takes the least amount of fuel—you'll cut every possible corner. And in the long-run, you'll destroy the land.

"That's what the system encourages right now. It encourages the absolute shortest possible view of every problem we have. It's an awful thing, and you can already see the result. The countryside is being depopulated. People who can't make it are being forced out. They're losing everything—their farms, their neighborhoods, their way of life, their whole culture."

Why should older farmers take less than a farm is worth?

"There are a couple of good answers," Benson said. "You owe something to the land. It has made you a place to live and work all your lives, so you ought to see that it gets into the right hands—somebody who will take care of it.

"And sometimes, taking less will get you more. Look at all of these old farmers who sold out six years ago for $1,400 an acre and 14 percent interest on contracts-for-deed. Nobody can make those payments. So the guy they sold it to, he just quits. He gives the place back.

"Now the old farmer, who used to be retired, gets back a farm that's worth $750 an acre, if anybody is buying, and it's not in nearly as good shape as it was six years ago. So he never really got that big price, did he? He would have been better off selling it on more reasonable terms, something the guy would have a chance to pay off, than take what looked like all that big money."

The farm, Benson said, is the basic ecological unit on the planet, and should be used to hold the planet together. As the family passes around lamb stew and cranberry bars, he warms to the topic:

"Christianity once came out of work and the land, but it's gotten more theoretical, and I think that's unfortunate. The churches represent the moral leadership of the culture, and I think the effort to save the land, that impulse, might best come from the pulpit. Social sciences? Maybe. But I don't think so. I don't think you can trust social science the way you can trust the instinct to religion . . ."

The kitchen table is not just a place for philosophy. It's also a place for good stories and good memories that once were bad now have the warm familiarity of a worn flannel nightshirt.

Sally-Anne seems always conscious of her children, hugging them, talking to them, touching their heads. Her stories are less of farming and economics than of family.

SALLY-ANNE TELLS A FAMILY STORY

"Oh, God, one time, Anton swallowed some popcorn the wrong way, it went down into his lungs, and he had trouble breathing,' she said. "He just seemed like he couldn't breathe, or he'd just kind of dozed off, like he wasn't all there . . ."

Her hands dance in the air as she tells her story, and the legs of her chair scrape the floor as she becomes more agitated.

"We rushed him into the hospital, and when we got there, he was all right again . . . and then he started fading out again," she said, "Finally the doctor told us we ought to take him to Children's Hospital in St. Paul. We put him in the car and headed up the highway, 80 miles an hour . . ."

"A cop stopped us, a highway patrolman," David interrupted, "and I stopped and jumped out of the car . . ."

Sally-Anne pushed back in. excited by the story. "And the patrolman took one look at David's face and he said, 'You've got trouble, don't you,' and David told him, and he said, 'Go on up the highway, don't worry about the speed limit but keep it under control.'

"So we took off again, and all the way up, nobody bothered us—the patrolman had called ahead and cleared us. And Anton kept fading out, and we'd say, 'C'mon, Anton, c'mon Anton,' and we got up to the hospital and rushed him inside and the doctor took him . . .

"They took him back to examine him, and came out and said it was popcorn and they could get it out. David and I, we just went out to the car and sat there and cried. We just cried. What a day that was. God, I'll never forget that, Anton fading out, and sitting there in the car . . ."

The children, both blond and round-faced and blue-eyed, chip in their own stores of snowstorms past of skating on the farm pond, of doing evening chores and of social trauma on the school bus.

Bertha talks about her youth in Finland, the memories of war, of bombs and bullets. Gus talks of warming the crankcase on the Ford with a hubcap full of burning corncobs so he could get Bertha to the hospital for the birth of their middle daughter. Bertha tells of the night they got electricity, of her hands bathed in electric lamplight. Gus brags of picking 150 bushels of corn a day, by hand. David tells of riding a motorcycle to San Francisco, where he lives through the final years of the '60s, right there on Haight. Sally-Anne laughs about a hair-raising hitchhiking trip through Canada, just before she and David settled down with farming.

YOU KNOW WHAT YOU ARE EATING

The kitchen table also is the place for food.

"One of the best things about living on the farm is that you know what you're eating," Sally-Anne said. "Our kids are going to be healthy."

The Bensons raise all their own meat—beef and lamb and chicken. They milk an aging cow, Bluma, and maintain a chicken-house for the eggs. They raise most of their own vegetables, eating fresh in season, and frozen and canned through the winter. They pick apples for sauces and cider. On any given day, the kitchens of Bertha and Sally-Anne are redolent with the odors of fresh bread or pies, meat stews and vegetables.

"Grandpa (Gus Benson) always figured food was fuel, and he wanted plenty of it," Sally-Anne said. "David grew up that way, too, and it's a necessary thing—sometimes, when it's cold, and you have to work outside, it seems like you can't eat enough to keep yourself going."

Kitchen operations are passed deliberately and carefully down the generations. Heather goes to Bertha's kitchen to learn about apple pies. Together, they build a pie from scratch, an extended process that involves discussion of all the reasons for each different action and ingredient.

"What about nutmeg?"

"Just a little. Here. Just shake it on, just a touch . . . But plenty of butter. The more butter the better it is. So never skimp on butter . . ."

"And you roll this?"

"You pinch it, here. That seals it up, and it makes it look nice . . ."

The farm year began in late spring. The entire world seemed composed of different shades and tints of green. The air was soft and humid and still. The only breeze was artificial, born of the motion of the hayrack, and, at that, not enough to ruffle the hair on a forearm. In the shade of the wind break, it was almost cool. As the tractor moved out the front gate past the mailbox, crunching over the gravel shoulder, sunlight fell on the bare necks and lightly clothed shoulders, and heat prickled on the skin.

"You gotta make hay while the sun shines," Sally-Anne Benson said cheerfully, swinging her legs off the rack as her husband, David, towed it out to the west field with the David Brown tractor.

Sally-Anne Benson's nickname is Sago, an acronym of her maiden name, Sally-Anne Greeley, with the "o" tagged on for reasons of euphony. She is a small woman, 5 feet tall, 105 pounds, and pretty. She is a teacher (mornings only) at a Worthington Montessori school, the mother of Heather and Anton Benson, a good cook, an enthusiastic dancer, a maker and drinker of apple cider, a milker of cows and a doer of any number of other things, including a frequent driver of tractors. She drives at hay-making.

"You have to keep the moisture down, so you wait late enough in the morning to get the dew off," she said. "You mostly won't get out much before 10 or 11. A hot day with the sun shining and a good wind will really dry the hay out."

FIRST CUTTING OF HAY A GOOD ONE

In the field, David and Sally-Anne traded places, David hopping on the rack while she drove the tractor over windrows of hot yellow hay.

If haying was a card, it would be the queen of diamonds—a sweetness with a definite edge to it. Hay is the first crop of the year, the first payback.

And the first cutting of hay on the Benson farm was a good one. It was baled and stacked while the sun shined and the daily temperature climbed over 100 degrees.

The drying alfalfa smells like ginger and something else, a sweet, fat odor riding the silky summer breezes with gravel dust and gasoline fumes, riding into the elbow-out side windows of dusty old automobiles.

Baling means long, lingering hours of twilight as the solstice approaches. Old, weathered grey wood in the hay rack. Warm water from glass jars, and never enough of it. Hay cuts on forearms. Twine grooves in the pads of fingers. Sweat-soaked leather gloves. T-shirts sticking to the back and chest. Dry lips. The sun carving at the eyes. Arms leaden and aching with fire.

Baling is noise. A baler is a strange, violent piece of machinery. Trailed behind a tractor, it picks up pre-cut and dried windrows of hay—alfalfa, mostly—smashes and pounds them into a bale, ties the bale with twine and ejects the bale from a upward-slanting chute that just touches the front edge of the hayrack.

A hayrack is the open wagon pulled behind the baler. You stand at the front edge of the rack, knees bent to absorb the shock of the bumpy ride, hands protected by leather gloves which are sweat-soaked in minutes and when the bale comes up, you reach out with the stronger arm, snag the twine with your fingers, lift and grunt, balance the bale on your out-thrust hips, take three or four quick steps to the back of the rack and push the bale onto the stack.

And go back for another.

"Like this. Stack it like this. That'll tie it together," David Benson shouted as the first bales pushed over the lip of the rack.

There is a pattern to stacking, as Benson demonstrated. The first bale is set all the way to the back, with its long side parallel to the side of the rack. The rest of the bales are placed with their long sides parallel to the back of the rack. The pattern is reversed on the next level, so the bales always cross each other from one level to the next.

"We're going to be stacking these up over our heads, so you want to tie them together like that—so the whole pile doesn't fall off on the road back to the barn. It gives you just that little bit of stability," Benson said.

The work was hard and unremitting. The stackers took turns grabbing, swinging and stacking, the baler hammering all the while, Sago half-turned in her tractor seat as it rolled up and down the field.

When the rack was full, it was towed back to the barn. The bales were swung off the rack and onto an elevator, a piece of machinery that looks like a cross between a conveyor belt and an escalator. It's even noiser than the baler.

"You guys unload the rack, and we'll go up to the top and stack," Benson said. The men on the bottom began pulling bales off the rack and dropping them onto the elevator. Up in the loft, the bales popped off much the same way they had popped out of the baler. Benson and a friend hooked and grunted and lifted, as they had on the rack, and carried the bales as far back and high in the barn as possible.

HEAT IN THE BARN WEIGHS IN THE LUNGS

The barn, in its own way, is as bad as the field. Balers are exposed to the fierce, slicing sunlight, but in the barn the heat is close, dense and heavy, sitting in the lungs like soup.

"When I was 16, a friend and I hired out all over to bale," Benson said. "We could throw bales all day. Boy, were we in shape. Baling will do that for you. It takes a little longer after 35."

"You ought to start a spa for yuppies," Benson was told. "The Benson Hay Plan—$150 a day, good meals, guaranteed to whip the body into shape in only 14 days."

"You'd have to be able to stand yuppies for 14 days."

"A major drawback."

"Not more than 30 bales left, now."

"You said that 30 bales ago."

"Yeah, but I was lying then."

Early summer.

"Remember," David Benson asked, "going out there with the hoes and chopping the weeds out?"

The Bensons have hoes. A lot of hoes, kept sharp with a grinder, one for every member of the family, for cousins and sisters and out-of-town visitors.

A hoe, for the Bensons, is a philosophical statement.

"The soil has been here since the glaciers left, and you could grow just about anything on it," Benson said. "Since we've started farming it, we haven't done it any good. We send a lot of it right down to the Gulf of Mexico every year, pour all kinds of chemicals on it. Who knows what we'll wind up doing to it?

"There's an alternative to all that. If you're willing to take a little less, you can get along without all the fertilizers and the Lasso and Bigfoot (herbicides). It means you've got to do handwork, but that's OK, too—you build up a relationship with the land by working on it. You put so much work into a piece of land, and you start getting protective. That's got to be good for it, in the long run."

Hoeing is one of the bad jobs of the farm year. It's not particularly hard work, like haying, nor does it take much skill, as plowing does. It's hard in a different way. It demands attention, but lacks drama. The work is constant, but there is little sense of progress.

The principal villain in the soybean field is the Canadian thistle, a tall, tough, bristly plant that crowds beans and chokes combines. It grows in shapeless patches that pay little attention to the order of bean rows.

The individual thistles seem to grow best near the stems of corn or beans. The thistles have to be hooked out with the hoe, rather than simply attacked with brute force.

HOEING THE BEAN FIELD IS THE WORST

"This has got to be the worst," Sally-Anne Benson said, halfway through a round of hoeing in the bean field. A thistle patch trailed across the rows in front of her. She was sweating hard, her face brown and unhappy in the hot summer sun. Two friends were working with her, and they both stopped.

"I thought you said it wasn't that bad," said one, leaning on his hoe.

"I keep forgetting," she said.

The Bensons have relatives and friends in the Twin Cities who come down with their families to help. "It's a family get-together, and it's a good chance for David and I to talk," Sally-Anne said one night at the kitchen table.

"Most of the time, he's on the tractor and I'm doing something else, or I'm on the tractor and he's doing something else, or I'm at the house and he's in the field, or I'm at school and he's in the shop. This is one thing we do together, at least."

But not on this day. The relatives had not come down yet. David was cultivating the corn with the tractor, and the bean field stood there, demanding attention, its thistles spreading and sprouting with great glee.

"This," Sally-Anne said, "is the worst."

At the end of each round of hoeing (a round is one trip up and down the length of the field) Sally-Anne drank water from the gallon glass jugs left at the ends of the rows. Her face glowed with heat and dehydration.

"Maybe you're too small to do this," a friend told her.

"Why?"

"Your body's surface area is a lot bigger compared to your weight than with larger people. Maybe you dehydrate a lot more than we do."

"I don't know. It sure is hot."

"How many more rows?"

"Just down to there—you can see the end. Four more rounds, maybe."

"Two hours?"

"I don't think I can do it two more hours."

"How about this? See, you set up a Benson Academy of Performing Art and you apply for a grant from the arts council, and then you hire a bunch of starving artists from the cities, and give them hoes and tell them that this is a performance of life and death and they are out here to kill. Maybe we could tape it and run it on public TV."

"How about this? We get some hara krishnas and tell them the thistles are the manifestation of evil, and they could dance through the fields with their hoes, hari-hari, rama-rama . . ."

And passers-by, had there been any, would have seen two large dust-covered men and a small, tired woman doing an impromptu hari krishna dance with hoes, in a blazing sun in the Benson soybean field, not far from the Iowa line, in southwestern Minnesota.

Autumn.

If a playing card were chosen to represent the 1985 soybean harvest, it would be what? The ace of hearts? A warm card, a card of the highest level. Soybeans are the cash crop, the money crop, the crop that will decide how the year goes. Even a small crop is a pleasure to harvest.

David Benson, the worry lines etched around his eyes, stood at the edge of his field, plucked a few pods, shelled out the small, yellow soybeans and popped them into his mouth.

"Soft. They're so soft, they're mushy," he said. "Run these beans through a combine and you'd lose them, you'd just mash them up."

The trouble began in early August.

"Rain came just about the second week of August—right after I bought that Deutz (tractor)," he said. "I remember we only used it once, and after that, it was always too wet to get in the fields. The rain was OK at first. We already had the oats out, and the second cutting of hay, and the corn needed a touch of wet weather. But it never stopped. It just kept going. Here it is the middle of October, and we're usually finishing up everything, just about now. We haven't been able to get in the fields. We haven't even touched the beans."

At the house, Gus Benson, from his easy chair next to the kitchen table, said, "I've never seen anything like it in 83 years. It's never been this wet and this late."

"It's getting cold," David said. "If we get snow, it'll drag the beans right onto the ground. You can't combine that way. We'd lose the crop. That's $9,000 in beans in that one field down there, and it'd be gone just like pffit.

"It happened one time to us—no snow, but hail. I remember, we ran up and stood in the doorway and watched the hail come down and take the beans right out. Took them right out. I tried to get in and combine, but there wasn't any point in it. We'd get a few beans, but it cost us more in fuel than we were getting out. Of course, nothing's ever a total loss—I plowed those beans under, and the next year that soil was terrific. Beans make good manure; it's the kind of manure you wish you could afford to put on the land, build it up."

WEATHER TURN DRY

Two weeks later, everything changed. The rains broke and the weather turned dry.

By Monday, Oct. 28, the harvest was on. It was a Monday of the full Moon. Not the harvest moon of September, but the hunters' moon.

To a man traveling down Highway 60, the major diagonal road way from Mankato to the southwest corner of the Minnesota, the hunters' moon was like a lamp flying along

the edge of the road, illuminating the landscape.

On other trips, on other days, the landscape had been still. The windbreaks around the farm houses, as seen in the moonlight, had looked like vast ships in a dark ocean anchorage, their blue mercury-vapor yardlights serving as warning lights at the peak of unseen mainmasts.

And all of the small towns had gone to sleep early. Lake Crystal, Madelia, St. James, Butterfield, Mountain Lake, Bingham Lake, Windom, Heron Lake, Brewster—all strung out on Highway 60 like rosary beads, and all asleep by 11 p.m. Farmers' hours.

But different farmers' hours were kept beneath this hunter's moon. The landscape was alive with combines that crawled and clawed their way through endless miles of rust-brown soybeans. Grain trucks roared down sideroads and onto the highway, the elevators were lit and working hard, and locomotives maneuvered grain cars onto elevator sidings.

The towns were awake. The Dairy Queens and groceries were open. Clusters of dusty, tired men in work shirts and pinstriped bib overalls gather aroung the back of pickup trucks, their smiles flashing in the electric light. The harvest. A month late, but coming in.

A TIME FOR THE FIELDS

Benson got his beans out in a week of hard work, sitting on top of the combine, churning through dark, clean fields. Not a time for talking. Just a time for the fields.

A bean combine, like most working farm equipment makes no concession to beauty. It's an ungainly thing, like a giant green stinkbug, groaning and lurching through the fields, pulling dried bean plants in the front, spewing shredded leaves and stems from the back. The pale yellow beans go into an interior tank, to be dumped later in high-sided wagons.

Some farmers take the beans straight into the local cooperative elevator. On the Benson farm, the wagons are towed to the main farmyard and dumped into storage bins.

"You can't really know what it feels like unless you've done it. Gosh, it just feels so good to get them out," Benson said. "Remember going out there with the hoes and chopping the weeds out? This is the payoff. These beans are clean. Look at those beans."

Later comes a colder judgment.

"The beans, I'd say, were mediocre," he said. "I mean, they're all right, but we got maybe 30 bushel an acre, average. We've gotten used to more than 35, 40 bushel an acre—but that wet weather back in August maybe kept the pods from forming like they usually do. Maybe—I don't know."

Though the crop was only fair, the feeling remains warms.

"I'm glad we got them off," he said. "Gosh, it makes you feel good."

Closing down the year. Snow whips through Gus Benson's farmyard, and wagons of corn wait to be unloaded.

"We've got to close the big door," David Benson said. "That's always a job."

The "big door" is the huge, drop-down door to the barn's hayloft. Eight feet wide and perhaps 10 feet tall, it hangs upside down beneath its open doorway all through the summer.

To lift it into place, ropes are run from the back of the door to a series of pullies inside the roof of the barn, then down to the ground floor. A single thumb-thick tow rope emerges from a ground-level door directly beneath the big door. That end of the rope is tied to a pickup truck bumper, and the pickup hauls the door up.

On the first attempt, a side rope broke and the door fell back.

"Gol-darned rope has probably been here since 1938," Benson muttered. Working bare-handed to untie the broken rope, and retie the new one, was a slow, clumsy task. When he was done, Benson climbed back into the pickup and put it in gear.

"Easy, easy, easy . . . get the hooks, get the hooks . . ."

As the door swung up, the light in the barn died and the outside sounds were muffled. The change was anything but subtle, the loft changing from airy balcony to comfortable cave with the creaking swing of the great door. The metallic sound of the catch-hooks confirmed the closing.

CORN IS LAST CROP IN

The closing of the barn is one acknowledgment of winter's approach. The final acknowledgment—the final concession—comes with the corn harvest.

"When the last of the corn is in, that's it," Benson said. "There's all kinds of other stuff you keep doing, but that's it, really. After that, it's getting ready for winter, and waiting for spring."

As the storm came in, Benson towed the broken corn picker back to the shop and left it. There were other tasks to be done—two loads of waiting corn to be unloaded, the house to be converted to its winter configuration.

The high-sided grain wagons were towed under a rack that looked much like a child's swing set without the swings. A winch, run by a tractor's power takeoff, was hooked to the front corners of the wagon. When the winch cable was tightened, the front of the wagon lifted from the ground and the corn slid through small doors at the back.

Beneath the back of the wagon was the lowest step of the corn elevator, which boosted the corn to the top of the crib, where it was dropped inside. The process was simple, efficient and noisy.

"The corn is hardly worth growing, if you were going to try to sell it," Benson said as he watched the elevator carry the neat yellow ears into the crib. "We feed most of it, so we're OK. Even if we don't sell the beef, we can always eat it."

As the snowstorm intensified—the television weathermen now were calling it a blizzard—the Bensons began talking about the conversion of their home.

When David and Sally-Anne married, and then later moved back to his parents' farm, they bought an aging house. Although they worked to make it livable, it never had good insulation or modern heating systems.

THE HOUSE NEEDS WINTERIZING

The Bensons heat with wood, kerosene and sometimes oil; wood is the mainstay. In the spring, the big Ashley woodstove is moved out of the front room to storage. In the fall, it regains its dark, glowering prominence in front of the couch.

"It's always nice to have visitors at a time like this," Benson said cheerfully. "We can use the help moving the stove."

The conversion was quick but heavy. The big old upright piano was pushed and carried from one wall to the next while Sally-Anne ran around with a broom, chanting, "Wait, wait just a minute."

When she was satisfied with the new arrangement of furniture, the Ashley was mounted carefully on cinderblocks and the chimney pipe was fitted carefully on top of it.

Sally-Anne further winterized the house by taping large pieces of transparent plastic over drafty windows. All of the Bensons worked together to shovel snow around the house's foundation to prevent wind from getting beneath the house.

"The hardest part of living here is the winter," Sally-Anne said. "The wind never stops, and when it's 10 below, or 20 below, you feel like it's cutting your face open. It can go on like that for days. You don't go outside except when you absolutely have to. You feel like you're living in a cave."

As the Bensons rearranged the living room for winter, the storm intensified.

"Can you see Bigelow? The lights?" Sally-Anne asked at 9 p.m.

No. There was nothing out there but the suffocating white mill of the storm.

Near dawn, the storm began to weaken. By mid-morning, Bigelow was visible again. Drifts blocked the road outside the house, but David, expecting them, had left a car in a non-drifting area of the road during the night. The Bensons were still mobile.

The next two days were cold. On the third day, the weather turned milder, and Benson thought about the corn again.

"Maybe I could use the bigger tractor and pull the picker through there," he said. He decided to try. Repairs on the picker took two hours, and he pulled it down to the cornfield and through the snow. It worked.

"I figure two hard days and it'll be done," he said with evident pleasure, ice bristling from his mustache, as he towed the first full wagon back to crib. "You see us go through there? She pulled right through." He patted the tractor.

It didn't work quite that way. He spent the rest of the week struggling with the increasingly crusty snow and breakdowns with the picker.

"It's the ice going through it," he said. "It puts a heck of a strain on all the machinery."

But he did finish.

For the work he had done, for all the planting, cultivating, hoeing, the waiting for the rain to stop, the tension of the late fall—for all that, he finished without fanfare, although you almost expected there to be some.

There was not. He pulled the picker over the last rows of corn, through the snow, and drove home.

On a cold, snowy November day, I climbed the soft steps of baled hay to a place near the peak of the Bensons' big red barn, and made some final notes.

A barn is a place of mysteries. A place of birth and death and endless sweat. A place of hatches up and down, of unexpected turnings and gates and barriers, a place where you can build a castle or a fort or a nest in the bales of hay.

In seven months of reporting on the Benson family and their farm, I had been in and out of the barn 20 or 30 or 40 times. So, on the last day, as I left for the barn, Sally-Anne asked, half-teasing, "Going to think?"

I was. When I stepped inside the barn, I found Gus Benson's big hound, Moses, curled up on a bale of hay a few feet from Bluma, the aging milk cow. I stepped over Moses and climbed the steps made by the bales until I reached the peak. Six half-grown barn cats—four tigers and two calicos, the survivors of the summer litters—climbed right along with me, curious about the intrusion.

A barn is basically a large wooden envelope designed to keep the worst of the weather off whatever is stored inside—hay, animals, miscellaneous equipment and tools. It is not designed to be as weatherproof as a house. Up near the top of the barn, light snow were filtering in through cracks around the big door, a hole in a window pane and other places.

The cats stepped carefully around the snow and sat down to watch. And I sat down to think about the year, the faces and names, the things we did, the way the farm looked and felt.

To tell the story of a farm family, over a growing year, is difficult if you are determined to do it honestly. As you accumulate information, you find too many bits that will not fit into a smooth-flowing story—the low cards in the deck, in a way.

But an accumulation of low cards can make a powerful hand—you's bet the house on four deuces in draw poker. So what do you do with the small bits, the pieces that characterize the land, the people, the work?

In the months of interviewing and writing, I never told how the Bensons fight occasionally, as any sane couple does, and how, when they have a difference of opinion, they call each other "honey" in every other sentence.

Nor did I say much about the killing of animals—the butchering of chickens, the transportation of sheep to the locker, David's comment that the beef cattle "represent a lot of corn and work," or his suggestion that he can maintain a personal relationship with his animals at the same time he quite happily sends them to slaughter.

I never wrote much about Sally-Anne's hunger for seafood or about Heather playing beginner's Bach on the old upright $25 piano.

I never wrote anything about the stock tank used as a swimming pool, about the tire swing in the back yard, about the sweat-inflamed forearm cuts left by haying, about how the handles of the hoes are worn concave by years of use, about how drivers wave to each other when passing on country roads under the assumption they're acquaintances or wouldn't be there.

I never wrote about the peculiar cast of the sun on the prairie at dawn. I never wrote about Gus Benson's hands, which all by themselves look like 50 years of farming—or how the Bensons link hands, big and small, rough and smooth, to say grace before meals.

In a year with the Bensons, I've been writing about the face cards. I could have done as well with the deuces and treys.●

STATE AND LOCAL TAX DEDUCTIONS

● Mr. HUMPHREY. Mr. President, as we are all well aware, the tax reform debate took an interesting turn last Thursday when the able chairman of the Finance Committee, Senator PACKWOOD, announced a new proposal. This new proposal is a radical departure from the other major tax proposals—H.R. 3838, President Reagan's tax proposals, and the Finance Committee's original draft version. The proposal put forth last week by Senator PACKWOOD would be the first step toward implementing a flat-rate tax system. Such an idea is gaining supporters each and every day, as American citizens become more and more frustrated with the present Tax Code.

Under the new plan, all deductions would be eliminated while the 14 tax brackets would be reduced to just two—15 percent and 25 percent. It is from here that the committee will now begin to work. This draft is revenue neutral, so any deduction which is restored must take money from elsewhere. In all likelihood, this will mean raising the tax rates. Thus, the key to getting a bill out of committee that will satisfy a majority of Senators is to keep the draft as clean as possible. Each and every special interest will be out to get their special deductions restored. It is up to the Finance Committee members to resist the upcoming onslaught.

Mr. President, I have recently written to Senator PACKWOOD and several other members of the Finance Committee. As I pointed out in these letters, the most costly deduction is currently that for State and local taxes. In the effort to keep the new proposal clean, the committee members must especially resist any attempt to restore this unfair deduction. To restore this deduction would necessitate a significant increase in the newly proposed marginal tax rates. If we are to make the tax reform effort worthwhile, we must achieve a significant decrease in tax rates. This will be impossible if the deduction for State and local taxes is restored to the new draft which the committee will begin to work on.

Mr. President, it is essential that the Finance Committee keep Senator PACKWOOD's new proposal as clean as possible. If we see a repeat of the initial process which necessitated this rather drastic approach on the part of the chairman, tax reform may suffer its final blow.

Mr. President, I ask that a copy of the above-mentioned letter to Senator PACKWOOD be printed in the RECORD.

The letter follows:

U.S. SENATE,
Washington, DC, April 25, 1986.

Hon. BOB PACKWOOD,
Chairman, Senate Finance Committee,
Russell Senate Office Building, Washington, DC.

DEAR BOB: I was very encouraged to hear about your new proposal for tax reform. The idea of a modified flat tax with no deductions at all has been gaining support throughout the nation recently. Such a proposal may appear to be drastic, or even radical. However, it would also achieve the goals set out by President Reagan last May: fairness, simplicity, and economic growth. Rather than just reshuffling the cards, this type of proposal, if enacted, would accomplish true tax reform.

A modified flat tax also has its problems. However, these problems are primarily political. Special interests will be vying to have their special provisions restored. As you have pointed out, each and every provision which is restored will have to result in higher individual tax rates. The more costly the deduction, the higher the rates must go. At this time, there is no deduction more costly than that for state and local taxes. To retain deductibility will require a significant increase in the rates you have proposed. In this light, I would like to urge you to resist any attempt to restore this costly and unfair deduction to your new proposal.

If tax reform is to be worthwhile, there must be a significant reduction in tax rates. Without full repeal of the deduction for state and local taxes, this will not be possible. Again, I urge you to do all that you can to ensure that this deduction is not restored to your new tax proposal.

With warmest regards, I am

GORDON J. HUMPHREY,
U.S. Senator.●

THE HOSTAGE CRISIS

● Mr. SIMON. Mr. President, 12 days ago Peter Kilburn was murdered in Lebanon. His family, along with representatives of remaining hostage families, are reunited at funeral services today in California. I join them in their grief and in their hope for a peaceful resolution to this hostage crisis.

On this occasion, I would like to share with my colleagues Mary McGrory's recent editorial on the hostage crisis.

I ask that the article be printed in the RECORD.

The article follows:

NEW ATTACKS COULD DOOM HOSTAGES

(By Mary McGrory)

Before he does it again, President Reagan might stop and think what effect a new bombing of Libya could have on the forgotten hostages who surely represent the "innocent Americans" for whose benefit he is waging war on Qaddafi.

After the first bombing on April 21, the President received a telegram of congratulation—one of many, of course—from Frank Sinatra. It said, "Encore, Encore. Francis Albert."

Mr. Sinatra holds the Medal of Freedom and a high place in the president's esteem, but let us hope that his counsel in this case will not prevail.

When the president told the Chamber of Commerce that he was ready to do an encore over Tripoli if given proof of more Qaddafi evil, he was applauded. The president added that he won't hesitate to hit Iran and Syria, too, if he gets the goods on them.

Most Americans, feel awfully good about bombing Tripoli, but before he gives them a chance to feel even better about a repeat, they—and he—might take a moment to think about the hostages still being held in Lebanon and the families who dread the ring of the telephone and the evening news.

AP reporter Terry Anderson, Fr. Lawrence M. Jenco, Dean Thomas M. Sutherland of the American University in Beirut and David P. Jacobsen, director of the university's hospital, are still presumably together. Their chances for survival were put in enormous jeopardy by the raid and will approach the vanishing point if the F111s fly again in the Middle East.

To make the point that reprisal breeds reprisal, kidnappers delivered the body of another American hostage—Peter Kilburn, librarian of the American University—with a note saying they had shot him in retaliation for the raid.

The message seemed clear enough.

But the American people are not focused on the fate of the remaining four.

They never hear about them from the White House, although the president protested at his last press conference that "they've never been out of our mind for a minute".

Unlike President Carter who wore his hostages like a hairshirt in the last year of his presidency, Reagan has kept his distance from the families of the Americans held in Lebanon. It is not like him. He relates powerfully to individuals in trouble, always seizing the particular over the general. But in this instance, he has reversed himself. He is overlooking the welfare of four known individuals in the interests of unknown Americans who might meet a similar fate.

He never even mentioned the captives until the crisis of the TWA jetliner forced him to. Then he said he would not settle for the return of the 39 from the plane; he wanted all 46 Americans released. (There were at that time seven known captives. Since then, embassy employe, William Buckley reportedly has been killed in addition to Kilburn, and the Rev. Benjamin Weir has been released.)

Jeremy Levin, a Cable News Network correspondent who was released after his wife, Sis, went on a goodwill mission to Damascus, says he thinks it is the absence of wives from among those pressing for release that has made the difference.

The president might think about Elaine Collett, the American wife of Alec Collett, a British journalist kidnapped while on a writing assignment for the United Nations. Initially, the body of Kilburn was identified as that of her husband. After Kilburn was determined to be the victim, her husband's captors released a gruesome videotape of a man being hanged. They said it was Collett. She doesn't know.

The president did not call the Kilburn family and made no statement about his death.

The official silence over Kilburn was in sharp contrast to the repeated expressions of sympathy for the murder of Leon Klinghoffer, a passenger on the Achille Lauro which was seized by hijackers in a much-televised crisis of last October.

"We are saddened and outraged by the brutal killing of an innocent American," said the president.

The Tripoli raid, cheered by so many Americans, brought terror to the hearts of the relatives of the hostages.

Says Peggy Say, Terry Anderson's sister, "I don't know whether they didn't think about the hostages or whether they did and decided they might have to be sacrificed in a retaliation. I have never faced the thought until now that Terry might be executed. The president is protecting American lives in the future. Whose life is important?"

David Jacobsen's son Eric, a San Francisco health service office manager, says Reagan "is waging a war which he hopes will save lives of Americans in the future, but there are lives of innocent victims that need to be saved now."

More bombings will bring more death to many Libyans, or even Iranians and Syrians, and may deter tomorrow's terrorists. The four forgotten hostages are Americans. They are innocent. They don't deserve to die one by one, which could happen if Reagan strikes again.●

PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 milion. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with the committee's intention to see that such information is immediately available to the full Senate, I ask to have printed in the RECORD at this point the notification which has been received. The classified annex referred to in the covering letter is available to Senators in the office of the Foreign Relations Committee, room SD-423.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, April 24, 1986.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 86-33 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Navy's proposed Letter(s) of Offer to Portugal for defense articles and services estimated to cost $216 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

GLENN A. RUDD,
Acting Director.

[Transmittal No. 86-33]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Portugal.

(ii) Total Estimated Value:

	Millions
Major Defense Equipment [1]	$102
Other	114
Total	216

[1] As defined in section 47(6) of the Arms Export Control Act.

(iii) Description of Articles or Services Offered: Equipment and services for the Portuguese Frigate Program including: 3 sets HARPOON shipboard launcher equipment; 3 sets NATO SEASPARROW surface missile systems; 3 MK 15 PHALANX close-in weapon systems; 24 RGM-84D HARPOON canisterized missiles; 72 MK 46 torpedoes in helo-launch containers; 24 RIM-7M NATO SEASPARROW missiles; 6 LM 2500 gas turbine engines; 6 MK 32 Surface Vessel Torpedo Tubes; 3 AN/SLQ-25 Torpedo Countermeasure Transmitting sets; shipboard equipment; communications equipment; spare and repair parts; contractor training; and technical services.

(iv) Military Department: Navy (ABQ).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Included in report for quarter ending 31 December 1984.

(viii) Date Report Delivered to Congress: April 24, 1986.

POLICY JUSTIFICATION

Portugal—Frigate Equipment and Services: The Government of Portugal has requested the purchase of equipment and services for the Portuguese Frigate Program including 3 sets HARPOON shipboard launcher equipment; 3 sets NATO SEASPARROW surface missile systems; 3 MK 15 PHALANX close-in weapon systems; 24 RGM-84D HARPOON canisterized missiles; 72 MK 46 torpedoes in helo-launch containers; 24 RIM-7M NATO SEASPARROW missiles; 6 LM 2500 gas turbine engines; 6 MK 32 Surface Vessel Torpedo Tubes; 3 AN/SLQ-25 Torpedo Countermeasure Transmitting sets; shipboard equipment; communications equipment; spare and repair parts; contractor training; and technical services. The estimated cost is $216 million.

This sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of Portugal; furthering NATO rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

The Portuguese Navy will use this equipment and services in its new frigate program. These frigates will be employed as an anti-submarine force in the IBERLANT area of the North Atlantic Ocean. Portugal will have no difficulty absorbing this equipment and these services into its armed forces.

The sale of this equipment and services will not affect the basic military balance in the region.

The prime contractors will be General Dynamics of Pomona, California; Raytheon Company of Wayland, and Lowell, Massachusetts; Naval Ordnance Station, Louisville, Kentucky; Aerojet Electrosystems of Azusa, California; McDonnell Douglas Astronautics Company of St. Louis, Missouri; and General Electric Company of Cincinnati, Ohio.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel to Portugal. Five contractor representatives will be required for training for six months and 12 contractor representatives will be required in Portugal for technical services for one year.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

YELENA BONNER

● Mr. D'AMATO. Mr. President, I wish to reiterate my concern over the plight of Dr. Andrei Sakharov and to commend the tireless efforts of his wife, Yelena Bonner. This brave couple has continued to speak out in support of human rights despite sustained harassment orchestrated by Soviet officials and played out by the KGB.

In 1980, the Soviets banished Sakharov to the closed city of Gorky in an

attempt to sever his links to the West. In 1984, Bonner was sentenced to 5 years of internal exile for "anti-Soviet agitation and propaganda." What has been their crime? Telling the truth about human rights abuses in the U.S.S.R.

Sakharov and Bonner were instrumental in founding the Moscow Helsinki Monitoring Group, a voluntary, unofficial organization established to monitor and improve Soviet compliance with the human rights provisions of the Helsinki Final Act. The Soviet Union, along with the United States, Canada, and 32 other European nations, signed the accords in 1975. In signing the Final Act, the Soviets voluntarily accepted a standard of basic human rights. Their compliance has fallen far short of that standard.

As Sakharov is quick to point out, the actions against him and his wife are "only a part of a widespread campaign against dissidents." He has urged that:

The governments and the public of all countries must insist on the unconditional and complete fulfillment of the humanitarian obligations the U.S.S.R. has taken upon itself, in particular, in the United Nations' International Covenants on Human Rights and in the Helsinki Accord.

Mr. President, as chairman of the Helsinki Commission, I am particularly concerned over the fate of Sakharov and Bonner. Yelena Bonner will soon rejoin her husband after receiving much needed medical treatment denied her in the U.S.S.R. Bonner's steadfast devotion to Sakharov should serve as an inspiration to us all. She has truly become a heroine for the cause of human rights.

Mr. President, I ask that a recent article on this remarkable woman be printed in the RECORD.

The article follows:

BONNER A HUMAN RIGHTS 'HEROINE'

(By Michael Bezdek)

NEWTON, MASS.—In the West, Yelena Bonner has been cast almost exclusively in the role of dutiful, ailing wife of Andrei D. Sakharov, the Soviet Union's most prominent dissident.

But in Soviet newspapers and magazines, Yelena Bonner is portrayed as a modern-day Mata Hari whose seductions at the behest of Zionists and the CIA have turned men against their wives and against their country.

Her promised silence while here to get medical treatment for heart and eye problems keeps the picture incomplete, but new documents and interviews with those who know her indicate that the first characterization is inadequate and the second outrageous.

'ONE OF THE HEROINES'

"She's certainly one of the heroines of the (human rights) movement. She's risked a lot," said Joshua Rubenstein, author of "Soviet Dissidents."

Her two children paint her as a warrior-intellectual—kind but almost always serious, independent but loyal, tolerant but capable of punching a KGB adversary, as she has done on at least two occasions.

"She always had compassion toward those who were suffering, no matter for what," said her daughter, Tatiana, "if you were standing on a conviction, even as a child, she would support you."

Yelena Georgievna Bonner was set apart even by name. As her son-in-law tells it, the name Bonner, of French origin while the family tree has all Asian roots, arose in the 1800s when an unknown ancestor traded papers with a fellow prisoner on the way to Siberia.

BOTH PARENTS TAKEN AWAY

Bonner was on the run within hours after her birth in 1923 in the remote city of Merv. Her mother fled the hospital with newborn Yelena after being warned of an attack by Muslims hostile to the Communists.

Political turmoil displaced her again in 1937, when her father, an Armenian and a member of the party elite, disappeared on his way to work in Moscow, the apparent victim of a Stalinist purge. Her mother, a Jew and a government health worker, was arrested shortly after that and spent the next 17 years in labor camps and exile.

Bonner and her younger brother, Alexei, went to Leningrad to live with relatives.

After high school, Bonner joined the army as a nurse. Though enraged over the fate of her parents, she volunteered "as a duty of the heart," according to an autobiography. At the Volkhov front in 1941, enemy shells gave her head injuries that triggered lifelong eye problems.

After the war, she studied medicine and married a fellow student, Ivan Semyonov. They had two children, Tatiana in 1950 and Alexei in 1956, but drew apart as she became more politically active. They were divorced in 1965.

In addition to her work as a pediatrician, she wrote for magazines, radio and medical journals. Her circle of friends, mainly Moscow intellectuals, continued to grow.

When the human rights movement in the Soviet Union gained momentum in the late 1960s, she was part of it, helping to produce "The Chronicle of Current Events," which reported rights violations.

She gained added recognition by gaining entry to the closed trial of people who had tried to hijack a plane to dramatize the plight of Soviet Jews, then distributing news of the trial in public pamphlets. She got into court by posing as the aunt of one defendant, whose diaries she later smuggled out of prison.

Her activities brought her into contact with Sakharov, who had helped develop the Soviet hydrogen bomb and whose first wife had died of cancer. The tough-talking Bonner and the shy physicist-philosopher were married in 1971.

"Here truly was a case of opposites attracting," wrote Kevin Klose, a U.S. reporter and author of "Russia and the Russians," published in 1984.

What the Sakharvos shared was a concern for the oppressed. The Bonner family's three-room apartment, where the Sakharovs lived in the kitchen, served as headquarters for the dissident movement. As their political activities increased, so did their troubles.

Bonner became a favorite target of journalist Nikolai Yakovlev, who has worked off a theme of Bonner as Zionist, paramour and CIA agent trying to undermine the Soviet system. Bonner brought what is essentially a libel suit against Yakovlev, her autobiographical sketch is included in court papers.

In an especially vicious 1983 article in the magazine Smena, Yakovlev accused her of imposing her sympathies on Sakharov, turning him against his children and his country and taking control of his finances.

He also contended that Bonner had seduced a childhood friend, the poet Vsevolod Bagritsky, who died in battle, away from a wartime bride. But in her suit Bonner cites a letter Bagritsky wrote to his mother in which he says he and his wife broke off their monthlong marriage by mutual consent.

Yakovlev also tried to link her to the murder of Yelena Dolenko by Dolenko's husband, Moisei Zlotnik. Bonner says in her suit that she had known them both as children but had not seen them during their marriage. She said she knew nothing of the murder until being routinely questioned with other acquaintances.

Bonner says Yakovlev's writings have led to "thousands of irate, malicious letters which we receive recommending Sakharov 'to repent,' 'divorce the Jewess' and to live by his own mind, not by Bonnerovsky.".

The campaign also led to threats against Bonner's family, prompting the emigration to this Boston suburb in 1977 and 1978 of Bonner's mother, son and daughter and Tatiana's two children.

Bonner's son, Alexei Semyonov, married Liza Alexeyeva by proxy in June, 1981, while she was still in the Soviet Union. She was allowed to leave the country that December, after Sakharov and Bonner staged a hunger strike to win her a visa. The Semyonovs have one daughter.

In the Soviet Union, Bonner is now greatly restricted. She was found guilty of slander against the state in 1984 and sentenced to five years' internal exile in Gorky, to which her husband was banished in 1980. Their apartment is across the street from the police station.

Rubenstein reports that the couple is so closely monitored that three truckloads of street cleaners once arrived outside their apartment building the day after Bonner had glanced out the window and commented that Westerners might like to see a photograph of their trash-filled street.

Ironically, Bonner has been under something akin to house arrest since her arrival here in early December, her family has thrown up a protective barrier as they help her honor the pact she made with Soviet authorities not to speak with reporters during her stay.

She has spent time writing, but her family will not say what or for whom, only that she has turned down two dozen offers from publishers. She has also visited friends and supporters of her husband in New York and California and vacationed in the Caribbean.

She underwent heart bypass surgery in January and in March had surgery to clear the main artery of her right leg. Her eyes have also been examined.

Bonner must return to the Soviet Union by June 2, but her son-in-law, Efrem Yankelevich says she might join Sakharov for his 65th birthday on May 21.

The future, in words from her autobiography:

"I hope to live out my life until the end worthy of the Russian culture in which I've spent my life, of the Jewish and Armenian nationalities, and I am proud that mine has been the difficult lot and happy fate to be the wife and friend of academic Andrei Sakharov."

Mr. D'AMATO. Mr. President, as Yelena Bonner prepares to return to internal exile with her husband in

Gorky, it is more important than ever that we commit ourselves to continue to speak out on their behalf. Otherwise, the Soviets will succeed in their campaign to further discredit and isolate Sakharov and Bonner. Meanwhile, as Sakharov has vowed, he continues "to live in the hope that goodness will finally triumph."

Mr. President, I encourage my colleagues to join me in an effort to ensure that this hope becomes a reality.●

DEDUCTIBILITY: ELIMINATION CAN BRING MORE EQUITY AND STRONGER FEDERALISM

● Mr. HUMPHREY. Mr. President, I would like to call to the attention of my colleagues a recent article by Mr. Richard S. Williamson, of the Beatrice Cos., Inc., and former Assistant to the President for Intergovernmental Affairs. This article, entitled "Deductibility: Elimination Can Bring More Equity and Stronger Federalism," appeared in the winter/spring issue of Intergovernmental Perspective. This is the publication put out by the Advisory Commission on Intergovernmental Relations, a bipartisan commission made up of officials from every level and branch of government.

In this article, Mr. Williamson presents a very good case for repealing the deduction for State and local taxes. After pointing out the important fact that "the current tax deduction causes a shift in Federal income tax burdens" from taxpayers in high-tax States to those in low-tax States, Mr. Williamson attempts, rather successfully I believe, to rebuke several of the arguments of the opponents of repeal. The primary arguments addressed in this article are threefold. First, repeal will cause increased competition between the high-tax and low-tax States. Second, the cruelest effects in high-tax States would be on welfare programs and Medicaid benefits for the poor. Finally, there is the cluster of charges critics make that the elimination of State and local tax deductibility will do damage to federalism.

Before succumbing to these arguments, I strongly suggest that my colleagues read the article by Mr. Williamson. As he points out in conclusion,

> Elimination of State and local tax deductibility can help not only create a simpler, more equitable tax system, but also further revitalize and strengthen our intergovernmental system.

Mr. Williamson makes the case clearly and succinctly, Mr. President. I would urge my colleagues to consider his arguments when the time comes to consider this aspect of the tax reform bill.

Mr. President, I ask that the above mentioned article be printed in the RECORD.

[From the Intergovernmental Perspective, Winter/Spring 1986]

DEDUCTIBILITY: ELIMINATION CAN BRING MORE EQUITY AND STRONGER FEDERALISM

(By Richard S. Williamson)

President Reagan's tax reform proposal, including the provision to eliminate deductibility of state and local taxes, is good government and good federalism. Elimination of this tax deduction first must be viewed in its overall context; creating a simpler, more equitable tax system wherein the average American's tax burden is significantly reduced.

ACIR has calculated that 79% of all taxpayers, including many of those who currently deduct state and local tax payments, will get a tax cut, or pay the same amount in federal taxes, as a result of the President's proposed changes. Overall, according to ACIR, individual tax liability will be reduced by an average of 8.5%.

The current system of allowing for deductions of state and local tax payments has, according to ACIR, generally worked to the advantage of a small percentage of persons with high incomes living in states with high and steeply graduated tax rates. The two-thirds of Americans who do not itemize their deductions get no benefit at all from this provision, and end up subsidizing those who do. The average citizen in the 34 lower tax states ends up subsidizing high-income taxpayers in higher tax states. In other words, the current deduction causes a shift in federal income tax burdens, with higher income taxpayers in high-service, high-tax communities benefiting at the expense of average taxpayers in low-service, low-tax communities.

Opponents of the President's reform argue that it pits the 15 "high tax" states against the other 35. This charge suggests that such competition amongst states does not exist already. In fact, it does. There is competition amongst the states as Congress deals with federal programs and distribution formulas for new programs and revisits targeting for existing ones. Here is competition amongst the states in dealing with departments and agencies as each seeks to get its fair share, and more, of limited federal dollars in grants, etc. The majority of states have offices in Washington, D.C. to wage just such competition in the halls of Congress and amongst the federal agencies.

I am not suggesting such competition is bad, but rather to put in perspective and appropriately discount the charge that this reform somehow is wrongheaded because it heightens competition amongst the states. Tax deductibility is but one of the many areas where competition already exists for the approximately $150 billion in aid the federal government provides to state and local governments (grants-in-aid and tax deductibility).

Opponents of this reform also argue that the cruelest effect in "high tax" states would be on welfare programs and medicaid benefits for the poor. This charge is based on a false presumption that states and local governments, when faced with tough fiscal decisions, are somehow less compassionate than the federal government. In recent years, state and local governments have been faced with a significant federal retrenchment of grant-in-aid assistance and a recession that forced them to make extremely difficult budget decisions. The simple fact is that state and local governments faced these tough choices directly—even raising taxes as necessary—and with compassion. Both academic studies and press reports have clearly documented this phenomenon.

Then there is the cluster of charges critics make that the elimination of state and local tax deductibility will do damage to "federalism." They point out that if adopted, this reform proposal would abruptly end a pattern of federal-state relations that has governed policy-making for more than 70 years, since the beginning of the modern income tax. They argue that we need to guard the vitality of state and local government, and this reform proposal would usurp still more traditional local tax sources for the federal treasury. And that, as costs rise, resistance to any kind of tax increase at the local and state level would be greater than now because the full weight would be felt by the individual taxpayer and not shared through deductibility with Washington.

It is important to guard the vitality of state and local governments. But, the overall pool of resources for state and local governments is much more dependent on a healthy economy than on deductibility.

A principal means to strengthen federalism is by sorting out responsibilities to provide for clearer accountability. That accountability, in turn, encourages greater citizen participation in government. If a citizen does not know who is responsible for what goes right or what goes wrong in government, he has less incentive to vote. After all, what difference does it make? Therefore, to move from cooperative federalism to sorting out responsibilities in our intergovernmental system has been recognized increasingly as a worthwhile federalism reform. The president's proposal to eliminate deductibility does just that.

Those who spend money at whatever level of government should bear the full political cost of raising the money they intend to spend. Citizens should be allowed to judge whether the full cost of their government at each level is justified by the services and benefits provided therefrom. Citizens then can exercise an informed judgment at the ballot box and take more control over their governments. This is not a chilling effect on state and local governments, but an invigorating one. For with clearer responsibility there can be more effective accountability and that is good in a democracy. More citizen participation invigorates local, state and federal governments.

Therefore, elimination of state and local tax deductibility can help not only create a simpler, more equitable tax system, but also further revitalize and strengthen our intergovernmental system.●

ADULT LITERACY AWARENESS MONTH

● Mr. QUAYLE. Mr. President, the American people are faced with a disturbing problem, a problem of adult illiteracy. An estimated 31 million adults are functionally illiterate. These individuals do not possess the skills to read and write. The effects of this on each and every citizen varies from personal loss to lack of employment, reduced wages, and necessary retraining of our workforce.

Although commendable attempts have been made to eliminate the problem of adult illiteracy by the Federal, State, and local governments, the private sector and individual volunteers,

this problem persists. To this end, I have cosponsored a resolution to designate the month of September 1986 as "Adult Literacy Awareness Month" in an attempt to heighten illiteracy prevalent among the Nation's adult population.

I would like to have placed in the RECORD an article that appeared in the New York Times, Monday, April 21, 1986. This article gives some insight to recent statistics showing this problem.

The article follows:

[From the New York Times, Apr. 21, 1986]

THIRTEEN PERCENT OF U.S. ADULTS ARE ILLITERATE IN ENGLISH, A FEDERAL STUDY FINDS

(By Leslie Maitland Werner)

WASHINGTON, April 20.—Thirteen percent of the adults living in the United States are illiterate in English, a study by the Census Bureau has found.

According to the study's supervisor, the illiteracy rate for adult Americans whose native language is English was 9 percent. For adults whose native language is not English, the illiteracy rate climbed to 48 percent. A large portion of those people are, by their own account, probably literate in their native language, according to the study.

The literacy test, given by the Census Bureau to 3,400 adults in the United States in 1982, was the first of its kind conducted by the Government, according to Robert E. Barnes, acting director of the Education Department's planning and technical analysis division, who supervised the project. Mr. Barnes said the survey, which was conducted in the homes of those tested, had a margin of sampling error of one to two percentage points.

PREVIOUS ESTIMATE MUCH SMALLER

Of the native English-speakers who failed the test, 70 percent had not finished high school, and 42 percent had earned no money in the year before they were tested.

Mr. Barnes said that the test results provide a much more accurate portrayal of the nation's illiteracy problem than did the Census Bureau's previous estimate, in 1979, that only one-half of one percent of Americans over the age of 14 were illiterate.

"Many estimates of illiteracy have relied on impressionistic evidence or inferences from a single variable such as years of school completed," Mr. Barnes said. The tiny figures that the Census Bureau reported in 1979, for instance, reflected its definition of literate people as those who said they had obtained a fifth-grade education.

The new study shows that for adults 20 to 40 years old whose native language is English, the illiteracy problem was 10 times greater than it would have appeared if literacy had been defined as meaning five years of schooling, Mr. Barnes said.

ABILITY TO PERFORM TASKS

A number of other studies, however, have painted an even grimmer picture than that presented by the survey. The most widely accepted study, published by the University of Texas in 1975, examined adult performance levels in terms of "functional competency," including skills in communication, computation, problem-solving and interpersonal relations.

That study, the Adult Performance Level Project, found that almost 20 percent of American adults were unable to perform everyday adult tasks. Another 34 percent could perform the tasks, but not proficiently, the study found.

In judging adult performance, that test evaluated such skills as the ability to read a help-wanted ad in a newspaper, or write a grocery list.

By contrast, the new study, the English Language Proficiency Survey, was drawn more narrowly. "One could easily make a case for a higher standard of literacy" than the one the new test employed, Mr. Barnes said.

"When I look at the test, I almost think I could pass it if it were given in Egyptian hieroglyphics," Mr. Barnes said. "I wanted a conservative estimate. I didn't want to be accused of setting too high a standard."

"I could imagine giving people a three-page text and asking them to write a one paragraph summary and having a result of 85 percent adult illiteracy, including college graduates," Mr. Barnes said. "So I don't think we found the right number. I think we found a floor."

MULTIPLE CHOICE TEST

The Census Bureau test was of the multiple-choice variety. The reading portion called for choosing the best of four possible meanings for a specific word or phrase in a sentence.

One problem read, "The patient has the right to ask for information about his sickness." For "sickness," the test offered four potential synonyms: "benefits, business, expenses, illness."

Another section of the test required selecting the best word or words to complete a sentence. For instance "Don't allow your medical identification card to——by any other person." The choices for the missing phrase were: "be used, have destroy, go lose, get expired."

The test "was a 'read-and-recognize' test," Mr. Barnes said. "It was not a 'read-and-perform' or even a 'read-and-write' test."

A score of 20 correct answers on the 26-question test was considered an indication of literacy. Simply increasing that requirement by one, Mr. Barnes said, would have increased the total estimate of illiterate adults considerable.

LITERACY STANDARD QUESTIONED

However, Jeanne S. Chall, an education professor who is director of the reading laboratory at Harvard University, challenged the validity of choosing 20 correct answers as an arbitrary standard of literacy.

"You have to be careful saying that if you get 20 right you are or are not literate," Dr. Chall said. "Twenty correct should be equatable with a specific reading level or explainable in terms of real things they may read, such as specific newspapers or magazines."

Dr. Chall also said that the overall illiteracy figure produced by the survey "makes sense" as an estimate. But she said getting the exact number of illiterate people was far less important than just recognizing the existence of the problem.

"What does it matter if there are 10 million or 20 million complete illiterates?" she said. "We're not even taking care of a small fraction of them. It would be nice to know how many there are, but it doesn't matter. There are just too many."

The test administered by the Census Bureau was originally designed in the late 1970's by the Department of Health, Education and Welfare to determine whether adults, especially those with a non-English speaking background, were equipped to deal with official notices and applications for assistance.

IN LIVING ROOMS AND KITCHENS

The Education Department decided to administer the test in 1982. At that time, at the direction of Congress, it was about to have the Census Bureau conduct a survey aimed at determining how many children required bilingual education. The literacy questions were put to adults at the same time the children were tested.

At "kitchen, dining tables, coffee tables and in living rooms," Mr. Barnes said, 3,400 adults took the literacy tests as 4,000 school-age children with non-English-speaking backgrounds and 4,800 children in native-English-speaking homes took the bilingual education test.

Mr. Barnes said that 4,200 adults had been asked to take it, but that 800 had declined.

The sample tested was selected following procedures developed by the statistical methods division of the Census Bureau, Mr. Barnes said. It drew on information from the 1980 Census and supplementary listings of new households. It did not include hospital patients or prison inmates.

Mr. Barnes said the Census Bureau gave the department the raw test data in early 1984 and that the department did its first tabulations last November. And while Secretary of Education William J. Bennett has mentioned the study's total illiteracy figure in recent testimony in House hearings, the department has not yet disseminated the findings of its survey.

STATISTICAL VIEW OF ILLITERACY

The test results provide a new and detailed picture of the population of illiterates. About 37 percent of them speak a language other than English at home; among that group, 82 percent are immigrants and 21 percent entered the United States in the last six years. About 14 percent of those who speak a language other than English at home were probably literate in their own language, based on their reported education, the study found.

"Education is still the prime indicator of literacy rates," Mr. Barnes said, adding that 60 percent of all native English-speakers who had completed high school answered all 26 questions on the test correctly.

About 0.8 percent of those with some college education failed the test; 6 percent of those who finished high school failed; 18.6 percent of those with some high school failed; 34.3 percent of those with six to eight years of schooling failed, and 53.3 percent of those with five or less years of schooling failed.

The test identified various factors as potential risks contributing to the likelihood of illiteracy. These risks included education, immigration status, use of a non-English language, race, age and poverty.

THIRTEEN PERCENT OF ADULTS IN U.S. FAILED THIS TEST

Sample questions given by the Census Bureau to 3,400 adults in 1982.

Directions: Choose the answer that means the same as the word or phrase with a line under it.

We cannot see you today. When can you return?

a. When was the last time you came?
b. Who should you call when you come?
c. On what date can you come again?
d. Are those the papers you can return?

Enter your Social Security number here.

a. Find
b. Check
c. Show
d. Write

Directions: Choose the best answer to the question.

You should ask a friend or relative to help you fill out the forms if you cannot read or understand the application.

What should you do if you do not understand the questions on the application form?

a. Answer all the questions by writing "None."
b. Return the application unsigned.
c. Write to the notary public.
d. Ask a friend or relative to help you.

Directions: Read all of the paragraph first. Draw a line under the best word or phrase to complete each sentence.

Soon, you'll receive a new medical services program identification card. It will replace all other medical———. Before using the card you
a. bills
b. cards
c. types
d. checks
must sign———on the back. Don't allow your
a. the
b. it
c. on
d. a
medical identification card to———by
a. be used
b. have destroy
c. go lose
d. get expired
any other person.●

INTERVIEW WITH SENATOR DENTON ON INTERNATIONAL TERRORISM

● Mr. SYMMS. Mr. President, international terrorism is an issue of concern to many Americans, particularly those planning to travel abroad, and it is a problem which demands the attention of responsible elected officials in this country and around the world. Our distinguished colleague from Alabama, Senator DENTON, has taken the lead in uncovering the underworld of support for terrorist activities. As chairman of the Subcommittee on Security and Terrorism, he has conducted more than 60 hearings on terrorism and related subjects, and he provides the Senate with an invaluable insight into the disparate motivations of the governments and individuals which organize, fund, train, and equip terrorists.

I recently read with interest an interview, published in the April 12, 1986 edition of Human Events, in which Senator DENTON outlines some of the evidence on terrorism gathered in the course of his subcommittee hearings. I commend this interview to my colleagues' attention, as we continue the national debate on policy questions relating to terrorism. Without doubt, Senator DENTON's work on this issue is leading Congress and the administration toward policy decisions that will best serve our own and democratic interests throughout the world.

I ask that the interview to which I have referred be printed in the RECORD.

The interview follows:

"RADICAL ENTENTE" BACKING ANTI-U.S. TERRORISM

(Interview with Senator Jeremiah Denton)

Q. Senator Denton, in recent years we have witnessed a dramatic increase in the frequency and violence of terrorist attacks directed against Americans and United States interests abroad. In the course of your work as chairman of the Senate Subcommittee on Security and Terrorism, who have you found to be behind these attacks and why are they increasingly directing their hostility against the United States?

A. After more than 60 hearings on terrorism and related subjects which we have held, we have amassed persuasive evidence of a network, a global unity in the sources of support, strategy, tactics and goals of international terrorist.

What amounts to a form of low-intensity warfare is being waged by various nation-states to erode the influence and strategic position of the United States and Western democracies, in general, and to enhance the power of the Soviet Union, its client states and allies, in particular.

Since the early 1980s we have seen what Prof. Avigdor Haselkorn has termed a "Radical Entente" of nation-states—including Libya, Syria, Iran, Cuba and North Korea—which is coordinating a world wide strategy designed to expel U.S. military, political and economic presence from key areas of the world.

The hostile strategy of this Radical Entente is directed primarily against the U.S. because of its leadership position in the Western world, the ideals and culture of which the Radical Entente considers to be inimical to Muslim and Communist values. The radical Arab members of the Entente also direct hostility toward the United States because of its long-standing support of the state of Israel.

We have produced clear evidence that the Soviet Union supports the Entente's operations with military hardware, terrorist training and other assistance, and encourages the core radical countries to focus their hostility on the United States. We have identified a major terrorist training camp at Rostock in East Germany, for instance. There, "Freedom Fighters" from South Africa, Namibia, Northern Ireland and Lebanon have been training in the use of small arms, poisons, explosives, infiltration and assassination techniques.

Moscow benefits from this strategy by making inroads in countries which are intimidated by the Radical Entente and, therefore, are reluctant to move closer to the United States. The Entente's strategy also works to the benefit of the Soviet Union's goals of denying the U.S. and other free nations access to trade vital to the free world's economy and of denying the U.S. access to resources vital to our defense capabilities.

The Soviet Union's goal in supporting terrorist activities is clear. In 1973, Soviet Chairman Brezhnev said: "Our aim is to gain control of the two great treasure houses on which the West depends . . . the energy treasure house of the Persian Gulf and the mineral treasure house of central and southern Africa."

I believe that is as clear a statement of Moscow's real global intentions as is possible, but most liberal members of Congress and the media have refused to recognize those intentions or communicate them to the American people.

Q. Senator, you recently chaired hearings on the subject of "Libyan-Sponsored Terrorism: A Dilemma for Policy Makers." What evidence did the hearings disclose concerning Libyan involvement in international terrorism?

A. Dr. Yonah Alexander of Georgetown University's Center for Strategic and International Studies testified using maps and charts provided by intelligence sources. He was able to identify 44 terrorist training camps located in Libya, alone. The large camps are located at Zawarah, Tarhuna, Al-Aziziyya Misurata, Sirte, Tocra, Baida, Ras el Hilal, Tubruq, Jaghbub and Umm Al-Aranib. All of the bases except the last two are located along the Mediterranean coast. At these camps, terrorists from around the world are trained by Libyans, Cubans, East Germans, Soviets, Syrians and Palestinians.

Moreover, the Libyan secret police, the dreaded Mukhabarat, are led by Marcus Wolfe, an official of the East German intelligence service which, of course, is controlled by the KGB. Libya is supporting terrorism on two levels, by creating its own groups and by aiding those in existence. Qaddafi has restructured Libya and institutionalized the revolution within the bureaucracy. The revolutionary committees abroad keep dissidents in line and coordinate with the Peoples' Bureaus (embassies) which serve as an operational base for revolutionary activity.

The three primary bodies operating under Libyan auspices are the National Arab Youth Organization for the Liberation of Palestine (active against American civilians); the Revolutionary Arab-Palestinian Committees (based in Lebanon and operating against Israel); and the National Command for the Arab Revolutionary Force (which coordinates activities of terrorists from Syria, Iraq, Lebanon and radical factions of the PLO).

Libyan embassies reportedly serve as arms warehouses. Even terrorists based in Indonesia have received money and weapons from Libya. The Libyan Embassy in Kuala Lumpur, Malaysia, serves as the contact for Asian terrorist groups. The role of the Libyans is not limited to supplier, for as you know, two Libyan diplomats were forced to leave Spain in December 1985, following the discovery of evidence that they had been planning an attack.

Ambassador Robert B. Oakley, director of the State Department's Office for Counter-Terrorism and Emergency Planning, has provided the subcommittee with a voluminous history of Libya's support for and involvement in international terrorism, citing numerous specific incidents in the Middle East, Europe, Africa and many other parts of the world.

Q. Did your hearings uncover any especially disturbing new developments in the international terrorist scene?

A. Of course, I believe that the sustained growth and coordination of the international terrorist network, as I have already described in some detail, is continually and increasingly disturbing and dangerous, and our hearings have certainly yielded extensive evidence of that growth. However, we did learn of one particularly shocking recent development just prior to the hearing.

Apparently, the Palestine Liberation Organization has embarked on the acquisition of East African duty-free shops. Intelligence sources have confirmed separately that the PLO has invested $500,000 in a duty-free shop in the Dar es Salaam airport in Tanza-

nia. As these shops are normally located "airside," the goods are supplied by trucks, which are not usually searched. By the time passengers can buy duty-free items, they have already passed through security screening and they are given their purchases in sealed bags, which are not searched before embarkation.

I believe that these developments could have a profound negative impact on international airport security.

Q. How is the United States coping with the international terrorist threat it faces?

A. In fact, our hearings have demonstrated that the U.S. has no real policy for confronting the international terrorist threat. Our government reacts, on an ad hoc basis, to each terrorist attack as though it were an isolated incident, rather than part of a concerned, international strategy.

We must learn to deal with terrorism on a continuum—not with "fire engine" diplomacy. We must develop an effective counterterrorist policy based on a thorough understanding of the interrelated, global nature of the international terrorist network.

One key to the solution of the problem is intelligence—we must be able to penetrate foreign and domestic groups so that we can interdict the terrorist before he strikes. This requires a cooperative effort between the United States and foreign intelligence services. But in order to foster greater cooperation with foreign intelligence services, we must be able to protect sources and methods. Our allies are understandably reluctant to pass intelligence to us that might be leaked to the media or obtained under the Freedom of Information Act.

Q. Senator, is the United States government taking any valuable initiatives in developing a consistent counterterrorist policy?

A. I believe that one of the most valuable initiatives our government has thus far undertaken in the development of a counterterrorist policy has been the work of the Vice President's Task Force. It implies a recognition of the fact that we lack a coherent policy. We have worked closely with the Task Force to give them the benefit of what the subcommittee has uncovered over the past five years.

Recently, I was briefed in some detail by Task Force representatives on their analysis and conclusions, and I am encouraged over the Task Force's progress in a number of vital areas.

I believe our interests require that the Task Force's function be institutionalized in the National Security Council because this issue urgently requires full-time staff work and direction at the most senior level. Moreover, I believe the President should have an in-house authority upon whom he can rely both for day-to-day situations as well as for the development of policy.●

INDUSTRIAL COMPETITIVENESS

● Mr. SASSER. Mr. President, today I am cosponsoring Senate Joint Resolution 327, calling for a Presidential report on the status and implementation of the recommendations of the Presidential Commission on Industrial Competitiveness. The Young Commission Report, as it is known, was issued over a year ago. I want to commend my colleagues for bringing this vital matter before the Senate, rescuing the Commission report from an obscurity it does not deserve.

Dedicating ourselves to U.S. competitiveness issues should be a very high priority of the Congress. I can understand why some may find it difficult to feel a sense of urgency about these issues in the warm spring of 1986: Interest rates are dropping, the dollar is finding new procompetitive levels in the international exchange markets, and the GNP is showing at least faint signs of life. It is a very pleasant experience indeed to read about young families able to buy homes at affordable interest rates. It is a welcome relief to see our exporters starting to recover from the staggering blows they suffered during the peaks in dollar valuation. And it is encouraging to see strength in our domestic markets. Yet, even amidst the glow of these developments, I think we need to avoid being lulled into a false sense of economic security.

And the key to long-term U.S. economic security is competitiveness in the world economy. Many markets for goods and services are already global in scope and more are becoming so every day. Competition is no longer limited to companies within a given domestic market. Participants from every corner of the world now jockey for position in virtually all markets. Evidence of that new fact of economic life is a more than twelvefold increase in world trade in the past 20 years. Moreover, nearly half of all trade flows are now accounted for by internal transfers of multinational corporations. it is a fact that markets, production and innovation are interconnected by worldwide transactions.

We must do more to create the kind of environment that will encourage U.S. competitiveness in this global marketplace. It is not a simplistic matter of "unleashing" our corporate and technological genius of the world. As a member of the International Finance and Monetary Policy Subcommittee of the Banking Committee, I have heard chapter and verse about the competitive environment facing U.S. companies. And while I believe we need to continue our support for such measures as the Export-Import Bank to counter foreign-government export subsidies, I realize that is not enough. Throughout charter reauthorizations and debate on the war-chest proposal, the issues of competitiveness have been central to the Banking Committee's agenda. The Export-Import Bank, for example, plays a critical role at the 11th hour, after American companies have developed and produced quality products, bringing their financing opportunities more in line with those offered by foreign competitors. And the foreign sales achieved with Exim backing help to amortize the companies' R&D costs, provide for further development, and enhance future opportunities by establishing a U.S.-based beachhead in that market.

Financing is obviously a critical element of competitiveness in today's worldwide markets. The need for Exim highlights the challenges of in this marketplace, and points to other, fundamental issues that need to be addressed.

These issues were addressed by the Young Commission report. This 30-member Commission, representing the country's ablest leadership in business, labor, government, academia, and the public at large, obviously did not approach the issues with a limited perspective. Their recommendations are founded on a breadth and depth of experience that warrants the most serious attention by the Congress—and by the President, who appointed them. When a group of this stature recommends, unanimously, that our economic agenda include strengthening national competitive performance in the creation, application, and protection of technology; a reduction in the cost of capital to U.S industry; development of a more skilled, flexible, and motivated work force; and better coordination of trade policy; I want to know what is being done with those recommendations. This was a Presidential commission, and I look forward to a Presidential progress report.

Mr. President, the issues addressed in the Young Commission report are being discussed in many quarters. Last month, the National Academy of Engineering conducted a symposium on world technologies and national sovereignty. This gathering emphasized, among other topics, the growing need for cooperation among companies, governments and universities, which one participant described as crucial to developing and acquiring new technologies—stating that no company can afford to be a "technological island." These relationships are already evolving to some degree, at their own pace. But some of the comments at the symposium led me to recall testimony we received in the Banking Committee about the role of technology not only in international corporate competitiveness, but also in the defense industrial base.

We were told in hearings that half the machine tool industry, for example, imports parts, components or complete machines for resale in the United States; such transactions involve a healthy short-term profitability, but the long-term effect is a reduction in U.S. capacity. According to the testimony, 75 percent of the products advertised in machine tool catalogs did not exist 5 years ago. That may call into question whether it's advisable simply to let nature take its course in industries in the bedrock of the defense industrial base. It is obvious that foreign-source dependency in such goods and services is a result to be strenuously avoided.

Moreover, if, for example, the United States becomes foreign-source dependent for machine tools, then other users of machine tool technology in this country—such as the auto industry—may have to wait until those foreign machine tool producers first give the technology to their own industries. That could lead to a 2- to 3-year lag time in a highly competitive market, according to the testimony.

Mr. President, I want to stress at this point that I have no desire to create—or exacerbate, I should say—an us-versus-them mentality with regard to our foreign competitors. The interdependence within the global economy was reflected in the Federal Reserve Board's coordination with the central banks of West Germany and Japan, and is reflected in the multinational character of corporations. Fully two-thirds of U.S. industrial output is attributable to multinational corporations; as telecommunications and advanced technologies increase the level of interdependence, that percentage will probably increase.

In 1983, for example, U.S. exports to affiliates of American multinationals totaled $58.3 billion out of a total of $255.2 billion. U.S. imports shipped by foreign affiliates of American multinationals amounted to $54.3 billion out of total imports of $311.6 billion. Thus, 23 percent of all exports and 17 percent of all imports were internal transfers. That year, U.S. exports shipped by affiliates of foreign multinationals totaled $53.9 billion, or 21 percent of total U.S. exports; U.S. imports shipped to affiliates to foreign multinationals totaled $80.93 billion, or 26 percent of all U.S. imports.

In the long run, this development could contribute to the reduction of world tensions. But for the near term, the relatively new environment means that issues of international competitiveness and national interest are rarely as clear cut as we would like. Measures we have come to rely on, such as trade flows, are becoming more ambiguous as more imports and exports consist of internal transfers of multinationals. We face a wide range of new policy issues not covered by the traditional framework of protecting our national interest by controlling transfers of goods and services as they cross national borders. And national security, from the defense industrial base to the most exotic advanced weapons systems, depends to a greater and greater extent on advanced science and technology—the most internationalized disciplines of all.

The complexity of the challenge is enormous. Are we developing the industrial, corporate, and academic base to move successfully into this new era? The United States has already lost market share in 7 out of 10 high-technology industries. I think the time to review and act upon the recommendations of the Young Commission report is upon us. I join my colleagues in urging the President to follow up on the recommendations in the Presidential Commission on Industrial Competitiveness. It is time to build a national consensus on these vital issues.●

NAUM AND INNA MEIMAN: VOICES RAISED IN THEIR BEHALF

● Mr. SIMON. Mr. President, I commend to the attention of my colleagues the following article which appeared in the April 24, 1986, edition of the Washington Jewish Week. It focuses on the plight of Naum and Inna Meiman, a Soviet Jewish couple who desperately want to leave the Soviet Union.

I ask that the following article be inserted in the RECORD.

The article follows:

CONGRESSMEN STRUGGLE FOR AILING REFUSENIK'S RELEASE

(By Judith Kohn)

(JTA).—Members of the House and Senate introduced a sense of the Congress resolution last week calling on the Soviet Union to grant emigration visas to a ten-year refusenik and his critically ill wife.

At the same time, Sen. Paul Simon (D-Ill.) vowed he would continue a month-old Senate "vigil" until the couple—Naum and Inna Meiman—is permitted to leave the country. Beginning March 6, Simon has spoken on the Meiman case every day since the Senate has been in session. He follows in the footsteps of Sen. William Proxmire (D-Wis.), who held a similar vigil for nearly twenty years in support of Senate ratification of the Genocide Convention. The convention was finally approved last February.

The introduction of the resolution was announced at a press conference at the Capitol Apr. 15 coordinated by the National Conference on Soviet Jewry together with Simon and other members of Congress, in order to call attention to the Meiman case. Sen. Gary Hart (D-Colo.) and Rep. Timothy Wirth (D-Colo.) said they were submitting the resolution and called on their colleagues to join in sponsoring it.

Naum Meiman, a seventy-four year old physicist, first applied for a visa in 1975, and was turned down on the pretext that he knew state secrets, although his classified work actually ended in 1955. Soon after his first application, Meiman was fired from his job at the Institute of Theoretical and Experimental Physics.

Inna Meiman received her second refusal of an emigration visa on the grounds that she was privy to the classified information that her husband possessed.

For the past two years, Mrs. Meiman, 54, has been battling cancer and has already undergone four operations for the removal of tumors from her neck. Doctors in Moscow have told her there is little more they can do for her, in spite of the appearance of a fifth tumor on her neck. She has already received invitations to undergo cancer treatment in Israel, the U.S. and Sweden.

"Time is running short for Inna and Naum Meiman. Inna Meiman is dying of cancer. The climate is ripe for a humanitarian gesture from the Soviet Union," Hart declared.

Hart—who, like Wirth and Simon, has visited the Meimans in Moscow—said that he and his colleagues have pursued the couple's case with numerous Soviet officials here and in Moscow, but have received no indication that the Soviets are bending.

At the press conference were Olga Plam, daughter of Naum Meiman, who has lived in the U.S. for ten years and is a constituent of Hart and Wirth, and Lisa Paul, a University of Minnesota Russian studies undergraduate, who worked as a nanny for two years in Moscow, where she met Mrs. Meiman. In addition, Paul's representative, Gerry Sikorski (R-Minn.) and her senator, Rudy Boschwitz (R-Minn.), offered statements calling for the Meimans' release.

Paul, 23, held a 25-day hunger strike last December in order to draw attention to the Meimans' plight. As was the case at a press conference held by the Union of Councils for Soviet Jews at the end of her strike in January, she was unable to hold back tears as she described her friendship with the Meiman couple and Mrs. Meiman's illness.

Following the press conference, Hart and the others successfully placed a call to Mr. Meiman, who was waiting in a Moscow post office to hear from his daughter. Meiman's phone service was recently cut off.

"You have many friends here who care about you, and we will not give up," Hart told Meiman on the phone.

Mr. SIMON. I strongly urge the Soviet authorities to allow Inna and Naum to emigrate to Israel.●

AMERICAN LATVIAN ASSOCIATION

● Mr. BRADLEY. Mr. President, I am honored to join with many of my colleagues in the U.S. Senate to pay tribute to the members of the American Latvian Association on the 35th anniversary of the founding of this fine organization. On this day of commemoration, I applaud their commitment, unity, and efforts to further the aspirations of the people of Latvia, who continue to struggle for freedom, human dignity, and national independence.

The Republic of Latvia declared independence from Russia on November 18, 1918. Latvia was able to survive as an independent republic from 1918 until 1940, when the Soviet Government forcibly annexed this once independent nation. Although Latvian sovereignty was short lived, citizens of Latvian ancestry fondly recall a time of self-determination, when the Republic of Latvia was free from Soviet domination. Members of the American Latvian Association continue to cherish the dream of restored self-determination to the people of Soviet-occupied Latvia.

The Soviet occupation of Latvia and the Baltic States is marked by the repression of the basic human rights, we, as Americans, hold so dear. Under Soviet rule, drastic actions have been taken to eradicate Latvian language, cultural values, artistic traditions, and

religious freedoms. Despite the attempts of the Soviet Union to dominate the Latvian people, they have not lost their love of freedom, pride in their separate identity, or national spirit. Here in the United States, the American Latvian Association has made important contributions to the teaching and understanding of the Latvian language, history, and culture as well as the promotion of cultural cooperation among all Americans.

Over the years, the Latvian American Association has demonstrated their undying support for the democratic principles exemplified by the United States. I join my colleagues today in praising the efforts made by the American Latvian Association, on behalf of the people of Latvia, deploring the human rights violations inflicted on the Latvian nation and restoring the right of self-determination.●

COMMEMORATION OF THE ARMENIAN GENOCIDE

● Mr. HOLLINGS. Mr. President, I join several of my colleagues in commemorating the occasion of the "Armenian Genocide" of 1915–23. During this time, approximately 1.5 million Armenians were systematically persecuted and massacred by the Ottoman Turkish Government.

This episode in human history stands as one of the darkest chapters written; 1986 marks the 71st anniversay of this tragedy. It is particularly appropriate to mark this occasion at this time due to the recent ratification of the Genocide Convention. This action by the Senate serves to reaffirm the American resolve to work toward the prevention of mass human destruction. It is imperative that these lessons of history not be forgotten, and I'm pleased, Mr. President, to join with my many colleagues in calling the matter to the attention of the American people.●

ORDERS FOR WEDNESDAY

RECESS UNTIL TOMORROW AT 10 A.M.

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 10 a.m. on Wednesday, April 30, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. SIMPSON. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order, the following Senators be recognized for special orders for not to exceed 5 minutes each: Senators HAWKINS, DECONCINI, WILSON, KERRY, CRANSTON, and PROXMIRE.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. SIMPSON. I ask unanimous consent, that following the special orders just identified, there be a period for the transaction of routine morning business not to extend beyond the hour of 10:45 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. SIMPSON. Mr. President, at 10:45 a.m., the Senate will resume consideration of Senate Congressional Resolution 120, the budget resolution. Votes will occur throughout the day. Senators are asked to come to the floor to offer their amendments and we hope they will do so.

Approximately 15 hours remain on the budget resolution, for the information of our colleagues.

RECESS UNTIL WEDNESDAY, AT 10 A.M.

Mr. SIMPSON. Mr. President, if there is nothing further from our Democratic leader, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 10 a.m. tomorrow morning.

The motion was agreed to and, at 6:53 p.m., the Senate recessed until tomorrow, Wednesday, April 30, 1986, at 10 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 29, 1986:

THE JUDICIARY

James Larry Edmondson, of Georgia, to be U.S. circuit judge for the eleventh circuit.

DEPARTMENT OF JUSTICE

Henry E. Hudson, of Virginia, to be U.S. attorney for the eastern district of Virginia for the term of 4 years.

EXTENSIONS OF REMARKS

THE WORLD MILITANT AND OUR SECURITY

HON. THOMAS J. DOWNEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. DOWNEY of New York. Mr. Speaker, this past Sunday, April 27, I had the honor to participate in the annual Leona Z. Row Eller Peace Lecture at the Washington City Church of the Brethren, here on Capitol Hill.

The 1986 lecture, "The World Militant and our Security," was given by Dr. William P. Thompson, associate secretary general of the World Conference in Religion and Peace, and former president of the National Council of Churches of Christ.

I would like to commend the Reverend Duane H. Ramsey of the Washington City Church of the Brethren for organizing this fine event. Mr. Speaker, I would like to have Dr. Thompson's speech entered into the RECORD.

THE WORLD MILITANT AND OUR SECURITY

I do not need to convince this audience that we live today in a world dominated by militarism. The portion of our resources devoted to acquiring ever more destructive weapons systems has continued to grow until the nations of the world now expend more than $900 billion for armaments each year. And although our fear that the use of nuclear weapons would destroy us, if not directly then by the inevitable "nuclear winter" that would follow, although that fear has stayed our hands, there have been more than 150 wars fought with conventional weapons since the founding of the United Nations for this purpose, among others: ". . . to unite our strength to maintain international peace and security. . . ." We surely live in a militant world.

The most dramatic demonstration of this condition occurred in the early morning hours of April 15 when aircraft of the United States bombed targets in Libya. President Reagan has told us that the most powerful nation in the world acted in self-defense because of specific acts of terrorism perpetrated upon our citizens by order of Colonel Muammar Qaddafi, head of state of Libya. Moreover, the contention that we responded in self-defense and the proportionality of our response have been asserted by Secretary of State George Shultz as well in an effort to convince friend and foe alike that we have acted within the proscriptions of International Law.

Leaving aside the issue of the morality of our acts and questions that have been raised by virtually all of our allies, except the United Kingdom and Israel, let us pose a more pragmatic query, "Are we more secure since April 15 than we were prior to our Libyan raids?" Even President Reagan recognizes that there will undoubtedly be more acts of terrorism. And we have already seen evidence of an escalation of terrorist activity in England, France, Spain, Italy, Austria, Turkey, North Yeman, and of course, Lebanon.

We do indeed live in a militant world. Nations with long histories and those newly independent seek through the assertion of their own sovereignty an elusive sense of their own national security. Some nations seek to achieve their goals by clandestine terrorism against the citizens and officials of other nations perceived to their enemies. The major powers and their allies seek to maintain an uneasy stand-off by nuclear deterrence, deterrence based upon one nation inspiring terror in one's adversary and thus dissuading him from military initiatives. All this requires the commitment of ever increasing proportions of our resources to the acquisition of armaments. And yet there is no genuine enhancement of the national security perceived by any nation.

If we would be secure, I submit that we must begin to sketch out the broad outlines of a concept of security that can eradicate fear. Although I may be written off as a visionary, I have the temerity to suggest that security can no longer be restricted by our narrow understanding of national sovereignty but must be based upon common interest, intentional cooperation and mutual trust. This will lead to a new sense of world community committed to justice and human dignity. Thus we may hope to attain that peace that displaces fear. Let us examine in greater detail some of the elements of this vision.

First, our thinking about security must become more inclusive. No American citizen can hope to be secure so long as Soviet citizens are insecure. And American and Soviet citizens can be truly secure only when Afghan and Libyan citizens feel secure as well. In our contemporary world, security cannot be maintained in isolation, unless it is the isolation of imprisonment, whether self-imposed or imposed by others. If our security as a nation is gained at the price of the security or subjugation of another state or people, it is a false security that surely cannot long protect us.

The United Nations was seen at its founding as a means of "collective security." Yet the situation in the world after 40 years has not attained that goal. Writing for the Joint Inspection Unit of the United Nations, Maurice Bertrand has observed:

"Each nation believes that its security rests on its army, on the level of its armaments, on its determination to defend itself against any aggresssor, and on its alliances. Moreover there is general agreement on the notion that the use of nuclear weapons must be ruled out, but that all other forms of violence are admissable. The institutional consequence of this way of looking at the problem is that military budgets represent approximately 10 to 15 percent of public expenditure in all countries and that dozens of millions of professional soldiers are maintained permanently under arms."

Perhaps for us as citizens of the United States, the ultimate expression of our search for national security is the Strategic Defense Initiative on which research and development is already well underway. The Wall Street Journal has projected that the provision for this effort in President Reagan's 1987 Budget proposal represents a 77 percent increase over the $2.7 billion Congress approved for this year. The President has portrayed this program as the means to erect an umbrella over our land impenetrable by nuclear weapons of the Soviet Union or any other nation.

Leaving aside the lingering doubts that this shield could ever be made completely reliable, doubts prompted by the observations of knowledgeable scientists, we remember the lessons of history. From ancient Troy to the Maginot Line, impenetrable fortresses have been breached or subverted time after time. Even if we were to succeed, the result would be to disarm our enemies while retaining our own offensive capability. Apart from the moral issue that would raise, we cannot expect them to sit idly by while we accomplish that result. Nor would they.

Mr. Reagan himself has recognized the moral and political vulnerability of this position when he speaks of eliminating nuclear weapons and sharing our defense capability with the Soviet Union, perhaps even internationalizing our defenses. Thus he concedes that security can no longer be limited to one nation or even one bloc of nations. Why then should we continue this costly, destablizing Strategic Defense Initiative? It would seem far more realistic to begin now to build that broader security based on common interest, international cooperation and mutual trust.

The Palme Commission's report to the United Nations commended the idea of "Common Security." Yet the assassination of Prime Minister Olaf Palme himself reminds us that there can be no absolute security in human affairs. Moreover, security arrangements must not preclude the possibility of changes in social patterns and relations. However, I am convinced that we should ultimately acknowledge that militarism must be rejected as a means of providing national and international order. Deterrence, including that achieved by nuclear armaments, cannot provide meaningful security because deterrence relies upon perpetuating a pattern of relationships based on the capacity for mutual destruction. Peace cannot be built on fear, though properly motivated fear may stimulate the quest for peace.

The United States must be much more forthcoming in taking the necessary steps, however small and hesitant, toward changing the climate between East and West. The difficult task of building confidence is the only way to reduce the suspicions and distrust that characterize our present relationships. Such efforts can easily be aborted by unilateral action such as the invasion of Afghanistan or the air raids on Libya. Such actions should be undertaken, if at all, only after weighing their likely affect on the building of the conditions for security for all.

Second, the consensus that makes for "Common Security" will contribute to a new sense of world community that will find expression in the strengthening of global institutions, transcending the divisiveness of national structures. Both the League of Nations and the United Nations were conceived

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

in idealism. But each in its day had to struggle with the limitations imposed upon it structurally by the demands of national sovereignty inherent in the nation-state system. Each had to cope with the sometimes benign, but more often intentional, neglect of member states. Today the United Nations, the preeminent international body designed to facilitate the building of world community, has become in many quarters a target of scorn and detraction. The United States has itself been in the vanguard of those showing this attitude.

Our participation in the World Organization reached a low ebb when a member of our delegation, speaking in obvious pique, offered to come to the pier to wave goodby if the United Nations were to decide to remove its headquarters from our shores. Some of us have welcomed an apparent shift in our official stance to a more positive role reflected in President Reagan's decision to come personally to the headquarters, more frequently, we are told, than any of his predecessors, to make major policy statements and to meet with representatives of governments both friendly and otherwise.

But recently three legislative acts by the Congress have curtailed our financial support of the United Nations and precipitated a disastrous fiscal crisis. While it is true that 17 other member states have decided not to pay some portions of their assessed contributions, the relative size of the contributions due from the United States makes our withholding particularly damaging. The three pieces of legislation enacted by Congress are the Kassebaum Amendment, the Sundquist Amendment and the Gramm-Rudman-Hollings Balanced Budget Act. The first two are directed specifically at the United Nations. The Kassebaum Amendment requires that the United States pay no more than 20 per cent of the United Nations Regular Budget unless the body moves to weighted voting on budgetary matters. It is generally believed that authorization for such voting would require amendment of the United Nations Charter, an eventuality that is not considered probable at this time. The Sundquist Amendment would withhold the United States' share of the salaries of the members of the Secretariat who are alleged to be required by their governments to return a part of their salaries to those governments. The Gramm-Rudman-Hollings Act requires staged reductions in the U.S. budgetary deficit until it is eliminated by 1991. It now appears that the across-the-board budgetary cuts that seem inevitable will include the United Nations contributions. The aggregate affect of these measures will be a shortfall of funds from the United States in 1986 of approximately $100 million for the United Nations regular budget of $820 million.

Such withholdings even though in compliance with national legislation are nevertheless seen by many to be violations of our treaty obligations. We need to remember that the United States in the early 1960's argued that withholdings by the Soviet Union and other countries in regard to peace-keeping activities were violations of the Charter. On March 12, 1986, Ambassador Vernon Walters, Permanent Representative of the United States at the United Nations, addressed the question of treaty obligations in this statement before the House Foreign Affairs Committee on Contributions to International Organizations. He said in part:

"The record of U.S. compliance with its treaty commitments has been excellent over the long haul of history. Our position as a leading party of the role of law in international affairs relies in no small measure on this record.

"Now with these measures the prospect is for the withholding by the U.S. of a very sizable amount even in the context of the large U.N. budget. This inevitably would raise the question of whether the non-payment of a substantial amount could constitute a material breach of the U.S. obligation under Article 17 of the U.N. Charter to pay our duly assessed share of the U.N. budget. This is an issue of which we must be aware."

The seriousness of the financial problem becomes clear when one realizes that there are no reserves to cushion the impact of the withholding, there was no warning period within which adjustments could be effected, and the budget involved is labor intensive with about 75 per cent of the total related to staff costs.

The Secretary General of the United Nations has already taken steps on his own initiative to effect economies, but substantial reductions in staff may prove necessary. Many observers regret that the United States acted unilaterally, rather than seeking to renegotiate the terms of the treaty commitment.

Unfortunately, this is but the most recent of a series of actions by our government having much the same thrust. Among them several come to mind: our withdrawal from UNESCO, following our earlier withdrawal from ILO; our repudiation of the jurisdiction of the World Court in the case brought by Nicaragua; and our imposing limits on the size of the mission of the Soviet Union to the United Nations; to say nothing of our repeated preference for diplomatic channels outside the United Nations in all manner of causes rather than attempting to use the structures of the United Nations.

I am convinced that the United States and other member states should reverse the trend portrayed in this account of the actions of only one participant. We should demonstrate by our behavior the rhetoric of the celebrations of the 40th Anniversary of the World Organization. No one has seriously proposed that the United Nations be replaced, although many observers have urged reform. Let us work with others to determine whether reform is needed and, if so, to bring it to fruition as proof positive of our commitment to world community.

Third, this recognition of world community will impel us to move toward global institutions that can promote economic and social justice and guarantee human dignity for all. Peter Drucker has assured us that recent technological advances make possible the provision of ample goods and services for all of the peoples of the world. Yet we have been distraught by the plight of the victims of drought in Africa brought directly into our homes by television and radio. And many who know the needs first hand fear now that our attention will be diverted to something else before that emergency has run its course. The gap between the industrialized nations and the developing ones has widened in spite of much talk and some actions designed to narrow it.

Permit me to examine in some detail only one area of the world, the Western Hemisphere that is so vitally important to us. In dramatic contrast to their situation only five years ago, 94 per cent of the people of Latin America live under civilian and constitutional regimes today. However, Professor Abraham F. Lowenthal of the University of Southern California has described the growing economic distress under which they exist. Per capita income for all of Latin America is down 9 per cent since 1980. Unemployment is higher than ever, having reached 50 per cent in some areas. Inflation is rampant, now 150 per cent for the region as a whole. Commodity prices are lower in real terms than at any time since the Great Depression of the 1930's. And nearly 40 per cent of all export earnings must go to the industrialized nations for debt service. In human terms this means "hunger, infant deaths, mounting street crime, including internal drug traffic—and increasing public impatience." Lowenthal predicts that without change, "our neighbors in the hemisphere could all too easily become antagonists."

The International Monetary Fund has counseled austerity. But more is required. President Jose Sarney of Brazil has said, "Latin America can no longer accept abstract theories that condemn us to stagnation. . . . Brazil will not pay its foreign debt with recession, nor with unemployment, nor with hunger." Lowenthal believes that Latin America's democratic leaders understand the need for continued austerity, structural reforms, and financial responsibility and "they are ready to do their part." They "recognize that public enterprises need to be trimmed and that market mechanisms channel resources more efficiently than political decisions." Then need help in gaining "the breathing space they require to maintain public backing while tackling tough social and economic issues."

Professor Lowenthal prescribes a comprehensive policy including steps to: "stretch out Latin America's debt for a generation, capitalize interest above an agreed rate, allow a share of interest repayments to be invested in the region, provide orderly write-downs for small countries that are hopelessly over-indebted, further increase the resources available for lending by the international financial institutions, and expand trade credits to facilitate Latin American imports in the context of resumed growth."

Lowenthal asserts that self-interest requires United States commitment to this course of action. "A more prolonged Latin American recession could lead to delays, debt moratoria, or even defaults, with serious consequences for several major U.S. banks and perhaps for the entire commercial banking system. U.S. investors and exporters would also be further hurt if Latin America's depression continues. It is estimated that 800,000 jobs in the United States have already been lost because of diminished Latin American imports from this country." An extended depression would render more difficult the combating of the narcotics trade and stimulate illegal migration.

This recital could be replicated in many other North-South relationships. And yet the aggregate debt of developing countries that has risen to some $950 billion imposing an unbearable servicing burden upon them, is only now reaching the total spent every year by the nations of the world for armaments. The technology and resources already exist to provide for all basic human needs. It remains for us to develop nationally and internationally the economic production and distribution patterns that can eliminate poverty and powerlessness, thus alleviating suffering and the grounds for resentment and conflict. This has domestic as well as international implications. It therefore impels the reexamination of our priorities and our lifestyles. Economic relations

that embody exploitation are bound to foster tensions, thus threatening the security of all.

Economic injustice prompted widespread demands for a new international economic order. Some observers believe that effort has run down. But whether within that process or from new initiatives, we must devise new systems for more equitable economic relationships throughout the world.

This is a formidable task but only by undertaking it can we hope to realize human dignity for all peoples. Up to now the approach to human rights has been through legal means. The efforts of many concerned individuals and states culminated in 1948 in the adoption by the General Assembly of the U.N. of the Universal Declaration of Human Rights. This was followed by two covenants, one on economic, social and cultural rights and the other on civil and political rights, the latter with an optional protocol, adopted by the General Assembly of the United Nations in 1965. The first of these covenants dealing with rights realized in community is more compatible with the institutions of the socialist states, while the latter dealing with individual rights is better accepted in the West. Regrettably the United States has not become a party to either.

A worldwide economic system more just than the present one would help to resolve the impediments to wider adherence to the ideals of the Universal Declaration. The security of all will be greatly enhanced by general commitment, reflected in our institutions and our behavior patterns, to respect for the dignity, integrity and wholeness of all persons. This must be accomplished within accepted standards and with adequate safeguards for the human rights of all persons regardless of race, creed, gender or custom. Security is jeopardized by any policy or practice that devalues human life, hence dehumanizing victims and victimizers alike. This is equally true whether it is found in the disproportionate allocation of resources for militarism at the cost of human development, in military strategies that count human life as expendable, or in simple community patterns that discriminate against selected groups. At the same time that we urge the nations to adopt national policies both domestic and foreign that reflect respect for the dignity, integrity and wholeness of individuals, we need to remind ourselves that such respect must be expressed first in the immediate community of each of us. There is therefore an ever present demand that we hold our own behavior patterns to the very same criteria we seek to impose upon the nations of the world.

I have suggested that we need to widen our horizons regarding security beyond any single nation or group of nations to the "Common Security" of all. This will be realized in a world community committed to justice and human dignity for all persons. While this formulation may seem utopian to some, I consider it very practical. Unless we intentionally move in this direction, we shall certainly perish in a nuclear holocaust or in the nuclear winter that would follow.

The churches can perform an indispensable role in building the consensus upon which this new security must depend. Through education and inspiration, churches are responsible for the formation of the attitudes and aspirations of many of our citizens. The churches seek to serve the Prince of Peace whose ministry was to all people unhampered by national boundaries. Without destroying the national identity of our people, we must help them to realize that they are not only citizens of our nation-state but also citizens of the world community that must be secure throughout, if any nation or group of nations may be secure. Only in moving beyond the narrow security of any single isolated country to the "Common Security" of all can we gain the opportunity to work for justice and human dignity for all persons everywhere.

Last week a panel of eminent personages was assembled at the United Nations Headquarters to reflect on the relationship between disarmament and development. They came from every continent and included former heads of state, diplomats, academics, two Nobel laureates and exponents of planned—as well as market economies. They saw disarmament, development and security as "a triad of peace." They issued a statement reached by consensus in which they proposed practical steps for the attainment of these three objectives through international cooperation. Yet when they came to the end of their statement they concluded it with this querulous paragraph:

"Our planet is getting endangered: by the arsenals of weapons which could blow it up; by the burden of military expenditures which could sink it under; and by the unmet basic needs of two-thirds of its population which subsists on less than one-third of its resources. We belong to a near universal constituency which believes that we are borrowing this earth from our children as much as we have inherited it from our forefathers. The carrying capacity of this earth is not infinite, nor are its resources. The needs of national security are legitimate and must be met. But must we stand by as helpless witnesses of a drift toward greater insecurity at higher cost?"

That was doubtless intended as a rhetorical question, but we in the Churches must answer with a resounding "NO!" and set about with renewed vigor at the task of building a sense of security that transcends existing national boundaries.

DIAMOND JUBILEE OF THE ST. STANISLAUS SOCIETY

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. CONTE. Mr. Speaker, on May 3 the St. Stanislaus Society of Turners Falls, MA, will celebrate the diamond jubilee of its fraternal organization. I wish to take a few moments to mark this anniversary commemoration and to praise the St. Stanislaus Society for its dedication and contribution to the Polish community of western Massachusetts for the past 75 years.

The Polish immigrants who came to western Massachusetts during the late 19th and early 20th centuries at first met hardship and adversity in their adopted homeland. They encountered a language and a culture alien to their own. These barriers hindered their efforts to find employment in the mills and factories of the region and many immigrants who settled as farmers subjected themselves to great strain and toil to provide for their families.

Through the efforts of such ethnic organizations as the St. Stanislaus Society, the Polish community in my district has preserved its vibrant and unique culture and heritage and contributed to the cultural flavor of the region as a whole.

The St. Stanislaus Society was incorporated by John Oszajac on February 5, 1911, as chapter 549 of the Polish Roman Catholic Union of America. PRCUA has done much to unite the Polish-American community. Its newspaper, published in English and Polish, is distributed to members throughout the United States.

The original members of the St. Stanislaus Society established their organization with the intention of keeping the customs of their native land alive. For a decade, these brothers held meetings in homes and rented halls. In 1921, they purchased their present hall, which was expanded in 1951 to accommodate a growing membership. From 1954 to 1986, John Skrzypek served as president of the society. The St. Stanislaus Society thrived under his leadership as a harbinger of Polish culture. The society also took an active role in sponsoring several local athletic teams and donating its funds to charitable organizations. Robert Martin, a grandson of one of the society's founders, was appointed president of the St. Stanislaus Society in January 1986.

The members of PRCUA Local No. 549 have succeeded in imitating the character of perseverance and dedication of their patron, St. Stanislaus, who was murdered while he was defending the altar of his church. I extend my warmest congratulations to the St. Stanislaus Society on the occasion of their diamond jubilee.

NEW YORK POST SAYS SALT II UNDERCUT BY SOVIET CHEATING

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. COURTER. Mr. Speaker, the Soviet Union has made a mockery of the notion of SALT II Treaty compliance with its arrogant violations of many of the treaty's key provisions. Accordingly, when the charge is leveled that keeping two Poseidon submarines in service might also violate the treaty's provisions, the New York Post says simply: "So what?"

Not only has the President himself pronounced the SALT agreements "fatally flawed," but he has also implemented the indispensable policy of reporting yearly to the Congress on the latest Soviet transgressions of existing agreements. He has whetted our appetite for tough action in response to Soviet cynicism, but his administration has not followed through on its rhetoric. The Soviets will continue to "dismantle" and reconfigure their submarines, while our submarines face the scrapyard. As the following excellent editorial states, this approach leaves the United States in the "double jeopardy" of having reduced our already outnumbered forces in the face of superior Soviet forces that continue to grow. This surely cannot be the President's intent.

[From the New York Post, Apr. 23, 1986]

U.S. MUSTN'T ABIDE BY SALT—WHILE THE SOVIETS CHEAT

For the Reagan administration even to consider dismantling two Poseidon submarines—in order to stay within the limits of SALT II arms treaty—is a serious mistake.

The premise of SALT II, like the premise of all arms-control agreements, is that placing limits on nuclear weapons (and conventional weapons too, for that matter) enhances U.S. national security—if, and only if, the Soviet Union places comparable limits on its own weapons.

This the Soviets have never done. Indeed, despite treaties and pledges and public pronouncements, Moscow has never even contemplated doing so.

Cutting back on U.S. weapons—scuttling the missile-carrying Poseidons—while the Soviets continue to build more missiles, means placing America in double jeopardy.

Two men with Colt Specials produces a Mexican standoff. A man with a Special and a man with a razor produces a shooting.

Keeping the two old Poseidon subs—while launching the new Trident-class Nevada—would give the U.S. 22 more multiple-warhead missiles than are permitted under the terms of SALT II.

So what? The Soviets have acquired vastly more missiles—estimates range from 100 to 300—than they are permitted under SALT II.

In every sphere—from human rights to arms control, from Yalta to Helsinki, the Soviets have an appalling record of willful non-compliance with the most solemn pacts and agreements.

On arms control in particular, the administration submitted a devastating report to Congress last December, detailing Soviet cheating.

The Soviets have tested and deployed two new types of intercontinental ballistic missiles, the SS-16 and the SS-25, in direct contravention of the terms of SALT II.

Despite prohibitions negotiated in earlier treaties, the Soviets have built up stockpiles of chemical weapons—and have used them in Afghanistan and Laos.

Despite the prohibitions negotiated in SALT I in 1972, the Soviets have built—and have tried to hide in Siberia—in anti-missile system with a "nuclear battle-management" capability.

The Soviets have exceeded negotiated limits on the production of intercontinental bombers, and on intercontinental missiles.

The examples are almost too numerous to count.

The President himself has stated on more than one occasion that if one side knows the other is cheating and doesn't do anything about it, that's an invitation to more cheating.

Well, there's something President Reagan can do about it. He can tell the Soviets that in the face of repeated treaty violations, the U.S. means to defend itself.

And the best way to send that message is to save the Poseidons and launch the Nevada. It's a far better strategy than dismantling existing weapons to comply with a treaty on which the other side continues to cheat.

KEEPING NAMIBIA FREE FROM COMMUNIST OPPRESSION

HON. PHILIP M. CRANE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. CRANE. Mr. Speaker, I believe that U.S. policy toward any country, but particularly toward Namibia, should be to try to ensure the well-being and freedom of the Namibian people and to protect vital U.S. interests. In this instance, both of these goals can be achieved only by following one policy—that of assuring that the Soviets and their SWAPO henchmen are unsuccessful in obtaining control of Namibia. But in recent years it has become painfully obvious that the Communist team of Angola, the Soviet Union, and SWAPO will not be satisfied with any solution that does not grant them complete control of Namibia. Such an occurrence would have disastrous consequences not only for the Namibian people and the region of southern Africa, but also for the rest of the world, for Namibia has the largest known uranium deposits in the world, as well as strategic waterways along its western coast.

In order to avoid SWAPO domination of Namibia, our policy must be altered. The time has come to dissociate ourselves with the U.N. designation of SWAPO as the "sole and authentic" representative of the Namibian people, for this amounts to declaring a winner before the elections are even held. Rather, we must stand up for the principles of antiterrorism, self-determination, and peaceful resolution of political differences.

This does not mean that U.N. Resolution 435 needs to be abandoned for a reasonable solution can be reached under it. Recently, the Government of South Africa granted the request of the Multi-Party Conference of Namibia for autonomous local self-government pending implementation of U.N. Resolution 435. This transitional government, made up of representatives of numerous political parties and all races, represents a viable and necessary alternative to the SWAPO terrorists who have waged a long and insidious campaign of violence to gain control of Namibia. Supporting this transitional government in its efforts to bring independence to the beleaguered Namibians requires no expenditure of government funds; all it requires would be recognization by the United States. This would elevate these dedicated, pro-Western leaders of the transitional government to the same level as the Communist terrorists of SWAPO.

I hope the United States will take this important and historic step and thereby signal an end to the preferential treatment of SWAPO. The cause of stability, liberty, and self-determination will be served by such a move. Much blood has already been spilled, and much time has been wasted, but the chance to achieve our goals is within sight.

In this light I recommend the following statement made by Ambassador Charles M. Lichenstein, the former U.S. Deputy Ambassador to the United Nations. He speaks from personal experience about the situation in Namibia, having recently returned from there. I commend his remarks to my colleagues.

SOUTH WEST AFRICA: THE SWAPO/PLATINUM CONNECTION

In late January, I was the guest of the Transitional Government of National Unity, in office since June 1985, on a week-long fact-finding tour of South West Africa—more generally known these days as Namibia. My preconceptions about this last-remaining colonial territory in southern Africa, in trust to the South African government since the end of the First World War, had largely been formed during incessant debates in the U.N. Security Council where I served as the deputy U.S. representative from 1981 to 1984.

Not surprisingly, considering the virtually ritualistic nature of these debates—vicious polemics, in fact, aimed at what is typically called in that chamber of horrors "the racist regime in Pretoria"—my preconceptions turned out to be in major part wrong. And because most of what most Americans think they know about "the problem of South West Africa" is a by-product of U.N.-generated disinformation, public understanding of that territory and indeed of the entire southern African region is basically and tragically flawed. Rational U.S. policy is a further victim of this discontinuity between reality and perception.

I do not mean to minimize the severity or complexity of the obstacles in that region to peaceful and reasonable outcomes—outcomes that serve U.S. strategic interests and, even more important, outcomes that might serve the interest of the people, all the people of southern Africa. The obstacles are formidable. Deprivations of fundamental human rights are real, and they are harsh. The status quo in all probability cannot be preserved for any term much longer than a few years or a decade, nor should it be. At the same time, however, evolutionary processes are under way—now, this very day—that hold out the promise of productive outcomes. There are no grounds for euphoria. There are grounds for cautious hope—if everyone directly, genuinely and, yes, constructively involved, not least our own government, seize upon the opportunities now at hand.

And in South West Africa these opportunities are real: the million or so people of that emerging nation are building a new reality there, a multiracial and multiethnic reality.

The daunting problems of the region cannot of course be wholly decoupled from the evolutionary process now under way in South West Africa. But this process demands our particular focus and our understanding. On its own merits, it deserves our encouragement. The payoff, for us and for the people of the region, potentially is enormous.

Let me back off a few steps and restate what is obvious to all of us.

As the Soviet Empire has expanded all around the periphery, relentlessly and until recently unopposed—in Asia, the Middle East, Africa, deep within our own hemisphere—the Soviets have relied more and more on surrogates to carry the fight, to do their dirty work. The international terrorist network, "National Liberation Movements" in the nomenclature of Soviet disinformation, is at the very core of this Soviet imperial aggression. Two of the principal such liberation movements, both of them officially sanctified by the United Nations as the "sole and authentic representatives" of the people whose legitimate interests the Soviets thus cynically exploit, are of course the

Palestine Liberation Organization (PLO), the terrorist spearhead of Soviet and radical Arab interests in the Middle East, and the South West Africa Peoples Organization (SWAPO), whose terrorist guerrilla forces based in Angola—now in major part pinned down by Jonas Savimbi's UNITA—are attempting to seize control of South West Africa. I'll come back to this point but, for the moment, I add just a footnote: it is ironic (and worse) that the U.N., whose world mission it is supposed to be to defuse and resolve conflict without recourse to force of arms, by its precertification of such groups as SWAPO in effect overrides the normal democratic political process and creates disincentives for entering into peaceful negotiation. The U.N. already has declared SWAPO the winner in South West Africa—so why indeed should SWAPO take part in the evolutionary process now unfolding there? Why should SWAPO assume any of the risks of the competitive democratic politics?

The Soviet strategy in southern Africa, typically, is no secret at all. Leonid Brezhnev stated it openly as recently as 1973. Soviet world strategy, he said, is * * * to gain control of the two great treasure houses on which the West depends—the energy treasure house of the Persian Gulf, and the mineral treasure house of central and southern Africa.

These parallel Soviet thrusts need little embellishment. Various committees of Congress have examined U.S. vulnerability in the area of strategic minerals. Platinum is a lot more than just a precious bauble in a jewel box: it has wide-ranging significance industrially. With its five associated metals—palladium, osmium, ruthenium, iridium, and rhodium—it is a vital component of essential technologies. It doesn't take a lot of it, but defense industries from fighter planes to space craft would virtually shut down if our access to platinum were interrupted or cut off altogether. Our food supply would be affected. So too would air pollution: there would be more of it! Platinum in fact is used in the manufacture of about one in five of our industrial products—and the further fact is that we are close to 100 percent import dependent for platinum.

In 1983, the Congressional Budget Office reported to Congress on U.S. strategic minerals vulnerability. According to the CBO, "U.S. import dependence is almost total for minerals such as . . . the platinum group metals. Moreover, U.S. dependence is increasing." The CBO report went on to say that the extremely high concentrations of platinum in southern Africa "renders this group of metals one of the most critical of all potential mineral contingency problems, both in terms of supply interruption and deliberate price escalation." The Soviet threat, in other words, proceeds on twin tracks: Soviet control of South West Africa along with Mozambique and Angola, even apart from the actual threat during a military confrontation, would subject the U.S. to the equal if not greater threat of "diplomatic blackmail" on a global scale.

This potential Soviet-controlled triad in southern Africa—Angola and Mozambique, now possibly South West Africa—defines the strategic challenge we must confront. Angola has been a Soviet puppet for the more than ten years of its putative "independence". The MPLA ruling cadre is propped up by some 40,000 Cuban troops and 5,000 Soviet and East German "advisors". Angola is the staging base, moreover, for the transport of troops from Cuba to still other components of the Soviet African empire, to Mozambique and Ethiopia, for example. And the SWAPO terrorists, trained, financed, and directed by the Soviets, pursue their fight for control of South West Africa from bases in southern Angola. Should SWAPO succeed—whether by arms or by a U.N.-sanctioned "diplomatic" takeover—the Soviet Noose would tighten over U.S. access to platinum and such other strategic minerals as chromium and cobalt which are available to us almost exclusively in this region of the world.

The U.S. interest in South West Africa goes beyond access to strategic resources. This is a country about twice the size of California with a population of slightly more than one million—consisting of 12 major ethnic groups who speak eight languages and 29 dialects and who range on the scale of socioeconomic development literally from the Stone Age to the highest rungs of, say, the London Inns of Court. It is a fascinating blend of the First and Third Worlds—and heir to the problems of both. Along with its strategic minerals, it contains the world's largest uranium mine and one of the largest gas fields. It is, as I've been saying, a major target of Soviet expansionism, one last stop from the borders of the Republic of South Africa itself.

In 1985, that country—in technical violation of Resolution 435 of the U.N. Security Council, which demands immediate independence for Namibia with SWAPO virtually guaranteed political control—transferred all powers of local self-government, save only national defense, from its own Administrator-General to a Multi-Party Conference of Namibian political leaders representing every major group within South West Africa, including the dominant Ovambo people of the north (by most estimate about half of the total population) who are presumed to constitute the base of SWAPO strength. (I might note in passing that the leaders of SWAPO-D, the breakaway group of Ovambos, dedicated to peaceful evolution to independence, seemed to me fully prepared to contest this proposition at the ballot-box.) The Multi-Party Conference in turn established a Transitional Government of National Unity last June and invited SWAPO to lay down its guns and join in the peaceful evolution of an independent and democratic Nambia. SWAPO rejected the invitation, as it has consistently rejected all offers of negotiation and peaceful reconciliation. SWAOP continues to pursue its objective of total domination with guerrilla, terrorist warfare across the border from southern Angola.

I am, I concede, simply an "eight-day expert" in the politics of South West Africa—backed up, however, with almost four years' involvement in the international diplomatic process. My recent visit left with me some indelible impressions, and some grounds for cautions optimism.

The Transitional Government is working. It appears to be in full control of day-to-day administration. And it is taking on many of the hard issues: during my visit, the Minister of Education presented a controversial plan for a unitary national educational system, which would have the effect of reallocating locally-generated resources from the minority white to the majority black communities. Interestly, and encouragingly, there are both blacks and whites on both sides of the debate.

Consciously designed to reflect the full range of the ethnic diversity of South West Africa, and its multiracial composition, the Transitional Government includes the leaders of every major group. It is multiracial: I met personally and at considerable length with every one of its eight cabinet members, five of whom are black. Roughly the same distribution is to be found within the National Council (the legislature) and the Constitutional Council, which is hard at work on a representative constitutional system, leading in due course (about 18 months from now according to the scenario) to competitive democratic elections and ultimate *de jure* independence. The chairman of the Constitional Council, a respected South African jurist and legal scholar, is publicly committed to a unitary electoral system, probably embracing some form of national lists and proportional representation. The Administrator-General, for his part, seemed to me to be dedicated to working himself out of a job at the earliest possible date.

I repeat: this Transitional Government is in place, and it is working. The invitation to SWAPO to join in is on the table. The Lusaka agreement between South Africa and Angola prohibiting cross-border operations—by SWAPO to the south, by the South Africa Defense Forces to the north—appears to be holding, more or less. The essential elements of a peaceful evolution to Namibian independence, in short, are at hand.

What is most conspicuously lacking, in my judgment, is official recognition by the U.S. Government that this "new reality" in South West Africa presents all the players in southern Africa with genuine new opportunities. Our government seems to be frozen into the "Resolution 435 formula" at precisely the moment when a fresh approach is called for. I am not suggesting that the U.S. turn its back on Resolution 435: construed with flexibility, and with the crucial exception of the guaranteed dominance awarded to SWAPO, it does provide a rough framework for peaceful evolution to Namibian independence. I am suggesting—indeed I am strongly recommending—that at the same time our government develop practical, working links to the Transitional Government in Windhoek. Modest amounts of U.S. assistance, particularly in agriculute and fisheries (economic development generally) and in the area of education, could make a vast difference. Official U.S. encouragement to the private sector, encouragement to potential investors and to nonprofit entities alike, could be just as important: in the course of my visit, I was struck again and again with obvious possibilities for partnerships between U.S. and Namibian schools and colleges and (of special relevance to local needs) vocational training facilities. And these are just the obvious possibilities for the mutually productive relationships we ought to be cultivating. In what sense "mutually"? What's in it for us? My working assumption is that U.S. interests are served by peaceful change in southern Africa.

The emerging Reagan Doctrine in U.S. foreign policy is built on the foundation of U.S. support—adequate support, timely support—for freedom-fighters in every part of the world. It contemplates more than just the containment of Soviet imperialism: it actually perceives the possibility of rolling back Soviet expansion at key points around the periphery, through U.S. support for those fighting to preserve their freedom, to regain their freedom—or to achieve their independence through normal political evolution.

In South West Africa, I believe it is time to put our bets on the Transitional Government of National Unity as the best available vehicle for peaceful change.

CELEBRATING TEXAS' SESQUICENTENNIAL

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. FIELDS. Mr. Speaker, I want to join with my Texas colleagues on the occasion of San Jacinto Day—the day on which the forces of Texas independence, headed by Sam Houston, defeated the forces of Mexico in the battle of San Jacinto. This year, Texas observes not only San Jacinto Day, but its Sesquicentennial as well—the 150th anniversary of Texas' independence from Mexico.

For Texans, this anniversary is a time to reflect on the hardship and struggle and sacrifice that earned our independence for us. And it is a time to consider what our State and its people have accomplished in a century and a half of independence.

The history of Texas is a record of brave men and women traveling west to build better lives for themselves, and better futures for their sons and daughters. In the late 18th century, and throughout the 19th century, Texas represented a place in which a new start was possible—a place that offered settlers a chance to go as far as their intelligence, daring, and hard work carried them.

In the 17th and 18th centuries, from points throughout Europe, hundreds of thousands of men and women—many entire families—boarded ships and made the long and dangerous voyage to the colonies. Why did they do it? Why did they trade in their established life in Europe for the far less comfortable, far less certain, life in North America? Most of us have learned over the years that these early settlers came here because they yearned for freedoms they simply could not find in their native lands.

They sought the freedom to worship God as they sought fit—without the government dictating to them how and when and where such worship should be conducted.

They sought the right to speak their minds and voice their opinions on the great issues of the day—without the government determining for them what they were to believe.

They sought freedom of the press—freedom from government-controlled news and information—with the right to print and disseminate opinion, humor and fiction without the government looking over their shoulders.

And they sought the right to peaceably assemble and lobby their leaders—without the government dismissing their concerns and opinions out of hand.

Indeed, the rights desired by those colonists are the same basic rights guaranteed to all Americans under the later-adopted Bill of Rights. But the earliest American settlers arrived here long before the Bill of Rights was ever drafted and before such rights were guaranteed. What, then, caused those settlers to travel to the new colonies? It was a freedom more precious than any of the freedoms I just mentioned. It was the freedom of opportunity that so many Europeans dreamed would be theirs in the colonies.

In Europe, success could be guaranteed only by being born into the right family, the right class of people. Birth, more than anything else, determined whether or not one would have an opportunity for education, whether or not one would enjoy a financially comfortable life, and whether or not one could participate fully in one's government. Someone born to a well-to-do, or socially prominent family was just about guaranteed a comfortable life. If not born to such a well-to-do or socially prominent family, one's only guarantee was a very meager existence. In the established class structure of Europe, hard work, initiative and intelligence had only limited ability to lift "common" people to prominence.

Well, a miraculous thing happened. As Abraham Lincoln observed, "God must love the common man [because] he made so many of them." Tired of being denied even the opportunity to improve their lot, many of the common people of Europe set sail for the colonies.

Texas, while still a Mexican territory, was settled in much the same way—and for many of the same reasons.

Certainly, the "common people" of what was by now the United States enjoyed greater freedoms than had been enjoyed by their European forebears. But still, many of them sensed that the opportunity to succeed—the ability to use one's skills and talents and intellect to build a better life for oneself, one's family and one's offspring—lay west, further west.

Throughout the East and Midwest, men and women yearning for a better life, for greater opportunity and for greater challenges determined that their futures lay west of the Sabine River—in Texas. On more and more homes and farms, three letters told the story. "G.T.T."—"Gone to Texas"—served as a testament to the belief that a better future awaited those with the determination to endure the hard journey to Texas, and with the courage to stay there.

But as more and more settlers arrived in Texas, their understanding of their God-given rights—as provided under the Bill of Rights—collided with sharply curtailed rights under the existing Mexican constitution. Two things in particular sparked resentment among the settlers.

First, they resented the denial of the right to a trial by jury. While Americans had considered that right one of the most basic guaranteed to them by the Constitution, Mexico offered its citizens and colonists no such right. And second, the Roman Catholic faith being compulsory, early Texas settlers resented the lack of religious freedom which they had taken for granted in the United States.

The more limited individual rights available in Mexico—including its colony of Texas—caused greater and greater agitation among settlers. Also adding to the estrangement between Texas settlers and the central Mexican Government was a Mexican decree that checked further immigration to Texas from the United States. In the future, the law said, Mexicans—not Americans—would settle Texas.

Eventually, the restlessness reached a dangerous level, and Mexican officials determined to restore order in their colony. And so the stage was set for the second great revolution on the North American continent.

Once again, the forces of freedom and justice battled the entrenched establishment of despotism and injustice. And once again, freedom and justice prevailed.

The battle for Texas independence was fought at the Alamo, but was won at the Battle of San Jacinto. It was purchased with the pain and blood of brave men and women who valued liberty above their own well-being or safety.

We remember the 187 brave men—including Davy Crockett, Jim Bowie, William Barret Travis and James Butler Bonham—who twice repelled the far more numerous forces of Mexican oppression before falling victim to General Santa Anna's forces at the Alamo. Tired, outnumbered and outgunned, these visionaries of Texas independence gave their lives so that their dream might become reality for posterity. Over the years, we Texans have been accused of embellishing the heroics of the volunteers who defended the Alamo. The story of the Alamo, however, needs no garnishing. Those men were there of their own choice. They remained when they could have fled. They fought and died for what they believed in. Why? Let the words of Travis' last letter explain why:

To the people of Texas and all Americans in the world:

Fellow citizens and compatriots—I am beseiged by a thousand or more of the Mexicans under Santa Anna. I have sustained a continual bombardment and cannonade for 24 hours and have not lost a man.

The enemy has demanded a surrender at discretion, otherwise the garrison are to be put to the sword if the fort is taken. I have answered the demand with a cannon shot, and our flag still waves proudly from the walls.

I shall never surrender or retreat. Then, I call on you in the name of liberty, of patriotism, and everything dear to the American character, to come to our aid with all dispatch.

The enemy is receiving reinforcements daily and will no doubt increase to three or four thousand in four or five days. If this call is neglected, I am determined to sustain myself for as long as possible and die like a soldier who never forgets what is due to his own honor and that of his country.

Victory or death.

[Signed] WILLIAM BARRETT TRAVIS.

P.S.

The Lord is on our side.

Even today, even the toughest, most cynical individual entering this shrine of Texas independence feels a tear well up inside him as he walks through the Alamo's gates.

Four days before Santa Anna's fateful attack on the Alamo, other Texans gathered at Washington-on-the-Brazos River on March 2 to adopt a Texas Declaration of Independence. Two weeks later, an interim government was appointed. This action infuriated Santa Anna, who, emboldened by his success at the Alamo, moved swiftly to reassert Mexican control of Texas. As colonists hurried eastward toward the Sabine River, Gen. Sam Houston also moved east—fighting skir-

mishes, but avoiding a decisive battle with Santa Anna's troops as he did so.

After 40 days of maneuvering just outside of Santa Anna's reach, Sam Houston was ready—even eager—to fight. In an address to his troops, Houston, in just 16 words, coined the slogan which won what has been listed as one of history's most decisive battles: "Victory is certain! Trust in God and fear not! And remember the Alamo! Remember the Alamo!"

With a taste for vengeance in their mouths, and with a desire to back up the new Texas Declaration of Independence with force, 1,000 Texans battled 1,400 Mexicans in the Battle of San Jacinto. The battle of April 21 saw 630 Mexicans killed, and another 730 taken prisoner. Nine Texans died and 34 were wounded in the engagement—including Gen. Sam Houston.

In a very real sense, then, Harris County—particularly the portion of east Harris County that I represent today in Congress—was the place in which the decisive battle for Texas independence was fought—and where it was won.

From the Battle of San Jacinto sprang the Republic of Texas, and later, the State of Texas.

The great British scientist—Thomas Huxley—came to America in 1876 to dedicate Johns Hopkins University in Maryland. In his dedication speech, he made some observations about us Americans, and our country, and then asked a question about this great land of ours. He said, "I cannot say that I am the slightest degree impressed by your bigness, or your material resources as such. Size is not grandeur, and territory does not make a nation. The great issue . . . is, what are you going to do with all these things?"

Well, the same question could well have been asked about Texas as it first won its independence. Since winning our independence from Mexico 150 years ago, what have we done with our generous, God-given resources: our land, our oil, our people? I believe Texas has used these and other resources to remain a leader among the States. And Texans, through our drive, our hard work and our can-do spirit, have remained leaders among Americans.

Certainly, the Texas of 1826 was large. It was so vast, in fact, that many early settlers believed that the far western portions of the State might never be settled. And while early settlers to Texas might have imagined that the State's greatest resource was its size—the availability of cheap land—we now know differently. Our State's greatest blessing was the energy resources buried beneath the land and the water. But the blessings of oil and gas would remain untapped for several decades, available for those early settlers' children and grandchildren to exploit.

But because the discovery and exploitation of our energy resources awaited future generations, the Texas Republic faced grave problems as it began. The country was ravaged by war, the treasury was empty, the government was "land poor," with few sources of revenue other than vast quantities of cheap public land. Despite these problems, Texas—and Texans—survived. With national and local governments organized along the lines of those of the United States, the Republic of Texas sought to protect the rights of its people and make possible a better life for them. In 1839, for example, a homestead law was passed, providing that a man's home and implements could not be taken from him to satisfy creditors.

All the while, despite all its problems, the Republic of Texas continued to grow. The attraction of cheap land—which sold for 50 cents per acre—was sufficient to cause rapid settlement. By 1846, the frontier had been pushed west of what is today Fort Worth, Waco, Austin and San Antonio.

Growth and expansion remain hallmarks of Texas even today.

I mentioned the problems which faced the Republic of Texas when it was formed in 1836. Consider how much easier a time a Republic of Texas and its citizens would have today were Texas a separate country: Texas would be the 51st most populous nation in the world; Texas would be the 29th largest nation in the world in terms of area; Texas would have the 12th largest national economy [GNP] in the world—and the 23d largest per capita Gross National Product in the world; Texas would be the world's fifth largest oil producer; Texas would be the 18th largest cattle producing nation in the world; and according to the same authoritative sources, Texas would be number one in pride!

Today, the State that many once regarded as little more than a vast prairie wasteland produces more oil than any other State in the country. From 1889 to 1978, more than 43.7 billion barrels of oil were pumped out of the lands and waters of our State. Much more remains. In 1978, Texas provided 27.4 percent of the Nation's total refined products. Texas remains first in the Nation in the amount of proven reserves of liquid hydrocarbons (crude oil and natural gas liquids), and we remain first in the Nation in estimated proven reserves of natural gas.

Today, the State in which the Alamo still stands, leads our Nation—and all of civilization—in the exploration and peaceful uses of outer space. The Lyndon B. Johnson Space Center conceives, designs, develops and operates manned spacecraft and trains astronauts. For Texas, the space center produces more than just pride in leading our Nation's space effort. It has created directly more than 4,000 jobs for Texans—representing a payroll of more than $130 million annually. Indirectly, the space center is responsible for more than 10,000 other jobs—and a payroll of more than $200 million a year.

Today, because Texans envisioned what could be, the city of Houston—more than 50 miles inland—is home to one of the Nation's leading ports. The Port of Houston is the Nation's third largest. It was built, according to one account, simply because Houstonians wanted their city to be a seaport. That Houston was more than 50 miles inland seemed to dissuade no one. The Port of Houston continues to pay dividends to our State and local economy. Its existence is responsible for tens of thousands of jobs that otherwise would not exist.

And today, because our State is so beautiful, Texans benefit from the fact that millions of other Americans come to visit our State each year. Ours is a State of contrasts. The urban centers of Houston, Dallas, San Antonio, and Austin are among the Nation's leading cultural centers. Also, those and other Texas cities feature a richness of history and drama unmatched by any other part of our country. Texas' coastline is beautiful, as are—in a very different way—the desolate areas of west Texas. The fact that so many persons have chosen to move to our State, and that so many others have decided to vacation here, is a testament to the beauty and history of our State.

Texans continue to lead our Nation. Next year, a Texan—Congressman JIM WRIGHT—will likely be elected Speaker of the House. A Texan—GEORGE BUSH—currently serves as Vice President of the United States, and one day may ascend to the Presidency. This continues a long and distinguished record of service to the country by Texans. Lyndon Johnson lead the U.S. Senate before entering the White House. And Sam Rayburn, another Texan, served as Speaker of the House, with a 2-year interruption, from 1940 to 1953, making him the longest-serving House Speaker in history.

As we celebrate our Sesquicentennial this year, it is fitting that we remember those brave men and women who sacrificed, fought and died to make a free Texas a reality. But we cannot allow ourselves to dwell in the past. We are rightfully proud of our history. And we are rightfully proud of what we are accomplishing today.

Despite the economic problems it faces, Texas and its people will meet, and overcome, this challenge—as they have every other challenge throughout history. And similarly, I'm confident that working together, we Texans will overcome any other challenge that might confront us in the years ahead.

Mr. Speaker, thank you for this time.

STATEMENT TO THE U.N. COMMISSION ON HUMAN RIGHTS BY AMBASSADOR RICHARD SCHIFTER

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. LANTOS. Mr. Speaker, I invite the attention of my colleagues to remarks made recently at the United Nations Human Rights Commission in Geneva by U.S. Ambassador Richard Schifter, who also serves as the Assistant Secretary of State for Human Rights and Humanitarian Affairs.

I believe that his statement is of special interest because it provides a rather unusual comparison of life in the United States and the Soviet Union. Ambassador Schifter's reply was in no way defensive. He admits that life here is far from perfect, but he also takes the opportunity to compare daily life in the United States and the Soviet Union and to pose serious questions for the Soviet delegation.

Mr. Speaker, Ambassador Schifter's comments are factual, specific, and persuasive. I recommend his speech to all Members.

ASSISTANT SECRETARY RICHARD SCHIFTER, UNITED STATES REPRESENTATIVE TO THE UNITED NATIONS COMMISSION ON HUMAN RIGHTS, MARCH 10, 1986

Mr. Chairman, though we are prepared to discuss criticisms directed against us, to deal concretely with the allegations made, I am afraid that the Soviet Union does not follow the same approach. I have not heard any explanation which would justify, explain or rebut what I said last week about human rights violations in the Soviet Union. All we are told is that such comments constitute gross interference in the domestic affairs of a sovereign country. If that is the position of the Soviet representatives, Mr. Chairman, how do they justify their comments and votes on, let us say, the situation in Chile? Could it be that they agree with the observation of the American philosopher Ralph Waldo Emerson that "consistency is the hobgoblin of small minds?"

In lieu of specific answers to the issues which I raised, the Soviet representatives offered us a very detailed recitation of data and incidents concerning the United States. I shall try to deal briefly with these recitations, Mr. Chairman.

At the outset, let me say that we are well aware of our country's problems. We try to deal with them. We are better able to deal with them than the Soviet Union can deal with its problems because we are completely unfettered in our ability to discuss these problems, even and particularly if the problems are generated by our political leadership. In this context, I want to point out that while the United States' State Department is not in a position of commenting on the performance of local governments, a report which is about to be issued by a special commission investigating the occurrences at the so-called MOVE house in Philadelphia is expected to announce its conclusion that the city's top officials are grossly negligent and that judicial proceedings should be begun in that case.

Let me now turn to some of the specific attacks delivered against the United States by distinguished Soviet representatives:

We have again heard about the problem of poverty in the United States. There is no doubt that the problem exists. The United States has, for purposes of economic analysis, defined a particular income, a particular standard of living, as what we call the "poverty line." Anyone whose income is below that line is deemed as living in poverty. About 15 percent of the population of the United States live according to this analysis below the poverty line.

As this fact frequently comes up at international meetings such as these, I asked last year for a study to be undertaken to determine the percentage of the people of the Soviet Union who live at a standard of living below the American poverty line. The answer that I got was that it was more than half of the population, probably more than 60 percent.

It is the same with the term "functional illiteracy." Functional illiteracy does not describe inability to read but limited comprehension of what is being read. American educators have not had the opportunity to test Soviet citizens. I am quite certain that if they were to apply these same standards in the Soviet Union which are used in the United States. They would find many millions of functional illiterates.

And so it is with housing. The people that you see bedded down on the streets of New York, Washington or other cities are not there because no shelter is available for them. They are there because in the last fifteen years our courts have decided that no person who is not a threat to himself or to society may be committed to a mental institution. Mere irrational behavior, such as living on the street even if you have enough money for shelter or if free shelter is available is no ground for commitment. Also, as the courts have severely restricted the application of the cases against loitering and vagrancy, these people cannot be arrested. They are picked up by the police only on very cold nights. When their presence on the street can indeed be deemed a threat to their very lives.

That is not to say that we don't have a great deal of what we call substandard housing. That, too, is a problem which we seek to solve. But here, too, the issue is what is the definition of substandard. And in the context of this discussion we need to ask ourselves how American substandard housing compares, for example, with housing in the Soviet Union. I am sure that the dachas occupied by the Soviet Union's new aristocracy, the Nomenklatwa, are not substandard. But most of the housing built for the rest of the population is of poor quality and cramped, and a good deal of Soviet rural homes still do not have even the most elementary facilities deemed necessary for what in the United States is called decent, safe and sanitary housing. The Soviet Union most assuredly has nothing to boast about in the field of housing.

There are a few other allegations made by the Soviet representatives which I have noted down. Last year, we spoke at some length on the case of Leonard Peltier. As the issue was raised again, let me summarize the circumstances of the case. Peltier has been tried and convicted for the murder of two members of the Federal Bureau of Investigations. Under the American system of justice, the guilt of the accused must be proved beyond a reasonable doubt. It was in this case. Appeals were taken from the verdict and the judgment was affirmed.

Another case that mentioned was that of heavy sentences meted out against four anti-war demonstrators. The Arbatov Institute, which I assume did all the research, may not have told our colleagues here the relevant details as to this specific anti-war demonstration. The demonstrators in question had not just marched down the street. They had sneaked into one of our intercontinental missile installations and had done major damage to a missile. That is what they were convicted for. I wonder what the Soviet Union would do with demonstrators who perform similar acts. As far as I know, genuine Soviet peace demonstrators who do nothing more than speak and write on the subject of international friendship get shipped off the Soviet mental institutions.

We have also heard about persons getting arrested for demonstrating in front of the South African Embassy in Washington. We have a law in Washington, Mr. Chairman, under which persons may not demonstrate within a specified distance from any Embassy. Persons who do so are indeed arrested. However, as the South African Embassy has not pressed charges, persons arrested during the last year at the South African Embassy have been released and have not gone to trial. By contrast, quite a number of persons have been tried and convicted for demonstrating too close to the Soviet Embassy. We have no apologies to make for the law in question. It was adopted for the protection of all diplomats against undue interference with the conduct of their business.

Mr. Chairman. it is somewhat ironic that it is of all people the distinguished representative of the Soviet Union who is complaining about wiretaps in the United States. Could it be that the practice of wiretapping and of placing listening devices in rooms is one which is totally unknown in the Soviet Union? At any rate, federal law in the United States authorizes but severely limits the placing of wiretaps. Before a line may be tapped permission must be obtained from a Federal judge on a showing that there are reasonable grounds for believing that the person whose telephone is to be tapped is involved in organized crime, drug traffic, or espionage. To the extent to which we experience increased activities in these fields, to that extent wiretaps must be increased. Our Soviet colleague gave us only the figure as to the increase in U.S. wiretaps this year over last year. He did not give us the absolute figures. I think they are in the hundreds. If the Arbatov Institute has supplied him with absolute figures, our Soviet colleague might enlighten us on this subject. Perhaps, as he has raised this issue, he can also tell us what the comparative figures for the Soviet Union are. Also, to which court must the KGB apply for permission to tap a telephone? On what grounds may telephones be tapped in the Soviet Union? And what standard of grounds for suspicion is required before the KGB is allowed to install a wiretap?

Finally, there is the story about mass sterilization of Indian women. It is a story spun out of the allegation by an American anti-abortion group that the Indian Health Service, a government agency, was performing voluntary, I repeat voluntary, sterilization operations. The anti-abortion group was of the view that government agencies, operating with taxpayers' funds, should not perform sterilizations for which there were no sound medical grounds. At any rate, the charge was investigated and found groundless. Not even a voluntary sterilization program existed. But that seems not to have stopped the Arbatov Institute from picking it up and embellishing it. And we have now heard this tale played back to us by the Soviet Union and the International Indian Treaty Council.

Mr. Chairman, I am stopping my rebuttal at this point in order to cite a few figures which will support my case as to the state of human rights more effectively than any argumentation. They are:

(1) Last year about 512,000 persons came to the United States as permanent immigrants.

(2) Our annual allotment of immigrant visas is heavily oversubscribed. Millions are on waiting lists.

(3) My own office, which processes asylum applications, receives about 2,000 such applications per month.

(4) The number of aliens believed to be in the United States in illegal status is probably in excess of 6 million.

(5) Any resident of the United States is free to emigrate from the country. Few do.

Mr. Chairman. Could our Soviet colleagues, who spoke so fervently about the deficiencies of the United States give us the comparative facts and figures for the USSR or, at least, for Byelorussia.

Let me, in conclusion, repeat, Mr. Chairman, what I told the late Ambassador Zoin a few years ago. There are millions of people in the Soviet Union who have only one dream: to get out of that country. And there are millions of people throughout the world who have only one dream: to get into

the United States. These simple facts, so well known to all of us, speak louder, far louder, than the argumentation that may be offered by either the Soviet or the United States delegations.

UNITED STATES OIL COMPANIES SHOULD LEAVE LIBYA

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. LEVINE of California. Mr. Speaker, today I am with the gentlelady from Maine, Ms. SNOWE, introducing a bill to prohibit United States companies or citizens from participating in production, marketing, or distribution activities with respect to crude oil produced by Libya. The effect of this bill would be to prohibit the five United States companies now operating in Libya—Amerada Hess Corp., Conoco, Inc., W.R. Grace & Co., Marathon Oil Co., and Occidential Petroleum Corp.—from continuing their operations there.

As you know, the United States Government has become increasingly concerned about the stepped-up terrorist activities instigated by and carried out with the help of Libya and its erratic, outlaw leader, Múammar Qadhafi. In response to this increased terrorism, and in an attempt to isolate Libya, President Reagan on January 7, 1986, issued Executive Order No. 12543, which prohibits United States persons—"persons" includes both United States citizens and companies—from participating in any transaction involving Libyan assets. This means, among other things, that imports and exports must cease between the United States and Libya, as must United States credits and loans to Libya, as well as "performance by United States persons of contracts in support of projects in Libya."

After Executive Order 12543 and its implementing regulations were issued, the five oil companies mentioned above applied for and were granted approval by the Department of Treasury to continue their operations in Libya. This means that the administration has made exceptions for these five companies, that they are exempted from the Executive order, and that they may carry out their business as usual.

According to Henry Shuler of the Georgetown University Center for Strategic and International Studies, the 100 million barrels of oil these companies sold last year on behalf of Qadhafi produced some $2 billion in revenues for Libya—$2 billion in revenues that subsidize Qadhafi's terrorism.

Mr. Speaker, the United States has no business engaging in activities which add revenues to the coffers of this globe's premier terrorist. This bill would help further isolate this madman in the Middle East, and remove some of the hypocrisy from our policy with respect to that country. I hope my colleagues will cosponsor this bill, the text of which follows.

Thank you.

H.R. 4700

A bill to prohibit United States companies from assisting in the production, marketing, or distribution of Libyan oil

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That effective 90 days after the date of enactment of this Act, no regulation, ruling, instruction, license, or other authority issued under Executive Order 12543 of January 7, 1986, or Executive Order 12544 of January 8, 1986 (imposing sanctions with respect to Libya), shall be effective which would allow any United States person to participate in production, marketing, or distribution activities with respect to crude oil produced in Libya.

COMMENDING JOHN J. DENELLI ON HIS RETIREMENT

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. CONTE. Mr. Speaker, I would like to take this opportunity to honor John J. Denelli of Williamstown, MA, upon his retirement from public office at the end of his current term as a town selectman.

Having known John for most of those 24 years, I am proud to join the residents of Williamstown in thanking him for those long years of dedicated service to the community.

The admiration and respect that he so well deserved was clearly evident each time he was reelected throughout the past 24 years.

Whether serving as chairman of the board of selectmen or as a member, John always had the ability to "calm the waters". Over the years, many potentially unruly meetings were brought back on track by a timely sage remark by John Denelli.

Throughout his years of service as a selectman, John always had his ear close to the ground in the daily operation of his business, along with his dutie as the Berkshire County deputy sheriff which kept him in contact with many members of the community each day.

John listened to all that brought their concerns to him and sincerely tried to help them through his position as a member of the board of selectmen. He believed that he was elected by the people in the community because he always tried to fulfill the obligation of helping those who sought his assistance. The residents of Williamstown knew that in a time of need, John would give his all to any problem.

John Denelli, a quiet, friendly man who gets along easily with people from both sides of the fence, is particularly noted for his warm smile and homey attitude.

As a businessman, as a deputy sheriff or as a selectman, his pleasing personality always made you feel like a close friend. John Denelli has given of himself to the town of Williamstown as a good businessman, a good citizen, and a dedicated and sincere public servant.

It is both a pleasure and an honor for me to rise today and commemorate the occasion of his retirement.

JOHN FISHER, IN HUMAN EVENTS ARTICLE, WARNS OF TEST BAN PERIL

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. COURTER. Mr. Speaker, John Fisher, the president of the American Security Council, makes a compelling case against a Comprehensive Test Ban Treaty [CTBT] in the following article from Human Events. As Mr. Fisher points out, we know from our bitter experience with nuclear testing moratoria that nuclear weapons must be tested to ensure their safety and reliability. The Soviet Union, under a CTBT, could clandestinely test up to 10 kiloton weapons, while the United States would observe its typical strict arms control compliance policy. The result would be a degraded United States nuclear arsenal and an even more dangerous Soviet arsenal. I urge my colleagues to pay careful attention to John Fisher's points, as we may have to vote again on the nuclear testing limitation proposals in the near future.

[From Human Events, Apr. 26, 1986]

CONGRESSIONAL TEST BAN LOBBY NEARS VICTORY

(By John M. Fisher)

After a self-imposed eight-month moratorium, the Soviet Union recently announced its intention to resume testing nuclear weapons. The Soviet action came immediately after the United States detonated its second test of 1986, and two weeks after Mikhail Gorbachev made a nationwide address on Soviet radio and television calling for a complete testing moratorium.

In his address, the Soviet leader offered to meet President Reagan in Europe to conduct negotiations on a test ban, and on Capitol Hill anti-defense lawmakers have been accusing the President of "fueling the arms race." Despite the Soviet announcement, liberal lawmakers are continuing their call for a complete moratorium, and they have already established a considerable moratorium.

Immediately after the Nevada blast, 63 lawmakers wrote to President Reagan and urged a suspension of all future tests, and Senators Alan Cranston (D.-Calif.) and Mark Hatfield (R.-Ore.) introduced a binding measure to cut off funds for all U.S. nuclear warhead tests. Sen Hatfield said the new test means President Reagan feels "that building new weapons takes clear precedence over talking peace," and support for the Crantson-Hatfield bill is growing rapidly.

GRAVE CONSEQUENCES OF CONGRESSIONAL RESOLUTION

On February 26, by a vote of a 268 to 148, the House of Representatives passed a resolution calling for the immediate negotiation of a Comprehensive Test Ban (CTB) Treaty. A similar resolution passed the U.S. Senate on June 20, 1984, and if enacted by the Congress such legislation would have grave consequenes for our national security.

The Kremlin originally announced its moratorium immediately after their completion of an extensive series of underground tests, and just before the 40th anniversary of Hiroshima. They received an internation-

al public relations bonanza, and clearly their main objective is to derail the Strategic Defense Initiative.

A test ban would also serve Soviet interests because their nuclear stockpile is far more reliable than ours. They are in a position to suspend future tests because they have been engaged in a massive, 15-year nuclear buildup, their warheads are significantly larger than U.S. models, and their designs are not as complex.

NEW ARMS REDUCTION PROPOSALS ON THE TABLE

In light of their commitment to arms control negotiations, supporters of the Cranston-Hatfield bill are displaying a curious sense of timing. The CTB advocates seem to forget that we are already sitting down at the negotiating table in Geneva, and in the past four months both superpowers have tabled new arms reduction proposals.

President Reagan and our START negotiators believe that significant arms reductions must be negotiated *before* we pursue a comprehensive ban on nuclear testing. The Cranston-Hatfield advocates wish to reverse this order and rush headlong into test ban negotiations, thus ignoring the need for mutual and verifiable reductions in the number of nuclear weapons.

It should also be remembered that CTB is not a new proposal; such an agreement was negotiated between the U.S. and the USSR in 1958, and was abruptly broken by the Soviets in 1961 when they conducted some 40 atmospheric tests in a two-month period. In a cogent way, President John F. Kennedy summarized the lesson learned when he said in 1962: "We now know enough about broken negotiations, secret preparations, and the advantages gained from a long test series never to offer again an uninspected moratorium."

The situation we face today is similar to Kennedy's experience in that the United States still has no valid way of knowing if the Soviets are preparing to test. The 1961 ban significantly delayed the modernization of our strategic forces, but Soviet programs were never reduced.

The proponents of this measure assure us that our laboratories can maintain the credibility of our deterrent without resorting to nuclear testing. They claim that it will be sufficient for us to use computer calculations and non-nuclear experiments.

The test ban advocates put great stock in a 1979 letter to President Carter from former weapons scientists, including Dr. Norris Bradbury, the former director of Los Alamos Nuclear Laboratory. This letter insists that we can retain confidence in our nuclear stockpile by such measures as "remanufacture with minor modifications after thorough review by experienced and knowledgeable individuals." In other words, they propose that our confidence in the nuclear stockpile can be maintained without nuclear testing.

However, this is a procedure we have had some experience with, and it was tried by our physicists at Los Alamos. Unfortunately, they failed.

The warhead was the W-52. During the moratorium in 1959, a very slight redesign was done to our warheads using what was thought to be a safer explosive. No doubt "after thorough review by experienced and knowledgeable individuals," the director of Los Alamos had such high confidence in this redesign that he certified such a warhead would work. Our testing resumed following the Soviet breakout from the 1961 moratorium, but our experts at Los Alamos felt no need to test the W-52 immediately. When Los Alamos finally tested the device in early 1963, the W-52 failed miserably.

W-52: GOOD EXAMPLE OF A GRAVE FAILURE

This episode with the W-52 was a grave failure and a good example of how far astray we can go without nuclear testing and by relying only on "review by experienced and knowledgeable individuals." It should also not be forgotten that the director of Los Alamos, who assured President Carter that review by knowledgeable individuals was sufficient to certify any modest design changes, was the same director who certified the W-52 that failed.

Ambassador Walter Stoessel, who negotiated the 1974 Threshold Test Ban Treaty, and Don Kerr, the current director of Los Alamos, have both said that a CTB cannot be adequately vertified. In fact, there has never been one witness testifying before any committee of Congress that has said with 100 per cent assurance that the Soviet Union is not testing low-yield nuclear weapons. Furthermore, the Soviets could continue their pattern of violations by testing in outer space and in remote ocean areas, and they could also use earthquakes and earth cavities to mask their test results.

A study conducted by the Department of Energy last year and ignored by the media concluded that testing in underground caverns could disguise explosions of up to 10 kilotons (Hiroshima was 12 kilotons). We also have very little knowledge about Soviet geology, and the DOE study stated that secret tests were both technically feasible and were a significant problem for seismic verification.

In the past two years the President has released four reports on "Soviet Non-Compliance With Arms Control Agreements," which list 50 treaty violations by the Kremlin. Among the violations are the 1958-61 Nuclear Test Moratorium, and numerous breaches of the Limited Test Ban Treaty of 1963 and the Threshold Test Ban Treaty. The violations of the Limited Test Ban now include over 30 conclusively confirmed extra-territorial venting of radioactive debris from underground nuclear weapons tests, and hundreds of other probable and likely violations. There have also been 16 Soviets high-yield test violating the 150-kiloton level set by the Threshold Test Ban.

The Resolution that was passed by the House of Representatives calls for the immediate ratification of both the Threshold and the Peaceful Nuclear Explosions Treaty. It totally ignores the fact that President Nixon negotiated the Threshold Treaty in one month in 1974 when he was in serious political trouble at home. That agreement contains the weakest verification provisions since the Geneva protocol of 1925. It does provide for an exchange of data, but this is unverified and unverifiable Soviet data.

TREATIES DON'T ALLOW ON-SITE INSPECTIONS

Neither treaty allows the vitally important on-site inspections that are crucial to verification. However, there is a provision in PNET that allows on-site inspection only in the unlikely event that the Soviets admitted they were going to detonate a group of nuclear explosions in excess of 150 kilotons all at once. The Soviet position is that they will discuss verification, but only after we have ratified both Threshold and PNET, and only as part of a new total ban on testing.

Despite the massive evidence of Soviet cheating, President Reagan has invited Russian scientists to observe and measure our underground nuclear tests in Nevada. Reagan has said that if agreement can be reached on an effective on-site method for verifying the explosive power of future tests, he would be prepared to move forward toward ratifying both Threshold and the 1976 Peaceful Nuclear Explosions Treaty.

The CTB ignores the simple fact that our security is dependent upon the safety and reliability of our strategic and theater nuclear forces. Without continued testing this reliability cannot be maintained, and this is highlighted by the fact that both our Minuteman II and Minuteman III ICBMs have failed to meet performance levels in recent tests.

ONLY ONE SIDE RACING IN NUCLEAR ARMS RACE

Another major argument being used by the advocates of a CTB is that it will slow or reverse the nuclear arms race. These critics fail to recognize that for the past two decades only one side has been racing.

In two decades the Soviet Union has gone from a continental to a global military superpower, while the United States has reduced the size of its nuclear stockpile by one-third since 1969. In the same time frame we have reduced our destructive power—or megatonnage—by 75 per cent!

Instead of reducing the "arms race," the CTB would cause doubts about the reliability of long-untested systems, and it would then generate pressure for larger arsenals with higher total yields.

A test ban 20 years ago would have prevented the development of lower-yield warheads and of permissive action links, the safety devices that prevent unauthorized use of nuclear warheads. The critics also forget that negotiations to achieve a Comprehensive Test Ban Treaty were cancelled not by Ronald Reagan, but by Jimmy Carter in 1980, who publicly complained about Soviet non-compliance and our inability to verify such an agreement.

As long as we are obliged to rely on retaliatory nuclear capabilities to secure deterrence, nuclear testing and a strong deterrent posture will remain inseparable. Consequently, even if verification were not a concern—and it is—under present circumstances, a total test ban would not serve our national interest.

A CTB treaty would also mean that we would be abandoning major sections of our Strategic Modernization Program and we would be giving up new systems such as the Trident II submarine-launched missile, the Trident III submarine-launched missile and the nuclear warhead for our Midgetman small ICBM. Most important of all, it would mean curtailment of research on the nuclear-powered X-ray laser, which is essential to our Strategic Defense Initiative.

Many people believe that nuclear testing is solely concerned with developing new systems. They do not realize that there have been at least six publicly stated case (and many more which are top secret) where stockpile problems have been caught and corrected by testing.

Since the 1960s our nuclear stockpile has been plagued by serious mechanical problems, including a substantial number of duds. The major reason for this is because warheads are complex mechanisms that involve radiocative materials, chemical explosives, electronics, and various metals which deteoriate over time.

For instance, it was discovered through testing in the mid-1960s that deterioration had caused at last 50 percent of our Polaris warheads to become duds. These warheads

would not detonate, and without testing we never would have realized this problem.

Another example involves the several thousand Poseidon missile warheads which had to be retrofitted in the 1960s. In this case we learned through testing that the conventional explosives used to detonate the nuclear warhead device had deteriorated to the point that it could have exploded prematurely. This could have caused plutonium to be strewn over a wide area, and the potential loss of life could have been staggering. Other examples are the Minuteman I, the Sergeant Short-Range Tactical Ballistic Missile and the Army's atomic demolition munitions.

Those who are advocating a test ban have consistently used the words "mutual and verifiable," but they have never explained how these goals are to be achieved, and they have never addressed the deplorable record of the Soviet Union.

In essence, a test ban would be another example of unilateral disarmament by the United States, and it would be another strategic and propaganda coup for Moscow.

Gorbachev has violated his own moratorium on the deployment of intermediate-range SS 20s, and the Soviets realize the value of these propaganda ploys by the fact that the U.S. Congress has just initiated a complete ban on the testing of anti-satellite weapons. The United States will adhere to such a test ban despite the fact that we have not deployed an ASAT weapon, while the Soviets have four different ASAT systems.

CTB WOULD PRECLUDE NUCLEAR WEAPON TEST

Few thinking persons would suggest that we build a strategic bomber which we would not fly until the Klaxon sounded. Yet, a CTB would preclude the testing of the nuclear weapon that such a bomber and its crew might be called on to deliver.

The Soviet Union already leads the U.S. in practically every major military category. In the all-important area of land-based ICBM's, the Soviets have a 6-to-1 advantage over the U.S., and a test ban would firmly cement their superiority. A test ban that does not involve any reduction in Soviet stockpiles is only boosting Moscow's goals, and this in fact has been the Soviet negotiating position in Geneva.

Even if our arsenals were even, anyone who advocates an unverifiable Comprehensive Test Ban Treaty in light of the Soviet's past record of cheating and unwillingness to engage in meaningful negotiations, cannot possibly be serious about arms control or the future of the peace process.

ETHNIC AMERICAN CONCERNS

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. LIPINSKI. Mr. Speaker, it was my great pleasure recently to be invited to address a meeting of the Cosmopolitan Democratic League of Cuyahoga County in Cleveland, OH, because of my involvement in ethnic American concerns as Cochair of the Council on Ethnic Americans of the Democratic National Committee.

I believe that many of the issues which are of concern to the Democratic ethnic Americans are of like concern to many other Americans, regardless of political affiliation. I would like to share with my colleagues in the House of Representatives these issues as I see them. Following is the text of my speech to the Cosmopolitan Democratic League of Cuyahoga County:

SPEECH OF CONGRESSMAN WILLIAM O. LIPINSKI

Good evening my fellow Ethnic Americans. It's an honor and a privilege to have this opportunity to talk to you tonight.

Your organization, the Cosmopolitan Democratic League of Cuyahoga County, with its rich and strong heritage, is an inspiration to all Democrats and I sincerely thank you for your dedication, hard work, and many many victories not only in behalf of the Democratic Party but also in behalf of this Land of Liberty and Fortress of Freedom, called America.

With that in mind I wish to specifically address this evening the important question of how Ethnic Americans and the National Democratic Party can become more in tune with each other and enhance their respective voices in the political process.

For some years, I have been concerned with the drift of ethnic middle class, blue collar and white collar workers, as well as small businessmen from the Democratic Party. This drift has manifested itself in the election of Republicans in presidential, senatorial, and gubernatorial elections. I also believe that if this drift is allowed to continue, the erosion of support will creep down our ticket to state, congressional, county, and municipal elections.

If the Democratic Party is going to reverse this trend and stop any further erosion of Ethnic Americans from the Democratic ticket, I believe that a concerted effort must be made to specifically address the special concerns and interests of all Ethnic Americans.

Ethnic Americans are traditional Democrats and have been since 1932 when Franklin Delano Roosevelt put together his Great Coalition. Unfortunately, during the past 20 years, Ethnic Americans have been taken for granted or ignored. In fact, some National Democratic Party leaders have ridiculed Ethnic American political leaders and their supporters because of positions they have held on issues of special concern to Ethnic Americans.

Issues such as national defense, student loans, tuition tax credits, abortion, school prayer, and reverse discrimination are just a few of the areas where Ethnic Americans have been alienated by the Democratic Party.

However, on the other hand, I am convinced that the Republican Party is not sincerely interested in the needs of Ethnic Americans. In fact, the Republican Party is not, never has been, nor will it ever be anything but the party of the very wealthy and very large corporations. Ethnic Americans are longing for a fair shake and a compassionate ear rather than simply lip service from either political party.

Basically what are some of the issues that we as Ethnic Americans perceive as important:

First let us deal with the issue of abortion: the National Democratic Party has taken a strong pro-abortion posture. Never-the-less, in my own congressional district, which is predominately democratic, only 20 percent of the people support abortion and in a nationwide survey approximately 60 percent of all Democrats are opposed to abortion.

With these figures, why is it that the National Democratic Party is so strongly pro-abortion or pro-choice since a majority of the ethnic groups that comprise the Democratic Party oppose abortion. In the future, I would recommend that the National Democratic Party remove from the platform any pro-abortion planks. If the Democratic Party leadership wished to continue to champion abortion, let them do so on an individual basis and not as the mandate of all democrats. Ethnic Americans, among others, firmly believe in the sanctity of human life and rights of the unborn which the current Democratic doctrine fails to address.

Another area of concern for all Ethnic Americans is the preservation of the American Family.

As we quickly move through the second half of this decade, it has become apparent that a serious and harmful trend is taking place across this nation—the disintegration of the family unit.

A recent study has indicated that 60 percent of children born in 1984 can expect to live in a one parent family before reaching age eighteen. Unfortunately, this type of family disorganization has become commonplace in American society and is not just a statistic of a sensitive and stigmatized minority.

Clearly based upon the nature of our society, no government can avoid having policies that influence the family unit. However, the important question is do these policies bring strength and vitality to the heart and soul of the American family.

There are two basic assumptions we must follow in order to adequately address this problem; the first being that the family structure has been the cornerstone for stability and understanding in our society and secondly that government has the tools necessary to preserve that structure.

It is, therefore, necessary that the Democratic Party show a willingness on a national level to act both in a positive and compassionate manner and develop a comprehensive plan that will seriously address the needs of the American family. We need a sweeping national policy that will:

1. Adjust the tax policy to incorporate a more realistic dependency allowance figure in our tax code. The child's allowance built into the tax code has risen from $600 in 1948 to only $1,040 in 1985. To maintain the value of a personal exemption based upon an inflation index over 37 years would mean that the exemption today should be valued at approximately $5,600.

2. Provide tax incentives to subsidize those families who are financing their child's education. This could be done by having a tuition exemption built into our tax code.

3. Institute a national industrial policy that will not only address plant closing consultations and mass layoffs but will assist in providing counseling and other social services for the spouse and children of the unemployed worker.

4. Allow the first time homebuyer family reasonable interest rates and financing incentives such as drawing on established IRA accounts without financial penalties to purchase a home.

5. Establish a more coherent drug and alcohol abuse program in this country. We must begin to take immediate steps to defend our children and our families against the massive onslaught of drugs engulfing our communities. An indepth drug abuse education program must be an integral part of our solution to a problem which threatens the health and well being of our nation.

The current hardships confronting the American family are basically an indictment of this country's leadership for permitting it to fall into such a state of disrepair.

Over the past two hundred years, we as a country haved prided ourselves in being a nation of families but yet we have pursued a course without design or direction that has discouraged the establishment of a strong family unit. We certainly cannot stand by and watch the family structure crumble before our eyes. The future of this nation will remain contingent on protecting the health and spirit of the American family which has been the bastion of strength for our society.

The next issue which has created a gap between Ethnic Americans and the National Democratic Party concerns foreign affairs and military appropriations. In foreign affairs, the spector of Yalta at the end of World War II continues to haunt millions of Americans who trace their ancestry to the captive nations now under communist rule. Many feel a sense of futility on this issue because they perceive that the National Democratic Party has followed an ultra-liberal approach.

We in the Democratic Party must advocate and pursue a foreign policy where people in the world are free to choose a political system by which they will be governed. We must roll back the tide of communism and seek to increase freedom across the face of this planet, for when we serve the cause of freedom we also serve the cause of peace.

We must once again instill in the Democratic Party a patriotic ferver which will make all Americans feel confident, proud and good about this nation. It is imperative that we wage a competition of political philosophies—between free government and communism and support those who are building the infrastructure of democracy. Failure to assist other developing democracies may result in a marxist epidemic that may someday reach our shores.

The Democratic Party must play a creative role that will both foster the ideals of patriotism in this country and protect the principles of democracy for mankind.

In reference to military appropriations the Soviet Union has continued a massive military buildup that threatens not only the United States but the free world. Realistically an arms reduction treaty is only possible if the Soviet Union respects our strength and ability to counter aggression. In line with that thought, we must continue research in technologies that offer sound strategic defense systems. The Strategic Defense Initiative (SDI) offers us the opportunity of finding a system which threatens no one and protects this country. SDI will hopefully eliminate the threat of nuclear weapons by making nuclear missiles obsolete.

Keeping America strong, free, and at peace is the prime responsibility of our government and it must be given the priority it deserves on the agenda of the Democratic Party.

Next, I would like to address the issue of affirmative action programs or, as the ethnic community sees them, reverse discrimination programs. There is a feeling that the rules are no longer the same, that a double standard has emerged.

Ethnic Americans are, in fact, proud to be Americans but feel that they no longer have control over their lives and that the principles of thrift, hard work, and self reliance are no longer respected.

Ethnics were told that if they worked hard and studied hard they would be rewarded. Now our courts exercise an unfair amount of control over promotions, hiring, housing, health and education.

Ethnics are upset by the apparent substitution of race and gender for what they were taught was merit. Ethnic Americans feel a sense of bitterness when they are denied job opportunities or promotions because of government enforced affirmative action programs.

In addition, we in the Democratic Party must realize that Ethnic Americans have only been on the fringe of benefits promoted by our party over the years and therefore, justifiably feel discriminated against as do other minorities, though without any compensatory consideration.

I am pleased to announce, however, that last fall, the House of Representatives approved legislation which, among other things, called for a study of whether the Federal Government's hiring and promotion practices are consistent with the applicable provisions of law prohibiting discrimination on the basis of sex, race, or national origin. An amendment to this legislation, which I introduced and which is now incorporated in the bill, re-defined the term "national origin" to include individuals of all ethnic backgrounds that have historically suffered discrimination, such as those with Italian, Polish, German, Irish, Lithuanian, Yugoslavian, Czechoslovakian, and other Central and Eastern European backgrounds.

What is noteworthy here is that we finally have an official recognition and concern for persons of different ethnic backgrounds. Ethnic Americans represent the main stream of our great country and for too long they have been taken for granted. Their interests have been badly neglected, especially at the federal level.

Individuals of different ethnic backgrounds must no longer be overlooked. This effort on behalf of Ethnic Americans was only the beginning of a movement to ensure further recognition of their concerns.

Another area at issue between Ethnic Americans and the Democratic Party concerns that of student loans. Ethnic Americans feel neglected that their children do not qualify for some programs such as equal opportunity grants to help defray the costs of a college education. They are further disturbed that their children cannot get into professional schools while others are given special consideration because of their depressed status or merely because they are members of a defined minority group. Again, Ethnic Americans feel that they are not receiving their fair share of that elusive American dream.

Since Ethnic Americans have come to this country, they have paid at least their fair share for both the public and private school systems. I am certainly not proposing that they should not pay their share for the public school system, but I do believe that they should be given some consideration for not using the public system while paying a second time for their youngsters who attend private schools. They are taking a burden off the public school system, but without credit.

Also, I believe that if tuition tax credits were extended to all youngsters, many poorer class people who do not have the money to send their children to private schools would avail themselves of the opportunity, thereby, granting them a better choice of education. I believe that creating a more competitive situation between private and public schools in this country would motivate teachers, professors, and administrators in the public school system to do a better job while treating parents more fairly in exercising their educational choice for their children.

The education of our children is the foundation for America's future and should therefore be treated as a national priority.

Another issue that the National Democratic Party must address is the more equitable taxation of all Ethnic Americans—the middle class, blue collar and white collar workers, and small business people. Ethnic Americans are no longer willing to pay taxes to support social programs that are at the heart of the liberal Democratic agenda.

The tax system should be changed so as to reflect less of a difference between tax rates for people with high incomes and rates for people with lower incomes. What the Ethnic American wants from tax revision isn't a windfall of tax breaks but equity in the tax code. If tax reform is truly going to work for everyone, it must address the needs of Ethnic Americans instead of proposing a booming tax shelter industry which so many corporations profit from today. Paying taxes is an obligation that must be fairly shared by all Americans. Only then will Ethnic Americans feel that they are making their fair share ot an effective and just government.

The National Democratic Party must particularly address the needs, concerns, and issues of Ethnic American senior citizens. In general, Ethnic American senior citizens feel particularly short-changed by social security, medicare, housing costs, inflation, taxes, utility rates and, in some instances, by a language barrier. These people—whose determination, power, skill and genius contributed so much to the industrialization of our Northeastern-Midwestern cities—now because of an apparent insufficient governmental concern for the plight of these great cities, Ethnic American senior citizens are especially impacted by these cities; decay and loss of resources.

The National Democratic Party must exhibit more concern for these traditional Democratic voters by developing programs that will repay them for their efforts in developing our large Northeast-Midwest cities and for their long standing work in behalf of the Democratic Party's philosophy.

Finally, the National Democratic Party should emphasize the development of a National Industrial Policy. This area, if attacked vigorously by the Democratic Party, would greatly enhance the quality of life for all Ethnic Americans who live in and around our major industrial cities.

U.S. economic supremacy today faces an unprecedented challenge from abroad. America is confronted by a worsening trade crisis that threatens not only the futher loss of jobs and national wealth today, but also the steady decay of our economy's underlying strength.

In both domestic and foreign markets, our products and the people who make them face stiffer competition than ever before. Since 1980, the U.S. merchandise trade deficit has increased five fold and nearly two million workers have lost their jobs in a flood of imports. Nor is the problem confined to basic manufacturing: U.S. service and high technology industries are also losing their world market shares.

At stake is America's future strength and prosperity, the ability to generate rising standards of living, to pay for steady, sustained growth in our national defense and

to assure opportunity and prosperity for all citizens.

In order to restore America's competitive edge in this global market and place our labor force on equal footing with the international community, we must re-evaluate antiquated policy positions and lay a firm foundation that will build our economic strength. To accomplish this goal we must: increase U.S. productivity, maintain our technological leadership role, educate and train our workforce, and defend the principles of free trade.

Traditionally, this nation has been the model of change and progress in the world community and the time has come to pursue a bold national strategy that will once again capture American ingenuity and technological superiority. We have a challenge in this nation not only to excel in the international trade market but also to sustain the living standards to which the American taxpayers aspire.

In conclusion, I would urge each and every one of you to become more active in the DNC's Council on Ethnic Americans. This national forum has already had a significant impact on the Democratic Party's platform and policies and has also inspired the Republican Party to become more in tune with ethnic concerns.

These, like all aspects of American society, are part of a process. I will continue to listen to your concerns, and facilitate your participation in that process.

We, in the Democratic Party, must continue to develop cohesive programs that will remove the political isolation that many Ethnic Americans feel today and again instill within us all a sense of security, dignity and pride.

Let us not forget that the ideals and principles of the Democratic Party have always centered around the belief that Government is the instrument for improving the quality of life for all Americans and not just those members of special marketable groups. That is what separates our two political parties today.

As Democrats, our philosophical alliance will continue to include the working people, women and elderly of this country for they have been the cornerstone of progress and development in our party.

Those special characteristics of hope and optimism will once again be the trademark of the Democratic Party.

As we all work to make the American dream a reality, we must continue to adhere to those values of family, God, hard work, and neighborhood. Only through a recommitment to those fundamental values will we be able to collectively meet the challenges of the future and be the vision of opportunity for all Ethnic Americans.

Let us continue together to nurture and build that American dream.

Thank you.

CHARLES A. HALLECK: A MAN TO HONOR

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. MICHEL. Mr. Speaker, the death of our former colleague Charlie Halleck deprived his beloved State of Indiana and, yes, the Nation itself, of a principled, determined and memorable political figure. The May 1986 issue of a superb magazine, the American Spectator, has an article about Charlie Halleck, written by Kent Owen, the magazine's Indiana editor. "Death of a Republican" is an affectionate and informed view of the career and personality of the one-time Republican leader. Mr. Owen, in paying tribute to Charlie, also pays his respects to the policies of comity and civility which Charlie represented.

At this time I wish to insert in the RECORD, "Death of a Republican", by Kent Owen, the American Spectator, May 1986.

DEATH OF A REPUBLICAN

Plutarch would have found the late Charles Abraham Halleck, former Republican member of the U.S. House of Representatives, an apt subject. Although the landscape of northwestern Indiana that was the Hoosier congressman's district for thirty-four years might have struck him as unrelievedly dull, the Greco-Roman moralist would have been compensated for his attentions by the texture of Halleck's career. But Plutarch's custom was to align "Parallel Lives" for the edification of his readers, and Charlie Halleck stands almost by himself in the modern annals of Congress.

Halleck died on March 3, at the age of 85. Americans of long memory will keep him in mind as the sometime House majority or minority leader, the orator who nominated Wendell Willkie in 1940, and the straight man who, vaguely resembling W.C. Fields, partnered Senator Everett McKinley Dirksen during the long-running "Ev and Charlie" show, which Republicans used to stage for the befuddling instruction of the press. Dirksen was, of course, so picturesque and flamboyant that anyone who shared the platform with him, let alone Halleck, seemed drab. Nonetheless, Halleck held his own, presenting his views on the Eisenhower, Kennedy, and Johnson years with plain-speaking trenchancy. Yet with his bulbous, flanging nose, circumflexed brows, warily hooded gaze, and squatty frame, he looked like a farm-club manager in the Philadelphia Athletics system. This was plainly not the image the younger House Republicans wanted, and in 1965 they chucked him for Gerald R. Ford, their idea of what a modern Republican ought to look and sound like.

Charlie Halleck accepted this ingratitude with restraint, declining to complain about the Republicans he had supported in their public endeavors and private ambitions. He ran for one more term, then stepped aside to let the rising generation have its turn, convinced he should not overstay his usefulness, as had his predecessor in the GOP House leadership, Joe Martin of Massachusetts. Through it all, Halleck kept whatever bitterness he may have felt to himself, for he had too much respect for the House of Representatives as an institution to let personal pique hamper its work.

In a sense Charlie Halleck, as much as anyone of his day, made the position of representative a profession. Despite the fact he was from a "safe" district (the loamy soil that was fine for cattle and even better for corn and soybeans produced bumper crops of Republicans from the Civil War on), he considered his seat a tentative and temporary trust he had to earn again every two years—and for that matter, all the days in between. From his home town, Rensselaer, seat of Jasper County, he would go off to scour the countryside in search of constituents, often tramping across muddy fields in his cracked waders, old rumpled sack suit, a sweatstained fedora jammed on his head. And he usually got there in a jalopy driven by one of his lieutenants, say, Lew Dellinger of White County, the only professional man ever to graduate from Idaville High School. (Thus Lawyer Dellinger was invited to deliver the commencement address for almost thirty years until the school closed.) With his operatives splayed over the Second District, Halleck stayed informed about local, even neighborhood concerns and could on short notice retrieve whatever information he needed. Yet for all his years in Washington, he never came to regard the folks back home as ill-informed, dim-witted yokels he could use at will for his own designs. Not much of a sentimentalist about politics, Charlie Halleck didn't labor under the illusion of "vox populi, vox Die." But he did keep his ear to the ground without getting it full of mud.

This is to say that Halleck took his duties seriously and discharged them responsibly. Which, perhaps, is no more than what hundreds of congressmen have done over the years. Nothing extraordinary about that, you say. But what made the difference was Halleck's determination to represent the interests of his district and at the same time to advance beyond them in the national interest. This he was minded to do perhaps because he had so often stood in the minority; in fact, when he first went to Congress in 1935, Halleck was the only Republican in the Indiana delegation and one of only eighty-eight in the entire House. He soon got used to cooperating with Democrats because without their help he had little hope of gaining anything of substance. There was no use in kicking against the pricks, or to put it in the Hoosier idiom, "Never kick a turd; it might be your uncle."

There was no mistaking that Charlie Halleck was as stalwart a Republican as the party could muster, exacting proofs of loyalty from himself as well as others. All the same, the Hoosier conservatism that influenced his notions about man's ornery nature and the mutability of political arrangements made him leery of doctrinaire ideology. From his years at Indiana University ("the roughest politics I ever saw," he often said) through his four terms as prosecuting attorney in Jasper and Newton counties, Halleck learned that the rigid application of abstractions to concrete problems resulted in divisions, not in useful resolutions. Hence he set his course according to the beacon of reasonableness—the attainment of the best possible good in light of the most serviceable principles—and then went about persuading others to see things his way, really "their way," as he took pains to make clear.

For his troubles, Halleck was sometimes criticized in the press and among the GOP's seagreen incorruptibles for his "pragmatism," which to them meant his readiness to work with the Democratic leadership and to compromise on such issues as civil rights and Social Security, instead of opposing them to the bitter end. In point of fact, Halleck had a firmer grasp of what William James had intended pragmatism to mean: namely, the realization of principles through responsible action that produces effective results. If it had not been for Halleck's recognition of the crucial significance of civil rights legislation, the landmark act of 1964 might have faltered in the House. As it was, the coalition that included Halleck and Dirksen rallied enough Republicans in both chambers to pass the bill, but not without reproaches that Ev and Charlie had sold out their Southern allies. Halleck

was skeptical of highfaluting talk about ideals as the basis for political dealing, the gritty, grinding scut-work that makes American government at any level get its job done. Even so, he could resound the words of Lincoln with the best of them at solemn assemblies of the faithful. And do so, moreover, without smirking hypocrisy, because he saw no contradiction between the vision of freedom and the spectacle of politics.

The GOP's old guard may have been wary of Halleck ever since the Willkie campaign of 1940, when he joined forces with the Republican enlightenment (such tony chaps as Henry Luce, Russell Davenport, and John Hay Whitney). Although Willkie was eight years older than Halleck, he too was a chauvinistic Hoosier, a graduate of Indiana University and its law school, and a brother Beta; all those emblems disposed Charlie Halleck to favor the barefoot boy from Wall Street, even if Willkie had switched over to the GOP only several months before. Senator James E. Watson of Indiana, former majority leader, put it nicely: "It's fine to take a whore into the church, but it's rushing things to let her sing a solo the first Sunday she's there." In any case, despite Willkie's impressive campaign against FDR, Halleck was tainted as unreliable in some party circles because of his loyalty to such a pesky outsider.

This came back to haunt him in 1948 when Halleck supported Thomas E. Dewey over Robert A. Taft for the presidential nomination. He was assured by the Dewey camp that he would receive the candidate's endorsement for the vice presidency, but Dewey chose Earl Warren. In the Indiana political tradition, no matter how fierce the fighting, a politican kept his word; it was as much a matter of professional ethics as of personal integrity. Still Halleck held his tongue and chalked it up to experience. Then in 1952 he was one of the Republican leaders who prevailed upon Dwight Eisenhower to run for the presidency. Again he was given to understand that his time had come for the vice presidency. But now the party elders wanted a younger, less puffy face with a shadowy toughness to offset Ike's grandfatherly and benign manner. So Halleck was passed over for Richard Nixon and with that gave up his ambitions for the White House and the environs, accepting as his lot and rightful portion the House of Representatives. There was no forgetting how he had been used by his fellow Republicans, and probably not much forgiving either, but he made no fuss about it. Halleck simply dusted himself off and went back to work in the House, becoming all the more effective and influential throughout the federal establishment.

What happened to Charlie Halleck was that his energies, skills, and purposes were annealed to a new strength. Speaker Sam Rayburn had admitted him to that select company of whiskey-drinking, story-telling congressional cronies who revered the institution and made it work. Halleck himself had proved that hard-scrapping partisanship could co-exist with interparty mutual assistance, that party loyalty was in no wise lessened by honest camaraderie among members from both sides of the aisle. What went on in Mr. Sam's chambers or the cloakroom may have been little different in quality of jest or profoundity of thought from like gatherings at the Elks Club in Cedar Rapids. But wherever blows for liberty were struck, high deliberations of representative democracy were made lighter and clearer by those too serious to let the nation's business be resolved by abstemious prigs.

Even without the aid of strong drink and salty talk, congressmen of the recent past would have carried out their duties in a spirit of comity and civility. Yes, of course, there were self-seeking wonders, sanctimonious pharisees, stiff-necked ideologues, party-line absolutists, bounders and rascals and scamps. But somehow these troublesome fellows were checked by such men as Charlie Halleck who strived to keep matters civil.

Perhaps the day has come when the animosities that sour much of public life have made the House as vituperative as college faculty meetings. Perhaps the purposes of the American nation have become so diffuse and faction-ridden that they can no longer be advanced through bipartisan coalitions of Congress. If so, more's the pity.

Plutarch would have said it was a matter of character, both of the man and the institution. He did say in "Lysander": "Moral habits, induced by public practices, are far quicker in making their way into men's private lives, than the failings and faults of individuals are in infecting the city at large." If that be true, then as now, he would surely have approved of the public practices of Charles A. Halleck, a statesman whose example the House would be wise to honor.

RELIGIOUS FREEDOM IN THE SOVIET UNION

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. PORTER. Mr. Speaker, in October of last year, the National Interreligious Task Force on Soviet Jewry held a hearing on Religious Freedom in the Soviet Union.

This hearing focused on the problems facing all religious minorities in the Soviet Union and how these people are treated when they merely exercise their fundamental human rights by practicing the religion of their choice.

The continued practice of religious persecution must stop. People in the Soviet Union should not be punished for teaching Hebrew nor should they be fearful of attending church.

I would like to bring to my colleagues' attention two of the most poignant testimonies that were delivered at the Interreligious Task Force hearing, one by Richard Rice, chairman of the Chicago Conference on Soviet Jewry, and the other by Natalia Vins, a representative of the International Representation for the Council of Evangelical baptist Churches of the Soviet Union, Inc.

These testimonies demonstrate that the problem of religious persecution is not isolated, but it touches many different individuals. We, in the Congress, must continue to stress to the Soviet Union that by signing such international human rights documents as the Helsinki Accords, they committed themselves to allow freedom of religion. It is time that they start living up to their commitments.

[National Interreligious Task Force of Soviet Jewry, Oct. 4, 1985, Chicago, IL]

HEARING ON RELIGIOUS FREEDOM IN THE SOVIET UNION

(Testimony by Natalia Vins)

PERSECUTION OF EVANGELICAL CHRISTIAN BAPTISTS IN THE SOVIET UNION

Pastor Dmitri Minyakov, 64, is serving his tenth year of imprisonment in a strict regime concentration camp. He is critically ill with tuberculosis, asthma, and various other stomach and heart ailments. Minyakov is emaciated, and now weighs only 116 pounds at 5'10" height.

Previously Minyakov was imprisoned near Magadan (Kolyma) where he suffered a heart attack and severe asthma attacks. Siberian camp conditions deteriorated his health.

Soviet Law provides for the immediate release and return home of critically ill prisoners. (Article 100 of the RSFSR Criminal Code states that persons suffering from grave illness may be released by a court.) Unfortunately, this law is rarely observed and it was never applied to Pastor Minyakov.

Dmitri Minyakov is scheduled for release January 1986. Recently reports came from his family that a new case is being prepared against him and authorities intend to resentence him. His case reflects official attempts by government authorities to eliminate faith in God in the Soviet Union.

Religious freedom has not existed in the Soviet Union since atheists came to power in 1917. One of the first assignments of state atheism was the eradication of religion. In their attempt to destroy faith in God, Soviet authorities use all accessible means of persecution. Here is only a partial list of the methods employed by the atheists in their fierce battle against Christians: arrests and trials; prison beatings; house raids and searches; confiscation of Bibles, New Testaments, tape recorders, cassette recordings of sermons and music; children taken from Christian parents; disruption of worship services by the militia and KGB; slander campaigns against Christians in magazines, newspapers, on TV and radio; and internment in psychiatric hospitals.

The 1929 Legislation Regarding Religious Cults reflects the official attitude toward religion while Stalin was in power. The same laws remain in effect today. In addition, many secret mandates, instructions and decrees are used by authorities in their warfare against God.

Since the 1929 Legislation went into effect, tens of thousands of Christians have been arrested and tortured in Soviet prisons and labor camps. Between 1929-1940, more than 25 thousand Evangelical Christian Baptist ministers were arrested; 22 thousand of them died as prisoners. During the same years, almost all church buildings and temples were closed or destroyed.

Although the intensity of persecution has fluctuated over the years, it has never ceased. Persecution of Evangelical Christian Baptists was intensified in the early 1960's and continues to the present. Today more than 170 Baptists are incarcerated for actively practicing their faith.

Life imprisonment

One of the most recent methods used on some of the Christian prisoners is denying them their release. They are forced to serve a life-time sentence. In such cases, although a prisoner's term is completed, he is resentenced to additional years of imprisonment.

In 1983 a mandate was passed as an appendix to RSFSR Criminal Code Statute 188-3, giving the director of a labor camp the authority to add as much as five years to the sentence of a prisoner who has broken a camp rule or has not "reformed" by the end of his term.

The following "offenses" constitute sufficient cause for resentencing a Christian prisoner: praying, talking with other prisoners about God, possessing a gospel or Scripture portion, writing Bible verses and poems in a notebook or on a sheet of paper, and referring to God in personal letters to family members. By atheistic standards, a Christian has only adequately "reformed" if he rejects God and denies his religious convictions.

In the past two years, nine Evangelical Baptist ministers experienced such resentencing: Nikolai Baturin, 58, now in his twenty-third year of imprisonment, was resentenced in 1984 to two more years; Yakov Skornyakov, 57, now in his twelfth year of imprisonment, was resentenced in 1983 to three more years; Rudolph Klassen, 54, now in his ninth year of imprisonment, was resentenced in 1983 to three more years; Aleksei Kozorezov, 52, was imprisoned for 12½ years, resentenced in 1983 to 1½ years, (released June 1985); Aleksei Kalyashin, 30, now in his fifth year of imprisonment, was resentenced in 1984 to 2½ years; Nikolai Boiko, 63, now in his sixteenth year of imprisonment, was resentenced in 1985 to 2½ years; Ivan Shidych, 49, now in his seventh year, resentenced in 1985 to 2½ years; Mikhail Khorev, 54, now in his eleventh year of imprisonment, was resentenced in 1985 to 2 more years; Pyotr Rumachik, 54, now in his sixteenth year of imprisonment, was not released on August 15, 1985, but transferred from labor camp to prison for resentencing.

The following prisoners, now approaching their release dates, have been notified that new cases are being prepared against them: Dmitri Minyakov, 64, now serving tenth year imprisonment; Ivan Antonov, 66, now serving his twentieth year of imprisonment; Fyodor Makhovitsky, 55, now serving his eighth year of imprisonment.

Psychiatric hospital—for what?

Teaching religion to children, holding prayer meetings, organizing a youth choir, and participating in worship services were the charges against Arkady Ivanov, 52, when at his trial on June 21, 1983 he was declared dangerous to society and sentenced to treatment in a psychiatric prison.

State atheism is a God-fighting system, dedicated to the destruction of any remembrance of God. Ominous dangers are foreshadowed by Soviet abuse of psychiatry. Atheism considers faith in God abnormal. Simply acknowledging the existence of God is considered evidence of mental disturbance. Innocent people have been diagnosed as "sluggish schizophrenics," committed indefinitely, and subjected to forced drug treatments.

Other Evangelical Baptist prisoners in psychiatric hospitals: Anna Chertkova, 57, since 1973; Anatoly Runov, 46, since 1979; Vladimir Khailo, 52, since 1980; Vyacheslav Minkov, 21, since 1984; Viktor Bezzubenko, since 1984.

Council of Prisoners' relatives

In 1964 the Council of Prisoners' Relatives (CPR) was organized by wives and mothers of imprisoned Baptist leaders. The CPR serves as an information network throughout the 2000 independent Evangelical Baptist churches across the country, coordinates the distribution of material aid for prisoners' families, and organizes petitions and telegrams in defense of the prisoners.

Soviet authorities, anxious to destroy the church, have finally resorted to arresting prisoners' wives. Ulyana Germaniuk, wife of prisoner Stepan Germaniuk, was arrested July 23, 1985. Serfima Yudintseva, wife of a pastor and mother of Baptist prisoner, Andrei Yudintsev, was sentenced on March 1, 1985, to two years imprisonment, effective March 1, 1987 (her youngest children are two and six). Criminal proceedings were started against Valentina Firsova not long after her husband's release. Lubov Kostiuchenko, wife of prisoner Grigory Kostiuchenko, and Vera Khoreva, wife of prisoner Mikhail Khorev were recently interrogated and threatened with arrest.

Just weeks after the release of her husband, Aleksandra Kozorezova, 49, mother of ten children, was forced underground as KGB agents sought to arrest and imprison her! For five years Mrs. Kozorezova actively awaited her husband's return from prison. Despite threats that he would be rearrested before seeing freedom, Aleksei Kozorezov was finally released on June 20. No sooner had Mr. Kozorezov returned to his family when KGB raided their home and conducted a search, this time looking for Mrs. Kozorezova. Local pastors promptly advised her to go into hiding and continue her ministry as director of the Council of Prisoners' Relatives.

Our responsibilities

Over the years, Christians in the Soviet Union have sent thousands of petitions to the Soviet government detailing incidents of persecution and requesting that it be curtailed. In response to such pleas, the authorities only intensified the terror against Christians.

But the Soviet government is sensitive to the voice of the West. We must protest this injustice and boldly defend the innocent victims. An awareness of the suffering of innocent people is accompanied by the responsibility to act on their behalf. We no longer have the right to remain indifferent to the plight of those undergoing severe persecution for their faith in God.

As citizens of the free world, we must do everything within our power to ease their suffering and defend their right to believe. This is what God is calling us to do: "Deliver those who are being taken away to death, and those who are staggering to slaughter, O hold them back" (Proverbs 24:11).

DISCUSSION ON SOVIET JEWS

(By Richard J. Rice, Chairman, Chicago Conference on Soviet Jewry)

After the 1917 Revolution, when Lenin was organizing the Union of Soviet Socialist Republics, it was decided that Jews should be treated as a nationality like the roughly 100 other nationality groups within the U.S.S.R. Jews, however, were different from the others in that they had no homeland within the land-mass of the Soviet Union. Still, they were to enjoy the same rights as all others, including the right to teach their language and culture to their children. A Soviet "homeland", Birobijan, was assigned to them. Few Jews went to Birobijan, located in a particularly inhospitable part of the Soviet Far East. And even there, they never enjoyed linguistic and cultural rights.

Fifty years after the Revolution, brought Jews, the world over, from the horror of World War II, with the bloody loss of millions of Jewish civilians, to the heights of a new found Jewish national pride with Israel's stunning victory in the 6-day war of 1967. The event caused Soviet Jews to examine their relationship to the Jewish people. They wanted to learn more about their Jewishness, and hundreds of thousands determined that they, as Jews, should be living in the Jewish homeland which even the Soviets acknowledged in 1948 was Israel.

The pressure from Soviet Jews for permission to leave the Soviet Union and be repatriated to Israel began in the late sixties. Few were permitted to leave during the early seventies but procedures were established and regularized, so that when the Soviets signed the Helsinki Final Act in 1975, it appeared that they were serious about permitting Jewish emigration. Jews became more interested in rediscovering their language and culture and religion. This newly awakened interest was shared by many Jews who did not intend to emigrate.

In major Jewish population centers, Jewish study groups arose. Jews learned and taught each other Jewish culture and language. At first, these Jewish seminars were tolerated. Now they have been shut down. Instruction and learning continue because their thirst for knowledge about themselves and their people cannot be quenched. But today, instruction is on a one-to-one basis. It is too dangerous to bring a group of Jews together. There are places where even one-on-one instruction is too dangerous, so instruction is by cassette tape. The danger is very real. For more than a year, one Hebrew teacher after another has been arrested on trumped-up charges. On average, one Hebrew teacher per month has been sent to Siberia.

This Jewish renaissance was viewed with alarm by Soviet officials. Official anti-Semitism, although expressly forbidden by the Soviet Constitution, was reinstituted. Scurrilous charges that Jews had conspired with the Nazis to cause World War II appeared in books and the daily press and television. This may have been an attempt to lower the Jewish self-image and punish this community in general. But the total effect can be more dangerous than that. It would not be the first time that Jews were made scapegoat for all the ills of that region. The history of anti-Semitism has been present among the peoples who inhabit the Soviet Union, extends from the distant past to times sufficiently recent enough that the healing process between victims and perpetrators is not yet complete.

This official anti-Semitism is being felt in very concrete ways. Few Jews are now being admitted to the finest universities in the Soviet Union. It has been proved that there are, in some cases, two admissions tests for universities: One for most students, another for Jews. Jewish young people know that there are few opportunities for them if they stay in the Soviet Union.

For those who apply to leave, the situation becomes even worse. They are routinely demoted or dismissed from their jobs. If their application is refused, and the vast majority are, they face a most uncertain future. We know of a man who has been a refusenik for 19 years. He is denied a normal life in the Soviet Union, denied the opportunity of seeking such a life in his homeland, and his only "crime" is that he wishes to be Jewish, and live in Israel.

Today, the situation of Soviet Jews is precarious at best. There are roughly 2 million Jews in the Soviet Union, comprising a tiny minority of the Soviet population. More than 400,000 have asked for an official invi-

tation to begin the process of seeking permission to emigrate. In the late 1970's, there was great hope. In 1979, more than 51,000 received permission and emigrated from the Soviet Union. Today, there is still hope, but in 1984, fewer than 900 emigrated; and in August of this year, only 29.

The newest component in the life of refuseniks today is their return to traditional Judaism. This is very difficult in a land where there are only three rabbis and the KGB is not in favor of their teaching religion. From the memories of grandparents, and books hidden for generations, Soviet Jews are learning their religion. These "bale tchuvim" are now keeping kosher, circumcising their sons, and spiritually turning to their religion to give them strength and courage in the face of a relentless regime.

Jews fear they are being held hostage for use in some international power game. Unlike other nationalities whose homelands are now part of the Soviet Union, Jews do not seek to change the U.S.S.R.; they only want to leave it. Only by leaving will they be able to express their ethnic and religious heritage and pride. Only by leaving can they escape the new and worrisome anti-Semitism. Only by leaving can they hope to secure a future for their children.

CONGRESSIONAL SECURITY SURVEY

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. STUMP. Mr. Speaker, the other body has taken the lead in reviewing and improving congressional security procedures. I believe the House ought to take similar action to review its practices with respect to personnel, physical, document, and communications security arrangements in the House relating to classified information. On September 19, 1985, the minority membership of the House Permanent Select Committee on Intelligence introduced H.R. 3387, the Congressional Security Survey Act, to focus House attention on the importance of improving congressional security.

The Washington Times of April 25, 1986, contained an article detailing the security improvement efforts of the other body. I would urge the Members of the House to read the article and consider whether similar action on the part of the House would be appropriate.

SENATORS PONDER PLUGS FOR A LEAKY SHIP OF STATE

(By Iris J. Portny)

Senate Majority Leader Robert Dole has been given a report calling for a major overhaul of the way the Senate handles classified information, according to Senate aides.

The establishment of a central Senate office to collect information on all staff holding security clearances, as well as all classified papers delivered to Senate offices, has been highlighted as a centerpiece of the new procedures.

The recommendations, resulting from a three-month joint study by the Senate Committees on Rules, Governmental Affairs and Intelligence were delivered to Mr. Dole's office this week.

Final decisions on which new procedures will be recommended to the full Senate for approval will be made when Mr. Dole sits down with the chairmen and ranking minority members of the three committees.

"Everyone in the Senate agrees that security needs to be tightened up," said a Senate aide familiar with the report.

Mr. Dole and the other senators are expected to act on the draft recommendations soon.

Mr. Dole ordered the three committees to initiate the study in a letter sent separately to their chairmen on Dec. 27, 1985.

"A comprehensive review of Senate procedures for dealing with classified information" was needed, according to the letter. "The recent series of criminal cases involving the unauthorized disclosure of classified information to foreign governments" provoked the concern about Senate security.

Congressional concern about security was triggered by the arrest last December of an employee of a private company hired to transcribe classified House Armed Services Committee hearing records. The employee was discovered trying to sell the classified transcript to a Soviet representative.

According to the December letter from Mr. Dole, the committees' review focused on three specific goals:

Eliminating, if at all possible, any use of non-Senate personnel to handle classified information for the Senate.

Reducing the number of Senate staffers with access to classified information.

Ensuring that all Senate offices handle classified information in a uniform and acceptable way.

No similar wide-ranging review of House procedures for handling classified information is known to be under way, but the Clerk of the House decided, in the wake of the transcript discovery, that classified transcripts would only be handled by House employees.

"The risks of using outside personnel to transcript classified hearing proceedings had long been a concern of the House Armed Services Committee," said a committee aide.

Senate sources say that rules under consideration for governing classified information will be comprehensive and will "rely heavily on existing executive branch procedures for the handling of such information."

"The guidelines will cover procedures to be followed when the material is delivered to a Senate office, how and where documents are to be stored, who has access to the information once it has been accepted and placed in its approval storage areas, and the manner in which classified papers should be discarded once they are no longer needed by the Senate office keeping it," the sources said.

A process of regular accounting for all classified documents in all Senate files is also expected to be put into place.

One Senate source thought the current Intelligence Committee would be well organized to act as a clearinghouse for controlling records of classified information and staff approved to handle it. Another suggested that the Senate Office of Classified National Security Information would be suited to the clearinghouse tasks.

The unclassified draft report, about 50 pages long, suggests that several specific procedures be put in place.

Printing of a model Senate security manual, already drafted by the Senate Intelligence Committee and included in the study, to be provided to all Senate staff authorized to handle classified papers.

Designation of one central office to keep the names of all staff with security clearances, the classification level of information they can receive, and records of the documents delivered to them.

"For example," a Senate aide explained, "the central office would know where a particular Senate office kept its safe approved to store secret or top secret information, what papers are in the safe, and which staff are authorized to have access to those papers."

Intelligence information is not allowed to be stored in individual Senate offices.

Requiring each Senate office to handle records of classified documents in a uniform manner.

Requiring all Senate staff to be briefed on how to handle classified information when they receive their security clearances.

Improvement of physical security of certain Senate offices storing especially sensitive documents.

Redesign of some facilities to eliminate current security risks, such as those posed by public telephones located in hearing rooms now used to discuss intelligence information in supposedly protected environments.

Senate offices are not the only ones being criticized for lax handling of classified information on Capitol Hill.

"I was shocked to discover secret documents left for me—in an unmarked envelope—with our receptionist," confided a Senate aide new to the Hill who had worked with classified information inside the executive branch for many years.

"Inside the plain envelope was a second sealed envelope stamped secret and a receipt for me to sign and send back to the Pentagon office which had delivered the package."

"If that Pentagon practice occurs," said a Senate staffer who had worked on the new report, "it would not be very helpful to Senate efforts to tighten up."

THE DECADE OF DISABLED PERSONS

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. YATRON. Mr. Speaker, as chairman of the Human Rights Subcommittee of the House Foreign Affairs Committee, it was my privilege to conduct the initial hearing in 1983 launching the U.N. Decade of Disabled Persons in the United States. Many prominent speakers from industry, government, disability organizations, and professional groups all expressed their high hopes for achieving full participation of America's 35 million disabled persons during the course of this U.N. decade—1983–92.

In addition, we hoped at the time—and still do—that the decade proclaimed by the United Nations on behalf of the world's half-billion disabled persons would provide a focus for world attention on the very human problems and opportunities of disability. Their human right to participate and lead a dignified life, regardless of culture, religion, sex, race or political persuasion, is a goal not only of my committee and the U.S. Congress, but of all democratic peoples of the world.

I now regret to report, Mr. Speaker, that with the Decade of Disabled Persons one-third over, there has been little action. U.N. Secretary-General Perez de Cuella has noted there is little awareness of the decade so far. I call upon our Department of State and the United Nations to take the necessary steps to bring the Decade of Disabled Persons to life, consistent with our hopes at the inception 3½ years ago. It is not too late.

I do not call for funded programs. What is required are an enlightened communications program and consistent leadership and commitment by top United Nations and U.S. administration leaders. I also hope our U.N. association and other leading organizations assert leadership.

The disabled of the world have the human right to expect more! I intend to see that they achieve it.

Mr. Speaker, Mr. Alan A. Reich, president of the National Organization of Disability and former U.S. Deputy Assistant Secretary of State, last week in New York City sounded the alarm for the decade. I commend his important remarks, "The Decade of Disabled Persons: Can It Be Saved?" to all my colleagues in both Houses of Congress. Mr. Reich is the only person in a wheelchair to have ever addressed the U.N. General Assembly. He has done so on two occasions, urging nations and leaders worldwide to seize the opportunity of the decade in the interest of the world's half-billion disabled persons and of all mankind. I concur.

I include Mr. Reich's remarks for the information of my colleagues.

THE DECADE OF DISABLED PERSONS: CAN IT BE SAVED?

(By Alan A. Reich)

Mr. Under Secretary-General, Chairman Newman, Distinguished Guests, Ladies and Gentlemen:

It is a privilege to address you who are doing so much to improve the lives of the world's disabled citizens. And it is a special pleasure for me to be here again in New York where the United Nations Decade of Disabled Persons (1983-1992) was born just a third of a decade ago. Yes, the Decade of Disabled Persons, about which all of us here care so much, was proclaimed unanimously by the U.N. General Assembly just three and a third years ago this month. It is now time for my subject today: The Decade of Disabled Persons: Can It Be Saved?

The International Rehabilitation Week organizers are to be commended for bringing together such a prestigious and dedicated group of leaders and professionals from many nations in the interests of the world's half-billion people with disabilities. One out of every ten men, women and children has a physical or mental impairment preventing full participation in community life. In addition, at least an equal number of family members share our hopes, problems and aspirations on a daily basis. Together we make up the "world disability family", which comprises a fifth of the population of the planet—equaling the population of the People's Republic of China.

As one who addressed the United Nations General Assembly on December 3, 1982 and took part in shaping the dream of the Decade of Disabled Persons the day it was proclaimed, I recall the hope and promise of the Decade expressed by world representatives then. Expectations were high, but realistic. They spoke of dignity, hope, acceptance and fulfillment. They exhorted U.N. and other leaders to focus world attention on this special population. They called upon nations, communities, organizations, institutions, and people of good will everywhere to unleash the world's tremendous human and organizational potential to achieve the Decade's three goals of participation, rehabilitation and prevention. By challenging the world and taking on this responsibility, the United Nations leaders became partners and champions of the disability family. Because disability is such a common concern and so tangible, our Decade could be the most successful decade ever, it was said.

That same day, a third of a decade ago, the U.N. General Assembly also adopted unanimously the U.N. World Programme of Action Concerning Disabled Persons. This outstanding document sets forth in detail the needs, the opportunities, and the methods by which the Decade goals were to be met. It is a beacon of hope. Practically speaking, the real power and potential of the Decade idea lie in mobilizing the world's as yet uncommitted leaders and stimulating them to purposeful action. They include heads of nations and communities, leaders of the United Nations itself, leaders of organizations, corporations, and institutions, and media representatives—those who can shape opinion and lead the way toward attainment of the Decade goals.

Ladies and Gentlemen, I regret to say, the hope of the Decade is fading. Our dream is evaporating.

Certainly, a few activities are underway. You are aware of them. However, this is hardly sufficient to fulfill the realistic expectations of the Decade. So far, the world's attention has not been aroused. There is little political will. Last September 11 at the Smithsonian in Washington in a seminar sponsored by the National Organization on Disability on "Disability and the Year 2000," U.N. Secretary-General Perez de Cuellar first sounded the alarm. He said, "I must state frankly that, outside the disability community, I have noted only minimal public awareness of the Decade of Disabled Persons." Now, another half-year of the Decade has passed. The opportunity still waits to be seized. It is time to ask some hard questions, such as:

How many U.N. member nations and major communities of the world have been stimulated by the U.N. to adopt serious Decade plans with political will behind them for participation, rehabilitation and prevention?

What progress has been made in implementing these plans?

What are the plans and programs of the major U.N. agencies themselves? And what progress has been made?

Why doesn't the U.N. itself have an overall communications strategy directed from U.N. headquarters in New York, for implementing the Decade—not a funded information program, but an enlightened plan for enlisting the media of the world?

Why shouldn't a major U.S. agency with staff and resources be given the lead for the Decade?

It is not only the billion of us in the "disability family" who stand to lose if the Decade is a failure. The United Nations, and all its members, stand to lose as well. The U.N. does not need a failure. By not seizing the opportunity of the Decade of Disabled Persons, the U.S. misses another chance to generate confidence in its work.

People know little about the U.N. and therefore do not appreciate its worthy social and humanitarian activities. In a recent Gallup Survey on the United Nations, 80 percent of Americans were found unable to name any U.N. agency at all! Americans do not want to give up on the U.N. They want to believe in it. They want the U.N. to succeed. In reporting the survey, Mr. Gallup stated that, if people were made aware that the U.N. successfully conducts and promotes important social and humanitarian programs, such as its Decade of Disabled Persons initiative, confidence in the U.N. itself would be enhanced. Not to do so is a missed opportunity for the U.N. as well as for the governments and people of the world. Failure of the U.N. diminishes us all.

The United Nations leadership evidently has not taken this message to heart. It is not effort and activities that count; it is results and people's awareness of them. A serious decade disability program, with minimal funding, could have important benefits for the organization. The U.N. has the capacity, through an enlightened communications strategy, to mobilize the necessary forces throughout the world in the name of Decade of Disabled Persons and thus to fulfill its hope and promise. New York is the communications center of the world, and from here the U.N. could generate a radiating impact worldwide. The task is not all that difficult. Commitment and leadership are required. I am here to sound the alarm.

By taking the Decade seriously, the U.N. in fact furthers its primary aim—promoting peace in the world. Enabling people to contribute more to their respective societies helps reduce the likelihood of tension and instability; alleviating suffering lessens the chances of confrontation and thus contributes to a more orderly and peaceful world. This helps build the human foundations for the structure of peace. It is not too late to harness the Decade toward these ends.

On the other hand, I say to the United Nations top officials, if you are not going to provide the commitment and leadership required, if you are not going to take your initiative seriously, please withdraw the Decade; proclaim it a failure. Tell us; we'll try to understand. The time for pretense is past; it is time for action.

I urge you here today, you who already are committed to improving the lives of the world's disabled citizens and to the Decade, to join in this call to action so that the hope and promise are not lost. Press the U.N. directly and through your governments. A decade of accomplishment and realistic expectations is still within our grasp. If this conference were to achieve nothing else but to inspire the U.N. to bring the Decade of Disabled Persons to life, it would be a great success. And wouldn't that be a wonderful tribute to that great internationalist, a friend of mine who was disabled at his last, Jacob Javits, whose Center we are inaugurating here this week? I appeal to the U.N. to turn an impending failure into a resounding success.

Emblazoned in the halls of the Secretariat building at the United Nations are the memorable words which I quoted before the General Assembly that day of the Decade proclamation a third of a decade ago:

"Since wars are born in the minds of men, it is in the minds of men that the defenses of peace must be constructed."

The Decade of Disabled Persons is a marvelous idea born in the minds of humans that is helping construct the defenses of peace. The Decade is an idea whose time has come. Our Decade can be saved! Let's go, U.N.!

AUTOMOBILE SAFETY IS GOOD BUSINESS

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. WIRTH. Mr. Speaker, we are just a few months away from the implementation of the Federal automatic crash protection standard. On September 1, 1986, each automobile manufacturer will be required to equip 10 percent of their cars with automatic crash protection—either airbags or automatic seat belts. In each successive year, manufacturers will be required to equip an increasing percentage of their cars with automatic crash protection, and all new vehicles will have this technology by 1990.

Increased crash protection technology can play a major role in saving American lives. Each year over 40,000 people are killed on our highways. Experts agree that airbags can save nearly 9,000 lives each year and prevent 130,000 debilitating injuries. Seat belts—automatic or manual—also save lives and prevent injuries. Yet, they must be worn to realize safety benefits.

Many States are considering, or have enacted mandatory safety belt use laws. Yet seat belt use laws alone are not a sufficient solution to our automobile safety problems. We need automatic crash protection and we need to buckle up.

Mr. Speaker, I am pleased to see that corporate America is leading the way toward greater responsibility for automobile safety. Many auto manufacturers are or will be offering airbags to American purchasers. Mercedes Benz has made airbags standard equipment on all its cars. Ford Motor Co., General Motors, Chrysler, BMW, Saab and others have announced plans to provide this lifesaving technology to car buyers.

The insurance industry is also leading the way toward a safer America by providing discounts to policyholders for cars equipped with airbags and automatic seat belts. For example, Nationwide Mutual Insurance provides up to 40-percent discount on first party coverages for airbag-equipped cars. Geico is providing a 30-percent discount for cars with air bags or automatic seat belts. Allstate has offered a 30-percent reduction in personal injury coverage for airbag-equipped cars for years.

One innovative approach has been pioneered by MONY Financial Services. This company has become the first life insurer in the United States to encourage its policyholders to wear safety belts and buy airbags by providing an additional $10,000 of life insurance to its 1.2 million insureds. The extra death benefit would apply to any policyholder who died as a result of an auto accident wearing a seat belt, sitting in Government-approved child restraint or riding in a vehicle equipped with airbags. Clearly, MONY is putting its money into safety.

James A. Attwood, chairman and chief executive officer of MONY Financial Services, believes that it makes good business sense, and is good public policy to encourage safety. Life insurers, after all, are in the business of considering and evaluating the sobering statistics of mortality and are, therefore, well-qualified to encourage others to put to use available safety technologies. Mr. Attwood's Moneybelt program demonstrates a creative, and effective endeavor by the business community to work toward a safer America.

Recently, Mr. Attwood and MONY Financial Services received an award from the National Safety Council for leadership in the public interest. I am pleased to bring to the attention of my colleagues Mr. Attwood's recent editorial printed in the New York Times, which articulates his philosophy for encouraging safety. I hope others will follow his lead.

The article follows:

THE SEAT BELT—SYMBOL OF A SENSE OF RESPONSIBILITY

(By James A. Attwood)

Half of the 50,000 Americans who will die this year in automobile accidents could be saved by a simple action that is less difficult and time consuming than brushing their teeth.

Think of it. Think of the utter pointlessness behind those 25,000 needless deaths. Simply for the lack of using a seat belt, 10 times more of us will die during 1986 than perished in Bhopal, India; 40 times more than have been killed in the worst airline disasters; and one-third as many as were killed in the Vietnam War.

Taken for granted for far too many years, this carnage is at last being recognized as a national disaster that we can, and must, prevent. On Jan. 1, Connecticut became the latest of more than a dozen states mandating the use of seat belts since Governor Cuomo of New York pioneered the concept last year. In the first year under the new law, New York issued more than 40,000 tickets to motorists who were driving without their seat belts fastened.

Insurance companies, which clearly stand to benefit from measures that save lives, have begun to fashion insurance policies to encourage drivers and their families to wear seat belts.

But no matter how vigorously enforced or encouraged, such external initiatives have fallen short of full success. In New York, for example, compliance with the seat belt law has fallen from a high of nearly 70 percent when the law first went into effect to about 50 percent now—an impressive threefold increase over pre-legislation rates, but a level that will still result in too many pointless deaths.

Why, with so little effort required to prevent it, do 25,000 of us annually choose to die?

Clearly, one reason is sheer laziness. It's simply easier to get in the car and go. Reaching for the seat belt is a habit many of us have difficulty getting used to.

Perhaps, in this land of rugged individualists, we simply resist restraint. Perhaps it is because seat belts are uncomfortable, a nuisance, an inconvenience. Or, perhaps the reason is inherent in the long American love affair with the automobile as a symbol of a mythic spirit of adventure.

It is time to cultivate a new vision of highway adventure. The public's longstanding demand for safe products is proof of the sense of responsibility that Americans require in other parts of their lives. We care about our families, about the quality of life, about the future. Surely there must be a way to transfer the prudence we exercise toward financial security into guaranteeing mobile security as well.

We ought to view the securely clasped seat belt for what it is—the mark of an individual with a zest for life, the sign of someone who cares about being a vital member of a family and of society, the symbol of a person determined to contribute more to this world than a grim statistic. Seat belt use is a sure sign of the difference between those who carelessly disregard the needs of their loved ones and those who carry with them a sense of mature responsibility to all who rely and depend upon them. We have clear proof that the use of seat belts can make a difference. It is the difference, with ghastly reality, between life and death.

MANAGUA'S FALSE FACES

HON. MICHAEL DeWINE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. DEWINE. Mr. Speaker, I want to call to the attention of my colleagues to an opinion piece done by our colleague, HENRY HYDE. I believe that Mr. HYDE, one of the most knowledgeable Members of Congress concerning Central America, has raised an important issue in this piece. When we deal with the issue of Nicaraguan intentions in Central America, we must understand their true commitment to their revolutionary cause. We cannot be deceived by the "fraud in the inducement" that is being practiced by the Sandinistas.

[From the Washington Times, Mar. 20, 1986]

MANAGUA'S FALSE FACES

Central America is literally in our front yard. With one Soviet surrogate, Cuba, already established in our hemisphere, is it in our national interest to have another—Nicaragua?

Of course, there are many other questions involved, such as the future of regional democracy, the possibilities for economic growth, and the climate for investment which must precede any real development. But as the bipartisan Kissinger Commission told us, the economic problems of the region cannot be solved without ending the military threat to stability and democracy.

It is worth recalling that since the Korean conflict, Communists have resorted to sophisticated, covert operations, so-called "wars of national liberation," to attain their goals. The Cuban Constitution of 1976 actually calls for the Cuban government to assist these so-called "revolutionary movements." Unfortunately, we have often been ineffective in countering the tactics of Cuba and its Soviet patron.

One explanation is that initially we were seduced into thinking that some of these "national liberation" movements were genuine turns for the better. Fraud in the inducement is a legal term that best describes what occurred, as exemplified by Cuba, Grenada, and Nicaragua. By the time we awakened to what was really happening, it was too late in Cuba, almost too late in Grenada, and quickly getting too late in Nicaragua.

Duplicity in the pursuit of objectives is an acknowledged Marxist trait, manifested in some of the documents captured during the liberation of Grenada. Not only do these records reveal that the deposed leaders of Grenada were confirmed Marxist-Leninists,

but they also indicate that their Cuban and Soviet mentors had advised them (as they have the Sandinistas) to *pretend* that they favored a pluralistic economy and middle-class participation in their governing councils.

All of this, of course, was designed to entice much needed capitalist investment and deceive the American public, as Fidel Castro did years before. A good example of how badly we were hoodwinked by Castro is this extravagant excerpt from a Miami News account that appeared in the Congressional Record of Jan. 22, 1959.

"Fidel Castro is perhaps the best thing which has happened to Cuba since the Spanish fleet was sent to the bottom outside Santiago Bay in the summer of 1898. He represents a fresh prospect for the establishment of democratic institutions in Cuba."

These comments make for interesting retrospective reading when juxtaposed with a May 1977 interview Fidel Castro gave Barbara Walters of ABC television. Among other things, Castro revealed that he had decided to become a Communist during his law-school days in the late 1940s. More recently, in January 1984, he told a TV interviewer in Madrid that his revolution had been "inexorably Marxist-Leninist."

Mounting evidence suggests that we are seeing a rerun of the Cuba-Grenada experience in Nicaragua Illustrative are the following remarks at a Havana seminar by Sandinista Interior Minister Tomas Borge, appearing in the Dec. 24, 1984 edition of Newsweek magazine: "We are not copying the Cuban revolution," he insisted, but added that he felt "clandestine love" for Cuba's system.

"Because of the tactical moment, it is necessary not to fully articulate the viewpoint," he said, flustered after spotting tape recorders in the audience, which included 55 Americans.

Even more telling are the revelations of Alvaro Jose Baldizon Aviles, a Nicaraguan defector, who fled from his native land last July. At the time of his defection, Mr. Baldizon headed an investigation unit in the Ministry of Interior where he worked under Mr. Borge, one of the most powerful figures in the Sandinista government. According to Mr. Baldizon, Mr. Borge goes to great lengths to deceive foreign visitors and indicated that among his tricks is the maintenance of two offices.

One is conspicuously filled with religious manifestations, including a crucifix, a statue of Christ, and a Bible, and is utilized to receive those who would be most impressed with such displays.

The other, which happens to be his real office, is replete with pictures of Marx, Engels, Lenin, *et al.*, and is used for official functions, as well as to receive visitors from socialist and Soviet-bloc nations.

Disclosures of this nature should make us all extremely wary of pundits who would have us believe that the Sandinista leaders are not full-fledged Marxists.

An excellent and readable story of what has happened in Nicaragua is *New York Times* correspondent Shirley Christian's new book. *Nicaragua: A Revolution in the Family* (Random House, 1985). This Pulitzer Prize-winning journalist lays out the whole complex history of this troubled country, and I recommend this definitive work to anyone really interested in the region.

Particularly enlightening is her observation that "the leaders of the Sandinista Front intended to establish a Leninest system from the day they marched into Managua, whether they called it that or not."

Equally illuminating is the chilling description of the Sandinistas' systematic campaign to break and ultimately destroy the Catholic Church in Nicaragua.

I also commend to everyone's attention an article entitled "Nicaragua's Untold Stories" that was featured in the October 1984 issue of *The New Republic* magazine. It was written by Robert S. Leiken, who at the time was a senior associate at the Carnegie Endowment. Admittedly once sympathetic to the Sandinistas, he now has become disenchanted with the way things have evolved in Nicaragua, where he has visited at least six times since the revolution.

Among the salient findings of Mr. Leiken's August 1984 visit are the following: "The Sandinistas blame Nicaragua's economic crisis on the 'contra' war and U.S. economic sanctions. Yet the standard of living in Nicaragua was deteriorating well before the U.S.-backed 'contras' turned to economic sabotage in the spring of 1983. . . . Nicaraguans themselves do not seem to accept Sandinista claims that Yanqui aggression is responsible for the general scarcity of consumer goods. Peasants are obligated to sell their goods to the Ministry of Commerce and Industry, and contend that its prices are too low to enable them to make ends meet."

EMERGING INDIA AND THE INDIAN-AMERICAN COMMUNITY

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. GARCIA. Mr. Speaker, 2 weeks ago, the Asia Society held a conference in Manhattan on Indian-Americans, an often overlooked immigrant group. The conference was called "The Indian Immigration Experience." It described the problems confronting Indian-Americans, as well as their emerging role in this country.

A recent New York Times magazine contained an article on a related subject, the bright new generation of leaders in India. The article, entitled "The Rajiv Generation," describes this generation and their leader, India's Prime Minister, Mr. Rajiv Gandhi. I am inserting in the RECORD an article on the Asia Society conference as well as excerpts from the Times magazine article for my colleagues' perusal.

I am hopeful that with the help of our Nation's Indian-American community, we can develop stronger and better ties with modern India. The first step, however, must be to recognize the growing contributions and importance of Indian-Americans to our own Nation.

[From the New York Times, Apr. 20, 1986]

STATUS OF IMMIGRANTS FROM INDIA IS DEBATED

(By Marvine Howe)

Scholars and community leaders met for three days last week to exchange views, sometimes impassioned, about immigrants from India, one of this country's newest and least-examined minority groups.

In a conference at the Asia Society in Manhattan entitled "The Indian Immigrant Experience," immigrants from India were described as generally affluent and highly educated professionals who are clinging to their own identities as they seek a more active role in American life.

But some speakers said the rapidly growing community of Asian Indians, many of them concentrated in the New York metropolitan area, was also encountering strains of division, cultural contradictions and what they perceive as job discrimination.

"If you look at the world with two eyes, you see more; it is possible to live in two worlds," said E.C.G. Sudarshan, a physicist, in the opening address of the conference, which was held in conjunction with the 1985–86 India Festival.

526,000 ASIAN INDIANS

The Asia Society was founded 30 years ago by John D. Rockefeller 3d to educate Americans about Asian life and culture.

Peter C. Smith, research associate at the East-West Population Institute in Hawaii, said there are 525,000 Asian Indians in this country, according to estimates based on the 1960 census, which recognized this ethnic group for the first time. One-quarter of the total is found in the New York area, he said, with other major groups in the Washington area, Illinois, Texas and California.

Most immigrants from India arrived here after 1970, he said, are concentrated in the middle-age level, have four years or more of college and are mostly in professional and managerial positions. Their median family income in 1980, according to the census estimate, was $25,000. The median for white Americans was $20,800.

A different picture of the most recent Indian immigrants was given by Johanna Lessinger, research associate at the Southern Asian Institute of Columbia University. She said that where the earlier wave of doctors, engineers and businessmen achieved high incomes, newcomers were having difficulty because of a shrinking job market.

"An increasing number of new arrivals are facing loss of status, personal anguish, downward mobility," Miss Lessinger said. She spoke of highly educated Indians working in subway newsstands or as cooks, waiters, taxi drivers and shop attendants, often for Indian employers.

Paratma Saran, a leading authority on Asian Indians in the United States, stated that the earlier immigrants were also facing "real problems in professional mobility" and complained of employment discrimination. As a result, he said, some professionals preferred to start their own businesses.

Until recently, according to Amrita Basu, assistant professor of political science at Amherst College, the generally prosperous and successful Indian community was politically inactive. But she said that obstacles to professional advancement that Indians widely perceived to result from discrimination were leading associations of Indian-Americans into greater political activity.

There was considerable debate over the role Indian immigrants in American should play in regard to their homeland. Nearly 75 percent of the immigrants retain Indian citizenship and say they plan to return to India.

But Maharajakrishna Rasgotra, a former Foreign Secretary of India, accused the immigrants of viewing India "with an air of unreality."

"We have heard nothing about India's problems of poverty; I want you to focus on that." Mr. Rasgotra stressed.

"There is a role of a bridge," he added, "because you are in touch with both worlds,

and there is great misunderstanding about India in the United States."

[From the New York Times Magazine, Apr. 20, 1986]

THE RAJIV GENERATION

(By Steven R. Weisman)

Nearly 39 years after independence, a new generation of well-educated Indian leaders representing a wide spectrum of society, from industrialists and entrepreneurs to writers and film stars, is assuming positions of power. They are not simply in the upper echelons of business and politics, but in labor unions, the Government bureaucracy and other vital institutions throughout the country.

The younger leaders are applying less ideological but more pragmatic approaches to India's problems and are more willing to turn to the West for technology and economic ideas. They have placed a new priority on achieving economic growth by encouraging the production of consumer and industrial goods and a new premium on avoiding internal political confrontations.

Unlike their forebears, the new young leaders have not gone to jail for their principles nor had to sacrifice to achieve a national identity. The romantic vision of a "tryst with destiny," in the words of India's first Prime Minister, Jawaharlal Nehru, has faded, replaced by the realization that India's difficulties can no longer be blamed on foreign oppressors. In fact, their experience in coming of age in post-independent India makes them more self-confident that the country can make progress in solving its problems.

Powered by industrialization, a consumer boom and a "green revolution" in the northern farm belt that has helped ease the specter of famine, India has made startling economic and social progress since independence came in 1947, especially during the last five years. Yet the challenge that lies ahead is immense.

Violent regional, religious and caste divisions continue to tear at the dream of Indian unity. Population growth threatens to swamp what gains have been made. Desperate poverty and hunger remain the lot of at least 40 percent of the population while millions of tons of surplus grain rot in storage bins and open fields as the Government equivocates about how best to distribute it to the poor. The school system is failing to teach the skills needed in today's society; the Government bureaucracy and nationally owned businesses have become wasteful, unaccountable and dishonest, and increasing industrialization is devastating India's environment.

In the face of such problems, Mr. Gandhi and his new elite cadre are less patient with the doctrinaire socialist philosophy they inherited from India's founding fathers. They believe that wealth is not in itself bad, as it can help spread jobs and prosperity from the few to the many. They want Indian telephones, electricity, transportation, indeed the whole system, to work. And they have begun to apply their talents and attitudes to take India in new directions.

The new generation of leaders and their attitudes are also a product of the emergence in the last 30 years of a newly powerful and affluent middle class in India whose members are demanding that the country modernize and work better for them.

Critics of the new generation argue that its leaders represent only the values and aspirations of the top 10 percent of the country. And in rejecting old myths, they are just as surely embracing new ones, with pitfalls of their own. Many fear, for instance, that a liberalized, more free-market oriented economy could widen the disparity between the rich and poor.

Lately, the Prime Minister has come under the increasing attack for his emphasis on management skills and for policies that critics assert are raising prices and hurting workers and farmers. His critics also question whether he and his colleagues have their parents' instincts for the yearnings of the masses, especially in the rural areas, where three-quarters of the population still lives.

Rajiv Gandhi's earliest ambitions did not extend beyond being a pilot for Indian Airlines. Then, in 1980, his brother Sanjay, who had been his mother's closest adviser, died and Rajiv was reluctantly drafted into politics, winning a seat in Parliament and appointment as a senior strategist in the ruling Congress Party. When he was chosen Prime Minister by Congress leaders who feared chaos if they did not act quickly after his mother's murder, many were uncertain that he would be equal to the task. Yet despite ups and downs in his popularity, Mr. Gandhi has touched a responsive chord. That spirit could be felt on Independence Day last Aug. 15 at the Red Fort, where the white, saffron and green banner of the new nation had been raised 38 years earlier.

"When the tricolor was unfurled here for the first time, I was only 3 years old," Mr. Gandhi told the large crowd that sweltering morning. "Today, two-thirds of the people of India are like me, who have not participated in the country's struggle for independence. A new generation has come to the fore."

The greatest talent that Mr. Gandhi and his generation bring to India remains their pragmatism and spirit of problem solving. The Prime Minister appears to be less a capitalist or a socialist than someone who wants to try what works. His grandfather had lofty dreams for India. Mr. Gandhi's dreams may be more mundane, but they may be better suited to the realities.

Some hard realities and missteps have clouded many of the expectations people felt just after Mr. Ghandi took office. Last year, his biggest achievement, a political settlement with Sikh leaders in the northern state of Punjab, now seems in danger of falling apart because of rising violence by extremists who rejected the accord.

Some older Congress Party leaders, resentful about being pushed aside and in some cases dumped by Mr. Gandhi, are talking about bolting and creating a party of their own. Mr. Gandhi has also repeatedly had to shuffle his party leadership, in some cases because of petty-corruption charges.

Adding to the Prime Minister's difficulties, large but peaceful protests swept through the cities earlier this year after the Government cut back on subsidies and allowed prices to rise for food grains, fertilizers and gasoline. The statistics show inflation under control, but a perception seems to be growing that price hikes are battering the consumers. Most serious in the eyes of many is a growing fear of disaffection among India's main religious communities—Hindus, Sikhs and Moslems.

To counter some recent criticism, Mr. Gandhi has shifted course lately and spoken more about helping the poor. He continues to talk of high technology and the 21st century, but now he emphasizes its benefits for the average farmer and worker. His new budget offers few new incentives for business and even slaps increased taxes on luxury items like automobiles and color television sets.

Mr. Gandhi and his associates have plenty of time to overcome short-term adversities. He is not to due to face the votes again until the end of the decade, and the political situation is certain to have many ups and downs before then. The longer-term problems are the ones that will provide the biggest test for India's young leaders.

It is not the new generation of leaders alone who are becoming impatient with India's problems. Young people throughout the country are demanding relief. It is no accident that some of the most disruptive mass movements of the last five years were led by students and other young people—for example, fundamentalist and radicial Sikhs in the Punjab, who advocate a seperate nation for their people.

Most of India is less poor today than 10 or 20 years ago, but the actual gap between rich and poor may, indeed, be widening, because the upper class is growing more prosperous at a faster rate. How will this affect the traditional acceptance by the poor of their fate? "Fifty years ago, when there were a few rich businessmen and rajahs, people didn't envy or hate them," says D.R. Pendse, of Tata Industries. "Now there is envy, bordering on hate."

In Salman Rushdie's words, it is now the task of "Midnight's Children" to preserve "the dream we share"—insuring unity for the nation's thousands of religions, castes, languages and communities. But the most serious threat to that unity probably lies in the wretched condition of millions of hungry people living on or below subsistence levels, in farm villages, tribal communities, and on the pavements of Indian cities.

Sociologists have long theorized that India has been held together in part by a Hindu concept of acceptance, deriving from the notion of life on earth as an illusion and the value of accepting and understanding one's station in life in order to advance to another station in another life. But now these old beliefs are being stretched.

Popular impatience could even be exacerbated by the technology Mr. Gandhi seeks. Television is one example. As it proliferates, and it surely will, how will it change Indians? What happens when desperately poor people in the cities or villages are increasingly exposed to the explosion of luxury products for the people on top?

Part of the current optimism of the new generation of leaders derives from India's recent record of fairly steady economic growth. But many economists wonder whether it can be sustained in the face of immense pressures, such as unchecked population explosion—there will be a billion Indians shortly after the turn of the century. All the plans to modernize and make things more efficient cannot possibly be accomplished for many years to come. Meanwhile, the country's industrial base is rusting from rigid labor structures and the obsolete equipment of older industries.

Sooner or later, India was bound to turn to a new generation and move beyond the concepts of its founders. The current group of leaders is young enough to take India well into the next century. Whether India gives them a chance to do so remains a big question. But it could take until then to find out whether the new young leaders can succeed where their predecessors fell short.

PENSION PLAN

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Ms. OAKAR. Mr. Speaker, I rise to inform my colleagues that thousands of Federal and postal employees—and many Members of Congress—will, in effect, face a substantial pay reduction midnight Wednesday unless there is an agreement between the administration and the House and Senate on a new civil service supplemental retirement plan.

If we cannot agree, those Federal and postal employees hired after December 31, 1983, and Members will be covered both by Social Security and the civil service retirement system. An additional 6 percent will be deducted from their paychecks for this double retirement coverage. Such a reduction will be especially difficult for Federal employees since they did not receive a pay raise this year. It will further aggravate a severe problem that the Federal Government is now experiencing in recruiting and retaining employees in many national security functions.

My colleagues, the Federal work force and the American public should know that Members of this Congress have worked diligently, and in good faith, to develop an equitable, supplemental retirement system which meets Federal workers' needs. The members of the conference committee have agreed, informally, on such a plan. The administration, however, has not agreed, and threatens to undo years of work and compromise, subjecting Federal and postal workers to unnecessary and expensive double retirement coverage.

The Committee on Post Office and Civil Service has spent the past 3 years developing a new retirement program for those employees and members who were brought under the Social Security system in 1983. The committee retained Hay Associates, one of the Nation's most prestigious consulting firms in the area of private pension plans, to assist the committee in developing a new retirement program that contained the best features found in the private sector. At the same time the committee asked the Congressional Research Service to conduct an exhaustive analysis of pension issues to help the committee construct a new system.

The committee held numerous days of hearings and heard testimony from dozens of pension experts, personnel managers and union representatives. Following the completion of the hearings, Congressman WILLIAM D. FORD, chairman of the committee, and I introduced HR. 3660, the Federal Civil Service Supplemental Retirement System Act. This bill passed the committee last fall. Since that time our committee has had continuous discussions with the other body in an attempt to reconcile the differences between H.R. 3660 and the Senate bill.

I am proud to be a member of the conference committee on this legislation. I want to commend Chairman FORD for his untiring leadership and determination. I also want to express my appreciation to the other House conferees for their cooperation and assistance in the conference, particularly Congressman GENE TAYLOR, ranking minority member of the committee.

The reason that we now face the prospect of double coverage and a 6-percent increase in retirement costs, is that the administration is holding out for a plan which is more restrictive than that fashioned by the conferees. I want to point out that our plan significantly reduces the cost of the retirement program. The plan we have under consideration would be less than 23 percent of payroll, compared to 25 percent under the current system. It will result in a reduction in the deficit of $9 billion over 5 years.

Nevertheless, the administration, which for 5 years has waged a relentless attack on Federal employees and retirees, insists on further reducing the cost of the retirement system. The administration ignores the fact that Members of both the House and Senate with many, many years of experience in these matters have reached an informal accord.

If we fail to reach a final agreement by midnight Wednesday, the cost of double coverage to the Government will be 31 percent and the budget savings will be eliminated. For the administration to now engage in obstructionist tactics in an area that the members of the conference committee have explored carefully and responsibly is unconscionable.

We have done our job. We have developed a fair and sensible plan. And we settled our differences. Given both the economics and the complexity of the problem, this was no simple task.

Mr. Speaker, I am hopeful that we can still reach a final agreement. But if we cannot, whatever increase in the cost of the retirement program and administrative difficulties flowing from double coverage is the fault of the administration. The conference committee has operated in good faith. It is now up to the administration to do the same.

THE SIXTH PILLAR OF SOUND MONEY

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. DANNEMEYER. Mr. Speaker, the sixth pillar of sound money is the principle of "no privileges without responsibilities". This, incidentally, also incorporates the principle of "no taxation without representation", which was the battle cry of this Republic in its infancy. It would be entirely proper and befitting if we adopted the larger principle as our battle cry in our fight against budget deficits and trade deficits.

At issue is the privilege—granted by an absent-minded Congress—of the Federal Reserve Banks to issue promises to pay which they do not redeem and do not intend to redeem. There are no defensible grounds on which this procedure can be supported, and the double standard which this privilege introduces in the body economic and contract law is entirely alien to the letter and spirit of our Constitution. Furthermore, ours is a world of crime and punishment. The sorry state of the balance sheets of the American banks is the punishment commensurate with the crime of our blind-folded flight from the Constitution.

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THE SIXTH PILLAR OF SOUND MONEY AND CREDIT: THE PRINCIPLE OF NO PRIVILEGES WITHOUT RESPONSIBILITIES

(By Antal E. Fekete)

A VENETIAN TALE

Once upon a time, in the fair city of Venice, there ruled a wise and just Doge. He had observed and learned much about his people, about himself and his power. So he let his people go freely about their business, but he granted no privileges without charging the privileged with countervailing responsibilities. One day three men asked for an audience. "O great and wise Doge," they cried, "we are sorely troubled and in need of your help." The Doge asked what was troubling them.

"I am a mason", said the first man. "I lay bricks for fine houses. Yet I am idle for the people will not pay my price." The second continued: "I am an artisan. I make many useful artifacts. I use great skill and labor, but the people refuse to pay my wage." The third man stepped forward and said: "And I am a banker. I advance moneys I am entrusted with to the mason and to the artisan. But the people won't wait until the mortar sets and the artifacts sell. They demand their money back before my investments come to fruition."

"I can see that your plight is great", said the Doge, and he ordered his attendant to bring forth three swords. "You shall go forth and compel those who will not deal with you voluntarily, to submit to your terms, for the stronger reason of the sword."

"No, no, your Honor", the three men cried, "this we did not ask. We are no highwaymen. We are men of honor. We could not fall upon our fellow countrymen to compel them to our will with the force of the sword. It is you, o wise Doge, who must use power on our behalf. Your power is great."

"Perhaps", said the Doge, "perhaps my power is great, but I must use it wisely or else it will be lost." He went on: "You ask me to do what you would not do because of honor," Then he turned to the banker: "Is honor one thing to the banker, and another to the magistrate?" He continued: "My power is a privilege encumbered with grave responsibilities. The charter of your bank confers a great privilege upon you. But your privilege is also encumbered with important responsibilities. You must invest the funds entrusted to you in a manner that they remain accessible to your patrons. You may not sink liquid funds into brick and mortar. You must invest in merchandise that keeps moving."

The Doge dismissed the three men with these words: "I, too, am an honorable man. What is dishonorable to you, will never be less dishonorable to your magistrate."

THE PROMISES MEN LIVE BY

At the heart of the irredeemable paper money system of the United States is the fact that the Treasury and the Federal Reserve banks issue promises to pay which they do not redeem, do not intend to

redeem, nor have they got the resources to do so. In other words, the Treasury and the Reserve banks have been given the privilege to issue promises and, at the same time, they have been freed from all responsibility to redeem these promises. Both of them wish to keep and have been fighting to maintain their favored position.

A vitally important question arises here: On what defensible ground can any institution claim the right to issue promises to pay and at the same time insist that it should not be compelled to redeem those promises? We have built an intricate legal system in respect to contracts in this country, based upon the elemental and widely-accepted standard of morals, ethics, and common honesty to the effect that the maker of promises to pay must also assume the corresponding responsibility. We prosecute individuals and institutions when they attempt to avoid the fulfillment of their responsibility.

Harry Scherman, one-time president of the Book-of-the-Month Club, once wrote a penetrating book called The Promises Men Live By. It dealt with some fundamental requisites of satisfactory and honorable social and economic intercourse. When men's promises cease to be good, trade and production are hampered, credit collapses, people cannot buy, sellers cannot or will not sell, chaos and social degeneration follow, if not immediately, nevertheless, inevitably.

COMPLACENCY AND CONNIVANCE

The commercial banks of this country create deposits against their assets, which are payable only in irredeemable currency. As a fraternity, these banks, by their failure to make any concerted effort to bring irredeemability to an end have become accomplices of the Treasury and the Federal Reserve banks. There have been a few concerned and upright bankers who fearlessly spoke up against the false and dangerous principle of privilege without responsibility. J. H. Frost, Chairman of the Board, Frost National Bank, San Antonio, Texas, in an address said, in part: "It would seem that bankers, as the custodians of the people's money, should be more interested than any other class of the population in the maintenance of sound money. Curiously enough, however, the history of most, if not all, of the disastrous inflations of the past indicates that bankers have usually been quite complacent—and often have cooperated in producing monetary inflation. This seems to be largely due to the fact that the liabilities of banks are all monetary and can be discharged by payment in the monetary unit no matter how far the depreciation of its purchasing power may have progressed. I believe that, if the bankers of America really understood what was happening to the people's money, they would arouse themselves and demand and finally effect a return by this country to a sound currency redeemable in gold." (The Commercial and Financial Chronicle, May 27, 1948.)

HOLES IN THE BALANCE SHEET

It is an arresting and disturbing picture to see the banking fraternity supporting irredeemable currency, seeking special privileges for themselves while avoiding the corresponding responsibilities and, as custodians of the people's money, resisting the most basic step that could be taken to terminate the depreciation of the people's money—a restoration of the obligation to redeem promises to pay. This is not merely a moralistic observation, but a pragmatic one. Redeemable currency used to be the agent ferreting out unsound and uneconomic debt and liquidating it before it had a chance to metastasize. Banks were greatly limited in their power to shelter bad debt in their balance sheets through incompetence or design. Depositors could, by withdrawing the ultimate bank reserve, gold, force the bankers to maintain the highest standards of liquidity and solvency. Irredeemably currency, on the other hand, makes it impossible for the depositors to discipline the erring or dishonest banker. Previously, the depositor could opt out of the banking system altogether by withdrawing and holding gold, if he thought that the banks have become unsafe. By contract, all he could do under the regime of irredeemable currency was to move his funds from one unsafe bank to another which momentarily appears less unsafe.

As a result, the banks now have huge holes in their balance sheets, as the market value of their assets is way below their liabilities. For the time being, they keep themselves afloat either by throwing good money after bad (that is, they increase the amount of non-performing loans by the interest due, which is precisely the mechanism behind the metastasis of bad debt), or by tricks such as selling their headquarter buildings and paying out the proceeds as shareholders' dividend. But the day of reckoning, while it can perhaps be postponed, certainly cannot be avoided.

THE 100TH ANNIVERSARY OF THE COOLEY DICKINSON HOSPITAL IN NORTHAMPTON, MA

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. CONTE. Mr. Speaker, I rise today to commemorate 100 years of outstanding health care service provided the good people of western Massachusetts by the Cooley Dickinson Hospital in Northampton, MA.

During the past century, service, commitment and outstanding health care have become the trademarks of this fine hospital. Several generations of Pioneer Valley residents have come to rely on the Cooley Dickinson Hospital as a modern and capable regional hospital.

Cooley Dickinson Hospital first opened its doors to the public on New Year's Day, 1886, with beds to accommodate 12 patients and a staff committed to providing the best possible health care. The first patient, a 14-year-old boy, was admitted on January 10 and stayed 72 days before being discharged with a clean bill of health.

During the early years of the 20th century, patients were even allowed to pay their bills with fresh produce, vegetables, canned goods and other materials used at the hospital.

Since that time, the facility has grown to more than 230 beds, but the commitment to outstanding health care has not changed. Cooley Dickinson Hospital maintains its tradition of providing outstanding care for its patients.

During the past century, this hospital has witnessed tremendous technological advances in the various medical fields. Anesthesia, surgical techniques and general patient care have developed from what seems like "dark age medicine" of the late 19th century to the amazing accomplishments today's doctors and medical technicians can provide.

The hospital had the first dedicated mammography suite in western Massachusetts and recently completed a $3.5 million emergency, out-patient, physical therapy center. They completed an $800,000 expansion of their radiation therapy department in the late 1970's and have maintained a commitment to providing the most advanced technology possible.

Even in the 1930's when the hospital dedicated its Henry Shepherd Memorial Surgical Building, the local newspaper called the facility "One of the most perfectly equipped in the country."

Always striving for state of the art equipment and practices, this hospital and its staff provides OB/GYN, pediatrics, medical/surgical and intensive and coronary care. In addition, this full-service facility is a regional cancer treatment center which provides a wide range of cancer detection, treatment and rehabilitation services.

This regional health facility can be proud, indeed, of the role it plays in improving the lives of the residents of Northampton and surrounding communities.

In this, their 100th year, I congratulate them on their past achievements and wish them continued success in the future.

CONGRESSIONAL SALUTE TO THE KATHARINE GIBBS SCHOOL UPON THE CELEBRATION OF ITS 75TH DIAMOND JUBILEE ANNIVERSARY OF SECRETARIAL EXCELLENCE

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. ROE. Mr. Speaker, this past week we celebrated National Secretaries Week giving all of us an opportunity to publicly proclaim and recognize the indispensable and multitudinous contributions that secretaries provide in our Nation's commerce and industry, government, the professions and other activities essential to our society.

On Wednesday, April 30, business leaders, local school administrators and families of the township of Montclair, my congressional district and State of New Jersey will join together with the administrators, faculty, alumnae and students of the Katharine Gibbs School in Montclair, NJ to commemorate the 75th anniversary of the Katharine Gibbs School. I know that you and our colleagues here in the Congress will want to join with me in extending our warmest greetings and felicitations to the Hon. Ann L. Maude, director, members of the board of trustees, the faculty, administrative staff, alumnae and students of the Katharine Gibbs School of Montclair upon this diamond jubilee celebration.

The Katharine Gibbs School in Montclair, NJ is the fourth of a network of 11 private secretarial schools in the Boston to Washington corridor—from Massachusetts to Virgin-

ia—that trace their roots to Mrs. Katharine Gibbs and 1911.

Mr. Speaker. We are all aware that the order and smooth functioning of an enterprise depends in large measure upon the efficiency and alertness of secretaries. Their work is essential and with the phenomenal growth of technology and the application of science especially to industrial and commercial objectives, they face new challenges. Rapid expansion and development in office automation are demanding that today's professional secretary must be well educated not only in traditional skills but in new techniques of communication and advanced computer technology as well.

In addition to becoming proficient in the basics of the profession of a secretary—language, typewriting and shorthand—the secretary must acquire computer literacy and develop and project professionalism. Constantly advancing systems of administration make the work of secretaries more efficient but at the same time make it more demanding. Secretaries often bear the heaviest responsibilities for adapting to new techniques.

Katharine Gibbs founded the first of her schools in Providence, RI in 1911.

She added schools in Boston and New York in 1917 and 1918 respectively. In the mid-1920's the name Katharine Gibbs School, Inc. was given to the three institutions. The following schools were subsequently opened: Montclair, NJ, 1950; Huntington, Long Island, 1971; Norwalk, CT, 1973; Philadelphia, PA, 1977, Rockville, MD, 1983; Valley Forge, PA, 1983; Tysons Corner, VA, 1984, and Piscataway, NJ, 1984.

Since 1968, the Katharine Gibbs School has been a subsidiary of Macmillan, Inc., a leading producer and distributor of educational materials and services.

Mr. SPEAKER. It gives me great pleasure to call your attention to the standards of excellence that the Katharine Gibbs School has established for the secretarial profession throughout the worldwide business community during the past three-quarters of a century. With your permission I would like to insert at this point in our historic journal of Congress a brief history on secretarial training which most eloquently portrays the pioneering vision of Mrs. Katharine Gibbs and appropriately sets the theme for the forthcoming diamond jubilee celebration, as follows:

75 YEARS OF KATHARINE GIBBS EXCELLENCE: PROVIDING SECRETARIAL TRAINING FROM THE EARLY DAYS TO THE PRESENT

1986 marks the 75th anniversary for Katharine Gibbs School—renowned worldwide for setting the standards in the professional secretarial arena.

Training for business was not new in 1911. However, when Katharine Gibbs founded her first school for secretaries in Providence, R.I. her approach to training her students was practically revolutionary. Her clientele were young ladies of education and background—trained to be "secretaries" rather than "stenographers."

The word "secretary" is derived from the same root that gives us "secrets," and secretarial positions were reserved for those who could be entrusted with important information. These were career positions—entry level opportunities from which a secretary, usually a young man, could advance to other positions with the company. They were, in effect, business apprenticeships.

Women were first counted among secretaries after the Civil War, when the government—by then a major employer—gave hiring preferences to war widows and children of soldiers killed in action. Women were employed as clerks and copyists of speeches and documents for members of Congress.

In 1874, the Remington Company, then known as gunsmiths, marketed a typewriting machine featuring the modern standard keyboard. Many believed that women's smaller hands were better suited to the new equipment, and business schools sprang up all over to train young girls to be "typewriters" as well as stenographers.

However, Mrs. Gibbs saw more for her students. To her becoming a secretary implied mastery of an expanded curriculum which included "cultural arts" as well as the exploration of business topics beyond typewriting and shorthand.

It was her pioneering vision along with an emphasis on the development of skills and character that created a pool of Gibbs graduates who were in great demand to fill the more challenging opportunities vacated by young men off to war in 1917. In that year, Katharine Gibbs opened a second school in Boston. A third opened in New York City in 1918.

When Mrs. Gibbs died in 1934, all three centers of secretarial training were flourishing and its graduates were finding employment, despite the depression. Her son, Gordon Gibbs, carried on the tradition as president of the Katharine Gibbs School. Under his leadership, the Gibbs school opened it first suburban branch in Montclair, New Jersey.

As the students and faculty in all eleven schools now prepare to celebrate this 75th anniversary, they find the roots of the Katharine Gibbs school in the steel-trap mind of a businesswoman, in the heart of a warm and caring mother and in the soul of a feminist. They celebrate achievements all the more remarkable in the historical context of 1911. They are eleven branches that have grown to embrace the unique educational philosophy that has made Katharine Gibbs schools what they are—more than an education, a 75-year tradition of excellence.

Mr. Speaker, I appreciate the opportunity to join in commemorating this historic event that is taking place in my congressional district and seek national recognition of the outstanding service provided by the administrators and faculty of the Katharine Gibbs School over the past 75 years. Their dedication and devotion to secretarial excellence in our ever-increasing complex and technology-oriented business environment has truly enriched our community, State, and Nation. We do indeed salute the Katharine Gibbs School upon the celebration of its 75th Diamond Jubilee Anniversary.

LOOSE-LINKED NETWORK OF TERROR: SEPARATE ACTS, IDEOLOGICAL BONDS

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. FASCELL. Mr. Speaker, the Committee on Foreign Affairs has been conducting a series of oversight hearings on the implementation of the Foreign Airport Security Act and the impact of international terrorism on tourism. In this respect, today, the committee began hearings on the relationship of the War Powers Resolution to state-sponsored terrorism.

Mr. Speaker, I would like to take this opportunity to call to the attention of my colleagues two articles which are particularly relevant to this matter. The first is an interesting and informative article from yesterday's New York Times on the international terrorist network. The second is a thoughtful commentary by Captain Tom Ashwood of the Air Line Pilot's Association entitled "Terrorism: Today's Gangster" from the recent issue of Airline Pilot.

These articles follow:

[From the New York Times, Apr. 28, 1986]

LOOSE-LINKED NETWORK OF TERROR: SEPARATE ACTS, IDEOLOGICAL BONDS

(By Thomas L. Friedman)

JERUSALEM, April 27.—The recent spate of terrorist attacks against Americans and other victims has left in its wake a long trail of both casualties and question marks.

Almost every day there is a mysterious new bombing, and often a previously unheard of group claims responsibility. Radical Governments in Libya, Syria and Iran often praise these attacks and, at the same time, insist that they had nothing to do with them.

What groups or states are behind these terrorist bombings? How are they connected with each other? How are the terrorist gunmen or bombers recruited? How are the killings or bombings organized? And is this terrorism motivated by political grievances, or has it simply become another tool of international relations for some states?

EVIDENCE REMAINS SKETCHY

The evidence needed to answer these questions conclusively remains sketchy. But interviewers in recent months with Arab, American and European diplomats in the Middle East and elsewhere, as well as with American, Arab and Israeli security experts, provide some clues about the terrorist forces that the United States and many of its allies are now facing.

In the view of many of these sources, the actual links between the various radical Arab and Iranian groups and state intelligence organizations that have in effect declared war on the United States appear to be very loose.

BONDS ARE IDEOLOGICAL

The bonds that unite these extremist organizations tend to be more ideological than operational, they say. That is, they occasionally gather for what the experts describe as joint "pep rallies," but when it comes to operations in the field they usually prefer to act on an individual basis:

The state intelligence organizations, such as those of Libya, Syria or Iran—which are believed to be key forces behind many of the recent attacks on American and Israeli targets—do not like to cooperate on an operational level, many Arab, Israeli and Western experts on terrorism believe.

"Intelligence organizations are by nature competitive, secretive and afraid of leakage of information or penetration from the outside," said an Israeli official familiar with the subject.

"I think it is very unlikely that Libyan intelligence would ever do a joint operation with Syrian intelligence," he said. "Things just don't work that way. No one wants the other guy to know what he has. No one can be sure the other guy hasn't been penetrated. They prefer to rely on themselves."

The various radical Arab and Iranian states and organizations give the impression of being linked, however, by getting together for meetings of ideological solidarity—such as the conference in Tripoli, Libya, in January. The meeting brought together 22 radical Palestinian, Moslem, Communist and Arab groups under the umbrella of the "Pan-Arab Leadership of Arab Revolutionary Forces." They issued a communiqué declaring that they were setting up a "revolutionary strike force," complete with suicide squads, to "confront American imperialism and Israel."

The communiqué provided the ideological cover for the individual actions of the various groups and states represented at the conference, Palestinian sources in Beirut said. The Tripoli meeting received international attention after Israel intercepted a private Libyan jet bringing the Syrian and Lebanese delegations home from the session. Israel had suspected—wrongly—that several key radical Palestinian leaders, particularly Dr. George Habash, were on board.

Palestinian sources in Beirut contend that the recent bombing of the Trans World Airlines jetliner flying to Athens and the attempt to smuggle a bomb on board an El Al Israel Airlines plane in London were not reactions to the American conflict with Libya, but rather long-planned retaliations for the Israeli interception of the Libyan jetliner by one or another of the groups that were represented at the Tripoli gathering.

ATTACKERS SAID TO USE NAMES OF CONVENIENCE

The key connections to examine when trying to understand how international terrorism operates, the Arab, Israeli and Western terrorism experts say, are not those between the different radical groups but rather between the organizations and the individuals they recruit to carry out terrorist acts.

The image many Westerners seem to have is that terrorist acts are carried out by small groups with names such as "Arab Revolutionary Brigades" or "Islamic Holy War" and that these groups are tightly bound with clear-cut hierarchies of command, membership rosters and headquarters somewhere—if they could only be found.

The reality appears to be quite different, according to the terrorism experts. They say the names of groups claiming responsibility for terrorist acts—names that are usually given by an anonymous caller to a news office in Beirut—are believed to represent nothing more than the imagination of the state intelligence organizations or guerrilla groups that have staged the attack but cannot claim reponsibility for diplomatic or security reasons.

The Palestinian terrorist Abu Nidal, for example, uses a different name almost every time he carries out an operation. "Islamic Holy War" has long been viewed in Beirut as a cover for Iranian or Syrian intelligence. In the early 1970's, Yasir Arafat's Palestinian guerrilla organization Al Fatah used the name "Black September" for operations it did not want to be linked with but was responsible for.

Behind the false names, there appear to be at least four different basic operational modes being used today to organize terrorist attacks.

TERRORIST SUBCONTRACTING IS A FREQUENT PRACTICE

The first mode might be called terrorist subcontracting. It is exemplified by Sabri al-Banna, alias Abu Nidal. While he has become known for directing terrorist actions against Westerners, he earned his reputation in the 1970's by arranging for the killing of Arab and Palestinian officials on behalf of one Arab Government or another.

In the beginning, Arab diplomats say, his followers worked for Iraq, killing Syrians and Palestinian supporters of Mr. Arafat, the chairman of the Palestine Liberation Organization. In 1976 alone, Abu Nidal's followers were reported to be responsible for two unsuccessful assassination attempts against Abdel Halim Kaddam, then the Syrian Foreign Minister.

About 1980, however, after Iraq started fighting with Iran and moved closer to the conservative Arab oil nations, the Abu Nidal group began to work for Syria, according to Palestinian sources. Under Syrian sponsorship, the group was believed to have carried out attacks on Jordanian diplomats and airline offices, as well as the slaying of moderate Palestinian officials, such as Issam Sartawi, who was shot in Lisbon in 1983. After Syria and Jordan began to improve ties, Abu Nidal apparently shifted most of his headquarters to Libya, from which his group now operates.

Reagan Administration officials have publicly accused the Libyan Government of Col. Muammar el-Qaddafi of giving support and training facilities in Libya to the Abu-Nidal group. In addition, the Libyans have had close ties with other radical groups and are believed to have asked for their support in terrorist attacks against American targets in Europe.

From the little that is known about the activities of Abu Nidal, it appears that his group is hired by the Libyans, Syrians or Iraqis to carry out specific acts, according to the Arab, Israeli and Western experts.

Clues to his operations can be derived from testimony given at the trial in London of three self-confessed Abu Nidal followers, who tried to kill the Israeli ambassador to Britain, Shlomo Argov, in June 1982.

Two of them, Marwan al-Banna and Ghassan Said, were in their early 20's and had been trained in Iraq for little more than a month, learning basic weapons handling, clandestine communications and surveillance, according to the trial testimony. They were sent to London in late 1979 and early 1980 as "sleeper agents." They posed as students studying English and spent their time gathering intelligence about Jewish, American and Israeli organizations.

They were activated only in May 1982, when a third agent, Rusan Nayef, obtained weapons from the Iraqi Embassy in London and was told by a fourth unidentified agent, possibly from Iraq, to prepare for an attack on either Israel's Embassy or Ambassador, according to the trial testimony. Only on the morning of June 3, the day of the attack, did they receive instructions over the telephone from the fourth man as to where and how to shoot Mr. Argov.

Abu Nidal is known among Palestinians for recruiting among students. According to Israeli and Arab sources, his recruiting techniques are highly selective, and he prefers to take only people with family or hometown connections to someone already in his organization so as to prevent penetration by agents.

For example, Mr. Banna is a distant relative of Abu Nidal, according to Israeli security sources. Mr. Nayef, they said, comes from the same region in northern Jordan, Irbid, as the two brothers suspected of responsibility for the recent West Berlin discotheque and El Al incidents, Israeli sources said.

The Abu Nidal technique seemed clearly in evidence in the case of the attempted bombing of the El Al jetliner in London, where the key plotter, Nezar Hindawi, appears to have been living in London for several years, cultivating a relationship with the young Irish woman whom he exploited at the right time on commands from above.

Israeli sources said they had reason to believe that the highly advanced explosive Mr. Hindawi placed in his financee's suitcase was assembled in the Syrian Embassy in London.

The bomb Mr. Hindawi used consisted of a plastic charge attached to a small computer detonator that would have appeared on an airport X-ray machine like any innocuous hand-held calculator, the Israeli sources said. The bomb was detected, they said, only because it was made of a plastic explosive that when sewn into the lining of the false-bottomed suitcase created condensation. The moisture inside the Irish woman's suitcase alerted an El Al security man, according to sources familiar with the case.

ISOLATED TASKS ASSIGNED BY AN UNKNOWN HAND

A second mode of operation that seems to have been popular and difficult to detect was used in the suicide car bombing of the American Embassy in Beirut on April 18, 1983. In that case, according to the Lebanese police, a collection of almost 20 Palestinians and Lebanese were paid by one or two "cutouts"—men whose identities were unknown to those recruited but who were presumed to have been working for either Syria or a Palestinian intelligence organization—to carry out the bombing.

Each one of the people involved was paid to do only one small task—surveillance or transporting explosives, delivering messages or arranging for a car—and few of them appear to have known one another or what the ultimate target was, the Lebanese police said.

Islamic Holy War claimed responsibility for the 1983 embassy bombing, but it was clear to Lebanese investigators that some highly professional intelligence organization had put it all together, using local elements, and had them evaporated without a trace.

The third mode of operations seemed to be exemplified by the simultaneous attacks on the Rome and Vienna airports in December. * * * This method involved the recruiting by Abu Nidal, or someone like him, of a small squad of Palestinian refugees living in Lebanon, giving them some very quick basic training and then sending them to Europe for a single operation.

The fourth mode of attack was exemplified by the hijacking of the Italian cruise ship Achille Lauro in October. This is when a Palestinian guerrilla group, in this case the Palestine Liberation Front, uses primarily its own means and personnel to carry out a terrorist operation on relatively short notice. But this once popular mode of operation has receded since the Palestine Liberation Organization lost its independent base of operation in Beirut in the summer of 1982.

The Arab, Israeli and Western sources say that what is striking about all of these techniques, except in the last case, is how difficult they are to trace and how there is no

easy "return address" to retailate against. They often involve people who are not connected beforehand, who barely know for whom they are working and who scatter when operation is over.

The ultimate timing and targets of their operations are usually determined not by the assailants, the experts say, but by the state intelligence organizations that direct them through their local embassies or safehouses.

This makes sorting out the motivations and root causes of terrorism that much more complex. To be sure, some terrorist actions have social roots in the political grievances of certain populations—terrorism by Palestinian organizations, for example.

At the same time, however, experience also suggests that any progress in Arab-Israeli negotiations will be accompanied by more terrorism since a significant portion of terrorism today is being carried out by Palestinians or Arab Governments opposed to any peaceful settlement with Israel.

It has become equally clear, the Arab, Israeli and Western experts say, that many terrorist actions are also staged as a form of inexpensive warfare. It has become a kind of diplomacy by other means, they say—as a cheap an instrument of international relations as the diplomatic pouch—and exploits the political grievences of certain groups for the narrow interests of particular states.

For example, Arab and Israeli political analysts say, the Israeli Ambassador to London was shot not simply to kill an Israeli but because Iraq apparently hoped it would prompt Israel to start a war in Lebanon that would hurt Syria. The Achille Lauro, many of these same sources believe, was attacked probably not just to kill Israelis but to embarrass Mr. Arafat at a time when he might have been tempted to engage in negotiations with the United States. The hijacking of the Egypt Air flight to Malta in November, they say, was probably organized by Libya to embarrass Egypt.

In other words, the root causes of a significant portion of today's terrorism seem to lie not in any particular grievence that can be treated, but in the intrigues, power struggles, jealousies and machinations that are part of the web of international relations.

[From Airline Pilot, April 1986]

TERRORISTS—TODAY'S GANGSTERS

(By Capt. Tom Ashwood)

Terrorism today too often causes the same total disregard for the law as did Prohibition in the 1920s.

In the heyday of Prohibition in America in the 1920s, gangsters flourished. The law—prohibition—was openly flouted with the aid and support of a police force that had become corrupted because of the law, a political structure also corrupted because of the law, and a general public whom the law didn't suit.

As a result of this disobedience of one law, all laws were debased, and a public attitude of lawlessness was created to the point where highly respectable people sought the company and friendship of vicious thugs as a mark of their modern thinking and liberal views.

Now switch the time from the 20s to the 80s. Substitute terrorists for gangsters, international law for prohibition, the United Nations for the police force—the political structure is unchanged by time, and the general public seems uncaring. As a result, we have a growing international disregard for law and human rights; and in the place of the aforementioned highly respectable people, we have leaders of so-called unaligned nations who seek the company and friendship of vicious terrorists as a mark of their modern thinking and liberal views.

The results for the world as a whole will mirror the results of the events of America's "Roaring 20s"—a lasting criminal structure that to this day reaches into every aspect of American life, politics, and commerce.

Unless or until the world's movers and shakers recognize that terrorists must not be confused with freedom fighters any more than gangsters be confused with Robin Hood, they and those they represent will suffer the consequences of an unlawful world.

The consequences of such an unlawful world are already known to us. Bloody revolutions past and present in Central and South America, the Middle East and Africa have proven to be effective lessons in the way of terrorism both to the winners and the losers (who subsequently become counterrevolutionaries).

Will the world learn in time? I fear not, for we have become numb or immune to tragedy. It is served up with dinner each evening with the television news. Calamitous events are commonplace—21,000 killed in Colombia—why it's just another number, a meaningless statistic amidst other catastrophic statistics.

What can be done? I'm not sure that even God knows, for the bulk of the maiming and killing is done in God's name and God's behalf. This would suggest that morality does not hold the solution.

So, if humanity fails to help, maybe the answer lies in inhumanity. Maybe the punishment for such acts needs to be so draconian that all would fear the consequences.

Let us then focus not only on the perpetrators but also on those who support and abet them. Let us make death the punishment for the individuals, and international shunning the punishment for supportive nations.

"Ah," you say, "it's been tried before and it hasn't worked." Well, yes, you are right, but consider who was doing the trying—governments and their timorous politicians, ever fearful for their own political survival. Let us instead turn to those who have the courage, the organizational structure, the morals, and the means to do something about this monstrous evil. Let us look to organized labor, let us look to our unions.

Union pilots fly into terrorist nations. Union seamen sail into their ports. Union mechanics service the aircraft from terrorist nations. Union longshoremen load their ships. Union air traffic controllers traffic the skies. And union customs and immigration officers police the ports of entry. There is not a single nation whose commerce could not be halted or even destroyed by an international union boycott.

The movement has to start somewhere, and I can think of no better place than that which provided, through blood and sweat, the basis for true fairness, equality, and justice for plain working people. So let us stop wasting our time in trying to get politicians to move, and let us save our appeals for morality and humanity. If the job is to be done, then let those do it whose roots and history were steeped in the blood of violence and terrorism as they sought justice and fairness for working men and women. We know how.

I ask, why not? And unless someone has a better idea, indeed, why not?

If we want it to work, it can work, for such combined power is irresistible. Unions are the only organized structure that the bedrock of the world's economy has; unions are the bastion of those who make commerce work; and unions have wide, intricate, international ties and affiliations and a strong sense of brotherhood and sisterhood that transcends international boundaries, both real and artificial.

We have tried diplomacy, war, national economic sanctions, and all have failed. I have seen international unionism at work and know what it can do. I will remind you that, following the Soviet Union's terrorist destruction of Korean Air Lines Flight 007, the airline pilots of the world had a boycott of Moscow airport in place and working within 72 hours. An Aeroflot aircraft was trapped at London's Heathrow Airport by the ground handlers, who refused to service it. These were all union people who acted while their governments were still scrambling for position.

History shows what unions can do. History shows that unions brought social order and justice where anarchy and oppression had existed before.

Terrorism is anarchy and oppression, and given the right tools, unions can bring about social order and justice again.

REDFORD FIREFIGHTERS RETIREMENT

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. LEVIN of Michigan. Mr. Speaker, I rise to pay tribute to three members of the Redford Township Fire Department who are retiring from service after collectively serving the citizens of Redford for over 75 years.

Capt. Harley Brewis is a native Detroiter who joined the Department in 1961. During his second year as a firefighter, he helped to organize the first "Firefighters Ball" which eventually grew into the firefighters fund. The fund supplies orthopedic equipment through a lending closet to the residents of Redford, and is a supporting organization of the National Institute for Burn Medicine. Throughout his tenure with the department, Harley has demonstrated professionalism and sincere concern.

Lt. Philip Reseigh also joined the department in 1961. Phil remained active in the Firefighters Union over his years of duty serving as secretary, then as its president for 13 years, and vice president for the last 4 years. He actively participated in various training programs and was promoted to the rank of lieutenant in 1980. Through his active involvement in the Redford Township community, Phil has demonstrated a keen interest in local government and the welfare of his neighbors.

Assistant Chief Robert Sonnenberg joined the Redford Township Fire Department in 1959. He was responsible for offering basic and advanced first aid training to department members and firefighters from the surrounding communities. He demonstrated resuscitation techniques to school children, scout troops and community organizations. He was instrumental in the development of the Redford Employees Credit Union and served as its first president. Bob is very active in many civic or-

ganizations, especially the Shriners where he takes a special interest in their child care unit.

These firefighters will be missed by their department and the residents of Redford Township, where they have served with the highest level of personal dediction and commitment to the lives and safety of those who live in the Township. Captain Brewis, Lieutenant Reseigh and Assistant Chief Sonnenberg have been a credit to their department and to the community. I offer my best wishes for their continued good health and happiness, and congratulate each of these men on their exemplary careers in public service.

INDIAN GAMBLING LEGISLATION

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. SHUMWAY. Mr. Speaker, Attorney General John Van de Kamp recently sent me a letter which exemplifies the impact unregulated Indian gambling is having on my home State of California. I deeply regret that his comments were not available for discussion during debate of the Indian gambling legislation which was recently before the House. His comments mirror those expressed by top law enforcement officials in other Western States. However, I am including this letter in the RECORD as evidence of the serious and detrimental effect such unregulated gambling is having on law enforcement interests in the States, as well as on the safety of Indian and non-Indian citizens, alike.

STATE OF CALIFORNIA,
OFFICE OF THE ATTORNEY GENERAL,
April 18, 1986.

Hon. NORMAN SHUMWAY,
House of Representatives,
House Office Building,
Washington, DC.

DEAR REPRESENTATIVE SHUMWAY: Over the past four years California has experienced an alarming proliferation of unregulated Indian gambling operations within its borders. These unregulated gambling halls undermine California's law enforcement interests and are a threat to the security of California citizens. I therefore write to urge you to oppose HR 1920, which will soon be presented to the Congress. This bill would further entrench and expand gambling on Indian reservations outside of state regulation.

Previously, gambling on Indian reservations was subject to state penal statutes. However, in three federal appellate court decisions handed down by the Fifth and Ninth Circuits, the most recent of which was the Ninth Circuit decision in *Cabazon and Morongo Bands* v. *County of Riverside and State of California* (February 25, 1986, 84-6634), state charitable bingo laws in Florida and California were declared unenforceable on Indian reservations.

The result of these cases has been the explosion, nationwide, of unregulated Indian reservation gambling operations, which are run by private non-Indian profit making companies under contract with Indian tribal counsels. Approximately half of the states host tribes which are conducting gambling without state regulation. California alone has 26 such gambling halls. The number of these operations continues to grow in California, and with 117 reservations and rancherias located within California's boundaries, control over gambling itself is at stake.

I oppose this unregulated gambling. These operations are highly susceptible to infiltration and takeover by organized crime influences. The United States Department of Justice concurs in this assessment. These operations involve millions of dollars in fast moving, entirely cash transactions, uncontrolled by any state or federal agency. They are prime targets for skimming and money laundering operations.

H.R. 1920, introduced by Congressman Morris Udall, threatens the states' law enforcement interests in this area. This bill would legalize Indian gambling, outside of state control, under the auspices of an eight-member national Indian gambling commission. It would potentially extend *all forms* of gambling to Indian reservations upon vote of the commission. Under this bill, gambling on reservations would be divided into three classes. Class I "traditional" or ceremonial gaming would be entirely under control of the tribes. Class II gaming, consisting of bingo and other "similar" games, would be granted to the tribes under the purview of the commission.

Class III gaming, consisting of "all other forms of gaming" would be available to the tribes upon vote of the commission. The bill provides that Class III gaming may be allowed only in states where such forms of gambling are not prohibited ". . . as a matter of state public policy and criminal law". This limitation, I submit, is illusory and completely inadequate to protect the interests of the states. The federal appellate decisions referred to earlier in this letter have used this very standard to *permit* gambling on reservations in violation of state penal statutes. The federal courts have therefore already ruled that the "restriction" contained in H.R. 1920 as to Class III gaming will not in fact serve to protect the states from such gambling.

Adoption of HR 1920 will further serve to undermine the efforts of this office and other states which are engaged in continuing federal litigation over the issue of unregulated Indian gambling. In the Cabazon and Morongo cases, we have argued that the "particularized inquiry test" announced by the United States Supreme Court in *Rice* v. *Rehner* (1983) 463 U.S. 713, should be applied to preclude unregulated gambling on Indian lands. We are seeking United States Supreme Court review of the Ninth Circuit's decision in the *Cabazon and Morongo* case. If granted, we are confident of wide amicus support from our sister states faced with this problem. Passage of HR 1920, which is inconsistent with our position in pending federal litigation, would hamper our efforts on the judicial front by legislatively legalizing Indian gambling outside state control.

HR 1920 was reported out of the committee on Interior and Insular Affairs on December 11, 1985, and is currently before the Rules Committee awaiting transmittal to the House floor. I urge you to oppose HR 1920. This bill will sanction proliferation of Indian gambling without meaningful regulatory controls, thereby undermining California's substantial law enforcement interests in this area.

Very truly yours,

JOHN K. VAN DE KAMP,
Attorney General.

COL. RONALD K. HUNT HONORED

HON. MICHAEL DeWINE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. DEWINE. Mr. Speaker, in all the debate regarding America's defense requirements, little mention is made of one of the most important factors in America's defense readiness, the morale of our fighting people. There is little more important to the defense of our Nation than those human factors which determine whether our Armed Forces can meet the challenges presented them.

Over the last 27 years, the U.S. Air Force has enjoyed the faithful service of one of my constituents, Col. Ronald K. Hunt. Colonel Hunt received his commission in June 1958, and his pilot wings in May 1960. Since that time, his responsibilities have spanned the globe. He spent time as a primary and basic flying training instructor at Laredo, TX, flew F-101 and F-4 fighters at RAF Bentwaters, United Kingdom, and spent a year at Ubon Royal Thai Air Force Base, Thailand, as chief of weapons and tactics. He then continued flying the F-4 as chief of weapons and tactics at Holloman Air Force Base, NM. Other assignments include Headquarters Tactical Air Command, RAF Air War College, senior Air Force exchange officer in the Joint Warfare Establishment in Salisbury, England. In April 1981, he assumed his present position at Air Force Logistics Command as director of military personnel, deputy chief of staff, personnel.

Make no mistake, Mr. Speaker, Colonel Hunt has had most difficult assignments. His devotion to service has won him numerous awards including the Legion of Merit, Distinguished Flying Cross, the Bronze Star, the Meritorious Service Medal, the Air Medal, and the Air Force Commendation Medal. I join Colonel Hunt's many friends and colleagues, in saluting him for his dedicated support to our Nation's defense. His contributions exemplify the mission of the U.S. Air Force and will be missed. "Thank you, Colonel Hunt, for serving your community so well."

C. SCOTT WEINERT, EAGLE SCOUT

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. LEVIN of Michigan. Mr. Speaker, it is a pleasure for me to announce that a very special young man in my district has acheived the rank of Eagle Scout. C. Scott Weinert, a member of Troop 1634 of Royal Oak Shrine of the Little Flower, will receive his award at a Court of Honor next month. Scott's accomplishments are considered outstanding especially because he is only 14 years of age.

In 1980, he joined Cub Scout Pack 1483 in east Detroit and before advancing to Boy Scouts in 1983, had earned several awards in-

cluding the Parvuli Dei for Catholic Scouts. Scott has served as patrol leader and den chief as he worked toward his Eagle rank. During this time, he became the first Scout in the history of his troop to earn all three religious medals available to Catholic Scouts. To complete his Eagle project: Scott organized, supervised, and distributed canned food for Thanksgiving to approximatley 2,000 homes in his community; as well as providing over 1,000 pounds of food to the Capuchin Kitchen in Detroit for distribution to needy families. Scott plans to continue his efforts with his troop in a leadership role, assisting other Scouts in earning their Eagle rank.

I commend Scott for his dedication to the philosophy of Scouting and his concern for the welfare of others, and I am happy to join his family and friends in congratulating him on a job well done.

THE ARMED DRUG OFFENDERS' PENALTIES ACT OF 1986

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. TRAFICANT. Mr. Speaker, today I am introducing legislation to provide for enhanced penalties for the use or possession of a firearm during, or in relation to, a large drug trafficking offense.

In recent years, the nature of the drug trade in this country has grown increasingly violent. As the amount of money involved with drug trafficking has increased, so has the threat to our law enforcement community. Drug busts across the country routinely uncover not only huge amounts of dangerous narcotic drugs, but also large amounts of firearms. In many instances, the drug traffickers are better armed then our law enforcement officers in the field. As a former sheriff, I know that even at the local level, the threat to law enforcement is growing and is very real.

Relatively small drug transactions can be worth millions of dollars. My major concern is that as the amount of drugs involved in a transaction increases, the threat that violence will be used by the armed drug trafficker to escape justice also increases. Without question, the armed drug trafficker, dealing in bulk amounts of narcotics poses an unacceptable threat to law enforcement. That threat must be dealt with.

My bill, entitled the "Armed Drug Offenders' Penalties Act of 1986," addresses this problem. Specifically, it would provide for a mandatory 10-year prison term for use or possession of a firearm during, and/or, in relation to a drug trafficking offense involving:

Two or more kilograms of cocaine or cocaine based derivative;

A kilogram or more of any other narcotic drug in schedule I or II;

A kilogram or more of PCP; and/or

Twenty-five grams or more of LSD.

Under my bill, second offenders would be subject to a mandatory prison term of 20 years.

The intent and purpose of this legislation is to stiffen the penalties for a segment of criminals who pose a significant and unusual threat to the law enforcement community—the armed drug trafficker. The nature of the drug trade today demonstrates the sobering fact that when millions of dollars worth of narcotics are involved, the drug traffickers will defend that investment with firearms, and in many instances, use those firearms against law enforcement.

This legislation is an attempt to give a psychological edge to law enforcement. At the present time, the benefits of dealing in drugs outweigh the risks for many drug traffickers. My bill will increase the risks for those who choose to deal in drugs and threaten the lives of our law enforcement officers in the field.

The law enforcement community faces a monumental task in fighting the drug traffickers. It is our job here in Congress to do whatever we can to assist them. The "Armed Drug Offenders' Penalties Act of 1986" is an important step in the right direction and I urge all of my colleagues to support this legislation.

VOICE OF DEMOCRACY

HON. THOMAS R. CARPER

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. CARPER. Mr. Speaker, it is with great pride that I submit for the CONGRESSIONAL RECORD a copy of the script written by Karen Elizabeth Maull of Lewes, DE, which won highest honors in the Delaware Voice of Democracy Scholarship Program sponsored by the Veterans of Foreign Wars of the United States.

Addressing the theme, "New Horizons for America's Youth," Karen praises the material and technological blessings of our great country, but recognizes youth as the critical resource that will allow us to "stretch the light of achievement into the dark corridors of unrealized accomplishments."

Her recognition of the greatness of the American heritage and the responsibilities of continuing that legacy is a true confimation that the foundations of democracy are firm in our youth. With that confidence, and with a warm congratulations to Karen, I respectfully submit her winning spirit.

NEW HORIZONS FOR AMERICA'S YOUTH

(By Karen Maull)

Today's society is filled with advances of every type, from laboratories to the Olympic fields, people of all ages continue to stretch the light of achievement into the dark corridors of unrealized accomplishments. The successes entered in the record books however are but one kind of achievement.

Today's American youth must reach for a new horizon of achievement. A horizon which will combine the previous accomplishments of all nations in an effort toward universal understanding and friendship. In the fields of agriculture, natural resource utilization and education, America's youth, the leaders of tomorrow could spearhead the effort toward worldwide cooperation. America's youth is challenged by the prospect of uniting the world. The way to accept this challenge is by consenting to share their knowledge in exchange for a warm smile. One of the best areas to begin is in the agricultural field. Granted, programs are under way to help countries develop their agricultural techniques, but those efforts are not enough. People are still starving. America's youth can help prick the conscience of the world's well fed in hopes that they will contribute to the anti-starvation cause.

This is only the beginning. America's youth must follow through and see that this aid is used, not only to buy food for the starving, but also to buy them education. With education, based on democratic principles, exemplified by the American youth, can the physical, cultural and political suffering end. In order for countries to achieve universal understanding, they must first be able to appreciate their individual inherent beauty.

America's youth can aid this cause by promoting self understanding in the world. America's youth must make countries realize that their greatest and most precious natural resource is their people.

Material resources are expendable, but people are irreplaceable. The most difficult goal America's youth must attain is the education of the world in academic as well as in social actions, the earth's population must be compatible. By providing books and services to lesser developed countries, America's youth can bring new ideas to help refresh their life styles. The task is simple, compared to the task that must be undertaken in more advanced societies.

In a technologically advanced world, America's youth must attempt to breakdown the barriers of prejudice, that lock the doors to universal understanding. America's youth must try to convince its brothers, that others are worthy of friendship. Only through mutual acceptance can individual countries truly function as peaceful neighbors.

America's youth must awaken the conscience of the world. It must stretch to take the cumulative effort of society to new horizons of understandings. The American youth of today will begin a chain reaction of unification that will span the globe.

America's youth has the opportunity to unite the world's knowledge, to bring about a world of peace.

NEW GI BILL A MAJOR RECRUITMENT TOOL

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. MONTGOMERY. Mr. Speaker, not only does the new GI bill help thousands of Americans get college educations who would not otherwise be able to do so, it also is a major recruitment tool for both the active and reserve forces for top quality personnel.

Even though it has only been in effect since July 1 of last year, preliminary data shows that the new GI bill is an overwhelming success. Participation rates in the program far exceed the expectations estimated by the Congressional Budget Office and others when the bill was before the Congress more than a year ago.

I am hearing from schools all over the country about the impact of the bill. Typical of the letters I am receiving is one received from

Bishop M. Johnson, director, Office of Veterans Affairs, Burlington County College in Pemberton, NJ. There follows a copy of his letter to me.

BURLINGTON COUNTY COLLEGE,
Pemberton, NJ, April 2, 1986.

Hon. G.V. MONTGOMERY,
Cannon Office Building,
Washington, DC.

DEAR MR. MONTGOMERY: The President's Budget for FY '87 has eliminated all mention of the New GI Bill. I wish to point out some statistics gathered by the American Association of Community and Junior Colleges and the Association of Community College Trustees, which indicate an overwhelmingly significant impact of the New GI Bill on enlistment, recruitment, and retention figures nationwide.

Approximately 70,000 enlistees who have joined the Armed Forces in the seven months following the enactment of the New GI Bill have made a financial commitment to their future education under this program. There has been a 38% increase in high quality Army recruits in the first quarter of FY '86 over the first quarter of FY '85. The Air Force reports a participation rate of 38% in Chapter 30 of the New GI Bill as opposed to a participation rate of 6% in VEAP.

Currently, more than 800,000 active day service members who are still eligible for Vietnam Era (Chapter 34) benefits will be eligible for both ½ of this already earned educational assistance benefit and the full benefit of the New GI Bill (Chapter 30) if they remain in service after December 31, 1989. However, if the New GI Bill is discontinued, these 800,000 members will not be eligible for any benefits under Chapter 30, and their eligibility for using Chapter 34 benefits will expire on December 31, 1989.

The Federal Treasury has received approximately $75 million in revenues as a result of the reduction in basic military pay required under the New GI Bill. Projected over the current three-year span of this program, $500 million will be deposited in the Federal Treasury.

In addition, more than 13,000 members of the Selected Reserves and National Guard units have already applied for, and are using, the benefits of Chapter 106. The Army Reserves report that for the fourth quarter of FY '85, 75.7% of new soldiers have signed for six or more years of Reserve unit duty. Before the enactment of the New GI Bill, Chapter 106, the fourth quarter of FY '84 saw only 43.3% of new soldiers signing for six or more years of Reserve unit duty.

The National Guard reports a 20% increase in the retention rate since the passage of the New GI Bill. The Army Reserve also reports their high-quality recruit mission accomplishment for September, 1985 as 165%. The same statistic for September, 1984 (before Chapter 106) was 70% mission accomplishment.

At a time when the President is requesting extraordinary additional funding for military spending, it must be remembered that national security will always rest more heavily upon the talent serving research, industry, and the military than upon any other factor. A plan or Budget which attempts to build a strong military defense on one hand, and curtails or eliminates the assistance for education for the personnel involved in a strong military system on the other hand is self-defeating and will fail to reach its objective.

The increased number of men and women enlisting and extending their active duty service in both Armed Forces and the Reserve and National Guard will enable this country to meet the critical needs of our defense systems. Encouraging higher levels of education among military personnel will make this nation ever stronger and better prepared to meet global competition.

With these factors in mind, and in view of the positive impact of the New GI Bill on the quality and quantity of enlisted personnel in all branches of the Armed Forces and Selected Reserves, I strongly urge that full funding for the New GI Bill, Chapter 30, title 38, US Code, Public Law 98-525 and Chapter 106, title 10, US Code, be reinstated into the Budget for FY 1987.

Sincerely,

BISHOP M. JOHNSON,
Director, Office of Veterans Affairs.

ROYAL OAK CHAMBER OBSERVES GOLDEN ANNIVERSARY

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. LEVIN of Michigan. Mr. Speaker, on April 8, 1936, N.J. Quickstad, then superintendent of the Royal Oak School District, addressed the local Exchange Club expressing the need for the development of a chamber of commerce. On April 30 of that year, the nine founders of the chamber signed the documents of incorporation. Two of the founders, Gilbert David and Harry Jones, are still residing in the area. On April 30 of this year, the Greater Royal Oak Chamber of Commerce will observe its 50th anniversary.

In the course of the commemorative celebration, the chamber will present distinguished Citizen Awards to two outstanding members of the community. Harold Meininger will be honored for his 30 years of service to his community, church, and profession. His activities in the Shrine Parish, the Royal Oak Rotary Club, and parks and recreation committee, and the Metropolitan Detroit Council are commendable. Evelyn Kennedy will also receive the distinguished Citizen Award for her many efforts, especially those on behalf of the Oakland YWCA where she has served as a member of the board of management and has led seminars and discussion groups. Her activities at St. John's Church, with the Oakland Girl Scouts, on the Royal Oak Arts Council, and the University of Michigan Alumni Council demonstrate her commitment to the community and to the welfare of others.

The chamber will also honor local businesses with the presentation of Beautification Awards: William Beaumont Hospital of Royal Oak, Institutional Award; Gayle's Chocolates and Shafer Chiropractic Clinic, Small Commercial Awards; First of America Bank-Wayne Oakland and Maverick's Restaurant will receive awards in the large commercial category.

I wish to commend all of the recipients for their accomplishments and service to their community, and extend a hearty congratulations to the officers and members of the Greater Royal Oak Chamber of Commerce on the occasion of this very special anniversary.

DINNER FOR "POLISHED ACTS"

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. RODINO. Mr. Speaker, on April 19, I was pleased to attend a reception in honor of the great work of the board of officers of "Polished Acts," especially Ms. Beverly Allen, the founding director, and Dolores McMorrin, Esq. I also salute the countless young men and women who have worked hard to turn their lives around and to become "Polished Acts."

I don't have to tell anyone what a difficult time adolescence is. It is a time of great uncertainty. A time when young people begin to look around them to discover who they are. And unfortunately, this quite normal process of self-discovery is complicated by the very real dangers of drug abuse, alcoholism, teenage pregnancy, and school truancy. No wonder our young people find it so difficult to make the passage from child to adult.

Thanks to the vision and compassion of the special adults before me today, troubled young people have a fighting chance to become productive adult members of our society.

As members of "Polished Acts," these young people have a chance to make friends, to develop self-esteem and pride in their accomplishments, to recognize how important and special they are.

But most important, these young people discover that there are grownups in this troubled world that they can look up to and trust, grownups who will guide them in the right direction of life, adults who will always be there when needed.

Perhaps the most unique aspect of the "Polished Acts," is its uplifting philosophy that a new outlook on life can be created at any time, a young life is never too hopeless to be saved.

By providing students tips on health care, grooming, counseling, and career development, the adults at "Polished Acts" show their young charges that a better life exists beyond drug and alcohol addiction and delinquency. Each student is encouraged to work at his or her pace to develop potential. Each student is given a diploma and an award to recognize effort. Everybody is a winner.

It's very gratifying for me to see adults who have not given up on today's teenagers and young men and women who refuse to give up on themselves. And it would not surprise me at all—if I'm still serving you in Congress 15 years from now—to bump into some of you in the Congress, the Supreme Court or even the White House.

Congratulations, and keep up the fine work.

STATEMENT OF PURPOSE

"Polished Acts" was created to help young people achieve and recognize that, regardless of their economic status, living standards and occasional immoral discretions, a new self can be created and elevated at any time. A young life is never hopeless; it is

never too late to be transformed. This all depends, of course, on whether there is a desire for change.

Despite better sex education and better birth control, pregnancy among Black teenagers has reached staggering proportion—and threatens not only the future of our children, but the very survival of the Black race.

Behind efforts to protect teen-age bodies and improve their surroundings lies a far larger task: to influence attitudes. However contradictory and intractable adolescent temperaments may be, they are inescably, a central part of the problem—and the solution. This means everyone agrees, more self-esteem and a sense of responsibility and hope. Many teen-agers have problems of low aspirations, low self-esteem and inadequate education.

Deep down in every young person's innermost being, is the need to be known and recognized with respect. There is an innate need to belong as well. "Polished Acts" can fulfill these needs, and much more early in their lives.

First, the participant will make new acquaintances after becoming enrolled in this course. They will be with other young people from various backgrounds every week, and become known, not as what or who they were, but as they are introduced now. A new start will evolve with new friendships.

Secondly, they will be recognized for their week to week visual transformation, through inspection by instructors. Each one's overall appearance will be evaluated. This is done to encourage an interest and allow them to develop their best self.

Thirdly, they are joining a course which fosters a sense of belonging by creating sisterhood and brotherhood relationships within the group; by instructors who are suitable role models for them. Each student's self-esteem is established through rules of conduct and the imparting of knowledge involving outside agencies, which have offered pertinent information to be distributed to parents concerning such problems as: teen-age pregnancies, venereal disease and family communications.

The hope is to curtail many, if not eliminate many of the problems facing today's youth as individuals.

A course of this type adds a certain degree of prestige to any young person's life and raises their level of self-confidence and pride. This program would also allow them to see a beginning, with gradual progress leading to a completion where upon graduation diplomas and awards are issued.

A competitive spirit is developed early, by encouraging each student to strive for awards presented for: Best Notebook, Miss Congeniality and Mr. Personality, Miss Polished Acts and Most Polished Male.

In this course, no one is a loser. Every young lady and man is a winner. They strive to be the best they are capable of becoming and in the process elevate themselves to a higher plane.

They leave the position held upon entering the course and advance to the high position of being a "Polished Act."

LET'S GET SOME OF THE LIBYANS OUT OF THE U.N.

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. BROOMFIELD. Mr. Speaker, today, I introduced a resolution encouraging the President to reduce by 50 percent the number of personnel in the Libyan Mission to the United Nations. Now is the time for Congress to take a firm stand against Colonel Qadhafi and the menace of Libyan-backed terrorism. He must pay a price for his actions.

There are about 14 Libyan diplomats and staff assigned to Libya's Mission to the United Nations. We can only imagine the kinds of activities that these so-called diplomats are involved in. Last year, a diplomat from the Libyan Mission was caught while engaging in activities not normally associated with diplomacy. He was told to leave the country. The large Libyan student community in the United States maintains ties with the Libyan Mission in New York. Given Colonel Qadhafi's recent threats to bring terrorism to the United States, I am concerned both about the presence of the Libyan diplomats and the activities of the large Libyan student community in this country.

Already, our European allies have taken actions to reduce the size of the Libyan diplomatic community in Europe in light of the fact that the so-called Libyan People's Bureaus are nothing more than support centers for terrorist operations in Europe.

In addition to reducing the size of the Libyan Mission to the United Nations, my resolution recommends that the travel of these diplomats be restricted as much as possible and that their activities be closely monitored by concerned U.S. Government agencies. Any Libyans engaged in terrorist-supporting activities should be declared persona non grata and compelled to leave this country.

It is time for this body to send a clear message to that terrorist-supporting state. Already, our President has taken a bold stand against the menace of state-supported terrorism. Our allies are now limiting the movements of Libyan diplomats in Europe, as well as reducing the size of Libyan People's Bureaus in those countries. Slowly but surely, Libya is being economically, politically and diplomatically isolated.

This sense of Congress resolution clearly states Congress' firm stand against Libyan terrorism. It tells Colonel Quadhafi that enough is enough. There is a price to pay for terrorism even at the United Nations.

I urge you to support this resolution.

REMEMBERING AFRICA

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. GARCIA. Mr. Speaker, A.W. Clausen, the distinguished president of the World Bank, wrote a thoughtful essay on the multitude of problems confronting the African Continent.

While many African nations have begun the long struggle of addressing their problems, there is still much to be done. What Mr. Clausen seems to be saying is that we should not forget Africa and its problems, and that at the upcoming Tokyo summit, President Reagan and the other leaders of the industrialized world should consider the continent when making important economic decisions. That is certainly sound advice. I submit Mr. Clausen's article to the RECORD, and I urge my colleagues to take a moment to read it.

The article follows:

[From the Washington Post, Apr. 29, 1986]

DON'T FORGET AFRICA

(By A.W. Clausen)

The Tokyo economic summit's agenda will be crowded. Trade, currency and oil issues will be prominent as President Reagan confers with the leaders of Britain, Canada, Germany, Italy and Japan. But it is to be hoped that the summit will respond to public concern, dramatically illustrated by last year's Live Aid concerts, and address the critical issues confronting Sub-Saharan Africa.

As they do so, they will note that there has been progress in numerous African nations to directly address the fundamental causes of the region's difficulties. There has been progress, at last, to provide some hope to millions of Africans who confront malnutrition and who have seen the region's living standards drop. The Tokyo summit partners can act to assist Africans to sustain the productive reforming strategies that are now proving their worth.

An increasing number of African countries have undertaken far-reaching economic reforms designed to ensure more productive and efficient use of resources and revive the momentum of development. Many measures seek to reduce governmental intervention, stimulate private enterpreise and encourage savings for productive investment purposes.

Agriculture is a major sector for reform action. Major changes in policy are taking place to provide farmers with meaningful incentives to increase output in such countries as Ghana, Togo, Ivory Coast, Benin, Tanzania, Zambia and Mali. On Zambia's markets, 55 percent more maize was available in 1984–85 than in the previous year, so almost meeting the country's needs for the first time in a decade; then Ghana has boosted cocoa output by 25 percent and Togo has doubled its cotton production.

And then reform programs have directly attacked public-sector waste and inefficiency. Governmental employment is being curbed, productivity in state enteprises is being increased, and private enterprise is being given new priority and encouragement. For example, Ghana and Mali have respectively reduced public sector operating losses by over 80 percent and over 50 percent in recent years. Reform programs for public enterprises are now under way in some 20 low-income African countries.

But such positive strides are no more than a productive start in a region that is still poorer today than it was 20 years ago. Current reform efforts must be seen in perspective for a region confronting an array of long-term, complex, development plagues: the fastest population growth rates are evident here; child mortality rates are high; health care facilities are inadequate; educational programs are weak; urban poverty

problems are mounting; and deforestation difficulties abound.

Today's reform efforts can offer hope to millions of the world's poorest people if they are sustained. But the poorest nations cannot sustain such programs from their domestic resources alone—they need external assistance. Most of these countries shoulder heavy foreign debt burdens, while urgently needing cash to finance imports of goods and services vital to economic stabilization and growth efforts.

The international community has responded to low-income Africa's problems. The scale of general-public support has been an inspiration to all of us directly involved in development. But the harsh fact is that in real terms the net overall resource flows to Sub-Saharan Africa in this decade have barely increased, while the region's difficulties have multiplied. There is now an external funding shortfall to this region of the globe of about $2.5 billion a year for the next few years. This is a funding gap that must be bridged.

The new strategies that African governments are taking and the progress that is so widely and swiftly being registered underscore the fact that bridging the financing gap amounts to a worthwhile investment. Many international organizations, notably the International Development Association, whose future funding is now under negotiation, have worked most closely with African governments to design and support new policy approaches that can bring decent lives to the peoples of Africa. But the degree to which IDA and other agencies can make a critical difference depends largely upon the decisions taken by the leading industrial nations. Let us hope that the summit leaders remember Africa.

DECONTROL NATURAL GAS

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. LAGOMARSINO. Mr. Speaker, the time has come to finally decontrol natural gas. The market can more efficiently determine the price for natural gas than can the Federal bureaucracy.

The current state of the natural gas market is ripe for decontrol. The once large gap between the regulated price and market price for natural gas has narrowed. This year's prices are headed for less than $2 per thousand cubic feet. Spot prices—more market based prices—are $1.50. Thus a switch away from regulation will not create a damaging chaotic flux within the industry. True, prices could fall, but this will ony enable the industry to sell more of its gas which has, up to now, been in surplus. Practices like the vintaging of natural gas, which holds the price of older natural gas at the older and higher artificial price, must end if we are to allow the market to truely function.

The consumer can only benefit from decontrol. Groups like the Citizen Labor Energy Coalition [CLEC] appear to be making the same mistake that they drive "gasoline prices to $2 a gallon." Anyone who recently purchased home heating oil or gasoline for their car during the past few years will recognize CLEC's and other groups' grave underestimation of the market system.

Mr. Speaker, I urge my colleague's to review the following article by Warren Brookes regarding the importance of decontrolling natural gas.

DECONTROL NATURAL GAS NOW

(By Warren Brookes)

While the nation's eyes have been fixed on the plummeting spot price of oil, few have noticed the same thing happening to natural gas—whose spot price has recently flirted with $1.35 per thousand cubic feet (MCF), less than one-third the spot market price for "new gas" just two years ago.

As a result, the overall average wellhead price of gas, which was already coming down under the 1985 partial decontrol, has fallen sharply from $2.81 (1984) to $2.52 MCF and is headed for less than $2 this year.

In fact, the average price of the still-controlled "old gas" is now almost exactly in line with the current spot price of $1.50.

This is why the time is ripe to finish decontrolling old gas. Unfortunately, the sharp drop in spot prices has already made obsolete the proposal the Federal Energy Regulatory Commission is preparing. This is because, while it correctly calls for ending the foolish "vintage pricing" (by year of discovery), it also proposes raising all "old gas" to the highest $2.50 price category, which is already $1 above the spot price.

Thus there is now a move merely to "devintage" and decontrol all old gas—and let the market work out the pricing details.

Now, if Ralph Nader really were for the consumers, he and his friends at the Citizen Labor Energy Coalition would be lining up to endorse such an approach now, indeed, demand it.

Unfortunately, CLEC has fought every effort to decontrol natural gas for the last six years. They were the ones, you will recall, who warned that President Reagan's decontrol of all crude oil in January 1981 would drive "gasoline prices to $2 a gallon."

They also repeatedly warned that the 1985 "partial decontrol" which the administration has carried out on so-called "new gas" (discovered since 1977) would cause prices to "fly up."

Instead, of course, prices have dropped steadily, so it is obvious that CLEC, like Mr. Nader, has become irrelevant.

Actually, the only thing keeping natural gas prices from falling even faster is the continued existence of the "vintaged" old-gas price controls, which under the "partial decontrol" provisions of Jimmy Carter's dreadful 1978 Natural Gas Policy Act forced a great many pipelines and transmission companies to sign up for expensive decontrolled "new gas" on what were called "take or pay" long-term contracts, just to assure their supplies.

Many of these costly contracts are still in effect, and they are the one big stumbling block to a simple decontrol decision. If all old gas were to be decontrolled suddenly without some provisions for contract renegotiation, the producers could bypass the pipeline companies. They could then go directly to the big customers with old gas at $1.50 or so, while still forcing the pipelines and utilities to honor the costly take or pay arrangements.

This is why the Energy Department is having to step gingerly through a minefield in which the pipelines and utilities are lined up on one side in favor of "contract renegotiation," while the producers want quick, unconditional decontrol.

The producers also want still more rights to demand that the pipelines provide "carriage" to any gas they might decide to sell direct to the largest industrial consumers (direct sales now account for one-third of all industrial gas). The pipelines want to be able to subtract any such cheap gas they do carry from their quotas of high-priced gas on take or pay contracts.

Most energy policy experts, such as Milton Copulos of The Heritage Foundation, favor some kind of transitional strategy allowing contracts to be renegotiated by mutual consent, but not abrogated.

Mr. Copulos also says: "We need to modify the 1978 Fuel Use Act, which now prohibits large users from using gas in new boilers as a conservation measure. This has forced excessive use of coal and has contributed to the acid rain problem.

"With total gas use now down to less than 18 trillion cubic feet per year, and surplus transmission capacity of at least 4-6 TCF, and a huge 'bubble' of excess gas capacity, these FUA restrictions make no sense," Mr. Copulos argues.

Mr. Copulos also say that many of our acid rain problems could be solved simply by allowing the major Midwest utilities and industries to go to a 70-30 coal-gas mixture which would cut air pollution to the equivalent of 2 heating oil, and drop sulphuric acid emissions precipitously.

"We should also end the $2 billion boondoggle of forcing the Pentagon to rip out expensive and efficient gas-fired boilers and replace them with coal-burning systems in order to meet the goal of increasing coal use by 1.6 million tons by 1990.

And, with Mexico's PEMEX still flaring off half of its enormous natural gas production (one-third of its vast oil reserves) this would also be the ideal time to negotiate long-term contracts for Mexican output, of which we are now getting nothing.

In any event, consumers should demand decontrol—now!

REVEREND JAMES R. LYONS

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. LEVIN of Michigan. Mr. Speaker, it is a privilege for me to pay tribute to a very special gentleman, Rev. James R. Lyons. Reverend Lyons is dedicated in his efforts to share the message of interfaith understanding to church and synagogue congregations, community organizations, and academic groups.

In 1982 he founded the Ecumenical Institute for Jewish-Christian Studies. Reverend Lyons leads Christian groups to Israel to share his knowledge and his friendship. On May 3, the Men's Club of the Congregation Shaarey Zedek will honor James Lyons for his energy and enthusiasm in delivering the message of interfaith coexistence to so many people in our community.

It is my pleasure to extend my heartiest congratulations to this remarkable religious leader and good friend, the Reverend James R. Lyons.

OLYMPIC BOUNDARY MODIFICATION BILL

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. SWIFT. Mr. Speaker, today I am introducing legislation that would slightly modify the boundaries of Olympic National Park and Olympic National Forest in my district in Washington State. The park and the forest share many common boundaries, and a high degree of cooperation has existed between these Federal land management agencies on a variety of programs. However, some of the existing boundaries have created problems for both agencies in fulfilling their respective missions. These are found in selected areas where existing boundaries do not follow natural topographic features and hydrographic divides. Established earlier in the century, many of the boundaries are drawn on township and section lines, which do not always meet logical resource management needs or serve the best interest of the public.

Existing straight-line boundaries do not protect complete watersheds. The upper portions of some park watersheds lie outside park boundaries, thus allowing land uses that could affect recreation and scenic resources downstream. In the Rugged Ridge area, the existing park boundary blocks access to portions of the forest.

The major element of this bill is a boundary adjustment between Olympic National Park and Olympic National Forest. This adjustment will have specific benefits for and has the support of both managing agencies. In all, 1,236 acres would be transferred from the park to the forest, and 1,954 from the forest to the park.

A second element of the bill consists of two minor additions to the park in the Lake Crescent and Soleduck areas, totaling 263 acres. These additions will have important benefits for the protection and public use of the park.

Companion legislation was introduced last week in the Senate by Senators EVANS and GORTON of Washington State. We hope to move this legislation along expeditiously, so that these minor boundary adjustments may be accomplished as soon as possible.

TRIBUTE TO DAN LEONARD

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. BIAGGI. Mr. Speaker, our Nation's law enforcement community lost one of its finest last month when Lt. Col. Daniel F. Leonard died. At the same time, I lost a good friend and former police colleague.

At the time of his death, Dan Leonard was a Lieutenant Colonel with the Broward (FL) Sheriff's Office, its third highest ranking officer in charge of all law enforcement operations. But that position, which he held for a year, merely served to cap a diverse and most distinguished 37-year law enforcement career.

Dan started, as I did, as a street officer with the New York City Police Department. That was in 1949, and for many of the subsequent years, I had the privilege of serving on the New York City police force with Dan. He built a solid reputation during those years as a man of great skill and integrity. In fact, by the time he retired from the New York City Police Department he was the commanding officer of all narcotics enforcement in Manhattan, a position that demanded the considerable talent that Dan possessed.

In 1981, Dan's broad experience and expertise in the area of narcotics law enforcement was acknowledged when he was appointed to be deputy director of the President's Drug Abuse Policy Office. Dan made a very significant contribution during his tenure there in the development and implementation of a number of policy reforms aimed at preventing and treating drug abuse in our Nation.

There are approximately 600,000 law enforcement officers in the United States, and while the overwhelming majority of those individuals are a tribute to our great society, some stand out as leaders and models of their profession. Dan Leonard is one of those individuals.

President John F. Kennedy once said, "Our success or failure, in whatever office we hold, will be measured by the answers to four questions: First, were we truly men of courage * * * Second, were we truly men of judgment * * * Third, were we truly men of integrity * * * Finally, were we truly men of dedication?" Dan Leonard, then, was a great success.

I wish to extend my condolences to his wife, Arlene, and to his three children, who are no doubt being comforted during this difficult time by the knowledge that is shared by all of us who knew Dan. His was a job well done and a life well lived.

TAX REFORM, A LESSON FROM LIBYA

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. STARK. Mr. Speaker, five American companies that currently do business in Libya paid about $2 billion in taxes to Colonel Qadhafi last year. Two things strike me immediately when I think about this: That we really haven't tried tough economic sanctions, and that Libya's tax system was able to do what ours could not—make those companies pay taxes. Maybe there are some lessons in this for our policymakers.

Mr. Speaker, Amerada Hess, Occidental Petroleum, Conoco, Marathon Oil, and W.R. Grace & Co., were exempted from President Reagan's ordered disinvestment of United States commercial interests from Libya. Their taxes to Qadhafi totaled nearly one-fourth of Libya's national budget. Imagine the damage we could wreak on Libya's financial and political stability by requiring those companies to cease operations there. Sure, it wouldn't be as cathartic as an air strike. But history will show that countries under military siege generally rally around their leaders; countries undergoing economic problems often desert their leaders. If we want to neutralize Qadhafi's influence, we would be better served to forsake "feel-good" military strikes for suffocating economic sanctions.

That aside, it is ironic that those companies, which contributed so much to Libya's governmental welfare, contributed so little to our own. According to Citizens for Tax Justice data on domestic earnings from 1981–84, W.R. Grace earned $802.7 million and paid $1.6 million in taxes—a rate of 0.2 percent. Over those same 4 years, Conoco's parent company, Du Pont, made $4.075 billion and received tax refunds of $40 million. From 1981–83, Amerada Hess made $337 million and got refunds of $42 million. Marathon's parent, United States Steel, and Occidental have not made profits recently and so they paid no taxes.

Why are the four oil companies so eager to do business in Libya despite the high taxes and political instability, but so unable, according to their congressional testimony, to stay in business here without a range of special tax breaks? And, why does W.R. Grace not mind paying taxes which by Libyan weapons as much as they dislike paying United States taxes for things like superfund, so we can clean up the messes they make here? Peter Grace loves to talk about Government waste. I suggest his company stop paying taxes to Qadhafi so the United States Government can "waste" less on airport security.

Mr. Speaker, what kind of foreign policy and tax policy do we have? We could accomplish a lot more in Libya with a lot less drama and danger. And we could accomplish a lot more in tax reform if we refuse to cave in to the special interest pleadings of a special few. Unfortunately, it seems to be too much to ask that we do what is right, rather than what is expedient.

KRISTEN M. ENEBOE, SOUTH DAKOTA VOICE OF DEMOCRACY CONTEST WINNER

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. DASCHLE. Mr. Speaker, it is a pleasure for me today to recognize Kristen M. Eneboe of Sisseton, SD. Kris, who is a senior in high school, has recently been selected as the South Dakota winner of the 1985–86 Voice of Democracy Scriptwriting Contest sponsored by the Veterans of Foreign Wars and its Ladies' Auxiliary.

In the award-winning speech which she has written, Kris dramatically recognizes and captures the vibrancy and energy which are the twin hallmarks of democracy and a healthy competitive economic environment. For Kris, democracy and competition are creating new, changing, and challenging opportunities for the American people, both individually and collectively. These opportunities are minimized only by the limits of the imagination and individual willingness to recognize, seize and celebrate the benefits of democracy and compe-

tition. Democracy, economic competition, and profit are not stifled by external constraints, but by a failure to recognize and capitalize on awaiting opportunity.

I salute Kris for this outstanding accomplishment and achievement. With family members, friends, and many other well-wishers, I'm pleased to join in extending my personal congratulations to Kris on her selection as the South Dakota winner of the Voice of Democracy Contest. I hope she will be deservedly proud of this well-earned recognition. She has shared with us her vision of "New Horizons for America's Youth". It is an impressive tour and for this brief glimpse we are grateful.

Mr. Speaker, so that others may also enjoy and benefit from the excellent speech which Kris has crafted, I request the text of her script be printed in the RECORD at this point.

NEW HORIZONS FOR AMERICA'S YOUTH

New horizons for America's youth. There are two ways to look at that statement. I may see it as shapes of ink fitting together on a piece of paper, or I may enter the sentence into my mind and run wild with the idea. I have opted for the second choice; so watch out, you are about to enter America's new horizons with me!

The journey begins on the first step of the spiral staircase leading to the horizon. Here I receive information that I represent the youth of America's generation. My battle cry on this journey will be one of "democracy", of, for, and by the people. Because of this special passport, or battle song, I am now able to climb the next stair, the stair of free enterprise.

Once safely on the stair, I came upon a window. As I peered through the rectangular piece of glass, my eyes focused on an amazing sight. In front of me was a city containing a vast group of small businesses, all privately owned and very prosperous in appearance. A brisk breeze was blowing about the town, seeming to chant "competition," while a thick, massive cloud hovered above dropping big, wet, raindrops of individual initiative. Although I am on the other side of the window, I feel the winds of competition whirling about my feet. I can sense the fresh smell of the newly fallen rain. I can see the thirsty earth soaking in the individual initiative. Then I am blinded by the glowing, hot, sun, bringing warmth, beauty and representing the finishing touch of the free enterprise system. It is the golden award the busy little town will now receive.

I am so shaken with the wonderment of the second stair, that I reach out for the third step with even greater vigor and anticipation. As I am progressing up the staircase, I leave my old home and childhood farther behind. Now, with each new step I gain more eagerness, confidence, and assurance.

I reach the third stair with competition and initiative as my life blood. I have seen these words in action. I know of the joys and satisfaction they may bring. While stationed on this stair, I was presented a kaliedoscopic view of our new, high-tech, 3-dimensional business field. On this stair I was now able to fully comprehend what the job market has in store for me. I am of the new generation, the eighties. The resources and opportunities have never been this high, this advanced, this inviting! And I cannot tell you how fortunate, this pleased, and how excited I am to be a member of the American free enterprise system in this generation.

I look across the horizon to another staircase. It does not lead to the same horizon mine does. I see many people weakly and disheartedly climbing up. I listen for their battle cry of democracy and free enterprise, but hear none. I hear nothing but the slow, heavy shuffle of feet. I look at them with inspiration and hope in my eyes. They look at me with empty, blank stares. Their eyes are hollow, lifeless, sad.

I march to the sound of profit and individualism. They slowly trod on, pushed ahead only by commands and violent threats. With each step their legs grow weaker. Their souls, more weary. Their faces; troubled. While I surge on with wild triumph. My legs grow stronger, my pace increases. My soul spills over with hope and enthusiasm. For I am young, and I climb the stair to America's horizon. I have the battle cry of "democracy". Free enterprise is mine for the taking.

And now I reached the last stair. In front of me is a huge, bronze door. My heart races, my palms are sweaty as I reach out and take the priceless, golden, key from America's big hand. This is my door and at last I have the key. I have come to the end of my journey, but not to the end of my horizons, for I and I alone hold the key. And it is my duty to America to step inside.

A TRIBUTE TO THE ARMY CORPS OF ENGINEERS

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. FAZIO. Mr. Speaker, I would like to take this opportunity to express the great degree of appreciation and admiration I hold for the many people with the Army Corps of Engineers who shared their time and their skills to make the northern California flood crisis easier to bear for millions of Californians.

At the Federal level, the corps and the Bureau of Reclamation protected large areas of the State from being inundated by torrential flood waters that had swollen many rivers and streams to record-high levels. Where flooding occurred, these Federal agencies were quick to mobilize efforts to stem levee breaks and protect populated areas.

I am pleased to say that the Corps of Engineers has published a list of its employees whose performance during the flood was exemplary and worthy of public commendation. I am happy to bring the names of these dedicated workers to the attention of my colleagues.

The Army Commendation Medal: Lt. Col. Albert E. McCollam, Jr., for exceptional and meritorious achievement while serving as deputy district commander and officer-in-charge for the Sacramento District Flood Fight Operations during the period of February 17–28, 1986.

The Commander's Award for Civilian Service: Michael J. Bonner, William R. Cameron, Joseph D. Countryman, Michael L. Helm, Roger G. Janssen, Michael F. Nolan, Sterling B. Olsen, Herman H. Pahl, Eugene R. Shy, and Mary A. Squires.

The Special Act Award: Leland R. Anderson, Joan L. Archer, Arthur R. Beckwith, Wesley R. Busby, Kenneth A. Finch, Margaret P.L. Foulk, Donald M. Garrett, John N. Hourigan, Wesley L. Howard, John L. Humbert, Ralph H. Johonnot, Jerry N. Kanenaga, Jerold R. Kobza, Patricia A. Kuzmiak, Allen N. Louie, Charles D. Matlock, Melvin E. Nelson, David A. Ricketts, Leo R. Santacruz, James L. Savage, John L. Sisley, Clifford G. Steele, Michael J. Stephens, Eileen H. Tomita, Peter Waller, Terry F. Weeks, Stacy E. Wiebold, and Clifford M. Williams.

Certificates of Appreciation: George L. Alexander, James L. Anders, Jo Ann Asbell, Richard G. Berberich, Carol A. Bjork, Linda S. Borden, Phillip F. Brozek, Alfred E. Brule, Sharon V. Bruno, Jewel Bruton, Michael A. Campbell, Margaret M. Chavez, Robert F. Collins, Kasey D. Cook, Dorothy M. Cornell, Teresa M. Culp, David R. Eagleton, Charles R. Ellenburg, Dalton J. Engleberg, Jr., Trina D. Farris, Shelley L. Friedson, Gema R. Galvan, Edward G. Garcia, David L. Gundlach, James M. Hagood, Teresa L. Hansen, David J. Harris, Raymond A. Hayes, Herbert W. Hereth, Daniel S. Herman, Loretta Hill, William J. Holton, Charles W. Ising, Elizabeth L. Janes, Richard W. Jerome, Robert C. Kelly, Theodore G. Kress, Jon M. Lahaye, Renee Z. Latosa, Debra A. Layton, Francis D. Leppert, David T Lewis, Anthony J. Limas, Rodney L. Lundeen, Huxley T. Madeheim, Randolph L. Mark, Ronald D. Mason, Mark R. McCollum, Ronald J. Miller, Ronald E. Milligan, Scott A. Morris, Loren A. Murray, Richard A. Neal, Michael J. Nevins, Roger F. Nutter, Steven L. Peterson, Steven R. Phelps, Eric W. Polson, James S. Poland, Gene C. Pond, Paul E. Pugner, Betty R. Rainwater, Loretta A. Richmond, John F. Rompala, Jr. Steven L. Rowe, Mark A. Schoening, Bruced D. Shaffer, Beverly H. Shimizu, Michael A. Shupp, George L. Siller II, Aaron E. Smith, Jr., William T. Smith, Belinda Sullivan, Keith E. Swanson, James S. Veres, Laurine L. White, Vera E. Wilhelm, Lawrence E. Williams, and Russell P. Yaworsky.

Again, all these dedicated people put in long, often difficult hours in the flood relief effort. I thank them on behalf of the residents of Sacramento who benefitted from the good works of the Corps of Engineers.

THE NATIONAL ORGAN DONOR PROTOCOL ACT

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. GEJDENSON. Mr. Speaker, today I am introducing the National Organ Donor Protocol Act to increase the number of human organs and tissues available for transplantation. Medical advances including the discovery of a safer and more effective antirejection drug, cyclosporine, have greatly improved the survival rate of transplant recipients. However, there are not enough organs available for transplant. Several States have recently taken action to increase the number of available organs. Now, it is time for a national response to this critical need—over 8,000 desperately ill Americans are waiting.

Like most people, I initially thought that the solution was to get more people to sign donar authorization cards. These documents, wheth-

er on the driver's license or on separate wallet-size cards, are a valuable means of public education. Legally, they are sufficient authorization in all 50 States for organ retrieval, but, in practice, hospitals require the consent of family members. Understandably, physicians who can not save their patient are often reluctant to approach the grief-stricken families about donation.

It is estimated that each year there are 20,000 brain deaths primarily from auto accidents or cerebral hemorrhages. Only 15 percent become organ donors now, because most families are not asked to consider it. Studies indicate that 80 percent of those asked do consent. Medical science cannot restore their loved one but, with their permission, it can preserve and enhance the lives of up to seven other people. "We realize now," reflected the mother of one car accident victim, "That our prayer for a miracle were answered. Our daughter does live on."

Within the last 2 years, California, Oregon, New York and, most recently, Maine have passed State statutes requiring that hospitals request donor authorization from families of dead or dying patients who would be suitable donors. Legislation patterned after the California statute and strongly endorsed by the Connecticut Hospital Association has just passed the legislature in my own State. Early indications are that donations will increase dramatically in the few States that have passed required request laws now, but all States should participate. Transplant networks operate regionally and organs are routinely shipped to wherever they are needed.

The bill I have introduced today provides that the Secretary of Health and Human Services shall encourage and assist States in enacting and implementing State laws to require hospitals within their jurisdiction to establish protocols for identifying and assisting potential human organ and tissue donors. The Secretary may provide technical assistance to the States. The protocols developed by hospitals shall encourage discretion and sensitivity to family circumstances and take into account the known religious beliefs of the patient and the patient's family. These are minimum standards. Some States may wish to designate specific statewide procedures as New York has done.

As many of you are aware, last week was National Organ and Tissue Donor Awareness Week. I hope you will take this opportunity to join me in support of the National Organ Donor Protocol Act.

CARSON LONG INSTITUTE CELEBRATES 150 YEARS

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. GEKAS. Mr. Speaker, I would like to bring to the attention of my colleagues in the House of Representatives the celebration of the 150th anniversary of the Carson Long Institute this year. Carson Long Institute, founded in New Bloomfield, PA, is one of the oldest military schools in the United States. Founded by Robert Finley, the New Bloomfield Academy began with six students in 1837 above a barroom on the second floor of Dr. Jonas Ickes' Perry House, now the Hotel Rhinesmith building on Centre Square. Three years later the academy moved to its permanent site on North Carlisle Street.

After suffering from a great decline in enrollment in 1914, Robert Finley found it necessary to sell the academy. A wealthy townsman named Theodore Kepner Long purchased the property and renamed the academy the Carson Long Institute in memory of his son Carson. Long had attended New Bloomfield Academy in its early years and was able to go on to Yale and begin a successful career as a lawyer, meteorologist, lecturer, and editor.

The institute presently has 221 cadets ranging from grades 6 through 12. All students are required to live on campus and must adhere to the strict discipline of a military school.

The school's success can be attributed in part to the institute's stringent acceptance requirements and rigorous schedule required of the cadets. Cadets begin their day at 6:40 a.m. with exercises and breakfast before classes which begin at 8:30 a.m. When classes finish at 3:05 p.m. a leadership training program and athletics period keep the cadets busy until dinner. After 45 minutes of free time, a mandatory study halls ends their day at 9:25 p.m.

The institute continues to enjoy a good relationship with the borough of New Bloomfield. The institute has made learning its first priority which is supported by its reputation as an excellent learning institution.

I would like to extend my congratulations to the Carson Long Institute for its commitment to education in its 150 years of existence and to all those who throughout the years have made this 150th anniversary possible.

JUDGE BIGELOW HONORED

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. KANJORSKI. Mr. Speaker, this week Judge Richard L. Bigelow, of Hazleton, PA will be honored by the Wilkes-Barre Law & Library Association for his many years of service to the pursuit of justice in northeastern Pennsylvania, and I would like to take this opportunity to share my thoughts on this deeply respected man.

Every one of us can remember individuals who have changed the course of our lives. Many times it is only years after our contact with these individuals that we realize the tremendous impact they have had, and we have lost the opportunity to let them know of their influence. It is indeed a privilege, therefore, for me to be able to thank Judge Bigelow publicly for his great career on the bench, a lifetime of service motivated by his profound respect for the law tempered by justice.

When I was a young lawyer, I had the great privilege to try my first case in the court of Judge Richard L. Bigelow, now the senior judge of the 11th Judicial District in the Court of Common Pleas in Berks, Lackawanna, Northumberland, and Luzerne Counties. Judge Bigelow's extraordinary demeanor and keen sense of justice inspired me to continue my career in law. Every young lawyer should have the benefit of advice and counsel from such an excellent judge; my respect for our judicial system intensified through my contact with Judge Bigelow.

Many others can testify to Judge Bigelow's outstanding contributions to his community; I will offer a brief sampling of his many activities. He has served on the boards of the United Charities of Hazleton, the Hazleton Y.M.C.A., the Hazleton Heart Association, the Hazleton Tuberculosis & Health Society, and the Hazleton Kiwanis Club. He served his country during World War II in both the Atlantic and Pacific theaters, and entered the Naval Reserve once he returned to the United States. His service to the legal community has been equally extensive: He is a member of the Wilkes-Barre Law & Library Association; the American, Pennsylvania, and Lower Luzerne County Bar Associations; and the Pennsylvania State Trial Judges Association.

Mr. Speaker, Judge Bigelow has provided respect and distinction to the legal profession of northeastern Pennsylvania, and to the course of justice everywhere. I am proud to draw your attention to the accomplishments of this man of justice.

APRIL 14 DECLARED WILLIE MAYS DAY IN CALIFORNIA

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. LEWIS of California. Mr. Speaker, on April 9, 1986, California Gov. George Deukejian declared April 14 "Willie Mays Day" in recognition of this outstanding sportsman's contributions to baseball and to the lives of all Americans. I would like to introduce into the CONGRESSIONAL RECORD a copy of the Governor's proclamation and add my enthusiastic support to the celebration of Willie Mays Day.

A PROCLAMATION BY THE GOVERNOR OF THE STATE OF CALIFORNIA

Whereas, baseball has long been America's favorite pastime and has created countless sports heroes for generations of fans; and

Whereas, one of the greatest players of all times is Willie Mays, a multi-talented individual whose enthusiasm for the game was unmatched during his career; and

Whereas, during his 22 year career, Willie Mays charmed baseball enthusiasts on both coasts and was known for his relaxed style and ability to make the big play; and

Whereas, Willie Mays' many achievements place him among the legends of the game and include a .302 lifetime batting average, 660 homeruns, 3,283 total hits, 1,903 runs batted in, and 6,854 put-outs, the most by any outfielder in the history of the game; and

Whereas, in addition to his illustrious sports career, this long-time member of the San Francisco Giants has contributed countless hours and resources to benefit underprivileged youth; and

Whereas, Californians join all baseball fans in welcoming Willie Mays back to the San Francisco Giants organization;

Now, therefore, I, George Deukmejian, Governor of the State of California, do hereby proclaim April 14, 1986 as Willie Mays Day in recognition of his numerous contributions to the game of baseball and his many accomplishments both on and off the field.

In witness whereof I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 9th day of April 1986.

GEORGE DEUKMEJIAN,
Governor of California.

ESTIMATED MILEAGE ALLOWANCE

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. DASCHLE. Mr. Speaker, I rise in support of legislation being introduced today by my colleague from Alabama, Mr. FLIPPO, which would correct an injustice done to rural letter carriers across the country—namely, the tax treatment of the estimated mileage allowance [EMA] for rural letter carriers. I commend the gentleman for drafting this important piece of legislation and am pleased to join as a cosponsor of it.

Not long ago I rode a delivery route with one of my constituents who delivers rural mail in South Dakota. It was not snowing that day, or blowing. It was not 100 degrees, or 20 below zero as it often is in my State. But it was a long, long ride even on a nice day. It was a ride over rough roads, and it was an eye opener.

Mr. Speaker, when we talk about rural letter carriers, we are talking about men and women who often drive over 100 miles a day on gravel roads to deliver mail to several hundred customers. We are talking about men and women who very typically must buy a new car each year because of the wear and tear imposed by their mail delivery route.

It is not unusual for rural carriers to log over 50,000 hard miles in a year, and you can easily imagine what strain such a burden places on their vehicles. The price is often a transmission which is on its last leg because it was not intended to sustain hundreds of daily stops and starts and efforts to get through snow and mud, not to mention the fact that the brakes and tires have already been replaced. We are talking about men and women who sustain tremendously high vehicle maintenance costs in the delivery of the mail in our rural areas and who realistically have to maintain a second vehicle as a backup to be used when the primary vehicle is out of service.

The U.S. Postal Service recognizes the extremely high costs associated with operating a vehicle for delivery of rural mail and reimburses rural mail carriers at a rate which is 150 percent of the standard mileage allowance. The Internal Revenue Service, up until 1983, also acknowledged this sacrifice and allowed rural mail carriers to claim expenses equal to their equipment maintenance allowance.

In 1983, however, the IRS changed its position and told rural carriers that, retroactive to the 1981 tax year, they would be treated in the same way as people who use their vehicles in ordinary business. That is a decision that is short on common sense and even shorter on fair play.

Ordinary business users of vehicles are given a standard mileage rate which is judged a reasonable average of their actual costs and are offered the opportunity to take that rate or itemize if they think their actual expenses will be higher. Rural letter carriers are given an equipment maintenance allowance which is also judged to be a reasonable average of their actual and clearly higher costs. They too should be allowed to take that rate or itemize if they think their actual expenses will be higher.

What the IRS has said with its ruling is, in effect, that it does not believe rural letter carrier vehicle costs are actually higher on the average than those of other business users. Despite the Postal Service data which indicates these costs are higher and which justifies the equipment maintenance allowance paid to rural letter carriers, the IRS says each individual letter carrier must maintain detailed records to prove their costs exceed their standard allowance.

This ruling discriminates against rural letter carriers. It imposes a burden on them which is not imposed on others. It is a ruling whose authors should be required to ride the rural delivery route I rode, not just once but every day through an entire South Dakota year.

If IRS policymakers would take those rides, I would wager the legislation we are introducing today would not be necessary. But, since I would also wager that no IRS official will ever take those rides, this legislation is necessary.

Mr. Speaker, I applaud the efforts of my colleagues Congressmen FLIPPO, JENKINS, and DORGAN to right this wrong by amending the IRS rule to allow a rural carrier to claim expenses equal to 150 percent of the standard mileage allowance. I hope that the House of Representatives will reaffirm its support for the present system of rural mail delivery by acknowleging the unique expenses of those people who provide this service throughout America and passing this legislation.

THE DEBT CRISIS: LATIN AMERICA'S REAL PROBLEM

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. LOWRY of Washington. Mr. Speaker, I would like to bring my colleagues' attention to a guest editorial on the Latin American debt crisis that was recently printed in the Seattle Times. This thoughtful editorial was written by Peter Holt, a young man from Seattle, who holds a master's degree in Latin American studies from the University of London. As he points out, the Reagan administration's obsession with Nicaragua has drawn our attention from the debt problem, which presents a very serious long-term threat to democracy in Latin America. Mr. Holt's depth of knowledge and maturity of perspective are impressive. I am sure that he will make many useful future contributions to the debate over United States policy toward Latin America. I commend his comments to your attention.

The article follows:

[From the Seattle Times]

DEBT CRISIS, NOT SANDINISTAS, THREATENS LATIN AMERICA

(By Peter D. Holt)

In his address to the 40th meeting of the United Nations General Assembly late last year, Secretary of State George Shultz proclaimed "the inescapable tie between freedom and economic growth." Shultz also said that austerity measures, though often necessary, are not in themselves an answer to the problem of resolving the debt crisis facing Latin America. These are wise words, but where is the foreign policy that would support such ideals?

The Reagan administration believes that the primary threat to democracy in Latin America is the Sandinista regime in Nicaragua. In response to this analysis, the United States is supporting a massive military buildup in Central America. But while confronting the Nicaraguan government, the administration is failing to act upon the greater threat. The debt crisis, not the actions of the Sandinista regime, is what imperils existing and nascent democracy and stability in Latin America.

How long will it take Americans to learn that it is much easier to bring down a government than to reconstruct a stable successor regime?

We are at a crucial crossroads in respect to our foreign policy toward Latin America. An extraordinary development is taking place throughout Latin America that deserves our attention and support. Military regimes are being replaced with moderate, elected governments. These new governments are led by centrists who respect civil liberties and consensus politics. Since 1979, Ecuador, Peru, Bolivia, Argentina, Uruguay and Brazil all have held elections, shaking off military control.

Now is the time these new democracies most need help from the United States. The political opening that has taken hold in these countries has not been followed with success in tackling their severe structural economic problems. As Alan Garcia, the newly elected president of Peru, stated at the 40th meeting of the General Assembly. "We are faced with the dramatic choice: it is either debt or democracy."

Latin America is saddled with a regional debt of over $360 billion. In the last five years, her trade with the industrialized countries has fallen sharply, as have the prices received for traditional exports—copper, silver and grain. At the same time, capital flow from investors and banks has disappeared as governments have not been able to cope with the overwhelming sums of money they borrowed in the 1970s. Latin America has turned to the United States and international agencies such as the International Monetary Fund for help.

It is in our own best interest to help these nations; it would be dangerous for Americans to think that the problems associated with the debt crisis do not affect them. Most of the debt is owed to the largest banks in the United States and Europe. If the debtor nations default, they will bring down the international banking system.

The IMF believes that increased earnings from the sale of exports, coupled with an

austerity program to reduce inflation, will enable these countries to pull themselves out of the current crisis.

After three years of this program, some South American countries have increased their export earnings and reduced their imports, but inflation still is rampant. Nor has the IMF program been useful in securing new foreign investment or producing real economic growth.

Current IMF policy relies on international trade to be the engine that provides Latin America with a healthy balance of payment surplus, which in turn is the countries' best chance of paying off the debt. The element not considered in this otherwise valid policy is the present slackening of international commerce. The difficulty in increasing trade lessens any possibility of solving their dilemma through greater exports.

If these countries spend the majority of their export earnings toward the payment on the interest of the debt, scheduled to be more than $45 billion this year alone, they would be cutting off their future development. Spending newly generated capital on the interest of the debt does not leave any money for further investment in modern machinery and training. Production would continue to fall and paying off the debt would become less and less possible.

Banks will not move on their own accord to bail out debtor nations. So far, the U.S. government has not seen it necessary to become involved directly in the crisis. But now is the time to put our stated principles into action.

A positive step forward would be for the U.S. government to act as the guarantor of these loans through international financial organizations. This would give the breathing space to these new democracies to enact austerity programs while at the same time working to improve their balance of payments. It is in everyone's best interest to see these democracies thrive and flourish. Healthy Latin American democracies will better meet the needs of their peoples, enhance our economic and security interests and chase away the spectre of worldwide economic collapse.

Democracy and economic progress grow hand in hand, but do not come easily. They must be nurtured with more than words.

INDIAN HEALTH CARE IMPROVEMENT ACT, H.R. 4600

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. RICHARDSON. Mr. Speaker, I would like to first take this opportunity to commend Chairman Udall and Chairman Waxman for all of their hard work on H.R. 4600, the Indian Health Care Improvement Act. In light of the President's veto of this legislation in 1984 and the substantial unmet health care needs of poor Native Americans, their efforts to move this legislation early are most appreciated. It is my sincere hope that this administration will see the wisdom and the need for signing this bill into law this year.

Mr. Speaker, in my home State of New Mexico, there are over 110,000 Native American residents. My congressional district has the highest Native American population of any district in the country, 96,000 Native Americans in New Mexico's Third Congressional District depend on the Indian Health Care Service for their medical care, and while the leaders of the Pueblos and reservation communities in my district are working hard to improve the quality of life for their people, unemployment remains high and health care needs are many. In my district, almost half of all admissions to Indian health facilities are alcohol related; infant mortality is a concern as it is much higher than that of the rest of the Nation; and the list of diseases affecting Indians is disproportionate to the rest of the Nation.

Based on the Constitution, numerous treaties, statutes, and historical development, the United States has assumed a unique moral and legal obligation to provide health care services to the Indian people. Inherent in this obligation is the responsibility that Indians enjoy a health status comparable to that of the rest of the Nation. This bill would go a long way to accomplish that goal by revising and extending through fiscal year 1989 the authorizations under the Indian Health Care Improvement Act for health personnel training and health services.

Washington bureaucrats continue to tell the Indian people that health care is not a trust responsibility of the Federal Government. I strongly disagree with the callous, uncaring "cost benefit" approach of this administration to the health care needs of native Americans and its disregard for our constitutional obligations to the Indian people. I see extreme health care needs that are unmet on the reservation communities, pueblos and urban areas in my district and I believe that human needs are more important than management objectives.

Mr. Speaker, back in 1976, Congress enacted the Indian Health Care Improvement Act in recognition of the extreme deficiencies of health resources for our native American people. New programs were established to increase the health professional manpower available to serve native Americans and to meet the growing medical needs of Indians in urban areas. While significant improvements in Indian health conditions have resulted from this action, the Indian tribes still suffer some of the most severe health conditions in this Nation.

A vote to reauthorize this act will continue the fight to improve on the health care of our native Americans nationwide. This bill would reauthorize the programs and efforts in Indian health established by the Indian Health Care Improvement Act of 1976 for the next 3 years. It would make major improvements in the health professions training area to increase the number of Indian physicians, dentists, nurses, and other health professionals. In the health services area, the bill would establish a health care improvement fund to target additional resources to those tribes that are most deficient in health care services. Emergency funding provisions would better provide for those with catastrophic illnesses and medical disasters. Native Americans who live in urban areas would benefit by the establishment of plan designed to assist Indian organizations in providing health care and referral services to Indians in urban areas. In addition, major renovation or construction projects would receive extra attention and review by requiring the Secretary of Health and Human Services to annually submit to Congress a list of the 10 top priority projects that need action.

Mr. Speaker, I am pleased that this bill seeks to address the No. 1 health concern of the Navajo Nation: establishing an effective way to deal with a growing alcoholism problem. In both the House Energy and Commerce and Interior Committee bill, a provision is included that would authorize a preventive Navajo alcohol rehabilitation and demonstration program to rehabilitate adult Navajo Indians suffering from alcoholism or alcohol abuse. A recent Indian Health Service Report has cited that the Navajo Nation's unmet alcohol treatment need is $6 million—IHS spends $1.8 million per year on the Navajo Reservation for tribal alcohol programs. Forty-five percent of all admissions to IHS facilities serving the Navajo Reservation are alcohol-related—it is time to develop a comprehensive, effective approach to deal with this growing problem.

Second, I am confident that some positive cost-sharing suggestions will come from another one of my amendments incorporated into the bill which calls on the Secretary of Health and Human Services to examine the feasibility of entering into arrangements for the sharing of medical facilities and services between IHS and the Veterans' Administration. Everyone will win if cooperative arrangements for the sharing of medical facilities and services can be worked out. Lastly, I wanted to highlight a preventive health care amendment that I authored that is now a part of the House bill. That provision will direct the Secretary to evaluate preventive health, health protection, and the health promotion needs of Native Americans and specifically identify the services that are necessary to meet such needs, the resources required and the resources that are already available that might be used more effectively to carry out preventive health protection and promotion needs of Native Americans. Each Indian tribe will be involved in that study and will be asked to identify their specific needs. It is time to develop a comprehensive plan that looks at well-rounded preventive health approach. An ounce of prevention is worth a pound of cure—it only makes good sense to explore any way possible to hold down the cost of health care and to improve on the overall health of every American.

Mr. Speaker, in supporting the Indian health care bill, the Congress will be reaffirming its commitment to Native Americans and will help to ensure that the U.S. Government honors its obligations and trust responsibilities to the Indian people. I urge my colleagues to join with me in strong support of this important legislation. Thank you.

THERE'S MORE TO BANKING ASSISTANCE THAN MEETS THE EYES OF THE ADMINISTRATION

HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. ST GERMAIN. Mr. Speaker, the Federal bank supervisory agencies have now submitted legislation to greatly expand their power to deal with so-called emergency situations involving failed and failing banks.

The emergency powers are tantamount to a major rewriting of the Nation's banking laws, particularly the McFadden and Douglas Acts relating to interstate banking. The new powers would allow the Federal Deposit Insurance Corporation to grant, by administrative fiat, unlimited financial assistance to banking corporations.

The legislation offered by the supervisory agencies with the anticipated approval of the administration is being introduced against a backdrop of conflicting statements about the depth of banking problems in States heavily dependent on energy and agriculture. Some describe the situation as a "crisis"; others, as a "problem." At times the regulators assure us "the situation can be handled." In the next breath, they are up seeking sweeping new powers.

Many will argue, with some validity, that the administration's emergency bill is, for all intents and purposes, simply an immediate move to full nationwide interstate banking without consumer safeguards or protections against concentrations of banking and economic power.

Last June, the Banking Committee did report on interstate banking bill, H.R. 2707, which provided for interstate banking in 5 years, but with strict criteria to assure investments in communities and to forestall any undue concentration of resources. That carefully worked out interstate bill, with its clearly defined public benefits, has languished in the Rules Committee since last June.

Now, under the guise of "emergency," the money-center banks seem on the verge of getting their interstate "wish list" without bothering with the public's rights and protections incorporated in H.R. 2707.

Clearly, the administration's package of bank assistance goodies requires a full determination of just how deep the current banking problems cut in the energy and agricultural States, what alternative remedies may exist, and how the problems, and solutions, impact on the health of the Nation's banking system and the consumers and businesses who depend on that system for survival.

Without question, many in the banking industry would like to climb aboard the administration's hastily assembled emergency train and leave the consumers standing at the station.

In addition to the emergency situations—again these have been poorly defined—there exist a number of issues which cry out for attention. Issues which the Banking Committee and the House have been trying to push against the apathy or outright opposition of the administration, its regulatory appointees and the banking industry.

Mr. Speaker, I suggest strongly that the "emergency train" not be flagged out of the station until we do have some agreement on some other issues that are high on the public's agenda.

For years, Mr. Speaker, some of us on the Banking Committee have been trying desperately to have banks give their customers access to their funds in a timely fashion. On January 23, the House passed H.R. 2443 which would set schedules for the maximum time banks could hold checks—a landmark piece of legislation for the consumer.

The Senate has not acted and the administration and the regulators have continued to snipe at the legislation—a back of the hand to consumers.

Many of us feel that unregulated nonbank banks and their potential for developing a variety of affiliates pose a danger to the banking and enterprise system of the Nation. On June 20 of last year, we passed H.R. 20 to stop the end run around the Bank Holding Company Act through the nonbank bank device. The bill languishes in the Rules Committee.

Mr. Speaker, it is time for the administration, the bank supervisors, the banking industry, and others to raise their level of consciousness.

Big care packages may be needed for the industry and the insuring fund to survive the current problems as the administration suggests. But, there are other needs—of long standing—and I urge that the pitch for bank assistance not be so narrow as to turn off the American public who must stand ready to catch any banks that fall through the safety net.

By request, I am introducing the supervisory agencies and possibly the administration's bill.

TRIBUTE TO THE CITY OF INYOKERN, CA

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. THOMAS of California. Mr. Speaker, I would like you to join me today in paying tribute to the city of Inyokern, CA, on its 77th birthday.

The city of Inyokern has made unique contributions to the development of not only the Indian Wells Valley but to national defense as well. Bordering on the China Lake U.S. Naval Weapons Center, it is definitely a product of the technological society but remains an example of the slower, simpler life of yesteryear.

The Naval Weapons Center attracts representatives of almost every phase of industry and development in the Nation. Top defense-oriented companies such as Northrop Technology Enterprise Corp., and Texas Instruments call Inyokern and the surrounding area home. The Inyokern airport supports over 30,000 business visitors each year.

The pioneers of the community fought the hardships of settling in the Mojave Desert, and the residents of Inyokern today enjoy the fruits of their efforts. They have not forgotten their humble beginnings, but they do not cling to them. It is refreshing in our times to see a people so concerned with their past preservation and their future destination.

While the population of Inyokern is but a fraction of the entire Indian Wells Valley, its contributions are substantial. In Inyokern we can see all of the things that comprise our American values—family tradition, hard work, and appreciation for the simple things in life. All of these things combined make Inyokern what it is today: an inspiring example of an American town.

I ask you to join me in saluting the residents of Inyokern, the oldest community in the Indian Wells Valley of Kern County, CA.

TRIBUTE TO VIRGINIA CHRISTINAT AND SHIRLEY HENDERSON

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. DWYER of New Jersey. Mr. Speaker, I am honored to bring to the attention of my colleagues, two very special citizens, who have worked tirelessly for the Borough of Matawan, located in New Jersey's Sixth Congressional District. These hard-working and dedicated women, Virginia Christinat and Shirley Henderson, have been involved in local, county, and State civic and Democratic affairs for many years.

Mrs. Christinat, a member of the Matawan Borough Council for 6 years, has served as recreation chairwoman, finance chairwoman, police commissioner, and council president. In addition to these activities, she has been actively involved in many community organizations, such as the Youth Services Board, the YMCA, the Matawan Woman's Club, and the Monmouth County Girl Scouts.

Mrs. Henderson has been a committeewoman more than 10 years, served as councilwoman for 3 years, and as council president in her last year in office. She has been very involved in community health organizations, as a member of the board of health, the welfare board, and the First Aid Auxiliary.

As lifelong residents of the borough, these two women have made important contributions to their community through their many years of generous service. It is this sense of commitment and dedication to their families, the people of their community and to local government, which makes our local communities strong.

I am proud to take this opportunity to extend our warm appreciation to Mrs. Christinat and Mrs Henderson for their many years of service to our community.

A CEREMONY OF REMEMBRANCE OF THE HOLOCAUST

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. SCHEUER. Mr. Speaker, on Sunday, May 4, the Garden Jewish Center of Flushing, NY, will hold a special program and ceremony of remembrance of the Holocaust and rededication of the Holocaust Torah—the Yom Ha-Shoah V'Ha Ge'vurah program.

In 1964, some 1,564 sacred Torah scrolls were gathered together in Prague after 20 years of disuse. They were confiscated by the Nazis during World War Two.

Dr. Eva Pallay, consultant and chairperson of the Garden Jewish Center Holocaust Remembrance Committee, and her husband, Norman Pallay, deserve commendation for interesting several synagogues in this country, including the Garden Jewish Center, in acquiring a scroll on permanent loan.

Rabbi Solomon Slomowitz, Dr. Pallay, and members of the Holocaust Remembrance Committee have worked hard to prepare for this important program commemorating the annihilation of 6 million Jews in the Nazi concentration camps.

The Holocaust was one of the most brutal chapters in all of human history. The magnitude of destruction has no precedent.

I applaud the Garden Jewish Center for holding this program. We cannot forget the Holocaust.

We should consider this Holocaust remembrance not only as a memorial to the dead, but also as a covenant with the living—a commitment to keep faith—to do whatever we can to protect those peoples who may be subjected to similar treatment in the future.

Today we have the possible danger of a Holocaust that will result in cultural and religious genocide, and obliterate the 2½-million-member Jewish community in the Soviet Union.

Although individual Soviet Jews will not end up in crematoria or gas chambers, the Jewish community in the Soviet Union faces the very real danger of extinction as final as the fate which met the European Jewish community during the Holocaust. The Soviet Jews' unique bonds of culture, heritage, religion, and sense of community will be irretrievably lost.

That is why this Sunday's ceremony is so important. Not only are we remembering those who died in the Holocaust, but we are reaffirming our commitment to the Soviet Jews and to human life and dignity.

SOCIAL SECURITY BENEFIT DISPARITY

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. SMITH of New Jersey. Mr. Speaker, I rise along with several of my colleagues to call attention to a very serious issue which has not yet been afforded appropriate consideration by this body—the Social Security benefit disparity commonly known as the notch.

I think that most Members of this body are aware that the 1977 Social Security financing amendments were intended to prevent what was then perceived to be a benefit over compensation. Instead, however, this so-called solution has resulted in an unfair and penalizing disparity between benefits paid to individuals who have similar work records but were born only 1 year, or 1 month, and in some cases, just 1 day apart.

Since this issue was first raised in a national forum, I have received literally thousands of letters from my constituents as well as individuals from other parts of New Jersey asking that Congress take action to resolve this gross inequity.

It is important to note as well, Mr. Speaker, that the individuals so negatively affected by the notch were the children of the Great Depression and the heroes of World War II who have become the respected parents and grandparents of modern America. Their efforts, their dedication, and their work has provided the backbone for this Nation's greatness. Should these people then be allowed to suffer such an inequity?

As a sponsor of legislation, H.R. 1916, which outlines steps for developing recommendations to remedy the notch, I am pleased that Chairman ROYBAL and the Select Committee on Aging will be considering this important issue on May 15 in a hearing here in Washington. In light of strong support for notch reform, I urge the Ways and Means Committee to take steps toward resolving the notch disparity.

ABOLISHING "NOTCH-PAY" BIAS

DEAR EDITOR: It was President Jimmy Carter and his Democratic Congress who, through passage of the Social Security Amendment Act of 1977, created the infamous and outrageous age discrimination and segregation-based amendment to the Social Security law known as "Notchpay."

This dastardly amendment provides that all people born between 1917 and 1921 receive less Social Security than persons of other birth years. The loss would be at least $100 per month at age 65 plus $55 at age 65 for the spouse; plus all monetary gains through the annual cost of living increase occurring every January. "Notch-pay" started in 1981. The above figures are for an individual who earned eligible maximum earnings relative to highest Social Security pensions.

Congress has created a horrible inequity. It has "segregated" all the notch people into a group of their own, contrary to the laws of the land. It also discriminated by "age," contrary to the discrimination laws. The Congress knows very well that the Constitution clearly states that there shall be "no" discrimination toward age, sex, color, religion, disability, national origin and so on.

The word "no" is absolute and clear, and yet the Congress violated the laws of our land.

In this notch group are millions of people of all denominations, ethnics, color, and religions; but above all, there are millions of World War II veterans. These men fought for this country and won the greatest and most devastating war in the history of man. Is this the proper way to treat these millions of veterans and their spouses?

Much has been said of the unfair treatment given to the Vietnam veteran, and rightfully so. How about the World War II vet? He has lost a good chunk of his Social Security pension for life because he was born at the wrong time, but he was born at the right time to go to war!

I spoke to Rep. James Saxton in reference to this notchpay injustice. He said that Rep. Christopher Smith (R-4th Dist.) has sponsored bill HR1916. It is cosponsored by Rep. Saxton. The bill is due for congressional action in April. This bill would eliminate the 1917-1921 notch years.

So, come on! Don't just read this letter, do something!

Call or write to your congressmen and senators. Demand that the national, state, county, and local chapters of the American Association of Retired Persons push for passage of Bill HR1916. All you veterans push and demand that your VFW and Amvet organizations do the same. Women's and religious groups should and must also push for passage of HR1916.

Everyone of the millions being denied their rightful Social Security pension can use the lost money. So fight for it. The Social Security Fund is solvent and it can absorb the cost.

CHARLES F. MARRA,
Manahawkin.

CURRENT COSPONSORS OF H.R. 1916

Ackerman, Applegate, Bedell, Bennett, Bentley, Berman, Bevill, Biaggi, Bilirakis, Boehlert, Boucher, Burton (IN), Bustamante, Campbell, Carr, Chappell, Chappie, Coats, Cobey, Collins, Conte, Craig.

Daniel, Daub, Derrick, Dicks, Donnelly, Dreier, Dymally, Erdreich, Evans (IL), Fauntroy, Gallo, Garcia, Gilman, Gray (IL), Grotberg.

Horton, Hutto, Hyde, Ireland, Jones (NC), Kaptur, Kastenmeier, Kolter, Lagomarsino, Lightfoot, Lowery (CA), Mavroules, McDade, McGrath, McKernan, Mikulski, Molinari, Mrazek, Murphy, Neal, Nichols.

Nielson, Panetta, Perkins, Price, Rahall, Rinaldo, Rodino, Roe, Rose, Roybal, Saxton, Sharp, Siljander, Stokes, Torricelli, Traxler, Weber, Wise, Wolf, Wortley, Yatron, Young (AK).

H.R. 1916

A bill to provide for a study by the Secretary of Health and Human Services to develop recommendations for correcting the disparities in the computation of social security benefits (commonly referred to as the "notch problem") which were caused by the enactment (in 1977) of the present formula for computing primary insurance amounts under title II of the Social Security Act.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress hereby finds and declares that—

(1) millions of Americans are adversely affected by the changes which were enacted in 1977 in the formula for determining primary insurance amounts under title II of the Social Security Act;

(2) individuals born after 1916 whose work records are otherwise identical to work records of those born in 1916 are sharply and unfairly penalized by the present formula changes;

(3) some compensatory alteration in benefit formulas is desirable to mitigate the benefit differentials being experienced by reaching age 65 in 1982 and thereafter; and

(4) the bill H.R. 1917 and other bills, now before the 99th Congress, are designed to reduce or eliminate the unintended adverse effects of the 1977 changes on older workers.

SEC. 2. The Secretary of Health and Human Services shall conduct a study of the benefit disparities under title II of the Social Security Act (commonly known as the "notch problem") which were caused by the implementation of the present formula (enacted in 1977) for determining primary insurance amounts under that title. The study shall include an analysis of the impact of such disparities on social security beneficiaries of various birth years after 1916 and an analysis, by age category, of the impact on beneficiaries of the changes contained in H.R. 1917 and other bills addressing the notch problem which are presently before the 99th Congress. The study shall also identify and analyze any other changes which the Secretary feels would better ensure a more equitable treatment for such beneficiaries in each such category.

SEC. 3. Not later than 6 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall submit to the Congress and to the Congressional Budget Office a report, based on the study required under section 2, setting forth the Secretary's proposals for correcting the disparities referred to in such section and for otherwise ensuring a more equitable treatment of beneficiaries under title II of the Social Security Act. Such report shall include—

(1) recommendations for a feasible and appropriate period of time for the implementation of the Secretary's proposals;

(2) a detailed comparison of benefit levels for each age and earnings level under current law and under the Secretary's proposals; and

(3) a cost-impact analysis with respect to each proposal.

SEC. 4. The Congressional Budget Office shall cooperate with the Secretary of Health and Human Services in the study under section 2 and in the preparation of the report required by section 3. Not later than 30 days after receipt of the Secretary's report, the Director of the Congressional Budget Office shall submit to the Congress a report setting forth that Office's evaluations, conclusions, and recommendations regarding the methodologies used and analyses made in the Secretary's study under section 2 and regarding the proposed changes contained in the Secretary's report based on such study.

VALUE ADDED TAX IS A BAD IDEA

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. WEBER. Mr. Speaker, in view of the European experience with the value-added tax and in view of the history of the U.S. Government when it funds a new tax source, the only direction the value-added tax, which passed the Senate as part of the Superfund bill, can go is up.

This is the opinion of one of the leading U.S. conservative voices—Human Events—in an editorial that cited the experience in European countries which began with small VAT which steadily increased.

Also mentioned is the penchant of the U.S. Government which, when finding a new tax source, invaribly accelerates the rate. Of course, we are all familiar with the Federal income tax and Social Security taxes which began very modestly and have spiralled over the years.

As we prepare to go to conference on Superfund, let us review these two examples, as documented in Human Events.

[From Human Events, Oct. 12, 1985]

LOOK OUT FOR "SUPERTAX"

(By M. Stanton Evans)

The bill before Congress goes by the name of "Superfund," referring to money set aside for handling toxic wastes. A more appropriate title, however, might be "Supertax."

Waiving for the moment the merits of the Superfund idea itself (where there is plenty to debate), the most novel and dangerous thing about the current legislation is the method proposed to pay the bills: A value added tax (VAT) of .08 percent, applied across the board to some 30,000 manufacturing companies with upwards of $5 million in annual sales.

Under present law, the fund is financed from a fairly narrow tax base—an import on petroleum and chemical firms by which a dozen companies pay some 70 percent of total costs. The agrument that these industries are not the only source of the problem and shouldn't bear the burden by themselves has some appeal. The notion of a value added tax on manufacturing—the embryo of a national sales tax—does not.

To gauge the worth of this proposal, we need only more note the present fiscal plight of the federal government, the history of VAT in Europe where it is used extensively, and the general track record of Uncle Sam when he is given a brand-new source of money. Putting all that together, it's hard to avoid concluding the Superfund in this case is a pretext, rather than the real objective.

The federal government, as we all know, is currently looking down the barrel of $200-billion annual deficits, caused by the continued growth of spending. The idea of pushing through a hike in personal income tax rates to pay for all this outlay is a non-starter. President Reagan is pledged against it, and the fate of Walter Mondale in last fall's election, when he promised such an increase, left little doubt about the feelings of the public.

Faced with this dilemma, the spending forces would dearly love to get another source of revenue. A national sales tax, from their standpoint, would be ideal. Diffused throughout the economy and hidden in the prices of goods we buy, it would be concealed effectively from the taxpayer. Once in place, it would be much easier to raise than a tax subtracted from our paychecks.

At .08 per cent, VAT would be relatively small and painless, but would bring in about $1 billion annually, on current estimates. At a full 1 per cent, it would bring in about $12 billion, and at 10 per cent $120 billion. With such a money-raising device at hand, and with spending interest dominant in Congress, the temptation would be nearly irresistible to push the rates continually higher.

This is exactly what has occurred in Europe. Sweden, for instance, adopted a VAT in 1969 at 11 per cent; by 1980 it was up to 23.5 per cent. Denmark adopted one in '67, at 10 per cent; by 1980, the rate was 22 per cent. The Netherlands adopted VAT in '69 at 12 per cent, and a decade later it had climbed to 18 per cent. Nearly all the other European nations have VATs in the same range, though the rates of increase are generally less steep.

Just as significant is the history of tax-and-spending programs in this country. The invariable pattern is to start out small, on the assumption that nobody will object to a tiny program for a worthy purpose. Then, once the mechanism is in place and the principle established, the spending/taxing effort steadily accelerates. Such was the case with food stamps, Medicare and other projects of the Great Society.

More to the point, such has been the case with taxes. When the federal income tax was first adopted, it affected less than 1 per cent of the total U.S. population and brought in less than 1 per cent of personal income. Today, nearly everyone pays income tax, and top rates have gone as high as 90 per cent (the maximum rate today, after the '81 rate reductions, is "only" 50 per cent).

Much the same has occurred with Social Security taxes. These started out as a modest 1 per cent on the first $3,000 of wages, paid by employee and employer alike (for a total of 2 per cent). In 1940, the maximum annual tax was $60. Today the combined rate is 14 per cent on the first $39,600 of wages. The maximum annual tax is $5,400, and heading up.

Viewing that history, and considering the tremendous pressure for still more spending and still more taxes to pay the bills, it isn't hard to predict what would occur if we had VAT. We have repeatedly let this kind of camel get his nose under the tent, and have wound up with a gigantic, hungry herd indoors with us. VAT could well turn out to be the biggest and most ravenous of them all.

AMERICAN LATVIAN ASSOCIATION TO CELEBRATE 35TH ANNIVERSARY

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. YATRON. Mr. Speaker, I rise to pay tribute to the many Americans of Latvian heritage. Latvian Americans have contributed significantly to the richness and success of our society, deeply involved in civic, educational, charitable, and religious activities. They have also been one of the true defenders of freedom around the world, and have actively worked to promote the democratic principles and basic human rights which serve as the foundation of our own society.

It is one of the great tragedies of modern times that Latvians in the U.S.S.R. still suffer under the heavy hand of Soviet oppression. Denied basic human rights, with all manifestations of cultural identity ruthlessly suppressed, they have, nevertheless, valiantly and courageously maintained their traditions and heritage. They have not lost their thirst for freedom and they should serve as an inspiration to all of us. As chairman of the House Subcommittee on Human Rights and International Organizations, I have a deep respect for these people and their efforts to overcome the

brutal and relentless Soviet tyranny. I have actively worked in support of the Latvian cause and will continue to do so until their freedom is achieved.

On May 2–4 of this year, several hundred leaders of Latvian American organizations throughout the United States will gather in Washington, DC, to attend the 35th annual Congress of the American Latvian Association. This is a most noteworthy event, and I have submitted to the CONGRESSIONAL RECORD a copy of a press release from the ALA which provides details about the event as well as the Latvian people.

AMERICAN LATVIAN ASSOCIATION TO CELEBRATE 35TH ANNIVERSARY IN WASHINGTON, DC, MAY 2–4, 1986

ROCKVILLE, MD.—Leaders of Latvian American organizations throughout the United States will gather in Washington, DC May 2–4, 1986, to attend the 35th annual Congress of the American Latvian Association in the United States, Inc. (ALA).

The event will commemorate the 35th anniversary of the founding of the national organization, which was established in Washington, DC on February 24, 1951. The 3-day Congress will also review activities of the previous yaer and elect the Executive Board for 1986–87. All activities will take place at the Quality Inn, Pentagon City, Va.

The ALA is a non-profit organization created for charitable and educational purposes. Its members include individuals as well as nearly 200 secular and religious Latvian American organizations. Among its goals are:

Promote cultural cooperation between Americans of Latvian descent and other Americans.

Further the aspirations of the Latvian nation with regard to the restoration of the right of self-determination to the people of Soviet-occupied Latvia.

Promote the teaching and understanding of the Latvian language, history and culture.

"The steady growth of the American Latvian Association over the last 35 years is a testimony to the commitment and unity of the Latvian American people," states Aristids Lambergs, president of the ALA.

"While we have made important contributions to the richness and cultural diversity of the United States," Lambergs added, "we also have a unique responsibility to the people of occupied Latvia, who no longer enjoy the freedom of choice, the freedom of speech or the freedom of religion. Over the last three decades the Latvian American people have demonstrated their undying support for the democratic principles exemplified by the United States. With this in mind, we must continue to work with our fellow Americans for a more just world where Latvia can once again take its rightful place among the free nations."

In addition to providing charitable assistance to Americans of Latvian descent, the ALA also helps coordinate and sponsor Latvian American cultural events, schools, continuing education courses, museums, sporting events and other activities. It also provides information about the Latvian people and their concerns to the U.S. government, press and educational institutions.

Among the ALA's noteworthy activities:

The establishment of The Latvian Studies Center in Kalamazoo, Michigan, which serves as a dormitory and lecture center for Latvian American students pursuing a degree in Latvian studies at Western Michigan University. The Studies Center houses the largest Latvian-language library in the United States.

The annual publication and promotion of new books in the Latvian language, making it the second largest publisher of Latvian-language books in the United States.

Creation of a Latvian Museum at the Association's headquarters in Rockville, Maryland. The museum includes exhibits on Latvian history, geography, and culture, and features a recreation of a traditional turn-of-the-century Latvian country home. It is one of three such museums in the United States supported by the American Latvian Association.

Publication of the English-language LATVIAN NEWS DIGEST, which serves as a source of news and information about Latvian people and issues to the American public, government and press.

Co-founder of the Joint Baltic American National Committee, (JBANC) a Washington, DC based committee which serves as a liaison between Baltic-American national organizations and the United States government. JBANC celebrates the 25th anniversary of its establishment on April 27, 1986.

Participating member in the World Federation of Free Latvians (WFFL), an international organization dedicated to promoting aspirations for self-determination and human rights among Latvians in Soviet-occupied Latvia. As a member of WFFL, the ALA participated in the 1985 Baltic Tribunal Against the Soviet Union in Copenhagen, and is active in providing information and assistance to Commission on Security and Cooperation in Europe regarding human rights in occupied Latvia.

For additional information about the American Latvian Association, or the May 2–4 Congress, contact Ojars Kalnins, Public Relations Director, at (301) 340–8174.

HOW CAN OUR NATION AFFORD NOT TO PAY?

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. BIAGGI. Mr. Speaker—

In the last decade or so, America has at least developed a consciousness about the environment, with scores of organized groups worrying about pollution, toxic waste, acid rain, endangered species, and the waste of natural resources. Yet one precious natural resource, in limited quantity and vital to the nation's future, is largely ignored, and few seem concerned with its tragic waste. The resource is the supply of gifted children, in whose tiny noggins much of the future of this, or any other nation, is locked up.

This is the beginning of an article recently published in the Houston Post entitled, "Nation Will Pay if Nothing Is Done To Help the Gifted Child." It is certainly an apt description of the plight of our Nation's estimated 2 million gifted and talented students who are unserved, underserved, or incorrectly served by our Nation's educational system. They face special barriers to a quality education, barriers which unfortunately, continue to be overlooked by this Nation's educational policymakers.

To address this area of special education, I have introduced H.R. 3263, The Gifted and Talented Children and Youth Education Act. I am joined in this bipartisan effort by 81 of my colleagues who believe, as I do, that the Federal Government has a responsibility to ensure that the best and brightest of our Nation's students are adequately and effectively served by our educational system.

This bill will provide Federal assistance to support State and local programs for gifted and talented youth. It also encourages the development of early identification programs to identify gifted and talented youth. Unless the special abilities of gifted and talented children are developed during their elementary and secondary school years, their special potentials for assisting the Nation may be lost.

As states in the Department of Education's report, ours is truly "A Nation at Risk." We can do much to address this problem by adopting H.R. 3263, which provides a modest approach to an educational issue slowly reaching crisis proportions. It is tremendously important to our entire society that these creative and intellectual talents be identified, developed, and utilized. The future of this Nation—and that of the world—depends upon the quality of the creative imagination of our next generation.

As the Houston Post article concluded, "Unless we take our gifterd children in hand and nourish them, the Nation will pay a high price 20 and 30 years hence."

ELIZABETH SMITH GATOV

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mrs. BOXER. Mr. Speaker, today I have the privilege of honoring a remarkable woman whose leadership and accomplishments have illuminated the way for millions of younger women seeking careers in public life. Her name is Elizabeth Rudel Smith Gatov, and I am proud to say that she is my longtime friend and my constituent in Kentfield, CA. This week she is celebrating her 75th birthday, and I welcome this opportunity to ask my colleagues in the House to join me in saluting Elizabeth Gatov.

Elizabeth Smith Gatov is perhaps most widely known as the former treasurer of the United States in the Kennedy administration. However, she also has a long record of achievements in business and community affairs as well as in State and Federal Government.

Mrs. Gatov's record of prominent service on corporate boards of directors, as a distinguished lecturer, as a deputy labor commissioner for the State of California, as a foundation trustee, and as a national chair of the Democratic Party was unique among women of her generation. The excellence which characterized her performance in these challenging positions made her a role model for the generations of women who followed her.

One of the other major areas of interest in Mrs. Gatov's life has been the rights of women and children. Through her determina-

tion to provide women access to reproductive health services, she became involved with Planned Parenthood as a local board member and later as the organization's first national public affairs director. Her legislative advocacy on the issue of reproductive rights has been responsible for enactment of progressive legislation at the State and Federal level.

In recent years, her own experience as a widow faced with a series of confusing financial decisions led Mrs. Gatov to write a book, "Widow in the Dark," as a primer on the fundamentals of financial management for widows.

When Elizabeth Smith Gatov retired from national political life, a colleague gave her this tribute:

Widely read in both domestic and international policy issues, deeply dedicated to the battle against social injustice, experienced in the "old politics" of party and precinct organization and the "new politics" of television, computers, and polls, objective and detached when giving advice but passionately loyal when committed, Libby Gatov represents all that is best in American politics. Respect, trust, and integrity—her life is a personal testimonial to the glory of the democratic process at its best.

All of us who have been inspired and guided by Elizabeth Gatov's example know this to be true and thank her for what she has given to us.

HONORING THE 75TH ANNIVERSARY OF ST. DEMETRIUS UKRAINIAN ORTHODOX CATHEDRAL

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. DWYER of New Jersey. Mr. Speaker, I would like to call to the attention of the Congress a very significant anniversary to take place on May 18, 1986, when St. Demetrius Ukrainian Orthodox Cathedral located in Carteret, NJ, will commemorate its 75th year.

St. Demetrius has had a long and full history over its 75 years. The cathedral, its clergy, and its parishioners have always played a vital role in the life and growth of our area, and their influence has extended far and wide, as true pillars of the Ukrainian faith.

Their journey since the first days of the parish in 1909 and its official consecration in 1911, has been distinguished by a spirit of dedication and commitment. The early years of the cathedral were marked by hard economic times during the Depression, yet the good will and generosity of the parishioners prevailed. The progress of the parish was indeed astronomical, through the devotion of the parishioners and their pastor, the beloved Archibishop Mark Hundiak, known as Father John and his parishioners at St. Demetrius.

He became pastor of St. Demetrius on October 15, 1932, and his legacy is felt in every corner of the church. Under Archbishop Mark's leadership, St. Demetrius parish acquired a tract of land in 1936 on which the Ukrainian pavilion was built in 1937. The modern St. Demetrius Community Center built in 1955, now stands there—a landmark of the town.

Archibishop Mark has also offered prayers at the opening sessions of the Senate and the House. During World War II, he kept in close contact with the 315 members of the parish who served during the war.

The archbishop was followed by Father Peter Melech, and the current pastor, Father Taras Chubenko, who was named in November 1980. All of these individuals have given freely of their many talents, and, with the cathedral's faithful parishioners, have helped to establish its enduring and guiding presence in our midst.

A debt of gratitude is owed to the many church organizations that were established early in the life of the parish and have continued in their generous service to this day. The oldest organization is the Sisterhood of the Patronage of the Blessed Virgin Mary. In addition, is St. Ann's Auxiliary, P.T.A. Men's Club, Senior and Junior Chapters of the Ukrainian Orthodox League Church Choir, altar boys, Ukrainian dance groups and Ukrainian school.

As St. Demetrius commemorates its 75th year, it is appropriate to recall the words of Archbishop Mark: "What has been accomplished is indeed miraculous." The parishioners can look on the history of their parish with great pride, as we extend to them our deepest appreciation and admiration.

A CONGRESSIONAL SALUTE TO THE WILMINGTON LIONS CLUB

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. ANDERSON. Mr. Speaker, it is my distinct honor to rise and pay tribute to the Wilmington Lions Club on a truly momentous occasion. Chartered in 1936, the Wilmington Lions Club will be celebrating its 50th anniversary on April 30, 1986.

One of our area's finest service organizations, the Lions Club has been searching out and meeting the needs of our community and its citizens for half a century. In 1955, with the assistance of other local Lions Clubs, the Wilmington Lions Club opened the Lions Drag Strip in an effort to lure young people and their cars off the streets and provide them with a safe facility designed for drag racing. By 1972, when the racing strip closed, the Lions Club had raised $500,000 which was donated to local charities.

Today, the Wilmington Lions Club continues to exhibit its strong commitment to community service. The local Lions District Mobile Screening Unit conducts annual glaucoma and hearing tests in Wilmington, while a group of Lions Clubs purchased $1 million worth of eye equipment, including laser technology, which is utilized at the Saint Johns Hospital in Santa Monica. The Wilmington Lions Club also purchases glasses for needy individuals and furnishes white canes for the blind. In addition, the Lions Club loans wheel chairs to those with temporary needs.

With the hope that a cure for cancer will soon be discovered, the Wilmington Lions donate hundreds of dollars yearly to the City of Hope for cancer research. The organization also supports the Wilmington Boys and Girls Club, and the local young girls softball league, while conducting drug and diabetes awareness programs, a wilderness camp for deaf children, and a youth exchange with Japanese service organizations.

Mr. Speaker, it it with great pride that my wife, Lee, joins me in honoring the Wilmington Lions Club on its golden anniversary. This exceptional service organization has honorably served our community for the past 50 years, and it is our distinct pleasure to recognize the Wilmington Lions Club for a job well done and to wish the organization and all those affiliated with it all the best in the years ahead.

SAN JACINTO DAY

HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. ANDREWS. Mr. Speaker, I rise today in commemoration of San Jacinto Day and this sesquicentennial year. One hundred and fifty years ago on April 21, 1836, the most important battle in Texas history was fought: the battle of San Jacinto which won Texas its independence from Mexico.

The battle of San Jacinto occurred on a peninsula where the Buffalo Bayou and the San Jacinto River converge, at a site which now lies within my district. There, a group of 783 farmers and merchants from Tennessee, Kentucky, Georgia, and even Germany banded together to meet Santa Anna's Mexican forces.

For more than 5 weeks before the battle Gen. Sam Houston had been retreating, wrapping his strategy in mystery to battle a much superior Mexican Army nearing 1,500 well-equipped, well-trained soldiers. This final battle, coming after the dramatic fall of the Alamo and the massacre at Goliad, could not be lost.

Through Gen. Sam Houston's retreat, Santa Anna's supply lines had drawn longer and more difficult to defend against the backwoods tactics first used against the colonial British. With the afternoon Sun at their backs and Gen. Santa Anna's troops taking their daily siesta, Sam Houston's troops took only 18 minutes to defeat Santa Anna. Texas was an independent nation at last.

On this battlefield now stands the San Jacinto Monument, which I have visited often with my family. More than a symbol of a single victory, the San Jacinto Monument stands in memory of Texans' long struggle for freedom. It stands as well as a reminder of the burning desire for independence; the freedom to raise a family without being told which church to attend, or how many acres of land you can own; for public education; for no taxation without representation.

Texans are unusually proud because we have the unique honor of a double heritage. When Texas was an independent nation, the fall of the Alamo, the Goliad massacre, and the battle of San Jacinto became our symbols of independence.

However, Texans never forget that those farmers and merchants that won our independence were the grandchildren of the colonists who defeated the great British Army in 1776. Just as we are proud of our State's heritage, we in Texas are also proud to be one of the 50 American States. From 1776, to 1836, to 1986, the battle for freedom continues.

HONORING MRS. NORMA FILIOS ON HER 15TH TRIP TO WASHINGTON WITH STUDENTS FROM THE CLARKE SCHOOL FOR THE DEAF

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. CONTE. Mr. Speaker, I wish to take this moment to acknowledge the dedication which Norma D. Filios has exhibited toward the students at the Clarke School for the Deaf in Northampton, MA.

This year, 1986, marks the 15th and final year Mrs. Filios will serve as the senior adviser for the Clarke School students' yearly trip to our Nation's Capitol. It is for Mrs. Filios' tireless efforts toward the students at Clarke School for the Deaf, that I would like to take this opportunity to recognize this caring and devoted teacher.

Throughout the years that Mrs. Filios has accompanied the senior students on their trips to Washington, she has not only coordinated their activities, but has also encouraged their independence while in the metropolitan area. The invaluable skills that the students learn from Mrs. Filios during their stay in Washington remain permanent lessons to those individuals who have been fortunate enough to be guided by this remarkable woman.

Mrs. Filios is stepping down from her position as the senior adviser but she is not retiring from the Clarke School for the Deaf. Although future seniors will not be able to benefit from Mrs. Filios' terrific guidance on their senior trip I am sure that she will touch their lives in some way during their years at the Clarke School.

Mrs. Filios, we salute you for a job well done.

LOYALTY DAY

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Ms. KAPTUR. Mr. Speaker, on May 1, the Lucas County Council of the Veterans of Foreign Wars will be conducting its annual Loyalty Day Program. Loyalty Day was established by an act of Congress in 1958.

As a member of the House Veterans' Affairs Committee, I have worked closely with this exceptional veterans organization. Their work is an inspiration to our entire community. Their patriotism is strong and steady as is evidenced by their commitment to a first-rate Loyalty Day ceremony.

I know my colleagues in the House of Representatives join me in congratulating and thanking the Lucas County Council of the Veterans of Foreign Wars for their eternal vigilance to the principles which have made our country strong and free. Organizations like the VFW remind us each and every day just how beautiful our flag is and the great sacrifices that have been made on her behalf. When I see the American flag proudly flying over the U.S. Capitol on May 1, I will be thinking about the Lucas County Council of the VFW and Loyalty Day.

TRIBUTE TO ALFRIDA TEAGUE

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. LAGOMARSINO. Mr. Speaker, my colleagues, it is my pleasure today to pay tribute to one of the most remarkable women in my district.

Mrs. Alfrida Poco Teague of Santa Paula, CA, was recently recognized by Interface of Ventura County as the 1986 recipient of Interface's honors for her long involvement in youth work and other causes for social uplift.

Mrs. Teague has been cited as an extraordinary person of vitality, empathy, enthusiasm and compassion—all hallmarks of a very lovely lady. She has spent over 24 years as a volunteer in improving the county's juvenile justice system. She also served as the first woman grand jury foreman in Ventura County history.

Alfrida and her husband Milton have been married for 61 years and have worked together in ranching and civic activities for all those years. Alfrida was the sister-in-law of my predecessor, the late beloved Charles Teague.

I wish Alfrida and Milton many more years together and ask my colleagues to join me in a salute to a wonderful lady.

YOUTH SUICIDE AND NATIVE AMERICANS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. LANTOS. Mr. Speaker, this week, with my colleague Representative GARY ACKERMAN, I introduced the Youth Suicide Act of 1986. While most of us are now aware of the growing tragedy of youth suicide, I would like today to focus on how this tragedy has affected one particular group of our society—the native American Indian.

Last year alone there were 11 suicides on the Wind River Reservation located in central Wyoming. The victims were all young men between 14 and 25 years of age. They were, with one exception, members of the Wind River Arapahoe tribe. Two hanged themselves in the Riverton City Jail, at least five had alcohol readings well above the legal limit and three more killed themselves after going to funerals for one of the others. Only two left suicide notes—but even these provide no clue as to why these young men took such drastic steps.

Historically, suicides of Native American males has been higher than the national average—50 per 100,000 in the 15–24 age group compared to 20 per 100,000 nationwide. But the recent epidemic has pushed the Arapahoe figures to more than 300 times the national average. The words of the local coroner reflect the frustration of the whole tribe, "I don't know what to do about . . . and I don't think anybody else does."

Although we are still searching for the answers to this rash of suicides, we do have some clues. Many Indians feel disenfranchised from mainstream American life, and rejected by the dominant culture. This has led to emotional isolation, and frustration at the inability to achieve self-fulfillment. This same loss of self-esteem has already manifested itself in the high rate of alcoholism prevalent on many reservations.

Mr. Speaker, it is clearly time that we address this terrible loss of human life. I believe that the Youth Suicide Prevention Act of 1986 will go some way to help combat the problem, but we must also pay special attention to the needs of ethnic minorities in this country who are particularly vulnerable to the vicious cycle of despair and isolation which can result in suicide. I urge my colleagues to join me in giving full backing to Federal programs aimed at alleviating this tragedy and invite your cosponsorship of the Youth Suicide Prevention Act of 1986.

THOMPSON'S CELEBRATES 100 YEARS

HON. J. ALEX McMILLAN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. McMILLAN. Mr. Speaker, Thompson Children's Home, located in Charlotte, NC, will celebrate its 100th anniversary on May 3. It deserves recognition in the U.S. Congress.

"Thompson Orphanage" was originally organized by St. Peter's Episcopal Church in 1886 to provide home to children without parents. Today, the home is a residential treatment center, assisting children who are mentally disturbed and abused. The children are educated at an on-campus school certified by our local school system.

Some 20 children, between the ages of 6 and 12, live at Thompson, usually residing in the facility from 1 to 2 years.

There is an important distinction about Thompson that should be noted. Although they receive a minimum contribution from the local government, Thompson's goal is to remain financially self-sufficient, as they have been for most of their 100 years. The work performed there is funded almost entirely by private donations.

Mr. Speaker, I commend Thompson Children's Home, its staff, board and supporters for the past 100 years of success and wish them many more years of service to our children.

THE FUEL USE ACT SHOULD NOT BE REPEALED

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. RAHALL. Mr. Speaker, over the years, I have stated on many occasions that the United States must formulate, and stick with, an energy policy that is premised upon the long-term energy security of the Nation and which is resilient to the cyclical nature of energy supply and demand.

Needless to say, despite attempts to set in place and maintain such a policy, we as a nation are still very much hostage to the prevailing political winds when it comes to energy policy. We have not learned our lesson from history, forgetting the oil shocks and natural gas shortages of the 1970's. Energy complacency is the order of the day, because today, energy prices are low and supplies are abundant.

As such, there are those who are now systematically attempting to dismantle any semblance of the long-term energy policy this Nation has set in place. It is far easier to react to the current energy situation with shortsighted "remedies." It takes courage to consider the long-term ramifications of such "remedies" and, unfortunately, in this, we are often woefully inadequate.

And so, the effort to repeal the remaining restrictions on the use of natural gas and petroleum in new electric utility powerplants as provided by the Powerplant and Industrial Fuel Use Act of 1978 is gaining steam.

Even though the Energy Information Administration's most recent energy outlook states that the total annual U.S. supply of natural gas is expected to remain relatively constant through 1995, there are those who would place this valuable energy resource under new electric utility boilers.

Even though the EPA states that the current excess capacity of natural gas is projected to diminish early in the next decade because reserve additions do not keep pace with production, there are those who would jeopardize the availability of this valuable energy resource to residential, commercial and industrial users by repealing the Fuel Use Act.

Mr. Speaker, there simply will not be such a dramatic increase in our natural gas resource base to justify a policy of promoting the burning of natural gas as a utility boiler fuel. It is my belief that we must give priority to residential, commercial and industrial users of natural gas as we continue into an age of uncertain gas availability.

Prudence dictates the retention of the Fuel Use Act. For once, let us look to the future when formulating energy policy.

USDA'S IMPLEMENTATION OF THE DAIRY TERMINATION PROGRAM HAS HAD DEVASTATING IMPACT ON U.S. CATTLE INDUSTRY

HON. RICHARD STALLINGS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. STALLINGS. Mr. Speaker, I want to impress upon this body the severe and immediate impact on the U.S. cattle market resulting from USDA's implementation of the Dairy Termination Program. I am sure you are all very much aware that cattle prices fell by an average of $2 to $6 per hundredweight in the first week following USDA's announcement that two-thirds of the required dairy cattle liquidation would occur in the first period of the buyout program—from April 1 through August 31. These sharp price declines have already cost cattle producers as estimated $300 million and losses are mounting each day. There is little question that USDA's irresponsible handling of the dairy buyout has had an absolutely devastating impact on an already beleaguered livestock industry.

Mr. Speaker, further action must be taken by USDA to minimize the adverse effects of their own regulations. Secretary Lyng has announced that USDA would purchase red meat in proportion to the excess slaughter and has authorized additional export credit guarantees to market U.S. breeding livestock to Mexico and has made offers to sell a total of 29,000 head of cattle to Iraq, Indonesia, Turkey, Morocco and Egypt under the USDA Export Enhancement Program. But the fact remains that the Department's performance record on actual purchases of red meat is dismal, if not practically nonexistent. It clearly has not been enough to counter the effects of heavy oversupply and plummeting prices in the cattle market over the last couple weeks.

Congress must insist that USDA take further action to implement an orderly marketing buyout as specified in the law by spreading out dairy herd disposal more evenly over the next 18 months. As a start, USDA should allow dairy producers who were accepted into the first disposal period to voluntarily shift their slaughter to either the second or third periods to help reduce the current oversupply. USDA has estimated that as many as 200,000 cows scheduled for slaughter in the first period could be shifted to later periods. Congress must also insist that the Department follow through on the Secretary's most recent commitment to purchase pound-for-pound the additional red meat that has come on the market as a result of the Dairy Termination Program.

We must also support legislation that has been introduced—House Resolution 418 and H.R. 4591—that call for restraints on the importation of live cattle and beef products into the United States during the termination program. Finally, Mr. Speaker, this body must provide continual vigilance over the Department to see that the dairy buyout and red meat purchase programs are carried out in a more responsible manner.

FOOD STAMP MEANNESS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. STARK. Mr. Speaker, last week we were treated to another example of the uncommon meanness and hypocrisy of the Reagan administration. The Department of Agriculture ruled that money earned from selling blood shall be counted as earned income for food stamp eligibility purposes. Current income ceilings are $438 per month for an individual; $888 for a family of four.

Mr. Speaker, where are our priorities? You can sell oyster shells and racehorses and get a tax break. If you're an oil company, a real estate developer or a defense contractor, the Government can't seem to open your loopholes wide enough. But if you want to sell your blood to help put food on the table of your poor, hungry family, you get taxed in the form of reduced food stamp benefits. We spend billions on the production of weapons that will spill blood but tax the sale of blood that could save lives.

What are the motivations for this policy? Is entrepreneurial behavior to be encouraged only in wealthy people who may eventually contribute some of their earnings to the Republican Party? Or perhaps are some worried that they may one day receive blood from a (God forbid!) poor person? Certainly this cannot have been done for budgetary purposes. Let's be real. How much money could all the food stamp recipients who are not queasy around needles make selling blood? And if it's being done to protect against fraud, this administration has reached new lows of sanctimony. After all the cooked budget books, all the improprieties of Reagan appointees, all the influence that has been crassly and cynically sold, do these guys think they can score ethical points by nickel-and-diming a few welfare mothers? Come on, Mr. President, let's be consistent!

UNIFORMED AND OVERSEAS CITIZENS ABSENTEE VOTING

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. SWIFT. Mr. Speaker, recently along with our distinguished colleagues, Mr. DICKINSON, Mr. HUTTO, and Mr. SCHUMER, I introduced H.R 4393, the Uniformed and Overseas Citizens Absentee Voting Act.

This simple but important proposal would allow overseas voters—both military and civilian—the opportunity to vote in Federal elections when, through no fault of their own, they fail to receive their regular absentee ballots in time.

I would like to urge those who have not yet joined us in cosponsoring H.R. 4393 to do so. And I would like to share an excellent letter I received recently from Ms. Beatty B. Brasch, Election Commissioner of Lancaster County,

NE. Her letter captures what I think are several of the most important points about H.R. 4393: that the concepts contained in the bill are realistic; that they are important; and that they would be easy to implement. I commend Ms. Brasch's thoughtful comments to the attention of my colleagues.

The letter follows:

OFFICE OF ELECTION COMMISSIONER,
Lincoln, NE, April 3, 1983.

AL SWIFT,
Chairman, Subcommittee on Elections,
Washington, DC.

DEAR CONGRESSMAN SWIFT: This letter is in regard to the Federal blank absentee ballot for military and overseas citizens. After reading in the Election Administration Reports, information on the Federal Blank Absentee Ballot, I feel that the concepts described are realistic and would be easy to implement.

It is important, as election officials, to do anything we can to protect a person's voting rights, and your proposal is one means of achieving this goal.

At present, the legislature in the State of Nebraska, is considering a proposal to extend the absentee voting deadline from 35 to 45 days. This certainly is a step in the right direction, but if we also had a blank absentee ballot, it would help assure that all citizens could vote.

I especially like the provision that if the voter completes and mails a special blank absentee ballot and subsequently receives a regular absentee ballot, the voter could complete the regular absentee ballot and return it. If it was received in time, the Election Office could then count the regular ballot, and the special Federal absentee ballot would not be counted.

Thank you for your support of this bill.

Sincerely,

BEATTY B. BRASCH,
Election Commissioner.

HONORING PIONEER HIGH SCHOOL PRINCIPAL ROBERT L. EICHOLTZ FROM THE WHITTIER UNION HIGH SCHOOL DISTRICT

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. TORRES. Mr. Speaker, I ask my fellow colleagues in Congress to join me in honoring the service and career of Mr. Robert Eicholtz. Mr. Eicholtz has served as principal of Pioneer High School for 7 years and will retire at the end of this year.

As a principal, Robert Eicholtz exemplifies the qualities that outstanding educators must have to be successful. He is caring, charismatic, energetic, demanding, and student-oriented. Under his leadership, Pioneer High School received national attention as a leader in meeting the educational needs of students. In 1983, Pioneer was honored with a visit from President Reagan and national recognition as an outstanding school.

The formula of achievement created by Robert Eicholtz for Pioneer is his commitment to excellence and his interest in students and teachers. At Pioneer High School you will hear high praise from the faculty and students for the climate and history of success at the campus.

Mr. Speaker, Robert Eicholtz is to be commended for his dedication and service to the student body and community. His duties included overseeing the instruction of 2,000 students, staff management, curriculum development, as well as an effective liaison to parents and community members.

After spending 32 years in education, Robert plans on spending his well-deserved retirement traveling, golfing, fishing, and backpacking with his wife Beverly. He will continue to be involved in education as a consultant to the Los Angeles County Schools in a school effectiveness unit.

I wish Mr. Eicholtz and his wife all the best during his retirement. His service and dedication will be missed by the students of Pioneer and people of the Whittier Union High School District.

MR. BERTEL H. SCHMIDT, NEW YORK STATE'S SMALL BUSINESS PERSON FOR 1986

HON. GEORGE C. WORTLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. WORTLEY. Mr. Speaker, through the years, we have heard many of our colleagues in the Congress speak eloquently about the importance of providing more jobs and better wage opportunities for all Americans who are able to work. And although we in America continue to strive to assist hard-core unemployed groups to get a firm foothold on the economic ladder, we now enjoy, in our great Nation, one of the most sustained economic recoveries in modern history.

Albeit whatever laws and policies implemented by the Congress and the administration to encourage this recovery, credit for this happy phenomenon, for the most part, must be given to the genius of innovative American entrepreneurs, most especially those who risk their resources to create and expand small businesses.

One of the most outstanding of these individuals is my constituent and friend, Mr. Bertel H. Schmidt, the president and co-owner of a wonderful and remarkable enterprise, Switz's General Store in North Syracuse, NY.

To hear customers describe Switz's as a "unique variety store" is one of history's greatest understatements. Take my word on that. What people want, Switz's has got.

So it is no accident that Bert Schmidt has won the honor of New York State's Small Business Person for 1986.

Twenty years ago, Bert Schmidt began managing a 3,800-square-foot store owned by his father-in-law, Mr. Mark B. Switz. Under Bert Schmidt's skilled and imaginative guidance, Switz's rapidly expanded, first to 8,000 square feet, then to 18,000 square feet as the variety and volume of merchandise grew and clientele mushroomed.

In the summer of 1984, following a $3 million investment, Switz's opened a 40,000-square-foot store featuring a 60-foot clock tower on South Bay Road in North Syracuse. Since 1954, the number of Switz's employees has more than doubled, from 70 to 150. Annual sales volume is about $6 million, about a twentyfold increase over two decades ago.

On May 14, Mr. Bert Schmidt will be honored at ceremonies in Albany. On May 19, our community will fete him at a dinner at the Onondaga Community College. The next day, on May 20, Mr. Schmidt will be here in Washington where he will be among candidates for the Small Business Administration's selection of the U.S. Small Business Person of the Year Award.

Mr. Speaker, it is with singular pride that I bring the attention of our colleagues in the Congress to the outstanding achievements of Mr. Bertel H. Schmidt.

UNITED BLACK FUND 14TH ANNUAL VICTORY LUNCHEON

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. DELLUMS. Mr. Speaker, I would like to bring to the attention of the Congress the 14th Annual Victory Luncheon of the United Black Fund of Greater Washington to be held on June 4, 1986, in the Sheraton Washington Hotel between 11:30 a.m. and 2:00 p.m.

Presiding will be Dr. Calvin W. Rolark, president and founder of the United Black Fund, and Mr. Donald Graham, publisher of the Washington Post. Among those who will be honored are: the Honorable Marion S. Barry, Jr., Mayor of the District of Columbia; the Honorable Elizabeth Dole, Secretary of the Department of Transportation, and the Malcolm X Day Committee, for their contributions for the betterment of society.

This year's luncheon theme is "The Black Family/Year 2000." During the past 17 years the United Black Fund has played a critical role in strengthening the black family, and in providing assistance and opportunities to those in need. Today, the United Black Fund assists 65 participating member-agencies and grants emergency funds to numerous qualified nonprofit organizations that render community-oriented services within the Metropolitan area.

The United Black Fund has become the largest black fundraiser in the Nation, the first with full payroll-deduction privileges within the Federal campaign; it is the only one to have a partnership with the United Way. It is my belief that the United Black Fund is an example, for all across this Nation to follow, in creating ways to assist those in need.

Throughout the last 17 years, several hundred thousand people have been helped by the United Black Fund. I encourage all Members of Congress to join the United Black Fund at its 17th Annual Victory Luncheon.

GETTYSBURG HOSPITAL AUXILIARY CELEBRATES 65TH ANNIVERSARY

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. GOODLING. Mr. Speaker, this year, the Gettysburg Hospital Auxiliary is celebrating its 65th anniversary. The auxiliary was organized in 1921 by Mrs. Clyde B. Stover and has had a positive, long-lasting impact on the growth and development of Gettysburg Hospital.

In the beginning, the auxiliary provided home-canned fruits, vegetables, preserves, potatoes, and eggs to the hospital kitchen, in addition to sewing everything from curtains to bedsheets for the then fledgling hospital. By the time the first patient was admitted to the hospital on March 17, 1921, the auxiliary's sewing committee had sewn more than 1,800 items.

But times change, and so did the role and contributions of the auxiliary. The auxiliary became more involved in providing financial support to the hospital, used primarily to purchase medical equipment and expand hospital facilities. In 1925, for example, they gave a major gift for the building of the Nurses Home. Since that time they have provided the hospital with a communications center and surgical table, nuclear medicine equipment, stress testing equipment, and a coronary care monitor, and teletrace pacemaker equipment—just to name a few.

This group of volunteers now stands 1,000 strong in membership and I believe each and every one of them deserve to receive special recognition for their contributions to Gettysburg Hospital and the community in which they reside.

I am sure my colleagues in the House will want to join me in paying tribute to the Gettysburg Hospital Auxiliary on the occasion of its 65th anniversary.

A CONGRESSIONAL SALUTE TO ERNESTINE TOLES

HON. WILLIAM H. GRAY III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. GRAY of Pennsylvania. Mr. Speaker, it is my distinct honor to rise today to pay tribute to a woman who has worked unselfishly for the past 35 years to build a better Philadelphia through her profound dedication to human services, civic activities, and philanthropies.

Mrs. Ernestine Toles is a dear friend and distinguished constituent who is retiring from 27 years of service in the social work profession with the Philadelphia Department of Human Services.

Mrs. Toles is a social worker who works with children and youths—our future generation. On any one day Ernestine can be seen in any number of places. While the problems that she deals with may vary, one thing is the same; she treats everyone equally. No problem is considered too trivial for Ernestine's compassion and quick mind.

Continually responding to the needs of others, Ernestine Toles has been actively involved in the city of Philadelphia. She has served as a liaison to the State Foster Parent Organization, as a liaison to the Department of Public Welfare Foster Program, and as a liaison to a Better Program. She has also served as a member of the board of directors for the State of Foster Parent Association and the Child Care Management Systems.

It is with great pride that I congratulate Ernestine Toles on this joyous occasion. We wish Ernestine, her husband Willy and their children—Rhonda, Vincent, and Michael—all the best in the years ahead.

WILKES-BARRE BASKETBALL TEAM TRIUMPHS

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. KANJORSKI. Mr. Speaker, It is with pride and pleasure that I bring to your attention the accomplishments of the boys basketball team of G.A.R. High School of Wilkes-Barre, PA.

This year the G.A.R. team became the class AA Eastern State Champions in high school basketball. These boys had a stellar season, distinguished by a record of 29 wins and 3 losses. After taking the championship at the Robert McGrave C.Y.C. Christmas Tournament, G.A.R. went on to win the division 2 title of the Wyoming Valley League. High school athletics offer young people the opportunity to develop personal character and the ability to work as a team, as well as athletic prowess. The boys basketball team of G.A.R High School exemplify the best aspects of high school sports.

I would like to take this opportunity to congratulate the able leadership of the coach, John Hopkins and assistant coach, Paul Brown, as well as the members of the entire team: Bill Callahan, captain; Greg Skrepenak, Joseph Flynn; Pat Liberaski; John Snyder; Andy Macko; Al Melnich; Anthony Harris; Scott Konieski; Kevin Brew; Mark Gabura; Bruce Szczecinski; George Webby; Leo Webby; Scott Callahan; Tony Konieski; David Boyal; and David Koretz. The girls and boys behind the scenes who contributed to the success of this fine basketball team deserve special recognition; managers: Brian Miller, Joseph Stavish, Gary Johnson, P.J. Romanoski, Robert Harris, Paul Rushton; statisticians: Robert Glowacki; Stephen Housenick; Amy Pashinski; and Donna Makaravage; and the trainer, Joseph Marx.

Mr. Speaker, I take a special pride in the accomplishments of the young people in my congressional district, and its a pleasure to share this pride with my colleagues in the House of Representatives.

MR. GEJDENSON'S BILL WOULD HELP IN NONDEFENSE JOBS

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. GEJDENSON. Mr. Speaker, thousands of communities around the Nation are almost entirely dependent on the Department of Defense for their economic livelihoods. The eyes of every defense worker, and of every worker in defense-dependent communities, are turned to Washington each year as Congress debates the defense budget. One vote by Congress, or one decision by the President, can devastate an entire region's economy.

For this reason, I today introduce the Economic Diversification Promotion Act of 1986. This legislation will target vocational education funds at communities which are moving away from dependence on defense dollars or have already experienced a major defense contract cutback.

This bill establishes a partnership program with the private sector to train and retrain workers in defense-dependent communities for work in the nondefense sector. Fifty percent of the funds for these programs will come from non-Federal sources, such as industry and business, while the other 50 percent will come from Federal grants to States. The non-Federal share of the costs may be in the form of cash or in-kind contributions.

The need for this type of legislation has become apparent as defense-dependent communities, most recently the area surrounding the General Dynamics facility in Quincy, MA, struggle to reorient their economy and find jobs for their unemployed workers.

A defense contract cutback has a much larger negative impact on a community's economy than other types of factory shutdowns as defense-related industries and facilities cause the proliferation of smaller defense subcontractors and support industries in the same regional area. The entire economy, therefore, suffers because of one decision in Washington.

The best solution to the problem of defense-dependency, however, is to broaden the economic base before economic dislocation occurs. This piece of legislation will help facilitate the expansion of nondefense business in defense-dependent regions by increasing the number of skilled workers in the region and by allowing businesses to train individuals for nondefense work at a reduced cost.

I hope that my colleagues will join me in this effort to promote economic diversification in defense-dependent communities.

ORTEGA AND QADHAFI STICK TOGETHER

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. STUMP. Mr. Speaker, the newspapers in Managua, Nicaragua on April 17 carried the

text of a letter from Comandante Ortega, who leads the Sandinista Communists, to Col. Mu'ammar Qadhafi, who leads the Libyan terrorists. The translated text of Ortega's letter read as follows:

Brother: Given the brutal terrorist action launched by the United States Government against the people of the Libyan Arab Jamahiriya, I wish to convey the feelings of solidarity of the National Direction of the Sandinista National Liberation Front and the People and Government of Nicaragua.

The bombardment of Tripoli and Bengazi caused the death of civilians and children. Again the current North American Administration characterizes itself by launching and promoting this kind of aggression which victimizes men, women, children and old people.

Receive, esteemed brother Qadhafi, our condolences for the loss of your small daughter and convey our message of solidarity to the families of the victims of the Yankee bombardment.

Ortega's letter is interesting for many reasons. The letter openly expresses Sandinista solidarity with a terrorist-supporting government. The letter conveniently ignores any reference to Libya's aggressive terrorism against Americans which compelled President Reagan to respond in self-defense. The letter also reveals the true ranking of values in the Sandinistas' minds, because Ortega's letter expresses solidarity on behalf of—in Sandinista protocol order—the Sandinista party, the Nicaraguan people, and the Nicaraguan Government. The Sandinista party ranks as more important than the Nicaraguan people and the Nicaraguan Government. It should come as no surprise to those who have watched the advance of communism over the years that the party is considered more important than the people.

If Qadhafi wants to avoid future actions against Libya, he should cease forthwith his support for terrorism. If Ortega wants to avoid future actions against Nicaragua, he should begin immediately to engage in serious church-mediated dialog with the Nicaraguan opposition and in serious regional negotiations within the Contadora process.

The patience of the American people is wearing thin.

KEEPING FHA'S DOORS OPEN

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 29, 1986

Mr. AuCOIN. Mr. Speaker, these are heady days for the Nation's housing industry. As home mortgage interest rates continue to plummet, more and more Americans are finally seeing their long-held dreams of owning a home become a reality.

Good news for the housing industry means good news in general for Oregon. My State is an interest-rate-sensitive State which welcomes this long-overdue dose of good economic medicine. When we build new homes, it means more work and additional jobs for the timber and construction industries. When we sell new homes, it means a more vibrant real estate industry. And when we buy new homes, it seems more people contributing to our tax base and stimulating economic activity in general.

One of the biggest tickets for entry into the homeowner market has been the FHA mortgage program. This federally insured loan program offers low interest and low downpayment requirements that make it easier for low- and moderate-income people to make the jump to homeownership.

This recent positive trend in the housing market, however, has ironically had the effect of drying up the availability of FHA loans. For fiscal year 1986 the federal credit ceiling for the FHA program is $57.42 billion. But the unprecedented demands for housing credit have nearly exhausted that credit authority.

That's why I'm very pleased that the House took action on April 21 to ensure that the FHA loan program will still be available to would-be homebuyers. The bill we passed, H.R. 4602, increases the credit limit for the FHA program from $57.42 billion to $95 billion. And these figures do not reflect an increase in appropriations, but rather just an increase in credit authority.

I believe it's important that we continue to encourage Americans to enter the homeownership market. The action we took yesterday will ensure that more people have that opportunity. Meanwhile, Oregon will continue to reap the benefits of the stepped-up housing activity and will continue to turn the corner economically.

SENATE—*Wednesday, April 30, 1986*

(Legislative day of Monday, April 28, 1986)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Creator God, Supreme Lord of the universe, a massive cloud, filled with the poison of radioactive fallout, hovers over the Earth—witness to the blind side of our vaunted human progress. With all our genius, we think we have got it all together while everything is falling apart. We boast of our technological progress and are frustrated by its byproducts: toxic waste, environmental pollution, and the relentless threat of nuclear annihilation. Psychiatrists, psychologists, and professional counselors by the thousands prosper in our cities—knowledge explodes into scores of disciplines—yet social decay persists: divorce, battered wives, abused children, sexual immorality, drug abuse, alcoholism, poverty, oppression, and crime not only remain unsolved but increase epidemically. No one wants war, but we cannot find the way of peace.

Patient Father in Heaven, help us hear and heed the words of President Lincoln calling the Nation to a day of national humiliation, fasting, and prayer 120 years ago today: "We have grown in numbers, wealth, and power as no other nation has grown, but we have forgotten God * * * We have vainly imagined that all these blessings were produced by some superior virtue and wisdom of our own. It behooves us then, to humble ourselves, to confess our national sins, and to pray for clemency and forgiveness."

Gracious God, awaken us to our situation, turn our hearts to You. In the name of Him Who is love incarnate. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able distinguished majority leader, Senator DOLE, is recognized.

Mr. DOLE. Mr. President, Senator THURMOND, I thank the distinguished Presiding Officer.

SCHEDULE

Mr. DOLE. Under the standing order the leaders have 10 minutes each, followed by special orders in favor of Senators HAWKINS, DECONCINI, WILSON, KERRY, CRANSTON, and PROXMIRE of not to exceed 5 minutes each; routine morning business not to extend beyond 10:45 a.m. with Senators permitted to speak therein for not more than 5 minutes each.

At 10:45, the Senate will resume consideration of the budget resolution. Votes will occur throughout the day. There will not be a late evening session tonight because the distinguished chairman of the Budget Committee has a longstanding previous engagement. So, I would guess we will stay on the bill until 6 or 7 o'clock. There are approximately 15 hours remaining on the budget. I hope to complete action on the budget this week. Much will depend on whether we can put together a bipartisan substitute that might have enough votes to pass. But in any event, that is being worked on and we ought to have some indication of the success of that effort by late today or early tomorrow.

Again, I indicate to my colleagues there will be votes today. I hope that Members who have amendments will come to the floor. It is very difficult for the managers, Senator DOMENICI and Senator CHILES, to make progress on the bill unless those who have amendments are willing to offer them. I must say they have been most helpful and most cooperative. I would guess that some of the amendments can be resolved without rollcall votes. I hope that can be done.

TERRORISM AND THE WAR POWERS RESOLUTION

Mr. DOLE. Mr. President, on April 17, the distinguished Senator from Alabama [Mr. DENTON] joined me in introducing S. 2335, the Anti-Terrorism Act of 1986.

ADDED COSPONSORS

I now ask unanimous consent that the distinguished Senator from Wyoming [Mr. WALLOP], the distinguished Senator from California [Mr. WILSON], and the distinguished Senator from South Carolina [Mr. THURMOND] be added as cosponsors.

The PRESIDING OFFICER (Mr. PRESSLER). Without objection, it is so ordered.

WHY WE NEED NEW LEGISLATION

Mr. DOLE. Mr. President, introduction of S. 2335 has generated some useful debate—here in the Senate, in the media, and among the public—about the War Powers Resolution of 1973. Some have asked whether we need to amend that resolution at all. My answer—an answer I give as one of the original sponsors of the War Powers Resolution—is "Yes," for a number of reasons.

TERRORISM NOT FORESEEN AS THREAT

First, when we drafted, debated, and enacted the War Powers Resolution in 1973, we did not envision terrorism as a major threat to our national security or the safety of our citizens, either military or civilian. Although there was some occasional mention in debate of the kinds of attacks we today would see as terrorism, the word "terrorism" was not mentioned, and it was certainly not envisioned as a worldwide, state-sponsored form of aggression.

On the contrary, the overriding focus and goal of our debate in 1973 was finding a way to deal with the kinds of conventional warfare problems current or known at the time: The Vietnam war, the Gulf of Tonkin Resolution, the Cuban missile crisis. We gave no serious thought to whether the measures we were enacting would be appropriate to deal with new or emerging kinds of aggression.

ATTACKS ON AMERICAN CITIZENS DISCOUNTED

Second, in 1973, we did not envision the situation where innocent American travelers—tourists—would be targeted for attack as part of an adversary's anti-American strategy. The 1973 debate made clear that the resolution was primarily intended to serve as a framework for an American response to attacks on our territory or our military forces, not our citizens.

The legislative record does indicate an appreciation that American civilians might come into danger as a result of foreign attacks, but in those cases, it suggests the President's authority to respond would be limited, in the words of the committee report:

> * * * only to rescue endangered American citizens. He may not use the circumstances of their endangered position to pursue a policy objective beyond safe and expedient evacuation.

In other words, all other potential uses of force on behalf of American citizens—deterrent attacks, preemptive strikes to eliminate original or subsequent attacks, retaliatory strikes—all these were seen by some to be precluded.

DANGER OF LEAKS

Third, when mandating prior consultations with Congress, we did not take fully into account the danger of leaks to ongoing military operations. In a

world of instantaneous, global communications and an aggressive international media, a leak in Washington can be transmitted to Moscow, or Tripoli, or anywhere in the world within minutes, endangering American servicemen.

Nor did we give sufficient weight to the fact that reports of just the act of consultations—never mind the content of the consultations—might tip our hand to the enemy about what we intend, thereby endangering American lives. It was certainly not helpful, in the hours before the strike against Libya, that the media was full of speculation—some of it accurate—about what we were being told, in strictest confidence, at the White House.

REPORTING REQUIREMENT PROBLEMS WERE FORESEEN IN SENATE

Finally, I would cite another problem—this one, in fact, foreseen by many Senators—about the 48-hour reporting requirement in the War Powers Resolution. The Senate sought language requiring only that the report be filed "promptly," noting:

The important thing is that the report must * * * be comprehensive. It might take a few days for the executive branch to assemble all the facts from the field, as well as to assemble the various intelligence reports and, most importantly, to prepare an informed judgment on the "estimated scope of such hostilities."

Unfortunately, the House forced the conference to accept the 48-hour stricture, a timeframe which today almost guarantees that the report we receive will be incomplete, as the post-Libyan bombing report was.

GOLDWATER AND FULBRIGHT URGED FLEXIBILITY

Some Senators warned that what we were about might be dangerous or too restrictive. The distinguished Senator from Arizona, Senator GOLDWATER, in particular, urged that we restrain our impulse to establish a permanent framework, set specific guidelines, and lay down narrow parameters inside which the President would thereafter be forced to operate. Senator GOLDWATER was one of only a few who pointed out that the future might well bring wholly new and mortally dangerous forms of aggression, demanding actions or flexibility which in 1973 seemed unnecessary.

Another very distinguished Senator of that era, the chairman of the Foreign Relations Committee, Senator Fulbright—a Senator, I might add, whose reputation as a defender of congressional prerogatives in the conduct of our foreign policy is beyond reproach—even Senator Fulbright urged that we not unduly tie the President's hands. Let me quote from his "supplemental views" to the Foreign Relations report:

I am inclined to say nothing about the President's emergency powers * * * or to include a simple substitute [for the sections describing those powers] in which it would simply be recognized that the President, under certain emergency conditions, may find it absolutely essential to use the Armed Forces without, or prior to, congressional authorization.

And on the question of prior consultations, Fulbright wrote:

A wise President would think carefully before acting. He might even go so far as to consult with Members of Congress * * * before committing the Armed Forces.

TERRORISM CREATES NEW BALL GAME

The rise of international terrorism and the emergence of madmen like Qadhafi have proven Senators GOLDWATER and Fulbright dead right. We do have a new form of aggression, directed as often against the average, innocent American tourist as against our soldiers. We do face a wholly new kind of threat, planned and carried out by powerful governments led by certifiable lunatics. We do live in a city where leaks are a way of life, and in an era of technology where one, even unintentional, leak can cost an American soldier his life.

It is the President that has the burden of making the hardest decisions. It is the President who has the principal responsibility for protecting the lives of Americans, military and civilians alike, who serve our country and who engage in innocent travel around the globe. And it is the President alone who has full-time access to the complete information on which to base policies and actions to deal with terrorism and terrorists.

We do not fight our military adversaries with 1973 weapons. Let us not try to cope with our terrorist adversaries hobbled by restrictions built into 1973 laws. Let's give the President the authority, the flexibilty and—above all else—the support he needs in 1986 to fight this grave threat to our Nation and our people.

□ 1010

Mr. President, I suggest that there are times when it seems to me we need to go back and take a look at what we might have done—in this case, about 13 years ago.

I believe in consultation, but I also believe it is time we clarify the War Powers Act and define what we mean by international terrorism as an act of aggression against American citizens—not in uniform, but civilians, tourists, passengers, whoever.

I hope the Senate Foreign Relations Committee will carefully look at the proposal that has been introduced. It may not be perfect; perhaps it should be changed. But I do suggest that we are now faced with a different problem than the one we had in 1973. We are not talking about committing American troops for a period of 1 day, 3 days, 5 days. We are talking about a military strike, which in the case of Libya, took 11 minutes.

It seems to me that it is time to update the War Powers Resolution and to recognize the changes that have taken place since 1973.

THE CONGRESSIONAL CALL TO CONSCIENCE

FREEDOM TO EMIGRATE DENIED

Mr. DOLE. Mr. President, I rise today to speak on behalf of an estimated 350,000 Soviet Jews who have been refused the freedom of emigration. We have witnessed their suffering and heard their pleas. Through the Congressional Call to Conscience, I reaffirm our demand that the Soviet Union adhere to international conventions and humanitarian concerns by granting them their right to free movement beyond Soviet borders.

The situation is bleak. Emigration has dropped from a high of over 50,000 in 1979 to just over 1,000 in 1985. Moreover, those remaining in the Soviet Union continue to be subjected to intolerable violations of human rights, including harassment, searches, job loss, arrests and imprisonment.

THE YAKIR CASE

One case of special interest is that of Evgeny Yakir. The Yakir family, which has sought release from the U.S.S.R. since 1973, has been adopted by the Temple of B'nai Jehudah [Yawho-da] in Kansas City in the hopes of facilitating the emigration. Dr. Yakir, his wife Rimma, and son Aleksander, were refused exit visas on the basis of Evgeny's secret classification as a mechanical engineer, even though his job was entirely routine. By applying for the visa, Evgeny promptly lost his job and has since been eking out a living doing technical translations. When Aleksander reluctantly applied for a visa for himself in 1976, he was refused on "humanitarian grounds," that is, that the Soviet Government would not split up families.

Because conscription into the military often hinders the attempts of would-be emigrants, since visas can be refused if a person had access to "military information," Aleksander sought to avoid the obligatory Soviet military service. He spent several years negotiating with the draft board and at one point took the mandatory physical examination. In August of 1984, however, he was convicted of draft evasion and sentenced to the harsh conditions of a labor camp for 2 years. With this, Aleksander became the second generation of Yakirs to be punished by Soviet authorities.

RELIGIOUS PERSECUTION

Another major human rights problem is religious persecution. Reports indicate that religious persecution is on the rise. Although the freedom to practice one's religion is constitutionally guaranteed by the Soviet Union, it is strictly controlled and limited. Religious instruction to children under the

age of 16 is illegal. No seminaries exist to train religious leaders. Neither Jewish religious texts nor ritual objects are produced in the U.S.S.R., while those brought into the country by visitors are often confiscated. Finally, many Jewish synagogues are being destroyed or converted to other uses. The number of operating synagogues has fallen from over 1,000 in 1926 to fewer than 60 today. With 1.8 million Jews living in the Soviet Union, this affords one synagogue for roughly every 30,000 Jews.

Despite these human rights problems and a host of others, we cannot give up hope. Rather, we must continue to press the Soviets to adhere to their international commitments in the Universal Declaration of Human Rights, the U.N. Charter, and the Helsinki accords. This month's experts meeting on human contacts in Berne, Switzerland, and the third Helsinki followup conference in Vienna, Austria, offer new opportunities to remind the Soviets that our concerns won't go away until all the problems are solved.

While we cherish our political and religious freedoms here in the United States, we must never forget our responsibilities to those who cannot enjoy such rights in the U.S.S.R. Rabbi David Saperstein, codirector of the Union of American Hebrew Congregations' Religious Action Center, said it powerfully, "There is a desperate situation for Soviet Jews in that if something isn't done shortly, we face the danger of the spiritual genocide of millions of Jews in the Soviet Union."

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. Under the previous order, the minority leader is recognized.

SCHEDULE

Mr. BYRD. Mr. President, I inquire of the distinguished majority leader what he contemplates for Friday of this week, whether or not the Senate will be in session. It does not make any difference to me—I will be here anyhow—but, for the sake of our colleagues, if he could at this point indicate whether or not Friday will see a session, our colleagues could better develop their schedules.

Mr. DOLE. I think that if some of those colleagues would come to the floor and offer their amendments, it would be helpful. If those who are concerned about Friday would do that, it would help.

I hope we can make an announcement about Friday's schedule. I am not certain that we can do it today. It may be that once either the pending resolution or a substitute is voted on, many of the amendments will disappear. I say to the distinguished minority leader that most of the amendments are on this side, so I am talking about our side primarily. Many of the amendments may disappear. It would make it much easier for the managers to plan and easier for me to indicate about a Friday session as soon as we can resolve that.

Mr. BYRD. Mr. President, I appreciate the problems which confront the leader in his efforts to adequately inform our colleagues.

The distinguished majority leader has mentioned the budget resolution and has indicated that he hoped there would be a bipartisan answer to that problem.

I should like to offer my services. I have not sat in on any of the meetings that have been going on behind closed doors.

Based on what I have been reading in the press, and so on, I do not imagine that the distinguished majority leader is getting a great deal of support from the White House. I think there have been times, as the news reports have indicated, that the distinguished majority leader was probably somewhat frustrated by the signals that come from the White House, and I want to offer myself as one to try to help bring about a bipartisan budget action in the Senate.

What I am really concerned about at this particular moment is what the distinguished majority leader has said about the remaining time on this resolution. There seems to be about 14 or 15 hours remaining, and I am concerned that we may come in at the last minute, after most of that time has elapsed, with a package, and we might have an hour or 2 hours remaining out of the 15 hours. It seems to me that that would not be sufficient, if indeed there is a possibility of developing a bipartisan substitute.

So I hope we could try to push this thing a little more and see if we can get a bipartisan substitute on which we can agree, generally speaking, and bring it in and have it adequately scrutinized and debated.

Mr. DOLE. Mr. President, if the minority leader will yield, I certainly do not disagree.

It would be my hope that it could be done and that we could have at least 2 hours or more for debate. There are ways to do it, in my view, without making many significant changes.

It is a question of whether we can find some additional savings with which people would agree. There are some areas, and I think most of it is substance. There might be a bit of smoke.

I might also say—and I do not say it critically—that it makes it more difficult when I pick up this morning's paper and I read that the majority leader in the House, Representative WRIGHT, said, "We don't want to raise taxes in the House. We agree, in effect, with the President."

I must say that it puts the Senate Republicans and Democrats in a box, when we have the President saying, "Don't change the revenue figures," and the No. 2 Democratic leader in the House saying the same. It certainly does not give me any incentive to come out and offer a bill that does anything on the revenue side, to be frank about it.

I know that we really have not had any meetings. I had one brief discussion with Senator CHILES and Senator DOMENICI. I certainly appreciate the minority leader's willingness to sit in, and we may want to do that later today.

Mr. BYRD. I hope so. I do not suppose we could possibly develop a substitute that would command anything like unity on both sides of the aisle, but I hope there could be a kind of substitute that would command the interest and support of a majority of Senators on both sides.

Mr. DOLE. We will never get them all.

Mr. BYRD. We will never get them all, no. But if we could get our heads together and apply our energies to the matter, it seems to me that we might be able to develop something in time to accommodate the Senate to a reasonable number of hours for debate thereon. I will be happy, as I said, to respond to any call for assistance in this area.

I will, of course, be in close touch with my conference throughout the day. I think we ought to do our darndest to try to get a package. The House may have its own problems, but I think we have to move ahead here and do the best we can on this end, and leave it to the House to do what it can, and the subsequent conference.

□ 1020

SOVIET NUCLEAR ACCIDENT

Mr. BYRD. Mr. President, the details of a major tragedy in the Soviet city of Chernobyl, 60 miles north of Kiev, are now unfolding. Unconfirmed reports indicate that possibly 2,000 people are dead, perhaps more. We do not know what the facts are in that regard. Additionally, we are told that the hospitals of nearby Kiev are full of people afflicted by the effects of exposure to nuclear radiation. Some 15,000 people are also reported to have been evacuated from the accident area.

Our hearts go out to the victims of this horrible accident. I understand that the Soviets are receiving assistance from some Western European countries, including West Germany and Sweden. We await fuller informa-

tion from the Soviet authorities about the plight of their people.

I am happy to note that our own Government has offered its humanitarian assistance in the matter. I am also told that the Soviets have not requested that assistance and possibly have not accepted the offer.

We in the United States stand ready to provide such assistance as would be helpful in ministering to the sick and injured and in bringing the situation to a point where it no longer threatens life, health, or environment.

Mr. President, this accident reminds us once again of the extreme dangers that living in the nuclear age present all of us. It reminds us once again of the tremendous penalties that our technology can impose upon us if it goes awry, it reinforces the urgency of coming to grips with safeguards, both technological and political, upon the nuclear genie. The superpowers do not have unlimited time to reach more adequate controls on the nuclear arms race.

Surely neither the Soviets nor anyone else needs a larger scale nuclear catastrophe than what has occurred at Chernobyl—still small compared to the devastation of even a limited exchange of nuclear weapons—to bring home to them how vital it is to make real progress—soon—toward mutually acceptable nuclear arms controls.

I believe the Soviets, on the basis of this tragic event, should recommit themselves to resolution of their outstanding differences with the West on nuclear weapons. I myself, with several of my colleagues, including the distinguished President pro tempore, the senior Senator from the State of South Carolina, in meeting with General Secretary Gorbachev last September, told him that it would be a mistake not to take advantage of the opportunity now available at the Geneva talks to reach equitable and verifiable reductions and controls on nuclear weapons. I renew that suggestion today.

LYNDON LaROUCHE

Mr. BYRD. Mr. President, recently our distinguished colleague, the senior Senator from New York [Mr. MOYNIHAN] gave an enlightening and thought-provoking speech before the Buffalo, NY, AFL-CIO council awards dinner. The subject of his remarks was Lyndon LaRouche and his attempts to penetrate the American labor movement and the Democratic Party.

I commend this speech to my colleagues. It is an important history lesson—one that every one of us should not fail to appreciate. I ask unanimous consent that Senator MOYNIHAN'S remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR DANIEL PATRICK MOYNIHAN AT THE SECOND ANNUAL AFL-CIO BUFFALO COUNCIL AWARDS DINNER

Thank you George [Wessel], for that introduction. Your commitment to Buffalo and the labor movement are good reasons why you have been President of the Council these last 18 years. You have made a difference few others could make.

Monsignor Healy, Henry [Nowak], members of the Council—friends—thank you for inviting me to this, the Second Annual AFL-CIO Buffalo Council Awards Dinner. It's nice to be back in Depew and it is indeed an honor to receive your Government Service Award, following your recognition last year of our esteemed Governor.

I like to think that I come before you as a brother and as a friend.

I can still remember walking into the old National Can Company plant on Grand Avenue in Maspeth, Queens—just 16 years of age—and joining the United Steelworkers Union.

Since then, as George noted, I have changed jobs a number of times. For the past ten years—as a gray-haired older man—I have worked and, it sometimes seems, lived in the United States Senate.

But I am still close to the movement. I stand here before you with a 1985 COPE rating of 100 percent.

In Washington, the old battles go on. And they don't get any easier.

A turning point really came with the 1980 Senate elections.

After the 1980 elections a dozen Republicans—a very different kind of Republican—sat in formerly Democratic seats. On average, those dozen Democrats had a cumulative voting rating of 75 percent. Yet in the last five years, the dozen Republicans that replaced them have, on average, voted with labor only 15.5 percent of the time.

Just this week, one of those Republican Senators tried to move forward with his bill to extend the 1934 Hobbs Act to legitimate union activity.

The Hobbs Act is the Federal anti-extortion statute. In 1973, the Supreme Court ruled, in the Enmons case, that lawfully striking employees could not be said to be trying to "extort" better wage settlements from employers.

And if we still had our majority in the Senate, nobody would be trying to change the Hobbs Act to say that union activity can be considered extortion.

In fact, I should tell you that the only reason the bill was before the Senate at all, was as an extraordinary political favor for the re-election campaign of a Senator with a 16 percent COPE rating.

Last year, he had introduced an identical bill which, like most pieces of legislation, was referred to the Committee with jurisdiction—the Senate Judiciary Committee. But the Committee, on September 12, 1985, refused to adopt the measure (it failed on a tie vote of 9-9), and refused to report it to the full Senate for action.

So this Senator introduced another, identical anti-union bill—S. 1774—and the majority leader made sure that it would get prompt consideration by the full Senate by "holding it at the desk" on the Senate floor as we say, thereby short-cutting the Committee process.

Several of us were outraged and proceeded to filibuster the bill. We had to fight a cloture motion to end debate—a motion that requires 60 votes.

We voted on Wednesday. They didn't get the necessary 60 votes; in fact, this time they couldn't even muster a majority. (The vote was 44 in favor of stopping debate, 54 against.)

Still, the anti-labor forces in the Senate will be back. And let me tell you, as a member and friend of the labor movement these last 43 years and as a former Assistant Secretary of Labor, I have never seen an atmosphere as hostile to the institutional rights of the labor movement as we have in the Senate today.

Last year, for the first time, the United States Senate voted to take away Davis-Bacon protection for workers on federal projects. And they could do it again, and will do it again, until we get the Senate back. Until we get our people to know who's with them and who's not. And you know what I mean, don't you!

But tonight, I want to talk a bit about another matter, as serious as any we have dealt with in the last 30 years, you and I: Lyndon LaRouche, and his attempts to penetrate the American labor movement and the Democratic Party.

We in the labor movement know a thing or two about totalitarianism. We know about communists. We've had our taste of fascists, too.

I don't know how many of you here can remember the attempted communist infiltration of unions in the 1920's and the 1930's. But George Meany never forgot. That's why the AFL-CIO has been in the forefront of the struggle, the long twilight struggle as Jack Kennedy said, against the forces of Marxist-Leninism in the world.

But vigilance is required, for those forces are never completely vanquished. They emerge in twisted and unpredictable forms; strange and disturbing guises. One of the latest is Lyndon LaRouche and his neo-Nazi followers.

NBC News recently referred to him as a "right wing radical." But the thing to know about these people is that they began on the far left.

LaRouche starts out in New York, our New York, in 1949 as a Trotskyite, in the Socialist Workers Party.

Almost twenty years later, when the Students for a Democratic Society overran the Columbia campus in 1968, LaRouche showed up sporting a new name for himself: "Lynn Marcus," for Lenin and Marx. And somehow he gets a group of students behind him and they set up a free university and they lecture about Hegel and such, posing as members of SDS.

Then he drops the pretension and starts drifting to the right. And he takes his followers with him, and soon has an organization—one notable for its erratic views.

And we think they have gone crazy, they're just kooks, we have nothing to worry about, and we won't hear anything more about them.

And three weeks ago we woke up and found that LaRouche candidates had won the Democratic Party's nominations for Lieutenant Governor and Secretary of State in Illinois.

But I'm getting ahead of myself.

Let's talk about LaRouche and the labor movement.

After that Columbia episode, LaRouche organized himself as the National Caucus of Labor Committees. And then as the United States Labor Party.

Now help me in this business: I need to know what you know. Didn't you begin seeing people outside your plants passing out literature?

At Niagara Machine and Tool Works, on Niagara Street in Buffalo? At Harrison Radiator in Lockport? And at the Chevy plant in Tonawanda?

Maybe you recall their newspaper, the New Solidarity (intended to be confused with the official UAW paper Solidarity). And you weren't quite sure who they were or what it was they gave you, right? But little by little, you began to get the sense that they were no good. And you were right.

LaRouche's attack on American labor came in three phases—it was chronicled in a pamphlet published a few years ago by the League of Industrial Democracy titled "Nazis without Swastikas: Lyndon LaRouche and the assault on American labor."

During the first phase, in the early 1970's, when LaRouche and his followers still called themselves communists, they said the AFL-CIO was a tool of the Central Intelligence Agency.

During this time, LaRouchites would show up outside steel, auto and other plants with copies of New Solidarity and literature attacking union officials as sell-outs, perverts and fascists.

"Treat every trade union bureaucrat, Congressman or other individual who supports the Humphrey-Hawkins Nazi bill as the Nuremberg criminal he is," said LaRouche in March 1976, "force them to call rallies to denounce Humphrey-Hawkins and block its passage."

Is it coming back more clearly now?

Then, in the late 1970's, LaRouche moved to the right and suddenly the AFL-CIO was no longer a tool of the CIA but instead was part of the Zionist lobby.

LaRouche also switched tactics in his campaign against labor. Instead of overt harassment, his followers tried to cozy up to union leaders, seeking a kind word during LaRouche's second run for the Presidency. Having already alienated the auto and steel unions, they tried the Teamsters—but without much effect.

Then LaRouche switched views once again. In the third and latest phase, the AFL-CIO is soft on communism, is an affiliate of the Socialist International, is an instrument of the KGB, and viciously anti-labor.

A December 1983 letter charges that: "Lane Kirkland . . . has been involved in a treacherous con job selling Walter Mondale, a union-buster, to the labor movement . . . Lane Kirkland must be thrown out of the labor movement."

Just this February, the "Schiller Institute," one of LaRouche's fronts, held a press conference—got ink as they say—in which it charged that the American Institute for Free Labor Development (AIFLD) is engaged in drug smuggling in Central America.

In fact, less than two hours after I gave a speech to your brothers and sisters in the Building Trades Department this Monday denouncing LaRouche, representatives of this same front group started passing out leaflets with the headline: "AIFLD Agents Arrange Colombian Drug Mob Hit Against Schiller Institute Trade Union Commission Members."

That's an obscenity.

I was present that day in 1962 during the Kennedy Administration when George Meany announced the formation of the AIFLD. I have watched its hard and often dangerous work over the years. I have been to its building in San Salvador and watched a 25-year old American woman arrive for work carrying a briefcase and a pistol: literally prepared to risk her life for that work. And these S.O.B.s dare to accuse them of drug dealing.

There is nothing they will not say—and sometimes it looks like whatever they say, somebody is there to believe it.

You in the labor movement didn't. In fact, it is much to your credit that the AFL-CIO has been in the forefront in attempting to expose these people for what they are. Perhaps it was because he made so little progress with labor that he turned his attention elsewhere; focused his efforts on a new target.

In 1981, LaRouche decided to move in on the Democratic Party—my party.

He fielded a candidate—Melvin Klenetsky—in the mayoral election in New York City.

The man was not challenged. He was allowed to run in the primary as if he were a regular member of the Democratic Party—within the accepted range of differences of opinion on issues facing the Party. He was allowed to participate, allowed to debate. And before you knew it, he had achieved legitimacy.

A year later, during the summer of 1982, I was working on my speech for the convention and planning the fall campaign when—wham—out of nowhere the LaRouchites filed 29,000 signatures to place this same Klenetsky on the ballot against me.

Now there was no way that we were going to lose that primary election. No way. But we decided that while it would be nice to be in the Senate, it would be a hollow victory indeed if we got there by allowing a fascist, anti-Semitic, conspiratorial group to be further legitimated as an element of our party.

So we decided the minute they filed to fight them.

We would fight them if it took every penny we had, and in the course of the next nine weeks, we spent every penny we had.

We challenged those signatures and we got them down to 10,047; but we were 48 short of getting them off the ballot.

So we ran against them as if it was the most serious campaign that year—and to me it was.

I won the primary of course. And in the general election carried 50 counties. So we did all right. (Bobby Kennedy carried only 20 in 1964 and even Robert Wagner took only 14 in 1932 so we did all right.)

But we did not succeed in stopping the movement. Klenetsky still got 15 percent of the vote. (Mind you, in Arizona that year a fellow filed against Bruce Babbitt for Governor and the poor fellow died before the primary. Yet he got 15 percent of the vote too!)

LaRouche had metastasized within the Democratic Party. Those neo-Nazi conspirators are everywhere; and yet we act sometimes as if they were nowhere. We think that because we see them as kooks that somehow they are not dangerous. We don't realize that is exactly how the Hitlers and Mussolinis and Lenins were regarded in their day.

Now look: Lyndon LaRouche and his people are not going to take over the American labor movement. They are not going to take over the Democratic Party.

But they don't have to in order to do the deepest possible damage.

Just last night, at the White House Correspondents Dinner, the President himself, no stranger to political mischief, took note. In a series of "one-liners" he included this:

"Some people ask: Can the Republic candidate for President beat the Democratic candidate in 1988?

"Sure we can. We intend to beat Lyndon LaRouche."

According to the Democratic National Committee, 16 LaRouche candidates have announced for the United States Senate. In five states, they have announced for governor or other statewide office, and have entered at least 170 other state races.

The LaRouche organization claims it has supporters running in some 29 Congressional races, and the DNC now says that the actual figure may be more than 100. We do know that in several Congressional races, a LaRouchite is the only Democratic candidate—for example, the 13th and 15th Districts in Illinois, and the 40th District in Santa Ana, California.

We don't have to look far. They're right here in our backyard. LaRouchite Charles Carman will oppose Henry Nowak in Buffalo and Carman's wife will challenge John LaFalce in Tonawanda. And a LaRouchite named Stephen Kaylor of Niagara Falls will run as a Democrat—he is the only Democrat in the primary race to date—against State Senator John Daly in the 61st District Senate race.

We have got to fight these people. We have got to know who they are. They won't go away.

Cattaraugus County Democratic Committee Chairman Shane wrote me this week to say that about two months ago a LaRouche supporter asked his permission to address Democratic County Committee members and to seek the Committee's involvement in their causes. In turning down the request, he put it well: "My impression after reading the literature was one of a twisted and evil man who, in a time of unrest and general malaise, could cause serious trouble if not exposed for what he is and what he stands for."

We understand this, you in the AFL-CIO and I. You were first, as always, to oppose a real totalitarian threat. You were the only organization to give enough of a damn to fund some careful research and a documented study by the League for Industrial Democracy—and I hope you are proud of it. And I think we in the New York Democratic Party now understand the threat as well.

We have got to take these people on. We have got to get the American people to know who they are, what they stand for, how they are funded, and we've got to smash this thing fast.

If LaRouchites ever make their way into the organization of the American labor movement or the Democratic Party, two of the most important institutions of the free world will be compromised and to that degree freedom will be put in jeopardy.

Nothing less is at issue. We have got to fight, and fight now. If you won't do it for me, do it for George Meany.

Mr. BYRD. Mr. President, I yield back the remainder of my time, if I have any.

SENATOR HAWKINS' SPECIAL ORDER

The PRESIDING OFFICER. Under the previous order, the Senator from Florida is recognized for not to exceed 5 minutes.

Mr. THURMOND. Mr. President, Senator HAWKINS is still in the hospital but is making progress and we are glad that she is doing so well and hope she will soon be back.

I have a floor statement here by her entitled, "New Aid and a New Challenge to the New Government of the Philippines."

This is her statement:

NEW AID AND A NEW CHALLENGE TO THE NEW GOVERNMENT OF THE PHILIPPINES

Mrs. HAWKINS. Mr. President, the White House has passed the word that a new package of $150 million in economic and military aid will be made available to the new Philippines government. President Reagan explained in a speech to a business group that "the Philippine people have new opportunities, economic and political" as a result of the ouster of Ferdinand Marcos and the peaceful installation of a new president, Corazon Aquino. Mr. Reagan said, "As their friends, we wish them the very best and will help where we can." The Agency for International Development has announced that $450 million in aid already in the pipeline will be speeded up to give the Philippines an immediate economic shot in the arm. That means a total of $600 million in U.S. aid in the coming months. Other donor nations and international financial institutions will be pumping in another $400 million, which will mean a total of $1 billion in aid and outside investment in the next 12 to 18 months. And the U.S. will take extra steps to assist Philippine imports in this country and stimulate American investment there.

I join President Reagan in wishing the best for Mrs. Aquino, her government, and the Philippines people. Filipinos are hardworking, religious people. They have the same devotion to family and democratic principles that Americans do. We have a historic relationship that goes back several generations. It is only right that we help them in any way possible and given the Philippines' strategic position in world geography, it is in our best interest to do so.

Everyone knows by this time there was a relatively high degree of corruption in the Philippine political system under Marcos. Mrs. Aquino has a great opportunity to choke off the cancer of corruption and to set new standards for ethics in government and business practices. She also has an opportunity to take strong measures against the drug trafficking that exists in the Philippines.

The Philippines is a major transit point for heroin from the Golden Triangle of Asia destined for Europe and the United States. Marijuana, the drug of choice among Filipinos, is produced in significant quantities for local consumption and for export. It is grown mostly in mountainous, remote areas, difficult for authorities to reach, and on several of the islands in the Philippines chain. The Philippines are also a transit point for marijuana shipped in from Thailand and then moved on to Australia and elsewhere. Total marijuana production in the Philippines shows no great increase, yet on the other hand it shows no decrease either. Behind marijuana, Philippine drug abuse centers on cough syrup, tranquilizers and aromatic hydrocarbon compounds. These compounds, used in industrial preparations, include glue, adhesives, paint thinners and other solvents which are inhaled.

To me the most frightening aspect of drug abuse in the Philippines is the age factor; most abusers fall into the 15 to 19 age group, with the next largest group the 20 to 24 year olds. Habits started young are difficult to break in later years.

The Marcos government did have an ongoing program of drug education and prevention, treatment and rehabilitation. I assume that the Aquino government, buttressed by aid from the U.S. and other friendly powers, will sharply step up its operations against native drug producers and foreign traffickers who use the Philippines as a stepping stone to peddle their miserable merchandise.

Mr. THURMOND. Mr. President, that completes the statement by Senator HAWKINS.

RECOGNITION OF SENATOR DECONCINI

The PRESIDING OFFICER. Under the previous order, the Senator from Arizona [Mr. DECONCINI] is recognized for not to exceed 5 minutes.

DIRECT ELECTION OF A PRESIDENT IN SOUTH KOREA

Mr. DECONCINI. Mr. President, I am proud to have Senator KERRY join me in urging the United States to support the people of South Korea in seeking a political miracle to accompany their economic miracle. Bolstered by the Philippines, the democratic opposition has commenced a campaign to peacefully collect 10 million signatures in favor of constitutional revision.

Consequently, hundreds have been arrested and jailed. This resolution urges the President of the United States to encourage dialog between the government and opposition, so that dissident leaders can count on such democratic rights as free speech and assembly, thereby gaining potential power through the ballot box and positively influencing a peaceful transfer from dictatorship to democracy.

□ 1030

Bismarck said that political genius consists of hearing the distant hoofbeat of the horse of history and then leaping to catch the passing horseman by the coattails. The difficulty is that one may hear the wrong horse, or lunge at the wrong horseman. Therefore, it truly benefits those listening for the horse of history to have two opportunities or have two horses pass by. In this instance, the Philippines represents the first horse. Now, we are listening to the pounding and impatient hoofbeats of the second horse in South Korea. Hopefully, we have learned and can now apply our knowledge and experience to the benefit of 41 million Koreans.

In the Philippines, the United States is benefiting from the fruits of successful diplomacy. Although we made our share of mistakes over the years, President Aquino knows she can count on American support. This is a direct result of harvesting and facilitating communication with the democratic opposition forces. But until the United States begins to similarly communicate with South Korean opposition leaders, it may soon discover itself locked out of a position of influence. We accomplished this in the Philippines and we are beginning to take small steps in this direction in Chile.

I must refrain from drawing altogether too many parallels and similarities with the Philippines, for it is neither fair nor accurate. But in both cases, the overriding and overwhelming yearning exercises through people power seeks a peaceful transition from authoritarian rule to democratic principle. This resolution hopes to assist Koreans in achieving a new birth of freedom.

There are vast and indisputable differences between today's South Korea and the Philippines under Marcos. Economically, the Philippines exhibited stagnation and cronyism while South Korea is basking in rapid economic growth and enjoys a relatively judicious distribution of income. The Catholic Church comprises almost 85 percent of the population in the Philippines, whereas in South Korea, Christianity represents about 20 percent of Koreans. Militarily, the United States has about 43,000 troops in South Korea and has signed a mutual defense treaty in which it is pledged to defend this longstanding ally. In the Philippines, the United States has two strategically vital bases which are critical to regional strategic security. Historically, the Philippines enjoyed a legacy of American democratic values while South Korea has slowly moved from a Confucian imperial state to a series of authoritarian rulers. Currently, the South Korean Army is unified and resolute in their support of government policies. The Philippine Army showed numerous signs of fraction and division.

There are also several glaring parallels between the Philippines and South Korea which help to identify this "horse of history," as Bismarck called it. In both cases, a sudden tide of democracy has presented politically repressive leaders with increasing pressure to institute reforms. Both countries have experienced conspicuous and shocking human rights problems. Both countries have extremely active church groups which boldly criticize and brazenly encourage demonstrations against the government. Thousands of American servicemen died in the Korean war while thousands of American GI's died fighting the Japanese alongside Filipinos in World War II. Opposition leaders from South Korea and the Philippines were exiled and lived for a number of years in the United States. Finally, the United States has been criticized in both cases for appearing to be too

close to repressive regimes which are losing support at home.

While the Philippines was a showcase for democracy in 1972 before Marcos leveled martial law, South Korea is still struggling to become a democracy for the first time. The Reagan administration is on record as supporting the democratic opposition's drive for increased political rights. The State department issued the following statement at the kickoff of the petition drive: "We believe it is inconsistent with basic democratic principles to deny citizens the right to petition their government. We have urged, and are urging, the Korean Government against such a course." In addition, the President recently stated that we will oppose tyranny of the right or of the left. While I strongly agree with the President, so far, the United States has taken the path of silent diplomacy with the Chun government.

The key U.S. diplomat in South Korea is our Ambassador, Richard Walker. A Congressman recently stated that "our diplomatic presence in Seoul is excessively supportive of the Chun regime. If the administration understands the results of the Philippines experience, they will probably appoint a new Ambassador for Korea." Walker has failed to meet with opposition leaders and others have labeled him "a member of the Chun Cabinet."

Mr. President, this resolution shifts U.S. policy from silent diplomacy to supportive diplomacy. The South Korean people should know about Americans taking a positive and public stand on applauding Koreans in their efforts to achieve the political rights of freedom of speech and assembly. We need to ensure that the Korean people are aware of this message. Since our Ambassador will not relay our support to the leaders of this anti-Communist, prodemocratic force, of which one is likely to become President over the next few years, we must convey this democratic spirit through this resolution.

Mr. President, we simply cannot afford to miss this important opportunity to ride alongside this "horse of history" with the South Korean people. The opposition is not asking to overthrow the incumbent government. It is merely asking for U.S. support for an ordinary, everyone-can-vote Presidential election in 1988. Americans should tell President Chun that democracy is right. The country's economic miracle, its immunity against North Korea, and its institutional support of democracy can only flourish as voters realize their next President reflects their choice.

Mr. President, I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S. RES. 392

Whereas the security of South Korea has been of long-standing concern to the people of the United States since the 1950 invasion by North Korea;

Whereas the people of the United States recognize that the domination of the Korean Peninsula by North Korean forces would endanger the security and well-being of Japan as well as the stability of the entire region;

Whereas the opposition movement in South Korea under the combined leadership of Yi Min U, Kim Young Sam, and Kim Dae Jung have rapidly gained support in recent South Korean rallies;

Whereas the Roman Catholic Church, the National Council of Churches, student federations, and professors from Korea University have expressed their support for constitutional reform and political freedom;

Whereas large segments of the middle class of South Korea are becoming disillusioned with the Chun regime and are turning to support the goals of the opposition movement;

Whereas in a democratic society, the right to petition is an undeniable right, yet is being suppressed by the Chun government;

Whereas the United States Government remains hopeful that the Chun regime will evolve to democracy through a peaceful and fair transition of power;

Whereas the two largest opposition parties won 49 percent of the votes cast in the elections last year for the National Assembly;

Whereas the Government of South Korea acknowledges that while the petition movement is legal, the actual amending process must be initiated only by the President of the Republic of Korea, or by a majority of the National Assembly, thereby denying the people of the Republic of Korea true and direct interaction with their government; and

Whereas the people of the Republic of Korea, encouraged by the United States' involvement in the peaceful transfer of power in the Philippines, appeal to the United States Government to "encourage and support" the opposition's push for democratic reform: Now, therefore, be it

Resolved, That the Senate hereby—

(1) stresses the importance for the democratic right of the people of the Republic of Korea to petition to amend their constitution to allow for the direct election of their president;

(2) reaffirms its support for a peaceful and fully democratic transfer of power with the cooperation of opposition parties during the next presidential election;

(3) expresses its support for the opening of high diplomatic talks between the Secretary of State and the Secretary of Defense, the Chun government, and the leaders of the opposition movement in South Korea to find a peaceful solution to the present crisis;

(4) encourages the President of the United States to support diplomatic exchange and dialogue between all the opposition parties and the United States Ambassador to South Korea; and

(5) urges the President of the United States to send a special envoy to South Korea in order to expedite a peaceful solution and reaffirm United States support and concern.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President of the United States.

DEDICATION OF PORTRAIT BUST OF THE HONORABLE CARL TRUMBULL HAYDEN

Mr. DECONCINI. Mr. President, I am proud to have taken part in the dedication of the portrait bust of Senator Carl Hayden of Arizona. Senator Hayden served this country for 56 years both in the House and the Senate. A record, I am sure, that will not soon be broken. Senator Hayden was a legend. An institution. And nobody knows that better than the man who worked the closest with him, Roy Elson. Mr. Elson was Senator Hayden's administrative assistant and close friend for many years, and I ask unanimous consent that his remarks at the dedication ceremony be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF ROY ELSON AT THE DEDICATION OF THE PORTRAIT BUST OF THE HONORABLE CARL TRUMBULL HAYDEN

As the designated spokesman for the staff of a man who once came from the old west long ago, I feel that Carl Hayden would still oppose any memorial to himself—not out of any false modesty—but because of his oft-expressed belief that only those who have been dead for half a century or more should be so honored—that their stature in history be triangulated from the perspective of time.

You know, I can hear him saying now, "What on earth are you people doing? If you're going to put up some monument why not honor Tom Payne—the man who may have invented the United States, and who remains totally unhonored in the capitol city of the country he helped create?" This is what I hear.

But I am proud that what would have been his veto has been overridden, for Carl Hayden was more than a man. He was an epoch.

He came here when William Howard Taft was President—before anyone ever dreamed of Verdun or Vietnam, of self-starter, the crystal set or computers—before women's suffrage, social security or income tax, before prohibition, its repeal, penicillin, the pill or Pearl Harbor—before anyone ever heard of Lenin or Lindbergh; Anzio or Alamagordo.

It was even before Administrative assistants. When this great gentleman entered the Congress millions were alive who had been slaves—Civil War veterans were the most powerful bloc in America—yet he would live to fight for civil rights in that Congress.

In 1912, the Titanic had not yet sunk, John F. Kennedy, who would now be 70 years old, had not yet been born, Nicholas II was Tsar of Russia, Great Britain rules almost three-quarters of the globe, and in America the mule and the horse were still king.

His long life spanned the time from seeing Geronimo's signal fires to watching men walk on the moon—almost half of the Nation's history.

We of the staff that loved and respected him knew that chronologically he was an Edwardian, in principle he was a Libertarian—and always he was an American.

He was a strange man from a world now gone, believing in actions before words—and in principles above politics. He was as old-fashioned as the frontier from which he came and as modern as the national system of highways he fathered.

He was—in every fiber—a servant of the people—never believing that it ought to be the other way around. He was for me—as for the rest of the staff—our teacher, our example and our friend.

If there is anything beyond this life, we may be sure that Carl Hayden is sitting somewhere under the trees with old friends—with Presidents and cowboys—swapping stories about the Nation he loved and the West he came from so very long ago.

This loved and loving man died in the late midnight of a life that was—as for each of us—but a "narrow valley between the cold and barren peaks of two eternities." But while here:

Humanity was his congregation.
Rectitude was his religion.
Charity was his church.
And justice was his creed.

Those who believe in these things can have no finer faith. Those who live by these precepts can have no finer life. For such a spirit can never die.

SAUDI ARMS SALE: UNITED STATES ALLY?

Mr. DECONCINI. Mr. President, in the wake of the attack on Libya an alleged friend and recipient of over $50 billion in United States arms sales issued the following statement:

Saudi Arabia today expressed its deep regret and condemnation over the U.S. attack on Libya this morning. The Saudi Government, which followed up the news of the air raid, condemns such behavior, [they] reiterated the Kingdom's backing to the Libyan people and all other Arab nations facing such attacks.

The administration has formally proposed a sale of $354 million worth of advanced missiles to Saudi Arabia, including the dangerous Stinger ground-to-air missiles, Sidewinder air-to-air missiles, and Harpoon antiship missiles. The State Department asserts that we must make this sale to guarantee our credibility with the Gulf Arab States and Saudi Arabia. I want to ask my colleagues, in all sincerity, if the above statement condemning and deploring the U.S. action of self-defense sounds like that of a friend with which we must assure our credibility? Saudi support for Colonel Qadhafi is merely one instance of undermining United States foreign policy interests. Let me cite a few more. When President Reagan was encouraging our European allies to join together in December to implement economic sanctions against Libya terrorists cut loose with bullets and grenades in air terminals in Rome and Vienna, killing 16 people, including Natasha Simpson, an 11-year-old American girl. Colonel Qadhafi applauded. Saudi Arabia firmly supported an Islamic Foreign Minister's statement expressing support for Libya and promising to compensate for Libyan economic losses caused by the United States boycott.

When the United States Navy and Air Force fighters crossed Qadhafi's "line of death" in the Gulf of Sidra, Saudi Arabia again signed on to an Arab Council statement articulating solidarity with Libya. This statement was not only counterproductive for United States policy but called on Arab countries to supply Libya with assistance to confront the United States.

The United States has attempted negotiations, diplomacy, and economic sanctions with Libya in order to combat terrorism. The President eventually exercised military action to eliminate terrorist bases in Libya. The Saudi's, on the other hand, have rolled out the red carpet for terrorist efforts. The Saudi's have supplied the PLO with over $85 million each year since 1979 and bankroll the Syrians, another bastion of terrorism, with over $500 million annually.

Mr. President, if the Saudi undermining of United States foreign policy and support of worldwide terrorism are not compelling enough reasons to vote for Senate Joint Resolution 316, a resolution of disapproval, I would like to list three more. The administration has cited Saudi Arabia's moderating influence in the Middle East. I disagree. The administration states the need for more military weapons in light of growing threats from the Iran-Iraq conflict. I disagree. The administration believes that still more Stinger missiles should go to an army that trains with the PLO. I disagree. The further stockpiling of this lethal weapon poses a legitimate threat to Middle East peace and air travelers everywhere.

The State Department adamantly argues that "the Saudi's, within the context of the Arab consensus, have made constructive contributions to the search for peace." I must remind my colleagues, that given the above litany of Saudi statements and actions in direct opposition to United States foreign policy, I cannot endorse the State Department claim. Saudi Arabia has opposed the Camp David process, the Reagan plan, and most recently, has refused to support King Hussein in diplomatic efforts with Israel. In addition, the Saudi United Nations delegation continually votes for resolutions criticizing Israel and condemning American support for Israel.

The administration and State Department argue that we must display our friendship for Saudi Arabia with this $354 million arms sale. I have a difficult time, however, explaining why America's friends and allies in the Arab world—the so-called Arab moderates—have not made more of an effort to put distance between themselves and the Libyan dictator or contribute more ostensibly to Middle East peace.

I must add a caveat here, as I believe that moderates, such as President Hosni Mubarak of Egypt, can contribute toward long-term solutions in this volatile region. To suggest that the Arab world cannot make any such contribution is demeaning. Arab nations, particularly moderates, must begin to make a clear commitment to international sanity and civilized behavior in a world increasingly threatened by terrorists. Saudi Arabia must exhibit some of Egypt's stabilizing moderation, courage, and fortitude.

This administration argues that the Saudi's are threatened by the Iran-Iraq war. They fear a spillover into Saudi Arabia and heightened conflict. They say this is immediate and eminent. This is simply untrue. The sale would not even begin until 1989 and therefore cannot be justified by an impending military threat from Iran. In addition to this the United States has already sold the Saudi's over $50 billion in military sales and construction. Mr. President, this astronomical sum would pay for education for the handicapped in the United States for the next 50 years or guaranteed student loans for the next 15 years. We have displayed our friendship. It is time for the Saudi's to reciprocate.

The Saudi's already have stockpiles of Stinger missiles. Although we stipulate that stringent security controls were conditions for the previous sale of Stingers, we must be cautious about this ideal terrorist weapon. Senator HELMS, in the Foreign Relations hearing on the Saudi Arabia arms sale, cited 1982 photos of equipment sold to the Saudi's which ended up in the hands of the PLO in Lebanon. I have already articulated my concerns about the Saudi's allowing the PLO to train with their army and their annual war chest for the PLO. I do not want to read about civilian or military aircraft shot down by Stinger missiles fired by PLO members.

It is not in the best interests of the United States, Middle East peace, worldwide safeguards against terrorism, or increased security controls for Stinger missiles to allow this sale to go through. I firmly oppose this sale until the Saudi's actually practice some of the "moderate Arab action" that this administration purports. I am uncompromising on opposing more arms until the Saudi's desist funding terrorists and Colonel Qadhafi. I am unyielding until the Saudi's begin to make visible and tangible contributions to Middle East peace. I enthusiastically embrace my good friend, Senator CRANSTON, and his resolution of disapproval.

RECOGNITION OF SENATOR WILSON

The PRESIDING OFFICER. Under the previous order, the Senator from California, Mr. WILSON, is recognized for not to exceed 5 minutes.

Mr. WILSON. Thank you, Mr. President.

THE U.S. NUCLEAR TEST PROGRAM

Mr. WILSON. Mr. President, I rise today to introduce a resolution on behalf of myself and Senators QUAYLE, WALLOP, and GARN that expresses the sense of the Congress with respect to the verification requirements of the Threshold Test Ban Treaty [TTBT] and peaceful nuclear explosions treaties, as well as the long-term goal of a comprehensive agreement banning nuclear testing.

Mr. President, Members of this body have consistently expressed their concern about the record of widespread and repeated Soviet violations of existing arms control agreements. While the most significant of those violations strike at agreements affecting the very heart of the superpower strategic nuclear competition; namely, the ABM treaty and the unratified SALT II accord, they also include violations to the limits of the Threshold Test Ban Treaty [TTBT]. That agreement, which was signed by the United States in 1974, limits underground nuclear tests to a maximum yield of 150 kilotons.

To this day, Mr. President, the Senate has refused to ratify the TTBT agreement because of concerns about Soviet test violations and the inadequacy of its verification provisions. A companion agreement, the Peaceful Nuclear Explosions Treaty [PNET], likewise remains unratified, despite being signed by the United States in 1976.

Mr. President, Soviet General Secretary Gorbachev has emphasized the willingness of his country to reach agreement on necessary verification measures, including onsite inspections, with respect to arms control accords with the United States. It is most unfortunate that his public statements on such matters have failed to be incorporated into the private arms control negotiating positions of the Soviet Union. In the case of the test ban agreements, the Soviets seem adamant in their rejection of United States efforts to resolve the verification uncertainties and clear the path for Senate action on the Threshold Test Ban Treaty and the Peaceful Nuclear Explosion Treaty.

Recently, for example, the President made a specific, concrete proposal for providing the essential verification improvements to the test ban agreements that the Senate would require before moving forward on an affirmative vote of ratification. The technology involved is a system known as Corrtex, which is a hydrodynamic measurement technique currently used by the United States to calculate the yields of our own nuclear tests. Corrtex would provide both countries with a more direct means of making such calculations, thereby substantially reducing the current uncertainties associated with less direct, seismic yield estimates.

But, Mr. President, the Soviets have rejected this and every other initiative to achieve a resolution. Instead, they are content to leave serious arms control aside while they indulge themselves in public relations gimmicks. The Soviet test moratorium, for example, is a purely temporary and very short-term nonagreement or ploy designed to draw attention from their own record of treaty noncompliance and nuclear force modernization. It is, I might add, also outrageous hypocrisy, following very clearly upon their own completion of their own scheduled testing. Moreover, Mr. President, a testing moratorium is not in our interest. As President Kennedy observed in 1962, in the wake of the Soviet rupture of a 3-year international nuclear testing moratorium:

> We now know enough about broken negotiations, secret preparations, and the advantages gained from a long test series never to offer again an uninspected moratorium. Some may urge us to try it again, keeping our preparations to test in a constant state of readiness. But in actual practice . . . We cannot keep top-flight scientists concentrating on the preparation of an experiment which may or may not take place on an uncertain date in the undefined future . . . This is not merely difficult or inconvenient—we have explored this alternative thoroughly, and found it impossible of execution.

The proponents of a testing moratorium and an immediate comprehensive test ban tend to ignore both the experience and counsel of President Kennedy and concrete benefits the United States continues to derive from its program of limited, underground nuclear tests. To its credit, the New York Times recently published an editorial entitled, "The Test Ban Shibboleth," which addressed itself to some of those benefits. The Times observed:

> A freeze (on testing) 20 years ago would have prevented development of lower yield warheads and of permissive actions links, the safety devices that prevent unauthorized use of nuclear weapons.

Elsewhere, the Washington Post pointed out that:

> "Different Administration's, including Jimmy Carter's . . . have felt that some new weapons should be tested—at least weapons that serve the purpose of taking existing arsenals off a hair trigger . . . in a nuclear world, testing helps provide assurance that stockpiled weapons are accident-proof and that they work.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WILSON. Mr. President, I ask unanimous consent that my time be extended by 5 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. PROXMIRE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. WILSON. Mr. President, I ask unanimous consent that the balance of my statement appear in the RECORD as read in full.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILSON. Mr. President, let us not underestimate, therefore, the benefits that derive from the U.S. test program in terms of the reliability, effectiveness, survivability and safety of the U.S. nuclear deterrent force. Moreover, we have achieved all this while significantly reducing our nuclear stockpile requirements with respect to the number and yields of our weapons.

If we are to modernize our deterrent to meet the challenge posed by a changing Soviet military threat and to continue our unilateral efforts to reduce the size and power of our arsenal while ensuring adequate deterrence, then we must continue with a limited program of testing. If we are to maintain a credible deterrent on behalf of our own security, as well as that of our allies, we will need a limited program of testing. And if we are to move away from the offense dominant strategies of nuclear deterrence to a more defensive posture, we will still need a limited program of nuclear testing.

The Soviets understand all this very well, and they can be expected to pressure us into accepting short-sighted accommodations that look good in a press release but work contrary to the security and safety goals I have just stated.

This does not mean, Mr. President, that the goal of a comprehensive test ban should be dropped as a long-term objective of U.S. policy. It does mean that our pursuit of this goal should take into careful account those conditions that would make such an accord positive factor contributing to the security of our Nation. In my view, those conditions include the following:

Agreements providing for broad, deep and varifiable arms reductions; substantially improved verification capabilities needed to monitor compliance with a comprehensive ban; redressing of existing imbalances in conventional forces; agreements for expanding confidence building measures; and, a significant diminution of the essential role nuclear weapons currently play in ensuring the security of the United States and its allies.

Mr. President, I fear that the House of Representatives decision to approve House Joint Resolution 3, which called

for the immediate ratification of the TTBT and PNET, without verification improvements, and the resumption of negotiations on a comprehensive test ban treaty, constitutes a serious misjudgment. As President Reagan stated in a letter to our majority leader, Senator DOLE:

The actions called for by House Joint Resolution 3 do not serve the interests of the United States, our allies and our friends. They would undercut the initiatives I have proposed to make progress on nuclear test limitations issues, and they would set back prospects on a broad range of arms control efforts, including the achievement of deep, stabilizing, and verifiable arms reduction.

Those same sentiments were just recently expressed by former Secretary of Defense Harold Brown who labeled the test ban initiative a "red herring" that detracts from other more serious attempts to negotiate reductions in the nuclear arsenals of both superpowers.

Mr. President, the resolution I am introducing today has four main points with respect to ratification of existing treaties or negotiation of new ones:

First. The need for an end to Soviet treaty violations;

Second. The need for essential verification improvements to the TTBT and PNET;

Third. The critical security and safety benefits of a limited program of nuclear testing; and

Fourth. The conditions under which a comprehensive test ban could serve the security of the United States and its allies and promote world peace.

It is, therefore, in this spirit that my colleagues and I introduce our resolution today. We would urge the careful consideration and support of the Senate in moving to adopt our proposal in the weeks ahead.

Mr. President, I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S. CON. RES. 135

A concurrent resolution (S. Con. Res. 135) expressing the sense of the Congress concerning essential verification improvements to the Threshold Test Ban Treaty and the Peaceful Nuclear Explosions Treaty and the long-term goal of a comprehensive agreement banning nuclear testing.

Whereas the United States has determined that the Soviet Union has violated a broad range of arms control agreements, including likely violations of the Threshold Test Ban Treaty;

Whereas the Soviet noncompliance with arms control agreements damages the fabric of superpower relations, particularly current efforts to negotiate deep reductions in nuclear weapons, and undermines the potential contribution of arms control to the security of the United States and its allies;

Whereas the Government of the Soviet Union has failed to bring its actions into compliance with existing arms control agreements despite the diplomatic initiatives of the United States at the Standing Consultative Commission and through other diplomatic channels;

Whereas the public statements by the Soviet General Secretary concerning a readiness to reach agreement on necessary verification measures, including on-site inspections, have not been reflected in the private arms control negotiation positions of the Government of the Soviet Union;

Whereas the President has recently made a proposal to the Soviet Union to provide a means of reducing the verification uncertainties associated with existing nuclear testing agreements and to invite Soviet experts to monitor a planned nuclear weapon test at the Nevada test site;

Whereas the President has stated that should the United States and the Soviet Union reach an agreement on essential verification improvements to the Threshold Test Ban Treaty and the Peaceful Nuclear Explosions Treaty, then he would be prepared to move forward on obtaining the advice and consent of the Senate to the ratification of both these agreements;

Whereas the United States Government has reiterated its commitment to the long-term goal of a comprehensive test ban, under conditions of broad, deep, and verifiable arms reductions, improved verification capabilities, expanded confidence-building measures, and a greater balance in conventional military forces;

Whereas the United States Government has also reaffirmed that absent such conditions, a program of limited, underground nuclear testing remains essential to ensure the continued reliability, safety, effectiveness, and survivability of America's nuclear deterrent; and

Whereas over the course of the past quarter century, the nuclear weapon test program of the United States has had the positive effect of providing for (1) a more reliable, more survivable and safer nuclear deterrent force with significantly lower risk of unauthorized use or accident, and (2) a more discriminating nuclear deterrent force allowing for a substantial reduction in the number of nuclear weapons with drastically lower destructive power: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That (a) it is the sense of the Congress that the President—

(1) should urge the Government of the Soviet Union—

(A) to bring to a halt its violations of arms control treaties;

(B) to put into action its expressed willingness to accept appropriate verification measures by agreeing to accept on-site inspections, and to reconsider its hasty rejection of the invitation from the United States to visit the Nevada test site and to monitor a planned nuclear test; and

(C) to use the opportunity of such a visit to reach an accord with the United States on essential verification improvements, based upon the CORRTEX hydrodynamic yield measurement technique or some equivalent, to the Threshold Test Ban Treaty and the Peaceful Nuclear Explosions Treaty;

(2) should refrain from taking any steps toward seeking the advice and consent of the Senate to the ratification of the Threshold Test Ban Treaty until such time as an agreement can be reached on these essential verification improvements;

(3) should continue with the United States program of limited, underground nuclear weapon testing for the purpose of—

(A) ensuring the continued reliability, effectiveness, survivability, and safety of the United States nuclear deterrent force;

(B) providing further improvements in the discrimination of the United States nuclear deterrent force so as to reduce stockpile requirements in terms of the number and yields of weapons; and

(C) modernizing the United States nuclear deterrent to ensure its effectiveness against a changing, growing Soviet threat; and

(4) should not pursue negotiations on a comprehensive test ban agreement until the following conditions are met—

(A) agreements are reached providing for broad, deep, and verifiable arms reductions;

(B) verification capabilities necessary to monitor compliance with such an accord are substantially improved;

(C) existing imbalances in conventional forces are redressed;

(D) agreements for expanded confidence-building measures are achieved; and

(E) the essential role of nuclear weapons in providing for the security of the United States and its allies is significantly diminished.

(b) The Congress hereby expresses the support of the American people for the goal of a world free of the threat of nuclear war and, indeed, the threat of military aggression against any nation or peoples.

SEC. 2. For purposes of this concurrent resolution—

(1) the term "Threshold Test Ban Treaty" means the Treaty on the Limitation of Underground Nuclear Weapon Tests, with Protocol, done at Moscow on July 3, 1974; and

(2) the term "Peaceful Nuclear Explosions Treaty" means the Treaty on Underground Nuclear Explosions for Peaceful Purposes, done at Washington and Moscow on May 28, 1976.

SEC. 3. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President.

RECOGNITION OF SENATOR KERRY

The PRESIDING OFFICER. Under the previous order, the Senator from Massachusetts [Mr. KERRY] is recognized for not to exceed 5 minutes.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

THE DIRECT ELECTION OF A PRESIDENT IN SOUTH KOREA

Mr. KERRY. Mr. President, I want to take this opportunity to commend my distinguished colleague from Arizona, Mr. DECONCINI, for his willingness to put together the resolution relating to South Korea and for the skill with which he has crafted it. I am proud to be joining him in a resolution that I hope will begin a process in which I hope the Senate will begin to have the kind of impact on events in Korea as it did in the Philippines.

Simply stated, the resolution expresses the sense of the Senate that the people of the Republic of Korea should be allowed to petition for a constitutional amendment to allow for the direct election of their President.

In addition, the resolution calls on the U.S. Government to support a peaceful resolution to the growing crisis through the opening up of a legitimate dialog with the democratic opposition.

There are many differences, as my colleagues articulated, between the Philippines and the situation in the Republic of Korea. There are similarities also. But the differences are significant—the differences of the state of the economy, and the lack of stagnation and deterioration of the overall societal structure. That is not present.

On the other hand, what is present and what is most significant—and what is in this country, particularly in the Senate, ought to pay attention to—is an overwhelming fundamental drive on the part of the people of that country for a more open and democratic society. In South Korea recently there have been numerous massive street demonstrations of late demanding the fundamental constitutional changes be undertaken.

All of us in this body, I think, take great satisfaction in the fact that we really did show that we can play a role in moving events, and in having an impact on the decisions of another government where democracy is concerned. We did that in the Philippines. It is time that we took the lessons of the Philippines where they can be applied without stretching, but where they can be applied we should apply them to the Republic of Korea.

Unlike the recent situation in Manila, the democratic opposition in Seoul is not asking for the overthrow of their government. What the opposition is calling for is really fundamentally modest: The introduction of a direct Presidential system along the lines of the open American system. If the present system remains unchanged in South Korea, the next President of that country will be chosen under an indirect voting process which will mean the election of a hand-picked successor to President Chun will be assured, and the right of the Korean people to choose their own President will be frustrated.

The Chun government has consistently rejected every initiative by the opposition to even discuss the schedule for democratization. When the democratic opposition attempted to engage in a parliamentary debate on the issue, the debate was blocked. When the debate moved into the streets, the Chun regime insisted that the issue of a constitutional amendment could only be discussed in the national assembly. Citizens, even members of the national assembly, who attempted to discuss the issue publicly were arrested, placed under house arrest, and even prosecuted.

As the New York Times pointed out in an editorial on February 6, 1986:

> In democracies, petition drives are not treated as subversive. Demands for direct election of a president are not put down as revolutionary. Nonviolent opponents are not locked into their homes. Peaceful marchers are not swept away from the streets by battalions of police.

So, Mr. President, just as it was important for the United States to make a statement in the Philippines about our backing democracy, so it is important that we make that kind of statement now. As in the case with the Philippines, we have a unique relationship with Korea. It is because of this relationship, because of a war which was waged there to prevent it from being Communist, that we have a deeper responsibility at this time to ensure the move toward democracy. Yet at this crucial time in Korea's history, the administration seems to be moving along that same slow path that we moved along in the Philippines.

We seem to send a message that we are willing to look the other way if Seoul cracks down on the democratic opponents. At this time, the South Korean democrats with a small "d" feel cut off from the United States, and I think that stands in marked contrast to our experience in the Philippines.

I think we have to remember that beginning with the assassination of Ninoy Aquino, we undertook a whole different policy of the Philippines. Ambassador Bosworth began to open a dialog. We began to meet, talk, and make an effort to try to influence the outcome of those decisions.

The regime of Ferdinand Marcos came under increasing American pressure to carry out much needed political, economic, and social reforms. Strong lines of communication were opened up between our Ambassador to the Philippines, Stephen Bosworth and his entire Embassy staff, with the democratic opposition in that country.

In may 1985, the Senate, by a vote of 89 to 8, passed a resolution which I offered stipulating that future aid to the Philippines would be contingent upon a restoration of democracy, an end to human rights abuses, and a return to the rule of law. The Buddhist community is already calling for prompt constitutional reform.

As South Korean Cardinal Kim Soo Hwan stated recently:

> . . . before political leaders argue that Korea is different from the Philippines, they must first demonstrate to the Korean people that our country is free of corruption, torture, political oppression, and violations of human rights.

Either Kim Dae Jung or Kim Young Sam could become president of South Korea, given the democratic spirit taking hold in that country and if a free, fair, and honest election were held in 1988. Yet, Ambassador Walker has never met with Kim Dae Jung, never spoken with Kim Young Sam, or conversed with religious leaders supporting democratic reforms in their country.

Instead, the administration has adopted a business-as-usual approach to the Korean situation. As a result, the administration has undermined the credibility of President Reagan who stated recently that the United States stands against dictatorships of both the right and the left and in support of democratic movements worldwide.

In the Republic of Korea, the democratic opposition fights for free and fair elections in a country whose survival we have guaranteed for the past 36 years. To sit idly by in silence while the democratic opposition in that country is crushed under the heel of authoritarian rule only invites a Korean version of the Philippine crisis under Ferdinand Marcos, despite the fact that both countries are dissimilar in so many ways.

Now is the time to act. The democratic forces in the Republic of Korea need to hear us loud and clear that their well-being and vitality is of priority concern for the American people. We need to be unequivocally clear that we have not abandoned them to the vicissitudes of a repressive regime. To make our voices heard now will not be soon enough. But at least it will not be too late.

Again, Mr. President, I commend Senator DECONCINI for taking this important initiative and I am honored to join him in introducing this resolution.

RECOGNITION OF SENATOR CRANSTON

The PRESIDING OFFICER. Under the previous order, the Senator from California [Mr. CRANSTON], is recognized for not to exceed 5 minutes.

Mr. CRANSTON. Mr. President, sound and fury emanating from the Finance Committee the other day made a remarkable point: If we eliminated all tax deductions, we could lower the tax rates! Astounding! But matters went far beyond that startling point and, in fact, went off the deep end: proposals surfaced to eliminate the differential between the capital gains tax rate and ordinary income tax rates.

Such a move would return us to the stagnation of the 1970's. It would stifle economic growth. And it would deepen the dilemma of the deficit.

It is that very differential—the difference between a capital gain tax rate and an ordinary tax rate—that makes money flow into new ventures, new businesses, new industrial growth, and technological development. It is that capital gains tax differential that not only attracts venture capital in the first place but also induces investors to

stick with the management of new enterprises through difficult times. We learned the importance of a capital gains differential during the bitter experience of the 1970's.

When we virtually eliminated the capital gains differential, venture capital plummeted—from $1.3 billion in 1969 to a mere $37 million in 1977.

In my State of California, venture capital investment dropped from $360 million to just $6 million during those years. I am proud of the fact that I helped reverse this descent into economic disaster. In 1977, I joined forces with our former Republican colleague, Clifford Hansen of Wyoming. He and I led a successful battle to reduce the capital gains tax rate—from 49 percent down to 28 percent.

The Senate passed this salutary tax cut in 1978. And thanks to the support and hard work of a number of colleagues—especially the former chairman of the Senate Finance Committee, Senator RUSSELL LONG—we were able to get the measure through conference with the House and enacted into law. It was a major victory for economic sanity.

Treasury Department predictions that the cut in the capital gains rate would cost dearly in lost revenues to the United States proved to be absolutely wrong—as Senator Hansen and I had predicted. The exact opposite happened. Revenues from capital gains ventures rose dramatically. The venture capital investments encouraged by that tax differential led to an historic blossoming of new companies and new technologies and created hundreds of thousands of jobs. It all worked so well that we were able to enact a further cut in the capital gains tax rate in 1981—lowering it to the present 20 percent. It gave our economy a new surge of industrial activity when it was sorely needed.

Just as lowering the capital gain rate was an act of economic sanity, reversing that procedure—as is being suggested in and around the Finance Committee—would be an act of total economic insanity. Tax reform does not require eliminating the capital gains differential. On the contrary, tax reform can be strengthened by improving still further the efficiency of the capital gains differential. For example, I have proposed a tax-free rollover of long-term capital gains. Under this plan, an investor would pay no taxes on his capital gains so long as they were reinvested. The investor would pay taxes only on such gains as are not reinvested. I want to express my appreciation to William F. Ballhans, former president of Beckman Instruments, Inc., of California, who worked closest with me in developing this proposal. Prof. Dale Jorgenson of Harvard University advises me that my rollover proposal would in time add more than $4 trillion to the national wealth. He calls the rollover:

A great advance in thinking about tax reform.

And he says the gains to the economy would be twice as great as the modified flat-tax proposal being considered by the Finance Committee.

That is something, I suggest, that the committee ought to think seriously about.

Mr. President, I yield the floor.

□ 1050

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 5 minutes.

THE AMERICAN ECONOMY IS DUE FOR A NOSEDIVE

Mr. PROXMIRE. Mr. President, this country is riding for one big, long, hard fall. We are in trouble, deep trouble. And for the first time in the long memory of this old Senator, we are in trouble strictly and completely because of our own serious mistakes. Our fall will be bigger, longer, harder, exactly because the Federal Government has followed policies that have given us a joy ride, that will make our time of troubles longer and more painful. What is this Senator talking about? I am talking about a fiscal policy for the past 5 years that has to rank as the most irresponsible the country has ever suffered. We have gone through 5 years of the deepest peacetime deficits in the history of our country. In the past 5 years this is what the Federal Government has done:

First, it has maintained the record high level of nonmilitary spending;

Second, it has increased military spending by more than a trillion dollars, far and away the biggest increase in military spending in the history of this or any nation;

Third, it has increased foreign military aid to far and away the highest level in history. Even allowing fully for inflation, foreign aid, economic and military spending is higher than it has been at any time since the Marshall Plan provided for the reconstruction of all of war devastated Europe;

Fourth, it has failed to provide the tax revenues to pay for this enormous increase in spending;

Fifth, as a result we have suffered the largest Federal deficits in the history of the country. The Federal debt has doubled. It now exceeds $2 trillion.

Mr. President, so far what I have just tallied up is old stuff. We all know this. We also know what has accompanied all this in the way of goodies. Very big multiyear deficits are like a series of double martinis. At first they bring euphoria, a pleasant joyous high. And that is exactly what the deficits have done. They have stimulated the economy as only huge deficits can. In 1984 the country enjoyed its best economic growth in real terms in 33 years. Never in peacetime has the Nation enjoyed over a 5-year period such a big and rapid increase in the number of jobs as it has since 1981. This was the expected, predictable product of 5 years of massive deficit spending. But it was not all. There were some unexpected pleasures along with the economic growth. The massive deficits required heavy borrowing from abroad. So for several years foreigners sold their currencies to buy the dollar and lend to Uncle Sam. That dropped the value of foreign currencies. It made it cheap for us to buy abroad. That held down the cost of living. Inflation moderated. It moderated even more because foreign firms invaded our markets as never before. With goods cheap in dollar terms, this foreign competition held down the price of what our firms produced. Also the price of oil has recently nosedived. It has brought down with it the cost of energy. Oil producing sections of Texas, Louisiana, Oklahoma, and elsewhere have suffered. But most of the country has enjoyed a bonanza equvalent to a major tax cut. Thanks to the fall in oil prices, consumer prices as a whole are behaving like a pussycat.

There was more. The rapid increase in American jobs did not, as it has in the past, reduce unemployment. Unemployment came down from the recession high of 1982. But it has stayed at the same high 7-percent level that it had been in 1980. Women entered the workforce as never before. So while the number of jobs increased, the number seeking work has stayed above 8 million. That high level of unemployment kept wage increases moderate. So the prime factor in pushing up prices—sharply rising wages—has not developed.

And that was not all. Since early 1985 the Federal Reserve Board has followed an extraordinarily expansive monetary policy.

The money supply increased at a remarkably high 12 percent annual rate in 1985. So credit was ample. And then some. As a result the country has enjoyed the rare pleasure of a long economic recovery with a sharply falling level of interest rates and blissfully moderating inflation. We have had all this with continued high spending on nonmilitary Federal programs, a big increase in foreign aid spending, an unprecedented trillion dollar hike in military spending. All of this is marvelous to behold occurred while Congress held down taxes. It is a rosy-glow, triple-martini, happy-jag, sky-high miracle. The level of consumer confidence suggests that most Ameri-

cans think this can go on forever, along with the soaring stock market. The country has not elected Ronald Reagan President. It has elected Mr. Lucky or Croesus. Like Croesus, everything the President touches, turns to gold.

Mr. President, we have all heard the story of the man who jumps off the hundred story Empire State Building. As he passes the 32d floor someone yells out: "How are you doing?" The falling man shouts back, "So far I'm doing great." Well, Mr. President, that is us Americans in April 1986. Some day we are going to hit bottom with a terrible crash. That could be later this year or next year or even beyond next year. We do not know when it is going to come. We do know it is going to come. Here is why we should all know it is coming.

First, the economy is weak. In spite of a deficit which is still racing along at an annual rate in excess of $200 billion, in spite of all the stimulus the Federal Reserve Board can provide, the economy has already slowed to a creep.

Second, economic growth in the past 3 months was 3.2 percent. But if we measure it for the past 6 months, growth was less than 2 percent. In spite of much lower interest rates, new housing starts have not risen significantly. Auto sales seem sure to be less than last year. Production is down. Inventories are rising. Personal saving that has been at an all time low seems almost certain to rise. That means less spending, less consumption, less sales, and less jobs. If the dollar falls much farther prices will rise. If it does not, the adverse balance of trade will continue to worsen. Record consumer debt will mean a recession deepened by many bankruptcies. Record corporate debt that now exceeds $3 trillion means the next recession is very likely to be punctuated with the worst wave of business failures since the great depression.

Third, in this kind of fragile, feeble economy, will the Congress find the will to fulfill the promise of Gramm-Rudman and hammer the deficit down to $144 billion in 1987? The answer is no way! When the recession comes as it always has and always will in a free economy, the Congress will have a choice, we will cut taxes and spend more money to put the country back to work, or we will cut spending. We will hike taxes. We will continue to reduce the deficit. What will the Congress do? That is easy. Come the recession the Congress will take advantage of the Gramm-Rudman trigger that permits the Congress to suspend sequestration when there are back-to-back quarters with growth of less than 1 percent. Congress will suspend Gramm-Rudman. The deficit will zoom to between $300 billion and $400 billion before the recession ends. The national debt will soar to $4 trillion and rising. Then what happens? Eventually our children and grandchildren will have to pay for our gross irresponsibility. They will pay with higher prices, higher interest rates, higher taxes, less economic growth and, therefore, fewer jobs and lower income. The policies of the last 5 years have been a nightmare of irresponsibility. It is going to take years, many years, to pay for that irresponsibility. And those years have not even begun. We have just passed the 32d floor in our 100 floor drop. So far we are doing great. But just wait.

HERE'S WHY ADMINISTRATION CONTINUES NUKE WEAPONS TESTS

Mr. PROXMIRE. Mr. President, why has the Reagan administration opposed negotiations to end nuclear weapons testing? At long last the Soviets have come around to the long proposed American position. Secretary Gorbachev has even suspended Soviet nuclear testing since August 5 of last year. The administration has reversed the consistent American position that the two superpowers should negotiate an end to nuclear testing with strong verification provisions. And now the administration says "No." The United States will not stop nuclear testing. Why? A front page story in the April 21 New York Times by William Broad explains why.

President Reagan for months said that we would not stop testing because we cannot verify compliance by the Soviet Union. But now the Soviet Union has agreed to the stationing of monitoring stations within the Soviet Union. We have the assurance of expert seismologists that we could detect any significant nuclear explosion. We have strong indications that the Soviets would agree to unannounced on-the-spot inspections of any suspicious explosions. So in recent weeks the administration has shifted to a new alibi for our refusal to negotiate an end to nuclear testing with the Soviets. This time they have said that we had to continue testing to assure the reliability and safety of our nuclear stockpile. Now how about that? Mr. President, less than 3 percent of our tests have been for safety or reliability purposes. If such tests were required, we could probably negotiate an exception to permit such rare and occasional reliability and safety tests.

So what is the reason? The New York Times articles by William Broad tell us. The U.S. tests are necessary to develop new types of nuclear weapons. This will be the third generation of nuclear weapons. The atomic bomb was the first. The hydrogen bomb the second. The third generation are x-ray lasers, hypervelocity pellets, micro waves, particle beams, and optical lasers. According to the experts cited in the New York Times article, the development of these weapons will require far more tests than previous new nuclear weapons required. In fact, each third generation weapon developed is expected to require not the handful of 5 or 6 tests required for each previous new weapons design but 100 or 200 tests for each. Since the tests are expected to be far more complex, the expectation is that the cost of each individual test will be more than the $10 million to $30 million each that has been the price tag for nuclear weapons tests in the past. The total cost of the new testing policy could easily zoom to billions of dollars per year.

But far more significant than the cost are the implications for an end to arms control and the advent of a feverish, highly unstable super power arms race. At the moment the United States is ahead in the technology phase of this third generation arms race. Undoubtedly that is one of the reasons Secretary Gorbachev is so anxious to stop it. But if ever there were a race that no one will win, this is it. It is true that at this stage it can be argued that each of these third generation weapons has primary application to space defense; that is, antimissile defense. But each of them can be applied to attacking the adversary's arms control satellites as well as any defensive system the other side might deploy in space. And surely, Mr. President, if this third generation of weapons works, it will be the forerunner of a fourth generation that will apply the same principles and even some of the same weapons to targets on the ground. The testing cost of these weapons will probably eventually be in the tens of billions. Other research costs will greatly add to it. And the production, deployment, maintenance, and modernization costs will spin out of sight.

Of course, if we are lucky, none of this will work. Dr. Cochran of the Natural Resources Defense Council was reported by the New York Times to have said that only 1 of the 5 new weapons would have a chance to work at all. That is the x-ray lasers. And, according to Dr. Cochran many people say the x-ray lasers will not work either.

So there you have it, Mr. President. This administration has reversed a consistent American position that favored negotiating an end to nuclear testing. Why? Not because we cannot verify compliance. We can. Not because we need to test to maintain the reliability of our nuclear deterrent. We can easily negotiate that very small amount of testing, if necessary, as an exception. We are insisting on continuing nuclear weapons testing because the administration believes we

can develop a third generation of nuclear weapons that will make a star wars defense feasible. But the cost will be enormous. Many independent experts say it will not work. And if it does, the world will be less safe from a nuclear holocaust than it is now. Continued weapons testing is a loser from every angle.

THE MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, the myth of the day is that if the Congressional Budget Office—the CBO—revised its economic assumptions on which the budget is based, the deficit would go down. In fact, such a revision based on the latest data available would be more likely to increase the deficit instead of reducing it.

Here is why. The latest figures on gross national product—GNP—show the economy growing at an apparently healthy 3.2-percent annual rate, after adjusting for inflation. I say "apparently" because there is less to this figure than meets the eye. Most of this growth is due to an involuntary growth in inventory. Final sales—GNP minus the change in inventories—actually went down at a 0.4-percent annual rate. These data cannot be interpreted to herald an economic boom. The economic growth in the last 6 months has actually been less than 2 percent at an annual rate.

What about investment? Our Nation's plant and equipment is running at less than 80 percent of capacity, and that figure has been going down, not up. Business has a lot of empty capacity to use before building new plants. As might be expected, the Commerce Department reports that business intends to cut its spending on new plant and equipment during the second half of this year. Once again, signs of a boom are hard to find.

Do not expect consumer spending to rescue the economy. Personal income rose at a paltry 2.4-percent annual rate during the latest quarter. Savings, which hit a low of 3.7 percent in the third quarter of 1985, are now starting to edge upward. Additions to consumer income as a result of falling oil prices may well end up being saved, not spent.

Unemployment is still at an historically high figure. At any time prior to 1980 an unemployment rate of over 7 percent would signal a recession not a boom. And the drop in oil prices is likely to drive unemployment still higher, at least in the short term.

Under these circumstances, is it any surprise that interest rates are going down. This decline signals a weak economy, not a strong one.

What, then, is behind these calls for a revision of the economic forecast? These calls are a political cry of anguish. Many people like to talk about balancing the budget but when it comes time to fish or cut bait, they ask for a knife. Raise taxes—no; cut spending—no. Let us, instead, change the economic forecast.

This is the ostrich theory of economics. Stick your head in the ground, and maybe that big, bad deficit will go away. This may be good mythology, but it is a bad economic power.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRAMM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond the hour of 10:45 a.m., with statements limited therein to 5 minutes.

SPENDING FOR DEFENSE

Mr. GOLDWATER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter I read at the Republican policy luncheon on Tuesday, April 29, which I have sent to the majority leader, Senator DOLE, in connection with my reservations about the spending level for defense in the first concurrent budget resolution for fiscal year 1987.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC, April 30, 1986.

Hon. ROBERT DOLE,
Majority Leader, U.S. Senate, Washington, DC.

DEAR BOB: As Chairman of the committee of primary jurisdiction over defense policies and budgets, I reiterate my serious reservations about the direction of the Senate debate on the spending level for defense in the First Concurrent Budget Resolution for Fiscal Year 1987, as reported by the Senate Budget Committee. I believe it is my responsibility to advise you and the entire Senate that the defense level contained in the pending resolution—and the levels contained in various amendments to that resolution—are inadequate to meet our national security requirements.

In the three months since the President submitted his budget request to the Congress, I have studied his proposal in detail. On the basis of my review, I have determined that reductions of the magnitude mandated in even the most favorable defense amendment would require major program terminations and stretchouts, cutbacks in high priority readiness programs, and large reductions in the military and civilian personnel accounts. Efficient production programs would become inefficient and ultimately more costly, essential research and development programs would be cancelled, and improvements in readiness and morale achieved over the last five years in a genuinely bipartisan effort will be lost. These results are unacceptable.

In addition to requiring large budget authority reductions, the corresponding outlay reduction in the various defense plans creates an even greater problem. For example, the budget resolution reported by the Senate Budget Committee contains reductions of $25 billion in budget authority and $17 billion in outlays. In fact, to achieve an outlay reduction of $17 billion, we would have to cut between $34 and $50 billion in budget authority from the President's request. That would be an unmitigated disaster.

I have reviewed the options pending before the Senate and feel that a level of three percent real growth over the FY 1986 funding level, or $309.9 billion in budget authority and $291.7 billion in outlays, is the minimum necessary to sustain an acceptable national defense program in FY 1987. Following the negative six percent real growth in FY 1986, I fear that a second year of negative growth would have long-term consequences that would jeopardize our national security. In the face of the continuing Soviet military buildup, increasing international terrorism, and allied uncertainties, we must reaffirm our commitment to maintaining at least a minimally acceptable defense posture. The budget resolution pending in the Senate does not even meet that objective. Moreover, it is unthinkable to imagine the consequences for our national security if we must absorb the even greater reductions that would most assuredly emerge from the House-Senate Appropriations process, particularly if the Senate adopts any of the funding levels proposed by our colleagues thus far.

I strongly urge you to resist any effort to set the FY 1987 defense level at less than $309.9 billion.

Sincerely,

BARRY GOLDWATER,
Chairman.

REPORT ON TRIP TO ISRAEL

Mr. SYMMS. Mr. President, I have recently returned from a congressional trip to Israel. Before my colleagues and I went, we were warned that it would not be safe to travel to the Middle East during these troubled times. I received calls from the State Department and others urging me to postpone my trip.

I was warned that the crisis in Libya might make it more dangerous for Americans to travel to the region. Obviously, I did not heed these warnings. In fact, when Israeli Prime Minister Shimon Peres thanked me for coming to Israel, I told him that "Qadhafi is not my travel agent."

Indeed, that is one of the main lessons I learned from this trip. If we allow terrorists to deter Americans from going to Israel or other areas of the world, the terrorists will have won a major victory. Certainly, we must be careful and airlines and airports must be vigorous in their pursuit of safety, but I do not believe that we can allow

terrorists to dictate where and when Americans may travel.

The Israelis have learned this. The last attempt to hijack an El-Al Airliner was in 1969. Since then, the Israelis have established the most stringent security measures on their planes and at their airports. The successful raid on Entebbe Airport to rescue the passengers and crew of a hijacked Air France plane won the applause of civilized people around the world. But that raid on July 4, 1976, also reemphasized the point that Israelis are free citizens and can travel safely around the world.

America can follow the example of the Israelis. In fact, we do cooperate with them on intelligence sharing designed to prevent terrorist attacks. In addition we have learned how to improve the safety of our airports. We must also encourage our allies to improve their security systems. No system can ever be completely foolproof, but we can make it more difficult for terrorists to reach our citizens traveling abroad.

Israel is a unique country. All nations have interesting historical experiences which enhance the feeling of local pride and nationalism. But, in few places in the world do the people have the love and understanding of their history that can be found in Israel.

What is unique about the history of Israel is that it has taken place not only on the soil of the country, but also around the world. I spoke with Israelis who discussed the fall of the Second Temple in the year 70 A.D. and the resulting dispersion of Jews throughout the world as if it had taken place only last year. Israelis remember the life of the Jewish people in Europe, Russia, North Africa, the Arab World, and United States. They remember their own roots and heritage perhaps more than any other people.

The Holocaust Memorial at Yad Vashem reminds them, and the world that no one can afford to forget the horrors of the past. Yad Vashem, where I lit a candle in memory of those massacred by the Nazis, teaches that all must band together to ensure that this will never happen again.

Israel is remarkable in that it is not only the homeland for the Jews. It is the birthplace of three of the world's major religions. I visited the Western Wall of the Second Temple, which was destroyed by the Romans and has become the holiest place for Jews to pray.

When I looked to the right of the wall, I saw the remarkable archeological digs that have uncovered the city of King David and 3,000 years of history.

Up from the Wall, is the Temple Mount and the Dome of the Rock, where Mohammed was said to have ascended to Heaven and where Moslems still come to pray, freely and safely.

When I walked a few hundred yards to the left, through the winding streets which were probably laid out during Biblical times, I came to the Via Dela Rosa, where Christ is said to have walked on His way to the Cross. On Easter Sunday, I visited the Church of the Holy Sepulchre, which many believe is the site of the Crucifixion and Resurrection.

My administrative assistant spoke with the head of the Brigham Young University's Jerusalem Center. The Mormons are presently building a new Center for Mid-Eastern Studies on Mount Scopus and have received much help and support from the Israeli and local governments.

I mention these things to emphasize that Jerusalem is an open city and Israel respects the rights of all religions. I saw Christians, Moslems, and Jews worshiping freely and without threats at their holy sites.

But Israel is more than a land of history and religion—it is a land of people. It is the people of Israel who impressed me the most. Israel is surrounded by hostile nations which, with the exception of Egypt, still refuse to recognize the reality of its existence. Despite the ever-present dangers, Israelis continue to build and plan for the future. They are building homes, planting fields and orchards, developing high-tech industries, and maintaining the best defense forces in the Middle East.

Israelis have a justifiable pride in their country for making the desert bloom. They have faced a hostile environment and the world's highest defense spending, yet have brought the recent triple-digit inflation under control by strict austerity and controls on government spending.

Israel is not a large country. When I stood on the Golan Heights or drove through Judea and Samaria (the West Bank), or saw the burnt-out tanks that remain from Israel's past wars, I was reminded of the ever-present dangers which Israel faces.

On the Golan Heights, a young Israeli Defense Force officer simply stated that Israel has no strategic or tactical rear. It has no geography that it can give up in time of attack in order to buy time. During a war, all of Israel becomes the front line.

We watched an air force wing commander scramble an interceptor as a demonstration of readiness. Yet, while the aircraft was airborne in less than 5 minutes, we were aware that enemy aircraft could already have been over parts of Israel carrying out bombing raids before being intercepted.

We spoke with a tank commander who stressed that there is no place in all of Israel that was not literally "under the gun." He expressed the hope that the United States would continue its support of Israel.

I don't want to paint too bleak a picture, because, as I mentioned at the outset, we felt completely safe in Israel. In fact, I felt as safe during a jog around the old walls of Jerusalem as I do when I run in Washington, DC.

My trip has reinforced my firm conviction that Israel does merit our support. There is no doubt that the interests of the United States and Israel are inseparably linked. Of course, we share a heritage and a tradition that dates back thousands of years. But more than that, recent events have shown that Israel is one of the very few nations that can be considered a firm and reliable ally.

This is not to say that our two countries agree on every issue. No one can realistically expect that. But as Senator KASTEN has pointed out, Israel votes with the United States at the United Nations more than any other nation in the world.

After meetings with Prime Minister Peres and Ministers, Arens, Shamir, Rabin and others, I am convinced that Israel stands as a voice of sanity in a region filled with threats to the civilized world.

Israel remains committed to working with the United States and shouldering the burdens of freedom. Likewise, we must do our share.

I had the opportunity of addressing the Leonard Davis Institute at the Hebrew University in Jerusalem. I concluded my remarks by stating:

> Many in my country share my dedication to help Israel maintain its security. I hope and believe that the United States Senate will continue to honor the commitments which make this possible. We must continue to recognize that for the United States to be strong, it must also have strong allies. Nations such as ours, which believe in freedom and rely on free enterprise and trade, cannot exist in an atmosphere of tyranny. We must rely on other free nations of the world to continue to advance civilization.
>
> To affirm the United States-Israel alliance for survival, the United States must remain steadfast in our commitments to Israel and resolved in our determination to maintain our own military and diplomatic strength. "Peace Through Strength" is that indispensable watchword for freedom in the world today."

THOMAS J. HARRIS: HE STOOD UP FOR FREEDOM

Mr. HELMS. Mr. President, we should all be so lucky as to have our life's work so beautifully affirmed on the day of our death.

Such was the case for Thomas J. Harris.

Thomas J. Harris, after decades of service to the right-to-work movement, died unexpectedly in the afternoon of March 4, 1986.

Hours earlier, a unanimous Supreme Court struck a mighty blow for free-

dom that will ensure for all Americans the legacy and vision of a great man.

His death was a reminder that, as Dickens noted, the best and worst of times often crash headlong, tempering our successes by exposing our frailties.

Mr. President, the media will say that Mr. Harris led a charitable organization which defended workers from the abuses of compulsory unionism. That is true. But, in fact, he defended freedom. To do this, he united people from all walks of life to defend working Americans who are oppressed by excessive union powers.

He made a lasting difference.

Under his guidance, the National Right to Work Legal Defense Foundation has reshaped the Nation's labor laws—coercive tools of powerful union officials—in ways which not only benefit workers, but also strengthen the very foundation of democracy. The result is a wall of legal precedents upon which the foundation continues to build.

No greater example of this can be found than in Hudson versus Chicago Teachers Union (AFL-CIO), issued on the morning of March 4. This victory stands as a virtual Magna Carta to employees nationwide, reestablishing their basic due process rights. For the first time, the Supreme Court set strict guidelines unions must follow before they take a single penny of compulsory fees from nonunion workers. Union officials—accustomed to setting arbitrary figures for compulsory dues—must now factually account for their expenses. Now it will be more difficult for the union hierarchy to cavalierly seize workers' hard-earned wages—against their will—and funnel this money into the promotion of political and ideological causes which the workers oppose.

Where did the Supreme Court look for guidance in deciding Hudson? To a variety of foundation cases on which it had previously ruled. Cases like Abood versus Detroit Board of Education and Ellis versus Brotherhood of Railway, Airline and Steamship Clerks (AFL-CIO) which have defined the rights of workers. Through these cases and others, the foundation has confronted union officials' rampant misuse of compulsory union dues—money conscripted from workers under threat of being fired.

With the Hudson precedent firmly established, it must be expanded to the private sector. A case like Beck versus Communications Workers of America (AFL-CIO), with a successful history and a promising future, holds this potential.

While the misuse of compulsory union dues always has been the major target of the Right to Work Foundation's program, victims of union violence and harassment have been taken readily into the fold. The beneficiaries of the foundation's program include victims of sexual abuse, shootings, beating, bombings, arson, and even attempted murder—standard instruments used by union officials to enforce compulsory unionism. Victims of religious discrimination—people whose religious beliefs forbid associating with unions—also have turned to the foundation for relief from compulsory unionism.

In less than two decades, the foundation's program has grown to more than 300 cases defending the rights and liberty of nearly 4,000 employees nationwide.

Tom's death seems an appropriate time for everyone interested in the foundation's work—interested in the defense of freedom—to consider his accomplishments. I'd like my colleagues to do this, taking into account his greatest victory, coming the day of his death, and others which preceded it.

A SALUTE TO THE "LADY UTES"

Mr. HATCH. Mr. President, I represent a great State. I hope my colleagues do not get weary of the time I spend talking about what goes on in Utah. I am sure they do get a bit envious. I would be remiss, however, if I did not praise the Lady Utes of the University of Utah. These fine athletes claimed their sixth straight national gymnastics title during the NCAA finals in Gainesville, FL, April 18, 1986.

Coach Greg Marsden, a five-time National Coach of the Year, has compiled an 11-year record of 152 wins and only 21 losses. He and his staff of assistant coaches, Bill Sands and Megan Marsden, Trainer Jeff Wilcox, and a host of other professionals, have inspired the women gymnasts into a unified team while developing outstanding individual performers.

Coach Marsden and his Lady Utes are responsible for igniting the excitement of the Utah fans, as well as those across the country who have followed this great sport.

Mr. President, it is with great honor that I present to my colleagues the names of Coach Marsden and the Lady Utes: Lisa Mitzel, Wendy Whiting, Tina Hermann, Sandy Sobotka, Lynne Lederer, Lisa McVay, Caralee Novak, Cheryl Weatherstone, Sonja Ahone, and Hilarie Portell.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

□ 1100

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1987

The PRESIDING OFFICER. The clerk will state the unfinished business.

The assistant legislative clerk read as follows:

A Senate concurrent resolution (S. Con. Res. 120) setting forth the congressional budget for the United States Government for the fiscal years 1987, 1988, and 1989.

The Senate resumed consideration of the concurrent resolution.

AMENDMENT NO. 1811

(Purpose: To increase funding for health research for fiscal years 1987, 1988, and 1989, within function 550 (health), and to provide an increase of $1 million for the U.S. Trade Representative, within function 800 (general government) and to offset the increase by deleting funds for congressional newsletters within function 800 (general government))

Mr. WILSON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. KASTEN). The amendment will be stated.

The legislative clerk read as follows:

The Senator from California [Mr. WILSON] proposes an amendment numbered 1811.

Mr. WILSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 17, increase the amount on line 16 by $73,250,000.

On page 17, increase the amount on line 17 by $73,250,000.

On page 17, increase the amount on line 24 by $119,000,000.

On page 17, increase the amount on line 25 by $119,000,000.

On page 18, increase the amount on line 7 by $85,250,000.

On page 18, increase the amount on line 8 by $85,250,000.

On page 24, decrease the amount on line 2 by $73,250,000.

On page 24, decrease the amount on line 3 by $73,250,000.

On page 24, decrease the amount on line 10 by $119,000,000.

On page 24, decrease the amount on line 11 by $119,000,000.

On page 24, decrease the amount on line 18 by $85,250,000.

On page 24, decrease the amount on line 19 by $85,250,000.

Mr. WILSON. Mr. President, this amendment deletes from function 800—general government—the money that Congress spends upon itself to finance postage for congressional newsletters and transfers that funding instead to a productive use, a merciful use, the financing of medical research of ultimately far, far greater importance and priority than the purpose for which that money is now spent. Specifically, my amendment would take $280.5 million allocated in the budget for newsletters over the next 3 years and transfer all but $3 million of that to function 500—health—for research for AIDS and Alzheimer's disease.

Mr. President, $1 million per year would remain in the present function 800 account, the intention being that it be used not for the legislative branch but rather to restore necessary funding for the office of the U.S. Trade Representative so that that office may perform the missions that we have assigned to it. That is a mere incident, Mr. President, to the real purpose of this amendment.

I do not expect to take all of the time that I am allotted because the issue here is essentially a simple one. This would not propose the elimination of the franking privilege. I think most people in the United States are aware that Congressmen and Senators are permitted to send mail under the frank, which is to say we do not have to put a stamp on the envelope. That is paid by the Postmaster. Actually, it is paid by congressional appropriations. It is not free; the taxpayers are paying for it.

The Founding Fathers, in granting Congress the privilege of the frank—and that is what it is, a privilege—did so to assure that Members of Congress would be able to make careful, thoughtful response to the opinions, inquiries, and the needs expressed to them by their constituents. This response is an essential function of the Congress in our representative form of government. It is a wise expenditure and the amendment that I propose would in no way threaten the use of the frank for that continued privilege, for the purpose of responding to constituent mail.

Mr. President, the Founding Fathers never envisioned the congressional newsletter nor the abuse that has taken place. I am not going to outline it or detail it in infinite elaboration. I simply say that it has now attained the shocking sum of 75 percent, conservatively, of the $146 million which Congress has budgeted for its own postage in this fiscal year. It's 146 million tax dollars, Mr. President. That is the equivalent of all of the Federal income tax paid by the people of the city of Oakland, CA, or the city of Long Beach, CA, both pretty good-sized cities, having upward of 330,000 population.

Mr. President, it is a commendable thing that Members of Congress wish their constituents to be informed, wish them to know specifically about what they are doing. Unfortunately, too many of these newsletters over a period of years have come to resemble campaign re-election pieces. And the vast majority of them, it will come as a shock to some of my colleagues to learn, are unread. They are unsolicited, unwanted, unread. They end up in the trash. But even if there were no abuse in terms of the self-promotion of Members sending these newsletters, it would be impossible in this time of Gramm-Rudman-Hollings to justify the continued funding, and certainly at the level that has been achieved. It has been a staggering increase. It is nothing less than a scandal, to use the word rightly chosen by the distinguished chairman of the Senate Committee on Rules.

We spend about 5 percent of the total postage allocation to see to it that constituent mail is adequately responded to. Another 20 percent goes for notices of town meetings. Seventy-five percent goes for congressional newsletters and 75 percent of $146 million, Mr. President, could buy a lot of much more valuable service to the people of the United States. To allow this to continue at a time when Congress, having adopted Gramm-Rudman-Hollings, has said to the people we must tighten our belts, is to seem hypocritical if the tightening does not begin at home, which is to say that Congress must set the example.

That is the source of money for the allocation that I propose, $280.5 million over the next few fiscal years, to bring about, hopefully, relief and perhaps even cure, perhaps prevention of two killer diseases. These are diseases that are taking an incalculable toll in terms of human misery, not just on the part of the actual victims of those diseases themselves, but on the part of families, friends, and loved ones who are sad witnesses to the physical and mental deterioration. One of them kills quickly—relatively quickly. On the average, it takes about 2 years before it has totally eliminated the powers of its victim to resist any number of ordinary diseases.

□ 1110

That, of course, is AIDS. When those who lose their capacity for immunity to simple diseases, to pneumonia, to commonplaces that we thought were largely eliminated as a threat to human health in this Nation, they become victims because this strange virus does not permit them the normal resistance of a healthy person. Alzheimer's may be in fact an even more cruel disease because, as it has been described by the family member of one Alzheimer's victim that I know, it is, as he puts it, "a funeral that lasts for years." And, indeed, those in the advanced stages of the disease who have been institutionalized can best be described as tenants in a long-term hospice because through the dwindling light that is their sad circumstance as they approach the end of life, they will finally come to death.

These are in fact killer diseases. In many instances the first thing they kill is the mind. They bring a dementia about which we know more and more all the time, but we do not know nearly enough, and that is why, Mr. President, it is essential that we take money from less important things to fund this vitally important research.

AIDS today claims some 20,000 victims in the United States, active cases. It is conservatively estimated that more than a million people have been infected. It is an incredible disease. It is reaching epidemic proportions. Deaths are doubling every 6 months. It is no exaggeration to say that it is now producing fatalities at an exponential rate. Fully a quarter of those afflicted with AIDS can be expected in the early stages to experience some form of dementia. Their minds will go even before their total immune system.

Mr. President, Alzheimer's disease afflicts even more Americans. The estimates are uncertain. They know that at least 1.4 million Americans can be expected to suffer from it at the present date, and the estimates run as high as 4 million.

The difference results from differences regionally and recordkeeping and in calculation, but what we do know from those who are most intimately involved in the investigation of cure and prevention is that of those over 65, some 5 to 6 percent of all Americans suffer from Alzheimer's disease, and by the time they reach 80, though most experiencing it at that point will never reach 80, most people reaching 80 can expect to be very concerned about Alzheimer's because 30 percent of them will actually suffer it.

Now, Mr. President, this is a drain upon the taxpayers in a form that perhaps has been unrecognized. The U.S. Government currently spends, according to the Health Care Financing Agency, some $6 billion a year on nursing home costs. That is 30 percent of the total nursing home costs financed by the Federal Government, plus $2 to $4 billion annually for additional costs to pay for acute hospital care, home care, and rehabilitative care.

But, Mr. President, the suffering and the cost that we experience from Alzheimer's cannot be expressed in dollars adequately. The incredible toll upon the families of the victims I think cannot be explained and cannot be made clear perhaps to anyone who has not experienced it. But conceive for yourself the tragedy of a brilliant brain researcher diagnosing his own case, unable to do anything about it and extending month after month and finally year after year into a twilight zone in which he is barely able to recognize the loved ones in his own family. That is, Mr. President, a real tragedy. How many more will occur before we find a cure?

Those engaged in investigation are optimistic. Both AIDS and Alzheimer's investigators think that the technology offers us real hope that breakthroughs are at hand, that cures for existing cases and, perhaps far

more important, vaccines for the prevention of these diseases are within our grasp if only we can make the kind of effort that is in fact required.

Now, I spent a good deal of yesterday afternoon speaking to physicians who are the investigators themselves and also those in charge of making decisions as to how we will fund research. What they told me, Mr. President, is that we can very definitely use the money that this amendment proposes to add to research efforts. What they said is that, given the limitations on funding that presently exist, they are faced with an obvious necessity of making choices and funding only the most promising of techniques, only the most promising of experimentation. They cannot, for example, increase the number of drugs that can be tested, the kind of drugs that can be synthesized as a response to these two specific viruses. They cannot conduct the kind of screening that is necessary, even though there is an abundance of willing human guinea pigs, simply because they lack the resources to give those who as volunteers would subject themselves to testing these vaccines.

The kind of money that we are talking about can increase that vaccine testing to the point where instead of testing only 1,500 such drugs a year, we could increase it to 25,000.

Mr. President, there are some 500,000 possibilities. At the rate of 25,000 a year, we are not going to exhaust them soon. At the rate of 1,500 a year, how many people will die needlessly before we find a cure? How much suffering will needlessly occur, how much waste to our society, by people like that brilliant brain researcher who suffered the tragedy of being an AIDS victim himself?

Mr. President, I am not going to take very much more time because the issue is a simple one. It is a question of priorities. That is what the budget is all about. Our choice, it seems to me, is simple and incredibly obvious. Are we going to spend something close to $300 million over the next 3 years on what is clearly the least priority? Many think it is an indefensible expenditure, but even if there were no abuse, even if it were purely informational, we have news agencies. Shortly the proceedings of this body will be televised. Any number, a whole host of Federal agencies daily mail tens of thousands of informational pamphlets. Our constituents do not depend upon the Congress of the United States as their sole source of information, either for factual information about benefits and programs or even about the debate that occurs upon this floor.

Mr. President, it is a simple issue. It is a question of priorities. What kind of Congress is it that would deny adequate funding to accelerate the finding of a vaccine to prevent or cure to end the certain suffering, the cruel suffering and the almost certain death of AIDS and Alzheimer's victims in order, Mr. President, instead to pay for postage for its own self promotion?

Mr. President, the kind of Congress that would do that can only be viewed as callous, as selfish, as incredibly lacking in awareness of the crisis dimensions of this threat to American health—a Congress that would in short be unfit to exercise the high responsibility of stewardship of taxpayers' dollars.

I cannot believe that we are that kind of Congress. Has the quality of mercy become so strained in the Congress of the United States that we are unable to grasp what is within our reach, unable to offer real hope of cure and a vaccination to protect innocent millions against the ravages of these two killer diseases because our priority is to mail newsletters? I hope and pray that is not so, Mr. President. I cannot believe that it is.

I will reserve the remainder of my time.

Mr. CHILES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

□ 1130

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. CHILES. I yield such time as the Senator from California may require.

Mr. CRANSTON. I thank my friend from Florida.

Mr. President, I rise in support of the amendment offered by my friend and colleague from California.

AIDS is one of the most serious health threats that we have ever known in this country of ours. We need more money in this budget for research into the causes and cures of this disease. Substantial amounts have been appropriated for this purpose in recent years, and I have proposed or supported each increase. However, there have now been some reductions in fiscal year 1986 under Gramm-Rudman and there are threats of further reductions due to that law.

It is vitally important that we stem and eradicate this terrible disease before it becomes even more rampant in our society.

We also have a major problem of longstanding in Alzheimer's disease, and research to find the means to treat, cure, and prevent that affliction is vitally necessary.

For those compelling reasons, I support the amendment of my colleague from California to increase research funds in those areas by approximately $73 million in fiscal year 1987. It is most welcome that a Republican Senator has offered this sort of an amendment at this time. I congratulate my friend, Senator WILSON, and I support his amendment.

Mr. CHILES. Mr. President, I suggest the absence of a quorum with the time to be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

□ 1200

Mr. WILSON. Mr. President, I would ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from California is recognized.

Mr. WILSON. Mr. President, unless there is argument to be heard to the contrary, I am prepared to yield back my remaining time. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. Mr. President, I had thought we wanted to delay the vote a while, but I have heard now that we are ready to vote. I was trying to accommodate one of the committees that needed most of their members physically present. We will vote in just a couple of minutes.

Let me say to the Senate I am going to vote yea on this amendment. I urge that Senators vote yea on this amendment.

Just so others understand why I am urging a yea vote, what the distinguished Senator from California has done is to take a function that includes, among many, many things, money for the franking privileges of the U.S. Congress. He has taken out that portion of the total franking cost that is not used for directly responding to constituents. The rest of that money he has said he would transfer from that function to the health function which just adds that much budget authority, programmatic authority, to the health account.

The Senator in his amendment indicates that the transferred money could be used for further research in the dread diseases of Alzheimer's and AIDS.

What I have said on a number of these amendments need not be repeated at any length, but needs to be at least stated again.

The way the budget process works, through the way the appropriation process is imposed upon this budget process, all these functions are doing

are establishing some assumptions and some totals so that the appropriators in their work and in their collective wisdom will go back through this budget and will assign to each of their subcommittees a certain amount of budget authority and a certain amount of outlays that flow from the budget authority. Those particular allocations, called crosswalks, will give the appropriators the opportunity to decide whether programs should go up or down, whether the intent of the Wilson amendment should be followed or not. It is not binding on them.

They can indeed say, "We have to spend more money on legislative matters and less on the health care function, that Senator WILSON has added his $100 million or so to."

I see no reason why Senators should vote in opposition to this amendment unless they clearly oppose the amendment's premise because, as a matter of fact, it is, as I see it, nothing more than an expression of what we would like to happen, an expression of what our intent is. It is in no way binding.

Since that is the case, I will vote "Yea." I have talked to the Appropriations Committee chairman. Obviously, the Appropriations Committee is disturbed if anyone in the Senate thinks that by moving money around this way no real change occurs because we have not increased the budget; we have not changed the taxes. They are disturbed that anyone might think this is some appropriation line item mandate.

No such prerogative exists by way of a budget resolution. Not only is it not what a budget resolution does; the exact opposite is the effect. The moneys are within the discretion of the appropriators as they proceed through the year.

Having said that, I yield to the distinguished Senator from Florida whatever time he desires.

Mr. CHILES. Mr. President, I associate myself with the remarks of the chairman. This function we are talking about is function 800, general government. Within that function is the Executive Office of the President, GSA, CBO, the Office of Management and Budget, the Treasury Department. So, in effect, you can say we are having a transfer of $75 million within that function.

Often the Budget Committee faces criticism because we go out and try to do the work of the Appropriations Committee or the work of some of the authorizing committees and we are told that we are supposed to be the Budget Committee, that we are supposed to be setting some overall targets and overall functions.

Yet, we find that Members will come on the floor and offer amendments that say, "This amendment does this, it is for this particular purpose."

We sort of hate to get that criticism from both sides, and yet that tends to be what is happening. Time after time we try to explain that this does not mean that any mail is going to be cut, that any particular reform is going to be made. It means that you are going to transfer $75 million basically out of these functions. It could be the Executive Office of the President, it could be the General Accounting Office, it could be any of these items, or a combination.

I would also point out that it is the understanding of the Senator from Florida that the Rules Committee is in the process of coming up with a reform or a package having to do with mail. They are addressing this matter. They are the authorizing committee. They are the committee with that legislation being before it where something meaningful and of substance should take place, not here.

We have not been privileged to have members of the Rules Committee here to engage in this debate or somebody actually speaking, as such, for the Appropriations Committee.

I join with the Senator from New Mexico saying we can accept this amendment. I think we were willing to accept it but a rollcall has been requested. I would urge Members on our side to vote for this amendment but to realize that this does not mean that anything that is written in the substance of this amendment will take place. That matter will have to come at some later time.

● Mr. DECONCINI. Mr. President, I rise in support of the amendment of the Senator from California. The human and economic toll taken on our society by AIDS and Alzheimer's disease is massive; we do need to dedicate more money to research on both these diseases. The human tragedy they inflict is immeasurable and I have long supported efforts to increase Federal research dollars.

This specific amendment has found an ideal place to obtain money for funding these research programs—the Senate self-aggrandizement account. Senate newsletters have gotten completely out of hand. We now spend 75 percent of the congressional mailing account on newsletters. Newsletters do serve some useful purpose as a tool of communication with constituents, but unfortunately they often deteriorate into thinly veiled campaign material. Now, in a time of Gramm-Rudman austerity, we cannot afford to spend $300 million over 3 years of congressional newsletters when we could be spending that money to find a cure for some of this country's most debilitating diseases.

I urge my colleagues to join me in supporting this amendment.●

Mr. DOMENICI. Mr. President, let me make two more points.

First of all, I commend the distinguished junior Senator from California Senator WILSON for his initiative in this area. I understand how he feels about the proliferation of so-called newsletters. I understand that he has come to a conclusion that that kind of use of funds is a waste of funds, that we ought not be doing it. He has made that proposal a number of times. We have discussed this issue at length in meetings of the Republican Senators when we have discussed the status of the account to pay for the franking privileges here in the Senate.

Nothing that I said about this amendment is intended to detract from his leadership role in that regard.

However, in conclusion, so that everyone understands what the Senator from New Mexico and the Senator from Florida are saying, just take a look at the amendment. There is nothing in this amendment that says anything at all about franking privileges. There is nothing in this amendment that says anything about Alzheimer's disease or AIDS. All the amendment does is take a dollar number that is now in that function called general government and says to take so much and move it over to another function minus here and plus here. They are equal exactly in dollars. Therefore, they do not violate the rule of adding nothing to the deficit.

But it has been the precedence and history of this Senate that they can say what they think the amendment may do. I say that intentionally, what they think the amendment will do.

□ 1210

It is also the precedent that it gets reported as if the amendment does that. It does not do that. It is, indeed, nothing more, nothing less than taking a given amount of money out of one function of Government and adding it to another. Each of those functions contains hundreds of accounts. The distinguished Senator from Florida indicated that CBO and the executive offices are in this function. Many things are in the function from which $100 million is being taken, such as the Internal Revenue Service, General Services Administration, and the Office of Personnel Management.

Likewise, as my friend, Senator WEICKER, who chairs the Subcommittee on Appropriations, knows, in the health function, there are also literally hundreds of accounts. Included in it is the work of the appropriators in designating money for Alzheimer's or money for AIDS.

So the distinguished Senator from California is performing a service in that he is calling to our attention that we do indeed spend substantial amounts of money for newsletters and

that it is assumed in the budget resolution that the legislative account for official mail costs would be covered in some way consistent with the past history of these mail costs. He is asking us in a very real sense to modify these current priorities and put this money somewhere else.

Mr. President, we yield back the remainder of our time.

Mr. WEICKER addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. WEICKER. Mr. President, I commend, first, the distinguished Senator from California on his amendment.

The PRESIDING OFFICER. Does the Senator from California yield time?

Mr. DOMENICI. I yield such time as he desires to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. WEICKER. Mr. President, I commend the Senator from California on his amendment. I do so because it does add money to the health account. We are in the middle of public hearings right now. Believe me, if my colleagues had the opportunity to see those fellow citizens of ours with their various disabilities come before the committee, I think the priorities of this Nation would be very much altered from the way they have been set forth in the President's proposal, although they are far more recognized by the distinguished Senator from New Mexico. Anything we can do for the business of life, which is what the amendment of the Senator from California is about, I am for. I commend him on it.

Mr. WILSON. Mr. President, first, I thank both the distinguished managers and the distinguished senior Senator from Connecticut for their very gracious, very generous remarks.

I shall take just a couple of minutes to make a response to the points that have been made by the managers.

It is quite true that the action we are going to take, in and on itself, is not a guarantee that will change our priorities. It is, in my judgment, a necessary first step and the rollcall will put us on record as having a commitment which I trust we will keep. If it is not legally binding, it seems to me it ought to be morally binding upon Senators to try to make the change in direction that the Senator from Connecticut just described.

In fact, it is true that I am concerned about the proliferation of newsletters. I am more concerned about the proliferation of AIDS and Alzheimer's disease. So it is my intention to pursue, with whatever colleagues wish to join me in the effort, as vigorously as we can, the next steps that are required to see to it that this first step is successful, to see to it that we do, when we are dealing with the budget resolution but with line items, make sure that, either in committee or on the floor, we have whatever amendments are required to secure this change in priorites.

It is essential, it is humane. I think it would be a dereliction on our part if we did anything else.

I thank the Chair, Mr. President, and I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from California.

The yeas and nays have been ordered. The clerk will call roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Florida [Mrs. HAWKINS] is necessarily absent.

I also announce that the Senator from Maryland [Mr. MATHIAS] is absent on official business.

Mr. CRANSTON. I announce that the Senator from Colorado [Mr. HART] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 95, nays 2—as follows:

[Rollcall Vote No. 84 Leg.]

YEAS—95

Abdnor	Glenn	Mitchell
Andrews	Goldwater	Moynihan
Armstrong	Gore	Murkowski
Baucus	Gorton	Nickles
Bentsen	Gramm	Nunn
Biden	Grassley	Packwood
Bingaman	Harkin	Pell
Boren	Hatch	Pressler
Boschwitz	Hatfield	Proxmire
Bradley	Hecht	Pryor
Bumpers	Heflin	Quayle
Burdick	Heinz	Riegle
Byrd	Helms	Rockefeller
Chafee	Hollings	Roth
Chiles	Inouye	Rudman
Cochran	Johnston	Sarbanes
Cohen	Kassebaum	Sasser
Cranston	Kasten	Simon
D'Amato	Kennedy	Simpson
Danforth	Kerry	Specter
DeConcini	Lautenberg	Stafford
Denton	Laxalt	Stennis
Dixon	Leahy	Stevens
Dodd	Levin	Symms
Dole	Long	Thurmond
Domenici	Lugar	Trible
Eagleton	Matsunaga	Wallop
East	Mattingly	Warner
Evans	McClure	Weicker
Exon	McConnell	Wilson
Ford	Melcher	Zorinsky
Garn	Metzenbaum	

NAYS—2

Durenberger	Humphrey

NOT VOTING—3

Hart	Hawkins	Mathias

So the amendment (No. 1811) was agreed to.

□ 1230

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was adopted.

Mr. WILSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. FORD. Mr. President, I ask unanimous consent that I may have 30 seconds in which to insert a statement in the RECORD, without the time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate will be in order.

Mr. FORD. Mr. President, I am pleased that the issue of congressional mail costs has been raised on the floor of the Senate, and am even more pleased that the Senate has declared its intention to reduce the costs associated with congressional mail over the long term. However, the Wilson amendment, which has just been adopted, deals only with future years. We have a more immediate problem in the current fiscal year.

As of April 25, the account for official mail costs showed a balance of $30 million for both Houses of Congress. While that, in my view, is a tremendous amount of money for mail, it will not last through the end of the fiscal year unless we take immediate action to stretch it out. The Rules Committee on April 23 reported a resolution to do just that—stretch that money out. Senate Resolution 374 has been sitting on the calendar for a week now. We could dispose of that resolution in 20 or 30 minutes. If not, Congress will run up a $50 million deficit at the Postal Service this year.

Let me repeat that. If we do not act on Senate Resolution 374—and act immediately—Congress will run up a $50 million deficit in mail costs. I invite my colleagues to explain that to their constituents in this year of Gramm-Rudman.

THE SMALL BUSINESS ADMINISTRATION

Mr. WEICKER. Mr. President, I commend Senator DOMENICI and the Budget Committee for incorporating in the budget resolution for fiscal year 1987, Senate Concurrent Resolution 120 (S. Con. Res. 120), the 3-year SBA funding agreement arrived at last year. That agreement reached with the Senate Republican leadership and the administration maintains SBA as an independent agency with its core lending, management and procurement assistance programs intact, while achieving over $2.5 billion in outlay savings. The President signed this agreement into law on April 7, 1986 (title XVIII of Public Law 99-272). If the Senator from New Mexico would permit me, there are a few questions I would like to ask in order to clarify the impact of this budget resolution on SBA.

First, my understanding is that this resolution rejects the President's fiscal year 1987 budget proposal to transfer SBA to the Department of Commerce

and to eliminate its lending programs. Is that correct?

Mr. DOMENICI. The chairman of the Small Business Committee is correct. During Senate consideration last year of the first concurrent resolution, we did strike an agreement to retain the SBA as an independent agency. Despite new pressures for deficit reduction created by enactment of the Gramm-Rudman-Hollings bill, the resolution reported by the Budget Committee lives up to the agreement to retain SBA as an independent agency.

I recognize that Senator WEICKER has worked hard to keep his end of the bargain. His committee was one of the first to pass legislation to implement reconciliation instructions, and in conference with the House on the 1985 reconciliation bill he held to the terms of that agreement. This budget resolution builds upon the Small Business Committee's recommendations incorporated in title XVIII of Public Law 99-272.

Mr. WEICKER. As I understand it, Senate Concurrent Resolution 120 would further require the Small Business Committee to come up with an additional $856 million of outlay savings for fiscal years 1987-89, through program changes or eliminations.

Mr. DOMENICI. That is correct. The resolution includes reconciliation instructions that would require the Small Business Committee to achieve $856 million in outlay savings over 3 years beyond those already achieved in the 1985 Reconciliation Act.

Mr. WEICKER. Specifically, the committee's resolution assumes the continuation of SBA direct loans for minorities, veterans and the handicapped at the fiscal year 1986 level, as adjusted by the March 1 sequester order, or $97 million; that the section 503 development company program starting in fiscal year 1988 would be completely financed through the private capital markets rather than through the Federal Financing Bank [FFB]; that the guaranteed loan programs would be continued at the CBO current services levels and the disaster loan program would be maintained for homeowners and businesses; all of these assumptions were recommendations of the Small Business Committee. Is that correct?

Mr. DOMENICI. That is correct.

Mr. WEICKER. Beyond the Small Business Committee funding recommendations, the resolution assumes a pilot loan sale program to sell $200 million a year of SBA business loans for the next 3 fiscal years and that starting in fiscal year 1987 SBA's guarantee loan programs would become self-supporting.

Mr. DOMENICI. That is correct.

Mr. WEICKER. Mr. President, as Senator DOMENICI knows, I strongly object to the committee's assumption that starting in fiscal year 1987, the guaranteed loan programs become self-supporting. Under that concept, the committee's resolution assumes no appropriations for losses would be allowed for guaranteed loans made starting October 1, 1986, and the SBA's salaries and expenses would be reduced by 20 percent. Both of these assumptions would be devastating to the SBA.

In my judgment, requiring a self-supporting guaranteed program in fiscal year 1987 will effectively terminate the 7(a) program. This program was the primary target of former OMB Director Stockman's attack on SBA. Maintaining the 7(a) program, which is an important source of long-term capital for small businesses, was an integral part of our 3-year agreement.

Last year, my committee explored ways to reduce costs of the 7(a) program. Doubling the fee to the borrower, from 1 to 2 percent, and reducing the maximum Federal guarantee to 85 percent for loans over $155,000 were the results of last year's work which are now law pursuant to Public Law 99-272. To make the program self-supporting immediately would require increasing the borrowers fee to more than five points and reducing the guarantee below 70 percent.

Such changes would fundamentally alter the purpose of the program. Before making additional changes, we should wait to evaluate the impact of the reforms just enacted.

This position is further buttressed by letters the chairman of the Budget Committee and I have received from the American Bankers Association, Government Guaranteed Lenders Association, the Money Store, and Merrill Lynch. I ask unanimous consent that those letters be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AMERICAN BANKERS ASSOCIATION,
Washington, DC, April 24, 1986.

Hon. PETE V. DOMENICI,
Chairman, Senate Budget Committee,
Washington, DC.

DEAR CHAIRMAN DOMENICI: As chairman of the American Bankers Association's Small Business Banking Committee I am writing to convey our assessment of the Senate Budget Committee's recommendation concerning the Small Business Administration's guarantee program.

The ABA supports the SBA guarantee program. Because of the guarantees, more small businesses receive credit enabling them to start, grow and contribute to the economy than would otherwise be the case.

The SBA guarantees are important to banks because it is the guarantees that protect the safety and soundness of the financial institutions and satisfy bank regulators while more credit is provided to risky small businesses. For the small business, the guarantees permit longer term amortization of loan repayments, thus reducing cash flow pressure and contributing to business growth and economic viability. If it is desirable to maintain this public policy in support of small business, then it is the consensus of the ABA Small Business Banking Committee that adequate guarantee levels for financial institutions and manageable debt service for small businesses must be maintained.

The Senate Budget Committee's proposal to make the guarantee program self-supporting by FY 87 would, in the opinion of the Senate Small Business Committee, necessitate a reduction in the guarantee level to 70% or below, and an increase in the guarantee fee to 7% or above. Both of these changes threaten the viability of the program for lenders and for those small businesses that cannot get credit without the guarantees. To illustrate the impact, I am including two specific examples drawn from the files of members of this committee. These are loans made with the SBA guarantees. The loans are currently being repaid according to the loan terms and the companies are successful.

Example 1: Several years ago a bank advanced $525,000 to two individuals to enable them to purchase a home repair supply store. The total purchase price for the business was $650,000, including $50,000 for working capital. The bank supplied $525,000, another lender supplied $50,000 of subordinated debt and the individuals supplied $75,000 of their own equity which was the maximum amount that they had available. Had the bank been forced to charge seven points on the loan, the company would have been either under-capitalized in terms of working capital if it were deduced, or the amount would have been added to their original loan amount if it were amortized. Had the fee ($36,750) been added to their original loan, it would have increased their monthly payments by $588. Over the life of the loan this would have increased their total payments by $54,700. This is a substantial burden to place upon a new business that is marginally capitalized at best.

Example 2: A bank provided a SBA guaranteed loan of $275,000 to acquire a beef wholesaling business located in an economically depressed area. The total financing involved was $335,000, of which $60,000 was invested by the purchasers. The $135,000 in addition to the purchase price of $200,000 was used for working capital. This amount of working capital was essential because of the payment terms in the industry and because of modernization that had to take place to make the company more efficient. A seven percent fee on this amount would have been $19,250, again either taken out of working capital which would have impaired the ability of the company to survive or added to the loan. Had it been added to the loan, this would have increased the monthly payments by $312 or $29,900 over the term of the loan.

Attached as Exhibit A is an additional example of the detrimental impact these potential changes in the current SBA guaranteed loan program would have on our communities and their economies. This example was provided by a member of the committee to demonstrate the impact on both the bank and the borrower.

We all know the success story of small businesses and how they contribute to the overall economy. If we make it more difficult for them by adding to their costs or reducing the protection that allows lenders to make these loans, we really are defeating the overall purpose of the programs. I

would be happy to discuss any of these matters in further detail with you.

Sincerely,

JOHN W. MCCLURE, *Chairman,*
ABA Small Business Banking Committee.

[Exhibit A]

——POWER COMPANY

Jan. 1979—A proprietorship, irrigation engine service:

Employees 3 (one family); Capital 19m; Assets 79m; Gross Sales 203m; Net Income 16m before tax and draws. Debt poorly strucured; Location—an old shed near town of 2,300 people Western Kansas; Reputation as mechanics excellent no other irrigation engine service within 40 miles.

May 1979—Bank makes 76,000 SBA 7 year 90% guaranteed for: increased inventory, working capital, refinance debt.

Oct. 1980—With improved financial structure: sales have risen to 484m; Bank makes $95,000 SBA 20 year 90% guaranteed. For: purchase of land and construction of new building on highway frontage.

Jan. 1981—Business incorporates.

Jul. 1982—Bank makes $35,000 SBA 10 year 90% Guar. For: New balancing and grinding equipment.

Oct. 1983—Ann. Sales have reached 761m:

Bank is uisng SBA Seasonal lines of Credit for inventory purchase of engines; Trade Area had expanded from 40 mile radius to 100 mile radius.

Oct. 1984—Annual Sales 1,347m in face of declining Ag economy!

May 1985—Bank makes $80,000 SBA 10 year 90% loan to finance purchase of 50 year old Case—IH dealership down the street—only Case—IH dealer in 50 miles.

Jul. 1985—Company has become Nation's largest dealer in International Harvester irrigation engines!

Oct. 1985—Total annual sales for both business nearly $2 million in town of 2,300 population! Now employs 20!

Capital has grown to 190m—still highly leveraged, making continued use of SBA guarantys critical.

May 1979—Owners of company have combined personal net worth of less than 60m including company.

Company's capital to asset ratio 24% (Mariginal even for SBA); collateral—inventory, A/R, used equipment; No secondary repayment.

Under these conditions bank would not make loan without very high percentage guaranty, fee or no fee: Another point—beginning with 79,000 in Assets; 19,000 in Capital; $39,200 of $76,000 SBA note os for refinancing; $36,800 is new debt.

Therefore after loan: Assets=115,800 (79,000 + 36,800); Capital=19,000 or 16.4%.

If company paid 7% Guaranty fee which was added to loan:

Loan to now made for 81,320 (76,000 + 5,320); Use of proceeds is same except for fee; No increase in tangible assets—still $115,800; Total debt now = $102,120 (60,000 original debt) + 36,800 new debt + 5,320 fee; Capital now equals 13,680! (115,800–102,120); Capital to Asset Ratio has dropped to 11.8%.

Company is crippled without even considering increased effective interest rate.

A similar impact on capital would have occurred with every subsequent SBA loan making growth impossible. A 7% guaranty fee would be unworkable for leveraged companies and greatly increase amount of capital needed to qualify for new business loan.

An applicant for a new business would have to have 34.5% equity in order to end up with 30%.

NATIONAL ASSOCIATION OF GOVERNMENT GUARANTEED LENDERS, INC.,
April 9, 1986.

Hon. LOWELL P. WEICKER, Jr.,
Chairman, U.S. Senate Committee on Small Business, Washington, DC.

DEAR SENATOR WEICKER: The National Association of Government Guaranteed Lenders (NAGGL) represents more than one-hundred lenders who are among the most active participants in the SBA loan guarantee program throughout the country. As you know, we have followed closely and are fully supportive of your efforts to retain the SBA and a workable loan guarantee program while helping to reduce the federal deficit by making significant cuts in SBA programs.

While we believe in the concept that the SBA's loan guarantee programs can become self-sustaining, the Domenici/Chiles proposal not only is not the way to go, it will effectively kill the program. We know that you carefully studied having the participants cover more of the costs of the program and you were successful in striking the careful balance between sharing costs and keeping the program workable by reducing the guarantee to 85% of loans in excess of $155,000 and by increasing the guarantee fee to 2%.

In an effort to determine the effect of the Domenici/Chiles proposal on the loan guarantee program, we took an informal poll of our members and a sampling of our borrowers. The results are as follows: (percentages are approximate and rounded off to the nearest 5%)

QUESTIONS TO LENDERS

1. Would you participate in the SBA loan guarantee program at the following levels of guarantee?

[All figures in percent]

Guarantee	*Response*
90	100
85	90
80	50
75	30
70	10
65	0

2. Were the guarantee to remain at or below 85%, could you successfully market loan guarantees to borrowers if the fee were greater than 2%?

[All figures in percent]

Guarantee fee	*Response*
1.0	100
2.0	95
2.5	85
3.0	40
3.5	10
4.0	0

QUESTION TO BORROWERS

1. Would you have borrowed using the SBA loan guarantee program at the following level of guarantee fee?

[All figures in percent]

Guarantee fee	*Response*
1	100
2	90
3	30
4	5
5	0

While not terribly scientific or probably statistically accurate, this clearly demonstrates that the Domenici/Chiles proposal will in effect preclude most lenders from participating and will make it too expensive for most borrowers to take advantage of the long-term financing available through the program.

With the approval of the Conference Report on H.R. 3128, it seems clear that Congress is supportive of the retention of the SBA and a workable loan guarantee program. The Domenici/Chiles proposal will effectively kill the loan guarantee program. We strongly urge you to do whatever is necessary to see that their proposal is soundly defeated.

As always, your efforts on behalf of the SBA are sincerely appreciated. Please let us know if we can be of further assistance.

Respectfully yours,

BAILEY S. BARNARD,
President.

THE MONEY STORE
INVESTMENT CORP.,
April 7, 1986.

Hon. LOWELL P. WEICKER, Jr.,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR WEICKER: I am writing to express serious concern over the recent Senate Budget Committee proposal to make the Small Business Administration (S.B.A.) loan guarantee program "self-supporting" in 1987. This proposal purports to save an additional $700 million over three years from the savings already recommended by the Senate and House Small Business Committees.

While we appreciate the Domenici-Chiles effort to maintain an independent and viable S.B.A., we believe that the Senate Budget Committee was unaware of the consequences of the "self-supporting" assumption. The incremental savings of $700 million over three years will effectively destroy the cornerstone of the S.B.A.: the loan guarantee program.

As the nation's largest S.B.A. guarantee lender for the last three years, we know that the impact of these "savings" would be to deny access to the thousands of small businesses that look to the S.B.A. as the only source of long-term financing available.

To make the guarantee loan program "self-supporting" in 1987, Congress would have to substantially raise the points charged on S.B.A. loans and greatly reduce the guarantees on these loans. These changes would make the program non-competitive and unattractive to the small business community and the lenders that presently serve them.

It is important to realize that the House and Senate Small Business Committees have already reached an agreement on a substantial cutback in the S.B.A. budget through the reconciliation process. Included in this agreement is a doubling in points charged to the borrowers and a reduction of guarantees offered to the lenders. Much thought and effort has gone into this compromise. It effectively cuts $2.6 billion over three years from the S.B.A. budget, a reduction of over 70 percent from the current services baseline.

The Administration and the Small Business Committee agreed to these cutbacks last year. To go any further would, de facto, destroy the Agency by rendering it incapable of delivering the programs it administers. Besides its impact on small business, this would also cause a loss of substantial tax revenues that are presently being generated by S.B.A.-assisted companies.

Another component of the Budget Resolution reported from the Senate Budget Committee is the sale of $600 million of Agency-

held loans over three years. We believe this will prove wasteful. Several studies have shown that the best case scenario will raise twenty cents on a dollar on this portfolio and the long-term effect will be to reduce the Agency's revenues and to increase its need for funding. While $200 million annually is not a large number, it is a step in the wrong direction and would set a dangerous precedent.

We urge you to reject the Senate Budget Committee proposal to make the S.B.A. loan guarantee program self-sustaining. The proposed savings of $700 million over three years (beyond the Small Business Committee recommendations) would effectively destroy the Small Business Administration's loan guarantee program.

Sincerely,

MARC TURTLETAUB,
President.

MERRILL LYNCH
MORTGAGE CAPITAL, INC.,
Washington, DC, April 2, 1986.

Re: Proposal to require SBA Loan Guarantee Program to be Self-supporting Beginning in fiscal year 1987.

Hon. PETE DOMENICI,
U.S. Senate,
Washington, DC.

DEAR SENATOR DOMENICI: We appreciate and support the efforts of the Senate Budget Committee in its attempt to reduce and eventually balance the budget. We also feel that the concept behind requiring the SBA Loan Guarantee Program to be self-supporting beginning in FY 1987 is laudable, but doing so will not help you reduce spending because of problems that will be created in the rush to make the program self-supporting in just six months.

As you know, it is important to the nation's economy to foster the development of small businesses for several reasons, including the positive impact of small businesses on the Gross National Product and because small businesses employ over half of the private sector labor force. Small businesses, because of the financial impracticalities of competing with large companies for less expensive sources of funds, are limited in their efforts to raise capital to borrowing from individuals or local banks. Seventy to eighty percent of small businesses rely on debt financing.

With these factors in mind, Congress created several programs to give small businesses access to capital, the principle vehicle being the Small Business Administration's guaranteed lending program.

We endorse the continuation of the Small Business Administration's lending program and we endorse the idea of its reform. However, to require the loan guarantee program to be self-supporting by FY 1987 is unrealistic and precipitous. Facing such a requirement would cause the SBA to raise fees to borrowers, reduce guarantee levels and reduce staff. Fees would have to be set at a level so high and the guarantee reduced so low that the program would be impractical to both borrowers and lenders. The way to make the program self-suffificent is not by cutting staff because that would have the net effect of causing a loss of revenues. They way to make money on a lending program is to make quality loans and to have a sufficient number of qualified people to service those loans and run the program.

In June of 1982 Edwin Holloway, Associate Administrator of Finance and Investment for the SBA, sent to all the SBA field offices a directive with instructions for approving "quality loans". Since that time, the improved quality of loans being made has become apparent to anyone involved in the secondary market for SBA loans. Statistics have already proven lower default rates on loans issued subsequent to that directive. An enhanced economic climate of lower interest rates, low inflation and moderate economic growth, coupled with the quality lending practices of SBA loan originators, should cause this trend to continue.

Another cost reduction plan has been proposed which would reduce the guaranteed portion of loans over $155,000 to 85 percent from 90 percent and would raise the fee charged to borrowers to 2 percent. We suggest that you permit this proposal to be put into place, monitor its effects and explore additional ways of effectively advancing the program toward self-sufficiency. We would be happy to discuss ways which we believe would make the SBA Loan Guarantee Program self-supporting, including, perhaps, some form of asset sales.

While we endorse the goal of a self-supporting loan program for the SBA, we feel that it will take from two to three years to develop a program that will truly be self-sustaining and not self-destructive.

Please feel free to contact us if we can provide assistance in any way.

Very truly yours,

LAURA MCKIBBINS,
Senior Trader, Federal Finance Chairperson, Guaranteed Govenment Loan Committee, Public Securities Association.

LAWRENCE BLUME,
Vice President and Manager Government Guaranteed Financing Department.

Mr. WEICKER. Again, under Senate Concurrent Resolution 120, the Small Business Committee's reconciliation instruction would require $856 million of outlay savings in fiscal year 1987-89. It is my understanding that the self-supporting loan concept is not binding on the Small Business Committee if we find another way to meet our reconciliation instruction.

Mr. DOMENICI. That is correct. The assumptions in the resolution are not binding on the Small Business Committee or any other committee of the Senate.

Mr. WEICKER. Mr. President, I propose to meet the committee's reconciliation instruction by requiring all 503 development company loans to be sold in the private capital markets effective October 1, 1986, by charging an additional one-quarter of a point bank servicing fee on the outstanding balance of 7(a) guaranteed loans and by agreeing to test the Budget Committee's pilot sale of SBA loans. In order to meet our instruction, the committee would sell $660 million of loans over 3 years rather than the $600 million loans assumed by the Budget Committee. It is my understanding that according to CBO these changes in law would meet the committee's reconciliation instructions.

Mr. DOMENICI. We do not have an official CBO cost estimate for the proposal outlined by the chairman of the Small Business Committee. However, it is my understanding that the proposal would meet the reconciliation instructions incorporated in Senate Concurrent Resolution 120.

On the matter of making the loan guarantee program self-supporting, I simply reiterate that the assumptions of the Budget Committee are not binding.

I recognize that the proposal has been criticized as a backdoor way of killing the program. But this budget resolution is also being criticized for not cutting deeply enough in domestic programs. In fact, I even received a letter from the National Federation of Independent Business, which represents more than 500,000 small businesses, opposing the resolution because the "tax hike is unacceptable in view of the modest spending cuts in the resolution, especially in the area of nondefense spending."

I proposed the concept of a self-financing program as a way to preserve small business assistance at a time when there is pressure to dismantle the agency altogether. However, I do not intend to pursue this proposal if the Small Business Committee finds other ways to meet the budget targets.

Mr. WEICKER. With respect to the reduction in the SBA salaries and expenses assumed in Senate Concurrent Resolution 120, I understand that problem can be resolved by the Appropriations Committee.

In 1982, then Administrator Jim Sanders made some significant administrative reforms in the loan program stressing "quality lending." These actions coupled with statutory reforms achieved in Public Law 99-272 and a strong economy are beginning to show results.

SBA indicates that for the first 6 months of this year, their repurchases have been less than we have estimated. I have every reason to believe that this trend will continue. If that is true, then it may be possible that the excess funds allocated to the Business Loan and Investment Fund [BLIF] may be used to offset the reductions assumed in the salaries and expenses of SBA under the resolution. Is that correct?

Mr. DOMENICI. The budget resolution assumes $351 million in budget authority for the Business Loan and Investment Fund in fiscal year 1987. If the Appropriations Committee needs less than $351 million because of lower guarantee repurchases, it could certainly use any excess for salaries and expenses. I believe it is reasonable to expect fewer repurchases under the Business Loan and Investment Fund, thus providing additional funds that could be reallocated to other SBA accounts, should the Appropriations Committee deem it appropriate.

Mr. WEICKER. I thank the Senator for those assurances and for his patience and willingness to work with

the Small Business Committee. As he knows, the Small Business Committee has been an active participant in this deficit reduction battle. During my chairmanship, we have reduced SBA's budget by over 50 percent. In fiscal year 1986, the total agency's budget was approximately $750 million.

Mr. President, SBA has taken its budget hits. Significant reforms have been instituted. SBA has become a lean and effective agency. I hope this fact is recognized in the future when the Congress strives to meet its deficit reduction goals as set forth in Gramm-Rudman-Hollings.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum, the time to be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

□ 1300

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MURKOWSKI). Without objection, it is so ordered.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Lousiana.

AMENDMENT NO. 1812

Mr. JOHNSTON. Mr. President, I send an amendment to the desk, and ask for its immediate consideration

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], proposes an amendment numbered 1812.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the Resolution, add the following:

Since in the last six months the government of Saudi Arabia has more than doubled its export of petroleum and petroleum products; and

Since these increased export volumes have resulted in a surplus of petroleum and petroleum products within the world marketplace; and

Since this surplus has directly resulted in a dramatic reduction of the weighted average price of international crude from $27.10 on January 7, 1986 to $13.08 on April 15, 1986; and

Since the U.S. has increased its importation of petroleum and petroleum products by 26 percent over the comparable period last year;

Since this dramatic reduction in price and the increased level of imports has resulted in a corresponding reduction in domestic petroleum exploration activities, including a reduction in the number of active rotary drilling rigs in the United States from 4,797 in 1981, to 865 as of April 21, 1986; and

Since the increase in petroleum imports and the reduction in domestic exploration efforts have resulted in a loss of jobs for individuals who are employed by the oil and gas industry and oil and gas service industry; and

Since American firms and employees that are injured by increased imports are eligible for temporary assistance under the Trade Adjustment Assistance Act; and

Since the Administration is narrowly interpreting the Trade Adjustment Assistance Act so as to exclude employees of the oil and gas industry and oil and gas service industry from receiving the benefits of this act.

It is therefore the sense of the Senate that:

Employees of the U.S. oil and gas industry and oil and gas service industry have been directly injured by a dramatic increase in imported petroleum and petroleum products and by the resulting decline in domestic oil exploration efforts; and

The Administration should immediately broaden its interpretation of the Trade Adjustment Assistance Act so as to allow employees of the U.S. oil and gas industry and oil and gas service industry to qualify for certification under the Act; and

If the Administration does not act immediately to resolve this matter, the Senate will address this issue on the first appropriate vehicle to be considered by the full Senate.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that Senator BENTSEN's name be added as a cosponsor to this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. He should have had his name on originally but I add it at this point.

Mr. President, this is a sense-of-the-Senate amendment on a very important matter to my State and to all oil-producing States. If I may read the amendment, it is rather short, and I think it sells itself.

It says:

At the appropriate place in the Resolution, add the following:

Since in the last six months the government of Saudi Arabia has more than doubled its export of petroleum and petroleum products; and

Since these increased export volumes have resulted in a surplus of petroleum and petroleum products within the world marketplace; and

Since this surplus has directly resulted in a dramatic reduction of the weighted average price of international crude from $27.10 on January 7, 1986 to $13.08 on April 15, 1986; and

Since the U.S. has increased its importation of petroleum and petroleum products by 26 percent over the comparable period last year;

Since this dramatic reduction in price and the increased level of imports has resulted in a corresponding reduction in domestic petroleum exploration activities, including a reduction in the number of active rotary drilling rigs in the United States from 4,797 in 1981, to 865 as of April 21, 1986; and

Since the increase in petroleum imports and the reduction in domestic exploration efforts have resulted in a loss for jobs for individuals who are employed by the oil and gas industry and oil and gas service industry; and

Since American firms and employees that are injured by increased imports are eligible for temporary assistance under the Trade Adjustment Assistance Act; and

Since the Administration is narrowly interpreting the Trade Adjustment Assistance Act so as to exclude employees of the oil and gas industry and oil and gas service industry from receiving the benefits of this act.

It is therefore the sense of the Senate that:

Here, of course, is the guts——

Employees of the U.S. oil and gas industry and oil and gas service industry have been directly injured by a dramatic increase in imported petroleum and petroleum products and by the resulting decline in domestic oil exploration efforts; and

The Administration should immediately broaden its interpretation of the Trade Adjustment Assistance Act so as to allow employees of the U.S. oil and gas industry and oil and gas service industry to qualify for certification under the Act; and

If the Administration does not act immediately to resolve this matter, the Senate will address this issue of the first appropriate vehicle to be considered by the full Senate.

That is the end of the resolution.

Mr. President, as I say, the resolution is very clear. We have been impacted in the oil-producing States on a dramatic and drastic level. Unemployment in my State is at 13.2 percent and rising. Foreclosures in my home parish—county—have doubled every month since January. They are now four times the level of what they were in January. Economic misery is everywhere in my State. New Orleans has a $30 million deficit, and the State of Louisiana has an $800 million to $1 billion deficit. That comes on top of having raised taxes just 2 years ago by almost $1 billion.

Mr. President, the time is now to help these States, and my State is not the only one.

By the way, Mr. President, I ask unanimous consent that Senator BOREN be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair requests that the junior Senator from Alaska be added as a cosponsor.

Mr. JOHNSTON. I greatly appreciate having my friend and colleague from Alaska added as a cosponsor.

The competition is very keen, Mr. President, for the State with the greatest misery. I fear to say that Louisiana may have won that competition, or at the very least we are in the process of winning it.

Many of us support an oil import fee, and will indeed propose an oil import fee at the appropriate time because this represents, I believe, perhaps the last clear chance to save a domestic industry that is of vital and

strategic importance to the United States. You cannot resurrect a whole oil exploration industry overnight. Indeed, it will take some months to die. But once dead, it will not be easy to re-create. For that reason, many of us think we ought to have an oil import fee.

But, Mr. President, this administration has opposed an oil import fee. Just yesterday, in Bali, Mr. Speakes, I believe it was, was asked by the press about what the President was going to do about these States which were so heavily impacted. He said, well, unemployment, welfare, and things of that sort. Well, this is a thing of that sort. It is barely a safety net for those whose employment has been terminated. We think it ought to be stronger, and there ought to be more action. But there has not been, and, therefore, this is the least we can do.

Mr. President, it is a clouded picture at present as to the administration's treatment of oil workers and oil service workers under the Trade Adjustment Act. For that reason we make this a sense-of-the-Senate amendment rather than a substantive amendment. This problem was created on the administrative level. Therefore, it can best be uncreated on that level.

I am informed that employees of some companies, if their parent is engaged in international trade or if the company is an integrated company, are included, and others whose parent corporation is not so engaged are not included. So there is a patchwork of unequal treatment for oil and gas workers, and service industry workers under the Trade Adjustment Act.

This much is clear, Mr. President: International oil is not a free market substance. It is a managed substance. The classic cartel in the world today is OPEC. And the classic manipulation of prices today in the world is Saudi Arabia.

□ 1310

Indeed, one of the current political flaps has to do with whether we ought to try to persuade the Saudi Arabians not to let the price of oil free-fall. Apparently, the administration has decided not to interfere with the Saudi Arabian's plan to force oil prices to free-fall, and they have done exactly and precisely that.

Nevertheless, it is because of the international management of oil prices that there has been this free-fall. We, in the oil-producing States and our unemployed employees, are the victims of that price management. We are classically the kind of group that ought to be included for protection under the Trade Adjustment Assistance Act.

Mr. President, I greatly hope that with adoption this amendment, and I hope and expect that this amendment will be adopted, the administration will heed the very strong words. I point out to my colleagues the last paragraph states:

> If the administration does not act immediately to resolve this matter, the Senate will address this issue on the first appropriate vehicle to be considered by the full Senate.

I hope they get the message. I hope they hear the cries of a despair, economic despair, from the oil-producing States, and that they will amend their administration of the Trade Adjustment Act accordingly.

Mr. DOMENICI. Mr. President, I yield myself time off the resolution.

Mr. President, I first would ask the distinguished Senator from Louisiana if he would include as additional cosponsors Senator DOMENICI, the Senator from New Mexico, and Senator NICKLES from the State of Oklahoma.

Mr. JOHNSTON. Mr. President, I so ask unanimous consent.

The PRESIDING OFFICER. Without objection, it is ordered.

Mr. DOMENICI. Mr. President, I might ask my friend from Louisiana if he would mind further agreeing to leave the record open for additional cosponsors. Some Senators are unaware of this, as the Senator well knows. I assume that additional ones would not only like to indicate their support but would like to be original cosponsors.

Mr. JOHNSTON. Mr. President, I do so request. It is with some apology that I say that I had a "Dear Colleague" ready to go, which I thought was going out last night, but we were not able to put it together quickly enough. Because of the press of time, I thought we had better get this up and out. That is the only reason I did not request cosponsors.

Mr. President, I do ask unanimous consent that we hold the record open for the inclusion of additional cosponsors for the rest of the day.

Mr. DOMENICI. Is that for the rest of the day?

Mr. JOHNSTON. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. I thank my good friend, the junior Senator from Louisiana.

I have a question concerning the administration's interpretation of the current trade adjustment law and available funds under that law. How does this law apply to the unemployed oil and gas workers and related workers, those in my State, those in Oklahoma, and those in Texas, and those in other States?

Mr. JOHNSTON. Under the Trade Adjustment Act they are entitled to retraining funds and a differential in salary, as I understand it.

I know with AT&T Western Electric—workers who were displaced, it amounted to about $5,000 per worker for the year. It is not as it used to be under TAA, but it is a meaningful and very important help to the workers.

Mr. DOMENICI. Mr. President, I congratulate the distinguished Senator from Louisiana on this sense-of-Congress resolution. Obviously, we cannot pass legislation on a budget resolution. The good Senator knows that. This is just an indication that there is a serious problem out there and clearly those of us who join as cosponsors urge that everything be done within current law to alleviate the great distress that exists out there among his workers, my workers in New Mexico, and others around the State. I commend him for it.

Mr. President, I yield back any time I have on the amendment and I hope he will.

Mr. JOHNSTON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1812) was agreed to.

Mr. DOMENICI. I move to reconsider the vote by which the resolution was agreed to.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that Senator BINGAMAN be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I move to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I want to make a statement about oil import fees predicated upon the reasoning of a very highly regarded economist. I am in the process of getting a letter be sent to the New York Times which I will speak from shortly. I wonder if my friend from Louisiana might wait a few moments to listen to the reasoning of one of the most prominent economists of our day on oil import fees.

I do want to discuss oil import fees. I hope the Senator will be in the Chamber when I address it from the eyes of a distinguished economist, Franco Modigliani, a Nobel laureate economist in 1985.

Mr. President, I suggest the absence of a quorum and ask that the time be charged equally.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that Senator

LONG be added as a cosponsor to the amendment just agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

□ 1340

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

OIL IMPORT FEES

Mr. DOMENICI. Mr. President, it was not too long ago that we were all congratulating the distinguished economist Dr. Franco Modigliani, who received the Nobel award for economics. He has written a letter to the editor of the New York Times, dated April 28, captioned "An Import Tax Would Provide Relief for Oil States."

I think this is a most interesting letter. The distinguished economist, so far as the Senator from New Mexico is concerned, really hit the nail on the head. He says that the No. 1 problem remains the American budget deficit. He has some very interesting thoughts. He suggests the use of oil import excise taxes to help solve the No. 1 problem, deficit reduction, and at the same time to alleviate the present disaster that is brewing with oil production in this country. An import fee would relief the future impact of oil imports that will be great on this country. According to most experts, by the year 1991 we will be back in the soup, over 50 percent dependent on foreign oil.

Although I do not agree with each and every point he has made, I ask unanimous consent that the letter be printed in the RECORD for those interested in a very prominent economist's thoughts on the benefits of an oil import fee.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AN IMPORT TAX WOULD PROVIDE RELIEF FOR OIL STATES

To the Editor: Uwe E. Reinhardt's April 13 letter ("Cheap Oil, Dear Oil and the National Security") makes many sound points and offers a deserved criticism of the Vice President, but I would like to suggest some improvements to Professor Reinhardt's recommendations for action.

Like most, if not all, fellow economists, I share his two basic propositions, that cheap oil is highly beneficial to our country—the cheaper the better—but that it seriously hurts a small segment of the country; the oil producing states. I also share his third proposition (though here I may part company with some of my colleagues) that that small sector deserves some relief.

But instead of his approach of providing the desired relief through a program of "massive search for new oil reserves on our soil," financed by putting "an excise tax on all forms of energy consumption," I would suggest relying on a mechanism that has already been suggested, namely to levy an appropriate excise tax on imported oil.

Such a tax would have the effect of raising the domestic price of crude oil above the world price by the extent of the tax, thus raising also the price of domestically produced oil. This would provide the desired relief directly to the oil producers, who are the current losers and also somewhat indirectly, to the oil-exploring industry, which is anyway far less important.

One particular reason this approach is equitable, besides being economically sound, is that when the price of oil was sky high, we took away some of the potential profits of the producers by imposing a so-called windfall-profit tax. We thereby, in effect, nationalized and shared part of the industry's "excess" profits. It seems only fair that we should today symetrically nationalize and share some of its windfall losses. Under an excise tax on imported oil, this would be done at no cost to the Treasury.

Another differential effect of this proposal, compared with Professor Reinhardt's, is that some of the gain to oil producers would spread, through higher prices, to other producers of energy (gas, coal). I would regard this an advantage because these industries are also suffering windfall losses as a result of the crash in the oil price.

My proposal, like Professor Reinhardt's, implies forgoing some of the advantage of cheap oil to domestic users. But in my version this loss is offset by the additional oil-tax revenue accruing to the Treasury. This is an important advantage at a time when we are making little progress in reducing the budget deficit, the country's No. 1 economic priority.

The suggested approach would be further refined by setting the rate of the import tax on a sliding scale, varying inversely with the world price. This would serve the desirable purpose of stabilizing the price paid by domestic producers at some chosen level, at least as long as the world price does not exceed that level. Even if it did exceed that price, stability of the producers' effective price could be achieved by reinstituting the "windfall-profits" tax. This stability would have great advantages, especially at a time like the present, when the price of oil may well go through large, economically undesirable gyrations.

FRANCO MODIGLIANI.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

□ 1350

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER [Mr. RUDMAN]. Without objection, it is so ordered.

□ 1400

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that I may be yielded such time from the resolution as may be required. I would estimate about 15 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Alaska is recognized.

Mr. MURKOWSKI. I thank the Chair.

Mr. President, I listened with great interest to the amendment proposed by my colleague from the State of Louisiana concerning the appropriate and necessary action to be taken to address the state of affairs within the domestic oil industry in our Nation. The amendment in itself quite clearly directed that the administration reflect on the available options and that the Senate address the issue with an appropriate vehicle in the next order before the full Senate.

Mr. President, then the discussion moved to the question of oil import fees as a potential relief. Quite appropriately, this will be one of the options to be considered.

We have already seen the administration propose a change, a policy change, with regard to energy matters. We have seen a recommendation to explore changes in the windfall profits tax. Yet we are all aware that this provides no immediate relief, because that tax does not apply when the price of oil is under $19.40 a barrel or thereabouts—which passed some time ago.

We have also seen a recommendation that we do away with requirements under the Fuel Use Act, basically to address the entire deregulation issue—giving industry the freedom to utilize whatever fuel might be available. The other alternative is, as was recommended, a deregulation of natural gas. All of these recommendations have substantial merit, Mr. President, but I think it is time that, as the Senate considers alternatives, we expand our horizons and look to other realities that are available to us. And some of these call for some creativity.

One of the concerns that we have, obviously, is to keep the small, independent producers in business and keep them producing in substantial quantities. But, as the price of oil declines, that is more difficult to do each day. It is estimated that at the current time we are seeing a substantial decline in the number of those independent operators, particularly on the west coast, in southern California.

The job loss associated with this reduction is substantial. About 7,500 stripper wells have been capped, and initial findings are that as many as 10,000 jobs have been lost. What we are seeing occur on the west coast of the United States is a surplus of crude oil as a consequence of many factors, some of which include the availability of spot purchases of quantities of oil.

A substantial source of west coast crude is the State of Alaska, my State, Mr. President. It is interesting to note that this increase, as evidenced by the current flowthrough in the trans-Alaska pipeline, is in excess of 1.9 million barrels per day. Initially, production for that pipeline was about 1.5 million barrels per day. About half of this was consumed on the west coast of the United States with the balance going to Panama, being unloaded and shipped through the pipeline across Panama, and then again loaded on smaller ships for distribution into the gulf coast-Galveston area for refining.

We are seeing some developments in this area that I think deserve, again, a reexamination and an assessment of what the alternatives are. We have already indicated that one alternative would be an oil import fee. The difficulty with an oil import fee, obviously, is that it would have negative effect, inasmuch as somebody would have to pay the price, and the consumer ultimately is the person that would have to bear the brunt as in any type of guaranteed price support program.

Now we have seen price support programs operate for some time in the agricultural industry, and we have had a great deal of debate in the United States Senate on price support programs. I think there is a general reluctance in the energy industry to consider the aspect of guaranteed price supports. But the facts remain: some relief is needed; it is needed now; and it is time for evaluation of new alternatives.

This brings me to another point, Mr. President, and that is the reality that we have a difficult situation with our friendly neighbor Mexico which is causing us great concern. We have substantial investments in Mexico as well as substantial loans by our international banks, and some of these loans are in jeopardy. I would suggest that we work toward establishing a closer relationship with Mexico, and one way to do that would be to increase oil exports into the United States from Mexico. The advantage of this is obvious. It requires a very modest transportation charge to bring oil in from Mexico to the gulf coast. There are pipelines in existence. The tanker lift on that short distance is very modest. By importing more Mexican oil, you would offset current supplies of oil that are now flowing into the gulf coast, and a large portion of that is Alaskan oil. That amounts to between 700,000 and 800,000 barrels per day.

So it is obvious we can improve our position, Mr. President, with regard to Mexico by purchasing more oil from Mexico. This reduction in transportation costs would benefit the consumer in this country, but it leaves us with that surplus of Alaskan oil that would have to go someplace else.

I would suggest, Mr. President, that it is time to consider the merits of allowing a waiver to the prohibition on the export of Alaskan crude oil. What this would mean would be manifest in the sense of those who would benefit. First of all, oil on the west coast of the United States from Alaska would be directed to the Pacific rim countries, causing, as one can easily see, a reduction, a substantial reduction, in transportation charges.

For example, Mr. President, it is readily evident that transportation costs of handling the oil that is produced in Alaska are very high. That, Mr. President, is due to the reality that the oil is handled twice—first by the vessels that are carrying the oil down to Panama, where it is unloaded and retransported through the pipeline, and then it is again loaded in American-flag vessels for distribution on the coast.

Mr. President, allowing the export under an emergency waiver—which, I believe, would need legislation—would reduce the transportation charges for that oil in the area of $2 a barrel. That $2 to $3 a barrel would be an increase in revenues to the producing companies, so it would be an inducement to them. It would obviously be an incentive to them and in their best interests. From the standpoint of taxation, it would provide a larger base on which taxes would be assessed by Federal and State Governments, because the transportation charge would be reduced on the oil itself.

So the advantage, again, is obvious. By finding another market for the excess crude oil currently on the west coast of the United States, it would ensure that those small stripper producers could maintain their market shares in the west coast production and continue to provide the necessary employment base and productivity to the various areas affected.

□ 1410

I think this is a substantial and an important consideration that deserves further examination.

We have always had the question of the effect that exporting Alaskan oil would have on our own American merchant marine. I think it is appropriate that we examine that now because there are several factors to recognize.

First of all, there is no reason why the oil could not move to the Pacific rim countries in U.S.-flag vessels. It is moving currently—all the oil that is produced, 1.9 million barrels—in U.S.-flag vessels. We have had assurances from countries in the Pacific rim—Japan, Korea, Taiwan—that they would accept Alaskan oil in U.S.-flag vessels if those were the terms and conditions under which oil would be made available.

Another factor that I think is interesting, is what Prime Minister Nakasone said at a luncheon held a week ago last Monday in the Japanese Embassy. The Prime Minister indicated that:

> The single most significant action that could be taken by the U.S. Congress to offset the trade deficit between the United States and Japan would be for Congress to lift the prohibition or the ban on the export of North Slope crude oil.

Obviously, that is a significant statement from the Prime Minister, and a very real one.

But as we consider the merits and obligations to our U.S. maritime industry, I think we have to recognize some other rather significant events that are occurring. For some time now the United States has been the recipient of a very substantial number of automobiles coming in from Japan. It is estimated that in the area of 2.3 million automobiles per year are imported. Up until a very short time ago, all those automobiles came into the United States on ships that were either built in Japan or ships that were chartered under flags of convenience with either Japanese crews or foreign crews.

It seemed an injustice, Mr. President, that the United States, as the country in which all these cars were sold, was not participating in the transportation of those vehicles. As a consequence of efforts made by myself and others, including the various maritime unions, communications were established with the Japanese and the Japanese have now announced—and I might add that Prime Minister Nakasone made the announcement again last week at that luncheon—that the fourth ship had been contracted for.

It is interesting to note the cooperative agreement that brought this about. The ships are being built in Japan in Japanese shipyards, but they are being built by American corporations, and the ships will be crewed by American maritime unions.

It is estimated that each ship will generate, for one permanent crew, between 20 and 30 jobs per vessel. Each vessel will have two crews.

So I suggest as we look at our obligation to the American maritime unions we also recognize that we are creating new jobs by simply using the significance of the leverage we have with Japan. That leverage, Mr. President, is that we are their best customer, and as a consequence they have an obligation to address our concerns. And they have done so as we have made it known that we want to share in the transportation of those automobiles, or a portion of them, that are coming in from Japan.

So I suggest, Mr. President, that given the creation of new jobs in the maritime industries associated with the vessels that are being built and crewed by American merchant mariners and given the reality that we can

move the oil in U.S.-flag vessels, that it is time again to look at the merits of exporting Alaskan oil. Special waiver provisions would be in order at this time, because we are reexamining our energy policies from a broad variety of perspectives, including, as I have indicated, proposals such as waiver of the windfall profits tax, the Fuel Use Act, gas deregulation, and so forth.

I suggest that the Export Administration Act study that will be released soon will be addressing this issue. I would suggest, Mr. President, that we reexamine the merits of the amendment which was just considered by the Senate, concerning the obligation of the Senate to look toward relief to our oil-producing areas of this country. The concept of allowing the export of Alaskan oil could fit very nicely into a scenario which would relieve our domestic producers.

I am not suggesting, Mr. President, that we consider anything such as a broad, all-encompassing waiver. I would suggest something in the area of 200,000 to 500,000 barrels a day, something that would indeed address the problem of excess of crude oil that is currently available on the west coast of the United States.

I think in conclusion, Mr. President, of the advantages to a temporary waiver from the standpoint of security and stability to our own industry, our own domestic banks, and our interest in assisting Mexico. By temporarily lifting the ban on oil exports we would achieve many substantial objectives, and the matter of the economics is an obvious one. It is cheaper to move oil from Alaska to the Pacific rim than it is to move that same oil down to Panama, unload it, reload it again, and distribute it in the gulf coast, when a like amount of oil can be made available from Mexico.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MURKOWSKI. I ask unanimous consent that I may be allowed 1 more minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. I thank the Chair.

I conclude by advising the Chair that in today's issue of the Washington Times there is an excellent editorial on the merits of supporting the export of Alaskan oil. We should look closely at this option, as we review again the overall energy alternatives that are available to the United States during this time when indeed we must address our obligation to maintain our domestic industry in a very viable manner.

The Washington Times of today, April 30, contains an editorial entitled "Saving our Oil Industry," and referring to reforms, concludes as follows:

Lifting the ban on North Slope oil exports, which forces Alaska to ship its oil to the mainland United States. Half of that flows through the Panama Canal to Gulf Coast refineries, tacking on a shipping cost of $5.25 a barrel. With oil now running about $9 a barrel, that's a surcharge of more than 50 percent, in effect pricing Alaskan oil out of the market. So Alaska's once-booming oil industry suffers even more than those of Texas and Louisiana.

The solution: let Alaskans ship their oil to its natural markets in Japan and other Pacific Rim countries, at a shipping cost of about 50 cents a barrel. These exports would not only help Alaska, but also reduce the U.S. trade deficit with Japan by up to $5 billion. If the Japanese can tap into North Slope oil, they can be weaned away from Persian Gulf oil, enabling them to shelve plans to develop Siberian oil fields for the Kremlin.

Oil prices won't keep dropping forever, so the time to return America's energy industry to a free-market foundation is now. Bring back the gushers.

Mr. President, I suggest the absence of a quorum. I thank the Chair and ask further that the time in quorum call be equally divided.

The PRESIDING OFFICER. Will the Senator withhold?

Mr. LAUTENBERG. Mr. President, I am seeking recognition.

The PRESIDING OFFICER. The Senator from New Jersey is seeking recognition. The Senator from New Jersey is recognized.

AMENDMENT NO. 1813

(Purpose: To restore Superfund funding to S. 51 levels, to increase the EPA operating budget to baseline, and to reduce outlays for uranium enrichment in the manner proposed by the President in the budget submitted pursuant to section 1105 of title 31, United States Code, for fiscal year 1987)

Mr. LAUTENBERG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG], for himself, and Mr. CHAFEE, Mr. BRADLEY, Mr. HUMPHREY, and Mr. KASTEN, proposes an amendment numbered 1813.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, increase the amount on line 19 by $350,000,000.

On page 2, increase the amount on line 20 by $101,000,000.

On page 2, increase the amount on line 21 by $160,000,000.

On page 2, decrease the amount on line 24 by $70,000,000.

On page 2, decrease the amount on line 25 by $48,000,000.

On page 3, increase the amount on line 1 by $37,000,000.

On page 3, decrease the amount on line 5 by $70,000,000.

On page 3, decrease the amount on line 6 by $48,000,000.

On page 3, increase the amount on line 7 by $37,000,000.

On page 3, decrease the amount on line 10 by $85,000,000.

On page 3, decrease the amount on line 11 by $237,000,000.

On page 3, decrease the amount on line 12 by $306,000,000.

On page 3, decrease the amount on line 15 by $85,000,000.

On page 3, decrease the amount on line 16 by $153,000,000.

On page 3, decrease the amount on line 17 by $68,000,000.

On page 5, increase the amount on line 10 by $350,000,000.

On page 5, increase the amount on line 11 by $101,000,000.

On page 5, increase the amount on line 12 by $160,000,000.

On page 5, decrease the amount on line 15 by $70,000,000.

On page 5, decrease the amount on line 16 by $48,000,000.

On page 5, increase the amount on line 17 by $37,000,000.

On page 5, decrease the amount on line 22 by $70,000,000.

On page 5, decrease the amount on line 23 by $48,000,000.

On page 5, increase the amount on line 24 by $37,000,000.

On page 9, decrease the amount on line 17 by $108,000,000.

On page 10, decrease the amount on line 1 by $218,000,000.

On page 10, decrease the amount on line 10 by $187,000,000.

On page 10, increase the amount on line 19 by $353,000,000.

On page 10, increase the amount on line 20 by $41,000,000.

On page 11, increase the amount on line 4 by $109,000,000.

On page 11, increase the amount on line 5 by $178,000,000.

On page 11, increase the amount on line 13 by $168,000,000.

On page 11, increase the amount on line 14 by $232,000,000.

On page 26, decrease the amount on line 3 by $3,000,000.

On page 26, decrease the amount on line 4 by $3,000,000.

On page 26, decrease the amount on line 12 by $8,000,000.

On page 26, decrease the amount on line 13 by $8,000,000.

On page 26, decrease the amount on line 21 by $8,000,000.

On page 26, decrease the amount on line 22 by $8,000,000.

On page 32, increase the second amount on line 3 by $108,000,000.

On page 32, increase the second amount on line 5 by $218,000,000.

On page 32, increase the second amount on line 7 by $187,000,000.

On page 39, increase the second amount on line 8 by $108,000,000.

On page 39, increase the second amount on line 10 by $218,000,000.

On page 39, increase the second amount on line 12 by $187,000,000.

Mr. LAUTENBERG. Mr. President, this amendment would increase the budget authority, and outlays for Superfund and the EPA operating budget. The amendment would make the budget resolution consistent with the Superfund reauthorization bill adopted by this body. It is consistent

with the budget recommendations of the Committee on Environment and Public Works.

It is a relatively modest amendment. It is cosponsored by my colleagues, Senator CHAFEE, Senator HUMPHREY, Senator BRADLEY, and Senator KASTEN.

It increases function 300, natural resources and environment. It adds $41 million in outlays in fiscal year 1987, $170 million in outlays in fiscal year 1988, and $232 million in fiscal year 1989.

That comes to a total of $451 million in increased outlays over the 3 years.

□ 1420

Mr. President, this amendment does not add to the deficit. In fact, it would reduce the deficit. Let me repeat: It would reduce the deficit. The increase in outlays for Superfund and the EPA would be more than offset by cuts in function 270, energy. The amendment adopts the President's proposal for recovering costs from the uranium enrichment program. This would fully offset the added outlays in function 300. And it would leave $81 million for deficit reduction.

Mr. President, this amendment would restore funding to the Superfund Program to the level approved by this body. It would provide for $1.5 billion in budget authority in fiscal year 1987. The budget resolution assumes just $1.2 billion—a $300 million reduction.

This amendment is critical if we are to accelerate and expand Superfund at a minimally acceptable pace. There are over 800 sites proposed or on the Superfund priority list. Yet, less than a handful of sites have been cleaned up. We lived through 3 years of delay and scandal at the Environmental Protection Agency. Now, the Agency is beginning to tackle the enormous task of cleaning up hazardous waste sites—sites that plague our country.

In passing S. 51, the Superfund reauthorization bill, the Senate approved an annual effort of $1.5 billion. The Senate approved $7.5 billion over 5 years. The Senate has already spoken. We must act now. We must get cleanup projects underway. We cannot allow more delay in the cleanup and response to the hundreds of hazardous waste sites across the country.

Mr. President, the Superfund bill is in conference. I would note that the House approved a chemical Superfund of $9.2 billion. So, there should be no question about the funding level. As a matter of fact, Senate conferees sent over an offer to the House calling for an $8.5 billion fund. Congress will enact a Superfund bill that provides at least $1.5 billion a year.

The Senate budget resolution should accommodate at least that. It should accommodate $1.5 billion. It should accommodate the level of funding approved by this Senate when it passed the Superfund bill.

Let us be clear. The $300 million added in budget authority for Superfund will not all be outlayed in fiscal year 1987. In fact, only $15 million will be spent in fiscal year 1987, according to CBO. But, by providing another $300 million now, we will increase outlays in fiscal year 1988 and fiscal year 1989 by $105 million a year. That is $105 million a year in cleanup that the resolution would deny. That is $105 million a year in cleanup that we should have.

Mr. President, this amendment would also increase the EPA's operating budget simply to account for inflation. These funds support efforts to maintain air and water quality. They support efforts to ensure clean drinking water. They support programs in acid rain, air toxics, radon, and groundwater. They support hazardous waste regulation, so that we avoid the problems that Superfund has to cure. They support research.

The Agency is stretched thin. Congress has demanded more and more from the Agency. And it has given it less and less. EPA would need $1.74 billion next year to have the same purchasing power it had in 1981. But it will not come near that. The budget resolution assumes $1,319 million for EPA. My amendment would simply avoid further losses for inflation. It would put the EPA operating budget at $1,345 million for fiscal year 1987.

At the very least, we should keep the Agency whole for inflation from now on. And, I would add, doing that will not account for inflation in the Agency's responsibilities.

The amendment I propose would add just $26 million in outlays for the administration and the enforcement of our environmental laws, and for research about detection of environmental hazards and their mitigation. That is a small addition for the health and safety of our public.

Mr. President, as I said, this amendment would, in fact, reduce the deficit. The added spending for Superfund and environmental protection would be offset by reductions in function 270, Energy.

The amendment assumes the President's proposal on uranium enrichment. That calls for recovering some small share of the $7.5 billion that the Government has spent, but has not recovered.

The Atomic Energy Act says that uranium enrichment costs should be recovered from the private sector. The Government runs a business. It sells enriched uranium to utilities. It is supposed to recover its costs. It has not. But, it is about time it does.

The President's proposal—as calculated by the CBO—would reduce outlays by $108 million in fiscal year 1987. It would reduce outlays by $218 million in fiscal year 1988 and by $187 million in fiscal year 1989. The Reconciliation Act calls for $57 million in savings in fiscal year 1988 and fiscal year 1989. The outlay savings we propose would be savings in addition to that.

Mr. President, the GAO and the administration agree: The costs of uranium enrichment have not been recovered. The Atomic Energy Act says they should. The President's proposal would take some modest steps toward repaying the Government for its investments. It would do it in a way that maintains the competitive position of the U.S. industry. It would do it in a way that would not harm U.S. utilities.

This amendment asks simple questions: Do we want to invest in a cleaner environment? Do we want to clean up toxic waste? And to do that, are we willing to force some modest repayment of billions in uranium enrichment costs? I think we should.

Mr. President, I ask unanimous consent that the Senator from New Hampshire, Senator RUDMAN, be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, I see my senior colleague from New Jersey. I yield to him such time as he requires and I reserve the remainder of my time.

The PRESIDING OFFICER. The senior Senator from New Jersey.

Mr. BRADLEY. Mr. President, I join with my colleague, Senator LAUTENBERG, in offering this important amendment to the budget resolution. I thank him for yielding.

Mr. President, the people of New Jersey treat the importance of toxic waste cleanup very seriously. The creation of the Superfund was my number 1 priority when I first came to the Senate back in 1979.

I pressed for reauthorization of the Superfund since 1984. I pushed consistently for a substantial fund because, frankly, that is what is required to meet the task at hand. That is, cleaning up a sizable quantity of toxic waste dumps in New Jersey and across this country.

We need vigorous implementation of our cleanup program.

I am convinced first that Congress will enact the Superfund reauthorization, and, second, that the funding levels will be in excess of what the President has proposed and what is accounted for in the budget resolution now before the Congress.

To accept the figures presently in the resolution is to refute the Senate's own bill, S. 51, and potentially to guarantee that we will have a Superfund Program which is far too inadequate to meet our needs.

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The amendment offered by Senator LAUTENBERG and cosponsored by me, offers a small increase for the EPA to keep EPA's budget constant in real terms so that inflation will not be allowed to whittle away the purchasing power of EPA's funding.

EPA's budget has experienced inexorable erosion since this administration took office. Since 1981, EPA's overall budget is down 30 percent in real terms. The operating budget is down over 20 percent. Research is down over 20 percent.

This drop in Federal support has occurred at the same time that the EPA's responsibilities have grown dramatically.

□ 1430

In the 1980's, EPA has taken on the task of safe disposal of toxic waste, the regulation of new chemicals for safety, the testing of pesticides and more, in addition to its continuing responsibility for clean air and water programs. Even with adequate funds, these tasks are as daunting as they are critical to the Nation.

Is this small increase in EPA's budget a bold step or outrageous? I maintain that this small change is not half as outrageous as allowing the steady decline of the agency that handles toxic waste treatment, acid rain, water and air pollution—myriad programs that will greatly influence the quality of life in this country both for us and for our children.

Finally, the amendment raises revenue in order to pay for these needed programs. We are recommending that the Senate adopt an administration proposal which would recoup Federal funds disbursed for the enrichment of uranium for nuclear powerplants. The Atomic Energy Act provides that the DOE's enrichment services shall be priced on the basis of all associated costs. While there is dispute over what costs remain unrecovered, the GAO and the administration estimate these unrecovered funds at $7.5 billion. Rather than pursue complete repayment, as the Atomic Energy Act seems to require, the administration proposes to write off $4 billion of the debt. The remainder will be raised not by increasing prices, but by decreasing spending on new technology and construction, and by the partial sale of accumulated stockpiles of enriched uranium. The budget resolution before the Senate does not provide for recovery of this accumulated taxpayer investment.

Mr. President, the Senate now has the opportunity to underscore its solid commitment to protecting the health and safety of its citizens. Surely, there can be no more basic responsibility of government than these. And we can pay for it by responsible management of the taxpayer's dollar.

Mr. President, I compliment my colleague [Mr. LAUTENBERG] for bringing the amendment to the Senate, and I urge its adoption.

Mr. LAUTENBERG. Mr. President, I thank my senior colleague for his support and his comments. He has worked very hard over a number of years to protect the environment and to proceed with clean up of toxic wastes throughout our country and, of course, within the State of New Jersey. He was one of the early pioneers in the year 1980 in terms of getting a Superfund authorized and getting the program going. We are all grateful to Senator BRADLEY for that. I thank him for his support on this piece of legislation.

Mrs. KASSEBAUM. Mr. President, I rise in opposition to the Lautenberg amendment. If I may say so first, I certainly share Senator LAUTENBERG's concern for Superfund funding. I think it is an enormously important program, but I do not think this is the way to do it.

First, it is important for us to realize that the budget resolution does not assume a cut in EPA funding. As a matter of fact, we have assumed a 39-percent increase for the Superfund Program of $300 million. If the Lautenberg amendment were approved, it would mean we would be $600 million above this year's funding level. I think one of the real problems with the Superfund financing at this point is, as Senator LAUTENBERG has said, that the Senate has spoken, the House has spoken, and the administration has spoken, but we are not speaking with the same voice on how we are going to finance the Superfund Program. I think this is the crucial part of the whole question that has to be answered.

As has been stated, this would not change the deficit level of the budget resolution, that is true, because we would offset the increase by adopting the administration's proposal for paying the Treasury for past investments in uranium enrichment. Mr. President, we have already addressed the repayment of past Federal investment in uranium enrichment by passing a bill which was signed into law by the President a long time ago. That law restricts the appropriations to the level of receipts generated by enrichment sales so it ensures the program is deficit neutral.

In addition, it directs the Departments of Energy and Treasury to determine a reasonable repayment of past Federal investment in enrichment.

I think it has been stated over and over again during the debate on the budget resolution and the amendments that have been offered that there is no assurance that adding money to a budget resolution will ensure that it will be spent on individual programs. This is the Appropriation Committee's task. In fact, last year, the conference report on the budget resolution assumed a $1.3 billion program for Superfund. However, Appropriations only provided $900 million. So there is no assurance whatsoever that the Lautenberg amendment would indeed solve the problems that beset the Superfund Program financing at this point.

Mr. LAUTENBERG. Mr. President, I thank the Senator from Kansas for her agreement that Superfund and environmental cleanup, the removal of toxic waste sites, are critical matters. If we start with that premise, then we can go on to the other parts of the amendment to which she objected.

We have proposed, as the Senator from Kansas acknowledged, a policy proposed by the administration, supported actively by a President who has been a supporter of nuclear energy. No more staunch supporter is found. He feels that this is a way to get a program reduction and recover some of the investment that we have already made. It will thereby reduce our budgetary requirements. This amendment assures, if adopted, that those savings will be used, will be reserved specifically for this matter, for environmental cleanup. And we will still have a surplus to reduce the deficit even further.

True, there have been a number of proposals made on funding Superfund. The Senator from Kansas was right about the initial proposal out of the Budget Committee. However, the authorizing committee, Environment and Public Works, presented a bill to this body, S. 51, which had a $7.5 billion level. It was their judgment, overwhelmingly supported in committee and on the floor, that this was a funding level that could be effectively used to clean up toxic waste sites in our country.

Further, after long consideration, after review and debate that passed several phases, the Senate conferees on the Superfund bill are recommending at $8.5-billion funding level for the chemical Superfund alone and the House proposal is at $9.2 billion for 5 years.

So to argue here that we cannot use those funds or that they are not necessary, frankly, is not a very persuasive argument. The fact is that there have been many decisions made by the full Senate, by the authorizing committees, and in fact by the Appropriations Committee at one point, that this is a funding level that could be used and used effectively, so we can get on with the task of removing these toxic waste sites.

We do have a problem. The spending is relatively slow because the Superfund Program was almost totally dead. We got some interim funding on April 1 that will carry Superfund until the

end of May just to prevent dismantling the organization, from terminating some 1,500 employees, from severing contractual relationships with contractors, who are not easy to come by. It does take some time to gear up. But if we do not provide the funding now, we will never see the effects, the value of this program until such a period late in time, when we will have more Superfund sites added to the priority list.

□ 1440

So while I respect and admire the Senator from Kansas for her always stable and balanced view, on this matter, I would respectfully disagree and urge that we favorably consider this amendment.

Mrs. KASSEBAUM. Will the Senator yield for a question? The Senator stated that there were assurances that this would, as a matter of fact, go for Superfund moneys. What assurances are there or is it wishful thinking perhaps?

Mr. LAUTENBERG. Well, hopefully not wishful thinking, but it is my assumption that if we pass the amendment with very specific direction as to where these funds are going to be taken from, that would in fact be the result, if the amendment passes the Senate.

Mrs. KASSEBAUM. It is a direction certainly that is given the Appropriations Committee but without really any valid assurances; is that correct?

Mr. LAUTENBERG. I think that is fair to say, that we have no guarantees, but this is a recommendation and it is an integral part of the amendment.

Mrs. KASSEBAUM. I thank the Senator.

Mr. President, I yield as much time as he would so desire to the Senator from Ohio [Mr. GLENN].

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Mr. President, I am not against Superfund being increased and I do not guess what the Senator from New Jersey is trying to do with regard to Superfund. In fact, I have supported that all the way through.

I do object, in the strongest possible terms I can state, to taking it out of uranium enrichment specifically. We were not made aware that this was going to come up. Even if it came out of the whole energy function in the budget, that would be a different matter. But to pull back again on uranium enrichment in our country, it seems to me, is a big mistake, and I want to address that very briefly.

What we have gone through in the last year or so is a cutback in the uranium capacity of this country and while I disagreed with that, it is in effect now at several places: Portsmouth in Ohio, Oak Ridge in Tennessee, and Paducah in Kentucky. All are involved with different phases of the uranium enrichment program.

Just a little less than a year ago, the program of uranium enrichment was overhauled by the administration and cut back, and Oak Ridge is now being mothballed. Portsmouth is able to enrich uranium by the gaseous diffusion method, which they have used for a number of years, but not by a planned gas centrifuge-enrichment process [GCEP], which was supposed to be the next technical step in uranium enrichment. It is essential that we have adequate facilities in this country and never become dependent on another nation, although there are uranium-enrichment facilities in plentiful supply around this world.

Now, what had been planned originally in Portsmouth and these other sites was to have a uranium-enrichment capacity that was sufficient to sell uranium and enriched uranium for powerplants around this world, but those decisions were made and the plants were constructed at a time when all the scientists of the world thought that uranium was going to be in short supply.

As it turned out when the prices of uranium went up and all the prospectors went out and mined, we found much more uranium in our own country and, indeed, all over this world than we ever contemplated. So the shortage of uranium that made some of these technologies necessary did not really occur and it was not required to get the amounts of uranium we needed.

Now, at that time, we planned two processes. One was gaseous diffusion. The next plan was a gas centrifuge process. That is the part that has been cut out, and so now we are left with the gaseous diffusion plant at Portsmouth, OH, and one in Paducah, KY. The plant at Oak Ridge is in the process of being mothballed.

Now, what the Department of Energy decided to do was to leapfrog the technologies and to say that if we need an increased capacity in the future, we believe we can do that with new advanced laser isotope separation [AVLIS] techniques.

I will not try to go into the technical details of that here today, but if we use laser isotope separation techniques in the future, that will in fact guarantee us plentiful capacity for all of the commercial plants that we have in this country. If we want to sell enriched uranium around the world, we can do that also if we can be price competitive. But meanwhile, the centrifuge part of the Portsmouth plant has been cut out of the planning program and the budget was reduced by that substantial amount last year.

Now, if we are to take more money out of this uranium enrichment program capacity that we have gas diffusion and leave us with a reduced capacity, with the laser isotope separation techniques still being developed for the future, then we are cutting ourselves back too much and putting the United States of America in a position I do not want to see us in where we do not have adequate uranium enrichment capacity. We do not want to throw ourselves on the mercy of France or Japan or someone else where they may have an enrichment capacity and we, in turn, have to buy their products.

Additional capacity that was planned has already been cut back, I would repeat. So we do not have that kind of excess capacity planned and being paid for, which costs hundreds and hundreds of millions of dollars.

I do not disagree at all with what the Senator from New Jersey is trying to do with the Superfund budget. I have been a big supporter of Superfund and continue to be so, but I disagree in the most strenuous terms with pinpointing the uranium enrichment capacity of this country as the place where to cut. I think that would be unwise. I think it might be dollarwise and very pound-foolish for the future of this country.

We are back now to a capacity that is reasonably matched to what we can expect to sell.

With our own electrical capacity in this country now being some 15-percent dependent on nuclear energy, for those people who are in areas of the country, such as New Jersey, such as New York, where they have a higher than 15-percent dependence of their electrical capacity coming from nuclear plants, we may well see what is called the SWU price—SWU for separated work units or the measure of enriched uranium—we may see the price per SWU well going up.

So when you are talking about cutting back on uranium enrichment capacity, we may also be talking about increasing the eventual price of nuclear materials for those plants in New Jersey and New York, and eventually raising the price of electrical energy to those States.

So I would think that the Senator from New Jersey would want to consider that fact before he pushes forward with his proposal.

I repeat, I do not disagree at all with putting additional money into Superfund, but I strongly disagree with earmarking the uranium enrichment facilities of this country as the place from which we would take the money to do this.

If this was put into the whole energy function, perhaps the Department of Energy can then be left with their own analysis of where the money would come from and I would not necessarily oppose that.

I think the energy account is probably not a wise account from which to take this, but if the Senator from New Jersey insists on having it come out of the energy account, maybe it could be spread across the whole account. That might not be too bad. But to specifically say that this money has to be taken out of the uranium enrichment facilities of this country and that they will be cut back, I think plays fast and loose with the security of this country.

□ 1450

I urge all Senators who may be listening in their offices to vote against this if it comes up for a vote, and I will bring it to a vote if that has not already been proposed. Or, I hope the Senator from New Jersey would consider this out of the whole energy account and not just out of the uranium enrichment program.

Mr. President, I yield the floor. I will have more questions later.

Mr. LAUTENBERG. Mr. President, the Senator from Ohio certainly has a clear record on support for a clean environment. I know that he shares with me a view that we should get rid of toxic waste sites in our States, in the communities across our country.

While I differ with him on what the result of this amendment might be in terms of reducing the uranium enrichment program, this difference between us revolves around only one part of it, and it will have to be decided by a vote on the Senate floor.

We have in office today a President who believes that nuclear energy will be an integral part of our energy requirements off in the future, and time after time he has stated his support for getting a larger share of our needs from nuclear production. Yet, the President—and the people in the administration who helped him make these decisions—very carefully reviewed whether or not we would impair our capacity to provide nuclear fuel for our generating plants; and the answer, based on the recommendation that has come up, is emphatically "no."

The fact is, says the President of the United States—once again, a friend of nuclear energy—we can afford to reduce the program to the level that we have included in our amendment.

So the debate centers around whether or not we are going to place ourselves in a position where, if we have to buy nuclear fuel elsewhere, price increases will have to be absorbed by the consumer.

According to a Department of Energy survey, a $10 increase per SWU would result in a 1-cent to 3-cent increase a month in the electric bills or utility bills for the average residential consumer. Even an increase that small is not to be ignored, because there always are other factors that create increases in price; and we have to be very concerned about making energy, a basic element in our quality of life, more costly to the consumer. But certainly this is not the kind of threat that should deter us from finding savings where it is conveniently and functionally available.

Mr. President, I also submit that, based on the events of the last several days, many questions will be asked about the continuation of nuclear energy programs. We are not going to debate that today in this discussion, but by no means can anyone forecast reliably what the needs might be, what the requirements for enriched uranium fuel might be.

Therefore, I say to my distinguished colleague from the State of Ohio that we will, if necessary, be able to create a condition in the future that would supply our nuclear energy facilities, to make certain that America will not be left without a source for its nuclear energy needs.

This is principally an amendment to fund Superfund, and we need to find, under the Gramm-Rudman-Hollings Act, offsetting savings.

This is one of the few instances in which this Senator agrees with an administration policy, and I support it fully, buoyed by the assurance that a careful study has been made of our uranium enrichment needs and that these cuts would not in fact impair that supply.

So, Mr. President, with all due respect and appreciation for the comments by the Senator fron Ohio, I urge the adoption of this amendment.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mrs. KASSEBAUM. Mr. President, I am happy to yield time to the Senator from Ohio.

Mr. GLENN. I thank the Senator.

Mr. President, I should like to ask a couple of questions of the distinguished Senator from New Jersey.

What is the Presidential recommendation to which he refers? I am not totally familiar with its specifics. A couple of years ago, the President did recommend cutting back on enrichment capacity, and we did that, and those cuts have already been made. As I understand it, we are running at reasonably high levels of production at the Paducah, KY site and the Portsmouth, OH, site. If we are to cut back on those, or if we are to change the method of operation, I believe contradicts the intent of the President.

So, what was the reference to the President's desires on this?

Mr. LAUTENBERG. Very simply put, Mr. President, it is the President's 1987 budget proposal.

Mr. GLENN. I submit that what the President proposed assumed certain prices for uranium—for the enriched uranium that would be sold out of those plants. Is that correct?

Mr. LAUTENBERG. I have to respond by saying that I assume certain price factors went into the President's decision.

Mr. GLENN. If our prices have to be increased at Paducah and at Portsmouth, is there any reason why our utilities in this country would not go ahead and buy their enriched uranium abroad?

Mr. LAUTENBERG. Will the Senator from Ohio repeat the question?

Mr. GLENN. If we cut back on support for Paducah, KY, and Portsmouth, OH, is there any reason why those people operating commercial nuclear electric generating plants now would not go abroad to buy their enriched uranium? Wouldn't it be cheaper?

Mr. LAUTENBERG. I think it is fair to say that these companies operate with long-term contracts, and to that extent, I assume that the plants are largely protected. Obviously, if there is a shortage of supply along the way, we are going to be looking perhaps at increased costs. But we are a long way, I think, from making those decisions. We are still unsure of what our demands are.

We have all kinds of facilities sitting there, waiting for local government decisions, waiting for municipalities to agree on an emergency preparedness plan. We have capacity sitting there unused, and there is not a suggestion right now that there will be a shortage or that there is presently a shortage of fuel to supply that.

Mr. GLENN. The Senator is making my point for me, I submit, because we have those plants. We have 101 plants now with others still in the construction process.

When they cut back to the present level of enriched uranium capacity at Paducah and Portsmouth, they took this into account and we are in a position where we can supply our own enriched uranium needs.

□ 1500

I would submit if our enriched uranium program in this country is to have whatever the cutback is—300-some million, is that it?

Mr. FORD. Five hundred million.

Mr. GLENN. If we cut back that amount it means we have only one way of making it up. You make it up on the light bills of the people of New Jersey. You say their costs, as I understand it, go up 1 to 3 cents per kilowatt hour.

Mr. LAUTENBERG. One cent to three cents a month for each $10 increase per SWU.

Mr. GLENN. The companies can go abroad and buy, in which case your capacity here will go downhill.

It becomes even more costly then to operate these plants and keep America

independent with our own uranium enrichment capacity.

When we went through the cutbacks at Oak Ridge and Portsmouth about a year ago, and also back some on Paducah and zeroed out the planned Gas Centrifuge production plant at Portsmouth, all this was done with the idea of bringing the program into a reasonable balance. We took our cuts although we did not like them at that time.

I thought, OK, if that is the balance that is to be set for this country and our worldwide markets are not enough, go to the new techology, the centrifuge technology at Portsmouth, then we accept it.

But to now cut back another $500 million and say that our capacity goes downhill even more is something I do not think we should do from a national security standpoint.

We are now able to balance out our enriched uranium needs without electrical generating capacity and it is planned for our needs in the future as new plants come on stream. To cut back and say we are deliberately going to entice some of our people offshore to buy enriched uranium does not make any sense whatsoever.

As I said before, if the Senator from New Jersey would accept us putting this reduction in funding across the whole energy budget I would not disagree too strongly, but to take it out of uranium enrichment specifically and run us short I think gets into a national defense matter. That is the reason why I object to this amendment so forcefully. I would say the same thing if the plant were in Portsmouth, New Hampshire, and not in Portsmouth, Ohio, or for one in Paducah, Kentucky, or in San Antonio, Texas. I would say exactly the same thing.

We cut back to this level. We now are reasonably matched up with what we need for this country. Why drive our people offshore to get their uranium enrichment supplies or increase the electrical generating rates people are going to pay in New Jersey or New York and other areas reasonably highly dependent on nuclear power?

It just does not make any sense to pinpoint this area as the one to be sacrificed when it is going to have national security implications. It is also going to have consumer ramifications in the Senator's State and in my State also. I would much rather see this money taken out of some other account.

So I urge opposition to this amendment.

Mr. FORD. Mr. President, will the distinguished manager of the bill yield me some time in opposition?

Mrs. KASSEBAUM. Mr. President, I am happy to yield to the Senator from Kentucky.

Mr. FORD. I thank the distinguished Senator from Kansas.

Mr. President, this is a wrongheaded amendment.

The distinguished Senator from New Jersey has not, I think, looked into all the facts.

What we have done as it relates to uranium enrichment is to reduce the price already. That price has been reduced at the instruction of the Department of Energy. They reduced the price of SWU's in order to be more competitive.

By law does the Senator from New Jersey know how much we are obligated to pay the Federal Government annually under this program? $235 million. We are required to do that.

Yet he wants to take the money out of the total program and decrease our ability to repay the Federal Government the $235 million, after we reduced the price of the SWU's, after we tried to be competitive and here we find now he is trying to put us in a noncompetitive position.

If you would look at the budget for the uranium enrichment program of the Department of Energy, there is $189.5 million that we are short now and that we have to fund.

If the amendment of the Senator from New Jersey goes into place, we will be increased over 3 years over $500 million more.

So he is not saving anything. He is costing us something.

Sure, I am defending Paducah, but I am defending Paducah and I am defending Portsmouth on the basis that the Russians who have representatives, want to sell SWU's in this country at a figure much less than ours. We have South Africa over here that wants to sell SWU's and they are somewhat lower than ours. We have France that wants to come in and sell SWU's, and they are somewhat lower than ours. And then when we reduce our price to try to be competitive on a world market and to get into that arena so we can meet our obligations under law to the Federal Government, then we find that we have an amendment here that wants to put us further behind than all the struggles that we have been in.

Mr. President, I think this amendment is a detriment not only to the communities in which these industries are housed but it is a detriment to this country as it relates to national defense.

We will see that one of these days that spigot is going to be turned off on oil and we are going to see 1973 revisited again as it relates to shortage of oil, shortage of natural gas, and then if we are put into a deeper hole by eliminating our ability to compete, put in a deeper hole by increasing our cost per SWU's, then we ought to be able to see the danger. Here we are. We will react one of these days. We ought to act now and defeat this amendment by the distinguished Senator from New Jersey.

I yield the floor and thank the distinguished Senator from Kansas for the time.

The PRESIDING OFFICER (Mr. D'AMATO). The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, one of the least pleasant aspects of our duty here on occasion is to disagree with colleagues for whom we have great respect and admiration.

In this case both the Senators from Kentucky and Ohio speak on matters that they have been intimately involved with for some time, and I defer somewhat to their experience, but I do rely on another source for the information that has led me to strike a balance between the increased needs for Superfund and the ability to pay for those needs.

I read here from the OMB budget document, Major Policy Initiatives, at page 88, pertaining to uranium enrichment, it is entitled "The Administration Proposal."

Now, I preface my reading here with a restatement of the fact that there has not been a more staunch supporter of nuclear energy, in this country than the present President of the United States. In the course of this debate we have heard arguments that relate not only to the source of fuel and the price of fuel but to the very independence of this country.

Certainly, no one can suggest that President Reagan, with whom again I rarely agree, would want to leave us naked of the ability to defend ourselves or to provide the essentials to maintain our independence.

The administration proposal reads like this: "The President's budget proposes a regular schedule of repayments that provides the flexibility needed by the uranium enrichment program to operate under competitive market conditions, yet ensures steady recovery under competitive market conditions, yet ensures steady recovery of the applicable outstanding Government investment through charges to customers for enrichment services."

There is a subparagraph entitled "The Market Adjusted Repayment Schedule:

"One. Allow the Department of Energy to meet aggressively the foreign competition for enrichment sales and to assure the taxpayer that the appropriate outstanding Government investments will be repaid on a more certain schedule."

One need only look at the results to date to see how poorly we have done in this program, $7.5 billion in costs are unrecovered. That is how much the Federal Government and the American taxpayer has invested to date.

This is a lousy business and no one else would be making these kinds of investments.

Here is an opportunity to reduce the government's investment and at the same time get on with cleaning up our environment.

We are compelled to find a source for funding the Superfund and the EPA's needs under Gramm-Rudman-Hollings; therefore, we are looking for a proposal that has been made by the administration, one which I support, and I would ask that we favorably consider this amendment, so that we can support the clean-up toxic waste sites and get on with the EPA requirements.

Mr. FORD. Will the Senator from New Jersey yield for a question?

Mr. LAUTENBERG. I yield.

□ 1510

Mr. FORD. The Senator read from OMB, but he did not say what the price was. What is the price, I ask the Senator? What is the income? He read that they were going to be competitive and that sort of thing. Have they reduced the price of the SWU?

Mr. LAUTENBERG. I do not know whether they reduced the price of the SWU, but I am sure that pricing was included in the calculation that was made. I repeat: a rise of $10 per SWU would cost the consumer ultimately as little or as much as, however you want to look at it, a penny to 3 cents a month.

Mr. FORD. I think you have to take into consideration that if we are going to be competitive, you limit our ability to be competitive. One, we have long-term contracts with our own utilities here in this country, and they are going to abide by those. But it takes us out of competition. The reduction of price to meet the repayment of the U.S. Government was because we could be competitive, we could increase our sales, and by increasing our sales would reduce the cost to the consumer. Now what you are saying is, "Let's increase the price to the consumer and to reduce our ability to be competitive."

Third, we are going to have the price so high, once the contract is over, those who will sell it much cheaper will be offshore and will be moving in on us right away. I hope the Senator understands that that is the position he is putting these uranium enrichment plants in.

Mr. LAUTENBERG. I think the question of understanding, frankly, as my colleague from Kentucky knows, flows both ways.

My understanding is that we have more than enough supply to take care of our needs. That certainly does not suggest a price increase. It is a question of whether we have overcapacity, or whether we have just enough to fill our needs. And by the recommendation coming from the administration, what they have suggested is that we have more than enough capacity to take care of our needs. That does not automatically imply a price increase.

Mr. President, how much time do we have left on this amendment?

The PRESIDING OFFICER. The Senator from New Jersey has 39 minutes and the Senator from Kansas has 38 minutes.

Mr. LAUTENBERG. Mr. President, I submit that we have heard the arguments on both sides of this issue. With all due respect to my colleagues, both of whom I hate to disagree with because of my respect for their capability, I do not believe that theirs is the right position.

I also feel, however, that the EPA requirements, the Superfund requirements are essential for the health and well-being of our society. And since this proposal on uranium enrichment has had the endorsement and encouragement of the administration, in reducing the budget deficit under the Gramm-Rudman-Hollings Act, I stand with my amendment and hope that it will be approved.

The PRESIDING OFFICER. Who yields time?

Mr. GLENN. Will the Senator from Kansas yield to me?

Mrs. KASSEBAUM. I am happy to yield to the Senator from Ohio.

Mr. GLENN. Mr. President, I have a couple questions which are worthy of note here, I think. As far as the long-term contracts that the distinguished Senator from New Jersey referred to a moment ago, I believe you will find that a U.S. court of appeals has held these long-term contracts DOE had to provide enriched uranium were invalid, so even that market is uncertain. So it is far more in a state of flux than it has been before and we are more hard pressed to be competitive.

I will repeat that. I would like to point out to the distinguished Senator from New Jersey that an appeals court recently voided DOE's long-term contracts on SWU's, so even that market is uncertain. It means that we are even in a more competitive position now than we were previously.

I have a couple more questions. Under the President's proposals referred to there have to be a couple of assumptions made. One, that we would go ahead with the privatization of AVLIS, which is the new atomic vapor laser isotope separation, and if we come back on that, what could we do? Or if we cannot get that technology as to what the President assumed, what do we do? Second, it is assumed that the military procurement of enriched uranium will triple over 1986 levels.

Now, if these things do not occur, then where does the money come from? Where do the revenues come from to fund what the Senator from New Jersey is talking about? It will come from the existing plants, either by raising the price of their cost of production or shutting them down, or both.

The result, to me, could be that we place ourselves in a far less advantageous position than we are in today. The distinguished Senator from Kentucky just mentioned a moment ago the fact about our trade problems. I submit what is happening in Europe right now to our balance of trade in this area, where we previously had some markets, the French have been quite active in selling in those areas. And I would add the Soviet Union is now one of the major suppliers of enriched uranium to European nations. They have been undercutting us. And the effect that it has on our nonproliferation policy on nuclear weapons is something that should be also mentioned. The more we have been involved with those nations, the more we could influence what they were going to do with these materials. And the same has been true of nuclear plants all over the world. The issue of nonproliferation is something that has been of great concern to me. Ever since I have been in the Senate, I have actively worked on this subject.

But I would ask specifically if the privatization of the AVLIS does not meet the rosy optimism of the President, and if our military procurement of enriched uranium does not triple over 1986 levels, where does this money come from? If we are raising this specfic amount, it would seem to me this must come from an increased cost of electrical generation which will be passed on to the consumers. So we are talking about taking potentially $350 million to $500 million out of the hides of ratepayers if the President's optimistic assumptions on privatization of AVLIS or the military procurement of enriched uranium do not come to pass.

Mr. LAUTENBERG. Mr. President, in response to my colleague from Ohio, yes, there are certain assumptions, that an effort at privatization will be made. There is a belief, once again, that we have a sufficient supply and a sufficient capacity to produce the supply that we need. The arguments thus far have been heard.

Mr. GLENN. Will the Senator yield on that point very briefly?

Mr. LAUTENBERG. Yes.

Mr. GLENN. Which is all the more reason why the AVLIS technology is not going to raise all the money. Selling this new technology is not likely to raise even close to the amount the President has proposed. That is a good point.

Mr. LAUTENBERG. The Senator from Ohio has made his point and I believe has been heard by those who have an interest here. If there is any other speaker who would like to come

down and offer either view, we invite them at this time.

● Mr. METZENBAUM. Mr. President, I am all for Superfund cleanups. I believe we have a moral commitment to clean up the hazardous waste sites located throughout the Nation. I would not hesitate to support adding additional revenues for the Superfund Program. I have consistently done this in the past.

However, Gramm-Rudman has now placed us in a situation where we are being asked to cannabalize one crucial program to maintain another.

The amendment offered by my friend and colleague from New Jersey would pay for an increase in the Superfund program with an additional $451 million in revenues from the uranium enrichment program.

The assumption that the uranium enrichment program can generate such a high level of revenue in such a short period of time is dead wrong.

I will tell my colleague from New Jersey that DOE may say it is possible to generate $513 million in revenues above the baseline over a 3-year period, but DOE is wrong. The assumptions used to arrive at such projections involve a massive increase in military orders of enriched uranium, and the privatization of advanced enrichment technologies.

Neither is likely to happen. And if these assumptions do not materialize, the only way the revenues could be raised is through increasing the costs of enriched uranium. This would destroy the competitiveness of our domestic enrichment industry.

Already, our prices are so high that we are losing market shares to foreign producers. DOE is currently engaging in an effort to lower costs to improve the competitiveness of the domestic industry.

This amendment could stop such progress in its tracks, and possibly deal a fatal blow to the program.

If this occurs, how will the United States procure the enriched uranium it needs for national defense?

If the program fails, what will be the impact on the citizens and communities in Ohio and Kentucky where the enrichment facilities are located?

Placing unmanageable revenue burdens on the enrichment program could jeopardize its viability to a point where we could wind up recapturing no funds at all.

While I would like to add money to the Superfund Program, I cannot support a proposal which would pay for this at the expense of our Nation's enrichment program.●

Mr. CHAFEE. Mr. President, The Environmental Protection Agency is responsible for one of the most important Government functions included in this entire budget—protection of human health and the environment. To shortchange this Agency is to shortchange every man, woman, and child in this country. Failure to provide EPA with adequate funds is a prime example of being pennywise and pound foolish.

This is not a "special interest" amendment. The benefits of this amendment will be shared by all. In addition, the credibility of the entire Federal Government is on the line. Over the past several years the Congress has been giving the Agency more and more responsibility. However, we have not been making sure that the Agency has adequate funds to carry out those new responsibilities.

This amendment has two parts. The first deals with Superfund, the Federal program to clean up toxic chemicals that have been spilled or dumped all across the country. The bill before us would provide $300 million less in fiscal year 1987 than the Superfund bill that was approved by the Senate last fall. This amendment would add that money back and increase the budget authority for Superfund in 1987 to $1.5 billion.

Study after study has concluded that the total cost of the Superfund program will reach well into the tens of billions of dollars. It makes no sense to delay the inevitable. We need to clean up these poison pits and we need to do it sooner rather than later. The people living near these sites must cope with contaminated water and other horrors. We should not be asking them to wait any longer then is absolutely necessary. If we fail to provide as much budget authority as can reasonably be spent by the Agency, we will be asking these people to wait for no apparent reason.

This body has considered the question of how large Superfund should be on several recent occasions. This amendment would provide the budget authority that is consistent with the least of the amounts considered and approved by the Senate.

The second part of this amendment would increase EPA's operating budget over the next 3 years to keep pace with inflation. The operating budget provides the fuel that keeps the Agency running. Implementation of the Clean Air Act, the Clean Water Act, the Safe Drinking Water Act, the hazardous waste control laws, and numerous other statutes and programs are dependent upon an adequately funded Agency. Failure to account for inflation is not a budget freeze, effectively it is a budget cut. At a time such as this, when EPA's workload is increasing and the importance of doing the job right is greater than ever, we cannot afford to be cutting EPA's budget.

Now, where will the money to pay for these increases come from? From the existing Federal investment in the uranium enrichment program. The budget proposal that is before us assumes returns on that investment of only $21 million in fiscal year 1988 and $36 million in 1989. The Office of Management and Budget assumes higher levels of recovery in fiscal years 1987, 1988, and 1989. By adopting the higher yield figures, the increases for Superfund and EPA's operating budget are paid for without adding to the Federal deficit.

Mr. President. This is an important amendment and I urge my colleagues to support it.

Mr. KASTEN. Mr. President, I rise to join the junior Senator for New Jersey to cosponsor this amendment. I believe that increasing the funding for Superfund is simply too important to put off.

The Senate has adopted a strengthened reauthorization of Superfund. That reauthorization is currently working its way through a conference committee.

I believe that a strengthened Superfund is essential to protecting the health and safety of all Americans. We simply cannot tolerate further delay in strengthening this essential program to protect health and safety.

● Mr. McCONNELL. Mr. President, the amendment proposed by the Senator from New Jersey would further undermine the ability of the Department of Energy's Uranium Enrichment Program to compete. It poses grave repercussions for our enrichment capabilities and, thus, our national security.

In 1974, the United States held 100 percent of the market for enriched uranium. By 1985, our position had slipped and 36 percent of the market share was supplied by foreign producers. Confronted with fierce foreign competition and reduced demand for this fuel, DOE took drastic steps last year to counteract this trend. Specifically, the Department halted construction on its advanced gas centrifuge facility and moth-balled its plant in Oak Ridge, TN, to save $250 million over a 5-year period. Our two remaining facilities at Paducah, KY, and Portsmouth, OH, are running well due in large part to the excellent work force. Mr. President, we can expect to regain our competitive posture in enriched uranium. But not, I repeat, not if this amendment is adopted.

By transferring funds from the uranium enrichment function, the amendment would cause an increase in the cost of enriched uranium production further eroding our ability to compete and would have long-term consequences for our national security. The last thing we need is to be beholden to a foreign government to supply our enriched uranium needs.

Mr. President, this amendment is shortsighted and I urge my colleague to soundly defeat it.●

Mrs. KASSEBAUM. Mr. President, how much time remains to those to

speak in opposition to the Lautenberg amendment?

The PRESIDING OFFICER. Thirty-four minutes.

Mrs. KASSEBAUM. Mr. President, Senator DOMENICI, the chairman of the Budget Committee, would like to speak for a short period of time before we vote. I ask unanimous consent to suggest the absence of a quorum with the time to be equally divided, if that is all right with the Senator from New Jersey, until Senator DOMENICI arrives.

Mr. LAUTENBERG. That is, we will have the unanimous-consent request that a quorum call be entered into, to be equally divided, and I certainly would agree to that.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

□ 1520

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, first, I want to thank the distinguished junior Senator from Kansas for managing the bill in my stead during the presentation of the Lautenberg amendment. And I want to thank the distinguished Senator from Ohio, Senator GLENN, and the Senator from Kentucky, Senator FORD, for arguing against this amendment.

I understand that all the points have been made as to why this amendment should not be adopted. I hope that no one assumes it is the intention of this budget resolution to deny the availability of funds for the Superfund activities of this Nation. I do not believe that is the case.

Let me remind everyone that this budget resolution, which the Senator from New Jersey seeks to amend, is a bipartisan budget. Seven Republicans and six Democrats voted for this budget resolution, and clearly are aware of the difficult nature of hazardous waste cleanup in this Nation.

We did our very best to make sure that we added a sufficient amount for Superfund, and the assumptions in the budget would adequately cover what is expected to be needed and available for Superfund during fiscal year 1987.

I hope no Senators think that this is the Superfund vote. As a matter of fact, I say to the distinguished Presiding Officer I personally wish we were having a Superfund vote that was meaningful here on the floor. It has been too long.

We have not completed conference on the authorizing legislation. The Ways and Means and Finance Committees, which have to provide the necessary revenues to finance the Superfund Program, are locked in what appears to be a battle to settle how to pay for the program.

All of that taken into consideration, this budget resolution is not going to be the reason that we do or do not have hazardous waste cleanup. It is not going to be the reason that we do not clean up as much as we can clean up. On that I am positive.

To come along and say, because we have not taken the action necessary to really get Superfund going, let us make this a Superfund budget resolution and add yet more money than anyone thinks we are going to use, than anyone thinks is going to be made available under any circumstance that I can imagine. Consider the fact that we have a House, a Senate, and a President, who cannot agree on a reauthorization of Superfund. We are at least 3 or 4 weeks away from a settlement on Superfund with no visible means yet of paying for the program.

It appears to me that everybody ought to know that the budget resolution cannot accomplish the reauthorization and funding for the Superfund Program and its activities. To adopt the Lautenberg amendment will do no more other than add some money that is never going to be spent on Superfund. It just takes money away from another program that really needs it. We have heard the arguments for the enrichment program.

I am sure the distinguished Senator from New Jersey is saying, however, the President wanted to cut uranium enrichment. Of course, he wanted to change the whole program. He wants uranium enrichment, but he wants to change the fee schedules, and a lot of other things which are not going to happen.

Consequently, uranium enrichment will continue on and we will have a big increase for Superfund that will never occur.

That is, I think, about as fair a statement about where things are as can be made.

I thank the Senators who argued in opposition.

I yield back the balance of the time in opposition.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, with all due respect to my colleague from New Mexico, the chairman of the Budget Committee, the budget assumes a different level for Superfund than we are considering right now. I would, however, have to remind all of those who are interested that this Senate overwhelmingly voted to support the authorizing committee's recommendation of $7.5 billion, embodied in S. 51.

The Senator from New Mexico is correct; there is a conference taking place right now at a snail's pace. It is taking place. We are now, we believe—I sit as a conferee on that committee—at a starting point where some effective decisions can be made. And the Senate conferees' recommendation publicly made is for an $8.5 billion Superfund.

So we are talking about a Superfund recommendation that is supported by my colleagues even though they spoke against this amendment. Certainly each one has a record of support for a cleaner environment, and the cleanup of toxic wastes. But I do want to point out that Superfund has been denied necessary funding in the past. We need to get on with the job of cleanup. We need to provide for that in the budget.

So with that I would like to ask for the yeas and nays. Let us decide the question.

Mr. DOMENICI. Mr. President, has the Senator yielded back the balance of his time?

Mr. LAUTENBERG. I reserve——

Mr. DOMENICI. The Senator cannot.

Mr. LAUTENBERG. Why not?

Mr. DOMENICI. It is a rule.

Mr. LAUTENBERG. I suggest the absence of a quorum.

Mr. PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, I yield back the balance of my time.

Mr. DOMENICI. Mr. President, I move to lay the amendment on the table, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico to lay on the table the amendment of the Senator from New Jersey. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announced that the Senator from Florida [Mrs. HAWKINS] is necessarily absent.

I also announce that the Senator from Maryland [Mr. MATHIAS], is absent on official business.

I further announce that, if present and voting, the Senator from Florida [Mrs. HAWKINS], would vote nay.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 54, nays 44, as follows:

[Rollcall Vote No. 85 Leg.]

YEAS—54

Abdnor	Gore	Murkowski
Andrews	Gramm	Nickles
Armstrong	Grassley	Nunn
Bingaman	Hatch	Pressler
Boren	Hatfield	Pryor
Chiles	Hecht	Quayle
Cochran	Heflin	Roth
Denton	Helms	Sasser
Dixon	Hollings	Simpson
Dole	Johnston	Stennis
Domenici	Kassebaum	Stevens
East	Laxalt	Symms
Evans	Long	Thurmond
Exon	Lugar	Trible
Ford	Mattingly	Wallop
Garn	McClure	Warner
Glenn	McConnell	Weicker
Goldwater	Metzenbaum	Zorinsky

NAYS—44

Baucus	Durenberger	Melcher
Bentsen	Eagleton	Mitchell
Biden	Gorton	Moynihan
Boschwitz	Harkin	Packwood
Bradley	Hart	Pell
Bumpers	Heinz	Proxmire
Burdick	Humphrey	Riegle
Byrd	Inouye	Rockefeller
Chafee	Kasten	Rudman
Cohen	Kennedy	Sarbanes
Cranston	Kerry	Simon
D'Amato	Lautenberg	Specter
Danforth	Leahy	Stafford
DeConcini	Levin	Wilson
Dodd	Matsunaga	

NOT VOTING—2

Hawkins	Mathias

So the motion to lay on the table was agreed to.

□ 1550

Mrs. KASSEBAUM. I move to reconsider the vote by which the motion was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I have been asked by the distinguished minority leader what the schedule may be for the balance of the day.

Mr. BYRD. Mr. President, may we have order in the Senate while the majority leader is telling us what the schedule will be?

The PRESIDING OFFICER. The Senate will be in order. Those people wishing to conduct conversations will do so outside of the Senate Chamber.

The majority leader.

Mr. DOLE. I have been asked by the distinguished minority leader what the program may be for the balance of the day and maybe even the balance of the week. I cannot report on the balance of the week, but I would indicate that at least until about 6 or 6:30 it is our hope to stay on this resolution. I guess my colleague from Kansas [Mrs. KASSEBAUM] will be the manager on this side. I understand that the Senator from New York has an amendment. There could be a rollcall vote.

□ 1600

Mr. MOYNIHAN. The majority leader is correct.

Mr. DOLE. We will try to conclude by 6 or 6:30.

Mr. MOYNIHAN. I thank the distinguished majority leader.

AMENDMENT NO. 1815

(Purpose: To restore funding for the Work Incentive [WIN] Program in the Congressional Budget Resolution for the U.S. Government for fiscal years 1987, 1988, and 1989)

Mr. MOYNIHAN. Mr. President, I send an amendment to the desk for myself, Mr. MITCHELL, Mr. KENNEDY, Mr. KERRY, and Mr. COHEN, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN], for himself and others, proposes an amendment numbered 1815.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, increase the amount on line 3 by $174,000,000.

On page 2, increase the amount on line 4 by $205,000,000.

On page 2, increase the amount on line 5 by $211,000,000.

On page 2, increase the amount on line 8 by $174,000,000.

On page 2, increase the amount on line 9 by $205,000,000.

On page 2, increase the amount on line 10 by $211,000,000.

On page 2, increase the amount on line 19 by $211,000,000.

On page 2, increase the amount on line 20 by $211,000,000.

On page 2, increase the amount on line 21 by $211,000,000.

On page 2, increase the amount on line 24 by $174,000,000.

On page 2, increase the amount on line 25 by $205,000,000.

On page 3, increase the amount on line 1 by $211,000,000.

On page 5, increase the amount on line 5 by $174,000,000.

On page 5, increase the amount on line 6 by $205,000,000.

On page 5, increase the amount on line 7 by $211,000,000.

On page 5, increase the amount on line 10 by $211,000,000.

On page 5, increase the amount on line 11 by $211,000,000.

On page 5, increase the amount on line 12 by $211,000,000.

On page 5, increase the amount on line 15 by $174,000,000.

On page 5, increase the amount on line 16 by $205,000,000.

On page 5, increase the amount on line 17 by $211,000,000.

On page 16, increase the amount on line 13 by $211,000,000.

On page 16, increase the amount on line 14 by $174,000,000.

On page 16, increase the amount on line 22 by $211,000,000.

On page 16, increase the amount on line 23 by $205,000,000.

On page 17, increase the amount on line 6 by $211,000,000.

On page 17, increase the amount on line 7 by $211,000,000.

On page 33, increase the amount on line 13 by $174,000,000.

On page 33, increase the first amount on line 14 by $205,000,000.

On page 33, increase the second amount on line 14 by $211,000,000.

On page 44, increase the amount on line 6 by $174,000,000.

On page 44, increase the first amount on line 7 by $205,000,000.

On page 44, increase the second amount on line 7 by $211,000,000.

The PRESIDING OFFICER. The Senate is not in order. The Senator from New York has the floor. Those wishing to conduct conversations will kindly remove themselves from the Chamber.

Mr. MOYNIHAN. I thank the Chair for his courtesy.

Mr. President, on behalf of myself and original cosponsors—Senators MITCHELL, KENNEDY, KERRY, COHEN, SIMON, DIXON, BOREN, and GORE—we have sent to the desk a simple amendment which will continue the Work Incentive (WIN) Program established in 1967 with the goal of assisting recipients of Aid to Families with Dependent Children—in the common usage of our day, welfare mothers—to find work through training and placement services provided by the social welfare and employment agencies of State government.

This is basically a shared Federal-State program. There are matching funds, and the funds are very modest, if you will consider the dimension of the issue they address. We are proposing $211 million a year; that the program be continued for each of the 3 fiscal years—1987, 1988, 1989—of the budget; and that the Finance Committee raise the revenues that will be required.

Mr. President, I can speak with a certain experience of the origins of this program, which was enacted in 1967. Following the great increase in welfare dependency that began in the mid-1960's, associated with a number of things, of which the most powerful were demographic changes in the population, as the baby boom reached its maturity, some went on to graduate school and others went on to conditions of dependency. And the Nation began to be deeply concerned.

The administration at that time, when we had an active Office of Economic Opportunity, an active effort to eliminate poverty, saw that 95 percent of the adult recipients of welfare were females—often young women, often very young women, increasingly very

young women indeed. They found themselves with children and abandoned and, characteristically, with very few job skills, and especially no access, no entree into the job market. They were at home with their children and often isolated in the inner cities, often isolated in the hills; no one thinking: "How can we get you out of this situation and get you to work?"

Mr. President, when this began, it was a controversial program. There were those who, out of concern—I think misplaced concern—for welfare recipients, opposed the programs. That was a time when it was still not common for mothers of young children to return to the work force.

In the 20 years that have passed, we have seen a great change in that regard. It is now the normal experience of mothers of preschool children to find day care and return to work. And this, among other things, accounts for the expectation and the desire that recipients of public assistance should do so as a normal and desirable arrangement.

Mr. President, two thing we have learned—if we have indeed learned anything—from the efforts to deal with the problem of poverty. One is that it affects a much larger portion of our population than anybody has ever previously assumed. It has taken us time to learn this.

A few years ago, we were able to make reasonably competent forecasts that of the children born in 1980, 32 percent would be recipients of public assistance—of the AFDC Program—before they were 18 years of age. I repeat: A third of the children born in 1980 will be on welfare before they reach maturity. Will they be on welfare for 18 years? No, they will not. A very small portion will—5 or 10 percent at most. The greatest number will be on for periods of 1.5 or 2 years, sometimes repeated.

We have learned that a large number of our population comes in and out of that poverty zone—up and down, about that line—and that the critical factor in coming out of that circumstance invariably is in finding employment.

I said that the first thing we have learned is that a large portion of our populace is at risk and actually experience dependency. A part from the public schools, there is no Government program which affects as many children, as large a proportion of children, as does the AFDC Program.

The second of the things we may be said to have learned is that it takes a long time to learn how to change the trend of events; that programs mature very slowly; that results come in very slowly. I mean, you could almost see the statistics. It takes 20 years to find out what the after-effect of a school program is, of early childhood education, job training, and such efforts. We are learning our way with a set of problems that really are new.

In early childhood education, the original notion was that you just had to bring children to school a year earlier and they would automatically be a year ahead of themselves. We did, in fact, find that people learned quickly; but we also found those gains seemed to fade as children who started school later caught up. But then we learned, no, that if you are patient, if you will wait 20 years—the Ypsilanti experience, for example—you find differences, differences in job performance, in personal behavior, in qualities that make for generally successful, effective living. It takes 20 years to find that out.

So, in order to learn what the effect of a preschool program provided to 4-year-olds is by the time they are 24, you have to wait 20 years. You have to track them.

The same thing happened with WIN. The early experiences, the early programs, were not very effective, on the whole.

□ 1610

The problems turned out on the whole to be much more difficult than we had thought. There is always a little creaming effect as program managers will say. There are some people obviously trainable and employable and just temporarily out of funds and with a dependent child but easily placed. But others are much more difficult.

Much to the disadvantage of these programs, they were often oversold in their early years. There is an example, Mr. President, and I mean no disrespect when I cite it, that when President Reagan was Governor of California, he launched a Community Work Experience Program. It was supposed to deliver 30,000 jobs, but at its peak it managed only slightly more than 1,000 placements, most of them invented by government itself.

Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks an important article by David L. Kirp in the current issue (spring 1986) of "The Public Interest" entitled "The California Work/Welfare Scheme."

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MOYNIHAN. Mr. President, in passing I might note that in this 21st year of "The Public Interest," with which I have been associated from its first issue, once again we have a large section entitled "Poverty, Welfare & Workfare." The main thrust is to say well, we are learning, we are learning a little bit.

Now, in California today, in contrast to the efforts of the mid-1970's, which had little to show, there is a program that Governor Deukmejian has begun, called Gain [Greater Avenues to Independence], and it has real results to show.

Similarly in Massachusetts, Governor Dukakis has commenced a program known as ET, for Employment and Training—a reference to the movie—which has had very real success. Success, I might note, in the context of a very successful economy, but a success nevertheless.

So, we are beginning to learn more about this. The Manpower Demonstration Research Corp., located in New York City, has been studying WIN programs in about 11 States and finding, yes, there is a measurable improvement in experience of people who go through them as against those who do not. And maybe just now at the end of the second decade of the program, we are learning how to make it work. Indeed, even as we learn, how much more pressing is the need to do so as we learn how extraordinary a number of children find themselves in this situation of dependency.

I might make one other point, Mr. President, and conclude at this time, as I see my distinguished friend from Maine is on the floor. The interesting thing about the current period is that the real experimentation, the real learning in this program, is going on in a certain number of States where you have Governors taking these initiatives. In New York State, Governor Cuomo just spoke about this to the American Society of Newspaper Publishers. There are Governor Deukmejian in California and Governor Dukakis in Massachusetts: there are others. They are all acting in the great tradition of federalism as the seedbed of experiment and learning.

Richard Nathan, who was a very distinguished assistant to Governor Rockefeller in Albany, later an assistant to President Nixon here in Washington, now professor at the Woodrow Wilson School at Princeton, recently in the Washington Post described this phenomenon under the term, and a careful writer as he does not use such words easily, "A Welfare Revolution" and then underneath, the subtitle, "quietly, in the States."

Mr. President, I ask unanimous consent that Dr. Nathan's essay be printed in the RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Apr. 10, 1986]

A WELFARE REVOLUTION

QUIETLY, IN THE STATES

(By Richard Nathan)

For 20 years, welfare reform has been the Mount Everest of American domestic policy. Politicians have tried to climb it because it was there. The history of these ascents has been controversial. The proposals have been mostly comprehensive grand designs, made

in Washington. One's position has been a test of one's ideology.

As a former participant, I now believe these earlier efforts to establish a negative income tax or guaranteed income system were the wrong approach to welfare reform. But in the past five years, there has been a subtle and little-noticed shift toward an alternative. A new consensus is emerging, emphasizing jobs and with state governments in the driver's seat.

In over two-thirds of the states, there is activity under the heading of "workfare," which I believe may turn out to be the real welfare reform. In this process, the meaning of the word "workfare" is subtly changing. In the 1970s, workfare was anathema to liberals who often damed it as "slavefare." The meaning of the term in this period was narrower than it is now. It referred to the single approach that people on welfare should "work off" their benefits. They should engage in public service jobs (often condemned as "make work") for an amount of time equal to some wage rate (such as the minimum wage) divided by their entitlement to welfare assistance.

Historically, this has been the approach to welfare for adult men without families under state and county assistance programs. In 1971, the federal law was amended to require that a woman in the then fast-growing Aid to Families with Dependent Children program register for work and accept a "suitable" job if one is available and if her youngest child is over 6 years of age. This requirement does not say that states and counties have to set up jobs—only that if a suitable job is available (along with child care) an AFDC family head is required to accept it.

Ten years later, Ronald Reagan tried to move even further in this direction. He proposed that states be required to provide jobs to all AFDC family heads, again with children over 6 years of age and where child care is available. Although Reagan succeeded in 1981 in obtaining passage of fundamental welfare changes removing many working poor families from the AFDC roles, he was not successful in winning enactment of universal and compulsory work as a condition of the receipt of AFDC benefits. Congress instead said that the states could test the approach along with other employment approaches to welfare reform.

The important new activity being undertaken by over two-thirds of the states involves tests under this new authority, although on a broadened basis that also includes job preparation and job search activities. The states are using a variety of approaches; they can be arrayed on a continuum according to the degree and character of the obligations imposed under these new state systems.

The welfare reform programs of Michael Dukakis, governor of Massachusetts, and George Deukmejian, governor of California, bear particularly close watching. The Massachusetts program called "ET Choices" is the most liberal test of employment approaches to welfare reform. (ET stands for employment and training.) The emphasis in Massachusetts is on job preparation and placement services, not on compulsory work experience. This approach can be contrasted with that of states such as Utah and West Virginia that have a strong tradition of mandatory community work experience for welfare family heads.

California's program stands out as the most ambitious new state welfare reform in the nation. In 1985, the state enacted legislation to provide "Greater Avenues to Independence"—abbreviated, of course, as GAIN—for all qualifying welfare family heads. Under this program, all counties in California are to set up new systems to provide a range of services—training, education, job counseling and job placement. Eligible welfare recipients are required to participate in one or another of these services. If the services are not successful in getting an eligible AFDC family head into the work force, they are followed by six months or one year of "relevant" community work experience in a presumably useful (not "make work") public service job. It is estimated that California will spend as much as $300 million per year on this program, not counting the expected welfare savings, when GAIN is fully implemented. This is more than the federal government spent in 1985 for the nation as a whole on welfare employment and training programs under its work incentive (or WIN) program.

It is not yet clear what will happen under the California or other new state welfare reform programs in the turbulent environment of Gramm-Rudman-Holllings. This quiet state-focused revolution is, in effect, an attempt to change welfare as an institution and, in the process, to reduce the stigma of welfare both for recipients and for the society. But such change does not come easily.

The Manpower Demonstration Research Corporation, based in New York City, has conducted eight state demonstration research projects on variations of the work and welfare approach in which more than 35,000 people have been assigned either to a new program or a comparison group. The results of these demonstrations so far, including one in San Diego that was a model for the California GAIN program, have been promising. However, the earnings and work increases achieved are not all that large. and furthermore there is variation among the states in these terms. One clear lesson from these state experiments is that it is bound to take time to deal with the accumulation of generations of the terrible problem of very high rates of single-parent families among the poor.

But there is new hope. The states are serving as testing grounds for welfare reform on a basis that involves a delicate balancing act by liberals and conservatives. Job-focused institutional changes to reduce the stigma of welfare are the essence of the new approach. It is too early to draw conclusions about its efficacy. But it certainly bears close watching: it could be the real welfare reform.

Mr. MOYNIHAN. It is happening in the States. In every one of the programs that I have described an essential element to the funding has been the WIN program: modest, a small sum, but a critical lever. It would be our view that this is no time to give up on America's dependent poor; no time to say, "There is no work for the likes of you, stay on welfare, do not find an independent and self-respecting and self-sufficient life for yourself and for your children."

Mr. President, I see that my colleague is on the floor, the distinguished Senator from Maine. I am happy to yield him such time as he may require.

The PRESIDING OFFICER (Mr. EVANS). The Senator from Maine.

Mr. MITCHELL. Mr. President, I thank the Senator from New York.

I rise to speak in support of the amendment sponsored by Senators MOYNIHAN, myself and many others, to restore funding for the Work Incentive Program.

It is important for Senators to understand that this amendment will not provide any increase over the current funding level for this program. It will keep it at the current level of funding. The budget resolution, by contrast, proposes to totally eliminate the program.

Now this program, work incentive, is the only source of Federal funds specifically dedicated to helping recipients of aid to families with dependent children achieve self-sufficiency.

Since coming to office in 1981, the President has repeatedly expressed his support for the concept of workfare for welfare mothers. Yet at the same time, he now supports the elimination of the only program that is specifically dedicated to enable welfare mothers to get jobs and get off welfare. This is a total contradiction.

The WIN Program emphasizes placing the minimum number of participants in self-supporting employment to reduce the Nation's welfare costs. Under the WIN Demonstration Program, States are encouraged to tailor their programs to the specific circumstances within each State.

In my home State of Maine, one of our Nation's smallest in terms of population, over 4,500 welfare recipients have found jobs since the start of the WIN Demonstration Program in 1982. This has resulted in reduced spending for welfare of $1.5 million.

Maine's demonstration program, which is entitled "Welfare Employment, Education and Training Program, or WEET, emphasizes education and training for recipients to enable them to be placed in long-term employment.

Let me give just a couple of examples:

One young single mother of two school-aged daughters had been an AFDC recipient for 3 years, living near the State capital of Augusta. Her AFDC grant was $370 a month, paid for by the taxpayers. She then joined the demonstration program. Under that program she attended the Eastern Maine Vocational Technical Institute for 2 years. During that time she received financial support for child care and transportation.

Today, this former welfare mother is employed as a carpenter earning over $1,200 a month, more than three times the amount she received while on welfare. She is better off, her family is better off, and the taxpayers are much better off.

□ 1420

Another WEET participant, a high school dropout, who had been an AFDC recipient for 4 years, was able to receive a high school degree and an associate degree from Bangor Community College, majoring in chemical addiction counseling. This woman is now employed as a family counselor in a substance abuse treatment program in Ellsworth, ME, earning five times the amount she received on welfare. She is better off. Her family is better off. And the taxpayers are better off.

Mr. President, as these cases illustrate, the WIN Program is not a "make work" program. In Maine, as in many other states, the WIN Demonstration Programs are specifically designed to allow a welfare recipient to enter an educational program of some type which will give her the education and training to permanently change her employment status.

To eliminate this opportunity for those who seek an education or training for a specific career that will allow them to become self-sufficient, productive taxpaying members of our society, is truly shortsighted, not only in terms of the individuals involved who otherwise will be consigned to permanent dependency on welfare, but also in terms of the cost to society and specifically to the Federal Government. This program costs the Federal Government about $200 million a year but this investment is returned twofold in savings to the Federal Government in reduced welfare payments.

Let me repeat that for my colleagues. The reduction in welfare costs that are attributable to this program are double the amount that the program costs. So if anyone wants to just disregard the human element, disregard the factors involving the lives of these individuals, disregard the effects on their families, the enormous corrosive effects that unemployment and welfare dependency has, and wants to think solely in dollar terms, this is an investment which provides a benefit in dollar terms to Government in reduced welfare costs.

Some critics of the WIN Program contend that those welfare recipients who are placed in jobs would have gotten jobs anyway, without the program. I disagree with this conclusion. In Maine, as in many other WIN States, case after case illustrates that the education and training acquired through the assistance of the WIN Program makes the crucial difference between an unskilled, dead-end job or, more often, no job at all, and, on the other hand, a career which requires skills and training and provides a future and makes the person a productive, taxpaying member of society with a much higher level of self-esteem.

In a 1985 report, the General Accounting Office concluded that state AFDC employment and training programs financed by WIN were exhibiting encouraging progress in reducing welfare dependency. The House Government Operations Committee, following an examination of State programs, concurred with GAO's conclusion and recommended that funding for WIN be continued.

Our States have made a commitment to the program because they have seen it work at the State level. In 1985, the Maine State Legislature, facing the same fiscal crisis and restraint that every other State government faces, nonetheless voted to increase funding for the State's share of this program by 40 percent, bringing the State's share of the overall program's budget to nearly one-third.

We cannot afford to reduce education and training opportunities for welfare recipients in this country. We must encourage and support people to seek training which will enable them to break out of the cycle of poverty and welfare dependency once and for all. The WIN Program offers what is the best hope, and, in many cases, the only hope, of achieving that goal. It has been successful in many States all over the country, under Democratic Governors and Republican Governors, under conservative Governors and liberal Governors, under legislatures of mixed political views.

We must work to ensure that it will continue to provide a foundation for innovative programs which have as their objective the reduction of both welfare dependency and cost to the Federal Government.

I urge my colleagues to support this worthwhile amendment.

The PRESIDING OFFICER. Who yields time?

Mr. MOYNIHAN. Mr. President, first may I thank the Senator from Maine for his very careful and gracious reminder that we are talking about the lives of children. And there ought to be more people on the floor as we do, if I may say.

I yield to the distinguished Senator from Massachusetts such time as he may require.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I welcome the opportunity to join with my friend and colleague, the Senator from New York, and others in urging the Senate to accept this particular amendment. The case has been made, I think, by the principal sponsors of this legislation, the reasons and justifications for the support of this program.

I serve on the Labor and Human Resources Committee and I have served on that committee now for some 23 years. During that period of service, we have shaped and fashioned various programs to try and help and assist those individuals who are on some kind of assistance program, on welfare programs, to be able to find some way, some path so that they would be useful and constructive and productive members of their community and of their society. And over that period of time, we have had some programs that have had success and others that have not.

But I must say, Mr. President, in the evaluation of the program which we are considering today, the WIN Program, in any review or evaluation of that program, one has to be convinced of the success of it and what it has done to stimulate various variations of this program in a number of different States.

In my own State of Massachusetts, $6 million of the WIN Program is combined with $24 million from the State. This is an effective kind of a matching program. the Federal Government has put in $6 million and the State has put in some $24 million in the development of what we know in Massachusetts as the ET Program. Mr. President, the figures are rather interesting and rather dramatic. Eighty-six percent of the individuals who have gone through this ET Program are not on welfare 1 year later.

Mr. President, we all know the fact that we do not or we should not encourage the heads of household—mothers, for example, that have children under the age of 6—and yet we find that in Massachusetts we have some 16,000 individuals, many of them women heads of households, whose only desire is to be able to develop the skills in order to be constructive and productive heads of households providing for their family, living in the kind of dignity in which they ought to be. And thousands of those individuals are today waiting to be able to enlist in that program and to be freed from the shackles of dependency that welfare programs provide to many of these individuals.

Mr. President, the argument has been made about the savings that this program has meant in dollars and cents for the taxpayers of Massachusetts and for the Federal taxpayer as well. We are not just advocating this, although I do believe that it stands on its own, on the merits for successful training program and education program and getting people onto the job rolls and off welfare rolls. But when you cost this out in dollars and cents, which so often guides the judgment of the Members of this body, when you cost it out, it is going to save the taxpayers, at the Federal level and at the State level, millions of dollars over any period of time.

So, Mr. President, I hope that this amendment will be accepted. I think it is absolutely irresponsible to zero this program out, as has been recommended. The recommendation effectively will provide just a continuation of the

program. There will be some opportunities for perhaps expansion, as other States are moving into programs like we have seen in Massachusetts, and a number have indicated that they are doing so, cities are doing so. And in a number of different places around this country it has been successful. It is successful. The lessons that we are learning from this program, I think, are enormously hopeful in terms of how we are going to deal with the millions of people across this country who are on welfare.

□ 1630

A final point I would make, Mr. President, is that one of the extraordinary developments we have seen in recent times is the fact that the single heads of household are predominantly women. In increasing numbers, increasing percentages across this country, 90 percent of those that get jobs through this ET program are women. In our State of Massachusetts this has had an enormous impact not only for those individuals but certainly for the children as well.

So as the Senator from New York has pointed out, this is not only a program just on those individuals. It is affecting families. We hear a great deal in this body about the support for the families, and how we ought to be doing more for the families of America. This amendment does something for families in our country. It really is the lifeline, and the hand up rather than the handout for millions of Americans. I hope the Senate will accept the amendment.

Mr. President, no principle is more fundamental to the long success and continued vitality of this Nation than the idea that there should be opportunity for all citizens to lead productive and rewarding lives. Yet, daily, millions of citizens wake to a morning that brings no hope or opportunity because there are no jobs for them. We should never underestimate the destructive effect of this dead end on the human spirit of those who face the implicit judgment that they are useless, of no account. The dark shadow of that judgment has fallen on millions more Americans in the last few years; they join other Americans for whom economic recovery has always been other people's news.

For these people, we have created a safety net of Government support to cushion their fall and make less painful their destitution. Yet, for most, the net is not enough. Benefits in many States for families with dependent children are manifestly, structurally insufficient to pull a family out of poverty. And food stamp benefits, low as they are, are insufficient to put food on the table for many days each month.

In recent weeks the media and even the President's State of the Union Address have drawn attention to these Americans, but have left the unfair and inaccurate impression that the poor somehow prefer to be destitute—perhaps too lazy to find and keep work.

That impression is wrong. Long-term studies that followed poor families over a 10-year period have found that the great majority of the poor—80 percent or more—pull themselves out of poverty within 1 to 4 years. No culture of dependency describes them. I am reminded of the many farmers and their families I met when I was in Missouri last December. These men and women and their children are up working in the bitter Midwestern cold well before sunrise, and they work hard all day for what may not be enough to keep them out of bankruptcy and poverty. These Americans and millions of others like them have fallen on hard times caused by economic forces they cannot control and that few people in this town even claim to comprehend.

It is our duty to make swift their passage from dark times to bright days by using the resources of Government and private business to show the way. And it can be done.

For some of the remainder, most of whom live in families headed by a single female, the safety net has become a web: They remain dependent on public assistance for years.

They lack the skills and resources to take advantage of opportunities; and our duty is to provide them with those skills and resources, they will do the rest. There is some growing sense that their problems are their own, caused by their mistakes, and that we should not reward their errors with cash assistance—that somehow hunger is the precondition of ambition and that those who are poor would escape it if only we made them poorer still. That has been tried, and it does not work. Real AFDC benefits have fallen 30 percent in the last 10 years, and yet there are more poor. States with miserly benefit levels only increase misery, not employment.

There is a way out, and State after State has shown the way with the use of Work Incentive Program funds. My own State of Massachusetts has shown the way. The employment and training program, enacted under Governor Dukakis, provides career counselling, job training and employment placement for potential earners who receive AFDC. The program recognizes that the poor want to work: that the will is there and all they need is a way.

And the program is a booming success. Beginning in October 1983, ET has placed 23,000 welfare recipients into full or part-time jobs: average salaries are nearly twice the welfare grant; 86 percent of those who leave welfare through ET are still off the rolls 1 year later. Out of 85,000 welfare families, 20,000 have been placed into jobs, 12,000 are currently enrolled in ET programs, and 16,000 are on the ET waiting list.

And the program saves money. Massachusetts has saved the Federal and State governments $70 million since the program began—even after training costs, child care, and transportation allowances, Massachusetts saves $3,000 for every recipient who takes a job. But Mr. President, the bulk of these savings—in reduced AFDC, food stamp, and Medicaid expenditures—go to the Federal Treasury. And it is the worst sort of self-defeat to now eliminate this program.

Surely the greatest success of the program is the improvement of the lives of its clients. Ruby Sampson and her three children were on welfare for 14 years. After a 44-week ET Training Program, Ruby is now an operating room technician at Brigham and Women's Hospital in Boston. She always wondered how she and her family would get out of proverty. She says that she "didn't see any way out. It was just something like a dream, and this was like a dream come true."

Mr. President, It is often said that the States serve as laboratories in this Federal system. The Massachusetts program is a success. California has had great success in its San Diego WIN Program. Maryland, Maine, and others, State after State, have found with different programs, the keys to opportunity for our most disadvantaged citizens. We must keep the WIN Program and I urge adoption of the amendment.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, we are very much better for having heard from the Senator from Massachusetts, who was here when this program began, who has watched the development from the Labor and Human Resources Committee, and who has seen over the 20 years in which we have been dealing with this that children have become the poorest group in the American population. A child under 6 is seven times more likely to be poor than a person over 65—almost one-quarter of our young at any given time. We are talking about children, and if I may say, I do not think there are enough people on this floor to hear, but I hope they are listening. And I hope they will at least respond.

I thank the Senator so much.

Mr. COHEN. Mr. President, I rise in support of the amendment offered by the Senator from New York to restore to the budget resolution the $211 million necessary to fund the Work Incentive Program [WIN] at the current services level. Given our supposed commitment to the goal of breaking the cycle of welfare dependency by en-

couraging self-sufficiency, continued Federal support for this program is not just appropriate—it is essential.

WIN is the only Federal program targeting employment training and placement assistance directly to Aid to Families With Dependent Children [AFDC] recipients. The program offers tremendous flexibility to States to design their own programs of training, work and employment with an emphasis on direct placement of participants in private employment and labor market exposure. While I cannot necessarily speak for the success of the WIN Program in other States, I can attest to its accomplishments in Maine.

Currently 6 percent of Maine's families—90 percent of which are headed by single mothers—are on AFDC. The WIN demonstration project in Maine, known locally as the Welfare Employment, Education and Training Program [WEET] provides job counseling, training, placement, child care, and transportation to program participants. Participation is mandatory for AFDC recipients living near 1 of 14 program sites—about half the recipients in the State. Mothers with children under 6 are exempt as are recipients who are disabled or caring for someone who is disabled.

Approximately 1,200 AFDC recipients enter employment through the WEET Program each year. Since its inception in 1982, 4,500 AFDC recipients have gotten jobs through the program. If these same 4,500 WEET participants had not gone to work—if they had stayed on welfare—they would have cost the taxpayers $11.5 million in welfare payments. The cost of the WEET Program over the same time was $6 million. Therefore, the taxpayer has saved almost $2 for every $1 spent. Clearly, at least in Maine, the charges that the WIN Program is not cost-effective, are simply not true. In recognition of the program's success, the Maine State Legislature has increased its share of funding for the program from the federally required 10 to 32 percent.

Cost-benefit ratios are, of course, extremely important in evaluating the success or failure of any program. While not so easily measured, the gains in human potential for those individuals for whom the cycle of welfare dependency has been broken, must also be taken into account in evaluating the effectiveness of the program. Therefore, in conclusion, I would like to note that Maine's WEET Program has not just provided 4,500 jobs, it has changed the lives of 4,500 welfare recipients and their families.

WORK INCENTIVE PROGRAM (WIN)

Mr. GORE. Mr. President, a most basic and crucial need for all people is work. Again and again we hear people saying that they want to be self-sufficient and that they feel better when they can take care of themselves and their families.

Our welfare programs are constant reminders that many people have been unable to meet this basic need. The reasons are complex: lack of education and training; lack of day care and transportation; lack of social and financial stability.

To help build a road to recovery for low-income families, we passed Federal legislation establishing the Job Training Partnership Act and authority for the States to develop new approaches to AFDC employment, including demonstration projects under the WIN Program. With this legislation, we affirmed our belief in the principle that the best welfare program is a good job.

We have seen the positive results from this legislation. Massachusetts, California, New York, and Illinois all have combined JTPA and WIN funds to develop highly effective new jobs programs. Other States are building new programs using the same authority. In October 1985 Tennessee launched a new jobs program, the VICTORY Network. In only a few short months some 925 families have exchanged welfare for work in Tennessee. During the period nearly 3,000 AFDC mothers have volunteered for work.

Why are more States than ever before eagerly developing creative new jobs programs? Why are low-income families responding in record numbers?

The answer is simple. Both JTPA and WIN demo afford the States the flexibility to design jobs programs that are tailored to the needs of the local community. Social workers, educators, and business leaders combine their respective talents to establish meaningful, necessary and well-paying employment opportunities for low-income families. These families, who were once without hope for a secure, nondependent future, now have an opportunity to regain that hope and find that security through their own initative and hard work.

Both the States and families are responding to the opportunity provided by JTPA and WIN demo. There is new vitality to Federal job programs. We see results and we hear encouraging news.

Not long ago, Governor Dukakis of Massachusetts gave glowing testimony to the success of his State's experience with the CHOICES Program, which utilizes both JTPA and WIN funds. In an 18-month period, Massachusetts placed 17,000 AFDC recipients in regular jobs. Ninety percent of those were placed in private sector employment. During the same period, Massachusetts achieved a $50 million reduction in its welfare budget.

Our jobs legislation of recent years has set in motion such programs as those in Massachusetts and Tennessee. Other States have seized the opportunity offered by JTPA and WIN to fashion creative and effective new jobs programs. Our legislation is succeeding beyond our greatest expectations.

In the face of such progress, it is now proposed that we abandon the WIN Program, that we no longer fund a vital part of the State's existing and emerging jobs programs.

By refusing to renew our financial commitment to the WIN Program, we lose the momentum we have gained for 5 years. We lose the opportunity of further reducing our welfare rolls. We lose the chance to strengthen our national work force by adding energetic, capable new persons. And, finally, we lose faith with the AFDC families to whom we have offered the hope of a new, independent life.

I urge my colleagues to support the WIN amendment. Let us continue to give those who seek a better future for themselves and their families a fighting chance to succeed. Let us continue to make available the tools for success—training, support services, and work opportunities.

Mr. MOYNIHAN. Mr. President, I see my friend, the distinguished junior Senator from Massachusetts, is at his desk. I know he would like to speak to this matter of which he is an original cosponsor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Thank you, Mr. President, I thank the Senator from the State of New York not only for affording me an opportunity to speak but also for his leadership on this issue.

I rise as a cosponsor in support of an effort to continue funding for a program that has been—and I hope our colleagues will decide today to continue to be—an important contribution to the effort not only to give people dignity, but to deal with a real problem. It is the issue of how much money we spend in this country to simply support people because they have not had an opportunity to have gainful employment.

Everybody in the Senate—we heard from my colleague, Senator KENNEDY who was here at the beginning of this, Senator MOYNIHAN, who in a different capacity developed much of our policy at a crucial time in our history, and others—understand that this program was an outgrowth of the effort of the war on poverty, and indeed we learned the hard way that some of those efforts in the course of that war on poverty did not work as well as we might have liked. But while we have learned what does not work, we have also learned what does.

But in 1981 WIN demonstration programs were initiated in order to provide the States with greater flexibility to design programs that they felt could address this issue. As a result,

WIN funds became available in a use in a greater variety of work experience activities, and especially in the areas of education and training.

In 1983 when I was serving as Lieutenant Governor of Massachusetts, Governor Dukakis initiated a program of which we in Massachusetts are proud, and which I would call to the attention of my colleagues on the floor today. President Reagan has twice in press conferences on the issue of welfare cited our program an example of what can be done in this country when you make a real effort.

That program, as cited by the distinguished senior Senator from New York, and by my colleague from Massachusetts, is the ET or choices program. That program was based on the concept that welfare recipients wanted to and could indeed choose employment over welfare if they were provided with access in quality training, daycare, medical services, and job placement. Participant involvement was encouraged by providing both attractive and I think realistic choices instead of simply restrictive and punitive penalties for noncooperation.

In Massachusetts, we think we have a success story to tell that should not be ignored. You should not turn your back on the fact that a program is working. If WIN is working, as is its program in Massachusetts, it seems to me that we in the Senate ought to recognize that, particularly in view of the fact that the President has been clamoring for exactly this kind of innovative program by the States.

In less than 2½ years since the program started, 24,000 men and women from the welfare rolls have been taken off of those rolls and put into unsubsidized, mostly private sector jobs for an estimated savings of some $70 million. If you reach beyond the simple savings outlays of these programs that AFDC recipients were on, and look beyond that into the spinoff incidental savings—Medicaid payments, food stamp payments, new revenues from Social Security contributions, income taxes, and sales taxes—the savings are well over $100 million.

I think it makes sense to embrace that kind of opportunity we have found in WIN. This is not an expenditure amendment. If you look at those savings which are real, if you look at those people who have been taken off welfare and you were to extend this program to the rest of the country, it would pay for itself many times over. No Senator here today should believe that they are being called on to merely expend an additional almost $200 million which will somehow go down a proverbial path of many Federal expenditures. That is not what we are talking about here. This is a program which has shown through proven results not only in Massachusetts but in other States that it can work.

I think what is also important, Mr. President, is to recognize that this is at the center of what President Reagan and the administration have been asking us to do. This program is exactly the kind of program that President Reagan has suggested we ought to be implementing, has talked about nationally, and that Republicans all across this country have long sought.

So I would ask, and I hope my colleagues will agree, that since this money represents the only source of Federal money specifically dedicated to helping recipients of AFDC achieve economic self-sufficiency, that we not turn our backs on continuing that effort to give them that economic self-sufficiency. For as all of us know, that self-sufficiency will serve to help all of our citizens.

There is a recent article in the Washington Post entitled "A Welfare Revolution," which was written by Richard Nathan, who was a Deputy Under Secretary for Health, Education, and Welfare, in the Nixon administration and who currently teaches at Princeton. He writes:

For 20 years, welfare reform has been the Mount Everest of American domestic policy. Politicians have tried to climb it because it was there. The history of these ascents has been controversial. The proposals have been mostly comprehensive grand designs, made in Washington. One's position has been a test of one's ideology.

As a former participant, I now believe these earlier efforts to establish a negative income tax or guaranteed income system were the wrong approach to welfare reform. But in the past five years, there has been a subtle and little-noticed shift toward an alternative.

□ 1640

A new consensus is emerging, emphasizing jobs and with State governments in the driver's seat. In over two-thirds of the States, there is activity under the heading of workfare which I believe may turn out to be the real welfare reform.

Then it cites specifically not only the program in California with Governor Deukmejian, but the "ET" program in Massachusetts under Governor Dukakis.

I would hope, Mr. President, my colleagues will not lose this opportunity to continue this experiment, to continue to let this subtle, State-driven, State-generated product see the light of day and full fruition in such a way as to relieve enormous burdens from the Federal budget, which we will pick up in some other way if we do not pass this amendment. We must not deny this opportunity to continue to give people a program that works and makes them contributing members of society.

I urge the Senate to adopt this amendment today.

Mr. President, I ask unanimous consent that the article from the Washington Post and an editorial from the Boston Herald be printed in the RECORD.

If I might comment with respect to the editorial in the Boston Herald, the Boston Herald has supported President Reagan in his significant efforts to reduce the deficit. They have been supportive along the road on Gramm-Rudman and other restrictions. But in this particular editorial they made very clear that they think the administration is biting off the hand that is attempting to feed it, and that it is a very short-sighted move.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[Editorial from the Boston Herald]

SAVING ET A MUST

Could it be that the right hand of the Reagan administration doesn't know what the left hand is doing? While the president is praising the accomplishments of Massachusetts' remarkably successful Employment and Training-Choices (ET) program, federal bureaucrats are busy drafting regulations that would virtually outlaw it.

In an age of 24-hour political hand-wringing over the millions spent on welfare, ET's record of substituting pay checks for welfare checks—for some 25,000 of its graduates in the past 2½ years—has become the envy of the nation. Even President Reagan acknowledged that on at least two recent occasions.

The federal snag centers on a Reagan administration budget proposal that says welfare recipients across the country must spend time looking for a job or performing some public service to receive welfare checks. ET participants only hunt jobs after concluding training, and do not perform public service tasks in return for welfare checks.

We fail to see why make-work public jobs are preferable to honest-to-goodness private sector employment. But that failure to participate in a Workfare-like program could, under the president's pending legislation, bring a cutoff of some $250 million a year in federal welfare funds.

We hope the Massachusetts' congressional delegation will be able to amend the budget proposal or perhaps obtain a waiver so ET can continue.

The state now provides ET with $35 million, but will have to toss in another $6.5 million if the federal funds are yanked in a move that certainly seems to fly in the face of the Reagan outlook on welfare: giving people the self-esteem of job-holders by making them productive members of society.

Massachusetts taxpayers stand to gain $107 million this year in reduced welfare costs. Every state should be so fortunate.

If the federal government can't see the obvious benefits of ET, the state should make up the difference from its revenue surplus. ET was too hard to find and is too valuable to lose.

[From the Washington Post, Apr. 10, 1986]

A WELFARE REVOLUTION

QUIETLY, IN THE STATES

For 20 years, welfare reform has been the Mount Everest of American domestic policy.

Politicians have tried to climb it because it was there. The history of these ascents has been controversial. The proposals have been mostly comprehensive grand designs, made in Washington. One's position has been a test of one's ideology.

As a former participant, I now believe these earlier efforts to establish a negative income tax or guaranteed income system were the wrong approach to welfare reform. But in the past five years, there has been a subtle and little-noticed shift toward an alternative. A new concensus is emerging, emphasizing jobs and with state governments in the driver's seat.

In over two-thirds of the states, there is activity under the heading of "workfare," which I believe may turn out to be the real welfare reform. In this process, the meaning of the word "workfare" is subtly changing. In the 1970s workfare as anathema to liberals who often damned it as "slavefare." The meaning of the term in this period was narrower than it is now. It referred to the single approach that people on welfare should "work off" their benefits. They should engage in public service jobs (often condemned as "make work") for an amount of time equal to some wage rate (such as the minimum wage) divided by their entitlement to welfare assistance.

Historically, this has been the approach to welfare for adult men without families under state and county assistance programs. In 1971, the federal law was amended to require that a woman in the then fast-growing Aid to Families with Dependent Children program register for work and accept a "suitable" job if one is available and if her youngest child is over 6 years of age. This requirement does not say that states and counties have to set up jobs—only that if a suitable job is available (along with child care) an AFDC family head is required to accept it.

Ten years later, Ronald Reagan tried to move even further in this direction. He proposed that states be required to provide jobs to all AFDC family heads, again with children over 6 years of age and where child care is available. Although Reagan succeeded in 1981 in obtaining passage of fundamental welfare changes removing many working poor families from the AFDC roles, he was not successful in winning enactment of universal and compulsory work as a condition of the receipt of AFDC benefits. Congress instead said that the states could test the approach along with other employment approaches to welfare reform.

The important new activity being undertaken by over two-thirds of the states involves tests under this new authority, although on a broadened basis that also includes job preparation and job search activities. The states are using a variety of approaches; they can be arrayed on a continuum according to the degree and character of the obligations imposed under these new state systems.

The welfare reform programs of Michael Dukakis, governor of Massachusetts, and George Deukmejian, governor of California, bear particularly close watching. The Massachusetts program called "ET Choices" is the most liberal test of employment approaches to welfare reform. (ET stands for employment and training.) The emphasis in Massachusetts is on job preparation and placement services, not on compulsory work experience. This approach can be contrasted with that of states such as Utah and West Virginia that have a strong tradition of mandatory community work experience for welfare family heads.

California's program stands out as the most ambitious new state welfare reform in the nation. In 1985, the state enacted legislation to provide "Greater Avenues to Independence"—abbreviated of course, as GAIN—for all qualifying welfare family heads. Under this program, all counties in California are to set up new systems to provide a range of services—training, education, job counseling and job placement. Eligible welfare recipients are required to participate in one or another of these services. If the services are not successful in getting an eligible AFDC family head into the work force, they are followed by six months or one year of "relevant" community work experience in a presumably useful (not "make work") public service job. It is estimated that California will spend as much as $300 million per year on this program, not counting the expected welfare savings, when GAIN is fully implemented. This is more than the federal government spent in 1984 for the nation as a whole on welfare employment and training programs under its work incentive (or WIN) program.

It is not yet clear what will happen under the California or other new state welfare programs in the turbulent environment of Gramm-Rudman-Hollings. This quiet state-focused revolution is, in effect, an attempt to change welfare as an institution and, in the process, to reduce the stigma of welfare both for recipients and for the society. But such change does not come easily.

The Manpower Demonstration Research Corporation, based in New York City, has conducted eight state demonstration research projects on variations of the work and welfare approach in which more than 35,000 people have been assigned either to a new program or a comparison group. The results of these demonstrations so far, including one in San Diego that was a model for the California GAIN program, have been promising. However, the earnings and work increases achieved are not all that large, and furthermore there is variation among the states in these terms. One clear lesson from these state experiments is that it is bound to take time to deal with the accumulation of generations of the terrible problem of very high rates of single-parent families among the poor.

But there is new hope. The states are serving as testing grounds for welfare reform on a basis that involves a delicate balancing act by liberals and conservatives. Job-focused institutional changes to reduce the stigma of welfare are the essence of the new approach. It is too early to draw conclusions about its efficacy. But it certainly bears close watching: it could be the real welfare reform.

Mr. MOYNIHAN. Mr. President, as a former Lieutenant Governor, the distinguished Senator from Massachusetts was faced with a problem which was real and immediate, and where the State of Massachusetts seized the opportunity to do exactly what we provided in legislation in 1981. I refer to an addition to the original WIN Program, known as WIN Demonstration. The Senator from Oklahoma, and former Governor, and I offered the legislation. Richard Nathan speaks of the last 5 years. That program was put in place by a Senate with a Republican majority. I hope it will be kept in place.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. BOSCHWITZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. BOSCHWITZ. Mr. President, I rise to oppose this amendment. I would like to speak about some of the things that my colleague from Maine, my colleague from New York, and also both of my colleagues from Massachusetts have talked about.

First, Mr. President, over the years the Congress has gradually reduced the funding of the WIN Program, from $365 million in fiscal 1981 to $220 million in this fiscal year, which is a 40-percent reduction. Indeed, under this particular budget resolution, all funds are going to be eliminated from the program.

That does not mean that the ideas supported by the WIN Program suddenly are going to be without Federal support. I agree with my friend, the junior Senator from Massachusetts, and also the junior Senator from Maine, that this is the only program dedicated exclusively to help those who are on AFDC get back to work, but it is not the only program that provides funds for those purposes.

State and local governments should take the lead and where they have taken the lead, as my colleague has pointed out, the programs have been most effective. Again, the example in Massachusetts and the example in California.

The senior Senator from Massachusetts pointed out that $6 million of WIN funds went into their program and $24 million of Massachusetts money went into it. I note the junior Senator said $8 million went into the program. Then they say they saved $100 million.

Presuming that that $100 million was 50–50 from the State and the Federal Government, the savings would not be $100 million to the Federal Government.

Did my friend from Massachusetts mean to say that the program would save $200 million in the program between the State and the Federal Government? Did the Senator mean $100 million?

Mr. KERRY. Yes.

Mr. BOSCHWITZ. One hundred million dollars overall. So, in the event that program was not underway, the Federal Government would have to bear an additional $50 million of the cost.

I would point out to my friend that, early on in this debate on the budget, Senators ANDREWS and WEICKER introduced an amendment which carried that put $1.2 billion back into function 500 of the budget. As a matter of fact,

that money goes to the very subcommittee that deals with the WIN Program. It may well be that that subcommittee will use some of those funds for the purpose of breathing some new life into the WIN Program.

However, the WIN program has gone down in funds, as I mentioned, from $365 million in fiscal 1981 to $220 million now. Part of the reason has been, it is generally believed that the WIN program is not cost effective; $3 out of $4 of WIN's fiscal 1985 appropriations were spent for State salaries and agency overhead. Less than 23 percent was spent for job training.

I might also say, Mr. President, that under this function, function 500, which is a function encompassing $32 billion with the Andrews-Weicker amendment, that there is a great deal of money already directed toward employment and employment training, some of which money can be used to continue to support, on a Federal basis, the WIN program in Massachusetts.

For instance, $3.6 billion under the Job Training Partnership Act exists. While the WIN program may be the only program dedicated exclusively to apply to those who are on AFDC, certainly a good deal of that $3.6 billion is directed at people who are on AFDC, even though the Job Training Partnership Act is not exclusively directed to AFDC recipients. It is much broader in its scope. It has been a good deal more successful, also.

I would say to my friends from California and Massachusetts that those funds would also be available to continue their very successful programs in those States.

It is my understanding from the staff that the California State budget, on the other hand, has adequate funds to completely fund the program that they have undertaken in that State.

So there are other moneys in this function of the budget to provide these kinds of services. That is the principal reason that the WIN funds have been reduced. The Job Training Partnership Act, the employment training services of the function to which $1 billion is directed, and also the community employment services, by and large, directed to older Americans at $300 million, have been more successful than WIN.

That is why it has been racheted down, so to speak, or worked down, over a period of years.

We are not abandoning those on AFDC. I would say to my good friend from New York that we are not disregarding the individual and disregarding the family, that we are solely thinking in dollar terms. We are not disregarding children. He spoke so feelingly about children.

Not at all. There is still $4.9 billion in this budget that deals with putting those who are unemployed and who may well be on AFDC back to work. So we are not eliminating funds that would be directed at AFDC recipients.

Are we eliminating a program which is exclusively directed at AFDC recipients? The answer is yes.

Are we eliminating the only program that is directed exclusively at AFDC recipients? To the best of my knowledge, the answer is yes, as well.

□ 1650

However, we continue to provide generously in this budget for job training. We continue to provide generously for employment services. We continue to provide generously for the community employment service which deals principally, as I said, with older Americans. And we continue to move down—indeed eliminate in this case—the WIN Program, which has been found not to be cost effective.

Our interest in children, families, saving money, being cost effective, and retraining people continues unabated. Indeed, the Job Training Partnership Act, over the years, has seen its funds rise.

Mr. President, I reserve the remainder of my time.

Mr. CHAFEE. Mr. President, I support the amendment offered by the Senator from New York which would restore funding in the budget resolution for the Work Incentive Program—WIN. The cost of this amendment is $174 million in outlays in fiscal year 1987.

Mr. President, Rhode Island is one of the States which has a WIN program. Last year, the Rhode Island program assisted 1,800 individuals to find full-time permanent employment. Currently, the State is in the process of redesigning its WIN program. The new WIN program will offer an innovative network of employment and training opportunities to welfare recipients in Rhode Island. The State projects that this new design of the program will better enable it to serve the approximately 8,000 individuals eligible for services.

This program is one of the few programs which actually does reduce welfare dependency. It provides a wide variety of services specifically designed to help welfare recipients break out of the welfare dependency cycle. In a time when there is such a focus on the problem of welfare dependency, it seems counterproductive to eliminate one of the few Federal programs which specifically addresses this problem.

I urge my colleagues to join me in supporting this important program.

The PRESIDING OFFICER. Who yields time?

Mr. MOYNIHAN. Mr. President, I ask the Senator from Massachusetts how much time he would like?

Mr. KERRY. Four minutes, Mr. President.

Mr. MOYNIHAN. I yield to him 4 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I simply want to respond, if I may, to my colleague, and perhaps he would like to answer my comments.

I think it is a little bit disingenuous for him, first, to be making the decison here about what moneys can or cannot be put in to make up for this difference.

Second, I think it really does an injustice to the process that we have been going through here, in the Senate, in the past. It is clear that the Governors do not have that kind of flexibility. If we are going to turn around and say that, while taking money away from here, there is still some money in the Job Training Partnership Act or there is still some money in educational assistance, that totally ignores two realities:

First, this is the program that was set up to assist people to get off of welfare.

Second, it ignores the reality that the moment you take programs which are specifically designed to do something and put them under the heading of another program that is specifically designed to do something else, the other program, which is specifically designed to do something else, is the program that wins out.

You are not going to get additional money from housing, from WIC programs, from mass transit funds, from hazardous waste cleanup funds, from education funds, or any other funds in the budget of Federal money refunded to the States because, over the last 5 years, every single one of those budgets has been cut and cut to the bare bone and yet again this year, they are going to be cut.

So it is simply inaccurate to say, oh, there is money over there and oh, there is money over here. This budget contains an overall cut and this is simply one more cut in that process.

I think it is wrong to make that assumption and I think it will ultimately end up shortchanging the very energy and effort of the entire notion of getting people off of welfare and providing funds dedicated to that. If there was ever a program that was dedicated in its effort to do that, I think this is it.

I thank my colleague from New York for the time.

Mr. MOYNIHAN. Mr. President, there is perhaps nothing more to be said this afternoon, except to comment on how little has been said in opposition to the proposal, which clearly can be opposed only with the greatest difficulty.

I thank the Senator from Minnesota for his gracious and moderate remarks. I wish there were many more

of his disposition in this body. There are not.

I observe absolute silence from the other side of the aisle, which I can only regret.

I make one final statement, Mr. President. We have become the first society in history in which the poorest group in the population are children. Never before in history. Always throughout the experience of the human race, poverty has been the condition of the aged. Children have been about as well or badly off as their parents. Something new has happened. It has in fact happened since we enacted the WIN Program.

We were not incapable in the 1960's of seeing these things coming. We saw that this was to be a problem. We did not know how it arose. We were not sure how it could be dealt with. But we tried; we were willing to try.

We are saying that children matter. It is not their fault. You cannot blame the condition of poverty on an 18-month-old child. You can give some effort, some small amount, but we have already cut this program in half in 5 years. Now we are going to abolish it altogether. And no one speaks. No one cares.

They will be talking about work come election day. They will say, "Put them to work"—and all that. But what will they do today? Well, we shall see. Perhaps there will be a change of heart. I hope so, because what we have done in this budget is heartless and we have done it to children. We ought to reconsider it.

Mr. President, I reserve the remainder of my time.

Mr. BOSCHWITZ. Mr. President, I say to my good friend from New York that it really is not proper to conclude that no one cares about children. That is not the case at all. He has served with me on the Budget Committee and knows that procedure so very well. He knows that we have just made an assumption in the budget, that there are still $32 billion in this function and that the appropriators can decide which program is to go ahead and which is not to go ahead. For the purpose of getting to the numbers that are in the budget resolution, we make certain assumptions. Those assumptions are not binding upon the appropriators and the appropriators may indeed entirely disregard them.

I also point out to my friend from New York that in this fiscal year, fiscal 1986, the total function has $30.1 billion—$30 billion $100 million. In this budget as now amended, it has $32 billion, a rise of about 7 percent, which is well above the inflation rate. So that there is a real growth to this particular function.

I also point out to him that the Andrews-Weicker amendment that was passed on the floor also will put $1.2 billion of that $32 billion into the very subcommittee that deals with WIN. It may well be that that subcommittee on the Appropriations Committee decides that the WIN Program should be continued.

What I am trying to say is that the funds are in the overall budget to do this. Yet the budgeteers—and we are both members of that committee—simply have to make some assumptions. These are the assumptions that we have made.

I also point out to my friend from New York that we have not neglected children in the Child Nutrition Program, which is fully funded. We have not neglected children in the AFDC Program, which is fully funded. We have not neglected children in the Food Stamp Program, which is fully funded, nor the WIC Program nor other programs.

It simply is not the case that the Senate, by its vote, would neglect children. That is certainly not our intention.

I point out to my friend once again that the appropriators may well continue this program even though the program spent $3 out of $4 on administrative and employee-type costs and only 23 percent of all the moneys were spent on training.

Mr. President, we are prepared to vote on this side.

Mr. MOYNIHAN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MOYNIHAN. Mr. President, if there is no further desire to speak on this side of the aisle—I should not say aisle, because there are cosponsors from both sides. I see no one having risen. I yield back the remainder of my time.

EXHIBIT 1

THE CALIFORNIA WORK/WELFARE SCHEME

(David L. Kirp)

("There's no use trying," said Alice. "One can't believe in impossible things."

"I daresay you haven't had much practice," said the Queen. "When I was your age, I always did it for half the day. Why, sometimes I believed as many as six impossible things before breakfast."—Lewis Carroll, Through the Looking Glass.)

Four centuries ago, plagued by mobs of angry peasants unable to support themselves, the French city of Lyon put in place its "vision of peace." That "vision" seems peculiarly anachronistic, for what Lyon did bears marked resemblance to the schemes propounded by contemporary architects of welfare reform. The truly needy received cash assistance; the sick got free medical attention; schools were established to teach basic literacy, on the theory that this training would make its beneficiaries more readily employable; and manufacturers who accepted poor children as apprentices received a public subsidy. There was even a version of workfare for the incorrigibles, which took the form of ditch-digging.

The "vision of peace" did not bring an end to Lyon's welfare problem, even as the harsh English Poor Laws, which originated in the same period, did not keep a considerable proportion of Britain's population off the relief rolls. But if the grim historical fact that economic and social conditions have been impervious to the best efforts of the reformers, mean-spirited and kind-hearted alike, if neither the poorhouse state nor the welfare state has been able to bring an end to dependency on terms acceptable to the policy, the aspiration to revise the long-standing trend remains unchanged.

"Welfare is a public business," Gilbert Steiner observed some years ago in "The State of Welfare," whose liquidation under honorable conditions has been a stated goal of America's political leaders from Franklin Roosevelt to Richard Nixon." Nothing has changed since; were he writing today, Steiner could simply substitute Reagan's name for Nixon's. Although there has been much debate over the particulars of policy, in its essentials the statecraft of welfare seems hardly to have advanced. From Roosevelt's time until our own, the disputants have engaged in an endless paraphrase of the famous exchange between F. Scott Fitzgerald and Ernest Hemingway, with some experts arguing that the poor are different from us, others insisting that the real difference is that they simply have less money.

Welfare is an arena littered with failed innovations, the best analyses of whch bear such disheartening titles as "Why is Welfare So hard to Reform?" and "The Elusive Consensus." The rhetoric of policy has evolved from the moral language of obligation to the economists' language of incentives and back again. Policy strategy at the federal level has shifted from the public works programs of the 1930s to the social workers' emphasis on "caseworking" the indigent out of poverty which formed the dominant vision of the Great Society, to the economists' efforts to calibrate what level of support would offer both adequate assistance and an incentive to work. More recently, there has been a single-minded focus on cost-cutting.

Even with these transformations, even the considerable intellectual journey from Michael Harrington's "The Other America" to Charles Murray's "Losing Ground" that we have travelled in just two decades, significant changes in the character of both the workforce and the dependent population have led to a continuous expansion of the welfare rolls, a pattern largely unresponsive to the normal economic cycles. Though the politicians' lexicon still features "solution" as its favorite word, what we have learned is how hard it is to tamper with the conditions of the marketplace and, simultaneously, with the calculus of individual response. Neither the economists' vision of cash grants coupled with inducements to work nor the moralists' single-minded hope of character-building can alone transform welfare dependency.

Yet in seeming disregard of history, and the odds, states are busily testing new approaches to the ancient problem of work and welfare. Invited to experiment by 1981 federal legislation, most states have combined the rhetoric of obligation with the reality of new work requirements and services. Change has been embraced cautiously for the most part, with small programs being closely watched. Some states have insisted that recipients work for their welfare keep; others have developed sequences that commence with instruction in how to find a job

and continue, for those who remain unplaced, with short-term mandatory public employment. Certain initiatives amount to little more than forcing the poor to do the drudge-work; these are twentieth-century versions of ditch-digging in Lyon. But elsewhere, most notably in Massachusetts and California, the combination of generous benefits, sophisticated education and training programs, and child care adds up to something that, though no elixir, holds real if modest promise.

In economic terms, the contemporary welfare dilemma may be phrased this way: How does government provide a reasonable level of benefits and maintain incentives to work, both regarded as good things, without spending at politically unacceptable levels? For all the economists' diligent attempts to devise effective incentive formulas, the conventional response is that this dilemma cannot be resolved, since the goals themselves are mutually exclusive. The best of the new programs abandon the idea of work incentives as unworkable because of the constraints of cost and levels of support. Instead of persuasion, they link benefits with work or training requirements. In the short run, this approach which requires a substantial commitment of public dollars, for training is costly. Yet if it succeeds in moving individuals more quickly off welfare, and moving them off for longer periods, it makes economic sense.

The dilemma of welfare is normative as well as economic: How does one devise a system that helps the needy without also rewarding indolence or folly? Liberals have shied away from imposing their own norms of behavior and inflicting punishment on individuals who violate those norms. For their part, conservatives have stressed the moral importance of sanctions, both to prevent welfare abuse and to preserve the legitimacy of the institution itself. The exemplary new programs seek to resolve this tension by combining high levels of support with sanctions for those who break the rules.

GAIN, NO PAIN

Among these welfare plans, California's GAIN (Greater Avenues to Independence), adopted in 1985, has attracted the great attention. California has built on an already ample benefits scheme, the most generous of any state except Alaska and Hawaii. It has borrowed the most plausible ideas being tried elsewhere, adding a few innovations of its own. The GAIN plan concentrates on an estimated 190,000 welfare recipients, slightly more than one-third of the adults on the welfare rolls, comprising mostly mothers with school-age children; others who are not required to participate, including mothers of preschool youngsters, may volunteer. The state's ambition sounds familiar: to get those recipients into jobs that will keep them permanently out of the welfare system. But the mix of strategies that California has chosen is impressive in its variety as well as in its attentiveness to important differences in the abilities and backgrounds of would-be job seekers.

An initial screening winnows out the non-English speakers on the welfare rolls, providing them with English language instruction before their job searches commence. Welfare recipients are also differentiated on the basis of their past work histories. Because, as recent studies of the duration of stays on welfare conclude, those who have held a job during the last two years can most easily be placed, they are initially enrolled in a three month "job club," where they brush up on the skills needed to get inside an employer's door. For a sizeable number of recipients, that modest training is all that is needed. In a San Diego experimental program, women who participated in job search classes were 20 percent more likely to be employed six to nine months later than those who did not participate.

Those who do not find jobs after the initial job club have alternatives that include up to two years of on-the-job training, subsidized private employment, and vocationally oriented community college. Their preferences are critical. So too is the commitment expected of them. Recipients negotiate a contract with the caseworker that binds both the individual and the welfare bureaucracy; the legal imagery of reciprocal expectations is quite deliberate. Those who have not worked for more than two years skip the job club stage, on the theory that their shortcomings are more basic, and enroll immediately in a training program that fits their preferences and competencies.

Recipients who remain unemployed after having been through a training program are required to work for the state, for no more than a year, in order to pay off their welfare checks. This is what is generally called workfare, but the California variant is a far cry, at least in aspiration, from the punitive schemes that conservatives have long advocated. These workfare jobs are valued at the same hourly rate as the average starting salary in the state, presently over $5. They are intended not as busy-work but as preparation for permanent employment; indeed, supervisors are supposed to know their workers well enough to write references for them. Finally, if there is still no job in sight after a year on workfare, the cycle of training begins again.

California acknowledges that more than training is required if welfare mothers are going to take advantage of what's being offered. That is why there is state aid for everything from personal counseling, designed to ease the transition out of the home, to subsidies for commuting. Most important, and certainly most expensive, California will spend at least $134 million annually (the precise figure depends on actual use) to purchase after-school child care for the offspring of working mothers. This is among the most ambitious public child care ventures since the federal government got out of the nursery business after World War II.

Unlike programs in some states, including Massachusetts, the California program requires that every eligible welfare recipient participate. Recipients who break the rules—who do not show up at their workfare job, for instance—are penalized, ultimately losing a fraction of their welfare checks. But the idea behind the California scheme is not to save money by "sanctioning" people off the rolls and onto the streets. Instead, there is a delicate balance of expectations on both sides, with penalties graduated to induce compliance and elaborate procedural safeguards introduced as a hedge against bureaucratic abuse.

The GAIN program is a patchwork of policy ideas, all of which have been tried before but never in this combination and never with such generous promised support. More noteworthy, in light of the acrimonious history of welfare reform, is the bipartisan support that the plan has generated. The emergent social policy consensus about welfare may matter more than the particulars.

"BROOD MARES" AND "SLAVE FARE"

Welfare has long been a favored terrain for ideologies of both the left and the right. Liberals have regularly insisted that a welfare check is an entitlement that should come with no strings attached, and have assailed the idea of putting recipients to work as institutionalized slavery. Conservatives have sounded even more demagogic when they tell horror stories of ripoff artists—"brood mares," in the all-too-memorable phrase of Senator Russell Long—who pick up their checks in gold Cadillacs.

On this battlefield, workfare has been among the conservatives' favorite weapons. There has been some confusion about who is supposed to benefit, the individual or the society, and this has given the idea of workfare a morally ambiguous cast. Workfare has been presented both as a way for society to get its most distasteful jobs done on the cheap and as a signal that it is fair to require the labor of any able-bodied adult who makes a claim on society's largesse.

Requirements that recipients work for their keep have been on the books since the enactment of the federal Work Incentive (WIN) program in 1968. Those strictures were designed primarily to cut costs, an acute concern in light of the eight-fold increase in the welfare rolls between 1960 and 1970 and the near-universal reliance on welfare benefits by those eligible for them during this same period. "What America needs now is not more welfare but more workfare," Richard Nixon declared at the time. But America got little of either. Benefits ceased to keep pace with inflation, the WIN job training programs were never big enough to enroll more than a tiny fraction of those who are theoretically obliged to participate, and the promised child care rarely materialized. WIN quickly became more a symbol than a program, a way of muting public criticism of the welfare system by identifying the poor as needing more than money for their rehabilitation. But to the recipients themselves—many of whom, to the surprise of conservatives, regarded meaningful work as an attractive idea—the possibility of training proved a hoax.

The inability of WIN to move significant numbers of recipients into a gainful employment led careful observers such as Gilbert Steiner of the Brookings Institution to argue that "the more realistic approach [to reform] would be to accept the need for more welfare and to reject continued fantasizing about daycare and 'workfare' as miracle cures." "Ineffective and inoperative" was economist Henry Aaron's verdict. "To inspire hard work is a laudable goal, but one not likely to be achieved through a work requirement without more authoritarian administration than most Americans are likely to accept."

In no state were the shortcomings of workfare more evident than in California, one of only three states to put such a plan in place during the 1970s. Though the California Work Experience Program (CWEP), launched by Governor Reagan, was supposed to deliver 30,000 jobs, at its peak it managed only slightly more than 1,000 placements, many of them jobs invented by government itself. And the fact that this was a Reagan proposal gave it a highly partisan cast. A 1976 evaluation, conducted by the state's Employment Development Department during Jerry Brown's administration, concluded without evident distress

that CWEP "did not prove to be administratively feasible and practical."

When George Deukmejian became governor in 1982, he pledged to revive workfare on a statewide basis, but strong opposition in the Democrat-controlled legislature blocked his efforts. Those who chaired the key legislative committees damned the concept as "forced labor" and "sing for your supper" and for two years running buried the governor's bill.

Numbers partly explain how the opposition bill lost its dominant position in the workfare debate. During the 1980s, the welfare rolls grew twice as rapidly as the state's population. Recipients were staying on welfare longer and were less likely to report any earnings from work. Welfare costs, $1.7 billion in 1984–85, kept rising slowly but inexorably, fueling resentment among the voters.

Polltakers reported that support for Proposition 13, the widely popular measure that slashed the state's tax revenue in 1978, came largely from a desire to control welfare expenditures. An initiative intended explicitly to reduce welfare stipends failed in 1984, but it was artless drafting—the measure would also have cut medical benefits for the elderly—and not a change in popular preferences that sunk the measure. This widespread unhappiness with the existing welfare system kept the pressure on the politicians to do something.

Data from a San Diego County workfare experiment were also deployed effectively by those who believed that work requirements would have a positive impact. The findings themselves were mixed. Workfare, as opposed to job search workshops, had only a modest effect on recipients' ability to find work; and men who participated in the program benefited little. But the positive evidence was seized upon by the advocates of reform, while their opponents made little use of the counterarguments. Moreover, those enrolled in workfare did not regard themselves as abused by the experience. They expressed enthusiasm for the training they were getting; overwhelmingly, they believed that the work requirement was a fair one. And though the San Diego venture was small, with only a fraction of new welfare applicants required to go through both job search and workfare, it suffered none of the administrative snafus that would have branded workfare as itself administratively unworkable.

THE GIVE AND TAKE OF REFORM

Most important to the success of welfare reform in California was the transformation of the issue from a question of ideology to a question of interest-group politics. If welfare is comprehended in ideological terms—as a matter of waste, fraud, and abuse on the one side; as a matter of unconditional entitlement on the other—then there is no room for bargaining. The genius of the key negotiators, Democratic Assemblyman Art Agnos and Republican Secretary of Health and Welfare David Swoap, was to develop a set of shared principles about what constitutes a just welfare system; what then became negotiable were the particulars. Using that strategy, Agnos and Swoap altered the basic character of the issue, building a program that borrowed from both liberal and conservation conceptions of fairness. The critical shifts were the Democrats' willingness to impose work requirements, including sanctions that gave bite to those requirements, and the Republicans' willingness to underwrite sizeable new training and child care, transforming obligations into potential opportunities.

The transformation of the welfare issue in California is not without its ironies. It demonstrates that reports of the demise of a welfare strategy emphasizing the delivery of services (rather than a guaranteed income) to the poor—the approach that was much in vogue during the 1960s—have been greatly exaggerated. And it provides a back-door route to substantial increases in welfare expenditure, substantially redistributing resources to the poorest segment of the society. The intention of the initial proponents of workforce was precisely the opposite; to reduce levels of public spending by cutting welfare costs.

Redefining the terms of the welfare-workfare debate had powerful political consequences. Swoap was able to persuade Governor Deukmejian that workforce was not an end in itself but just one among many ways of reaching the goal of lessening welfare dependency. This shift led the governor to embrace a program far more ambitious than he had originally contemplated; and Deukmejian in turn convinced conservative Republican legislators that support for child care was not itself an unprincipled giveaway but the necessary political price for building the principle of obligation into the welfare system.

California Democrats backed the bill for a variety of reasons, only some of which bore directly on the desirability of welfare reform. Assembly Speaker Willie Brown, perhaps the state's most powerful Democratic official, embraced the GAIN plan in order to neutralize the "soft on welfare" accusation that had made Democrats running in marginal districts politically vulnerable. Liberals saw the measure as a rare chance to generate additional public money for the poor. While welfare rights groups opposed the legislation as "slave fare," the force of this objection was blunted by the backing the bill received from black and Hispanic legislators. Those lawmakers, whose constituents would be most significantly affected by the new program, concluded that the right to a welfare check was thin gruel if it kept families on welfare for entire lifetimes—indeed, for generations. The Democratic leader of the Senate, David Roberti, was cool to the notion of workfare, and without the backing the measure would have died. But Roberti was finally won over by the promise of child care funding, the same component of the reform package that was so troubling to the governor. In the end, coalition building isolated those Democrats, the only remaining "no" votes, who remained implacably opposed to workfare.

The political particulars underlying the GAIN program—the various agendas of the key actors and the nature of the deal-making—are unique to California, but the outline of a political consensus is more broadly detectable. Voters' perceptions are generally in line with the thrust of the reforms. Though welfare has never been a popular program, it is accepted as a necessity. Three Americans in four believe that those on welfare could not manage without it; a majority regards welfare as essential transitional support, not a trap that seduces people into permanent dependence. There is also strong support for coupling welfare training and workfare, using inducements to foster autonomy.

The states themselves have changed institutionally in recent decades. Legislatures are better staffed, and hence have the resources to temper passions with analytic insight. State bureaucracies, pressed into service in running the federally mandated programs that are the Great Society's legacy, have also grown more adept. And the politically shrewd now recognize that welfare reform can be a win-win game. In California, the governor could claim after GAIN was enacted that he had gotten his workfare program; poverty warriors could boast about state-of-the-art training programs; and child care advocates could describe these same reforms as a boon to working mothers and latchkey children.

The dramatic rise in the proportion of mothers who holds jobs outside the home also contributes to the consensus by making training and work requirements seem less onerous. With the majority of mothers of school-age children employed, work is no longer regarded as punishment—at least as long as adequate child care provision is made. While California exempts mothers of preschool youngsters, many states now require that they too participate in workfare. That makes sense, again assuming daycare is available, because these young mothers are most likely to succeed in the job market. Their periods on welfare are the shortest; and in Massachusetts, one-fifth of welfare mothers with young children have volunteered for training.

Important also in shaping the new consensus is the fact that belligerent voices no longer dominate the debate. The last time welfare reform was on the national agenda, during the early 1970s when the family assistance plan was taken up, its chief advocate was Richard Nixon, whose embrace of any otherwise exemplary social innovation made liberals edgy and distrustful. Then, the chief antagonists were the well-organized welfare rights groups, which have more or less vanished. The shadow of the urban riots loomed over the debates, leaving those who relied on analysis—or bargaining—vulnerable to the accusation of racism.

Illustrations of the new public civility abound. Two decades ago, Daniel P. Moynihan was rebuked for focusing official attention on the unhappy situation of the black family, a central concern of welfare policy. When Moynihan reiterated essentially the same theme last year at Harvard—this time with data that, all too depressingly, confirmed the worst of his earlier predictions—he was voicing a wisdom so widely shared that black groups themselves were insisting upon it. The appearance of Losing Ground has evoked pointed and on the whole quite persuasive—but invariably mannerly—rejoinders. It beggars the imagination to contemplate how Charles Murray's contention that welfare should be eliminated because it is debilitating to those whom it is meant to help would have been received in, say, 1970.

In the intervening years, the distance separating the partisans has narrowed considerably. From Democrats as well as Republicans, one is likely to hear demands for efficiently run social programs that use scarce federal dollars most productively; and concern for the moral dimensions of welfare, its potentially devastating impact on character, is no longer the exclusive province of one or another faction. A Democratic Congress and a Republican president were able in 1981 to agree that the states should have greater latitude in shaping welfare programs to fit their particular economic and social circumstances. With modest financial help from Washington, many states have since been conducting a great natural experiment.

GAINING GROUND?

It is much too soon to determine whether this latest round of welfare innovations will have an impact. What matters most—what will likely determine the fate of the experiment—are the terms in which that evaluation is cast.

There will, predictably, be political pressure to generate the kinds of numbers—dollars saved, recipients placed—that spell success, even if this means stretching the data. In San Diego, for example, local officials boast that almost half the participants in the workfare demonstration project found jobs. What goes unsaid is that nearly four-fifths as many recipients were able to locate work on their own. Fiscal savings, $2.50 for every dollar spent, are said to accompany the San Diego experiment; in truth, it is the recipients themselves, not the taxpayers, who are better off. Only by placing a fairly high value on the product of workfare, the better-swept streets and better-organized government files, can society be regarded as benefiting, on the basis of the evidence at hand.

Massachusetts officials have won national attention by reporting that their Employment and Training Program—called ET, after the Steven Spielberg movie—has returned 20,000 recipients to work in three years, saving the state an estimated $60 million. But Massachusetts is claiming credit for every job that welfare recipients locate, regardless of their participation in ET, and is calculating its savings on the assumption that no one who leaves welfare ever returns. Extrapolating from these figures leads to the unlikely prediction that welfare itself will have been eliminated in Massachusetts by 1990; reality will certainly be more modest.

This kind of puffery has its uses. It makes political reputations. It alters popular perceptions of the success of welfare reform—perceptions that may matter more, in terms of initial popular acceptance, than any set of numbers. It also generates interest in reform elsewhere, as governors demand to know from their welfare commissioners why they aren't producing successes on the magnitude of Massachusetts or San Diego. But puffery cannot be sustained indefinitely. When the calipers of cost and benefit are applied more rigorously—and the histories of such programs as CETA and the supported work experiment suggest that there will be demands for a rigorous accounting—the contrast between expectation and reality will lead some to label the venture a failure.

In a policy universe where the wish is often father to the thought, where short-run estimates of political advantage frequently dictate policy decisions—witness the Gramm-Rudman-Hollings budget-balancing bill—it is easy to oversell the new welfare reforms. If they are worth attempting, and they are, their true potential, measured in terms of number of jobs filled and dollars saved, is decidedly limited.

GAIN and its counterparts do not create new jobs but only offer training for what the market presumably demands. While job creation may not be much needed in a state such as Massachusetts, where unemployment rates are among the lowest in the country, things are likely to be different elsewhere. There is, after all, a limit to the number of individuals that an economy built on the idea of a permanent labor surplus can absorb. Pressed to explain where the retooled welfare recipients will find work, backers of California's GAIN plan contend that the labor force will contract over the next fifteen years. They also argue that the increased supply of skilled workers will create its own demand and—differently—that there already exists a sizable number of jobs, uncounted by the employment census. About the nature and number of these jobs or the likelihood that ex-welfare recipients will fill them, the backers are vague.

Moreover, focusing on all welfare recipients as potentially employable, rather than on a subset of this population, may miss the mark. A recent University of Michigan study sheds new light on the dynamics of welfare. Between 1969 and 1978, half of those who needed any welfare support were on the rolls for two years or less. For such individuals, who usually enter the system after a family breakup or other personal crisis, expedients such as the job club may shorten these stays on welfare by a few months; that is certainly an idea worth testing. Some longer-term recipients, particularly those in their mid-to-late-twenties, have the best chance of finding work; they too are likely candidates for assistance. Those who are on the rolls for at least eight years in a given decade—only 17.5 percent of all welfare recipients over that entire period but half the welfare population at any one time—constitute at once the greatest opportunity and the most formidable challenge.

Some recipients will simply not be able to hold a job, no matter how much they are pushed to try. Were it otherwise, the niggardly welfare benefits provided by states such as Alabama and Texas would have far fewer takers. For these individuals, endless exhortations to work become harassments. More generally, except for efforts to help those whose tenure on welfare will likely be relatively brief in any event, the success of these ventures depends on the states' willingness to make substantial budgetary commitments. The WIN program sets a discouraging precedent, and there are countless illustrations of government at all levels turning successful pilot projects into failed operational programs by diluting the amount of support. States such as California and Massachusetts may be willing to invest heavily in career instruction and child care. (That willingness remains untested in California, where big budgetary commitments are a year off.) How likely is it, though, that Texas and Alabama will follow?

If these work-welfare programs are underfunded, the fragile political consensus will break down, for liberal support depends on providing training and child care, and conservative enthusiasm depends on measurable success, both of which carry a price tag. And if the new program is administered too harshly—if substantial numbers of recipients are removed from the rolls; if the tactics to push people into jobs are perceived as coercive; if child care arrangements are inadequate; if recipients are forced out of part-time jobs and education programs onto workfare—it will quickly fall out of favor. The long history of work programs in this country and England speaks volumes to the politically tolerable limits of coercion. The Reagan administration's heavy-handed efforts to force disabled individuals back off the SSI program—the hardship stories and suicides that this brought about—produced the strongest congressional condemnation of any policy of this administration. A work-welfare plan that, upon inspection, appeared to be managed by Draco would evoke a comparably hostile reaction.

Even if these reforms are adequately funded and humanely managed, the welfare system may prove incapable of negotiating the training contracts and providing the services that are needed. No two welfare recipients are alike; their family circumstances, needs, abilities, and motivations vary enormously. At the individual case level, it will take professionals of considerable talent and tact to match the opportunities to individuals, assuring that the contracts do not become mere exercises in standard form draftsmanship. While welfare bureaucrats know how to write checks and monitor cheating, they have not been asked to assume career counseling responsibilities for a very long time. It is no insult to wonder whether they are fit for this task.

At the aggregate level, the effort to coordinate state and county activities in order to assure a modicum of uniformity, and the very different effort to link training, education, and welfare—historically distinct bureaucratic turfs—promise to be a demanding management task. Until now, many welfare agencies have had a hard time counting their constituencies, let alone attending to their particularized needs. What is more, whether the job training programs and community colleges that have been conscripted into this welfare reform can successfully handle a clientele substantially different from what they are used to is far from certain. The success reported in Massachusetts may be due to the fact that its essentially voluntary program attracts the most motivated recipients. In mandatory programs such as California's, there are bound to be proportionately fewer successes.

These potential pitfalls are the familiar stuff of failed social experiments, of great hopes dashed in implementation. Programs like GAIN and ET make extraordinary demands on both the bureaucracy and the recipients. Those demands may go unsatisfied; perhaps they cannot be satisfied.

OPPORTUNITY VS. PUNISHMENT

If, despite thee formidable odds, the new welfare ventures are eventually regarded as a success, the reason will have more to do with a transformation in social values than with program specifics. The idea underlying the old workfare programs is that working means paying off one's debt to government. The new idea is to regard government as a surrogate for society, which is conscripting those able to contribute to the common good.

One way to describe this shift is to borrow the juridical language of rights and obligations. "Programs should try to assure recipients the same balance of rights *and* obligations that non-dependent people face in their daily lives," writes Lawrence Mead. The aspiration is the reformation of the individual—to make "recipients accept some responsibility for their own situation."

That model is intended to restore what Mead (echoing a great many other conservative thinkers) describes as the "authority" of government. The California experiment has a subtly, but importantly, different aspiration: to make obligation itself less a punitive than a positive idea—an opportunity—as well as an aspect of the norm of reciprocity. The hierarchical model means to integrate the least well-off by the imposition of authority. The reciprocal approach, exemplified in the contractual bargaining that lies at the heart of the California plan, means to restore connections between the society and its most marginal members. It identifies the necessity of participation as an element of that minimum social connection, a way of fostering the most rudimenta-

ry understanding of the values of the American community. It speaks to the responsibilities of membership in the society, not just the obligations attendant to accepting society's largesse. In this respect, the new welfare models can claim Tocqueville, rather than Burke, as their intellectual godfather. They more closely resemble proposals for universal service than ditch-digging in Lyon; for everyone, after all, is a beneficiary of society's largesse.

It is easy enough to be cynical about all this. "First, you figure out what kind of behavior is in society's interest," writes sociologist Christopher Jencks. "Then you define such behavior as 'good.' Then you argue that good behavior, while perhaps disagreeable in the short run, is in the long-run interest of those who engage in it." Nor is it coincidental that welfare recipients and not eighteen-year-olds are the first "beneficiaries" of this rethinking. Nonetheless, the way this society defines its commitment to the least well-off describes a critical aspect of the moral polity. Punitive programs, like old-fashioned workfare, are intended to shape up deviants, whether they be delinquents or drug addicts or those on the dole. They are designed by "us" for "them" and evince a greater interest in controlling than in comprehending. Pure benefits plans, which envision those on welfare as distinctive in their helplessness, capable only of being sustained by infusions of cold cash that they cannot earn on their own, are more benevolently motivated. But the underlying assumption, that "we" are taking care of "them," is much the same. Charles Murray is right in his observation that, by focusing on cash transfers, "we—meaning the not poor and the un-disadvantaged—changed the rules of their world. Not our world, just theirs." By contrast, programs like GAIN presume that a sizeable number of adults on welfare need neither discipline nor handouts but tangible opportunities to develop their talent. We can readily enough see ourselves in that situation, particularly in the volatile economic circumstances of the present—even as it was easy enough fifty years ago for the architects of the WPA to imagine themselves out of work because of the Depression. The new work/welfare policy is aimed at individuals who, it is assumed, already share the basic values of the polity.

This approach to welfare reform will never remove all ablebodied recipients from the welfare rolls; indeed, it may ultimately reach only a minority of those who receive a welfare check. And because training programs are costly, society may not save a great deal of money. But in an important sense, this is beside the point. Even if many of those who participate in the GAINs and the ETs discover that education, training, and workfare do not always speedily result in paying jobs, at least they are engaged in the struggle for independence, for full membership in the society, though not necessarily winning it. And the very fact that they are out of their homes, learning some skill, and participating in the society, should help break the cycle of dependency and despondency characteristic of long-term welfare recipients. While that is hardly the attainment of Lyon's "vision of peace," it is surely a happier outcome than any of the familiar alternatives.

Mr. BOSCHWITZ. Mr. President, I yield back the remainder of the time on this side.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment.

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

□ 1700

Mr. SIMPSON. I announce that the Senator from New Mexico [Mr. DOMENICI], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Florida [Mrs. HAWKINS] are necessarily absent.

I also announce that the Senator from Maryland [Mr. MATHIAS] is absent on official business.

Mr. CRANSTON. I announce that the Senator from Mississippi [Mr. STENNIS] is necessarily absent.

The PRESIDING OFFICER (Mr. NICKLES). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 55, nays 40, as follows:

[Roll Call Vote No. 86 Leg.]

YEAS—55

Andrews	Eagleton	Melcher
Baucus	Ford	Metzenbaum
Bentsen	Glenn	Mitchell
Biden	Gore	Moynihan
Bingaman	Grassley	Murkowski
Boren	Harkin	Packwood
Bradley	Hart	Pell
Bumpers	Hatch	Pryor
Burdick	Hatfield	Riegle
Byrd	Heinz	Rockefeller
Chafee	Inouye	Sarbanes
Cohen	Kasten	Sasser
Cranston	Kennedy	Simon
D'Amato	Kerry	Specter
DeConcini	Lautenberg	Stafford
Denton	Leahy	Thurmond
Dixon	Levin	Weicker
Dodd	Long	
Durenberger	Matsunaga	

NAYS—40

Abdnor	Heflin	Proxmire
Armstrong	Helms	Quayle
Boschwitz	Hollings	Roth
Chiles	Humphrey	Rudman
Cochran	Johnston	Simpson
Danforth	Kassebaum	Stevens
Dole	Laxalt	Symms
East	Lugar	Trible
Evans	Mattingly	Wallop
Exon	McClure	Warner
Garn	McConnell	Wilson
Gorton	Nickles	Zorinsky
Gramm	Nunn	
Hecht	Pressler	

NOT VOTING—5

Domenici	Hawkins	Stennis
Goldwater	Mathias	

So the amendment (No. 1815) was agreed to.

□ 1720

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GORTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate will be in order.

The majority leader is recognized.

Mr. DOLE. Mr. President, if I may have the attention of my colleagues, there will be no further votes this evening. We will start fairly early tomorrow morning. I hope there may be some time remaining if there are any amendments accepted.

Mr. BYRD. May we have order in the Senate so we hear what the majority leader is saying?

The PRESIDING OFFICER. The Senator is correct. The Senate will be in order.

The majority leader.

Mr. DOLE. How much time remains on the resolution?

The PRESIDING OFFICER. The total of 9 hours and 13 minutes remain on the resolution.

Mr. DOLE. I hope we might go another hour, but without votes if there is someone who wishes to talk on the resolution or offer amendments that might be accepted.

I am advised there are no further amendments to be offered this evening on this side. I am not certain about the other side.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Alabama.

SUPPORT OF THE WEICKER/ANDREWS AMENDMENT FOR NIH

Mr. HEFLIN. Mr. President, I join my friends and colleagues, Senator LOWELL WEICKER of Connecticut and Senator MARK ANDREWS of North Dakota in sponsoring an amendment to the fiscal year 1987 budget resolution which would increase funding for the National Institutes of Health.

Funding for medical research through the National Institutes of Health is far too vital a program to suffer further drastic budget cuts.

The budget resolution now before the Senate provides too little support for the 6,000 new and competing research grants that we worked so hard to establish over the past 2 years. If we do not provide adequate funding for these NIH grants, we will harm the Nation's effort to combat disease and improve the health of our people.

Mr. President, the Members of this distinguished body have wrestled with numerous legislative problems since the second session of the 99th Congress convened in January. Undoubtedly, we will face many more problems this year and in the years to come. I feel the need to discuss a problem that this year will affect 930,000 Americans, and will take the lives of 472,000 Americans by New Years Eve, 1986.

I want to talk about a disease which is being attacked through grants from the National Institutes of Health. I want to talk about a disease which does not recognize or acknowledge the problems that Government has with its finances. A disease which knows no boundaries. It is apolitical. It will continue cutting its inexorable swathe through the lives of Americans regardless of Medicare cuts, defense budgets,

or Gramm-Rudman-Hollings. The disease is cancer.

I need not remind Members of this body that fiscal year 1987 poses a fiscal problem more severe than any previously faced by the Government. With rare exceptions, no Government program has been spared the effects of Gramm-Rudman-Hollings.

The National Cancer Institute has already lost $54 million in the first round of Gramm-Rudman-Hollings budget cuts. Thus, the National Cancer Institute budget for fiscal year 1986 has been reduced from the original $1.258 to $1.204 billion. This will result in numerous significant cuts in the National Cancer Institutes' programs.

In my home State of Alabama, important research through grants from the National Cancer Institute is being carried on at several universities, hospitals, and research institutes. Research particularly crucial to our efforts to conquer cancer is being done at the University of South Alabama in Mobile, the Southern Research Institute in Birmingham, and the University of Alabama in Birmingham.

The magnitude of the financial support from the National Institutes of Health to Alabama institutions has been tremendous and has allowed great progress to be made Countless millions of dollars in research grants have been awarded to these Alabama institutions, which would suffer a direct adverse effect from the fiscal year 1987 budget resolution as it is currently constructed.

These institutions in Alabama are well known throughout the world for their important contributions to cancer research. One of the true flagships of cancer research is the Cancer Core Center at the University of Alabama in Birmingham, which is among the three top U.S. centers for cancer research. The UAB Center, one of the first centers recognized by the National Cancer Institute, has experienced remarkable growth. It has developed some of the most sophisticated resources for basic science and clinical care in the Southeast, and is now a regional, national, and international resource for patient care and research.

Other important research through grants from the National Institutes of Health is being carried on by the University of South Alabama in Mobile. Scientists at the University of South Alabama are experimenting with one of the most exciting procedures in the chronicles of cancer research history. These scientists have developed a series of monoclonal antibodies that will establish a serum screening method for the early detection of cancer. In the treatment of colorectal cancer, early detection is the key. These tremendous strides that have been made at the University of South Alabama with respect to the early diagnosis and treatment of cancer must not and cannot be interrupted.

Additionally, research crucial to our efforts to conquer cancer is being done at the Southern Research Institute in Birmingham. This outstanding facility has gained a worldwide reputation for its efforts in the fight against cancer. A number of the drugs now in use against this dreaded disease were developed in the laboratories at the Southern Research Institute. It has experienced steady growth and established a reputation for diverse scientific capabilities and the highest level of technological expertise. Southern research scientists are also studying the possible killing effect that DNA-protein cross-linking induced by alkaylating drugs has on cancerous cells.

Mr. President, the cancer research activities I have just described are essential to our effort to combat cancer. Therefore, I do not believe that the National Cancer Institutes budget should be cut. The dynamic process against cancer cannot survive abrupt reductions, program cancellations, and across-the-board disruptions in personnel. Cancer has no respect for man's other problems, and continues to drain energies and resources of our Nation and its people to the tune of approximately $40 billion a year in lost wages, jobs, and medical costs.

I sincerely believe, Mr. President, that the funds the Congress has appropriated during the past 15 years to the National Cancer Institute, represent the most productive health and medical research investment our Nation has ever made for its citizens. In the short span of those few years, more progress has been made against cancer—man's most complex and determined health and medical enemy—than in all of previous history. Of course, much remains to be done.

I cannot minimize the importance of deficit reduction. However, in considering the budget for cancer research, we need to consider the tremendous physical consequences of disrupting the cancer program. As I stated earlier, cancer costs this Nation $40 billion every year. That cost is a significant factor in the national deficit. It will not be reduced if we lessen our efforts in fighting cancer. On the contrary, we will reduce and eliminate the cost only by capitalizing on the great strides made as a result of the investments in cancer research over the past 15 years. Let me assure you, Mr. President, that the tremendous advances that we are seeing in cancer research now are historic. We cannot afford to lose momentum now.

It is important to note that cancer research has helped bring the number of lives saved from cancer from 1 in 3, just a few years ago, to 1 in 2 today.

To really appreciate and understand the phenomenon of progress against cancer, it is important to accept the fact that cancer is a basic biological process. There are billions of cells in the human organism. Every one of them has a control mechanism dictating when it will divide, how frequently, when it will stop, or start division. At some point for a variety of reasons: heredity, influence of carcinogens, lifestyles, environment, aging, some cells lose their ability to reproduce in their normal programmed way. This loss of control becomes cancer. Therefore, one might say that understanding cancer and its process is to understand life and its process. It is a tall order, but significant inroads are being made. The genius of man is slowly, but decisively stripping away the mystery of those phenomena through research, and the fruits of that research are represented in the design of new ways to attack the disease, with increasing success.

Based on new knowledge of cancer biology, major efforts are under way to prevent cancer; to reverse the cancer process by nudging a transformed cell back to normal; to employ the network of our immune system to defend against cancer; to refine treatment and destroy more selectively cancer cells; and to block metastasis—the ability of cancer cells to spread and kill. The investment in basic research made possible by the National Cancer Program has led us today to an unprecedented understanding of the cancer cell.

Mr. President, as a Member of this great body, I certainly understand our Nation's fiscal dilemma. No one can envy our role in tip-toeing through the deficit reduction minefield on our way to allocating our limited national resources to real needs, such as the fight against cancer. But I do not believe that we have the power to prevent unwise applications of cost cutting measures.

Certainly, we cannot abandon our efforts to find a cure for cancer now. We must move forward and provide as much funds as we possibly can to support the extraordinary research efforts of the National Cancer Institute. I urge this body to adopt this amendment to restore funds for cancer research.

Thank you, Mr. President.

GENERAL REVENUE SHARING PROGRAM

Mr. DECONCINI. Mr. President, last week I joined my colleague from New York, Senator MOYNIHAN, in offering an amendment to the budget resolution to provide $4.6 billion in budget authority for the General Revenue Sharing Program. This amendment proposed that this amount be available if the Finance Committee acts to reauthorize the program and identifies revenues to offset the increase in budget authority and outlays.

This amendment would have assured the authorizing committee the head-

room and flexibility which it needs to address the continuation of a program vital to the States and local communities. It did not mandate a tax increase and did not increase the deficit. It would have allowed the Finance Committee the leeway needed to address the issue of continuing the program at its current level. I believe that this is the only fair way to go at this time.

While the amendment did not specify the revenue sources with which the additional budget authority and outlays would be offset, it is not this Senator's intent nor desire to increase the tax burden of the individual citizen. I would not support any move to pay for this program by raising personal income taxes. I believe that there are other ways we can get the needed revenues.

Certainly a minimum corporate tax is worth serious consideration. It is simply not right nor fair for profitable American corporations to avoid paying their share of taxes. We must look at the ways they achieve this and stop their skillful and technically legal manipulations of the tax code.

Let's look at the tax record of some of our largest corporations. In 1983 General Dynamics received DOD contracts totaling $6.6 billion; they showed a profit that same year of $492.5 million yet paid nothing in corporate income taxes to the Federal Government.

General Electric had $4.5 billion in DOD contracts in 1983; made a profit of $2.4 billion but paid no dollars in corporate income tax.

My point here is that there are ways in which we can raise the revenues needed for vital programs like Revenue Sharing without increasing the individual income tax.

Revenue Sharing is critical to the State and local governments. For as many as 77 percent of the 39,000 local governments in our 50 States, revenue sharing represents the only form of Federal assistance they receive. The majority of these towns, cities, and counties are so small that they have less than 10,000 people living within their jurisdictions. These governments have necessary community services which they must provide and, to do so, must rely on the Revenue Sharing Program to pay for those services. Without revenue sharing many towns, cities and counties will not be able to provide essential police and fire protection services. Their ability to serve the public will be severely impaired if this program is not continued at its current level.

Since 1981, Federal grants to State and local governments have been reduced by about 40 percent. In the face of these cuts local governments need the flexibility offered by the Revenue Sharing Program to respond to these reductions. I believe we can certainly help these local governments and prevent additional loss of services.

Mr. DOLE. Mr. President, I just restate there will be no further votes this evening. I am advised that the distinguished chairman of the Budget Committee would like to start tomorrow with about 9 hours remaining or 9 hours and 10 or 11 minutes.

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, in accordance with that request, I now ask unanimous consent there be a period for the transaction of routine morning business not to extend beyond the hour of 6 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNWISE TO JUNK SALT LIMITS

Mr. GORE. Mr. President, if the press accounts we are reading are correct, the President may have decided this year, as last, to remain in compliance with SALT II; specifically, by dismantling two Poseidon submarines so as to compensate for the arrival of the new Trident boat.

We have had a lot of heated rhetoric on this subject, and I do not want to add to it, even though I deeply hope that this is what the President is going to do. Instead, what I would like to do is to add to our store of facts, analysis and insight on this issue—with the help of some excellent computer studies done for me by the Congressional Research Service.

These studies looked at three possibilities. First, that we might stop dismantling launchers for SALT reasons. Second, that we would dismantle launchers and do it by taking out Poseidons—which is the precedent already established by the Reagan administration. And third, that we would comply by dismantling; except that we would make sure that we picked a dismantling strategy that worked the best for us.

Let me add that in all three cases, we would be carrying out a most vigorous modernization program, involving: first, deploying 50 MX missiles; second, deploying 500 Midgetman missiles; third, converting 194 B-52's to ALCM carriers; fourth, deploying 100 B-1 bombers; fifth, subsequently converting those B-1's to ALCM carriers; sixth, deploying 132 Stealth bombers; and seventh, deploying a total of 20 Trident submarines carrying a total of 480 Trident II missiles. We are also planning to deploy hundreds of land attack sea launch cruise missiles that are nuclear armed, but these do not enter the discussion because they are not SALT accountable.

The results of CRS' assessments are very clear and elegant. They can be summarized as follows:

If we stop dismantling forces, then for a time our arsenal of warheads increases. Eventually, however, we have to retire forces because of their age. There comes a point when these retirements force our totals down, even though modernization is also going on with substantial numbers of new forces entering service. Looking at the period between now and the end of the century, our warhead totals would peak in 1992, and then decline to a level just a bit higher than today's.

To get an idea of the relative magnitude of this temporary gain, we can compute average warheads per year for a condition in which we observe SALT by cutting up Poseidons early on, and a condition in which we cease to dismantle for SALT purposes. In the first case, looking at the period between now and the end of the century, we would have an average of 11,946 warheads per year. In the second case, an average of 12,926 warheads per year. The "advantage" from destroying SALT, therefore, is about 0.8 percent.

From this, I draw the following conclusions: First, we get no useful permanent gain in our force posture from throwing away SALT rules; and second, the temporary gain available to us entails the risk of igniting an all-out competition with the Soviets that would drive us far beyond the modernization programs we have planned. In other words, it does not pay to junk the SALT limits.

This leaves open the question to whether there is an optimal strategy for dismantling, if we are going to stay with SALT for the long term. I believe there is such a strategy, and that it is based on taking our SALT reductions in such a way as to retain the most survivable warheads for the longest period of time.

The mechanics of it are clear enough. I alluded to them in a speech for the record 18 months ago, and our colleague, Senator NUNN, who has held a similar view for at least as long, recently incorporated them in his letter to the President on SALT compliance.

Specifically, we should not dismantle Poseidons early on. Instead, we should be taking our cuts for as long as we can from a mix of older systems such as Titan and Polaris, or from less survivable, less highly MIRV'd weapons, such as the Minuteman III, specifically, from those MMIIIs that have the Mark 12, rather than the superior Mark 12a warhead.

If we defer the dismantling of Poseidons for as long as it is possible, we can retain approximately 1,000 SLBM warheads in service for almost a decade. In other words, we can substantially increase the number of survivable SLBM warheads in our forces during this period, which would take

us to the point at which very highly survivable follow-on systems such as Midgetman, Stealth, and more Trident submarines become available.

Putting it still another way, if we stop complying with SALT, then between now and the year 2000, we would have 6157 SLBM warheads per year, on the average. If we comply with SALT by dismantling Poseidons early, the figure is 4,850 warheads per year, on the average. If we comply with SALT by retaining Poseidons as long as possible, the figure is 5,797. Hence, by conserving Poseidons, we can hold on to 94 percent of the maximum possible force of warheads at sea; whereas, if we use up Poseidons fast, we shall retain only 79 percent of that particular kind of survivable force.

To summarize:

If the President drops SALT limits, we get a temporary improvement in the size of our forces, which eventually melts away. But even this "temporary" benefit could be very costly in deed, if the Soviets decide to push their deployments to the hilt.

If the President decides to comply with SALT, he should realize that there are a variety of ways for doing so, and that some of them look better over the long term than others. Specifically, we should look into an approach which spares Poseidon for as long as possible.

Mr. President, with permission, I will submit CRS' tables for the RECORD. Unfortunately, the RECORD cannot reproduce graphs, and these are very much worth seeing. Therefore, my office will make available copies of the tables and graphs to any requesting Member, and within our means, to the public.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABLE 1.—U.S. SALT—ACCOUNTABLE SYSTEMS, 1985–2000, ASSUMING NO EARLY RETIREMENTS FOR SALT COMPLIANCE

System	SALT—accountable inventory as of end calendar year—															
	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
ICBMs:																
Titan 2	27	13	4	2	2	2	2	2	2	2	2	2	2	2	2	2
Minuteman 2	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450
Minuteman 3—Mk12	250	240	210	200	200	200	200	200	200	200	200	200	200	200	200	200
Minuteman 3—Mk12A	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
MX	0	10	40	50	50	50	50	50	50	50	50	50	50	50	50	50
Small ICBM (mobile)	0	0	0	0	0	0	0	20	100	200	300	400	500	500	500	500
Subtotal	1,027	1,013	1,004	1,002	1002	1002	1002	1,022	1,102	1,202	1,302	1,402	1,502	1,502	1,502	1,502
SLBM's:																
Polaris	32	32	32	32	32	32	16	0	0	0	0	0	0	0	0	0
Poseidon—C3	288	288	288	288	288	288	288	288	240	192	96	32	16	0	0	0
Poseidon—C4	192	192	192	192	192	192	192	192	192	144	144	112	48	0	0	0
Trident—C4	168	192	192	192	192	192	192	192	144	120	96	48	24	0	0	0
Trident—D5	0	0	0	24	48	96	120	144	216	264	312	384	432	480	480	480
Subtotal	680	704	704	728	752	800	808	816	792	720	648	576	520	480	480	480
Heavy bombers:																
B–52G (Penetrate)	70	70	70	40	0	0	0	0	0	0	0	0	0	0	0	0
B–52G (Stdoff/Pen)	98	57	22	0	0	0	0	0	0	0	0	0	0	0	0	0
B–52G (Standoff)	0	41	76	98	98	98	98	98	65	32	0	0	0	0	0	0
B–52H (Penetrate)	87	63	42	21	0	0	0	0	0	0	0	0	0	0	0	0
B–52H (Stdoff/Pen)	9	33	47	42	0	0	0	0	0	0	0	0	0	0	0	0
B–52H (Standoff)	0	0	7	33	96	96	96	96	96	96	96	96	96	96	96	96
B–1B (Penetrate)	3	25	72	98	98	98	98	98	65	32	0	0	0	0	0	0
B–1B (Stdoff/Pen)	0	1	2	2	2	2	2	2	35	68	100	100	100	100	100	100
ATB	0	0	0	0	0	0	0	18	53	88	123	132	132	132	132	132
Subtotal	267	290	338	334	294	294	294	312	314	316	319	328	328	328	328	328
SNDV SALT accountability:																
Titan plus SLBM launchers	707	717	708	730	754	802	810	818	794	722	650	578	522	482	482	482
MIRV'd ICBM launchers	550	550	550	550	550	550	550	550	550	550	550	550	550	550	550	550
MIRV'd SLBM launchers	648	672	672	696	720	768	792	816	792	720	648	576	520	480	480	480
Heavy bombers with ALCM's	107	132	154	175	196	196	196	196	196	196	196	196	196	196	196	196
MIRV'd ICBM plus SLBM launchers	1,198	1,222	1,222	1,246	1,270	1,318	1,342	1,366	1,342	1,270	1,198	1,126	1,070	1,030	1,030	1,030
MIRV'd systems	1,305	1,354	1,376	1,421	1,466	1,514	1,538	1,562	1,538	1,466	1,394	1,322	1,266	1,226	1,226	1,226
Total SNDV's	1,974	2,007	2,046	2,064	2,048	2,096	2,104	2,150	2,208	2,238	2,269	2,306	2,350	2,310	2,310	2,310
SSBN's:																
Polaris	2	2	2	2	2	2	1	0	0	0	0	0	0	0	0	0
Poseidon—C3	18	18	18	18	18	18	18	18	15	12	6	2	1	0	0	0
Poseidon—C4	12	12	12	12	12	12	12	12	12	9	9	7	3	0	0	0
Trident—C4	7	8	8	8	8	8	8	8	6	5	4	2	1	0	0	0
Trident—D5	0	0	0	1	2	4	5	6	9	11	13	16	18	20	20	20
Total	39	40	40	41	42	44	44	44	42	37	32	27	23	20	20	20
ICBM RV's:																
Titan 2	17	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Minuteman 2	440	440	440	440	440	440	440	440	440	440	440	440	440	440	440	440
Minuteman 3—Mk12	750	720	630	600	600	600	600	600	600	600	600	600	600	600	600	600
Minuteman 3—Mk12A	900	900	900	900	900	900	900	900	900	900	900	900	900	900	900	900
MX	0	100	400	500	500	500	500	500	500	500	500	500	500	500	500	500
Small ICBM (mobile)	0	0	0	0	0	0	0	20	100	200	300	400	500	500	500	500
Subtotal	2,107	2,166	2,370	2,440	2,440	2,440	2,440	2,460	2,540	2,640	2,740	2,840	2,940	2,940	2,940	2,940
SLBM RV's:																
Polaris	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Poseidon—C3	2,880	2,880	2,880	2,880	2,880	2,880	2,880	2,880	2,400	1,920	960	320	160	0	0	0
Poseidon—C4	1,536	1,536	1,536	1,536	1,536	1,536	1,536	1,536	1,536	1,152	1,152	896	384	0	0	0
Trident—C4	1,344	1,536	1,536	1,536	1,536	1,536	1,536	1,536	1,152	960	768	384	192	0	0	0
Trident—D5	0	0	0	192	384	768	960	1,152	1,728	2,112	2,496	3,072	3,456	3,840	3,840	3,840
Subtotal	5,760	5,952	5,952	6,144	6,336	6,720	6,912	7,104	6,816	6,144	5,376	4,672	4,192	3,840	3,840	3,840
Heavy bomber warheads:																
B–52G (Penetrate)	700	700	700	400	0	0	0	0	0	0	0	0	0	0	0	0
B–52G (Stdoff/Pen)	1,568	912	352	0	0	0	0	0	0	0	0	0	0	0	0	0
B–52G (Standoff)	0	492	912	1,176	1,176	1,176	1,176	1,176	780	384	0	0	0	0	0	0
B–52H (Penetrate)	870	630	420	210	0	0	0	0	0	0	0	0	0	0	0	0
B–52H (Stdoff/Pen)	144	528	752	672	0	0	0	0	0	0	0	0	0	0	0	0
B–52H (Standoff)	0	0	140	660	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920
B–1B (Penetrate)	48	400	1,152	1,568	1,568	1,568	1,568	1,568	1,040	512	0	0	0	0	0	0

TABLE 1.—U.S. SALT—ACCOUNTABLE SYSTEMS, 1985–2000, ASSUMING NO EARLY RETIREMENTS FOR SALT COMPLIANCE—Continued

System	SALT—accountable inventory as of end calendar year—															
	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
B–1B (Stdoff/Pen)	0	0	0	0	0	0	0	0	0	770	1,496	2,200	2,200	2,200	2,200	2,200
ATB	0	0	0	0	0	0	0	144	424	704	984	1,056	1,056	1,056	1,056	1,056
Subtotal	3,330	3,662	4,428	4,686	4,664	4,664	4,664	4,808	4,934	5,016	5,104	5,176	5,176	5,176	5,176	5,176
Total Warheads	11,197	11,780	12,750	13,270	13,440	13,824	14,016	14,372	14,290	13,800	13,220	12,688	12,308	11,956	11,956	11,956

TABLE 1.—SALT COMPLIANCE AND MAXIMUM RETENTION OF POSEIDONS

System	Salt-accountable inventory as of end calendar year—															
	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
ICBM's																
Titan 2	27	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Minuteman 2	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450
Minuteman 3—Mk12	250	206	154	99	70	70	68	68	68	68	68	68	68	68	68	68
Minuteman 3—Mk12A	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
MX	0	10	40	50	50	50	50	50	50	50	50	50	50	50	50	50
Small ICBM (mobile)	0	0	0	0	0	0	0	20	100	200	300	400	500	500	500	500
Subtotal	1,027	966	944	899	870	870	868	888	968	1,068	1,168	1,268	1,368	1,368	1,368	1,368
SLBM's:																
Polaris	32	16	16	0	0	0	0	0	0	0	0	0	0	0	0	0
Poseidon—C3	288	288	288	288	272	224	192	176	144	144	96	32	16	0	0	0
Poseidon—C4	192	192	192	192	192	192	192	192	192	144	144	112	48	0	0	0
Trident—C4	168	192	192	192	192	192	192	192	144	120	96	48	24	0	0	0
Trident—D5	0	0	0	24	48	96	120	144	216	264	312	384	432	480	480	480
Subtotal	680	688	688	696	704	704	696	704	696	672	648	576	520	480	480	480
Heavy bombers:																
B–52G (Penetrate)	70	70	70	40	0	0	0	0	0	0	0	0	0	0	0	0
B–52G (Stdoff/Pen)	98	57	22	0	0	0	0	0	0	0	0	0	0	0	0	0
B–52G (Standoff)	0	41	76	98	98	98	98	98	65	32	0	0	0	0	0	0
B–52H (Penetrate)	87	63	42	21	0	0	0	0	0	0	0	0	0	0	0	0
B–52H (Stdoff-Pen)	9	33	47	42	0	0	0	0	0	0	0	0	0	0	0	0
B–52H (Standoff)	0	0	7	33	96	96	96	96	96	96	96	96	96	96	96	96
B–1B (Penetrate)	3	25	72	98	98	98	98	98	65	32	0	0	0	0	0	0
B–1B (Stdoff-Pen)	0	1	2	2	2	2	2	2	35	68	100	100	100	100	100	100
ATB	0	0	0	0	0	0	0	18	53	88	123	132	132	132	132	132
Subtotal	267	290	338	334	294	294	294	312	314	316	319	328	328	328	328	328
	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	0
SNDV SALT accountability:																
Titan plus SLBM launchers	707	688	688	696	704	704	696	704	696	672	648	576	520	480	480	480
MIRV'd ICBM launchers	550	516	494	449	420	420	418	418	418	418	418	418	418	418	418	418
MIRV'd SLBM launchers	648	672	672	696	704	704	696	704	696	672	648	576	520	480	480	480
Heavy bombers with ALCM's	107	132	154	175	196	196	196	196	196	196	196	196	196	196	196	196
MIRV'd ICBM plus SLBM launchers	1,198	1,188	1,166	1,145	1,124	1,124	1,114	1,122	1,114	1,090	1,066	994	938	898	898	898
MIRV'd systems	1,305	1,320	1,320	1,320	1,320	1,320	1,310	1,318	1,310	1,286	1,262	1,190	1,134	1,094	1,094	1,094
Total SNDV's	1,974	1,944	1,970	1,929	1,868	1,868	1,858	1,904	1,978	2,056	2,135	2,172	2,216	2,176	2,176	2,176
SSBN's:																
Polaris	2	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0
Poseidon—C3	18	18	18	18	17	14	12	11	9	9	6	2	1	0	0	0
Poseidon—C4	12	12	12	12	12	12	12	12	12	9	9	7	3	0	0	0
Trident—C4	7	8	8	8	8	8	8	8	6	5	4	2	1	0	0	0
Trident—D5	0	0	0	1	2	4	5	6	9	11	13	16	18	20	20	20
Total	39	39	39	39	39	38	37	37	36	34	32	27	23	20	20	20
ICBM RV's:																
Titan 2	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Minuteman 2	440	440	440	440	440	440	440	440	440	440	440	440	440	440	440	440
Minuteman 3—Mk12	750	618	462	297	210	210	204	204	204	204	204	204	204	204	204	204
Minuteman 3—Mk12A	900	900	900	900	900	900	900	900	900	900	900	900	900	900	900	900
MX	0	100	400	500	500	500	500	500	500	500	500	500	500	500	500	500
Small ICBM (mobile)	0	0	0	0	0	0	0	20	100	200	300	400	500	500	500	500
Subtotal	2,107	2,058	2,202	2,137	2,050	2,050	2,044	2,064	2,144	2,244	2,344	2,444	2,544	2,544	2,544	2,544
SLBM RV's:																
Polaris	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Poseidon—C3	2,880	2,880	2,880	2,880	2,720	2,240	1,920	1,760	1,440	1,440	960	320	160	0	0	0
Poseidon—C4	1,536	1,536	1,536	1,536	1,536	1,536	1,536	1,536	1,536	1,152	1,152	896	384	0	0	0
Trident—C4	1,344	1,536	1,536	1,536	1,536	1,536	1,536	1,536	1,152	960	768	384	192	0	0	0
Trident—D5	0	0	0	192	384	768	960	1,152	1,728	2,112	2,496	3,072	3,456	3,840	3,840	3,840
Subtotal	5,760	5,952	5,952	6,144	6,176	6,080	5,952	5,984	5,856	5,664	5,376	4,672	4,192	3,840	3,840	3,840
Heavy bomber warheads:																
B–52G (Penetrate)	700	700	700	400	0	0	0	0	0	0	0	0	0	0	0	0
B–52G (Stdoff/Pen)	1,568	912	352	0	0	0	0	0	0	0	0	0	0	0	0	0
B–52G (Standoff)	0	492	912	1,176	1,176	1,176	1,176	1,176	780	384	0	0	0	0	0	0
B–52H (Penetrate)	870	630	420	210	0	0	0	0	0	0	0	0	0	0	0	0
B–52H (Stdoff-Pen)	144	528	752	672	0	0	0	0	0	0	0	0	0	0	0	0
B–52H (Standoff)	0	0	140	660	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920
B–1B (Penetrate)	48	400	1,152	1,568	1,568	1,568	1,568	1,568	1,040	512	0	0	0	0	0	0
B–1B (Stdoff-Pen)	0	0	0	0	0	0	0	0	770	1,496	2,200	2,200	2,200	2,200	2,200	2,200
ATB	0	0	0	0	0	0	0	144	424	704	984	1,056	1,056	1,056	1,056	1,056
Subtotal	3,330	3,662	4,428	4,686	4,664	4,664	4,664	4,808	4,934	5,016	5,104	5,176	5,176	5,176	5,176	5,176
Total warheads	11,197	11,672	12,582	12,967	12,890	12,794	12,660	12,856	12,934	12,924	12,824	12,292	11,912	11,560	11,560	11,560

TABLE 3.—U.S. SALT-ACCOUNTABLE SYSTEMS, 1985–2000, ASSUMING EARLY RETIREMENTS OF POSEIDONS FOR SALT COMPLIANCE

System	SALT—accountable inventory as of end of calendar year															
	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
ICMB's:																
Titan 2	27	13	4	2	2	2	2	2	2	2	2	2	2	2	2	2
Minuteman 2	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450
Minuteman 3—Mk12	250	240	210	200	200	200	200	200	200	200	200	200	200	200	200	200
Minuteman 3—Mk12A	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
MX	0	10	40	50	50	50	50	50	50	50	50	50	50	50	50	50
Small ICBM (mobile)	0	0	0	0	0	0	0	20	100	200	300	400	500	500	500	500
Subtotal	1,027	1,013	1,004	1,002	1,002	1,002	1,002	1,022	1,102	1,202	1,302	1,402	1,502	1,502	1,502	1,502
SLBM's:																
Polaris	32	32	32	32	32	32	16	0	0	0	0	0	0	0	0	0
Poseidon—C3	288	240	224	176	128	80	64	32	16	16	16	16	16	0	0	0
Poseidon—C4	192	192	192	192	192	192	192	192	192	144	144	112	48	0	0	0
Trident—C4	168	192	192	192	192	192	192	192	144	120	96	48	24	0	0	0
Trident—D5	0	0	0	24	48	96	120	144	216	264	312	384	432	480	480	480
Subtotal	680	656	640	616	592	592	584	560	568	544	568	560	520	480	480	480
Heavy Bombers:																
B–52G (Penetrate)	70	70	70	40	0	0	0	0	0	0	0	0	0	0	0	0
B–52G (Stdoff/Pen)	98	57	22	0	0	0	0	0	0	0	0	0	0	0	0	0
B–52G (Standoff)	0	41	76	98	98	98	98	98	65	32	0	0	0	0	0	0
B–52H (Penetrate)	87	63	42	21	0	0	0	0	0	0	0	0	0	0	0	0
B–52H (Stdoff/Pen)	9	33	47	42	0	0	0	0	0	0	0	0	0	0	0	0
B–52H (Standoff)	0	0	7	33	96	96	96	96	96	96	96	96	96	96	96	96
B–1B (Penetrate)	3	25	72	98	98	98	98	98	65	32	0	0	0	0	0	
B–1B (Stdoff/Pen)	0	1	2	2	2	2	2	2	35	68	100	100	100	100	100	100
ATB	0	0	0	0	0	0	0	18	53	88	123	132	132	132	132	132
Subtotal	267	290	338	334	294	294	294	312	314	316	319	328	328	328	328	328
	85	86	87	88	89	90	91	92	93	94	95	95	97	98	99	0
SNDV SALT accountability:																
Titan plus SLBM launchers	707	669	644	618	594	594	586	562	570	546	570	562	522	482	482	482
MIRV'd ICBM launchers	550	550	550	550	550	550	550	550	550	550	550	550	550	550	550	550
MIRV'd SLBM launchers	648	624	608	584	560	560	568	560	568	544	568	560	520	480	480	480
Heavy bombers with ALCM's	107	132	154	175	196	196	196	196	196	196	196	196	196	196	196	196
MIRV'd ICBM plus SLBM launchers	1,198	1,174	1,158	1,134	1,110	1,110	1,118	1,110	1,118	1,094	1,118	1,110	1,070	1,030	1,030	1,030
MIRV'd systems	1,305	1,306	1,312	1,309	1,306	1,306	1,314	1,306	1,314	1,290	1,314	1,306	1,266	1,226	1,226	1,226
Total SNDV's	1,974	1,959	1,982	1,952	1,888	1,888	1,880	1,894	1,984	2,062	2,189	2,290	2,350	2,310	2,310	2,310
SSBN's:																
Polaris	2	2	2	2	2	2	1	0	0	0	0	0	0	0	0	0
Poseidon—C3	18	15	14	11	8	5	4	2	1	1	1	1	1	0	0	0
Poseidon—C4	12	12	12	12	12	12	12	12	12	9	9	7	3	0	0	0
Trident—C4	7	8	8	8	8	8	8	8	6	5	4	2	1	0	0	0
Trident—D5	0	0	0	1	2	4	5	6	9	11	13	16	18	20	20	20
Total	39	37	36	34	32	31	30	28	28	26	27	26	23	20	20	20
ICBM RV's:																
Titan 2	17	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Minuteman 2	440	440	440	440	440	440	440	440	440	440	440	440	440	440	440	440
Minuteman 3—Mk12	750	720	630	600	600	600	600	600	600	600	600	600	600	600	600	600
Minuteman 3—Mk12A	900	900	900	900	900	900	900	900	900	900	900	900	900	900	900	900
MX	0	100	400	500	500	500	500	500	500	500	500	500	500	500	500	500
Small ICBM (mobile)	0	0	0	0	0	0	0	20	100	200	300	400	500	500	500	500
Subtotal	2,107	2,166	2,370	2,440	2,440	2,440	2,440	2,460	2,540	2,640	2,740	2,840	2,940	2,940	2,940	2,940
SLBM RV's:																
Polaris	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Poseidon—C3	2,880	2,400	2,240	1,760	1,280	800	640	320	160	160	160	160	160	0	0	0
Poseidon—C4	1,536	1,536	1,536	1,536	1,536	1,536	1,536	1,536	1,536	1,152	1,152	896	384	0	0	0
Trident—C4	1,344	1,536	1,536	1,536	1,536	1,536	1,536	1,536	1,152	960	768	384	192	0	0	0
Trident—D5	0	0	0	192	384	768	960	1,152	1,728	2,122	2,496	3,072	3,456	3,840	3,840	3,840
Subtotal	5,760	5,472	5,312	5,024	4,736	4,640	4,672	4,544	4,576	4,384	4,576	4,512	4,192	3,840	3,840	3,840
Heavy bomber warheads:																
B–52G (Penetrate)	700	700	700	400	0	0	0	0	0	0	0	0	0	0	0	0
B–52G (Stdoff/Pen)	1,568	912	352	0	0	0	0	0	0	0	0	0	0	0	0	0
B–52G (Standoff)	0	492	912	1,176	1,176	1,176	1,176	1,176	780	384	0	0	0	0	0	0
B–52H (Penetrate)	870	630	420	210	0	0	0	0	0	0	0	0	0	0	0	0
B–52H (Stdoff/Pen)	144	528	752	672	0	0	0	0	0	0	0	0	0	0	0	0
B–52H (Standoff)	0	0	140	660	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920
B–1B (Penetrate)	48	400	1,152	1,568	1,568	1,568	1,568	1,568	1,040	512	0	0	0	0	0	0
B–1B (Stdoff/Pen)	0	0	0	0	0	0	0	0	770	1,496	2,200	2,200	2,200	2,200	2,200	2,200
ATB	0	0	0	0	0	0	0	144	424	704	984	1,056	1,056	1,056	1,056	1,056
Subtotal	3,330	3,662	4,428	4,686	4,664	4,664	4,664	4,808	4,934	5,016	5,104	5,176	5,176	5,176	5,176	5,176
Total warheads	11,197	11,300	12,110	12,150	11,840	11,744	11,776	11,812	12,050	12,040	12,420	12,528	12,308	11,956	11,956	11,956

MESSAGES FROM THE HOUSE

At 3:05 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 133. A concurrent resolution to commend Deputy Director of Central Intelligence John N. McMahon for exceptionally distinguished service to the United States of America.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1438. An act to change the name of the Loxahatchee National Wildlife Refuge, Florida, to the Arthur R. Marshall Loxahatchee National Wildlife Refuge, and for other purposes;

H.R. 3133. An act to authorize appropriations to carry out the Atlantic Tunas Convention Act of 1975 during fiscal years 1987, 1988, and 1989;

H.R. 3358. An act to reauthorize the Atlantic Striped Bass Conservation Act, and for other purposes;

H.R. 4353. An act to authorize appropriations for the operations of the Office of Environmental Quality and the Council on Environmental Quality during fiscal years 1987, 1988, and 1989; and

H.R. 4421. An act to authorize appropriations for fiscal years 1987, 1988, 1989, and 1990 to carry out the Head Start, Follow Through, dependent care, community services block grant, and community food and nutrition programs, and for other purposes.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

At 4:33 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bill and joint resolution:

H.R. 1116. An act to implement certain recommendations made pursuant to Public Law 98-360; and

H.J. Res. 220. Joint resolution to reaffirm Congress' recognition of the vital role by members of the National Guard and Reserve in the national defense, and for other purposes.

The enrolled bill and joint resolution were subsequently signed by the President pro tempore (Mr. THURMOND).

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1438. An act to change the name of the Loxahatchee National Wildlife Refuge, Florida, to the Arthur R. Marshall Loxahatchee National Wildlife Refuge, and for other purposes; to the Committee on Environment and Public Works.

H.R. 3133. An act to authorize appropriations to carry out the Atlantic Tunas Convention Act of 1975 during fiscal years 1987, 1988, and 1989; to the Committee on Commerce, Science, and Transportation.

H.R. 4353. An act to authorize appropriations for the operations of the Office of Environmental Quality and the Council on Environmental Quality during fiscal years 1987, 1988, and 1989; to the Committee on Environment and Public Works.

H.R. 4421. An act to authorize appropriations for fiscal years 1987, 1988, 1989, and 1990 to carry out the Head Start, Follow Through, dependent care, community services block grant, and community food and nutrition programs, and for other purposes; to the Committee on Labor and Human Resources.

The following resolution, which was being held at the desk was read, and referred as indicated:

S. Res. 390. A resolution relating to the nuclear accident at Chernobyl in the Union of Soviet Socialist Republics; to the Committee on Foreign Relations.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 3358. An act to reauthorize the Atlantic Striped Bass Conservation Act, and for other purposes.

ENROLLED BILL AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, April 30, 1986, she had presented to the President of the United States the following enrolled bill and joint resolutions:

S. 1952. An act to provide for the striking of medals to commemorate the Young Astronaut Program;

S.J. Res. 187. Joint resolution designating Patrick Henry's last home and burial place, known as Red Hill, in the Commonwealth of Virginia, as a National Memorial to Patrick Henry; and

S.J. Res. 264. Joint resolution designating April 28, 1986, as "National Nursing Home Residents Day".

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3052. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to repeal the Federal Seed Act and a related provision of the Federal Noxious Weed Act; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3053. A communication from the President of the United States, transmitting, pursuant to law, a request for supplemental appropriations for fiscal year 1987 for economic and military support to the Philippines; to the Committee on Appropriations.

EC-3054. A communication from the Acting Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Navy Contracting: Status of the 1978 Shipbuilding Claim Settlement at Electric Boat"; to the Committee on Armed Services.

EC-3055. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report with respect to a recently transmitted draft of proposed legislation dealing with "risk retention groups"; to the Committee on Commerce, Science, and Transportation.

EC-3056. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend section 7 of the Fishermen's Protective Act of 1967, as amended, to transfer the functions of the Secretary of Commerce under that section to the Secretary of State; to the Committee on Commerce, Science, and Transportation.

EC-3057. A communication from the Professional Audit Review Team, transmitting, pursuant to law, an audit report on the performance of the Energy Information Administration for fiscal years 1984 and 1985; to the Committee on Energy and Natural Resources.

EC-3058. A communication from the Secretary of Energy, transmitting, pursuant to law, the annual report of thc Department of Energy, dated December 1985; to the Committee on Energy and Natural Resources.

EC-3059. A communication from the Secretary of State, transmitting, pursuant to law, his determination that Israel is not being denied its right to participate in the activities of the International Atomic Energy Agency; to the Committee on Foreign Relations.

EC-3060. A communication from the Chairman of the Federal Deposit Insurance Corporation, transmitting, pursuant to law, the annual report of the Corporation under the Government in the Sunshine Act for calendar year 1985; to the Committee on Governmental Affairs.

EC-3061. A communication from the Chairman of the National Commission on Libraries and Information Science, transmitting, pursuant to law, the annual report of the Commission for fiscal year 1985; to the Committee on Labor and Human Resources.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. McCLURE, from the Committee on Energy and Natural Resources:

William F. Martin, of the District of Columbia, to be Deputy Secretary of Energy; and

David B. Waller, of the District of Columbia, to be an Assistant Secretary of Energy (International Affairs and Energy Emergencies).

(The above nominations were reported from the Committee on Energy and Natural Resources with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation:

James C. Fletcher, of Virginia, to be Administrator of the National Aeronautics and Space Administration.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HATCH (for himself and Mrs. HAWKINS):

S. 2386. A bill to reauthorize the program of grants to States for planning and development of dependent care programs, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DURENBERGER (for himself, Mr. CHILES, Mr. WILSON, Mr. GARN and Mr. MATTINGLY):

S. 2387. A bill to provide relief to State and local governments from Federal regulation; to the Committee on Governmental Affairs.

By Mr. CRANSTON:

S. 2388. A bill to amend title 38, United States Code, to improve various aspects of Veterans' Administration health-care programs, to provide eligibility to new categories of persons for readjustment counseling from the Veterans' Administration, to authorize the administrator of Veterans' Affairs to establish programs for the furnish-

ing of respite care to certain chronically ill service-connected-disabled veterans and of noninstitutional care to certain veterans, to extend certain expiring authorities, and for other purposes; to the Committee on Veterans Affairs.

By Mr. DOLE (for Mrs. HAWKINS (for herself, Mr. HATCH, Mr. ABDNOR, Mr. HUMPHREY, Mr. ROTH, Mr. GRASSLEY, Mr. LUGAR, Mr. DENTON, Mr. MATTINGLY, Mr. DODD, Mr. STENNIS, Mr. NUNN, Mr. PRYOR, Mr. ZORINSKY, Mr. DOLE, Mr. MURKOWSKI, Mr. DOMENICI, Mr. WEICKER, Mr. THURMOND, Mr. HECHT, Mr. MCCLURE, Mr. TRIBLE, Mr. DECONCINI, Mr. ROCKEFELLER, Mr. KERRY, Mr. INOUYE and Mr. MITCHELL)):

S.J. Res. 337. A joint resolution designating May 18-24, 1986, as "Just Say No to Drugs Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DECONCINI (for himself, Mr. KERRY, and Mr. PELL):

S. Res. 392. A resolution expressing the sense of the Senate that the people of the Republic of Korea should be allowed to petition for a constitutional amendment to allow for the direct election of their president; to the Committee on Foreign Relations.

By Mr. WILSON (for himself, Mr. QUAYLE, Mr. WALLOP, and Mr. GARN):

S. Con. Res. 135. A concurrent resolution expressing the sense of the Congress concerning essential verification improvements to the Threshold Test Ban Treaty and the Peaceful Nuclear Explosions Treaty and the long-term goal of a comprehensive agreement banning nuclear testing; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATCH (for himself and Mrs. HAWKINS):

S. 2386. A bill to reauthorize the program of grants to States for planning and development of dependent care programs, and for other purposes; to the Committee on Labor and Human Resources.

DEPENDENT CARE DEVELOPMENT REAUTHORIZATION

Mr. HATCH. Mr. President, in March 1984, Dorothy, a secretary and single mother of three faced what working mothers dread most. Her baby sitter, a woman much appreciated by Dorothy and loved by her children, announced that she was not going to be sitting anymore. "She said she needed to earn more money," says Dorothy, "and I didn't know what I was going to do."

Lorraine, also a secretary, had a similar problem. Until recently she had relied on relatives to take care of her 21-month-old child. But that situation had changed and her sitter too was about to become unavailable. Lorraine needed someone else fast.

And there's Ty P., a disabled father, who shares the job of looking after his 4-year-old son with the boy's grandmother while Ty's wife works. Ty was looking for some kind of group program or preschool for his son.

Dorothy, Lorraine and Ty are representative of today's working parents. They all had two things in common: The need to locate child care that is safe and dependable and the Child Care Connection in Salt Lake County, UT, which helped them find it.

The Child Care Connection is a resource and referral project whose goal is to connect parents with the type of child care they need, want, and can afford. The project was developed by the Junior League of Utah, an international women's volunteer organization. Information that is available through the Child Care Connection include the types of care provided ranging from licensed day care homes to centers, preschool, and kindergarten as well as location, hours, costs, and other special services. Besides Dorothy, Lorraine, and Ty, the Child Care Connection has helped more than 2,000 Utah families to locate the child care program suited to their needs.

But this kind of help is not available only in Salt Lake County. As John and Kathy Perkins, a deaf-mute couple from Baltimore, MD, who recently became new parents, know quite well. They both work and this new responsibility resulted in some panic until a friend offered to help them find quality child care services. Because John and Kathy were unable to communicate what they wanted for their newborn daughter, their friend called a local resource and referral program called LOCATE. LOCATE was able to find four providers willing to care for infants and to work with deaf parents. With the aid of an interpreter, John and Kathy found a provider they felt would take good care of their child.

It's clear from these examples that child care is a complex and highly personal problem for families. But the need for child care services is also a widespread social problem. Experts predict that 80 percent of families will have two working parents by the end of the century, and that means a lot of parents will need help to locate quality child care programs. I agree with Dr. Ed Zigler of Yale University, one of the premier child care experts, who stresses:

> Child care shouldn't be considered a service which permits parents to work * * * instead it should be an envoronment which, in large part, will determine the development of their child.

In effect, child care will become these families' third parent. And while we don't have the opportunity to choose our first parents, we at least ought to help find people who provide the same kind of love and caring for our young people.

And of course, some families need more love and attention than others. Handicapped individuals, whether a disable child or adult, have special needs, ranging from in-home care to care in a day facility, to institutional care. A resource and referral program assists families in locating appropriate care givers, learning where services are located and assessing the costs and transportation needs involved.

In addition to a growing need for child care in our country, the population of older people is increasing dramatically and the need for their services is critical. All available information that we have on the varying needs for services for our senior citizens highlights the fact that we need to focus services for families. They are in many instances searching for caregiver services. One of the goals of the Dependent Care Resources and Referral Program is to provide families with information on a complete spectrum of quality community services for the elderly. They could include home health care services, elder day care programs, meal programs, and transportation programs.

Mr. President, to help meet the dependent care needs of families and society as a whole, I am today introducing the State Dependent Care Development Reauthorization Act of 1986. Senator HAWKINS is joining me as a cosponsor. This legislation is a 3-year $20 million authorization provided directly to States for the development of resource and referral programs to help working parents locate necessary dependent care services. This bill also provides startup assistance to States for the development of before-and-after-school child-care programs, a crying need for families who now have no alternative other than allowing children to fend for themselves before and after school. The before-and-after school child-care programs would be developed by public or nonprofit organizations and located within schools or community organizations. Groups offering their guidance on this legislation include: the Child Care Coalition, Inc., Child Welfare League of America, Inc., National Black Child Development Institute, and Wider Opportunities for Women, Inc.

Mr. President, this legislation would help provide the resource and referral projects for dependant care services and the school-age child care and would reduce the pressure that working parents encounter while juggling a job with child care, elderly care or care for their handicapped children responsibilities.

Greater consumer knowledge would result in greater cooperation among dependent care providers, both public and private, to improve the quality and variety of dependent care services. Now is the time for Congress to work

in partnership with States and the private sector in helping families, not a few years down the road when an even greater need for dependent care emerges. I do not imply by this statement that the Federal Government should be in the business of providing or even assuring the availability of child care services for every working parent, nor do I advocate that the Federal Government pay the tab for day-to-day dependent care services. Providing these services is best left to local and community efforts including the work of voluntary organizations, churches, and the private sector. However, I believe the Federal Government has a real role to play in helping develop programs, by providing incentives and stimulating further initiatives to help families. I urge my fellow colleagues to join me in supporting this legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2386

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Dependent Care Development Reauthorization Act of 1986".

SEC. 2. Section 670A of the Omnibus Budget Reconciliation Act of 1981, relating to grants to States for planning and development of dependent care programs, and for other purposes (hereafter in this Act referred to as the "Act") is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 670A. For the purpose of allotments to States to carry out the activities described in section 670D, there are authorized to be appropriated $20,000,000 for the fiscal year 1987 and for each of the two succeeding fiscal years.".

SEC. 3. (a) Subsection (a) of section 670D of the Act is amended—

(1) by inserting "(a)" after the subsection designation;

(2) by striking out "shall" in the second sentence and inserting in lieu thereof "may";

(3) by redesignating clauses (1), (2), (3), (4), (5), (6), and (7) in the second sentence as clauses (A), (B), (C), (D), (E), (F), and (G), respectively, and

(4) by striking out the third sentence and inserting in lieu thereof the following:

"(2) The State, with respect to the uses of funds described in paragraph (1) of this subsection shall—

"(A) provide assurances that no information will be included with respect to any dependent care services which are not provided in compliance with the laws of the State and localities in which such services are provided; and

"(B) provide assurances that the information provided will be the latest information available and will be kept up to date.".

(b)(1) Section 670D(b)(1) of the Act is amended by striking out "where school facilities are not available".

(2) Section 670D(b)(2)(E) of the Act is amended by inserting before "licensing laws" the following: "child care".

SEC. 4. Section 670G(7) of the Act is amended by inserting before the semicolon a comma and the following: "except that in any State which by State law children at an earlier age are provided free public education, the age provided in State law shall be substituted for age five".

SEC. 5. Chapter 8 of title VI of the Act is amended by adding at the end thereof the following new section:

"SHORT TITLE

"SEC. 670H. This subchapter may be cited as the 'State Dependent Care Development Grants Act'.".

By Mr. DURENBERGER (for himself, Mr. CHILES, Mr. WILSON, Mr. GARN, and Mr. MATTINGLY):

S. 2387. A bill to provide relief to State and local governments from Federal regulation; to the Committee on Governmental Affairs.

INTERGOVERNMENTAL REGULATORY RELIEF ACT

● Mr. DURENBERGER. Mr. President, today, along with Senators CHILES, WILSON, GARN, and MATTINGLY, I am pleased to introduce legislation to address the problem of unfunded Federal mandates in a fiscally responsible way.

Over the past 20 years, the number of Federal regulations imposed on State and local governments has increased dramatically. Though there are no reliable estimates of the total costs imposed by Federal regulations, rough estimates indicate the costs to State and local governments total tens of billions of dollars a year. This tremendous burden on State and local governments drains resources that might be used more efficiently at the local level. In this time of budgetary belt-tightening for all levels of government, it is important for the Federal Government to accept fiscal responsibility for rules and regulations it imposes on State and local governments.

Today, therefore, my colleagues and I are introducing the Intergovernmental Regulatory Relief Act of 1986. The premise of the bill is simple: If Congress passes legislation to pursue a national purpose, the Federal Government should pay the costs of achieving it. Under our current system, Congress need not face the full costs of implementing legislation it passes, because it is able to shift a considerable amount of costs onto State and local governments through the regulatory process.

The Intergovernmental Regulatory Relief Act of 1986 is simple in its design. It requires Federal reimbursement for all additional direct costs incurred by States and their local governments in complying with any new Federal rule or regulation. If such relief is not forthcoming, the bill provides that no Federal agency or court shall enforce the unreimbursed regulation. However, where it is inappropriate for Congress to share the costs of regulatory implementation because fundamental rights or generally accepted goals are involved, this bill permits Congress to exempt a national regulation from reimbursement upon a two-thirds vote of both Houses.

Mr. President, the Advisory Commission on Intergovernmental Relations found in a recent study that "although the specific programs imposing major fiscal and administrative costs vary greatly from one jurisdiction to another, most States, cities, and counties have been strained by the combined weight of the new Federal intergovernmental regulations taken as a whole." As an example, consider a recent Urban Institute study of six Federal regulatory programs in a sample of seven cities and counties. It concluded that the annual federally mandated costs of just these particular six programs ranged from a total of $6 to $50 per capita. For a State like Minnesota, this means the cost burden would run between $25 and $209 million annually for only six programs.

This, I suspect, is only the tip of the regulatory iceberg. ACIR identified more than 35 major Federal regulatory statutes, constituting thousands of pages of rules in the Federal Register, aimed at or implemented by State and local governments.

While the cost to State and local governments for implementation of Federal regulations has skyrocketed, the Reagan administration seeks curtailment or outright elimination of many Federal financing tools which in the past have helped offset growing cost burdens caused by enactment of Federal mandates. In addition, proposed cutbacks and termination of general revenue sharing, economic development programs, and access to tax-exempt financing will make it even more difficult for State and local governments to comply with Federal regulations and to implement important national objectives.

The other important provision of the bill is a requirement that the President and the Congressional Budget Office prepare annual reports estimating total additional direct cost incurred by State and local governments in complying with Federal rules and regulations. The President's report will provide Congress with the ability to evaluate the total costs of achieving Federal purposes when State and local governments act in concert with the Federal Government under Federal law. The CBO report will provide detailed cost estimates upon which to base reimbursement payments.

Let me reiterate in the strongest possible terms that this bill is not intended to undermine the goals of important protective regulations, such as those in environmental protection and occupational safety. I could not support it if it did. It is intended to pro-

mote the attainment of national goals. Study after study has found that many Federal regulations fail to achieve their aims because of inadequate resources available to State and local implementors. This legislation will translate empty promises into real achievements.

Mr. President, I ask unanimous consent at this time that the text of the Intergovernmental Regulatory Relief Act of 1986 and a summary of the major provisions of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2387

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "intergovernmental Regulatory Relief Act of 1986."

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds and declares that—

(1) Federal regulation of State and local governments has become increasingly extensive and intrusive in recent years;

(2) such regulation has, in many instances, adversely affected State and local governments by placing excessive fiscal burdens on such governments;

(3) such excessive fiscal burdens have weakened the foundation of the Federal system of government; and

(4) there is a lack of adequate fiscal resources to carry out necessary Federal regulation of State and local governments in order to enable such governments to comply with intergovernmental regulations which take effect on or after the date of enactment of this Act.

(b) Therefore, it is the purpose of this Act to establish procedures to—

(1) assure that the Federal Government pays the total amount of additional direct costs incurred by State and local governments in complying with any intergovernmental regulation which takes effect on or after the date of enactment of this Act; and

(2) ascertain the burden on State and local governments resulting from compliance with intergovernmental regulations in order to promote efforts to assure that such burdens are reduced to the minimum level consistent with achieving major national objectives.

DEFINITIONS

SEC. 3. For purposes of this Act, the term—

(1) "additional direct costs" means the amount of costs incurred by a State or local government solely in complying with an intergovernmental regulation promulgated pursuant to a Federal law concerning a particular activity which is in excess of the amount that such State or local government would be required to expend in carrying out such activity in the absence of such law, except that such term does not include any amount which a State or local government is required by law to contribute as a non-Federal share under a Federal assistance program;

(2) "compliance reforms" means market oriented procedures to replace or supplement strict governmental monitoring and enforcement activities, including the establishment and enforcement of penalties for noncompliance with Federal regulations that reflect the degree of such noncompliance, and the establishment of procedures to permit compliance with State or local regulations in lieu of compliance with Federal regulations;

(3) "Director" means the Director of the Office of Management and Budget;

(4) "economic incentives" means the process of making price corrections in the marketplace through governmental fees or subsidies that encourage or discourage activities in accordance with public policies;

(5) "Federal agency" has the meaning given to the term "executive agency" in section 6501(3) of title 31, United States Code;

(6) "Federal assistance" means any assistance provided by a Federal agency to State and local governments or other recipients, in the form of grants, loans, loan guarantees, property, cooperative agreements, or technical assistance, except that such term does not include direct cash assistance to individuals, contracts for the procurement of goods or services for the United States, or insurance;

(7) "intergovernmental regulation" means a regulation promulgated by a Federal agency that requires a State or local government to take certain actions or requires a State or local government to comply with certain specified conditions in order to receive or continue to receive Federal assistance and which requires the termination or reduction of such assistance if such government fails to comply with such conditions;

(8) "local government" has the same meaning as in section 6501(6) of title 31, United States Code;

(9) "marketable rights" means the process for allocating scarce resources through the establishment of rights that can be traded or sold among bidders, rather than through the distribution of resources through the issuance of permits by a Federal agency;

(10) "performance standards" means the criteria or goals that must be attained to comply with a Federal regulation, and does not include a detailed specification of the means of compliance;

(11) "significant law" means any Federal law which is likely, in the judgment of the Director of the Congressional Budget Office, to result in total additional direct costs to all State and local governments of $25,000,000 or more in any fiscal year, or is likely to have exceptional fiscal consequences for a geographic region or a particular level of government;

(12) "small government" means a government of a city, county, town, village, school district, or other special district established under State law which has a population of less than fifty thousand;

(13) "special provisions for small governments" means requirements for small governments contained in an intergovernmental regulation which are different from the requirements included in such regulation for other governments, and includes simplified compliance methods designed to reduce administrative burdens on small governments and reduced standards and modified compliance mechanisms which are proportional to the capabilities of small governments to comply with such regulation; and

(14) "State" means each of the several States, the District of Columbia, Guam, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands.

TITLE I—REVIEW OF INTERGOVERNMENTAL REGULATIONS

REPORT REQUIRED

SEC. 101. (a) Not later than thirty days after the date on which the President transmits a budget for a fiscal year to the Congress pursuant to section 1105 of title 31, United States Code, the President shall submit to the Congress a report specifying and evaluating the economic costs, noneconomic costs, and additional direct costs which have been incurred or which will be incurred by state governments and local governments in complying with intergovernmental regulations during the most recently completed fiscal year, the fiscal year in progress, and the first two fiscal years immediately succeeding the fiscal year in progress.

(b) Each report required under subsection (a) shall include—

(1) a list of each intergovernmental regulation in effect during each fiscal year for which the report is made and a citation of statutory and administrative authority for each such intergovernmental regulation;

(2) an estimate, for each such intergovernmental regulation, of—

(A) the total amount of economic costs, noneconomic costs, and additional direct costs that have been incurred or will be incurred in each such fiscal year by the government of each State and all local governments in such State in complying with such regulation in each such fiscal year; and

(B) the ratio (stated as a percentage) which the total amount of additional direct costs that have been incurred or will be incurred by all local governments in a State in complying with such regulation in each such fiscal year bears to the total amount of additional direct costs that have been incurred or will be incurred by the government of such State and all local governments in such State in complying with such regulation in such fiscal year;

(3) an estimate, for each such regulation, of the economic and noneconomic benefits that will be provided in each such fiscal year to each State government and all local governments in such State as a result of compliance with such regulation during each such fiscal year;

(4) recommendations for changes in laws and regulations that will reduce the costs specified pursuant to paragraph (2), or that will achieve a more favorable balance between the benefits specified pursuant to paragraph (3) and the costs specified pursuant to paragraph (2); and

(5) proposals for legislation, and a statement of planned administrative actions, to implement the recommendations specified pursuant to paragraph (4).

(c) In preparing the report required by subsection (a), the President shall consider the potential for reducing costs incurred by State and local governments in complying with intergovernmental regulations through the promulgation of intergovernmental regulations which utilize means such as performance standards, special provisions for small governments, marketable rights, economic incentives, compliance reforms, and simplified procedures to certify the compliance of Federal assistance recipients with Federal requirements.

PROCEDURES FOR PREPARATION OF REPORTS

SEC. 102. (1)(a) The President may delegate to the Director or to the head of any other Federal agency the responsibility for preparing the annual report required by section 101.

(b) In carrying out the provisions of this title, the President, the Director, or the head of a Federal agency to which a delegation is made under subsection (a), shall prescribe standards to be used by Federal agencies in estimating the costs of compliance with, and the benefits provided by, intergovernmental regulations administered by such agencies.

(2) The President, the Director, or the head of a Federal agency to which a delegation is made under subsection (a) shall prescribe the standards required under paragraph (1)—

(A) after consultation with State and local governments and the Comptroller General of the United States; and

(B) after providing public notice and an opportunity for comment in accordance with section 553 of title 5, United States Code.

(3) Standards prescribed under paragraph (1) may be revised from time to time to reflect changes in relevant economic and social circumstances and advances in pertinent branches of knowledge.

(c) The standards prescribed under subsection (b) shall provide, to the extent possible, for—

(1) uniform categories of costs of compliance with, and benefits provided by, intergovernmental regulations;

(2) methods to be used by the President, and by Federal agencies, in estimating the additional direct costs that will be incurred by State and local governments in complying with each intergovernmental regulation, including methods to estimate the amount of such costs that will be incurred for each fiscal year in which each such regulation is in effect;

(3) methods to be used by Federal agencies in compiling the information required to be submitted under subsection (d) which shall be designed to—

(A) minimize the costs that will be incurred by the State and local governments and the Federal assistance recipients from which such information will be collected; and

(B) ensure the collection of reasonably accurate information in a form that will be useful to States in complying with section 204(c);

(4) methods for preventing disclosure of information about individuals or businesses the confidentiality of which is protected under Federal law;

(5) procedures to be followed by Federal agencies in reporting the information required to be submitted under subsection (d); and

(6) such other procedures and guidelines as may be necessary for the implementation of this title.

(d) Each year, at a time prescribed by the President, the Director, or the head of the Federal agency to which a delegation is made under subsection (a), the head of each Federal agency which administered any intergovernmental regulation during a fiscal year for which a report is required under section 101, shall prepare and submit to the President, the Director, or such agency head, a report setting forth, for each such regulation, the information required to be included for such regulation in the report required under section 101.

TITLE II—COMPENSATION OF STATE AND LOCAL GOVERNMENTS FOR ADDITIONAL DIRECT COSTS

COMPENSATION REQUIRED

SEC. 201. (a) Except as provided in subsection (b), a Federal agency or a court of the United States shall not require State governments or local governments to comply, in any fiscal year, with any intergovernmental regulation which—

(1) takes effect on or after the date of enactment of this Act; and

(2) is promulgated pursuant to a significant law, unless provisions of law have been enacted which provide a sufficient amount of funds for such fiscal year to reimburse such governments for the total amount of additional direct costs that will be incurred by such governments in complying with such regulation during such fiscal year.

(b)(1) Notwithstanding subsection (a), a Federal agency or a court of the United States may require State and local governments to comply with an intergovernmental regulation to which subsection (a) applies and which will be in effect during a fiscal year if, with respect to such intergovernmental regulation and such fiscal year, a joint resolution described in paragraph (2) is enacted by a two-thirds vote of the Members of each House of Congress, duly chosen and sworn.

(2) A joint resolution referred to in paragraph (1) is a joint resolution which, with respect to an intergovernmental regulation that will be in effect during a fiscal year, waives the provisions of subsection (a) that require that provisions of law be enacted to provide a sufficient amount of funds for such fiscal year to reimburse State and local governments for the total amount of additional direct costs that will be incurred by such governments in complying with such regulation during such fiscal year.

(c) For purposes of this section, the total amount of additional direct costs that will be incurred by State governments and local governments in complying with an intergovernmental regulation in any fiscal year shall be the total amount of such costs for such regulation estimated by the Director of the Congressional Budget Office for such fiscal year in the report required under section 202 for such fiscal year.

REPORT BY THE DIRECTOR OF THE CONGRESSIONAL BUDGET OFFICE

SEC. 202. (a) For each fiscal year in which an intergovernmental regulation promulgated pursuant to a significant law will be in effect, the Director of the Congressional Budget Office shall prepare and transmit to the President and the Congress a report specifying, for such fiscal year and the fiscal year succeeding such fiscal year, an estimate of the total amount of additional direct costs that will be incurred by State governments and local governments in complying with such regulation in each such fiscal year.

(b) In preparing each report required by subsection (a), the Director of the Congressional Budget Office shall consider the estimate of additional direct costs for a fiscal year resulting from compliance with an intergovernmental regulation which are specified in the report submitted by the President under title I during the fiscal year preceding such fiscal year.

(c) The Director of the Congressional Budget Office shall transmit each report required by subsection (a) for a fiscal year to the President and the Congress by September 1 of the fiscal year preceding such fiscal year.

IMPLEMENTATION

SEC. 203. (a) For each fiscal year in which an intergovernmental regulation promulgated pursuant to a significant law will be in effect, the chairman of the committees of the Senate and of the House of Representatives having legislative jurisdiction over such significant law shall propose, to an appropriate bill or resolution providing funds for such fiscal year, an amendment containing provisions to appropriate funds to reimburse State governments and local governments for the additional direct costs incurred in complying with such regulation. The amount of funds proposed to be appropriated by such amendment shall be equal to or in excess of the amount described in section 201(a).

(b) Subsection (a) does not apply with respect to an intergovernmental regulation which will be in effect during a fiscal year if, with respect to such intergovernmental regulation and such fiscal year, a joint resolution has been enacted in accordance with section 201(b).

PROCEDURES FOR REIMBURSEMENTS TO STATE AND LOCAL GOVERNMENTS

SEC. 204. (a)(1) The head of each Federal agency which administers an intergovernmental regulation promulgated pursuant to a significant law shall pay to each State government in each fiscal year the amount determined pursuant to this section to reimburse the State government and local governments in the State for the additional direct costs incurred by such governments in complying with such regulation in such fiscal year.

(2) A State government which receives payments under this section for reimbursement for additional direct costs incurred in complying with an intergovernmental regulation in any fiscal year shall pay to each local government in the State the amount determined pursuant to this section to reimburse such local government for the additional direct costs incurred by such local government in complying with such regulation in such fiscal year.

(b) The total amount to be paid to a State to reimburse the government in the State for additional direct costs incurred by such governments in complying with an intergovernmental regulation in any fiscal year shall be an amount which bears the same ratio to the total amount for reimbursement of additional direct costs for all State governments and local governments described in section 201(a) with respect to such regulation for such fiscal year as the total amount of additional direct costs with respect to such regulation which is specified in the report submitted by the President under title I for such fiscal year for such State government and local governments in such State for such fiscal year bears to the sum of the total amounts of additional direct costs with respect to such regulation which are specified in such report for all State governments and all local governments for such fiscal year.

(c)(1) The total amount to be paid by a State government to local governments in such State to reimburse such governments for additional direct costs incurred by such governments in complying with an intergovernmental regulation in any fiscal year shall be equal to the product of the amount paid to the State under subsection (b) for such fiscal year multiplied by the ratio determined by the President for such State with respect to such regulation for such fiscal year pursuant to section 101(b)(2)(B).

(2)(A) A State government which receives payments under this section to reimburse local governments in the State for the additional direct costs incurred by such governments in complying with an intergovern-

mental regulation in any fiscal year shall pay to each such local government an amount equal to the product of—

(i) the total amount determined under paragraph (1) with respect to such regulation for such fiscal year, multiplied by

(ii) the ratio (stated as a percentage and estimated by the State in accordance with subparagraph (B)) that the total amount of additional direct costs incurred by such local government in complying with such regulation in such fiscal year bears to the total amount of additional direct costs incurred by all local governments in such State in complying with such regulation in such fiscal year.

(B) Each State government which receives payments under this section for any fiscal year shall provide by law for the estimation of the amount of additional direct costs incurred by each local government in such State in complying with an intergovernmental regulation for which such payments are received. In providing for the estimation of such costs, the State shall establish procedures and methods for the estimation of such costs which are reasonably related to the actual additional direct costs incurred by such governments in complying with such regulation in such fiscal year.

(d) This section does not apply with respect to an intergovernmental regulation which will be in effect during a fiscal year if, with respect to such intergovernmental regulation and such fiscal year, a joint resolution has been enacted in accordance with section 201(b).

EFFECT OF SUBSEQUENT ENACTMENTS

SEC. 205. No law enacted after the date of enactment of this title shall supersede the provisions of this title unless such law does so in specific terms, referring to this title, and declares that such law supersedes the provisions of this title.

TITLE III—MISCELLANEOUS

COST ESTIMATES

SEC. 301. Section 403(c) of the Congressional Budget Act of 1974 is amended by striking out "$200,000,000" and inserting in lieu thereof "$100,000,000".

MAJOR FEATURES OF THE INTERGOVERNMENTAL REGULATORY RELIEF ACT OF 1986

1. Requires the Director of OMB to submit a report to Congress listing all existing intergovernmental regulations, current costs of implementing significant existing regulations, recommendations for changes in regulations which would attain identical goals at lower costs, and proposed legislative and administrative steps to implement the recommendations. The report will also develop standards for calculating future regulatory costs imposed on State and local governments and standards for review and consultation with State and local governments and the Comptroller General.

2. Requires the Federal Government to reimburse State and local governments for any additional direct costs imposed on them by Federal regulations established after enactment of this bill. This provision could be waived if two-thirds of both houses of Congress and the President agree to do so.

3. Requires the Director of the Congressional Budget Office to submit a report to Congress and the President detailing the total direct costs of Federal regulations each fiscal year to State and local governments.

4. Sets forth the procedures for reimbursing each State and local government for legitimate regulatory costs incurred.●

● Mr. WILSON. Mr. President, I wish to join the distinguished Senator from Minnesota [Mr. DURENBERGER], in the introduction of the "Intergovernmental Regulatory Relief Act of 1986."

This legislation is designed to bring a greater measure of fairness to the entire process by which this Congress seeks to impose its will and its judgment upon the States and the local governments of this Nation.

Specifically, the intent here is to require Federal reimbursement for any additional costs incurred by State and local governments in complying with new Federal regulations.

Mr. President, this legislation is especially timely as budget deficits have required reductions in Federal funds to localities and new federalism has brought shifting roles. As new federalism continues to evolve and State and local governments shoulder greater responsibilities and costs, Congress must not continue to add to the local government burden through new unfunded Federal mandates.

Mr. President, this legislation, I am sure, will make great sense to any of my colleagues who have, in their experience, spent some time in State or local government. Many times in my capacity as a State legislator, and even more as mayor of a large city, I have questioned the judgment of legislators at the Federal level. Many times I must confess to having expressed deep resentment at their having imposed not only their judgment but the cost of their judgments upon local taxpayers.

The principle involved here, simply stated, is that the National Government bears some responsibility to fund duties and requirements it chooses to impose upon State and local governments. This position has been strongly endorsed by many State and local government officials.

Unfortunately, I must add in all honesty that even State governments have been guilty of imitating the Federal level by imposing upon local governments regulatory requirements without the benefit of adequate funding.

Some years ago this finally became intolerable in California, and the State legislature, to cure its own sin, enacted what was then called Senate bill 90, which said very simply that the State shall no longer impose new duties upon local governments without providing the funds for the performance of those duties.

Mr. President, I understand why at first blush many of my colleagues might find this approach a bitter pill to swallow, particularly now when we are almost obsessed with a discussion as to how we shall go about reducing deficits. However, this legislation does not add to the Federal deficit but simply will require the Federal Government to legislate more responsibly when enacting new regulations.

Let me say it simply: If, in our judgment, a particular responsibility to be discharged at the State and local level is important enough for use to enact Federal legislation so as to require it, then it seems only right that such mandates should be accompanied by appropriate Federal funding.

In recent years, Congress has often responded to problems without providing adequate funding to carry them out—present mandates are estimated to cost State and local governments $200 billion a year. If we now require Federal reimbursement of Federal mandates it may be that we will reform our own lack of realism by working to slow further regulatory proliferation as well as bringing relief, much deserved relief, to those who labor at the State and Federal level.

In a period of Federal deficits, such a requirement would impose an obstacle to new enactment by Congress. However, it is important to recognize that where it is inappropriate for Congress to share the costs of regulatory implementation, then this reimbursement requirement may be waived by a two-thirds vote of Congress.

Mr. President, the Advisory Commission on Intergovernmental Relations issued a report entitled "Regulatory Federalism: Policy, Process, Impact, and Reform." I agree with much of the report. It cites in some detail, with many examples, precisely the kind of abuses which the Federal Government has been guilty with the best of good intentions. I do not agree entirely with the recommendations of the report on the issue of reimbursement. Nevertheless, it may be helpful to close by quoting what the Commission had to say about its recommendations for full Federal reimbursement. I read from the report of the Commission on Intergovernmental Relations.

"The Commission strongly affirms the principle of federal responsibility for mandated costs, but it has carefully tailored its recommendation to current budgetary realities and to the administrative difficulties posed by full reimbursement of all existing mandates. This recommendation is limited to costs imposed on state and local governments by future intergovernmental regulations. This restriction avoids excessive immediate demands on the deficit-ridden federal budget while simultaneously establishing an effective fiscal deterrent to future regulatory proliferation. The recommendation is also limited to additional direct costs of regulations, e.g., those expenses that are clearly attributable to implementing the regulation, above and beyond any related activity that would have been carried out in the absence of the federal mandate. Although the Commission recognizes that such additional costs are difficult to measure and define, it expects that appropriate methodologies will be perfected by the Congressional Budget Office in implementing existing "fiscal notes" legislation. The exclusion of ambiguous "indirect" costs, like

losses of efficiency and externalities, also simplifies this task. Finally, to strengthen implementation of this recommendation by potentially reluctant federal administrators, it contains an action-forcing provision: holding state and local governments free from regulatory compliance for any future federal mandates that are unreimbursed. This provision provides justifiable grounds for challenging any future unfunded mandates."

For these reasons, Mr. President, I am joining my colleague and friend, Mr. DURENBERGER, in sponsoring this legislation.●

By Mr. CRANSTON:

S. 2388. A bill to amend title 38, United States Code, to improve various aspects of Veterans' Administration health-care programs, to provide eligibility to new categories of persons for readjustment counseling from the Veterans' Administration, to authorize the Administrator of Veterans' Affairs to establish programs for the furnishing of respite care to certain chronically ill service-connected disabled veterans and of noninstitutional care to certain veterans, to extend certain expiring authorities, and for other purposes; to the Committee on Veterans' Affairs.

VETERANS' ADMINISTRATION HEALTH-CARE PROGRAMS EXTENSION AND IMPROVEMENT ACT

Mr. CRANSTON. Mr. President, as the ranking minority member of the Committee on Veterans' Affairs, I am today introducing S. 2388, the proposed Veterans' Administration Health-Care Programs Extension and Improvement Act of 1986. This bill has as its basic purpose the continued maintenance and improvement of the VA's ability to meet the needs of our Nation's veterans and their dependents. In view of my very strong concern that we must find ways to reduce the Federal deficit, this legislation seeks to find ways to improve VA programs without incurring any significant new costs.

SUMMARY OF PROVISIONS

Mr. President, the 11 substantive provisions in this measure would:

First, authorize the VA to carry out a 3-year pilot program of respite care under which the VA would periodically provide—for short periods of time—a hospital or nursing home bed to a compensable service-connected veteran who is otherwise receiving care at home (section 7).

Second, require the Administrator to conduct a 4-year pilot program through 10 demonstration projects under which veterans eligible for and otherwise in need of VA institutional care would instead receive care, including health-related services from non-VA entities, in noninstitutional settings (section 8).

Third, in cases in which a veteran's family members have been receiving counseling or mental health services from the VA in connection with the veteran's care or counseling, authorize the VA to provide bereavement counseling to the family members for up to 6 months following the veteran's death (section 4).

Fourth, provide to: One, Armed Forces active duty personnel who served during the Vietnam era and, two, persons who served in the Armed Forces after the Vietnam era in combat-like situations eligibility for VA readjustment counseling (section 6).

Fifth, make permanent the authority of the Administrator to conduct a program of independent living services and assistance for severely disabled service-connected veterans for whom the VA determines the achievement of a vocational goal is not reasonably feasible (section 11).

Sixth, provide authority for the VA to furnish services to enable a male or female veteran or a male veteran's spouse achieve pregnancy, for example through artificial insemination or in vitro fertilization, in cases in which a veteran's service-connected disability impairs procreative ability (section 3).

Seventh, authorize the VA to enter into agreements with State and local governments pursuant to which the VA may enforce through State courts State and local traffic law violations occurring on VA property (section 2).

Eighth, extend by 5 years, through fiscal year 1991, the current authorization of annual appropriations of "such sums as may be necessary" to the VA to support the agency's program of grants to the States for the construction of State veterans homes (section 12).

Ninth, extend by 3 years, through fiscal year 1989, the VA's current authorities to make annual grants of up to $500,000 to the Republic of the Philippines to assist with the maintenance of the Veterans' Memorial Medical Center in Manila and to make payments to the Philippine Government for the care and treatment of U.S. veterans in that facility (section 10).

Tenth, revise eligibility for VA domiciliary care so as to reflect more accurately the VA's current philosophy and practice in furnishing that care (section 5).

Eleventh, eliminate the Administrator's authority to modify by regulation eligibility for VA health-care benefits (section 9).

RESPITE CARE PILOT PROGRAM

Section 7 of this measure would authorize the VA to carry out, in fiscal years 1987 through 1989, a 3-year pilot program of respite care under which the VA would periodically provide, for short periods of time, hospital or nursing home care to a compensable service-connected veteran who is otherwise receiving care at home. In addition, if the VA were to utilize this authority, there would be a requirement that the agency carry out a study of the medical efficacy and cost-effectiveness of furnishing such care and report to the two Committees on Veterans' Affairs the results of that study.

Mr. President, the ultimate goal of respite care, which is a relatively new form of care, is to help maintain an individual in his or her home as long as possible before having to resort to institutional care. It is widely agreed to this point that, where medically feasible, maintaining a person at home is not only better for the person's overall health status, but is also a far more efficient and cost-effective way to meet individuals' health-care needs. The theory of respite care is that by providing scheduled relief for the primary caregiver—who is most often the spouse or child of the person who is receiving care—it will be possible to maintain the person in need of care at home for a longer period of time.

Mr. President, I note that the proposal in my bill is derived from legislation developed by the VA and forwarded to the Congress last year. The House Committee on Veterans' Affairs reported and the House last year passed similar legislation in H.R. 505, but we were unable to reach an agreement on that proposal in the final compromise on that measure which was enacted as Public Law 99-166. The principal differences between the measure I am introducing and the House provision are: First, the emphasis in the measure I am introducing on veterans with compensable service-connected disabilities and, second, the inclusion in my provision of a express limitation permitting respite care only in situations where providing such care would not, as determined by the head of the VA facility concerned, "adversely affect the range of services, the quality of care, or the established priorities for care furnished to other veterans seeking care" at that VA facility. This limitation is designed to ensure that the pilot program test of this type of care does not substantially disrupt the conduct of other programs.

I want to stress that because respite care would be available utilizing only resources that would otherwise not be used, it should result in insignificant, if any, new cost to the VA—an important consideration for me and all of the Congress in this time of very tight budgets for the VA health-care system—and, because of the emphasis on service-connected veterans, any shift in resources would be to the benefit of those veterans who are owed the greatest obligation by the VA.

PILOT PROGRAM OF NONINSTITUTIONAL ALTERNATIVES TO INSTITUTIONAL CARE

Mr. President, section 8 of the bill would require the VA to conduct, from January 1, 1987, through December 31, 1990, a 4-year pilot program at 10 demonstration project sites to evaluate noninstitutional alternatives to in-

stitutional care. Through this pilot program, the VA would provide certain veterans with medical, rehabilitative, and other health services and, by contract with non-VA entities, with health-related services.

These health and health-related services would be provided in noninstitutional settings—such as the veteran's home or a board-and-care home—with the goal of being able to avoid institutional care, such as in a hospital, nursing home, or domiciliary facility, for the participants in the program.

Participation in the program would be limited to veterans eligible for and otherwise in need of VA hospital, nursing home, or domiciliary care, and priority for care and services through the pilot program would be accorded to veterans with service-connected disabilities, to veterans who are 65 or older, and to veterans who are totally and permanently disabled.

Mr. President, section 8 of the bill, except for date changes, is virtually identical to section 103 of S. 876 as reported by our committee last July. That provision—which was derived from section 9 of S. 6, legislation I introduced on January 3, 1985, and from section 2 of S. 876 as introduced by our committee's chairman, Senator MURKOWSKI, on April 3—was considered and passed by the Senate as part of an amendment to H.R. 505 on July 30, 1985. Unfortunately, we were unable to gain House agreement on this pilot program and the provision was not included in the measure that was ultimately enacted as Public Law 99-166.

I am reintroducing this provision at this time because I remain convinced that, in light of current developments in health services which enable more individuals to receive needed care without being institutionalized and of the rapid increase in the number of veterans age 65 and older who may be seeking care from the VA in the years ahead, the VA must take steps to develop new approaches to addressing the health-care needs of veteran patients. By 1990, there will be 7.2 million veterans in this age group and there will be 9 million veterans age 65 or older by the year 2000. The kinds of new VA approaches this legislation envisions must include an emphasis on increased interaction with community entities that provide health and health-related services if the VA is to get the maximum health-care benefit out of every dollar spent. There also must be a greater emphasis on reducing the need for institutional care for veterans. In my view, this proposed pilot program is an appropriate response to these concerns.

With specific reference to the goal of avoiding institutional care and of providing services in an individual's home, I note that the VA, in its 1984 report, "Caring for the Older Veteran," set forth a number of objectives that were central to the agency's strategies for meeting the needs of the older veteran and that the first of these was:

To sustain older individuals' independence, comfort, and contentment in their own home environment for as long as possible, providing supportive services to do so.

Clearly, this proposed pilot program would help reach that goal.

On the issue of increased VA-community interaction and cooperation, which the pilot program is also designed to address, I am convinced that the VA must make greater use of community resources which help to maintain individuals in their homes—such as homemaker, personal care, communal or at-home nutrition, and transportation assistance services—in order for the agency to respond in a reasonably adequate way to the growing demand for care that it is facing and will continue to face as the veteran population ages so rapidly between now and the end of the century.

With reference to the cost of this pilot program, the bill limits the total cost over the life of the program to 60 percent of the cost that would otherwise have been incurred by the VA if the veterans participating in the program had been furnished nursing home care instead of the noninstitutional services provided under the program. It is my intention—as it was the committee's intention last year—that this pilot program would be carried out through the use of funds that would otherwise be used for the provision of more costly intermediate care and that the balance of the funds would be applied to care for more veterans than would have been served in the absence of this new, innovative program. In light of this intention, the Congressional Budget Office last year estimated that there would be no new costs associated with this pilot program.

CONTINUATION OF CERTAIN COUNSELING SERVICES FOR A DECEASED VETERAN'S FAMILY MEMBERS

Mr. President, under current law, the VA provides mental health counseling and certain other services to the family members of a veteran when doing so is necessary for the effective treatment of the veteran. This authority is relied on most often in connection with veterans receiving general mental health services, veterans receiving readjustment counseling through the VA's Vet Center Program, and in conection with various VA programs which provide care to terminally ill veterans. All indications that I have received are that providing family counseling in cases like these has been of great importance in the agency's efforts to assist the veterans who are receiving care.

Unfortunately, under current law, family members lost their eligibility for further counseling at the time of the veteran's death, the very time when they may be in the greatest need of assistance from a professional who knew the veteran and is familiar with the family member's relationships with the veteran and who has established rapport and trust with them. To correct this situation so that family members can receive bereavement counseling from someone with whom they have already developed a supportive relationship, section 4 of the measure I am introducing would authorize the VA to continue to furnish, for up to 6 months following the veteran's death, appropriate mental health assistance, in the form of such counseling, to family members who were receiving it before the death of the veteran.

EXTENSION OF ELIGIBILITY FOR READJUSTMENT COUNSELING AND RELATED MENTAL HEALTH SERVICES

Mr. President, under current law, section 612A of title 38, United States Code, eligibility for readjustment counseling services is limited to veterans of the Vietnam era. Section 6 of the measure I am introducing would make two additional categories of individuals eligible for such services.

First, individuals who served during the Vietnam era but who are still on active duty—and thus are not "veterans" under the applicable title 38, United States Code, definition—would be made eligible for readjustment counseling. Although I am not aware of any data suggesting a widespread unmet need for counseling among active-duty personnel who served in Vietnam, I continue to hear from individuals working in the VA's Vet Center Program and also from such active-duty personnel directly about requests from active-duty personnel for such counseling. Indeed, I have been aware of efforts at some Vet Centers to provide services to active-duty personnel despite a lack of express authority to do so. I do not believe that any individual who served in the Armed Forces during the Vietnam era and feels a need for readjustment counseling should be barred from eligibility simply because he or she is still on active duty. Section 6 of the bill would remove that bar.

The second change in eligibility for readjustment counseling that would be made by this section of the bill would be an expansion of the period of service that makes an individual eligible to include certain service after May 7, 1975, the end of the Vietnam era. Under this change, the Administrator, after consultation with the Secretary of Defense, would be authorized to specify that service during periods of time in specific locations in which U.S. Armed Forces were under hostile fire would be qualifying service for readjustment counseling purposes. This

provision recognizes that members of our Armed Forces are at times exposed to situations short of declared war—such as existed in Beirut or on Grenada or that exist today in connection with our actions against Libya or possibly Nicaragua—that might produce the need for readjustment counseling after that service. I want to stress my view that this authority, if enacted, should be used only in very limited circumstances in which our service personnel actually experience combatlike situations.

I also note that it is my intention that the Vet Center Program would meet out of existing resources whatever increased demand for services resulted from enactment of either or both of these changes. I am not proposing nor would I expect that there would be any expansion in the size of the Vet Center Program as a result of the enactment of these provisions.

INDEPENDENT LIVING SERVICES FOR SERVICE-CONNECTED DISABLED VETERANS

Mr. President, section 11 of the bill would make permanent the authority of the Administrator to conduct a program of independent living services and assistance for severely disabled service-connected veterans for whom the VA determines the achievement of a vocational goal is not reasonably feasible.

This program has been carried out pursuant to provisions I authored in 1980—in section 1520 of title 38 as added by Public Law 96-466—authorizing the VA to conduct such a program on a pilot basis for a period of 4 fiscal years, fiscal years 1982 through 1985, to provide assistance to such veterans in order to enable them to achieve maximum independence in daily living. Under this authority, the Administrator may provide for the furnishing of services and assistance through contracts with public or nonprofit agencies, or through the facilities of the VA's Department of Medicine and Surgery, that have a demonstrated capacity to conduct independent living services programs for handicapped persons. This program was modeled after the program of services and assistance provided under title VII, of which I was the principal author along with former Senator Jennings Randolph, of the Rehabilitation Act of 1973, as added by the Rehabilitation, Comprehensive Services, and Developmental Disabilities Amendments of 1978, Public Law 95-602. Not more than 500 veterans a year were to be afforded an opportunity to initiate a program of independent living services. Experience under the pilot program demonstrates that the utilization of the program did not approach the magnitude originally envisioned but that, for those veterans who participated, the services and assistance provided were very beneficial.

In an August 26, 1985, interim report, the VA stated that during the period November 4, 1981, the beginning of the program, through December 31, 1984, a total of 286 veterans were referred for participation in the pilot program and 207 of these referrals were approved for the program. As of December 31, 1984, 40 veterans had completed the program and 85 were still participating. The VA's study of the achievements of the pilot program found that "program participants who were evaluated made significant progress in improving their level of independence," and nearly half of the program completers were adjudged better able to live more independently in their communities. Moreover, as the VA noted in its report:

> Perhaps the most meaningful indication of change is the veteran's own perception of the change in his or her life. . . . Program completers experienced significant favorable change, and an increased sense of well-being, both following completion of their programs and 6 months following completion.

The costs of providing these services to severely disabled veterans were minimal. Based on the 99 participants for whom complete data were available, the VA found the total cost of contracted services, subsistence allowances, travel, and staff overhead was $373,542 for the period November 4, 1981, through December 31, 1984, with a median cost of $217.50 and a mean cost of $3,772.24.

Clearly, this program of independent living services has favorably impacted on most of the veterans who took part. As the VA concludes in its report:

> Certainly not all of the program participants benefited at the same rate or to the same degree. In fact, some achieved little if any benefit from the program. However, it should be remembered that all of the participants were seriously disabled and handicapped to the extent that employment was determined to be infeasible for them. Many of the participants had experienced long-term or repeated institutionalization with little hope of any significant changes in their lives. The study suggests that many of the program participants who complete their programs may experience less institutionalization . . . and achieve a greater level of independence in living at a moderate cost.

Although the VA has failed to submit a final report—which was due in September 1984—on the effectiveness of the program, the interim report shows that the program can play an important role in the lives of certain seriously disabled veterans in terms of assisting them to achieve maximum independence. Therefore, I believe that the authority for the Administrator to provide this type of service and assistance to such veterans should be made a permanent part of the VA's fabric of benefits.

Although the authority for this program would remain discretionary under the bill, it is certainly my intention that, at least in the case of a veteran with a service-connected disability or disabilities so severe that he or she is considered unable to achieve a vocational goal, the Administrator should, within the confines of the current-law 500-per-year participation limit and applicable priorities for eligibility, ensure that independent living services needed for the veteran to achieve maximum independence in daily living are made available to the veteran. We surely owe that assistance to the veteran concerned.

SERVICES TO OVERCOME SERVICE-CONNECTED DISABILITY AFFECTING PROCREATION

Mr. President, section 3 of the bill would authorize the VA to furnish services to help a male or a female veteran or a male veteran's spouse achieve pregnancy in cases in which the veteran's service-connected disability impairs procreative ability.

As a result of my work on behalf of a woman veteran who had a service-connected disability which prevented her from becoming pregnant, I became aware of the fact that the VA does not believe that it has legal authority under current law to provide services to help overcome such a disability. In that case, the veteran was seeking an in vitro fertilization procedure. I have also been working for many months with representatives of the Paralyzed Veterans of America who have expressed a strong interest among their members in such services for males suffering from spinal cord injuries.

Although I do not believe that the VA's legal interpretation of its existing authority is correct, and I did my utmost to change that interpretation, I was not successful. Hence, I am proposing this provision in order to remove any doubts that may exist on this issue.

Mr. President, because this authority would be limited to cases in which a veteran's service-connected condition is impairing procreative ability, it will be targeted on those veterans as to whom the VA has always had the greatest responsibility—those disabled during their service. Because of this targeted focus, I anticipate that there will be a relatively limited number of veterans who would be eligible to be furnished these new services and an even smaller number who will wish to receive them. Thus, I do not foresee significant new costs associated with this proposed change in the law.

However, to the extent there are new costs associated with this new authority, it is my intention that they would be absorbed through a shift of funds from lower priority expenditures under the VA's medical care account, which is $9.3 billion in fiscal year 1986, and that, as a result, no new appropriations would be provided in connection with the new authority. The end result of such a shift in resources would be an increase in serv-

ices available to service-connected disabled veterans to help overcome these disabilities.

ENFORCEMENT OF STATE AND LOCAL TRAFFIC LAWS BY VETERANS' ADMINISTRATION POLICE OFFICERS

Mr. President, section 2 of the measure I am introducing would amend subsection (b) of section 218 of title 38, which, among other things, sets forth what laws and regulations are to be enforced by VA police officers on VA property. The change I am proposing, which is based on legislation requested by the administration in a March 10, 1986, transmittal letter to the President of the Senate, would give the VA the authority to enter into agreements with State and local governments pursuant to which VA police officers would be able to enforce State and local traffic laws by issuing citations for any violations of such laws occurring on VA property. Under current law and practice, the VA can enforce traffic measures on VA property only by issuing regulations relating to such matters and then securing the agreement of the U.S. district court for the geographic area concerned to issue rules of court incorporating the VA regulations. Once that has occurred, it becomes possible to refer violations of the VA regulations to the local office of the U.S. attorney for further action.

The VA has indicated that, although this process has been effective in some areas of the country, there are regions in which the agency has not been able to secure the cooperation needed for enforcement through the Federal courts. The change proposed by section 2 would remedy this problem by providing the VA with an option for enforcement through State and local courts.

AUTHORIZATION OF APPROPRIATIONS FOR GRANTS TO STATE VETERANS' HOMES

Mr. President, under title 38, the VA participates in two separate programs of assistance to State veterans' homes—one, a program of per diem payments to the homes for care provided to eligible veterans; the other, a program of matching grants to the States for the construction, remodeling, or renovation of State home facilities.

The State home program is a vital adjunct to the VA's overall efforts, both now and in the years ahead, to meet the health-care needs of older veterans, and I strongly support the overall program.

The authorization of appropriations—at the level of "such sums as may be necessary—to be made to the VA for the purpose of making matching grants to the States expires at the end of the current fiscal year, and section 12 of the bill I am introducing would extend that authorization for 5 years, through fiscal year 1991. For the last 3 fiscal years, the amounts appropriated were $18 million in fiscal year 1984, $34.5 million in fiscal year 1985, and $22 million in fiscal year 1986, $42.4 million is requested for fiscal year 1987 in the President's budget, and the VA has recently testified that it plans to request $40 million each for fiscal years 1988 and 1989.

MEDICAL CARE FOR VETERANS IN THE REPUBLIC OF THE PHILIPPINES

Mr. President, section 10 of the measure would extend for 3 years, through fiscal year 1989, two existing authorities relating to health care for United States veterans in the Philippines. Pursuant to the first authority, the VA is authorized to contract with the Veterans Memorial Medical Center in Manila for the care and treatment of United States veterans in the Philippines. The second provision authorizes the VA to make grants of up to $500,000 annually to the Veterans Memorial Medical Center to assist in the replacement and upgrading of equipment and the rehabilitation of the physical plant and facilities of the center. The Veterans' Administration has requested a 5-year extension of both authorities.

ELIGIBILITY FOR DOMICILIARY CARE

Mr. President, section 5 of this measure would authorize the VA to provide domiciliary care to veterans in need of such care for the purpose of receiving treatment or rehabilitation who have a service-connected disability or who are incapacitated from earning a living and have no adequate means of support.

The issue of how eligibility for domiciliary care should be stated in the law arose last year in the context of the reconciliation legislation, the Consolidated Omnibus Budget Reconciliation Act of 1985, Public Law 99-272, which revised eligibility criteria for VA hospital, nursing home, and outpatient care. Under current law, veterans are eligible for domiciliary care under two general categories: In the first category are service connected disabled veterans who are suffering from a permanent disability or tuberculosis or a neuropsychiatric ailment and are incapacitated from earning a living and have no adequate means of support; in the second, more general category are veterans who are in need of domiciliary care and who are unable to defray the cost of such care. This statutory scheme is both terribly confusing as well as not consistent with current VA philosophy and practice.

As noted in the explanatory statement that accompanied the conference report on the reconciliation legislation—House Report No. 99-453, page 695—despite agreement among the conferees that the existing eligibility criteria for domiciliary care should be revised, it was not possible to reach a final agreement with reference to domiciliary care at that time and the final legislation left the eligibility unchanged. In reaching that result, however, the conferees noted that they were "not expressing satisfaction with the status quo" and also noted that "[b]oth Committees on Veterans' Affairs plan to hold hearings—in 1986—to consider appropriate revisions to the eligibility for domiciliary care." I am including this provision in the measure I am introducing to provide a focal point for those hearings by our committee.

RULES AND REGULATIONS RELATING TO HOSPITAL, NURSING HOME, DOMICILIARY, AND MEDICAL CARE

Section 9 of the bill would amend section 621 of title 38, which relates to the VA Administrator's authority to issue rules and regulations relating to the provision of medical care by the VA, so as to eliminate the Administrator's authority to prescribe limitations on the statutory scheme of such benefits and services and eligibility for them as set forth in chapter 17. This authority in current law dates from the Economy Act of 1933, which is the single most negative legislative action in the area of veterans' affairs in United States history.

As far as I can recall, the VA, during the years I have been in the Senate, has not relied on this authority in acting to limit any health-care benefits. However, last year, during congressional action on the reconciliation legislation, the VA's Office of General Counsel submitted an informal white paper to staff of the two Veterans' Affairs Committees which included a discussion of the availability of this provision to the Administrator in the event that the Administrator desired to provide access to health-care benefits on a basis different than intended by the Congress.

Without reference to whether an Administrator would ever choose to take such an action and without judging whether such an action would be otherwise lawful, I can see no basis for vesting in an executive branch official the appearance of having such a power to reverse the will of the Congress, particularly in light of the changes made by the Consolidated Omnibus Budget Reconciliation Act of 1985, Public Law 99-272, in VA health-care eligibility in which Congress mandated the provision of VA care to certain groups of veterans. I am, therefore, proposing that this authority be repealed.

CONCLUSION

Mr. President, as I noted at the outset, the central purpose of this legislation is to bring about the continued improvement and updating of the VA's authority and capacity to meet the needs of our Nation's veterans and their dependents. I look forward to working on this measure with our committee's chairman, Mr. MURKOWSKI, and the other members of the

committee, with the VA, with the various veterans' service organizations, and with others interested in legislation affecting veterans.

ADDITIONAL COSPONSORS

S. 827

At the request of Mrs. HAWKINS, the name of the Senator from North Dakota [Mr. ANDREWS], was added as a cosponsor of S. 827, a bill to amend the Public Health Service Act to provide for the compensation of children and others who have sustained vaccine-related injuries, and for other purposes.

S. 1654

At the request of Mr. STEVENS, the names of the Senator from New York [Mr. D'AMATO], and the Senator from Delaware [Mr. ROTH] were added as cosponsors of S. 1654, a bill to amend title 18, United States Code, to provide for criminal forfeiture of proceeds derived from espionage activities and rewards for informants providing information leading to arrests in espionage cases.

S. 1822

At the request of Mr. THURMOND, the name of the Senator from Georgia [Mr. MATTINGLY], was added as a cosponsor of S. 1822, a bill to amend the Copyright Act in section 601 of title 17, United States Code, to provide for the manufacturing and public distribution of certain copyrighted material.

S. 2090

At the request of Mr. PRYOR, the names of the Senator from Alaska [Mr. STEVENS], and the Senator from Minnesota [Mr. DURENBERGER] were added as cosponsors of S. 2090, a bill to provide that the Internal Revenue Service may not before July 1, 1987, enforce its regulations relating to the tax treatment of the personal use of vehicles, and for other purposes.

S. 2253

At the request of Mr. HEINZ, the names of the Senator from Maryland [Mr. SARBANES], and the Senator from Montana [Mr. MELCHER] were added as cosponsors of S. 2253, a bill to amend the Balanced Budget and Emergency Deficit Act of 1985 to exempt certain railroad retirement benefits from sequestration or reduction under an order issued by the President under section 252 of such act.

S. 2310

At the request of Mr. PRESSLER, the name of the Senator from South Dakota [Mr. ABDNOR] was added as a cosponsor of S. 2310, a bill to make foreign nationals ineligible for certain agricultural program loans, payments, or benefits.

S. 2331

At the request of Mr. HEINZ, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 2331, a bill to amend title XVIII of the Social Security Act to assure the quality of inpatient hospital services and post-hospital services furnished under the Medicare program, and for other purposes.

S. 2333

At the request of Mr. KENNEDY, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 2333, a bill to amend title XIX of the Social Security Act to strengthen and improve Medicaid services to low-income pregnant women and children.

S. 2335

At the request of Mr. DOLE, the names of the Senator from Wyoming [Mr. WALLOP], the Senator from California [Mr. WILSON], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of S. 2335, a bill to protect United States citizens from terrorism.

S. 2379

At the request of Mr. PRYOR, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 2379, a bill to repeal the application of Revenue Ruling 86-63, relating to the deductibility of contributions to university athletic funds.

SENATE JOINT RESOLUTION 245

At the request of Mr. HATFIELD, the names of the Senator from Maine [Mr. MITCHELL], and the Senator from Texas [Mr. BENTSEN] were added as cosponsors of Senate Joint Resolution 245, a joint resolution designating "National Epidermolysis Bullosa Awareness Week".

SENATE JOINT RESOLUTION 290

At the request of Mr. DECONCINI, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of Senate Joint Resolution 290, a joint resolution to designate July 4, 1986, as "National Immigrants Day".

SENATE JOINT RESOLUTION 323

At the request of Mr. D'AMATO, the names of the Senator from New Jersey [Mr. LAUTENBERG], and the Senator from Tennessee [Mr. GORE] were added as cosponsors of Senate Joint Resolution 323, a joint resolution to designate May 21, 1986, as "National Andrei Sakharov Day".

SENATE CONCURRENT RESOLUTION 112

At the request of Mr. BUMPERS, the names of the Senator from Rhode Island [Mr. PELL], the Senator from North Dakota [Mr. ANDREWS], the Senator from Delaware [Mr. BIDEN], the Senator from New Mexico [Mr. BINGAMAN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. HATFIELD], the Senator from Kentucky [Mr. FORD], the Senator from Hawaii [Mr. INOUYE], the Senator from Colorado [Mr. HART], the Senator from North Dakota [Mr. BURDICK], the Senator from Maryland [Mr. MATHIAS], the Senator from Massachusetts [Mr. KERRY], the Senator from Missouri [Mr. EAGLETON], the Senator from Connecticut [Mr. DODD], the Senator from Illinois [Mr. SIMON], the Senator from Washington [Mr. GORTON], the Senator from Arkansas [Mr. PRYOR], the Senator from West Virginia [Mr. ROCKEFELLER], and the Senator from California [Mr. CRANSTON] were added as cosponsors of Senate Concurrent Resolution 112, expressing support for the President's no-undercut policy concerning existing strategic offensive arms agreements.

SENATE CONCURRENT RESOLUTION 125

At the request of Mr. HEINZ, the name of the Senator from New Hampshire [Mr. RUDMAN] was added as a cosponsor of Senate Concurrent Resolution 125, a concurrent resolution recognizing the achievements of the Ireland Fund and its founder, Dr. Anthony J.F. O'Reilly.

SENATE RESOLUTION 390

At the request of Mr. ROTH, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of Senate Resolution 390, a resolution relating to the nuclear accident at Chernobyl in the Union of Soviet Socialist Republics.

SENATE CONCURRENT RESOLUTION 135—RELATING TO A BAN ON NUCLEAR TESTING

Mr. WILSON (for himself, Mr. QUAYLE, Mr. WALLOP, and Mr. GARN) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON RES. 135

Whereas the United States has determined that the Soviet Union has violated a broad range of arms control agreements, including likely violations of the Threshold Test Ban Treaty;

Whereas the Soviet noncompliance with arms control agreements damages the fabric of superpower relations, particularly current efforts to negotiate deep reductions in nuclear weapons, and undermines the potential contribution of arms control to the security of the United States and its allies;

Whereas the Government of the Soviet Union has failed to bring its actions into compliance with existing arms control agreements despite the diplomatic initiatives of the United States at the Standing Consultative Commission and through other diplomatic channels;

Whereas the public statements by the Soviet General Secretary concerning a readiness to reach agreement on necessary verification measures, including on-site inspections, have not been reflected in the private arms control negotiation positions of the Government of the Soviet Union;

Whereas the President has recently made a proposal to the Soviet Union to provide a means of reducing the verification uncertainties associated with existing nuclear testing agreements and to invite Soviet experts to monitor a planned nuclear weapon test at the Nevada test site;

Whereas the President has stated that should the United States and the Soviet Union reach an agreement on essential verification improvements to the Threshold Test Ban Treaty and the Peaceful Nuclear Explosions Treaty, then he would be prepared to move forward on obtaining the advice and consent of the Senate to the ratification of both these agreements;

Whereas the United States Government has reiterated its commitment to the long-term goal of a comprehensive test ban, under conditions of broad, deep, and verifiable arms reductions, improved verification capabilities, expanded confidence-building measures, and a greater balance in conventional military forces;

Whereas the United States Government has also reaffirmed that absent such conditions, a program of limited, underground nuclear testing remains essential to ensure the continued reliability, safety, effectiveness, and survivability of America's nuclear deterrent; and

Whereas over the course of the past quarter century, the nuclear weapon test program of the United States has had the positive effect of providing for (1) a more reliable, more survivable and safer nuclear deterrent force with significantly lower risk of unauthorized use or accident, and (2) a more discriminating nuclear deterrent force allowing for a substantial reduction in the number of nuclear weapons with drastically lower destructive power: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That (a) it is the sense of the Congress that the President—

(1) should urge the Government of the Soviet Union—

(A) to bring to a halt its violations of arms control treaties;

(B) to put into action its expressed willingness to accept appropriate verification measures by agreeing to accept on-site inspections, and to reconsider its hasty rejection of the invitation from the United States to visit the Nevada test site and to monitor a planned nuclear test; and

(C) to use the opportunity of such a visit to reach an accord with the United States on essential verification improvements, based upon the CORRTEX hydrodynamic yield measurement technique or some equivalent, to the Threshold Test Ban Treaty and the Peaceful Nuclear Explosions Treaty;

(2) should refrain from taking any steps toward seeking the advice and consent of the Senate to the ratification of the Threshold Test Ban Treaty and the Peaceful Nuclear Explosions Treaty until such time as an agreement can be reached on these essential verification improvements;

(3) should continue with the United States program of limited, underground nuclear weapon testing for the purpose of—

(A) ensuring the continued reliability, effectiveness, survivability, and safety of the United States nuclear deterrent force;

(B) providing further improvements in the discrimination of the United States nuclear deterrent force so as to reduce stockpile requirements in terms of the number and yields of weapons; and

(C) modernizing the United States nuclear deterrent to ensure its effectiveness against a changing, growing Soviet threat; and

(4) should not pursue negotiations on a comprehensive test ban agreement until the following conditions are met—

(A) agreements are reached providing for broad, deep, and verifiable arms reductions;

(B) verification capabilities necessary to monitor compliance with such an accord are substantially improved;

(C) existing imbalances in conventional forces are redressed;

(D) agreements for expanded confidence-building measures are achieved; and

(E) the essential role of nuclear weapons in providing for the security of the United States and its allies is significantly diminished.

(b) The Congress hereby expresses the support of the American people for the goal of a world free of the threat of nuclear war and, indeed, the threat of military aggression against any nation or peoples.

SEC. 2. For purposes of this concurrent resolution—

(1) the term "Threshold Test Ban Treaty" means the Treaty on the Limitation of Underground Nuclear Weapon Tests, with Protocol, done at Moscow on July 3, 1974; and

(2) the term "Peaceful Nuclear Explosions Treaty" means the Treaty on Underground Nuclear Explosions for Peaceful Purposes, done at Washington and Moscow on May 28, 1976.

SEC. 3. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President.

SENATE RESOLUTION 392—RELATING TO FREE ELECTIONS IN THE REPUBLIC OF KOREA

Mr. DECONCINI (for himself, Mr. KERRY, and Mr. PELL) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 392

Whereas the security of South Korea has been of long-standing concern to the people of the United States since the 1950 invasion by North Korea;

Whereas the people of the United States recognize that the domination of the Korean Peninsula by North Korean forces would endanger the security and well-being by Japan as well as the stability of the entire region;

Whereas the opposition movement in South Korea under the combined leadership of Yi Min U, Kim Young Sam, and Kim Dae Jung have rapidly gained support in recent South Korean rallies;

Whereas the Roman Catholic Church, the National Council of Churches, student federations, and professors from Korea University have expressed their support for constitutional reform and political freedom;

Whereas large segments of the middle class of South Korea are becoming disillutioned with the Chun regime and are turning to support the goals of the opposition movement;

Whereas in a democratic society, the right to petition is an undeniable right, yet is being suppressed by the Chun government;

Whereas the United States Government remains hopeful that the Chun regime will evolve to democracy through a peaceful and fair transition of power;

Whereas the two largest opposition parties won 49 percent of the votes cast in the elections last year for the National Assembly;

Whereas the Government of South Korea acknowledges that while the petition movement is legal, the actual amending process must be initiated only by the President of the Republic of Korea, or by a majority of the National Assembly, thereby denying the people of the Republic of Korea true and direct interaction with their government; and

Whereas the people of the Republic of Korea, encouraged by the United States' involvement in the peaceful transfer of power in the Philippines, appeal to the United States Government to "encourage and support" the opposition's push for democratic reform: Now, therefore, be it

Resolved, that the Senate hereby—

(1) stresses the importance for the democratic right of the people of the Republic of Korea to petition to amend their constitution to allow for the direct election of their president;

(2) reaffirms its support for a peaceful and fully democratic transfer of power with the cooperation of opposition parties during the next presidential election;

(3) expresses its support for the opening of high diplomatic talks between the Secretary of State and the Secretary of Defense, the Chun government, and the leaders of the opposition movement in South Korea to find a peaceful solution to the present crisis;

(4) encourages the President of the United States to support diplomatic exchange and dialogue between all the opposition parties and the United States Ambassador to South Korea; and

(5) urges the President of the United States to send a special envoy to South Korea in order to expedite a peaceful solution and reaffirm United States support and concern.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President of the United States.

AMENDMENTS SUBMITTED

FIRST CONCURRENT RESOLUTION ON THE BUDGET

WILSON AMENDMENT NO. 1811

Mr. WILSON proposed an amendment to the concurrent resolution (S. Con. Res. 120) setting forth the congressional budget for the United States Government for the fiscal years 1987, 1988, and 1989; as follows:

On page 17, increase the amount on line 16 by $73,250,000.

On page 17, increase the amount on line 17 by $73,250,000.

On page 17, increase the amount on line 24 by $119,000,000.

On page 17, increase the amount on line 25 by $119,000,000.

On page 18, increase the amount on line 7 by $85,250,000.

On page 18, increase the amount on line 8 by $85,250,000.

On page 24, decrease the amount on line 2 by $73,250,000.

On page 24, decrease the amount on line 3 by $73,250,000.

On page 24, decrease the amount on line 10 by $119,000,000.

On page 24, decrease the amount on line 11 by $119,000,000.

On page 24, decrease the amount on line 18 by $85,250,000.

On page 24, decrease the amount on line 19 by $85,250,000.

JOHNSTON (AND OTHERS) AMENDMENT NO. 1812

Mr. JOHNSTON (for himself, Mr. BENTSEN, Mr. BOREN, Mr. MURKOWSKI, Mr. LONG, Mr. DOMENICI, Mr. NICKLES, and Mr. BINGAMAN) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 120, supra; as follows:

At the appropriate place in the resolution, add the following:

Since in the last six months the government of Saudi Arabia has more than doubled its export of petroleum and petroleum products; and

Since these increased export volumes have resulted in a surplus of petroleum and petroleum products within the world marketplace; and

Since this surplus has directly resulted in a dramatic reduction of the weighted average price of international crude from $27.10 on January 7, 1986 to $13.08 on April 15, 1986; and

Since the U.S. has increased its importation of petroleum and petroleum products by 26 percent over the comparable period last year;

Since this dramatic reduction in price and the increased level of imports has resulted in a corresponding reduction in domestic petroleum exploration activities, including a reduction in the number of active rotary drilling rigs in the United States from 4,797 in 1981, to 865 as of April 21, 1986; and

Since the increase in petroleum imports and the reduction in domestic exploration efforts have resulted in a loss of jobs for individuals who are employed by the oil and gas industry and oil and gas service industry; and

Since American firms and employees that are injured by increased imports are eligible for temporary assistance under the Trade Adjustment Assistance Act; and

Since the Administration is narrowly interpreting the Trade Adjustment Assistance Act so as to exclude employees of the oil and gas industry and oil and gas service industry from receiving the benefits of this act.

It is therefore the sense of the Senate that:

Employees of the U.S. oil and gas industry and oil and gas service industry have been directly injured by a dramatic increase in imported petroleum and petroleum products and by the resulting decline in domestic oil exploration efforts; and

The Administration should immediately broaden its interpretation of the Trade Adjustment Assistance Act so as to allow employees of the U.S. oil and gas industry and oil and gas service industry to qualify for certification under the Act; and

If the Administration does not act immediately to resolve this matter, the Senate will address this issue on the first appropriate vehicle to be considered by the full Senate.

LAUTENBERG (AND OTHERS) AMENDMENT NO. 1813

Mr. LAUTENBERG (for himself, Mr. CHAFEE, Mr. BRADLEY, Mr. HUMPHREY, Mr. KASTEN, and Mr. RUDMAN) proposed an amendment to the concurrent resolution Senate Concurrent Resolution 120, supra; as follows:

On page 2, increase the amount on line 19 by $350,000,000.

On page 2, increase the amount on line 20 by $101,000,000.

On page 2, increase the amount on line 21 by $160,000,000.

On page 2, decrease the amount on line 24 by $70,000,000.

On page 2, decrease the amount on line 25 by $48,000,000.

On page 3, increase the amount on line 1 by $37,000,000.

On page 3, increase the amount on line 5 by $70,000,000.

On page 3, increase the amount on line 6 by $48,000,000.

On page 3, increase the amount on line 7 by $37,000,000.

On page 3, increase the amount on line 10 by $85,000,000.

On page 3, decrease the amount on line 11 by $237,000,000.

On page 3, decrease the amount on line 12 by $306,000,000.

On page 3, decrease the amount on line 15 by $85,000,000.

On page 3, decrease the amount on line 16 by $153,000,000.

On page 3, decrease the amount on line 17 by $68,000,000.

On page 5, increase the amount on line 10 by $350,000,000.

On page 5, increase the amount on line 11 by $101,000,000.

On page 5, increase the amount on line 12 by $160,000,000.

On page 5, decrease the amount on line 15 by $70,000,000.

On page 5, decrease the amount on line 16 by $48,000,000.

On page 5, increase the amount on line 17 by $37,000,000.

On page 5, decrease the amount on line 22 by $70,000,000.

On page 5, decrease the amount on line 23 by $48,000,000.

On page 5, increase the amount on line 24 by $37,000,000.

On page 9, decrease the amount on line 17 by $108,000,000.

On page 10, decrease the amount on line 1 by $218,000,000.

On page 10, decrease the amount on line 10 by $187,000,000.

On page 10, increase the amount on line 19 by $353,000,000.

On page 10, increase the amount on line 20 by $41,000,000.

On page 11, increase the amount on line 4 by $109,000,000.

On page 11, increase the amount on line 5 by $178,000,000.

On page 11, increase the amount on line 13 by $168,000,000.

On page 11, increase the amount on line 14 by $232,000,000.

On page 26, decrease the amount on line 3 by $3,000,000.

On page 26, decrease the amount on line 4 by $3,000,000.

On page 26, decrease the amount on line 12 by $8,000,000.

On page 26, decrease the amount on line 13 by $8,000,000.

On page 26, decrease the amount on line 21 by $8,000,000.

On page 26, decrease the amount on line 22 by $8,000,000.

On page 32, increase the second amount on line 3 by $108,000,000.

On page 32, increase the second amount on line 5 by $218,000,000.

On page 32, increase the second amount on line 7 by $187,000,000.

On page 39, increase the second amount on line 8 by $108,000,000.

On page 39, increase the second amount on line 10 by $218,000,000.

On page 39, increase the second amount on line 12 by $187,000,000.

PRODUCT LIABILITY LEGISLATION

KASTEN AMENDMENT NO. 1814

(Ordered referred to the Committee on Commerce, Science, and Transportation.)

Mr. KASTEN submitted an amendment intended to be proposed by him to the bill (S. 100) to regulate interstate commerce by providing for a uniform product liability law, and for other purposes; as follows

Strike all after the enacting clause and insert in lieu thereof the following:

SHORT TITLE

SECTION 1. This Act may be cited as the "Product Liability Reform Act of 1986".

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds and declares that—

(1) the free flow of products in commerce in recent years has been increasingly burdened by product liability law;

(2) as a result of this burden, consumers have been adversely affected through the withdrawal of products and producers from the national market, and from excessive liability costs passed on to them through higher prices;

(3) the unpredictability of product liability awards and doctrines is inequitable to both plaintiffs and defendants, and has added considerably to the high cost of product liability insurance by making it difficult for producers and insurers to project their liability with any degree of confidence;

(4) where product liability law is not based on fault or wrongdoing by the defendant, product liability law often operates to punish and deter conduct and activities which are beneficial and promote the public welfare;

(5) the recent explosive growth in product liability actions and awards jeopardizes the financial well-being of many industries, and is a particular threat to the viability of many of the Nation's small businesses;

(6) the extraordinary costs of the product liability system undermine the ability of American industry to compete internationally, and is causing the loss of jobs and productive capital;

(7) the unacceptably high transaction costs of the product liability system, in which almost twice as much money goes to attorneys' fees and litigation expenses as to compensate victims, is a burden on the consumer and American industry which can no longer be tolerated; and

(8) because most product liability defendants are out-of-State, while most plaintiffs reside in the State in which they file their lawsuit, product liability law is an appropriate subject for federal reform.

(b) It is the purpose of this Act to promote the interests of consumers and to protect the free flow of goods in commerce by placing reasonable limitations on the excesses of product liability law, by ensuring that product liability law operates to compensate persons injured by the wrongdoing of others, by reducing the unacceptable transaction costs and delays which harm

both plaintiffs and defendants, and by establishing greater predictability in product liability actions.

DEFINITIONS

SEC. 3. As used in this Act—

(1) "economic loss" means past and future (A) expenses of health or other care, (B) expenses of rehabilitation, (C) loss of earnings, (D) loss of homemaker services, and (E) burial expenses;

(2) "non-economic damages" means all damages other than damages for economic loss, and includes punitive or exemplary damages;

(3) "person" means any individual, corporation, company, association, firm, partnership, society, joint stock company, or any other entity, including any governmental entity;

(4) "product" means any object, substance, mixture or raw material, whether an assembled whole, a component part or an ingredient, which is produced for introduction into trade or commerce;

(5) "product liability action" or "action" means any action or claim, including a wrongful death action, involving the design, production, distribution or sale of a product, filed in Federal or State court seeking damages for a personal injury or death attributable to the product; and

(6) "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States, or any political subdivision thereof.

SCOPE

SEC. 4. (a) The provisions of this Act shall apply to all product liability actions filed in Federal or State court on or after the date of enactment of this Act.

(b) The provisions of this Act shall preempt and supersede any State law to the extent such law is inconsistent with the limitations contained in such provisions. Nothing in this Act shall preempt or supersede any state law that provides for defenses or places limitations on a person's liability in addition to those contained in this Act.

(c) Nothing in this Act shall be construed to create or vest jurisdiction in the district courts of the United States over any product liability action subject to this Act.

(d) The provisions of this Act shall not apply to liability subject to the Price-Anderson Act, section 170 of the Atomic Energy Act of 1954 (Public Law No. 85-256), as amended.

FAULT-BASED LIABILITY

SEC. 5. A person may not be found liable for damages in a product liability action subject to this Act to the extent such liability is inconsistent with the following limitations.

(1) Such person may not be found liable for any injury unless either (A) the person was negligent in the design, production, distribution or sale of such product, or (B) the product was defective, and such defect rendered the product unreasonably dangerous. In addition to any other applicable defense or limitation of State law, a defective product may not be found unreasonably dangerous if the defect is the subject of an adequate warning, is apparent to a reasonable person, or is a matter of common knowledge.

(2) Such person may not be found liable for any injury related to an unreasonable or unforeseeable use or alteration of the product. In addition to any other applicable defense or limitation of State law, any alteration of the product which is specifically prohibited or warned against, and any use of the product which fails to apply required safeguards or maintenance, shall be deemed unreasonable.

(3) Such person not be found liable for any injury related to the failure to provide an adequate warning or instruction as to any danger associated with the use of the product if the danger is apparent to a reasonable person, or the danger is a matter of common knowledge. In addition, such person may not be found liable for any injury related to the failure to provide an adequate warning or instruction as to any danger associated with the use of the product if the use is unreasonable or unforeseeable.

(4) Such person may not be found liable for any injury related to a defect in the design of the product, or to a failure to provide an adequate warning or instruction as to any danger associated with the use of the product, unless at the time the product was made the ability to discover and to eliminate the defect or danger was available and capable of use according to engineering and manufacturing practices which were reasonably feasible in light of existing technology.

JOINT AND SEVERAL LIABILITY

SEC. 6. (a) Except as provided in subsection (b) of this section, joint and several liability may not be applied to any product liability action subject to this Act. A person found liable for damages in any such action may be found liable, if at all, only for those damages directly attributable to the person's pro-rata share of fault or responsibility for the injury, and may not be found liable for damages attributable to the pro-rata share of fault or responsibility of any other person (without regard to whether that person is a party to the action) for the injury, including any person bringing the action.

(b) This section shall not apply as between persons acting in concert where the concerted action proximately caused the injury for which one or more of such persons are found liable for damages. As used in this section, "concerted action" or "acting in concert" means the conscious acting together in a common scheme or plan of two or more persons resulting in a tortious act.

LIMITATION ON NON-ECONOMIC DAMAGES

SEC. 7. (a) Non-economic damages may not be awarded in excess of $100,000 in any product liability action subject to this Act.

(b) For purposes of this section, "any product liability action" includes all product liability actions (including multiple actions) for damages, and includes all plaintiffs and all defendants in such actions, which arise out of or were caused by the same personal injury or death.

PERIODIC PAYMENT OF JUDGMENTS

SEC. 8. (a) In any product liability action subject to this Act in which the damages awarded for future economic loss exceeds $100,000, no person may be required to pay damages for future economic loss in a single, lump-sum payment, but shall be permitted to make such payments periodically based on when the damages are found likely to occur.

(b) The court may require such person to purchase an annuity making such periodic payments if the court finds a reasonable basis for concluding that the person may not make the periodic payments.

(c) The judgment of the court awarding such periodic payments may not be reopened at any time to contest, amend, or modify the schedule or amount of the payments in the absence of fraud.

(d) This section shall not be construed to preclude a settlement providing for a single, lump-sum payment.

COLLATERAL SOURCES OF COMPENSATION

SEC. 9. (a) Any award of damages to a person in a product liability action subject to this Act shall be reduced by the court by the amount of any past or future payment or benefit covered by this section which the person has received or for which the person is eligible on account of the same personal injury or death for which such damages are awarded.

(b) As used in this section, "payment or benefit covered by this section" means—

(1) any payment or benefit by or paid for in whole or in part by any agency or instrumentality of the United States, a State or a local government, or

(2) any payment or benefit by a workers' compensation system or a health insurance program funded in whole or in part by an employer;

but does not include any such payment or benefit that is (or by law is required to be) the subject of a reasonably founded claim of subrogation, reimbursement or lien.

(c) This section shall not preempt or supersede any State law which provides that damage awards may be reduced by payments or benefits other than those covered by this section, or which reduces such damage awards by payments or benefits by an agency or instrumentality of the United States, a State, or a local government, or by a workers' compensation system or a health insurance program even when such payments or benefits are (or by law are required to be) the subject of a reasonably founded claim of subrogation, reimbursement or lien.

(d) This section shall not apply to any payments or benefits received prior to judgment if its application would reduce the amount of income that would otherwise be considered under section 402(a)(17) of the Social Security Act.

ATTORNEY CONTINGENCY FEE AGREEMENTS

SEC. 10. (a) An attorney who represents, on a contingency fee basis, a person bringing a product liability action subject to this Act may not charge, demand, receive or collect for services rendered in connection with such action in excess of 25 per centum of the first $100,000 (or portion thereof) recovered, plus 20 per centum of the next $100,000 (or portion thereof) recovered, plus 15 per centum of the next $100,000 (or portion thereof) recovered, plus 10 per centum of any amount in excess of $300,000 recovered by judgment or settlement in such action.

(b) As used in this section, "contingency fee" means any fee for professional legal services which is in whole or in part contingent upon the recovery of any amount of damages, whether through judgment or settlement.

(c) In the event that such judgment or settlement includes periodic or future payments of damages, the amount recovered for purposes of computing the limitation on the attorney contingency fee shall be based on the cost of the annuity or trust established to make the payments. In any case in which an annuity or trust is not established to

make the payments, such amount shall be based on the present value of the payments.

ALTERNATIVE DISPUTE RESOLUTION

SEC. 11. (a) It is declared to be the policy of the United States to encourage—

(1) the creation, adoption, and use of alternative dispute resolution techniques to achieve the efficient, cost effective and expeditious disposition of civil disputes; and

(2) the modification of procedural and evidentiary rules to the extent feasible to accommodate such alternative dispute resolution techniques.

(b) In order to further the policies set forth in this section, the Attorney General shall provide to the Congress within one year of the date of enactment of this Act recommendations to implement such policies with regard to civil disputes filed in Federal court.

SEVERABILITY

SEC. 12. If any provision of this Act or the application of the provision to any person or circumstance is held invalid, the remainder of this Act and the application of the provision to any other person or circumstance shall not be affected by such invalidation.

EFFECTIVE DATE

SEC. 13. This Act shall become effective on its date of enactment.

Amend the title so as to read: A bill to promote the interests of consumers and to ensure that the free flow of products in commerce is not impeded by product liability law, and for other purposes.

Mr. KASTEN. Mr. President, I am proud to introduce the administration's product liability reform proposal today. This legislation, drafted by the administration and specifically approved and endorsed by President Reagan, attacks the No. 1 problem for consumers in America: the explosion in product liability costs.

These costs include not only the huge and irrational courtroom damage awards we hear about almost daily, but also the even greater litigation costs and attorney fees which we seldom hear about. All of these costs are passed along to the consumer to create what amounts to a hidden and sinister tax on every product we buy.

President Reagan and I want to cut that tax, and that is the purpose of the legislation I introduce today.

When our Consumer Subcommittee began hearings on the product liability issue almost 6 years ago, it was clear that a national crisis was imminent. In addition to driving up product prices for consumers, witness after witness testified that the liability explosion was closing businesses, destroying jobs, crippling American manufacturers' ability to compete with foreigners. Discouraging product innovation and improvement, and driving a wide variety of good and beneficial products—from life-saving vaccines to football helmets—off the market.

Recent hearings in my home State of Wisconsin and the increasing volume of mail I receive on this subject from all across the country has convinced me that the crisis is worsening.

To address this situation, I introduced and worked to enact product liability reform legislation in each of the past three Congresses, but we have not yet been able to present our case on the Senate floor. I am confident, however, that with President Reagan's involvement we will now be able to move the legislative process along more rapidly. The product liability explosion threatens everyone in America who uses, sells, or manufactures products. Congress must act now on this urgent national crisis.

The bill which I am introducing today as an amendment in the nature of a substitute to S. 100 directly addresses that crises. The provisions in this legislation result from the report of the President's tort policy working group issued this past February. The primary contributing agencies were the Department of Justice, the Department of Commerce and the Small Business Administration.

The working group found that in the past decade there has been a veritable explosion in tort liability in the United States. Between 1974 and 1985 there had been a 758-percent increase in the number of product liability lawsuits filed in Federal district court. During that same period, the average jury verdict in product liability cases increased from under $400,000 to over $1.8 million.

The following specific causes of the tort liability explosion were identified by the working group:

First, the movement toward no-fault liability,

Second, the undermining of causation,

Third, the huge growth in non-economic damage awards, and

Fourth, the excessive transaction costs of the tort system.

These are precisely the causes of the product liability crisis which our subcommittee identified through its 6 years of extensive hearings on the subject. So it is not surprising that much of the approach which is taken in the legislation I introduce today is consistent with the approach taken in the legislation I have introduced and worked to enact over the past 6 years.

The provisions of this legislation would do the following:

First, return to a fault-based liability standard for product designs and warnings. Our system of justice requires that fault be the basis of tort law. Without the necessity of proving fault, wrongful conduct is not deterred and the innocent are punished indiscriminately with the guilty. Recently, for example, our courts have held persons liable for failing to warn about product dangers which were unknowable at the time; awarded judgments to people who intentionally and unreasonably misused, altered, or abused products; and held liable those who failed to warn about product uses which were totally unforeseeable.

The legislation I introduce today, as was true with the legislation I introduced in the 97th Congress (S. 2631), the 98th Congress (S. 44), and earlier in the 99th Congress (S. 100), would end this unjust and costly trend toward absolute liability.

Second, limit attorneys' contingency fees to reasonable levels. This is a direct approach to reduce the huge transaction costs of product liability cases, most of which are fees for the attorneys involved.

The working group found that nearly two-thirds of every dollar paid out through the tort system is lost to litigation expenses and attorney fees. We need to put more of the money for injuries in the hands of the victims, and less in the pockets of their attorneys.

This legislation would do this. It would limit contingency fees of the plaintiff's attorney to 25 percent of the first $100,000 recovered, 20 percent of the next $100,000 recovered, 15 percent of the next $100,000 recovered, and 10 percent of any amount recovered over $300,000. This sliding scale will ensure that more money goes to the injured victims, while still providing incentives for attorneys to represent those victims.

This approach is an interesting one and something that the Commerce Committee should certainly consider as it attempts to reduce overall transaction costs.

Third, limitations on noneconomic damages. Noneconomic damages are damages which can be awarded to a plaintiff in addition to his complete medical expenses and full compensation for any lost wages and future earnings. Awarded for mental anguish, pain, and suffering or to punish the defendant, these noneconomic damages, the working group found, were being bestowed on certain plaintiffs at a level way out of proportion to reality or fairness. This legislation would cap those noneconomic damages at $100,000 in any product liability action.

Since such a cap was not part of our approach in prior legislation, we have heard little testimony on this. However, I have always felt that punitive damages should be treated separately from damages for pain and suffering. While in prior legislation we felt it was essential to include clear guidelines for the judge and jury to follow in awarding punitive damages, we did not set a dollar cap on punitive damages or on noneconomic damages in general. Whether an actual dollar cap is appropriate, and if so, at what level, are issues which we intend to closely examine during imminent hearings on this legislation. It is nonetheless clear that some control on the irrational

award of noneconomic damages is necessary.

Fourth, limitations on joint and several liability. Under current law, a defendant who is only 1 percent responsible for an injury can be forced to pay the entire damage award, while the defendants who are 99 percent responsible pay nothing. This is wrong, and I am in complete agreement with the administration's and with Senator PRESSLER's efforts to limit the application of such a harsh and unfair doctrine.

Fifth, permits payments of future economic losses periodically when such damages exceed $100,000. This provision benefits the injured. When a minor child is injured, for example, a multimillion-dollar lump-sum payment to him or to his parent or guardian might be dissipated before the child needs that income unless the law allows periodic payments.

Sixth, reduces award by collateral sources. This provision reduces awards by the amount of benefits paid by any Federal, State, or local agency and by the amount of benefits paid by a health insurance plan funded in whole or in part by the plaintiff's employer. This prevents double recovery.

While the working group took no position on the elimination of the subrogation lien, their report indicated their intention to continue to review this issue. I am encouraged by this, as I believe subrogation liens should be eliminated in order to further reduce product liability transaction costs, and I have included such a provision in S. 2631, S. 44, and S. 100; it should be included in any legislation we report out of the committee.

Seventh, encourages settlements and alternative dispute resolution mechanisms. This legislation directs the Attorney General to make recommendations to implement this provision in 1 year. I agree that we must encourage settlements outside of the courthouse where possible, and this has long been a goal of Chairman DANFORTH's and a majority of my Commerce Committee colleagues. I am confident that we are close to a bipartisan agreement on this issue.

The legislation is not perfect of course, and I have noted some of my reservations above. I believe also that a provision should have been included which would have limited the liability of nonmanufacturer sellers to only their own negligence. Such a provision would restore fairness and greatly reduce transaction costs, and I have included such a provision in all prior legislation which I have introduced. This provision has met with virtually unanimous approval from all parties. Similarly, I believe Federal tort reform requires a firm, fair, and fixed statute of repose. I believe effective Federal reform requires that one set of product liability laws should govern property damage as well as personal injury claims to ensure stability.

Other modifications may be in order as well, but it is clear that the legislation I introduce today goes to the heart of the product liability crisis. The provisions of this bill directly attack the slide toward absolute liability, the huge transaction costs of the system composed primarily of soaring attorney's fees, runaway damage verdicts, and a lack of uniformity and clarity in rules of law relating to design and warnings on products.

President Reagan's involvement in this issue should help the Congress to focus on the urgent necessity of immediate action on the product liability crisis. As the working group and our Consumer Subcommittee have found, outside of the attorneys involved, no one benefits from the current product liability system. I look forward to working with the President and with my colleagues on both sides of the aisle to insure that we reform that system for the benefit of all.

Mr. President, I ask unanimous consent that a section-by-section analysis prepared by the administration be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

THE PRODUCT LIABILITY REFORM ACT OF 1986: SECTION-BY-SECTION ANALYSIS

Section 1 sets out the short title of the Act as the "Product Liability Reform Act of 1986."

Section 2 sets out the findings and purposes of the Act.

Section 3 sets out definitions of certain terms used in the Act. Among the terms defined are: "economic loss," "noneconomic damages," "product," and "product liability action."

Section 4 establishes the scope of the legislation. The Act applies to all product liability actions filed in Federal or State courts. The provisions of the Act supersede only those portions of State law which are inconsistent with the limitations imposed by the Act, and do not preempt or supersede State law providing for defenses or limitations on liability in addition to those contained in the Act. The section further provides that the Act does not create Federal jurisdiction over actions not otherwise in Federal court. The section also provides that the Act does not apply to liability subject to the Price-Anderson Act.

Section 5, paragraph (a)(1), limits the liability of the person in a product liability action to those cases where a person was either (1) negligent in the design, production, distribution or sale of a product, or (2) the product was defective, and that defect rendered the product unreasonably dangerous.

Paragraph (a)(1) specifies that a product cannot be found to be unreasonably dangerous if the defect is the subject of an adequate warning, is apparent to a reasonable person, or is a matter of common knowledge.

Paragraph (a)(2) provides that a person will not be liable where the injury caused by the product resulted from an unreasonable or unforeseeable use or alteration of the product. Any alteration of a product which is prohibited or warned against, or any use of the product without the required safeguards, would be considered unreasonable.

Paragraph (a)(3) precludes liability for failure to warn of a danger where the danger is apparent to a reasonable person or is a matter of common knowledge. The paragraph also prohibits liability based on a failure to warn of a danger associated with an unreasonable or unforeseeable use of a product.

Paragraph (a)(4) of the section provides that a person may not be held liable for a defect in design or for a failure to warn of a danger associated with a product, unless at the time the product was made the ability to discover and to eliminate the defect or danger was available and capable of use according to engineering and manufacturing practices reasonably feasible in light of existing technology.

Section 6 bars the application of joint and several liability in a product liability action, except in those cases where the injury was proximately caused by two or more persons acting in concert. Instead, a person may be found liable only for that portion of the damages directly attributable to the person's proportionate share of fault or responsibility for the injury.

Section 7, subsection (a), imposes a $100,000 cap on all non-economic damages, including pain and suffering, emotional distress, and punitive damages. The Act imposes no limitation on the amount of economic damages, such as medical and rehabilitation expenses and lost wages.

Subsection (b) specifies that the $100,000 cap applies to all actions for damages which arise out of or were caused by the same personal injury or death.

Section 8 provides that no person shall be required to pay damages for future economic loss in a single, lump-sum payment where the amount of economic damages awarded is in excess of $100,000. Instead, payments may be made periodically over the period over which the loss is found likely to occur.

If the court has a reasonable basis for believing that the person may not make the periodic payments, subsection (b) authorizes the court to require the person to purchase an annuity to make such payments.

The section also provides that the court order making such periodic payments is final and may not be reopened in the absence of fraud.

Section 9, subsection (a), requires that any award of damages under the Act shall be reduced by the amount of compensation received from certain collateral sources of income received for the same injury or death.

Subsection (b) specifies the types of collateral sources which are taken into account in reducing damage awards under the Act: (1) any payment or benefit provided directly or indirectly by any Federal, State or local agency or instrumentality; and (2) any payment or benefit under a workers' compensation system or employer-funded health insurance program. Awarded damages are not, however, reduced by these collateral sources of compensation where the provider of the collateral benefits pursues (or by law is required to pursue) a right to subrogation.

Subsection (c) clarifies that the section is not intended to preempt or supersede any State law which allows for the reduction of damage awards for collateral sources other than those specified in the section, or which allows for the reduction of damages for the collateral sources specified in the section

even where a right of subrogation is pursued.

Subsection (d) provides that where a person has received certain benefits under the Social Security Act prior to the judgment, the section will not treat those benefits as a covered collateral source if by doing so the section would result in that person's income being reduced for purposes of determining the period of ineligibility for those benefits.

Section 10 establishes a schedule for the size of a contingency fee, an attorney may charge under the Act. The amount of the contingency fee that may be charged decreases on a "sliding scale" as the size of the damage award increases. Under the section, no attorney may receive in excess of 25 percent of the first $100,000 recovered, plus 20 percent of the next $100,000, plus 15 percent of the third 100,000, plus 10 percent of any amount in excess of $300,000.

The section also provides that where a contingency fee is based in part on an award of damages to be paid in future periodic payments, that portion of the fee shall be based on the cost of the annuity or, in the absence of an annuity, the present value of the payments.

Section 11 declares that it is the policy of the United States to encourage (1) the use of alternative dispute resolution techniques to reduce transaction costs and prevent delay in the civil justice system, and (2) the modification of rules of evidence and the rules of civil procedure to accommodate alternative dispute resolution.

The section provides that the Attorney General shall provide to the Congress within a year of the date of enactment recommendations to implement these policies for cases filed in Federal court.

Section 12 is a severability clause which would preserve the balance of the Act if any portion of it is held to be invalid.

Section 13 provides that the Act shall become effective on the date of enactment.

FIRST CONCURRENT RESOLUTION ON THE BUDGET

MOYNIHAN (AND OTHERS) AMENDMENT NO. 1815

Mr. MOYNIHAN (for himself, Mr. MITCHELL, Mr. KENNEDY, Mr. KERRY, Mr. COHEN, Mr. SIMON, Mr. DIXON, Mr. BOREN, and Mr. GORE) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 120, supra; as follows:

On page 2, increase the amount on line 3 by $174,000,000.

On page 2, increase the amount on line 4 by $205,000,000.

On page 2, increase the amount on line 5 by $211,000,000.

On page 2, increase the amount on line 8 by $174,000,000.

On page 2, increase the amount on line 9 by $205,000,000.

On page 2, increase the amount on line 10 by $211,000,000.

On page 2, increase the amount on line 19 by $211,000,000.

On page 2, increase the amount on line 20 by $211,000,000.

On page 2, increase the amount on line 21 by $211,000,000.

On page 2, increase the amount on line 24 by $174,000,000.

On page 2, increase the amount on line 25 by $205,000,000.

On page 3, increase the amount on line 1 by $211,000,000.

On page 5, increase the amount on line 5 by $174,000,000.

On page 5, increase the amount on line 6 by $205,000,000.

On page 5, increase the amount on line 7 by $211,000,000.

On page 5, increase the amount on line 10 by $211,000,000.

On page 5, increase the amount on line 11 by $211,000,000.

On page 5, increase the amount on line 12 by $211,000,000.

On page 5, increase the amount on line 15 by $174,000,000.

On page 5, increase the amount on line 16 by $205,000,000.

On page 5, increase the amount on line 17 by $211,000,000.

On page 16, increase the amount on line 13 by $211,000,000.

On page 16, increase the amount on line 14 by $174,000,000.

On page 16, increase the amount on line 22 by $211,000,000.

On page 16, increase the amount on line 23 by $205,000,000.

On page 17, increase the amount on line 6 by $211,000,000.

On page 17, increase the amount on line 7 by $211,000,000.

On page 33, increase the amount on line 13 by $174,000,000.

On page 33, increase the first amount on line 14 by $205,000,000.

On page 33, increase the second amount on line 14 by $211,000,000.

On page 44, increase the amount on line 6 by $174,000,000.

On page 44, increase the first amount on line 7 by $205,000,000.

On page 44, increase the second amount on line 7 by $211,000,000.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public, that the Committee on Energy and Natural Resources has scheduled a hearing on Friday, May 9, 1986, beginning at 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building, Washington, DC.

The purpose of this hearing is to receive testimony on Senate Joint Resolution 325, to approve the "Compact of Free Association" between the United States and the Government of Palau, and for other purposes.

Those wishing to testify or submit written statements for the Hearing record should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510.

For further information regarding this hearing, please contact Mr. Allen Stayman 202-224-2366.

Mr. President, I would like to announce for the information of the Senate and the public, that the Committee on Energy and Natural Resources has made some changes to the hearing it previously scheduled on June 3, on the implementation of the Public Utility Regulatory Policies Act of 1978. The hearing will now begin at 9:30 a.m. rather than at 10 a.m. as originally scheduled. In addition, a second day for this hearing has been scheduled on Thursday, June 5, at 10 a.m. in room SD-366 in the Dirksen Senate Office Building in Washington, DC.

This 2-day hearing will focus on the growth of cogeneration and small power production since passage of the act, and on the need for any modifications to the act. Testimony will be received on the price paid by utilities for power from qualifying facilities, the effect of such purchases on the operation and reliability of utility systems, and the environmental impacts of construction and operation of qualifying hydroelectric facilities. The committee also invites testimony on other relevant issues.

Those wishing to testify or who wish to submit written statements should contact the Committee on Energy and Natural Resources, room SD-358, Dirksen Senate Office Building, Washington, DC 20510. Witnesses may be placed on panels, and are requested to submit 150 copies of their testimony 24 hours in advance of the hearing.

For further information, please contact David Doane or Gerry Hardy at (202) 224-5304.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HELMS. Mr. President, I wish to announce that the Committee on Agriculture, Nutrition, and Forestry, has scheduled a full committee hearing to examine the effects of the European Community's enlargement on U.S. agricultural exports.

The hearing, to be chaired by Senator BOSCHWITZ, will be held on Tuesday, May 6, 1986, at 9:30 a.m., in room 332, Russell Senate Office Building.

For further information please contact Dan Pearson of Senator BOSCHWITZ' staff at 224-5641.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. WILSON. Mr. President, I ask unanimous consent that that Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, April 30, to hold a hearing on National Guard and Reserve components on high priority combat essential requirements in review of S. 2199.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILSON. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, April 30, to

continue a hearing on nuclear testing issues.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CIVIL SERVICE

Mr. WILSON. Mr. President, I ask unanimous consent that the Subcommittee on Civil Service of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Wednesday, April 30, 1986, in order to conduct a hearing on Federal pay issues.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry, be authorized to meet during the session of the Senate on Wednesday, April 30, 1986, in order to conduct a hearing to amend the Federal Insecticide, Fungicide, and Rodenticide Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

1986 BALTIC FREEDOM AWARD

● Mr. LUGAR. Mr. President, on May 1, two of our distinguished colleagues Senator WILLIAM ARMSTRONG and Senator DONALD RIEGLE, Jr., along with Representative WILLIAM CARNEY of New York; Linas Kojelis, Special Assistant to the President, Office of Public Liaison; Mark Palmer, Deputy Assistant Secretary for European Affairs, State Department; and the staff of the Commission on Security and Cooperation in Europe will receive the 1986 Baltic Freedom Award. This award honors those individuals who have been active in their support for freedom and self-determination in Lithuania, Latvia, and Estonia. The award will be presented by the Joint Baltic American National Committee [JBANC] during the group's 25th anniversary reception in the Longworth House Office Building. I commend my colleagues for their dedication and diligent work for the cause of freedom in Lithuania, Latvia, and Estonia.●

CALL TO CONSCIENCE

● Mr. BENTSEN. Mr. President, some human tragedies do not make headlines. Sometimes chronic problems fade into the background as we try to deal with acute crises.

I want to add my voice to the Congressional Call to Conscience on Soviet Jews so that we will not forget or neglect those long-suffering people, and so that they will know the depth and breadth of our concern.

Time and again in recent years, Congress has spoken with forceful unanimity on this matter. Last year, shortly before the Reagan-Gorbachev summit, we wrote to the President urging him to use "every available means," including the arms control negotiations talks with the Soviets, to promote the cause of freedom for Soviet Jews. We also enacted legislation which calls upon the Soviet Union to "allow thousands of Jews who wish to emigrate, or to be repatriated to their homeland, and who have requested exist permits to leave the U.S.S.R. this year," and to pledge to deal expeditiously with future requests.

We have spoken, but our pleas have gone unheeded. Regrettably, the Soviet Union has continued its repressive policies. Jewish emigration remains only a trickle—a low of 47 in March and merely 1,140 during all of 1985. The new leadership seems firmly committed to the old policies of denying its citizens the basic human rights of religious practice and freedom of emigration.

The freeing of Anatoly Shcharansky proved to be a singular event. We have not yet been able to celebrate the long-sought release of Andrei Sakharov, Ida Nudel, and thousands of others who continue to suffer, their petitions to leave denied.

Until Soviet Jews can enjoy their fundamental freedoms, either in their native land or abroad, we must continue to speak out on their behalf. And so long as they suffer Soviet repression, we must reassure them that we remember, we care, and we hope.●

LETTERS FOR PEACE

● Mr. ARMSTRONG. Mr. President, on Sunday morning, I had the privilege of being present when the district 545 Rotarians selected their winner in the "Rotary Letters for Peace Writing Contest." The winning letter, by Sandy Johnson of Boulder, CO was truly an inspiration. I would like to share it with my colleagues.

The letter follows:

To Yassar Arafat:

MISTER ARAFAT: I am writing this letter in the interest of world peace. You may be wondering "Why write to me about world peace? Would it not be better to write to someone such as Gorbachev or Reagan?" There are several reasons for my writing to you, which shall become apparent in the following paragraphs. Overall, let me state that I believe you, as leader of the Palestine Liberation Organization, would be the ideal harbinger of peace. Allow me to explain.

If the PLO would reach out its hand in peace to the Israelis, the first accomplishment would be to restore peace to the land which is said to be the birthplace of Jesus Christ, the Savior. Have you ever truly tried to make peace with the Israelis? If you could sit down and talk with them, free from hostile prejudices, you may both realize the differences between you are few. Those differences that do exist can be worked out. Both groups are or have been oppressed people. Most importantly, each "nation", whether Palestinian or Israeli, is made up of human beings. Humans with the same emotions, needs and desires. Death and destruction of the ongoing battle is doing neither side any good.

There is no shame in asking for peace. Actually, there is great honor, as asking for peace shows that you cared enough about your fellow humans to throw away foolish pride and seek a resolution to the conflict.

Perhaps the Palestinians and Israelis could arrange a treaty to divide the disputed land. Either split the land equally and give half to each faction, or perhaps form one integrated nation. You could place an equivalent number of Israelis and Palestinians in government posts, and develop programs to help each of the peoples intermingle with the others. For example, you might establish a nationwide program which would allow Palestinians and Israelis to meet in order to share ideas and opinions on various topics. These two groups would get to know and understand what motivates each group. In the end, the result would be for Israelis and Palestinians to learn cooperation and communication.

There are also the worldwide implications of such a humanitarian act to consider. If the PLO made a gesture of peace to the Israelis, whom many consider to have done a great wrong to the Palestinians, it would demonstrate to the world that peace is possible if one is willing to try. The PLO and Israel are mortal enemies, yet if this proposition were to become a reality, these two groups would lay aside their differences and battle scars in order to ensure peace and a decent life for their progeny.

Since Biblical times the Middle East has been an oasis of unrest. The mere fact that peace came to a section of the oasis will cause the world to stop and take notice.

The spirit of peace will spread first to one section of the world, then to others. More nations will follow the example you set, and settle disputes in a peaceful manner. This infectious mood may go up to the superpowers. The joint action of nations around the world may convince the superpowers to work towards international peace and understanding.

I hope you can see why an attempt at a peaceful settlement to your dispute with Israel is in your and the world's best interest. Perhaps the spirit will not spread to other nations as I predict, but is it not at least worth a try? At the very least, an effort for peace would ensure a brighter future for your children. A future not clouded by bombs and machine gun fire.

Sincerely yours,

SANDY JOHNSON.●

RETIREMENT OF OFFICER HENRY C. "MAC" McLAUGHLIN

● Mr. DURENBERGER. Mr. President, one of the great things about representing Minnesota here in Washington is the opportunity to hear everyone's "Minnesota story." Some folks tell me about the time they found themselves ambushed in Minneapolis by a blizzard—in April. Others relate tales of huge walleye pikes and northerns caught, or almost caught, in the Boundary Waters Canoe Area. However, my favorites are those stories that evoke the special emotional link many non-Minnesotans have

formed with my State. It is just that special connection to Minnesota that has broadened her admirers beyond the few million who inhabit my State.

I would like to tell one such story on the occasion of the retirement of one of our own, Officer Henry C. "Mac" McLaughlin, who today leaves the Capitol Police Force after 15 years. Prior to joining the Capitol Police in 1971, Officer McLaughlin served in the U.S. Army for 26 years.

Officer McLaughlin's career did not begin on a direct path to the U.S. Capitol. Rather, McLaughlin came to us by a circuitous route from Guam to Europe to Japan, which included a brief stop in Rochester, MN. In 1950, he was serving in the U.S. Army on Guam, and playing on his Army base baseball team. His coach, 1st Lt. Harold F. Nordley, of Austin, MN, encouraged this young, talented pitcher and first baseman, and convinced him to try out for a semipro team, the Rochester, MN, Royals. After his discharge in August 1950, McLaughlin traveled to Rochester, and made the team.

It seemed as if McLaughlin's pro ball career had begun with the Royals, a farm team for the Dodgers. However, his membership with the Rochester Royals was short lived. August 1950 was also the month that President Truman canceled all Army discharges, furloughs, and leaves in light of the Korean conflict. Officer McLaughlin returned to the Army, and ended up staying 26 years, leaving his civilian ball career and Rochester, MN, behind.

McLaughlin's Army career took him from France to Japan, from Fort Riley to Fort Belvoir, and along the way he picked up a string of baseball honors. While serving in Japan in the 1950's, his team captured the championship of the Far East Command. In 1953, McLaughlin was named to the All Army team, and designated the "most valuable pitcher" while playing for the Chinon Red Devils in France.

Although Officer McLaughlin never returned to pro ball, he distinguished himself in his new career on Capitol Hill. For a few months in 1974, he was one of the most valuable people to know in this city, because he controlled the door and public access to the standing room only Senate Watergate Committee hearings. Last year, he administered CPR to a woman who suffered a heart attack in the Russell rotunda. Thanks to his quick thinking and expertise, the woman, an employee of the Senate Credit Union, has completely recovered.

Now entering retirement, Henry McLaughlin, hasn't decided what his next step will be. Perhaps he'll return to his home state, North Carolina, or move to Memphis, TN. Wherever he goes, I hope he will carry with him our appreciation and good wishes. I am sure his next career will be just as interesting and fruitful.

On behalf of the many he has served, befriended, and protected here on the Hill, I thank him and wish him well. Mac has been a great addition to our Senate family and a consummate pro.●

THE CHERNOBYL NUCLEAR EXPLOSION

● Mr. SIMON. Mr. President, in the absence of definitive reports from the Soviet Union, we are all struggling for information about the nuclear accident at the Chernobyl power station. I would like to share with my colleagues some of the insights of Jonathan Stein, of my staff, who has a specialized understanding of Soviet energy policy. Jonathan studied Soviet energy policy at the Center for Strategic and International Studies and is the author of "The Soviet Bloc, Energy, and Western Security," published in 1983.

The Soviet nuclear power program calls for a tripling of nuclear power capacity by the end of the century. All new powerplants west of the Ural Mountains—where 80 percent of the population and 75 percent of industry is located—must be nuclear plants. The program is already far behind schedule, which in turn complicates the rest of their energy scene. World oil prices and Siberian oil production are falling, demand for Soviet gas in Western Europe is barely half of earlier projections, and persistent problems with coal output have led Soviet planners to conclude that they have no choice but to greatly expand nuclear capacity. The success of Mr. Gorbachev's economic recovery depends to a large degree on success in the energy sector.

The Chernobyl plant contains four nuclear reactors of 1,000 megawatts each. Another unit is almost complete, and a sixth is still under construction. It has long been known that the Soviet nuclear industry has cut corners where they could, and paid less attention to safety than have Western nuclear plants. The absence of containment vessels in most Soviet designs is characteristic of this approach. Now there is speculation that the accident was triggered during a maintenance operation of the graphite core, which led to a highly radioactive fire and a reactor meltdown. A containment structure would surely have reduced the damage. If radiation contamination spreads throughout the Russian agricultural heartland, this would be an unprecedented disaster.

Some of the fallout has penetrated into Scandinavia, and may spread farther north and west. Now is the time for the member-states of the International Atomic Energy Agency [IAEA] to offer the Agency's assistance to help put out the fire and prevent further damage.

There are two immediate things we can do. The first, under the Nuclear Safety Standards Agreement of the IAEA, would be to offer immediate emergency assistance to provide, "in the event of a nuclear powerplant accident, special resources (people, equipment, and services)" necessary to contain this accident. Under these circumstances, the General Conference of the IAEA should meet in the emergency session to plan further action.

Yesterday, Senator GARY HART and I wrote Secretary of State George Shultz and asked him to request just such an IAEA meeting, to strengthen safety procedures for all civilian power reactors in member-states. It is critical that we hammer out long-neglected aspects of the IAEA safety program to implement new procedures as soon as we can. Congress must do its part by responding with adequate funding for IAEA's safety program.

Our second action should be to urge the Soviet Union to move quickly to clean up their safety act. Article III of the IAEA Charter authorizes the Agency to establish or adopt minimum safety standards, but the Agency has not really focused on this. Part of this is a resource problem; part of this can be traced to the Non-Proliferation Treaty of 1968, which does not require the reactors of nuclear-weapons states to be safeguarded. We have agreed to allow our civilian power reactors to be inspected, but the U.S.S.R. only let selected reactors be inspected.

In the future, basic safety features like containment vessels should not only be a required part of the Soviet reactor program and that of all countries, but the IAEA should explore with the U.S.S.R. and the United States the feasibility of retrofitting containment vessels on reactors already in operation.

I commend the administration for offering U.S. assistance. This is a wise decision. We need to work together to solve this crisis and to avoid future crises. Let us hope that General Secretary Gorbachev will fulfill his earlier pledges to be more open than this unfolding accident at Chernobyl.

I ask that the letter Senator GARY HART and I wrote to Secretary Shultz be printed in the RECORD.

The letter follows:

U.S. SENATE,
Washington, DC, April 29, 1986.

Hon. GEORGE SHULTZ,
Secretary of State, Washington, DC.

DEAR MR. SECRETARY: We are writing to request that you initiate an emergency session of the General Conference of the International Atomic Energy Agency (IAEA) with respect to issues of safety. In the wake of the Chernobyl nuclear power plant accident, and the alarming news reports of thousands of initial fatalities, we are concerned that the IAEA has not paid suffi-

cient attention to matters of safety in member-states.

The principal mission of the IAEA is to provide for and enforce a verification and inspection program to prevent the clandestine diversion of nuclear materials. However, in our view this must be balanced by a greater concern than has been exhibited to date on safety procedures as authorized by Article III of the IAEA Charter. If this absence of effort is the result of funding constraints, we would urge that the Agency consider requesting greater funds from its member-states for a safety program second to none.

We hope that these issues of safety procedures, requirements, and necessary funds can be discussed as soon as possible. It is our feeling that requesting an emergency IAEA session is the best forum to negotiate a far-reaching safety accord that will reassure the international community that the signatory governments are doing all in their power to learn from this tragedy and prevent future disasters.

Sincerely,

PAUL SIMON,
U.S. Senator.
GARY HART,
U.S. Senator.●

THE IRELAND FUND

● Mr. D'AMATO. Mr. President, I rise today to cosponsor Senate Concurrent Resolution 125, introduced by my good friend, the senior Senator from Pennsylvania, which recognizes the important accomplishments and achievements of the Ireland Fund and its founder, Dr. Anthony J.F. O'Reilly.

With all the turmoil in Northern Ireland, it gives me great pleasure to support this legislation which recognizes the achievements of an organization that promotes peace, culture, and charity in Ireland. I am proud that the Ireland Fund, a United States organization, has represented so well America's deep concern for the welfare of the people of Ireland.

The Ireland Fund's goal is to counter the years of conflict that has cost 2,300 lives and injured another 25,000 citizens. The fund supports projects that promote common activities of work, education, and religion between Catholics and Protestants. The Ireland Fund believes the most effective use of its funds is to encourage projects on a local level. Such a grassroots approach is the cornerstone of the rebuilding of understanding between the communities in conflict in Ireland.

The long list of projects funded by the fund is testimony to their commitment to ease the tensions in Ireland. One of the most important efforts is to increase employment and economic development in Northern Ireland. The chronic problems of unemployment and employment discrimination, especially among the young, are the root cause of much of the tension in this region. By funding job-training projects, as well as programs to prevent job discrimination practices, the Ireland Fund attacks the base of mistrust and conflict in Northern Ireland.

The other important efforts by the fund include community development and support programs—which work to alleviate the poverty in the Protestant and Catholic areas of the North—youth and social programs, general peace and reconciliation programs, cultural heritage and performing arts programs, health care and education programs, and programs for the rural poor and the elderly. Too often, such mangnanimous efforts go unnoticed. Passage of this resolution will bestow upon the Ireland Fund much deserved congressional appreciation.

In addition, I hope the Senate will soon discuss the Irish aid legislation, which will provide up to $250 million in aid over the next 5 years. Administrators of this aid program should closely review the fine work of the Ireland Fund and its leaders, especially Dr. Anthony J.F. O'Reilly, for guidance in allocating these funds.

Mr. President, I commend the senior Senator from Pennsylvania for his sponsorship of this important resolution, and I urge my colleagues to join me as cosponsors of Senate Concurrent Resolution 125.●

SOVIET JEWRY AND THE JEWISH COMMUNITY OF NICARAGUA

● Mr. BOSCHWITZ. Mr. President, I wish to commend to my colleagues' attention a recent speech given by Richard Schifter, Assistant Secretary of State for Human Rights and Humanitarian Affairs. The speech deals with the issues of Soviet Jewry and the fate of the Jewish community of Nicaragua.

Assistant Secretary Schifter presents an excellent historical survey of the problems faced by Soviet Jewry as well as a current account of the rampant anti-Semitism in Soviet society. It is a depressing, mindless, hateful picture, but one which we resist simply accepting.

Mr. Schifter's is a short speech but rich in detail and perspective. I ask that it be inserted in the RECORD.

The speech follows:

REMARKS BY RICHARD SCHIFTER, ASSISTANT SECRETARY OF STATE FOR HUMAN RIGHTS AND HUMANITARIAN AFFAIRS

Close to a year ago, at a private meeting with an official Soviet delegation, I was assured that in all of the Soviet Union there are only about 300 Jews who still wanted to emigrate and that there is absolutely no trace of anti-Semitism in the U.S.S.R. I was then given a long recitation of statistics which my interlocutors carried in their heads. Seven tenths of one percent of the Soviet population is Jewish, I was told, but 6% of the doctors, 5% of the lawyers, 5% of the students at institutions of higher learning, 3% of the teachers, etc. were Jewish. And then one of the delegates who had been most vociferous in his protestations that there was no anti-Semitism in the Soviet Union raised his hand and announced gravely: "And none of them are workers!"

If things are that good, we must ask ourselves, why is it that the Jews of the Soviet Union have not found out about it? Why did I have to tell the gentleman who offered the figure of 300 that he had left out three zeros at the end and that even the figure of 300,000 was low? Perhaps we can draw some solace from the fact that though anti-Semitism is indeed officially sanctioned in the Soviet Union, this aspect of Soviet policy is nevertheless vehemently denied.

I have recently finished reading David Wyman's "The Abandonment of the Jews." It is the story of the United States response to the Holocaust in the years in which the murder of the Six Million took place, the years 1941-1945. In this extremely well-researched and well-presented account of that period there is one institution which is identified as principally responsible for the inadequacy of the American response. It is the United States State Department.

As I read the book and reflected on possible parallels in the present time, I was struck by the difference between then and now. The parallel is clear. Today, once again, an entire Jewish community is victimized, condemned to second-class citizenship.

Yet, even though the urgency to act, to do whatever one can to save lives was so very much greater 45 years ago, it is today that the United States Government is truly doing whatever it can to alleviate a condition of human suffering. I, for one, have been struck by the sensitivity and caring with which the current. problem is being approached by the Government of the United States, from the President and Secretary of State on down to the political officers in the United States Embassy in Moscow.

Lest there be some misunderstanding as to motivation, let me emphasize to you that there is no attempt by the United States to engage in mere Soviet-bashing. What has been made clear to the Soviet Union is that we would indeed be pleased to engage in what is known as quiet diplomacy if the Soviet Government were truly ready to respond. Only in the absence of any concrete results do we find it necessary to speak up in public. And even after we have spoken up, we would be ready to reduce the level of rhetoric once we see some clear sign of movement on the Soviet side.

There have, of course, been rumors in recent months of impending changes in Soviet policy. Whether these rumors are idle speculation, disinformation, or whether they indeed foreshadow a significant change in Soviet emigration policy we do not know. To date, there has been no noticeable change in the figure of exit permits granted to Jews. For the last few months, that figure has averaged less than 100 per month, an insignificant number when compared to the hundreds of thousands who want to leave that country.

It is now estimated that the number of Soviet Jews who have indicated their desire to emigrate is about 400,000. As it is, the number that truly wants to leave the country is likely to be larger, probably encompassing a majority of Soviet Jews.

Why do they want to leave? These, let us remember, are the descendants of those families who opted to stay at a time when the gates were open from the 1880's to the 1920's. Others, including, I am sure, many of the parents or grandparents of persons in this room today, left at that time. The ones that stayed, as I have said, are members of families that did not want to leave. Why is a

later generation taking a radically different position?

I believe it is important to answer this question. Public attention has been so sharply focused on the denial of exit visas to Soviet Jews that we often tend to lose sight of what it is that is causing so many Jews to apply for permission to leave the country of their birth. The simple answer is an increase in anti-Semitism, including officially-sanctioned discrimination and anti-Jewish propaganda.

Whatever else we might think of Lenin and his creations, the Communist Party of the Soviet Union and the Soviet state itself, we can agree that Lenin was not an anti-Semite and that neither the party nor the state were at the outset anti-Semitic. On the contrary, as we know, Jews held prominent positions in both of these institutions. What, then, has brought us to the present state of affairs?

The answer is, in the first instance, Joseph Stalin. It was Stalin who removed all but one Jew from the very highest level of government, who purged Jews from other key institutions of the State, who repressed Jewish cultural activities, who ordered the execution of Jewish poets and writers, who concocted the doctors' plot, and who, in the last months of his life, planned the mass deportation of Jews from the Western Soviet Union.

Stalin's death averted the mass deportations, but his successors did nothing to undo some of his other anti-Jewish measures. For many decades, Jews have not been allowed to enjoy the same cultural rights as other minority groups. The unwritten rules of discrimination and exclusion were not cancelled. There may not have been any specific, formal action by the Politburo to promulgate its policy of anti-Jewish discrimination, but that seemed unnecessary. What has evolved is a quiet, unwritten and perhaps unspoken leadership consensus to move the Soviet Union's Jews to the margin of Soviet society. Nor did it happen overnight. It seems to have evolved gradually over the years. Yet this gradualism makes the fact of anti-Jewish discrimination no less clear at this stage of evolution of the Soviet state.

As we may wonder about the motivation of the leadership group when it ratified and expanded Stalin's anti-Jewish policies, let us reflect on how the Soviet Union has developed in the last thirty-three years. The despotic regime of Stalin has been succeeded by a collective leadership. It is a leadership exercised by what Milovan Djilas of Yugoslavia referred to as "the New Class." In the Soviet Union, the New Class has become known as the "Nomenklatura." To the Nomenklatura belong about 5% of the total population who play key roles in government, in the governmentally-controlled economy, in the governmentally-controlled educational institutions, in the governmentally-connected media, in the governmentally-controlled cultural institutions, etc. Membership in the Nomenklatura means power, a high standard of living, and, in that context, privileges simply unavailable to the rest of the population. The idealistic goals of the Revolution have long ago been abandoned. Members of the Nomenklatura have only one commitment: to support each other and thus perpetuate themselves in power.

The conclusion which the Soviet leadership seems to have reached is that Jews are simply, by personality, not equipped to fit into this scheme, just as Stalin had concluded that except for Lazar Kaganovich, no Jew could fit into *his* scheme.

As distinct from Stalin, the post-Stalin leadership took no steps to kill Jews or even to remove from office because of their ancestry those who had remained in lesser positions of influence. They have been allowed to stay on until retirement. Thereafter, however, if they occupy an important position, the leadership sees to it that once they vacate it, that position is filled by a non-Jew. And, as the years pass, the ceiling beyond which Jews are not allowed to rise has been progressively lowered.

Here we can recognize one important reason why many Russian Jews holding comfortable and significant positions have decided to leave: they recognize that their children have no hope of rising to the same level in society.

And, speaking of children, there is the matter of education. Institutions of higher learning throughout the world had been familiar with what in Europe had been known as the "numerus nullus," the total exclusion of Jews, or the "numerus clausus," the quota system. Gradually, these discriminatory standards have been re-introduced in the Soviet Union. Jews are totally excluded from the Institute for International Relations, the training school for the Soviet foreign service, and are limited to an exceedingly small quota at such prestigious institutions as the Department of Mathematics and Physics of the University of Moscow. A few years ago, three courageous members of the central staff of a number of Moscow's high-prestige science education institutions analyzed the applications for admission and tabulated the results. Under the Soviet system, only those students that had done outstandingly well in mathematics and the sciences in their secondary schools could apply. One should think, therefore, that the rate of success would be more or less the same for all ethnic groups. What the study showed was that applicants without any Jewish ancestors were admitted in about 80% of the cases. Those of identifiable Jewish ancestry succeeded in about 15% of the cases, and only in those instances where they had "connections." Jews did well, it appears, on their high school grades and their written examinations. They invariably were disqualified on the basis of their oral examinations.

If you wonder what I meant by the phrase, "identifiable Jewish ancestry," let me explain that among the items of information which each applicant had to furnish was one's mother's maiden name. In a way reminiscent of the scheme of discrimination established in Nazi Germany under the Nuremberg Laws, the Soviet Union tracks and identifies persons of partially Jewish descent and subjects them to disabilities on that ground.

You may be curious to know how the Soviet authorities responded to this study of discrimination in institutions of higher learning. The response came in sentences of jail and exile ranging from five to thirteen years for each of the preparers of the study. Let me point out that in the Soviet Union there is no such thing as "time off for good behavior." There are only add-ons for what the prison authorities deem bad behavior. The brave souls who presented the world with concrete statistical proof of Soviet discriminatory practices in the field of higher education can be expected to serve the full terms to which they have been sentenced.

I have thus far spoken of discrimination in employment and education. Let me just remind you that in the Soviet Union all employment stems from the state and all education is state-run. There are no private options available. If you have been stamped a second-class citizen, you are just that with regard to all job opportunities and with regard to all opportunities in the field of education.

But that is not all. What is in evidence in the Soviet Union today is blatant anti-Semitic propaganda in publications, in newspapers, magazines, and books. In most instances, anti-Semitism is masked as anti-Zionism. Yet any comparison of the caricatures of "Zionists" in Soviet newspapers and magazines, with those that were once found in the notorious Nazi publication, "Der Stuermer," will reveal a similarity which is indeed deeply troubling.

Publishing in the Soviet Union, as we know, is another government monopoly. Thus, when Soviet authorities permit publications to convey an anti-Semitic undertone, they also send a message to the wider public. It is a message to personnel officers that discrimination in hiring and promotions is acceptable. It is a message to officials of higher learning that discrimination in admissions policy is allright. And, finally, there is a message to the general public that anti-Semitic behavior generally is acceptable. Such behavior is what students encounter in school from their classmates and what their parents encounter at their places of work or even when standing in line to acquire their daily necessities. For those of us who have an image of Jewish life under the Czars, this picture of Jewish life in today's Soviet Union will not be unfamiliar. But there is a difference. Under the Czars, Jews maintained a vibrant religious and cultural life. Also, if they could not take the oppression any more, there was a chance to leave. But, as we so well know, even these options are today severely restricted or non-existent. Specifically, there is no such thing as free emigration from the Soviet Union. One of the important hallmarks of most countries in the Soviet bloc is that they fence their people in. The Berlin Wall is probably the best-known proof of that policy. As we know, guards with orders to shoot to kill anyone attempting to flee the Soviet bloc states man the borders and all other potential points of exit.

Thus, for the Soviet Union to allow any individual or any category of persons to leave the country, there must be a special reason for making an exception. The Soviets, as we know, are not very good at making cost/benefit analyses in the economic field, but they can do the job extremely well when they get into politics and propaganda. They have, basically, decided that Jews are a nuisance, to be pushed to the margins of Soviet society. Increasingly, as Jews retire from positions of importance, the cost of losing them will not be deemed to be great. But minimal or no cost of letting Jews go will not be sufficient reason to lift the traditional emigration barriers. For the basic policy against emigration to be modified so as to allow for exceptions, the benefits to the Soviet Union have to be clear and they have to be substantial. And the only country that can provide such potential benefits is the United States.

That is why the issue of Jewish emigration from the Soviet Union ultimately ends up as an item on the U.S./U.S.S.R. agenda of discussion. I want to assure you that the President and the State Department have proceeded with extraordinary care and thoughtfulness in dealing with this issue.

Only time will tell whether more significant results will be attained than have been attained to date. It would have been greatly rewarding for me to be able to tell you that a substantial upturn in Soviet emigration is just around the corner. I am afraid that this is not what I can say. All I can tell you at this time is that we simply do not know, that we must keep working to reach that goal and keep hoping and praying that we shall get there.

I would have ended my remarks at this point if it were not for the fact that the fate of what once was a small Jewish community was recently in the news and was the subject of debate between Rabbis Brickner and Schindler, on one hand, and the Anti-Defamation League, on the other. The community to which I am referring is the Jewish community of Nicaragua. It once consisted of a few hundred persons. Today there are reportedly three Jews left in Nicaragua.

Why did practically all of Nicaragua's Jews leave after the Sandinistas came to power? Rabbi Brickner has a ready answer: They were all pro-Somoza. We should ask ourselves: How does he know? Is it because the Sandinistas told him? Would it not be best to check with the people directly affected, those who left Nicaragua.

Those people, the Jews who had lived in Nicaragua, are indeed the best source of information. The story they tell is, alas, a familiar one. It is a story of increasing harassment of Nicaragua's Jews by the Sandinistas. There were calls to Jewish homes, threatening "What Hitler started, we'll finish." There were graffiti slogans like "Death to the Jewish pigs!" next to the Sandinista initials, FSLN, in red and black letters. And, finally, there was the drumbeat of anti-Zionism and support of the P.L.O.

In theory a distinction can be made between anti-Zionist and anti-Jewish activity. But in practice, whether in Moscow or in Managua, it comes out to be the same. The Sandinista Interior Minister, Tomas Borge, had greeted Yasser Arafat in Managua with the ringing pronouncement: "We say to our brother Arafat that Nicaragua is his land and the PLO cause is the cause of the Sandinistas." The Jews of Nicaragua did not need an interpreter to explain to them what such statements meant to them. They understood and they left.●

THE CONGRESSIONAL COALITION ON ADOPTION

● Mr. HUMPHREY. Mr. President, the Congressional Coalition on Adoption held its first hearing on April 17, 1986, at 2 p.m. in room 485 of the Russell Senate Office Building.

Formed in 1985, the Congressional Coalition on Adoption is a bicameral, nonpartisan alliance of Members of Congress who are dedicated to removing the barriers to adoption that deny children a permanent home and prevent individuals and couples from establishing families. The purpose of the Coalition is to focus public attention on the advantages of adoption for all concerned—the child, the biological parents, and the adoptive parents.

Joining me as cochairman of the Congressional Coalition on Adoption are Senator LLOYD BENTSEN, Representative THOMAS J. BLILEY, JR., and Representative JAMES L. OBERSTAR. There are currently 55 members of the Coalition, 19 Senators and 36 Representatives, and I invite all of my colleagues in Congress to join us in this important effort.

In our first hearing, our intention was to examine three of the major issues in adoption—adoption benefits, adoption counseling, and health care for adoption of children with special needs. We hoped to learn from the experts in adoption the problems, the barriers to adoption in these areas, and most significantly, the specific steps the members of the Coalition might take to solve some of these problems.

An estimated 2 million couples of childbearing age are seeking to adopt, plus an estimated 1 million single persons. This means for every child which is adopted, there are at least 60 homes. Tragically, at the same time, approximately 1.5 million abortions are performed each year.

In addition, an estimated 36,000 children are legally free and waiting for permanent adoptive homes. As a witness at an earlier adoption hearing described it, too often the spirit of these children is aborted in the foster care system. The mission of the Congressional Coalition on Adoption is to bring together these children and adoptive parents.

In many adoptions, the financial costs of adopting a child far outweigh the costs of childbirth for biological parents, and often health insurance coverage and maternity or paternity leave do not apply. Adoption benefits—such as a corporate adoption benefit plan for employees, and a tax deduction for adoption—would help alleviate the extraordinary costs of adoption which stand in the way of many of those who want to adopt.

The Coalition was pleased to welcome Assistant Secretary for Health and Human Services Dorcas Hardy, and Ola L. Seifert from the Acacia Group, who addressed the issue of adoption benefits.

Adoption counseling for women facing an unplanned pregnancy was addressed by the second panel. Of today's unwed teenagers—the ones who face the greatest difficulties with imminent parenthood—more than 90 percent choose to try to raise the child as a single parent. Less than 10 percent elect adoption.

One reason adoption is the least favored option is lack of adequate counseling on the subject. Adoption might be the right choice for more women, but without information and counseling about adoption, they don't get a fair chance to choose that alternative.

The Coalition was fortunate to have the Deputy Assistant Secretary for Population Affairs in the Department of Health and Human Services, Jo Ann Gasper, and Howard Hulett, executive director of the Smithlawn Maternity Home and Adoption Agency in Lubbock, TX, testify on the issue of adoption counseling.

One of the serious problems involved in adoption of children with special needs is the need for health care for physically disabled children. The primary sources of health care coverage are Medicaid for those children who are eligible, and private insurance of the adoptive parents. However, some insurance companies will not provide health coverage of a pre-existing condition in an adopted child. In addition, problems have arisen in finding a health care provider to accept a Medicaid card, particularly in interstate adoption. Medicaid provisions in the reconciliation bill recently signed into law, and the interstate compact on adoption and medical assistance, which 10 States have now entered into, are intended to solve these Medicaid problems.

The witnesses who testified on our third panel, Mary Ann Kuharski, and Linda Sacra of the Texas Council on Adoptable Children, are experts indeed on this subject. Both are adoptive parents of children with special needs, and they are actively working on adoption issues in their communities.

Mr. President, these six witnesses spoke eloquently on these key issues in adoption and I shall not attempt to paraphrase their testimony. Rather, I would like to share their views directly with my colleagues and the public. I ask that the written testimony of the six witnesses at the first hearing of the Congressional Coalition on Adoption be printed in the RECORD.

The testimony follows:

STATEMENT BY DORCAS R. HARDY, ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT SERVICES

I would like to thank the Members of the Congressional Coalition on Adoption for the invitation to join you today. I share the interest of the Coalition in promoting adoption as a way to build families, especially the adoption of children with special needs. Special needs children, as you know, are school age, handicapped, siblings, or members of minority groups. I also bring with me Secretary Bowen's strong commitment and concern for this special area.

I wish to take this opportunity to present an update on the Department of Health and Human Services' National Special Needs Adoption Initiative which I have had the privilege of leading for the past 3 and a half years. During this time, I have visited 44 states to tell about the children who wait for a home, and I have visited some States several times. I have met hundreds of children with special needs, as well as parents, adoption workers in public and private agencies, administrators, judges, corporate leaders, volunteers and the media all over the nation. It is a special honor to make this report. My testimony covers two areas:

First, our most recent statistics on foster care and waiting children; and

Second, highlights of the outstanding work which is being done by the States and private organizations, including a closer

look at two subjects of special interest at this hearing today: corporate adoption benefits and health care for title IV-E adopted children.

Let me start by giving you our most recent national statistics about children in substitute care—from data supplied by the States primarily through the Voluntary Cooperative Information System (VCIS).

The implementation of P.L. 96-272 and the continued efforts of the States have reduced the foster care population from an estimated 502,000 at its peak in 1977 to 276,000 in 1984—a number which appears to be leveling off. While we have about half the number of children in care than we had a few years ago, we are finding that children are much more likely to be those who have special needs.

The children are older, including more teenagers; there are more children with handicapping conditions; and there are more minority children. Here are the statistics from our analysis of 1983 data:

The average age of children in care went up from 9.6 years in 1977 to 11 years in 1983. Forty-four percent of the children in care are between the ages of 13 and 17.

In 1983, about 22 percent of the children in care were handicapped, up from 19 percent in 1980.

Finally, in 1983 46 percent of the children in care were minority-black, Hispanic and Indian—up from 38 percent in 1977.

Many of the children who are older, or who have other special needs, can never return to their biological parents, and for them, adoption should be the plan for permanency. Of the total number of children in care, we estimate from 1983 VCIS data that 36,000 children are legally free and waiting for adoptive homes. It is these children who have been the focus of our national special needs adoption initiative for more than 3 and ½ years.

We carry out the activities of our initiative under our responsibilities in implementing two laws: the Adoption Opportunities program under title II of P.L. 95-266, and the Adoption Assistance and Child Welfare Act of 1980, P.L. 96-272. We also have reached out to involve other program administrations within the Office of Human Development Services to coordinate our efforts and our resources. Many of our special needs adoption demonstration activities are funded through our Coordinated Discretionary Grants Program. In Fiscal Years 1984 and 85, for example, we funded special needs grants to 34 States, totalling $2.5 million.

Let me now review what has been underway in the initiative and share some of the accomplishments of our partnership with public and private agencies and organizations, the corporate world and the media. We have been working together to:

Increase public awareness;

Recruit families, especially minority families;

Work with a variety of organizations—such as the network of agencies and services for the developmentally disabled;

Enlist volunteers;

Involve the corporate sector; and

Address national issues such as adoptions across state lines.

Let me highlight some of our successes:

PUBLIC AWARENESS

Increasing public awareness has the wonderful benefit of recruiting potential adoptive parents and enlisting volunteers.

This is especially true of Wednesday's Child features on television and in newspapers. More than 80 television stations and 50 newspapers feature waiting children on a regular basis. I have presented awards all over the country to recognize those stations and newspapers which have teamed up with adoption agencies or exchanges to promote the adoption of waiting children. Just recently, the Adoption Exchange Association—an organization which we have supported since its origin—had a Wednesday's Child exhibit at the conference of the National Association of TV Program Executives. More than 50 new stations or organizations indicated an interest in helping recruit families for waiting children!

For several years, we have also worked with the North American Council on Adoptable Children and other organizations to promote the observance of National Adoption Week nationwide, held during Thanksgiving Week each year. For the past 3 years President Reagan has issued a national proclamation. We have encouraged joint Federal-local observances in our regional centers and we have printed and distributed thousands of posters, brochures, buttons and other promotional materials for use during Adoption Week or any other time of the year under the theme, "Children Grow Better in Families."

One of our most successful public awareness and recruitment tools has been the Special Needs Adoption Portfolio. This portfolio was developed last year after we received 116,000 comments on the proposed "Baby Doe" regulations. We were able to determine the addresses of about 78,000 of these people who were deeply concerned about handicapped infants, so I wrote them about the adoption initiative.

To date, 5,000 people have requested the portfolio. An additional 12,000 portfolios have been sent to organizations and individuals for use in local or State awareness or recruitment campaigns.

Three years ago, my office also funded "The Challenge of Caring," produced by the National Adoption Exchange. This documentary has aired on stations all over the country many times. Hundreds of thousands of people have seen it and many have responded to its message by supporting efforts to find homes for waiting children.

We also funded Spaulding Southwest in Houston to produce a similar film in Spanish. The producers worked with Hispanic families and advisory groups in Houston, Los Angeles and New York City. The film was previewed in New York last month and will soon be available for viewing all over the country.

The Rocky Mountain Adoption Exchange in Denver, which serves a 6-State area, has provided outstanding leadership in media relations, community education and corporate involvement. This exemplary program has gone far beyond public service announcements and Wednesday's Child features. Three years ago, Rocky Mountain and KCNC in Denver began a telethon to raise money, recruit families and increase public awareness. Now called a docuthon, this annual event involves dozens of companies, foundations, organizations and private citizens. In early March, I took part in this docuthon, where more than $100,000 was pledged.

A year ago, we awarded a grant to the Rocky Mountain Exchange to train other agencies and stations on how to organize and implement a docuthon. The Exchange has produced an informative manual and has trained 27 people from public and private agencies and exchanges and 3 from television stations.

RECRUITMENT

Many of our efforts over the past several years have centered around recruitment, especially the recruitment of minority families.

We funded Homes for Black Children in Detroit to spread that model to six other cities. In D.C., the project placed about 200 children and has since been incorporated as an ongoing program of the D.C. Government Family and Child Services. Over the years, we have also provided funds for Friends of Black Children in North Carolina, including spead of the project into Tennessee and the development of a "how-to" manual so that other agencies and organizations can replicate the model.

Likewise, we supported the spread of TEAM, (Training and Education in Adoption Methods) by funding the training of 15 national trainers, both social workers and adoptive parents—about half of whom were black—who in turn trained more than 300 others, 93 percent of whom were black.

One of our most successful minority recruitment projects is the One Church, One Child program started by Father George Clements, a black priest and adoptive father in Chicago. The idea of One Church, One Child, as you know, is that each congregation should be responsible for finding a family for at least one child.

With funding from my office, Father Clements worked with the Illinois Department of Children and Family Services to spread One Church, One Child over the State, and then the nation. Today, about half the States have One Church, One Child programs, many funded through our Coordinated Discretionary Program. One Church, One Child works. Illinois, for example, doubled the number of black children adopted in just 2 years, and other States are reporting increases in minority adoptions.

In addition to recruiting families, it is also important to keep special needs adoptive placements from disrupting. Rumors last year put national adoption disruption rates as high as 40 percent, but a recent study which we funded shows actual rates to be closer to 13 percent nationally.

My office is funding projects to improve supportive services to special needs adoptive families. For example, we are currently funding the Georgetown University Child Development Center to develop a training program in this area for professionals employed in mental health clinics and child welfare agencies in the District of Columbia and in northern Virginia to provide post placement and post adoption services for families who have adopted children with developmental disabilities. Activities which are underway include a 6-week parent support group and development of a networking model with other organizations.

The Center is developing a training guide for national dissemination which will make possible the training of community service personnel to assess, plan and implement supportive services for adoptive families of special needs children.

My office has also funded Spaulding for Children in Michigan to establish and operate the new National Resource Center for Special Needs Adoption. We believe the project has gotten off to a good start, and we look forward to the Center's assisting public and private adoption agencies with expert, state-of-the-art methods to recruit families, avoid disruptions of adoptions, use subsidies effectively, network with other groups, and involve the corporate sector.

LINKING WITH OTHER ORGANIZATIONS

We believe special needs adoption is everybody's job and we preach this message in our own house. The Administration for Children, Youth and Families (ACYF) has worked with the Administration on Developmental Disabilities (ADD) on a number of activities. ADD, in turn, has done an outstanding job in enlisting the support of the entire DD network—State Councils on Developmental Disabilities, University Affiliated Facilities, and Protection and Advocacy agencies. HDS has funded demonstration adoption projects to some of these groups.

In addition, our CDP announcements directed at States specify DD and other organizations by name for linkages with State adoption agencies. Three years ago, DD groups were rarely involved in special needs adoption. Today they are fully aware and involved.

Last summer Senator Hatch and I sponsored a Special Needs Adoption Luncheon on Capitol Hill, co-sponsored by 11 national organizations. More than 150 people, representing dozens of groups—the Urban League, sororities, professional and business organizations, advocacy groups and religious organizations—attended and many expressd an interest in becoming involved. States and communities are now working on ways to turn this interest into action.

VOLUNTEERS

In my travels over the country in behalf of waiting children, I have encouraged people from every walk of life to become involved in special needs adoptions as volunteers, and I have recognized many organizations and individuals for their efforts, including many adoptive parent groups.

I have also worked closely with family court judges to help promote Court Appointed Special Advocates (CASAs). CASA volunteers look after the best interests of the child during court proceedings and make independent recommendations to the judge.

HDS has funded the National CASA Association, the National Council of Juvenile and Family Court Judges, and the National Council of Jewish Women to spread CASA volunteer projects. In addition, we have funded a number of local communities to start CASAs through the CDP for the last several years. CASA is one of the fastest growing volunteer organizations in the country, with programs in 45 states. The National CASA Association has received a Volunteer Award from President Reagan.

CORPORATE INVOLVEMENT

I have also promoted the involvement of the business community, and an increasing number of businesses and corporations are supporting adoption in a wide variety of ways. We have funded several projects to encourage corporate involvement, such as One Company, One Kid, sponsored by Cornell University. That project involved more than 70 corporations and 20 agencies in recruiting families for special needs children. Today One Company, One Kid flourishes without Federal funding under the sponsorship of the Minority Business Council.

The National Adoption Center, formerly the Adoption Center of Delaware Valley, which runs the HDS-funded National Adoption Exchange, is pioneering ways to increase corporate involvement. Their creative ideas and accomplishments will benefit the entire field.

The Center added a number of corporate executives to its board, and these executives, in turn, have provided an enormous amount of assistance in management, marketing, fund raising and telecommunications. With this kind of assistance, the Exchange has registered more than 3,400 children and 2,400 families and found families for 1,400 children in 3½ years of operation. The Exchange's telecommunications network has 22 public and private agencies and state and regional adoption exchanges as members.

The National Adoption Center has also established successful partnerships with several corporations. One example is its partnership with CPI Corporation, the company which has the portrait studio concession in Sears stores all over the country. This company makes free professional pictures of special needs children in 200 Sears stores in 14 States for use in photo-listing books. The company is planning to expand the operation, called Picture Perfect, into all 800 Sears stores nationwide. Just last week, I presented an award to this company for the outstanding contribution which it is making to the adoption of children with special needs.

We also funded the National Adoption Center to publish and disseminate a number of publications on corporate involvement. One publication, "A Guide for Approaching Businesses and Corporations," has been distributed to adoption agencies all over the country.

The Guide lists eight specific activities which corporations can do, such as waiting child features in company publications, in-kind contributions, or sponsorship of special events such as an adoption fair.

The Center also published a guide entitled "Adoption Benefit Plans: Corporate Response to a Changing Society." This guide, which defines and gives examples of employee leave policies and adoption expense reimbursement plans, has been distributed to 1,200 companies and business leaders over the nation. Another 7,000 guides were distributed to the membership of the American Compensation Association. Since that distribution last summer, the Center has received about 300 requests for information, mainly from corporations, and continues to receive about half a dozen calls a week.

Like corporations, local and State governments are beginning to implement adoption benefits. Philadelphia, for example, has an adoption leave policy, and the State of Illinois has recently begun to provide reimbursement of up to $1,500 for adoption expenses and to ensure that adoptive families have insurance coverage for adopted children.

The Coalition should know that in recent months I have been working with Constance Horner, Director of the Office of Personnel Management, on ways that the Federal Government can help strengthen families, including building families by adoption.

Just a few weeks ago, Ms. Horner sent a policy message to the heads of Federal Departments and agencies, asking their cooperation in supporting a leave policy that responds to the needs of men and women who are adopting a child. In addition, Ms. Horner is making it possible for me and my staff to meet the Interagency Advisory Group in Washington and with Federal Executive Boards all over the country to discuss ways that Federal agencies, like other employers, can support the adoption of special needs children. It is important to note that these activities can be carried out by applying creative ideas, not by spending additional funds.

NATIONAL ISSUES

Next, I would like to discuss several national issues, including health care for title IV-E children adopted or moved across State lines.

One of our major national efforts, of course, is Federal adoption assistance subsidies under the Adoption Assistance program, title IV-E of the Social Security Act. Before the Adoption Assistance and Child Welfare Act of 1980, P.L. 96-272, the Federal government reimbursed the States for foster care only. Only State and local governments paid for subsidized adoption. Prior to this important law, a State would lose its foster care match when a child was placed into subsidized adoption. P.L. 96-272 provided for Federal reimbursement to the States for adoption subsidies to special needs children eligible for AFDC or SSI.

Thus, for the first time, Federal funding policy provided a fiscal incentive for States to place children who could not be returned to their birth parents in adoptive homes rather than keep them in foster care.

The title IV-E Adoption Assistance program launched by that Act has come a long way in a short time. This program has grown from 3,800 children and $4.7 million in Fiscal Year 1982 to an estimated 21,000 children and $46 million in 1986.

The crux of the program is the adoption assistance agreement—the contract between the adoptive family and the State. That agreement spells out the amount of the adoption assistance 0 payments, the child's eligibility for benefits under the State's Medicaid program, and any additional assistance or services which the child may need, including, of course, services offered under the Social Services Block Grant. The law is clear that the agreement remains in effect regardless of the State in which the adoptive parents may live at any time.

Until now, many adoptive parents who adopted children from out of State or moved to another State often had difficulty obtaining the medical care and other services for their children. Many health providers simply would not provide care on the basis of an out-of-State Medicaid card. When the program was just starting, these problems were experienced by only a handful of people. But as this program has grown, so have the number of children receiving this assistance who move across State lines.

In 1984, the American Public Welfare Association did a survey to determine the number of children receiving both State subsidies and Federal adoption assistance who were living in out-of-State settings. They learned that out of about 11,000 children receiving Federal adoption assistance at that time, more than one thousand were living out of the State which provided the adoption assistance. Further, the number of children receiving State-funded adoption subsidies in such situations was three times greater than those receiving Federal subsidies. This is not surprising, since State subsidies have been around longer than the Federal Adoption Assistance program. It is likely that the number of children receiving Federal adoption assistance in out-of-State situations has grown significantly since 1984 and will continue to grow at a rapid pace in our mobile society.

Two recent events will assure the provision of health care and title XX services when these children cross State lines. I am pleased to report that President Reagan, on April 7, signed legislation which provides

that children for whom a title IV-E adoption assistance agreement is in effect will be eligible for Medicaid and title XX services in the State where they reside.

I am also happy to report that nine Senates entered into an Interstate Compact on Adoption and Medical Assistance on January 31 in Kansas City in a meeting called by my office. The nine charter members are Arkansas, Colorado, Delaware, Kansas, Louisiana, Maine, Missouri, Nebraska, and New Hampshire. The ceremony was witnessed by representatives of 26 other States, the District of Columbia, the Virgin Islands, five national organizations and the Federal Government. Since that time, Utah has also joined. We funded the American Bar Association to provide technical assistance at the Kansas City meeting and to help States with implementation. Seven other States currently have enabling legislation authorizing them to join the Compact. Our regional offices are working with the States to urge them to become members.

The new Compact protects the benefits and services provided in the adoption assistance agreement between a State and a family. One of the most important aspects of the Compact is that each member State must designate a Compact administrator. This person will coordinate all Compact activities and act as the principal contact for staff and families within and outside the State. Implementation of this provision will enable families to obtain the help they need to receive adoption assistance payments from the originating State and services in the State of residence.

Thus, the Compact provides a framework for formalized, structured interstate cooperation needed by both families and State agencies. Member States will have standard forms and procedures for implementing interstate actions. In addition, the language of the Compact does not limit the provisions to title IV-E adoption assistance. This means that the Compact may also cover children receiving State subsidies.

Taken together, the new law and the new Compact will do much to relieve many of the problems which adoptive families have been experiencing in moving to another State or in adopting a special needs child from another State.

As you can see, five years of work on this special problem affecting our Nation's children has produced a great deal. We cannot afford to rest on our achievements, however, because there is still much more to be done. Here are some of the things that we must strive for:

Every employer should offer adoption benefits;

Every church should sponsor One Church, One Child;

Every television station, newspaper or corporate newsletter should feature a Wednesday's Child;

Every Court Appointed Special Advocate (CASA) volunteer should be fully aware of adoption as a plan for permanency;

Every State's interdisciplinary permanency planning task force—set up under the auspicies of the National Council of Juvenile and Family Court Judges—should be working to recommend improvements to the foster care and judicial system;

Every State should improve its adoption laws and procedures;

Every State should pass enabling legislation and join the new Adoption Compact;

Every club, sorority, fraternity, union, and professional organization should become partners with public and private adoption agencies and exchanges; and

Finally—and perhaps most important of all—every adoption worker should be fully committed to the adoption of children with special needs and be fully trained to use every resource available to recruit families and expedite the procedures used to move special needs children out of care.

With this last area in mind, my office will be looking into the development of a model home study which could be shared from one adoption agency to another anywhere in the country.

I strongly believe that the Federal, State, and local governments, private corporations and non-profit organizations, and local community agencies and volunteers can all work together in partnership to see that all of our children have the family each and every one deserves. I hope that my legacy will be permanent homes for children and a system which is increasingly responsive to children who wait for a home.

We appreciate the efforts of the Congress in passing P.L. 96-272 and all those people all over the country who are working to make permanency for children a reality. In particular, I applaud the members of the Coalition for your interest and concern in all aspects of adoption, and especially for the issues which you are covering in this hearing today. Thank you again for giving me this opportunity to report on our National Special Needs Adoption Initiative.

I will be happy to answer any questions.

TESTIMONY OF OLA L. SEIFERT, MANAGER, CORPORATE COMMUNICATIONS, THE ACACIA GROUP

I. INTRODUCTION

Mr. Chairman, I appreciate the opportunity to participate in this first hearing of the Congressional Coalition on Adoption. I commend the Coalition's work in examining the barriers to infant and special needs adoption, and I am particularly pleased you are highlighting some of the successful programs relating to this subject. Hopefully, through the sharing of programs such as ours at the Acacia Group, we will be able to further remove the barriers to finding loving, permanent homes for these children.

II. WHY ACACIA CARES

The Acacia Group has been committed to families since it was chartered by an Act of Congress in 1869. Our first concern was for the widows and orphans of Masons. Established by the Masonic organization as a "mutual relief association," members paid a small fee to join the association and then, whenever one of the group died, each remaining member was assessed $1.10. Ten cents of each assessment stayed with the organization to cover administrative costs, and the rest went to the widow. By 1932, through amendments to the original charter, the company evolved to Acacia Mutual Life, a full-fledged life insurance company with coverage available to anyone who meets the underwriting criteria.

The protection of families through life insurance coverage is still a major part of Acacia's business today. We have extended that protection by adding other financial products and services including investment management and banking. The Acacia Group now consists of several financial services companies and has operations in 40 states.

Because of our history of supporting family life, providing adoption benefits to our employees was a natural. Through our health plan we take an active part in developing the family, and through our disability plan we support the mother at delivery. What we didn't have was a way to help parents who wish to enrich their lives through adoption.

III. THE CHILD ADOPTION PLAN

In a memorandum to all Acacia employees, the company introduced the Child Adoption Plan as an additional employee benefit in May of 1982. The benefit is available to employees in our national headquarters here in Washington, subsidiary companies and sales offices located throughout the country—altogether, about 1200 employees.

Since that time, we have had two very happy families benefit from the program. One adopted a Korean baby girl, and the other has recently adopted a child born in their local area.

Acacia's adoption benefit plan assists employees in paying for legal and other related expenses associated with the adoption. The program includes the following features:

(1) The benefit applies to all male and female employees who have completed at least one year of full-time employment prior to the adoption, and the participant must be an active employee at the time the adoption takes place.

(2) The participant is entitled to 10 working days of leave with full pay in connection with the adoption process. This is for anything from trips to the lawyer, arranging travel for the child etc. (If the employee needs additional time off, he or she may use accumulated vacation leave. Any other time off is without pay in accordance with a mutually agreed upon length of time. This time off must be discussed in advance with the Personnel Department.)

(3) Expenses associated with adoption are reimbursed at 80 percent—with a maximum of $2,000 per adoption. This benefit covers attorney and court fees, travel expenses for the child and any other special charges.

(4) The benefit is not applicable if one of the adopting parents is the natural or legal parent of the adopted child.

In relation to the adoption, of course the company's health plan covers the child as soon as the insured parent has assumed legal responsibility of the child and has dependent coverage.

IV. CONCLUSION

When Acacia began offering its Child Adoption Plan, approximately 40 companies were helping their employees defray adoption costs. I understand that number hasn't changed much. I'm sorry more of corporate America is not reaping the benefits of such a program.

Our $2,000 benefit places us at the high end of these plans. In the past two years we've had only two participants. Clearly, this is not an outrageous corporate expense. We measure the plan's success in a variety of ways. For a small cost we have helped enrich the life experience of two of our employees, and the company has earned additional goodwill from other employees. Of course we hope our benefit plan will help make adoption possible for those who might not have been able to afford its high costs.

Concern for families provided the foundation on which the Acacia companies have prospered. Support of family life is an important part of our corporate life today. Our child adoption benefit clearly fits into that concept.

Thanks again for the opportunity to speak before you today. We are happy to share good experiences.

I would be happy to answer any questions you may have or provide assistance.

STATEMENT OF JO ANN GASPER, DEPUTY ASSISTANT SECRETARY FOR POPULATION AFFAIRS

Mr. Chairman and members of the Congressional Coalition on Adoption, I am very pleased to be here today to discuss with you the issue of adoption counseling in programs administered by the Office of Population Affairs in the Department of Health and Human Services. It is an issue with significant impact on the well-being of a great many families, particularly children, unwed mothers, and infertile couples. Adoption builds families and builds futures by helping the young mother toward her career goals and improving the baby's future by enabling the baby to grow up in an intact family.

In my testimony today, I will focus primarily on adoption activities in the Adolescent Family Life program, Title XX of the Public Health Service Act. However, I would also like to touch briefly on adoption counseling in the national Family Planning program, Title X of the Public Health Service Act.

Adoption is not the chosen option for most pregnant teens. Approximately forty percent of all pregnancies to teens end in abortion. Of those babies who are carried to term and born out of wedlock, only 5 percent, according to 1982 data, are placed for adoption. If we look at these numbers by race, seven percent of premarital births to white teens are placed for adoption, and less than one percent for black births. I want to emphasize that low black rates often indicate support available from extended families, with an informal adoption often taking place.

While low, these statistics indicate a reversal from the precipitous decline in adoption rates that were witnessed in the early seventies, in which placements of babies born to unwed teens dropped from eight percent in 1971 to only three percent in 1976.

In 1981, in expressing concern over the problem of adolescent premarital pregnancy, Congress stated that:

"Adoption is a positive option for unmarried pregnant adolescents who are unwilling or unable to care for their children since adoption is a means of providing permanent families for such children from available approved couples who are unable or having difficulty in conceiving or carrying children of their own to term." (Sec. 2001(a)(6)(A) of Title XX, PHS Act)

In enacting Title XX, Congress thus recognized the need to promote adoption as an option for pregnant unwed teens, and made this a major focus of the legislation.

The Adolescent Family Life Act is currently funded at $14.7 million. The demonstration program funds community based, family centered approaches to the problems of adolescent pregnancy. The purposes of the statute are to (1) find effective means, within the context of the family, of reaching adolescents before they become sexually active in order to maximize family guidance and support available to adolescents and to encourage postponement of premarital sexual activity; (2) promote adoption as an alternative to adolescent parenting; (3) establish innovative comprehensive and integrated approaches to the delivery of care services for pregnant adolescents, adolescent parents and their children; and, (4) support research on adolescent premarital sexual behavior, pregnancy, and child rearing.

In the Adolescent Family Life Program, all demonstration projects that provide care services are required to provide adoption counseling and referral services, including referral to licensed adoption agencies.

The Title X Family Planning program is funded at $142.5 million and provides services through approximately 4,000 family planning clinics across the country. Under the program guidelines adoption counseling is mandated only when a woman with an unintended pregnancy asks for information on her options. In that case, the guidelines require the counselor to provide nondirective counseling on various options including adoption.

I would like to summarize briefly what the Office of Population Affairs actually has accomplished in promoting adoption.

RESEARCH

Several of the AFL program research studies have focused on adoption. These studies should fill major voids in the understanding of adoption trends and help to enhance adoption services provided both in the demonstration projects and in other service settings. While the majority of research studies have not yet been completed, we do have findings from a few that have provided new insight into why the adoption option is not selected more often.

One completed project has been particularly useful because of the information it provides on the role of the pregnancy counselor in the adoption decision. "Orientations of Pregnancy Counselors Toward Adoption," conducted by Edmund Mech at the University of Illinois, finds that counselors generally believe that adoption is a desirable choice for many of their adolescent clients. However, counselors are often uninformed or misinformed about adoption procedures and legal factors.

Despite their own attitudes toward adoption, because counselors tend to believe that most pregnant adolescents are not interested in adoption and because they use nondirective counseling techniques, they rarely initiate discussion of the adoption option. Consequently, adoption is rarely considered as an alternative in the counseling of pregnant adolescents. Thus, one possible reason so few adolescents make adoption plans may be that adoption is not presented to them as one of their options. Dr. Mech also found that counselors in health settings are less positive and knowledgeable about adoption than are social service counselors. Because of this study we are working to improve the technical assistance we provide to the Title X and Title X grantees, including the production of an adoption guidebook to help counselors better counsel adoption.

Other research projects focusing on adoption include:

"Adoption and Parenting Decisionmaking Among Adolescent Females," conducted by Jane D. Bose in St. Paul, MN, is a study of the process by which adolescent mothers decide whether to keep their child or make adoption plans. Findings from this study indicate that adolescents who decide on adoption generally have higher educational and occupational goals, come from higher socioeconomic backgrounds and are at more advanced levels of psychological development than parenting adolescents. Those who choose an adoption plan are also more likely than those who keep their babies to have had exposure to family and friends that were involved with adoption and to report that outcomes of such adoption experiences were positive rather than negative. This study also found that staff encouragement of the adolescent to make her own informed choice, so that she feels she had made her own decision, is better received by adolescents than staff just promoting adoption.

"Adoption Decisionmaking in Pregnant Minority Youths" conducted by Byron Egeland, Ph.D, University of Minnesota, showed very different profiles among those who chose different informal adoption patterns. The adolescent whose child was informally adopted into the extended family and who shared in childrearing fared better on such dimensions as achievement, satisfaction, and family relations, while the adolescent whose child was informally adopted and raised *without* her help scored highest on stress ratings and reported the most behavior problems in school.

Two additional studies are due to be completed in September dealing with implications of the adoption decision. These are:

"The Consequences of the Adoption Decision" conducted by Steven D. McLaughlin, Ph.D. of Battelle Human Affairs Research Centers, WA, is examining the relative outcomes for adolescents of choosing to raise the child or choosing to make an adoption plan. Outcomes to be compared include educational attainment, marriage, subsequent fertility, earned income, and public sector support.

"Adoption Behavior and the Propensity to Adopt in the U.S." conducted by Dudley L. Poston, Ph.D., University of Texas, is a demographic analysis comparing characteristics of adopting and non-adopting women at four time periods since 1955. This analysis of national data will give us a better sense of who adopts and why.

DEMONSTRATIONS

While all AFL care demonstration projects are required to provide adoption counseling and referral, some are far more successful than others in making adoption placements. I will summarize briefly some of the more successful projects.

St. Ann's Infant and Maternity Home in Hyattsville, MD, serves pregnant and parenting adolescents from Maryland, Virginia and the Washington, D.C. metropolitan area. Pregnant girls may receive services while living in the maternity residence or while living in their own homes and commuting to the program daily. In addition, the residential aftercare program serves eight high risk mothers and their infants who may lack family support.

The program aims for each adolescent to make an informed choice on whether to place her child for adoption or rear that child. At intake, adoption is discussed with the adolescent and her parents. Counselors emphasize that the choice is up to the girl to make; she can change her decision at any point during her pregnancy and even after the baby is born. The program offers intensive individual and group counseling around adoption, including sessions on "Adoption from a Black Perspective," peer counseling sessions led by former clients who have either kept their child or placed the baby for adoption, and involvement of family members and male partners in adoption counseling decisions. This past year, 28 percent of their clients chose adoption.

St. Margaret's Hospital for Women in Boston, MA, last year placed 23 percent of their babies delivered through the program for adoption. The AFL-sponsored project also gives adolescents the option of living in the maternity home or commuting on a daily basis; girls who have not yet completed high school may attend the project's on-site alternative school.

Maternity home residents and day school students must participate in "decisionmaking groups" focused on the decision to make an adoption plan or to parent. Clinic clients are offered the option of participating in these groups. The goals of these groups are 1) to introduce adoption as an option; 2) to sensitize pregnant adolescents to adoption issues; 3) to assess individual situations and capacities for parenthood and to improve skills in making sound decisions; 4) to provide peer support to teens considering adoption; and, 5) to help teens who make an adoption plan resolve their feelings and prevent a repeat pregnancy.

The St. Paul-Ramsey Medical Center AFL project last year placed for adoption 30 percent or 3 out of 10 infants born in the project. All care services provided by St. Paul are provided in two inner city schools. These clinics are located within the school building and are open during school hours. The project provides a comprehensive mix of services by a team of medical, nursing, social, nutritional and educational professionals who work cooperatively with the school nurse and other school personnel.

Adolescents are presented with the adoption option when they first enter the program. If and when, at any point, they are interested in pursuing that option, social workers from Children's Home Society of Minnesota work with them to develop an adoption plan. Referrals are also made to Catholic Charities.

The project contacts parents of teenagers to introduce them to the clinic and to involve them in counseling. The father of the baby is also encouraged to become involved. Adoption is discussed during the whole course of the pregnancy in a variety of different contexts.

The AFL project with the highest adoption placement is Options for Pregnancy sponsored by Adoption Services of WACAP in Seattle, WA. Forty-seven percent of babies delivered were placed for adoption last year. This is a very high rate, but it should be noted that WACAP is an adoption agency and is known as such—a high placement rate would be expected.

WACAP provides services in Washington, Utah, and Alaska. Services are provided by counselors who work for the agency on contract out of their own homes or in community locations of their clients' choosing. WACAP also provides counseling to clients' male partners and family members.

WACAP's unique intervention is to provide clients with the alternative of modified open adoption—modified in that the client and the adoptive family do not know each other's last names, residence address, or place of employment. All clients choosing adoption make their selection after studying information from WACAP's pool of families looking to adopt. The girl reviews biographical information, reads a letter written by the waiting family, and sees pictures of the family. She chooses a family in the seventh month of pregnancy and communicates with its members. She may actually meet the adoptive parents.

I have highlighted a few of the adoption activities of AFL demonstration projects. I must make it clear that we still have quite a bit to learn about successful approaches to promoting adoption as an option. Our overall adoption rates in AFL demonstration projects range from 0 to 47 percent and average slightly over 5 percent for all teen clients giving birth. While this average number is not much above the national average, it should be noted that our AFL population is not entirely reflective of the population at large. Over half of the clientele of our care projects are minorities, and as we have noted before, the minority population has extremely low formal adoption rates.

CONCLUSION

Before closing, I should mention several other OPA activities relating to adoption.

We are working to expand resources available both to grantees and to interested organizations across the Nation in promoting the adoption option. We have worked collaboratively with the National Committee for Adoption to distribute to grantees and others a resource directory of maternity homes and adoption services. This will assist service providers in every State in referring clients for adoption services.

In an effort to provide pregnancy counselors with a better understanding of the adoption option, OPA is developing an adoption guidebook. As mentioned before, research indicates that counselors often may not provide sufficient adoption counseling because of lack of knowledge, misperceptions, or low expectations about acceptability of adoption among pregnant adolescents. This guidebook, which is scheduled for completion this summer, should assist in improving adoption counseling and referral.

Under Title X, we have funded the development of an "Adoption Options" training program in HHS Region III (Philadelphia regional office). This program is designed as a possible prototype for similar training sessions in other parts of the Title X system. Its goal is to better prepare clinic counselors to deal with the psychological and legal complexities that surround the adoption decision.

Mr. Chairman, we still have much to learn. We have begun to work more closely with our grantees to help them better counsel the adoption option.

During my first as DASPA I have made this a priority issue. I am grateful for the attention you have called to our need to better promote adoption. I look forward to working closely with the Congressional Coalition on Adoption on any ideas you and your members might have. Thank you for the opportunity to testify. I will be happy to answer any questions you may have.

STATEMENT PREPARED BY HOWARD HULETT, MS, ACSW, CSW-ACP, EXECUTIVE DIRECTOR

Today America is clamoring for freedom of choice. This is a wonderful idea. Most of us assume the persons making these choices are informed and emotionally mature. In counseling, we find this is often not the situation. Good judgements enable people to emotionally and spiritually survive, and even prosper, with their decisions.

When a young woman discovers she is pregnant, she is usually overwhelmed. She is in a state of shock. Usually the first person the girl talks to is the father of the child. He is far less prepared than she for the handling of this information. In fact, many deny paternity, are accusatory toward the expectant mother, and often seek solace from family and friends who readily agree with him that there are many more young men likely to be the father. This increases her cultural shock, so she may well go to her parents.

In 1960, when we first began Smithlawn, the girl was often called a tramp and sent packing by her family, or they might go hunting for the father of the baby with the intention of marriage or of shooting him.

In this day and time, the parents of an expectant mother are more likely to collapse, become angry, embarassed, ashamed, or overly solicitious. In some cases, they tell the girl to pack her bags and leave. What we now have is not just a culturally shocked expectant mother, but a culturally shocked situation. One of the main things the whole family needs is time and space.

Instead of seeking this, the girl is likely to return to home and school. She will at least confide with her best girl-friend and other members of her peer group. Now things really become complicated. In some cases, her friends try to make her a heroine. Whatever they do, they will all be quick to give free advice. Many will attempt overtly or covertly to enforce their will upon the expectant mother. They are likely to induce her to have an abortion, keep the child and go on welfare, or perhaps sell the child to a black market operation.

Attempts at counseling should be directed at helping the expectant mother reach a decision that is best for all concerned. This must be done by a professional who is acquainted with the particular problems inherent in an unwanted, unplanned pregnancy. The counselor must have understanding and an appreciation for all the options for the mother, including keeping the baby in an unmarried state and knowledge of the various welfare programs for which she might be eligible. These options should also include marriage, either to the father of the child or some other prospective candidate, termination of the pregnancy and its possible ramifications, and access to who is knowledgeable about the adoption option.

An expectant mother has often been sexually active because she wants to be treated as a grown-up woman. She feels the fact that she is sexually active is proof that she is a woman. Pregnancy is often considered further proof of womanhood. Many times what she wants and needs is a neutral place where she can find counseling and a chance to sort through her feelings, plans, and ideas, and to make a decision without interference from peer groups and family who would push her one direction or the other. Since she wants to be an adult, even though she is young, separation from her family and friends is usually desirable. This separation increases her independence, exposes her to new people and a new environment, counseling, and a chance to really mature. This separation is best organized in a maternity home that is designed to meet all her needs.

When she enters the home, no pressure can be applied, and she must be given several weeks to become comfortable and confident in the new surroundings. Staff efforts should be purposely directed away from bonding of the expectant mother to the baby. The staff and all medical personnel should speak of the "the child" not "her child." To say "her child" is to tacitally tell her she must keep the child. Activities and conversation of all the staff should leave the doors open for whatever decision she may make. The nonjudgemental attitude by all sections of the staff must be applied. Competent staff should be available to help her explore all of the options. Care should be taken that auxiliary people (consultants, teachers, nurses, dentists, and others who have contact with the expectant mothers) do not push their ideas on the girl. We have seen professional people talk the girl into keeping the child, placing the child in a home of their choice, or working with a black marketeer.

A careful social history of the expectant mother and the reported father should be carefully obtained. This gives the expectant mother many opportunities to ask questions about adoption and perhaps meet an adoptive family. Many times an expectant mother is surprised to learn that many of her best friends are adopted and that hopeful, eager, adoptive families are literally standing in line to adopt a baby. Since she is in a maternity home, she sees other expectant mothers go to the hospital and return no longer pregnant and happy for the decision and opportunity to make an adoptive plan for the baby. This is a comparatively easy decision for a young lady if she has learned to think she is having a baby for someone else who has more to offer a child. She has not allowed her family and friends to bond here to the child, when in reality, she felt much better making the adoptive plan. She can be made to feel much better by actually holding the baby for a few minutes. In this manner, she is inspecting the baby and realizing that it is indeed perfect. She knows she can check back with her social worker for occasional, non-obtrusive, non-identifying information about the adoption, the family make-up, and current information about how the baby is doing physically, mentally, and otherwise.

Adoption occurs where skillfull bonding occurs. It is between the baby, its adoptive family, and the new community. Bonding is greatly accelerated by placing the baby at a few days of age. Great reassurance and instructions are given to the adoptive couple and continuing contact is helpful in advocating the adoption process. An unmarried bio-mother is usually happy to know that a child is placed within a few days after birth. This reassures the bio-mother and makes bonding quicker and more firm for the adoptive couple and the baby. Further bonding occurs as the baby grows older and the adoptive couple explains that the child is especially loved because they adopted the child. Modern adoptive techniques applied by licensed adoptive agencies include a written summary of the baby for the adoptive couple's eyes only, but can be used to openly answer pertinent questions the child might ask as it grows older.

The smallest things can become significant in the minds of some young expectant mothers. One young 13 year old, very immature expectant mother was persuaded to keep the baby because a 14 year old girlfriend promised to help her keep the baby. In some cases, fathers of the baby have persuaded the expectant mothers to keep the baby even though he refused marriage, was unable to provide for her and the baby, but merely because he wanted easy access to a sex partner. We have parents very firmly say that their daughter could not return home with the baby; but, when the baby was born, they would weaken and the girl would keep the baby. Of course, the grandparents, wound up doing the parental duties.

In our society, the first prerequisite for parenthood is the ability to produce a child biolgically. We assume because a couple can produce a baby, they want it and will care for it. Child abuse and neglect statistics prove this wrong. Thankfully, many of these babies will be loved. The main priority for being a parent should be a desire for parenthood. This makes an adoptive couple better candidates and the bonding is more perfect.

We have had several young ladies 14 to 16 years of age come to our home. Their statements have been unequivocal, "I want to place my baby I am carrying for adoption." In a few days, they would write or telephone their families. Immediately the parents would come and, in some cases, bodily remove the girl from our maternity cottage against her will. The girl would continue to keep appointments with our doctor and social workers and would telephone when the baby was born asking us to bring the papers they were to sign. By the time we arrived, the family would be there and forbid us to go in or the girl to sign papers.

To work in any sense with expectant mothers without competent, professional counselors is to condemn many innocent, unsuspecting members of our community to painful psychological, cultural, and spiritual problems of which our society has little or no experience in handling. This is short-changing all the members of the family, especially the bio-mother, who is so vulnerable to all kinds of hurts. Some people who know of her problem will ask questions or make remarks designed to bring on guilty feelings. In a very real way, it is weakening our great nation and its beautiful, generous and thoughtful people.

When Smithlawn was established in 1960, we envisioned a small home. Mostly because we hoped to eradicate the problem of unmarried parenthood. But through the years, we have grown. We have tried to set geographical boundaries. But our visionary leaders have said that, in so far as we are able, we will cover every crossroad, hamlet, or city in the state of Texas. We have, in fact, served virtually every state in the nation and many foreign countries. We have accomplished this by having trained adoption specialists in various parts of the state. These include such cities as Dallas and Houston, and smaller places as Cisco, Arlington, Temple, and Beaumont. They are called in regularly for training and, as the need increases, we will increase their numbers. They accomplish many purposes. In order to teach adoption, we have regular seminars for prospective adoptive parents. When adoption times come closer, we have seminars for parenting the adoptive baby.

In 1969, we developed a film at a large cost to show all classes in the public schools, in churches, and on TV. It is now out-of-date. In order to continue in the education of those who need what we know, we regularly accept invitations to schools for programs. The programs have a real impact on the students, as we usually bring two or more of our expectant mothers who talk to the student about the danger of alcohol, drugs, and sex. We have volumes of letters from these students saying how much they appreciated and learned from the lectures.

The public conception of adoption is full of myths, half-truths, fairy tales, fears and old wives' tales. Many of these go all the way back to the middle ages. Many married people attach a special significance to the biology that is involved in birthing a baby. Some apparently feel no parenting can occur unless the biology between the two parents is joined in the producing of the child. The attitudes are clear in many expectant mothers and eventually must be interpreted. You would expect the pregnancy counselors to know better, but since we have no recognized curriculum for them, they come with a strong desire but, too often, with little knowledge.

Adoption is about to come out of the dark ages and Smithlawn is happy to be a part of this. A few centuries ago, if a bio-mother wanted to place her baby for adoption, she would nurse the baby until weaning time (usually 6 to 8 months). Great bonding occurred during the time the child was breastfed and separation between baby and mother created tremendous emotional and psychological damage to the bio-mother as well as the baby. In order to place the baby for adoption, she would then take the baby to the local monastery, lay the baby at the gate, ring a bell, and run off into the night. She had confidence that the kind monks and nuns would find a good home for the baby.

This has been drastically altered today with the advent of baby formula and bottles that are in such general use throughout the United States today. We now have our first generation of adoptive babies reaching the majority that was bottle and formula fed. Evidence appears to indicate these babies who were bonded to their adoptive families are far more superior in their counter parts of many centuries ago.

For the first time in history, we are now able to practice the unbonding of the bio-mother and the child and the bonding to the adoptive family. We are in need of time and research to determine the degree of improvement that is apparent in the babies being placed today. Maternity homes of today unbond the baby (legally, socially, and emotionally) from its bio-parents. Then the adoption specialist can carefully and professionally bond the baby (legally, socially, and emotionally) to the adopting family. This is the advantage all clients receive who have the benefits of a professional adoption agency.

In summary, adoption practices and results are changing; but, the public has little awareness of it. By and large, adoption public relations has ranged from poor to nonexistent. Until the National Committee for Adoption was created, there was no one on the national or state level to speak for adoptors, adoptees, and bio-parents. We must have more resources to tell the adoption story, tell of successful adoptees, get bio-mothers to tell their stories and put them in the media in such a way as to make them all feel good about themselves. We need a first class public relations or advertisement firm. We need a day or year dedicated to adoptees, adoptors, and bio-parents. We must find ways of bringing them closer together.

The child who wants to be a grown-up, but doesn't quite know how and finds herself with an unwanted pregnancy and cultural shock is in need of meaningful therapy with limited access to anyone who will force or entice her into a decision that will in effect be a bandaid when she is in need of much more serious treatment. Enclosed is a list of 11 famous adoptees.

FAMOUS PEOPLE WHO WERE AND ARE ADOPTEES

King Sargon of Akkad (C2637 BC-2582BC) Mesoptamian Ruler—The Recorded Adoptee.

David Farragut (1801-1870) U.S. Naval Hero.

Moses (C 14-13 Century B.C.) Jewish Religious Leader.

Henry Martin Stanley (1841-1904) British Explorer and Journalist.

Edgar Wallace (1875-1932) British Author Best Known for His Detective Stories.

James Michner (1907-) U.S. Author—"Hawaii", "Texas."

Art Linkletter (1912-) T.V. Emcee, Speaker and Author.

James McArthur (1937-) Adopted Son of Helen Hayes.

Robert Byrd (1917-) U.S. Senator.

Deborah Harry (1945-) U.S. Lead Singer for Rock Group "Blondie."

Caitlin and Peter Carruthers. Adopted Brother and Sister Team who won a Silver Olympics Medal in the 1984 Winter Olympics for their Ice-skating Skills.

TESTIMONY OF MARY ANN KUHARSKI

Thank you, Senator Humphrey, for allowing me the privilege to testify and to share my thoughts and concerns regarding barriers to adoption, specifically as they pertain to children with "special needs."

I feel somewhat like the "on-the-job" or resident expert as adoption has, for me, been a lived and lifetime experience: First, because of my own adoption; thanks to a birth mother who made an adoption plan for me through Catholic Charities of St. Paul; and secondly, now, as the mother of twelve children, six of whom are adopted and of mixed-race all with special needs.

For the past two years, I have served as a member of the Minnesota Governor's Task Force on Adoption and Foster Care of Minority and Special Needs children, which has given me a more informed view of specific barriers to adoption of special needs children. I have attached to my testimony a "Final Report of Barriers and Concerns" from the State of Minnesota Department of Human Services, which seems to verify much of what I would touch on here today.

Our children range in age from 17 years down to six months in age, giving us six teenagers, four pre-schoolers, and two elementary-age in-betweeners. Our adopted ones are of Vietnamese, Cambodian, Filippino, East Indian, Hispanic, and Black/American descent. Their disabilities include: congenital abnormalities; slow learning/retardation, deafness, a sub-mucuous cleft palate, developmental delays, and the biggest and most difficult hurdle of all (in our particular case)—emotional or character disorder requiring the need for ongoing psychiatric attention.

We certainly admit to moments of disappointment, frustration, and very real pain, but the joy and love these children have brought to our lives has vastly over-shadowed even the worst of days. We have found that while we initially thought it was we who were doing something good for them, it was really they who have done, oh, so much more for us.

We have been strengthened by the support we have received from a loving family and caring community in many ways: Understanding adoption agencies have waited, waved, or reduced their fees in order that we could afford to take that "special needs" child.

Our Church and surrounding community have, over the years, given support (including financial) during times of crisis.

Thanks to the Lions Club of St. Anthony, Minnesota, and to a generous hearing aid dealer with Benson Optical who sold us the two aids needed at virtually cost, we were able to obtain the aids needed for a hearing impaired son.

On a larger scale, I am sincerely grateful for the work and tireless efforts of the National Committee For Adoption who have been in the forefront working to educate, inform, enhance and protect, the adoptive family unit.

I see pro-life groups—specifically American Citizens Concerned for Life and the American Life League, as working to promote legislation, programs, and policies which would demonstrate adoption as the more loving alternative to the violence and human destruction foisted on American women by an abortion establishment.

In my home state, it was Human Life Alliance of Minnesota a state-wide pro-life organization, that worked hand-in-hand with the United Fund to pass legislation providing at least minimal Subsidy to parents adopting children with special needs. I found it ironic—but hardly surprising—that we received absolutely no support from Planned Parenthood or other abortion promoting groups in this effort. In fact, the St. Paul Planned Parenthood affiliate has flatly refused to even distribute the Adoption Option brochure, and yet they exist, in large part, because of public financing.

I applaud your Coalitions' efforts to examine the obstacles to adoption and I would offer the following as my own personal recommendations:

1. Passage of a Civil Rights Act for Parentless children, whereby no child can be denied a permanent family, if an agency-approved family is available and willing. Present laws and social policies can deny adoption to a waiting child, solely because of race, age or condition. The insistence by many social service agencies (or social workers) that minority children be "color or race matched" has denied both child and eager family, an opportunity to unite. While matching culture, race, and heritage is a worthy goal, the reality is that many children are going to spend years in foster care because of these discriminatory (Apartheid) practices. In addition, if these minority children possess a physical or mental disability, or are older in age, their chances for adoption are even further diminished because of such narrowing of perspective eligible parents.

Such policies (especially in those states where law mandates such "matching") have driven frustrated waiting couples to foreign countries where the expense may be greater but the red tape and litmus test is not nearly the obstacle. I might add here, that in some cases, it is even less expensive to adopt a child of "special need" from another country than to adopt one from some states.

I believe we have, by these racist policies, created a preference in adoption for foreign born children. We are a case in point:

When we first applied to adopt in the early 1970s we were told of the social workers boycott against white couples adopting mixed or minority children. Ironically, it was only after three foreign adoptions (one of whom was black) that we were then considered "OK" to get a Minnesota minority child. The youngster we adopted then was Black/Caucasian, had very serious physical and mental disabilities, and had spent her first 2½ years of life in foster care. What a shame for her and us and the missed years we were cheated from.

2. A guarantee of Equal Rights for Adopted Children in Insurance Coverage (as we now have in the state of Minnesota). This would prohibit denial of coverage to a family because of their adoption of a disabled child. That is, if that same company would have extended coverage to a child born into that family. We believe that since passage of this law in Minnesota, many more families have adopted youngsters with medical or mental handicaps, realizing they could turn to their insurance company when and if the need arose.

3. Passage of legislation that would put an end to giving tax monies to organizations that directly or indirectly provide, promote, or perform abortions. Let us reverse laws that reveal a public policy which favors killing over caring. In Minnesota we have three funded agencies (New Beginnings (St. Cloud), New Life Homes (Minneapolis), and Mary's Shelter (West St. Paul), that offers single pregnant women counseling, prenatal care, childbirth preparation classes, and a live-in shelter with pregnant women experiencing similar situations. Between 55 and 70 percent of their clients place their babies for adoption and resume their education or employment goals. Yet, they receive no financial incentive from the government. Compare this with those who offer only abortion and yet receive tax monies under the guise of sex education, counseling, research and family planning. Adoption at present, because of such practices, is presented as the government's least acceptable alternative—compared to killing the child by abortion, or the offering of AFDC and other tax incentives (school and job training) for young single women who choose to parent.

4. Finally, I urge your support of a Catastrophic Adoption Subsidy—or, in some cases, extended Medical Assistance, for those adoptable children with severe physical or emotional disabilities. The need is so great.

Last week I spoke with a mother who told of her years of frustration with the "system" after trying to obtain care and financial assistance for her adopted daughter who is severely affected and limited because of Cerebral Palsy and other disabilities. She had postponed her adoption plans two and one-half years because she knew that once legally adopted, she would bear sole financial responsibility. "Just the medications alone were astronomical at one point." she said. The ironies she described have been experienced by many:

(A) If the child remained a ward of the state, her caregiver would receive a monthly allowance; full coverage for all medical costs, and even Respite Care (for vacations or times away from caring for the child). In addition, any home remodeling that was necessary to accommodate the child (because of a wheel chair or special bed) would be subsidized. None of this is available, however, to the one who offers to parent (by adoption) for the child's lifetime.

(B) Shortly after the woman adopted her little girl, the mother called her county agency asking if they could give her a minimum allowance to stay home from her job to care for her newly adopted child. They could not. So, the mother went back to work and the county paid for a full time nurse to come in to care for the child. (Ironically, the mother works as a nurse at Gillette Children's Hospital).

Thus the child is cared for by a stranger (again) at taxpayer expense, while the mother would have given anything to be able to afford to stay home and be that full time parent and as she says, "I would have gladly settled for one-third their cost."

Another family I am very close to has adopted 10 children which they have added to the seven born to them. One is on Kidney Dialysis three times a week; another in need of extensive corrective surgeries for congenital deformities; another legally blind; and two others with serious mental limitations. The family has borne the costs.

Because of people like these, United States taxpayers have saved thousands—if not millions—and yet we give very little relief to these couples when the burdens become overwhelming. This particular

couple may have reached such a point. The father just lost his job, and the mother was recently diagnosed to have Parkinsons Disease.

Some children who would be institutionalized, wards of the state, or living lives of disruption going from foster home to foster home, are presently enjoying happy meaningful lives because of the sacrifices of adoptive families. Let us offer them support and minimal aid when some situations surrounding those adoptions become overwhelming financial burdens.

What happens to those when aid is denied? Tragedy. One case in point: A Minnesota family sought to add three siblings from Texas to their already large family of seven children (all adopted—two of whom were retarded, one a severe diabetic). Shortly after the three children arrived, the family realized that the two suffered from serious emotional disorders. In fact, they became a threat to the other children. The couple did not want to give up on these adoptions and pleaded for 18 months with the county agency in Texas who placed them, for financial assistance to secure the mental health care needed, especially for the oldest boy. (This Texas agency, by the way, never told the couple in advance about the children's severe emotional problems and when they were confronted about this misrepresentation, they said they withheld the information because it was the childrens' "right of privacy" not to have their previous histories revealed, even to adoptive parents).

The Texas agency refused all urgings by the couple for medical aid for the oldest child's hospitalization and treatment expenses for both he and his sister. The couple could not stand the financial strain of such expense and relinquished the oldest, and most severely disturbed child; who was sent back to Texas, while his sisters remained in their adoptive home in Minnesota. This boy was our Godson.

His sister is still receiving weekly treatment and the cost has been borne by the couple and their insurance carrier.

I would like to add here that perhaps this whole sad story would have been prevented if the Texas county agency and a compassionate judge, had terminated these childrens' birthparents "parental rights" and not waited until the evidence of neglect and abuse was so severe, even the grandmother was urging termination. Why in the world do we continue to encourage a public policy which in essence says that "even abusive parents are better than adoption."?

My last example is so close to home, it will be the most difficult to describe. Shortly after the adoption of one of our older children, we discovered he was in serious need of intensive and ongoing psychological care. For one and one-half years he received psychiatric counseling on an outpatient basis. By the third year he bacame such a serious threat we knew he could not remain in our home environment. His background was one of abandonment, neglect, and severe abuse. He was hospitalized for five months in a locked ward. Our insurance ran out at the end of the first 60 days, leaving us with the remaining bill (still outstanding) of $20,000. We intend to pay this debt but it is going to take some time, needless to say.

In addition, we pay $252.00 each month, for our boy's continued care and psychiatric treatment.

We do not believe in government handouts—not for adoption, nor for anything else, when individuals can manage to handle it themselves. Earning our own way and being responsible for our own debts makes us strong, self-sufficient, and gives us a healthy self-concept. These are the values we want to instill in our children.

On the other hand, there are some situations with regard to adoptable children with "special needs" that seem so catastrophic, so severe, so devastating to a family and their financial security, that it seems an act of mercy if not one of justice, that they be offered some type of minimal aid when the burden becomes overwhelming.

The children of this country are our greatest natural resource. Let us invest now in their health and well being; establishing laws and policies that will guarantee those without parents, a permanent, secure, and loving family by adoption.

The family unit (whether by bloodlines or adoption) is the backbone of a civilization. Let us show our young that we were the most civilized, the most caring, and the most just of them all.

Thank you and God bless you. (Mary Ann Kuharski, homemaker and mother of 12, six of whom are adopted and of mixed-race with handicaps.)

TESTIMONY OF MS. LINDA SACRA, TEXAS COUNCIL ON ADOPTABLE CHILDREN

I'd like to discuss with you for a few moments some issues which are not necessarily Federal issues entirely but occur throughout the Nation.

First you must understand that people who adopt children with special needs are special people themselves.

The fact that is most difficult to understand, for many people, is that the values in these families are so different from the norm. Whereas most people value material possessions and/or a college education for their children, these families value each child for his own potential. They believe that childen are better off in homes than in institutions and they are committed to that concept—if this were not the case terminally ill children would die alone rather than as members of families. Children with cerebral palsy would exist in institutions rather than as members of families who must purchase new wheelchairs every 2 to 3 years, walkers, braces and other equipment.

There seems to be a common misconception that families who adopt are wealthy and therefore can afford the expenses incurred. This is not at all the case. These families are more likely families who are middle class. They may be families who are considered unacceptable by certain agencies due to their limited education level or financial means. Yet they are appropriate parents for raising mentally retarded children because they are willing to use recommended resources and have appropriate expectations for their children.

However, if you believe that families who want these children can afford them, then special needs children will grow up without a place to call "home." These children are the responsibility of each of us whether directly or indirectly. Children without families must be cared for one way or another. It is imperative that subsidies to families who adopt children with special needs, not be cut. It is amazing how these families which usually have four or more children can stretch a dollar. I believe that this country gets its full value of each dollar spent when children are adopted rather than in foster care or institutions.

One obstacle remaining is that children in custody of "private" agencies often are not eligible for medicaid payments. Therefore the number of families likely to consider these children for adoption is decreased.

Perhaps the area of greatest magnitude is dicrimination against children who join families by adoption rather than biologically. After all adoption is a means by which families are formed not "who" a person is. Insurance companies should not be allowed to discriminate in this manner. There is no logic that should allow coverages to a child born to a family yet consider a condition pre-existing if an adoption occurs. A case I recently witnessed concerned a baby who was born prematurely. Since the child was to be placed for adoption the physician, as a routine procedure, ordered a cat scan. A mass was discovered in the brain. There didn't seem to be any existing problems but the agency is still looking for a family since insurance companies are unwilling to cover the costs under the terms for a pre-existing condition.

I realize this is considered an issue to be dealt with by the individual States and their regulation of insurance companies. But if this committee will make a statement regarding such discrimination much will be done for efforts to get these inequities changed.

Federal intervention into the issue of discrimination against children who are adopted is urgently needed by the children who are waiting for families to call home.●

JACKSON, MI

● Mr. RIEGLE. Mr. President, it is my pleasure to recognize the residents of Jackson, MI, which was recently designated as an all American city. Jackson's selection for this honor is a fine tribute to a community unwilling to give up in the face of adversity. This city demonstrates that a community's strength lies in concerned people acting together for positive change. Jackson can take pride in knowing that their victory is a victory for community involvement across the country. This award is the happy beginning for a town on the move.

The last recession hit Jackson hard. Numerous factories closed, the downtown had vacant storefronts. The situation was bleak. The people of Jackson, however, were not ready to quit. Instead, they came together as a community with the common goal of improving their city. The establishment of the Jackson Business Alliance, a unified group of business and community leaders, worked to better Jackson's image and improve the area economy. Jackson 1990, a group formed to identify the city's future needs, implemented a wellness program for the entire community and made plans for Jackson's future success. These and other efforts by numerous concerned citizens had a significant impact on Jackson. Despite the odds against them, the community took action to create a brighter future for the city. They turned the dismal circumstances of a recission into a positive rejuvenation of civic pride.

I am proud to represent Jackson. The future looks promising for this all-American city and their perseverance gives us all hope. This honor is indeed a credit to this special city. I offer my sincere congratulations.●

CASA COLINA REHABILITATION PROGRAM

● Mr. WEICKER. Mr. President, as chairman of the Senate Subcommittee on the Handicapped, I would like to recognize one of the most successful and innovative rehabilitation programs in the United States, Casa Colina in Pamona, CA, which is now celebrating its 50th anniversary of service to disabled people. Casa Colina is today a multicorporate nonprofit organization providing rehabilitation treatment and training to more than 5,000 infants, children, and adults each year, with a staff of some 800 persons.

Beginning as a 10-bed home for polio-stricken children, Casa Colina has become one of the Nation's leading comprehensive medical and vocational centers for rehabilitation—one of only a few in the country offering the broadest possible range of rehabilitation services, and is in the forefront of the research, development, and implementation of innovative rehabilitation technology to benefit functionally limited persons.

Casa Colina's nationally recognized leadership has not come about by chance. Dynamic and generous dissemination of the development and implementation of its many innovative, new-to-the-field rehabilitation programs has been a way of life for the professional and administrative Casa Colina staff. To assist functionally limited people everywhere to be aided by methodologies developed at Casa Colina, every available forum has been utilized to pass the word along. The value of this effort, especially over the last 14 years, is evidenced in the proliferation of Casa Colina model programs in other institutions nationwide.

Programs especially well received and replicated include:

Comprehensive Back Pain Program, one of the first of its kind, developed in 1973.

Traumatic Brain Injury Rehabilitation Program, developed and opened in 1975, years before most institutions were aware that medical science advancements were radically increasing the survival rate of those catastrophically injured.

Transitional Living Center Program for brain injured adults, 1980. The first in the West, a multilevel residential training program leading to community reentry and employment when possible.

Comprehensive Outpatient Rehabilitation Services, earlier known as the adult day treatment movement in California, established in 1978.

Comprehensive Vocational Services for disabled and disadvantaged adults going far beyond the usual program of vocational evaluation offered by many rehabilitation facilities.

A Wheelchair Sports Program for patients and disabled community youth and adults, established in 1978, second to none in the country in scope, achievement, breadth of program, and self-sustaining ability. Its world class, four-time national champion wheelchair basketball team has won tournaments around the world.

A Joint Neurotrauma Rehabilitation Program with Pomona Valley Community Hospital—a regional trauma center—for the earliest possible rehabilitation intervention in catastrophic injury cases. Established in 1985.

A network of rehabilitation affiliates, together with consultation, management, and joint venture opportunities, incorporated in 1984, enables rehabilitation facilities anywhere to take advantage of Casa Colina's clinical, financial, and management knowledge and expertise to advance their particular capabilities.●

THE AMERICAN DREAM

● Mr. DIXON. I am privileged to call the attention of my colleagues to an article which appeared in a recent U.S. News & World Report. The story of Jimmy Vrettos—the son of Greek immigrants and an Illinois resident—and how he has achieved success in the United States, is a perfect example of the "American Dream" becoming reality.

Jimmy Vrettos' success and that of others like him, may well not have been possible except in a democratic society which encourages individual initiative and achievement. The Constitution of the United States drew much of its inspiration from the example of Mr. Vrettos' ancestors, the ancient Greeks, whose lasting legacy to the world includes their system of democratic government.

The Founding Fathers incorporated these values into the American system of government. In the United States the rights and liberties of the individual are the cornerstone of our Republic, and it is on this basis that our country's greatest achievements have been accomplished. People like Jimmy Vrettos both contribute to and benefit from our society in the course of fulfilling the "American Dream"—whose origins can be traced to ancient Greece.

I ask that the following article be inserted in the RECORD to serve as an inspiration to hardworking Americans everywhere.

The article follows:

THE GROCER: FROM RHUBARB TO REAL ESTATE

(By Andrea Gabor)

CHICAGO.—Jimmy Vrettos, 56, thinks of himself as just a fruit-and-vegetable peddler. But his instinct for real estate made the owner of Evergreen Fine Foods, on the Near North Side of Chicago, a millionaire. Nearly 25 years ago, the grocer guessed that his sleepy middle-class community would be the setting for a real-estate boom. And he began buying up the land around the fruit-and-vegetable store his family had started.

The son of Greek immigrants, Vrettos began his training at 11, washing dishes in his dad's diner. Three years later, his father sold the diner and rented a fruit-and-vegetable store on the corner where Evergreen now stands. Vrettos quit high school to manage the store. At 27, he borrowed $45,000 to buy the family business.

Vrettos secured his future when he began buying land under the store and the four lots surrounding it in 1963. He paid $487,000, again borrowing every penny. To get the last lot, he kept his interest secret and had a friend negotiate so the owners wouldn't drive up the price. Vrettos expanded the store to carry kosher baked goods, low-calorie frozen dinners and liquor. He also bought a $125,000 computer system. Last year, Evergreen made a 2 percent profit on sales of 4 million dollars. And Vrettos's corner is now worth about 2 million dollars.

The grocer doesn't think of himself as a millionaire. For seven years, he and his wife Monica have lived in a modest three-bedroom apartment—the first he has owned—in a brownstone opposite the store. Despite acute arthritis, Vrettos works 80 hours a week and rarely vacations. Last year, he sold his Cadillac because "it's cheaper to take cabs." His main diversion is buying paintings of the Wild West. "Money is just a tool," says Vrettos. "I like nice things, but what matters is making things work."

Getting things done is, in fact, Vrettos's trademark. Although he has no political ambitions, he is head of a local business group, and he campaigned for Richard Daley, son of the former Chicago boss, when he ran for mayor. When prostitutes occupied his corner—threatening his business and the community—Vrettos drove them off by listing convicted customers along with discounts on hamburger and toothpaste in the store's newsletter.

Today, Vrettos is still looking for new business opportunities and has his eye on another property on the block. But he has made no plans to buy it because his son, Peter—a college dropout—and his nephews, who work for him, haven't shown as much initiative as he'd like. "I'd be happy if they told me to stay home," he says. But even if they do, he'll never retire.●

CAMPAIGN FINANCE REFORM

● Mr. BOREN. Mr. President, a great deal has been written, debated, and discussed about the need for campaign finance reform in our congressional elections. And rightfully so. A nation which is so mindful and interested in the elections of other nations to the extent that we send congressional delegations to observe them, we have a system which has veered off course which will require congressional action to correct.

I have been critical of the system which has allowed political action committees to gain undue influence and thereby contribute to the growing dilution in our national goals. We have even reached the point where some of those business and labor groups that have established PAC's are now themselves being victimized.

Many instances have been revealed and witnessed of candidates who have learned the "game" of playing one special interest group against the other in order to solicit contributions from each.

This is part of the reason why I continued the policy of not accepting PAC money in my 1984 race for the Senate. I heard political analysts lecture on how to get the most PAC money possible in a race. It was disheartening to hear stories about how candidates who had just won reelection had carefully either made open solicitations or more subtle suggestions to PAC's which had competing, narrow interests. The PAC's were informed they should "show their support of the Member" with a contribution as a competing interest had already done so. "Get on board the winning train before it's too late" was the not too subtle message. Future access to the successful candidate was clearly going to be limited for those who did not climb on board.

What will become of our democracy if it is to be maintained by and for "special interests" which can make downpayments to further our current legislative stalemate?

Mr. President, I am not so naive as to suggest that a contributor—any contributor—to a candidate does not get some sort of special access or consideration from the recipient. It is only human nature to more closely regard the interests of such friends. However, there is a big distinction between the interests of individuals over that of special interest groups. PAC's can only measure candidates on their records on the agenda items of that special interest. An individual may, of course, also have a particular economic interest. But an individual is free to weigh the candidate's overall integrity and stance on all issues of importance to the Nation. PAC's cannot do that. They are usually only able to judge candidates on a narrow range of issues.

Mr. President, at a time when the need for national leadership and consensus is so great, we must promote unity among our citizens, rather than fall into the trap of division promoted by our system of campaign finance.

I urge upon my colleagues careful consideration of these issues as we move closer to the day when a proposal to reform our campaign finance laws approaches. Let me further state again that it is my pledge to see that such a proposal is considered. I intend to do all I can to make certain that the Senate will conform this issue before the elections this year.●

NAUM AND INNA MEIMAN: FROM BEHIND THE IRON CURTAIN

● Mr. SIMON. Mr. President, Naum and Inna Meiman are a Soviet couple who have been denied permission to emigrate to Israel.

Naum's wife, Inna, has cancer, and her condition is worsening. Time is running out for her and for Naum, too.

The Meimans have suffered for years simply because they wish to leave the Soviet Union. A member of the Soviet Helsinki Watch Group, Naum is one of a handful left who have not been imprisoned, exiled, or allowed to leave. He and Inna sit in their Moscow apartment living out their last years in hope that permission to leave will be granted.

I strongly urge the Soviets to allow Inna and Naum to emigrate to Israel.●

CONGRESS APPROPRIATES LESS THAN REQUESTED

● Mr. HATFIELD. Mr. President, 3 weeks ago I asked unanimous consent to have printed in the RECORD a table illustrating the President's request for appropriations versus the amounts enacted for the fiscal years 1980 through 1986. That table appears on page S3778 of the RECORD of April 8, 1986.

Today I ask to have another, similar table printed in the RECORD. This table provides comparisons of the President's request versus the amounts enacted in appropriations bills for the fiscal year 1981 through fiscal year 1986 to date. These are the fiscal years of the current administration, beginning with President Reagan's March 1981 amendments to President Carter's January 15, 1981, budget submission.

Since this administration has so often accused the Congress of being a bunch of big spenders, and responsible for the deficits of the past several years, I find the comparisons presented in this table to be instructive. For the fiscal years 1981 through 1986, the President has requested a grand total of $2,414,250,000,000 in budget authority for discretionary programs. Congress has enacted appropriations totaling $2,407,579,000,000 in budget authority for discretionary programs for fiscal years 1981 through 1986. That is a difference of $6,671,000,000 over the period of fiscal years 1981–86. It is not a great difference, but the magnitude is not the only point to be made here. The fact is that the Congress, in reviewing the President's requests for discretionary programs funded in annual appropriations bills, has enacted less money than requested.

There are many other elements in the Federal budget process not addressed by this comparison—entitlements and other mandatory spending, interest payments, and revenue fluctuations. These are matters over which the Congress has relatively little control in any regular way. But I believe it is very important to be clear on the major point this comparison table illustrates; namely, that Congress appropriates less than the President requests for discretionary programs, and, therefore, Congress should not be tarred with the epithet of "big spender."

The table follows:

DISCRETIONARY APPROPRIATIONS TOTALS

[In millions of dollars]

Appropriations history discretionary only by subcommittee	Fiscal year—		Fiscal year—		Fiscal year—		Fiscal year—		Fiscal year—		Fiscal year—					Cumulative fiscal year—			
	1981 request	1981 enacted	1982 request	1982 enacted	1983 request	1983 enacted	1984 request	1984 enacted	1985 request	1985 enacted	1986 request	1986 enacted	1986 adjusted [1]	1986 enacted versus request	1986 adjusted versus enacted	1981–86 request	1981–86 enacted	1981–86 enacted versus request	1981–86 adjusted versus request
Subcommittee:																			
Agriculture, Rural Development and Related Agencies	21,683	21,547	30,486	30,857	37,820	38,448	32,408	32,486	36,264	36,587	37,050	37,725	37,459	675	(266)	195,711	197,650	1,939	1,673
Commerce-Justice-State-Judiciary	9,924	9,472	8,278	8,640	9,144	10,043	10,030	10,493	11,516	12,007	11,404	11,694	11,193	290	(501)	60,296	62,349	2,053	1,552
Defense	152,627	157,284	192,976	190,093	229,301	215,680	246,054	234,030	294,104	275,127	303,694	280,917	270,354	(22,777)	(10,563)	1,418,756	1,353,131	(65,625)	(76,188)
District of Columbia	532	491	570	557	580	524	570	601	517	547	532	547	530	15	(17)	3,301	3,267	(34)	(51)
Energy and Water Development	12,373	12,123	11,889	12,611	12,660	14,813	14,866	14,541	15,877	15,485	15,344	15,254	14,487	(90)	(767)	83,009	84,827	1,818	1,051
Foreign Assistance	13,716	11,806	11,681	11,968	12,112	11,972	21,107	21,921	20,775	21,074	14,989	15,025	14,428	36	(597)	94,380	93,766	(614)	(1,211)
HUD-Independent Agencies	49,308	44,355	33,211	37,044	27,460	33,634	30,301	36,625	34,851	37,239	32,781	40,508	39,158	7,727	(1,350)	207,912	229,405	21,493	20,143
Interior	9,880	8,927	6,794	7,484	7,005	8,563	6,711	8,649	8,046	8,371	7,350	8,083	7,762	733	(321)	45,786	50,077	4,291	3,970
Labor, Health and Human Services, and Education	20,176	22,281	25,448	28,168	20,869	29,738	26,171	33,804	28,828	33,456	28,745	33,527	32,100	4,782	(1,427)	150,237	180,974	30,737	29,310
Legislative	611	530	636	551	813	645	780	726	718	667	752	658	630	(94)	(28)	4,310	3,777	(533)	(561)
Military Construction	5,721	5,326	7,513	7,112	8,208	7,221	8,747	7,178	10,324	8,405	10,340	8,498	8,082	(1,842)	(416)	50,853	43,740	(7,113)	(7,529)

DISCRETIONARY APPROPRIATIONS TOTALS—Continued

[In millions of dollars]

Appropriations history discretionary only by subcommittee	Fiscal year—		Fiscal year—		Fiscal year—		Fiscal year—		Fiscal year—		Fiscal year—					Cumulative fiscal year—			
	1981 request	1981 enacted	1982 request	1982 enacted	1983 request	1983 enacted	1984 request	1984 enacted	1985 request	1985 enacted	1986 request	1986 enacted	1986 adjusted [1]	1986 enacted versus request	1986 adjusted versus enacted	1981–86 request	1981–86 enacted	1981–86 enacted versus request	1981–86 adjusted versus request
Transportation	12,989	12,027	9,775	10,299	10,970	11,489	10,706	10,687	11,405	11,261	7,536	10,076	9,646	2,540	(430)	63,381	65,839	2,458	2,028
Treasury-Postal Service-General Government	6,189	6,104	5,245	5,495	5,718	6,193	6,245	6,635	6,724	7,326	6,197	7,024	6,722	827	(302)	36,318	38,777	2,459	2,157
Grand total, appropriations	315,729	312,273	344,502	350,879	382,660	388,963	414,696	418,376	479,949	467,552	476,714	469,536	452,551	(7,178)	(16,985)	2,414,250	2,407,579	(6,671)	(23,656)
Memo:																			
Defense (function 050) above	162,394	166,571	205,744	202,133	242,842	228,951	262,341	248,136	312,681	291,234	322,401	297,384	286,016	(25,017)	(11,368)	1,508,403	1,434,409	(73,994)	(85,362)
Foreign operations above	13,716	11,806	11,681	11,968	12,112	11,972	21,107	21,921	20,775	21,074	14,989	15,025	14,428	36	(597)	94,380	93,766	(614)	(1,211)
Domestic appropriations above	139,619	133,896	127,077	136,778	127,706	148,040	131,248	148,319	146,493	155,244	139,324	157,127	152,107	17,803	(5,020)	811,467	879,404	67,937	62,917
Memo discretionary (in constant 1982 dollars):																			
Defense (function 050) above	174,056	178,533	205,744	202,133	234,177	220,782	246,098	232,773	283,226	263,799	284,054	262,012	251,996	(22,041)	(10,016)	1,427,355	1,360,032	(67,323)	(77,339)
Foreign operations above	14,733	12,681	11,681	11,968	11,635	11,500	19,489	20,241	18,516	18,783	12,922	12,953	12,438	31	(515)	88,975	88,126	(850)	(1,365)
Domestic appropriations above	149,967	143,820	127,077	136,778	122,676	142,209	121,189	136,952	130,564	138,364	120,107	135,454	131,127	15,347	(4,328)	771,580	833,577	61,997	57,669
Defense deflator	0.93	0.93	1.00	1.00	1.04	1.04	1.07	1.07	1.10	1.10	1.14	1.14	1.14						
GNP deflator	0.93	0.93	1.00	1.00	1.04	1.04	1.08	1.08	1.12	1.12	1.16	1.16	1.16						

[1] Reflects March 1, 1986, sequester of funds under Public Law 99–177.

Source: Congressional Budget Office and U.S. Senate, Committee on Appropriations.

Note.—Excludes Synfuels rescission of $2.0 billion in fiscal year 1984, $5.375 billion in fiscal year 1985, and $6.912 billion in fiscal year 1986.●

AGENDA

Mr. BYRD. Mr. President, will the distinguished majority leader yield?

Mr. DOLE. I yield.

Mr. BYRD. If I might inquire, I ask the distinguished majority leader whether or not he intends to try to finish the Senate's work on the budget resolution tomorrow.

I ask that for a number of reasons, one of which is that we only have 9 hours remaining and if we are going to have a substitute, and I am sure that the managers of the resolution are trying valiantly to develop a substitute, I would just hope that the Senate would have more than an hour on an amendment to an amendment which that might become, and it would be a complete substitute probably. I wonder, if we reach that point, if the distinguished majority leader would be willing to consider at that time getting a little additional time if that circumstance should arise in which the Senate is faced with a complete substitute and maybe an hour time limit if the remainder of the time has been used up. I would just hope that we could think in terms of having a little extra time on this resolution in that event.

Mr. DOLE. Mr. President, if the distinguished minority leader will yield, I certainly would have no objection to that. We only have, as I understand, about three amendments of any substance remaining. They should not take, I would hope, the full time. So we may be in a position to not need additional time.

But I must say they only terminated one program in the whole budget resolution. We just put that back in. So that is an indication of what a weak budget we have before us. It may be that nothing will pass but maybe we will go ahead and try to find out tomorrow and just kill this one and then do something else later.

But it seems to me that our record so far is not very good.

I would hope we can work out a substitute, but I must say there are some who just insist on raising taxes. In my view, that is not the way to go.

So I would say the chances for a compromise are not very good.

Mr. BYRD. Mr. President, may I say, further, that Senators have been asked from time to time previous to this moment to come to the floor and call up their amendments if they have amendments, and we have had several of them respond.

I express the hope that whatever remaining time there is on this package be utilized by Senators who have amendments or by debate on the budget resolution as it is before the Senate and/or debate on any substitute therefor.

I keep anticipating that we will reach that moment down the road at some point when we will have an hour left, 2 hours left, and we will have a brand-new substitute. Maybe that will not occur, but it could.

So I think I would simply ask one further question while I am on my feet, and that would be, can the distinguished majority leader tell us at this point, on Wednesday afternoon at 5:30, whether or not he anticipates a session on Friday and whether or not there would be a session on Friday in the event the Senate should complete its work on this budget resolution prior thereto?

□ 1730

Mr. DOLE. That would depend if we could reach some agreement on a number of other measures, S. 49, the so-called Firearm Owners Protection Act, and there are a list of other items that we would like to do. I understand there may be some nominations. I do not suggest we have to be in Friday to do these, but if we had some agreement that the following week we could take up a number of matters, like the Senate concurrent resolution with respect to farm credit, sponsored by 52 Senators, about equally divided. It is being held up now for the third week. There is a little bill that would give the two children of the deceased F–111 pilots, if they are qualified, an opportunity to attend a service academy that is being held up. There is the executive nomination of Don Newman that is being held up on this side; a House message to accompany S. 49; and I think there are others who would also like to bring up Senate Joint Resolution 316, the Saudi arms resolution.

So if we can put together some total agreement, that might eliminate a need for a Friday session.

Mr. BYRD. Mr. President, I have heard the distinguished majority leader, and we on our side of the aisle will take a look at these measures and see whether or not the problem is on our side. In any event, we could on tomorrow morning take a look at those items and then determine what the Senate will do on Friday, if anything, so that our colleagues may make their plans accordingly, of whether we need to be in Friday and, if so, will we have rollcall votes.

Does the majority leader still have the floor?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOLE. I am prepared to yield the floor.

Mr. President, it is my understanding the distinguished chairman would like to be back on the bill by 11 a.m., if that is satisfactory with the manager on the Democratic side.

Mr. CHILES. Yes, that is satisfactory.

Mr. DOLE. So we will be back on the bill about 11 a.m. and come in at about 10 a.m..

Mr. BUMPERS. Are we going to quit now and not spend any more time on the bill?

Mr. DOLE. No more votes and no more time on the bill.

ORDERS FOR THURSDAY, MAY 1, 1986

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader, I ask unanimous consent that once the Senate completes its business today, it stand in recess until 10 a.m. on Thursday, May 1, 1986.

I further ask unanimous consent that, following the recognition of the two leaders under the standing order, there be special orders in favor of the following Senators for not to exceed 5 minutes each: Senator HAWKINS, Senator CRANSTON, Senator LEVIN, Senator PROXMIRE, and Senator BIDEN.

Following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 11 a.m. with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

PROGRAM

Mr. SIMPSON. Mr. President, following morning business, the Senate will then resume consideration of Senate Concurrent Resolution 120, the budget resolution. Votes can be anticipated throughout the day on Thursday and the Senate could be in session late into the evening tomorrow in order to complete action on the budget resolution.

Mr. BYRD. Mr. President, I have nothing further on this side.

RECESS UNTIL 10 A.M. TOMORROW

Mr. SIMPSON. Mr. President, in accordance with the previous order, I move that the Senate stand in recess until 10 a.m. on Thursday, May 1, 1986.

The motion was agreed to, and at 5:35 p.m., the Senate recessed until Thursday, May 1, 1986, at 10 a.m.

HOUSE OF REPRESENTATIVES—*Wednesday, April 30, 1986*

The House met at 3 p.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

In a world of anxiety and pain we pray, O God, that Your direction will point us in the way of justice among the nations. With lives confused and bewildered, we pray for Your presence and comfort. Whatever the state of our world or of our lives, O God, may we hear Your voice, meditate on Your good promises, and act in the way of faith, hope, and love. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. SUNDQUIST. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SUNDQUIST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 274, nays 130, answered "present" 3, not voting 26, as follows:

[Roll No. 105]

YEAS—274

Ackerman	Borski	Conyers
Akaka	Bosco	Cooper
Anderson	Boucher	Coyne
Andrews	Boxer	Crockett
Annunzio	Breaux	Darden
Anthony	Brooks	Daschle
Applegate	Broomfield	Davis
Archer	Brown (CA)	de la Garza
Aspin	Broyhill	Dellums
Atkins	Bruce	Derrick
Barnard	Bryant	Dicks
Barnes	Burton (CA)	Dingell
Bateman	Bustamante	DioGuardi
Bates	Callahan	Dixon
Beilenson	Campbell	Donnelly
Bennett	Carper	Dorgan (ND)
Berman	Carr	Dowdy
Bevill	Chapman	Downey
Biaggi	Chappell	Duncan
Boggs	Clinger	Durbin
Boland	Coelho	Dwyer
Boner (TN)	Coleman (TX)	Dymally
Bonior (MI)	Collins	Dyson
Bonker	Combest	Early
Eckart (OH)	Lantos	Rose
Eckert (NY)	Leath (TX)	Rostenkowski
Edwards (CA)	Lehman (CA)	Rowland (CT)
English	Lehman (FL)	Rowland (GA)
Erdreich	Leland	Roybal
Evans (IL)	Levin (MI)	Rudd
Fascell	Levine (CA)	Russo
Fazio	Lipinski	Sabo
Feighan	Long	Savage
Fish	Luken	Scheuer
Flippo	Lundine	Schulze
Florio	MacKay	Schumer
Foley	Manton	Sharp
Ford (MI)	Markey	Shelby
Ford (TN)	Martinez	Shumway
Frank	Mavroules	Siljander
Frost	Mazzoli	Sisisky
Fuqua	McCain	Skelton
Garcia	McCollum	Slattery
Gaydos	McCurdy	Smith (FL)
Gejdenson	McEwen	Smith (IA)
Gephardt	McHugh	Smith (NE)
Gibbons	McKinney	Snyder
Gilman	Mica	Spratt
Glickman	Mikulski	St Germain
Gonzalez	Miller (CA)	Staggers
Gordon	Miller (WA)	Stallings
Gradison	Mineta	Stark
Gray (IL)	Moakley	Stenholm
Gray (PA)	Mollohan	Stratton
Green	Montgomery	Studds
Guarini	Moody	Sweeney
Hall (OH)	Moore	Swift
Hall, Ralph	Morrison (CT)	Synar
Hamilton	Morrison (WA)	Tallon
Hansen	Mrazek	Tauzin
Hartnett	Murphy	Taylor
Hatcher	Murtha	Thomas (GA)
Hayes	Myers	Torres
Hefner	Natcher	Torricelli
Heftel	Neal	Towns
Hertel	Nelson	Traficant
Hillis	Nowak	Traxler
Holt	O'Brien	Udall
Hopkins	Oakar	Valentine
Horton	Oberstar	Vento
Howard	Obey	Visclosky
Hoyer	Olin	Volkmer
Hubbard	Owens	Walgren
Hughes	Packard	Watkins
Hutto	Panetta	Waxman
Hyde	Pease	Weiss
Jeffords	Perkins	Wheat
Jenkins	Petri	Whitley
Johnson	Price	Whitten
Jones (NC)	Pursell	Williams
Jones (OK)	Quillen	Wilson
Kanjorski	Rahall	Wirth
Kaptur	Rangel	Wise
Kasich	Ray	Wolpe
Kastenmeier	Regula	Wortley
Kemp	Reid	Wright
Kennelly	Richardson	Wyden
Kildee	Rinaldo	Wylie
Kleczka	Ritter	Yates
Kolter	Robinson	Young (MO)
Kostmayer	Rodino	
LaFalce	Roe	

NAYS—130

Armey	Clay	Dornan (CA)
Bartlett	Coats	Dreier
Barton	Cobey	Edwards (OK)
Bentley	Coble	Emerson
Bereuter	Coleman (MO)	Evans (IA)
Bilirakis	Conte	Fawell
Bliley	Coughlin	Fields
Boehlert	Courter	Frenzel
Boulter	Craig	Gallo
Brown (CO)	Crane	Gekas
Burton (IN)	Dannemeyer	Gingrich
Carney	Daub	Goodling
Chandler	DeLay	Gregg
Chappie	DeWine	Gunderson
Cheney	Dickinson	Hawkins
Hendon	McKernan	Slaughter
Henry	McMillan	Smith (NJ)
Hiler	Meyers	Smith, Denny (OR)
Huckaby	Michel	Smith, Robert (NH)
Hunter	Miller (OH)	Smith, Robert (OR)
Ireland	Molinari	Snowe
Jacobs	Monson	Solomon
Kindness	Moorhead	Spence
Kolbe	Nielson	Stangeland
Kramer	Oxley	Strang
Lagomarsino	Parris	Stump
Latta	Pashayan	Sundquist
Leach (IA)	Penny	Swindall
Lent	Porter	Tauke
Lewis (CA)	Ridge	Thomas (CA)
Lewis (FL)	Roberts	Vander Jagt
Lightfoot	Roemer	Vucanovich
Livingston	Rogers	Walker
Lloyd	Roth	Weber
Lott	Roukema	Whitehurst
Lowery (CA)	Saxton	Whittaker
Lowry (WA)	Schaefer	Wolf
Lungren	Schneider	Young (AK)
Mack	Schroeder	Young (FL)
Madigan	Schuette	Zschau
Marlenee	Sensenbrenner	
Martin (IL)	Shaw	
Martin (NY)	Shuster	
McCandless	Sikorski	
McGrath	Skeen	

ANSWERED "PRESENT"—3

Alexander	Daniel	Solarz

NOT VOTING—26

AuCoin	Grotberg	Nichols
Badham	Hammerschmidt	Ortiz
Bedell	Jones (TN)	Pepper
Byron	Loeffler	Pickle
Edgar	Lujan	Seiberling
Fiedler	Matsui	Stokes
Foglietta	McCloskey	Weaver
Fowler	McDade	Yatron
Franklin	Mitchell	

□ 1510

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 4602. An act to authorize the Federal Housing Administration and the Government National Mortgage Association to enter into additional commitments to insure loans and guarantee mortgage-backed securities during fiscal year 1986, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S.J. Res. 323. Joint resolution to designate May 21, 1986, as "National Andrei Sakharov Day."

FHA AND GNMA CREDIT COMMITMENT ASSISTANCE ACT OF 1986

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4602) to authorize the Federal Housing Administration and the Government National Mortgage Association to enter into additional commitments to insure loans and guarantee mortgage-backed securities during fiscal year 1986, and for other purposes, with the Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

SECTION 1. FEDERAL HOUSING ADMINISTRATION FUND.

(a) The applicable limitation on additional commitments to insure mortgages and loans to carry out the purposes of the National Housing Act during fiscal year 1986 is increased by an additional $17,000,000,000 of mortgage and loan principal.

(b) Each provision of law amended by Public Law 99-267 is amended by striking out "April 30, 1986" wherever it appears and inserting in lieu thereof "June 6, 1986".

SEC. 2. GOVERNMENT NATIONAL MORTGAGE ASSOCIATION GUARANTEES OF MORTGAGE-BACKED SECURITIES.

The applicable limitation on new commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act during fiscal year 1986 is increased by an additional $60,684,750,000 of principal.

SEC. 3. ADMINISTRATIVE PROVISION.

(a) The Secretary of Housing and Urban Development (hereinafter referred to as the "Secretary") shall estimate the rates at which the authority to make commitments to insure mortgages and loans under the National Housing Act, and the authority to make commitments to issue guarantees under section 306(g) of that Act, are likely to be used for the remainder of any fiscal year. The Secretary shall make these estimates at such times as the Secretary deems appropriate, but not less frequently than monthly.

(b) If an estimate under subsection (a) indicates that either limitation on authority to make commitments for a fiscal year referred to in subsection (a) will be reached before the end of that fiscal year, or in any event whenever 75 per centum of either authority to make commitments has been utilized, the Secretary shall promptly so notify the Committee on Appropriations and the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Appropriations and the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

Mr. GONZALEZ (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. Is there objection to the initial request of the gentleman from Texas?

□ 1525

Mr. WYLIE. Mr. Speaker, reserving the right to object, and I do not intend to object, I would ask the gentleman from Texas [Mr. GONZALEZ] to explain to the Members why it is necessary that we bring this bill up under this procedure.

Mr. GONZALEZ. Mr. Speaker, if the gentleman will yield, on April 21, 1986, the House passed under suspension of the rules H.R. 4602, to authorize the Federal Housing Administration and the Government National Mortgage Association to enter into additional commitments to insure loans and guarantee mortgage-backed securities during fiscal year 1986, and for other purposes. The House considered this legislation in an expeditious fashion at the urging of our distinguished ranking member, Mr. WYLIE of Ohio, so that FHA mortgage insurance would continue to be available at this time of record home purchasing by the American public. Because interest rates have been dropping so quickly in recent months, people have been both refinancing their existing mortgages and purchasing homes at record levels. The credit ceilings set by appropriations acts have been reached because of this record mortgage activity in recent months.

Today the authorities to insure FHA mortgages and other HUD authorities will expire. The Senate, last night, added an amendment to our House-passed bill, H.R. 4602, which would extend these HUD-FHA authorities until June 6, 1986, and would increase the credit ceiling on FHA mortgages by an additional $17 billion and would increase the amount of GNMA mortgage-backed securities by an additional $60.68 billion.

Mr. Speaker, I urge prompt agreement to H.R. 4602, with the Senate amendment.

Mr. WYLIE. Mr. Speaker, further reserving the right to object, we do need to pass H.R. 4602, as amended by the Senate, today.

Mr. Speaker, I would have preferred the higher commitment level for FHA that was contained in the bill passed by the House on March 21.

May I say that I do not like this procedure that we are following today, but it is essential that Congress complete action on this legislation today, because, as the gentleman from Texas explained, FHA authority expired last night. On April 21, when the House approved my bill, Ginnie Mae had reached its commitment level, FHA has now reached its commitment level and, in addition, as I say, last night all authority for the Secretary to approve FHA loans expired.

This temporary extension of the Secretary's insuring authority to June 6 should provide us with an incentive to complete action on a housing authorization bill in timely fashion so that we will not have to go through this procedure again. At least I hope we will not.

I would encourage a positive vote on the bill.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, are there any policy changes involved in this legislation?

Mr. WYLIE. There are no policy changes involved in this legislation.

Mr. WALKER. The legislation that is before us is simply an extension legislation? It has no act of changing policy whatsoever?

Mr. WYLIE. It does not change policy, and it simply does three things. It extends FHA lending authority, it increases the ceiling for FHA lending authority, and it increases the ceiling for Ginnie Mae lending authority. There is no money appropriated in this bill.

Mr. WALKER. Is this the first extension that we have passed of this this year?

Mr. WYLIE. No, it is not, not for FHA. I hope it will be the last. But it is absolutely essential that we do this today, I would say to the gentleman from Pennsylvania, because there are a lot of first-time home buyers out there waiting for closings tomorrow and the following day and the following day.

Mr. WALKER. Is there any cost to the taxpayers involved in the approval of this legislation?

Mr. WYLIE. No.

Mr. WALKER. As I understand it, we are increasing the insurance limit by about $17 billion for FHA; is that correct?

Mr. WYLIE. That is correct, from the present $57 to $74 billion.

Mr. WALKER. We are increasing Ginnie Mae lending authority by about $61 billion; is that correct?

Mr. WYLIE. That is correct, up to about $125 billion.

Mr. WALKER. Mr. Speaker, if the gentleman will yield further, I would say to the gentleman that I am somewhat concerned about a process that brings extension legislation to the floor without looking at some of the real questions that have been raised about these programs and possible modifications.

Mr. Speaker, since there are no policy changes involved in this bill and it is a simple extension on an emergency basis, I will not object, but I would hope the committee, both the committee on this side and in working with

the other body, will figure out a way to bring us real legislation rather than these extension programs, because I think it is an extremely bad way to legislate.

Mr. WYLIE. Mr. Speaker, I thank the gentleman for not objecting, and I would associate myself with the gentleman's comments.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. Mr. Speaker, further reserving the right to object, I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Speaker, I support the gentleman's statements by way of answers to the questions propounded by the gentleman from Pennsylvania. What the gentleman from Pennsylvania has expressed is the desire of all of us. We would much rather process and proceed on a regular basis, but hard cases make for hard decisions.

As the gentleman knows, the administration itself was not too friendly a week ago, but it is demanding that we take this quick action today. So that ought to be symptomatic of the need for action.

Mr. WYLIE. Mr. Speaker, I thank the gentleman for his explanation.

Mr. BARTLETT. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. Mr. Speaker, further reserving the right to object, I yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Speaker, I thank the gentleman for yielding to me.

I support the gentleman's legislation. However, I would concur with what the gentleman has said, and that is that we need to provide for a long-term extension and additional authority for FHA. I am glad that the gentleman is offering this legislation today and that we will pass it today, but this on-again, off-again of FHA we all believe should not continue to happen. I appreciate the gentleman's leadership in this matter.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. Mr. Speaker, further reserving the right to object, I yield to the gentleman.

Mr. GONZALEZ. Mr. Speaker, I think the record ought to show that the main impelling reason for this has been the rather quick drop in interest rates and the tremendous exponential increase in all the refinancing and purchasing and, therefore, it is essential we act so that we can keep the credit allocation markets open for home purchasers.

Mr. WYLIE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the initial request of the gentleman from Texas?

There was no objection.

A motion to reconsider was laid on the table.

THE RESERVES—A MUCH IMPROVED MILITARY FORCE

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, I have learned that Air Reserve and Air National Guard units were used in the military operation against Libya. Air Reservists and Air Guardsmen flew the KC-135 and KC-10 tankers used to refuel the F-111's on their trip from bases in England to Libya and back. They performed their mission without any operational or mechanical problems.

Mr. Speaker, the House of Representatives 10 years ago took the leadership in providing equipment and incentives to the Reserves. Admiral Crowe in the Chamber this morning told me he had never seen such improvement in a military force.

The Reserves, Mr. Speaker, are part of the total force and should be used alongside the Regular forces. The success of their mission proves the Reserves can handle the tough assignments and handle them well.

THE LESSON OF CHERNOBYL—INTERNATIONAL INSPECTIONS NEEDED

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, the nuclear accident at the Chernobyl nuclear powerplant in the Soviet Union has raised our concern over the safety of many nuclear reactors throughout the world.

This most recent incident clearly shows the international nature of nuclear accidents. Within 24 hours of the first probable core meltdown—and I understand there are now two—a radioactive cloud had crossed the borders of many nations and could reach the United States within a week.

As these nuclear fires continue to burn, we should use this opportunity to forge an agreement to open up all of the world's civilian nuclear power reactors to safety inspections by the International Atomic Energy Agency [IAEA]. Last year, even the Soviet Union allowed IAEA officials to visit two of their nuclear powerplants. These inspections must become standard and routine for all powerplants.

Mr Speaker, I am asking my colleagues to join me in cosponsoring House Resolution 438 calling on the President to open multilateral negotiations toward achieving this end.

□ 1535

ETHICS IN GOVERNMENT

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, there is a pervasive attitude among people serving in this administration that they should be able to trade on their public positions for their personal benefits for either high-paying jobs or book contracts, or whatever. The tone has been set in the Reagan administration: people can trade on their positions.

Case after case exists of individuals leaving the administration, looking for jobs while still in Government positions, and then going out and trading on the very fact of their positions, rather than their expertise. It is not what you know, but who you know.

It is time for an indepth serious review of our ethics laws, with particular attention to the revolving door syndrome in Government. The Subcommittee on Administative Law and Governmental Relations of the Judiciary Committee, which I chair, will begin that review next month with a hearing on the revolving door issue and focusing on the adequacy and enforcement of current ethic laws.

Mr. Speaker, it is easy to see why the American public loses confidence in its public officials. We need to restore that confidence by ensuring that public servants in fact serve the public and not their own private greed.

THE PROPOSED SALE OF CONRAIL

(Mr. PETRI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PETRI. Mr. Speaker, I want to commend our colleague, the gentleman from Michigan [Mr. DINGELL], chairman of the Committee on Energy and Commerce, for his statement yesterday concerning the proposed sale of Conrail.

I agree that the current sale process is badly flawed and we should not be forced to choose among the proposals now on the table. In short, this is no way to sell a railroad.

As the author of one alternative approach to selling Conrail, I will do whatever I can to help develop a new process of disposing of the property expeditiously. In any such process, we should strive to get politics out and economics in. I propose to do this by hiring an investment banker to conduct a sale and relying on existing regulatory review processes to protect the public interest. Conceivably, we could also do it through a direct public sale

in which the taxpayers would get full market value for their property.

I am sure there are many alternatives, but it is time for all to recognize that the current process has reached a dead end. Let us get on with the job of developing a new and better one.

LIVING IN THE HIGH-RENT DISTRICT

(Mr. LANTOS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANTOS. Mr. Speaker, if you think that $700 toilet seats or $7,400 coffee pots are outrageous, listen to this. The monthly rent the American taxpayer pays for just 1 of the 45 members of our mission to the United Nations in New York City is $10,961.

You heard me right. We pay almost $11,000 a month rent for a luxury apartment in New York—over $130,000 a year.

I know that rents are high in New York City. And I fully understand that our officials at the United Nations need to entertain other diplomats. But this is too much.

Even in the same luxury high-rise building, a less opulent three-bedroom apartment rents for a fraction of this astronomical figure.

The American people appreciate their diplomats, they want to pay them adequately, and—in this age of terrorism—we want to give them all the security common sense and technology can provide. But $131,500 in annual rent for a midlevel bureaucrat is outrageous and unacceptable.

ESSENTIAL SERVICES PAYMENT TO LOCAL GOVERNMENTS

(Mr. STAGGERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STAGGERS. Mr. Speaker, the termination of the State and Local Fiscal Assistance Act, more commonly known as revenue sharing, presents the possibility of a crisis situation for many local governments. Over 39,000 local governments depend upon these quarterly payments to provide services to their citizens.

The original intent of the State and Local Fiscal Assistance Act was to equalize the fiscal disparity among local governments, and by so equalizing, to enable these governments to offer essential services to their citizenry.

The need for this equalization and the need for essential services will not cease on October 1, 1986, when revenue sharing expires. For this reason I introduced a bill yesterday entitled the Essential Services Payments to Local Governments Act. In addition to offering financial assistance to needy local governments, this proposal stresses two primary points: the effective targeting and accountability of these Federal funds.

The bill number is 4703. I urge your support.

FIRST ANNIVERSARY OF DISPUTED INDIANA CONGRESSIONAL ELECTION

(Mr. STRANG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRANG. Mr. Speaker, today marks the 1-year anniversary of the shame of the 99th Congress. I refer, of course, to the systematic looting of the procedures of this House and of the sovereign rights of the States by wresting a legal election result from the hands of the winner in the State of Indiana and handing it to the loser, who never contested his loss.

Let us pray that never again, Mr. Speaker, shall we permit ourselves to play the cuckold to partisan political avarice.

THE SAUDI ARMS DEAL

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, President Reagan proposes to sell 350 million dollar's worth of sophisticated missiles to Saudi Arabia—a plan I strongly oppose.

We are told by administration officials that the Saudi arms deal is justified because Saudi Arabia supports the Middle East peace process.

In fact, not only have the Saudis consistently worked to thwart peace initiatives in the region, they have also funded the Syrians—and their terrorist kingpin Hafez el-Assad—to the tune of $1 billion a year.

Assad's web of terrorism extends beyond his avowed enemies—Americans and Israelis.

Assad has been behind more than 15 assassinations and attempted assassinations of Jordanian officials.

Assad has even attempted to murder Jordan's King Hussein.

Assad and Syrian intelligence have targeted Jordanian officials whenever it appeared that Jordan was getting too close to an American-sponsored peace process.

And last November, a security aide at the Jordanian Embassy in Athens was murdered, while in October 1984 the Jordanian Ambassador to India was murdered and Jordan's Ambassador in Rome was wounded.

It was Syrian intelligence agents who assassinated Bashir Gemayel, the elected President of Lebanon, in September 1982.

While a watchful eye and threats of reprisal must be focused on terrorists such as Yassir Arafat of the PLO, Qadhafi of Libya, and the Ayatollah Khomeini, we must remember that Assad ranks first in the brutal history of terrorism.

Our Government should think twice about giving dangerous weapons to Saudi Arabia when armaments such as the shoulder-fired Stinger missiles, the perfect terrorist weapon, could turn up in the hands of Assad's trained assasins.

DON'T HOLD YOUR BREATH FOR TAX REFUND CHECK

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, I have an announcement to make for those who waited until the last minute to file for a tax refund: Don't hold your breath for the check!

The $340 million request for the IRS is lost among the agriculture boondoggles and foreign policy rhetoric consuming the so-called urgent supplemental. In the likely event these funds are further delayed or not approved, the Treasury Department—at my request—prepared a sobering contingency plan, and the consequences are devastating.

In May, 6,000 temporary employees will be released and a hiring freeze imposed on the direct revenue producing programs.

In July, 12,000 service center employees will be let go; and

In September, the IRS would have to furlough 77,000 permanent employees.

Delayed refunds won't be the only result of this irresponsibility. It's going to cost money—a lot of money.

The total revenue loss due to this funding shortfall is "estimated to be in excess of $3.5 billion." That's $3.5 billion added right to the deficit.

Mr. Speaker, if you thought the processing disaster of last year was bad, wait until this mess hits the fan.

DANGEROUS DRUG DIVERSION CONTROL GRANT PROGRAM

(Mr. HUGHES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUGHES. Mr. Speaker, every Member knows how serious drug abuse is. Stories about cocaine, marijuana, and heroin are hearings every day. But for the victims of drug abuse, it's not a matter of headlines, drugs are the greatest tragedy of their lives.

The evidence of this national epidemic is found in morgues and emergency rooms every day. Mr. Speaker,

71-059 O-87-9 (Pt. 7)

most of the drugs that send people to the hospital and to their grave are legitimate, powerful medicines that are diverted from medical purposes to the black market. These prescription drugs are responsible for three-quarters—three-quarters of the deaths and injuries due to drug abuse. Each year these drugs kill more of our children than heroin, cocaine, LSD, and marijuana combined. Diverted drugs are the highest priority drug problem we face.

Recognizing this fact, the last Congress strengthened DEA's ability to fight diversion. But State and local governments license the doctors, the pharmacists, the health care practitioners who are the major source of diverted drugs in interstate traffic. We must tackle this problem at the State and local level or face guaranteed failure. Congress appropriated $2.7 million in grants to State and local enforcement agencies for the complex and expensive investigations necessary to stop diversion. A very modest sum, to say the least.

However the administration is refusing to spend the $2.7 million we appropriated. They are not saying that this appropriation must be cut to reduce the deficit—they want to reprogram the money to spend it on something else, something that fits their priorities, and not those of Congress.

The priority we set was to direct a little bit of attention on the drugs that are responsible for three-quarters of the drug abuse deaths and injuries. We must insist that this be done, for the lives of a lot of America's young people are on the line.

NEW LIFE FOR FHA AND GINNIE MAE

(Mr. WORTLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WORTLEY. Mr. Speaker, the American dream of home ownership has been under siege. Today, I applaud my colleagues for their swift approval of H.R. 4602 which allows the Federal Housing Administration [FHA] and the Government National Mortgage Association [Ginnie Mae] to continue their work of guaranteeing and facilitating mortgages for persons who might otherwise be refused credit to buy their own homes. Last night the FHA announced it has reached its credit limit and could no longer guarantee housing loans unless Congress acts; Ginnie Mae reached its limits on April 7.

As a cosponsor of H.R. 4602, and a longtime supporter of FHA and Ginnie Mae, I commend my colleagues in this Chamber approving the bill as amended by the Senate. The Senate version reauthorizes the FHA Program until June 6 and supplies credit for that amount of time. The basic operating authority for the FHA is due to expire today and was not addressed by the House bill because the majority leadership was hoping to use it as a lever to force the Senate to act on a omnibus housing bill. A housing bill is needed this year, but it's time to take the politics out of this issue and to pass H.R. 4602 immediately.

Low and moderate income families rely on FHA home mortgage programs—along with Ginnie Mae—to ensure access to the dignity, security, and pleasure of affordable, personal housing. And this is accomplished without any government spending or increase of the deficit.

The recent drop in interest rates caught many by surprise and spurred a rapid increase in the demand for new mortgages and refinancing. For this reason, the authority ceilings for FHA and Ginnie Mae were quickly reached threatening the availability of new housing credit. Our corrective action today avoids the shutdown of FHA and Ginnie Mae which would have caused major disruptions in the housing market. Today we proved that Congress can act decisively and timely to preserve unquestionably beneficial programs.

IT IS TIME TO FACE IT

(Mr. WOLPE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLPE. Mr. Speaker, we are all troubled by the recent revelations concerning former White House staffer, Michael Deaver. There is something wrong when people who have been privileged to serve at the highest levels of our Government choose to use their status, their insider's information, and their special access they have acquired during their Government service on behalf of foreign interests.

But the Deaver case is only the visible tip of a very large iceberg. That is why over 6 months ago I introduced, with Congresswoman MARCY KAPTUR, H.R. 3733, the Foreign Agents Compulsory Ethics in Trade Act [FACE IT], to close the revolving door between top positions in our Government and the payrolls of foreign principals.

This practice of influence peddling for foreign interests simply must be stopped. Yesterday the chairman of the Judiciary Committee in the other body held hearings where he and his colleagues expressed their unanimous commitment to prompt reforms. Congressman GLICKMAN has scheduled hearings on our bill [FACE IT] in this subcommittee on May 16. The broad bipartisan coalition behind our proposal is significant: we now have over 100 cosponsors, and a companion bill was recently introduced in the Senate.

I urge all of my colleagues to join us in sending a message that is loud and clear: Our Government simply should not be a finishing school for highly paid lobbyists for foreign interests. We have every right to expect that Americans who have been honored to serve in our Nation's highest offices should put America's interests first.

□ 1550

AN UNHAPPY ANNIVERSARY

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, this week we remember the first anniversary of the defeat of the popular will in the election in the Eighth Congressional District of Indiana.

A majority of the Members of this body, replaced the voters and elected their canditate to that seat. Mr. McIntyre, sent to Congress by the people of his district, was denied his seat. The House chose his substitute. I would like to think that Mr. McIntyre will regain his seat in November. But we cannot know in advance what margin of victory will be enough.

Last year's travesty set new standards for membership in this body.

Who can predict what new standards will be devised to deny McIntyre his next victory or for that matter how can any Member of the minority be sure of election until the majority has spoken?

It was so much simpler when the Constitution meant something and the people of the district elected, by majority vote, their own Congressmen.

Let's return to and keep it that way.

CONCERN OVER PROPOSED REDUCTIONS IN AGRICULTURAL EXTENSION SERVICE PROGRAMS

(Mr. DANIEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANIEL. Mr. Speaker, I am very much concerned over the size of the proposed reductions in programs of the Agricultural Extension Service.

In these times of budget emphasis, the Extension Service should bear its fair share of cuts, but the proposal to reduce these appropriations by 59 percent is unfair, imprudent, and misdirected.

Much has been made of the need to return to the State some of the functions which the Federal Government has been assuming over the years, and I have no quarrel with that objective. Many of these were initiated here in Washington and the State involve-

ment has been anywhere from minimal to insignificant. This is not true, however, of the Extension Service.

These activities bear a close relationship to the name under which they function—the Cooperative Extension Service. States and localities work together, using their funds, and those provided by the Federal share, to promote a wide variety of activities. Those who live in cities or urban environments often are unaware of the extent to which involvement in such activities often constitutes the principal community activities of those who participate.

The Extension Service has served us well—and the programs and initiatives which they have set in motion have contributed much to the betterment of rural life in America. Even in the suburban areas, where urban and rural environments merge, and Extension Service has provided useful aid to those who have sought out its services.

We often tend to overlook the intangibles in such programs—where moral and social values are instilled along with the substantive assistance. Such has been the case with the Extension Service.

To pull out more than half of the Federal support at one time would provide a great deal of discouragement to those who have carried on this work. It might well mean the end of such programs in some places, because the States and localities may not be able immediately to pick up the slack. If such reductions later are found to be essential, then a more orderly phaseout would be more justified than this meat-ax approach.

A LESSON IN PARTISAN POLITICS

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, I rise today to recognize the 1-year anniversary of the completion of the election results carried out in this body that showed disregard and disrespect for the election of the people of the Eighth District of Indiana by seating the loser in that race. That was my first lesson in partisan politics, chapter 1 of a story that goes on and on and on.

Mr. Speaker, I call on this House and its leadership to begin the process of laying partisan politics aside. I live by a code that good policy make good politics, and I would like to see a House in which bad politics did not make bad policy.

NUCLEAR FISSION IS A MENACE TO HUMANITY

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, even as we listen to the increasingly frightening reports of the nuclear disaster in the Soviet Union, we are told by the American nuclear industry, "Don't worry; it couldn't happen here."

Even as we are told how perilously irresponsible the Soviets have been in failing to disclose immediately the occurrence and gravity of their accident, it is suggested that our Government officials are more up front about such matters. How soon we forget. On March 29, 1979, the NRC announced that the Three Mile Island nuclear plant had released "above-normal radiation levels," but that there was no threat to the people in the area. The next day, officials still insisted that there was no danger. Even on the third day, as the area was being evacuated, they told the public that the danger of a meltdown was very remote.

Today we know that a partial meltdown had occurred and we were only hours away from an unprecedented nuclear cataclysm.

Mr. Speaker, nuclear fission is a menace to humanity. Its safety cannot be guaranteed here or in Russia. That is the truth that must not be covered up any longer.

URGING PLACEMENT OF AUTO PARTS WITHIN MOSS TRADE DISCUSSIONS

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, I read from a release of today from the Associated Press:

> The United States' foreign trade deficit widened to $14.5 billion last month as cheaper oil prices were overwhelmed by a record high level of imports of manufactured goods.

The trade deficit jumped 16.3 percent over February, and the deficit with Japan jumped 27.5 percent to an all-time high. Forty percent of the deficit with Japan this last month was in automobiles.

The United States Government has proposed to the Japanese Government that auto parts be placed within the MOSS discussions, and the Japanese Government is now considering it. Together with my colleague and friend, the gentlewoman from Ohio, MARCY KAPTUR, the gentlewoman from Connecticut, NANCY JOHNSON, and the gentlewoman from Illinois, LYNN MARTIN, and over 40 others, I am introducing a resolution today calling upon the Japanese Government to agree to placement of auto parts within the MOSS discussions. Why? Because the time for talk at low levels is over. The time for talk and then action at the highest levels on this trade deficit with Japan is now at hand.

JAPAN SHOULD OPEN DOOR FOR AUTO PARTS NEGOTIATIONS

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker, for months Congressman SANDER LEVIN and I, as well as Congresswomen NANCY JOHNSON and LYNN MARTIN, have been working with the administration to urge the Japanese Government to accept our invitation to continue our bilateral MOSS trade talks—"Market-Oriented Sector-Specific trade talks" by selecting automotive parts as the next sector for negotiations.

Today we are introducing a resolution that supports the inclusion of auto parts in the next round of MOSS talks and I urge all our colleagues to sign on.

Half of our trade deficit with Japan is in motor vehicles and equipment, and it is growing worse. Now is the right time to bring this massive auto parts trade imbalance to the negotiating table. If we are to proceed in easing our trade relations with Japan, we must lower the auto parts trade imbalance.

Mr. Speaker, opportunity is knocking today. We strongly recommend to Japan that it open the door for auto parts negotiations. We will be anxiously watching the meeting this Friday between Secretary Shultz and Japanese Foreign Minister Abe which will begin this negotiating process.

RAIL COST ADJUSTMENT FACTOR TO COME DOWN

(Mr. TAUZIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TAUZIN. Mr. Speaker, what goes up never comes down. Well, until recently it was a thing called the rail cost adjustment factor, a factor that the Interstate Commerce Commission uses to adjust rail costs upwards to shippers and eventually to consumers in America.

For the first quarter of this year the Interstate Commerce Commission adjusted the rail cost adjustment factor up 1.1 percent to take into account—believe it or not—phantom increases in energy costs. And there is nothing in their rules to permit them ever to reduce those phantom increases.

That 1.1 percent cost American utility consumers $200 million of phantom increases in fuel costs to the rails. Well, now the ICC has finally announced it is going to change its plans.

It will announce a rulemaking to permit that rail cost adjustment factor to come down. Its new quarterly figures show that it ought to come down 4.3 percent. That is an $800 million savings to American utility consumers long overdue.

What goes up is finally coming down, but that is not the end of it. The Rail Consumer Equity Act, the cure bill, is before us. It is a bill that guarantees that the ICC does its job in properly regulating rail rates that cost our consumers money. I urge the Members to get on board.

□ 1600

BUDGET PROBLEM ACROSS THE ROTUNDA

(Mrs. MARTIN of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MARTIN of Illinois. Mr. Speaker, our brethren across the rotunda are currently working on a budget. They are having a difficult time reaching hard decisions, but they are well ahead of us because we are doing nothing. The Budget Committee has had its picture taken. We all looked terrific. We have, however, not met for over a month. There is no budget from the House. On this side of the aisle, we are ready, we are waiting, we are willing, but the suitor that controls the schedule must decide that we must meet and must indeed show the responsibility of a majority party and govern.

Where is the budget? Where is the Budget Committee? Where is the argument? Where is the floor action?

The answer: It is across the rotunda, not here, and we should be ashamed of ourselves.

LEGISLATION TO RESTORE FISHERY RESOURCES IN KLAMATH-TRINITY WATERSHED

(Mr. BOSCO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOSCO. Mr. Speaker, the Klamath and Trinity Rivers in California are two of the most spectacular and economically vital salmon producing rivers in this country. Indeed, the health of many local economies along California's north coast are closely tied to the health of these two river systems. Unfortunately, due to mismanagement and inadequate habitat protection, the Klamath-Trinity salmon and steelhead populations have declined by nearly 80 percent from historic levels.

Two years ago, Congress took an important first step in addressing this problem by approving a $57 million Trinity River Restoration Program. Meanwhile, the sport, commercial, and Indian fishing user groups have demonstrated an unprecedented willingness to work toward resolving their differences. Today, I am introducing legislation aimed at completing the task of restoring the fishery resources in the entire Klamath-Trinity watershed. This measure would authorize both a cost-effective $42 million habitat restoration program and establishment of a new management regime to better coordinate harvest regulations.

Mr. Speaker, past efforts have shown that even a minimal investment can produce enormous dividends in restoring the health and vitality of our valuable rivers and streams. With all of the various user interests working together with the State and Federal Government, I believe we can reverse the decline of the Klamath fisheries. I urge my colleagues to join with me once again in this endeavor.

UNCONSCIONABLE CLOAK OF SECRECY OVER NUCLEAR DISASTER IN UKRAINE

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, the unconscionable cloak of secrecy continues out of the Soviet Union regarding the disaster that struck the nuclear powerplant at Chernobyl in the Ukraine.

Latest absurd Soviet figures list 4 dead, 197 injured of which 49 were released from hospitals.

Soviet credibility—whether measured by the long delay in first reporting—or changing the description from accident to disaster—to the low casualty count is in a word: pitiful.

The Soviet people are once again being held captive, this time from the other countries in the world especially the United States who have offered humanitarian and technical assistance.

Once again the people of the Ukraine are the victims. They have endured years of subjugation—now they suffer a perilous threat to their lives—and they suffer in silence.

I have cosponsored a resolution to condemn the Soviets' failure to provide the world with notification and information.

It is time to open all nuclear power reactors to international inspections, since accidents have international repercussions.

This tragic incident casts a dark light over the Soviet Union and their ability to be trusted. We better remember this incident at our Geneva arms talks and absolutely insist that any agreements we enter into with the Soviets have a strong mutual verification provision.

As a people—our hearts go out to the victims of this disaster. As we extend a hand of relief and friendship, we must show the people of the Ukraine that we care even if the Soviet Government does not.

We appeal once again to the Soviets to come clean. Let the world community in to help. And God forbid if there is a second meltdown—let help get in to contain this tragedy and keep it from claiming any more victims.

PRESIDENT SHOULD ACCEPT HOUSE AND SENATE COMPROMISE ON CIVIL SERVICE SUPPLEMENTAL RETIREMENT PLAN

(Ms. OAKAR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. OAKAR. Mr. Speaker, tonight at midnight, over 300,000 Federal workers and many Members of Congress will face a substantial pay reduction as their retirement contribution jumps to 14 percent. This will happen unless there is an agreement between the Reagan administration and the House and Senate on a new civil service supplemental retirement plan.

If we cannot agree, those Federal and postal employees hired after December 31, 1983, and Members will be covered by both Social Security and the civil service retirement system, and an additional 6 percent will be deducted from their paychecks for this double retirement coverage.

Ever since newly hired Federal workers were brought under Social Security, Congress has worked diligently to develop a new supplemental civil service retirement system. Both the House and the Senate have drafted proposals, and we have been in conference for the past 5 months.

At this point, we have reached an informal agreement on a supplemental retirement program. I, for one, am proud of our compromise proposal. It was developed under the fine leadership of Chairman WILLIAM FORD and ranking minority member GENE TAYLOR of the Post Office and Civil Service Committee. Our proposal will adequately meet Federal workers' retirement needs. In addition, it will significantly reduce the Government's retirement costs—saving $9 billion over the next 5 years.

Regrettably, however, the administration refuses to consider our plan. They want to further reduce Federal retirees' pension coverage. They are willing to hold current workers' pay hostage and allow the double deduction to occur.

Mr. Speaker, the House and Senate conferees have done our job. We have developed a fair and sensible plan. Given both the economics and the

complexity of the problem, this was no simple task.

I am hopeful that we can still reach a final agreement. But if we cannot, whatever increase in the cost of the retirement program and administrative difficulties flowing from double coverage is the fault of the administration. The conference committee has operated in good faith. It is now up to the administration to do the same.

RESOLUTION CALLING UPON SOVIET UNION TO INFORM WORLD COMMUNITY OF NUCLEAR DISASTERS

(Mr. HERTEL of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HERTEL of Michigan. Mr. Speaker, today I have introduced a resolution to call upon the Soviet Union and all nations to agree that they will inform the entire world community and their neighboring countries as soon as possible immediately when a nuclear disaster occurs, when a nuclear accident occurs, and give them all relevant information. That is the least any nation can do for its neighbors. That is the least that any people can do for the rest of humanity.

We are all very concerned about the people that might be affected, especially with the close proximity of Poland and the Scandinavian nations. At the very least, those people should have the facts about the disaster as soon as possible so they can take whatever measures remain to protect their citizens.

ENTERPRISE ZONE DEVELOPMENT

(Mr. WATKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WATKINS. Mr. Speaker, I would like to refresh the memory of this body and the Nation about concerns I have, along with some other Members of this and the other body.

The President has, for the past 4 years, not used the awesome powers inherent in that office to create an atmosphere of growth and job creation in urban and rural areas hard hit by changing economic conditions.

Like a flock of geese at nesting time, there's been an awful lot of noise, but little activity. The President has expressed his concern for disadvantaged areas of the Nation with lipservice, but no action.

Four times that I can specifically recall, the President has not expressed his concern forcefully enough or he has been silent with the result being that the passage and enactment of legislation that we both want has not occurred.

Originated by my good friend and colleague, the gentleman from New York [Mr. GARCIA], the question of enterprise zone development has languished as a bridesmaid, never a bride.

In 1981, hearings were held on S. 2298, and its counterpart in the House, H.R. 7094, authorizing tax incentives to create jobs in certain urban areas meeting disaster definitions. The enterprise zone provisions died.

In 1981, I introduced H.R. 4576, which was based on the Reagan administration's enterprise zone bill, but called for such zones to be established in rural areas of the Nation. Hearings were held, but it, too, died.

In 1983, after failure in the previous Congresses to push fully for enactment, the President again sent enterprise zone language to the Hill. The bill incorporated accommodation for both rural and urban distressed areas to be eligible for enterprise zone designation. The Senate enacted it as a part of a tax package, but in spite of over 200 cosponsors, about 25 percent of whom I was personally responsible, the bill died.

In his March 7, 1983, message, the President said the cost of the legislation would be minimal and "provides a great opportunity at a minor cost." He also said, "now that the economic recovery is bringing many laid-off workers back onto the job, it is time we concentrated on longer range problems of unemployment in disadvantaged areas."

Mr. President, as I have told you personally, "economic recovery" is a very selective definition. Ask the farmers and oil field workers in Oklahoma and Texas, Kansas and California, if they are better off than they were 5 years ago. I know what that answer is going to be, Mr. President, it's going to be a "No" heard around the world.

During the last Congress, in spite of Secretary Pierce's avowed proclamation that H.R. 1955 was "one of the highest priorities of the administration," we have zilch.

There were many past opportunities for the President to use his influence, which is considerable, to effect some relief and an opportunity for those in urban and rural disadvantaged areas to help themselves.

He has now before him such another golden opportunity as the other body, controlled by his party, works on a tax reform proposal.

I urge him to use all the authority and influence he has to try to help areas of rural and urban America create job opportunities and capital investments by urging and causing to be enacted enterprise zone legislation.

NATIONAL ASTHMA AND ALLERGY AWARENESS WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 427) designating the week beginning on May 11, 1986, as "National Asthma and Allergy Awareness Week" and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore (Mr. KILDEE). Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Reserving the right to object, Mr. Speaker, I do not object, but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation, I yield to the gentleman from Illinois [Mr. O'BRIEN], who is the chief sponsor of House Joint Resolution 427, designating the week beginning on May 11, 1986, as "National Asthma and Allergy Awareness Week."

Mr. O'BRIEN. Mr. Speaker, I thank the chairman, Mr. GARCIA, and the ranking minority member, Mr. HANSEN, for bringing this resolution to the floor of the House for consideration.

According to the best estimates the medical community can give me, one out of every six Americans is afflicted in some way by asthma and allergies. Tragically, an estimated 5,000 individuals die each year from asthma, despite common medical knowledge and treatments capable of preventing such deaths. As many as 9 million Americans—one-third of them children—are asthmatic.

It is estimated that about 8 million workdays a year are lost due to hay fever and asthma. Occupational allergic diseases are now believed to be a major cause of workplace-caused illnesses. And it is further estimated that 130 millon school days are missed each year because of hay fever and asthma.

These sobering facts—and my own battle with allergy afflictions—have led me to join others both in and out of the Government, to raise the level of concern about these diseases.

Obviously, the designation of a commemorative does not cure disease. Nevertheless, such congressional and Presidential recognition goes a considerable distance in making the public aware of the extent of the problem, and such a week dramatically helps to promote those public and private efforts dedicated to the eradication of the suffering experienced by approximately 40 million Americans.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES 427

Whereas asthma and allergic diseases result in physical, emotional, and economic hardship for more than thirty-five million Americans and their families;

Whereas thousands of Americans, many of them young, die each year from asthma even through sufficient medical knowledge and resources exist to prevent many asthma-related deaths;

Whereas student absenteeism is due in significant part to asthma and allergic diseases;

Whereas environmental conditions in the workplace often cause or exacerbate asthma and allergic diseases among employees;

Whereas many hospital patients suffer allergic reactions to prescribed medications;

Whereas it is estimated that the American public pays $4,000,000,000 per year in medical bills directly attributable to the treatment and diagnosis of asthma and allergic diseases and pays another $2,000,000,000 per year as a result of the indirect social cost of such illnesses;

Whereas, because of recent developments in the study of immunology, health care providers are better equipped to diagnose and treat asthma and allergic diseases; and

Whereas increased public awareness of recent scientific advancement in the study of immunology will help dispel many of the common misconceptions concerning asthma, allergic diseases, and the victims of those illnesses: Now, therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on May 11, 1986, is hereby designated as "National Asthma and Allergy Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL CHILD SAFETY MONTH

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 293) to designate the month of May 1986 as "National Child Safety Month," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but simply would like to inform the House that the majority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation, I yield to the gentleman from Florida [Mr. LEWIS], who is the chief sponsor of House Joint Resolution 562, designating the month of May 1986, as "National Child Safety Month."

Mr. LEWIS of Florida. Mr. Speaker, I would like to thank the subcommittee chairman, the gentleman from New York [Mr. GARCIA], and also the ranking Republican member, the gentleman from Utah [Mr. HANSEN], for bringing this resolution to the floor.

Over the past several years, America's understanding of the problems facing our children has heightened measurably. No doubt, a vital aspect to the continued protection of our children is an ever-increasing public awareness campaign. Therefore, I am pleased that the House has passed House Joint Resolution 562.

During the month of May, I have arranged numerous events throughout my 12th District of Florida to help educate children and encourage parents to actively participate in child protection programs. Such events include a visit to several elementary schools where I will display the film "Too Smart for Strangers," a Walt Disney production which instructs children of the basic, commonsense things they can do to protect themselves against strangers. I have actively participated in the promotion of this fine film which can be a tremendous help to children and adults alike.

In addition, I plan to visit several high schools to view, "One Too Many," a film which dramatically depicts what can happen when individuals drink and drive. May will also be a time in which I continue my efforts in educating young Americans to the dangers of using narcotics.

No doubt, the establishment of May as a special month commemorating child safety will focus the needed attention to the problems faced by our children. I appreciate my friend and colleague, Mrs. HAWKINS, for sponsoring similar legislation in the Senate, and encourage all my colleagues to participate in events which can help to protect our children.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 293

Whereas every year untold numbers of children throughout the United States disappear from home;

Whereas children who are missing from home are frequently victims of sexual and physical exploitation;

Whereas many local volunteer groups are working enthusiastically to promote child safety, but much remains to be done in the effort to fully protect children;

Whereas the safety of children should be one of the highest national priorities; and

Whereas the designation of a month to commemorate child safety will draw needed attention to the dangers threatening children and will help educate communities throughout the country about the problem and what can be done to help solve it: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of May 1986 is designated as "National Child Safety Month" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BETTER HEARING AND SPEECH MONTH

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 284) to designate the month of May 1986 as "Better Hearing and Speech Month," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation, I would like to point out that many of us have received the poster showing the actor Buddy Epson with this little girl Shannon Barker who is the national poster child of portraying the issue that we are discussing now, "Better Hearing and Speech Month."

This young lady, Shannon Barker, is only 4 years old. She is the daughter of William and Kathryn Barker of Ogden. She is the poster child for "Better Hearing and Speech Month." That is Ogden, UT, which happens to be in my district.

Talking about the 22 million people who are suffering now with speech and hearing problems, it is amazing to me and those of us who saw her on "Good Morning America" how this young child learned to communicate, how wearing a hearing aid she has the opportunity to now speak.

This is something that modern medicine is doing for us. It is miraculous. Our hearts go out to those young people who are tying so hard to become a part of society and to live a normal life.

I think in the past we have looked the wrong way at our handicapped people. It now seems to me that America is catching the vision of handicapped people, regardless of what it

may be. Shannon Barker is a great example.

I say respectfully, Mr. Speaker, there are probably many of us on the floor who should be wearing hearing aids so we can listen to our colleagues.

Mr. GUARINI. Mr. Speaker, today, we will be asked to vote on legislation which will promote public awareness of the millions of Americans who are communicatively handicapped. With the support of our colleagues in the Senate and the House, we were able to pass a resolution like this one last year. By designating the month of May 1986 as "Better Hearing and Speech Month," we can encourage further attention to the needs of almost 10 percent of our population who fall into this largest of all categories of disability.

Across our Nation, there are approximately 15 million Amricans who suffer some form of hearing impairment, ranging from mild hearing loss to profound deafness. More than one-quarter of the senior citizens over 65 experience some degree of hearing loss.

Over 10 million people experience speech or language impairments stemming from neuromotor diseases, congenital malformations, orthodontic conditions, vocal cord cancer, strokes, and language-based learning disabilities. Every year over 84,000 people lose their ability to grasp word meanings and communicate through verbal speech as a result of strokes or head injuries.

Despite their handicap, people with communication disorders have made significant contributions in virtually every occupational category and profession. Thomas Edison, Beethoven, and Samuel Morse overcame their hearing impairments to do work that benefits us still today. President Reagan, Florence Henderson, Nanette Fabray, Patricia Neal, and Lou Ferrigno—the Incredible Hulk—are only a few of the prominent personalities whose professional achievements have continued in spite of hearing or speech difficulties. Nevertheless, many people with communication disorders continue to encounter obstacles which inhibit them from achieving their full potential.

Communicatively impaired citizens face special difficulties in achieving educational parity with their nonimpaired classmates. Young children with hearing imperfections and communication difficulties are often unable to develop language fluency with the ease of others their age. While the academic lag may be small during the primary grades, it often has a cumulative impact.

Unequal opportunity in one area frequently results in a denial of options in other areas. For the vast majority of handicapped Americans, a deficient education severely restricts their employment opportunities. As a result, people with hearing and speech impairments are often undereducated, and later underemployed. While attitudes and laws have changed over the years to provide more job opportunities, this group of disabled Americans still has less access to job advancement than the population as a whole.

Over the past 2 decades, Congress has passed legislation in response to historic patterns of discrimination against the handicapped. Paralleling these legislative advancements have been technological developments which have augmented the limited abilities of many speech and hearing impaired people. Recent developments such as closed captioned television, telecommunication devices for the deaf [TDD], and speech synthesizers help to eliminate barriers which prevent those with hearing, speech, or language difficulties from fulfilling their potential. An example of this advanced technology is in use in Congress' TDD phone lines, which allow communicatively impaired citizens to voice concerns to their elected officials.

Among the most dramatic breakthroughs in modern science is the creation of the cochlear implant. Through the surgical implantation of a minute device, people who are profoundly deaf are now able to hear sounds of varying length and intensity. Further developments may make it possible for the pitch and frequency of sounds to be distinguished also. With such refinements, the cochlear implant promises to provide thousands of previously deaf people with the ability to hear human speech for the first time in their lives.

Looking back, we can say that American researchers, scientists, and inventors have opened many doors for the communicatively impaired, facilitating their entry into the mainstream of American life. Yet the technological advances I mentioned can be fully utilized only in a society which enforces the basic equal opportunity laws and civil rights protections every citizen deserves.

Across the country, plans are underway to promote awareness of the needs of the communicatively handicapped and to acknowledge their many achievements during Better Hearing and Speech Month. The legislation received enthusiastic grassroots support from the SHHH Journal, Nu-Ear Electronics, Fort Howard Hearing Impaired Organization, and the New Jersey Guild of Hearing Aid Dispensers. In addition, 21 national organizations actively supported the effort: A.G. Bell Association for the Deaf, American Academy of Otolaryngology-Head and Neck Surgery, American Hearing Research Foundation, American Speech-Language-Hearing Association, Better Hearing Institute, Boys Town Institute for Communication Disorders in Children, Delta Zeta Sorority and Foundation, Disabled American Veterans, Gallaudet College, Hearing Industries Association, House Ear Institute, National Captioning Institute, National Hearing Aid Society, National Hearing Association, National Technical Institute for the Deaf at Rochester Institute of Technology, New York League for the Hard of Hearing, Psi Iota Xi Sorority, Quota International, Sertoma Foundation, Speech Foundation of America, and the Voice Foundation.

I urge my colleagues to support this important and humanitarian endeavor by voting in its favor. Together we can diminish the barriers facing these Americans and enhance their opportunities for a brighter and more fulfilling future.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 284

Whereas more than fifteen million Americans of all ages experience some form of hearing impairment, ranging from mild hearing loss to profound deafness;

Whereas more than ten million Americans of all ages experience some form of speech or language impairment;

Whereas the deaf, hard of hearing, and speech or language impaired have made significant contributions to society in virtually every occupational category and profession;

Whereas those with communication disorders continue to encounter impediments and obstacles which limit their education and employment opportunities; and

Whereas the remaining barriers which prevent the communicatively handicapped from fulfilling their potential must be recognized and eliminated.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of May 1986 is designated "Better Hearing and Speech Month" and the President is requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 1615

WORKING WOMEN'S AWARENESS WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from futher consideration of the joint resolution (H.J. Res. 614) to designate the week beginning May 4, 1986, as "Working Women's Awareness Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I will not object, but I would simply like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, further reserving the right to object, I yield to the gentlewoman from Ohio [Ms. OAKAR] who is the chief sponsor of House Joint Resolution 614, to designate the week beginning May 4, 1986, as "Working Women's Awareness Week."

Ms. OAKAR. I thank my colleague for yielding.

Mr. Speaker, I want to commend the chairman of the subcommittee, as well as the gentleman from Utah, for allowing this joint resolution to be considered today.

Mr. Speaker, I rise in an attempt to draw attention to the problems of one of our society's most important and least acclaimed contributors to the

American economy—the working woman. My distinguished colleague, Mr. GARCIA and I have introduced a joint resolution designating the week beginning May 4, 1986 as "Working Women's Awareness Week."

It is time that the public be made aware of what working women contribute to this country's economy and the problems they face in trying to both support and raise a family. The figures are eye-opening: Working women comprise 45 percent of the entire work force yet only earn 63 percent as much as the comparable working male. Fifty-two percent of all women work and nearly two-thirds of all those women are the breadwinners of their households. These female-headed households contain nearly 16.5 million people who fall below the poverty line; making up almost half of this Nation's poor people. Eleven million women work who head their household, 26 million are part of a two-earner couple. They work because they have to work.

Action must be taken to change these wage and poverty statistics. Discrimination and wage disparity must be eliminated or dramatically reduced if the working woman, who will account for nearly two-thirds of the work force expansion in the next 10 years, is to rise with her family out of the ashes of poverty.

Adequate child and dependent care policies are vital to ensuring that while women rise to the top of the work force, their families do not suffer. The problems of "latch-key children" abound, as more than 11 million children in this country are left unattended each day, while their mothers attempt to earn enough money for their support.

"Working Women's Awareness Week" is a measure, that if adopted, will bring the attention necessary to find a cure for the working woman's ailments, most of which may be traced to the need for both economic equity and security. It will also acclaim their contribution to our country.

During the last few months, I have introduced legislation attempting to deal with these issues. Legislation mandating a study of the Federal pay system to determine whether sex discrimination or lack of pay equity exists, passed the House by a substantial margin. In January, a resolution establishing a day care center for House of Representatives employees also was approved by the House. These measures are but a beginning in the struggle to give women the complete job and wage equality necessary to ensure that the working women can effectively maintain her role as mother and breadwinner.

The drive to establish a "Working Women's Awareness Week" has been spearheaded by the Coalition of Labor Union Women [CLUW], an organization representing all working women, drawing from both unions and independent workers. CLUW stands as a united force in the effort to ensure working women the rights and benefits they both need and richly deserve. The designation of "Working Women's Awareness Week" is but one facet of CLUW's comprehensive campaign aimed at focusing greater attention on the needs and concerns of working women.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 614

Whereas more women are working in the United States today than ever before, representing a historic change in the labor force;

Whereas working women and their families comprise a disproportionate percentage of the number of economically disadvantaged individuals and families in the United States;

Whereas problems affecting working women include discrimination, poverty, wage disparities, lack of adequate child-care leave, and lack of adequate parental-care leave;

Whereas such problems affect the lives and well-being of families and communities by hampering the obtainment of full equality for women in the work force and in society;

Whereas women continue to face discrimination due, in part, to outdated and harmful stereotypic myths, attitudes, actions, and policies; and

Whereas redoubled efforts should be made with respect to eliminating the problems that are encountered by women in the work force: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning May 4, 1986, is designated "Working Women's Awareness Week," and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL OSTEOPOROSIS AWARENESS WEEK OF 1986

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 285) to designate the week of May 11, 1986, through May 17, 1986, as "National Osteoporosis Awareness Week of 1986," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I will not object, but would simply like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, further reserving the right to object, I yield to the gentlewoman from Maine [Ms. SNOWE], who is the chief sponsor of House Joint Resolution 510.

Ms. SNOWE. I thank the gentleman for yielding.

Mr. Speaker, I want to thank Mr. GARCIA, chairman of the Subcommittee on Census and Population, and the ranking minority member on the committee, Mr. HANSEN, for bringing this resolution which designates "National Osteoporosis Awareness Week" to the floor. I think it is important to note that my resolution received the support of more than half the Members of the House. I appreciate the interest of my colleagues in this important issue.

As the author of House Joint Resolution 510, I am pleased that today we are considering legislation that will designate the week beginning with Mother's Day, May 11 through May 17, as "National Osteoporosis Awareness Week." We have the opportunity to bring to national awareness information on a disease that disables and kills thousands each year.

All across the country activities have already been planned in anticipation of the passage of "National Osteoporosis Awareness Week." Let me give you a few examples of the events that you will be hearing about.

At the National Institutes of Health, Dr. Lawrence E. Shulman, the Director of the Division of Arthritis, Musculoskeletal and Skin Diseases has prepared a public service announcement which will be aired on numerous radio stations throughout the country. This will be done in conjunction with the release of an important 32-page booklet on osteoporosis entitled, "Osteoporosis: Cause, Treatment, Prevention." At the same time, the National Dairy Board will sponsor a videotape on calcium and osteoporosis to be shown in May during the Convention of Women in Radio and Television.

In San Francisco, Los Angeles, Dallas, Oklahoma City, and several other major cities, forums will be held on osteoporosis, its detection and prevention. Denver is offering a citywide screening for osteoporosis using a densotometer, a machine which measures bone density. In Wisconsin, a massive educational effort has been launched in 71 counties throughout the State to develop information and awareness of osteoporosis. Oklahoma City is sponsoring public service announcements,

while in Seattle a newly formed 60-member osteoporosis support group is planning a public service announcement for television.

In Dallas, physicians have asked dairy producers in their area to print risk factors for osteoporosis on milk cartons and they have also convinced a pharmacy chain to distribute a list of risk factors to its patrons. On May 12, the New York chapter of the National Osteoporosis Foundation will be hosting a luncheon seminar for prominent women in that region.

Throughout the Washington metropolitan area, buses will display ads about osteoporosis and the commemorative week. Georgetown University is planning a conference the morning of May 17, entitled "Inside Look at Osteoporosis," which will include a risk factor evaluation. And on the Washington Mall, a 1- to 5-mile "Fun Walk" is scheduled for the same day at 8 a.m. in order to underscore the importance of weight-bearing exercise in the prevention and control of this disease.

The National Osteoporosis Foundation, which was established last year by prominent physicians and individuals, has been providing brochures and other information to many of these groups across the country. In its growing role of providing information and research on osteoporosis, this organization will issue a news release announcing the week.

These are just some of the events that will be taking place during May. While osteoporosis affects between 15 and 20 million individuals in the United States alone, relatively few American women know about this disease. For that reason, by designating "National Osteoporosis Awareness Week," we can begin to focus attention on this problem. We have within our means the ability to reduce the pain, deformity, disability, and cost associated with osteoporosis. Let this week be the beginning of an educational campaign that will ultimately add osteoporosis to the list of those diseases which no longer are a threat to our society.

I thank my colleagues for their consideration of this and I urge unanimous passage of Senate Joint Resolution 285.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 285

Whereas 15,000,000 to 20,000,000 individuals in the United States are afflicted with osteoporosis, a degenerative bone condition;

Whereas approximately 25 percent of postmenopausal women in the United States develop osteoporosis;

Whereas 32 percent of women and 17 percent of men who live to the age of 90 will likely suffer a hip fracture due primarily to osteoporosis;

Whereas more than 50,000 older women and many older men die each year in the United States as a result of hip fracture complications;

Whereas hip fracture complications often result in loss of independence for older persons;

Whereas approximately $6,000,000,000 is expended annually in the United States for health care costs relating to osteoporosis;

Whereas osteoporosis is associated with the loss of bone tissue due to lack of estrogen and low calcium intake;

Whereas the majority of persons are unaware of the condition of osteoporosis; and

Whereas the best treatment for osteoporosis is prevention through education: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of May 11, 1986, through May 17, 1986, is designated as "National Osteoporosis Awareness Week of 1986". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the week with appropriate programs and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

YEAR OF NEW SWEDEN

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 289) to designate 1988 as the "Year of New Sweden" and to recognize the New Sweden 1988 American Committee, and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I will not object, but would simply like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, further reserving the right to object, I yield to the chairman of the subcommittee, the gentleman from New York [Mr. GARCIA].

Mr. GARCIA. I thank the gentleman for yielding.

Mr. Speaker, I would just like to briefly explain what this resolution is all about and what it means. This resolution pays tribute to the 350th anniversary of the arrival of the first Swedish ships which arrived in the Delaware River Valley to establish a new colony. It also recognizes the New Sweden 1988 American Committee, which was established to commemorate this anniversary and the contribution of the Swedish-American people to this Nation.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S. J. RES. 289

Whereas on or about March 29, 1638, the Kalmar Nyckel and Fogel Grip, ships sent by Sweden to establish a colony in the Delaware River Valley, anchored off the "Rocks" on the Christina River in what is now the State of Delaware;

Whereas the colony which they established—New Sweden—was the first permanent settlement of Swedes in North America;

Whereas Swedish settlers were instrumental in the founding of our Nation; John Morton of Pennsylvania, a signer of the Declaration of Independence, was of Swedish descent, as was John Hanson of Maryland, who presided over the Continental Congress from 1781 through 1782;

Whereas Swedish immigration to the United States consisted of one million two hundred thousand people between the late 1840's and the late 1920's, who came here to seek a better life; these settlers dispersed to all regions of the United States;

Whereas the contributions of Swedish-Americans to our way of life and our culture have been varied and many; their pioneering nature made them leaders in many fields including politics, business, education and the arts;

Whereas it is estimated that today there are four million two hundred thousand United States citizens of Swedish descent living in every State and involved in every walk of life;

Whereas 1988 marks the three hundred and fiftieth anniversary of the arrival of the Kalmar Nyckel and Fogel Grip in North America;

Whereas a United States committee—New Sweden 1988—is planning a series of events and celebrations throughout our Nation to commemorate this anniversary; and

Whereas at the present time, the following American cities and States have New Sweden 1988 committees and chairs planning local activities: Washington, District of Columbia, Wilmington, Philadelphia, New York City, Detroit, Chicago, Minneapolis, Houston, Dallas, Los Angeles, San Francisco, Seattle, St. Louis, New Jersey, Nebraska, North Dakota, South Dakota, and western Illinois: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That 1988 is hereby designated as the "Year of New Sweden" in the United States. The President is authorized and requested to issue a proclamation designating 1988 as the "Year of New Sweden" and to invite and encourage the Governors of the several States, the chief officials of local governments and the people of the United States to participate in the events and activities that the New Sweden 1988 American Committee has planned for 1987 and 1988.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL NUCLEAR MEDICINE WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 297) to designate the week beginning July 27, 1986, as "National Nuclear Medicine Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

Mr. SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I will not object, but I simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, further reserving the right to object, I yield to the chairman of the subcommittee, the gentleman from New York [Mr. GARCIA].

Mr. GARCIA. I thank the gentleman for yielding.

Mr. Speaker, as we are all well aware, the major headline news today is the nuclear reactor disaster in a Soviet nuclear plant. The incident is highly tragic and we must do all we can to prevent any such tragedies from happening again.

Unfortunately, the accident has heightened fears and anxieties among many Americans of anything nuclear. However, not all things nuclear should be looked upon with fears and anxieties. In a time of world tension and widespread anxiety not only over the nuclear plant disaster but also over nuclear weapons, the power of the atom has been made to serve a peaceful purpose in nuclear medicine. There have been tremendous advancements made in medical care as result of nuclear medicine. The techniques of nuclear medicine are used in a variety of scientific research activities. Nuclear medicine has also shown to be safe and cost-effective type of medical care.

Although well-reasoned concerns are justified, we should not let the accident in Soviet Union make us lose sight of the tremendous benefits of nuclear medicine.

Mr. HANSEN. Mr. Speaker, I associate myself with the excellent remarks of the subcommittee chairman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 297

Whereas professionals in the field of nuclear medicine contribute significantly to the diagnosis and treatment of patients in the United States;

Whereas nuclear medicine is a safe and cost-effective type of medical care;

Whereas the techniques of nuclear medicine are used to diagnose and treat many different diseases;

Whereas the techniques of nuclear medicine are used in a variety of scientific research activities; and

Whereas it is appropriate to recognize the value of nuclear medicine and the contributions of professionals in the field of nuclear medicine: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning July 27, 1986, hereby is designated "National Nuclear Medicine Week", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL AVIATION DAY

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 569) to designate May 8, 1986, as "Naval Aviation Day," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I will not object, but I would simply like to inform the House that the minority has no objections to the legislation now being considered.

Mr. Speaker, further reserving the right to object, I yield to the distinguished gentleman from Florida [Mr. HUTTO], who is the chief sponsor of House Joint Resolution 569, to designate May 8, 1986, as Naval Aviation Day.

Mr. HUTTO. I thank the gentleman for yielding.

Mr. Speaker, I appreciate the chairman and ranking minority member for bringing House Joint Resolution 569 before the House today. Mr. Speaker, House Joint Resolution 569 designates May 8, 1986 as Naval Aviation Day. On this day, naval aviation will be celebrating its 75th anniversary. I am proud to say that the main festivities marking this important occasion will be held in Pensacola, FL, home of the Navy's famous flight demonstration squadron, the Blue Angels, and cradle of naval aviation. During all of next week, Pensacola will join the Navy in hosting a series of exciting events highlighting the achievements of naval aviation.

Naval aviation has come a long way since Capt. Washington Irving Chambers prepared for the requisition of the Navy's first aircraft in 1911. Since its inception, this program has been vital in the development of aviation technology and space exploration. Navy pilots are a strategic segment of our Armed Forces, and naval aviation continues to play a major role in ensuring our national security. The significance of this program and the bravery of its participants was illustrated only recently in the naval air attacks on Libya.

I think it is only fitting that we commemorate the accomplishments and contributions that naval aviation has made during the past 75 years. There is no doubt that these courageous aviators and this forward-looking program are deserving of proper commendation. I believe that House Joint Resolution 569 will focus attention on the outstanding caliber of this program, and I thank my colleagues once again for their support of this measure commemorating the diamond anniversary of naval aviation.

□ 1625

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. I am happy to yield to the gentleman from New York.

Mr. STRATTON. Mr. Speaker, I just wanted to point out that the birthplace of naval aviation was in upstate New York. At Hammondsport, when Mr. Glen Curtis flew the first naval biplane, it was in a district that was adjacent to mine, and it has always been considered a very historic spot. I am delighted that we are recognizing it in terms of naval aviation week.

I thank the gentleman for yielding.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 569

Whereas the official date of the founding of United States naval aviation is May 8, 1911, a date on which Captain Washington Irving Chambers, a naval officer in charge of naval aviation, prepared the requisition for the Navy's first aircraft;

Whereas naval aviation has played a vital role in the development of aviation technology and space exploration;

Whereas naval aviation has contributed much to military history through its participation in World Wars I and II, and the Korean and Vietnam conflicts;

Whereas naval aviation remains a vital force in our national security with aircraft carrier presence in most oceans and approximately five thousand seven hundred and twenty active, inventoried aircraft at sea and at shore stations;

Whereas the naval aviation flight training program has trained more than one hun-

dred and thirty-six thousand pilots since 1920; and

Whereas it is appropriate, on the day marking the seventh-fifth anniversary of the founding of naval aviation, that the people of the United States and our friends and allies throughout the world become better acquainted with the history and accomplishments of naval aviation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That May 8, 1986, is hereby designated as "Naval Aviation Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

The SPEAKER pro tempore. The question is on the engrossment of the joint resolution.

The joint resolution was ordered to be engrossed.

AMENDMENT TO THE PREAMBLE OFFERED BY MR. GARCIA

Mr. GARCIA. Mr. Speaker, I offer an amendment to the preamble.

The Clerk read as follows:

Amendment to the preamble offered by Mr. GARCIA: In the sixth clause of the preamble, strike "seventh-fifth" and insert "seventy-fifth".

The SPEAKER pro tempore. The question is on the amendment to the preamble offered by the gentleman from New York [Mr. GARCIA].

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF HOUSE JOINT RESOLUTION 614, WORKING WOMEN'S AWARENESS WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that in the engrossment of House Joint Resolution 614, the Clerk be authorized to make technical corrections in the text and the title.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

GENERAL LEAVE

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the several joint resolutions just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

NEVADA WILDERNESS PROTECTION ACT OF 1985

Mrs. BURTON of California. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 429 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 429

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3302) to designate certain national forest lands in the State of Nevada for inclusion in the National Wilderness Preservation System, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and to the amendment made in order by this resolution and which shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be considered for amendment under the five-minute rule. In lieu of the committee amendment in the nature of a substitute recommended by the Committee on Interior and Insular Affairs, it shall be in order to consider an amendment in the nature of a substitute consisting of the text of the bill H.R. 4642 as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered for amendment by titles instead of by sections and each title shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of clause 7 of rule XVI and clause 5(a) of rule XXI are hereby waived. No amendment to the bill or to said substitute shall be in order except amendments printed in the Congressional Record prior to their consideration and pro forma amendments for the purpose of debate. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text by this resolution. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentlewoman from California [Mrs. BURTON] is recognized for 1 hour.

Mrs. BURTON of California. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. WHITLEY].

Mr. WHITLEY. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, today the House will consider H.R. 3302, a bill designating wilderness areas in the State of Nevada. This bill has been referred jointly to the Committee on Agriculture and the Committee on Interior and Insular Affairs.

Although the Agriculture Committee has not acted on the bill, the Chairman has asked me to make clear that we do not object to the rule under which the bill is being considered. This action was taken without endorsing the subject matter of the bill and without, in any respect, waiving jurisdiction with regard to the substantive issue addressed in this or similar bills. Further, if the provisions in the bill relating to matters within the jurisdiction of the Committee on Agriculture should become an issue with the Senate, the committee will request representation in any conference that may be held.

Mrs. BURTON of California. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. QUILLEN] pending which I yield myself such time as I may need.

Mr. Speaker, House Resolution 429 is an open rule providing for the consideration of H.R. 3302, the Nevada Wilderness Protection Act of 1985. The rule allows 1 hour of general debate, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs.

This rule makes in order an amendment in the nature of a substitute consisting of the text of H.R. 4642, as the original bill for the purpose of amendment under the 5-minute rule. The substitute shall be considered by title, and each title shall be considered as having been read.

Points of order are waived against the substitute for failure to comply with the provisions of clause 7 of rule XVI, relating to nongermane amendments. This waiver is necessary since the substitute bill is much broader in scope than H.R. 3302, as introduced. Further, clause 5(a) of rule XXI, which prohibits appropriations in a legislative measure, is waived against the substitute. This waiver would allow the transfer of previously appropriated funds for use at a national monument to be made available for administration of the new national park in the same area.

Any amendment to the bill or to the substitute may be offered as long as it is printed in the CONGRESSIONAL RECORD prior to its consideration. Under the rule, one motion to recommit, with or without instructions is provided.

The substitute bill, H.R. 4642, would designate 11 wilderness areas totaling 592,000 acres and create a new national park, the Great Basin National Park and Preserve in eastern Nevada. This bill would also release 2.5 million acres of national forest lands for other uses according to the standard release language included in other wilderness legislation passed by the Congress.

Mr. Speaker, I reserve the balance of my time.

□ 1635

Mr. QUILLEN. Mr. Speaker, I yield myself as much time as I may use.

Mr. Speaker, the rule has been ably explained by the gentlewoman from California [Mrs. BURTON]. There is no question about it; the bill itself is controversial, but the rule is not.

So I would recommend that we pass the rule and get down to the business of discussing the measure in depth so that we can finish it this evening. The administration is opposed to the bill. Some 16 members of the committee filed dissenting views opposing the bill. It affects one Member's district considerably, the gentlewoman from Nevada [Mrs. VUCANOVICH].

The bill creates a national park, Great Basin National Park, out of approximately 174,000 acreas of the Humboldt National Forest in Nevada.

Mr. Speaker, I have no requests for time. Under the rule, the bill can be fully debated and amended. I urge the adoption of the rule.

Mrs. BURTON of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, subsequent to the 1979 Forest Service RARE II study of roadless lands, Congress has added areas to the National Wilderness Preservation System in all Western States except Nevada. The State currently has only one wilderness area, leaving it with fewer protected Federal lands than any other Western State. This legislation would resolve the question of 3.2 million acres of national forest lands that are now restricted in their use. While it preserves wilderness areas and creates a new national park, H.R. 4642 would also free desirable acreage for use by planners and developers in Nevada.

As one who was involved in the California wilderness bill of the last Congress, I support this initiative to preserve the wild lands of our Nation and to resolve this question for the State of Nevada.

I commend Mr. REID on his hard work to accomplish this goal for his State and I know that future generations will appreciate his efforts, as well.

I urge my colleagues to support the rule and the bill.

Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. STRANG. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 336, nays 74, not voting 23, as follows:

[Roll No. 106]

YEAS—336

Ackerman	Edwards (CA)	Levine (CA)
Akaka	Edwards (OK)	Lipinski
Alexander	English	Lloyd
Anderson	Erdreich	Long
Andrews	Evans (IA)	Lowery (CA)
Annunzio	Evans (IL)	Lowry (WA)
Anthony	Fascell	Luken
Applegate	Fawell	Lundine
Aspin	Fazio	MacKay
Barnard	Feighan	Manton
Barnes	Fish	Markey
Bartlett	Flippo	Martinez
Barton	Florio	Matsui
Bates	Foley	Mavroules
Bedell	Ford (MI)	Mazzoli
Beilenson	Ford (TN)	McCloskey
Bennett	Fowler	McCurdy
Bereuter	Frank	McEwen
Berman	Frenzel	McHugh
Bevill	Frost	McKernan
Biaggi	Fuqua	McKinney
Boehlert	Garcia	McMillan
Boggs	Gaydos	Meyers
Boland	Gejdenson	Mica
Boner (TN)	Gephardt	Mikulski
Bonior (MI)	Gibbons	Miller (CA)
Borski	Gilman	Miller (OH)
Bosco	Glickman	Miller (WA)
Boucher	Gonzalez	Mineta
Boulter	Goodling	Mitchell
Boxer	Gordon	Moakley
Breaux	Gradison	Molinari
Brooks	Gray (IL)	Mollohan
Broomfield	Gray (PA)	Montgomery
Brown (CA)	Green	Moody
Brown (CO)	Gregg	Moore
Broyhill	Guarini	Morrison (CT)
Bruce	Gunderson	Mrazek
Bryant	Hall (OH)	Murphy
Burton (CA)	Hall, Ralph	Murtha
Bustamante	Hamilton	Myers
Byron	Hartnett	Natcher
Campbell	Hatcher	Neal
Carper	Hawkins	Nelson
Carr	Hayes	Nowak
Chandler	Hefner	O'Brien
Chapman	Heftel	Oakar
Chappell	Henry	Oberstar
Clay	Hertel	Obey
Clinger	Hiler	Olin
Coats	Hillis	Owens
Coelho	Holt	Oxley
Coleman (MO)	Horton	Panetta
Coleman (TX)	Howard	Pease
Collins	Hoyer	Penny
Combest	Hubbard	Perkins
Conte	Huckaby	Petri
Conyers	Hughes	Price
Cooper	Hunter	Pursell
Coughlin	Hutto	Quillen
Courter	Hyde	Rahall
Coyne	Jacobs	Rangel
Crockett	Jeffords	Ray
Daniel	Jenkins	Regula
Darden	Johnson	Reid
Daschle	Jones (NC)	Richardson
Daub	Jones (OK)	Ridge
de la Garza	Kanjorski	Rinaldo
Dellums	Kaptur	Robinson
Derrick	Kasich	Rodino
DeWine	Kastenmeier	Roe
Dickinson	Kemp	Roemer
Dicks	Kennelly	Rose
Dingell	Kildee	Rostenkowski
DioGuardi	Kindness	Roth
Dixon	Kleczka	Roukema
Donnelly	Kolbe	Rowland (CT)
Dorgan (ND)	Kolter	Rowland (GA)
Dowdy	Kostmayer	Roybal
Downey	LaFalce	Rudd
Duncan	Lantos	Russo
Durbin	Leach (IA)	Sabo
Dwyer	Leath (TX)	Savage
Dymally	Lehman (CA)	Scheuer
Dyson	Lehman (FL)	Schneider
Early	Leland	Schroeder
Eckart (OH)	Lent	Schuette
Eckert (NY)	Levin (MI)	Schulze
Schumer	Stenholm	Walgren
Selberling	Stokes	Watkins
Sensenbrenner	Stratton	Waxman
Sharp	Studds	Weber
Shelby	Sundquist	Weiss
Sikorski	Sweeney	Wheat
Sisisky	Swift	Whitehurst
Skelton	Synar	Whitley
Slattery	Tallon	Whitten
Slaughter	Tauke	Williams
Smith (FL)	Tauzin	Wilson
Smith (IA)	Taylor	Wirth
Smith (NE)	Thomas (CA)	Wise
Smith (NJ)	Thomas (GA)	Wolf
Smith, Robert (NH)	Torres	Wolpe
Snowe	Torricelli	Wortley
Snyder	Towns	Wright
Solarz	Traficant	Wyden
Spence	Traxler	Yates
Spratt	Udall	Yatron
St Germain	Valentine	Young (AK)
Staggers	Vander Jagt	Young (FL)
Stallings	Vento	Young (MO)
Stark	Visclosky	
	Volkmer	

NAYS—74

Archer	Hopkins	Pashayan
Armey	Ireland	Porter
Bentley	Kramer	Ritter
Bilirakis	Lagomarsino	Rogers
Bliley	Latta	Saxton
Burton (IN)	Lewis (CA)	Schaefer
Callahan	Lewis (FL)	Shaw
Chappie	Lightfoot	Shumway
Cheney	Livingston	Shuster
Cobey	Lott	Siljander
Coble	Lungren	Skeen
Craig	Mack	Smith, Denny (OR)
Crane	Madigan	Smith, Robert (OR)
Dannemeyer	Marlenee	Solomon
Davis	Martin (IL)	Stangeland
DeLay	Martin (NY)	Strang
Dornan (CA)	McCain	Stump
Dreier	McCandless	Swindall
Emerson	McCollum	Vucanovich
Fields	McGrath	Walker
Gallo	Michel	Whittaker
Gekas	Monson	Zschau
Gingrich	Moorhead	
Hammerschmidt	Nielson	
Hansen	Packard	
Hendon	Parris	

NOT VOTING—23

Atkins	Foglietta	Nichols
AuCoin	Franklin	Ortiz
Badham	Grotberg	Pepper
Bateman	Jones (TN)	Pickle
Bonker	Loeffler	Roberts
Carney	Lujan	Weaver
Edgar	McDade	Wylie
Fiedler	Morrison (WA)	

□ 1645

Messrs. PARRIS, NIELSON of Utah, LEWIS of Florida, and DAVIS changed their votes from "yea" to "nay."

Mr. SENSENBRENNER and Mrs. SMITH of Nebraska changed their votes from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1658

The SPEAKER pro tempore. Pursuant to House Resolution 429 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3302

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the

Whole House on the State of the Union for the consideration of the bill (H.R. 3302) to designate certain national forest lands in the State of Nevada for inclusion in the National Wilderness Preservation System, and for other purposes, with Mr. DONNELLY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Ohio [Mr. SEIBERLING] will be recognized for 30 minutes and the gentleman from Montana [Mr. MARLENEE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Ohio [Mr. SEIBERLING].

□ 1700

Mr. SEIBERLING. Mr. Chairman, I yield 2 minutes to the distinguished chairman of the Committee on Interior and Insular Affairs the gentleman from Arizona [Mr. UDALL].

Mr. UDALL. Mr. Chairman, I rise in strong support of the Nevada wilderness substitute offered by Mr. REID. The gentleman from Nevada knows his State backward and forward and he has worked very long and hard to put this package together. It is a moderate and reasonable proposal that considers the competing interests of various public land users in an eminently fair manner.

I have been through a lot of these wilderness debates. Inevitably, both sides claim that their proposal is the balanced one and the other side's proposal is the one that is out of whack. I understand the difficulty some of my colleagues might have in sorting out these conflicting claims. After all, a lot of numbers echo through the debate and most of them sound pretty good.

But in this case, I think the facts speak loudly and clearly for the bill offered by the gentleman from Nevada. The size of the bill is significantly reduced from the legislation reported out of my own Committee on Interior and Insular Affairs. The number of acres reduced from the committee bill are not as important as the fact that Mr. REID has taken that bill—which itself had been carefully put together over many months—and further refined it by paring out areas of real and even potential conflict. If nothing else, this says a great deal about the sober, serious approach Mr. REID has taken toward this proposal. This is far, far from an environmentalist wish list.

Let's look at some of the results. Nevada is an important mining State, ranking sixth among Western States in nonfuels mineral production and 12th nationally. Yet in nearly 600,000 acres of wilderness proposed to be designated by this bill, there are only 334 mining claims covering less than 7,000 acres. Mr. Chairman, as a westerner from one of the leading mineral-producing States in the Nation, I must say that this is an astounding achievement. Although a mining claim does not confer any definitive property or mining rights, such claims are legion on the public lands of the West and often are an indication of past and future mineral interest. To have a measly one-tenth of 1 percent of the more than 365,000 mining claims in the State inside the proposed wilderness boundaries is a real tribute to the conscientious work of Mr. REID.

Even if this package were signed into law, Nevada would still have more land fully available for mineral exploration and development than any other State outside Alaska. To suggest that these small areas somehow hold the key to America's demand for minerals is to stretch the facts if not the imagination.

What about some of the other conflicts we hear so often in our wilderness debates? Well, there are no planned timber sales so that is not a factor. Ranching operations are fully protected by previous actions of the Congress. In fact, ranchers are guaranteed the right to use motorized equipment to manage their allotments when there is no other practical alternative. This policy has been enunciated and confirmed in committee report after committee report and is clearly laid out in the Forest Service manual of regulations that governs their activities. In hearings before our committee, no representative of cattlemen has ever successfully taken up the challenge of offering demonstrable instance in which this right has been denied. In fact, in 1983 the then head of the Colorado Cattlemen's Association, which has had the longest experience in dealing with the practical, on the ground application of this policy, opposed any changes, including statutory changes.

So in terms of economic activity, the Reid substitute clearly cannot be said to harm Nevada. On the contrary, forward looking westerners know that our region is changing and changing very rapidly. We are becoming more urban and our economies based less and less on commodity production. Tourism and recreation are exploding commercial enterprises throughout the West and Nevada is no exception. Nevada, however, like some other areas of the Southwest, suffers from the myth that it is all dry, flat desert, that there is nothing there. By finally putting some wilderness on the map, the Reid substitute will begin to explode that myth. The areas to be protected in his legislation are among some of the most beautiful in the West.

Arc Dome contains some 20 creeks that support a wealth of wildlife including mountain lion and bighorn sheep. The Ruby Mountains are an extraordinary range of heavily glaciated peaks with lush green meadows and blue lakes that are heavily visited even now. Mount Rose is only minutes from Reno yet it offers true wilderness in a blend of Great Basin and High Sierra environments. On Table Mountain, I am told, you can walk a dozen miles above 10,000 feet with hardly any climbing and still experience forests of aspen trees. And the list goes on.

Let me offer a brief word on the controversy over the Great Basin National Park proposed in the bill. The controversy is not over the substance of the proposal, which enjoys rather broad support in Nevada, but over the procedure by which it has come to be in this bill. In the final analysis, however, the proposal has been subject to full hearings, including a hearing in Nevada, and extensive debate and consideration in the committee. It is a highly meritorious proposal and deserves the complete support of the House.

Mr. Chairman, as I said at the outset, I have been through a lot of these wilderness debates in the past. I think I have a pretty good idea of what is likely to happen. The Congress will approve a wilderness package over the objections of some ranchers and miners and others who just don't like the idea of wilderness. With time, these areas will come to be seen as a great resource for the State and something all its citizens can take real pride in. And later, when a proposal for a new park or a wilderness comes along, those who are opposed to it will say that they like the wilderness or the park they already have but they don't want any more. Today is the day when the House joins with the forward-looking people of Nevada like Mr. REID, and takes a big step toward helping to protect a resource that a few years from now most everyone in the State will say was the right and proper thing to do. I urge my colleagues to support the Reid substitute and oppose all weakening amendments.

Mr. SEIBERLING. Mr. Chairman, I reserve the balance of my time.

Mr. MARLENEE. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in opposition to the substitute language offered by Mr. REID to H.R. 3302, the Nevada Wilderness Protection Act.

Nevada's wilderness designations are an extremely important subject to the people within my district where, I will note, all the proposed wilderness acreage lies. These individuals no doubt have expressed their concern for the land and its preservation for the future; however, at the same time they have relayed their absolute need for

the land and its multiple use for their very livelihoods. With those themes in mind I introduced a conservative wilderness bill of 137,000 acres to accommodate the needs of Nevadans.

Mr. REID's newly introduced measure encompasses 11 areas totaling some 592,400 acres of further restrictive use of Nevada's Federal lands. This type of single use or even elitist use of these lands is inconsistent with Nevada's demand for the preservation of the multiple-use concept.

There have been claims that a minor percentage of Nevada's lands are being designated as wilderness. Please remember, however, the detrimental local impacts inflicted upon many of the traditional economic bases found within the State. On a broader scope, these designations could also affect the United States by limiting our access to important strategic mineral deposits that are critical to the provision of essential military, industrial, and civilian needs during times of a national emergency or other international economic or trade disruptions that may threaten our ability to secure these minerals from foreign sources.

Also, I would encourage my colleagues to recognize that fact that Nevada is already 86 percent federally owned. Our deliberations today address only the first step toward wilderness recommendations for my State. The fact that the Forest Service wilderness is only the first of many proposals and that the Federal Government already has a disproportionately large presence in the management of Nevada lands should definitely demand consideration.

At the present time, the Fish and Wildlife Service has about 1.3 million acres currently proposed for wilderness designation. In addition, the Bureau of Land Management is in the process of studying their lands for possible wilderness designation. Final recommendations have not yet been made, but more than 4.6 million acres are being studied for Bureau of Land Management wilderness potential.

With these figures in mind, I believe reason dictates that in determining Nevada's—forest service—wilderness designation we should have the utmost respect for the Nevadans—for my district—who will be further restricted from the multiple uses of their Federal lands. We cannot deny the importance of examining the whole picture when we discuss wilderness designation for any of our Nevada lands.

Beyond this federalism that I have spoken about, let me emphasize the importance of the continued multiple use of our public lands to the local economies in Nevada. Mining's share of the total assessed land value, and consequently the local tax base, in most of Nevada's rural counties is significant. In Esmeralda County it is about 46 percent, and Nye County about 34 percent. Mining is also the major industry in many rural counties, accounting for the bulk of available employment and acting as the driving force for many local economies.

Mr. REID's inclusion of the areas of Table Mountain, Arc Dome, Alta Toquima, and Quinn Canyon all in Nye County could send crippling economic repercussions through Nevada's mining economy. This a price we cannot afford to pay.

Lest I have given the impression that only the rural counties benefit from the presence of the mining industry in Nevada, let me add that in 1984 for example, mineral leases, rents and royalties paid by the minerals industry were approximately $20 million. Half of this money is returned to the State and is applied directly to the distributive school fund which benefits schools throughout Nevada. In addition, for every person directly employed in the minerals industry, roughly two and one-half jobs are created in support industries, most of which are located in the metropolitian areas.

Additionally, Nevada's economy and the future of many ranchers is directly linked to their ability to graze their cattle by lease, with as few restrictions as possible, upon the Federal lands. Wilderness areas and their prohibitions, such as the use of motorized vehicles and predator control, do an injustice to the traditional ranching practices of Nevada's cattlemen.

From the standpoint of those who enjoy hunting, fishing, camping, and other outdoor recreation, wilderness prohibits the use of any motorized equipment, campers, or even bicycles, and limits access in areas that cover hundreds of thousands of acres only to those who choose to travel either on foot or on horseback.

In conclusion, I cannot support the Reid text to H.R. 3302. His 592,000 acres are excessive in conjunction with the debilitating restrictions it places on Nevadans who are tied to the multiple use of the land.

Mr. SEIBERLING. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. KOSTMAYER].

Mr. KOSTMAYER. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in support of H.R. 4642, the Nevada Wilderness Protection Act of 1986, as introduced by my colleague, Mr. REID of Nevada.

Mr. Chairman, the State of Nevada is comprised of approximately 71 million acres of land and yet only 65,000 acres are currently protected by the National Wilderness Preservation System. This small tract of land, known as the Jarbidge Wilderness Area was created over 22 years ago. In fact, Nevada is the only Western State that has not designated any wilderness areas since the 1979 Forest Service RARE II study. Unfortunately, this leaves virtually all of Nevada's land unprotected from future development, a dangerous precedent indeed. It is my hope that we have learned from our past mistakes and would want to guard against such atrocities as a paved road around Crater Lake and an 18-hole golf course in Death Valley. If we fail to protect the natural resources of Nevada, we are short changing ourselves and future generations.

The legislation introduced by Mr. REID would remedy this situation by designating 592,000 pristine acres of mountain ranges, canyons, forests, and glacier lakes and streams as wilderness. In addition, H.R. 4642 proposes the creation of Nevada's first national park—the Great Basin National Park and Preserve on 174,000 acres. This area was recommended by the Senate in 1961 and has been also recommended for national park status by the National Park Service. This park would have as its centerpiece Wheeler Peak, Nevada's second highest mountaintop and would also include the forests of Aspen and the Lehman Caves National Monument, the largest limestone solution caves in the West. To leave these areas open to development would be a crime and a grave disservice to the American people.

The "other" proposal which has circulated on the subject on Nevada wilderness is far too modest in its proposed wilderness acreage and would in fact weaken the Wilderness Act itself. Of course I am referring to the substitue put forth by the gentlelady from Nevada and it is my hope that my colleagues will recognize the shortcomings of this proposal and support the legislation offered by Mr. REID.

According to the National Wilderness Preservation Act of 1964, "It is hereby declared the policy of the Congress to secure for the American people of present and future generations the benefits of an enduring resource of wilderness." Mr. REID's proposal, which represents a compromise, is dedicated to this goal and I urge my colleagues to vote for H.R. 4642 if they wish to preserve our wilderness heritage.

□ 1710

Mr. SEIBERLING. Mr. Chairman, I reserve the balance of my time.

Mr. MARLENEE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong opposition to H.R. 3302, the Nevada wilderness bill, and, more especially, to the procedures used in the consideration of this legislation.

Mr. Chairman, I will never cease to be amazed at the miracles that can be created in this body. With deft sleight

of hand, the original H.R. 3302 disappears and, right before your eyes, H.R. 4642 appears. And here we are, miracle of miracles, it attained full status 9 days after introduction.

And again, miracle of miracles, it achieved full growth by bypassing the committee process. No hearing, no markup, no maturing process, simply the blessing of the chairman and the Rules Committee.

The bill introduced by my good colleague from Nevada, HARRY REID, acquires the legitimacy and birth certificate of H.R. 3302, which was introduced last summer and debated in committee. It comes to the floor without going through the committee process. And, like Baby Huey, my, how you have grown, from the 136,900 acres supported by all of the rest of the Nevada delegation, to 767,000 acres in Baby Huey—760,000 acres of wilderness and national park and preserve, an area almost the size of Glacier National Park.

This was not enough. Baby Huey had to include a national park five times the size of Acadia, which this very body will consider next week. Parks cost money. Little parks cost big money. And big parks cost big, big money.

I would think that all the Members of this body who are concerned about the cost of government would be concerned about legislation so hastily brought to the floor that it could carry with it heavy costs of liability resulting from drawing boundaries that may possibly include private property, may possibly include mineral holdings and mining claims.

I would think that all Members of this body who are concerned about the cost would wonder about adding a new national park, when the Park Service, the Interior Department, the Forest Service and the BLM have not had the opportunity to evaluate and give us their evaluation, let alone testify at a hearing before the committee in Washington, DC.

If you are confused, I am not surprised. And I suspect attempts will be made to further confuse you. You will be told today that Baby Huey, which is H.R. 4642, of course, that is the birth certificate name, is a great compromise, it contains 11 new wilderness areas, a park, a preserve totaling 767,000 acres.

How can the gentleman from Nevada [Mr. REID] call it a compromise when it is 44,000 acres more than his original bill and nearly 600,000 acres more than the rest of the delegation supports?

One of the speakers in support of the bill said all of the people of Nevada support it. If all of the people of Nevada support it, why do the rest of the delegation from Nevada oppose it?

During the hearings extensive information was brought to the committee's attention on mining and mineral potential of the areas. Some adjustments have been made to eliminate active claims. I say some have been made to eliminate active claims, but that does not justify eliminating and locking up whole areas which have been found to have extremely high interest and high potential.

To give a few specific examples of the problems created by this legislation, let me refer to information provided to us by the Forest Service. We have been told that Quinn Canyon, Table Mountain, Arc Dome and Alta Toquima have known areas of high mineral potential for gold, silver, molybdenum, uranium, lead, copper, and many other strategic materials and precious minerals. Some of these areas plus the East Humboldts and Mount Rose also include fenced enclosures, hardly a suitable consideration for wilderness and, I might add, the area also includes check dams, loose rock structures for sediment control, stream improvement for fish habitat, intensive range improvement, access roads for mining claims and private lands. All of these man-made improvements disqualify the areas for wilderness designation.

But let me add that some of these man-made incursions into the wilderness areas or into the potential wilderness areas and park area also enhance and protect the environment. That is extremely important when we are considering this legislation.

All of the wilderness areas proposed in the various versions of this bill are in the district of the gentlewoman from Nevada [Mrs. VUCANOVICH]. She has done a superb job, and I would hope that my colleagues would listen carefully to her views on this bill. She opposes the lockup embodied in Baby Huey and will be attempting with her amendments to bring the bill back down to her original proposal which was in fact supported by the people of Nevada, by the mere fact that all of the other Members of the delegation support it.

Most importantly, I would ask my colleagues to listen very carefully to the debate that she will be offering when she offers an amendment to delete the park. I completely agree with her that this bill is not the proper vehicle for consideration of something as important as creating a new national park, which the Park Service itself has not had an opportunity to testify before the Interior Committee on. I urge my colleagues to support the gentlewoman from Nevada and if her amendments fail, to oppose the bill in its totality.

Mr. SEIBERLING. Mr. Chairman, prior to yielding 6 minutes to the gentleman from Nevada [Mr. REID], I want to commend him for working with the gentleman from Arizona [Mr. UDALL] and me and other members of the committee, to work out this compromise bill which I think does an outstanding job of preserving the jewels of the National Forest Service land in Nevada and at the same time protects all of the economic interests that we have heard so much about.

Mr. REID. I thank the gentleman for yielding.

Mr. Chairman, most people do not realize that Nevada is something other than a place to set off atomic bombs, to store nuclear waste and the bright lights of Las Vegas and Reno. Nevada, in fact, is the most mountainous State in the United States. It contains a series of beautiful intersecting mountain ranges, with snowcapped mountains. Eagles, deer, antelope, all these beautiful animals are part of Nevada. The size of Nevada is some 71 million acres, a large State. And it is the last State to do some work on a wilderness bill, after some 22 years.

I think it is important to note, Mr. Chairman, that Nevada presently is in the throes of trying to figure out what should be wilderness, and that is why we are here today. I think it is important to note that Nevada would have less than 1 percent of its area in wilderness if this bill passes, which is in contrast to the other areas of the Western United States.

For example, California has 5.8 percent in wilderness; Idaho 7.3 percent; Arizona about 3 percent; Utah 1.5 percent. Nevada would have less then 1 percent in wilderness.

I think, Mr. Chairman, that Nevada has an opportunity to preserve these areas. When this bill was taken into consideration we traveled to these areas. I think it is important, Mr. Chairman, to note that out of 365,045 mining claims, only 334 of them, or one-tenth of 1 percent, are in all of these areas that we have designated.

I think, Mr. Chairman, that it is important to note that hunting and fishing and trapping and other nonmotorized recreation can continue in these areas, and we have taken into consideration the interests of hunting in our Great Basin National Park and have created a preserve where hunting can continue. In fact, in the area outside of the preserve, there is very, very little hunting. That is why we set this preserve area aside.

I think, Mr. Chairman, that we should recognize that in a park where there is some controversy over grazing, in that park there are only 571 cattle that graze in the 174,000 acres and less than about 2,000 sheep. I think it is also critical at this time to recognize that in the area of the park where there is some concern about the wild bighorn sheep that are there, that will not be hunted, last year only one sheep tag was issued. We have kept

close contact with Nevada Fish and Wildlife, and they are going to use this area as an area for developing the sheep and putting them in other areas, some of which are in wilderness.

There is a need for wilderness, there is a need for Great Basin National Park. The image of Nevada is something more, as I have indicated, than a place for testing weapons and setting off bombs and storing nuclear wastes.

Mr. Chairman, when this bill is passed, it is important to note that there will be about 3 million acres that will be returned to multiple use. The Federal courts have declared that until the wilderness bill is acted upon, that area will remain in de facto wilderness; so it is important that we release these other areas to multiple use.

Mr. Chairman, I would like to take this opportunity to thank the gentleman from Arizona [Mr. UDALL], the chairman of the committee, the gentleman from Minnesota [Mr. VENTO], the chairman of the Park Subcommittee, and the gentleman from Ohio [Mr. SEIBERLING], the chairman of the Public Lands Subcommittee, who have worked long and hard trying to develop a compromise, a moderate bill. Our bill would be the smallest wilderness in the Western United States, by far, and it impacts on very few areas. We have taken into consideration the ranching and mining interests. The ranching interests are grandfathered in. There is no impact upon water rights, even with the Colorado court decision that only affects upstream water users, and we have none in the wilderness forest lands that are being set aside.

I ask my colleagues to support this bill. It is important for not only this generation but the generations to come.

Mr. Chairman, I yield back the balance of my time.

Mr. SEIBERLING. Mr. Chairman, I reserve the balance of my time.

Mr. MARLENEE. Mr. Chairman, I yield 2 minutes to my colleague, the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. I thank the gentleman for yielding.

Mr. Chairman, I understand that 86 percent of Nevada is already owned by the Federal Government, so it is not as though if we do not pass this bill today the Federal Government's presence in Nevada and its ability to lay a heavy hand upon the citizens of Nevada will not be felt. Understand, 86 percent of Nevada is already owned by the Federal Government.

My inclination is to support wilderness bills affecting a State where the delegation of that State has worked the problem out. There are differences of opinion within the delegation. You work to resolve them. And this happens with a lot of wilderness bills. And ultimately the delegation agrees and says: This is what we of a particular State want to have happen to our State.

But in this case, three-fourths of the Nevada congressional delegation opposes the bill. And certainly, most importantly, the gentlewoman in whose district this proposed wilderness lies is being stomped upon by the process here. This is unfair. I can speak with some authority on it because I have had it happen to me. The gentlewoman in whose district the entire acreage of this wilderness lies is the person being disregarded here, being disregarded by the process.

We are creating a new national park to which the standard procedure has not been adhered. We had a hearing on it only after the bill had been reported from the full committee.

The Park Service has not had an opportunity to give its input into this process.

Let every Member beware that what is happening here to Mrs. VUCANOVICH today can also happen to you. It is very easy to be for wilderness when it is across the line and in somebody else's district, but wait till they want to put one in your district and you and your people do not want it. Then you will have different feelings about it.

I urge my colleagues to give very, very careful consideration today to the considerations of the gentlelady from Nevada.

Mr. Chairman, I rise in opposition to H.R. 3302, the Nevada Wilderness Protection Act.

This bill would place 592,000 acres of 11 separate national forest areas in Nevada under the restrictions of the National Wilderness Preservation System, which will preclude virtually all economic activity or development from occurring on that land. When we are considering designating wilderness areas, I strongly believe that we must recognize the value of minerals and the role of mining in the affected communities.

While I think it is important that those lands that have been designated and are managed as official wilderness areas continue to be protected, I feel that the door should remain open in this country to develop essential resources. We must adequately evaluate the mineral potential of an area, before making a wilderness designation. I am not opposed to wilderness designations per se—I think wilderness areas are an important natural resource. I also think that minerals are also a very valuable natural resource and we need to balance our need for both. This bill doesn't do that. It simply locks up hundreds of thousands of acres which may contain strategic mineral reserves. Areas with suspected mineral reserves should not be put off limits to any development whatsoever.

As a nation, we cannot afford to take a chance on the future of our strategic mineral base. Our national security, as well as our economic stability, relies upon a dependable supply of strategic materials. If we are to continue to close off areas that may contain some of our most important minerals, this Nation will continue to rely too heavily on foreign countries for our supply. Many of these foreign suppliers have unstable political climates and cannot always be counted on to provide us with these materials at a fair price, or to provide them at all. We must be able to find and develop the national resources that are essential to our national defense and the employment security of many in the mining industry.

In Nevada, mining is a major industry in many rural counties. The local people have a deep appreciation for the beauty of their area, but also are acutely aware of the negative impact that a wilderness designation means to their own economic futures. The area's residents are worried that their dreams and hopes for economic development and more jobs may be lost for good in the Nevada wilderness. Conservation efforts should not unfairly impact the lives and future of those most affected by wilderness designation: the men, women, and children who actually live in the affected areas. We must fully consider the interests of the local residents. The gentlelady from Nevada has told us that the people she was elected to represent do not want more wilderness. These people do not want the government to do more things to them instead of doing things for them.

I strongly believe that we should respect the wishes of these people who want a better chance for their children. Let's listen to the gentlelady from Nevada—the individual elected by the people to see that their interests are protected when a decision is made about their futures. This body has the opportunity to show how sincere its Members really are when they speak of wanting to provide jobs for Americans, wanting to help people improve their own lot in life and letting some people in the local areas have control over their own destinies. I strongly urge my colleagues to join me in voting against this bill.

Mr. SEIBERLING. Mr. Chairman, I yield 3 minutes to the distinguished chairman of the Subcommittee on National Parks and Recreation, the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Chairman, I want to commend the chairman of the Subcommittee on Public Lands, the gentleman from Ohio, Mr. JOHN SEIBERLING, who has done an outstanding job with this bill, and the sponsor of the substitute, the gentleman from Nevada, Mr. HARRY REID.

Frankly, Mr. Chairman, this bill is a bill that is brought to us because of the nature of the RARE II studies that have been done by the Department of Agriculture. In this instance there are over 3 million acres of land that we are starting the disposition of today.

The fact is that while it is true that 86 percent or 87 percent of the State of Nevada is of course public land—Federal land, national land—the question is not how much of the State is Federal land or national land, the question is how we are going to manage those resources that we are the stewards of, that we are trying to make policy for today.

That is the question really that was put to us or that we put to the Department of Agriculture, to come up with information, to do a study on the values of this land, the mineral resources, the timber resources, the wildlife, and natural resources, so that we could make a decision.

What is happening today is that some of the Members here are trying to walk away from that. They do not want to face it, because they are tough decisions that have to be made.

What happens in this Reid substitute is that we make some decisions. First of all, in this substitute we are releasing 2½ million acres of land from study protection, study status. That is going to be available in the public domain with regards to the Forest Service; it can be utilized for commercial development in some instances, for grazing, for mineral development, for all the other purposes that, of course, the good people of Nevada depend upon in terms of their economic livelihood, with, of course, forest protection management.

The remainder of that land we are going to give special status here today. We are going to give almost 600,000 acres of that land wilderness status, which is, of course, very special status that restricts motorized use, that does a variety of other things, but recognizes the unique quality of that land that makes it necessary that it qualify for that type of protection.

The remainder of that, of course, is going to be—or at least part of it, 174,000 acres—we have proposed to make a park and preserve, Mr. Chairman. That is the proposal, of course, that I brought here.

I want to point out early on that the reason that we did that is that we had a choice. Initially this acreage—about 120,000 acres of it—was proposed for wilderness in this measure. But the idea was, what was the proper designation for this area? What was the proper designation? Were we going to designate it 120,000 acres for wilderness in the subcommittee or the full committee, and then come back at some later date and do a park? I think that that would have really misled the people of Nevada as to the best use of this particular resource.

Since the 1920's when we created the national monument at Lehman Caves, this area has been considered and debated as to whether it should be a national park. Frankly, the resources are unique. We have had two separate studies from the Park Service that recommend this area as a national park.

Mr. Chairman, I urge the Members to vote up the Reid substitute and to defeat the Vucanovich amendment.

Mr. Chairman, I rise in support of the amendment in the nature of a substitute proposed by the gentleman from Nevada.

I originally offered the amendment during committee consideration to establish the Great Basin National Park inclusive of the entire 175,000 acres of the South Snake Range currently administered by the Forest Service.

There is no representation of the Great Basin in the National Park System today, and this area, by all accounts of the experts, is the best possible to be included as a national park.

The Great Basin physiographic region consists of a multitude of valleys separated by a series of long, parallel, north-south mountain ranges. The basin is immense and includes most of Nevada, half of Utah, and portions of Oregon, Idaho, and California. Representation of this large geographic and ecological region of the West is conspicuously lacking in the National Park System.

In 1922, the Lehman Caves National Monument was established on Wheeler Peak in the South Snake Range. The monument consists of 640 acres.

Since that time, proposals to include part or all of this area in the National Park System have been before the Congress numerous times. Those proposals failed, mostly because there was active mining under way. Well, there are no more active mines within the proposed boundary, so therefore this concern for nonacton hasn't any validity today.

There are existing grazing allotments within the boundaries of the proposed park and preserve, and specific language has been included in the bill that assures such grazing may continue at historic levels. Nothing in this bill would alter these grazing allotments, except to assure that there will be no increase in the historic grazing levels.

During the field hearing held by the Subcommittee on National Parks and Recreation in Ely, NV, I heard many local concerns that a national park would limit deer hunting in the area. I was told that an average of about 150 deer are killed in the South Snake Range each year. I know that hunting is an important issue for many people in the West, and for that reason we made every effort to identify the summer and winter ranges of the native mule dear and include these areas in the proposed preserve region, where hunting will be permitted.

This Reid amendment before us modifies my original amendment in that it places over 45,000 acres in National Park Preserve so that hunting can continue. Those 45,000 acres contain a significant portion of both the summer and winter ranges of the mule deer herd in the southern portion of the Snake Range.

Mr. Chairman, this amendment would transfer about 175,000 acres of the South Snake Range from the Forest Service jurisdiction to that of the National Park Service. About 129,000 acres would be designated the Great Basin National Park, and about 45,000 acres would be designated as the Great Basin Nationl Preserve.

I believe this to be a good compromise, and urge my colleagues to support the amendment.

Mr. MARLENEE. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Maryland [Mrs. BENTLEY].

Mr. Chairman, will the gentlewoman yield?

Mrs. BENTLEY. I yield to the gentleman from Montana.

Mr. MARLENEE. Mr. Chairman, the gentleman from Minnesota [Mr. VENTO], the chairman of the Subcommittee on National Parks and Recreation, is exactly right: Wilderness designation does in fact limit motorized vehicles and, as such, limits motorized recreation. We know that the areas, even if it were not wilderness, would receive the protection—would receive the protection—of the land-management agencies through land-management plans. So there is no great rush to pass this piece of legislation in order to get a park, and I thank the gentlewoman for yielding.

Mrs. BENTLEY. Mr. Chairman, as one who grew up in the State of Nevada, and particularly in the district which is in question, and who still has strong ties into the State, I rise to support the amendment of the gentlewoman from Nevada [Mrs. VUCANOVICH], and to oppose the bill as presented in H.R. 3302 and now H.R. 4642.

I believe special consideration should be given to the fact that all this acreage in question is in the district of the gentlewoman from Nevada, and she was never consulted. Common courtesy warranted that she should have been consulted.

The majority of the Nevada delegation opposed that bill.

Mr. SEIBERLING. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I am not clear what the gentlewoman from Nevada supposedly was not consulted about, and I wonder if the gentlewoman from Maryland [Mrs. BENTLEY] could elucidate.

Mrs. VUCANOVICH. Will the gentleman yield?

Mr. SEIBERLING. I am happy to yield to the gentlewoman from Nevada.

Mrs. VUCANOVICH. Mr. Chairman, I think that the gentlewoman, if I am not mistaken, was talking about the park, but that is up to her.

Mrs. BENTLEY. If the gentleman will yield, I was talking about the park. The gentlewoman from Nevada was never consulted on it before it was created.

Mr. SEIBERLING. Well, it has not been created yet. We are still deliberating it. The gentlewoman obviously has had every opportunity.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. SEIBERLING] has expired.

Mr. SEIBERLING. Mr. Chairman, I yield 3½ minutes to the gentleman from California [Mr. LEHMAN].

Mr. LEHMAN of California. Mr. Chairman, I strongly support the Nevada Wilderness and Great Basin National Park substitute amendment offered by my good friend and col-

league, the gentleman from Nevada [Mr. REID]. As a member of the House Committee on Interior and Insular Affairs, I know firsthand how very difficult it is to fashion a satisfactory compromise when working with issues of such great local and national intensity. I commend the gentleman from Nevada for his untiring efforts to devise what I consider to be a fair and equitable bill.

Some groups will contend that the bill before us today is too small in acreage, while others have said that the bill is too large. In fact, both of these arguments miss the point. Creation of a new national park cannot be accomplished by an office calculator. Protection of the very best of the Nevada wilderness cannot be achieved by splitting hairs on a computer terminal. Congresman REID's Nevada Wilderness and Great Basin National Park bill gives recognition and protection to some of the finest natural resources which this country has to offer—from Wheeler Peak, to the forests of aspen and ancient bristlecone pine, to glacier lakes, vast canyons, and high mountain peaks.

The issue before this House today is not a new one. The House Interior Committee conducted a field study to Nevada last year and conducted a Washington, DC, hearing also last year. In October 1985, I went with the Interior Committee to Ely, NV, to hear local community views about the proposed Great Basin National Park—a park which was first proposed in 1924; a park which was approved by the U.S. Senate in 1961; and a park which, as the gentleman from Minnesota [Mr. VENTO] just pointed out, has twice been recommended for park status by the National Park Service.

As a result of these extensive reviews, Congressman REID revised his legislation and provided us with the bill we are considering today.

Mr. Chairman, I think the Members of this House should know that the rules were played fairly and squarely with respect to this legislation. We heard three bills in the Interior Committee with respect to Nevada wilderness: the bill of the gentleman from Ohio [Mr. SEIBERLING], which put everything in wilderness, about 1 million acres; the bill of the gentlewoman from Nevada [Mrs. VUCANOVICH], which put almost nothing in wilderness—I think about 100,000 acres; and the bill of the gentleman from Nevada [Mr. REID], which was a compromise down the middle, putting slightly over between 500,000 and 600,000 acres in wilderness.

Also, on the issue of Federal ownership of land in Nevada, it should be pointed out that this bill does not increase Federal ownership of land in Nevada. If Nevada was 86-percent owned by the Federal Government yesterday, it will be 86-percent owned by the Federal Government tomorrow. We are changing the management of a small portion of that land by this bill, not the amount the Federal Government owns.

Mr. Chairman, a recent national news column lamented the fact that, all too often, Nevada is viewed as the dumping ground of the United States—for nuclear waste, for nuclear testing, and other projects which no one else wants. The Reid Nevada Wilderness and Great Basin National Park bill provides us with an opportunity to rectify this unfortunate and inaccurate portrait of Nevada. Passage of this bill establishes a new national park with qualities that are not presently represented in our national park system, and a new wilderness area of unsurpassed beauty and solitude for the Nation and for Nevada. I urge my colleagues to support the Nevada Wilderness Protection Act. The time has come to recognize Nevada as a land of stark contrasts and stunning natural beauty.

□ 1735

Mr. MARLENEE. Mr. Chairman, I yield 3 minutes to my colleague, the gentleman from Utah [Mr. HANSEN].

Mr. HANSEN. Mr. Chairman, with regard to the gentleman from California, I always thought it was Utah that was the dumping ground of everything in the West, but let me just say that having gone through a wilderness bill recently and understanding the problems we sometimes get into, let me say that I rise in reluctant opposition to this particular piece of legislation. That dilemma comes about because of the two different opinions we basically get, those of us in the West who have most of this ground in our areas.

On the one hand, we hear people say, "We spent a week hiking and camping in tall timber and clear lakes, and we only saw three other people the whole time."

I cannot believe that anyone would want to destroy that mountain land. We have got to preserve it for our grandchildren, as the gentleman from Ohio says all the time.

Another person will say that it is potentially a storehouse of minerals and timber in that area. Who knows what other resources may be there, and you ought to see the summer campers and snowmobiles in the winter. It just does not make sense to close that country.

I guess those of us in the West and those who are called westerners have cause to wonder about the clear misunderstanding between those two positions. What is wilderness, really? We know that, in 1964, Congress passed the 1964 Wilderness Act containing the legal definition of wilderness for purposes of designating Federal lands as wilderness. Let me just read that, if I may:

> A wilderness in contrast with those other areas where man and his own works dominate landscape is hereby recognized as an area where the earth and its community of life are untrammeled by man, where man himself is a visitor who does not remain.
>
> An area of wilderness is further defined to mean in this chapter an area of undeveloped federal land remaining in primeval character and influence, without permanent improvements of human habitation, which is protected and managed so as to preserve its natural condition and which (1) generally appears to have been affected primarily by the forces of nature, with the imprint of man's work substantially unnoticeable, has outstanding opportunities for solitude or a primitive and unconfined type of recreation; has at least 5,000 acres of land or is of sufficient size as to make practical its preservation and use of an unimpaired condition, and (2) may also contain ecological, geological and other features of scientific and educational and scenic and historical value.

When the Utah wilderness bill went through, if I may use that illustration, we found proposals up to 3.8 million acres. I personally went on that ground time and time again. I personally have been on that ground since I was a little kid, and let me say that much of it did not qualify. It had county roads in some of it. It had reservoirs in some of it. It had other areas.

How did this get put into it?

Now the gentleman from Montana has recently stated that some of this has areas in it that are trammeled by man, that has man's structures in it.

I agree with the gentlewoman from Nevada; it is time that we went back and looked at those areas. Let us not violate our own legislation.

I am not one that does not believe in any wilderness or parks, but I do say it has to be looked at carefully and it does not make sense to me to go into an area that the handprint of man is noticeably there.

I would hope that we are not in violation of our own laws.

Mr. SEIBERLING. Mr. Chairman, I yield 30 seconds to the distinguished gentlewoman from California [Mrs. BURTON].

Mrs. BURTON of California. Mr. Chairman, I urge the House to vote for this bill. I commend Congressman REID for an eloquent statement and an excellent job, well done. I hope we pass this bill.

Mr. SEIBERLING. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia [Mr. DARDEN], a member of the committee.

Mr. DARDEN. Mr. Chairman, I rise in favor of the Reid substitute, last July, I had the opportunity to visit the areas in Nevada which we now are considering designating as wilderness lands. Having viewed firsthand the beauty and uniqueness of this land—and having spoken with many people in the area who would benefit from the preservation of its natural fea-

tures—I strongly advocate its designation as wilderness area.

I also enthusiastically endorse the need to create the Great Basin National Park and Preserve as part of this legislation.

In my home State of Georgia, less than 6 percent of the land is owned by the Federal Government. But in Nevada, I learned, the Federal Government owns 86 percent of all land.

Accordingly, the entire costs of development and land acquisition for more than one-half million acres will not exceed $1 million. This is a legislative phenomenon in itself.

The Reid substitute will designate 592,000 acres of wilderness and establish a 174,000-acre Great Basin National Park and Preserve—the only national park within the State of Nevada.

In my home State, 10 sites are administered by the National Park Service—3 of which are in my district. Millions of people from all parts of our Nation enjoy our State's national parks each year, and it seems only fitting that the people of Nevada also be able to enjoy and benefit from the facilities run by the Park Service.

It is my belief that thousands of visitors from all over the country, and even the world, will enjoy this unparalleled scenery.

Within the Great Basin Preserve, hunting would be permitted on 45,000 acres. Grazing also could continue anywhere within the park. I understand that desert big-horn sheep, deer, mountain lions, and golden eagles thrive in this majestic, pristine area.

Originally, I advocated establishment of a wilderness park incorporating 1.4 million acres. I still believe a wilderness area of that scope would provide the greatest benefit to the people of the region and Nation. However, this compromise of 592,000 acres still will preserve a wonderful natural resource for future generations to enjoy.

Finally, let me commend the gentleman from Nevada [Mr. REID] for his tireless dedication to this legislation. Without his efforts, this compromise could never have been reached. He is a true friend of environmentalists, but realizes and respects the legitimate business and agricultural interests of all the people of Nevada. His statesmanlike approach to this problem serves all the people of this country.

I urge my colleagues to vote for the Reid substitute, and against the Vucanovich amendments—and give the people of Nevada and the Nation a national park.

Mr. MARLENEE. Mr. Chairman, I yield 3 minutes to my colleague, the gentleman from California [Mr. LAGOMARSINO], the ranking member on the Parks Subcommittee.

Mr. LAGOMARSINO. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in opposition to the proposed substitute amendment to H.R. 3302 before us today.

I oppose this legislation for two primary reasons: First, I believe the proposed wilderness acreage is excessive; and second, the Great Basin National Park proposal should not be included in the wilderness bill.

Although the proposed substitute, H.R. 4642, is being widely promoted as a compromise, this is hardly the case. The substitute includes 592,000 acres of wilderness and a 174,000-acre national park for a total of 766,000 acres. The original proposal by the gentleman from Nevada totaled 723,000 acres of wilderness—a difference, I might note, of only a few thousand acres. The gentlelady from Nevada, within whose district all of the wilderness areas and proposed national park lie, continues to propose 137,000 acres. Therefore, I fail to see how the substitute represents any type of compromise. Ask here if its a compromise.

Once again, the actual users of the land, who have properly cared for and managed the land over the years, are being excluded from ever using it again. Little or no consideration was given to the views of the miners, the grazers, and the recreationists, many of whom make their living off of the land. Obviously, the area has been well-managed or it would not be considered for wilderness designation.

Many of these same points also hold true for the proposed national park. Many of those who have used, while at the same time protected the valuable resources of the area, will now be prohibited from doing so. Hunters will only be allowed in a small portion of the park and miners will be excluded altogether. While grazing is allowed to continue, one must ask for how long? Under what conditions? Problems with grazing in other national park areas have led to many within the Park Service to conclude that grazing is an incompatible use.

The main point, however, is that this proposal has moved much too quickly. The substitute was introduced only 9 days ago. Only one field hearing was held on the original park proposal, and that was after the bill had been approved by the Interior Committee. Just because the park proposal has been around for many years, is no reason to move hastily. Time changes many things. While I believe a park should be created, there are too many questions that remain unanswered, and will not be answered until thorough consideration of the proposal takes place. I will speak to this issue in greater detail at a later time.

Therefore, I urge my colleagues to listen carefully to the views of the gentlelady from Nevada and support her amendments to reduce the bill's acreage and delete the park. If they are not approved, I would strongly urge my colleagues to oppose the substitute.

Mr. SEIBERLING. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. LEVINE], a member of our committee.

Mr. LEVINE of California. Mr. Chairman, I thank the gentleman for yielding.

I rise, Mr. Chairman, in support of the Reid substitute.

I have heard the debate on this House floor and I have had the privilege of living near Nevada my entire life and spent quite a bit of time in the State of Nevada over the years.

The State of Nevada is one of the most gorgeous places in this country. It is an area of beauty that very few people I think have had the privilege of seeing.

The wilderness proposal that the gentleman from Nevada proposes will take a significant part, but in fact quite modest part of the State of Nevada. Less than 1 percent of the land area in the State, as I understand it, about six-tenths of 1 percent of the land area in the State, and preserve that wilderness beauty for future generations.

I have a number of friends in Nevada. I have people that I am regularly in touch with in Nevada and I am aware of the very strong public sentiment for this legislation and this proposal in that beautiful State.

I would like perhaps at least as significantly as anything else to compliment the gentleman from Nevada for the enormously effective and diligent work that he has done on behalf of this legislation. I have attended hearings on this legislation and have watched and listened as the gentleman from Nevada has crafted a very thoughtful piece of legislation, one which meets important and legitimate needs. I think all of us in this body owe the gentleman from Nevada a debt of thanks and a debt of support.

I am very pleased to join with so many other members of the Committee on the Interior which heard this legislation in supporting the gentleman's proposal.

I urge my colleagues to support the Reid substitute.

Mr. MARLENEE. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado [Mr. STRANG].

Mr. STRANG. Mr. Chairman, I rise in opposition to the proposed Reid substitute to the Nevada wilderness bill on several grounds. One of them is the process.

Seventy-five percent of the elected delegates of the Nevada delegation has expressed opposition to this particular solution. I think that for our committee to override that consideration is trashing the process.

There is a view we have heard from many of the Members of this body

speaking from the cities of far-off States that they would like to continue to enjoy the beauty of the State of Nevada. I share that view, but the view that we have to have a wilderness area to maintain the enjoyment of those areas is fatuous at best. There is nothing to prevent the enjoyment of these lands. They are public lands. We have rules and laws to prevent bad exploitation.

But I would offer, Mr. Chairman, to the citizens of Nevada a caution. The history and the heritage of the State of Nevada is a great one and it stems not from mining the pockets of gamblers, it stems from their ability of prudent management of their minerals on their mountains, and their mountains make up a very low percentage of the State.

I would urge this body to think seriously before trashing the process in the face of the obvious wishes of the citizens of the State of Nevada.

Mr. SEIBERLING. Mr. Chairman, I yield myself 7 minutes.

Mr. Chairman, at the outset, let me say that Chairman UDALL, Chairman VENTO, and I, strongly support the substitute that has been put together by our colleague from Nevada, HARRY REID. Of course, the Reid substitute is substantially smaller, 347,000 acres smaller, than the committee bill; but nevertheless, it would designate 11 outstanding Forest Service roadless areas in the State of Nevada as wilderness and designate the Great Basin National Park.

This bill is the result of a long process of study and consideration by the agencies involved and by the Interior Committee.

Let me just read to my colleagues a list of the organizations supporting the Reid substitute:

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The National Wildlife Federation.

The Sierra Club.

The Wilderness Society.

The National Audubon Society.

Governor Richard Bryan of the State of Nevada.

The Reno Gazette-Journal.

The Las Vegas Review-Journal.

The Las Vegas Sun.

The Carson City Appeal.

The League of Women Voters of Nevada, and a whole host of other local organizations in the State.

So this is a bill that is for all Nevada and for all America. The Subcommittee on Public Lands visited Nevada in June of 1985 and early July to see for ourselves the Forest Service roadless lands there and to examine whether these lands should be protected as wilderness. We found these mountains to be a startling contrast to the sagebrush desert that we commonly associate with Nevada's public lands.

Let me say that I have been privileged, since I have been a Member of this House and chairman of this subcommittee, to visit every State of the Union, and in particular our magnificent public lands, and I will say categorically that these areas in Nevada that are covered by the Reid substitute are the match of any lands in any of the 48 contiguous States. They are absolutely magnificent. They are full of streams and waterfalls and snow-capped mountains. They have incredible views of the surrounding desert areas, also very beautiful. They are scenically, ecologically, scientifically and recreationally as important as any areas in the United States, and once they are recognized by this designation, they are going to do wonders for tourism in the State of Nevada, which is already one of our leading tourism States.

I had previously visited Nevada many times, but the visit to these areas was a real eye opener to me and to the other members of our committee, including Senator HECHT, who was also with us on the trip.

The Reid amendment would protect 592,000 acres as wilderness, and 174,000 acres as national park and park preserve. This wilderness is less than 1 percent of the State of Nevada, so this idea that somehow it is going to put off-limits huge sections of the State just does not hold up, when we look at the facts.

Even with the park and wilderness areas in the bill, Nevada would have less land in parks and wilderness than any other Western State. Our committee reported out a bill that would have protected far more of this land, but our colleague, the gentleman from Nevada, HARRY REID, persuaded us to adopt his more modest package as a compromise between the committee bill and the proposals offered by the gentlewoman from Nevada [Mrs. VUCANOVICH].

The Reid substitute, in my view, is a reasonable compromise. It gives the benefit of the doubt to potential development by not including areas with development potential. On the other hand, it has certainly picked out the best areas for protection. They are clearly the gems of Nevada's wild lands.

Much was made of grazing, as though somehow this bill had an impact on grazing in Nevada. The grazing guidelines which I worked out in 1980 with the interested parties, including the National Cattlemen's Association, are incorporated in this bill, as they have been in every other wilderness bill, and they permit continued grazing, continued motorized access, continued fencing, continued stock ponds, in wilderness areas in the national forests. So the grazing issue is a nonissue. I should also say this bill permits continued grazing in the National Park. True, it is possible some day that the Park Service might want to restrict grazing in the national park. But it is also true that the National Forest Service can restrict grazing now in any part of the national forests.

Some people say that there is no need to protect these lands; that these rugged mountains will protect themselves; and that nothing ever changes in sleepy, rural Nevada. Nothing could be further from the truth. Nevada is one of the fastest growing States in the country. Its population increased faster than that of any other State in the Nation between 1970 and 1980. It has five times as many citizens today as it did in 1950. Its wild lands are definitely threatened. Every year more of these lands are bulldozed, chained or dug up, even under interim protections they are now supposed to be receiving.

Surely these beautiful mountains and the opportunity Nevadans have to enjoy them are part of the reason for Nevada's growth. This bill would protect relatively small but significant portions of these lands, and that will contribute to further balanced growth of the State's economy. The Reid substitute is supported by conservation groups across the country. It is a moderate fair, and important bill.

We need to act now to protect the jewels of Nevada's wild lands so they will still be wild when future generations want to seek the solitude and beauty of wilderness, and that is what the Reid substitute would accomplish. I urge my colleagues to support it.

Mr. MARLENEE. Mr. Chairman, I yield 5 minutes to my colleague, the gentleman from Idaho [Mr. CRAIG].

(Mr. CRAIG asked and was given permission to revise and extend his remarks.)

Mr. EMERSON. Mr. Chairman, will the gentleman yield for a quick question?

Mr. CRAIG. I yield to the gentleman from Missouri.

Mr. EMERSON. I thank the gentleman for yielding.

Mr. Chairman, I wish to address a question to the chairman of the subcommittee.

If this is the right plan for Nevada, why does only one-fouth of the Nevada delegation support it and three-fourths of the Nevada delegation oppose it?

Back to my point, earlier made, that our history has been that where a delegation is itself concerned and is willing to talk and where there is the prospect of gaining some unanimity within the delegation, why is that process not followed?

Mr. SEIBERLING. Is that question addressed to me?

Mr. EMERSON. It is, Mr. Chairman.

Mr. SEIBERLING. Will the gentleman yield to me?

Mr. CRAIG. I would be happy to yield to my chairman.

Mr. SEIBERLING. Mr. Chairman, I personally talked with all the other members of the delegation in an effort to see if we could reach a compromise between the very small bill that the delegation, other than Mr. REID, submitted and the bill that the committee reported out, and it did not work out. They were not prepared to move to what I considered to be a reasonable compromise, so we negotiated a compromise with Mr. REID, and that is what this bill is.

Mr. MARLENEE. Mr. Chairman, will the gentleman from Idaho yield?

Mr. CRAIG. I would be happy to yield in a moment to my ranking member of this committee, but I would like only at this moment to follow up with the words of the chairman. It was something "I" could not agree with is what we heard our chairman just say. So "I" worked out a compromise.

Mr. SEIBERLING. I did not use the word "I." I said "We."

Mr. CRAIG. I believe the gentleman used the first person.

Mr. SEIBERLING. Then I correct myself.

Mr. CRAIG. All right. But what I would suggest to you by that statement, although it has now been corrected, is a mindset, Members of this body, that has disserved the citizens of public-land States in this Nation since 1964, a mindset that says, "We simply know better how to manage for you than you have demonstrated over the last century you know how to manage for yourself."

I would have to agree with my colleagues that wilderness as an issue, wilderness as a national policy dictated by the 1964 Wilderness Act, has value. In the mid-1960's in Idaho, if you polled my citizens, they would say to the tune of nearly 70 percent that they supported wilderness, that they support wilderness classification, and that they wanted to see parts of Idaho's beauty included in a National Wilderness Preservation System.

That was 1964 and 1965 and 1966. Well, Idaho got it. It got 3.8 million acres of wilderness. Go back to Idaho today and ask its citizens if all of that beauty now locked up, inaccessible except to the elite and the very few, is of value to our State. They will say that in a national sense it may be, that in a preservation sense it may be, but in a resource sense it no longer serves our State. But when you ask those same people today, two decades later, what they believe about wilderness, 70-plus percent of them have consistently said, "Idaho needs no more."

□ 1800

Why would they respond that way? In large part because they now know what it all means.

Mr. MARLENEE. Mr. Chairman, will the gentleman yield?

Mr. CRAIG. I am happy to yield to my colleague, the gentleman from Montana [Mr. MARLENEE].

Mr. MARLENEE. Mr. Chairman, we in the West often protect our outdoor recreation with a fervor and a jealousy second to none. You had wilderness designation in your State. You have had people who sympathized with wilderness designation not knowing about the lockup and the potential for excluding them from that land.

Let me ask you this question: Is there less access today than there was 10 years ago, to the national forest lands?

Mr. CRAIG. There is no question that in Idaho today, the average citizen, be he an Idahoan or a tourist coming into our State, has less access, less general availability to the public land then we had prior to the passage of the wilderness acts that now designate 3.8 million acres of wilderness.

Mr. MARLENEE. That means less recreational opportunity for mom and pop and the guy with the camper and five kids. They cannot get our there and enjoy that wilderness area. They do not have access to prime recreational land.

I thank the gentleman for yielding.

Mr. CRAIG. I appreciate the statement of the gentleman from Montana.

What we have said to the average working men and women of this country who have very limited time and limited resource to enjoy wilderness environments, the ones that need the campgrounds, that can access it with the camper or the camp trailer, we are telling you that millions of acres of the American beauty is now off limits to you.

You are not the elite that wilderness addresses.

Mr. MARLENEE. Mr. Chairman, I will only make the point that the passage of an all-encompassing Big Huey bill, or Baby Huey, but it should be Big Huey, means less opportunity for recreation, prime recreational opportunity for the average man and woman and family in Nevada. It means that we have trouble managing game. It means trouble that we have managing the environment.

I would urge the defeat of this legislation.

The CHAIRMAN. All time has expired.

Pursuant to the rule, the text of H.R. 4642 is considered by titles as an original bill for the purpose of amendment under the 5-minute rule, in lieu of the amendment in the nature of a substitute recommended by the Committee on Interior and Insular Affairs, and each title is considered to have been read.

No amendments to the bill or to said substitute are in order except amendments printed in the CONGRESSIONAL RECORD prior to their consideration and pro forma amendments for the purposes of debate.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Nevada Wilderness Protection Act of 1986".

The CHAIRMAN. Are there any amendments to section 1?

If not, the Clerk will designate title I.

The text of title I is as follows:

TITLE I—ADDITIONS TO THE NATIONAL WILDERNESS PRESERVATION SYSTEM

SEC. 101. DESIGNATION OF WILDERNESS AREAS.

In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131-1136), the following lands in the State of Nevada are hereby designated wilderness, and, therefore, as components of the National Wilderness Preservation System:

(1) Certain lands in the Toiyabe National Forest, which comprise approximately thirty-nine thousand acres, as generally depicted on a map entitled "Alta Toquima Wilderness—Proposed", dated April, 1986, and which shall be known as the Alta Toquima Wilderness.

(2) Certain lands in the Toiyabe National Forest, which compromise approximately one hundred fifteen thousand acres, as generally depicted on a map entitled "Arc Dome Wilderness—Proposed", dated April, 1986, and which shall be known as the Arc Dome Wilderness.

(3) Certain lands in the Inyo National Forest, which comprise approximately nine thousand four hundred acres, as generally depicted on a map entitled "Boundary Peak Wilderness—Proposed", dated April, 1986, and which shall be known as the Boundary Peak Wilderness.

(4) Certain lands in the Humboldt National Forest, which comprise approximately thirty thousand acres, as generally depicted on a map entitled "East Humboldts Wilderness—Proposed", dated April, 1986, and which shall be know as the East Humboldts Wilderness.

(5) Certain lands in the Humboldt National Forest, which comprise approximately forty-nine thousand acres, as generally depicted on a map entitled "Jarbidge Wilderness Additions—Proposed", dated April, 1986, and which are hereby incorporated in, and which shall be deemed to be a part of the Jarbidge Wilderness as designated by Public Law 88-577.

(6) Certain lands in the Humboldt National Forest, which comprise approximately eighty-two thousand acres, as generally depicted on a map entitled "Mt. Moriah Wilderness—Proposed", dated April, 1986, and which shall be known as the Mt. Moriah Wilderness.

(7) Certain lands in the Toiyabe National Forest, which comprise approximately twenty-six thousand acres, as generally depicted on a map entitled "Mt. Rose Wilderness—Proposed", dated April, 1986, and which shall be known as the Mt. Rose Wilderness.

(8) Certain land in the Humboldt National Forest, which comprise approximately twenty-seven thousand acres, as generally depicted on a map entitled "Quinn Canyon Wilderness—Proposed", dated April, 1986,

and which shall be known as the Quinn Canyon Wilderness.

(9) Certain lands in the Humboldt National Forest, which comprise approximately seventy-five thousand acres, as generally depicted on a map entitled "Ruby Mountains Wilderness—Proposed", dated April, 1986, and which shall be known as the Ruby Mountains Wilderness.

(10) Certain lands in the Toiyabe National Forest, which comprise approximately forty-three thousand acres, as generally dipicted on a map entitled "Mt. Charleston Wilderness—Proposes", dated April, 1986, and which shall be known as the Mt. Charleston Wilderness.

(11) Certain lands in the Toiyabe National Forest, which comprise approximately ninety-seven thousand acres, as generally depicted on a map entitled "Table Mountain Wilderness—Proposed", dated April, 1986, and which shall be known as the Table Mountain Wilderness.

SEC. 102. MAPS AND DESCRIPTIONS.

As soon as practicable after enactment of this Act, the Secretary of Agriculture shall file a map and a legal description of each wilderness area designated by this Act with the Committee on Interior and Insular Affairs of the United States House of Representatives and with the Committee on Energy and Natural Resources of the United States Senate. Each such map and description shall have the same force and effect as if included in this Act, except that correction of clerical and typographical errors in each such map and description may be made by the Secretary. Each such map and description shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Department of Agriculture.

SEC. 103. ADMINISTRATION OF WILDERNESS.

Subject to valid existing rights, each wilderness area designated by this Act shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the date of enactment of this Act.

SEC. 104. WILDERNESS REVIEW CONCERNS.

(a) FINDINGS.—The Congress finds that—

(1) the Department of Agriculture has completed the second roadless area review and evaluation program (RARE II); and

(2) the Congress has made its own review and examination of National Forest System roadless areas in the State of Nevada and of the environmental impacts associated with alternative allocations of such areas.

(b) DETERMINATION.—On the basis of such review, the Congress hereby determines and directs that—

(1) without passing on the question of the legal and factual sufficiency of the RARE II final environmental statement (dated January 1979) with respect to National Forest System lands in the State of Nevada; such statement shall not be subject to judicial review with respect to National Forest System lands in the State of Nevada;

(2) with respect to the National Forest System lands in the State of Nevada which were reviewed by the Department of Agriculture in the second roadless area review and evaluation (RARE II) and those lands referred to in subsection (d), that review and evaluation or reference shall be deemed for the purposes of the initial land management plans required for such lands by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, to be an adequate consideration of the suitability of such lands for inclusion in the National Wilderness Preservation System and the Department of Agriculture shall not be required to review the wilderness option prior to the revisions of the plans, but shall review the wilderness option when the plans are revised, which revisions will ordinarily occur on a ten-year cycle, or at least every fifteen years, unless, prior to such time, the Secretary of Agriculture finds that conditions in a unit have significantly changed;

(3) areas in the State of Nevada reviewed in such final environmental statement or referenced in subsection (d) and not designated wilderness upon enactment of this Act shall be managed for multiple use in accordance with land management plans pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976; *Provided*, That such areas need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of the initial land management plans;

(4) in the event that revised land management plans in the State of Nevada are implemented pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law, areas not recommended for wilderness designation need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of such plans, and areas recommended for wilderness designation shall be managed for the purpose of protecting their suitability for wilderness designation as may be required by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law; and

(5) unless expressly authorized by Congress, the Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of National Forest System lands in the State of Nevada for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

(c) REVISION.—As used in this section, and as provided in section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, the term "revision" shall not include an "amendment" to a plan.

(d) APPLICATION OF SECTION.—The provisions of this section shall also apply to:

(1) National Forest System roadless lands in the State of Nevada which are less than 5,000 acres in size.

(2) Those National Forest System roadless areas, or portions thereof in the State of Nevada, which were identified by unit plans listed at the end of this paragraph, which are not designated as wilderness by this Act:

National Forest	Unit Plan
Humboldt	Santa Rosa
Humboldt	Ruby Mtn./E. Humboldt
Toiyabe	Mt. Charleston
Toiyabe	Central Nevada

SEC. 105. GRAZING IN WILDERNESS AREAS.

(a) LIVESTOCK GRAZING.—Grazing of livestock in wilderness areas established by this Act, where established prior to the date of enactment of this Act, shall be administered in accordance with section 4(d)(4) of the Wilderness Act and section 108 of Public Law 96-560.

(b) REVIEW.—The Secretary of Agriculture is directed to review all policies, practices, and regulations of the Department of Agriculture regarding livestock grazing in national forest wilderness areas in Nevada in order to insure that such policies, practices, and regulations fully conform with and implement the intent of Congress regarding grazing in such areas, as such intent is expressed in this title.

(c) REPORTS.—Not later than 1 year after the enactment of this Act, and at least every 5 years thereafter, the Secretary of Agriculture shall submit to the Committee on Interior and Insular Affairs of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate a report detailing the progress made by the United States Forest Service in carrying out the provisions of subsections (a) and (b) of this section.

SEC. 106. PROHIBITION ON BUFFER ZONES.

Congress does not intend that the designation of wilderness areas in the State of Nevada lead to the creation of protective perimeters or buffer zones around each wilderness area. The fact that nonwilderness activities or uses can be seen or heard from within any wilderness area shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

SEC. 107. STATE WATER ALLOCATION AUTHORITY.

As provided in section 4(d)(6) of the Wilderness Act, nothing in this title shall constitute an express or implied claim or denial on the part of the Federal Government as to exemption from Nevada water laws.

SEC. 108. STATE FISH AND WILDLIFE AUTHORITY.

As provided in section 4(d)(7) of the Wilderness Act, nothing in this title shall be construed as affecting the jurisdiction or responsibilities of the State of Nevada with respect to wildlife and fish in the national forests in Nevada.

The CHAIRMAN. Are there any amendments to title I?

If not, the Clerk will designate title II.

The text of title II is as follows:

TITLE II—GREAT BASIN NATIONAL PARK AND PRESERVE

SEC. 201. ESTABLISHMENT.

(a) IN GENERAL.—In order to preserve for the benefit and inspiration of the people a representative segment of the Great Basin of the Western United States possessing outstanding resources and significant geological and scenic values, there is hereby established the Great Basin National Park and Preserve (hereinafter in this Act referred to as the "park").

(b) AREA INCLUDED.—The park shall consist of a national park area of approximately one-hundred twenty nine-thousand five hundred acres and a national preserve of approximately forty-five thousand five hundred acres, each as generally depicted on the map entitled "Boundary Map, Great Basin National Park, Nevada" numbered NA-GB 20,011-A and dated March 1986. The map shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior, and the office of the Superintendent, Great Basin National Park, Nevada.

SEC. 202. ADMINISTRATION

(a) IN GENERAL.—The Secretary shall administer the park in accordance with this Act and with the provisions of law generally applicable to units of the national park system, including the Act entitled "An Act

to establish a National Park Service, and for other purposes", approved August 25, 1916, (39 Stat. 535; 16 U.S.C. 1-4). The Secretary shall protect, manage, and administer the park in such manner as to conserve and protect the scenery, the natural, geologic, historic, and archaeological resources of the park, including fish and wildlife and to provide for the public use and enjoyment of the same in such a manner as to perpetuate these qualities for future generations.

(b) HUNTING AND FISHING.—Notwithstanding subsection (a), the Secretary shall permit hunting and fishing on lands and waters under his jurisdiction within the national preserve area of the park in accordance with the applicable laws that he may designate zones where and periods when no hunting or fishing may be permitted for reasons of public safety. The Secretary shall permit fishing on lands and waters under his jurisdiction within the national park area of the park in accordance with the applicable laws of the United States and the State of Nevada, except that he may designate zones where and periods when no fishing may be permitted for reasons of public safety. Except in emergencies, any regulations prescribing such restrictions relating to hunting or fishing, shall be put into effect only after consultation with the appropriate State agency having jurisdiction over hunting and fishing activities.

(c) MANAGEMENT PLAN.—After notice and opportunity for public hearing, the Secretary shall prepare a management plan for the park. The Secretary shall submit such plan to the Committee on Interior and Insular Affairs of the United States House of Representatives and with the Committee on Energy and Natural Resources of the United States Senate within 3 years after the enactment of this Act. Such plan may be amended from time to time. The plan shall provide for grazing within the park to the extent permitted under subsection (e). The plan shall contain provisions providing for the appropriate management of fish and wildlife and permitting hunting and fishing within the national preserve area in accordance with subsection (b). Such provisions shall be adopted only after consultation with the appropriate State agency having jurisdiction over hunting and fishing activities.

(d) WITHDRAWALS.—Subject to valid existing rights, Federal lands within the park, and interests therein, are withdrawn from disposition under the public land laws and from entry or appropriation under the mining laws of the United States, from the operation of the mineral leasing laws of the United States and from operation of the Geothermal Stream Act of 1970.

(e) GRAZING.—Subject to such limitations, conditions, or regulations as he may prescribe, the Secretary may permit grazing on lands within the park to the same extent as was permitted on such lands as of July 1, 1985.

(f) VISITOR CENTER.—The Secretary is authorized to construct a visitor center within the exterior boundaries of the park.

SEC. 203. ACQUISITION OF LAND.

(a) GENERAL AUTHORITY.—The Secretary may acquire land or interests in land within the boundaries of the park by donation, purchase with donated or appropriated funds, or exchange, but no such lands or interests therein may be acquired without the consent of the owner thereof.

(b) TRANSFERS FROM OTHER AGENCIES.—Lands and waters, and interests therein, within the boundaries of the park which are administered by the National Forest Service, U.S. Department of Agriculture, and which, immediately before enactment of this Act, were within the exterior boundaries of the Humboldt National Forest, known as the South Snake Range (Wheeler Peak), are hereby transferred to the administrative jurisdiction of the Secretary of the Interior to be administered in accordance with this Act. The boundaries of such national forest shall be adjusted accordingly.

SEC. 204. AUTHORIZATION OF APPROPRIATIONS.

Except as provided in paragraphs (1), (2), and (3), there are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act:

(1) Not more than $300,000 is authorized to be appropriated for construction of a visitor center within the park.

(2) Not more than $500,000 is authorized to be appropriated for other development within the park.

(3) Not more than $200,000 is authorized to be appropriated for acquisition of lands and interests in land within the park.

The CHAIRMAN. Are there any amendments to title II?

Mr. SEIBERLING. Mr. Chairman, I ask unanimous consent to correct a typographical error in the substitute in title I.

Staff has called to my attention the fact that on page 3, line 7, the word "know" should be changed to "known", an obvious typographical error.

Mr. Chairman, I ask unanimous consent that that correction be made.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mrs. VUCANOVICH. Mr. Chairman, reserving the right to object, will the gentleman from Ohio [Mr. SEIBERLING] explain further his request?

Mr. SEIBERLING. Mr. Chairman, will the gentlewoman yield?

Mrs. VUCANOVICH. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, page 3, line 7, says "and which shall be know as the East Humboldts Wilderness," and I think for literacy's sake, we should correct it so that it reads, as it is obviously intended to read, "and which shall be known as the East Humboldts Wilderness."

Mrs. VUCANOVICH. Mr. Chairman, I thank the gentleman for that explanation, and I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The modification is agreed to.

AMENDMENT OFFERED BY MRS. VUCANOVICH

Mrs. VUCANOVICH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. Vucanovich: On page 11, line 6, strike all of title II and make all technical and conforming numerical changes to title I that are necessary.

(By unanimous consent, Mrs. VUCANOVICH was allowed to proceed for 2 additional minutes.)

Mrs. VUCANOVICH. Mr. Chairman, I am offering this amendment to strike the Great Basin National Park from Nevada's wilderness bill because I strongly believe that the issues of wilderness and the creation of a national park demand separate and fair consideration. Each of these issues, because of their long-lasting and different impacts on the people of my district, should rise or fall on their own merits, anything less rings of crass disregard for the Nevadans I represent.

I would like to make it clear that I do support the concept of a park in a separate bill and that I have been and will continue to work with the other body in creating a tailor-made, Nevadan national park of approximately 44,000 acres.

Let me emphasize that the original 175,000-acre national park/preserve proposal, along with all the proposed wilderness areas, lies within my Second Congressional District of Nevada. I have been elected by the people of the Second Congressional District as their Representative to serve in this distinguished body, and as such they have conveyed their support for my judgments. I believe that it is a poor state of affairs when the will of my constituents has been ignored.

My concern for the process involved is directly linked to the lack of realistic cost estimates developed by the National Park Service. I have definite reservations in embarking upon new Federal programs without a full understanding of all the impacts and potential costs involved. Already we are seeing reductions in staff, services and operating hours for our national parks. These budget concerns are reverberating throughout many of my colleagues' districts who have a National Park Service presence within their States. Now by virtue of the possible creation of a 175,000-acre national park and preserve in Nevada we are testing, once again, the ability of the dollar to stretch far too far.

Additionally, we are already facing backlogs of some $437 million in the land and water conservation fund for land acquisition. A majority of these funds are dedicated to the National Park Service for land acquisition programs. Again, many of my colleagues in this House are affected.

Let me emphasize that even the Secretary of the Interior has expressed these reservations:

Allow me to quote Secretary Hodel:

As reflected in the Department of Agriculture's report, dated November 26, 1985, the administration opposes the creation of a major new national park within the context of this wilderness legislation.

Further review is critical to an accurate analysis of the impact of this or any other

park proposal. For example, we do not know the potential costs of maintaining and operating the area under National Park Services standards; the extent of existing private rights under the various acreage proposed for the Great Basin; nor the extent to which the area in question would benefit or lose from a change in management. The public deserves the benefit of a thorough and updated study of the best future for this important natural resource area.

Therefore, we support your efforts to delete title II from H.R. 3302 during its consideration by the Congress.

Sincerely, Donald Paul Hodel, Secretary of the Interior.

Furthermore, the Nevada State Multiple Use Advisory Committee on Federal Lands, under the jurisdiction of Gov. Richard Bryan, sent me their recommendations regarding the Wheeler Peak Area on April 17, 1986, and I quote:

Recommendation #86-2, addressing the management of the Wheeler Peak Area, recommends that a comprehensive natural resource, environmental and economic evaluation be prepared concerning all aspects of establishing a national park or a national recreation area, including the preparation of a development and operational plan for each alternative, prepared by the Departments of Agriculture and Interior. It was further recommended that if there is a need shown to reclassify the area from its present management situation, then this should be considered by Congress in a bill separate from other land reclassification bills such as wilderness. Also if study shows that a change in reclassification would be inappropriate, then no action should be taken.

That statement seems very clear to me.

Finally, I would like to clear up some misrepresentations that have been solicited concerning the views of the Nevada State Legislature's Committee on Public Lands.

Yes, the Great Basin Park is endorsed by them, but it is recommended and I quote:

That a separate bill be drafted and the merits of the park proposal to create the Great Basin National Park in Nevada be considered solely on the basis of the withdrawal of the land for that purpose.

Also, that the United States National Park Service be required to prepare and publish a detailed plan for the expenditures necessary to develop and use the land as a national park.

These comments speak for themselves.

As you may know this national park proposal was created by an amendment in the Interior Committee without my prior consultation. At that time I voiced definite reservations regarding its attachment to the wilderness bill and the lack of extensive study undertaken in drawing its borders and mitigating impacts for many of the multiple-use advocates in the area surrounding Wheeler Peak. My concerns were overridden and the bill was reported out of the full Interior Committee 1 week later without hearings being held on the national park proposal. Finally, a hearing was held, but I will note that that hearing occurred nearly 3 weeks after H.R. 3302 was reported from the full Interior Committee.

I am concerned about the process in which the proposed park was created. I might add that even the distinguished chairman of the Interior Committee, who I believe to be a fair and equitable man, voiced concerns during full committee markup as to the process the committee was following in creating a national park within my district.

The creation of a proposed national park in my district has no place in a wilderness bill. Such a proposal demands separate consideration due to the many costs and impacts that remain to be realized.

I would strongly encourage my colleagues to support my amendment to delete the proposed 175,000-acre national park and preserve from Nevada's wilderness bill, so that we can work on a separate, Nevada-made national park proposal.

□ 1810

Mr. REID. Mr. Chairman, I rise in opposition to the amendment offered by my distinguished colleague BARBARA VUCANOVICH to delete title II of the Nevada Wilderness Protection Act to create the "Great Basin National Park and Preserve."

A brief description of the proposed Great Basin National Park and Preserve is warranted, although it will not do justice to this spectacular area located in eastern Nevada. The Snake Range is one of Nevada's most spectacular mountain ranges, exhibiting many unique characteristics. Its diverse terrain includes the 13,013-foot summit of Wheeler Peak, the highest mountain lying solely in Nevada; forests of aspen; the world's largest mountain mahogany tree, and ancient bristlecone pines. In fact, it was on Wheeler Peak that the world's oldest living thing, a 5,000-year-old bristlecone pine, was cut down. Lehman Caves National Monument, one of the largest limestone solution caves in the West, is located within the Snake division. Aside from the spectacular geology, the South Snake Range is known for its diversity of life, including herds of bighorn sheep and mule deer. It's worth noting that this important physiographic region, known as the Great Basin, is not represented in the National Park System.

Mr. Chairman, my colleague contends that this issue "has moved and changed too quickly for proper studies to have been undertaken" on establishing the Great Basin National Park and Preserve. To the contrary, this issue has been studied to death.

In 1959, an Interior Department survey team reported:

The area studied in the Snake Range contains scenic and scientific resources of national significance suitable for national park purposes. The advisory board on National Parks, Historic Sites, Buildings and Monuments, which considered the scientific values of the study area in the Snake Range on April 22, 1959, found the area representative of the numerous Great Basin mountain ranges and adjudged it of national significance, suitable for preservation under the jurisdiction of the National Park Service.

Further, President Johnson in a message on "Natural Beauty of Our Country" sent to Congress on February 8, 1965, specifically asked for establishment of the Great Basin National Park as 1 of 12 new such areas for the United States. In 1973, the Park Service initiated a study to inventory, and list by priority, natural features in the Great Basin with potential for nomination to the National Registry of Natural Landmarks. The study was also to recommend an area that could be added to the National Park System as the Great Basin National Park. In 1975 the completed landmark study suggested four potential areas, including the Snake Range, which were transmitted to Congress in 1977. In 1979 a further study of the region was submitted to the Congress which indicated that the South Snake Range was the most representative of the areas studied. Just last November, National Park Service officials commented to my office that "the area is eminently qualified as a national park."

Critics of the proposed Great Basin National Park and Preserve mistakenly point out that this proposal is new. More than 60 years ago, Senator Key Pittman introduced a bill to create an 8,000-acre Lehman Caves-Wheeler Peak National Park. In 1961, Senators Alan Bible and Howard Cannon saw the passage of a bill by the U.S. Senate calling for a 124,500-acre Great Basin National Park.

As a matter of fact, residents of White Pine County suggested to me that designating a national park at Wheeler Peak would be more acceptable to area residents than designating a wilderness area. A Great Basin National Park proposal was also discussed with witnesses who testified before the House Public Lands Subcommittee last October on the designation of National Forest Wilderness in Nevada.

In addition to preserving the physical attributes of the landscape, there would be economic advantages to establishing the 174,000-acre Great Basin National Park and Preserve. Such a park would help boost and diversify the economy of White Pine County and the rest of the State of Nevada.

Mr. Chairman, it is important to note that the opposition to this park has come over the past 60 years from

Kennecott Copper, which had a large mine in that area, which has since closed. The area is now very depressed; the residents in that area have dropped to 6,000 from more than 20,000; unemployment is still about 15 percent.

(On request of Mr. WILLIAMS, and by unanimous consent, Mr. REID was allowed to proceed for 3 additional minutes.)

Mr. REID. Mr. Chairman, initially more than $1 million would be authorized to pay for construction of a visitor's center and other park developments. It is estimated that the park would serve 500,000 visitors annually. In terms of dollars, the economic return could exceed $10 million. Cost estimates on establishing the "Great Basin National Park and Preserve" can be found in the Interior and Insular Affairs Committee report No. 99-427.

What about the "impacts of this proposal on private inholders, ranchers, miners, hunters, trappers, and other multiple-use advocates?" I am cognizant and sympathetic to the needs of local residents who depend upon the South Snake Range for their livelihoods. My substitute prohibits the condemnation of private land—authority the Forest Service currently has. Valid existing mining, mineral leasing, and geothermal rights are protected. Grazing in the park-preserve may continue at historic levels permitted before July 1, 1985. My substitute amendment designates a 45,000-acre park preserve in the southern portion of the South Snake Range to allow hunting and fishing to continue in this area.

Mr. Chairman, there is strong support back home for establishing Nevada's first national park. California has six; Utah five; Arizona several; there are parks all around us, but we do not have one. The Governor of Nevada, the Nevada Legislature's Committee on Public Lands, and the White Pine Chamber of Commerce endorse the Great Basin National Park and Preserve. A recent statewide telephone survey by our State parks division of 2,000 randomly selected Nevadans from every county and virtually every community in the State indicates that 84 percent favor the establishment of the Great Basin National Park.

We are not creating an "instant" national park. The proposed Great Basin National Park has been simmering 60 years, has reached the boiling point, and should be removed from the back burner and savored.

I urge my colleagues to defeat the Vucanovich amendment to delete title II and support the creation of the first national park established in the continental United States in more than 15 years.

My colleagues in the Senate support a park. I think now all we are talking about is the size of the park. I think we should get on with the business of this House; defeat this amendment, pass this bill, and send it to our colleagues in the other body.

The CHAIRMAN. The Committee will rise informally in order to lay before the House an enrolled bill.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

H.R. 4602. An act to authorize the Federal Housing Administration and the Government National Mortgage Association to enter into additional commitments to insure loans and guarantee mortgage-backed securities during fiscal year 1986, and for other purposes.

The SPEAKER pro tempore. (Mr. GRAY of Illinois). The Committee will resume its sitting.

NEVADA WILDERNESS PROTECTION ACT OF 1985

The Committee resumed its sitting.

The CHAIRMAN. The Chair recognizes the gentleman from Nevada [Mr. REID] for 1 minute.

□ 1820

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. REID. I yield to the gentleman from Montana.

Mr. WILLIAMS. I thank the gentleman for yielding to me. Let me be sure that I understand my neighbor. It is my understanding from earlier debate that the gentleman's State has about 80-plus percent of the land in public ownership.

Mr. REID. That is right, 86 percent.

Mr. WILLIAMS. Yet I am correct that there is not a single national park in the great State of Nevada.

Mr. REID. There is not.

Mr. WILLIAMS. As the gentleman knows, there are many great national parks in the West; just in my district I have all or parts of Glacier, Yellowstone, Yosemite, Grand Canyon, Rocky Mountain, and others. And many of those have huge portions of them that are overcrowded.

Several come to mind: Portions of Grand Canyon, portions of Yellowstone, some portions of Glacier.

It would seem to me there is a significant public demand in the West for vacationing and playing in areas that have been designated as national parks, and I commend the gentleman for recognizing that fact.

Mr. REID. Mr. Chairman, I rise in strong support of this substitute amendment, introduced on April 21 as H.R. 4642, the Nevada Wilderness Protection Act of 1986. H.R. 4642 designates 592,000 acres of national forest lands as wilderness and proposes the creation of the 174,000-acre Great Basin National Park and Preserve. I would like to briefly outline the events during these past several months which necessitated the introduction of my substitute.

Last September, I introduced H.R. 3302 to designate 723,000 acres of national forest land in Nevada as wilderness and release 2.8 million acres for other uses. The 10 acres included in my moderate bill were Boundary Peak, Mount Charleston, the Jarbidge Additions, Mount Moriah, Arc Dome, East Humboldts, Mount Rose, the Ruby Mountains, Table Mountain, and the South Snake Range. The Committee on Interior and Insular Affairs amended the bill to increase the wilderness acreage to 939,000 acres by adding 5 additional roadless areas; Alta Toquima, Quinn Canyon, Currant Mountain, the Schell Peaks, and the Santa Rosas. Wilderness designation for the South Snake Range was deleted. Instead the "Great Basin National Park" in White Pine County, NV, would be created.

Nevada has only a single wilderness area—the 65,000-acres Jarbidge Wilderness Area—which was designated in the 1964 Wilderness Act. Until the wilderness issue is resolved in Nevada, more than 3.2 million acres of national forest land will be administered as de facto wilderness. This uncertainty affects every proposed development activity on national forest roadless lands in my State.

I must also point out that efforts by the Nevada congressional delegation to reach a consensus on wilderness legislation have not been successful. The other members of the Nevada delegation have introduced legislation to designate 137,000 acres of national forest lands in Nevada as wilderness. Approximately 3.2 million acres of national forest lands in Nevada qualify for wilderness designation. I don't believe that the designation of only 137,000 acres is sufficient to protect the "crown jewels" of Nevada.

There are four areas which are included in all Nevada wilderness proposals. They are Boundary Peak, Mount Charleston, the Jarbidge Additions and Mount Moriah. The proposed 9,400-acre Boundary Peak Wilderness Area, located on the California-Nevada border, is the northern tip of the White Mountains, the highest desert mountain range in the United States. This area was recommended for wilderness by the Forest Service in RARE II. There are virtually no conflicts with its preservation as wilderness.

The substitute amendment would designate 43,000 acres at Mount Charleston in the Spring Mountain Range as wilderness, reduced from 47,000 acres proposed in the committee bill. This recommendation is con-

sistent with the forthcoming 1986 draft forest plan and will ensure that the wilderness will not affect the continued safe operation of the Lee Canyon Ski Area. Located just 30 miles outside of Las Vegas, this unique area boasts stands of ponderosa and bristlecone pine, as well as various plant and wildlife species.

The additions to the existing Jarbidge Wilderness Area total 49,000 acres, scaled down from 54,000 acres proposed in H.R. 3302. Fishing and deer hunting are excellent and much of the State's existing outfitting and guiding business occurs in the area.

My substitute amendment recommends an 82,000-acre wilderness at Mount Moriah, a reduction of 6,000 acres from the acreage proposed in the committee bill, to accommodate the concerns of local ranchers and the White Pine County Commission. Again, all Nevada wilderness bills, as well as the draft forest plan, recommended wilderness designation for this area.

Portions of Arc Dome, located in central Nevada's Nye County, were recommended for wilderness by the U.S. Forest Service in RARE II, in the 1985 draft Toiyabe National Forest plan, and will again be recommended in the 1986 final forest plan. Indeed, Arc Dome contains some of Nevada's wildest lands, inhabited by desert bighorn sheep, mountain lion, deer, beaver, raptors, and numerous other wildlife species. My substitute amendment reduces the designated wilderness from 146,000 acres in the committee bill to 115,000 acres.

Directly to the east of Arc Dome is Alta Toquima, also referred to as Mount Jefferson. This area, recommended by the U.S. Forest Service in its draft 1985 plan, is central Nevada's highest peak and is a local landmark. John Muir confirmed the role of glaciation in the Great Basin on Mount Jefferson more than 100 years ago. Archeologists have recently discovered the highest Shoshone encampment in Nevada prehistory just below the summit. Because of the area's significance, my substitute amendment designates 39,000 acres of wilderness at Mount Jefferson.

Also located in the wonderland of Nye County is Table Mountain. As its name implies, the area is a long, broad, flattopped mountain, providing opportunities for walking, fishing, horseback riding, and hunting. Elk, deer, and mountain lion freely roam the aspen-dominated forests. My substitute amendment reduces the wilderness area from 113,000 acres to 97,000 acres to accommodate the concerns of the mineral industry.

My substitute amendment would add a 27,000-acre wilderness area in the Quinn Canyon Range, an area readily accessible to Las Vegas residents. This area is rugged, remote, and unexplored. In fact, its highest peaks remain unnamed. The Forest Service recommended 89,000 acres in the Quinn Canyon Range as wilderness in RARE II.

Located in Elko County, the Ruby Mountains have long been recognized as a classic wilderness area, attracting wilderness recreationists from across the West. Because the mineral potential of this area is low, the Nevada Mining Association did not object to wilderness designation for the Rubies. The substitute amendment would designate 75,000 acres as wilderness and is compatible with the existing heli-ski operation.

A 30,000-acre wilderness area would be designated in the East Humboldts of Elko County, a small increase from the proposed 27,000-acre wilderness area in my original bill. Local conservation groups as well as the Nevada Department of Wildlife believe the expanded area is necessary to protect critical mule deer habitat. Although not recommended in its 1985 draft plan, the 1986 Forest Service plan proposes a wilderness area in the East Humboldts of approximately 18,000 acres.

We have another opportunity to protect a wilderness area located next door to a growing metropolitan area. Endorsed as a wilderness area by the Reno City Council, Mount Rose lies just a few minutes from Reno and is a popular destination for hikers. The substitute amendment recommends a 26,000-acre wilderness area, a reduction of 7,000 acres form the committee bill. The boundaries were drawn to accommodate local skiing operations and other recreational uses of the area.

The substitute amendment deletes three proposed wilderness areas from H.R. 3302, as amended. These areas are Currant Mountain totaling 49,000 acres; the Santa Rosas totaling 80,000 acres; and the Schell Peaks totaling 64,000 acres.

Like the committee bill, my substitute amendment deletes wilderness designation for the South Snake Range in White Pine County and instead creates the "Great Basin National Park and Preserve."

The idea for designating the Great Basin National Park is not new. In 1924, Nevada Senator Key Pittman introduced a bill to create an 8,000-acre Lehman Caves-Wheeler Peak National Park. In 1961, the U.S. Senate passed a bill calling for a 124,500-acre Great Basin National Park.

The Snake Range is one of Nevada's most spectacular mountain ranges. Its diverse terrain includes the 13,013-foot summit of Wheeler Peak, the highest mountain lying solely in Nevada; forests of aspen; the world's largest mountain mahogany and ancient bristlecone pine. Lehman Caves National Monument, located within the Snake Division and administered by the National Park Service, is one of the largest limestone solution caves in the West.

The 200,000-square-mile area known as the Great Basin is not represented in the National Park System. The need for this park not only continues but is greater than it has ever been.

In addition to preserving the physical attributes of the landscape, a park would help boost and diversify the economy of White Pine County and the rest of the State of Nevada. Finally, the establishment of the only national park in Nevada confirms the fact that rural Nevada is more than a desert wasteland where atomic tests are conducted. There are unique and beautiful places in the State that we are anxious to preserve, protect and enjoy.

Mr. Chairman, my substitute amendment recognizes the need to grant the Snake Range special status and still allow the use of the land by those who depend upon it. Therefore, grazing in the park/preserve may continue at historic levels permitted before July 1, 1985.

This area also supports a good variety of wildlife including mule deer, mountain lion, a newly established population of Rocky Mountain bighorn sheep, blue grouse, cottontail rabbit, several furbearing animal species and a large variety of nongame wildlife species. The area's small streams and two small alpine lakes support a variety of trout species. Approximately 500 hunters harvest about 170 deer annually.

My amendment designates a 45,000-acre park preserve in the southern portion of the South Snake Range to allow hunting and fishing to continue in the popular area.

Critics of my proposal point out that 86 percent of Nevada is federally owned and that it's senseless to "lock up" these lands against any other uses. They further contend that the Forest Service is the first of many agencies reviewing wilderness and that additional wilderness areas will restrict the use of Nevada's land to all but a few "able-bodied hikers." This argument is without merit.

As noted earlier, the 65,000-acre Jarbidge Wilderness Area is the only designated wilderness area in the State, comprising 0.09 percent of Nevada lands. Among the Western States, Nevada ranks a last in protected wilderness and park land.

If an area is designated wilderness, the area will remain open for nonmotorized recreational use. Grazing can also continue, as well as mining on patented or valid claims.

Many also believe that by designating wilderness, we are destroying one of Nevada's major industries—the mining industry. The dean of the Mackay School of Mines at the Uni-

versity of Nevada at Reno, estimates that the total production value of Nevada minerals by 1990 will average $2 billion per year. As the son of a hardrock miner, I am well aware of the contribution of this necessary and dynamic industry to Nevada and the Nation.

As of April 1 of this year, there were 365,045 mining claims in Nevada. In the areas I have proposed for wilderness designation, there are 334 mining claims—representing one-tenth of 1 percent of the total.

Within the Great Basin National Park and Preserve there are 346 mining claims totaling 7,145 acres: 4.1 percent of the entire park and preserve.

H.R. 4642 also restates the provisions of the Wilderness Act of 1964, emphasizing the neutrality of the act on the applicability of State water laws. The creation of "buffer zones" around wilderness areas is expressly prohibited under H.R. 4642.

Nevadans are very independent and fiercely protective of these lands. The public is denied access to a large portion of that land, totaling more than 3.5 million acres, which has been reserved primarily for military bases, bombing and gunnery ranges, and nuclear testing activities. My moderate proposal to set aside 592,000 acres of wilderness and 174,000 acres for the Great Basin National Park for the future is a wise and prudent step.

Mr. Chairman, I can tell you also that the vast majority of Nevadans are in favor of preserving these special wild lands for future generations. A recent statewide telephone survey of 2000 randomly selected Nevadans from every county and virtually every community in the State indicates that 74 percent favor setting aside wilderness areas, and 84 percent favor the establishment of the Great Basin National Park.

Another important factor must be considered. These lands are currently in "administrative limbo." By adopting my substitute, 2.5 million acres—or 3 out of every 4 acres—of potential national forest wilderness lands in Nevada are released for development and other uses.

A quote by John Muir is pertinent:

> Thousands of nerve-shaken, overcivilized people are beginning to find out that going to the mountains is going home; that wilderness is a necessity; and that mountain parks and reservations are useful not only as fountains of timber and irrigating rivers, but as fountains of life.

In short, I urge your support of the proposal before you today to protect Nevada's "crown jewels" and resolve the wilderness impasse.

Mr. HANSEN. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment of the gentlewoman.

Mr. Chairman, I feel that the issue is entitled to separate consideration and thorough scrutiny. The creation of a national park is a significant event and should not be done in a cursory manner.

I feel there are many reasons which justify the severance of the park creation from this wilderness legislation and require its separate consideration.

First of all, the park proposal was created in the Public Lands Subcommittee without seeking the input or consultation of Representative BARBARA VUCANOVICH, within whose district the park area lies. As a matter of courtesy, Mrs. VUCANOVICH should have been given the opportunity to comment prior to the decision of the subcommittee. In any event it is the feeling of Mrs. VUCANOVICH and others that the issue requires more debate and study.

There are many unanswered questions; questions regarding impact and uses as well as costs of maintenance and operation. It is important to know before it is created what it will take to run and adequately protect the park. According to Secretary of Interior Donald Hodel, further review is critical to an accurate analysis of the impact of this park proposal. Secretary Hodel states that it is imperative that certain things be known before the park is summarily created: The potential costs of operating the area under National Park Service standards; the extent of existing private rights under the various acreages proposed for the area; and the degree to which the area in question would benefit or lose from a change in management. Wisdom dictates that these questions be answered to insure the best future use of this important resource.

There is also opposition to the premature creation of the park from the Department of Agriculture. In a letter to our colleague from Arizona, MO UDALL, the Assistant Secretary for Natural Resources and Environment, Peter Myers, said that the lands in question are currently being managed by the Forest Service in a manner that provides wide public benefit and diverse use. The lands are being managed to conserve and protect the scenic, natural, and archeological resources of the area. This proposed action comes at a time of great budgetary constraints. The National Park Service's budget is stretched tight. Already cutbacks have been made in operation hours, services and park rangers on the job. Also, the fund used by the Park Service for land acquisition is facing a backlog of nearly half a billion dollars.

There are potential problems regarding environmental issues. There is a conflict between current users and proposed future activities in the park area. The area in question is presently one of multiple uses: fishing, hunting, grazing, and mining are activities enjoyed by the public in this region. According to the forest plan developed for the Humboldt National Forest, the public approves of current Forest Service management and anticipates similar management of this area in the future when the final plan is approved. The potential for conflict exists between those who would prefer restricting some or all of the traditional uses and those who live around, work in, and enjoy the recreational facets of this land.

Part of the reason for the creation of the park is the economic boom which surrounding areas would receive. This is a matter which should be given serious consideration and one with which I have personal experience. When the Canyonlands National Park in Utah was being proposed the people in the surrounding areas were ecstatic with the thought of a great economic shot in the arm. They envisioned the revival of depressed economies through increased tourist traffic and tourist dollars being spent at their motels, stores, and restaurants. Unfortunately, as many people there will still tell you, the reality was not equal to the dream. In the scene before us, the towns of Ely, NV, and Delta, UT—which is in my district—are very supportive of the park creation. While some people would welcome a great influx of people to areas in and around a park, others see the visitors as an intrusion on and violation of the land. This is not the time or place to comment on which competing interest is just, I only want to bring up the point that a national park should not always be viewed as a panacea to all economic ills.

Certainly the attachment of a national park and preserve to the wilderness bill is something which deserves special, separate attention. While the creation of a new national park is certainly meritorious, there is substantial objection to the idea by Congresswoman VUCANOVICH, Secretary of Interior Hodel, and the Forest Service sufficient to separate it from consideration as an attachment to this wilderness bill. Let's not create something as important as a national park in a manner that is not completely though out.

I am sure members of the committee have no objection to the park. I agree with the gentleman from Nevada that parts of that should be done, and also I agree with the Chairman, at a time when we have adequate opportunity to look at it, debate it, and look at all the ramifications that I have talked about today.

Mr. VENTO. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to the Vucanovich amendment to remove this park because it just is not true that this did not receive adequate attention.

The fact of the matter is that, as indicated by the gentleman from Nevada, this issue has been before the House of Representatives, before this country for some 60 years. The fact is we have gone through and had studies, for anyone who wants studies, for some 6 years during the 1970s. In fact, at one point there was a study that recommended some 800,000 acres as potential candidates for the Great Basin National Park in the 1970's. That was refined out, and finally in 1979 this area was the focused area for the designation of a new national park.

So there has been a history. The fact is in this Congress, Mr. Chairman, that when the site was visited, and I was not privileged to be in that initial visit, that in fact that issue was discussed informally amongst all the Members. In fact, I discussed it with most of them before they left, at least those on our side of the aisle, because I was interested in this particular issue, in fact, with the gentleman from Nevada [Mr. REID] and with others that were on that trip.

The fact is we had the first hearing on this matter October 10, 1985, and I raised this paticular question at that time.

Now I understand that many of my colleagues are busy, that they have other assignments, and I do not question that. The fact of the matter is the issue was raised October 10, 1985, in the hearing which is available in the record for most of the Members here to look at.

I understand we are all busy and we cannot attend these meetings. I do not fault that particular matter. Of course, the issue is that in the designation the reason that I persisted is this and offered it as an amendment in the Public Lands Subcommittee is because in fact we were making a recommendation in that committee to designate about 120,000 acres of this area as wilderness. Now I just think that that was not the most appropriate designation in terms of the types of restrictions that the gentleman and others have commented on here with respect to what was the best use and how should we as Federal managers in fact manage that area. I think the best management, the best designation of that area was as a national park because in that October 10 hearing I asked the Forest Service what they were doing in this area and how they were managing the area and pointed out to them the fact that there was not an adequate interpretation of the resources, whether it was the rock art, whether it was the other national formations there, the cutting. Actually, with the permission of the Forest Service, the cutting of one of these bristlecone pines some years ago, in fact, ironically for geologic study at that particular time. So this is the way the area has been managed. The Forest Service has created a scenic area there. In that scenic area they have left out the largest grove; the largest grove of bristlecone pine, ancient trees in that area, is left out of the scenic area. In other words, they are not affording this the type of status and protection that is necessary.

So in that hearing we went through and I was determined we were going to try to resolve this issue with the proper designation.

So when the hearing came on October 25, the day before I contacted the various Members who were most immediately interested, including Mrs. VUCANOVICH, and informed them that I intended to offer an amendment to create the Great Basin National Park.

Admittedly it would have been preferable to do that in a different way. But the subject matter between the Public Lands Subcommittee and the Parks Subcommittee were closely related. We have many joint hearings. We consider many things together. In fact, these two subcommittees were merged prior to this Congress because of the closely related nature of the work that we do.

So the fact is that we in this instance decided to go with a better designation, I think, and that is the park designation. After the consideration of that matter and the markup in subcommittee and in full committee, in which there was a positive vote for that Great Basin National Park, I acceded to a request from the ranking minority member, Mr. LAGOMARSINO, on my subcommittee and the gentlewoman that we go to Ely, NV, and have a hearing. Naturally that hearing took place, as was indicated, after the fact. But we heard from some 69 witnesses. We attempted to explore and to understand exactly what the ramifications were with regard to the creation of this park, to listen to the local people in that area. I think we did a great job of listening to their concerns. It was a balanced presentation in terms of those that favored and those that opposed the park. The fact is I cannot settle that particular difference. I respect the gentlewoman's effort and the support for it. Today, everyone is saying, "Well, we are all for the park but this is the wrong vehicle." Should we revert back then and put 100,000 acres back?

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. VENTO] has expired.

(By unanimous consent, Mr. VENTO was allowed to proceed for 2 additional minutes.)

Mr. VENTO. Is there someone coming back and saying, "Let's restore the wilderness in this particular instance as a preferable designation"? No, that is not what this amendment does. It does not restore the wilderness, as recommended by the committee initially. It wipes it out completely. In other words, it does not provide any designation for this particular area.

So if that were the intent, to in fact address that particular concern, why does this not restore the wilderness, as was in the initial bill, or at least some portion of it? But it does not do anything of that nature, as my colleagues well know. So nobody here is saying, "Let's crucify the park on the cross of process." I think that is inappropriate. The decision is to make a right designation for these particular units, and provide the Park Service with the resources to do it.

I might say, Mr. Chairman, that there is already a Park Service unit in that area that is incorporated into this, Lehman Caves. That has a visitors center, there are campgrounds there. The fact of the matter is yes, the Park Service will spend some money if they manage this particular resource. But the fact of the matter is the Forest Service also has to spend money when it manages a 175,000-acre resource. Nobody is suggesting that the Forest Service does not spend dollars.

In fact, I do not think they do it properly or do it right. But the fact of the matter is, while you cut down to some extent the budget of the Forest Service, you will have to increase, no doubt, the budget of the Park Service and provide some additional roads. But the fact of the matter is we are moving toward the right designation, and this is the right vehicle. The fact is, by resisting this park in the past, Congress has brought the situation to this particular point, where in fact the option is really whether we want a wilderness or want the park.

Mr. Chairman, I stand up here, and I urge Members to vote for the designation of the first new national park in 15 years in the lower 48 at Wheeler Peak.

Mr. BARTON of Texas. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. HANSEN. Mr. Chairman, will the gentleman yeild?

Mr. BARTON of Texas. I yield to the gentleman from Utah.

Mr. HANSEN. I thank the gentleman for yielding.

Mr. Chairman, I am just curious if the gentleman from Minnesota, chairman of the subcommittee, would respond to a question: The gentleman made the point, quite a point, that the gentlewoman's amendment did not put

the ground back into wildness designation and she should have done that.

Are we to conclude from those remarks that, if the gentlewoman was amenable to doing that, that the gentleman from Minnesota would then withdraw this amendment?

Mr. VENTO. Mr. Chairman, will the gentleman from Texas yield to me?

Mr. BARTON of Texas. I yield to the gentleman from Minnesota.

Mr. VENTO. I thank the gentleman for yielding.

The fact is that, in other words, what the gentlewoman does not do is, she does not resolve what happens in terms of this particular land. What we are trying to do is resolve what occurs. I just think that that issue is not before us. What is before us is to eliminate this and not deal with the issue that is before the body, and that is, what do we do for this land that has been studied for wilderness? My proposal is to make it a national park. The proposal that the gentlewoman has offered, with all due respect, is not to do anything, not to address that particular question. I think you have to face up to that particular problem. I think we have to face up to this problem and solve it.

Mr. HANSEN. Mr. Chairman, will the gentleman yield briefly?

Mr. BARTON of Texas. Just briefly.

Mr. HANSEN. I thank the gentleman for yielding. It seems to me that the point is obvious. The gentleman from Minnesota made a very eloquent point, that it did not put it back into the area. She is willing to do that predicated on the idea that the gentleman withdraw this idea about the park, which makes a lot of sense to a lot of us on the floor, and I agree with the statement of the gentleman when he said that.

□ 1835

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, that is not the proposition that we have before us. I think that it indicates that the problem is not being resolved by virtue of this amendment. I think we ought to move ahead and vote this amendment down.

Mr. BARTON of Texas. Mr. Chairman, I do rise in support of the Vucanovich amendment.

My distinguished colleague from Nevada said this is an issue that has been simmering for 60 years. That may be true, but it certainly has not been boiling over for 60 years.

We have a situation where there has been one field hearing. There have been no hearings in Washington on this particular park.

I think that the gentlewoman from Nevada [Mrs. VUCANOVICH], as the gentlewoman indicated, is not opposed to a park per se. The gentlewoman does have some reservations about this particular park and the size of it. I think it would only be congressional courtesy if we were to delete this provision from the bill, have separate hearings on it, and bring it back in due process.

It is my understanding the Department of the Interior is opposed to this provision. They feel that there are some other things that need to be considered. One is the financial impact of creating a new park. There has been no discussion about that. The fact that we need to act on the other wilderness areas is no reason that we have to act on this this evening.

Mr. Chairman, in short, I think that if we would support the Vucanovich amendment and go through due process, we could probably come back with a national park bill in this Congress.

For those reasons, I think we should support the Vucanovich amendment.

Mr. SEIBERLING. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the Vucanovich amendment would tear the single most popular feature of this bill right out of the bill. The Great Basin National Park is the most popular feature from the standpoint of the people of Nevada.

It is a magnificent area. It fully deserves protection as a park. It has a magnificant mountain rising over 13,000 feet, the only permanent glacier in Nevada, wonderful wildlife, and magnificent scenery. The amendment would not only take it out of the bill, but the effect would be to release this land to multiple use. It is protected now because of its wilderness study status. With this amendment, it could be opened to logging, mining, any kind of developmental use. I submit to you that is not what we ought to be doing with this bill.

Now as to the question of whether there has been consultation, there was plenty of time for consultation between the time the subcommittee adopted the amendment of the gentleman from Minnesota [Mr. VENTO] and the time the full committee acted, and indeed there was consultation on this issue.

There has also been plenty of time for consultation between the time the committee reported out the bill, months-long time for consultation, and the time we are now taking it up on the floor. Yet, the majority was not consulted before this amendment was drafted. Otherwise, we would have pointed out that it ought to at least put the area back in wilderness or, at the very minimum, not release it to multiple use.

It has been traditional when our committee looked at wilderness areas that we not just consider whether to put them in wilderness, but that we also consider whether there was some higher and better use, and we have done this. For example, in Alaska, in Oregon, in Montana, in Washington, and in many other States we found that some designation other than wilderness was the best and most appropriate thing to do.

As I recall, we did so in the Utah wilderness bill as well, which both the senior Senator from Utah and the Governor of Utah later wrote me letters about, thanking me and the other members of the committee for our work in creating those wilderness and other areas in the State of Utah.

As a result of our hearings on this bill and the subcommittee's trip out to Nevada and looking at the area and listening to the local people, we concluded that a national park was the highest and best use for this area. We also, as a result of a field hearing as well, saw that there was some concern on the part of ranchers. Some 500 head of cattle graze in this area and some 2,000 head of sheep. There was also concern on the part of hunters who hunt in this area. As a result of this, this bill would designate 45,000 acres of this area as a park preserve where hunting will continue, and we preserved the right of grazing to be continued in the area.

Wheeler Peak has long been studied and recognized as meriting national park designation. Legislation to establish a Great Basin National Park in this area was introduced in 1959 by Nevada's entire delegation. The bill passed the Senate in 1961, but failed to pass the House.

The National Park Service in 1981 studied the area and found that not 174,000 acres, but more than 600,000 acres qualified for national park status. And in 1985 and 1986, of course, we held hearings out in Nevada, and field inspections.

Last November, Park Service officials stated, as the gentleman from Nevada has pointed out, that this area is "eminently qualified to be a national park."

The Chamber of Commerce in Ely, NV, the nearest town, and Nevada Gov. Richard Bryan support this national park provison. Twenty-four member groups of the Friends of Nevada Wilderness, a statewide coalition of business, professional and environmental groups, also support the designation of this park.

As to the statement that somehow this is going to cost the Land and Water Conservation Fund a huge sum of money, only 900 acres of the 174,000 acres——

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(By unanimous consent, Mr. SEIBERLING was allowed to proceed for 1 additional minute.)

Mr. SEIBERLING. Mr. Chairman, only 900 acres of the 174,000 acres is not already owned by the Federal Government. I submit that acquiring those inholdings is hardly going to break the bank of the National Land and Water Conservation Fund.

This park proposal is not new. It is not unique, except for the uniqueness of this magnificent area. It has had the close scrutiny and detailed consideration of the legislative process.

Nevada is the only Western State which has no national park. They want one. It is time they had one. I ask my colleagues to vote down this amendment and support the Reid substitute so that they can get one.

Mr. NIELSON of Utah. Mr. Chairman, I move to strike the requisite number of words, and I rise in favor of the amendment.

Mr. MARLENEE. Mr. Chairman, will the gentleman yield?

Mr. NIELSON of Utah. I yield to the gentleman.

Mr. MARLENEE. Mr. Chairman, I thank the gentleman from Utah for yielding to me.

Mr. Chairman, I want to correct one, at least what I consider, misconception here.

The chairman of the Public Lands Subcommittee indicated that this land that is being deleted as a park would be returned to multiple use. In the first place, the Forest Service in their plan recommends that 51,700 acres of this be wilderness area. So it is not being returned in the Forest Service plan to multiple use. The core of it, the 51,700 acres will be maintained in a de facto wilderness status.

Second, those acres that are returned to multiple use will be in fact protected by Forest Service plans and by public input over those plans.

Mr. NIELSON of Utah. Mr. Chairman, I want to speak in favor of the amendment for several reasons.

Congressman HANSEN and I share five national parks, which is about four too many in my view. I would like to point out that there have been two other areas asked for national park status this last year, the Dinosaur National Monument and also the San Rafael Swell. In those instances we held hearings among the people involved in the areas and we found clearly they did not want to go the national park route, and so we did not recommend them.

This is doing this backward. They had the hearing 3 weeks after it had come in the committee. There were no hearings in the committee before the bill was made.

Let me indicate a difference between this bill and the Utah wilderness which the gentleman from Ohio mentioned. We did have good cooperation. The entire delegation and the Governor agreed. We came with a number a little bit less than the Forest Service recommended. It was a very fine compromise and we were happy to have support for that bill. I appreciate the work the gentleman from Ohio did on that bill.

□ 1845

This is, however, 300,000 acres, almost, over what the Forest Service recommended. That is quite a different story, plus the fact that you do not have a united delegation. The two Senators and the Representative in whose district it would be in are all opposed to this. So it seems to me that it is not a matter of the Utah situation, where the Governor and the delegation of opposite parties were all together on it and where we worked it out. They have not agreed on this. Any indication that they have made that this is comparable to the Utah wilderness is certainly wrong.

I would like to support the elimination of a national park. I would like to suggest if they want that area in wilderness, go back to the Reid additional bill and put back in the South Snake part of his bill, which they have the freedom to do since this is an open rule, and then look at the national park on a separate basis on its own. I think that would be a much better way to proceed.

I support the amendment.

Mr. UDALL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have had a good debate, and I hope we can get a decision tonight on this important matter before us.

There are a lot of things special about this country of ours, and one of the things that I am most proud of, as an American, is that we had this idea 100 years ago of a national park system, that we were going to take the "crown jewels," the Grand Canyons, the Yosemites, and set them aside and set them apart for not only our enjoyment but the enjoyment of future generations. We have a chance to do something very good and very special here with this legislation tonight. We can give Nevada its first national park. We can do it without taking lands away from private ownership. We can do it in a way that will accomplish what was said here earlier; instead of Nevada being viewed as slot machines and nuclear tests and sagebrush, Nevada will begin to come into its own as one of the most beautiful States in the Nation.

When you drive home tonight, you can say to yourselves that you did something for your grandchildren if you adopt the Reid substitute and defeat the Vucanovich amendment. I strongly urge passage of the legislation and the defeat of the Vucanovich amendment.

Mr. CHENEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the amendment offered by the gentlewoman from Nevada to remove from the pending bill a provision to designate the Great Basin National Park in her district.

Historically, it has been the custom in this body for Members to respect whenever possible the prerogatives of colleagues where their own districts are concerned. It is reasonable to assume that the person elected by the citizens of a given district is likely to be most knowledgeable about matters affecting that district and in the best position to offer advice to the rest of us.

The bill before us today, and the amendment currently pending, affect only one congressional district and one Member of this body. I have listened to the comments of the gentlelady who very capably represents that district, and I, for one, respect her judgment as to what is the best approach for the House to take. I strongly urge my colleagues to do the same.

The Great Basin National Park provision was tacked on to the Nevada wilderness bill as an afterthought. Not until after the bill was already reported out of the Interior Committee did the proponents of this proposal bother to hold a hearing in an attempt to legitimize their abuse of the legislative process.

This park provision has no place in this bill. It has not received the normal consideration afforded most legislative proposals, and it should be considered and voted upon as a separate matter after the public has had the usual opportunity to review it.

I intend to vote for the amendment to delete the park provision from this bill, and I urge my colleagues to do the same.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. CHENEY. I yield to the gentleman from Texas.

Mr. ARMEY. I thank my colleague for yielding.

Mr. Chairman, I have sat here for most of the afternoon and I have waited to participate in this debate. I recognize that some of my favorite colleagues in the House have been calling for a vote and would prefer I not talk, so I will try to be brief.

I ask myself: Why do I stay here and talk about something that is way off in Nevada, in a State that I have not yet had the privilege of visiting?

I guess it is because, Mr. Chairman, I care about the people, the individual person's right to keep what they have and to not have it wrapped in Government redtape.

I was once described, I think quite favorably, as a man from the West.

And as a man from the West, there is one thing I do not want, and that is to have the Government in my business.

Some of us move very far way out into the country, into remote areas, hoping the Government will not find us.

I see, for example, 479 mine claims, and I worry: Will those miners get the shaft while the Government takes the mine?

I do not know what is going to happen out there, and I do not believe that the procedures by which this bill with this provision has been brought to the floor have been fair procedures, particularly to those people who are represented by two Senators who say, "We don't want it," two Senators who represent those people in that district and all of the people in the State. The one Representative that represents those people says, "We don't want it."

We have had folks, half of whom have come from east of the Mississippi, come out there and spend 2 days, talking to a selected guest panel, and they have decided they ought to have it. I do not think that is an appropriate procedure. We have to remember, Mr. Chairman, that we live in America, and America is based upon the rights of the individual citizen to build and control his own home and not to have that right taken away by the Government without at least due process. We do not have it here.

Mr. LAGOMARSINO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I strongly support the amendment by the gentlelady from Nevada to delete title II of H.R. 3302. As you know, this title would create the Great Basin National Park in Nevada.

As the ranking member of the Subcommittee on National Parks and Recreation, I feel this is no way to create a new national park. While some of the area is worthy of national park status, and I would support such designation, this is certainly not the correct procedure to use for such an important designation.

I am fully aware that a similar proposal was passed by the other body in the 1960's. However, that bill was a smaller proposal and allowed mineral exploration and development. In addition, I am also aware that the National Park Service conducted a study on the Great Basin Area in 1980. However, I do not believe these actions justify creating a national park without fully considering what the facts and issues are today—as opposed to 5 years ago or 20 years ago. We all know that the passage of time can change many things.

Furthermore, there are a number of facts regarding the proposed Great Basin National Park which I believe Congress must carefully consider prior to the passage of such a proposal. According to the Forest Service, there are currently 6,300 acres under oil and gas leasing in this area with 479 active mineral claims for minerals such as silver, gold, beryllium, and tungsten. There are hundreds of acres of private inholdings and 4,364 AUM's of grazing. While the park proposal does allow grazing, the Park Service has expressed its concern about this issue. Problems with grazing in other Park Service units, particularly Capitol Reef, have resulted in an administrative nightmare for the Park Service. In addition, hunting is very popular in this area. Primarily for mule deer, grouse, and rabbits. While the substitute does designate part of the park as a preserve, which would allow hunting, the preserve is only a very small portion of the entire area. Thus, approximately 130,000 acres of the area would be off limits to hunting.

Although these are facts we know about activities that would be precluded by national park designation, there are still many unanswered questions. One of the most important of these questions is cost. When the proposal was considered by the other body in 1962, Senator Bible, who authored the legislation, stated in his floor statement that the overall cost for his bill, which was only 123,000 acres, would be $5.2 million. It is now 24 years later. However, we have no cost estimate, although we can assume it would be much higher. According to the Park Service, the cost of a "barebones" visitor center today is over $3 million alone. We have no idea how much land needs to be acquired and what it would cost. This is significant in view of the enormous land acquisition backlog which currently exists for the National Park Service. Even more importantly, we have no estimates for operation and maintenance of the park. This, in my view, is critical during these difficult fiscal times when Park Service funds are shrinking, resulting in reductions in staff, services, and programs in many of our existing national parks.

In addition, we do not know the extent of existing private rights under the acreages in the proposed area, the effects of a change of management nor the exact impacts of the proposal on multiple-use advocates. Questions such as these can only be answered through the proper legislative process. While a subcommittee field hearing was held after the full committee action, it only confirmed the fact that there are numerous concerns with the proposal and no clear consensus in support of it.

Mr. Chairman, I fervently hope my colleagues have listened to and will respect the views of the Member who represents the district involved, the gentlelady from Nevada. She alone represents the users of this area and has eloquently stated here objections to this proposal. In addition, the Secretary of Interior and Assistant Secretary for Agriculture have both publicly stated their Department's objections to inclusions of the park proposal in the wilderness bill and support for its deletion.

I would like to make one other point before closing, Mr. Chairman. The Park Service study team made two very important conclusions in its 1980 study. First, that a more detailed study of the mineral potential and mining activities in this area was needed—such a study was never done; and second, that joint management of this area would be the best and most suitable alternative—not national park designation. A national park proposal for this area was never developed nor reviewed at any level of the Park Service. Rather, the study team recommended joint management and multiple use which would adequately protect the resources of the area while permitting existing uses, such as grazing and hunting. I believe the interagency coordination effort in the Yellowstone area is an example of how well such an approach can work. Obviously, multiple-use management of the great basin area is working well, or it would not be considered for national park designation.

I believe it is generally congressional policy to move cautiously and thoroughly when considering proposed legislation—to answer all questions and allow necessary public input before proceeding. The creation of a new national park should not be taken lightly. Such a proposal warrants full consideration to investigate all facets of the issue. Furthermore, and most importantly, there will be no loss or harm to the valuable resources of the area while the national park designation is being studied over a reasonable period of time. The resources are currently, and will continue to be, protected and wisely managed by the appropriate Federal agency.

Therefore, I urge my colleagues to support this amendment and defer congressional action on the great basin proposal until we can thoroughly examine the issues surrounding the proposal through the appropriate process.

Mr. MARLENEE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Vucanovich amendment.

Mr. Chairman, I know the hour is late, and I am going to take only 2 minutes to see if I can summarize what has happened here in this debate.

What are we doing? This is crazy. We are creating another 174,000 acres of national park and preserve.

The national parks, because of budget considerations, are talking about closing the campgrounds we already have. And we are talking about

spending more money in a new park. Unless you want to squeeze people out of parking spots, support the Vucanovich amendment and have a proper hearing and proper consideration of this new proposal, find out where the money is going to come from to run a new national park.

Support the Vucanovich amendment unless you want to support a new park without the benefit and evaluation of the testimony of the Park Services, the BLM, and the Forest Service.

Support the Vucanovich amendment unless you want to pass legislation that leaves this Government, this Congress, and the taxpayers of this Nation, open to liability with regard to 6,300 acres under oil and gas leases, 1,122 acres of mining claims, 479 active claims, and 900 acres of private land.

These are the considerations. A lot of them are cost considerations. A lot of them need proper hearings and evaluation processes, and I would ask you to support the Vucanovich amendment.

Mr. EMERSON. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Vucanovich amendment.

Mr. Chairman, I rise in strong support of the amendment offered by the gentlewoman from Nevada.

A wilderness bill is simply not the appropriate place to establish a new Great Basin National Park and Reserve. Setting up a new 129,000-acre national park and 45,000-acre preserve deserves and demands separate and thorough consideration. The Interior Committee should take a long, hard look at designating this area as a national park, not simply add it to the wilderness bill. Although we may very well want to establish such a national park, I do not believe we should go about it in such a haphazard, irregular fashion. A hearing wasn't even held on this proposal until after the bill had already been reported from the full Interior Committee. This is simply not the proper way to do business. I have high regard for the legislative process, and I don't believe it should be thwarted. We should adhere to the usual procedures, allowing all interested parties to have their say, before the committee takes final action. This body should conduct its work in a manner that all Americans can be proud of.

Moreover, the hearing that was held indicated that there is a lot of controversy in Nevada about whether to establish a national park or not and many major issues still need to be resolved. Frankly, this area is currently being managed quite well for multiple uses by the Forest Service. In light of the present delicate balance of uses, we should take a rational reasonable approach to such a change and take the time to thoroughly evaluate the national park proposal before implementing it.

The gentlelady from Nevada should not have a national park thrust upon the people of her district. Even the Forest Service and the National Park Service realize the need to develop a consensus on such a new national park before just establishing one, and they have strong concerns that the normal processes for a new park have not been followed.

Before the Congress decides to establish a new national park, we should consider the views of all of those affected. In this case, we only asked for public input after a decision to establish a park had already been made—giving the appearance that we really weren't all that interested in what the local residents had to say. It is our responsibility to reflect the views of the people. How can we do that if we make final decisions without seeking their advice? I simply am not convinced that the U.S. Congress knows better than the local residents what is best for their area. I strongly encourage my colleagues to support the gentlewoman's amendment.

Mr. STRANG. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Vucanovich amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Nevada [Mrs. VUCANOVICH].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mrs. VUCANOVICH. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 151, noes 247, not voting 35, as follows:

[Roll No. 107]

AYES—151

Applegate	Gradison	Nielson
Archer	Gunderson	O'Brien
Armey	Hammerschmidt	Olin
Bartlett	Hansen	Oxley
Barton	Hartnett	Packard
Bentley	Hendon	Parris
Bereuter	Hiler	Pashayan
Bilirakis	Hillis	Quillen
Bliley	Holt	Regula
Boulter	Hopkins	Ridge
Broomfield	Hunter	Ritter
Brown (CO)	Hyde	Roberts
Broyhill	Ireland	Rogers
Burton (IN)	Jeffords	Roth
Callahan	Jones (NC)	Roukema
Campbell	Kasich	Rudd
Chandler	Kemp	Saxton
Chappie	Kindness	Schaefer
Cheney	Kolbe	Schuette
Clinger	Kramer	Schulze
Coats	Lagomarsino	Shaw
Cobey	Leath (TX)	Shumway
Coble	Lent	Shuster
Coleman (MO)	Lewis (CA)	Siljander
Combest	Lewis (FL)	Skeen
Courter	Lightfoot	Slaughter
Craig	Livingston	Smith (NE)
Dannemeyer	Lott	Smith, Denny (OR)
Daub	Lowery (CA)	Smith, Robert (NH)
Davis	Lungren	Smith, Robert (OR)
DeWine	Mack	Snowe
Dickinson	Madigan	Snyder
Dingell	Marlenee	Solomon
DioGuardi	Martin (IL)	Spence
Dornan (CA)	Martin (NY)	Stangeland
Dreier	McCain	Stenholm
Duncan	McCandless	Strang
Eckert (NY)	McCollum	Stratton
Edwards (OK)	McGrath	Stump
Emerson	McKernan	Sundquist
Evans (IA)	McMillan	Sweeney
Fields	Michel	Swindall
Frenzel	Miller (OH)	Tauke
Gallo	Molinari	Taylor
Gekas	Monson	Thomas (CA)
Gingrich	Moore	Vander Jagt
Goodling	Myers	Volkmer
		Vucanovich
		Walker
		Whitehurst
		Whittaker
		Wolf
		Wortley
		Wylie
		Young (AK)
		Young (FL)
		Zschau

NOES—247

Ackerman	Garcia	Owens
Akaka	Gaydos	Panetta
Alexander	Gejdenson	Pease
Anderson	Gephardt	Penny
Andrews	Gibbons	Perkins
Annunzio	Gilman	Petri
Atkins	Glickman	Porter
Barnard	Gonzalez	Price
Barnes	Gordon	Pursell
Bates	Gray (IL)	Rahall
Bedell	Gray (PA)	Rangel
Beilenson	Green	Ray
Bennett	Gregg	Reid
Berman	Guarini	Richardson
Bevill	Hall (OH)	Rinaldo
Biaggi	Hamilton	Rodino
Boehlert	Hatcher	Roe
Boggs	Hayes	Roemer
Boland	Hefner	Rose
Boner (TN)	Heftel	Rostenkowski
Bonior (MI)	Henry	Rowland (CT)
Bonker	Hertel	Rowland (GA)
Borski	Horton	Roybal
Bosco	Howard	Russo
Boucher	Hoyer	Sabo
Boxer	Hubbard	Savage
Brooks	Huckaby	Scheuer
Brown (CA)	Hughes	Schneider
Bruce	Hutto	Schroeder
Bryant	Jacobs	Schumer
Burton (CA)	Jenkins	Seiberling
Bustamante	Johnson	Sensenbrenner
Byron	Jones (OK)	Sharp
Carper	Kanjorski	Shelby
Carr	Kaptur	Sikorski
Chapman	Kastenmeier	Sisisky
Chappell	Kennelly	Skelton
Clay	Kildee	Slattery
Coelho	Kleczka	Smith (FL)
Coleman (TX)	Kolter	Smith (IA)
Collins	Kostmayer	Smith (NJ)
Conte	LaFalce	Solarz
Conyers	Lantos	Spratt
Cooper	Leach (IA)	St Germain
Coughlin	Lehman (CA)	Staggers
Coyne	Leland	Stallings
Crockett	Levin (MI)	Stark
Daniel	Levine (CA)	Stokes
Darden	Lipinski	Studds
Daschle	Long	Swift
de la Garza	Lowry (WA)	Synar
Dellums	Luken	Tallon
Derrick	MacKay	Tauzin
Dicks	Manton	Thomas (GA)
Dixon	Markey	Torres
Donnelly	Martinez	Torricelli
Dorgan (ND)	Matsui	Towns
Dowdy	Mavroules	Traficant
Downey	Mazzoli	Traxler
Durbin	McCloskey	Udall
Dwyer	McCurdy	Valentine
Dymally	McHugh	Vento
Dyson	McKinney	Visclosky
Early	Meyers	Walgren
Eckart (OH)	Miller (CA)	Watkins
Edwards (CA)	Miller (WA)	Waxman
English	Mineta	Weber
Erdreich	Moakley	Weiss
Evans (IL)	Mollohan	Wheat
Fascell	Montgomery	Whitley
Fawell	Moody	Whitten
Fazio	Morrison (CT)	Williams
Feighan	Morrison (WA)	Wilson
Fish	Mrazek	Wirth
Flippo	Murphy	Wise
Florio	Murtha	Wolpe
Foley	Natcher	Wright
Ford (MI)	Neal	Wyden
Ford (TN)	Nelson	Yates
Fowler	Nowak	Yatron
Frank	Oakar	Young (MO)
Frost	Oberstar	
Fuqua	Obey	

NOT VOTING—35

Anthony	Badham	Carney
Aspin	Bateman	Crane
AuCoin	Breaux	DeLay

Edgar	Lehman (FL)	Mitchell
Fiedler	Lloyd	Moorhead
Foglietta	Loeffler	Nichols
Franklin	Lujan	Ortiz
Grotberg	Lundine	Pepper
Hall, Ralph	McDade	Pickle
Hawkins	McEwen	Robinson
Jones (TN)	Mica	Weaver
Latta	Mikulski	

□ 1910

The Clerk announced the following pairs:

On this vote:

Mr. DELAY for, with Mr. Pepper against.
Mr. Latta for, with Mr. AuCoin against.
Mr. Bateman for, with Mr. Ortiz against.

Mr. PURSELL changed his vote from "aye" to "no."

Mr. OLIN changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments to title II? If not, the question is on the amendment in the nature of a substitute.

The amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. FOLEY] having assumed the Chair, Mr. DONNELLY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3302) to designate certain national forest lands in the State of Nevada for inclusion in the National Wilderness Preservation System and for other purposes, pursuant to House Resolution 429, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JONES of Oklahoma. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of the 1-minute speech today by the gentleman from Alabama [Mr. FLIPPO].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

THE 11TH ANNIVERSARY OF EVACUATION OF SAIGON

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, it was 11 years ago today that we all suffered that ugly sight of American helicopters, with people trying to seek freedom clinging to the helicopter landing gear on the roof of our Embassy in Saigon.

I include for my colleagues information at the conclusion of my remarks an article which appeared in the Wall Street Journal on January 25, 1983, which reminds us about the tragic events leading up to the fall of Saigon.

STUDENTS AND BUSINESSMEN SHOULD BE BROUGHT HOME FROM KIEV

Mr. Speaker, something more monstrous has come up involving the Soviet Union, and it is this reactor at Chernobyl. I am recommending that we take our 89th Support Squadron airplanes that take care of Air Force I, which is in use, and take Air Force II and the backup airplanes and get Russian permission to send them to Kiev and bring our student tours and our businessmen home. I say this because a wire service story has been brought to my attention, that says a second reactor appears to have melted down. A nuclear fire is spreading radiation, right at this moment, and an unconfirmed report says way more than 2,000 people have already died.

If you are subject to the radiation being released at the Polish border, hundreds of miles away, for only 10 hours—that is, a journalist going in and out to get a story—you pick up one rad of radiation, making you unhirable for your own safety at any nuclear facility in the United States.

The British accident on October 7, 1957, the same type of reactor, although tiny and experimental, killed 39 people of cancer, and it took the British Government 26 years to admit that.

Mr. Speaker, I wonder how many American citizens now in the Soviet Union are going to be suing the Soviet Government and our Government for not helping this week?

At this point in the RECORD I include the following article:

[From the Wall Street Journal, Jan. 25, 1983]

THE FINAL CONQUEST OF VIETNAM: A LOOK BACK

(By Lawrence J. O'Brien Jr.)

Ten years have passed since Henry Kissinger and North Vietnamese Politburo member Le Duc Tho initiated "The Agreement on Ending the War and Restoring Peace in Vietnam." Within two and a half years of the signing, on Jan. 27, 1973, South Vietnam would collapse in the face of a North Vietnamese juggernaut and the Vietnam War would be lost.

Memories depict terrified refugees in search of the safe passage aboard rescue helicopters, the cathartic return of American prisoners of war and the sadness of final surrender. But as vivid as they may be, such images tell only part of the story. For a decade now, the professional journals of the American and North Vietnamese armies have analyzed the 1973-75 "Third Indochina War," and they reveal an efficient North Vietnamese leadership fully prepared to use any means to attain dominion over South Vietnam.

Whether couched in communist cant or in American military jargon, the memoirs and studies published in the past 10 years depict a North Vietnamese politburo closely abreast of U.S. political affairs, convinced that South Vietnamese survival hinged upon U.S. congressional appropriations. Finally, they describe a valiant South Vietnamese army pressed to the breaking point by a communist force in many ways equivalent to the American armies in Normandy in 1944. In short they tell a tale that is considerably more interesting and complicated than the conventional accounts of the "fall" of Vietnam.

DISHONORABLE INTENTIONS

Pledging that "we will strictly implement the Agreement," Le Duc Tho knew on the date of signature that there were some 145,000 to 160,000 North Vietnamese Army (NVA) troops in the South in 13 combat divisions of 75 regiments. Indeed, Mr. Kissinger acknowledged the presence of the NVA forces in the South on Jan. 24, 1973, stating that while "nothing in the Agreement establishes the right of North Vietnamese to be in the South, . . . [they] should, over a period of time be subject to considerable reduction." And Article 7 of the Agreement explicitly froze troop levels, prohibited any net increase in weaponry and provided for an International Commission of Control and Supervision (ICCS).

The North Vietnamese had no intention of honoring these terms.

Convening the 21st plenum of the Lao Dong Party's central committee in October 1973, Hanoi decided that the North must "maintain a course of strategic offensive" and launched a massive refitting program to transform its army into four mobile corps with a strategic reserve of six divisions. Meanwhile, the Ho Chi Minh Trail and other new avenues of approach were to be paved and paralleled by a fuel pipeline. These were preparations for blitzkrieg, not the people's war of popular fancy. There was to be no repetition of the bloody repulse of 1972 which had cost the North some 192,000 men.

In his memoir on the war's final stages, "Great Spring Victory," the North's field commander, Gen. Van Tien Dung, admits that it was decided within the Central Military Party Committee that "the Vietnamese revolution . . . can only achieve success by way of violence," and that 1974 was to be a year of preparation. Moreover, he candidly acknowledged that American congressional action would have much to do with politburo thinking.

There were different perspectives in Saigon and Washington. Notwithstanding the South's sizable local militia, the South Vietnamese general staff knew that the respective ground forces were roughly equal in 1973, with the Army of Vietnam (or ARVN) fielding 13 divisions of 220,000 men. But those were deceptive numbers, for without a 550,000-man American field army, the

ARVN was spread thin. Responsible for the protection of key population and military centers throughout the South, the ARVN could not retain an adequate reserve and was on limited air transport for strategic mobility. There was no margin for error.

In a Washington distracted by the 1973 Arab-Israeli War, weary after eight years of Indochinese fighting and preoccupied with Watergate, Congress imposed a ceiling on military appropriations for aid to South Vietnam in fiscal 1974 ($1.13 billion), and cut appropriations to $700 million in fiscal 1975, thereby curtailing operations.

In direct response to the congressional cuts, the South Vietnamese general staff imposed strict limits on ammunition for each soldier and weapon in early 1974. ARVN ammunition expenditures declined *below* prior years, even with intense combat. Writing for the U.S. Army's Center for Military History, Col. William E. de Gro documents in "Vietnam From Cease-Fire to Capitulation" the effect of this decline on local units. The impact at the foxhole level was immediate. South Vietnamese infantrymen who normally carried six hand grenades were reduced to two; there was a 47% reduction in tactical communication capability; 25% of the Vietnamese air force was grounded; 35% of medium tanks were idled; and bandages and surgical dressings were to be washed and reused. Significantly, such curtailments occurred as U.S. and Israeli analysts of fighting in the Yom Kippur War of 1973 were concluding that their supply-expenditure estimates for modern air-land battle had to be drastically increased.

The North Vietnamese saw their new opportunity. On Oct. 29, 1974, employed tear gas in seizing objectives from elite Southern airborne units. (Ironically, U.S. press commentary earlier in the war was extremely critical when U.S. forces used tear gas to clear out areas.) South Vietnamese aerial photos also discovered the construction of a 150,000-gallon North Vietnamese fuel-tank inside South Vietnam. Hungarian military members of the Control Commission were observed photographing and mapping key objectives in the South. Finally, in an actual test of whether the U.S. would respond to an immediate strategic threat to Saigon, the North Vietnamese army attacked and seized a province northwest of Saigon. When nothing happened, Hanoi took the initiative.

In his 1976 postscript, North Vietnamese Army Gen. Dung wrote, "The reduction of U.S. aid made it impossible for the puppet troops to carry out their combat plan and build up their forces." He wrote that the Thieu government was compelled "to fight a poor man's war" with its firepower decreased "by nearly 60 percent" and with a 50 percent reduction in mobility.

Accordingly, on Jan. 8, 1975, North Vietnam's Central Committee decided to launch a major effort to divide the South at this center by means of a west-to-east drive to the sea, much as Grant devised Sherman's march in 1864. Using limited attacks to the north and south of Central Highlands to pin possible South Vietnamese reenforcements in place, the North Vietnamese expected heavy fighting with a final decision only in 1976. (Like the Tet offensive of 1968 and the Easter offensive of 1972, the new offensive was to be timed to coincide with American presidential elections.) But the North Vietnamese were overly pessimistic.

Attacking across the waist of South Vietnam on March 4, 1975, the NVA assaulted Southern forces whose new corps commander, Gen. Phu, failed to credit the predictions of his intelligence chief. Unaware of the scope of the danger he faced, Gen. Phu dallied in moving his men to proper defenses and then ordered a "withdrawal under pressure," the most difficult of maneuvers, without a written field order. The ensuing failure made resistance in the northern provinces tenuous, and the subsequent collapse of half the country led to Mr. Theiu's resignation and, ultimately, to surrender.

Conclusions vary. Henry Kissinger wrote in the first volume of "The White House years" that the 1973 agreement had been workable, given an equilibrium of forces and the implied willingness to use American force. He attributed failure to the "collapse of executive authority as a result of Watergate." Col. Le Gro concludes in his recently published study that American "domestic politics" dictated U.S. compliance with the agreement in the face of blatant communist violations.

MISSING LEADERSHIP

An eyewitness to final events in Saigon, Col. Le Gro was led by his detailed study of battlefield actions to conclude that "unit for unit and man for man the combat forces of South Vietnam repeatedly proved themselves superior to their adversaries. Missing, however, were inspired civil and military leadership at the highest levels and unflagging American moral and material support."

But as important as any U.S. and South Vietnamese omissions were North Vietnamese accomplishments. Consider, for example, that when the 1st and 3rd U.S. armies of Gens. Hodges and Patton broke from the hedgerows of Normandy and raced across France in 1944, it was deemed a massive logistical feat for 5,600 trucks of the Red Ball Express to support 16 Allied divisions over several hundred kilometers. By comparison, the North Vietnamese employed 10,000 vehicles to thrust a 16 to 20 division force across lines of mountain and jungle.

Skillfully convincing world opinion that theirs was a war of spontaneous, popular uprising, the North had brilliantly played out the "talk, fight-talk, fight" strategy of Panmunjom renown. And it is evident that they were able successfully to synchronize their battlefield maneuver with the rise and fall of American political will after 1973, a strategy that tuned itself even to the largely unnoticed details of congressional appropriations for our South Vietnamese ally.

To win, the North Vietnamese had to know how to lie when it counted, and they did so twice: First in 1973 when Le Duc Tho professed a willingness to honor their peace agreement and, second, in 1975 when they told the people of the South that they had been liberated.

EQUITABLE TAX TREATMENT FOR RURAL LETTER CARRIERS

(Mr. FLIPPO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FLIPPO. Mr. Speaker, I am pleased to introduce today on behalf of myself, Mr. JENKINS of Georgia, Mr. DORGAN of North Dakota, and 38 other Members of the House, a bill to provide for the fair and equitable tax treatment for the equipment maintenance allowance [EMA] received by rural letter carriers.

The EMA paid by the U.S. Postal Service to rural letter carriers is a reimbursement for providing a privately owned vehicle to deliver the U.S. mail. There are approximately 39,000 U.S. Postal Service rural mail routes. Rural mail carriers serve these routes as employees of the U.S. Postal Service. They have been doing so for more than 80 years. The rural carriers differ from their urban counterparts in that they use their own vehicles to deliver the mail daily to 15 million rural American families.

The U.S. Postal Service provides the rural letter carriers with an equipment maintenance allowance in the amount of 31 cents per mile to cover the expense of using a private vehicle for Government purposes. The first equipment allowance, at a rate of 4 cents a mile, was authorized in 1925. Until recently, the rural carriers did not experience difficulties in accounting for this payment for tax purposes. In 1956, the IRS established a special formula for the rural carriers to use for tax filing purposes. This formula recognized the unique problems the rural carriers faced in equipping and maintaining a privately owned vehicle for use on the rural roads of America.

Most Members of this House will recall that, in 1984, the Internal Revenue Service informed the National Rural Letter Carriers' Association that the 1956 formula and agreement was inoperative and should be considered revoked. The IRS then moved to audit virtually every rural letter carrier in the United States for tax year 1983 and prior years, assessing each for back taxes and interest. The IRS decision and audit activities provoked a storm of protest from the Members of this House, and the IRS retreated. The IRS eventually recognized that the retroactive application of the decision to revoke the 1956 agreement was unfair.

The abolition of the 1956 formula and agreement leaves the rural letter carriers subject to present law treatment of business expenses. This treatment does not take into account the unique problems the rural letter carriers face in equipping and maintaining a vehicle for use in delivering the mail in rural America. Under present law, the rural carriers are permitted to deduct business expenses, such as automobile travel—other than commuting—necessary to perform their jobs. They must keep records of these expenses in order to justify these expenses.

Alternatively, the rural carriers may elect to use the standard mileage rate in calculating their tax burden. For 1985, the standard mileage rate is 21 cents per mile for each business mile up to 15,000 in each of the first 4 years the automobile is in service; for any additional business miles, the standard mileage rate is 11 cents per mile. The average rural letter carrier drives

around 18,000 miles per year in delivering the mail.

If the rural letter carrier does not choose to use the standard mileage rate, he or she must keep records of expenses; he or she may also claim depreciation deductions for the automobile. If more than 50 percent of the use of the automobile is in delivering the mail, the automobile may be depreciated using ACRS. Additionally, the rural carrier may claim an investment tax credit.

If, however, 50 percent or less of the use of the automobile is in delivering the mail, the rural carrier must depreciate the automobile on a straight-line basis. Additionally, the investment tax credit may not be claimed.

The rural letter carrier may deduct these expenses on the income tax return. In addition, the rural carrier must report the equipment maintenance allowance as income.

The application of present law treatment of business expenses to the rural letter carriers is unfair. It doesn't take into account the unique problems the rural carriers must deal with in rural America. There are a number of factors that combine to justifying an equipment maintenance allowance higher than the standard mileage rate.

The rural letter carriers deliver the mail on routes that are predominantly nonpaved roads in all kinds of weather. These road and weather conditions in combination with heavy loads of mail require specially modified vehicles. The typical delivery vehicle must be modified to include dual controls for both steering and brakes, heavy duty springs, and removal of the back seat to accommodate the mail. Rural carriers are required to provide a backup to ensure daily delivery of the mail. In many cases, the backup vehicle must be a specialized, all-terrain vehicle which can operate on harsh roads in extreme weather conditions.

The average rural mail route is 62 miles in length with 440 stops. Rural road conditions and the number of stops and starts necessitated by pulling up to a mail box delivering the mail and driving on to the next stop generates severe and costly maintenance problems. These conditions greatly increase fuel consumption, require frequent oil changes, and tune-ups. Tires must be repaired and replaced more often than normal. Fifty thousand mile guaranteed steel belted radial tires generally last a mere 20,000 miles. Most rural carriers replace brake shoes every 3 to 4 months. The rigors of the rural roads are particularly hard on transmissions, necessitating frequent overhauls.

Generally, rural mail delivery is at least doubly hard on a vehicle than personal driving or any other type of business use. The vehicles depreciate in value and utility at a rapid rate. The used car market for these vehicles is limited.

The great majority of the rural letter carriers live in small communities in rural America where it is difficult, if not impossible, to obtain repair services after business hours or on Saturdays and Sundays. As a result, the carriers are required to perform most routine maintenance on their vehicles.

The rural letter carriers have accepted for decades the equipment maintenance allowance as sufficient to cover the expense of providing a vehicle for mail delivery. This payment has been accepted as fair by all the carriers whatever the conditions on their individual routes.

The rural mail system has worked well for more than 80 years. Rural carriers have delivered the mail over unpaved roads, in all kinds of weather. Rural Americans are more than satisfied with this system of mail delivery.

The rural mail delivery system is good for the Postal Service. The Postal Service is relieved of the task and expense of purchasing and maintaining thousands of delivery vehicles throughout rural America.

The present tax law treatment of business expenses should not be applied to rural letter carriers. They provide a unique and efficient service to rural Americans. They deserve tax treatment that is fair and reflects the unusual circumstances under which they operate.

The bill we are introducing today provides for fair and equitable tax treatment for the rural letter carriers. The bill would allow a rural letter carrier to claim expenses equivalent to 150 percent of the standard mileage allowance established by the IRS for the first 15,000 miles of business use for all miles traveled in delivery the mail for tax year 1985 and thereafter. This rate would apply whether or not the vehicle was fully depreciated. For tax year 1985 and thereafter, a rural letter carrier would not be subject to the provisions of section 280F of the Internal Revenue Code. In other words, the carrier would not be subject to the 50-percent test in determining eligibility for ACRS and the ITC.

The rural letter carriers provide a valuable service for rural America in an efficient and effective manner. The rural letter carriers deserve the support and consideration of this House.

I urge my colleagues to support this legislation.

Mrs. LLOYD. Mr. Speaker, I am pleased to sign on as an original cosponsor of a bill that my colleague, RONNIE FLIPPO, is introducing today to provide fair and equitable tax treatment of the equipment and maintenance allowance [EMA] payments received by rural letter carriers.

This bill seeks a legislative solution to a problem that first arose in November 1983 when IRS, suddenly and without warning, tried to change the tax treatment of EMA payments. Up until that time, rural carriers were considered to have accounted to their employer for their business expenses, and were not required to account on their Federal income tax returns for EMA payments or the expenses coverd thereby if the total amount of the allowance did not exceed expenes.

This policy had been in effect for many years and was supported by numerous revenue rulings. But that didn't stop IRS from trying to change this policy retroactively. The first thing they did in November 1983 was to notify the Postal Service that EMA's would have to be included on the employee's W-2 forms as "other compensation" beginning with the 1983 tax year. Because of the lateness of the notification, the Postal Service was unable to comply for 1983, but did agree to comply in 1984. Rural letter carriers were advised that beginning January 1, 1984, they would have to keep proper records for the deduction of expenses because the EMA would be included in their W-2's as "other compensation."

While the National Rural Letter Carriers' Association was appealing the decision, it discovered that IRS was applying it retroactively in audits of 1981, 1982, and 1983 returns.

In response to protests from the Congress, and H.R. 1884, which addressed the problem legislatively, IRS finally agreed to make no adjustments on returns that had been filed in accordance with pre-1984 tax policy. Carriers who had been unfairly assessed retroactively were given the opportunity to file a claim for refund or abatement. Thus, the problem with respect to pre-1985 tax years has been resolved.

The bill that is being introduced today seeks to clarify the tax treatment of EMA payments prospectively—thus removing any doubt about congressional intent in a matter which affects the people who provide mobile post offices for over 15 million families in remote areas throughout America.

I hope that a majority of my colleagues will join in this effort to provide fair and equitable tax treatment for our Nation's rural letter carriers.

Mr. NICHOLS. Mr. Speaker, I speak on the floor of this House today as a strong supporter of legislation being introduced to create a fairer system of compensation for the thousands of rural letter carriers throughout our Nation.

The job that our Nation's mail carriers fill is an essential link in keeping rural America in daily contact with activities affecting all Americans. The men and women who faithfully deliver mail in rural areas undertake an extraordinary job. As a group, they travel 2 million miles daily. Individually, the average rural carrier has a route 62 miles in length with 440 boxes. If these miles were as simple as driving from Washington to Baltimore, or in my home State of Alabama, as simple as driving from Sylacauga to Montgomery, the situation would be much less complicated. However, a rural carrier oftentimes travels roads that are far from being paved with gold, or even asphalt, for that matter. In rural America, dirt roads are prevalent. Along with increased maintenance from normal rural carriers duties, unpaved roads greatly enlarge the costs for

depreciation and repairs of our Nation's mail carriers vehicles.

Mr. Speaker, this legislation seeks to fairly compensate these hardworking and dependable Government servants by reimbursing them an amount that is equal to their job-related costs. As an original cosponsor of this legislation, I ask my colleagues for their support in passing this legislation.

□ 1925

THE GENERAL AVIATION TORT REFORM ACT OF 1986

The SPEAKER pro tempore (Mr. ROEMER). Under a previous order of the House, the gentleman from Arkansas [Mr. HAMMERSCHMIDT] is recognized for 5 minutes.

Mr. HAMMERSCHMIDT. Mr. Speaker, today I am introducing the General Aviation Tort Reform Act of 1986 to establish a Federal cause of action for determining liability for personal injury and property damage arising out of general aviation accidents.

We have all heard a great deal lately about this Nation's insurance and product liability crisis. One of the areas where this crisis is having its most severe impact is in the field of general aviation. Production of general aviation aircraft and components is being limited or ceased and sales are plummeting. This situation has, at least in part, been caused by the unavailability of product liability insurance and increased costs due to inflated court judgments.

This bill attempts to strike a balance between the needs of the general aviation manufacturer and the rights of the general aviation user. Yet, some inequities may remain in the bill as drafted and for that reason hearings on the subject are necessary in order to shed light on any differences of opinion.

For example, I personally am concerned about the provision that would relieve the manufacturer from liability if the plane is more than 12 years old. I could conceive of a situation where it might take several years for a defect in an aircraft to show up and cause injury. Yet the injured party would be unable to recover damages in such a case. This could very well be unfair and, accordingly, we certainly need to hear from both sides of the question before settling on a specific statute of repose.

But the problems that may crop up because of this proposal do not justify our doing nothing. This bill provides a good vehicle for responding to the product liability crisis as it affects general aviation. I am confident that whatever problems remain with the legislation can be resolved as this bill works its way through the legislative process.

SOCIAL SECURITY "NOTCH" PROBLEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. JONES] is recognized for 5 minutes.

Mr. JONES of Oklahoma. Mr. Speaker, yesterday a number of our colleagues rose to discuss the "notch" problem in Social Security benefit levels created by the 1977 financing legislation. Their statements represent another indication of how controversial, confusing, and emotional the debate over the notch has become. Today, I have asked the General Accounting Office [GAO] to conduct a thorough study of the entire notch issue, including an analysis of its causes, a detailed review of its actual effects on beneficiaries, and an examination of the financial implications of lessening or eliminating the notch.

There is a lot of anecdotal information about how the notch has affected beneficiaries, and I have heard broad generalizations, such as made by many of my colleagues yesterday, that the notch places millions of Americans in poverty. I think that the GAO can do a great service to the Congress by studying exactly what groups of beneficiaries are affected by the notch. Are they typically high-income retirees who enjoyed long, prosperous careers or are they low-income people living at the subsistence level? As we consider legislation in this area, we should find out who we would be helping by lessening the effects of the notch. In addition, we should have a clear understanding of how and who would pay to correct any unfairness caused by the notch issue.

The Social Security Administration has informed us that one of the more popular legislative proposals, H.R. 1917, would cost about $82 billion over the next 5 years. This is an enormous amount of money that will not appear out of thin air. I have asked GAO to look into whether there are other Social Security benefits that could be cut and channel the savings into underwriting notch legislation. I want GAO to investigate the ramifications of tapping into the trust fund surpluses that will build in the next two decades, which are intended to help finance the retirement of the "baby boom" generation, in the next century. GAO will also evaluate the idea of simply raising payroll taxes to finance a notch bill.

The notch has proven to be a source of much turmoil and misunderstanding and I think it is important that GAO provide the Congress with an independent, disinterested study of the entire issue. A good GAO study will give us a sound basis of facts and information on which we can debate notch legislation in a balanced and reasoned fashion.

As chairman of the Social Security Subcommittee, Mr. Speaker, I do not want any of the senior citizens who are entitled to their benefits to be treated unfairly. In order to determine the level of unfairness of the notch issue and what unfairness correcting that will cost other parts of our population, we need to have not anecdotal information but we need to have a sound data base. This request to the GAO will give us that sound data base, and when we get that I pledge that the Social Security Subcommittee will take it up and will act responsibly to correct any problem that exists.

Mr. Speaker, I include with these remarks a letter that I have written to Mr. Charles Bowsher, Comptroller General of the United States, and a letter to the Secretary of the Department of Health and Human Services, Otis Bowen, requesting this study, and we will stay on top of this issue and try to correct any unfairness.

The letters follow:

COMMITTEE ON WAYS AND MEANS,
SUBCOMMITTEE ON SOCIAL SECURITY,
Washington, DC, April 30, 1986.

Hon. CHARLES A. BOWSHER,
Comptroller General of the United States, General Accounting Office, Washington, DC.

DEAR MR. BOWSHER: As you may know, the "notch" in benefit levels that resulted from the Social Security Amendments of 1977 has proven to be a very controversial and confusing subject in the Congress, the media, and the public. As Chairman of the Social Security Subcommittee of the Committee on Ways and Means, I have been approached by many colleagues and constituents on the "notch," and have heard much anecdotal information about its effect on beneficiaries. Before the Congress considers any legislative proposals to lessen or eliminate the "notch," I would like the General Accounting Office (GAO) to conduct a complete investigation of how the "notch" arose, what beneficiaries are affected by it, and what alternatives exist for financing any increases in benefit expenditures that would result from remedial legislation in this area.

Overall, I would like the GAO to organize its study around a number of important questions that would improve our understanding of the causes and effects of the "notch."

First, it is often stated that the 1977 amendments generated enormous unintended effects that Congress did not expect at the time the legislation was enacted. In this regard, I would like to know:

(a) To what degree do the disparities in benefit levels among different age cohorts exceed Congressional expectations, and why did this occur?

(b) Does any specific beneficiary group receive lower real benefits than Congress anticipated, or are the disparities in benefit levels a product of certain beneficiaries receiving more generous benefit than anticipated?

(c) By year of birth, how are typical workers with low, average, and high earnings, respectively, affected by the "notch?"

(d) What would have been the effect on benefits calculated under the transitional rule had economic circumstances been more favorable in the late 1970's?

(e) Has the key objective of the 1977 amendments—the stabilization of benefit levels in relation to pre-retirement earnings—been achieved?

Second, I am very interested in a detailed analysis of the social and economic characteristics of the beneficiary groups disadvantaged by the "notch." I would like GAO to examine a sample of the population affected by the "notch," divide the sample into categories based on the amount by which

their real benefits are less than they would have been had the 1977 amendments not been enacted, and provide statistics on the income, assets, and health status of each group. I want to know what sorts of people typically receive significantly lower benefits as a result of the 1977 amendments, and what this reduction means from the larger picture of household income and resources. In considering legislation to lessen the effects of the notch, I think Congress would benefit from an analysis of who would gain most by such proposals.

Finally, I would like GAO to look into the financial consequences of legislative proposals that would lessen the discontinuity between benefits paid under the old and new law formulas. I would be interested in a thorough review of the alternatives available to the Congress to finance the benefit increases that would result from such legislation.

I appreciate your attention to this matter.

Sincerely,

JAMES R. JONES,
Chairman.

COMMITTEE ON WAYS AND MEANS,
SUBCOMMITTEE ON SOCIAL SECURITY,
Washington, DC, April 30, 1986.

Hon. OTIS R. BOWEN,
Secretary, U.S. Department of Health and Human Services, Washington, DC.

DEAR SECRETARY BOWEN: As you are certainly aware, the social security "notch" that resulted from the Social Security Amendments of 1977 has become a source of great confusion, misunderstanding, and controversy in the Congress, the media, and the public. In order to inform Congress on the causes and effects of the "notch" and legislation to lessen its impact on beneficiaries, I have requested the General Accounting Office (GAO) to conduct a thorough study of this issue.

I would appreciate your extending the full cooperation and assistance of the Department of Health and Human Services to GAO in carrying out this study. I would also request that the agency review and comment upon the content and findings of GAO's report when it is completed, and supply these comments in written form to the Subcommittee on Social Security.

I appreciate your attention to this matter.

Sincerely yours,

JAMES R. JONES,
Chairman.

THE 25TH ANNIVERSARY OF THE JOINT BALTIC AMERICAN NATIONAL COMMITTEE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, this year marks the 25th anniversary of the Joint Baltic American National Committee, and I rise to salute this fine organization which has actively worked for the cause of freedom for the countries of Estonia, Latvia, and Lithuania.

Founded on April 27, 1961, by the three central national organizations of Baltic Americans—the Estonian American Council, the American Latvian Association, and the Lithuanian American Council—the Joint Baltic American National Committee has monitored the activities of the U.S. Government regarding the Baltic States, and has also provided valuable information and assistance to Government officials and to congressional offices.

Although the Soviets have been systematically brutal in their persecution of the people of Estonia, Latvia, and Lithuania, the Communists have been unable to crush the spirits of the proud people of these Baltic countries and their desire to live in freedom and human dignity. Organizations like the Joint Baltic American National Committee have kept the hope and the flame of freedom alive, as they remain strongly committed to achieving self-determination for the people of the Baltic States.

Mr. Speaker, I congratulate the Joint Baltic American National Committee on the occasion of its 25th anniversary, and I extend my best wishes for future success as it continues its diligent commitment to obtaining freedom for the people of Estonia, Latvia, and Lithuania.

FIRST THINGS FIRST: BUDGET, THEN TAX REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, I rise today to express my deep concern about the direction the tax reform process has taken in the Senate and about the impact this is having on our efforts to reduce Federal budget deficits.

As one of the first sponsors of comprehensive legislation to simplify and reform the Federal income tax, I continue to back the effort to simplify the Tax Code and make it fair and more economically rational. H.R. 3838, which passed the House last year, goes a long way toward making the Tax Code more equitable. Unfortunately, it does not go nearly far enough in simplifying the system for most taxpayers, and it does not address the deficit crisis, which should be our first priority. But on balance, it is an improvement over the current Tax Code.

Now, the tax reform process has gone completely awry. The Senate Finance Committee seems determined to make the tax reform bill a Christmas tree for special interests, to make the Tax Code more complex, not simple, and to increase budget deficits instead of reducing them. Tax reform is turning into a travesty that is short circuiting the budget process and destroying the hopes of the American people for a fair, simple, and rational income tax.

The situation in the Finance Committee threatens the budget in two ways. First, the committee, like an unreformed alcoholic, seems unable to resist the temptation to give away loophole after loophole to a succession of special interests. For some reason, committee members seem unaware that these loopholes cost money. They also are obviously not serious about reform or simplification.

But the other edge of this sword pointed straight at the budget process is that the committee's extravagance is forcing it to look at a number of revenue-raising options just to make up the difference. These options, which should be considered as a part of the deficit-reduction effort, may be needed just to make the Finance Committee bill come out even. They have been frozen by the tax reform process, and thus they are unavailable for the more urgent effort to reduce deficits.

There is no question in the minds of those who have examined the budget numbers carefully about the need to include a revenue increase in the fiscal year 1987 budget. What is needed is a fair and balanced approach that combined limits on defense and entitlement spending with a revenue increase. As my colleagues know, whatever approach we take, we need to reduce the deficit to $144 billion to meet the dictates of the Gramm-Rudman legislation. It is essential that we meet this target regardless of whether the Supreme Court validates the Gramm-Rudman enforcement mechanism. The ramifications of automatic Gramm-Rudman spending cuts and continuing $200 billion deficits are equally unpleasant to contemplate.

Unfortunately, the President chose not to present a serious budget that meets these goals. His budget would sharply increase defense spending while slashing deeply into key domestic programs, it would not address the need for additional revenues, and it falls short of the Gramm-Rudman target by about $10 billion.

A strong bipartisan majority of the Senate Budget Committee has taken a much more sensible and courageous approach and has approved a budget which certainly goes in the right direction. It includes a mix of defense and domestic cuts, and it would raise revenues for fiscal year 1987 by $18.7 billion. It meets the Gramm-Rudman deficit target as well.

While the Senate Budget Committee is to be commended for making this effort, I believe we need to go even farther. I have introduced a budget that I call a 20/20/20 budget. It would reduce the fiscal year 1987 deficit by $60 billion to $130.5 billion, well below the Gramm-Rudman target. It combines $20 billion from a freeze in defense spending, $20 billion from a freeze in domestic entitlement programs and other domestic cuts, and $20 billion from increased revenues. It is my hope that the House Budget Committee will soon begin work on a budget and will seriously consider my proposal.

Regardless of the plan that is adopted, it is clear that a consensus is forming in Congress on the need to raise revenues. But how is this to be accomplished? A number of options have been raised, but they are virtually all being considered as part of the tax reform bill to make that measure come out revenue neutral. The possibilities include a strong minimum tax on wealthy and corporate taxpayers, loophole closing, excise tax increases, delaying or limiting indexing, and stronger enforcement, perhaps combined with a tax amnesty. Each of these options has its advantages and disadvantages. But we can't even think about them as part of the budget if they might be included in the tax reform bill. Thus, we are stymied.

The House and Senate have already missed one important target on the budget timetable. Neither body produced a budget by April 15. We need to get the process back on track. I think it is time that we set aside the tax reform effort until Congress has given final approval to a fair, effective budget for fiscal

year 1987. If we do not, we face either continuing high deficits or across-the-board sequestration under Gramm-Rudman. And we face the very real possibility that neither Congress nor the President will ever possess the will or the courage to address our most serious economic problem. I believe there is still a chance to avoid this conclusion, if we do first things first and make a budget our first priority.

TRIBUTE TO FORMER REPRESENTATIVE BOB CASEY OF TEXAS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BROOKS] is recognized for 60 minutes.

Mr. BROOKS. Mr. Speaker, I want to take this occasion to join my colleagues in expressing our sense of deep sadness at the death of our beloved friend and former colleague, Congressman Bob Casey of Texas.

It was my honor and privilege to serve with Bob Casey, both in the House and in the Texas State Legislature back in the late 1940's.

Bob Casey was a graduate of the Houston public school system and studied law at night at the South Texas College of Law. He represented the people of Houston as an assistant district attorney, as a member of the State legislature, and as county judge of Harris County, TX. He was elected to the 86th Congress on November 4, 1958, and served this body with distinction and dedication as a member of the House Appropriations Committee. He was known by all as someone who brought compassion and understanding to the deliberations in this Chamber.

Those of us who were privileged to work closely with Bob Casey also had an opportunity to become friends with his fine family. Bob married Hazel Marian Brann in 1935 and together they had 10 fine children.

My wife, Charlotte, shares my sense of loss because she worked in Congressman Casey's office when I first met her. We both considered him a very close personal friend and we will greatly miss him.

The people of Houston, Harris County, and the State of Texas were, indeed, fortunate to have a man like Bob Casey represent them here in Washington with such energy and dedication. They will long remember his very skillful representation of their interests. I valued his leadership along with his wise counsel and warm friendship.

My deepest sympathy is with his wife, Hazel, and his children.

Mr. ANDREWS of Texas. Mr. Speaker, will the gentleman yield?

Mr. BROOKS. I yield to the gentleman from Texas, Mr. MIKE ANDREWS.

Mr. ANDREWS. I thank the gentleman for yielding.

Mr. Speaker, I rise today to join my colleague, JACK BROOKS, in tribute to the memory of former Congressman Bob Casey. I have both the privilege of representing part of the district Mr. Casey served during his tenure in the House, and the great honor of having known him personally.

A recent editorial in the Houston Chronicle called Bob Casey "a champion of private enterprise, the free market system, energy self-sufficiency and reduced Federal spending * * * he represented admirably the interests of this area and the welfare of this country." I could not agree more. Bob Casey was a truly exemplary man—an outstanding public servant strongly dedicated to his family and friends, and to his constituency.

Someone once asked John F. Kennedy what were the most important attributes of a successful public servant. He stated:

To be a positive force for the public good in politics one must have these things; a solid moral code governing his public actions, a broad knowledge of our public institutions and traditions and a specific background in the technical problems of government, and lastly he must have political appeal—the gift of winning public confidence and support.

Bob Casey had all of these things—and he was much more.

I'll never forget a long day Congressman Casey spent campaigning with me in Brazoria County. Starting early, the two of us drove all over the Texas backroads and talked between stops.

It was perhaps the first time I understood what serving in Congress was all about. Bob Casey remembered places and people and local issues that most men would have long forgotten. He counseled me about challenges I would face in Washington, and talked about politics in a way that was at once extremely personal and important.

Many people from his congressional district have related similar stories, remembering how he had helped them in some way. His constituents knew Bob as an important Member of Congress and a national leader, but most importantly, they knew him as a trusted friend.

Like his many admirers throughout Texas and in the House of Representatives, I will miss Bob Casey's counsel. I will always remember him with affection and respect.

I would like to include with my remarks an editorial from the Houston Chronicle for the RECORD.

The editorial follows:

BOB CASEY

Bob Casey, in his 17 years as a Democratic congressman representing the 22nd Congressional District of the Houston area, built an impressive record of public service.

He was a champion of private enterprise, the free market system, energy self-sufficiency and reduced Federal spending. Casey served on the powerful House Appropriations Committee and was chairman of the legislative appropriations subcommittee. Through those 17 years, he represented admirably the interests of this area and the welfare of this country.

Yet that is only part of the picture. He also served two years in the Texas Legislature, eight years as county judge here, as an assistant district attorney here for two years, as city attorney and a school board member in Alvin, and rounded out his career in public service as a member of the Federal Maritime Commission and as chairman of the Texas Deepwater Port Authority for two years each.

A native of Joplin, Mo., Casey moved to Houston at an early age, attended schools here and was admitted to the State Bar of Texas in 1940. He and his family have made many contributions to this community, and his death Thursday is a loss to us all.

In an interview with a Chronicle reporter in 1981, Casey succinctly voiced his political philosophy. "During the primaries, my opponents used to label me too conservative. Then during the fall campaign my Republican opponents would say I was too liberal. All I did was try to represent my district, and I take pride in what I did. I feel I did pretty well for them."

Indeed, he did.

Mr. CHAPPELL. Mr. Speaker, I rise today to express my heartfelt sorrow at the passing of our friend and former colleague, Bob Casey. I feel a special sadness and sense of loss, for when I first came to this body in 1969, Bob went out of his way to welcome me and to make me feel at home.

Although he was born in Missouri, Bob moved with his parents to Houston when he was 15, and he became a true Texan for the rest of his life. He attended high school, college, and law school in Texas, and was admitted to the State bar in 1940.

Bob began his public service career in 1942 as the city attorney of Alvin, TX, where he also served on the local school board. He soon returned to Houston to become the Harris County assistant district attorney. In 1948, he was elected to the Texas State House of Representatives. Subsequently, he was elected county judge three times and served as a member of the Board of Regents for the South Texas College of Law, where he had been a student.

In 1958, the good people of Texas saw fit to send Bob to Washington as their Representative, in effect, sharing his wisdom and leadership with the rest of the country. His tenure in the House of Representatives extended through the turbulent 1960's and into the 1970's. These were times of great change in the Nation and particularly in the South. But through it all, Bob continued to demonstrate by example that individuals of divergent backgrounds and beliefs could work together for the common good.

Bob was an extremely cordial man, one with whom I enjoyed working and discussing matters pending before Congress. I particularly remember him for being willing to tell you how he stood on an issue and why—there was very little waffling with Bob Casey. He was a no-nonsense individual when it came to taking a stand, and he earned the respect of his colleagues for it.

When he left the House in 1976, he left behind a solid record of achievement. Of particular note were his efforts to prohibit U.S.

foreign aid to Communist nations, and to prohibit the use of foreign assistance money to build overseas plants which directly competed with American facilities. Further, he was a staunch advocate of imposing tough mandatory penalties for the use of a handgun in the commission of a felony.

Mr. Speaker, I commend my colleague from Texas, JACK BROOKS, for permitting me to join in this tribute to a fine gentleman who served his district, State and country admirably and unselfishly for so many years. To his family, I extend my sincere condolences over this loss, in which we all share.

Mr. WHITTEN. Mr. Speaker, I am saddened to learn of the passing of my close friend and former colleague, Bob Casey.

Bob and I worked for many years on the Appropriations Committee. He and his fine family were very close to me. Bob was a good father and a valuable Member of Congress. He leaves an excellent record of accomplishment.

We extend to his family our deepest sympathy.

Mr. BOLAND. Mr. Speaker, I am pleased to join my colleagues in paying tribute to our departed friend and former colleague, Bob Casey.

Bob Casey had a tremendous record of public service spanning over 30 years. Bob began his political career by being elected to various city and county offices; the Texas State Legislature; a county judgeship; and in 1958 he was elected to the U.S. House of Representatives. During his 17 years in the House, Bob served on the House Merchant Marine and Fisheries Committee and later on the House Appropriations Committee.

I had the pleasure and privilege of serving with Bob during his nine terms in the House of Representatives. As chairman of the Legislative Branch Subcommittee of the House Appropriations Committee I knew him to be a man of high integrity, deep personal conviction and sound judgment. While never neglecting the particular needs of the people of Texas who sent him to Congress, Bob never lost sight of the needs of the Nation. He was a most dedicated public servant whose many achievements will be long remembered not only in Texas, but in the Congress as well. In 1975, Bob was recognized for his fine work on the Merchant Marine and Fisheries Committee and was appointed to the Federal Maritime Commission by President Gerald Ford. He resigned from that position in 1977. We are fortunate that Bob chose to devote his life to public service. He made an important contribution while serving in the House and on the Commission and he will be missed.

I want to extend my deepest sympathy to his wife, Hazel, their children, and grandchildren.

Mr. HORTON. Mr. Speaker, I join my colleagues here this evening to pay tribute to a dear friend and former Member of this House, Bob Casey.

I had the opportunity to know Bob for many years. He was elected to serve the people of Houston in 1958, and I joined him 4 years later. I knew him to be an honest and compassionate man, who represented his constituency fairly and with distinction.

As a member of the House Appropriations Committee, Bob always lent a sympathetic ear to programs which specific Members considered important to themselves or their constituents.

From the 86th to the 94th Congress, Bob expressed a zeal and devotion to this House and its Members unequaled by all but a very few.

Mr. Speaker, as one who was born in Texas, I want to express my deepest sympathy not only for Bob's wife Hazel and their children, but for the people of the city of Houston and the State of Texas as well. That great State has lost one of its most respected and loved statesmen.

Houston should be proud to have a man like Bob Casey as one of its representatives to the country and the world. His leadership to me in my initial years as the Member, and his advice for more than a decade, will be remembered and cherished.

His friendship will be greatly missed. My wife Nancy and I extend our most heartfelt sympathies to Hazel and the entire Casey family. We all share in your loss.

Mr. DE LA GARZA. Mr. Speaker, when a great human being dies all rise to offer their eulogies in recognition of that person's accomplishments and good deeds, and today we gather to pay tribute to our former Texas colleague and a man I regarded as my good friend, Bob Casey. This is an instance when the usual plaudits just do not seem enough although I should add that Bob Casey's life needs no embellishment. It was the perfect example of selflessness—a permanent sketch of love and humane regard.

Bob Casey was indeed one of the most effective Members this Chamber has known. His command of the issues was noteworthy and he was an example to be emulated by us all. To be a constitutent of Bob Casey's was to be blessed with excellent political leadership for if you had a problem or needed help, Bob would move mountains to do it for you.

We first served together in the Texas Legislature. Then we came to this Chamber. It is here where as a member of the Appropriations Committee Bob Casey accomplished much for the residents of his district, his State, and his country. One shining example is the Houston International Airport which bears his mark.

Bob Casey was a true and typical Texan—tall, commanding and the embodiment of all traits positive. He was a man who earned his spurs and with his passing Texas has lost one of its finest sons.

To his family go my very deepest sympathy and my loving prayers.

Mr. FUQUA. Mr. Speaker, it was with profound sorrow that I learned of the passsing of our former colleague, Bob Casey. He was a very good friend of mine and I shall miss him.

Bob and I served together on the Science and Technology Committee when I came to Congress and I could always depend on him for good advice. His service on both the Merchant Marine and Fisheries Committee and the Science and Technology Committee prepared him for his work on the Appropriations Committee and at the Federal Maritime Commission.

Bob faithfully served the people of Texas' 22d District from the time he was first elected in 1958 until his appointment by President Ford to the Federal Maritime Commission in 1975. He was a good and able legislator who left his mark on Congress and the Federal Government.

I want to extend my deepest sympathies to his family and many friends. He shall be missed by all of us.

Mr. PEPPER. Mr. Speaker, all of us who knew Bob Casey as our distinguished and beloved colleague here for many years are deeply saddened by the news of his passing. Bob was an able, faithful, dedicated public servant. He had a strong sense of duty to his constituency and his country and a warm feeling of respect and affection for his colleagues in the House. Bob left an impressive record as a good Representative from his district. He was keenly sensitive to the needs of his country and was always a devoted supporter of what he deemed to be best for America. Bob was a man of outstanding integrity, great compassion for those who needed help, great concern for the preservation and betterment of our country.

We who knew Bob will cherish his memory and ever be proud that we were his colleague and friend. I extend my deepest sympathy to all the members of his family.

Mr. BEVILL. Mr. Speaker, I rise today to remember our friend and former colleague Bob Casey. I was saddened to learn of Bob's death.

Bob was a fine gentleman and a dedicated Member of Congress. He distinguished himself as a member of the House Appropriations Committee.

Bob served not only his Texas constituency, but the Nation as well. We have lost a fine public servant, but we will not forget his many contributions.

□ 1935

GENERAL LEAVE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

TRADE DEVELOPMENT AND INVESTMENT ACT ("THINK POSITIVE, THINK EXPORT")

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Vermont [Mr. JEFFORDS] is recognized for 30 minutes.

Mr. JEFFORDS. Mr. Speaker, today I am introducing a bill that will provide substantial help in solving our Nation's trade problems. Too much legislation and effort so far has been negative, treating the symptoms rather than the causes of these problems. It is time we started thinking positive about export—treating causes, not just symptoms.

The bill I am offering concentrates on improving national productivity by revitalizing the Nation's research and development capacity, improving education, and enhancing labor-management relations so that the country, once again, can compete effectively and aggressively abroad. Yet, it does not ignore the immediate needs of those who have been adversely affected by our present trade imbalance.

The bill, which I've entitled "The Trade Development and Investment Act," will not require any new budget outlays. Instead, it calls for the imposition of a 0.9-percent import surcharge. The proceeds of this surcharge are to be paid into a trust fund to be used to fund programs that will enhance America's competitive position for years to come. It is these programs that comprise the "investment" in the bill's title.

In addressing our trade problem, we need to look beyond the immediate problem of workers now being hurt by foreign competition. We need to look to the future—to determine what our work force will be like and what sorts of skills it will need to hold a preeminent place in the world economy. This bill is intended to preactive as well as reactive. The programs I propose to fund with the proceeds of the import surcharge will not only provide short term, immediate assistance for workers in industries now adversely affected by foreign competition. They will also have beneficial long-term effects on the abilities and productivity of American workers.

Recent years have seen a disturbing decline in America's competitive position in the world economy. We have been undersold by foreign competitors with cheaper labor, newer technologies, and higher levels of productivity. We have only ourselves to blame for this decline. Since World War II, we seem to have become complacent about our role in the world economy, focusing on our own standard of living. The decline in our competitive position has paralleled a decline in the quality of our education. In fact, because of our poor educational performance, we have been labeled "A Nation At Risk."

My bill pays special heed to the roles of science and technology in our Nation's economic future, and to the need for increased educational efforts in those areas, together with additional research and development activities. For a long time the United States remained at the forefront of the high-technology sector of the world economy, with an established computer industry and well-financed military research and development efforts. But we have begun to slip even in this area. High technology business forms a large proportion of the new businesses established in the last few years, and technology drives even the non-high-technology industries. A key challenge now facing our Nation, therefore, is to develop a work force capable of meeting the everchanging demands of this age of technology.

To meet this challenge, my bill calls for the full funding of programs under the Education for Economic Security Act to improve elementary and secondary instruction, curriculum, and teacher training in the areas of mathematics, sciences, foreign language, and computer literacy. We need to mold a future generation of Americans that is capable of speaking foreign languages. No other nation on Earth depends so heavily on its trading partners to speak its language. Another program financed out of the trust fund is a fellowship program for graduate students pursuing degrees in areas of national need.

In the past, universities have led the way in conducting basic research for high technology industries. There is growing evidence, however, that our institutions of higher education have inadequate and outdated scientific equipment and research facilities. We need to ensure that these institutions maintain a strong commitment to basic research and development that will form the basis for industries, processes, and products in the future. The bill, therefore, contains an ambitious program to help our colleges and universities retool their laboratories and research facilities in order to keep pace with developments in science and engineering. Further, the bill calls for an extension of the research and development tax credit to encourage more research and the development of new products. To improve the mechanisms for transforming basic research into the first stage of products development, and to enhance collaborative efforts between business and higher education, the bill establishes an economic development program that will promote cooperation and the exchange of technology between colleges and local business communities. Such a program will facilitate transfers from the drawing board to the factory. Lastly, to assure that we have enough scientists and engineers at the highest levels of education, the bill provides for special graduate and work-study programs in areas of national need.

Developing and maintaining a work force versed in the fields of science and technology, however, is not the only challenge facing America. There is evidence of a growing mismatch between job needs and workers' capabilities. A significant minority of our people is illiterate. American schools are graduating thousands of functionally illiterate students every year, and thousands more drop out of school.

Illiteracy is a fundamental, critical cause of joblessness. Millions of young Americans entering the work force are ill-equipped to handle even entry level jobs. They pose a serious risk to the Nation's productivity and competitiveness. Lack of basic learning skills also prevents workers from adapting to new technologies. A recent report by the National Alliance of Businesses predicts that by the year 2000, if Johnny can't read, he won't work. So that our existing work force can acquire the basic skills necessary to keep pace in a changing economy, the bill contains provisions funding adult basic education programs that are now woefully underfunded.

At the other end of the scale are young Americans with such special talents and abilities that they undoubtedly will play leadership roles in the future. We cannot afford to ignore their special needs. Other countries have long recognized the value of special programs directed toward talented and gifted students. So, too, does my bill, which incorporates a program that will meet the needs of these students.

To assist in the upgrading of skills of currently employed workers, the bill calls for an extension of the exclusion from tax of employer-provided educational assistance. In addition, it provides for an amendment to the Job Training Partnership Act to combat the problem of skill obsolescence by the establishment of a cooperative program between local businesses and the education community to retrain workers and upgrade their skills to meet the needs of local businesses. We must begin to view education as a lifetime process—not as an endeavor that ceases once a diploma has been earned. Continuing lifetime education will facilitate workers' abilities to adapt to changing work environments and new technologies. The bill thus provides opportunities and incentives for educational experiences above and beyond what we commonly refer to as formal education.

The American work force of the future will reflect some significant demographic changes. There will be striking increases in the growth of poorly educated segments of our population, who are typically the least prepared for work. The total number of working age youth will decline, while the number of minority youth will increase. To assist these workers of the future, the bill contains a provision calling for increased funding of the exemplary youth programs under the Job Training Partnership Act. To encourage minority participation in graduate programs, the bill calls for the establishment of a program to identify and recruit talented minority students for graduate programs. To encourage the employment of minorities, the bill calls for an extension of the targeted jobs tax credit.

Moreover, to create jobs and develop work skills for disadvantaged workers

in economically depressed areas, the bill incorporates "enterprise zone" legislation, an idea which has been successfully implemented by a number of State and local governments, and which is worthy of a trial at the national level. These zones, with the tax and regulatory relief they would provide, would be particularly helpful to areas dependent on manufacturing, which have been especially hard hit by foreign competition. To assure that the enterprise zone legislation is revenue neutral, the bill calls for a transfer from the trust fund to the general fund of the Treasury at the end of each fiscal year, an amount equal to any Federal tax loss resulting from the enactment of enterprise zone legislation.

Finally, the bill adopts an idea successfully employed by the Japanese: labor-management cooperation committees. Through these committees, sometimes called quality circles, workers are encouraged to suggest ideas for improvements in production techniques and working conditions. Labor is a great resource for improved efficiency and innovation—a resource that should not remain untapped. The bill makes it clear that such labor-management cooperation committees are not company unions under the NLRA. In addition, the bill provides for the funding of a generous program calling for assistance of the establishment and operation of such committees in order to enhance worker productivity and efficiency.

With a better educated, more highly skilled work force, America can reclaim its position among the leaders in world trade. Although the programs I have outlined are ambitious, I want to reemphasize that their cost will be borne not by additional tax dollars, but from the proceeds of an import surcharge. This import surcharge—estimated to raise between $3 and $3.5 billion per year—will also be used to fund the Trade Adjustment Assistance Program, now funded from general revenues, and will thus serve as a vehicle to remove this important—and costly—program from the budget process. An additional nine-tenths of 1 percent added to the cost of imported goods would not run afoul of our existing trade agreements and is, I believe, a small price to pay for programs that could restore the health and vitality of America's trade position and, enable us to meet for years to come the challenge of the changing needs of the world's economy.

□ 1945

THE MEANING OF FREEDOM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 60 minutes.

Mr. BURTON of Indiana. Mr. Speaker, occasionally I will read an article or book that I feel is so important that I am compelled to read at least a part of it to my colleagues and possibly to the people of the country who may pay attention to the CONGRESSIONAL RECORD.

Such is an article that I read in the Indianapolis Star, written by Christo Nizamoff, a person who emigrated to the United States in 1921, and who truly knows the meaning of freedom.

I would like to read an excerpt of his book to the Congress, and I hope some of my colleagues will have a chance to listen to this:

AN EXILE IN SAFE HARBOR

(By Christo N. Nizamoff)

The year was 1921, the month April when we boarded the small steamship on the way to the United States. After 19 days on the Atlantic fighting storms and waves the size of a mountain; one sunny afternoon we heard over the public address system that the next day we would get the first glimpse of the famed Statute of Liberty. That announcement lessened our pain and fears.

Yes, we had bartered our youthful dreams and ambitions in exchange for freedom. That was the magic and the magnet that was drawing us to America. Slavic blood ran through our veins, and like all Slavs, we were fatalists—let fate decide our destiny.

That evening I made a complete reappraisal of my future. Since freedom was so precious. I would willingly spend the rest of my life as a coal miner or a steel worker. I would bury my dreams under the black dust of the coal mine, or cast them into the flaming steel furnace. But I would aim at one thing—not to stay away from the mainstream of life in the country where I was to plant my roots. I would be part of it. My English might be poor, my name not Anglo-Saxon: nevertheless I would always consider myself an integral part of the majority. But I would never, never abandon the struggle for freedom of my people. I would find a way to help.

Early the next morning we heard someone say: "Hey, we have come; look straight ahead, there she is, the statue, the statue!" A loud, spontaneous "Hurrah, hurrah," pierced the air. The call for breakfast was ignored. A glimpse of the Statue of Liberty was more nourishing.

But the excitement and jubilation came when we approached New York Harbor and the statue was close enough to touch, or so it seemed to us. Beautiful and imposing, the great lady who so welcomed newcomers with upthrust arm and lighted torch stood there before us, and we felt hypnotized.

In the background we could see the massive Woolworth building, at that time the tallest structure in New York. But except for its height and the American ingenuity in construction, it had no meaning to us.

The Statue of Liberty, on the other hand, was symbolic of America. It stood for what the United States offered then and today—freedom, opportunity to better one's life and equality before the court of law.

These concepts still were new and revolutionary for the part of the world we had left behind. In our part of the globe, liberty and equality before the law were only words in the dust-covered dictionary.

I had my taste of American freedom the first evening in the new land, April 21, 1921. The processing at Ellis Island took more time than was expected and we missed connections with the trains that were to carry us to our destinations in various parts of the country. A kindly man from Travelers' Aid took us to a dingy hotel at 23rd Street and Seventh Avenue.

Before I signed in, I handed the clerk my passport. The man behind the desk took a good look at it, smiled and handed it back to me, saying something in English. When he realized I did not understand him, he asked me if I spoke German, a language I knew well at that time. I still remember word for word what he told me then: "Young man, you are now in the United States and you need no passport, no identity card. You are free to go anywhere in the country.

This was new to me, new to us all. In our part of the world one could not leave the house without an I.D. card.

As my thoughts go back to that evening I believe, subconsciously at least, that was the moment when I fully realized I would become part of that great American people who carved a continent out of the wilderness, an accomplishment so well described in my fifth grade geography book which displayed a picture of George Washington as the father of the country.

Many years later, when given an opportunity to write an article for the Indianapolis News, I took for my subject what America had meant to me and most certainly to people of different parts of the world who had the opportunity to settle here.

The contrast with the life I left behind was made abundantly evident to me when after my retirement in 1971 as editor of the Macedonian Tribune, my wife Slavka and I took a prolonged trip to Europe. We visited a few West European countries and went behind the Iron Curtain in Bulgaria. I was born and reared in Macedonia, but most of my relatives live in Bulgaria. I wanted to see them, see my old friends, the home in which I lived, the schools I attended.

The visit was pleasant. But the part with a childhood friend was heartbreaking. He embraced me and both of use stood in silence for a few moments. Tears were flowing down from our eyes. Then he spoke: "Christo, you are the luckiest of our group of six. You have lived and grown old in a free country. I am happy for you. Prize your freedom: never abuse it. I do not envy you any material wealth you may have. I do not envy you your home, your car. But I envy you, I really do, your freedom. I would be content to live in a broken down shack, to subsist on bread and water alone if I could only live free of fear, say what I think, write what I like, go where I please. Go, my friend, go with God and remember us." Listening to him, I felt as brokenhearted as he did.

There is a tendency in this country to take for granted the freedom and blessings we have, to believe that we are entitled to them, that the country owes them to us.

This attitude is wrong and is dangerous. It leads to complacency. And complacency is the twin sister of failure and decline.

I remember how well it was said by the great 17th century German philosopher Johannes Fichte: "Freedom is precious, the most precious thing in the world. But freedom is like our health—we appreciate it most after we have lost it."

We still have our freedom. Let us do everything we can to guard it, protect it and preserve it for ourselves, for our children, and for posterity.

□ 1955

Mr. Speaker, it seems amazing to me that people who have been born in America, who have lived in America, who have spent their entire lives in this country do not realize how very precious freedom is.

Mr. Speaker, I hope my friends across this great land and my colleagues in the Congress will take to heart what Christo Nizamoff has said in this article because it should mean something to every one of us.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. COBEY) to revise and extend their remarks and include extraneous material:)

Mr. KOLBE, for 60 minutes, on May 7.
Mr. JEFFORDS, for 30 minutes, today.
Mr. BURTON of Indiana, for 60 minutes, today.
Mr. BURTON of Indiana, for 60 minutes, on May 1.
Mr. HAMMERSCHMIDT, for 5 minutes, today.

(The following Members (at the request of Mr. JONES of Oklahoma) to revise and extend their remarks and include extraneous material:)

Mr. JONES of Oklahoma, for 5 minutes, today.
Mr. FLIPPO, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. PANETTA, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. COBEY) and to include extraneous matter:)

Mr. BEREUTER.
Mr. KEMP in three instances.
Mr. WEBER.
Mr. MCKINNEY.
Mr. MICHEL.
Mr. MARLENEE.
Mr. BROOMFIELD.
Mr. CONTE.
Mr. DIOGUARDI in two instances.
Mr. O'BRIEN.
Mr. GEKAS.
Mr. EVANS of Iowa.
Mr. HYDE.
Mr. HAMMERSCHMIDT.
Mr. JEFFORDS.
Mr. SUNDQUIST.
Mr. KOLBE.

(The following Members (at the request of Mr. JONES of Oklahoma) and include extraneous matter:)

Mr. FLORIO.
Mr. ROE.
Mr. DORGAN of North Dakota.
Mr. TALLON.
Mr. FAUNTROY.
Mr. MINETA.
Mr. TRAFICANT.
Mr. OWENS.
Mr. DE LUGO.
Mr. VOLKMER.
Mr. KOSTMAYER.
Mr. LEVINE of California.
Mr. MATSUI.
Mr. WIRTH in two instances.
Mr. FASCELL in two instances.
Mr. HOYER.
Mr. MOAKLEY.
Mr. STALLINGS in two instances.
Mr. DANIEL.
Mr. CARR.
Mr. LIPINSKI.
Mr. HOWARD.
Mr. EDWARDS of California.
Mr. RANGEL.
Mr. CHAPMAN.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1116. An act to implement certain recommendations made pursuant to Public Law 98-360, and

H.J. Res. 220. Joint resolution to reaffirm Congress' recognition of the vital role by members of the National Guard and Reserve in the national defense, and for other purposes.

ADJOURNMENT

Mr. BURTON of Indiana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at seven o'clock and 56 minutes p.m.), the House adjourned until tomorrow, Thursday, May 1, 1986, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3397. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 6-158, "D.C. Unemployment Compensation Act Temporary Amendment Act of 1986", pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

3398. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting a report of the agency's activities under the Government in the Sunshine Act during calendar year 1985, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

3399. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting a list of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3400. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting a list of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3401. A letter from the Administrator, Agency for International Development, transmitting a report on African famine relief, pursuant to Public Law 99-10, title II (99 stat. 28); jointly, to the Committees on Appropriations, Agriculture, and Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on Government Operations. Clandestine manufacturing of dangerous drugs (Rept. 99-570). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BONKER:

H.R. 4708. A bill to amend the Export Administration Act of 1979; to the Committee on Foreign Affairs.

By Mr. ACKERMAN:

H.R. 4709. A bill to provide that service of certain members of the United States merchant marine during World War II constituted active military service for purposes of any law administered by the Veterans' Administration, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. AKAKA:

H.R. 4710. A bill to recognize the organization known as the National Academies of Practice; to the Committee on the Judiciary.

By Mr. BIAGGI (for himself, Mr. MCGRATH, Mr. MRAZEK, Mr. LENT, and Mr. CARNEY):

H.R. 4711. A bill to prohibit possession, manufacture, sale, importation, and mailing of ballistic knives; jointly, to the Committees on the Judiciary, and Energy and Commerce.

By Mr. BOSCO:

H.R. 4712. A bill to provide for the restoration of the fish and wildlife in the Klamath and Trinity River Basins, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DARDEN (for himself, Mr. HUGHES, Mr. MACKAY, Mr. GEJDENSON, Mr. KOSTMAYER, and Mr. FOWLER):

H.R. 4713. A bill to establish grazing fees for domestic livestock on the public rangelands; to the Committee on Interior and Insular Affairs.

By Mr. EVANS of Iowa (for himself, Mr. DORGAN of North Dakota, Mr. BEREUTER, and Mr. COATS):

H.R. 4714. A bill to improve the quality of U.S. grain and for other purposes; to the Committee on Agriculture.

By Mr. FLIPPO (for himself, Mr. JENKINS, Mr. DORGAN of North Dakota, Mr. EVANS of Iowa, Mr. BONER of Tennessee, Mr. CLINGER, Mr. QUILLEN, Mr. DASCHLE, Mr. FOWLER, Mr. ROBERTS, Mr. NICHOLS, Mr. GUNDERSON, Mr. SHELBY, Mr. LIGHTFOOT, Mr. PETRI, Mr. FRANKLIN, Mr. BEVILL, Mr. HEFNER, Mr. ROWLAND of Georgia, Mr. FLORIO, Mr. EVANS of Illinois, Mr. JONES of North Carolina, Mr. OLIN, Mr. SLATTERY, Mr. DYSON, Mr. GLICKMAN, Mr. VALENTINE, Mr. RANGEL, Mr. CARR, Mr. HATCHER, Mr. VOLKMER, Mrs. LLOYD, Mr. ENGLISH, Mr. FUQUA, Mr. DONNELLY, Mr. DOWDY of Mississippi, Mr. DAVIS, Mr. CAMPBELL, Mr. BOEHLERT, Mr. DERRICK, Mr. DAUB, Mr. PICKLE and Mr. TAUZIN):

H.R. 4715. A bill to provide for computing the amount of the deductions allowed to rural mail carriers for use of their automobiles; to the Committee on Ways and Means.

By Mr. GARCIA (for himself, and Mr. HANSEN):

H.R. 4716. A bill to amend title 13, United States Code, to terminate the authorization of appropriations to carry out such title after fiscal year 1988; to the Committee on Post Office and Civil Service.

By Mr. HAMMERSCHMIDT:

H.R. 4717. A bill to amend title 28, United States Code, to provide uniform rules of liability for bodily injury and property damage arising out of general aviation accidents, and for other purposes; to the Committee on the Judiciary.

By Mr. HUGHES (for himself, Mr. MCCOLLUM, Mr. NELSON of Florida, Mr. MAZZOLI, Mr. MORRISON of Connecticut, Mr. FEIGHAN, Mr. SMITH of Florida, Mr. STAGGERS, Mr. LUNGREN, Mr. SHAW, and Mr. GEKAS):

H.R. 4718. A bill to amend title 18, United States Code, to provide additional penalties for fraud and related activities in connection with access devices and computers, and for other purposes; to the Committee on the Judiciary.

By Mr. JEFFORDS:

H.R. 4719. A bill to improve the competitiveness of the United States in international trade by increasing the public investment in education and training, and for other purposes; jointly, to the Committees on Ways and Means, and Education and Labor.

By Mr. LEVINE of California:

H.R. 4720. A bill to amend the Internal Revenue Code of 1954 to provide a credit against tax for employers who provide on-site dependent care assistance for dependents of their employees; to the Committee on Ways and Means.

By Mr. MINETA:

H.R. 4721. A bill to name the Sunnyvale Air Force Station at Sunnyvale, CA, as the "Ellison S. Onizuka Air Force Station"; to the Committee on Armed Services.

By Mr. RANGEL:

H.R. 4722. A bill to amend part C of the Balanced Budget and Emergency Deficit Control Act of 1985 to exempt the Pell grant higher education assistance program from sequestration; jointly, to the Committees on Government Operations, and Education and Labor.

By Mr. RITTER (for himself and Mr. WYDEN):

H.R. 4723. A bill to establish the President's Council on Health Promotion and Disease Prevention; to the Committee on Energy and Commerce.

By Mr. COELHO:

H.J. Res. 616. Joint resolution to designate May 1986 as "National Play-It-Safe Month"; to the Committee on Post Office and Civil Service.

By Mr. HERTEL of Michigan (for himself, Mr. BIAGGI, Mr. BONER of Tennessee, Mr. CROCKETT, Mr. FAZIO, Mr. FROST, Mr. FUSTER, Mrs. HOLT, Mr. HOWARD, Mr. MRAZEK, Ms. OAKAR, Mr. ROWLAND of Georgia, Mr. SMITH of Florida, Mr. UDALL, and Mr. WOLF):

H.J. Res. 617. Joint resolution to designate the week beginning September 21, 1986, as "National Adult Day Care Center Week"; to the Committee on Post Office and Civil Service.

By Mr. RANGEL:

H.J. Res. 618. Joint resolution to designate June 11, 1986, as National Kidney Program Day; to the Committee on Post Office and Civil Service.

By Mr. HARTNETT:

H. Con. Res. 327. Concurrent resolution to recognize the visit by the descendants of the original Swiss settlers of Purrysburg, SC, to Neufchatel, Switzerland, in October 1986 as an international gesture of goodwill; to the Committee on Foreign Affairs.

By Mr. LEVIN of Michigan (for himself, Ms. KAPTUR, Mrs. JOHNSON, Mrs. MARTIN of Illinois, Mr. ACKERMAN, Mr. APPLEGATE, Mr. BONIOR, of Michigan, Mr. BORSKI, Mrs. BOXER, Mr. BROOKS, Mr. BRUCE, Mr. BRYANT, Mr. BUSTAMANTE, Mr. COYNE, Mr. DINGELL, Mr. DOWNEY of New York, Mr. DURBIN, Mr. ERDREICH, Mr. FEIGHAN, Mr. FLIPPO, Mr. FORD of Tennessee, Mr. GAYDOS, Mr. GEPHARDT, Mr. GRAY of Illinois, Mr. HAMILTON, Mr. HILER, Mr. JACOBS, Mr. KANJORSKI, Mr. KOLTER, Mr. MANTON, Mr. MILLER of California, Mr. MORRISON of Connecticut, Mr. MURPHY, Mr. MURTHA, Ms. OAKAR, Mr. OXLEY, Mr. PURSELL, Mr. RAHALL, Mr. ROWLAND of Georgia, Mr. SABO, Mr. SHARP, Mr. SHELBY, Mr. TORRES, Mr. TRAXLER, Mr. WALGREN, Mr. WRIGHT, Mrs. SCHNEIDER, Mr. EDGAR, Mr. HORTON, Mr. GIBBONS, and Mr. OBERSTAR):

H. Con. Res. 328. Concurrent resolution expressing the sense of the Congress regarding the importance of inclusion of auto parts in the next round of market-oriented, sector specific (MOSS) negotiations; to the Committee on Ways and Means.

By Ms. OAKAR (for herself, and Mr. WALKER):

H. Res. 440. Resolution expressing the sense of the House of Representatives concerning the nuclear accident at the Chernobyl nuclear facility in Soviet Ukraine; to the Committee on Foreign Affairs.

By Mr. HERTEL of Michigan:

H. Res. 441. Resolution calling upon any nation in which any nuclear accident occurs, or in which there is threat of any significant nuclear accident, to immediately advise neighboring nations, the International Atomic Energy Agency, the United Nations, and other appropriate international organizations; to the Committee on Foreign Affairs.

By Mr. LUNGREN (for himself, Mr. MACK, Mr. KEMP, and Mr. WEBER):

H. Res. 442. Resolution expressing the sense of the House of Representatives that the Congressional Budget Office and the Office of Management and Budget provide updated baseline and current service estimates for fiscal years 1987-91; to the Committee on Government Operations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AKAKA:

H.R. 4724. A bill for the relief of William E. Shattuck; to the Committee on the Judiciary.

By Mr. EARLY:

H.R. 4725. A bill for the relief of Kil Joon Yu Callahan; to the Committee on the Judiciary.

By Mr. SAXTON:

H.R. 4726. A bill for the relief of Linda Diane Donovan, Richard Thomas Donovan, Shawn William Donovan, and Kristin Sarah Donovan; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 76: Mr. SWINDALL.
H.R. 97: Mr. LEWIS of Florida.
H.R. 156: Mr. CLINGER.
H.R. 555: Mr. SENSENBRENNER.
H.R. 780: Mr. BONIOR of Michigan.
H.R. 893: Mr. BARNES and Mr. LEVIN of Michigan.
H.R. 997: Mr. LEVINE of California, Mr. EVANS of Illinois, Ms. MIKULSKI, Mr. RODINO, and Mr. BROWN of California.
H.R. 1156: Mr. SYNAR.
H.R. 1345: Mr. MARLENEE.
H.R. 1398: Mr. VENTO.
H.R. 1436: Mr. KOLBE and Mr. DAVIS.
H.R. 1884: Mrs. MARTIN of Illinois.
H.R. 1916: Mr. RODINO, Mr. ROE, Mr. WOLF, Mr. PANETTA, Mr. HOWARD, and Mr. DOWDY of Mississippi.
H.R. 1967: Mr. EVANS of Illinois.
H.R. 2364: Mrs. BURTON of California.
H.R. 2440: Mr. PURSELL.
H.R. 2591: Mr. DE LA GARZA, Mr. EVANS of Iowa, and Mr. APPLEGATE.
H.R. 2871: Mr. COELHO.
H.R. 2897: Mr. GINGRICH, Mr. RITTER, Mr. NIELSON of Utah, Mr. MOLLOHAN, and Mr. EMERSON.
H.R. 2902: Mr. BOSCO, Mr. FRANK, Mr. HUTTO, and Mr. PEASE.
H.R. 3099: Mr. DELLUMS, Mr. PERKINS, Mrs. BENTLEY, and Mr. QUILLEN.
H.R. 3374: Mr. SENSENBRENNER.
H.R. 3644: Mr. BOLAND, Mr. BOUCHER, Mr. HAMILTON, Mr. MONTGOMERY, Mr. PENNY, Mr. WALKER, and Mr. JEFFORDS.
H.R. 3733: Mr. BATES, Mr. ENGLISH, Mr. BARNES, Mr. DORGAN of North Dakota, Mr. OBERSTAR, Mr. WALGREN, Mr. ACKERMAN, Mr. PURSELL, Mr. RANGEL, Mr. DELLUMS, Mr. GARCIA, Mr. SMITH of New Jersey, Mr. MARKEY, Mr. GUNDERSON, Mr. EDWARDS of California, Mr. BONIOR of Michigan, Mr. DORNAN of California, Mr. STALLINGS, Mr. BIAGGI, Mr. VOLKMER, Mr. YOUNG of Missouri, Mr. NEAL, Mr. WIRTH, Mr. BEVILL, Mr. HAYES, Mr. BEDELL, Mr. EDWARDS of Oklahoma, Mr. BREAUX, Mr. MACKAY, Mr. GOODLING, Mr. NOWAK, Mr. CAMPBELL, Mr. WEBER, Mr. HEFNER, Mr. KOSTMAYER, Mr. ATKINS, Mr. BORSKI, Mr. BRUCE, Mr. CARPER, Mr. CHAPPELL, and Mr. GORDON.

H.R. 3800: Mr. SNYDER, Mrs. COLLINS, Mr. ERDREICH, Mr. DEWINE, Mr. YATES, Mr. MONTGOMERY, Mr. PACKARD, Mr. WHITTEN, Mr. HAMMERSCHMIDT, Mr. WATKINS, Mr. MURTHA, Mr. CONYERS, Mr. MARTINEZ, Mr. KOLTER, Mr. NICHOLS, Mr. WOLPE, Mr. HILER, Mr. RAHALL, Mr. WISE, Mr. MCDADE, Mr. WHITEHURST, Mr. BURTON of Indiana, Mr. LOWERY of California, Mr. SHARP, Mr. BROWN of Colorado, Mr. BATES, and Mr. GUNDERSON.

H.R. 3866: Mr. OLIN.

H.R. 4060: Mr. STUMP, Mr. UDALL, Mr. SUNDQUIST, Mr. O'BRIEN, Mr. ROWLAND of Georgia, Mr. HEFNER, and Mr. MOLINARI.

H.R. 4085: Mr. WEBER.

H.R. 4126: Mr. SENSENBRENNER.

H.R. 4144: Mr. EVANS of Iowa.

H.R. 4186: Mr. HILLIS, Mr. MCMILLAN, Mrs. MARTIN of Illinois, Mr. DUNCAN, Mr. MONTGOMERY, Mr. HUTTO, Mr. GRAY of Illinois, Mr. BRUCE, Mr. STARK, Mr. PRICE, Mr. HAYES, Mr. HENDON, Mr. PASHAYAN, Mr. ENGLISH, Mr. EDWARDS of Oklahoma, Mr. DICKINSON, Mr. NOWAK, Mr. LAFALCE, Mr. GUNDERSON, Mr. LEACH of Iowa, Mr. COLEMAN of Missouri, Mr. SMITH of New Hampshire, Mrs. JOHNSON, Mr. SKEEN, Mr. HANSEN, Mr. BARTLETT, Mrs. HOLT, Mr. MADIGAN, Mr. MOODY, Mr. LEWIS of California, and Mr. WHITTAKER.

H.R. 4278: Mr. VALENTINE, Mr. ECKART of Ohio, Mr. LIVINGSTON.

H.R. 4312: Mrs. MARTIN of Illinois and Mrs. SCHNEIDER.

H.R. 4322: Mr. SILJANDER and Mr. DORNAN of California.

H.R. 4344: Mr. LIGHTFOOT and Mr. APPLEGATE.

H.R. 4388: Mr. SENSENBRENNER and Mr. HOPKINS.

H.R. 4435: Mr. MINETA.

H.R. 4463: Mr. ROSE, Mr. DE LA GARZA, Ms. KAPTUR, Mr. LEVIN of Michigan, Mr. MORRISON of Connecticut, Mr. SEIBERLING, Mrs. COLLINS, Mr. MRAZEK, and Mr. BATES.

H.R. 4484: Mr. BUSTAMANTE and Mr. LEVIN of Michigan.

H.R. 4488: Mr. DIOGUARDI, Mr. BARNES, and Mr. MORRISON of Connecticut.

H.R. 4534: Mr. VOLKMER, Mr. DURBIN, Mr. ROBERTS, Mr. WEBER, Mr. HENRY, Mr. HORTON, Mr. ROTH, Mr. FLIPPO, and Mr. BEREUTER.

H.R. 4545: Mr. GRAY of Illinois, Mr. BEILENSON, and Mr. CROCKETT.

H.R. 4593: Mr. FAZIO and Mr. ECKART of Ohio.

H.R. 4617: Mr. COELHO, Mr. EVANS of Iowa, Mr. LIGHTFOOT, Mr. CHAPMAN, Mr. JONES of North Carolina, Mr. TOWNS, Mr. WEBER, Mr. MORRISON of Washington, Mr. THOMAS of Georgia, Mr. MARTINEZ, and Mr. ROBERTS.

H.R. 4653: Mr. LELAND.

H.R. 4669: Mr. MOORE.

H.R. 4675: Mr. STALLINGS, Mr. HANSEN, and Mr. JACOBS.

H.R. 4688: Mr. LOEFFLER, Mr. LAGOMARSINO, and Mrs. VUCANOVICH.

H.J. Res. 7: Mr. RITTER, Mr. DAUB, and Mr. LIGHTFOOT.

H.J. Res. 90: Mr. MORRISON of Connecticut, Mr. WILSON, Mr. BUSTAMANTE, Mr. OWENS, Mr. UDALL, Mr. GREEN, Mr. BOLAND, and Mr. BARNES.

H.J. Res. 167: Mr. BRYANT, Mr. HAYES, Mr. FROST, Mr. STUMP, Mr. SLAUGHTER, Mr. HUNTER, Mr. SOLOMON, Mr. HUBBARD, Mr. O'BRIEN, Mr. FASCELL, Mr. LEVIN of Michigan, Mr. PICKLE, Mrs. VUCANOVICH, Mr. ROBERT F. SMITH, Mr. LOTT, Mr. LOEFFLER, Mr. HOYER, and Mr. FRENZEL.

H.J. Res. 297: Mr. DUNCAN.

H.J. Res. 427: Mr. COYNE and Mr. GEKAS.

H.J. Res. 429: Mr. CHAPPIE, Mrs. COLLINS, Mr. GARCIA, Mr. MILLER of Washington, Mr. BORSKI, Mr. KASICH, Mr. BATES, Mr. LEHMAN of Florida, Mr. DANNEMEYER, Mr. HAMILTON, Mr. AUCOIN, Mr. KOLTER, Mr. MINETA, Mr. HUGHES, Mr. LUNDINE, Mr. MARTIN of New York, Mr. KEMP, Mr. GILMAN, Mr. LELAND, Mr. STUMP, and Ms. SNOWE.

H.J. Res. 464: Mr. ANDERSON, Mrs. JOHNSON, Mr. DE LA GARZA, Mr. COURTER, Mr. BATEMAN, Mr. DELLUMS, Mr. BURTON of Indiana, Mr. GRAY of Illinois, Mr. YATES, Mrs. BENTLEY, Mr. PANETTA, Mr. HAYES, Mr. MRAZEK, Mr. FLIPPO, Mr. BEILENSON, Mr. SHUMWAY, Mr. AUCOIN, Mr. BROWN of California, Mr. BRUCE, Mr. CRAIG, Mr. FROST, Mr. DANNEMEYER, Mr. GEKAS, Mr. GUNDERSON, Mr. RALPH M. HALL, Mr. KANJORSKI, Mr. KLECZKA, Mr. KOLTER, Mr. LIPINSKI, Mr. MCHUGH, Mr. MCGRATH, Mr. MONSON, Mr. OBERSTAR, Mr. ROWLAND of Georgia, Mr. STUDDS, Mr. SWINDALL, Mr. TAUKE, Mr. WYLIE, Mr. MCKERNAN, and Mr. ATKINS.

H.J. Res. 475: Mr. COYNE, Mr. FOLEY, Mr. BURTON of Indiana, Mr. MOLLOHAN, and Mrs. LLOYD.

H.J. Res. 484: Mr. NELSON of Florida, Mr. PURSELL, Mr. DORNAN of California, Mr. VENTO, Mr. NIELSON of Utah, Mr. BADHAM, Mrs. COLLINS, Mr. TORRICELLI, Mr. ANTHONY, Mr. SKEEN, Mr. MORRISON of Washington, Mr. BOLAND, Mr. THOMAS of Georgia, Mr. WAXMAN, Mr. VOLKMER, Mr. TRAXLER, Mr. HUGHES, Mr. OBERSTAR, Mr. MANTON, Mr. MCEWEN, Mr. ROTH, Mr. WEBER, Mr. LUNDINE, Mr. ALEXANDER, Mr. COATS, Mr. BIAGGI, Mr. DELAY, Mr. STALLINGS, Mrs. BOGGS, Mr. ROEMER, Mr. LEVINE of California, Mr. OWENS, Mr. BREAUX, Mr. TAUZIN, Mr. BOSCO, Mr. HAMILTON, and Mr. CROCKETT.

H.J. Res. 500: Mr. MCEWEN, Ms. MIKULSKI, Mr. GRAY of Illinois, Mr. MCCAIN, Mr. SNYDER, Mr. LIVINGSTON, Mr. CHAPPIE, Mr. MAVROULES, Mr. HARTNETT, Mr. LEWIS of California, Mr. MONSON, Mr. ROTH, Mr. SCHAEFER, Mr. COELHO, Mr. QUILLEN, Mr. CHENEY, Mr. CARPER, Mr. EVANS of Iowa, Mr. FASCELL, Mr. O'BRIEN, Mr. PASHAYAN, Mr. HILLIS, Mr. PRICE, and Mr. LENT.

H.J. Res. 529: Mr. FAZIO, Mr. HUTTO, Mr. FUQUA, Mr. LEWIS of Florida, Mr. HOWARD, Mr. STRATTON, and Mr. LIVINGSTON.

H.J. Res. 531: Mr. EDGAR, Mr. PORTER, Mr. KLECZKA, Mr. HATCHER, Mr. WEBER, Mr. DEWINE, Mr. SWINDALL, Mr. CAMPBELL, and Mr. LIVINGSTON.

H.J. Res. 569: Mr. ANDERSON, Mr. APPLEGATE, Mr. BEVILL, Mr. BLILEY, Mr. BOUCHER, Mr. CARR, Mr. CHAPPELL, Mr. CONTE, Mr. CONYERS, Mr. DANIEL, Mr. DARDEN, Mr. DE LA GARZA, Mr. DICKINSON, Mr. DIXON, Mr. DORGAN of North Dakota, Mr. DORNAN of California, Mr. DOWDY of Mississippi, Mr. DYMALLY, Mr. FAZIO, Mr. FLIPPO, Mr. FORD of Tennessee, Mr. FORD of Michigan, Mr. FUQUA, Mr. GRAY of Illinois, Mr. GUNDERSON, Mr. HANSEN, Mr. HARTNETT, Mr. HATCHER, Mr. HEFNER, Mr. HERTEL of Michigan, Mr. WRIGHT, Mr. RAY, Mr. MCCLOSKEY, Mr. DEWINE, Mr. EARLY, Mr. ERDREICH, Mr. GEJDENSON, Mr. HEFTEL of Hawaii, Mr. ROEMER, Mr. MACK, Mr. MACKAY, Mr. MONTGOMERY, Mr. RUDD, Mr. WALKER, Mr. YOUNG of Alaska, Mr. SHAW, Mr. SCHUMER, Mr. SPENCE, Mr. NELSON, of Florida, Mr. BENNETT, Mr. ANNUNZIO, Mr. BATES, Mr. BEDELL, Mrs. BOGGS, Mr. BOLAND, Mr. BONER of Tennessee, Mr. BONKER, Mrs. BURTON of California, Mr. CHAPMAN, Mr. COATS, Mr. COBLE, Mr. COELHO, Mr. COLEMAN of Texas, Mr. COYNE, Mr. DICKS, Mr. DINGELL, Mr. FAWELL, Mr. FOLEY, Mr. FRANK, Mr. FOWLER, Mr. GONZALEZ, Mr. GORDON, Mr. HAMILTON, Mr. HOPKINS, Mrs. HOLT, Mr. KOSTMAYER, Mr. KRAMER, Mr. LAFALCE, Mr. HORTON, Mr. HOYER, Mr. HUNTER, Mr. HYDE, Mr. JEFFORDS, Mr. JENKINS, Mr. JONES of Tennessee, Mr. JONES of North Carolina, Mr. KASICH, Mr. KINDNESS, Mr. KOLTER, Mr. LAGOMARSINO, Mr. LEWIS of Florida, Mr. MCCAIN, Mr. MCCOLLUM, Mr. MCDADE, Mr. MANTON, Mr. MARTINEZ, Mr. O'BRIEN, Mr. ORTIZ, Mr. PASHAYAN, Mr. PICKLE, Mr. PRICE, Mr. QUILLEN, Mr. RAHALL, Mr. ROWLAND of Connecticut, Mr. SABO, Mr. SISISKY, Mr. SKELTON, Mr. SMITH of Florida, Mr. STUMP, Mr. TALLON, Mr. TAUZIN, Mr. TAYLOR, Mr. TOWNS, Mr. TRAFICANT, Mr. VANDER JAGT, Mr. WILSON, Mr. WIRTH, Mr. WORTLEY, Mr. YOUNG of Florida, Mr. LEHMAN of Florida, Mr. LEVINE of California, Mr. LOTT, Mr. LOWERY of California, Mr. MARTIN of New York, Mr. MICHEL, Mr. MILLER of Ohio, Mr. MOLLOHAN, Mr. MOLINARI, Mr. MAVROULES, Mr. MRAZEK, Ms. OAKAR, Mr. OBERSTAR, Mr. OLIN, Mr. OWENS, Mr. PERKINS, Mr. REID, Mr. ROGERS, Mr. ROSE, Mr. RUSSO, Mr. SLAUGHTER, Mr. SPRATT, Mr. STOKES, Mr. STRANG, Mr. SUNDQUIST, Mr. THOMAS of Georgia, Mr. VENTO, Mr. WATKINS, Mr. WHITLEY, Mr. WYDEN, Mr. ROE, Mr. ALEXANDER, Mr. ATKINS, Mr. ANDREWS, Mr. BROYHILL, Mr. BRUCE, Mr. CHENEY, Mr. CLINGER, Mr. COOPER, Mr. COUGHLIN, Mr. CRAIG, Mr. DELLUMS, Mr. DERRICK, Mr. ECKART of Ohio, Mr. EMERSON, Mr. EVANS of Illinois, Mr. FEIGHAN, Mr. GEKAS, Mr. GUARINI, Mr. HALL of Ohio, Mr. HAYES, Mr. HOWARD, Mr. HUBBARD, Mrs. KENNELLY, Mr. LEWIS of California, Mr. LUKEN, Mr. LUNGREN, Mr. MURPHY, Mr. MORRISON of Connecticut, Mr. PANETTA, Mr. RINALDO, Mr. STENHOLM, Mr. SWINDALL, Mr. TAUKE, Mr. YATES, Mr. KILDEE, Mr. LEVIN of Michigan, Mr. LOWRY of Washington, Mr. LUNDINE, Mr. MOAKLEY, Mr. MORRISON of Washington, Mr. NEAL, Mr. RANGEL, Mr. ROTH, Mr. SHELBY, Mr. STAGGERS, Mr. SYNAR, Mr. VALENTINE, and Mr. YATRON.

H.J. Res. 577: Mr. QUILLEN, Mr. WHEAT, Mr. DYMALLY, Mr. SAVAGE, Mr. BEDELL, Mr. RODINO, Mr. CALLAHAN, Mrs. BENTLEY, Mr. BONER of Tennessee, Mr. BROOKS, Mr. HENRY, Mr. ROWLAND of Connecticut, Mr. GALLO, Mr. BEVILL, Mr. TOWNS, Mr. LAGOMARSINO, Mr. DE LA GARZA, Mr. FISH, Mr. GEKAS, Mrs. HOLT, Mr. DE LUGO, and Mr. ROE.

H.J. Res. 581: Mr. MINETA, Mr. GONZALEZ, Mr. LUNDINE, Mr. SMITH of Florida, Mr. MARTINEZ, Mr. BIAGGI, Mr. LEVIN of Michigan, Mr. SCHUMER, Mr. HAYES, Mr. ROE, Mr. HERTEL of Michigan, Mr. GREEN, Mr. KOLTER, Mr. MURPHY, Mr. RUSSO, Mr. VENTO, Mr. TOWNS, Mr. HORTON, Mr. RODINO, Mr. RINALDO, Mr. OWENS, Mr. KANJORSKI, Mr. MRAZEK, Mr. FAZIO, Mr. DIOGUARDI, Mr. BERMAN, Mr. CARNEY, and Ms. MIKULSKI.

H.J. Res. 594: Mr. ANDREWS, Mr. HARTNETT, Mrs. BURTON of California, Mr. ANNUNZIO, Mr. BROOKS, Mr. KILDEE, Mr. PANETTA, Mr. PASHAYAN, Mr. THOMAS of Georgia, Mr. HAMMERSCHMIDT, Mr. HENRY, Mr. FISH, Mr. OWENS, Mr. PEPPER, Mr. FORD of Michigan, Mr. CLAY, Mr. LANTOS, Mr. HOYER, Mr. SAXTON, Mr. LAFALCE, Mr. SHUMWAY, Mr. MOAKLEY, Mr. LELAND, and Mr. VALENTINE.

H.J. Res. 609: Mr. EVANS of Illinois, Mr. YOUNG of Alaska, Mr. HOYER, Mr. FUSTER, Mr. GRAY of Illinois, Mr. BORSKI, Mr. DYMALLY, Mr. STOKES, Mr. DWYER of New Jersey, Mr. OWENS, Mr. FAUNTROY, Mr. FUQUA, Mr. ROSE, Mr. WEISS, Mr. GEJDENSON, Mr. MANTON, Mr. COLEMAN of Texas, Mr. LAGOMARSINO, Mr. SYNAR, Mr. ANDREWS, Mrs. BURTON of California, Mr. WORTLEY, Mr. WOLF, Mr. BEVILL, Mr. HOWARD, Mr.

MRAZEK, Mr. WHEAT, Mr. RAHALL, Mr. SMITH of Florida, Mr. FAZIO, Mr. ACKERMAN, Mr. MILLER of Washington, Mr. MOLLOHAN, Mr. PANETTA, Mr. VENTO, and Mr. FROST.

H. Con. Res. 299: Mr. PORTER, Mr. LEWIS of Florida, and Mr. SWINDALL.

H. Con. Res. 307: Mr. SWINDALL.

H. Con. Res. 310: Mr. ALEXANDER, Mr. ANDREWS, Mr. APPLEGATE, Mr. BARNARD, Mr. BEDELL, Mrs. BENTLEY, Mr. BEREUTER, Mr. BLILEY, Mr. BOUCHER, Mr. BOULTER, Mrs. BOXER, Mr. BREAUX, Mr. BROWN of Colorado, Mr. BURTON of Indiana, Mrs. BYRON, Mr. CAMPBELL, Mr. CHAPMAN, Mr. CHAPPIE, Mr. CLINGER, Mr. COBEY, Mr. COELHO, Mr. COLEMAN of Missouri, Mr. COOPER, Mr. CRAIG, Mr. DARDEN, Mr. DASCHLE, Mr. DAUB, Mr. DAVIS, Mr. DERRICK, Mr. DORGAN of North Dakota, Mr. DOWDY of Mississippi, Mr. DURBIN, Mr. DYSON, Mr. EDWARDS of Oklahoma, Mr. EMERSON, Mr. ERDREICH, Mr. EVANS of Illinois, Mr. FOLEY, Mr. FOWLER, Mr. GINGRICH, Mr. GLICKMAN, Mr. HALL of Ohio, Mr. HAMMERSCHMIDT, Mr. HANSEN, Mr. HARTNETT, Mr. HATCHER, Mr. HEFNER, Mr. HENRY, Mr. HILLIS, Mrs. HOLT, Mr. HORTON, Mr. HUBBARD, Mr. HUGHES, Mr. HUTTO, Mr. JENKINS, Mr. JONES of Tennessee, Mr. JONES of North Carolina, Ms. KAPTUR, Mr. KEMP, Mr. KILDEE, Mr. KRAMER, Mr. LATTA, Mr. LEACH of Iowa, Mr. LEVIN of Michigan, Mr. LEWIS of Florida, Mr. LIGHTFOOT, Mr. LIVINGSTON, Mrs. LLOYD, Mr. LUNDINE, Mr. MADIGAN, Mr. MCCLOSKEY, Mr. MCEWEN, Mr. MCMILLAN, Mrs. MEYERS of Kansas, Mr. MORRISON of Connecticut, Mr. MURPHY, Mr. OLIN, Mr. OXLEY, Mr. PANETTA, Mr. PENNY, Mr. PERKINS, Mr. QUILLEN, Mr. RAY, Mr. RICHARDSON, Mr. ROBERTS, Mr. ROBINSON, Mr. ROSE, Mr. ROWLAND of Georgia, Mr. SAXTON, Mr. SCHAEFER, Mr. SCHUETTE, Mr. SEIBERLING, Mr. SHARP, Mr. SILJANDER, Mr. SISISKY, Mr. SKELTON, Mr. SLATTERY, Mr. ROBERT F. SMITH, Mr. DENNY SMITH, Mr. SMITH of Florida, Mr. SPENCE, Mr. SPRATT, Mr. STALLINGS, Mr. STANGELAND, Mr. SWINDALL, Mr. SYNAR, Mr. TALLON, Mr. TAUZIN, Mr. TAYLOR, Mr. TOWNS, Mr. TRAXLER, Mr. WEBER, Mr. WHITLEY, Mr. WHITTAKER, Mr. WOLPE, Mr. WORTLEY, Mr. WYLIE, Mr. VALENTINE, Mr. VANDER JAGT, Mr. VOLKMER, Mrs. VUCANOVICH, Mr. ZSCHAU, Mr. HAMILTON, Mr. BATEMAN, Mr. BONKER, Mr. YOUNG of Missouri, Mr. MOLLOHAN, Mr. YATRON, Mr. CARR, Mr. ECKART of Ohio, Mr. KINDNESS, Mr. SMITH of New Hampshire, Mr. LEATH of Texas, Mr. WHITEHURST, Mr. ANTHONY, and Mr. SENSENBRENNER.

H. Con. Res. 313: Mr. HUNTER, Mr. BARTON of Texas, Mr. RITTER, Mr. BILIRAKIS, Mr. DANIEL, Mr. MONSON, Mr. PARRIS, Mr. CRANE, Mr. DELAY, Mrs. HOLT, Mr. LIGHTFOOT, and Mr. WILSON.

H. Con. Res. 321: Ms. MIKULSKI, and Mr. MOLLOHAN.

H. Res. 373: Mr. ACKERMAN, Mr. BARNES, Mr. BEDELL, Mr. FORD of Michigan, Mr. LEVIN of Michigan, Mr. SIKORSKI, Mr. WAXMAN, Mr. WEISS, Ms. MIKULSKI, Mr. LUNDINE, and Mr. JEFFORDS.

H. Res. 395: Mr. RANGEL, and Mr. WIRTH.

H. Res. 408: Mr. SCHEUER, Mr. BARNES, and Mr. BUSTAMANTE.

H. Res. 412: Mr. WIRTH, Mr. DAVIS, Mr. SWINDALL, Mr. TAUKE, Mr. PEPPER, Mr. ROWLAND of Georgia, Mr. MANTON, Mr. HENDON, Mrs. BENTLEY, and Mr. WILLIAMS.

H. Res. 413: Mr. DAVIS, Mr. MARTINEZ, Mr. ECKART of Ohio, Mr. SWINDALL, Mr. MORRISON of Washington, Ms. MIKULSKI, Mr. MOLLOHAN, and Mr. THOMAS of Georgia.

H. Res. 417: Mr. SWINDALL.

PETITIONS, ETC.

Under clause 1 of rule XXII,

329. The SPEAKER presented a petition of The American Legion, Post No. 91, East Bridgewater, MA, relative to international terrorism; which was referred to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

SANDINISTAS DENY RELIGIOUS FREEDOM TO THE NICARAGUAN PEOPLE AND PERSECUTE ROMAN CATHOLICS IN NICARAGUA

HON. JACK F. KEMP
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. KEMP. Mr. Speaker, recently 22 of our colleagues, led by Congressman HENRY HYDE, circulated a "Dear Colleague" letter calling the attention of the Members to the actions of the Marxist-Leninist Sandinista regime in Nicaragua in denying religious freedom to Nicaraguans of all faiths. A particular target for persecution, however, is the Roman Catholic Church, to which 85 percent of the Nicaraguan people belong. The following letter details some of the actions that have been taken against the Catholic Church and its leaders by the Sandinistas, and reminds us that religious liberty is the most basic of human rights:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, April 10, 1986.

DEAR COLLEAGUE: Few of us doubt any longer that the Sandinista leadership of Nicaragua is Marxist-Leninist and that it has waged a steady campaign of repression against virtually all sectors of society. Last October, the Sandinistas formally suspended a wide range of fundamental civil rights. Religious freedom was their primary target.

Yet many courageous Nicaraguans continue to worship openly, and remain loyal to those religious leaders whose commitment to moral principles has led them to confront the regime.

All faiths have suffered under the Sandinistas. The National Director of the Anti-Defamation League of B'nai B'rith, Nathan Perlmutter, has written recently that being Jewish is dangerous in a Nicaragua whose leaders indulge in blatant and crude anti-Semitism. Evangelical congregations have been harassed, and their leaders tortured, and murdered. But no group has suffered persecution on as great a scale as the Roman Catholic Church, to which 85 percent of the Nicaraguan people belong.

In a November, 1985, letter to prominent American Catholic bishops, the Permanent Commission on Human Rights of Nicaragua described the situation many Catholics are forced to endure:

"Like no other epoch we have seen in the history of our country, the Catholic Church has been the victim of direct attacks, plots, calumnies, explosions, and arrests of priests and seminarians, campaigns of defamation and slander, creation of an artificial parallel church which is responsive to the interests of the party in power, etc. Such attacks have been centered primarily against members of the Nicaraguan Episcopal Conference, with a particular hatred against the president of the Conference, and the Archbishop of Managua, His Eminence Cardinal Miguel Obando y Bravo . . . You may be sure that these attacks are an offense against the Christian sentiments of the great majority of the Nicaraguan people . . ."

Since that letter was written, the situation has gotten even worse.

The Sandinistas' most intense anti-Catholic efforts have been directed against the Church's leaders. The regime's goal has been to undercut popular support for the Catholic bishops through vicious propaganda portraying them as "counterrevolutionaries" and "enemies of the people." Cardinal Obando has been labelled as the "anti-Christ" and accused of "collaborating" with the Somoza government—of which he was a harsh critic. The Cardinal has also been attacked by Sandinista mobs and military forces while in his car; his celebrations of the Mass have been disrupted; open-air assemblies have been forbidden; and his chancery office raided, plundered, and occupied. Managua Auxiliary Bishop Bosco Vivas was seriously beaten by Sandinista mobs in 1982.

This attack against the Nicaraguan bishops has extended to Pope John Paul II. During his 1983 visit to Nicaragua, government-supported mobs disrupted his celebration of the Mass by chanting revolutionary slogans. The regime arranged the Mass to be said before huge pictures of Sandinista leaders—a blatant attempt to portray the Pope as a supporter of their movement.

Cardinal Obando's aides have also been attacked. In one incident, Fr. Bismark Carballo, the Archdiocesan spokesman, was the victim of a Sandinista plot to frame him as an adulterer. Arriving at a house where a woman was allegedly considering suicide, Carballo was beaten by government troops which ordered him to strip, and dragged him naked and bleeding outside the house to a waiting crowd of 70 people—including Sandinista journalists and television cameras who reported that Carballo had been beaten by the woman's "husband."

The Sandinistas have deported missionary priests loyal to the bishops, and have drafted seminarians into the army.

The laity are attacked with depressing frequency. Armed Sandinista mobs have stormed Churches during Mass and savagely beaten parishioners. These mobs have also attacked participants in religious processions. In one particularly gruesome incident, the president of the Catholic Parents School Association, Sofonias Cisneros, was abducted by the secret police, interrogated for many hours, then tortured and dumped, naked and unconscious, on a deserted road. His "crime" was complaining about Marxist-Leninist indoctrination in Catholic schools.

The Sandinistas have worked to cut off communications between the laity and church leaders. They have refused to broadcast the Cardinal's Masses, and forbid any favorable reference to the Church in La Prensa. Radio Catolica was shut down January 1st of this year, and the regime banned the publication of the Catholic newspaper Iglesia and confiscated its printing press. Last month Sandinista forces expropriated all typewriters, telephones, and other means of communication in the Cardinal's office.

The government supports a front-organization "Peoples Church" that actively promotes Marxism-Leninism. The "Peoples Church" blasphemous symbol is a crucified Christ imposed on a Sandinista guerrilla waving a Soviet AK-47 rifle. The "Peoples Church" is largely ignored by Nicaraguan Catholics, and has minuscule support from the clergy. Of the approximately 880 priests, nuns, and monks in the country, fewer than 40 are loyal to this "Church," and of those 40, all but 10 are foreign missionaries.

Despite this grim record, the Sandinista regime has waged a successful disinformation campaign that has convinced many American Catholic bishops, the United States Catholic Conference, and various other religious groups that reports of religious persecution in Nicaragua are exaggerated. Yet two senior American Catholic leaders cut through this fog of propaganda last month. The following letter from New York Cardinal John O'Connor and Boston Cardinal Bernard Law to Cardinal Obando speaks for all those American Catholics who want to stand in solidarity with their persecuted Nicaraguan brothers and sisters:

"Your Eminence: the present trials through which you and the Church in Nicaragua are suffering are a poignant reminder that the mystery of the Cross continues to be lived in the Body of Christ. During this Lent, your two brother bishops in the United States, who were called to membership in the College of Cardinals with you last May, have often thought of you and discussed the courageous efforts you make for the well-being of the Church and the people of Nicaragua. We have taken the extraordinary step of making this letter public so that the faithful in our archdioceses and as many as possible in our country will know what is actually happening to their brothers and sisters in Nicaragua.

We share your deep pain when your people are denied full opportunity to build a just, peaceful and progressive society based on the transcendent dignity of each human person. We know your suffering when attempts are made to violate the religious conscience of Nicaraguans by denying them access to the liberating teachings of the Church. This has been done by physical harassment, crude attempts at intimidation, and censorship. Priests have been summarily expelled from your country. Offices of your archdiocese have been raided by military personnel and remain under military occupation. The archdiocesan newspaper, *Iglesia*, was confiscated after its first edition, and the Catholic radio remains closed. You are subjected to a barrage of distortions, slanderous insults and innuendo at home and by some representatives of the government abroad.

In this ordeal, the Church of Nicaraguan has been seeking to maintain the constructive dialogue with the government in an attempt to reach a climate of mutual respect so that the Church can play a role in the reconstruction of your country. We want to assure you of our solidarity with you. With you we are praying for that peaceful reconciliation necessary to rekindle the original

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

hope of the revolution. For this to take place, it is essential that there be an immediate cessation of the present unjust restrictions suffered by the Church and other sectors of Nicaraguan society. This will undoubtedly provide a powerful impetus for the just resolution of the conflicts in your country and in that strife torn region.

Be assured of our prayers and support, our brother Cardinal, through the intercession of the Blessed Virgin Mary, the "Most Pure," as the Nicaraguan people particularly venerate her.

Fraternally yours in Christ,

Bernard Cardinal Law,
Archbishop of Boston.
John Cardinal O'Connor,
Archbishop of New York.

As Members of Congress who are Roman Catholics, we are proud of our country's commitment to religious liberty as the most basic human right. There can be neither peace nor justice nor prosperity in Nicaragua for so long as the Sandinista regime persecutes religious believers who refuse to cut their consciences to fit Marxist-Leninist fashion. The true nature and purpose of that regime is nowhere made clearer than in its persecution of Catholics, Protestants, and Jews who ask only that the Sandinistas honor the human rights commitments they made to the OAS in 1979.

Religious persecution is not a peripheral issue as we resume debate on aid to the Nicaraguan democratic opposition. We hope you'll consider carefully Sandinistas' draconian record on this question.

Sincerely,

Dan Lungren, Tommy Hartnett, Henry J. Hyde, Robert Dornan, Connie Mack, Bill Archer, Chris Smith, Guy Molinari, Billy Tauzin, John Hiler, Mike DeWine.

Joseph DioGuardi, Bill Lowery, Fred J. Eckert, George Wortley, Joe Skeen, Bill Carney, Vin Weber, Thomas Bliley, Eldon Rudd, Barbara Vucanovich, Bob Lagomarsino.

A SALUTE TO DR. J.H. JACKSON

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. FAUNTROY. Mr. Speaker, on Sunday, February 23, 1986, at 7 p.m., a salute was made to Dr. Joseph H. Jackson, in the Nation's Capital, as the "Elder Statesman of Baptist Worldwide."

Dr. Jackson has been the leader of some 5 million U.S. black Baptists since 1953, the year he was elected to the presidency of the National Baptist Convention, U.S.A., Inc. Dr. Jackson has steered the organization into new spheres of influence, notably into a more activist role in the civil rights struggle.

One of the most ambitious ventures initiated under Dr. Jackson has been the Liberian land investment program whereby Baptists hope to develop extensive farms on some 100,000 acres of Liberian land, and thus raise additional funds to help sponsor their missionary labors in Africa. The Convention has also purchased 400 acres in Fayette County, TN, and owns a Nashville publishing house with sales of close to $1 million annually.

Dr. Jackson holds a B.A. from Jackson College, and M.A. from Creighton University, and a B.D. from Rochester Colgate School of Divinity. He is a member of the Central Committee of the World Council of Churches and a vice president of the World Baptist Alliance. He has visited Asia, Africa, Europe, and the Middle East, taped messages for the Voice of America, preached in Russia, written campaign literature for John F. Kennedy, and attended the 1962 Second Vatican Council in Rome.

Dr. Jackson is the pastor of the historic Olivet Baptist Church of Chicago, IL, currently his 45th year there, and former president of the National Baptist Convention U.S.A., Inc. where he served for 29 years.

H.R. 2487

HON. DOUGLAS H. BOSCO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. BOSCO. Mr. Speaker, today I am introducing a modified version of legislation I introduced last year, H.R. 2487, aimed at addressing the fishery resource crisis on the Klamath River in California. While this new measure is intended to allay concerns raised in response to H.R. 2487, the basic thrust remains the same: To establish a comprehensive approach to the Klamath fishery problem by recognizing that habitat restoration, and more effective harvest management and enforcement go hand in hand.

Two years ago, Congress approved and President Reagan signed a $57 million fish and wildlife restoration program for the Trinity River, the major tributary to the Klamath River. Designed to help mitigate the serious effects of water diversions, inadequate erosion control, and other practices, the Trinity Fish and Wildlife Restoration Program when fully implemented should help restore much of the environmental and economic health of the Trinity River. However, much work remains to be done in the entire Klamath River Basin (which includes the Trinity River) if salmon and steelhead population are to be restored to a level which can sustain a healthy in-river and ocean fishery.

The Klamath and Trinity Rivers provide fishery resources necessary for Indian subsistence and ceremonial purposes, as well as for ocean commercial harvest and recreational fishing. The health of many local economies is inextricably tied to the health of the basin's salmon and steelhead resources. Unfortunately, the Klamath-Trinity salmon and steelhead populations have declined by nearly 80 percent from historic levels.

The reasons behind the Klamath fishery decline are many. First, the construction and operation of dams, diversions and hydroelectric projects as well as past mining, timber harvest practices, and roadbuilding have all contributed to a significant reduction in fishery habitat. In addition, ineffective management of the in-river Indian gill net fishery, inadequate enforcement of fishery harvest regulations, and overlapping Federal, State, and local jurisdictions have severely hampered efforts to conserve and enhance the rivers' fishery resources. The legislation that I am introducing today will, I believe, go a long way toward ameliorating these problems.

Like H.R. 2487, this measure provides for a new management regime composed of effected user groups and management agencies to develop an annual comprehensive Klamath basin fisheries management plan. Additionally, it authorizes development of, and funding for, a cost-effective 20-year fisheries restoration program based in part on a plan prepared for the Bureau of Indian Affairs.

Also, as in H.R. 2487, a memorandum of understanding between Federal and State enforcement authorities would be authorized in order to strengthen and facilitate the enforcement of Klamath fishery harvest regulations.

However, this new legislation differs from H.R. 2487 in several important respects. First, it would establish two new entities on the Klamath—a Klamath Fishery Management Council and Klamath River Basin Fisheries Task Force which would be involved in the development of harvest regulations and the restoration program, respectively. Unlike H.R. 2487, which removed the Bureau of Indian Affair's regulatory role on the Klamath and provided the council with exclusive jurisdiction over the Indian fishery, the council's decisions under this new bill would be strictly advisory in nature. Direct regulatory authority would remain with existing agencies, who would receive harvest regulation recommendations from the council. Because the management agencies involved—the Pacific Fishery Management Council, the BIA, and California Fish and Game Commission—would be active participants in the council, it is anticipated that they will more often than not adopt these recommendations in full.

In essence then, this new bill would institutionalize the negotiated allocation process established by the Department of Commerce this year under the auspices of the Klamath Salmon Management Group. Over the past year all of the various user and management interests involved in this process demonstrated an unprecedented degree of cooperation in protecting the resource. This included the development of a new means to allocate the harvest. I am hopeful that the members of a new Klamath Fishery Management Council will be able to build on this spirit of cooperation.

Second, after considerable review, I have become convinced that the total 20-year restoration program cost of $73 million in H.R. 2487 can be reduced without significantly limiting the program's effectiveness. Thus, the bill I am introducing today will reduce this authorized amount to $42 million, a level more in line with current Federal budget realities. Moreover it will provide for a 50-percent non-Federal share of program costs. Priority in hiring for the restoration work will remain with unemployed area Indians and ocean commercial fishermen.

Finally, it has been my contention that a contributing factor to the dwindling Klamath fishery has been the BIA's lax enforcement over the Indian gill net fishery. This may, however, stem in large part from a lack of clarification as to in-river enforcement responsibilities between the BIA and other Federal and State agencies. Therefore, while this new measure would eliminate H.R. 2487's require-

ment that the BIA be removed from any enforcement role, it is my hope that the MOU authorized between the Interior Secretary and California Department of Fish and Game will strengthen enforcement by leading to a clearer understanding of responsibility. The Secretary may, in fact, choose to enhance and more clearly define the role of the U.S. Fish and Wildlife Service vis-a-vis the BIA.

Mr. Speaker, dwindling fishery habitat and past ineffective management and enforcement of harvest regulations have created crisis resource conditions on the Klamath. This in turn has exacerbated tensions between the user groups and made agreement on possible solutions that much more difficult. However, after months of careful consultation with all of the various interests involved, I believe that this new legislation can help reverse this trend by building on the positive steps taken by the Klamath Salmon Management Group. I urge my colleagues to approve this measure without delay.

UPDATING THE CONRAIL MATH

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. KOSTMAYER. Mr. Speaker, today I would like to bring to the attention of my colleagues an editorial on Conrail which was published in the Philadelphia Inquirer on April 28, 1986. The arguments in support of keeping the railroad independent are convincing. I have visited several Conrail facilities in my district and am well aware of the impact any sale of Conrail will have on Bucks County and the Greater Philadelphia metropolitan region. I support an independent Conrail and believe it is the best deal for American taxpayers. I commend this editorial to my colleagues.

[From the Philadelphia Inquirer, Apr. 28, 1986]

UPDATING THE CONRAIL MATH

L. Stanley Crane, chairman and chief executive officer of Conrail, has given a persuasive update on reasons why Congress should keep the railroad independent and not sell it to Norfolk Southern Corp. Testifying in Washington Wednesday before the Senate Appropriations subcommittee on transportation, he presented the basic arithmetic to dramatize that the proposed sale actually would be a giveaway.

Conrail has $939 million in cash and $360 million in overfunded pension assets for a total of about $1.3 billion. "If today were the closing date on a sale," Mr. Crane said, "all of these cash assets would be acquired by Norfolk Southern." In addition, Norfolk Southern would acquire tax benefits from Conrail estimated by the Congressional Budget Office at $500 million.

Norfolk Southern has offered to pay $1.2 billion for the federal government's 85 percent share of Conrail and $325 million for the 15 percent owned by Conrail employees. That would be a great deal for Norfolk Southern but a bad deal for American taxpayers.

Moreover, as Mr. Crane noted, the original premise that Conrail could not survive as an independent railroad clearly is not true now, if it ever was. Conrail has a five-year record of profitability going back to 1981. It issued first-quarter financial results last week showing net income of $60 million for the first three months of 1986—an increase of $5 million over the first quarter of 1985.

Although the Senate has approved selling Conrail to Norfolk Southern, there is mounting indication that a number of senators are having second thoughts. Meanwhile, House hearings are focusing on two other offers—both higher than Norfolk Southern's—by investment companies that would preserve Conrail as an independent system and offer its stock to the general public. That is the course that needs to be explored.

THE VIRGIN ISLANDS FLAG

HON. RON de LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. DE LUGO. Mr. Speaker, I am very proud to bring to the attention of my colleagues the following transcript by Mr. P.W. Sparks of St. Thomas, which is a history of the U.S. Virgin Islands flag. The flag was commissioned in the year 1921 by Rear Adm. Sumner E.W. Kittelle, U.S. Navy, who had just been appointed civilian Governor of the Virgin Islands. Mr. Sparks, the author of the following piece and a young shipman at that time, was also the designer of the flag. I have found his comments to be a very poignant recollection of the young shipman's sense of duty and idealism in undertaking this task. That is why I take particular pride in bringing this historical and most informative description of events to the attention of my colleagues today.

THE VIRGIN ISLANDS FLAG

Rear-Admiral Sumner E.W. Kittelle, U.S. Navy, was appointed Civilian Governor of the Virgin Islands, succeeding Rear-Admiral J.W. Oman on April 26, 1921.

Captain William Russell White, U.S. Navy, was Captain of the U.S.S. Vixen, and Chief of Staff to the Governor.

The U.S.S. Vixen was stationed at St. Thomas to serve as the Governor's flagship. Rear-Admiral Kittelle served in a dual role. As Rear-Admiral he was the officer in command of all Naval establishments, ships, and personnel in the Virgin Islands, and Puerto Rico. As Civilian Governor he was the head of the officials set up to administer the civilian government of the Virgin Islands.

I served as Captain's Yeoman on the U.S.S. Vixen from February, 1920 until the ship was decommissioned in Norfolk, Va. in October 1922, having relieved Chief Yeoman Barta, when he was transferred ashore.

At staff meetings at the Government House, where Captain White would preside as Chief of Staff, it was one of my duties to attend the staff meetings and take notes pertaining to the military activities.

Morris de Castro was a civilian stenographer at the Government House at this time, and one of his duties was to be present at the staff meetings and to take notes pertaining to anything concerning the civil government.

Sometime during the latter half of the year of 1921 the Governor decided that the Virgin Islands should have Chief of Staff, to present some ideas.

During the year and a half that I had served as Captain's Yeoman on the Vixen, I had demonstrated a certain degree of artistic talent, lettering, sketching, painting, etc. I developed and printed rolls of film, not only for myself, but for other members of the ship's crew.

So it was that when the Governor asked his Chief of Staff to come up with some ideas for a flag, the Chief of Staff, in turn asked me to come up with some ideas.

The Webster's Unabridged Dictionary which we had in the Captain's office on the U.S.S. Vixen, had as a preface, flags of all nations, and also the Great Seal of the United States.

Whether silhouetted against the sky on a rocky pinnacle in Alaska or soaring majestically overhead in Florida, the bald eagle is admired as one of nature's most spectacular creatures. To catch a glimpse of this majestic raptor is to understand why the Founding Fathers chose it to represent the Strength and Courage of our great nation.

I used the eagle shown in the Great Seal as my model. The eagle grasps 13 arrows in one claw, representing the 13 original states. I changed this to 3 arrows to represent the 3 islands, St. Thomas, St. Croix, and St. John.

In the other claw the eagle clutches an olive branch. In the eighth chapter of the book of Genesis we are told that Noah sent a dove out from the ark to see if the floodwaters had receded and, we are told that the dove returned bearing an olive leaf.

To this day, the dove is a symbol of Peace, likewise is the olive branch. And so, the olive branch in the claw of the eagle is symbolic of Peace.

We have here in the claws of the eagle a gesture showing a desire for Peace with the world, but in the same breath, so to speak, the arrows denoting the determination to defend our rights to Freedom, Happiness, and Independence.

These attributes in the eagle depicted in the Virgin Island flag show the right to enjoy the Peace and Tranquility one finds in the Islands, plus the Independence and Freedom guaranteed every U.S. citizen.

The design was submitted to the Governor and it was he that added the letter "V" on one side of the eagle and the letter "I" on the other.

He approved the design and sent it to the Navy Department in Washington, who then forwarded it to the Philadelphia Navy Yard where a supply of flags was made up in the sail loft at the Yard.

In the meantime, the Governor told Captain White to have a flag made up by the quartermasters on the U.S.S. Vixen. The Vixen was a very small ship and the flag supply was limited, and the quartermasters had no facilities for making such a flag.

It was then that I took the design home with me. I had only just a short time before that married Grace Joseph and she and her sister Blanche (now Blanche Sasso) were expert in needlecraft. I had not only sketched in the outline of the eagle, but drawn in the feathers in the wings and tail, and these they embroidered on the sample flag they made.

This was used by the Governor until such time as the manufactured flags were received.

At the time this took place, the Island government was in a state of flux with the slow transition from Danish rule to U.S. supervision and the making of the flag was no big deal. Consequently, no official recognition was ever made and a diligent search of official archives, both in St. Thomas and in

Washington failed to turn up any records on the matter.

Although this took place over sixty years ago, I was at a very impressionable age, and my memories concerning the flag are quite clear.

I am setting forth these facts to clarify the history of the Virgin Islands flag as well as to furnish some authentic evidence for the public in general, for Grace Sparks and her sister, Blanche Sasso, and for our children, grandchildren, and great grandchildren both now and in the years to come.

So be it.

NEBRASKA EDITOR SPEAKS OUT

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. BEREUTER. Mr. Speaker, the fallout from the American bombing raid on Libya continues. Many questions have been raised about different aspects of our response to Libyan terrorism, and many remain still to be answered. Among the questions raised immediately after the raid and which, despite various explanations, still has not satisfactorily been answered is whether we did not have the right to expect more from our allies, particularly France, on the question of territorial overflight. The Omaha World Herald believes we did, and for its thinking on this issue, I commend the following editorial to my colleagues:

[From the Omaha World Herald, Apr. 17, 1986]

WHEN AN ALLY ASKED FOR HELP, FRANCE LOOKED THE OTHER WAY

Criticism from Syria, Iran and the Soviet Union is relatively predictable when the United States takes actions such as the Monday bombing of Libya. Those nations seem to virtually sustain themselves on America-bashing.

Americans might expect better treatment from some of their allies, however.

To be sure, British Prime Minister Margaret Thatcher earned the gratitude of Americans for her support of the raid. For her trouble, however, she received considerable criticism from her political opponents, of which the London Times noted: "It remains a remarkable fact about British political life in 1986 that a Conservative prime minister has to struggle so hard to defend an ally's use of its own aircraft and its own pilots to attack a common enemy of Western civilization."

French Premier Jacques Chirac didn't act like much of an ally. He refused the United States permission to let the Britain-based warplanes cross France on the way to Libya. Chirac then compounded the offense when he joined other critics in accusing the United States of following the course to more violence.

Charles Price, the U.S. ambassador to Britain, suggested that some members of the French government have "a very short memory."

It was just a few days ago that France earned the praise of President Reagan when it expelled two Libyans who were plotting to blow up innocent women and children waiting for visas at an American diplomatic office in France.

Nebraska Sen. Ed Zorinsky noted that the French "didn't seem to mind our flying over their country when Hitler had his troops down there." If Chirac didn't remember the activities of Libyan terrorists in France, however, perhaps he didn't remember the U.S. planes that flew against Nazi Germany, either.

France has been an ally of the United States in an almost unbroken stretch dating from the American Revolution. Libyan terrorists are the enemy of all civilized countries. No one demanded that France put up any planes, or even money. Just a little cooperation among allies.

The critics, including Chirac, seemed unwilling to distinguish between an all-out, indiscriminate blitz-krieg and the surgical strike that was conducted by the United States. The U.S. attacks weren't aimed at civilian areas or even at the principal source of Libyan strength, the oil fields. The United States aimed at terrorist headquarters and bases and a military airfield.

The damage to the French Embassy and the civilian casualties are unfortunate—whether caused by U.S. fire or, as is said by American pilots to be very possible, by misfired Libyan rockets.

The cause of freeing the world from terrorism is universal. The two Americans lost in the raid, Capt. Fernando L. Ribas-Dominicci and Capt. Paul F. Lorence, died for mankind, not just for their country. Their sacrifice deserves the respect not only of their countrymen but also of America's allies.

USIA ADVISORY COMMISSION REPORT—1986

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. MICHEL. Mr. Speaker, the U.S. Advisory Commission on Public Diplomacy has issued its 1986 report. At a time when public diplomacy of the U.S. Government—the ability to communicate with the people of other lands through advanced communications technology and through "personal diplomacy" of our Foreign Service officers—is becoming more and more important to our foreign policy, it is good to know what this distinguished panel has to say about the state of public diplomacy.

At this time I wish to insert into the RECORD, "A Message from the Chairman," "The Role of the Commission," and "Summary of Findings and Recommendations" from the U.S. Advisory Commission on Public Diplomacy, 1986 report.

A Message From the Chairman

(By Edwin J. Feulner, Jr.)

As my colleagues and I prepared this report on the conduct of public diplomacy during the past year, we found many reasons to be encouraged. The United States is making a significant, long-overdue investment in its international information and educational exchange programs.

The U.S. Information Agency has embarked on a course marked by innovation, new vigor, and program expansion. USIA is setting the pace in international satellite television. State-of-the-art communications technologies are generating new efficiencies and expanding the reach of public diplomacy programs from radio broadcasting to English teaching. Educational and cultural exchanges are returning to mid-1960s levels following a long downward slide.

This growth is fully justified and represents a healthy corrective to two decades of erosion in USIA's budget and staff resources. The Reagan Administration, with the strong support of this Commission and with a bipartisan consensus in the Congress, is at last giving USIA the necessary means to perform its public diplomacy mission effectively. The Agency has come far; much remains to be done.

USIA will face new challenges in the days ahead. As world public opinion becomes increasingly important in international affairs—and as appreciation for USIA's capabilities grows here at home the Agency will be asked to do more. And it will be asked to do so without the assurance of steadily increasing resources. "Gramm-Rudman-Hollings" is altering the American political landscape and will affect the resources available for public diplomacy.

Huge sums for U.S. embassy security will decrease further the resources available for program operations in all of the foreign affairs agencies—an unanticipated consequence of international terrorism. Hard choices lie ahead.

This Commission does not want to see the achievements of the recent past undone by hasty or ill-advised cutbacks. Technological modernization must continue; programs of proven value must be maintained; and USIA must be able to take advantage of new opportunities.

In the current budget climate, however, it is imperative that USIA engage in considered assessment of its programs, priorities, and long-term institutional goals. To this end, our report encourages USIA to do a better and more consistent job of program evaluation. The Agency needs to increase its media and progam effectiveness studies. It must look at all of its grant recipients, traditional "core groups" and others alike, to ensure that taxpayers' dollars are being spent wisely. Within USIA, both new and established programs should be examined carefully to determine their continued relevance to the public diplomacy needs of the 1980s.

This report contains the principal findings and recommendations of the seven members of this Commission, all of whom bring to the task a wealth of experience and deep dedication to the mission of public diplomacy. We have been selective. We have looked at programs, resource needs, technological modernization, and USIA's public opinion advisory role in the foreign policy process. At the heart of public diplomacy, however, are the communications professionals who carry out the work of USIA in the United States and abroad, many at high personal risk. We hold them in high esteem. They are serving their country well.

The American people can continue to be pleased with the work that USIA and its people are doing.

THE ROLE OF THE COMMISSION

Since 1948, the U.S. Advisory Commission on Public Diplomacy and its predecessors have represented the public interest by overseeing the international information, cultural and educational exchange programs of the United States.

The Commission is a permanent, bipartisan, and independent body created by Congress to recommend policies and programs in support of USIA's mission and principal

activities. It is required by law to assess the work of the Agency and to report its findings and recommendations to the President, the Congress, the Secretary of State, the Director of USIA, and the American people.

The Commission's seven members are appointed by the President with the advice and consent of the Senate. All are private citizens who represent a cross-section of professional backgrounds and who volunteer their time in the conviction that public diplomacy is indispensable to our national security and to the achievement of U.S. foreign policy objectives.

The Commission was established in 1978 as the successor to the U.S. Advisory Commission on Information for USIA and the U.S. Advisory Commission on International Educational and Cultural Affairs for the former Bureau of Educational and Cultural Affairs in the Department of State.

In fulfilling the responsibilities given to it by Congress, the Commission:

Formulates and recommends policies and programs to the President, the Secretary of State and the Director of USIA to carry out the functions vested in the Director and USIA;

Appraises the effectiveness of USIA's policies and programs;

Reports annually to the President, the Congress, the Secretary of State, and the Director of USIA on the programs and activities of USIA and their effectiveness;

Submits other reports to the Congress as it deems appropriate and seeks to develop public understanding and support for USIA's programs; and

Assesses the degree to which the scholarly integrity and nonpolitical character of USIA's educational and cultural exchange programs have been maintained and the attitudes of foreign scholars and governments regarding such activities.[1]

The Commission is an advisory body only. It is not directly involved in USIA's operations or in the management of its internal affairs.

The Commission's oversight activities are carried out in a variety of ways. It meets monthly with Director Charles Z. Wick and other senior officials in USIA. It meets periodically with members of the Agency's Congressional oversight committees and their staffs, senior foreign affairs officials in the executive branch, and public diplomacy professionals from the private sector.

Last year, the Commission met with Secretary of State George Shultz, Attorney General Edwin Meese III, CIA Director William Casey, Admiral John M. Poindexter, Senator Richard Lugar (R-IN), Senator Daniel J. Evans (R-WA), Senator Orrin G. Hatch (R-UT), Rep. Dan Mica (D-FL), Rep. Olympia Snowe (R-ME), Director of White House Communications Patrick Buchanan, White House Principal Deputy Press Secretary Larry Speakes, Assistant Secretary of State for Public Affairs Bernard Kalb, Assistant Secretary of State for East Asian and Pacific Affairs Paul Wolfowitz, Assistant Secretary of State for American Republics Affairs Elliott Abrams, Ambassador Max Kampelman, Ambassador Edward Rowny, Ambassador Mike Mansfield, Ambassador Arthur W. Hummel, Ambassador Helene von Damm-Guertler, Ambassador Bruce K. Chapman, Ambassador Robert Blackwill, Consul General Burton Levin, Advisory Board for Radio Broadcasting to Cuba Chairman Jorge Mas, National Endowment for Democracy (NED) Board Chairman John Richardson, NED President Carl Gershman, Admiral Bobby R. Inman, Japanese Foreign Minister Shintoro Abe, Director of Exhibits for the Tsukuba (Japan) International Exposition Ittei Takeda, Chinese Vice Premier Ji Pengfei, Chinese Vice Minister of Culture Lu Zhixian, Beijing University President Ding Shisun, Fudan University President Xie Xide, East-West Center Director Victor Li, and East-West Center Board of Governors Chairman George Chaplin.

The Commission testified in budget hearings on USIA held by the House Foreign Affairs Subcommittee on International Operations and the Senate Foreign Relations Committee. In December, the Commission issued a special report, "Terrorism and Security: The Challenge for Public Diplomacy," to the President, Members of Congress, and key officials in the foreign policy community.

During the year, members of the Commission visited 26 posts. The purpose of these visits is to provide the Commission's deliberations and judgment with a firsthand understanding of the work of public diplomacy. Commission members meet with American Ambassadors, USIA's American and foreign national staffs, and opinion leaders for the host country. The Commission derives useful comparative insights from its meetings with foreign officials and other post contacts engaged in information and cultural activities. Last year's meetings in China and Japan with foreign ministry officials and Asian journalists, for example, provided a valuable contest in which to view U.S. public diplomacy activities.

Finally, because of the inadequacy of U.S. Government representational funds, the Commission seeks to extend the reach of the posts it visits through privately hosted luncheons and dinners. These events, which include journalists, government officials, business leaders, scholars, and cultural figures, provide a program opportunity for the post and a better understanding of the work of USIA for the Commission.

This report sets forth the Commission's principal findings and recommendations developed during the past year. They are offered in the hope that both the Congress and those charged with the conduct of public diplomacy will benefit from them. As private citizens, we believe that oversight and evaluation can contribute to the improvement of our nation's public diplomacy and to a better understanding of its importance by the American people.

Summary of Findings and Recommendations

BUILDING FROM GENEVA

The Commission finds that in addition to President Reagan's skillful public diplomacy at the Geneva Summit, USIA's efforts were an important element in its success.

The Commission recommends that a coordinated and comprehensive public diplomacy strategy be developed at the highest levels in the National Security Council, the Department of State, the White House Press Office and the U.S. Information Agency for the 1986 visit of General Security Gorbachev to the United States and the 1987 visit of President Reagan to the Soviet Union.

The Commission recommends the President appoint an experienced senior adviser to coordinate domestic public affairs and foreign public diplomacy decisions relating to the forthcoming meetings between President Reagan and General Secretary Gorbachev.

PUBLIC DIPLOMACY AND TERRORISM

The Commission recommends that USIA move quickly to develop and carry out an intensive public diplomacy program in support of United States anti-terrorism policies.

POLICY FORMULATION

The Commission welcomes increased USIA involvement in interagency policy deliberations, but finds that USIA is still not asked to advise routinely on the public diplomacy impact of proposed policy options and new policies as they are being developed.

The Commission recommends that the National Security Council and the State Department mandate public diplomacy impact assessments for all major foreign policy decisions.

The Commission recommends that senior USIA officers be assigned to regular tours of duty at the White House to provide staff support and a public diplomacy perspective to the National Security Council and the Office of the Press Secretary.

RESEARCH

The Commission recommends that USIA's Office of Research be made an independent element reporting directly to the Agency's Director.

The Commission welcomes the implementation of its past recommendations that USIA enhance the capability of its Office of Research to conduct attitudinal surveys and provide assessments of foreign public opinion to the foreign affairs community. Funds for opinion research are now commensurate with the level of professional staff available to use them, and it is unlikely that further increases could be utilized effectively.

The Commission finds that USIA has increased its media and program evaluation studies, but many Agency managers continue to ignore or misunderstand their potential as managerial tools for program direction and achieving cost savings. The Commission recommends that USIA expand its use of the Office of Research to assess the effectiveness of Agency programs and do more to insure the utilization of program evaluation by Agency managers.

The Commission repeats its recommendation that a coordinated research effort, involving all U.S. foreign affairs agencies, be organized under the direction of the National Security Council to provide the U.S. Government with timely comparative data on the cultural, information, and propaganda policies and programs of the Soviet bloc and other countries.

TELEVISION

The Commission reaffirms its support for the development of the WORLDNET television service as a major program arm of U.S. public diplomacy. The Commission commends USIA for its innovative use of "interactive" press conferences with foreign journalists, its negotiation of favorable financial terms for satellite time in Europe, and its efforts to install "television receive only" (TVRO) dish antennas at USIA's posts worldwide.

The Commission recommends that USIA as a high priority continue to pursue technical arrangements for a worldwide television broadcasting network. The expansion of regional daily broadcast services will require audience surveys, careful long-range planning, and considered assessment of appropriate programs and program policies.

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[1] Section 8, Reorganization Plan No. 2 of 1977.

The Commission recommends the National Security Council examine WORLDNET with a view toward clarifying its mission, long-term needs, and appropriate institutional role through the preparation of a National Security Decision Directive.

The Commission recommends that Congress fund a new television service (RIAS-TV) to be added to Radio in the American Sector in West Berlin for broadcasts to the German Democratic Republic and the Federal Republic of Germany.

VOICE OF AMERICA

The Commission finds that VOA is not moving as rapidly as national needs require in meeting the goals of its multi-year modernization program.

The Commission finds that VOA continues to be surpassed by other major international radio broadcasters in facilities, equipment, personnel, signal, strength, and broadcast hours. It welcomes Congressional willingness to provide adequate funding for modernization.

The Commission finds that OMB's $1.3 billion cap on VOA's multi-year modernization plan will inhibit VOA's ability to meet the goals developed in response to the policy direction of the President and the National Security Council. The Commission recommends that OMB, USIA, and the NSC review VOA's modernization budget in light of recent detailed planning, current price estimates, increased physical security costs, the terms of negotiated site agreements, and overall broadcast requirements.

The Commission is disturbed by the large turnover of VOA Directors and finds that prolonged senior level vacancies and lack of continuity have adversely affected the implementation of modernization initiatives and the management of ongoing VOA programs.

The Commission finds that increased resources and significant U.S. private sector participation are needed to nourish VOA's increasingly effective training program for Third World radio broadcasters.

The Commission commends USIA for resuming daily VOA broadcasts to Western Europe, for the quality of VOA Europe's audience research design, and for its innovative use of AM, FM, satellite, and cable delivery systems. USIA should evaluate VOA Europe carefully to determine whether it is reaching significant audiences with effective programming. Addition of German, French, Italian, and Spanish language broadcasts should be based on a thorough assessment of research findings.

The Commission commends USIA for getting VOA's Radio Marti program on the air and encourages the Agency to undertake thorough evaluation of this important new service.

EXHIBITS

The Commission welcomes the resumption of traveling U.S. thematic exhibits accompanied guage-qualified American guides to cities throughout the Soviet Union.

The Commission recommends that USIA fulfill its commitment to provide a United States presence at Vancouver Expo '86 and Brisbane Expo '88. Before the U.S. commits to additional events sanctioned by the Bureau of International Expositions, however, USIA should chair an interagency study of the political, commercial, and public diplomacy value of international expositions, their cost-effectiveness, and appropriate levels of U.S. Government and private sector participation in them. USIA also should reassess its own capability as presently organized to provide high quality U.S. pavilions and exhibits.

EXCHANGE AND INTERNATIONAL VISITORS

The Commission urges USIA, the Department of State, and the relevant private sector organizations to move quickly to develop specific programs for U.S.-Soviet exchanges pursuant to the General Exchanges accord, other exchange initiatives undertaken at the Geneva Summit, and the agreement by President Reagan and General Secretary Gorbachev to review these programs at their next meeting.

The Commission welcomes the Central American Program on Undergraduate Studies (CAMPUS), but finds Congressional limitation to a one-time pilot group of 154 students falls far short of the Kissinger Commission's recommendation. The Commission recommends the program be expanded.

The Commission supports funding for enrichment programs to provide more than 340,000 foreign students enrolled in U.S. colleges and universities with a broader understanding of the United States.

The Commission recommends that USIA's Office of Research undertake evaluations of U.S. Government funded exchange and international visitor programs.

CULTURAL DIPLOMACY

The Commission finds that funding for USIA's arts and cultural presentation programs has not kept pace with national needs and is far less than what is being spent by America's allies or the Soviet Union. USIA should examine its overall budget with a view toward ensuring greater balance between its educational exchange and cultural presentation programs.

BOOK PROGRAMS

The Commission finds the United States is still not competitive in international book and library activities despite recent funding increases for USIA's book programs.

The Commission endores the major findings of the Task Force on U.S. Books Abroad and recommends that USIA and the National Security Council move quickly to implement them.

EAST-WEST CENTER

The Commission welcomes recent improvements in the management and program relevance of the East-West Center and encourages USIA's Public Affairs Officers to make greater use of this valuable resource. The Commission recommends the East-West Center give increased attention to narcotics issues.

SECURITY AND PUBLIC DIPLOMACY

The Commission recommends that legislation on diplomatic security fully take into account USIA's public diplomacy mission, the need for relatively free public access to USIA's libraries and information centers, and the desirability that USIA give visible evidence of the free and open society it represents.

The Commission recomends that legislation require the Department of State to consult with USIA on security policies and programs, funding levels, and security standards. USIA should have authority and separately indentified funds to furnish logistical security support to its overseas installations and to perform its own security inspections.

The Commission believes USIA should move quickly to adopt all reasonable security measures without jeopardizing its mission. Security decisions affecting USIA should be made on a flexible, case-by-case basis in full recognition of differences in local threat levels. These decisions should be based on Country Team assessments and lead to the least possible isolation of USIA from its audiences.

The Commission recommends that physical security policies apply equally to U.S. and foreign national employees at their place of work.

USIA OFFICER ASSIGNMENTS

The Commission funds continued underrepresentation of senior USIA officers in Ambassadorial and Deputy Chief of Mission positions and recommends that the President and the Secretary of State correct this imbalance.

The Commission recommends that USIA officers be given equal consideration with their State Department colleagues for Chargé and *acting* DCM positions.

The Commission recommends that the Department of State increase the variety of Washington assignments given to USIA officers.

The Commission recommends that a USIA officer serve as the senior public diplomacy advisor to the Secretary of State.

The Commission recommends that USIA officers be assigned routinely to regional and other policy positions on the staff of the National Security Council.

TRAINING

The Commission recommends that USIA and the Department of State move with greater urgency to institute a systematic program of media and advocacy skill training for ambassadors, Deputy Chiefs of Mission, and USIA officers.

The Commission recommends that USIA officers receive more training on narcotics issues, and the impact of production, trafficking, and consumption of producing and consuming nations.

REPRESENTATION

The Commission reaffirms its finding that personal contact with foreign opinon leaders is one of the most important functions of public diplomacy and urges that USIA's representation funds be made comparable to those of other U.S. Government agencies.

UTILIZATION OF PERSONNEL

The Commission finds that new communications technologies and program expansion continue to make extensive demands on the staff resources of USIA's overseas posts. Adjustments in personnel levels that may be required by federal budget reductions should not be made in the Agency's field operations.

CONGRESSIONAL GRANT CONTROLS

The Commission recommends termination of the requirement that Congress be notifed 15 days before USIA may award proposed program grants.

TELECOMMUNICATIONS PLANNING

The Commission recommends tht USIA establish a central planning body within the Agency to coordinate policy, technical, and resource decisions relating to its information and telecommunications systems.

GM PRICES: MADE IN WASHINGTON

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. CARR. Mr. Speaker, recently, the Detroit News published an editorial that refutes the numerous articles condemning GM's pricing decisions. It puts them in the proper perspective; namely that they are in large part a natural response to regulations imposed on the auto industry for CAFE [corporate average fuel economy] standards. What Congress should do is repeal CAFE.

I am inserting this editorial so my colleagues may use it for reference.

[From the Detroit News, Apr. 22, 1986]

GM PRICES: MADE IN WASHINGTON

When General Motors announced an average 2.9-percent price hike last week, the Potomac pundits all pouted in predictably pious pusillanimity that GM was "wasting its opportunity" to increase market share as a result of the soaring yen. Chrysler's Lee Iacocca, sensing still another political windfall, promptly announced that "we are holding the line, for now." He added: "We have an unparalleled opportunity to re-establish America's and Chrysler's competitive position in this most competitive business."

But a big part of GM's price increase was "made in Washington," not Detroit. It reflects the Corporate Average Fuel Economy (CAFE) standard now imposed by Uncle Sam on all those producing or selling cars in the Untied States—a destructive piece of federal regulation backed wholeheartedly by none other than Mr. Iacocca.

Under CAFE, all car makers have to sell a mix of models that will result in an average fuel economy rating of 26 miles per gallon in 1986. Chrysler has already met and exceeded this standard. Chrysler did so, however, not so much by engineering efficiency (mileage per unit of weight per gallon) as by staking its future on conventionally engineered small cars when the price of gasoline was still high. That gamble seemed reasonable at the time, but it isn't looking so hot right now. So Chrysler is fighting hard to maintain the CAFE rules, which make it hard for Ford and GM to exploit the burgeoning big-car market.

With gasoline selling at 1965 (constant dollar) prices, American car buyers are rushing to buy the larger models they always liked, and this will quickly put the GM and Ford CAFE, averages well below the minimum. This would result in massive annual fines of $50 per car for every mile per gallon they fall below the standard.

It appears that the only recourse GM now has is to raise the prices of its bigger cars in order to discourage sales while attempting to maintain profitability.

GM isn't talking, but a close examination of the GM price hike reveals this strategy. The biggest hikes are in the biggest models, while the overall average rise of 3 percent allows GM to play with sales incentives (financing rates, rebates, etc) to encourage sales of small cars. The net effect, of course, will be to force the American consumer to pay much more for the larger U.S. cars they want, and thus use up the savings they get from lower gasoline costs.

This is why Honda, Toyota, and Nissan are now jumping into the larger car market with such a vengeance. With their already high CAFE averages (30-34 mpg), they can use the federal regulation as the cover for invading the big-car market. In other words. CAFE won't keep Americans from buying larger cars, it will simply ensure that more of those cars are Japanese.

Chrysler, of course, is delighted with all of this. Without CAFE, falling gasoline prices threatened their entire marketing strategy with imminent disaster. CAFE does not mean more jobs for Chrysler workers, however, because 72 percent of Chrysler's present domestic sales are "outsourced"—imported from the Orient.

Mr. Iacocca, whose taxpayer-financed "comeback" has netted him $15 million in stock options since 1981 and who earned $1.64 million last year, understandably likes life in the government CAFE. In this sense, CAFE is exposed for what it is; a protectionist anachronism, originally supported by the United Auto Workers (UAW) as a way to force the Big Three to manufacture more small cars here instead of importing them. Instead, it has become a weapon to hand the Japanese the one market where UAW workers are still competitive; big cars.

This is why the prestigious (and liberal) Brookings Institution has put its stamp of approval on doing away with CAFE altogether. In its new 200-page study, "Regulating the Automobile," economist Robert Crandall concludes: "The automobile producers' increase in fuel economy is about what one would have expected given the rise in gasoline prices since 1973. The CAFE standards appear to have provided little but nuisance value until recently. As gasoline prices have fallen in real terms (since 1981), however, the standards have become a binding constraint upon producers attempting to satisfy the demand for larger cars.

As Mr. Crandall states: "There seems to be little reason for suggesting that automobile drivers should not be allowed to respond to market prices of energy in the same fashion as commercial, industrial, or residential users of fossil fuels." Instead, CAFE is causing higher prices and setting the stage for bigger job losses in the auto industry down the line. It's time to close down the CAFE before another segment of American auto production disappears.

FORMER MILITARY LEADERS ON LIBYAN STRIKE

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. DORGAN of North Dakota. Mr. Speaker, there is no tougher policy question than crafting the right response to international terrorism. Many of us here in Congress who support tough action also want to ensure that short-term gains do not turn into long-term losses.

Several top retired military officers gave the Armed Forces high marks for the recent raid on Libya. Their concern was with the long-term effect. Former Chairman of the Joint Chiefs of Staff, Gen. David C. Jones of Minot, ND, worried that "we don't want to get into a tit-for-tat retaliatory cycle."

If we expect real success from our counter-terrorism efforts, we must be set to attack the root causes of terrorism—including hunger and poverty, as well be ready to complement specific military actions with concerted diplomatic and economic steps. Ultimately, we will have to judge success not with the number of Libyan targets bombed, but with the number of lives saved from diminished terrorism.

I call to the attention of my colleagues the thoughtful comments of several retired military officers on the uses and limits of military action.

The article, "Tapping Libya With 'Sledgehammer'" from the April 23, 1986, Christian Science Monitor, follows:

[From the Christian Science Monitor, Apr. 23, 1986]

TAPPING LIBYA WITH "SLEDGEHAMMER"

(By Peter Grier)

WASHINGTON.—His first reaction was a professional judgment.

As he watched news reports of the raid on Libya last week, retired Air Force Gen. David C. Jones felt proud that the United States had delivered a successful military punch.

"It was a well-planned, well-executed operation," he says.

General Jones's opinion perhaps carries special weight. He was the highest ranking uniformed officer in the military from 1978 to 1982, when he was chairman of the Joint Chiefs of Staff (JCS).

Matching the mood in the halls of the Pentagon, Jones says the raid was something that had been made necessary by administration policy and Libyan scheming. But he expresses uncertainty as to whether the US air strikes will eventually make the world a safer place.

"What will be its long-term effect? I don't know. We don't want to get into a tit-for-tat retaliatory cycle," the former JCS chairman says.

In Monitor interviews, several other retired top military officers expressed somewhat stronger reservations about the outcome of this US use of force.

Vice-Adm. M. Staser Holcomb, former commander of US Pacific forces and a member of the Vice-President's Task Force on Combating Terrorism, wonders if the US can maintain its guard against the inevitable backlash from the attack.

The US public likes problems to be solved quickly, but support must be maintained for a series of tough antiterrorist actions if Libyan leader Muammar Qadhafi's adventurism is to be curbed, Admiral Holcomb says.

"Our time horizon in America is pretty short," says Holcomb, now a corporate executive. "We may have tweaked an operation whose attention span is years."

The US air strikes were a medium use of force, judges the retired admiral, between the two poles of covert action and destruction of Libya's crucial oil facilities. He says the raids were neatly done, with collateral damages as limited as could be expected.

"We've taken a sledgehammer and tapped a couple of times," Holcomb says.

Retired four-star Gen. Bruce Palmer Jr. was vice-chief and then chief of staff of the Army during the most crucial years of the Vietnam war. He says he doesn't fault President Reagan for the actions he ordered but judges that the very conception of the attack means its military effect will be small.

Air strikes, according to General Palmer, appeal to political leaders because they seem an immaculate way of fighting wars,

with few US casualties and everybody back safe in their bunks the next night.

But the destruction wrought by bombs is fleeting, he says. The Tripoli airport will be reopened soon.

Ever since the plane was invented, history has shown that air power, unless used in massive force or in conjunction with ground armies, serves mainly to unite the people being bombed, Palmer says. He points to the intricately planned, yet ultimately ineffective, bombing of North Vietnam as an example.

"Bombing by itself has not won any wars that I know of," Palmer says.

Pressed as to whether the US is really involved in a war with Libya, Palmer snorts derisively and asks whether bombing the home of a head of state constitutes an act of peace.

If US officials really want to use military power as a way of maintaining continuing influence on Colonel Qadhafi, maintains Palmer, they should send a powerful combined force to capture one key spot on the Libyan coast—an oil shipping terminal, perhaps. "Then you've got a bargaining position," he says.

These retired officers also mentioned that secret operations, perhaps by the CIA, could well be useful in ending Libyan support of international terrorism.

But the US public may not accept such activity today, they say, because of past abuses. In addition, though secret destruction might damage terrorism's infrastructure, its very secretness would keep it from giving a morale boost to the people at home, a real and important byproduct of the US air strikes.

NATIONAL GUARD SHOULD STAY PUT

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. EDWARDS of California. Mr. Speaker, in an April 20, 1986, editorial, the Argus of Fremont, CA, examined the many reasons why California National Guard personnel should not have been sent to Honduras. Although the editorial speaks only of California's militia, I believe the article cogently explains why the administration's use in Central America of National Guard troops from a number of States is an unwise policy.

I commend this excellent editorial to the attention of my colleagues:

[From the Argus (Fremont, CA) Apr. 20, 1986]

NATIONAL GUARD SHOULD STAY PUT

Members of the California National Guard should not have been sent to Honduras.

Not when neighboring Nicaragua is in the midst of civil war—a war tied to Honduras when Nicaraguan rebels have their bases.

And not when Americans in Central America are considered potential targets of Libyan assassins out to avenge the United States bombing of their country.

To send 15 military police guardsmen into a potentially dangerous situation doesn't make sense, regardless of whether they volunteered for the assignment or not.

The guardsmen will carry rifles and provide protection for Americans building a road in the Honduran jungle. A second replacement contingent of California guardsmen will be sent to Honduras next month. The first group should be recalled immediately and the second must stay at home.

The California National Guard is a respected military force. But it is a militia, meaning it's composed of volunteer citizens who provide assistance in times of state and national emergencies.

Guardsmen are trained to respond to civil disturbances and natural disasters such as floods and hurricanes. They receive only periodic training, unlike the regular armed forces that are better trained and equipped to fight in foreign lands.

Unless called to active duty, the guardsmen are regular civilians, working to support themselves and their families. They shouldn't be thrust into a foreign land where a civil war is raging nearby—a war that's generated much debate in this country over whether U.S. involvement is appropriate. The fact that question remains unanswered makes the guardsmen's flight to Honduras all the more curious and inappropriate.

The California National Guard can find safer and more appropriate places to train closer to home. There's no good reason why men who may one day be needed in California should become potential targets in a foreign land.

RECENT DEVELOPMENTS IN PARAGUAY

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. HALL of Ohio. Mr. Speaker, in Paraguay, the 32-year-old authoritarian reign of Gen. Alfredo Stroessner continues, despite a regional trend toward democracy that has swept through neighboring Argentina, Bolivia, Brazil, Peru, and Uruguay. But, while Asuncion's rule has grown increasingly repressive, in recent months the Stroessner government has been confronted by increasing criticism from U.S. officials and a damaging financial scandal. The following report from the Council on Hemispheric Affairs [COHA] explains these events. It was written by COHA Research Associate Louise Silberling, and first appeared in the April 30 issue of its biweekly publication, the Washington Report on the Hemisphere. I commend it to the attention of my colleagues.

PRESSURE ON PARAGUAY

(By Louise Silberling)

Repression has mounted in Paraguay in recent months as rallies have drawn larger crowds, and have been met with greater police violence. On April 13, a demonstration in the city of San Jose was broken up and Authentic Radical Liberal Party (PLRA) Secretary General Miguel Abdon Saguier was arrested and severely beaten. Another 22 protesters were also jailed. Arbitrary arrest and detention, and abuse of those in police custody remains widespread, according to international human rights monitoring groups.

While demonstrations have been taking place regularly outside of Asuncion in recent months, actions had been nonexistent inside the capitol's boundaries. But on April 18, doctors and medical workers of the National Hospital of Asuncion rallied in front of the Finance Ministry to protest their below minimum wage salaries. The crowd was peacefully dispersed that day, but on April 23, when the medical workers rallied again and called for a 24 hour strike, they were met by police with water bombs, tear gas, and rubber batons. The demonstrators were said to have numbered 3,500, an unheard of amount of protesters in a city where public manifestations of discontent are illegal and unprecedented. At least 12 doctors have been jailed and their homes searched, as the government hopes to indict them on charges of being marxist-leninists.

A State of Siege remains in effect in Paraguay, Where Gen. Alfredo Stroessner has ruled for 32 years. This landlocked backwater has never ranked high on the list of U.S. Latin policy concerns, but under the activist ambassadorship of Robert White, the Carter administration exerted some pressure for democratization and recognition of human rights.

HARSH WORDS

Paraguayan Foreign Minister Augusto Saldivar said March 12 that since the end of the Carter administration the relationship with the United States has "considerably improved." But relations began cooling even before the U.S.-accommodated downfalls of Jean-Claude Duvalier in Haiti and Ferdinand Marcos in the Philippines occurred. Public statements by U.S. government spokesmen on Paraguay's deplorable human rights practices have sparked angry criticism from officials in Asuncion, and represent a significant escalation from the private diplomacy heretofore utilized by the U.S. embassy in Paraguay to manifest Washington's unhappiness with the regime.

On Jan. 30, the Paraguayan government newspaper Patria accused assistant secretary of State Elliott Abrams of "aberrant slander," "ill-intentioned lies," and "stupid provocation" in a reply to his 17 Jan. interview with the Paraguayan media via satellite, in which he termed Paraguay one of the "largest obstacles" to the region's democratization. President Reagan, in an address in Spain last year called Paraguay an "entrenched military dictatorship." A visit in January by U.S. Gen. John Galvin, who met with heads of the country's Armed Forces, stirred speculation among nervous Paraguayan officials that Washington is interested in a military-spearheaded democratic transition in Paraguay.

Events such as the 1983 expulsion of novelist Roa Bastos, the closing of the prominent paper *ABC Color* in 1984, and enduring suspicions of involvement in drug trafficking and contraband activities by the military have dismayed Reagan administration policymakers. Although no condemnations such as the one recently approved by the United Nations Human Rights Commission on Chile are expected to be forthcoming in the next few months, diplomatic pressure has been stepped up. U.S. Ambassador Clyde Taylor, a committed young career foreign service officer who arrived in Asuncion six months ago, raised the hackles of officials by meeting Jan. 3 with leaders of the opposition National Accord (AN), a grouping of moderate political parties.

TEMPEST FOR TAYLOR

Interior Minister Sabino Montanaro accused Taylor of "interfering in Paraguay's internal affairs," and the rightist press vied in denunciations of the U.S. envoy. Taylor responded that his meetings were "innocent" and that he was trying "to get to know the country."

The Accord is made up of four parties, including the Christian Democrats and members of the Colorado, Liberal majority and Febrerists who left Congress in 1977 to protest electoral fraud and the political hegemony of Stroessner's Colorado Party. The AN has been calling for a political opening and a peaceful democratic transition since 1979, and it has strong and active support from the Catholic Church. The Archbishop of Asuncion, Ismael Rolon, has called publicly for national reconciliation, and appointed three prelates in January to mediate between the AN and the government.

RIGHTS ABUSES

While the bulk of country's political prisoners were released in 1979, the usual cycle of repression has been continued by the military and police, with arrests and harassment of prominent opposition leaders, journalists, and the exiling of selected members of the opposition. Patt Derian, former assistant secretary of State for Human Rights under Carter, reports that in a recent meeting in Asuncion, Stroessner admitted that there is a problem of regular beatings and torture in the jails, and that the judicial system is very slow. Arbitrary arrest is justified by the government under either the State of Seige powers, or the "anti-subversive" statute; most often, however, no rationale is provided.

On Jan. 23, the Catholic episcopate formally appointed a mediating team headed by Asuncion Bishop Jorge Livieres Bankes to promote peaceful negotiations. Even members of the tiny legal opposition parties, the Radical Liberal Party (PLR) and the Liberal Party (PL), in March were "reconsidering participation" in the Congress, according to PLR President Emilio Forestieri, because of harassment and fraudulent elections. Blatant tampering in the October 1985 municipal elections upset the legal opposition; according to official returns the Colorado Party won an unbelievable 88 percent of the vote.

BAD BANKING

International financial pressures also have been brought to bear upon the Paraguayan government. The International Monetary Fund (IMF) sent top officials in mid-1985 to point out corruption in the Paraguayan Central Bank (BCP). The results were not made public until October 1985. By that time, $100 million had been siphoned off from government reserves, which were seriously depleted, and reached all-time lows in December.

Investigators found that, in collusion with bank officials, private businessmen had taken advantage of the preferential exchange rate provided for essential imports. Using falsified import invoices, they bought dollars at the official exchange rate of 240 Guaranis to the dollar, then resold them on the black market at rates between 800 and 1000 Guaranis per dollar.

By mid-January, about 30 bureaucrats and businessmen were jailed; many await trial this month, but officials have been slow in moving against them. An international auditing group, as well as some government officials had been urging for months that BCP President Cesar Romeo Acosta make public the criminal activities within his institution, but no charges were brought until major officials involved, including former BCP manager Colman Villamayor, had ample time to disappear. Several, including the ex-manager, are still at large. Acosta himself was granted immunity by the Council of State until March, when his case was reviewed by the judges and he was determined innocent, despite personal assets totalling $65 million and a yearly salary of only $30,000.

To everyone's surprise, Stroessner himself pressed for indictments when the case came to light in October, but when important government officials were implicated in the affair, news surrounding the incident evaporated. Colorado Party Deputy Oscar Zacarias was summarily expelled from Congress in January after allegedly announcing a list of 38 government legislators implicated in the scandal. Nevertheless, the publicity surrounding these matters became widely known and marks the first time that criticisms of a government-controlled organ (the BCP) have been tolerated in over three decades.

The Paraguayan dictator routinely has let past improprieties go unpunished. But, this time, apparently, corruption had gone too far, undermining Stroessner himself by depleting precious foreign reserves. Last year only 30 percent of export earnings were legally registered with the government Central Bank. According to the Paraguayan Commercial and Industrial Federation (Feprinco), smuggling rose significantly in 1985. Black market imports and exports are reportedly three times as great as legal trade.

FIRM ON THE GUARANI

The financial scandal also heated up the dispute over the overvalued Guarani, long a bone of contention within Paraguayan political and international financial circles. The World Bank has been unwilling to continue disbursements in the face of Stroessner's intransigence on the exchange rate issue; dollar loans converted to Guaranis at the unreal official rate of 240 Guaranis to the dollar would amount to a subsidy for the Paraguayan government and its troubled Central Bank. The World Bank is demanding that the rate be at least 500 guaranis to the dollar. Spain has refused to finance the building of an airport until the exchange rate becomes more realistic.

In multilateral financial institutions, the U.S. has expressed tacit approval of the Stroessner government. While the Carter administration abstained on MDB loans to Paraguay for human rights reasons, the Reagan administration has approved all of them, totalling more than $385 million by mid-1985.

TAX REFORM HAS BECOME TAX DEFORM

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. WEBER. Mr. Speaker, I would like to call the attention of my colleagues to an article that appeared this week in the Washington Times. The article was written by Warren T. Brooks, a nationally syndicated economics columnist. In this article, Mr. Brooks rightly points out that the problems with the so-called tax reform bill are many. We cannot support a tax bill which punishes economic growth. Tax reform has become tax deform and taken on a life of its own. I'm certain that this article will provide much food for thought.

[From the Washington Times, Apr. 28, 1986]

As President Ronald Reagan prepares for the Tokyo Economic Summit, he should do the U.S. and world economies a big favor: either stop the "tax reform" nightmare or rescue it from certain disaster.

Not only is Senate Finance Chairman Robert Packwood, Republican of Oregon, in deep trouble, some $50 billion "in the hole," with both Republican and Democratic senators mounting a determinedly successful effort to kill all vestiges of "reform," but there is solid and growing evidence that the "process" itself is having a chilling impact on business investment, and thus the whole economy.

Two weeks ago the Commerce Department reported that even though the economy rose at a 3.2 percent annual rate in the first quarter of 1986, it progress is being held back by steeply declining capital spending by business—a pattern we have seen since the introduction of the Treasury-2 "reform" in June 1985.

While Commerce's survey of business capital-spending plans last fall predicted a planned 3.5 percent growth in expenditures for new plant and equipment in 1986, the latest gross national product numbers for the first quarter show actual business investment down by 5 percent. It is now below the rate during the second quarter of 1985 just before the T-2 plan was presented.

Had business investment risen in the first quarter as much as it did even in the sluggish fourth quarter of 1985, real GNP would have risen at a 5 percent annual rate.

It is possible to explain most of the unexpected current sluggishness of the U.S. economy to the slump in capital spending that began with "tax reform" and continues despite very favorable trends in lower interest rates and oil prices.

It's no secret that the strength of the booming 1983-84 recovery came from business capital-spending soaring at 30 percent real rates of growth, among the fastest in history.

But since the introduction of T-2, that year-over-year capital-spending rate has plummeted from double-digit levels to 1986's negative numbers. Since June 1985, when T-2 first went to Congress, business equipment spending plans have plunged from an 18 percent growth rate to a negative outlook.

As Richard Rahn, chief economist for the U.S. Chamber of Commerce, told a congressional Joint Economic Committee hearing back in mid-March:

"The House-passed tax reform package—H.R. 3838—is having a significantly negative impact on business investment. We think it is lowering this year's real GNP growth potential by at least 1 percent or more." [Author's note: 2 percent, it now turns out.]

One of the key reasons for this, Mr. Rahn said, is not only the negative aspects of the House bill itself, but the uncertainty over when it would take effect. At the moment the House is insisting on an effective date of Jan. 1, 1986—while the Senate is suggesting a starting date of Jan. 1, 1987.

"Congress and the administration will not decide on and make public an effective date for tax reform," Mr. Rahn complained. "This lack of commitment from our nation's leaders has propelled the business community into a virtual Twilight Zone of uncertainty—a land where business investment in plant and equipment hangs in suspended

animation—delayed or even canceled due to tax reform's uncertainty. . . ."

The latest GNP figures confirm that Mr. Rahn was not crying "wolf." Despite the booming bull market, fueled mostly by declining oil prices and interest rates, business capital investment is now *falling* in an economy that apparently "wants to grow" 5 percent a year or more.

This temporary damage to the economy might be worth it if we could see, coming out of the Senate, a genuine tax reform bill that would produce real long-term economic benefits.

Instead, as bad as the House (H.R. 3838) reform bill is (and it is dreadful), the Senate version now looks far worse. While business lobbyists have successfully restored some of the "perks" and shelters lost in the House, they have produced an infinitely more complex and inefficient tax system than when they started.

The best proof of the mess that Mr. Packwood is making is the fact that the only way to rescue lost revenues comes from installing a harsh new "minimum tax" system at both the corporate and individual levels—itself an admission of failure.

Instead of killing inefficient shelters and "incentives" in favor of lower rates for everyone, the Senate has chosen to keep most of them, and then punish those corporations and individuals that use them with a separate "minimum tax schedule," with the result that 80 percent of all corporations will have to figure their taxes under two or three alternate schemes.

This is why the Packwood "reform" is called the "lawyers' and tax accountants' full employment act of 1986."

Either fix this mess quick, Mr. President, or dump it.

MILITARY MEDICINE AND JUSTICE: A CAUSE FOR CONCERN

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. OWENS. Mr. Speaker, many of us have become concerned about the state of military medicine and military justice. When constituents come with stories of glaring injuries at the hands of military doctors and then one learns that unemployable unlicensed physicians are not only brought into the military, but they are promoted to grades which require confirmation by the other body, one cannot help but be dismayed.

In the area of military justice, it is clear that the vast majority of offenses are handled in a manner that may leave military defendants displeased but without a sense that they have been treated in an unjust manner. However, in a small number of cases, the system seems to go awry and there are few controls to counter the system. In other cases, there is the clear perception that criminal conduct, including the taking of life, will be treated quite differently depending on the rank and occupational specialty of the perpetrator and victim. The essay below which appeared in the March 13, 1986, issue of the Washington Post points out the two brands of justice and the dangers inherent in being a patient in a military facility.

The essay follows:

[From the Washington Post, Mar. 13, 1986]

TWO BRANDS OF JUSTICE

(By Dorothy Gilliam)

One defendant, convicted of murder, was a high school dropout and a low-ranking sailor. The other, convicted of involuntary manslaughter and negligent homicide, was not only an officer but a surgeon. Each was recently tried before a Navy tribunal. But in this tale of two sailors, the justice meted out was starkly different.

Petty Officer 3rd Class Mitchell T. Garraway Jr., a black sailor from Suitland, barely escaped the death penalty in the fatal stabbing of his white superior officer, Lt. James Sterner, 35, a former Prince William County teacher.

On June 16, while sailing off Bermuda on a Navy frigate, the USS Miller, Garraway stabbed his superior officer to death. Arguing that the young sailor had killed Sterner in a fury brought on by shipboard prejudice, Garraway's civilian lawyer, Trevor L. Brooks, said: "It's a black-and-white situation. Racism, yes. . . . Top Navy brass is, putting it bluntly, trying to kill Petty Officer Garraway" to "make an example" of him.

But Navy prosecutors saw it another way. Pressing vigorously for the death penalty, they said the slaying was premeditated. On Jan. 30, a Navy jury of three blacks and five whites agreed, convicting Garraway of premeditated murder.

Because Garraway could have been sentenced to death, making the sailor the Navy's first execution in its own ranks in over a century, the case attracted wide media attention, and newspaper articles speculated on whether Garraway might be hanged or put to death in some other manner.

But the same panel that convicted Garraway of premeditated murder decided to spare his life, instead sentencing him to life in prison and dishonorable discharge.

Cmdr. Donal M. Billig, 55, the former chief heart surgeon at Bethesda Naval Hospital, was sentenced to a four-year prison term and dismissal from the service for negligent homicide in the death of one patient and involuntary manslaughter in the deaths of two others. He was acquitted in the deaths of two other patients, but was convicted of 18 counts of dereliction of duty.

Charged originally with involuntary manslaughter in the deaths of five patients and 24 counts of dereliction of duty in other operations between June and September of 1983, Billig was only the second Navy doctor ever accused of killing a patient through culpable negligence. A panel of Navy officers, including three doctors and one nurse, heard 60 witnesses during seven weeks of testimony.

During the trial, Billig was contradictorily portrayed as an incompetent surgeon troubled by flawed techniques and fading eyesight who killed unsuspecting retirees, and as an "excellent" doctor who wanted to do good for the Navy. Testifying on his own behalf, Billig dismissed as "absolutely meaningless" statistics that showed that his patients, during his last year at Bethesda, died at a rate that was more than twice the national average. The prosecutors contended Billig had lost surgical privileges in the private sector because of incompetence and entered the Navy by lying about his professional past and impaired vision.

The defense, on the other hand, argued that Billig had been truthful about his limitation, saying he was an honest surgeon who had become a scapegoat. Later, Billig himself blamed the hospital's negligence for the entire controversy surrounding his right to perform surgery.

With Billig facing up to 11 years in prison, dismissal from the Navy and a fine, his attorney, Lt. Cmdr. Stephen Baker, pressed for leniency, saying that a wrong decision could "brand Dr. Billig a killer for life."

The Navy jury was indeed lenient in its sentencing of Dr. Billig, dismissing him from the service and sentencing him to four years in prison with eligibility for parole review after 16 months.

Examining these two cases, a myriad of differences can be readily discerned, ranging from race to each man's status in society.

Billig is a professional, a graduate of medical school, who, taking the stand, argued articulately for himself. Garraway, on the other hand, 34 years younger than Billig, dropped out of Suitland High School and joined the Navy when he was 18. Although he took the stand in his own defense, through much of the trial he sat meekly with his head bowed.

Although race was possibly a contributing factor, it would be wrong of me to look at race as a dominant issue of concern in either case, as many other factors are at play here. But whether the disparity in the sentencing of these two men was affected by race, class, age, rank or the nature of their crimes, one thing is certain. The Navy justice that was meted out in the tale of two sailors doesn't approach equality.

THE EUROPEANS' QADDAFI COWARDICE

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. RITTER. Mr. Speaker, later this week President Reagan will certainly bring the terrorism issue before the leaders of France, Italy, West Germany, Canada, Great Britain, Japan, and the European Community at the economic summit. Some might be concerned that President Reagan might make "the allies uncomfortable."

However, I doubt that he could make them as uncomfortable as they would be after reading the article that appeared in the "Outlook" section of Sunday's Washington Post by Oriana Fallaci. Ms. Fallaci has been a war correspondent and she translated this article from the original Italian version that appeared in Corriere della Sera, Italy's largest daily.

Under unanimous consent, I call this to the attention of my colleagues and include the article at this point:

THE EUROPEANS' QADDAFI COWARDICE

(*By Oriana Fallaci)

The Italians have not understood Qaddafi. Or they pretend to have not understood him. The French and the Spanish and the Germans and the Swedish and some English have not understood him, either. Or they pretend to have not understood him. The same must be said of anyone else who sheds tears for Qaddafi these days. That is, anyone who turns the tables and sees him as a victim of the evil Americans who are always attacking someone and who now attack this poor innocent and defenseless man.

It is the fault of the Americans if Qaddafi flings his missiles against the Italian island of Lampedusa. It is the fault of the Americans if he shoots Italian fishermen when they go to fish in waters that are everybody's waters, but he says: not everybody's, mine. It is the fault of the Americans if he kidnaps Italian citizens in Libya and if he orders the murder of Libyan exiles in Rome or in London or in Paris. It is the fault of the Americans if—exploiting the sorrow of others and taking advantage of their misfortunes, expecially those of the Palestinians—he finances and trains and instructs those who hijack TWA planes and kill their passengers.

And it is the fault of the Americans if terrorists bring death in their luggage, so that death bursts in flight and mothers with their infant children are spit out the hole made by the explosion and smash themselves, God knows where, two miles below. It is the fault of the Americans if an army sergeant blows up at a Berlin discotheque where 200 others are mutilated or wounded. It is the fault of the Americans if 399 American and French soldiers are massacred in Beirut in 1983 by the kamikazes from the Bekaa Valley, the place where Qaddafi and Khomeini keep their Sons of God. (Qaddafi feeds them the money, Khomeini the faith that one needs to disintegrate himself with a truck.) It is the fault of the Americans if, in the last slaughters at the Rome and Vienna airports, 19 people get killed, including a twelve-year-old girl. It is the fault of the Americans if on the "Achille Lauro," an old man is assassinated in his wheel chair.

So my fellow Europeans, let us shout it loud and clear in our marches and demonstrations: What has Qaddafi to do with the Shiite or Palestinian escapades, or with the crimes of Abu Abbas, the killer whom the Italian government helped to escape, even protecting him as he boarded the Yugoslav plane? Poor Mr. Qaddafi only thinks of his oil. "Holy Oil who art in Heaven . . . pardon me, in the deserts of Libya . . . give us today our daily gasoline and protect the Colonel, if you please. Pay attention that he does not catch even a cold, that none of his officers or students not yet executed at Benghazi organize a revolt or a putsch against him. Mind that nobody hangs him by the feet as we did to Mussolini. Let him finance and train and instruct those who persecute us. Amen." And any man or woman who thinks in a different way is a fascist, a reactionary, a traitor, a servant of the Americans. Who cares if the Americans die? Let them die. (Except for calling them each time there is an earthquake or a Mussolini to chase away.)

All right. Americans are far from being saints, we know that. And America is an elephant—often clumsy and arrogant, at times rather vindictive, at times forgetful of his ancestors, and in any event incapable of making people love him. Besides, he sleeps easily in spite of the hate and the jealousy of the other animals because his skin is so hard that it takes a blowtorch to get to his heart. But when he wakes up and gets angry, he sweeps away all the forest, he crashes everything he finds in his way: squirrels and tigers, poisonous trees and innocent orchids. (If it were not so, this elephant would not have won the Second World War and we would now speak German. Something that someone might like. I do not. Or we would speak Russian. Something that someone else might like as much. I do not.) However, if America is that elephant, Qaddafi is a hyena that feeds herself on the dead: the new Mussolini of the Mediterranean.

Here is what the Italians have not understood, or pretend to have not understood. And the French, the Spanish, the Germans, the Swedish, some English and anyone who sheds tears for Qaddafi these days. Or anyone who does business with him, anyone who sells him workers and weapons, anyone who keeps open his embassies—which are stores of ammunitions and explosives, nests of terrorism in many languages, Kalashnikovs ready to shoot as they did in London where a bullet shot from a window of their embassy killed a young unarmed policewoman. When these Europeans criticize Qaddafi, at most they smile and say that yes, he is a clown, a little scamp, yet also a guy with whom you can talk. (They talk with Khomeini too, they sell workers and weapons to him, too.) Well, in 1938 the Europeans who were not Italian or German said the same about Mussolini and Hitler. They tolerated them in the same way, they believed that they could talk with them. (The Americans too.) They went on deluding themselves until Hitler invaded Poland, until Mussolini stabbed France in the back. History teaches us nothing. And, if it is true that history does not repeat itself, it is also true that it does not help us to understand the similarities or sad lessons.

Pricking and piercing and boring and digging, the blowtorch has burned a hole in the skin of the elephant. The flame has penetrated to his heart. And now the elephant has woken up. He has trumpeted for awhile, he has remained for awhile to mourn his dead children, then he has asked for help from the other animals of the forest. Deluding themselves that they can have immunity and a cheaper price for the Holy Oil, the other animals have answered No. Except in one case, the English case. (Nobody can deny that Margaret Thatcher has guts.) Then the elephant has remembered to be what he is, and he has thrown himself on the hyena that tormented him and killed or helped to kill his children. Doing that, he has crashed squirrels and tigers, poisonous trees and innocent orchids. (Faintly reminiscent, is it not, of the time when he bombed Hitler's Germany and Mussolini's Italy, I mean, us.)

Wars disgust me. As a war correspondent, I have seen almost all the wars of our time. I was in Vietnam for years. When it comes to spitting on wars, I don't need lessons from anyone. I hate any object that bursts and kills, from the explosives of the Shiite or the Palestinian or the Iranian or the Libyan, to the bombs of the F-111. I have seen much death in my life, too much, but I never got accustomed to death in war. When I see a child killed by war, I cry. Always. Even if I see him or her on TV. So, of course I cried when I saw on TV those dead Libyan children. But just as I don't cry when I see the photos of Mussolini dead, I would not have cried if I had seen Qaddafi dead. I would simply have said: Pity that the Libyans could not do justice by themselves and hang him by his feet as we did to Mussolini. Justice has nothing to do with war. And there are times when in order to do justice, we have to hang the guilty by his feet. In this case such a right belongs to the Libyans. Unless the only innocent ones left there are the children.

I know that threats will come to me after publishing this. I know that Qaddafi's followers and servants will say that I must pay for this, that they will kill me, that they know how to find me and how to wait. I know that music. I have heard it sung to me by others, in the past. My answer to them is the recommendation I make to the Italians, to the French, to the Spanish, to the Germans, to the Swedish, to some English, to anyone who has not understood Qaddafi or pretends to have not understood him. Do not be afraid to understand him and to say it out loud. Beware the man or woman who is afraid of the Qaddafis. I am not.

RABBI JOSEPH AND ROSALIE GITIN

HON. DON EDWARDS

OF CALIFORNIA

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. EDWARDS and Mr. MINETA. Mr. Speaker, we would like to ask you and our distinguished colleagues to join us in saluting Rabbi Joseph and Rosalie Gitin. The Gitins will be honored at a testimonial banquet on Saturday evening, May 10, 1986, for their contribution of more than 50 years of service to Judaism and to the community at large.

Rabbi Gitin was ordained as a reform rabbi after graduation from the Hebrew Union College in Cincinnati, OH. He served as Hillel director at the University of California at Berkeley, and then founded Congregation Beth El in Berkeley. In 1948, Rabbi Gitin was named to the pulpit of Temple Israel in Stockton, CA. And in 1950, he came to San Jose, CA, as rabbi of Temple Emanu-El with a membership of 125 families. Due to his unrelenting commitment to the betterment of life in Santa Clara County during its early growth period, Rabbi Joe, as he is known in the community, united with the clergy of other faiths to promote understanding and unity.

At the same time, Rosalie Gitin was very much involved with the temple. She taught religious school at Temple Emanu-El where three generations of congregants and their children have passed under the tutelage of Rosalie and Rabbi Joe. Due to their unselfish hours of devotion, the Temple Emanu-El Religious School was renamed the Rabbi Joseph and Rosalie Gitin Religious School in 1976. When Rabbi Gitin retired as rabbi and assumed the duties of rabbi emeritus in 1976, the congregation had grown from 125 families to more than 1,000 families.

From the years of his active rabbinate to the present, Rabbi Joe has been involved in many San Jose community organizations promoting better understanding and harmony among people of all walks of life. His involvement in the community includes memberships on the boards of: Santa Clara County Heart Association, Red Cross; Boy Scouts, Family Association, Good Samaritan Hospital, Agnews State Hospital, San Jose Bicentennial Commission, Santa Clara County Association of Good Government, San Jose Symphony, Bioethic Committee of the Santa Clara County Medical Association, National Conference of Christians and Jews, San Jose Civil Light Opera, San Jose Fire Department, San Jose Police Department, San Jose Rotary Club,

Timpany Center, San Jose Community College, national chaplain of the United States Navy League, and judge of the San Jose Bicycle Court.

Rabbi Joe has also been the recipient of numerous awards: City of San Jose Distinguished Citizen Award in 1962, Humanitarian Award of the City of Hope, Community Service Award of the YMCA, Israel Freedom Medal, ADL Award for Interfaith Religions, Henrietta Szold Award of the Central Pacific Region of Hadassah, Golden Mike Award, and has been named an honorary member of the national PTA.

Their generous devotion of time to our community is a reflection of their personalities. We've known Rabbi Joe and Rosalie for many years, and we've always been impressed with the Gitins' sincerity, spirit, and high regard for the people around them. During this time, we've come to know Rabbi Joe and Rosalie as friends, willing at any time to devote themselves to the betterment of our community and our Nation. Even though he has retired as rabbi, Rabbi Joe has maintained his activism in Judaic teachings and his involvement in community affairs. He still preaches and teaches his faith, but most importantly he follows his own preaching—"Judaism must be caught, not taught to be truly effective."

Mr. Speaker, on the occasion of this banquet, Rabbi Joseph and Rosalie Gitin can be confident that our country is most grateful for their contributions and accomplishments. Therefore, we ask you, Mr. Speaker, and our colleagues to join us in expressing our sincere thanks and congratulations to Rabbi Joseph and Rosalie Gitin and to their children, David and Judi, and to wish them the best for their health and happiness.

FEDERAL RESEARCH

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, April 30, 1986, into the CONGRESSIONAL RECORD:

FEDERAL RESEARCH

Increasing Congressional attention is being given to federal spending on scientific research. Many Members are concerned about the costs of federal research in an era of tight budgets. Yet there is also growing Congressional hope that scientific research will improve the international competitiveness of U.S. industry. A comprehensive review of federal research, led by the House Task Force on Science Policy, is underway.

All Members are persuaded that past investments in scientific research have paid clear dividends. Numerous advances made possible by research—from disease-resistant grains and polio vaccines, to computers and satellites—have boosted our economy and enriched our lives. Currently the U.S. spends some $120 billion on scientific research and development (R&D), with 48% of the funds coming from the federal government, 49% from private industry, and 3% from other academic and non-profit sources. Almost half of the federally-funded R&D is done by private industry, with the rest taking place at federal facilities or at universities. Topics of federal research range from missile systems, space transportation, and mathematics, to acid rain, cancer, and AIDS.

The federal government generally did not become heavily involved in scientific research until World War II. Many scientists performed research directly related to the war effort, and made major discoveries, including the atomic bomb, radar, and penicillin. As a result, there was broad support for expanded government funding for science, and various new agencies (such as the National Science Foundation) were set up. Federal funding sharply increased after the Soviets launched Sputnik in the late 1950s, leveled off in the early 1970s, but increased again in recent years. The major changes made under the Reagan Administration have been to put more emphasis on military R&D, basic research (increasing general knowledge without specific applications in mind), and research that will contribute to economic growth, as well as to put less emphasis on applied research that the private sector could support.

I am convinced that the federal government must maintain its strong commitment to research. It improves national security, advances the training of science graduate students, enhances national prestige, and drives economic progress. As much as one half of our economic growth over the past several decades can be attributed to scientific and technological advances. Certainly some federally-funded research has been questionable, but overall the funds going into research have more than paid for themselves in terms of expanded economic growth and an improved US standard of living. As we face the challenge of maintaining US world leadership in the decades ahead, continued federal funding for scientific research is one of the best investments we can make in America's future.

Improvements can be made in our efforts. We need a better mechanism to review research quality and productivity, and must be more vigorous in weeding out wasteful projects and facilities. We in Congress must resist the temptation to play "pork-barrel" politics by doling out research funds as special favors. We must also be prepared to gamble on new frontiers rather than fund only safe or proven research topics. We must ensure that more of the project funding goes to the actual research rather than to overhead and support costs, and must ease the paperwork burden on researchers. We must ease the paperwork burden on reserchers. We must mix federal funding more effectively with industry and university resources, and must improve industry participation in federal research. Finally, we must do a better job of informing taxpayers of the results coming from federal research, in order to assure them that their money is being well-spent.

In my view the aspect of our overall federal research effort that needs the most scrutiny is the recent militarization of federal research. Throughout the 1970s, federal funding for research and development was basically split 50/50 between civilian and military. Today defense R&D outstrips civilian funding by more than 2 to 1. Federal support for civilian R&D has decreased by 17% in constant dollars since 1981, while defense R&D has increased by 93%. Although defense research is certainly necessary and has produced important advances, cutbacks in civilian research could further erode the state of US science and technology. The overall shift in priorities is especially a concern as more of our military research is on specific weapons systems, which have limited commercial spin-offs, and as the President is requesting $26 billion in funding over 5 years for his Strategic Defense Initiative. Some estimate that by 1990, 90% of our federal R&D budget could be going to the military.

One of my major concerns is that while we are devoting more and more attention to military research in order to stay ahead of our military competitors, we could get clobbered by our economic competitors. We must recognize that our national security depends not only on military advances but also on economic advances. Japan, for example, has adopted the position that world influence derives mainly from economic strength. With only minimal military programs to absorb investment capital and scientific talent, Japan is moving toward a position of global economic supremacy. Already, its per capita income is almost double that in the Soviet Union, and by 1990 it could surpass the US in world trade. By some economic indicators, Japan now leads both military superpowers.

In civilian research—the key to economic growth, job creation, and productivity gains—we are spending less of our gross national product than our major economic competitors. Already we are losing our research lead in key areas, including high-speed electronics and high-energy physics. If we expect to retain our traditional preeminence in scientific research, we must maintain a proper balance between our federal civilian and military research efforts.

Remaining a world leader in defense research is important for our national security, but so is being a leader in civilian research. Both ought to receive equally high national priority.

THE COMPUTER FRAUD AND ABUSE ACT OF 1986

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. HUGHES. Mr. Speaker, on April 10, 1986, I introduced the Computer Fraud and Abuse Act of 1986 (H.R. 4562) along with Congressmen MCCOLLUM and NELSON in the House of Representatives. An identical bill was introduced by Senators TRIBLE and LAXALT in the Senate (S. 2281). On April 23, 1986, the Subcommittee on Crime, after one clarifying amendment, unanimously approved H.R. 4562 and ordered it reported as a clean bill. This bill is the culmination of 3 years of hearings in the Congress and we believe it meets the problem created by the misuse of our rapidly expanding computer technology.

Our investigation in this area indicates that the computer has become an integral part of our everyday lives. Computers are critical to our national defense, financial institutions, and information transmission. By 1990, in addition to the vast commercial use of computers, it is projected that 80 million home computers will be in use.

Computer technology has brought us a long way in the past decade. However, computer technology—with all its gains—has left us with

a new breed of criminal: the technologically sophisticated criminal who breaks into computerized data files. One element of this expanding group of electronic trespassers—the so-called "hacker"—is frequently glamorized by the media, perhaps because the image of the hacker is that of a bright, intellectually curious, and rebellious youth—a modern-day Huck Finn. The fact is these young thrill-seekers are trespassers, just as much as if they broke a window and crawled into a home while the occupants were away. The hacker of today can become the white-collar crime superstar of tomorrow, and we must not glamorize our Huck Finns into John Dillingers.

While we need to be concerned about youthful hackers, they pale in significance in comparison to the computer-sophisticated criminal who combines his technological skill with old fashioned greed and criminal intent to rob banks or destroy business records or steal trade secrets. The tools of the trade are not Smith & Wesson, but IBM and Apple. However, in today's world of instant electronic transfer of funds, the result can be more far reaching—and harder for law enforcement to reach.

What can be done about these crimes? We believe Government and industry have a dual responsibility: industry must work to prevent such crimes, and Government must be willing and able to prosecute when crimes occur.

The legislation we introduced will expand in an appropriate but limited manner the types of criminal misconduct involving computers that will be subject to Federal jurisdiction. However, we intend that the Federal role be expanded only to those areas where there is a compelling Federal interest in the prevention and punishment of computer crimes. To that end, this bill provides additional protection against computer crimes affecting the Federal Government itself and those activities in which there is a unique Federal interest.

AMENDMENTS TO PRESENT LAW

At present, 18 U.S.C. 1030(a)(1) provides for punishment of thefts by computer of national security-related information. This bill will alter that provision of law only to the extent necessary to simplify the language pertaining to those who "exceed authorized acceess" to a particular computer system.

The same clarification on "exceed authorized access" will be made in 18 U.S.C. 1030(a)(2) in regard trespass of financial institutions. In addition, 1030(a)(2) will be altered by changing the state of mind requirement from "knowingly" to "intentionally". We are concerned that a "knowingly" standard when applied to computer use and computer technology, might not be sufficient to preclude liability on the part of those who inadvertently "stumble into" someone else's computer file. This is particularly true with respect to those who are authorized to use a particular computer, but subsequently exceed their authorized access by entering another's computer file. It is not difficult to envision a situation in which an authorized computer user will mistakenly enter someone else's computer file. Because the user had "knowingly" signed onto the computer in the first place, the danger exists that he might incur liability for his mistaken access to another file. The substitution of an "international" standard is meant to focus Federal criminal prosecutions under this paragraph on those who evince a clear intent to enter, without authorization, computer files belong to another.

The premise of 18 U.S.C. 1030(a)(2) in existing law remains the protection, for privacy purposes, of computerized information relating to a customer's relationships with a financial recordkeeper. We believe strongly that the protection offered consumer reporting agency's in the 1984 computer crime legislation must be preserved. This bill will also extend those privacy protections to information on any customer's (including corporations and small businesses) financial records.

This legislation will also clarify the present 18 U.S.C. 1030(a)(3), making clear that it applies to acts of simple computer trespass against computers belonging to, or being used by or for, the Federal Government. To alleviate those concerns, this legislation will make clear that 18 U.S.C. 1030(a)(3) is a trespass offense by "outsiders". "Authorized users" of Federal computers will no longer be covered under this subsection but such misconduct is presently covered by administrative sanction and such laws as the Privacy Act, trade secrets laws, 18 U.S.C. 1361, et cetera. This should also alleviate concerns that first arose in 1984 about disclosures of Government-related information by "whistleblowers" that was stored in a computer. The intentional modification or destruction of computerized information belonging to the Government by outsiders will be covered by a different felony provision of this proposal. As with 18 U.S.C. 1030(a)(2), the state of mind requirement in this paragraph will be changed from "knowingly" to "intentionally."

While the provision of present law relating to attempted offenses will remain unchanged, the provision relating to conspiracies (18 U.S.C. 1030(b)(2)) will be deleted. Conspiracies to commit computer crimes would be covered under the General Federal Conspiracy Statute, 18 U.S.C. 371.

NEW OFFENSES

The new paragraph—subsection 1030 (a)(4)—to be created by this bill is aimed at penalizing thefts of property via computer trespass that occur as part of an intent to defraud. It will require a showing that the use of the computer or computers in question was directly related to the intended fraud, and was not merely incidental. To trigger this provision, the property obtained by the offender in wrongfully accessing a particular computer must further the intended fraud, and not be superfluous to it. The mere use of a computer, without obtaining property that furthers the fraud, is not meant to constitute an offense under this provision. This subsection is designed, in part, to help distinguish between acts of theft via computer and acts of computer trespass. In intentionally trespassing into someone else's computer files, the offender obtains at the very least information as to how to break into that computer system. If that is all he obtains, the offense should properly be treated as a simple trespass. But because the offender has obtained the small bit of information needed to get into the computer system, the danger exists that his and every other computer trespass could be treated as a theft, punishable as a felony. We do not believe this is a proper approach to this problem. There must be a clear distinction between computer theft, punishable as a felony, and computer trespass, punishable as a misdemeanor. The element in the new subsection 1030(a)(4), requiring a showing of an intent to defraud, is meant to preserve that distinction, as is the requirement that the property wrongfully obtained via computer furthers the intended fraud.

The new subsection 1030(a)(5) is a malicious mischief provision, and is designed to provide penalties for those who intentionally damage or destroy computerized data belonging to another. Such damage may include an act intended to alter another's computer password, thereby denying him access to his own computerized information. It will be necessary, in proving this offense, that the Government demonstrate that a loss has been incurred by the victim totaling at least $1,000 in a single year. This is necessary to prevent the bringing of felony-level malicious mischief charges against every individual who modifies another's computer data. Some modfications, while constituting "damage" in a sense, do not warrant felony level punishment, particularly when they require almost no effort or expense to repair. The $1,000 valuation is reasonably calculated to facilitate felony punishment in cases involving more serious damage or destruction. In instances where the requisite dollar amount cannot be shown, misdemeanor-level penalties will remain available against the offender under the trespass subsection. Thus, the valuation will not exist for determining the presence or absence of Federal jurisdiction; it will serve instead to help determine whether the act constituting the offense is punishable as a felony or a misdemeanor.

Finally, in new subsection 1030(a)(6), this bill provides a misdemeanor penalty for those who through what is called pirate bulletin boards, knowingly and with an intent to defraud, traffic in computer passwords belonging to others. If those elements are present—and if the password in question would enable unauthorized access to a Government computer, or if the trafficking affects interstate or foreign commerce—this provision could be invoked.

Having worked with experts on computer crime over the past several years, we believe the legislation passed last Congress along with the bill now being considered by the Congress—combined with active efforts of industry to safeguard their property—will address the emergency of the computer criminal in our society.

Protections—both through law and technology—can and must be developed for the intangible property—information—which is the life blood of computer systems.

Unless we act now to secure the "locks" and provide the laws, computer crime will be the crime wave of the next decade.

I want to particularly commend our colleague BILL NELSON of Florida, for his tremendous help in writing and developing support for this legislation. He and the ranking Republican on our subcommittee BILL MCCOLLUM, also of Florida, have been key players over these last several months.

It is an excellent bill and I hope to have it on the floor for consideration before Memorial Day.

GRAIN QUALITY IMPROVEMENT ACT OF 1986

HON. COOPER EVANS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. EVANS of Iowa. Mr. Speaker, an element of increasing concern among the Nation's grain farmers is continued criticism of the quality of U.S. produced an exported grain when compared with that shipped from other nations around the world.

I am pleased, however, that there is an increasing awarness of this problem on the part of the Congress and the administration. This past week a subcommittee of the Senate Committee on Agriculture, Nutrition and Forestry held hearings looking for solutions in this matter. Subcommittee Chairman MARK ANDREWS, himself a North Dakota wheat producer, indicated at the hearing that it is his intention to advance within the Senate legislation which revise our grain standards. First adopted in 1916, this body of law has been scarcely changed and now appears to be in serious need of updating.

Before the Senate subcommittee, I proposed a series of five suggestions to help bring the Grain Standards Act of 1916 up to date. Today, I am introducing legislation, along with Congressmen BEREUTER, COATS, and DORGAN, which will incorporate these changes and I want to call the attention of my colleagues to both the need for legislation in this area and the substance of my proposal.

The bill's five major provisions may be summarized as follows:

1. DOCKAGE RECORDING

Our method of reporting dockage is in need of revision. I view it fundamentally immoral to deliberately and knowingly overstate the quality of grain on a consistent bais. However, our present system allows this as a matter of course. My bill would amend the Grain Standards Act of 1916 by adding the following language:

"In establishing standards for grain and procedures for the certification thereof the Administrator may provide for the rounding off of numbers relating to condition or quality, but such rounding shall be in a direction to understate the condition or quality of the grain."

2. CERTIFICATION REFUSAL

Foreign grain buyers have repeatedly emphasized that quality deterioration is greatest for any given grade when a shipment contains the maximum tolerances allowable under each grading factor. Loading in this manner can virtually insure that a cargo will be below grade by the time it reaches its destination. The bill therefore the impowers the Administrator of the Federal Grain Inspection Service to refuse to certify for export a cargo, lot or sublot of grain when the Administrator has reason to believe that it will deteriorate significantly in quality enroute to a foreign destination due to a high average moisture content; a wide variation in moisture content among kernels; a high content of fines, dockage or foreign material; insect infestation; high temperatures en route to destination; or any combination of these or other factors which the Administrator believes will lead to significant deterioration of grain quality.

3. GRADE CERTIFICATION STATEMENT

The bill also addresses the common complaint of foreign customers that individual sublots delivered to them do not necessarily meet the grade designation set forth on the official grading certificate accompanying the total lot. To provide buyers with increased contractual leverage to demand some form of guarantee of the quality of their individual sublot, the following statement would be added to each official grade certificate:

"The official grade designation shown on this document certifies the quality of the total lot of grain at the time it was loaded for export and does not certify the grade of sublots derived therefrom."

4. FOREIGN MATERIAL RECOMBINATION PROHIBITION

To further insure high quality in grains intended for export, the bill would prohibit the recombination with grain of any dockage or foreign material that has previously been removed from the grain when there is a possiblity that such grain may be exported. Similarly, no dockage or foreign material of any origin could be added to any grain which might be exported when the result would be to reduce the grade or quality of the grain or to reduce its ability to resist spoilage.

While adoption of this provision would go a long way toward improving the quality of our nation's grain overall, it is important to note what it would *not* do. It would not prohibit treating grain for insect infestation or fungi. It would not prohibit export of dockage or foreign material removed from grain in the form of pelletized or processed livestock rations. Most importantly, it would not prohibit the blending of grain for the purpose of adjusting quality as long as the difference between the moisture contents of the grains does not exceed 4 percentage

5. BONUS PAYMENTS

The bill would provide an incentive for delivery of high quality grain in the form of bonus bushels to both producers and exporters. Negotiable certificates entitling the bearer to an in-kind payment of 4% of the total lot of grain would be awarded to producers who deliver, into either commercial channels or into Commodity Credit Corporation stocks, corn which contains less than 1% broken kernels and foreign material (BCFM). Producers who deliver corn containing less than 2% BCFM would qualify for a bonus payment equal to 2½% of the total lot volume. Similarly, for each export cargo officially inspected and found to contain less than 1% or 2% BCFM, an exporter would become eligible for a 3% or 2% bonus, respectively. Certificates would be redeemable through the Commodity Credit Corporation. No bonus would be paid on corn whose moisture content is not between 13½ and 14½%.

Discretionary authority conferred upon the Secretary of Agriculture would allow the Secretary to compensate a producer, grain merchant, grain processor or grain exporter for any loss of value of grain held in inventory resulting from a change in the grain standards or in the Grain Standards Act.

Finally, the Secretary is authorized to compensate grain merchants or exporters or one providing services to exporters to defray the cost of installing or modifying grain cleaning or blending equipment.

I would also like to call attention to some of the responses made by U.S. farmers to a series of articles appearing earlier this year in the Farm Journal magazine. Over 2,000 readers responded with comments which are summarized below:

Purdue University Veterinarian.—"I first became aware of the inferior quality of grain the U.S. was shipping abroad during a trip to Korea in November, 1985, to assist Korean dairymen with some of their herd health problems."

Wisconsin farmer.—"Everyone thinks that any problem to be solved has to cost a lot of money. How much would it cost to get busy and change the standard for our grain? There is no excuse for the quality of out products being less than that of some other country."

Iowa farmer.—Tightening grain standards "Could be the best help we farmers could get this year."

Wyoming wheat producer.—"I am docked severely if I try to market grain that exceeds 1% dockage. Still, we are allowing these exports to actually contain up to 9.9% dockage. We sell grain with 10% or less moisture. Again this gets to our foreign customers containing 13% moisture."

Tennessee farmer.—"Enclosed you will find a sample of the trash my local elevator was mixing with soybeans tonight off a large trailer onto a semi truck. The workers actually scooped mud off the ground and threw in with this junk before it was put on the semi. I saw all of this while waiting to unload my truck of clean soybeans from the field."

Illinois farmer.—"We all suffer from the arrogant and shortsighted policies and actions of our exporters and shippers."

North Dakota farmer.—"Canada cleans its grain before shipping while U.S. exporters add dockage, dirt, water and junk before shipping."

Illinois producer.—"With all the problems American farmers face today, to have our products adulterated by profit gouging grain exporters who ruin our reputation as reliable suppliers of quality grains. It sickens me."

New Mexico farmer/ethanol plant worker.—"In watching the trucks unload, local grain brought from local farmers is always much cleaner. Grain from elevators is much dirtier. Where does this dirt come from? I don't know but I do know we need to tighten our grain standards."

Custom wheat harvester, Colorado.—"We haul grain to inland, river and ocean ports only to see grain shipped out that only faintly resembles the grain we deliver at harvest."

Aerial pesticide applicator, Missouri.—"I have personnally witnessed grain dealers and handlers dumping dirt, rocks and rotten and wet grain in with #1 clean grain coming from the farm. I say nail these crooked bastards."

North Dakota wheat producer.—"A foreign exchange student from Japan couldn't believe the nice grain that came from the fields in the area. When it is unloaded in Japan it has sand and broken glass in it."

Iowa corn grower.—"The elevator pays me for #2 corn saying there is no market for #1. Let the exporters find a more appropriate market for their junk."

Nebraska farmer.—"I'm afraid that these exporters will retaliate against the farmers if things go against their will."

California producer.—"We should give the exact amount of foreign matter in a sample, not 'up to .5%'. Also, no blending of grain to maximum amount on allowable dockage."

Colorado wheat producer.—"It's time that 'grown in the USA' once again stands for a quality product."

Idaho producer.—Improving our grain standards "would do more to help the farmers than anything I can think of."

North Carolina farmer.—"I take pride in raising and selling good clean dry corn, wheat, and soybeans. I am subsidizing the grain dealers."

Ohio farmer.—"I have delivered #1 yellow corn to a Great Lakes terminal only to be told it would be mixed with #5 trash corn and loaded on a ship. They would not pay a premium for #1 yellow corn. They are paying a premium for early delivery of wet corn without drying charge."

Kansas producer.—"How about a class action suit on behalf of farmers to recover lost income due to delivery of dirty grain?"

Federal Grain Inspector, Iowa.—"If an elevator would buy all #2 corn and load it on a barge, they would make money. They just buy lower quality corn and blend it with #1 and #2 corn in order to make money. With no premiums for #1 corn and dockage of farmers for delivery of less than #2 corn, the farmer has no incentive to raise and deliver better than #2 corn."

Nebraska farmer.—"Most of the major exporting companies are very vocal in their opposition to changing the grain standards. After all, would you want to change the rules that helped make you rich?"

Montana rancher.—"Japanese buyers this week were looking at our grain. They told us that they have climbed ladders to look in the bins and see the high quality only to be disappointed when the grain arrives in Japan and it is full of dockage."

Montana producer.—"Maybe the way to stop the shipping of dirty wheat is to require that wheat be cleaned like it is at the Canadian terminals in Vancouver."

Pennsylvania farm couple.—"We feel that we are being unfairly taken advantage of by exporters who blend inferior products to just meet standards and sell the junk at a profit."

Missouri farm couple.—"We can fight the drought, floods, insects and so on but we cannot fight this type of scandal."

Colorado country elevator operator.—"We are in conversation with six brokers representing six different countries who desire to buy wheat from the local elevators, pay a premium for it, monitor its shipment through loading aboard ship to get quality wheat for milling and feed purposes."

Louisiana farmer.—"I guess my efforts are wasted since my clean product is being blended to a final grade which is barely legal to sell."

Virginia farmer.—"The time has come to outlaw the adding of foreign material to grain and the blending of wet and dry grain beyond a certain moisture range."

Washington wheat producer.—"There should not be allowed any water added to the grain."

FIFTY-YEAR AWARD PRESENTED TO MORRY LEIBMAN

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. HYDE. Mr. Speaker, recently my dear friend, Morry Leibman, was honored by the American Bar Association on two separate occasions. First, on February 8 at the Hyatt Regency Hotel in Baltimore at a midyear meeting of the ABA, he became the recipient of the "Fifty-Year Award," in honor of his distinguished 50-year career in the legal profession. Ten days later, on February 18, Morry was the guest of honor at a 75th birthday breakfast at the Mayflower Hotel in Washington, DC, an extraordinary event where he was honored by such notables as Justice Lewis Powell, Adm. William C. Mott, William J. Casey, Attorney General Edward Meese, Judge William Webster, and many others.

I know my colleagues join me in congratulating Morry Leibman on these two well-deserved tributes, and I am pleased to include the following two articles regarding these events from the ABA newsletter Law and National Security Intelligence Report, March 1986:

FELLOWS ANNUAL AWARD PRESENTED TO LEIBMAN

Once a year The Fellows of the American Bar Foundation come together to honor a member of their profession by presenting a "Fifty-Year Award." The ceremony this year took place on February 8 at the Hyatt Regency Hotel in Baltimore during the midyear meeting of the ABA. The recipient—no one was greatly surprised—was Morry Leibman, former chairman of the Bar Association's Standing Committee on Law and National Security.

The by-laws of The Fellows stipulate the presentation annually of the award to the lawyer who ". . . has been engaged in the active practice of the law for a period of more than 50 years, during all of which time he has manifested adherence to the highest principles and traditions of the legal profession and of service to the public in the community in which he lives."

On behalf of the Fellows, Newton N. Minow, former chairman of the Federal Communications Commission, paid his law partner the following tribute:

"As I look forward, it seems only appropriate that on his seventy-fifth birthday, February 8, 1986, Morry should receive the richly deserved Fifty-Year Award from The Fellows of the American Bar Foundation. Morry gives unstintingly of himself to the law, to his fellow lawyers, and to the search for justice. His constant devotion to freedom, to equality, to the democratic process, and to the United States of America spans five decades of service to the law. And as Browning wrote, we pray "the best is yet to be.". . .

"As we salute Morry, we wish our profession could have fifty more Morrys and also fifty more years of Morry's devoted service to the ideals of the law."

Responding to this and other tributes, Morry—not about to retire after 50 years—made the following statement of rededication:

"The journey to this platform began exactly 29 years and 8 days ago, on February 16, 1957, when I was the guest of Lewis Powell and Bill Mott at the first annual meeting of The Fellows in Chicago. Powell and Mott urged the participation of The Fellows in the world struggle for liberty and the protection against threats to our free society. To me, that was the beginning of the study of law and national security. My journey continued because of the help of many leaders of the bar. The presidents of the association, beginning with Whitney North Seymour, were most supportive.

"The reality of tonight is that I am here as a symbol of the grace and generosity and guidance of an honorable profession that is dedicated to the preservation of the miracle of the ages—a society of free men and women living under the rule of law.

"I can only equate your award with the highest national civilian honor, the Presidential Medal of Freedom. The two are much alike. You stress the highest principles and traditions of the law and service to the community. The president emphasizes civic and humanitarian duties to make America a just society within and a strong and secure nation without. Thus, we truly honor this glorious experiment of a society of law created by free men and women.

"Among many interruptions in my journey was the published debate with William Sloane Coffin on civil disobedience in 1972. I reminded him of the words of my dear departed friend and teacher, Father John Courtney Murray, about 20 years ago. 'Today, the barbarian is the man who makes open and explicit the rejection of the traditional role of reason and logic in human affairs. The barbarian need not appear in bear skins with a club in hand. He may wear a Brooks Bros. suit and carry a ballpoint pen. The work of the barbarian is to undermine rational standards of judgment.'

"He forgot to include Saville Row clothes for Gorbachev. Imagine Father Murray prediciting Farrakhan 20 years ago. The struggle for men's and women's minds continues. Western civilization from Mt. Sinai and Galilee and Runnymede and Valley Forge is still an issue at Geneva. It is now called public diplomacy.

"We have a special responsibility in this debate. Our jouney to preserve our noble cause continues to demand eternal vigilance. Sidney Hook recently urged that we strengthen and reinforce the understanding of the ethos of American political institutions, and upgrade the quality of our civic education. This should be done in conjunction with the preparations for the bicentennial of our Constitution.

"So tonight is merely a pause and a moment of renewal and rededication: a time to expand our work in public education. We have the responsibility to make real what were only dreams until 1776.

"And who will lead the continuing journey? If not us, who? If not now, when?"

MORRY LEIBMAN HONORED BY FRIENDS ON 75th BIRTHDAY

On February 18, almost 300 friends and acquaintances of Morry Leibman came together for an 8 a.m. breakfast at the Mayflower Hotel in Washington, D.C., to pay tribute to him on the occasion of his 75th birthday. The breakfast was under the joint sponsorship of the ABA Standing Committee on Law and National Security, the Center for Strategic and International Studies, Freedoms Foundation, and the National Strategy Information Center. Among the notables present were William J. Casey, di-

rector of Central Intelligence; Justice Lewis Powell; Secretary of the Army John O. Marsh; General Richard Stilwell; Attorney General Edwin Meese, former national security adviser Robert "Bud" McFarlane; Alexander Haig, former secretary of state; Judge William H. Webster, director of the Federal Bureau of Investigation; and many others.

Justice Powell, speaking on behalf of the Standing Committee at this extraordinary birthday breakfast, related some of the 35 years of history that accounted for the benign and unifying influence that Morry Leibman had exerted on all sectors of the community concerned with problems of national security and defense. Justice Powell had been the author of the resolution adopted by the ABA House of Delegates in February 1961 that authorized the establishment of the committee's predecessor organization, the Special Committee on Education in the Contrast Between Liberty Under Law and Communism. He said that he had been motivated to propose the resolution creating the committee "as a result of observations on a visit to the Soviet Union with a small committee representing the ABA." The committee members returned to the United States deeply depressed by the oppressive atmosphere they found in Moscow—and Justice Powell's resolution creating the committee was a product of that depression.

Justice Powell spoke at length about the many positions of public trust that Morry Leibman had occupied during a long and active life. Apart from serving on several presidential commissions, he noted that Leibman had served on the boards of a number of organizations including the National Strategy Information Center, the Georgetown Center for Strategic and International Studies and the Freedoms Foundation. He also served as chairman of the Standing Committee from 1962 to 1967 and from 1975 to 1982.

In concluding his remarks, Justice Powell mentioned "the two greatest honors bestowed on Morry: the Medal of Freedom by President Reagan and the willingness of Mary to marry him."

Among other speakers who paid tribute to Morry were Admiral William C. Mott, vice president of the National Strategy Information Center; Amos Jordan, president, Center for Strategic and International Studies; Daniel McMichael of the Scaife Family Charitable Trusts; Robert Miller, president of Freedoms Foundation; and John Norton Moore, chairman of the Standing Committee on Law and National Security, who served as moderator. Mr. Moore also spoke about the continuing dangers that confront the free world and which demand the existence of organizations such as the Standing Committee.

Morry Leibman accepted the many tributes that had been addressed to him with characteristic modesty giving much or most of the credit to others—but it was obvious that he was deeply touched with the display of affection which had been accorded him.

UNIVERSITY OF DENVER FIGHTS TO REGAIN REPUTATION AS "HARVARD OF THE WEST"

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. WIRTH. Mr. Speaker, the University of Denver is a 121-year-old private liberal arts college in Denver, CO. Two years ago, it was threatened by declining enrollment, a deficit that reached $12.3 million at its peak, and a diminished reputation for the quality of its educational offerings.

The university will end its current fiscal year with a surplus of $100,000, stabilized student enrollment, a 5-percent raise—the first since 1984—for its faculty, and an optimistic attitude about the future.

Many credit the return of DU, as it is known, to the tireless efforts of Chancellor Dwight Smith. Under his guidance, the once faltering University of Denver has begun on the long road to reclaim its place as one of the preeminent private colleges in the new West.

THE ROAD BACK— DU IS EXPERIENCING SOME RECOVERY AFTER YEARS OF POOR HEALTH

(By James G. Wright)

The prognosis is good for the University of Denver. In medical terms, the university is in serious but stable condition after a 2-year stay in intensive care.

The 121-year-old private liberal arts school hasn't fully recovered.

DU has cut its budget, erased its $12.3 million deficit and slowed enrollment decline, but whether the surgery has affected the school's quality is open to debate.

The university will end the current fiscal year in June with a $100,000 surplus—if all goes as planned—and expects to repeat the surplus next year after eliminating about $1 million from its current $65 million spending level.

The university hasn't identified all areas to be cut. A slowdown in computer purchases and elimination of several vacant faculty and staff positions will account for most of it. No layoffs are expected.

At the same time, an 8.5%—or $642—annual tuition increase will finance an average 5% raise for faculty members, the first significant increase since 1984.

The university expects an enrollment of about 6,800 next year, about 300 lower than the current level. It is expected to be the smallest enrollment before a general upturn.

The bottom line is a balanced budget, and that means the university is on the way back, said DU Chancellor Dwight Smith.

"I'm not sanguine about it, but I'm optimistic," Smith told the *Rocky Mountain News*. "It's been a tough 2 years, but we are moving upward. We've turned the corner but we still have to be careful. There is no cushion."

Smith, who became chancellor in 1984, inherited a failing university. Under his direction, the school sold more than $15 million in real estate to cover its deficit, slashed operating budgets by more than $8 million, closed a half-dozen academic units, and cut 300 faculty and staff positions.

While addressing immediate financial woes, Smith drastically revamped the university's educational programs and administrative structure in an effort to save money and improve quality.

DU officials say their school has emerged a stronger, better-run institution, offering a better education than ever before. That point is a matter of debate.

Jack Gourman, a California State University-Northridge professor who ranks colleges and universities by their academic quality, in 1983 listed DU as the best university in Colorado and one of the top two in the Rocky Mountain region.

Gourman's 1985 list has DU fourth in the state behind the University of Colorado at Boulder, the Air Force Academy and Colorado School of Mines.

"They just can't maintain that (level of quality) any longer. They've fallen out of the top completely," Gourman told the Rocky Mountain News. "If they can't mobilize some finances and bring in some new faculty soon, they'll be in danger of becoming a second-class institution."

While insisting they've kept high standards, DU administrators agree facility pay, 20% below the average of peer institutions, is a trouble spot.

"You can see that a 5% raise won't solve that, but it'll help a little," said Allan Pfinister, DU vice chancellor for academic affairs. Pfinister noted that, while pay is low, faculty turnover hasn't increased since the reorganization.

The reorganization which stressed a new core of courses that all DU students should take—regardless of their major field of study, has the potential of putting DU back on the map as a leader in liberal arts education, Pfinister said.

The word 'potential' often is used by academics who rate DU's ability to regain the reputation it once had as "the Harvard of the West."

Clark Kerr, former director of the U.S. Commission on Education and an expert on American higher education, says DU has the potential to be one of a dozen private colleges and universities that will come through lean budget years in the 1980s and emerge stronger than before.

Kerr's evaluation is based on geography and DU's ability to meet its financial challenges. Colorado's Front Range is the most popular destination for students who attend college away from their native states, and DU is well positioned to accept them, Kerr notes.

The popularity of liberal arts education is on the rise, and DU will benefit from that trend, Kerr said. DU's effort to clean its own house contributes to the assessment, Kerr said.

"I'm also very much impressed with what Dwight Smith has done in getting the university reorganized," Kerr said. "My impression is that the university is back again to what it once was, and it'll get even better when word of that gets around."

Smith's work is not over. DU faces long-range problems that will put the school back in red ink if not properly addressed.

"We're not comfortable yet, but at least we're at the point where we can meet the challenge," said Elizabeth Williams, vice chancellor for business and finance. "We can plan the future now rather than just react to the crisis as it comes along."

Enrollment, donations from alumni and funding from non-tuition sources must increase over the long term, Williams said.

Student enrollment is important to DU, which gets most of its budget from tuition checks. Because of the bust of the "baby boom," and ineffective recruiting methods,

DU enrollment has dropped by more than 2,000 since a peak in 1981. The school hopes to reverse the trend by discarding recruiting methods—which Smith described as "amounting to mailing letters to everyone in the phone book"—in favor of a traditional pitch directed to high school standouts.

DU is also trying to keep more of the students it attracts to campus. Traditionally, 45% of all DU students dropped out between their freshman and senior years, a much higher rate than at comparable schools.

"We had absolutely no coherent look at the undergraduate experience when, ironically, that's our main source of income," Smith said. Increased attention to counseling, better student-faculty relationships, and more attention to the quality of student life has been ordered and is apparently working. Fewer than 6% of DU's 1985 freshman class dropped out at midyear. The class usually drops by 25% at the same point.

Student leaders say the extra attention is paying off.

"Student morale is the highest it's been since I've gone to school here," said Collin Sasaki, a junior and president of DU's undergraduate students. "Campus is being put back together, and we feel that a real university again. We feel the quality of the university is high, and we're getting our money's worth."

The university is devoting more time and money to putting the bite on students who have stuck with it through graduation.

Prior to 1983, about 9% of DU's 60,000 living graduates gave money to their school. Comparable schools get checks from about a third of their grads.

DU now gets money from about 19% of its alumni and hopes to increase it to 30% within 4 years.

"Our participation is really pretty bad compared to comparable institutions," said Terry Gibson, DU vice chancellor for institutional advancement. "People don't donate money unless you ask them, and for some reason, we have not had a tradition of asking."

One loyal DU alum was donating just $122 each year to his school but, after a short visit with a DU official, increased his share to $10,000 annually, Gibson noted.

DU will make a financial plea to a third of its alumni this year and will ask those who gave in the past to pony up a larger check this year.

The strategy is starting to work, Gibson said. DU received just $2.8 million in donations last year. A combination of new donations, a $4 million, 2-year personal commitment by the 28 DU trustees and $800,000 in pledges will bring in $4.8 million before June.

"If everyone covers their pledges before June 30, we'll get to $4.8 million," Gibson said. "We're not there yet, but we're 75% ahead of where we were last year, and that's . . . an accomplishment."

DU also wants to bring in more ready cash by attracting more outside research grants and new business ventures such as renting unused dormitories as motel space for conferences.

DU has even changed the way it manages its relatively small $28 million endowment. The money was handled by a group of Denver banks but now is part of The Common Fund, a joint investment pool that specializes in investments for private nonprofit colleges such as DU, and returning a better profit than commercial money managers.

"What has happened to us is unprecedented in higher education," Smith said of the university's financial troubles. "There have been times in the past 2 years when I wasn't sure of our own survival, but I think those times are passed."

ANGOLA AND UNITED STATES INTERESTS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. HAMILTON. Mr. Speaker, I would like to insert my Foreign Affairs Newsletter for April 1986 into the CONGRESSIONAL RECORD:

ANGOLA AND UNITED STATES INTERESTS

The next key test of the Administration's policy to provide military aid to resistance movements fighting pro-Communist governments will come in Angola, where the President is apparently seeking to provide covert assistance to the National Union for the Total Independence of Angola (UNITA). The plan is controversial.

U.S. concerns about Angola date from 1975, when the Soviet-backed Popular Movement for the Liberation of Angola (MPLA) established a government in what has been a Portuguese colony. In an effort to counter Soviet influence in Angola, the U.S. and South Africa provided covert assistance at the time to two other nationalist groups. U.S. involvement in this open-ended African war led an increasingly uneasy Congress to pass the Clark Amendment, a 1976 law prohibiting U.S. assistance to military and paramilitary groups in Angola.

Last year, Congress repealed the Clark Amendment, and debate over U.S. policy has intensified since then. Numerous plans to provide assistance to the UNITA rebels have been discussed. Initially the Administration opposed these proposals, but as the Administration increasingly emphasizes aid to anti-communist movements, plans to provide UNITA with up to $15 million in covert assistance this year have apparently gone forward.

I have serious reservations about the proposal to aid UNITA. First, I do not believe that UNITA and its leader Jonas Savimbi are suitable allies for the U.S. in southern Africa. Despite his claims to be a pro-Western freedom fighter, Savimbi's true commitment to democracy is unknown. UNITA is not organized along democratic lines; Savimbi alone controls decision-making power over all UNITA activities. My impression is that Savimbi is an opportunist who as shifted his ideology to suit the views of possible patrons—at various times the Soviets, Chinese, South Africans and now the U.S.

UNITA's record in Angola does not make it any more worthy of U.S. support. Savimbi does seem to have the support of his people, the Ovimbundu, which represent about one-third of Angola's population. Beyond that tribe, Savimbi's influence is minimal. His forces have been responsible for terrorist attacks against civilians, and they have sabotaged much of the Angolan economy, including oil installations operated by U.S. firms, and the agricultural sector, which at one time generated significant export income. The long war with UNITA has shattered the Angolan economy, and UNITA's activities have forced Angola to spend 75 percent of its national budget on the military.

Furthermore, UNITA lacks regional support. UNITA is almost totally dependent upon South Africa for weapons and supplies, and South African forces frequently conduct operations alongside UNITA troops or on their behalf. The Organization of African Unity and nearly all black African states see UNITA as a tool of South African policy. They have repeatedly condemned Savimbi's ties to Pretoria.

My second reservation is that a policy of supporting UNITA will not serve U.S. strategic and political interests. Recent history suggests that such aid will not produce the withdrawal of Cuban troops and Soviet advisors from Angolan soil; rather, it will make Angola more dependent on the Soviet Bloc. Based on my review of intelligence, I do not believe that U.S. aid to UNITA, even at levels far larger than what is contemplated, will change the military equation on the ground. U.S. assistance is only likely to prolong and escalate the violence in Angola, and further delay stability and economic development in this troubled country.

Support for UNITA will also damage U.S. credibility as an honest broker in southern Africa. In the eyes of black Africans, apartheid and South African control of Namibia—not Soviet-sponsored communism or marxism—are the primary causes of instability in the region. There already exists a widespread belief in southern Africa that the U.S. tacitly supports South African policies. Aid to Savimbi will only reinforce this harmful impression, and encourage those opposing South Africa to turn elsewhere, most likely to the Soviet Union, for assistance.

My third reservation about any proposal to aid UNITA is that it will undermine recent advances for U.S. policy in southern Africa. Angola has shown some moderation in the diplomatic sphere. In the difficult negotiations over Namibian independence, Angola has offered to reduce by two-thirds the number of Cuban troops on its soil in exchange for South African withdrawal from Namibia. U.S. support for UNITA will undercut efforts to resolve the complicated Namibia problem. It will encourage South African intransigence and reduce Angola's willingness to negotiate on the basis of U.S. proposals.

Until recently, the U.S. had also sought to improve relations with the very government that UNITA is seeking to overthrow. Angola has welcomed U.S. investment, has sought diplomatic relations with the U.S., and has become the third-largest trading partner of the U.S. in sub-Saharan Africa. Two way trade totals more than $1 billion annually, and U.S. investment in Angola exceeds $500 million. Already a reliable source of non-OPEC oil, Angola has indicated its hope for expanded economic relations with the U.S., seeking in particular technical assistance to exploit its vast mineral resources and agricultural potential.

Recent U.S. policy has fostered some political and economic openings in Angola and bolstered our reputation as an honest broker in the entire region. Given Angola's desire for increased cooperation with the West, continuation of this policy could achieve further success. In contrast, aid to UNITA will jeopardize several key U.S. interests in Africa. Abandoning a moderate and effective policy in Angola would be unwise under any circumstances. It is particularly ill-advised when the alternative under consideration appears to have little chance of success.

PRESIDENTIAL COMMISSION ON INTERNATIONAL TERRORISM

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. ALEXANDER. Mr. Speaker, while military action is a last resort, it remains an effective component of a meaningful policy against terrorism. Such a long-range policy must also include options such as the bounty. The containment of terrorism will require a broader and more comprehensive approach. The recent attack against Libya was justified, but we cannot assume this is the last we will hear from Libyan-backed terrorists.

The mindless murder of Peter Kilburn and two British subjects, the assaults against our diplomats in Peru and Sudan, and other recent actions against Americans in Europe tell us that terrorism goes beyond regional borders and national political alignments. The problem is one which runs deep in the religious and cultural heritage of parts of the world and one which we cannot expect to be resolved solely by short-term military action alone.

I hope the creation of this Commission will lead to a coordinated policy by which we act, not just react, against the terrorists. The United States can do more than just get tough. We can get smart. The international bounty is one way to use our resources to induce the cooperation of peoples throughout the world. Terrorism is not new. We have addressed it effectively in the past. We can do it again today.

Today I am introducing legislation to create a nonpartisan Presidential commission to conduct an ongoing evaluation of international terrorism, monitor the activities of various agencies with jurisdiction over terrorism, and recommend specific steps the United States and its allies can take to combat its spread.

This legislation will include specific authority for the Commission to offer international bounties for the successful capture and prosecution of known terrorists under the laws of the nations against which the terrorist acts were committed.

In 1979 the United States learned first hand the difficulty of a great power effectively responding to a handful of terrorists, especially when their actions are condoned by an unfriendly government. At that time I proposed the international bounty as a measured retaliation against persons known to be responsible for terrorist acts. In 1983 I discussed the bounty concept with Secretary Weinberger at length. I am pleased that it now has been incorporated in legislation passed by this House and pending in the other body. The Commission I have proposed would establish the mechanism by which this concept is implemented and through which our Government's efforts against terrorism may be sharpened and focused.

H.R. —

A bill to provide for the establishment of a Presidential commission to conduct an ongoing evaluation of international terrorism, monitor the activities of the Federal agencies relating to international terrorism, and recommend specific steps the United States and its allies can take to combat the spread of international terrorism, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ESTABLISHMENT OF PRESIDENTIAL COMMISSION ON INTERNATIONAL TERRORISM.

The President shall establish a commission on international terrorism to be known as the "Presidential Commission on International Terrorism" (hereafter in this Act referred to as the "Commission").

SEC. 2. DUTIES OF COMMISSION.

The Commission shall be responsible for—

(1) conducting an ongoing evaluation of international terrorism;

(2) monitoring the activities of the Federal agencies relating to international terrorism; and

(3) periodically recommending specific steps which the United States and its allies can take to combat the spread of international terrorism.

SEC. 3. MEMBERSHIP OF COMMISSION.

The President shall appoint as members of the Commission—

(1) the Vice President of the United States, the Secretary of State, the Secretary of Defense, the Chairman of the Permanent Select Committee on Intelligence and the Chairman of the Committee on Foreign Affairs of the House of Representatives, and the Chairman of the Select Committee on Intelligence and the Chairman of the Committee on Foreign Relations of the Senate;

(2) one Member from the House of Representatives, nominated by the Speaker of the House of Representatives, and one Member of the Senate, nominated by the President Pro-tempore of the Senate; and

(3) such other members (on a nonpartisan basis) as the President deems appropriate from Government, academia, and private enterprise, except that such members shall include representatives of commercial airlines, airline pilots associations and other professional organizations whose membership is directly affected by terrorist threats around the world.

SEC. 4. BOUNTY ON INTERNATIONAL TERRORISTS.

Section 36 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2708) is amended—

(1) in subsection (a) by striking out "may pay a reward" and inserting in lieu thereof "shall pay a reward"; and

(2) in subsection (b) by striking out "$500,000" and inserting in lieu thereof "$50,000,000".

ANTI-AMERICAN FARM POLICY

HON. JIM CHAPMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. CHAPMAN. Mr. Speaker, I stand here in utter outrage. I have learned that at a time when our dairy industry is on its knees because of surplus milk production; when farm bankruptcies have become a common day occurrence; when in Texas alone, farm foreclosures are running at 200 per week, I am outraged that our Government is allowing foreign dairy investors to start up operations on our soil. Not only are we allowing this new foreign investment in an industry wrought with a serious surplus, our Government is actually encouraging these investments using tax breaks and U.S. subsidies.

What kind of insane farm policy is this? It is certainly no secret that we are suffering an overproduction problem in every segment of the agriculture industry. For years we have tried to address surplus dairy production through various supply management programs which have been, in large part, producer financed. In 1984, we implemented the dairy diversion program which reduced milk production by 8 billion pounds at a savings of $1 billion to American taxpayers. Most recently, we have announced the dairy termination-whole-herd buyout program. This program will remove 12.28 billion pounds of milk over the next 18 months and it requires participants to stay out of the dairy business for 5 years.

Our dairy farmers are clearly doing their part to save the domestic dairy industry and reduce the surplus. It is not an easy decision to throw in the towel, to smother the dream of success. But American dairy producers have joined together in a real effort to deal with the domestic surplus we face in the dairy industry.

And how do administration officials reward them? With the same callousness and insensitivity that was prevalent throughout the entire farm bill debate last year. Officials argued then and now that we cannot afford to help the farmers. Indeed, they say, letting more farmers fail will help solve this chronic overproduction problem. Yet at the same time, our Government is actually giving federal financial encouragement to foreign dairy investors to open up new milk production within our own borders.

An Irish investment firm, Masstock International, has recently announced that they will invest $35 million in new milk production and processing facilities in the State of Georgia. Their plans are to begin this year with a 1,000-cow operation and expand it to 20,000 cows in the next few years.

What makes matters worse is that Masstock has received $4.5 million in low-interest, tax-exempt industrial development bonds to finance their new dairy operation. This one operation, alone, will offset a significant portion of the reduction achieved by the dairy termination program.

Mr. Speaker, I join American dairymen in their intense feeling of betrayal by our administration officials. Many dairy producers have taken severe pay cuts. They have scaled down, and even eliminated operations. They have swallowed their pride—only to have this bureaucratic knife thrust into the heart of their dairy operations. I share their sense of betrayal, and I intend to do all that I can to bring some common sense back to our national agriculture policy and to stop these foreign investments.

I have cosponsored two bills to address this serious situation. H.R. 4520, which would eliminate the Federal tax-exempt status of any IDB used to finance the purchase, construc-

tion, or improvement of farm property by foreign investors, and H.R. 4519, which would prohibit foreigners from receiving any benefits under USDA crop insurance, FmHA loans, and other price support or Commodity Credit Corporation Program.

Clearly, in a time surplus production and towering Federal deficits, we ought not to be paying family farmers to leave the dairy business through the buyout program and at the same time pay foreign corporations to get into the dairy industry through tax breaks and Federal subsidies. This is an insane and anti-American farm policy. It is a slap in our dairy farmers' face and it must be stopped.

I, for one, refuse to stand by and witness the continued demise of America's family farms while this administration allows, no encourages, foreign investors to put our farmers out of business. This insanity must stop. Let us begin the process here and now.

DEFENSE ACQUISITION POLICY STUDIES

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. KOLBE. Mr. Speaker, two very important studies with respect to defense acquisition policy will be released soon—one by the President's Commission on Defense Management headed by David Packard, and the other by the Professional Services Council, which represents thousands of professional and technical services firms across the United States.

Both will suggest alternatives for Congress to consider in an effort to improve defense acquisition policy, and both will focus on the importance of quality considerations in the procurement process.

Mr. Speaker, many of our Nation's defense suppliers are small businesses. Efforts to effectively improve the procurement process will benefit not only those small businesses, but the country's defense capability as a whole.

On April 21, 1986, the Washington Business Journal published a column by Gary H. Anthes which comments on this subject, and I submit it for consideration by my colleagues:

[From the Washington Business Journal, Apr. 21, 1986]

DEFENSE PROCUREMENT—ONE STEP FORWARD, TWO BACK

(By Gary H. Anthes)

At least once a week, or so it seems, the Washington Post runs a Herblock cartoon on its editorial page showing Secretary of Defense Caspar Weinberger wearing a toilet seat around his neck. Attached is a $640 price tag. Whenever this appears, one can imagine the folks at the Pentagon angrily dashing off more internal memos intended to tighten up procurement procedures (and press leaks, too).

One result is that the machinery of procurement now grinds much more slowly, says Virginia Littlejohn. She heads up the Professional Services Council (PSC), whose membership includes six trade associations and several thousand individual firms, many of whom are defense contractors. In 1982, she says, the Defense Advanced Research Projects Agency (DARPA) took an average of 90 days to complete a procurement cycle, from initiation of the request for proposal to final contract award. Now, DARPA takes 250 days.

David Packard, chairman of the President's Blue Ribbon Commission on Defense Management, explains: "Congressional efforts to legislate better management have merely added to red tape and created new layers of bureaucracy, which meddle in program management. The result is that when everyone is in charge, no one is in charge."

"Fear of criticism is causing (procurement personnel) to act unwisely," said Earle C. Williams, president of BDM International, Inc., in testimony before the Senate Subcommittee on Defense Acquisition Policy. "People are buying data they don't need because someone might criticize them for not doing it. Auditors are questioning costs, not because sound judgment requires it, but because if they don't, they might be criticized. It's no wonder that program managers and contracting officers are no longer able to keep things moving," he said.

Williams, whose McLean-based company derives 85 percent of its revenue from the Defense Department, points out another unfortunate byproduct of increased press and Congressional scrutiny: Too often, when procuring sophisticated professional services, contracting managers take the easy and safe course of choosing low cost at the expense of high quality. A lowest-cost-criterion is reasonable if you're procuring widgets or toilet seats, but not if you're looking for complex technical services, he says. "If you were looking for open-heart surgery, would you go with the low-cost bidder?" he asks. "Less competent people come cheaper, and two $30,000 physicists are not the equivalent of one $60,000 physicist" if you're trying to put together a complex computer or weapons system.

Williams, past president of the PSC, says procurement officers should give more weight to the advice of technical experts in the government—usually the intended users of the system or service to be provided. A draft report by the PSC suggests an alternative procurement system that the procuring agency, at its option, could elect to use instead of existing procedures. There are nine elements of the proposed system aimed at elevating the importance of quality considerations and ensuring that proposed costs are appropriate and realistic.

It's encouraging to note that the Packard commission, judging from interim reports, and the PSC, as indicated by its draft recommendations, are coming up with some thoughtful, constructive and workable proposals for improving the procurement process without further encumbering it with red tape. PSC's report is due out next month, Packard's final report in June. They will be widely read and are likely to be generally applauded. The question is, will anything change?

TAX CREDIT FOR CHILD DAY CARE CENTERS

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. LEVINE of California. Mr. Speaker, today I am introducing legislation which will encourage employers to provide onsite day care for their employees. The "Onsite Day Care Tax Credit Act of 1986" provides tax credits for dependent care expenses to employers who provide onsite day care. Additional credits are included for employers who provide day care at no cost or reduced cost for low-income employees.

There is an extreme shortage of affordable day care now, and every indication is that this shortage is going to increase. By 1990, one in four young children will live in a single-parent household. The number of children living in poverty will increase to nearly 6 million in the same time period. In order for parents to have adequate work opportunities to provide for their families, affordable day care must be available.

Not only does onsite day care benefit the employee. Several studies show that the availability of employer-sponsored child care reduces turnover, improves employee morale, and decreases absenteeism. Also, the child benefits by having a safe and secure environment in which to grow.

The "Onsite Day Care Tax Credit Act" provides the motivation for employers to become involved in providing day care services.

This legislation allows employers to receive tax deductions for qualified dependent day care expenses for the first and second years of operation to encourage employers to invest the initial capital necessary for starting a day care facility.

Additionally, to encourage the employment of qualified day care personnel, during the third and fourth years of operation, employers will continue to receive credits for salaries paid to day care personnel.

Finally, because many businesses are not large enough to take complete responsibility for a day care center, small businesses will be able to form partnerships to provide the benefits of day care services to their employees, and receive the benefit from the tax credit.

This legislation addresses the critical national problem of affordable, safe day care. I urge my colleagues to give it their full support.

H.R. 4720

A bill to amend the Internal Revenue Code of 1954 to provide a credit against tax for employers who provide onsite dependent care assistance for dependents of their employees

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Onsite Day Care Tax Credit Act of 1986".

SEC. 2. ALLOWANCE OF CREDIT FOR EMPLOYER EXPENSES FOR CERTAIN ONSITE DEPENDENT CARE EXPENSES.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to business related credits) is amended by adding at the end thereof the following new section:

"SEC. 42. CERTAIN EMPLOYER ONSITE DEPENDENT CARE EXPENSES.

"(a) GENERAL RULE.—The amount of the credit determined under this section for any taxable year shall be equal to the sum of—

"(1) 18 percent of the taxpayer's qualified 1st-year dependent care expenses for such taxable year,

"(2) 10 percent of the taxpayer's qualified 2nd-year dependent care expenses for such taxable year, and

"(3) 10 percent of the taxpayer's qualified 3rd- or 4th-year dependent care expenses for such taxable year.

"(b) INCREASED CREDIT WHERE COST REDUCTIONS PROVIDED TO EMPLOYEES WITH LOW OR MODERATE INCOMES.—

"(1) IN GENERAL.—In the case of expenses paid or incurred with respect to a facility during a period when a qualified cost reduction program is in effect with respect to such facility, subsection (a) shall be applied—

"(A) by substituting '25 percent' for '18 percent' in paragraph (1) of subsection (a), and

"(B) by substituting '13 percent' for '10 percent' in paragraphs (2) and (3) of subsection (a).

"(2) QUALIFIED COST REDUCTION PROGRAM.—For purposes of paragraph (1), a qualified cost reduction program is in effect with respect to a facility if employees with low or moderate incomes are provided dependent care assistance at such facility at no cost to the employee or at a cost substantially less than the cost of such assistance to other employees.

"(c) QUALIFIED DEPENDENT CARE EXPENSES.—For purposes of this section—

"(1) QUALIFIED 1ST-YEAR DEPENDENT CARE EXPENSES.—The term 'qualified 1st-year dependent care expenses' means, with respect to any dependent care facility, the qualified dependent care expenses paid or incurred by an employer during the 1-year period beginning with the date on which such facility is first placed in service.

"(2) QUALIFIED 2ND-YEAR DEPENDENT CARE EXPENSES.—The term 'qualified 2nd-year dependent care expenses' means, with respect to any dependent care facility, the qualified dependent care expenses paid or incurred by an employer during the 1-year period following the period referred to in paragraph (1).

"(3) QUALIFIED 3RD- OR 4TH-YEAR DEPENDENT CARE EXPENSES.—The term 'qualified 3rd- or 4th-year dependent care expenses' means, with respect to any dependent care facility, the amount paid or incurred by an employer—

"(A) for wages for individuals performing dependent care services at such facility, and

"(B) during the 2-year period following the period referred to in paragraph (2).

"(d) QUALIFIED DEPENDENT CARE.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified dependent care expenses' means any amount paid or incurred by an employer to provide dependent care assistance to dependents of employees of the employer—

"(A) at a facility located at, or adjacent to, the premises where such employees are employed, and

"(B) under a program which meets the requirements of—

"(i) any Federal, State, or local law relating to such facility, and

"(ii) paragraphs (2) and (3) of section 129(d) (relating to discrimination and eligibility requirements for dependent care assistance programs).

"(2) DEPENDENT CARE ASSISTANCE.—The term 'dependent care assistance' has the meaning given such term by section 129(e)(1).

"(3) JOINTLY OPERATED FACILITIES.—If 2 or more employers jointly operate a facility—

"(A) such facility shall be treated as meeting the requirements of paragraph (1)(A) with respect to each of such employers, and

"(B) each of such employers shall be treated as paying such employer's proportionate share of the amounts paid or incurred in connection with the operation of such facility.

"(4) PAYMENTS TO RELATE INDIVIDUALS.—No amount paid or incurred during the taxable year of the employer shall be taken into account under subsection (a) is such amount is paid or incurred to an individual—

"(A) with respect to whom a deduction is allowable under section 151(e) (relating to personal exemptions for dependents) to any employee of such employer for the taxable year of such employee ending with or within such taxable year of the employer, or

"(B) who is a child (within the meaning of section 151(e)(3)) of any employee and who is under the age of 19 at the close of the taxable year of the employee ending with or within such taxable year of the employer.

"(e) WAGES.—For purposes of this section—

"(1) IN GENERAL.—The term 'wages' has the meaning given such term by subsection (b) of section 3306 (determined without regard to any dollar limitation contained in such section).

"(2) SPECIAL RULE FOR CONTRACTURAL ARRANGEMENTS.—If an employer contracts with another person to provide dependent care assistance at any dependent care facility, the term 'wages' shall include that portion of any amount paid or incurred by the employer with respect to such contract which is properly allocable to wages paid or incurred by such person to provide such assistance.

"(f) TERMINATION.—This section shall apply to taxable years beginning after December 31, 1986, and before January 1997."

(b) CONFORMING AMENDMENTS.—

(1) Section 38(b) of such Code (defining current year business year credit) is amended—

(A) by striking "plus" at the end of paragraph (3),

(B) by striking the period at the end of paragraph (4) and inserting ", plus", and

(C) by adding at the end thereof the following new paragraph:

"(5) the dependent care assistance credit determined under section 42(a).".

(2) The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code is amended by adding at the end thereof the following new item:

"Sec. 42. Certain employer on-site dependent care expenses."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1986.

NATURAL GAS DEREGULATION: GOOD FOR CONSUMERS AND PRODUCERS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. KEMP. Mr. Speaker, we should immediately deregulate natural gas because a free market is the best guarantor of a secure and plentiful supply of energy to consumers and business. Natural gas deregulation would benefit consumers by reducing the price and increasing the supply of an important energy source. It would benefit oil and gas producers by giving them new incentive to sell "old" natural gas.

We should also alter the 1978 Fuel Use Act which prohibited large gas users from installing new gas boilers. This regulation is a leftover from Jimmy Carter's "we're running out of resources" philosophy and was ostensibly a conservation issue. Relaxing these standards, however, would permit greater use of natural gas in utilities and industries, thereby relieving the acid rain problem and saving consumers much money.

I commend the following testimony to my colleagues as the sort of commonsense approach that would give consumers the full benefit of the recent drop in oil and gas prices.

TESTIMONY OF JEROME R. ELLIG, STAFF ECONOMIST, CITIZENS FOR A SOUND ECONOMY, BEFORE THE SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES, SUBCOMMITTEE ON ENERGY REGULATION AND CONSERVATION, APRIL 14, 1986

Mr. Chairman and members of the subcommittee, thank you for this opportunity to share Citizens for A Sound Economy's (CSE) views on natural gas deregulation.

My name is Jerome Ellig. I am staff economist at Citizens for a A Sound Economy. Now in its second year of operations, CSE is a 250,000-member grassroots citizens organization dedicated to returning economic decisionmaking to individuals. We take a keen interest in natural gas deregulation because we believe that a free market, unhampered by government-mandated price controls and other forms of interference, is the best guardian of consumer welfare.

CSE agrees with the general approach embodies in the three pieces of legislation under consideration today. Rather than discuss each bill separately, I'd like to elaborate CSE's position on several topics relevant to the natural gas deregulation issue.

Price controls on natural gas do not and never did benefit consumers. At best, they benefitted some special interest in the short run at the expense of all consumers in the long run. Those of us in the Midwest and Northeast who shivered through the winter of 1976 because of a government-created natural gas shortage suffered so that other interstate users could obtain what little gas was available at the below-market price. Today, a half-controlled, half-free market prevents all consumers from sharing the benefits of lower prices.

Because "new" natural gas is not subject to price controls but "old" gas is, cheap gas remains in the ground while producers sell newer, more expensive gas in an uncontrolled market. According to the Office of Technology Assessment, a total of between 19 and 38 trillion cubic feet of lower-priced natural gas will be kept off the market by current policies. The Department of Energy estimates that figure at 8.4 to 11.1 trillion cubic feet. ARCO estimates 38 trillion cubic feet, and Shell Oil Co. estimates a maximum of 52 trillion. Whatever the exact number, the result is clear. Wellhead price controls and "rolled-in pricing" have combined to induce producers to "invest real resources worth as much as $8–11 per thousand cubic foot (MCF) in producing gas that has a market value of only about $2.50," according to a study published by the American Enterprise Institute.

Proponents of continued regulation predict that gas prices will rise rapidly upon deregulation. Similar predictions have been

made in the past, and they have always been wrong. Oil price controls, for example, were ended in 1981. In the ensuing two years, crude oil prices fell by 18 percent; gasoline prices fell by almost ten percent.

Between 1973 and 1984, federal regulation of natural gas prices was accompanied by a 15 percent average annual increase in residential gas prices. New gas, comprising about half of the U.S. supply, was deregulated on January 1, 1985. In the ensuing 12 months, residential gas prices increased by less than one-half of one percent—and actually declined in 14 major cities. The average wellhead price of natural gas has fallen from $2.81 per thousand cubic feet (MCF) to $2.52 per MCF. A natural gas analyst for Paine Webber estimates that the wellhead price should fall to $2.29 per MCF this year, a drop of almost nine percent. Other observers have predicted prices below $2.00. The spot market price, meanwhile, has fallen near $1.35 per MCF this year.

Lower oil prices have, of course, helped fuel recent gas price declines. Because oil and gas compete in many industrial uses, gas producers have had to lower their prices in order to retain customers. By giving producers an incentive to tap low-cost gas deposits, deregulation would foster competition and reenforce this downward trend in the prices of both fuels.

Deregulation is complicated by two issues: "take-or-pay" contracts and "common carriage". CSE believes that both issues should be settled through mutual consent of individual pipelines and producers. Congress should neither permit pipelines to break existing contracts nor force them to transport gas against their will. In the long run, consumers will be better served by private compromises than by public compulsion.

There is, however, a crucial area in which Congress needs to act to protect consumers. Since 1938, federal regulation has restricted entry into the gas pipeline industry. Anyone desiring to transport gas across state lines must be "certified" by the Federal Energy Regulatory Commission. In effect, this requirement engages the FERC in a complex process of second-guessing entrepreneurial decisions. The oil pipeline business, on the other hand, operates with no such restrictions on entry. Congress should act to remove all legal barriers to entry in the gas transportation industry as well.

Finally, there is the issue of altering the 1978 Fuel Use Act to remove a variety of restrictions on gas consumption. In the interests of "conservation", large gas users are prohibited from installing new gas boilers. This policy has encouraged coal use and hence intensified the acid rain problem. Milton Copulos of the Heritage Foundation estimates that permitting industries and utilities in the Midwest to make greater use of natural gas could drastically reduce sulfuric acid emissions, cutting the level of pollution to that which would prevail if they all used No. 2 heating oil. Taxpayers have also been victimized by the 1978 legislation. The Pentagon, for instance, would spend as much as $2 billion to replace gas-fired boilers with coal-fired ones. In a decade of rising deficits and falling energy prices, this is an expenditure which taxpayers can ill afford.

America's energy future is too important to remain a political football. It's time to let consumers reap the full benefits of a free market in natural gas.

UNITED STATES CONDEMNED BY CHINA

HON. ALBERT G. BUSTAMANTE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. BUSTAMANTE. Mr. Speaker, after 7 years of renewed recognition of the People's Republic of China, the PRC has betrayed our friendship by condemning the United States retaliation of terrorist activities by Libya. During a visit to my home State of Texas, the Chinese Ambassador to the United States, Han Xu, labeled our actions "state terrorism." On April 21, the same day the comments appeared in the Houston Chronicle, the PRC voted with eight other nations in the United Nations to condemn the United States response to Libyan terrorist activity. They condemn us, yet they have reportedly allowed members of the Palestine Liberation Organization to be trained in China.

We must carefully consider the relationship we have with a country which not only fails to support us, but actually condemns us. We must carefully consider the future negotiations we have with such a country. We must carefully consider the potential results of pending nuclear technology transfers and avionics sales to the People's Republic of China.

In light of the recent tragic incident at the Chernobyl Nuclear Powerplant in the Soviet Union so near China's borders, the future of nuclear power there may be reevaluated. The PRC may at last agree to the safeguards the United States has been recommending.

If properly implemented, both our nations stand to benefit from the pending technology transfer. The people of China could receive access to the energy they currently lack. Providing nuclear technology could help to lower our trade deficit.

However, the United States is not the only country the PRC has approached about nuclear technology transfer. They have also contacted Pakistan, Iran, India, and South Africa. Chinese technicians have been located at the Pakistan nuclear powerplants, which are financed in part by Libya—the very country they condemned us for retaliating against.

How can we be assured that this country which has itself had contact with terrorist nations would not allow the nuclear technology to fall into abusive hands?

The United States is considering selling advanced avionics—all-weather fighters—to the PRC Air Force. The PRC has stated that these arms are needed for defense against the Soviet Union. What assurance do we have that these weapons would not be used to coerce Taiwan into reunification?

The PRC has repeatedly expressed its desire to reclaim Taiwan under its Communist government. Only 2 days after condemning us in the United Nations, Chinese Communist Party leader Hu Yaobang stated that he wished a long-term friendship with the United States and that the only barrier to that friendship is the Taiwan issue. The Chinese Ambassador even compared our support of Taiwan to support of former Nicaraguan President Somoza. Where is the evidence of their friendship? Where would a country which stands against us stand once they are armed?

The People's Republic of China claims that they desire our friendship, our technology, our weapons. They could display their sincerity by lending us their support or at least not offering their condemnation. In this case, the words of the People's Republic of China have spoken louder than actions. Because of this, we must carefully consider our future actions with them.

BEDFORD, VA, SHELTERED WORKSHOP RECEIVES AWARD

HON. DAN DANIEL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. DANIEL. Mr. Speaker, I have just learned that the Bedford Sheltered Workshop, in Bedford, VA, has been awarded the 1985 Small Work Center of the Year Award from the National Industries for the Severely Handicapped.

Competition for this award is quite keen, for there are hundreds of similar facilities throughout the Nation, and each is a potential candidate for this award.

In 14 years the Bedford Sheltered Workshop has expanded from 6 workers in the basement of a local church to 66 workers who occupy a 16,000-square-foot building, with a new addition under construction. These workers perform contract jobs in sewing, knitting, small assembly, and mail services. Some are working in off-site groups as well.

The Bedford Bulletin, on April 16, carried an article announcing the award and explaining the program at the workshop in greater detail. I am incorporating this in my statement, and call the Members' special attention to the work being done by Ms. Renee Fisher, executive director of the workshop. She is doing an outstanding job with this enthusiastic and dedicated group of citizens.

WORKSHOP GETS AWARD

(By Rebecca Novak)

The Bedford Sheltered Workshop, a training facility for the mentally and physically handicapped, has received the 1985 Small Work Center of the Year Award from the National Industries for the Severely Handicapped (NISH).

The workshop was selected for the award from hundreds of similar facilities across the country. Renee Fisher, executive director of the Bedford workshop, accepted the laurel at NISH's annual awards banquet, held during the organization's national conference April 8 in Miami.

Irene Burg, chairman of the workshop's board of directors and Jim Tolbert, assistant director of the workshop, also attended the conference.

The workshop was established in 1972 by a group of parents and community leaders, originating in the basement of a local church. The facility has grown from a clientele of six to 66 handicapped workers. The workshop's history has been one of steady growth, and it now occupies a 16,000-square-foot building with a new addition underway. The employees perform contracts for sewing, knitting, small assembly and mail

services. Employees also work in off-site groups at the Print Shop, where they help assemble the Bedford Bullet, a marketing publication.

In presenting the award, Harvey Goldman, vice chairman of the NISH board, said "Bedford overcame many steep hurdles to become a successful government contractor. The entire staff's commitment to quality has paid off in providing meaningful job opportunities for some 70 people who have disabilities. In the process, they have demonstrated that people with disabilities can get the job done."

The sheltered workshop has a contract valued at over half a million dollars per year to manufacture 1.6 million coin bags for the United States Treasury.

The national association's large workshop award (to facilities employing more than 70 handicapped persons) went to the Melwood Horticultural Training Center in Upper Marlboro, Maryland.

The organization also presents an annual achievement award to a disabled worker.

According to Fisher, the workshop director, facilities are judged on performance records and fulfillment of contracts. Local workshop personnel also helped a North Carolina shop get started on a coin bag contract.

Fisher said she and other workshop officials felt "overwhelmed" when notified of the national award.

"It's really hard to put into words," she said. "This is a national award and the competition is extremely tight."

NISH, the agency presenting the award, is a non-profit organization that helps sheltered work centers obtain contracts with the Federal government. It provides technical assistance to workshops to help them in securing government contracts under provision of the Javits-Wagner-O'Day Act. The act authorizes the government to award long-term, exclusive contracts to workshops in exchange for reliable, cost-effective products or services.

ATTITUDE IS THE DIFFERENCE

HON. RICHARD STALLINGS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. STALLINGS. Mr. Speaker, I would like to take this opportunity to honor a constituent of mine who won first-place honors in the Idaho Governor's Committee on Employment of the Handicapped 1986 Ability Counts Writing Contest.

Angela Lee Anderson of Pocatello, who is a sophomore at Highland High School, was the author of an essay which was chosen as the top entry in the freshman-sophomore category of the contest.

Miss Anderson was among severa' Idaho young people honored recently for their participation in this yearly contest. I would like to offer my congratulations to Miss Anderson for the obvious thought and preparation exhibited in her writing.

i would like to take this opportunity to include her essay in the CONGRESSIONAL RECORD:

ATTITUDE IS THE DIFFERENCE

As I entered the modest home, I was immediately drawn to the vibrant smile of a woman sitting in a chair. Then, I noticed the encumbering braces which surrounded her impaired legs. My attention quickly shifted back to her face as she warmly greeted me. It was evident from the time she welcomed me she was a delightful, positive person. I was surprised to learn that she had been confined to either braces or a wheelchair for almost thirty years.

"The first thing I want you to understand," she said, "is the difference between a disabled person and a handicapped person. Because being handicapped is all attitude as far as I'm concerned. It is the attitude of the person, the attitude of his family, the attitude of the community, and the attitude of the nation at large that tells us whether we are handicapped or whether we are just limited."

Kathryn Lamson Burt was born in Nebraska on December 15, 1909. She was a busy wife, mother of two teenagers, and a devoted school teacher in 1955 when she was stricken with a disease thought to have been conquered—Polio. Panic, dread, and disbelief were three strong emotions felt by Kay Burt and her family after the diagnosis of the crippling disease. As Kay laughed, "Polio just wasn't fashionable by that time." Kay was hospitalized and her family began spending every free moment at the hospital with her. At home, beds went unmade, there were no planned meals, and the laundry piled up. Anger and frustration became constant companions to each family member as they found their lives "turned upside down."

As her family struggled to deal with her illness and her absence from home, Kay also struggled to understand what had happened to her and how she could recover. While in great pain at the hospital, Kay received a visit from her Pastor. She pleaded, "Oh Father, if the pain would just let up." As he held her hands, he counseled, "Oh Kay, don't pray for the wrong things. You pray for the strength to face this." From that moment her life changed. She knew she would have to accept her limitations instead of just trying to tolerate them.

Many problems faced the doctors with Kay's illness. One major problem was that an iron lung was not available in Pocatello, or even in the state of Idaho. "Now," Kay explained, "I am grateful for the unavailability." Without it, her lungs were forced to work harder, and she had to "do it on her own" rather than depending upon mechanical means. Eventually, she was sent to the Elks Rehabilitation Center in Boise. There, she began her pursuit to become more independent. She learned to get in and out of her wheelchair and up and down stairs.

After being released from the Rehabilitation Center, Kay was asked to return to teaching. She agreed that she would as soon as she accomplished another goal. She wanted to drive a car again. Her husband made physical adjustments to their vehicle and through perseverance Kay was able to drive a car with her braces on. Soon she was back teaching school. She found that there was much competition among the children to help her in and out of her wheelchair.

Through her experience, Kay encountered problems that affect many disabled people. True to her character, she decided to "do something." In 1980, she combined forces with three other women, one who had lost a leg due to diabetes, one confined to a wheelchair, and the other a polio victim like herself. They decided that they should work toward a bill designating parking for handicapped people. They started locally, and before long, for the first time in Pocatello, there were handicapped parking spaces at the U.S. Post Office, banks, several stores, and Idaho State University. Through their determination, accessible restrooms, wide doorways, and ramps have been added to many local buildings. Their efforts have never waivered, and they still continue to make all areas of the state and nation aware of House Bill 292 and National Bill 501 which concern accessibility for the handicapped.

Kay has now retired from her teaching career, but she states, "I am not going to become a vegetable and just sit by." She disciplines herself with regular exercise, is an avid reader, and continues her education at the University. She continues to be an optimist and draws from some deep level of inspiration. Her philosophy is evident in her cheerful sense of humor and well-being. She quoted from a recent reading of which the author is unknown: "As a knot appears in thread, so disappointment and sorrow block the smoothness of life. If a few deft strokes can untangle the skein, life continues evenly, but if it cannot be corrected then it must be quietly woven into the design. Thus the finished piece can still be beautiful though not perfect as planned."

INTRODUCTION OF BILL TO GRANT A FEDERAL CHARTER TO THE NATIONAL ACADEMIES OF PRACTICE

HON. DANIEL K. AKAKA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. AKAKA. Mr. Speaker, today I am introducing legislation to grant a Federal charter to the National Academies of Practice.

The National Academies of Practice will serve as an umbrella organization whose membership will consist of prominent figures in health care fields such as applied psychology, dentistry, medicine, nursing, optometry, osteopathy, podiatry, social work, and veterinary medicine. One objective of the organization will be to honor persons who have made significant contributions in these fields. A second objective will be to encourage improvement in the practices of these professions through the dissemination of information on new techniques and procedures. Finally, I feel that it will make a significant contribution as an advisory body to Congress and the executive branch in formulating health policies. Such guidance will be particularly valuable as it will come from the perspective of those individuals who are in the forefront of actually administering health services.

This legislation requires absolutely no funding from Congress.

When fully established, each of the various academies will be made up of approximately 100 health practitioners nominated by their peers.

A Federal charter for the Academies of Practice will encourage the formation of a network among the different health fields, from which we, as policymakers in Washington, will greatly benefit.

A TRIBUTE TO DR. EDWARD F. KNIPLING

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. HOYER. Mr. Speaker, I rise today to honor a former employee of the Beltsville Agricultural Research Center who will be inducted as the first member of the Agricultural Research Service Hall of Fame on Monday, May 5, 1986. Dr. Edward F. Knipling, the first scientist to be so honored, deserves the gratitude of each and every American for his unprecedented work in advancing the science and technology of insect control.

For 17 years, Dr. Knipling was in charge of all entomological research in the agricultural research service, during which time he focused the research efforts of that institution into advancing ecologically sound and environmentally safe methods of insect control. Prior to 1955, about 80 percent of the research in insect control had been focused on broad spectrum insecticides. Dr. Knipling singlehandedly redirected that focus, so that 7 years before the publication of Rachel Carson's "Silent Spring," which outlined the terrible impact of insecticides, at least 80 percent of the research effort was directed on discovering alternatives to insecticides. The results of Dr. Knipling's efforts included the development of biological controls, pest resistent crop varieties, insect attractants and repellants, and various other physical and cultural methods.

Dr.Knipling personally pioneered the use of mathematical modeling techniques to assess the strengths and weaknesses of various pest control methods and guide research on the optimum method for integrating various techniques to achieve desired results. He recorded his life's efforts in what has become a classic of the entomological field, entitled, "The Basic Principles of Insect Population, Suppression and Management."

As all of my colleagues are aware, I take great pride in the work that is accomplished for the good of our Nation's agriculture at Beltsville Research Center. It is a tribute to the quality of that institution that it was able to attract and retain a man, recognized by all to be the leader in his field, from 1962 to his retirement in 1974. In fact, Dr. Knipling continues to work and contribute as collaborator at Beltsville, following his retirement. In addition to the other accomplishments already named, Dr. Knipling was directly responsible for establishing several prestigious laboratories at Beltsville, including the insect physiology and insect pathology laboratories.

I congratulate Dr. Knipling on his long list of impressive accomplishments and for his dedicated service to the field of agriculture. Each day, all of us depend on a steady and healthy food supply. Dr. Knipling's research has helped to make that supply all the more steady and for that I am sure that I convey the gratitude of each and every Member of this House as I rise to offer my sincerest congratulations to Dr. Knipling on his induction into the ARS Scientific Hall of Fame.

CONSUMER RIGHTS UNDER SEIGE

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. FLORIO. Mr. Speaker, I am inserting in the RECORD a Washington Post article describing action by State attorneys general to attempt to fill the vacuum in law enforcement regarding advertising. This void is the result of the relaxed approach to advertising taken by the FTC in recent years.

The relaxation in Federal law enforcement is part of a familiar two-pronged assault on consumer rights. The second prong is an attempt by special interests to exempt advertising from the FTC's power to issue rules dealing with unfair advertising. The House is currently in conference with the Senate debating this special interest exemption. I hope the article I am inserting will help Members and the public understand the current breakdown in consumer protection and the need to resist further erosion.

[From the Washington Post, Apr. 6, 1986]

STATES STEP IN TO FIGHT FALSE ADVERTISING—CRITICS CHARGE FEDERAL TRADE COMMISSION IS NOT EFFECTIVELY REGULATING COMPANIES' CLAIMS

(By Martha M. Hamilton)

In February, Kraft Inc. agreed to quit advertising Cheez Whiz, which is a blend of cheese with other products, as "real cheese."

Earlier, Coca Cola, Seven-Up and Pepsi agreed to stop ads that regulators said misled consumers into believing that their diet drinks contained only Nutra-sweet, when in fact they also contained saccarin at the time.

At about the same time, Borden Inc. agreed to change Wise "Lights" potato chips to Wise "Brights" after regulators complained that the name might persuade consumers that the chips were ligher in calories, cholesterol or sodium rather than in color.

And since last year, McDonald's has been under investigation concerning whether the company is misleading customers into believing that "Chicken McNuggets" are made entirely from chicken breasts and thighs.

What these actions have in common is that they were the efforts of state officials, not the Federal Trade Commission, traditionally the nation's most aggressive regulator of advertising practices.

The reason, according to consumer advocates and some state officials, is that the FTC no longer does what they consider an adequate job.

New York has been at the forefront. The state has reached agreements in the past several years with national advertisers, which include the diet drink manufacturers, Campbell Soup and others, that resulted in advertisements being withdrawn or altered. Similar activity is under way in Texas, California, Masachusetts and Iowa.

"In terms of consumer protection activity, a high percentage is being brought in the states, and a high percentage of that seems to be in New York," said Thomas J. McGrew, an attorney with Arnold & Porter who specializes in advertising law.

"In general, with the whole deregulatory mode, I think the states have stepped into areas that they feel they want to be more active in than the federal government is," said Lorraine Reid, senior vice president of the Council of Better Business Bureaus in charge of the National Advertising Division, an industry self-regulatory group that also watches claims by advertisers. "I don't think it's just advertising, I think it's generally."

The decision by the states to step in where federal agencies choose not to tread may turn out to be a troubling phenomenom for industries that thought they were in line for relief from federal regulation and oversight.

Advertising Age, a weekly magazine that covers the advertising industry, has twice called in editorials for FTC to be "active enough, vigilant enough, to arrest this disturbing drift toward piecemeal, crazy-quilt, state-by-state regulation of national advertising."

Herbert Baum, president of Campbell USA, charged "that kind of situation, where the states get involved, will cause some problems for advertisers"—such as forcing them to change advertising campaigns on television, radio or in national magazines at the behest of a single state.

"I personally would hope that the FTC would be the jurisdiction where that would be handled," he said. "The question is not whether the FTC should get back into this area. The question is whether the states think the FTC is vigorous enough. The states, who are really responding to their own constituents, have been more aggressive than the FTC. Who is right and who is wrong depends on where you sit."

Robert Abrams, attorney general for the state of New York, said: "What got us in is that the historic role of the FTC was suddenly altered. The burden and the duty was left to the states. I don't think that's in the public interest. I don't think that's good."

Several of the complaints to which states have responded have been filed by the Center for Science in the Public Interest, an activist group that forwards complaints filed with the FTC to the states. The FTC "either has turned down our complaints or has not acted at all," said Bruce Silverglade, legal director of CSPI.

"It's a matter of inactivity by the Federal Trade Commission," said Steve Gardner, assistant attorney general in the consumer protection division of the Texas attorney general's office. "It's understaffed, underfunded, and under Reagan and not doing its job on anything—especially deceptive advertising."

Texas has handled complaints involving advertising by Craft Cheez Whiz, Nabisco Easy Cheese and Colgate Dentagard, according to Gardner.

"In regard to national companies, although there have been efforts before, there are more now because of the vacuum created when the FTC withdrew from previous activities," said Herschel Elkins, senior assistant attorney general in California. Elkins, who heads the consumer law section of the California attorney general's office, said that the office has several major investigations under way involving food and automotive products.

However, some FTC officials and advertising industry executives dispute that the states are doing more and that the FTC is doing less. Several advertising industry trade association officials said they have heard no complaints from members about increased activity by the states.

"I do not perceive a difference in terms of their activity today versus 10 or 12 years

ago," said Elaine Reiss, executive vice president and general counsel for Ogilvy and Mather, a major advertising agency. "Perhaps they wish to pressure the FTC to do something," she said of the claims by state officials that they are more active. "Perhaps it's political."

The attorneys general in the states that appear to be the most active in regulating advertising claims are Democrats.

Acting chairman of the FTC Terry Calvani said that he, too, has seen little evidence of increased activity by the states. "It doesn't appear to me to be earth-shaking," he said. "It's just not news."

At the FTC, efforts are focusing on cases where there is direct consumer injury—especially when it results from an overt attempt to defraud, not on cases in which "the presumption is that the American consumer is an ignoramus," said Calvani.

"The question I ask myself is, is this a representation where consumers don't have adequate information to make a determination whether it is accurate?" he said, citing such cases as promotions of thermostat control devices or diet pills.

Critics of the FTC, including some state officials, said that the types of cases that the FTC takes often involve somewhat limited injuries. "They're not going after the national companies. They're going after the easy hits—the 'pieces of the true cross' kind of advertisements—not the ones that effect the millions and millions of American consumers that the big companies do," said Gardner in Texas.

Richard Cleland, an assistant attorney general in Iowa who heads the office of consumer protection, said: "The FTC has adopted a new view of advertising that has abandoned the older precedent, so we have become more concerned about regulating advertising on the local level. We feel we need to be more stringent than the federal standard if we are going to protect our consumers.

"I've worked with enough consumers to know that there's no advertising claim so outrageous that some consumer won't believe it. And the industry knows that too or they wouldn't be making those claims."

"It's our perception that, except for a few specific areas such as truth-in-lending disclosure, the FTC has been much less active than it used to be," said Dwight Golann, an assistant attorney general in Massachusetts. "There certainly has not been much advertising regulation when it comes to mainstream advertisers." Massachusetts has moved against national retailers for advertising clothes as marked down when the garments arrived in the the United States with tickets on which the "mark-downs" were already registered.

Calvani said the FTC has continued to watch national advertising of consumer products but that it would not pursue cases brought in "the presumption that the American people are incapable of making a reasoned judgment." Citing an earlier FTC decision to pursue a case against a manufacturer of a hair dye advertised as "permanent," he said, "I think every consumer would understand that means that shampoo wouldn't take it off," not that a user's hair would grow out the color it was dyed.

Calvani said that the FTC brought approximately the same number of actions in the last year of the agency under former chairman James C. Miller III as it had in the last year of the tenure of earlier chairman Michael Pertchuk and was equally committed to pursuing national cases.

"I think that the agency is focusing its resources better today on those cases that can cause the most consumer injury," said Wally Snyder, senior vice president for government relations for the American Advertising Federation. "What I'm seeing is an active program and one that appears to be well targeted."

Snyder, Calvani and others said that vigorous self-regulation by the industry itself and private litigation by competitors seeking to torpedo the opposition's advertising claims have reduced the need for an activist FTC.

"People will argue, with some justification, that the FTC has not been as big or all-present in looking at national advertising as it used to be," said FTC Commissioner Patricia Bailey. "It's often not a question of the numbers of cases, but a question of the heavy-breathing presence. It's not that we're not bringing cases, but there's a very clear sense that we're not there, and that has an impact regardless of numbers."

But from the perspective of at least some large states, something different is going on.

"This administration is unique in terms of the last 80 years," said Abrams in New York. "This administration has moved away from the traditional role of government."

THE CONGRESSWOMAN AND THE REPORTER

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Ms. OAKAR. Mr. Speaker, today I have the privilege of calling to your and my other colleagues attention an article that appears in the May 1986, issue of Washington Women Magazine. This piece, entitled "The Congresswoman and the Reporter" is about Congresswoman LINDY BOGGS and her daughter, National Public Radio correspondent, Cokie Roberts. The article pays tribute to both of these extraordinary women—their accomplishments, their leadership, and their wonderful relationship.

The article follows:

THE CONGRESSWOMAN AND THE REPORTER

(By Carey Roberts)

The two of them are women accustomed to being in the public eye. They are both quick to laugh. It is hearty, amused langhter, "We laugh," says the daughter, "just alike."

On this morning, Cokie Roberts, who is the congressional correspondent for National Public Radio, has brought roses along to drop off at the Rayburn Building office of her mother, the Honorable Corinne (Lindy) Boggs, Democratic Representative from the Second District of Louisiana. Lindy has brought along a dress she thinks Cokie or Cokie's teenage daughter might enjoy wearing.

There's to be an interview and Cokie tucks in her mother's blouse for the picture. Lindy is clearly the personage. She is the Congresswoman, Cokie Roberts understands that.

Mother and daughter see each other amost daily. "I don't interview or report on my mother, which is really to her disadvantage. But she is well covered by other reporters. Our conversations are of ongoing personal things." Mother and daughter are close. They have grown even closer with the years. "There was a time," says Cokie, "when I was a teenager, my friends would be over and Momma would walk in the room and I would say to them, 'Don't talk. She's here'—but that was typical teenage stuff. We have never been estranged."

Cokie was born into politics, the third child of Corinne and Hale Boggs. He was then the representative from New Orleans, and Lindy split the year between Louisiana and Washington, running homes both places, serving as chairperson for charity and civic organizations, entertaining prodigiously, being her husband's campaign coordinator and political partner, and, of course, raising children. "I believed in Hale," reflects Lindy. "He was my leader. I would have worked for him even if I had not been his wife."

She says of that time, "We discussed the problem of how much do you involve the family in campaigning . . . considered whether the children would resent it . . . wondered what would be the attitude of the voters. We decided to involve them as much as they wanted to be involved." The children seemed to thrive on the events, on the lengthy political discussion around the Boggs dining room table, on spending half their school year in Washington and half in New Orleans, "Although," says Cokie, "we didn't learn much long division." It is the kind of aside by Cokie that makes her mother burst into appreciative laughter.

All three Boggs children would eventually weave their lives around politics. Barbara Boggs Sigmund is mayor of Princeton, New Jersey and Tommy Boggs is an influential lobbyist on the Washington scene.

Cokie remembers her mother as the heartbeat of the family—"Momma" was always there emotionally. In fact, there is a family anecdote they like to tell: When Cokie was a senior in high school, Lindy decided to get out of her own activities and devote some very special time to this child and her interests. After a month or so. Cokie is remembered to have said, "Ma, could you please get to be chairman or president of something? I can't live up to being your project!"

Lindy Boggs was born on a Louisiana sugar plantation, an only child in a family that included close-knit grandmothers and unmarried aunts. "Mama was the only child to about eight people!" Cokie jokes and Lindy laughs with delight. The women in her family have always been strong. "In fact, dominant," asserts Lindy, who is a firm believer that women will have much to offer as their number swell in the political arena—particularly if they use, not sublimate, their innate feminine skills.

"When women enter politics or take on power in the marketplace, they must bring the womanly attributes of accessibility, good communication skills, compassion, of having an extra dimension to give," she says. "These are wonderful qualities. If we leave behind those special characteristics we aren't adding anything new."

Both mother and daughter are professed feminists and do not question women's abilities to run homes, raise families, and hold responsible positions outside the home. "Superwomen?" reflects Cokie. "There have always been superwomen. Superwomen were the farm wives who raised six or eight kids, made their own candles and clothes, and worked in the fields. Superwomen were the ones who rode in covered wagons and the ones who worked long hours in factories and shops. I think," she continues, "that

today's women are being a little selfish if they complain. No, you can't do everything. You can't always squeeze in exercise classes and leisurely shopping trips when you are working full-time and raising a family. You make choices."

Cokie is the one who holds the family parties and reunions at her home. She and her husband, Steven Roberts, who is chief congressional correspondent for the New York Times, live with their two teenage children in the Boggs' house in Bethesda where Cokie grew up. It is a big, comfortable, white-columned suburban house with a spacious tree-shaded yard. Hale Boggs was known to be an outstanding gardener. "Now," says Cokie, "my husband has replanted my father's garden."

She lives in her mother's house, indeed sleeps with her husband in the bed her mother and father slept in as she was growing up. It gives her no inhibitions. "My mother was a role model for me. I like thinking I am like her."

Cokie remembers herself as being a reasonably uncomplicated child of her times. Perhaps it was the fact that she was a third child, she says, but there was never a feeling of pressure. She wanted a good education and she planned to be a wife and mother. She graduated from Wellesley College, class of '64, and married soon afterward. "A big wedding and garden reception," says Cokie, "for which Momma cooked all the food."

When she moved to New York with her husband and began looking for a job in television and radio, she ran into her first sex discrimination. "I was told, 'We don't hire women for certain jobs,' which was, of course, illegal; I didn't know that, only that it made me angry. It turned me into an overnight feminist even if I wasn't yet familiar with the word." A few years later, when her husband was transferred to Los Angeles, her career began to take off. She had her own award-winning children's television program there.

When he moved again, this time to Greece, Cokie and the two children went along. In 1974, the Greek-Cypriot war broke out and CBS needed a reporter, a position Cokie was ready to fill. By the time the family returned to America in 1977, she was a seasoned broadcaster.

She does not remember the Greek years so much as breakthrough years for her career, but as a seasoning time for herself as an individual. "Steve was gone from home a great deal and, much as I hated that, I found I could cope very well on my own."

Now, as the congressional correspondent for National Public Radio and a regular contributor to the MacNeil-Lehrer Report, Cokie juggles career and family life. It is a role she has watched her mother play and knows it can be done successfully. "No, it is not easy!" Lindy emphasizes, and Cokie agrees. "Neither of us sleeps much, but we are strong women physically. Our high energy is genetic. We can both go about twenty hours."

Lindy Boggs lives now in a spacious apartment in Washington and maintains a family home on Bourbon Street in New Orleans. She serves on the House Committee on Appropriations, three subcommittees, and the Select Committee on Children, Youth and Families.

When asked about her acknowledged political power, she suggests it comes from being "respected on a professional level and loved on a personal level." Cokie puts it another way: "Momma is the nicest person anyone has ever met. She is able to get things done in nonconfrontational ways."

Cokie has watched and learned from her mother. When Hale Boggs, who was then the Majority Leader in the House, was lost in a plane flight over Alaska in October, 1972, she saw her mother handle the tragedy with pain and grace. Lindy Boggs, at the age of fifty-six, was chosen in a special election in March, 1973 to fill her husband's seat in Congress and is now serving her seventh term in office.

"I know that my mother thinks of my father every day, but she has gone on to make a new place for herself, a valuable place," says Cokie. "She has helped me know what to expect from life and how to face it. When I turned forty, I got a bit antsy about where I was professionally and where I was going. And I said to myself, 'Relax. Do the best you can. There is a lot of living ahead and whatever comes, just be ready for it."

If Lindy Boggs and her daughter Cokie Roberts seem almost too admirable, their lifestyles seamless, and if spending an hour with them over tiny cups of Louisiana chicory coffee in Congresswoman Boggs' Rayburn Building office reveals no fissures in their relationship as mother and daughter, it is because they work at it. They are talented women who support each other, believe in each other's worth, depend on each other. They are also women who know when to be reticent and how to guard their private lives. When pressed to answer whether or not there was any issue on which they disagreed, Cokie answered at first thoughtfully and then with a laugh, "I really can't think of any important one . . . but if I could, I'm not sure I would tell you!"

They are anything but reticent on women's issues. "I think we are in a plateau period right now," Cokie, says. "A lot of gains were made and young women are reaping those benefits, so they don't see the problems that still exist. There is no place that is more egalitarian today than school, but when young women go out into the world they will find there is subtle discrimination and some battles to be won."

THREE OUTSTANDING OHIO CITIZENS

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. LIPINSKI. Mr. Speaker, it gives me great pleasure to rise before my colleagues today to share with them the achievement of three outstanding gentlemen from Ohio. On April 18, 1986, I was honored to speak at the Nationalities Service Awards Banquet held by the Cuyahoga County Cosmopolitan Democratic League. The banquet was held to honor Mr. Casimir Bielen, Mr. Anthony J. Celebrezze, Jr., and Mr. Frank J. Valenta for their individual accomplishments as well as their long histories of community service.

The Cosmopolitan Democratic League of Cuyahoga County was established in 1933 and has long been recognized as a dynamic force in Ohio politics and community activities. Its purpose, as they state it, is "to unite the efforts of othnics for effective political results." As cochairman of the Democratic National Committee Council on Ethnic-Americans it was a special privilege for me to address this group that has been actively pursuing political objectives for ethnics for over half a century.

The first gentleman honored was Mr. Casimir Bielen who has an extraordinary list of achievements in the name of public service. After getting his bachelors degree from Western Reserve University and his masters from Kent State, Mr. Bielen served as a personnel director in industry before working as a school principal. In the political arena he has held important positions in local, county, State, and national offices. Beginning as a precinct committeeman, his role increased over the years to working for former Congressman Charles A. Vanik and Congresswoman MARY ROSE OAKAR. Also, Mr. Bielen played a significant role in the Presidential campaign of Hubert H. Humphrey and was appointed to the National Democratic Ethnic Committee by President Lyndon B. Johnson.

In addition to his professional and political work, Mr. Bielen has been extremely active in community and ethnic affairs. He has received Distinguished Service Awards from several different organizations involved with everything from education to veterans interests. He has also been the recipient of the Polish Journalistic Award from Perspectives, Inc. magazine and organized the first annual "All Nations Festival" in 1970. Today, he holds office in the Polonia Foundation of Ohio, the Cleveland Society and the Cleveland Cultural Garden Federation. Among these and his other duties, he is happily married to his wife of many years, Valera.

The second gentlemen honored at the banquet was Mr. Anthony J. Celebrezze, Jr. Mr. Celebrezze's many accomplisments include military service, political office and working with youth. Mr. Celebrezze graduated from U.S. Naval Academy in 1963 and served 5 years on active duty, earning the Navy Commendation Medal. He has a masters degree from George Washington University and law degree from the Cleveland State University Law School. Mr. Celebrezze served in the Ohio Senate for a number of years before being elected as the secretary of state of Ohio in 1978. Among his many achievements at that time was a national award-winning Practical Politics course of study for high school students.

In 1982, Mr. Celebrezze was elected attorney general of Ohio by the largest margin of victory in the history of the office. Some of the significant areas he worked on while in office were hazardous waste, antitrust and health related issues. He also continued his interest in young people by developing a course called Practical Law for Ohio high school students. The son of a nationally prominent politician, Mr. Anthony J. Celebrezze, Jr., also has his own large family including his wife Louisa and their five children.

The third honored gentleman was Mr. Frank J. Valenta who has been named one of the top 100 citizens of Cleveland. Mr. Valenta was raised and educated in Cleveland and served honorably with the U.S. Marine Corps. Shortly thereafter he began work with the United States Steel Corp. This employment began a classic American example of individual success through hard work in the labor field. His first elected office of grievance committeeman

was quickly followed by his election to the presidency of the local. Later he was appointed to the international union staff of the United Steelworkers of America in District 28 where he worked as legislative representative and educational coordinator. Today he enjoys the role of director of district 28.

Mr. Valenta also has a very lengthy record of community service worth mentioning. He was a vice president and labor chairman of the United Torch, board member of the Red Cross, Urban League, Nationality Services, Cuyahoga City Council, and Kaiser Community Health Foundation, to name a few. Mr. Valenta and his family reside just outside of Cleveland.

It is with sincere pleasure that I commend the efforts of Mr. Casimir Bielen, Mr. Anthony J. Celebrezze, Jr., and Mr. Frank J. Valenta as well as the Cosmopolitan Democratic League of Cuyahoga County before my fellow Members in Congress.

FORMER SKI RACER, STRICKEN WITH MULTIPLE SCLEROSIS, INSPIRES OTHERS TO CHALLENGE THEMSELVES

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. WIRTH. Mr. Speaker, Jimmy Heuga was at the height of his career as a ski racer when he was diagnosed as having multiple sclerosis. He had just won the bronze medal for the slalom in the 1964 Olympics. Rather than give into the disease, he set about developing a comprehensive program of cardiovascular endurance to strengthen MS victims and give them the energy and motivation to live. He founded the Jimmie Heuga Center for the Re-Animation of the Physically Challenged, and set about raising money to spread his philosophy to other victims of multiple sclerosis.

In early April of this year, Heuga organized an international ski "express" at Vail Mountain in Colorado. Twenty of his colleagues, including former U.S. Ski Team members Andy Mill of Aspen and Phil Mahre, broke world records by skiing 2½ million vertical feet in less than 19 hours. The effort raised more than $700,000 for the Vail-based Jimmie Heuga Center.

The following articles illustrate the commitment and dedication of a true athlete and gives hope and inspiration to the many victims of multiple sclerosis:

[From the Rocky Mountain News, Apr. 13, 1986]

SKIERS SET RECORD FOR JIMMIE HEUGA

GROUP REACHES 2 MILLION FEET IN EVENT AT VAIL

(By John Meyer)

VAIL.—It is just past 2 a.m. Saturday on the summit of Vail Mountain. Former U.S. Ski Team members Andy Mill of Aspen and Phil Mahre have reached their goal in the Jimmie Heuga Express. Each of them has skied 150 runs on Ramshorn trail since 8:15 Friday morning—165,150 vertical feet of skiing apiece—to share a world record. They have done this to draw "international" attention to the Jimmie Heuga Center for the Re-Animation of the Physically Challenged, and raise money for the center.

They have survived a lightning scare. They have narrowly escaped a 70 mph collision that could have wiped them out and Olympic downhill champion Bill Johnson with them, when a doctor working the event wandered into their path.

After more than 16 hours on skis, Mill looks fresh enough to keep going. "I could see doing 200,000 (feet)," Mill says, "but I feel dumb enough doing what we just did."

Five more former ski racers will tally 150 runs. It is 3:10 a.m. when Pepi Stiegler, the last man on the course, finishes. Stiegler skied for Austria in the '60s.

"If you're not strong and kicking," the 48-year-old Stiegler says, "you're no good."

Stiegler and the others have done this for a good man who is not strong and kicking. They have done this for a man they know is slowly dying of multiple sclerosis.

Jimmie Heuga was at the height of his career as a ski racer in 1968 when he was diagnosed as having multiple sclerosis. He was advised to give in to the disease, to live a quiet life until the end.

"Like many people," Heuga says, "I followed that advice. And I began to have less energy, feel unhealthy and unmotivated. I deteriorated physically and mentally."

Heuga had a better idea. He developed a program of cardiovascular endurance, stretching and strengthening exercises for MS victims, and founded the Jimmie Heuga Center to spread his philosphy. The medical community, at first, was dubious. Vail Associates owner George Gillett says that is changing.

"People," Gillett says, "are suddenly acknowledging the genius of Jimmie Heuga."

Heuga's friends worry that he pushes himself too hard. Phil Mahre says Heuga knows he doesn't have a lot of time, that the disease eventually will kill him, so he's trying to do as much as he can for MS victims with the time he has left. That is why Mahre, Andy Mill and 19 other former ski racers came to Vail for the Jimmie Heuga Express. They would attempt to ski 2 million vertical feet, as a group, raising money through pledges for the Heuga Center. About 20 Vail locals skied with them for part of the day.

The racers skied downhill style, in a tuck, relentlessly letting their skis run. The scene at the lift loading area was sometimes comical, with racers rushing to catch the lift with no wasted time, Mill, Mahre and Aspen's Mark Tache were racing each other trying to break 6 minutes for a "lap"—lift ride and downhill run.

Suzy Chaffee did her laps in something more than 6 minutes each. The former Olympian skied with 6-foot ribbons steaming from her shocking pink ski suit. "A little comic relief," she said. At lunch, Chaffee wrapped her ribbons around Heuga's neck while they had their picture made.

Chaffee was under doctor's orders to ski only a few runs, because she blew out a knee last year. She skied only eight runs, but she pitched in where she could, massaging shoulders during a lunch break.

While Chaffee played the masseuse, Heuga talked about his philosophy. "It used to be, if you had a disease, you were sick," said Heuga, who walked with the aid of ski poles. "I have multiple sclerosis, but I'm healthy. It's just a matter of attitude. There are 36 million physically challenged people in this country. These people just feel fatalistic about their circumstances."

That is what Heuga is trying to change.

"Jimmie's just such an inspiration to us all," Kristin Cooper said during the lunch break. "All of us are happy to be out here, working for him. It's such a great cause."

The ski racers passed 1 million vertical feet shortly after lunch. Late in the afternoon, storm clouds gathered over the mountain, which led to what came to be called "the lightning break."

Several skiers arrived at the top of the mountain to say lightning had struck a lift tower while they were riding the lift. "Right when I thought the day could get boring a little bit, zap!" said Hank Kashiwa.

Vail's Susie Corrock, who is 3½ months pregnant headed for the safety of the ski patrol cabin as soon as it happened. "I decided the baby didn't like lightning," she said.

Corrock won a bronze medal in the downhill at the 1972 Olympics. She would cover 90,282 vertical feet on the day, skiing 82 runs, but thought her runs should count double because of the baby she is carrying. "We were told that we'd burn 11,000 calories in 16 hours," Corrock said during the lightning break, adding with a laugh, "Andy Mill told me this morning that by the end of the day, my baby would be gone."

Before long, there were about 3 inches of fresh powder, which added 15 seconds to lap times for Mahre and Mill when skiing resumed. Soon it was dark, and the racers were skiing beneath portable lights. Shortly after 8 p.m. the 20 racers reached their goal of 2 million vertical feet. But several weren't satisfied.

Karen Lancaster and Cindy Nelson each wanted to reach 100,000 vertical feet (91 runs). Bill Kidd wanted to make it an even 100 runs for the day (110,100 vertical feet). Kashiwa didn't stop until he'd skied 93 runs.

Mahre, Mill and five others wanted to ski 150 runs, 165,150 vertical feet, which they knew would take them well past midnight. They wanted to shatter the world record of 154,000 feet set by a Frenchman whose name nobody knew. Gillett promised Vail's support, if the seven diehards were cleared by the medical staff.

"If you're interested in going for the world record," Gillett announced, "the doctors would like to spend some time with you."

"Are we talking psychiatrist?" Kiki Cutter called out.

Not long after that, three skiers had a near-tragic encounter with Dr. Bruce Becker of Eugene, Ore.

Mahre, Mill and Bill Johnson, who showed up to ski a few runs after dark, were drafting on the fastest part of the course when Becker suddenly appeared in their path.

"We were going 70 mph, no further than a foot apart," said Mill, who was America's best downhiller a few years ago. "All of a sudden, the guy was in front of us. Phil jumped to the right, Johnson went right over the front of the guy's skis and I went to the left. It could have been a catastrophe."

Becker knew he'd come awfully close to being dead, not to mention all 3 racers.

At 1 a.m., the ski patrolmen concluded a card game and went outside to cheer on the remaining skiers—Mahre, Mill, Jan E. Helen of Norway, Austrians Hansi Hinterseer and Pepi Stiegler, George Mauduit of France and former U.S. Ski Team member Steve Lathrop—while Bruce Springsteen music blared from speakers in the cold night air. Mill and Mahre finished first, shortly after

2 a.m., followed by Helen, Lathrop, Hinterseer, Mauduit and Stiegler.

Finally, 18 hours after it had begun, the Jimmie Heuga Express was over. The total for the day was 2,501,472 vertical feet skied by 21 racers, and roughly two dozen sore knees. Each of the seven diehards had eclipsed the world record by 11,000 feet.

A DAY OF MAGIC, AND FRIENDSHIP

(By Charlie Meyers)

VAIL.—*"You can do magic.*

"You can do anything that you desire."

The band America sang these words on Saturday night for Jimmie Heuga, perhaps the purest profile of courage the ski sport ever has known.

A few hours earlier, 20 of his old racing friends had performed a serenade of their own at the Jimmie Heuga Express on Vail Mountain. By skiing 2,491,878 vertical feet in a mind-numbing marathon which, for some, lasted 19 hours, they formed a human centerpiece for a fund-raising effort which will total upwards of $700,000.

The beneficiary will be the Vail-based Jimmie Heuga Center for the Reanimation of the Physically Challenged, established four years ago as a vehicle for exporting Heuga's battle against multiple sclerosis.

After winning the bronze medal for slalom in the 1964 Olympics, Heuga was struck by the disease nearly 16 years ago. Contrary to conventional medical wisdom, he fought the disease with an exercise regimen. Now he helps others who suffer from a variety of crippling disorders.

He has provided a different, but no less powerful, tonic for his old friends, for whom he has become both a nostalgic focus and a source of personal encouragement.

"The word inspiration somehow seems shallow to describe what I receive from him," said Bill Kidd, the teammate who won the silver medal that February day in Innsbruck. "I can never know what I'd do if faced with the daily challenges which he handles so gracefully."

When Kidd discovered some years ago that Heuga habitually takes a cold shower, he began doing the same, his own way of keeping a daily faith.

Hank Kashiwa, who raced with Heuga in the late '60s, takes the thought a step farther. "What Jimmy does by example is teach the rest of us how to live. When he insists that right now is the good old days, there's a message for everyone.

"I'd say that we have flocked here to assist a wounded comrade, but Jimmie doesn't think of himself that way."

Kiki Cutter, another contemporary, puts it simply enough. "He has given me so much inspiration that the least I can do is come out and ski my buns off for a day."

It was with this outpouring of spirit that they gathered—from 49-year-old Pepi Stiegler, the Austrian who won the Innsbruck gold, to expectant mother Susie Corrock Luby. They laughed outrageously, told stories which shrunk all those years, ignored an electrical storm, and skied at a frenzied pace.

They blazed down the 1.101-vertical-foot Ramshorn run in a minute or less, skating and tucking furiously, leaping on and off the chairlift.

When it was over, seven of them had set a world record for 165,150 vertical feet in a 24-hour period.

"If setting records had been the aim, I would have gotten well-conditioned athletes," Heuga said at the beginning. "This is the over-the-hill gang."

There were those old urges to once again ski like the wind, a longing which was the gut reason the Express came to be. It sprung from the mind—and spirit—of Jan Helen, a 39-year-old Denver stockbroker and former member of the Norwegian team.

"I was looking out my window one day thinking that I was reaching the Geritol age, wondering what I could do to get back in shape," he related. "I called a couple of Norwegian friends and suggested we try to set a world vertical record. I was going to call it the Viking Express.

"Then it occurred to me that this was very vain, that we should do it for some good cause. I approached Jimmie and here we are."

The event was run successfully in Alaska a year ago, then moved to Vail for better weather and exposure.

It also has brought more money, twice as much as a year ago. The contributors have been corporations, representatives of the ski industry, Vail townspeople who have come to love the man who has lived among them these last five years and, ah, yes, even the press. in an outpouring perhaps even rarer than a skiing record, a group of journalists weighed in more than $5,000 to the cause.

In the end, it became a love-in on skis, an experience which touched everyone at it.

"I have been twice blessed," said Heuga, the man who made the magic. "I have the money for the center's work and I have all this friendship."

OUT OF AFRICA

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. DORGAN of North Dakota. Mr. Speaker, the good news out of Africa is that the U.N.'s Food and Agricultural Organization forecasts a record output of cereals in 1985–86 for the 45 nations of sub-Saharan Africa. As a result, food aid requirements this year will equal only one-half of that for last year.

Similarly, World Bank President A.W. Clausen reports significant progress among African nations to tackle their fundamental economic and agricultural problems. He notes, for example, that more and more African nations have implemented far-reaching economic reforms. In other words, Africans are taking responsibility for their own food production. Donors need to heed this in their own planning for a genuine "Compact for African Development."

But there still is plenty of bad news from Africa. Six nations still require exceptional food aid, according to FAO. In still other countries, help is needed for acquiring exportable surpluses from the record harvests and for redistributing internally the local surplus food. As a member of the Select Committee on Hunger, I would urge my colleagues to support appropriate efforts to meet the continuing food emergency in the Sahel.

Moreover, I would call on President Reagan to make African development a top priority for the Tokyo Economic Summit and the U.N. Special Session on Africa. While many African nations have undertaken the reforms donor nations have recommended, many donors have reneged on promises to cushion the shocks of reform and to channel new resources into long-term development.

In this regard, I encourage my colleagues to review the following article: "Don't Forget Africa."

[From the Washington Post, Apr. 28, 1986]

DON'T FORGET AFRICA

(By A.W. Clausen)

The Tokyo economic summit's agenda will be crowded. Trade, currency and oil issues will be prominent as President Reagan confers with the leaders of Britain, Canada, Germany, Italy and Japan. But it is to be hoped that the summit will respond to public concern, dramatically illustrated by last year's Live Aid concerts, and addressed the critical issues confronting Sub-Saharan Africa.

As they do so, they will note that there has been progress in numerous African nations to directly address the fundamental causes of the region's difficulties. There has been progress, at last, to provide some hope to millions of Africans who confront malnutrition and who have seen the region's living standards drop. The Tokyo summit partners can act to assist Africans to sustain the productive reforming strategies that are now proving their worth.

An increasing number of African countries have undertaken far-reaching economic reforms designed to ensure more productive and efficient use of resources and revive the momentum of development. Many measures seek to reduce governmental intervention, stimulate private enterprise and encourage savings for productive investment purposes.

Agriculture is a major sector for reform action. Major changes in policy are taking place to provide farmers with meaningful incentives to increase output in such countries as Ghana, Togo, Ivory Coast, Benin, Tanzania, Zambia and Mali. On Zambia's markets, 55 percent more maize was available in 1984–85 than in the previous year, so almost meeting the country's needs for the first time in a decade; then Ghana has boosted cocoa output by 25 percent and Togo has doubled it cotton production.

And then reform programs have directly attacked public-sector waste and inefficiency. Governmental employment is being curbed, productivity in state enterprises is being given new priority and encouragement. For example, Ghana and Mali have respectively reduced public sector operating losses by over 80 percent and over 50 percent in recent years. Reform programs for public enterprises are now under way in some 20 low-income African countries.

But such positive strides are no more than a productive start in a region that is still poorer today than it was 20 years ago. Current reform efforts must be seen in perspective for a region confronting an array of long-term, complex, development plagues: the fastest population growth rates are evident here; child mortality rates are high; health care facilities are inadequate; educational programs are weak; urban poverty problems are mounting; and deforestation difficulties abound.

Today's reform efforts can offer hope to millions of the world's poorest people if they are sustained. But the poorest nations cannot sustain such programs from their domestic resources alone—they need external assistance. Most of these countries shoulder heavy foreign debt burdens, while urgently needing cash to finance imports of goods and services vital to economic stabilization and growth efforts.

The international community has responded to low-income Africa's problems. The scale of general-public support has been an inspiration to all of us directly involved in development. But the harsh fact is that in real terms the net overall resource flows to Sub-Saharan Africa in this decade have barely increased, while the region's difficulties have multiplied. There is now an external funding shortfall to this region of the globe of about $2.5 billion a year for the next few years. This is a funding gap that must be bridged.

The new strategies that African governments are taking and the progress that is so widely and swiftly being registered underscore the fact that bridging the financing gap amounts to a worthwhile investment. Many international organizations, notably the International Development Association, whose future funding is now under negotiation, have worked most closely with African governments to design and support new policy approaches that can bring decent lives to the peoples of Africa. But the degree to which IDA and other agencies can make a critical difference depends largely upon the decisions taken by the leading industrial nations. Let us hope that the summit leaders remember Africa.

PRAISE FOR THE 341ST AT MALMSTROM

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. MARLENEE. Mr. Speaker, it is with great pride that I offer to my colleagues the accomplishments and dedication of the 341st Security Police Group at Malmstrom AFB in Great Falls, MT.

The whole thing, Mr. Speaker, starts with basics. Basic American values and a group of young Americans who live and breathe those values every day. They do so without reward or fanfare, and without ever asking the question, "What's in it for me?" Hard to believe in a modern society of incredible sophistication and complex relationships that some say is ruled by dollars and special interests? This group exists in Montana. They're the men and women of the 341st Security Policy Group, part of the 341st Strategic Missile Wing stationed at Malmstrom Air Force Base just outside Great Falls.

These airmen have taken to heart some words found in the preamble to our Constitution. I'm talking about words ". . . promote the general welfare . . ." In their selfless service have taken care of many of Montana's less fortunate, and contributed much time and considerable money to numerous community activities. They did all this while providing exceptional protection to 20 percent of our Nation's strategic missile fleet and training for military contingencies anywhere in the world. I know you're interested in details. Let me start with their community service.

They cared enough to give over 570 pints of blood to the American Red Cross during the past 16 months—more than any other agency, military or civilian in the State of Montana. They cared enough to contribute more than $40,000 to the United Way—an incredible amount when you remember that the vast majority of their members are newly enlisted. They felt deeply about the handicapped in Great Falls, and sponsored or assisted in five special olympic activities. They provided volunteers to help Easter Seals and Muscular Distrophy telethons; they gave food and clothing to families who lost their homes in spring floods. Over 20 of them are Big Brothers and Big Sisters; many others are volunteers in the local Crisis Action Center. They cut hundreds of Christmas trees and collected hundreds of toys—all for underprivileged families in the local community who, incidently, had no military affiliation. They shoveled snow off the walkways of a Great Falls rest home—and shoveled, and shoveled. They routinely volunteered as coaches, timekeepers, referees, umpires and just good old manual labor for the public school system athletic programs. And, on the seventh day they rested—as Sunday School teachers and choir members in local churches.

But don't be misled. The young men and women of the 341st Security Police Group never forgot their primary role or abrogated their duty to ". . . provide for the common defense." They are the finest ground fighting force in the U.S. Air Force. Almost 400 of them are committed to the dual role of protecting our ICBM assets and participating in conventional contingency war plans; almost 600 more respond to lost children, stray dogs, security situations affecting our Minuteman missiles spread over 23,000 square miles, and stand prepared to defend against the growing terrorist threat. They do this better than any other security police unit in the U.S. Air Force. During 1985, they broke all records in inspections by the Strategic Air Command [SAC], the General Accounting Office and other military agencies. They won the SAC "Combat Competition", and were named the "Best Security Police Group in the Strategic Air Command for 1985."

We expect and demand our military force to perform its primary duty—to "provide for the common defense." That's the most basic role of the military unit. However, we seldom if ever expect that same military unit to voluntarily serve the common good by "promoting the general welfare" in service to the community. We have seen just that from the 341st Security Police Group at Malmstrom Air Force Base, MT. Now they are competing for the title of "Best in Air Force" and I speak for all my fellow Montanans in saluting them and wishing them well.

THE DEATH OF GEORGE B. GODDARD

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. CONTE. Mr. Speaker, on the 15th of March, God claimed a constituent of mine as one of his own. His name was George B. Goddard, and he lived in Belchertown, MA.

George was a fighter for freedom, not a freedom fighter. For the past 30 years, he fought as a professor at the University of Massachusetts to release his students from the bonds of ignorance. He also fought for the human spirit. By his sunny disposition and mastery of wit and cajolery, he brought everyone he met a renewed zest for life and the courage to meet its adversities. For the past year, he has waged a private battle against the dread mialoma bone cancer to which he finally succumbed.

George's passion was sailing. He owned a sailboat on which he and his wife Nancy, also a professor at Hampshire College, Amherst, would explore the Atlantic Ocean, constantly pitting their strength against the unknown. I had the privilege of recommending their son, David R. Bird, to the U.S. Coast Guard Academy from which he will shortly graduate to continue George's fight.

In the unknown and unchartered seas before George, may he have a fair wind and following sea. I submit his obituary to the American public as a memorial tribute. He will be missed.

George Benjamin Goddard, 57, of 390 Stebbins Street, Belchertown, Massachusetts, a professor in the Department of Plant and Soil Sciences at the University of Massachusetts at Amherst, died March 15, 1986 in the Colley Dickinson Hospital, Northampton, Massachusetts.

Dr. Goddard was born in Needham, MA on August 28, 1928. He was the son of the late Harold L. and Frances M. (Towle) Goddard. Dr. Goddard received his doctorate at the University of Massachusetts. He had been teaching at the University since 1955 and previously taught for a short time at Virginia Polytechnic Institute. He served with the U.S. Army Corps of Engineers from September 5, 1946 through September 3, 1949.

Dr. Goddard was a member of the Massachusetts Flower Growers Association, International Order of Odd Fellows (Bethesda Lodge #30), and the Springfield Power Squadron. He was an avid sailor. He had been an Eagle Scout and coached teams in the Amherst Little League and Babe Ruth League.

Dr. Goddard was the husband of Nancy L. (Thornton) Goddard and the father of Dora J. Brace of Amherst, MA, Russell H. Goddard of Austin, TX, Nancy B. Goddard of Amherst, MA, Rebecca S. Fill of Dunbar, WV, Annette M. Landers of Point Pleasant, WV, Connie R. Boggs of Hilliard, OH, and David R. Bird, Cadet 2/C, United States Coast Guard Academy, New London, CT. In addition he leaves 5 grandchildren.

In keeping with Dr. Goddard's wishes, the family had his body cremated followed by a ceremony spreading his ashes over the waters of an outgoing tide on Buzzard's Bay off the coast of Massachusetts. The family encourages donations in his memory, to the Dana Farber Cancer Institute, 44 Binney Street, Boston, MA 02155.

DISABLED PEOPLE IN ACTION

HON. RICHARD STALLINGS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. STALLINGS. Mr. Speaker, I would like to take this opportunity to honor a constituent of mine who won first place honors in the Idaho Governor's Committee on Employment

of the Handicapped 1986 Ability Counts Writing Contest.

Kristin Groberg of Idaho Falls, a junior at Idaho Falls High School, won first place in the junior-senior category of the contest.

I would like to take this opportunity to commend Kristin on the outstanding essay she has written and the obvious thought and caring that is evident. I would like to share this essay with my colleagues in the CONGRESSIONAL RECORD:

DISABLED PEOPLE IN ACTION

Sheila Olsen, recently widowed, is the mother of a family of 10 children, an active member of her church and community, an enthusiastic supporter of local cultural arts, and a serious volunteer worker in the Republican Party. She is a sought-after speaker and the editor of a widely circulated newsletter.

Mrs. Olsen's friends and neighbors don't think of her as handicapped, although she has difficulty walking and often uses a cane or a three-wheeled vehicle in order to get around easier. Her vision is sometimes blurry, and she experiences a numbness through half of her body. Mrs. Olsen is a victim of multiple sclerosis.

Multiple sclerosis is a disease that attacks the brain and spinal cord. Small hard areas scattered throughout the white substance of the brain interfere with the normal functions of the nerve pathways. The patient often suffers from sudden blindness, prickly sensations in the legs, stiff muscles, and an unsteady walk. M.S. gradually worsens and sometimes results in paralysis of the legs, blindness, and the loss or urinary and rectal control. The cause and cure are not known.

Upon learning more about the disease, Mrs. Olsen cried, but with the help of her husband and her faith she continued to lead a busy and productive life. Responsibility and activity kept her going and gave her the confidence that she needed to cope with the disease. She never let herself dwell on the disease, but instead, she adjusted her schedule to meet her needs.

While coping with M.S., Mrs. Olsen recognizes the importance of reserved handicapped parking spaces and acknowledges the difficulties presented to disabled people by stairs in public buildings. She appreciates the voluntary help of others so she need not call and "bother" someone. Most of all, she recognizes the importance of continuing to try, even to struggle. Early in her disease, she inquired of a medical supply house director about the use of a wheelchair. He told her that if she gave in now, she may never get out. She sees the wisdom of this counsel and knows that a large part of her successful coping is because she continues to pursue an uphill course.

During the 18 years of her disease, Sheila Olsen has given birth to her last five children; edited the "Trumpet," the largest women's political newspaper in the State; and has spoken at many political, community, and church meetings. She plans on being active in the GOP campaign this year as well as continuing to be a good parent, which is her top priority.

Mrs. Olsen realizes that everyone has problems—not just the physically handicapped. She knows that one must continue to be active and involved in life regardless of his/her disabilities. Finding a balance and recognizing one's limitations are important in coping with problems, as are maintaining a sense of perspective and humor. But most of all, Sheila Olsen realizes that the handicapped are people, too, and should always be treated as any other person would expect to be treated—regardless of their limitations.

A TRIBUTE TO JAMES SODA, JR.

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. TRAFICANT. Mr. Speaker, today I would like to pay tribute to Mr. James Soda, Jr., a businessman from my district who is being honored on May 29, 1986 by the City of Hope National Pilot Medical Center and the Beckman Research Institute for his years of community service.

Mr. Soda runs the Dart Trucking Co., based in Canfield, OH, which is in my district. Mr. Soda is a well respected member of the surrounding community, and I am proud to have him as one of my constituents. Mr. Soda will be receiving the coveted "Spirit of Life" Award for his lifetime of service and dedication to his neighbors and the underprivileged.

Mr. Soda attended high school at Mineral Ridge High School. It was there that Jim established himself as a hard worker and outstanding golfer. During the summer months as a teenager, Jim worked on construction sites, becoming a grade foreman in only 3 years. In 1969, Jim entered the University of Dayton. True to his character, Jim was active in many campus activities—always taking the time to get involved and get the most out of the college experience. In June of that year, Jim married his high school sweetheart, Roslyn Corso.

After graduating from the University of Dayton, Jim began working in the construction business his father, James Soda, Sr., had started. Jim learned the construction business from the bottom up during his teen years working in his father's construction sites. Obviously he learned quickly. In August 1971, he purchased 50 percent, and later, the remaining interest, in the Dart Trucking Co. of Canfield, OH. At the time, Dart was a relatively small company, primarily serving the local steel and construction companies. But through Jim's vision, leadership, and hard work, Dart has now become one of the country's leading transportation companies.

But Jim Soda, Jr. is not simply a good businessman. He is a concerned and caring member of his community. Jim and his wife, Roslyn, have been actively involved in their community. This year, Jim became involved in the Aid to Appalachia project. The project called for Dart Trucking to donate equipment to haul food supplies and clothing to needy individuals in the Appalachian Mountain region.

As a member of the Youngstown Chamber of Commerce, Jim takes an active role in working out ways to revitalize the economy of northeast Ohio, which has been hard hit in recent years by the decline of the steel industry. Jim and Roslyn are valuable members of the Canfield community who have constantly given of themselves to help their neighbors.

I can't think of a more deserving recipient for the "Spirit of Life" Award than James Soda, Jr. And what better way to honor Jim than to use the proceeds of the May 29 banquet to go toward the establishment of the James R. Soda, Jr. Research Fellowship. Mr. Speaker, in closing, I would again like to state that I am honored to pay tribute to James Soda, Jr. and am proud of his many accomplishments and lifetime of community service.

TRIBUTE TO BOB CASEY

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. HAMMERSCHMIDT. Mr. Speaker, I was greatly saddened to learn of the passing of our past colleague and friend, Bob Casey. I came to know Bob not only through our work in Congress, but also because his family has been a part of the Mountain Home, AK, community in my district since the early 1850's. It was then that Bob's grandfather, R.D. Casey, settled his family and built a home, which is now a national historical landmark and the only one in Baxter County. Years later, one of R.D.'s sons, Sam, moved his family to Houston, where his son Bob grew up and went on to represent in a number of capacities.

I was privileged to serve with Bob for 9 of his 17 years in the House and will always remember him as one who devoted his life to serving the public. His career as a public servant began in the 1940's as a member of a local school board while earning his law degree at the South Texas Law School at night. Later, Bob moved on to serve as district attorney, State representative, judge, a U.S. Representative for the 22d District of Texas, and Commissioner of the Federal Maritime Commission.

A great deal of what Bob accomplished during his tenure in the House stemmed from his work as a high-ranking member of the House Appropriations Subcommittee and as chairman of the Subcommittee on the Legislature. Yet his commendable service was not limited to this area, as Bob was previously an active member of the Merchant Marine and Fisheries Committee. He also played a very important role in our shipping industry, having worked extensively with the Port of Houston early in life and later having served on the Federal Maritime Commission.

In all of these capacities he served his constituents well, reflecting a deep concern for the people of Texas and all U.S. citizens, as well. He will be greatly missed by me and my colleagues who value ability, hard work, and loyalty.

DR. WILLIAM A. MELENDEZ, A GREAT EDUCATOR

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. PANETTA. Mr. Speaker, I rise today to inform my colleagues of the retirement of a dedicated and respected educator in my district, William A. Melendez. Dr. Melendez is the coordinator of bilingual and migrant education

in the Monterey County area, and he is retiring after a 32-year education career during which he has been a teacher, counselor, and administrator. He is being honored with a dinner on May 9, and I want to take this opportunity to list for the House the achievements of the fine professional.

Dr. Melendez was born in New York and served in the U.S. Army Infantry. He received his college degree from New York University, his master's degree in educational administration from Hofstra University, and his doctor of education degree from the University of the Pacific.

During his career, the last 16 years of which have been spent in Monterey County, Dr. Melendez has served as a teacher in industrial education, adult education, and basic skills bilingual education. He has been a counselor in crisis and conflict management. And he has been an administrator in both junior and senior high school programs for bilingual and migrant education.

Dr. Melendez is a past president of the Classroom Teachers Association, and he has been a consultant to the Monterey County Office of Education and to Hartnell Community College, and chairman of the elementary/secondary task force of the President's Commission on Foreign and International Study.

Dr. Melendez has also been very active in community activities over the years. He has served as director of the Salinas Chamber of Commerce, vice president of the Scholarship Committee of the League of United Latin American Citizens, vice president of the Monterey Bay Girl Scout Council, a member of the advisory committee of the California Department of rehabilitation, and an active member of the NAACP.

Mr. Speaker, Bill Melendez has done great work as an educator, but as my colleagues can see, he has not confined his interest to the classroom or the office. He has worked extensively in the community to improve the lives of the children and all the people of Monterey County. I am confident that his community involvement will not end with his retirement. I want to commend him for his achievements, and I know my colleagues join me in wishing him well upon his retirement.,

JOAN P. HORTON HONORED

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. DioGUARDI. Mr. Speaker, this Friday evening, the Boys and Girls Club of Mount Vernon will hold its eighth annual charity ball dinner-dance to honor Ms. Joan P. Horton.

Joan P. Horton has been a resident of Mount Vernon for 31 years, having moved here from New York City in 1955. Shortly after moving to Mount Vernon, Joan began what was to become a long list of community activities. Her first involvement was with the newly created South Side Residents Association, where she served as first secretary.

When Joan's children became school age she participated in many education-related organizations, including the Robert Fulton PTA, the advisory council of the board of education and the Quarterback Club. In 1964 she and many other parents led in the desegregation of Mount Vernon schools after the historic NAACP suit of that year.

Mrs. Horton was a member of the staff of Congressman Richard L. Ottinger for 8 years and worked in the capacity of staff assistant and community liaison. During this period Mrs. Horton provided services to hundreds of Westchester residents and represented the Congressman on many committees and community boards.

As a member of the Boys Clubs Advisory Council, Mrs. Horton helped coordinate and participated in the single parent workshops and fundraising activities.

In addition to her years of service to the Boys Clubs she has volunteered her time in the field of mental health and in housing. She has served on the Mount Vernon Area Mental Hygiene Council and was appointed by County Executive Alfred Del Bello to serve on the Westchester Substance Abuse Committee. Mrs. Horton was the community representative for the Mount Vernon Apartment Improvement Program [AIP] and was one of the founders of the Housing and Neighborhood Development Institute [HANDI] of which she is still a board member.

Before becoming an associate with Harvey Associates, a prototype model making firm in Mount Vernon, Joan served on my district office staff, continuing her many services to the Westchester community and serving on the Westchester 2000 task force.

She is presently a member of the Mount Vernon Chamber of Commerce, clerk of the Vestry for Trinity Episcopal Church, serves on the day care SAC for United Way of Westchester and is part of their Agency and Community Organizations Campaign Division. Mrs. Horton is presently the corresponding secretary for the Westchester Black Women's Political Caucus, and acting chair for the Mount Vernon chapter.

The entire Mount Vernon and Westchester community is proud to pay tribute to this magnificent lady. I wish Joan continued success and happiness in all her future endeavors. Thank you, Mr. Speaker.

COMMEMORATING THE 25TH ANNIVERSARY OF THE JOINT BALTIC AMERICAN NATIONAL COMMITTEE

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. MORRISON of Connecticut. Mr. Speaker, as a member of the Ad Hoc Committee on the Baltic States and the Ukraine, I would like to bring to your attention that this year marks the 25th anniversary of the Joint Baltic American National Committee. I am sure my colleagues join me in commending the members of this organization on this important anniversary for all their hard work in the cause of the oppressed people of Latvia, Estonia, and Lithuania. By offering support and information to Members of Congress and to the American public, this organization has provided an important service to all concerned with freedom, keeping the plight of the Baltic peoples in the forefront of congressional attention.

This committee, which represents the interests of the Estonian American National Council, the American Latvian Association, and the Lithuanian American Council, will celebrate their anniversary the evening of May 1 by presenting the Baltic Freedom Award to several of our colleagues and Government officials who have been active in the cause of freedom and self-determination for the people of the Baltic States.

I commend the JBANC on its choice of recipients. Senators WILLIAM ARMSTRONG and DONALD RIEGLE, Jr., and our House colleague WILLIAM CARNEY, will be among those honored tomorrow evening, receiving due credit for their many efforts on behalf of the Baltic peoples. Also slated to be honored and equally well deserving are Linas Kojelis, Special Assistant to the President in the Office of Public Liaison; Mark Palmer, Deputy Assistant Secretary for European Affairs at the State Department, and the staff of the Commission on Security and Cooperation in Europe. President Reagan will receive his award at a later date in conjunction with Baltic Freedom Day, which will be June 14.

The Joint Baltic American National Committee has worked hard over the last 25 years to champion the cause of the people of Latvia, Estonia, and Lithuania. At a time when basic human freedoms are being threatened all over the world, it is appropriate that we commend the efforts of this committee on its 25th anniversary and vow to continue to stand with them in the fight to liberate the Baltic States.

THE ARMENIAN GENOCIDE

HON. JOSEPH D. EARLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. EARLY. Mr. Speaker, once again this year, I would like to join Representatives PASHAYAN and COELHO and many of my colleagues in the House in recognizing and commemorating April 24 as Armenian Martyrs' Day. I appreciate the opportunity to observe the 71st anniversary of this dark day in history, which marked the beginning of the systematic and deliberate massacre of 1.5 million Armenians by the Ottoman Turkish Empire.

December 12, 1985, also marked a dark day for this legislative body when the House defeated, by a vote of 206 to 213, a clarifying amendment to House Joint Resolution 192, the resolution designating April 24 as the "National Day of Remembrance of Man's Inhumanity." Consequently, the House came to no resolution on House Joint Resolution 192. Despite the narrow defeat of this amendment and the ongoing rhetoric of those who oppose this resolution, supporters of House Joint Resolution 192, like myself, will continue to be optimistic. Perhaps there is renewed reason for optimism particularly because the other Chamber, on February 19, 1986, after 37 years of intermittent deliberation and debate, approved a treaty declaring genocide to be a crime.

Many people, including President Reagan and the American Ambassador to Ottoman Turkey during the Armenian extermination have acknowledged and hundreds of newspaper accounts throughout that period have documented the Armenian Genocide. It is my hope that ratification of the International Convention on the Prevention and Punishment of the Crimes of Genocide will be instrumental in leading to the final affirmation of the Armenian atrocity as the first genocide of the 20th century. In fact, Raphael Lemkin, who coined the word "genocide" in 1944 and introduced a treaty to the League of Nations in 1933 outlawing the killing of "racial, religious, or social collectiveness," did so in response to the Holocaust and the Armenian massacre and was the first to term this extermination as the "Armenian Genocide." This proposal set ground for the United Nations Genocide Treaty.

In the effort to learn from the past, prevent future genocides, and to mourn for those who died in the Armenian massacre, we owe it to ourselves and to the accurate interpretation of history, to pay tribute and commemorate Armenian Martyrs' Day this year and every year. As a Member of this great body and a friend of many Armenian-Americans whose ancestors were slaughtered or fled the Ottoman Empire during this period, I remain committed to the passage of the "National Day of Remembrance of Man's Inhumanity to Man." The Armenian genocide must never be forgotten.

THE 25TH ANNIVERSARY OF THE JOINT BALTIC AMERICAN NATIONAL COMMITTEE

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. HOWARD. Mr. Speaker, the Joint Baltic American National Committee [JBANC] is celebrating its 25th anniversary this year. JBANC monitors U.S. Government actions on the Baltic States and provides information to interested agencies and congressional offices.

To celebrate the anniversary, JBANC will award the Baltic Freedom Award to individuals who have demonstrated strong support for the cause of freedom and self-determination in Lithuania, Latvia, and Estonia. Recipients of the award tonight include: Senator WILLIAM ARMSTRONG, Representative WILLIAM CARNEY, Senator DONALD RIEGLE, Jr., Linas Kojelis, Special Assistant to the President, Office of Public Liaison; Mark Palmer, Deputy Assistant Secretary for European Affairs, State Department, and the staff of the Commission on Security and Cooperation in Europe.

I would like to extend my own congratulations to these individuals for keeping alive the cause of the Baltic peoples here in America. Many years have passed, and perhaps, sadly, many more will pass during which these brave people will endure without a nation to call their own. However, their spirit will never be broken. With constant encouragement from their brethren here in the United States, exemplified by the efforts of the JBANC, the Baltic peoples will continue their just struggle for freedom.

It is our duty as Americans to express solidarity with those who struggle today against Soviet attempts to deny their identity as a people. We will remain worthy of our freedom only as long as the aspirations of the oppressed live in our hearts. Let us remember the plight of the people of the Baltic nations, lest we forget our own place in the world.

JOHN CALVIN NEILL ACHIEVEMENTS

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. GEKAS. Mr. Speaker, I would like to bring to the attention of my colleagues in the U.S. Congress the outstanding achievements of Mr. John Calvin Neill, who will be honored on May 2, 1986, at a surprise testimonial dinner hosted by the Bethlehem-Steelton Management Club of Steelton, PA.

John Calvin Neill, known to his many friends as Cal, has served his community in many capacities throughout his adult life. Cal Neill is a leader. He has ably served the borough of Paxtang as its mayor; held the position of president for 12 years with the Paxtang Fire Co.; served for 25 years as Paxtang's judge of elections and has been a devoted Paxtang Republican committeeman.

Mr. Speaker, I have come nowhere near listing all of Cal Neill's activities and accomplishments, but I must admit that those previously mentioned would seem to be enough to satisfy most of us in a lifetime. But not Cal. He has also served in various capacities with the Paxtang Lions Club, Post 21 of the American Legion, the Tri-County Blind Association, the Heart Association, the War Veterans Council of Greater Harrisburg, and the list goes on and on.

Cal Neill is an outstanding example of dedication and excellence. I ask my colleagues in the U.S. Congress to join me in saluting this fine man. He has truly enriched the lives of all who have been privileged to know him and work with him.

INDONESIA'S RESTRICTION OF PRESS

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. FASCELL. Mr. Speaker, the exclusion of an American and two Australian reporters by authorities in Indonesia yesterday marred the visit of President Reagan to that country. I also believe these incidents work to the disadvantage of better relations between the United States and ASEAN—the Association of Southeast Asian Nations.

Coming on the eve of the meeting of the Foreign Ministers from the six ASEAN countries, the recent abrupt restrictions of press have publicized just how unfree press and speech remain in Asia. The State Department's report on human rights practices that was issued earlier this year already provided a sad account of censorship and other manipulation of media in many countries in the region. This situation is particularly disappointing in ASEAN which includes so many close friends of the United States.

The people and lands in ASEAN are otherwise well regarded by Americans, in large part, because of the impressive accomplishments in economic and social progress and due to the strong cultural and national qualities. I urge the governments in the region to reevaluate their policies regarding the free flow of ideas and information and to recognize that continued press harassment does not serve the interests of improved understanding and better relations among our peoples.

CELEBRATES 250TH ANNIVERSARY

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. DIOGUARDI. Mr. Speaker, I rise today to pay tribute to the town of North Castle, NY, which will be celebrating its 250th anniversary on Saturday, June 7, 1986.

North Castle was settled by people from the English colony of New Haven and Quakers from Long Island. Since that time it has had a rich history.

North Castle played a significant historical role in the Revolutionary War, being the land where passing armies fought. These armies not only fought, but they pillaged the land and left North Castle in shambles at the wars end. In fact, much of the battle of White Plains was fought in the hills of North Castle. North Castle was also the sight where the captured British Maj. John Andre was held after being caught in an attempt to return to British lines with vital information supplied from the infamous traitor, Benedict Arnold.

During the Civil War, North Castle was a vital part of the underground railroad, helping many slaves escape to freedom. In more recent history, the Armonk airport was opened and has played host to Charles Lindbergh, Eddie Rickenbacker and the Goodyear Blimp.

Presently, North Castle is a community of 10,000 residents and is the home of many industries, including the world headquarters of IBM. The town has grown tremendously in the last 150 years, rising from a farm community to a thriving suburb. I would like to take this time to wish North Castle a very happy anniversary and the best of luck in the future.

CONGRESSIONAL SALUTE TO THE COUNTY TAXPAYERS' LEAGUE OF SACRAMENTO COUNTY

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. MATSUI. Mr. Speaker, I would like to call my colleagues' attention to a very fine volunteer community activist organization—the Sacramento County Taxpayers' League—which is celebrating its 25th year of dedicated service to the people and institutions of this fine community.

The organization was originally formed in the early 1950's as the Sacramento County Landowners Association and received its support from $5 and $10 donations with an initial budget of less than $300.

In 1961, the league was officially incorporated and since that time has been directly involved in the evaluation of more than 386 major issues affecting Sacramento County taxpayers. More than 300 recommendations have been made to various levels of government and 216 issues have been addressed as recommended by the organization.

The league, whose dedication and concern is exemplified through the volunteer efforts of its members in researching local issues and reporting its findings to the citizens, receives support for its activities from major industries and hundreds of concerned individuals.

I am particularly impressed with the organization's chief goals of working with elected officials and agencies to promote and enhance economy and efficiency in local government. Through much hard work and cooperative efforts, many thousands of dollars in taxpayers' money have been saved over the years and used to provide critical services in other more important areas.

Mr. Speaker, on behalf of the people of Sacramento, I would like to congratulate and commend the County Taxpayers' League of Sacramento County, Inc., for 25 years of outstanding service to our community and extend my best wishes for success in all future activities.

ACCOMPLISHMENTS OF A FRIEND

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. KEMP. Mr. Speaker, I rise today to bring to the attention of my colleagues the accomplishments of a friend and constituent, Morris R. Poummit, of Amherst, NY. Morry was recently inducted into the Buffalo/Niagara sales and marketing executive hall of fame. Having been active in the sales and marketing executive organization since 1954, Mr. Poummit is a logical and obvious choice for this distinguished honor.

Mr. Poummit is the retired chief executive officer and chairman of Colad, Inc., having been one of its founders in 1947. Colad, which produces plasticoat book covers for over 1,800 colleges and 20,000 high schools is the 468th largest printer in the United States and 3rd largest printer in my home community of western New York.

Besides his business commitments, Mr. Poummit has been very actively involved in our community giving unselfishly to the Amherst Chamber of Commerce and the Buffalo Philharmonic Orchestra.

At 72 years of age, Morry Poummit makes everyone think twice about 65 being a mandatory retirement age. He is still a vital and integral part of our community as are many of those whom are all too casually called senior citizens. I know that Morry will continue to make a difference in our western New York community whether it is because of his continued involvement in the Amherst Chamber of Commerce as its executive vice president or in his promotion of defense driving to keep our streets and highways safer.

Morry Poummit is a leader in my community, a senior citizen who takes a back seat to no one in his commitment to make western New York a better place to live.

TRIBUTE TO RICH CENTRAL HIGH SCHOOL

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. O'BRIEN. Mr. Speaker, I am honored today to announce a great victory for Rich Central High School in Olympia Fields within the Fourth District of Illinois. Coach Ron Brauer's Olympians took second place in the class AA basketball State championship after a thrilling match against the DeLaSalle Jaguars. The championship game follows an outstanding winning season that earned the Olympians the SICA conference title.

Rich Central was the first SICA school to play in the class AA State finals since 1975, although present SICA member Lockport won the State title in 1978 as a member of the now defunct Illini-8 conference.

Both teams played aggressively throughout the championship game, with the lead changing hands frequently. With fast-breaking, action-packed play, the Olympians kept their loyal fans riveted to their seats. Though the first place title eluded them this year, the Olympians' skill, sportsmanship, and desire to excel have earned them the respect of their community and won them a special place in the hearts of their classmates. In the eyes of all, they are heroes because they played with heart and soul, giving the game their very best.

I know my colleagues in the House join me in congratulating Coach Ron Brauer and his excellent Olympian team.

THE 71ST ANNIVERSARY OF THE ARMENIAN GENOCIDE 1915-23

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. MOAKLEY. Mr. Speaker, today I wish to pay tribute to the one and a half million men, women, and children who were brutally murdered by the Ottoman Turkish Government in the Armenian Genocide of 1915–23. With the 71st anniversary of this event, I would like to join my fellow colleagues in honoring these brave people.

The Armenian people were systematically destroyed by the Turkish Government starting on August 14, 1914. At that time, all Armenian men were drafted into the Turkish Army and segregated into labor batallions. In these batallions the Armenians were worked to death, or massacred by their tormentors. The massacre continued in the fall of the same year as the Ottoman Turkish Government went from village to village destroying homes and entire families of Armenians. The sole reason for these invasions was to settle the "Armenian Question." Another attack on the Armenian people came with the deportation of their race from their homeland. This act left thousands of Armenians homeless and hungry—and ultimately dead.

Mr. Speaker, on February 19, 1986, the Senate approved the Genocide Convention. This act reaffirmed the U.S. commitment to work toward the preservation of the human race. Between 1915 and 1923 we almost lost an entire race of people—the Armenians—let us never, ever, let this happen again! 500,000 Armenian refugees escaped to Turkey, and fled to nearby Russia, Europe and the United States.

These people have the task of carrying on their race under the dark cloud of near extinction. It is not an easy task, and they must be strong and brave. I have no doubt that they will be.

Let us never forget the million and a half Armenians who were senselessly murdered, for if we do, we will be doomed to repeat their horrid experience.

JOINT BALTIC AMERICAN NATIONAL COMMITTEE CELEBRATES 25TH ANNIVERSARY

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. BROOMFIELD. Mr. Speaker, today marks the 25th anniversary of the Joint Baltic American National Committee. This distinguished group was established in 1961 and monitors U.S. Government actions on the Baltic States, while at the same time providing information to interested agencies and congressional offices. Tonight, the JBANC will bestow the Baltic Freedom Award to Members of Congress and other Government officials

during a reception at the Longworth House Office Building.

The recipients for 1986 include: Senator WILLIAM ARMSTRONG (CO-R); Representative William Carney (NY-R); Senator DONALD RIEGLE, Jr. (MI-D); Linas Kojelis, Special Assistant to the President, Office of Public Liaison; Mark Palmer, Deputy Assistant Secretary for European Affairs, State Department; and the staff of the Commission on Security and Cooperation in Europe.

I want to take this opportunity to congratulate the Joint Baltic American National Committee on this important occasion and to offer my best wishes to the worthy recipients of this year's Baltic Freedom Awards.

IN MEMORY OF MRS. MARY RAMBO

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. SUNDQUIST. Mr. Speaker, in February, the Tennessee Republican Party lost a faithful member when Mrs. Mary Rambo passed away at the age of 90.

She will be remembered as a loyal and lifelong member of the Republican Women's Club in Memphis. Every election year, she worked diligently in elections. In fact, while she was 80 and residing in a nursing home, Mrs. Rambo continued her political work by registering voters in the home. On election day, she made arrangements to provide transportation to and from the polls. Her love and respect for our political system will never be forgotten.

Mrs. Rambo will be sorely missed by her family, friends, those she helped elect, and all others whose lives she touched.

ARMENIAN MARTYRS DAY

SPEECH OF

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. PANETTA. Mr. Speaker, I feel that I must join my colleagues today in commemorating Armenian Martyrs Day.

Seventy years have come and gone since the Armenian genocide began in Turkey and took the lives of more than 1.5 million men, women, and children. But those passing years have not weakened the memories of those of Armenian descent who survived and those who came afterward.

There is a saying that time heals all wounds, but the healing process cannot begin until the wound is acknowledged. For 70 years, the Government of Turkey has refused to make that acknowledgement. But denial does not erase the pain that lives within the hearts of all Armenians.

The time is long overdue for the Government of Turkey to acknowledge that the genocide took place. Such an admission will not bring the dead back to life. Nor would it erase the painful burden that will always be borne by the Armenian people. But it would allow the healing process to begin.

It is only fitting, even necessary, that we commemorate the Armenian Genocide, because it is through remembering that we can ensure that history is not repeated. It has already been repeated too often.

SOVIET NUCLEAR DISASTER

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Ms. KAPTUR. Mr. Speaker, in any disaster, natural or man-inspired, we customarily anticipate the immediate and human response: Succor. Individuals, families, businesses, religious organizations, governments: All respond forthrightly with forthright aid. Perhaps this habitual reaction becomes nothing out of the ordinary in our perception because we believe, intuitively, that such a response could not be otherwise; it seems the right, the correct thing to do.

We look upon a situation today which merits just such a response: The catastrophic incident—perhaps meltdown—of the Chernobyl nuclear facility 60 miles outside of Kiev, in the Soviet Union. And yet we are confronted with a government which has limited news of the disaster to an extent unconscionable, a government which has refused to provide any information on an incident which could potentially affect the lives of millions, in the Soviet Union and in Europe.

President Reagan has offered technical and humanitarian assistance. Undoubtedly the relatives of the victims, as well as individuals and groups who are compelled to offer help, will offer aid as quickly as possible. We ask only for the information necessary to facilitate assistance, mitigate the already deleterious effects, and prevent, or at least contain, a similar future occurrence.

Authentic sympathy, engendered with such knowledge that chance and human error inevitably cause havoc, can no more be turned away than those feelings can be stopped. Let us help.

CONGRESSIONAL SALUTE TO THE 1986 RECIPIENTS OF THE NEW JERSEY MONTHLY MAGAZINE PROGRAM BENEFITING NEW JERSEY SPECIAL OLYMPICS

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. ROE. Mr. Speaker, on Thursday, May 1, the people of my congressional district and State of New Jersey will join together at the Second Annual New Jersey Pride Awards Dinner sponsored by New Jersey Monthly Magazine to benefit New Jersey Special Olympics and honor eight distinguished citizens of New Jersey who have provided outstanding examples of private initiative and creative ideas to improve the quality of life in our State.

The New Jersey Pride Awards, saluting the unique talents and accomplishments of New Jerseyans, will be presented May 1 for the second time by New Jersey Monthly Magazine. Distinguished accomplishments in the arts, community development, economic development, education, energy/environment, health, science and technology, and social services will be recognized. Additionally, the New Jersey Pride Awards, initiated last year by New Jersey Monthly, will again benefit a truly worthy and deserving charity, the New Jersey Special Olympics, a sports training and athletic competition program for mentally retarded children and adults.

Mr. Speaker, I know that you and our colleagues here in the Congress will want to join with me in extending our heartiest congratulations and deepest appreciation to the New Jersey Pride honorees, a roster of exemplary community leaders and highly reputable citizens of New Jersey, as follows:

NEW JERSEY PRIDE AWARD WINNERS, 1986

THE ARTS

Morris Pesin, Jersey City, NJ. Morris Pesin of Jersey City is known to many as the "Father of Liberty State Park." The park's main drive, which leads to the waterfront opposite Liberty Island, is named after Mr. Pesin in recognition of the quarter century effort he put into the park's development. He is affiliated with the federal Statue of Liberty, Ellis Island Centennial Commission, and Chairman of the Jersey City Cultural Arts Commission. He has also received the Volunteer Action Medal by President Reagan, making him the first New Jerseyan to receive this medal in the 4-year history of the program.

Nominated by Eugene J. Scanlon, Jersey City, NJ.

COMMUNITY DEVELOPMENT

Lois M. Teer, Camden, NJ. Ms. Lois Teer designed and spearheaded a 3-year marketing campaign to improve the image of Camden and lure middle income house buyers to buy, rehabilitate and move into abandoned homes. A trickle of urban pioneers in 1982 has grown to a respectable interest of developers, investors and families who bought properties.

Nominated by Margaret Manning, Camden, NJ.

ECONOMIC DEVELOPMENT

Leslie E. Smith, Jr., Flanders, NJ. Executive Director of the International Trade Center, Leslie Smith, together with his late partner, Andrew Clark, conceived the idea of a foreign trade zone in Morris County. The development of the International Trade Center and its progress during the past year have meant new status, new wealth and long-term financial health for the area.

Nominated by Dolores Rivinius, Mt. Olive Chamber of Commerce, Budd Lake, NJ.

EDUCATION

Saul Cooperman, Commissioner of Education, State Department of Education, Trenton, NJ. Under Dr. Cooperman's leadership, the State Department of Education has launched programs to recruit, reward and recognize teachers and to provide for their professional renewal. These programs include the department's Academy for the Advancement of Teaching and Management

and the Provisional Teacher Program, or the alternate route to certification. The department has raised standards for students in bilingual education and in basic skills and begun projects to improve student behavior. The department has also developed the Urban Initiative, a major effort to enable educators and students in urban districts to help themselves solve some of their more persistent problems. Under the Commissioner's direction, New Jersey has also raised standards for educational leaders at both the state and local levels.

ENERGY/ENVIRONMENT

Jean Clark, Upper Montclair, NJ. Jean Clark founded the Montclair Organization for Conservation in 1971 and founded the Recycling Center which she runs. She has raised the recycling consciousness of the Community and made it a showcase to many communities in the state. Ms. Clark is current President of the New Jersey State Recycling Forum. Nominated by Barbara Haver, President of the League of Women Voters, Montclair/Glen Ridge, Upper Montclair, NJ.

HEALTH

Eva Gottscho, Short Hills, NJ. Eva Gottscho established the Ruth Gottscho Kidney Foundation in 1960 after the death of her daughter from kidney failure. The foundation has been instrumental in sustaining the lives of hundreds of people by providing them with artificial kidney machines for home use.

Nominated by Albert Wickins, Jr., Madison, NJ.

SCIENCE AND TECHNOLOGY

Dr. David M. Goldenberg, Short Hills, NJ. Dr. Goldenberg is a world renowned pioneer in cancer detection, control and cure. Founder of the Center for Molecular Medicine and Immunology, in 1983 he moved his entire operation from Kentucky to the Newark, New Jersey campus of the University of Medicine and Dentistry. He was recently named an Outstanding Investigator by the National Cancer Institute and awarded a $9.7 million research grant from the institute.

Nominated by Robert J. Del Tufo, Esquire, Morristown, NJ.

SOCIAL SERVICES

Henry I. DeGeneste, Jersey City, NJ. Throughout Henry DeGeneste's career, he has demonstrated a commitment to the welfare of his fellow man. He has served over 17 years of diversified experience in the law enforcement field, seven of which are on the executive level. Mr. DeGeneste currently holds the office of Superintendent of Police which is the highest rank in the Police force and manages approximately 1,200 sworn personnel.

Nominated by Captain Joseph M. Hurtuk, Jersey City, NJ.

May I also commend to you, the Honorary Committee of Pride, a group of prominent Americans, who have joined together in deep commitment and support of New Jersey Monthly's Annual Program of Pride, as follows:

NEW JERSEY PRIDE HONORARY COMMITTEE

The Honorable Thomas H. Kean, Governor of New Jersey.

Edward E. Barr, President, Courtaulds U.S. Developments, Inc.

Senator Bill Bradley, United States Senate.

Leanna Brown, New Jersey Senate.

Barbara A. Curran, President, Board of Public Utilities.

Kathleen DiChiara, Director, Community Food Bank of New Jersey.

Robert Ferguson, Jr., Chairman, First Fidelity Bank.

Jon F. Hanson, Chairman, New Jersey Sports & Exposition Authority.

Lynne Kramer, Director, Project Impact.

Senator Frank R. Lautenberg, United States Senate.

Arlie Lazarus, President, Jamesway Corporation.

Paul Loser, Chief Operating Officer, New Jersey Bell.

Kate Luscombe, RN, Jersey Shore Medical Group.

Patricia J. Maynard, Special Assistant for New Jersey, Port Authority of New York & New Jersey.

David Moore, Executive Director, New Jersey Conservation Foundation.

Gerald O'Keeffe, President, Queen City Savings.

Joan M. Quigley, Vice President, St. Francis Community Health Center.

Robert M. Schaeberle, Chairman of the Board, Nabisco Brands, Inc.

Angelo P. Schiralli, Senior Vice President, Mutual Benefit Life.

Richard L. Schlott, President, Schlott Realtors.

Joseph Semrod, President, United Jersey Banks.

Eunice Kennedy Shriver, President, Special Olympics, Inc.

William Simon, Chairman of the Board, Wesray Corporation.

Harold W. Sonn, Chairman of the Board, Public Service Electric & Gas.

Fox Stoddard, Vice President-Access Management, AT&T Communications.

Norman B. Tomlinson, Jr., Publisher, New Jersey Monthly.

James M. Weichert, President, Weichert Realtors.

Mr. Speaker, I share great pride with all New Jerseyans in the knowledge of the many years of preparation, training, personal effort, and hard work that our honorees have devoted to attain the New Jersey Pride Award. As the Representative of the Eighth Congressional District of New Jersey here in the Congress, I add this special note of pride on behalf of our constituent, Jean Clark of Upper Montclair, NJ, who is among the recipients of this year's highly coveted New Jersey Pride Award. With your permission, Mr. Speaker, I would like to insert at this point in our historic journal of Congress the following proclamation to commemorate May 1 as New Jersey Pride Day and commend the honorees for their outstanding contributions to the quality of life and way of life in New Jersey which has truly enriched our communities, State, and Nation:

NEW JERSEY PRIDE PROCLAMATION

Whereas pride in New Jersey is one of the most important factors in elevating the state to its highest potential, and;

Whereas the greatest source of state pride is its people, men and women who have dedicated themselves to making New Jersey a better and more interesting place to live, and;

Whereas New Jersey Monthly is a magazine dedicated to recognizing those men and women who have made outstanding contributions to the quality of life in the state, and;

Whereas New Jersey Monthly instituted the New Jersey Pride Awards in 1985 to recognize the individuals who have exemplified the meaning of pride in New Jersey by providing outstanding examples of private initiative and creative solutions to its problems, and;

Whereas the second annual New Jersey Pride Awards Celebration will be held May 1, 1986 in the Parsippany Hilton Hotel, Parsippany, New Jersey, and;

Whereas New Jersey Monthly will be honoring the following individuals in the following categories:

The Arts—Morris Pesin of Jersey City, known to many as the Father of Liberty State Park.

Community development—Lois M. Teer of Camden, designer of the campaign to improve the image of Camden by rehabilitating abandoned homes and attracting homebuyers to the downtown area.

Economic development—Leslie E. Smith, Jr., of Flanders, who together with his late partner, Andrew Clark, conceived the idea of a foreign trade zone in Morris County. Now Executive Director of the International Trade Center.

Education—Saul Cooperman of Rocky Hill, Commissioner of Education for exemplary achievement in education;

Energy/environment—Jean Clark of Upper Montclair, founder of Montclair Organization for Conservation and Recycling Center.

Health—Eva Gottscho of Short Hills, founder of the Ruth Gottscho Kidney Foundation which is instrumental in sustaining the lives of hundreds of people by providing them with artificial kidney machines for home use.

Science and technology—Dr. David M. Goldenberg of Short Hills, world renowned pioneer in cancer detection, control and cure, founder of the Center for Molecular Medicine and Immunology at the University of Medicine and Dentistry.

Social services—Henry I. DeGeneste of Maplewood, Superintendent of Police. The Port Authority of New York & New Jersey, considered by many as a "Man for all Seasons" involved in numerous community service projects.

Be it hereby proclaimed, That May 1st has been appropriately established for the commemoration of New Jersey Pride Day to honor the recipients of the New Jersey Pride Awards. In observance of this occasion, New Jersey Monthly Magazine, the program sponsors, will hold a dinner for the presentation of New Jersey Pride Awards, the proceeds of which will be appropriated for the benefit of New Jersey Special Olympics.

Mr. Speaker, we do indeed salute the 1986 recipients of the New Jersey Pride Awards with special plaudits to New Jersey Monthly magazine, the founders and originators of this highly unique and rewarding program that has been established for the citizens of our great State of New Jersey and appropriately entitled "New Jersey Pride."

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees

to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, May 1, 1986, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MAY 2

9:30 a.m.
Joint Economic
To hold hearings on the employment/unemployment situation for April.
SD-528

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings to review proposed budget estimates for fiscal year 1987 for intelligence programs.
S-407, Capitol

MAY 5

1:30 p.m.
Finance
International Trade Subcommittee
To hold hearings on miscellaneous tariff bills.
SD-215

2:00 p.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold hearings to review the Department of Energy nuclear research and development program policy.
SD-366

3:00 p.m.
Foreign Relations
To hold hearings on the nominations of Ronald F. Lehman II, of Virginia, for the rank of Ambassador during his tenure of service as United States Negotiator for Strategic Nuclear Arms, Paul H. Nitze, of the District of Columbia, to be Ambassador at Large, and Warren Zimmerman, of Virginia, for the rank of Ambassador in his capacity as Chief of the United States Delegation to the Vienna Conference on Security and Cooperation in Europe Follow-up Meeting.
SD-419

MAY 6

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, rural development, and related agencies.
SD-138

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies
SD-116

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Air Force aircraft procurement programs.
SD-192

Judiciary
To resume hearings on the nomination of Jefferson B. Sessions III, to be United States District Judge for the Southern District of Alabama.
SD-226

2:00 p.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, rural development, and related agencies.
SD-138

Armed Services
Preparedness Subcommittee
To resume open and closed hearings on S. 2199, authorizing funds for fiscal year 1987 for the Department of Defense, focusing on the National Strategic Stockpile; and to mark up S. 2102, to prescribe the method for determining the quantity and classification of any materials to be stockpiled under the Strategic and Critical Materials Stock Piling Revision Act (P.L. 96-41).
SR-222

Select on Intelligence
Closed business meeting, to mark up proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

MAY 7

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Supreme Court of the United States, U.S. District Courts/Courts of Appeals, and the Commission on the Bicentennial of the U.S. Constitution.
S-146, Capitol

Judiciary
To resume hearings on S. 2162, to promote and improve efficient and effective enforcement of the antitrust laws.
SD-226

Labor and Human Resources
To hold oversight hearings on medical malpractice.
SD-430

Select on Intelligence
Closed business meeting, to continue markup of proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Urban Mass Transportation Administration, Department of Transportation, and the Washington Metropolitan Area Transit Authority.
SD-138

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

2:00 p.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, rural development, and related agencies.
SD-138

Judiciary
To hold hearings on pending nominations.
SD-226

Select on Indian Affairs
To hold hearings on S. 2260, to settle certain claims arising out of activities on the Pine Ridge Indian Reservation, and S. 2243, to improve the health status of Native Hawaiians.
SD-124

3:00 p.m.
Foreign Relations
Western Hemisphere Affairs Subcommittee
To resume hearings in closed session on the situation in Panama.
S-116, Capitol

MAY 8

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1987 for the National Aeronautics and Space Administration, focusing on the space transportation system.
SR-253

Foreign Relations
To hold hearings on nuclear testing issues.
SD-419

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for strategic systems.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Aviation Administration, Department of Transportation.
SD-138

Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To hold oversight hearings on the Government approval of the release of genetically engineered organisms.
SD-406

2:00 p.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, rural development, and related agencies.
SD-138

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Holocaust Memorial Council and the Smithsonian Institution.
SD-192

Judiciary
To resume hearings on white-collar crime in the United States, focusing on the E.F. Hutton investigation.
SD-226

MAY 9

9:30 a.m.
Energy and Natural Resources
To hold hearings on Senate Joint Resolution 325, to approve the "Compact of Free Association" between the United States and the Government of Palau.
SD-366

Finance
Health Subcommittee
To hold hearings to examine the condition of rural hospitals under the Medicare Program.
SD-215

MAY 12

3:00 p.m.
Foreign Relations
Western Hemisphere Affairs Subcommittee
To hold closed hearings on the situation in Mexico.
S-116, Capitol

MAY 13

9:00 a.m.
Office of Technology Assessment
The Board, to meet to consider pending business items.
EF-100, Capitol

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on proposed legislation authorizing funds for the U.S. Coast Guard, and H.R. 1362, to revise, consolidate, and enact certain laws related to load lines and measurement of vessels as parts C and J of subtitle II of title 46, U.S. Code.
SR-253

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Foreign Relations
Western Hemisphere Affairs Subcommittee
To continue hearings on the situation in Mexico.
SD-419

2:00 p.m.
Foreign Relations
East Asian and Pacific Affairs Subcommittee
To resume hearings to review the services trade between the United States and Japan.
SD-419

Judiciary
Administrative Practice and Procedure Subcommittee
To hold hearings on S. 673, to establish a specialized corps of judges necessary for certain Federal proceedings required to be conducted, and S. 580, to ensure the independence of certain administrative law judges.
SD-226

MAY 14

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Health Resources and Services Administration, Department of Health and Human Services.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Legal Services Corporation, and the Securities and Exchange Commission.
S-146, Capitol

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Transportation and certain related agencies.
SD-138

Environment and Public Works
To hold hearings on H.R. 2403, to require that public buildings constructed or altered under the Public Buildings Act shall be in compliance with nationally recognized building codes and State and local zoning laws, and proposed legislation authorizing funds for fiscal year 1987 for public buildings program of the General Services Administration.
SD-406

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on S. 525, to provide for the transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of radiation effects.
SD-342

Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To resume hearings on S. 1327, to establish higher minimum rates of basic pay in geographic areas where the Federal Government is experiencing significant recruitment and retention problems, S. 1727, to establish alternative personnel management systems for scientific and technical employees, and provisions of S. 2082, to improve the management of major defense acquisition programs, to establish a Defense Acquisition Service, and to limit employment contacts between senior officials of the Department of Defense and defense contractors.
SD-124

MAY 15

9:00 a.m.
Veterans' Affairs
To resume hearings on the reported sightings of live military personnel missing in action in Southeast Asia.
SD-628

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To hold hearings on S. 2083, to promulgate regulations for asbestos hazard abatement in the Nation's schools, and S. 2300, to set standards for identification and abatement of hazardous asbestos in Federal and other buildings.
SD-406

Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 2050, to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers.
SD-430

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on voluntary contributions to international organizations programs, and for the Office of the U.S. Representative to the United Nations.
SD-124

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for the National Science Foundation.
SR-253

Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold oversight hearings on the prospects for exporting American coal.
SD-366

Foreign Relations
To hold hearings to examine oil spill protocol.
SD-419

1:00 p.m.
Judiciary
Security and Terrorism Subcommittee
To resume hearings in closed session to examine legal mechanisms to combat terrorism
S-407, Capitol

2:00 p.m.
Judiciary
Administrative Practice and Procedure Subcommittee
To hold hearings on the prosecution of Soviet Embassy demonstrators.
SD-226

2:30 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for fossil energy and clean coal technology.
SD-192

MAY 16

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on the nominations of Vice Admiral Paul A. Yost, Jr., to be Commandant, U.S. Coast Guard, with the grade of admiral, and Rear Admiral James C. Irwin, to be Vice Commandant, U.S. Coast Guard, with the grade of vice admiral.
SR-253

10:15 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on proposed legislation authorizing funds for the Maritime Administration, Department of Transportation, and proposed legislation authorizing funds for the Federal Maritime Commission.
SR-253

MAY 20

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

Foreign Relations
To hold hearings to review the results of the Economic Summit and international debt issues.
SD-419

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Indian Health Service, Department of Health and Human Services.
SD-192

MAY 21

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Information Agency, and the National Endowment for Democracy.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on strategies to reduce hunger in America.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

MAY 29

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary and Office of the Solicitor, Department of the Interior.
SD-192

JUNE 3

9:30 a.m.
*Energy and Natural Resources
To hold oversight hearings on the implementation of the Public Utility Regulatory Policies Act (P.L. 95-617).
SD-366

10:00 a.m.
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on statistical policy for an aging America.
SD-342

JUNE 4

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Commerce, Justice, and State, the Judiciary, and certain related agencies.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings to review the imposition of user fees in FDA approval procedures for new drugs.
SD-430

10:00 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on S. 1935, to provide for certain vessels to be documented under the laws of the United States to entitle them to engage in domestic coastwise trade.
SR-253

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

JUNE 5

10:00 a.m.
Energy and Natural Resources
To resume oversight hearings on the implementation of the Public Utility Regulatory Policies Act (P.L. 95-617).
SD-366

JUNE 11

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations to the National Advisory Council on Women's Educational Programs.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

JUNE 12

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume joint oversight hearings with the House Committee on Education and Labor's Subcommittee on Elementary, Secondary and Vocational Education on illiteracy in America.
2175 Rayburn Building

JUNE 17

9:30 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 2055, to establish the Columbia Gorge National Scenic Area.
SD-366

Labor and Human Resources
To resume oversight hearings on medical malpractice.
SD-430

JUNE 18

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

JUNE 25

9:30 a.m.
Labor and Human Resources
To hold hearings on the administration of the Mine Safety and Health Review Commission.
SD-430

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

JULY 16

9:30 a.m.
Labor and Human Resources
To hold hearings on measures to improve the health of children.
SD-430

JULY 17

9:30 a.m.
Finance
Social Security and Income Maintenance Programs Subcommittee
To hold joint hearings with the Committee on Labor and Human Resources' Subcommittee on Employment and Productivity on work and welfare issues.
SD-430

Labor and Human Resources
Employment and Productivity Subcommittee
To hold joint hearings with the Committee on Finance's Subcommittee on Social Security and Income Maintenance Programs on work and welfare issues.
SD-430

JULY 22

9:30 a.m.
Finance
Social Security and Income Maintenance Programs Subcommittee
To resume joint hearings with the Committee on Labor and Human Resources' Subcommittee on Employment and Productivity on work and welfare issues.
SD-430

Labor and Human Resources
Employment and Productivity Subcommittee
To resume joint hearings with the Committee on Finance's Subcommittee on Social Security and Income Maintenance Programs on work and welfare issues.
SD-430

JULY 30

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

AUGUST 13

9:30 a.m.
Labor and Human Resources
To hold hearings to review the private sector initiatives in human services.
SD-430

SEPTEMBER 10

9:30 a.m.
Labor and Human Resources
To hold hearings to review the human resources impact on drug research and space technology.
SD-430

SEPTEMBER 16

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations.
SD-430

SEPTEMBER 24

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

HOUSE OF REPRESENTATIVES—*Thursday, May 1, 1986*

The House met at 11 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O Lord, on this national day of prayer we give thanks for the abundance of blessings that You have given us as individuals and as a nation. We acknowledge our dependence on Your grace and we admit our faults. We pray that You will bless our land and give us ever Your love and Your peace. As You have looked upon us over the years with mercy we come to You with our petitions asking that Your benediction will be with us now and evermore. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

STALINIST SECRECY IN THE NUCLEAR AGE

(Mr. LANTOS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANTOS. Mr. Speaker, it is May Day in Moscow, and there is a new leader standing atop Lenin's Mausoleum reviewing thousands marching through Red Square. But the pathological pattern of Stalinist secrecy continues to blanket the Soviet Union even more ominously than the radioactive cloud drifting slowly across the whole of Europe.

What is unfolding in the Ukraine is not just a human tragedy; it is a governmental crime. This globe is too small and too fragile and too interdependent for Stalinist secrecy to determine the fate—not only of the Soviet people—but of the millions who live beyond Soviet borders.

Winston Churchill once said that "Russia is a riddle, wrapped in a mystery, inside an enigma," but there are keys to that riddle—the irrational insistence that Soviet society is perfect and the callous indifference to human suffering.

THE LIABILITY CRISIS—FIVE ESSENTIAL STATE TORT REFORMS

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, I've said the liability explosion is a real crisis that, for the most part, ought to be solved by the States.

PETE STARK and I have introduced a resolution which sends a message to the States that they must act. In the resolution we suggest five State tort reforms that would make their systems for compensation for personal injuries more fair and more predictable and draw insurance coverage back to the market.

We suggest that each State place a cap on damages for noneconomic loss, the so-called damages for pain and suffering and punitive damages. We suggest that they reform the doctrine of joint and several liability so that one responsible for less than half the negligence cannot be made to pay for more than half the loss. And we urge the States to eliminate duplicate recoveries, to allow payments of large judgments over time and to shorten their statutes of limitation, wherever this can equitably be done, to eliminate excessively long exposure.

These reforms would set their tort systems on a more predictable path, stabilize insurance premiums and assure that coverage would be available. Nothing less will do.

THE ADMINISTRATION'S QUESTIONABLE FOREIGN AID PRIORITIES

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, the administration proposes to give $150 million in aid to the Philippines, while it is still fighting to send $100 million to the Contras in Nicaragua.

If one looks at these foreign aid packages from a per capita standpoint, President Reagan wants to give the Contras $30 for each of the 3.3 million residents of Nicaragua, while he plans to give the Aquino government $2.50 per capita for each of the 58 million people who live in the Philippines.

Mr. Speaker, how can we justify giving $30 per capita to the Contras to promote death and destruction, while providing only $2.50 to the Aquino government to help the Philippines overcome decades of dictatorial thievery, corruption, and incompetence?

Mr. Speaker, what has happened to our Nation's system of values?

Since the end of World War II, our Nation has provided billions and billions of dollars in assistance to nations across the globe for economic development and other humanitarian purposes.

Now it seems that the administration places more emphasis on fomenting violent revolution in Central America than helping the newly elected Government of the Philippines establish a democratic government and begin the process of developing the nation.

Mr. Speaker, I don't believe our Nation's value system has changed, or that the Reagan administration's aid plans for Nicaragua and the Philippines reflect our values.

It is time for the Reagan administration to take a good look at its foreign aid priorities—and resume the good work the United States has performed since World War II.

SUPPLY-SIDE ECONOMICS—1920 STYLE

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, contrary to folklore, supply-side economics was not invented in 1980. In 1920, the then Secretary of the Treasury, Andrew W. Mellon, proposed to Congress a reduction of income taxes as a measure of raising revenue. He argued that it was better to turn over a dollar three times and collect a dime on each transaction, than to turn it over but once, and collect a quarter. Congress responded. So did the economy, and revenues increased.

If the supply-side formula worked in 1920, why did it fail 60 years later? In 1920 interest rates were low; labor and capital did not have to compete with the "productivity" of Government bonds. In 1980, interest rates reached unprecedented heights, forcing labor and capital to compete with the double-digit return on the risk-free government bonds. The tax reduction, instead of stimulating the employment of labor and capital, stimulated a speculative frenzy in the stock, bond, and foreign exchange markets.

Mr. Speaker, if we want to derive real economic benefits from the supply-side formula, then we have first to bring down the rate of interest to the 2-to-3 percent level at once, by refinancing the public debt through the issuance of gold bonds. This would

do more than any single measure, not only to reduce outlays, but to increase revenues as well.

TAX FREEDOM DAY

(Mr. ECKART of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ECKART of Ohio. Mr. Speaker, today I rise to remind the public that May 1 is also Tax Freedom Day. This day serves to remind us all as taxpayers that from the first of this year through today we have worked to satisfy Federal and State tax requirements.

Consider that 1 hour and 45 minutes of the average American taxpayer's work day is spent to pay Federal taxes, and an additional 55 minutes to pay State and local taxes.

Symbolically, Tax Freedom Day is a sobering reminder of the urgent need for tax reform.

Last December, this House met its commitment for tax reform, and we continue to watch while the other body fiddles. In effect, three out of four taxpayers would pay less under the tax bill; as we watch this strange mating dance in the other body, which one day embraces all loopholes and even creates a few more and the next day rejects them all, we can only watch with conscious deliberation. What will be the consequences for the American taxpayers?

Our bill does in fact provide freedom for taxpayers; and today on May 1, let us look at who has met the obligation of reducing taxes for the American taxpayer.

THANKING JAMES J. CARVINO, CHIEF OF THE CAPITOL POLICE

(Mr. STRANG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRANG. Mr. Speaker, 115 of us have signed a letter of gratitude to James J. Carvino, Chief of the U.S. Capitol Police, saying the following:

> We are most pleased to welcome the return of your fine officers to their accustomed posts on and around Capitol Hill. We have missed them, and the improvement in morale is a tribute to your leadership as well as a contribution in security.

Mr. Speaker, we would welcome any other Members who would like to sign this letter of thanks.

POLITICAL MANEUVERING ON CONTRA AID

(Mr. FRANK asked and was given permission to address the House for 1 minute.)

Mr. FRANK. Mr. Speaker, today is day 16 of the hostage crisis which eventuated when the Republican Party kidnaped its own bill on the Contras a couple weeks ago. We were told on several occasions that there was great urgency for voting on that, so by a brilliant legislative maneuver of marching into their own end zone, which they found unprotected, the Republican Party kept the bill off the floor.

They had an effort to get petition signatures, and we can now report that as of the key date, 274 Members of the House have refused to sign their discharge petition. It now is clear that we will not vote on that bill until June.

One of the things, though, that we know will happen is that our Republican friends will not have to write any new speeches, because all the speeches they gave us in March about how urgent it was that we adopt that bill within a week, they will give us again in June; and if we do not act on it in June, we will hear them again in September.

□ 1110

The fact is there is not a majority in the House for the position they want yet, which is why they held the bill off the floor. There is not a majority in the country for their position. So instead we got a tactical maneuver to disguise that as they continue to try to find some support which they do not yet have for a policy of killing without end and a policy without purpose.

OUR FRIENDS ON THE LEFT SHOULD SCRUTINIZE CAREFULLY THE BEHAVIOR OF THE SOVIET STATE IN THE CURRENT DISASTER

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, I think that all of our friends on the left should look carefully at the behavior of the Soviet state in the current disaster involving a nuclear reactor near Kiev.

Yesterday the Soviet dictatorship released a picture which apparently has been retouched. In a period when their people are dying, in a period when they are sending radiation throughout Western Europe, at a time when they have a true international problem that they should be recognizing, from the best evidence we have they are systematically lying not only to the world but to their own people, and they are callously endangering the lives not only of their own people but of many Western Europeans.

The next time we debate Nicaragua or Angola and our friends on the left talk about any kind of conversation or promises by the Communists, I hope they will remember the lesson we are being given right now about the systematic callousness, the systematic deceit of the Soviet dictatorship and what it should teach us about the dictatorship with which we coexist on this planet.

WE ARE LOSING GROUND ON THE TRADE DEFICIT PROBLEM

(Mr. BONKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONKER. Mr. Speaker, I think all of us are disappointed with the trade deficit figures posted for the month of March, figures that were released this morning. It tells us that the trade deficit for last month is $14.2 billion, which is up $2 billion over the previous month of February.

There is a lot that is wrong with these trade figures. First of all, imports have reached new and staggering levels. Also, our trade deficit with Japan is $5.5 billion higher than it was the previous month. Most disturbing is that the dollar's decline, which has been rather dramatic in the last few months, apparently is having no positive effect on our trade deficit.

Mr. Speaker, a lot more needs to be done. That is why I commend you for recognizing this problem, for instructing the various committees with jurisdiction to report out trade legislation by next week so that we can have a comprehensive trade bill on the floor and report it out by the end of this month.

It is time that this Congress take effective action to bring down that trade deficit and make the United States competitive again in the world economy.

TODAY IS TAX FREEDOM DAY

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, today is Tax Freedom Day. This is the first day of this year that the average American working man and woman is free to work for the support of their family instead of supporting the Government here in Washington.

I greet this day with optimism and with disappointment. I am optimistic because the American working men and women can now tend to bending their resources and their resourcefulness to the support of their families and with disappointment because we have not lived up to the example of responsibility they set for us by giving them what they demand and what they need; responsible tax reform which encourages a growing economy, rewards traditional family values, and promotes equity in our tax system.

I think the time has come, Mr. Speaker, for this Congress to respond to the American working man and

woman and do our very best to move tax freedom day earlier in the year. Perhaps April 1 would be a more appropriate date for them to have their enjoyment.

PREVENTING DRUG ABUSE THROUGH EDUCATION

(Mr. FEIGHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FEIGHAN. Mr. Speaker, much of our rhetoric about combating drug abuse is cast in terms of warfare. While the image of battle is appropriate to an effort meriting the mobilization of all our social and moral resources—and often requiring violent action—we should not be misled by our own metaphors into forgetting that much of our success in discouraging drug abuse will depend on the commonsense vehicle of education in the home and at school.

A forthcoming study by Prof. Wade Silverman of the Emory University Medical School highlights the need for more vigorous efforts at grassroots preventive education. In a survey of 600 Atlanta area high school seniors and their parents, Silverman found large disparities between parents' and children's perceptions of drug use. While just over a third of the parents said their children had used alcohol in the previous 30 days, two-thirds of the children stated that they had in fact used alcohol. Only 3 percent of the parents believed their children had smoked marijuana in the previous 30 days; more than 9 times as many kids, or 28 percent, said they had used the drug.

Even more revealing, perhaps, than these responses about drug use were the results for a question about whom teens would confide in about drug abuse. More than half the parents thought they would be their children's first choice; yet only 20 percent of the children made the same choice; 7 out of 10 said they would talk to a friend.

This study should tell us a number of things. First, we need to devote more resources to preventive education programs. While the administration's rhetoric about drug abuse has increased in the last few years, its funding priorities have moved in the opposite direction. Drug abuse prevention programs have been cut by more than 40 percent. Second, we should focus our educational efforts on peer relationships. If we are going to influence teen behavior, we must reach out to the social world from which they draw many of their behavioral cues. Third, we must not only educate others; we must educate ourselves.

INTERNATIONAL EMERGENCY RESPONSE TEAM TO COPE WITH NUCLEAR ACCIDENTS

(Mr. MARKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARKEY. Mr. Speaker, Soviet stonewalling on the Chernobyl catastrophe is as unacceptable as a nuclear powerplant with no containment building, and as unwelcome as the radioactive cloud drifting over Europe. The Iron Curtain is not a lead curtain, and Soviet silence and disinformation will not shield its population, its water, or its farmland from the radioactive materials resulting from the Chernobyl accident. This body, together with the world community, must continue to pressure the Soviet Union to provide full disclosure of the causes and consequences of this nuclear bhopal.

That is why I introduced a resolution yesterday calling for the formation of an international emergency response team to cope with nuclear accidents, no matter where they occur. This nuclear SWAT team, under the auspices of the International Atomic Energy Agency, would have the necessary funding, resources, technical capability, and international cooperation to minimize the consequences of such nuclear accidents. It also would provide for an international early warning system so that neighboring countries would not have to find out about nuclear accidents the hard way—by monitoring dramatically increased levels of radioactivity on their own soil.

I urge all of you to cosponsor this resolution and put it on a fast track for passage by the full House.

Mr. KEMP. Mr. Speaker, will the gentleman yield to me?

Mr. MARKEY. I yield to the gentleman from New York.

Mr. KEMP. I thank the gentleman for yielding.

Mr. Speaker, I would like to associate myself with the remarks of the gentleman from Massachusetts and congratulate him on his leadership. I would like very much to be one of the cosponsors of the resolution of the gentleman from Massachusetts.

Mr. MARKEY. I thank the gentleman.

HOUR OF MEETING ON WEDNESDAY, MAY 14, 1986

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday, May 13, 1986, it adjourn to meet at 11 a.m. on Wednesday, May 14, 1986, to receive former Members.

The SPEAKER pro tempore (Mr. MONTGOMERY). Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

AUTHORIZING THE SPEAKER TO DECLARE A RECESS ON WEDNESDAY, MAY 14, 1986

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that it may be in order for the Speaker to declare a recess subject to the call of the Chair on Wednesday, May 14, 1986, for the purpose of receiving in this Chamber former Members of Congress.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

DAYS OF REMEMBRANCE OF VICTIMS OF THE HOLOCAUST

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the Senate concurrent resolution (S. Con. Res. 126) authorizing the rotunda of the U.S. Capitol to be used on May 6, 1986, for a ceremony commemorating the days of remembrance of victims of the Holocaust, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

Mr. KEMP. Mr. Speaker, reserving the right to object, I do not object. I would like to offer the total support of the minority side of the aisle for this most important day of remembrance, to remind the world and future generations that this must never, never, never happen again. The one way in which we can help ensure that such a holocaust can never happen again is to remind ourselves of the deprivation of human rights and the tyranny with which it was caused.

Mr. Speaker, I rise on behalf of the minority side of the aisle to give unanimity to the suggestion of the gentlewoman from Ohio that this day, and our rotunda, be used in such a fitting manner.

Ms. OAKAR. Mr. Speaker, will the gentleman yield?

Mr. KEMP. I would be happy to yield to the gentlewoman from Ohio.

Ms. OAKAR. I thank the gentleman for yielding.

Mr. Speaker, I thank the gentleman for his remarks.

Mr. Speaker, this resolution will authorize the rotunda of the U.S. Capitol to be used on May 6, 1986, for a ceremony commemorating the days of remembrance of victims of the Holocaust. The Holocaust was the worst crime in the history of the human race. It is hard for me, as well as my colleagues, to comprehend such premeditated destruction of human life. The whole point of this ceremony on May 6 will be to commemorate the

memory of our loss of 6 million victims of the Holocaust. This event will help to remind us how devastating this tragedy was and that we must never permit this to happen again.

Mr. KEMP. I thank the gentlewoman for her comments.

I want to remind my colleagues that Elie Wiesel the chronicler of the Holocaust, the author of so many inspiring books about the triumph of the human spirit and the tragedy of the Holocaust, points out that indifference to evil is evil itself.

We cannot be indifferent to evil as it exists in the world, nor can we be indifferent to those practices of evil in the past. This is an evil that has to be commemorated, not to memorialize it, but to prevent it from ever happening again and to remind the world that this Nation stands side by side with those men and women who are survivors, and the children of survivors, but this is a memorial, not to evil, but to those men and women who tragically lost their lives in the Holocaust, this great crime of the 20th century that goes beyond any other crime in human memory.

Mr. Speaker, I withdraw my reservation of objection and salute the gentlewoman from Ohio [Ms. OAKAR] and other cosponsors of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 126

Whereas, pursuant to such Act, the United States Holocaust Memorial Council has designated May 4 through May 11, 1986, as "Days of Remembrance of Victims of the Holocaust"; and

Whereas, the United States Holocaust Memorial Council has recommended that a one-hour ceremony be held at noon on May 6, 1986, consisting of speeches, readings, and musical presentations as part of the days of remembrance activities: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the rotunda of the United States Capitol is hereby authorized to be used on May 6, 1986, from 10 o'clock ante meridiem until 3 o'clock post meridiem for a ceremony as part of the commemoration of the days of remembrance of victims of the Holocaust. Physical preparations for the conduct of the ceremony shall be carried out in accordance with such conditions as may be prescribed by the Architect of the Capitol.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on Senate Concurrent Resolution 126, the Senate concurrent resolution just adopted.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

WELCOMING NATAN (ANATOLY) SHCHARANSKY TO THE UNITED STATES

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the concurrent resolution (H. Con. Res. 329), welcoming Natan (Anatoly) Shcharansky to the United States, and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

Mr. KEMP. Mr. Speaker, reserving the right to object, and I will not object, I simply take this time, Mr. Speaker, to strongly endorse the resolution offered by the distinguished majority leader, JIM WRIGHT, and our minority leader, BOB MICHEL, and on behalf of the leadership of the minority, let me say that we totally and wholeheartedly concur with the effort of Mr. WRIGHT and Mr. MICHEL to allow the rotunda to be used for this ceremony. This will be the first of its kind in terms of welcoming to the United States a great champion of human rights and a symbol of courage throughout the world, Anatoly Shcharansky, who is now going by his new name, Natan. It is a particular honor to rise in support of this resolution on behalf of BOB MICHEL, who was an original cosponsor.

I would like to say that it will be a great moment in the rotunda, in the Congress, in the United States when we will have the opportunity to recognize Anatoly Shcharansky and his lovely wife Avital who, side by side, have fought not only for freedom of emigration of Natan Shcharansky and on behalf of all those Jews of the Soviet Union who, whether they have been permitted to leave, or whether they are forced to remain. This ceremony is extremely important. All of us should be there. It is going to be a great day.

Ms. OAKAR. Mr. Speaker, will the gentleman yield?

Mr. KEMP. I would be glad to yield to the gentlewoman from Ohio.

□ 1125

Ms. OAKAR. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I, too, want to join in commending the majority leader, Mr. WRIGHT, and the minority leader, Mr. MICHEL, for their leadership on this and for assuring that the Capitol would be reserved by raising this resolution.

Mr. Speaker, I want to submit to letter for the RECORD from Anatoly Shcharansky's mother that I had the privilege, along with the gentlewoman from Colorado [Mrs. SCHROEDER, of delivering to the Soviet Embassy when we were able to meet with Anatoly's mother in the Soviet Union several years ago.

I want my colleagues to just hear part of this, because I think she, along with so many other people, was so courageous in assuring his release. He is a symbol of human rights, not only for Jews around the world, but for all people.

One of the things she says in her letter to the Soviet leaders is, "to show humanity, free my son before his term is up. Such compassion will save a man's life and you will help me, an old mother, to live the few years remaining to me in peace."

So I would like to submit this letter for the RECORD. It was truly one of the most moving experiences I have had, along with meeting with the other Soviet dissidents.

The letter follows:

To: CPSU CC Secretary K.U. Chernenko.
From: I.P. Mil'grom, mother of the prisoner A.B. Shcharanskiy.

My son, Anatoliy Shcharanskiy, was sentenced to 13 years deprivation of freedom by the RSFSR Supreme Court on July 14, 1978. On March 15, 1984 he completes seven years of imprisonment. During all these years my son has been systematically subjected to a rarsh regime of confinement. In 1981 he spent most of his time in camp in the Pkt (in isolation?) and the punishment cell. On October 26, 1981 he was again sentenced to a prison term of three years. In 1982, in the Chistopol' Prison, he was completely cut off from ties with relatives. In protest against the lawlessness of the prison administration, my son went on a hunger strike which lasted 110 days, from September 26, 1982 to January 14, 1983. As a result my son's health was broken and he was left without the physical strength to complete the full term of imprisonment. When I met with him on January 5, 1984, I realized that his life was in danger. I appealed to chairman of the USSR Supreme Soviet Yu. V. Andropov. I asked for my son's early release because of the state of his health, and that he be allowed to leave the Soviet Union. Now, when my son has served more than half of a severe penalty and he is ill, I appeal to you, and draw your attention to the tragedy of my family and to my present situation. I am a mother, an old woman of 76 years, a pensioner. Forty years of my life were spent in the Donbass, working in heavy industry—metallurgy and coal. My late husband, B. M. Shcharanskiy, was a communist and worked in the Donbass as a journalist of the province newspaper, as a correspondent for republic newspapers and journals, and as a correspondent for central Moscow newspapers. In the first days of the great patriotic war he left voluntarily for the front as a war correspondent, although he was not subject to military service, and he later served as political worker of a mortar regiment. He was awarded orders

and medals. He remained in the ranks of the Soviet Army until victory was complete. He could not endure his son's tragedy. In 1978 he suffered a heart attack. He died suddenly on January 20, 1980, Anatoliy's birthday.

Respected Konstantin Ustinovich? Show humanity, free my son before his term is up. Such compassion will save a man's life. And you will help me, and old mother, to live the few years remaining to me in peace.

I. MIL'GROM.

MARCH 10, 1984.

Respected Konstantin Ustinovich:

I wrote to you on March 10, 1984. There has been no answer. From past experience, I understand that members of the party CC apparatus automatically forwarded my appeal to you to other departments. Such is the fate of all my letters to the higher organs of power. I would like you, respected Konstantin Ustinovich, to be aware of my petition and to make a personal decision respecting it. And therefore I am making this attempt and I hope that my goal will be achieved this time.

I am attaching the test of the letter sent to you on March 10, which reached the CPSU CC on March 12.

I appeal to you now both as chairman of the USSR Supreme Soviet Presidium and as the head of a participant-state of the Helsinki conferences, the author of works devoted to questions of human rights. And I repeat my request: Be compassionate, free my son Anatoliy Shcharanskiy before his term is up, since his health does not permit further confinement. Help me to live, even if only a little, with the knowledge that my son is free. He has borne a heavy punishment for more than seven years and I, his old mother, bear this punishment along with him.

Show humanity, satisfy my petition for my son's early release.

I. MIL'GROM.

APRIL 1984.

Ms. OAKAR. Mr. Speaker, I want to congratulate my colleague [Mr. KEMP] for his remarks as well.

Mr. KEMP. Mr. Speaker, I want to thank the gentlewoman for her comments and for reminding us that this issue goes on.

Mr. Speaker, I am cochairman of the Congressional Coalition for Soviet Jewry, which has the participation of many members of both parties. My wife has been involved with Mrs. Henry Jackson in Congressional Spouses for Soviet Jewry. The human rights struggle is one I know the gentlewoman from Ohio has been very actively involved in, along with so many other men and women on both sides of the aisle, in both Houses.

This will be a day in which we have the opportunity personally to greet and say shalom, shalom to truly one of the great freedom fighters on the face of this Earth, two of them actually, not only Natan Shcharansky, but his comrade in arms, Avital, and give them the wonderful welcome that lovers of peace and freedom throughout the world give each other, shalom, shalom.

Mr. MICHEL. Mr. Speaker, today we are considering a resolution, sponsored by the distinguished majority leader, my friend, Mr. WRIGHT, to allow the rotunda to be used for a ceremony to honor Anatoly Shcharansky. I am proud to be a cosponsor of this resolution.

Mr. Shcharansky was a leader in the Soviet Jewish emigration movement and a founding member of the Moscow Helsinki monitoring group.

As the world knows, the Communist rulers of the Soviet Union do not tolerate freedom of expression. Anatoly Shcharansky was sentenced to a 13-year imprisonment for the alleged crime of requesting that his human rights and those of others be observed.

We will have a ceremony in the rotunda honoring this brave man who, as we know, is now free. I just want to add my voice to those of our colleagues in saying how happy I am that we have this opportunity to publicly pay tribute to this brave man.

In honoring Anatoly Shcharansky, we honor not only one man, but all those who still suffer in the Soviet Union. They are victims of a tyranny that, as events in recent days have disclosed, is so obsessed with domination and secrecy and control that human freedom—and human lives—are sacrificed to state power.

Anatoly Shcharansky's courage has shown that one human being can make even this tyranny tremble.

Mr. KEMP. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 329

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. FINDINGS.

The Congress finds that—

(1) Natan (Anatoly) Shcharansky was a leader in the Soviet Jewish emigration movement and a founding member of the Moscow Helsinki monitoring group who was arrested on March 15, 1977, and sentenced to thirteen years imprisonment for his human rights activities;

(2) Shcharansky's wife, Avital, compaigned tirelessly for the release of her husband and other Soviet Jewish prisoners, and these efforts were supported by two successive administrations, the Congress, and the American people;

(3) on February 11, 1986, those efforts were successful and Natan (Anatoly) Shcharansky was released from Soviet prison and allowed to emigrate to Israel;

(4) despite the fact that at least 400,000 other Soviet Jews seek to emigrate to Israel, the Soviet Government has severely restricted Jewish emigration in violation of its international commitments; and

(5) the support of the Congress for the right of Soviet Jews to emigrate is long established and remains strong.

SEC. 2. CONGRESSIONAL WELCOME; USE OF CAPITOL ROTUNDA.

(a) CONGRESSIONAL WELCOME.—The Congress welcomes Natan (Anatoly) Shcharansky to the United States and to the Nation's capital.

(b) USE OF CAPITOL ROTUNDA.—The rotunda of the Capitol is authorized to be used on May 13, 1986, for a ceremony of welcome for Natan (Anatoly) Shcharansky. Physical preparations for the ceremony shall be carried out in accordance with such conditions as the Architect of the Capitol may prescribe.

SEC. 3. CALL FOR CONTINUED EFFORTS TO OBTAIN FREEDOM FOR ALL SOVIET JEWS.

It is the sense of the Congress that the President should continue to call upon the Soviet Union—

(1) to release immediately all those Soviet Jews who have been imprisoned for their efforts to emigrate;

(2) to allow those Soviet Jews who wish to emigrate in order to join their families abroad, or be repatriated to their historic homeland of Israel, to do so; and

(3) to permit the exercise of religious and cultural rights by Soviet Jews.

The SPEAKER pro tempore. The question is on the concurrent resolution.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

RESIGNATION AS MEMBER OF COMMITTEE ON INTERIOR AND INSULAR AFFAIRS AND AS MEMBER OF COMMITTEE ON VETERANS' AFFAIRS

The SPEAKER pro tempore laid before the House the following resignation as a member of the Committee on Interior and Insular Affairs and as a member of the Committee on Veterans' Affairs:

HOUSE OF REPRESENTATIVES,
Washington, DC, May 1, 1986.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House, H-204, The Capitol, Washington, DC.

DEAR SPEAKER: I hereby tender my resignation from the Interior and Insular Affairs Committee and from the Veterans' Affairs Committee.

Most sincerely,

ALAN B. MOLLOHAN.

The SPEAKER pro tempore. Without objection, the resignations are accepted.

There was no objection.

AUTHORIZING PRINTING OF ADDITIONAL COPIES OF COMMITTEE PRINT ENTITLED "U.N. CONFERENCE TO REVIEW AND APPRAISE THE U.N. DECADE FOR WOMEN: REPORT OF CONGRESSIONAL STAFF ADVISORS TO THE NAIROBI CONFERENCE"

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the Commit-

tee on House Administration be discharged from further consideration of the concurrent resolution (H. Con. Res. 288) authorizing printing of additional copies of the committee print entitled "U.N. Conference to Review and Appraise the U.N. Decade for Women: Report of Congressional Staff Advisors to the Nairobi Conference" and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

Mr. GINGRICH. Mr. Speaker, reserving the right to object, and I do not intend to object, under my reservation, I yield to the gentleman from Washington [Mr. FOLEY] to explain the concurrent resolution.

Mr. FOLEY. Mr. Speaker, this resolution authorizes the printing of 1,000 additional copies of the committee print entitled "U.N. Conference To Review and Appraise the U.N. Decade for Women: Report of Congressional Staff Advisors to the Nairobi Conference" for the use of the Committee on Foreign Affairs.

The Government Printing Office estimates that the cost of this printing will be $3,456 for the 1,000 copies.

Due to the great demand for this document the supply of the Committee on Foreign Affairs has been exhausted. The report is the only official report generally available that assesses the preparations and performance of the U.S. delegation and the Nairobi Conference itself.

Mr. GINGRICH. Mr. Speaker, further reserving the right to object, this is clearly a report which is very popular and a number of people find it very educational. We on the minority side support this.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 288

Resolved by the House of Representatives (the Senate concurring), That there shall be printed, for the use of the Committee on Foreign Affairs of the House of Representatives, 1,000 additional copies of the committee print entitled "U.N. Conference to Review and Appraise the U.N. Decade for Women: Report of Congressional Staff Advisors to the Nairobi Conference".

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF ADDITIONAL COPIES OF A MESSAGE FROM THE PRESIDENT, TRANSMITTING CERTAIN RESCISSIONS AND DEFERRALS

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the concurrent resolution (H. Con. Res. 301) authorizing printing of additional copies of a message from the President, transmitting certain rescissions, deferrals, and revised deferrals of budget authority, and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

Mr. GINGRICH. Mr. Speaker, reserving the right to object, under my reservation, I yield to the gentleman from Washington to explain the concurrent resolution.

Mr. FOLEY. Mr. Speaker, this concurrent resolution authorizes the printing of 500 additional copies of the publication of a message from the President, transmitting certain rescissions, deferrals, and revised deferrals of budget authority.

The Government Printing Office estimates that the cost of this printing will be $4,245, for the 500 copies.

This is a routine request for additional documents for distribution from the document room to meet the great demand they have for this publication. The document provides important information to committees, Members of Congress, and their staff.

Mr. GINGRICH. Mr. Speaker, in the year of the budget, we certainly on the minority side have no objection to this.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 301

Resolved by the House of Representatives (the Senate concurring), That there shall be printed, for the use of the House document room, 500 additional copies of a message from the President, transmitting certain rescissions, deferrals, and revised deferrals of budget authority, House Document 99-161, Ninety-ninth Congress, dated February 5, 1986.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTION OF MEMBERS TO CERTAIN STANDING COMMITTEES

Mr. GEPHARDT. Mr. Speaker, as chairman of the Democratic Caucus and by direction of the caucus, I offer a privileged resolution (H. Res. 443) designating membership on certain standing committees of the House, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 443

Resolved, That the following named Members be, and they are hereby, elected to the following standing committees of the House of Representatives:

Committee on Appropriations: Alan B. Mollohan, West Virginia;

Committee on Veterans' Affairs: Frank McCloskey, Indiana.

Mr. GEPHARDT (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 4409, PANAMA CANAL COMMISSION AUTHORIZATION ACT, FISCAL YEAR 1987

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 436 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 436

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4409) to authorize appropriations for fiscal year 1987 for the operation and maintenance of the Panama Canal, and for other purposes, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of sections 302(f) and 311 of the Congressional Budget Act of 1974, as amended (Public Law 93-344, as amended by Public Law 99-177) and with the provisions of clause 2(1)(3)(B) of rule XI are hereby waived, and all points of order against the bill for failure to comply with the provisions of clause 5(a) of rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill shall be considered for amendment under the five-minute rule, and each section shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the

House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, I yield the customary 30 minutes, for the purpose of debate only, to the gentleman from Mississippi [Mr. LOTT], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 436 is an open rule providing for the consideration of H.R. 4409, the Panama Canal Commission Authorization Act for fiscal year 1987. The rule provides for 1 hour of general debate on H.R. 4409, equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries.

Mr. Speaker, this rule waives certain sections of the budget act against consideration of the bill. These waivers are necessitated due to the unique impact which the Balanced Budget and Emergency Deficit Control Act of 1985, the so-called Gramm-Rudman-Hollings Act, has had on funds appropriated for operation of the Panama Canal. I would like to take a moment, therefore, to explain why these waivers are necessary.

Presently, the United States is responsible for operation of the Panama Canal, and pursuant to the 1977 Panama Canal Treaty, ownership and control of the canal will transfer to the Republic of Panama by the end of 1999. Under the terms of legislation approved to implement the terms of the treaty, the canal is to operate at no cost to the U.S. taxpayer—tolls collected at the canal are deposited into a distinct and separate trust fund, and funds for operation of the canal are appropriated from the same trust fund.

The law further provides that when revenues collected in the form of tolls exceed the cost of operating the canal, these excess payments are paid to the Republic of Panama. Such excess payments are made in the year following which they accrue in the trust fund.

Mr. Speaker, the March 1 sequestration order issued pursuant to the Gramm-Rudman-Hollings Act reduced the fiscal year 1986 appropriations for the Panama Canal by some $18.3 million. Since the canal was operating at a level where tolls were covering operating costs, and since we have effectively reduced the operating costs by cutting the fiscal year 1986 appropriation, an excess of $18.3 million presently sits in the trust fund and must be paid to the Republic of Panama as excess profits under the provisions of current law.

Mr. Speaker, I don't believe there is a Member in this Chamber who believes the Gramm-Rudman-Hollings Act should be allowed to operate to provide a windfall to the Republic of Panama while not acheiving a dollar in deficit reduction for the United States. Ironically, however, that is precisely the situation which will result under the terms of the treaty we have with the Republic of Panama.

To remedy this situation, the Merchant Marine and Fisheries Committee included provisions in H.R. 4409 which disallow reductions of appropriations under the Gramm-Rudman-Hollings Act whenever such reduction would result in a payment to Panama as excess profits under the treaty provisions I have discussed. These provisions apply to the current fiscal year, fiscal year 1986, and future fiscal years.

Mr. Speaker, while the provisions of H.R. 4409 solve the problem of paying the $18.3 million to Panama as an excess payment, the restoration of these previously sequestered funds has the legal effect of providing new budget authority for fiscal year 1986 and therefore raises additional problems with provisions of the Budget Act. Specifically, the rule waives two sections of the Budget Act, section 311(a) and section 302(f), against consideration of H.R. 4409.

Section 311(a) of the Budget Act prohibits consideration of any measure which would cause the budget authority or outlay ceilings established by the concurrent resolution on the budget for a fiscal year to be breached. Mr. Speaker, according to the most recent Parliamentarian's status report, we are presently over the outlay ceiling established in the fiscal year 1986 budget. Therefore, because the restoration of the $18.3 million in sequestered funds will result in additional outlays in fiscal year 1986, a waiver of section 311(a) is necessary if the House is to consider this legislation.

A similar situation requires a waiver of section 302(f) of the Budget Act as well. Section 302(f) of the Budget act prohibits consideration of measures that would exceed the subcommittee allocations of new discretionary budget authority made pursuant to section 302(b) of the Budget Act. Since the Merchant Marine and Fisheries Committee has already exceeded its 302(b) allocation for fiscal year 1986, the restoration of these sequestered funds therefore violates section 302(f).

In reference to these Budget Act waivers, Mr. Speaker, I would like to draw our colleagues' attention to the fact that if the action proposed by the Merchant Marine and Fisheries Committee is not taken, and if these waivers are not provided, the United States will be obligated to pay $18.3 million to Panama next year as an excess payment. Therefore, if no action is taken, the $18.3 million in budget authority and outlays will be incurred in fiscal year 1987. Under the terms of the proposal before the House today, we simply incur these costs in fiscal year 1986 as opposed to fiscal year 1987, and more importantly, direct that the funds be used for canal operations rather than providing a windfall to the Republic of Panama.

Mr. Speaker, the rule waives the provisions of clause 5(a) of rule XXI against the bill, which is also necessitated by the impact of the Gramm-Rudman-Hollings Act on Panama Canal funding. Clause 5(a) of rule XXI prohibits appropriations in any bill or joint resolution reported by any committee not having jurisdiction to report appropriations. Moreover, the elimination of the sequester order against the $18.3 million which had originally been appropriated in the continuing resolution has the impact of appropriating the funds once again. And since this bill was not reported by the Appropriations Committee, this point of order lies against these provisions.

Finally, Mr. Speaker, the rule waives clause 2(l)(3)(B) of rule XI against consideration of the bill. This clause of rule XI requires that a committee report for any measure which makes available new budget authority must contain a statement required by section 308(a) of the Budget Act. The statement required by section 308(a) details how the new budget authority in the bill compares with the new budget authority provided in the most recent budget resolution, and a projection of outlays over a subsequent 5-year period. Mr. Speaker, the interpretation that the $18.3 million which will be restored by the bill is in fact new budget authority was not provided until after this bill was reported from committee. Consequently, the committee report does not address this issue and therefore does not contain the statement required by clause 2(l)(3)(B) of rule XI.

Mr. Speaker, the proponents of this legislation will provide further elaboration of the impacts of the Gramm-Rudman-Hollings Act on this bill, and will discuss the other provisions of the bill as well. I would note that the bill authorizes approximately $430 million for operation of the Panama Canal in fiscal year 1987, the same amount requested by the administration, and an amount expected to be covered by the toll receipts collected at the canal.

Mr. Speaker, I would again like to stress that this is an open rule. Members of the House will have a full opportunity to debate and amend H.R. 4409. The waivers provided in the rule are necessitated by action the Merchant Marine and Fisheries Committee has taken to address the unique impact the Gramm-Rudman-Hollings

Act has had on funding for operation of the canal. The waivers are supported bipartisanly by the membership of the Committee on Merchant Marine and Fisheries, and by a majority of the Committee on the Budget.

Mr. Speaker, I urge adoption of the rule.

□ 1135

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 436 provides for the consideration of H.R. 4409, a bill to authorize appropriation from the Panama Canal Commission Fund for the operation and maintenance of the Panama Canal and other activities pertinent to the canal.

The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries. This will be followed by an open-rule amendment process under the 5-minute rule.

The rule provides three waivers against the consideration of the bill—two for failure to comply with the provisions of sections 302(f) and 311 of the Congressional Budget Act of 1974; and one with the provisions of clause 2(l)(3)(B) of rule XI.

Section 302(f) of the Budget Act prohibits consideration of a bill which exceeds a committee's section 302(b) allocation of budget authority under the most recent budget resolution. Section 311(a) is waived because we are already over the 1986 budget ceiling by $13 billion in outlays. It also waives clause 2(l)(3)(B) of rule XI which requires committees to compare new budget authority provided in a bill with the new budget authority set forth in the current budget resolution. The Merchant Marine Committee failed to include this comparison in its report.

I am always concerned about the Rules Committee waiving requirements under the Budget Act in the rules of the House. I think in this case they are basically technical, and they are certainly understandable and defensible. I asked some questions about the waivers in the Rules Committee.

This is the second rule recently that I know of where this clause 2(l)(3)(B) of rule XI is waived. If this is something we do not want, let us get it out, let us eliminate the rule; but if it is required, I think the Rules Committee needs to say to the committees, "Do not come in on a regular systematic basis, expecting us to waive this rule if it is required."

So I would like to ask the gentleman who handled the rule for the majority if he might have any comment on how this is beginning to happen, and should we not require it?

Mr. DERRICK. Mr. Speaker, I agree with the gentleman, but I do think this is a unique situation and might be an exception to the rule. But I generally agree with the gentleman's remarks. As a member of the majority on the Rules Committee, I will try to carry that out in the future.

Mr. LOTT. I thank the gentleman for that commitment.

Mr. Chairman, the Budget Act waivers are necessary because the bill restores $18.3 million in funds sequestered under Gramm-Rudman—funds which would otherwise be paid to the Government of Panama as profits under the terms of the treaty. While these expenditures will be offset by revenues in 1987, the waivers are technically necessary now since the restortation causes increased spending in fiscal 1986. The Budget Committee chairman has indicated that a majority of the committee members support the Budget Act waivers.

The rule also waives 5(a) of rule XXI which prohibits appropriations in a legislative bill.

Mr. Speaker, neither the procedure nor the substance of this measure was controversial in the Committee on Merchant Marine and Fisheries or in the Rules Committee.

Mr. Speaker, H.R. 4409 provides authorization for appropriations of $437.3 million from the Panama Canal Commission Fund for operation and capital expenses for the Panama Canal Commission in fiscal year 1987. In addition, the bill authorizes such sums as may be necessary for increases in employee benefits. It provides for direct payment of $10 million to the general U.S. Treasury from those portions collected to pay interest on the U.S. investment in the canal rather than allowing those funds to be deposited in that Canal Commission Fund. Also, Mr. Speaker, section 6, which incorporates the languages of a similar measure, exempts the Panama Canal Commission from the enforcement of the Balanced Budget and Emergency Deficit Control Act. This provision is necessary because under the treaty unexpended revenues go to the Republic of Panama. If canal expenditures are cut by Gramm-Rudman while the revenue from tolls remains the same, the Government of Panama might receive substantial unspent revenues.

Mr. Speaker, since the enactment of the Panama Canal Act of 1979, the operation of the canal has been under the jurisdiction of the Panama Canal Commission. As we know there are still Members here in Congress who have some negative feelings and reservations about the treaty, and I happen to be one of them. But we also know that the Commission has operated smoothly and efficiently at no cost to the U.S. taxpayers, thus benefiting the foreign commerce and the national security of the United States and that the canal itself is vital for our Nation's citizens.

Mr. Speaker, I urge adoption of this rule.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DERRICK. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LOTT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 338, nays 56, not voting 39, as follows:

[Roll No. 108]

YEAS—338

Ackerman	Coughlin	Gradison
Akaka	Courter	Gray (IL)
Alexander	Coyne	Gray (PA)
Anderson	Crockett	Green
Annunzio	Daniel	Gregg
Anthony	Darden	Guarini
Applegate	Daschle	Gunderson
Armey	Davis	Hall (OH)
Aspin	Dellums	Hall, Ralph
Atkins	Derrick	Hamilton
AuCoin	DeWine	Hammerschmidt
Barnard	Dickinson	Hansen
Barnes	Dicks	Hawkins
Barton	Dingell	Hefner
Bates	DioGuardi	Heftel
Bedell	Dixon	Henry
Beilenson	Donnelly	Hertel
Bennett	Dorgan (ND)	Hiler
Bentley	Dowdy	Hillis
Bereuter	Downey	Holt
Berman	Duncan	Hopkins
Bevill	Durbin	Horton
Biaggi	Dwyer	Howard
Bliley	Dymally	Hoyer
Boehlert	Dyson	Hubbard
Boland	Early	Huckaby
Boner (TN)	Eckart (OH)	Hughes
Bonker	Eckert (NY)	Hutto
Borski	Edgar	Hyde
Boucher	Edwards (CA)	Jacobs
Boxer	Emerson	Jeffords
Breaux	English	Jenkins
Brown (CA)	Erdreich	Johnson
Broyhill	Evans (IL)	Jones (NC)
Bruce	Fascell	Jones (OK)
Bryant	Fawell	Kanjorski
Burton (CA)	Fazio	Kaptur
Bustamante	Feighan	Kastenmeier
Byron	Fields	Kemp
Callahan	Fish	Kennelly
Campbell	Flippo	Kildee
Carney	Florio	Kleczka
Carper	Foley	Kolbe
Carr	Ford (MI)	Kolter
Chandler	Ford (TN)	Kostmayer
Chapman	Frank	LaFalce
Chappell	Frost	Lagomarsino
Clay	Fuqua	Lantos
Clinger	Gallo	Leach (IA)
Coats	Gaydos	Leath (TX)
Coble	Gejdenson	Lehman (CA)
Coelho	Gephardt	Lehman (FL)
Coleman (MO)	Gibbons	Leland
Coleman (TX)	Gilman	Lent
Collins	Gingrich	Levin (MI)
Combest	Glickman	Levine (CA)
Conte	Gonzalez	Lewis (CA)
Cooper	Goodling	Lewis (FL)

Lightfoot	Oakar	Snowe
Lipinski	Oberstar	Snyder
Livingston	Obey	Solarz
Long	Olin	Spratt
Lott	Owens	St Germain
Lowery (CA)	Packard	Staggers
Lowry (WA)	Panetta	Stallings
Luken	Parris	Stangeland
Lundine	Pashayan	Stark
Lungren	Pease	Stokes
MacKay	Penny	Studds
Madigan	Perkins	Sundquist
Manton	Price	Sweeney
Markey	Pursell	Swift
Martin (IL)	Rangel	Swindall
Martin (NY)	Ray	Synar
Martinez	Regula	Tallon
Matsui	Reid	Tauke
Mavroules	Richardson	Tauzin
Mazzoli	Ridge	Taylor
McCandless	Rinaldo	Thomas (CA)
McCloskey	Ritter	Thomas (GA)
McCollum	Roe	Torres
McCurdy	Roemer	Torricelli
McEwen	Rogers	Towns
McGrath	Rostenkowski	Traficant
McHugh	Roukema	Traxler
McKernan	Rowland (GA)	Udall
McKinney	Roybal	Valentine
McMillan	Russo	Vander Jagt
Mica	Sabo	Vento
Michel	Saxton	Visclosky
Mikulski	Scheuer	Volkmer
Miller (CA)	Schneider	Walgren
Miller (WA)	Schroeder	Watkins
Mineta	Schuette	Waxman
Mitchell	Schulze	Weiss
Moakley	Schumer	Wheat
Molinari	Seiberling	Whitehurst
Mollohan	Sharp	Whitley
Montgomery	Shaw	Whitten
Moody	Shelby	Wilson
Moore	Shuster	Wirth
Moorhead	Sikorski	Wise
Morrison (CT)	Siljander	Wolf
Morrison (WA)	Sisisky	Wolpe
Mrazek	Skeen	Wright
Murphy	Skelton	Wyden
Murtha	Slattery	Wylie
Natcher	Smith (FL)	Yates
Neal	Smith (IA)	Yatron
Nelson	Smith (NE)	Young (AK)
Nielson	Smith (NJ)	Young (FL)
Nowak	Smith, Robert	Young (MO)
O'Brien	(OR)	Zschau

NAYS—56

Archer	Hunter	Schaefer
Badham	Ireland	Sensenbrenner
Bartlett	Kasich	Shumway
Bilirakis	Kindness	Slaughter
Boulter	Kramer	Smith, Denny
Brown (CO)	Latta	(OR)
Burton (IN)	Marlenee	Smith, Robert
Chappie	McCain	(NH)
Cheney	Meyers	Spence
Cobey	Miller (OH)	Strang
Craig	Monson	Stratton
Crane	Oxley	Stump
Dannemeyer	Petri	Vucanovich
Daub	Porter	Walker
DeLay	Quillen	Weber
Dornan (CA)	Rahall	Whittaker
Dreier	Roberts	Williams
Frenzel	Roth	Wortley
Gekas	Rowland (CT)	
Hendon	Rudd	

NOT VOTING—39

Andrews	Fowler	McDade
Bateman	Franklin	Myers
Boggs	Garcia	Nichols
Bonior (MI)	Gordon	Ortiz
Bosco	Grotberg	Pepper
Brooks	Hartnett	Pickle
Broomfield	Hatcher	Robinson
Conyers	Hayes	Rodino
de la Garza	Jones (TN)	Rose
Edwards (OK)	Lloyd	Savage
Evans (IA)	Loeffler	Solomon
Fiedler	Lujan	Stenholm
Foglietta	Mack	Weaver

□ 1200

Mr. HENRY and Mr. REID changed their votes from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. GORDON. Mr. Speaker, I was detained while en route to the House floor, and failed to vote on rollcall 108, the adoption of the rule providing for consideration of H.R. 4409, the Panama Canal authorization bill. Had I been present, I would have voted "aye."

PANAMA CANAL COMMISSION AUTHORIZATION ACT, FISCAL YEAR 1987

The SPEAKER pro tempore. Pursuant to House Resolution 436 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4409.

□ 1208

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4409) to authorize appropriations for fiscal year 1987 for the operation and maintenance of the Panama Canal, and for other purposes, with Ms. KAPTUR in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Washington [Mr. LOWRY] will be recognized for 30 minutes and the gentleman from Texas [Mr. FIELDS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Washington [Mr. LOWRY].

Mr. LOWRY of Washington. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, on March 13, 1986, I introduced H.R. 4409, which authorizes appropriations for fiscal year 1987 for the operation and maintenance of the Panama Canal.

The Subcommittee on Panama Canal/Outer Continental Shelf marked up H.R. 4409 on March 19; and, on April 9, the full Merchant Marine and Fisheries Committee reported the bill to the House. There was no opposition to the bill in either the subcommittee or the full committee, and it was reported as introduced, except for a few technical amendments.

H.R. 4409 authorizes the appropriation of $437,250,000 to the Panama Canal Commission for the operation and maintenance of the Panama Canal. Out of this sum, $27,480,000 is authorized for capital outlays. The authorization amount in H.R. 4409 is equivalent to the amount of tolls and fees to be collected from the users of the canal, at no cost to the U.S. taxpayer.

Section 5 of the legislation amends section 1303 of the Merchant Marine Act of 1936 by allowing six additional Panamanians each year to receive instruction at the U.S. Merchant Marine Academy, to be paid for by the Republic of Panama. The Secretary of Transportation, the Honorable Elizabeth Dole, has requested this provision in order to add to the training of Panamanians who will operate the canal in the year 2000.

Finally, section 6 of the bill amends the Panama Canal Act of 1979 by disallowing a reduction of appropriations under Public Law 99-177, the Gramm-Rudman Act, when such a reduction would result in a payment to Panama under paragraph 4(c), article 13, of the treaty.

In 1986, for instance, the implementation of the Gramm-Rudman-Hollings Act would result in a payment to Panama of $18.3 million. By cutting the PCC appropriation 4.3 percent in 1986, there remains an unappropriated balance of $18.3 million in the PCC Fund. Under article XIII, paragraph 4(c) of the treaty, this $18.3 million in surplus revenues would go to Panama. If we allow this to happen, we would seriously impair the proper operation and maintenance of the canal, and we would achieve absolutely nothing in terms of reducing the budget deficit.

Madam Chairman, I would also like to thank the ranking minority member of the subcommittee, the Honorable JACK FIELDS, for his contributions to this bill. I would urge my colleagues to support this legislation.

(Please note that there are two printing errors in the report on H.R. 4409 (Rept. 99-536). On page 6 of the report, strike all of line 13 except the last word. On page 7 of the report, change the CBO chart to read (−$13.1) million under "Payment to Panama," in lieu of +$13.1 million. The estimated authorization level and outlays in the 1987 payment to Panama is minus $13.1 million; in other words, there is a savings of $13.1 million based on CBO's estimates of revenues and expenditures in 1987.)

Mr. FIELDS. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I am pleased to rise in support of H.R. 4409, a bill introduced by our distinguished colleague and chairman of the Panama Canal/OCS Subcommittee, Congressman MIKE LOWRY.

This bill, which authorizes appropriations for the Panama Canal Commission for the upcoming fiscal year, is an excellent proposal which deserves our support.

Madam Chairman, the Panama Canal Commission, which was created by Congress in 1979, is a unique and self-sustaining agency.

The money authorized by this legislation does not involve any U.S. taxpayer money but, in fact, is entirely comprised of revenues collected by the Commission through tolls and other fees levied on ships transiting the canal.

This money is deposited in the Panama Canal Commission Fund within the U.S. Treasury and the purpose of this bill is to authorize the Commission to spend the $437 million it anticipates receiving in fiscal year 1987.

Madam Chairman, the Panama Canal Commission and its outstanding leadership have done a superb job of operating and maintaining the canal for the past 7 years.

Passage of this authorization bill will permit the Panama Canal Commission to continue to operate the canal efficiently and smoothly, thus benefiting not only the world shipping community but also the national security of the United States.

Over 70 percent of all oceangoing transits through the canal either originate or come from one of our ports. Clearly, it is in our Nation's best interest to ensure the free and unobstructed access to our vessels, both commercial and military, to this vital waterway.

Madam Chairman, while there are a number of key provisions which have been ably and articulated discussed, I would like to briefly highlight the importance of section 6 of H.R. 4409.

This section, which incorporates the language of my bill, H.R. 4246, exempts the Panama Canal Commission from the enforcement provisions of the Balanced Budget and Emergency Deficit Control Act of 1985.

Specifically, the language stipulates that the operating budget of the PCC, which involves no taxpayer funds, would not be automatically cut by Public Law 99-177 if such a reduction resulted in a payment to the Republic of Panama under paragraph 4(c) of article XIII of the Panama Canal Treaty of 1977.

Under this treaty provision, the Republic of Panama is entitled to up to $10 million per year in unexpended PCC revenues. In addition, this requirement has an accumulative effect which means that Panama could receive up to $64 million in so-called profit payments as of the end of fiscal year 1987.

Madam Chairman, while I have no desire to adversely affect our longstanding and good relationship with Panama, I am convinced that the Gramm-Rudman-Hollings law was never intended to be used as a mechanism to divert or transfer funds from any Federal agency, including the Panama Canal Commission, to the treasury of a foreign government.

There is simply no way to effectively apply Gramm-Rudman-Hollings to the operations of the PCC. By insisting on its application, the Congress will cripple this agency and its ability to maintain the canal without benefiting either our taxpayers or our goal of Federal deficit reduction.

In fact, the only beneficiary from this action would be the Republic of Panama which would receive millions of dollars of unanticipated and unintended PCC revenues between now and the end of fiscal year 1987 and each year thereafter until December 31, 1999.

Madam Chairman, the Gramm-Rudman-Hollings exemption is critically important to the Panama Canal Commission. By enacting H.R. 4409, we will ensure the continued vitality of the canal without violating either the letter or the spirit of the Panama Canal Treaty of 1977.

Madam Chairman, in closing, I would note that this legislation, which has been endorsed by the Reagan administration, deserves the full support of the House of Representatives.

Mr. CONTE. Madam Chairman, I rise in support of this measure, but want to focus my remarks on the section of this bill which exempts the Panama Canal Commission from the—well—I can't say it. I can't mention their names over here, you know. Let's just call it G-R-H.

This bill exempts the Panama Canal Commission from the sequestration provision of G-R-H. One of the more ridiculous, illogical provisions of G-R-H—and there are a lot of them, believe me—is that when the sequestration order whacks money from the Panama Canal Commission, the savings go to the Government of Panama. Not to the United States Treasury, mind you, but the Government of Panama.

There's no logic in that. Fortunately, the House has come to its senses, and will correct this nonsense. It's too bad that the House won't come to its senses and get rid of G-R-H entirely.

I stood on this floor in December and told you what that bill would do. I begged—begged—the Members of this body to stand up and recognize G-R-H for the political gamemanship that it was and is. I happen to be one of the 12 guys that brought suit against G-R-H in the court. The special three-judge court ruled with us; hopefully, the Supreme Court will rule with us. I went over for those arguments last Wednesday. And I will continue to fight that law.

So, I commend the committee for correcting the most illogical part of G-R-H. I just wish the Members of the House had the courage to get rid of the whole thing.

Mr. LENT. Madam Chairman, I rise in support of passage of H.R. 4409, the Panama Canal Commission Authorization Act for Fiscal Year 1987.

I would like to especially commend Congressman LOWRY of Washington, the chairman of the Subcommittee on Panama Canal and Outer Continental Shelf, and ranking member JACK FIELDS of Texas, for their leadership and initiative in developing legislation which meets the needs of the Panama Canal Commission and includes a much needed waiver of the Gramm-Rudman Act when any reduction called for by that act would result in a payment of profits to Panama. I urge my colleagues to support this legislation.

Mr. LOWRY of Washington. Madam Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. FIELDS. Madam Chairman, we have no further requests for time, and I yield back the balance of our time.

The CHAIRMAN. Pursuant to the rule, each section is considered as having been read for amendment under the 5-minute rule.

The Clerk will designate section 1.

Mr. LOWRY of Washington. Madam Chairman, I ask unanimous consent that the bill be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

The text of H.R. 4409 is as follows:

H.R.4409

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Panama Canal Commission Authorization Act, Fiscal Year 1987".

SEC. 2. OPERATING EXPENSES.

There is authorized to be appropriated from the Panama Canal Commission Fund to the Panama Canal Commission (hereafter in this Act referred to as the "Commission") for the fiscal year beginning October 1, 1986, not more than $437,250,000, for necessary expenses of the Commission incurred under the Panama Canal Act of 1979 (Public Law 96-70; 22 U.S.C. 3601 et seq.), including expenses for—

(1) the hire of passenger motor vehicles and aircraft;

(2) the purchase of passenger motor vehicles as may be necessary for fiscal year 1987, the number and price of which may not exceed the amount provided in appropriation Acts; except that large heavy duty passenger sedans used to transport employees of the Commission across the Isthmus of Panama may be purchased for the fiscal year 1987 without regard to price limitations set forth in applicable regulations of any department or agency of the United States;

(3) official receptions and representation expenses, except that not more than $43,000 may be made available for such expenses, of which (A) not more than $10,000 may be made available for such expenses of the Supervisory Board of the Commission, (B) not more than $5,000 may be made available for such expenses of the Secretary of the Commission, and (C) not more than $28,000 may

be made available for such expenses of the Administrator of the Commission;

(4) the procurement of expert and consultant services as provided in section 3109 of title 5, United States Code;

(5) a residence for the Administrator of the Commission;

(6) uniforms, or allowances therefor, as authorized by section 5901 and 5902 of title 5, United States Code;

(7) disbursements by the Administrator of the Commission for employee recreation and community projects; and

(8) the operation of guide services.

SEC. 3. CAPITAL OUTLAY.

Of any funds appropriated pursuant to section 2 of this Act, not more than $27,480,000 (which is authorized to remain available until expended) may be made available for the acquisition, construction, replacement, and improvement of facilities, structures, and equipment required by the Commission.

SEC. 4. AUTHORIZATION OF ADDITIONAL APPROPRIATIONS.

In addition to the amount authorized to be appropriated by section 2 of this Act, there are authorized to be appropriated to the Commission for the fiscal year 1987 such amounts as may be necessary for—

(1) increases in salary, pay, retirement, and other employee benefits provided by law;

(2) covering payments to Panama under paragraph 4(a) of article XIII of the Panama Canal Treaty of 1977, as provided by section 1341(a) of the Panama Canal Act of 1979 (22 U.S.C. 3751(a)); and

(3) increased costs for fuel.

SEC. 5. AUTHORIZATION OF SIX ADDITIONAL CITIZENS OF THE REPUBLIC OF PANAMA TO RECEIVE INSTRUCTION AT THE UNITED STATES MERCHANT MARINE ACADEMY.

Section 1303 of the Merchant Marine Act, 1936, (46 App. U.S.C. 1295b), is amended by—

(1) inserting after paragraph (b)(6) the following new paragraph:

"(7)(A) In addition to paragraph (3), (4), (5), and (6) of this subsection, until September 30, 1995, the Secretary may annually permit, upon approval of the Secretary of State, up to six additional individuals from the Republic of Panama to receive instruction at the Academy.

"(B) The Secretary shall insure that the Republic of Panama shall reimburse the Secretary for the cost of that instruction (including the same allowances as received by cadets at the Academy appointed from the United States) as determined by the Secretary.

"(C) Any individual receiving instruction at the Academy under this paragraph is subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation as cadets at the Academy appointed from the United States."; and

(2) in the following paragraph (7), by—

(A) striking "(7)", and inserting "(8)", and

(B) striking "(4), (5) or (6),", and inserting "(4), (5), (6), or (7),".

SEC. 6. EXEMPTION OF PANAMA CANAL COMMISSION APPROPRIATIONS FROM THE BALANCED BUDGET AND EMERGENCY DEFICT CONTROL ACT OF 1985 (PUBLIC LAW 99-177).

Section 1341 of the Panama Canal Act of 1979 (22 U.S.C. 3751) is amended by adding at the end thereof the following new subsection:

"(g) Notwithstanding any other provision of law, no reduction under any order issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 shall apply to the Commission if the implementation of such an order would result in payment to the Republic of Panama under paragraph 4(c) of article XIII of the Panama Canal Treaty of 1977 and this section.".

SEC. 7. EFFECTIVE DATE OF EXEMPTION FROM AUTOMATIC BUDGET CUTS.

The amendment made by section 6 shall take effect with respect to fiscal year 1986 and subsequent fiscal year.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On pages 4 and 5, strike all of section 5 of the bill and insert the following new section 5, as follows:

SEC. 5. AUTHORIZATION OF SIX ADDITIONAL CITIZENS OF THE REPUBLIC OF PANAMA TO RECEIVE INSTRUCTION AT THE UNITED STATES MERCHANT MARINE ACADEMY.

Strike section 1303(b)(7) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1295(b)(7)) and substitute the following:

"(7)(A) The Secretary may annually permit, until September 30, 1995, upon approval of the Secretary of State, up to six additional individuals from the Republic of Panama to receive instruction at the Academy, in addition to those individual appointed under paragraphs (3), (4), (5), and (6) of this subsection.

"(B) The Secretary shall insure that the Republic of Panama reimburse the Secretary for the cost of that instruction (including the same allowances as received by cadets at the Academy appointed from the United States) as determined by the Secretary.

"(C) An individual receiving instruction at the Academy under this paragraph shall be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation as cadets at the Academy appointed from the United States.

"(8) An individual appointed as a cadet under paragraph (3), or receiving instruction under paragraph (4), (5), (6), or (7) of this subsection is not entitled to hold a license authorizing service on a merchant marine vessel of the Uinted States solely by reason of graduation from the Academy.".

Mr. LOWRY of Washington (during the reading). Madam Chairman, I ask unanimous consent that the committee amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. LOWRY of Washington. Madam Chairman, this is merely a technical amendment. There is no opposition to it, and I urge its adoption.

Mr. FIELDS. Madam Chairman, will the gentleman yield?

Mr. LOWRY of Washington. I am happy to yield to my friend, the gentleman from Texas.

Mr. FIELDS. I thank the gentleman for yielding.

Madam Chairman, the minority has reviewed this, and we find no problems with this amendment.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Are there other amendments to the bill?

Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. GRAY of Illinois) having assumed the chair, Ms. KAPTUR, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 4409) to authorize appropriations for fiscal year 1987 for the operation and maintenance of the Panama Canal, and for other purposes, pursuant to the House Resolution 436, she reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 327, nays 59, not voting 47, as follows:

[Roll No. 109]

YEAS—327

Ackerman	Borski	Coyne
Akaka	Boucher	Crockett
Anderson	Boxer	Daniel
Annunzio	Breaux	Darden
Anthony	Brown (CA)	Daschle
Archer	Bruce	Daub
Aspin	Bryant	Dellums
Atkins	Burton (CA)	Derrick
AuCoin	Byron	DeWine
Barnard	Callahan	Dickinson
Barnes	Carney	Dicks
Bartlett	Carper	Dingell
Barton	Carr	DioGuardi
Bates	Chapman	Dixon
Bedell	Chappell	Donnelly
Bellenson	Cheney	Dorgan (ND)
Bennett	Clay	Downey
Bentley	Clinger	Durbin
Bereuter	Coats	Dwyer
Berman	Coelho	Dymally
Bevill	Coleman (MO)	Dyson
Biaggi	Coleman (TX)	Early
Boehlert	Collins	Eckart (OH)
Boggs	Combest	Eckert (NY)
Boland	Conte	Edgar
Boner (TN)	Cooper	Edwards (CA)
Bonior (MI)	Coughlin	Emerson
Bonker	Courter	English

Erdreich	Levine (CA)	Russo
Evans (IL)	Lewis (FL)	Sabo
Fascell	Lipinski	Saxton
Fawell	Livingston	Scheuer
Fazio	Long	Schneider
Feighan	Lott	Schroeder
Fields	Lowery (CA)	Schulze
Fish	Lowry (WA)	Schumer
Flippo	Luken	Seiberling
Florio	Lundine	Sharp
Foley	Lungren	Shaw
Ford (MI)	MacKay	Shelby
Ford (TN)	Madigan	Shumway
Frank	Manton	Sikorski
Frenzel	Markey	Sisisky
Frost	Martin (NY)	Skeen
Fuqua	Martinez	Skelton
Gallo	Matsui	Slattery
Gaydos	Mavroules	Slaughter
Gejdenson	Mazzoli	Smith (FL)
Gephardt	McCloskey	Smith (IA)
Gibbons	McCollum	Smith (NE)
Glickman	McCurdy	Smith (NJ)
Gonzalez	McGrath	Smith, Robert (OR)
Goodling	McHugh	Snowe
Gordon	McKernan	Snyder
Gradison	McKinney	Solarz
Gray (IL)	Meyers	Spratt
Gray (PA)	Mica	St Germain
Green	Michel	Staggers
Guarini	Mikulski	Stallings
Gunderson	Miller (CA)	Stark
Hall (OH)	Miller (WA)	Stenholm
Hamilton	Mineta	Stokes
Hammerschmidt	Mitchell	Strang
Hansen	Moakley	Studds
Hawkins	Molinari	Sweeney
Hefner	Mollohan	Swift
Heftel	Monson	Synar
Henry	Montgomery	Tallon
Hertel	Moody	Tauke
Hiler	Moore	Tauzin
Hillis	Moorhead	Taylor
Holt	Morrison (CT)	Thomas (CA)
Hopkins	Morrison (WA)	Thomas (GA)
Horton	Mrazek	Torres
Howard	Murtha	Torricelli
Hoyer	Natcher	Towns
Hubbard	Neal	Traficant
Huckaby	Nelson	Traxler
Hughes	Nielson	Udall
Hutto	Nowak	Valentine
Hyde	Oakar	Vander Jagt
Ireland	Oberstar	Vento
Jacobs	Obey	Visclosky
Jeffords	Olin	Volkmer
Jenkins	Packard	Walgren
Johnson	Panetta	Watkins
Jones (NC)	Parris	Waxman
Jones (OK)	Pashayan	Weiss
Kanjorski	Pease	Wheat
Kaptur	Penny	Whitehurst
Kasich	Perkins	Whittaker
Kastenmeier	Petri	Whitten
Kemp	Porter	Wilson
Kennelly	Price	Wirth
Kildee	Pursell	Wise
Kindness	Rangel	Wolf
Kleczka	Ray	Wolpe
Kolbe	Reid	Wortley
Kolter	Richardson	Wright
Kostmayer	Ridge	Wyden
LaFalce	Rinaldo	Wylie
Lantos	Roberts	Yates
Latta	Rodino	Yatron
Leach (IA)	Roe	Young (AK)
Leath (TX)	Roemer	Young (FL)
Lehman (CA)	Rostenkowski	Young (MO)
Lehman (FL)	Roukema	Zschau
Leland	Rowland (CT)	
Lent	Rowland (GA)	
Levin (MI)	Rudd	

NAYS—59

Applegate	Coble	Gingrich
Armey	Craig	Hall, Ralph
Badham	Crane	Hendon
Bilirakis	Dannemeyer	Hunter
Boulter	DeLay	Kramer
Brown (CO)	Dornan (CA)	Lagomarsino
Broyhill	Dreier	Lightfoot
Burton (IN)	Duncan	Mack
Campbell	Evans (IA)	Marlenee
Chappie	Gekas	Martin (IL)
Cobey	Gilman	McCain
McCandless	Schaefer	Stratton
McEwen	Schuette	Stump
McMillan	Sensenbrenner	Sundquist
Miller (OH)	Shuster	Swindall
Owens	Siljander	Vucanovich
Oxley	Smith, Denny (OR)	Walker
Quillen	Smith, Robert (NH)	Weber
Rahall	Spence	Williams
Regula		
Roth		

NOT VOTING—47

Alexander	Fowler	Nichols
Andrews	Franklin	O'Brien
Bateman	Garcia	Ortiz
Billey	Gregg	Pepper
Bosco	Grotberg	Pickle
Brooks	Hartnett	Ritter
Broomfield	Hatcher	Robinson
Bustamante	Hayes	Rogers
Chandler	Jones (TN)	Rose
Conyers	Lewis (CA)	Roybal
Davis	Lloyd	Savage
de la Garza	Loeffler	Solomon
Dowdy	Lujan	Stangeland
Edwards (OK)	McDade	Weaver
Fiedler	Murphy	Whitley
Foglietta	Myers	

□ 1235

Messrs. McMILLAN, BROWN of Colorado, and BOULTER changed their votes from "yea" to "nay."

Mr. THOMAS of California changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LOWRY of Washington. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4409, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

PERSONAL EXPLANATION

Mr. O'BRIEN. Mr. Speaker, I inadvertently missed the last vote on the passage of H.R. 4409, the Panama Canal Commission Authorization Act, fiscal year 1987. Had I been present, I would have voted "aye."

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3599

Mr. BOUCHER. Mr. Speaker, I ask unanimous consent that I be removed as a cosponsor of H.R. 3599.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

REMOVAL OF NAMES OF MEMBERS AS COSPONSORS OF H.R. 3521

Mr. BOUCHER. Mr. Speaker, I ask unanimous consent that the gentleman from Oregon [Mr. AuCoin] and the gentleman from California [Mr. Lagomarsino] be removed as cosponsors of H.R. 3521.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. LOTT asked and was given permission to address the House for 1 minute.)

Mr. LOTT. Mr. Speaker, I would like to yield to the distinguished majority whip so we can know if there is additional business scheduled today or the balance of the week, and also to learn the projected schedule for next week.

I yield to the gentleman from Washington [Mr. Foley].

Mr. FOLEY. Mr. Speaker, I thank the distinguished Republican whip for yielding, and with one exception this concludes the legislative business for the day. There is a unanimous-consent resolution that may be offered to express concern regarding the Soviet nuclear accident. That will be a unanimous-consent request and will probably be presented prior to special orders.

Next week, the House will meet at noon on Monday to consider the Consent Calendar; four bills under suspension of the rules: H.R. 4378, the Advisory Board for Selection of Commemorative Works in the National Capital Region of the National Park System; S. 720, establishing a permanent boundary for Acadia National Park; H.R. 3214, judgment distribution for the Cow Creek Band of Umpqua Indians; and H.R. 4021, the vocational rehabilitation amendments.

Votes ordered on suspensions debated on Monday will be postponed until Wednesday, May 7.

On Tuesday, the House will meet at noon and consider the Private Calendar. There are no bills presently scheduled for suspension; and then the House will consider H.R. 4208, the Coast Guard authorizations; open rule, 1 hour of debate. It is possible that votes will occur on this matter on Tuesday.

Mr. LOTT. If the gentleman will stop at that point. I believe we would have to take up both the rule and then the authorization bill itself on the Coast Guard authorizations.

Mr. FOLEY. The gentleman is correct.

Mr. LOTT. So there is a possibility that there could be a vote on the rule and there could be a vote on amendment or other amendments, and there could be a vote on final passage.

Mr. FOLEY. The gentleman is correct.

Mr. LOTT. So there could be at least a couple of votes on the Coast Guard

authorization on Tuesday; is that correct?

Mr. FOLEY. I think that would have to be considered as very possible.

Mr. LOTT. I thank the gentleman.

Mr. FOLEY. On Wednesday and the balance of the week, the House will meet at noon on Wednesday and at 11 a.m. on the balance of the week.

On Wednesday we will consider recorded votes ordered on any suspensions debated on Monday, May 5, and then House Joint Resolution 589, to prohibit sales of certain missiles to Saudi Arabia; and H.R. 4515, the Supplemental Appropriations Act for Fiscal Year 1986, subject to a rule being granted.

Conference reports, of course, may be brought up at any time and further program may be announced later.

Mr. LOTT. I thank the gentleman for that information.

On the supplemental appropriations, H.R. 4515, that is scheduled for Wednesday and the balance of the week, subject to a rule being granted, do we have any information about changes in that so-called urgent supplemental appropriations? What the rule may be at this point?

□ 1245

Mr. FOLEY. Well, I think there may be some modifications in the rule that will be requested. The gentleman knows there were some difficulties in the adoption of the rule on the last occasion this legislation reached the floor of the House.

While I cannot at this time spell out the exact suggestions that will be made to the Rules Committee, I would think it appropriate to say that there will be some changes in the rule.

Mr. LOTT. Since the rule has been defeated twice now, I would like to urge that careful consideration be given to how that rule is constructed and we offer our assistance in crafting a rule that meets the approval of the majority of the whole House.

Mr. FOLEY. The distinguished gentleman from Mississippi, the Republican whip, is, in addition to his leadership responsibilities, one of the most important and informed and able members of the Committee on Rules.

I am sure that he will be able to provide assistance to the Rules Committee from his considerable experience and capacity.

Mr. LOTT. I thank the gentleman for those remarks. One further question, though: I understand that perhaps there is a budget that the chairman of the Committee on the Budget has in his custody. Perhaps the gentleman from Texas [Mr. WRIGHT] has it. But it was seen earlier today on the floor of the other body, the majority leader in the other body held up the budget saying, "Here is the House Budget Committee budget." I wonder if maybe the whole House would have the opportunity next week to see the budget.

Mr. FOLEY. To my knowledge there is no budget proposal which has been approved by even the majority caucus of the Budget Committee and certainly none that represents the report of the Budget Committee. Consequently, anyone in the other body in making that suggestion, I think, does so without either the authorization of the Budget Committee or either caucus or conference thereof.

Mr. LOTT. Well, looking at our calendar, you know, April 15 was supposed to be our deadline on the Budget Act. Here we are now at May 1. Do we have any idea of when the House budget might come up, or are we totally bound by waiting to see what the other body does? After all, that could take days, weeks, who knows?

Mr. FOLEY. The gentleman knows the other body has under consideration budget proposals at this moment, and they may be meeting tomorrow to continue work on that budget.

The Speaker has announced that it is his intention and that of the majority leader to bring to the floor or at least to report from the Budget Committee, subject to their approval obviously, a budget within 72 hours of the time that a budget resolution is adopted by the other body.

Mr. LOTT. But what I was wondering—I have never known the House to wait on the "lower" body in this way to decide when we might act, and I am wondering what if they do not act?

Mr. FOLEY. I think the fact is that the other body has been proceeding as expeditiously as their rules permit, considering that I believe there were 50 hours ordered of debate on that matter and it only would expire today. So I still have confidence that the other body may be able to produce a budget resolution within a very short time.

I think before we assume that that is not the case, we ought to apply perhaps an extension of the comity rule between the two Houses, and consider that they may be more likely to achieve their legislative goal than less likely.

Mr. LOTT. Well, I have always been proud of the fact that this House, this body of the Congress acted on its own and did not take directions or have our schedule controlled by the other body.

Mr. FOLEY. We do not.

Mr. LOTT. And I do not understand why we do not move on our own. Maybe we could provide some guidance or some leadership in these deliberations that are occurring on the other side of the Capitol.

Mr. FOLEY. Well, if the situation changes dramatically, and it appears that the other body is simply unable to conclude its work, then of course the matter would be reviewed. But for the present time the statements of the Speaker and the leader concerning the House action stand, that we will hope to report a bill within 72 hours following Senate action.

Mr. LOTT. One final question going back to the schedule with regard to Tuesday's schedule and future Tuesdays. We do have a number of States that will be having primaries in May and in June. I noted that the suspensions, if votes were requested, would be carried over until Wednesday. But we do possibly have some votes that come up on Tuesday. I presume the leadership is going to try to have business on Tuesdays but will try to cooperate where there are primaries to keep the schedule light or try to reduce the number of recorded votes, although we can expect to be in session and taking up legislative business. Is that a fair statement?

Mr. FOLEY. I will tell the gentleman that that is a fair statement and that every week's program presents a different circumstance with respect to possible primary days. But it is the intention of the leadership to try to avoid votes as much as possible on those days to provide for those Members of States with primaries to be at home.

Mr. LOTT. I think we should do that. I would like to urge or perhaps even caution that we sort of have a consistent rule, otherwise we would get into trouble if we have one set of rules on one occasion and a different set of rules on another occasion.

Mr. FOLEY. The point is well taken, and our objective is to be as consistent as possible. And I would hope also that the Members might also as much as possible try to avoid unnecessary rollcall votes on those days of the primaries.

Mr. LOTT. We would like to cooperate with you in that effort.

ADJOURNMENT TO MONDAY, MAY 5, 1986

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

HOUR OF MEETING ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday next, it adjourn to meet at noon on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman form Washington?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that business under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

RELATING TO THE DOCUMENTATION OF THE VESSEL "MARILYN" TO BE EMPLOYED IN THE COASTWISE TRADE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 739) relating to the documentation of the vessel *Marilyn* to be employed in the coastwise trade, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert:

That subtitle II of title 46, United States Code, is amended as follows:

(1) In section 2101(14)(C), strike "Material" and substitute "Materials".

(2) Section 2101(21) is amended as follows:

(A) In subclause (A)(ii), strike "crewmember." and substitute "crewmember or other individual engaged in the business of the vessel who has not contributed consideration for carriage on board the vessel.".

(B) Strike subclause (B)(v)-(vii) and substitute the following:

"(v) a guest on board a vessel being operated only for pleasure who has not contributed consideration for carriage on board; or

"(vi) an individual on board a towing vessel of at least 50 gross tons who has not contributed consideration for carriage on board.".

(C) At the end, add the following new subclause:

"(F) on a sailing school vessel, means an individual carried on the vessel except—

"(i) the owner or representatives of the owner;

"(ii) the master or a crewmember engaged in the business of the vessel who has not contributed consideration for carriage and who is paid for services;

"(iii) an employee of the owner of the vessel engaged in the business of the owner, except when the vessel is operating under a demise charter;

"(iv) an employee of the demise charter of the vessel engaged in the business of the demise charterer;

"(v) a guest on board the vessel who has not contributed consideration for carriage on board; or

"(vi) a sailing school instructor or sailing school student.".

(D) Strike "or a sailing school vessel," in clause (B).

(3) In section 3302(i)(5), strike "charterer" and substitute "charter".

(4) At the end of section 3302, add the following new subsection:

"(k) Only the boiler, engine, and other operating machinery of a steam vessel that is a recreational vessel of not more than 65 feet overall in length are subject to inspection under section 3301(9) of this title.".

(5)(A) Section 3304 is amended as follows:

(i) In the section catchline, strike "Carrying" and substitute "Transporting".

(ii) In subsection (a), strike "carrying cargo that carries" and "vessel." and substitute "Transporting cargo that transports" and "vessel if the vessel is otherwise subject to inspection under this chapter.", respectively.

(iii) In subsection (b), strike "Before an individual in addition to the crew is carried" and substitute "Except when subsection (e) of this section applies, before an individual in addition to the crew is transported".

(iv) In subsection (c), strike "The privilege" and substitute "A privilege".

(v) Add at the end the following new subsection:

"(e) The Secretary may by regulation allow individuals in addition to the crew to be transported in an emergency or under section 2304 of this title.".

(B) In item 3304 in the analysis of chapter 33, strike "Carrying" and substitute "Transporting".

(6) In section 3318(f), before clause (1), strike "then" wherever it appears and substitute "than".

(7)(A) Section 3503 is amended as follows:

(i) Insert "(a)" at the beginning of the section.

(ii) Strike the last sentence and substitute "Before November 1, 1993, this section does not apply to a vessel in operation before January 1, 1968, and operating only on the inland rivers.".

(iii) Add at the end the following:

"(b)(1) When a vessel is exempted from the fire-retardant standards of this section—

"(A) the owner or managing operator of the vessel shall notify prospective passengers that the vessel does not comply with applicable fire safety standards due primarily to the wooden construction of passenger berthing areas;

"(B) the owner or managing operator of the vessel may not disclaim liability to a passenger for death, injury, or any other loss caused by fire due to the negligence of the owner or managing operator; and

"(C) the penalties provided in section 3504(c) of this title apply to a violation of this subsection.

"(2) The Secretary shall prescribe regulations under this subsection on the manner in which prospective passengers are to be notified.".

(B) Until the regulations required by subclause (A) of this clause become effective, the owner or managing operator shall notify prospective passengers in all promotional literature and on each ticket that the vessel does not comply with those standards due primarily to the wooden construction of passenger berthing areas.

(8) In section 3714(a)(4), strike "charter" and substitute "charterer".

(9) Section 4308 is amended by striking "operator" wherever it appears and substituting "individual in charge".

(10) In section 7111, strike "Part" and substitute "part".

(11) In section 7312(e), strike "able seaman-limited" and substitute "able seamen-limited".

(12) Section 8104(k) is amended by striking "watchers" and substituting "watches".

(13) In section 8502(a)(4)(A), strike "Part" and substitute "part".

(14) Chapter 89 is amended as follows:

(A) In item 8903 in the chapter analysis, strike "Uninspected';' and substitute "Self-propelled, uninspected".

(B) In the catchline of section 8903, strike "Uninspected" and substitute "Self-propelled, uninspected".

(C) In the text of section 8903, strike "An" and substitute "A self-propelled,".

(15) In section 10709(a)(1), before clause (A)—

(A) strike "then $1,500 in value, and" and substitute "than $1,500 in value, the court,"; and

(B) strike "wages, the court" and substitute "wages,".

(16) Section 12133(a) is amended by adding at the end the following sentence: "Each day of continuing violation is a separate violation.".

(17) In section 13102(a)(4), strike "coordinate carrying the State" and substitute "coordinate carrying out the State".

(18) Section 13104(b) is amended by inserting after "Secretary" the words "for State recreational boating safety programs".

(19) Chapter 111 is amended as follows:

(A) At the end of the chapter analysis, add the following new items:

"11112. Master's lien for wages.".

(B) At the end of the chapter, add the following new section:

"§ 11112. Master's lien for wages

"The master of a documented vessel has the same lien against the vessel for the master's wages and the same priority as any other seaman serving on the vessel.".

SEC. 2. (a) The Coast Guard may enter into a lease in excess of 1 fiscal year to acquire a site on the State pier in New Bedford, Massachusetts, for construction of maintenance assistance team and vessel support facilities on that pier.

(b) A lease under this section is effective only to the extent that amounts are provided for in appropriations laws.

(c) Notwithstanding section 322 of the Act of June 30, 1932 (40 U.S.C. 278a), and beginning in fiscal year 1986, the Coast Guard may spend appropriated amounts for the construction of fixed facilities and improvements on that portion of the State pier leased from Massachusetts for the use of a maintenance assistance team and Coast Guard vessels.

SEC. 3. The body of water known as Lawyer's Ditch located at block 5,000 in the city of Newark, county of Essex, New Jersey, is declared to be a nonnavigable waterway of the United States within the meaning of the General Bridge Act of 1946 (33 U.S.C. 525 et seq.).

SEC. 4. The Coast Guard may enter into any agreement or letter of intent with a municipal utility within the Seventeenth Coast Guard District to provide electricity to a Coast Guard facility without complying with the provisions of section 4 of Public Law 98-557.

SEC. 5. Bayou Lafourche, in the State of Louisiana, between Canal Boulevard, city of Thibodaux, parish of Lafourche and the Southern Pacific Railroad bridge crossing the bayou, city of Thibodaux, parish of Lafourche, is hereby declared to be a nonnavigable waterway of the United States within the meaning of the General Bridge Act of 1946 (33 U.S.C. 525 et seq.).

SEC. 6. Notwithstanding sections 12105, 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), as applicable on the date of enactment of this

Act, the Secretary of the department in which the Coast Guard is operating may issue a certificate of documentation for the following vessels: *Marilyn*, Maryland registration number MD 3533 AA; *Royal Star*, Michigan registration number MC 9707 J; *Alaskan Shores*, United States official number 603879; *Shearwater*, United States official number 603827; *Gypsy Rose*, California registration number CF 4291 HF; *Eliminator*, United States official number 507572; *Puka Kai*, United States official number 677462; *Lobster House*, Panama registration number 494-PEXT; *Jane E.*, Bahamian registration number 315924; and *Diane M.*, Bahamian official number 315925, except that such vessels *Jane E.* and *Diane M.* may be operated under such documentation only in the waters of the Atlantic Ocean and the Gulf of Mexico.

SEC. 7. Section 2(a) of the Act entitled "An Act to facilitate increased enforcement by the Coast Guard of laws relating to the importation of controlled substances, and for other purposes", approved September 15, 1980 (21 U.S.C. 955b(a)), is amended by inserting immediately before the period the following: ", except that an event otherwise qualifying as an arrangement under such section does not lose that qualification by the fact that consent to, or the terms of, such arrangement are communicated by radio, telephone, or other similar means, or by how specific such arrangement is as to the vessel to which such arrangement applies".

SEC. 8. The Coast Guard may enter into a cost-sharing arrangement with the city of Cape May, New Jersey, under which the city of Cape May will provide necessary roadway improvement on and along Pennsylvania Avenue between Pittsburg and Buffalo Avenues, as abutted by housing owned by the Coast Guard. For purposes of entering into such an arrangement, the Coast Guard may expend from previously-appropriated funds an amount not to exceed $20,000 on a nonrecurring basis.

SEC. 9. Section 2103 of title 46, United States Code, is amended by striking all after "subtitle" the third time it appears and substituting ". The Secretary may prescribe regulations to carry out the provisions of this subtitle.".

SEC. 10. Section 4370(a) of the Revised Statutes of the United States (46 U.S.C. App. 316(a)) is amended—

(1) by striking all from "a certificate of registry," through "the Act of June 7, 1918, as amended (U.S.C., 1934 edition, Supp. IV, title 46, sec. 288)," and substituting "a certificate of documentation issued under sections 12106 or 12107 of title 46, United States Code,"; and

(2) by striking "a vessel of foreign registry, or a vessel in distress", and substituting "a vessel in distress".

SEC. 11. Section 3 of the Shipping Act of 1984 (46 U.S.C. App. 1702) is amended—

(1) in paragraph 6, (A) by striking the period at the end of subparagraph (B) and substituting a comma, and (B) by adding at the end thereof the following: "except that the term does not include a common carrier engaged in ocean transportation by ferry boat, ocean tramp, or chemical parcel-tanker. As used in this paragraph, 'chemical parcel-tanker' means a vessel whose cargo-carrying capability consists of individual cargo tanks for bulk chemicals that are a permanent part of the vessel, that have segregation capability with piping systems to permit simultaneous carriage of several bulk chemical cargoes with minimum risk of cross-contamination, and that has a valid certificate of fitness under the International Maritime Organization Code for the Construction and Equipment of Ships Carrying Dangerous Chemicals in Bulk."; and

(2) in paragraph (18), by striking all from the semicolon and substituting a period.

SEC. 12. Notwithstanding the provisions of the Act entitled "An Act to authorize the Secretary of Commerce to sell two obsolete vessels to Coast Line Company and for other purposes", approved June 3, 1980 (Public Law 96-260; 94 Stat. 435), the Secretary of Transportation shall permit the vessels *Pictor*, United States official number 243529, *Procyon*, United States official number 244022, and *Zelima*, United States official number 248207, to be scrapped in the foreign market if—

(1) the purchaser of such vessels and the country in which such vessels are to be scrapped are acceptable to the Secretary of Transportation; and

(2) the seller of any such vessel agrees in writing to reimburse the United States a reasonable amount, acceptable to the Secretary of Transportation, of not less than one-half of the profits realized from such sale.

SEC. 13. Notwithstanding any other provision of law or any agreement with the United States Government, the vessels *Paul Bunyan*, United States official number 602272, and *John Henry*, United States official number 599294, may be sold to a foreign purchaser or purchasers if—

(1) the person desiring to sell the vessel submits to the Secretary of Transportation and the Secretary of the Navy a written offer under which the Secretary of Transportation may elect to acquire either or both vessels for the National Defense Reserve Fleet or the Secretary of the Navy may elect to acquire either or both vessels for the Ready Reserve Fleet, under the same terms and conditions as those offered by the foreign purchaser or purchasers; and

(2) neither Secretary elects to acquire the vessel within 60 days after the date on which a written offer is submitted to the Secretaries under paragraph (1) of this subsection.

Amend the title so as to read: "An Act to make miscellaneous changes in laws affecting the United States Coast Guard, and for other purposes.".

Mr. JONES of North Carolina (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from North Carolina?

Mr. FIELDS. Mr. Speaker, reserving the right to object, and I do not plan to object, I would merely ask that the gentleman briefly explain the nature of this bill.

Mr. JONES of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. FIELDS. I yield to the gentleman from North Carolina.

Mr. JONES of North Carolina. I thank the gentleman for yielding.

Mr. Speaker, H.R. 739 is a bill returned from the Senate containing provisions that were included in H.R. 2466, previously adopted by the Senate on December 19, 1985, and the House on January 29, 1986. That measure was vetoed by the President and the veto message identified seven sections of H.R. 2466 compelling the disapproval. The other body has returned to us H.R. 739, previously transmitted to the other body on December 4, 1985, and substituted in that measure all the provisions of previously enacted H.R. 2466 with the exception of those items enumerated in the President's message of disapproval. Incidentally the provisions of H.R. 739, as passed by the House, were included in H.R. 2466 and continue in the present version of H.R. 739 as amended.

Mr. Speaker, nothing has been added to this bill that has not already been approved by the House. I ask support for the action by the other body.

Mr. FIELDS. Mr. Speaker, I thank our distinguished chairman for his explanation.

Mr. Speaker, I too rise in support of H.R. 739, a bill that permits the documentation of certain vessels for use in the coastwise trade and that makes a series of miscellaneous changes in the law affecting the Coast Guard or the merchant marine. These provisions have been passed before by the House and included in a bill (H.R. 2466) which was subsequently vetoed by the President. This bill today contains all of those provisions from that bill that were considered not objectionable by the President in his veto message. Generally, the bill includes provisions dealing with:

The operation or disposition of various merchant vessels;

Exemptions for certain bridge permits;

Technical, conforming, and miscellaneous changes to the shipping laws in title 46, United States Code;

Enhancement of the Coast Guard's drug law enforcement authority; and

Certain authorizations for day-to-day Coast Guard administrative and management matters.

All of these provisions represent changes that will be of great benefit to the Coast Guard and the maritime industry in the United States.

Mr. Speaker, under my reservation of objection I yield to the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Speaker, I rise in support of H.R. 739 for its administrative improvements and in particular for an amendment contained in the bill which I introduced earlier this year to clarify a critical provision of law regarding Coast Guard drug enforcement procedure. In April of this year, I, along with the chairman of the Subcommittee on Crime, introduced H.R. 2132, legislation to clarify the

intent of 21 U.S.C. 955 as regards the definition of an "arrangement" and return jurisdiction to the United States to intercede foreign drug ships on the high seas.

I wish to commend my friend from New Jersey, the Crime Subcommittee chairman for promptly convening hearings on the bill and providing us the opportunity to learn more about problems facing the Coast Guard in the drug enforcement area. I also wish to commend the Coast Guard staff for providing excellent technical assistance to us on this issue and on this bill.

Mr. Speaker, this legislation was drafted in response to frustrations experienced by our U.S. attorneys in their efforts to convict foreign drug ships. A loophole was created in our jurisdictional statutes by criminal defense lawyers which worked to preclude our prosecutors from obtaining jurisdiction to convict drug smugglers. U.S. law was intended to reach foreign drug runners in international waters and this amendment simply clarifies the intent of the law as it is written. I wish to thank the U.S. attorney's office for their help in defining this problem and I especially thank the U.S. attorneys office in Miami, FL, for providing background information and direction.

Last, I thank my friend from Florida, the fine gentleman from the other body, for his efforts in attaching our bill as an amendment to H.R. 739 and once again helping this country close the gap between the drug smugglers' edge and our law enforcement efforts. Our courts have been active in this area, Mr. Speaker, and I am pleased that we have this opportunity through legislation, to clarify this particular issue. This may be only a first step toward clarifying procedure in this area, Mr. Speaker, but it is progress in the vast battle against the drug war being waged against my State and this country.

Mr. FIELDS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from North Carolina?

There was no objection.

A motion to reconsider was laid on the table.

AUTHORIZING THE SPEAKER TO APPOINT MEMBERS OF COMMITTEE ON MERCHANT MARINE AND FISHERIES TO SERVE AS CONFEREES ALSO ON SECTION 127 OF TITLE I OF H.R. 2005, SOCIAL SECURITY MINOR AND TECHNICAL CHANGES ACT OF 1985

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the Speaker be authorized to appoint the members of the Merchant Marine and Fisheries Committee who are participating in the conference with the Senate on title I of H.R. 2005 to serve as conferees for section 127 of title I, and modifications committed to conference.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

Mr. FIELDS. Mr. Speaker, reserving the right to object, I will just say, Mr. Speaker, that the minority has reviewed this request and is in full accordance with our chairman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The SPEAKER pro tempore. The Speaker will make that designation.

The Clerk will notify the Senate of the change in conferees.

ENSURING THAT OUR CITIZENS WHO HAVE BEEN IN THE SOVIET UNION DURING THE NUCLEAR ACCIDENT RECEIVE MEDICAL SCREENING AS SOON AS POSSIBLE AFTER LEAVING THE SOVIET UNION

(Mr. FISH asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FISH. Mr. Speaker, I am concerned that the nuclear accident at the reactor at Chernobyl raises health hazards for American citizens who were in the Soviet Union at that time and subsequently. I think that this situation is magnified by the lack of information that has been forthcoming from the Soviet Union as to the extent of the accident, and therefore it is imperative that the United States take responsibility for its citizens who have been in the Soviet Union during this particular time.

My colleague from New York, Congressman GILMAN, as we are speaking, is on his way to Kennedy Airport where students from Rockland County, NY, in his district, are arriving directly from the Soviet Union, and the facilities at Brookhaven Laboratories on Long Island have been made available to have a medical screening of the students upon their arrival at Kennedy Airport.

In my case, the students from the Arlington High School in Dutchess County, NY, will have a layover of considerable time in Amsterdam. Under the present arrangements, it is not possible for the military to give any kind of a prescreening, medical prescreening without authority from our State Department.

Today I am delivering letters to the Secretary of State and the Deputy Secretary of State, John Whitehead, asking them on an urgent basis to make medical staff either attached to our missions or to our military facilities available for American citizens departing at this time from the Soviet Union who are not proceeding directly back to this country. I do think that is the least we can do, to ensure that our citizens who have been in the Soviet Union recently have a thorough screening for possible harmful effects as soon as possible after leaving that country.

HOUSE OF REPRESENTATIVES,
Washington, DC, May 1, 1986.

Hon. JOHN C. WHITEHEAD,
Deputy Secretary of State, Department of State, Washington, DC.

DEAR MR. SECRETARY: I am writing to you today about a matter of the utmost urgency. The nuclear accident at the reactor at Chernobyl has potentially placed visitors to the Soviet Union in a very dangerous situation. Particularly with the lack of information available at this time regarding the extent, nature and intensity of radioactive leakage, it becomes imperative that we take responsibility for ensuring that our citizens who have been in the Soviet Union during the incident receive a thorough screening for possible harmful effects as soon as possible after leaving the Soviet Union.

I therefore request that you look into the feasibility of arranging for such screening of returning U.S. citizens at layover points in Western Europe. Many citizens are not returning to the United States immediately, and regardless of their travel plans it is encumbent upon us to ascertain their health status just as quickly as possible. Perhaps U.S. Embassy medical personnel could be utilized, or an arrangement made to utilize U.S. military or NATO facilities.

I cannot stress more emphatically my conviction that we do all we can for our citizens, especially since the Soviets seem not to be acting in a wholly responsible manner. This is an extraordinary situation, and requires extraordinary measures to deal adequately with it.

Thank you very much for your immediate attention to this matter. I look forward to hearing from you.

With warmest regards.

Sincerely,

HAMILTON FISH, Jr.,
Member of Congress.

H.R. 3989, ALLOWING SCRAMBLING OF TELEVISION PROGRAMMING BY SATELLITE UNDER CERTAIN CONDITIONS

(Mr. CLINGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLINGER. Mr. Speaker, I would ask my colleagues to take a few minutes this morning to focus on a relatively new problem facing some 2 million Americans—our constituents.

Residents or rural areas, where reception of regular television broadcast signals is poor at best and impossible at worst, have turned to the backyard satellite dish as their only means of receiving television programming. Re-

cently, a number of stations who transmit their signals via satellite have begun to encrypt or scramble those signals, abruptly terminating the satellite dish owner's access to the signal.

The problem with this situation centers around the lack of a reasonable and workable marketing system. The question is not if the dish owner is willing to pay for access, but, rather, is a separate decoder, currently priced at approximately $400 per unit, needed to unscramble each signal? Is there a sufficient number of decoders in stock to meet the forced demand? What is a "reasonable" fee for viewing rights?

These questions are addressed in legislation introduced by our colleague from Texas [Mr. SWEENEY]. This measure, H.R. 3989, would allow scrambling to occur provided that these questions are addressed.

In conclusion, Mr. Speaker, this is a very real problem for satellite dish owners and one that needs to be considered by this Chamber.

□ 1300

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would like to announce that there may be further legislative business. We are going to proceed now with special orders, but there may be a resolution brought up at a later time.

ACCESS TO HEALTH CARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, today, I am introducing legislation that will provide help to millions of Americans who cannot afford the health care they need. It would also give relief to hospitals that continue to provide indigent care despite the threat such nonreimbursed care creates for their financial viability.

I am joined in sponsoring this bill by Congressman GRADISON and in the Senate by Senators KENNEDY, DURENBERGER, and HEINZ.

The bill takes two approaches to guarantee care to those who cannot pay for it. First, it takes several steps to make insurance coverage more widespread. Then it requires the States to have a plan to compensate hospitals for care provided to people who still cannot afford to pay for it.

Broader insurance coverage is encouraged in five ways:

First, if an employee is discharged or loses coverage because of a reduction in hours, health insurance must be continued for four months or a period equal to the period of employment, whichever is less. The employer contribution must remain the same.

Second, if one spouse in a two-earner family loses his job, the remaining earner automatically receives an open enrollment period for health insurance in his employer-provided plan.

Third, owners of unincorporated businesses would be allowed to deduct their health insurance premiums as a business expense if a majority of the employees for which they provided health insurance were not family members. The deduction per premium would be limited to the lowest premium paid.

Fourth, States would be encouraged to create insurance risk pools that would make comprehensive health insurance available to all, irresponsible of medical condition, at a reasonable price. Any losses would be assessed equitably among all participating health benefit providers.

Fifth, a series of demonstrations would be created on ways to reduce the costs of health insurance for small businesses and self-employed individuals.

Taken togehter these changes could significantly increase the percentage of our population that has health insurance and thus, access to care when needed.

In the past few years, the hospital business has become more competitive. Hospitals, who used to shift costs in order to finance free care for the poor, now find that this isn't possible. The hidden subsidies are being forced out of the system.

The bill I am introducing today would require States to either provide insurance to all residents or come up with a plan to pay hospitals for charity care. As things now stand, the hospitals who care the most suffer the most. Hospitals continue to have a social responsibility to provide care to all who need it. But we have a responsibility to be sure that they are paid for it.

It is my hope that we will be able to make significant progress on these important issues during the remainder of the year.

OLDER AMERICANS MONTH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. ROYBAL] is recognized for 60 minutes.

Mr. ROYBAL. Mr. Speaker, as chairman of the Select Committee on Aging, I would like to take this opportunity to thank the Members of this Chamber who have been vigilant in their support of the Older Americans Act and the elderly citizens of our great Nation.

Just last year we had the great honor of marking the 20th anniversary of the passage of the Older Americans Act. This landmark legislation continues to be the primary source of social service delivery to millions of older Americans. Over the last 21 years, the programs and services which have been established through this act have enhanced the quality of life for seniors. These programs have provided the basic supportive and nutritional services needed by many older persons to help them remain active and live independently with dignity.

Since the passage of the Older Americans Act, over 600 area agencies on aging have been established throughout the country to help coordinate services to our Nation's senior citizens. It is estimated that 9 million elderly currently benefit from services such as in-home an adult day care, and congregate and home-delivered meals.

These successful programs have proven, time and time again, to be effective in preventing premature institutionalization. However, it is my firm belief that there still is much work to be done. During this time of budget restraint, I must emphasize that Older Americans Act programs have already sustained their share of budget cuts. Older Americans programs need to be expanded and not be subjected to further budget cuts.

On the occasion of the month of May being designated as "Older Americans Month," this Congress should once again renew its long standing and deep commitment to the older Americans program and to the senior citizens its serves so well.

Again, as chairman of the Aging Committee, I wish to thank those in this body who through the years have supported the Older Americans Act, its goals and objectives. I think that the Congress should be immensely proud of their efforts and the success of this landmark legislation.

Mr. ROE. Mr. Speaker, we join in this special order today to recognize the enormous contribution that this Nation's senior citizens have made to the well-being, progress and defense of our great country by celebrating the month of May 1986 as "Older Americans Month." Unfortunately, Mr. Speaker, judging from what I have been hearing from my constituents, the senior citizens back home are in no mood to celebrate. To the contrary, Mr. Speaker, they are deeply concerned about the barrage of budget cuts affecting vital programs that this administration first launched 5 years ago and which continues today.

At a time when our Nation's senior citizens should be living their so-called golden years in dignity and with the thanks of a grateful Nation for all they have given and continue to give, they are, instead, faced with the prospect of rising medical costs that can wipe out a life's savings in an instant; of cuts in important local services because of Gramm-Rudman and a proposed administration deferral of funding under the Community Development Block Grant, and of rescissions in federally assisted housing.

Just recently the Department of Health and Human Services projected that by next year Medicare patients will have to pay $572 for their first day in a hospital, up from $492 this year, and up from $400 in 1985, HHS further projected that by 1991, the out-of-pocket cost for a Medicare beneficiary's first day in a hospital is expected to be an incredible $732. Mr. Speaker, I believe it is unconscionable that our senior citizens, at a time in their lives when they are most vulnerable to serious illness, must be faced with the prospect of not being able to afford adequate health care.

It is true that we have addressed some of the problems of the elderly. For instance, the Nation has finally come to recognize the tragedy of Alzheimer's disease and the way it devastates both victim and family, and we are now seeking to establish national centers to deal with this terrible affliction. We are also seeking ways of reforming the Medicare system to keep it solvent and assure quality health care for all seniors. And we are seek-

ing ways to make sure that the elderly do not have to face the prospect of being financially drained in the process of battling life-threatening illness.

Mr. Speaker, I believe it is only fitting that we dedicate, at the very least, a month of hope and resurgence such as May as a time to recognize our Nation's senior citizens. At the same time, however, I believe such recognition will be of little value unless it serves to remind us that this special group of Americans has contributed greatly to our growth and heritage, and that we should work vigorously to assure that, as we seek to grapple with unprecedented budget deficits, we do not take away from them the opportunity for a life with dignity they most certainly deserve.

Mr. BEVILL. Mr. Speaker, I rise today to commemorate the month of May as "Older Americans Month" and to take this opportunity to express some of my thoughts about a very important segment of our society.

We rejoice in the fact that greater numbers of Americans are living longer because of better nutrition and better medical care. Our senior citizens enrich our society with their wisdom and their sense of tradition. Although many are retired, many continue to contribute by keeping active in civic work and politics. We all like to think that when we reach these golden years that we will enjoy a life of comfort that we work so hard for.

Sadly, the price of reaching old age is the risk of living with impaired health and of having to exhaust one's financial resources to obtain needed quality health care. Far too many of our elderly spend the end of their lives in poor health and without dignity because they impoverish themselves while trying to pay for their health care.

The population of elderly 75 years of age and older is growing faster than any other age group. That means the problem of paying for health care is not going away. It's going to become more critical as this segment of the population increases.

We, in Congress, ought to recognize our responsibility toward our senior citizens. We must address the problem of soaring health care costs and the problems caused by cuts in Medicare. If we don't do something now, this serious problem is only going to get worse.

The House Select Committee on Aging estimates that by 1991, the elderly's health care payments will cost them $2,633 a year. They are already averaging an estimated $1,850 per person this year. For people on fixed incomes, these costs are astronomical.

Our senior citizens need protection from the ravaging costs of chronic illnesses. They deserve our respect and our care. Let's not forget that it is our older generation which has nourished the next generation. They invested their lives in the future. Let's not forget theirs.

Mr. MARTINEZ. Mr. Speaker, America will again salute our senior citizens during May, which the President has declared "Older Americans Month." The number of Americans aged 65 or over his reached approximately 29 million, or 12 percent of the population. Those figures are projected to rise to 35 million, or 13 percent, by the year 2000, and to 65 million, or 21 percent, by the year 2030. Older Americans face many problems, but we must also recognize that they are a great resource—men and women filled with experience, talent, and the determination to use their experience and talent for the good of their families and communities.

Very often, when we think of senior citizens, we think of loneliness, illness, vulnerability to crime, and poverty. Certainly such problems do plague too many of America's elderly, and I believe one of our greatest responsibilities as Members of Congress is to continue to support and fund programs that are aimed at minimizing such problems. For this reason, I have fought along with many of you to protect cost-of-living adjustments for Social Security beneficiaries and other retirees. I am also supporting H.R. 3120, the Elderly Crime Prevention and Victim Assistance Act. No American should have to live in fear of becoming a victim of crime, but our senior citizens need and deserve the special attention and protection that H.R. 3120 will provide.

Yet, while I do not wish to gloss over the problems that many older Americans face, I do wish to emphasize their contributions to America. Millions of older Americans lead active and productive lives. Many continue to work in paying jobs even though retirement may be financially feasible. Many senior citizens work in the volunteer sector that attracts the talents and energies of Americans of all ages.

I'm confident that each of us is acquainted with a number of senior citizens who lead very full and active lives. One such senior citizen whom I am especially proud to call my constituent is Ralph Webster. Ralph has been a part-time staff assistant in my district office for nearly 4 years, specializing in casework affecting senior citizens. With great knowledge of Social Security, Medicare, and related programs—and with great wit and patience—he helps many of my constituents deal with an often confusing Federal bureaucracy to get the benefits to which they are entitled. Ralph Webster, like so many Americans, has used retirement from his career as an opportunity to put his energies and skills to use in new ways.

The problems and the potential of America's senior citizens are, of course, two faces of the same reality. A wise government and a caring society cannot completely eliminate the problems that senior citizens confront. But a wise government and a caring society can do a great deal to minimize these problems and to help senior citizens maximize their potential. During Older Americans Month, we should renew our dedication to this dual goal.

Mr. TAUKE. I am pleased to join my colleagues in celebrating Older Americans Month this May. During the past year we have continued to support and defend programs and projects which benefit the elderly. Today we reinforce our commitment to senior Americans whose health and well-being are vital to us all.

Last year we commemorated the 50th anniversary of Social Security with the theme "Partnership with Tomorrow," characterizing the system as a bridge between the old and the young; between the public and private sector in providing retirement income through many sources; and finally as a tribute to the financial soundness of the system and our hope this success will continue into the next century. We reaffirmed our commitment to beneficiaries of Social Security by refusing to allow the cost-of-living adjustment they depend upon to be denied or their benefits to be frozen.

In the fall, we were outraged and dismayed by the disinvestment of the Social Security trust funds when we were unable to resolve the Federal debt ceiling crisis. Once again, we stood squarely behind the Social Security system and demanded the repayment of all securities and interest lost by the trust funds. I, along with many of my colleagues, joined in an effort to prohibit the Treasury from delaying the investment of payroll taxes without congressional consent.

To further our support for the Social Security system and its beneficiaries, we moved closer to establishing an independent Social Security Agency. The primary purpose of this bill is to remove the agency from political and budgetary considerations. We will serve senior citizens well by removing the largest entitlement program in the world from the political arena.

Income security continues to demand our attention from governmental assistance programs to encouraging private sector involvement in providing retirement income through pension plans, and guaranteeing the stability and viability of Federal retirement income programs.

In Iowa, Governor Branstad honors our seniors by conducting the Governor's Conference on Aging each May. I am pleased that three of my constituents have been selected as Outstanding Older Iowans.

Theodore Schuchmann, a native of Strawberry Point, IO, is an active 83-year old who was a Boy Scout leader for 45 years, serves as president of the local senior citizen housing complex, and is a 44 year member of the Lions Club. He has been a long-time advocate for conservation and has donated his time to building nature trails in northeastern Iowa.

Leo Croce of Maquoketa, IO, has also been active in serving his community. Not only was he a driving force for the development of senior housing in Maquoketa, but he has also been involved in ACTION since its inception, Maquoketa Community Services, distributing clothing and food, and Legal Services.

Ira Larson, after serving Cedar Rapids, IO, through education and senior citizen activities, retired as the assistant superintendent of Kirkwood Community College. Demonstrating his commitment to youth and education, Mr. Larson has been involved with the Iowa State Epilepsy Association, the vocational education task force, and was appointed by the Governor to serve on the Iowa Developmental Disability Commission. He volunteers for the Heritage Area 10 Agency on Aging as a member of its Advisory Council, Planning Committee, and also on a newly created ad hoc committee to integrate the services of the elderly in the Kirkwood Community College educational experience.

Theodore Schuchmann, Leo Croce, and Ira Larson have demonstrated their commitment to their respective communities and fellow seniors citizens throughout their lives and are most deserving of the Governor's honorary award.

With these men in mind, I reaffirm my commitment to senior Americans and will continue to work toward ending age discrimination and mandatory retirement in the workplace, providing protection against rising health care costs, encouraging employers to utilize the talent and exeprience of older workers, and ensuring the stability of the Social Security, civil service retirement, railroad retirement, and the military retirement systems. During May and throughout the year, we must not only reinforce our commitment to the integrity of programs which benefit the elderly, but we must recognize and support the tremendous contributions the older members of our families have made to our lives, communities and Nation.

Mr. MANTON. Mr. Speaker, I am pleased to participate in today's special order to celebrate the month of May as "Older Americans Month" and to take a moment to discuss the contributions of older Americans and some of their special concerns. I would like to commend my colleagues for organizing today's special order in recognition of some very special people.

Mr. Speaker, America's seniors are the fastest growing segment of our Nation's population. In fact, my congressional district, the Ninth Congressional District of New York, has the 12th highest number of senior citizens of the 435 congressional districts in the United States. Therefore, during my first 16 months in the Congress, I have given the needs and concerns of senior citizens a top priority on my legislative agenda.

America's senior citizens are a diverse group of people who have contributed to, and continue to contribute to, our Nation's strength and prosperity. However, our senior citizens are beset by a variety of problems which often turn one's retirement years into years of fear and anxiety. Today's special order provides an opportunity to emphasize some of the key areas of concern.

While senior citizens are confronted with rising health care costs that are eating up more and more of their limited incomes, the Reagan administration continues to propose increasing out-of-pocket expenses for Medicare beneficiaries. Furthermore, most senior citizens are at great financial risk in the event of a long-term, catastrophic illness.

The lack of safe, adequate housing is another serious problem for the elderly. Although 40 percent of all federally assisted housing units are occupied by the elderly, an increasing number of elderly Americans cannot find affordable housing. Furthermore, the latest statistics show that in 1980, roughly 80 percent of the housing units units occupied by the elderly were built before 1939. Almost 500,000 elderly housing units lacked some or all plumbing facilities.

Furthermore, our seniors continue to be crime victims. Not only are seniors victimized by strangers, but recently there has been a sharp rise in the instances of elder abuse by family members. These serious problems must be addressed by the Congress and our Nation.

Mr. Speaker, I believe we can best celebrate Older Americans Month by developing a budget which truly helps and protects older Americans who have contributed so much to our Nation. I would like to take this time to reaffirm my commitment and my promise to work dilegently in the Congress on behalf of our Nation's senior citizens. I will continue my efforts to develop a health care agenda that controls health care costs while maintaining the quality of health care. I will also continue my fight against this administration's attempts to reduce or eliminate Federal funds for senior citizen housing.

In closing, I urge colleagues join my efforts and truly make the month of May "Older Americans Month." This is an important initiative to honor a vital segment of our society.

Mr. RINALDO. Mr. Speaker, this month marks the 23d year the President of the United States has declared May as Older Americans Month to recognize and pay tribute to our Nation's senior citizens. This special month provides the opportunity to thank this country's elderly for the significant contributions they made and continue to make to our society.

Our country's older Americans endured the tremendous hardships of the Depression and heroically defended our country in World War II. The seniors of this country are in large part responsible for the preservation of the unprecedented personal freedom that we Americans share today and deeply cherish. Additionally, all American citizens today are indebted to our Nation's elderly for the economic privilege the vast majority in this country enjoy.

Our world would be less rich were it not for the efforts of those who created some of their finest work when long past what many would consider their prime. Not only are our senior citizenry responsible for the continued freedom and liberty in the United States, but they continue to make invaluable contributions to society.

The fact that many Americans make outstanding achievements after the age of 70 should not come as a surprise when one considers just a few of our past citizens' accomplishments. Benjamin Franklin was 84 when he wrote his powerful appeal to Congress to abolish slavery. Noah Webster wrote his famed dictionary at age 70. John Quincy Adams, who had already served as Secretary of State under President Monroe, and as President, was elected to Congress in 1830 when he was 64 years old, and served in the House of Representatives for 17 years until his death in 1848 at age 81. At age 61, Oliver Wendell Holmes, Jr., one of the greatest jurists and constitutionalists in American history, served on the U.S. Supreme Court from 1902 until 1932, and as Chief Justice from the age of 89 until he retired at 91 years of age.

Older Americans Month also provides occasion to reflect upon the challenges that lie ahead for society in meeting the needs of this country's every-growing aging populace. Today, there are 29 million people aged 65 or over. By the year 2030, that number will reach 65 million. Our country must be prepared to respond to this vast change.

Today, the older population comprises many different groups, some who are fortunate to enjoy wealth and others who are not. Although the economic well-being of the elderly has vastly improved in comparison to past generations, 5.6 million older Americans continue to live in or near the poverty level. In particular, the very old and elderly minority groups suffer from high rates of poverty. In addition, many suffer chronic illnesses requiring costly medical care. It is imperative that Congress act to refine the Medicare system so that affordable, appropriate, and accessable healthcare is guaranteed to all.

Those past the age of 65 must continue to play an active role in society. Thankfully, many of our elderly lead productive and happy lives during their golden years. At home, as grandparents, they transmit moral values to the future adults of our Nation. In the workplace, 3 million workers past the age of 65 are employed today. Nationwide, 30 percent of Americans over the age of 55 participate in volunteer work. The most common reasons given for volunteering are personal satisfaction, helping people, and a sense of obligation or duty. Congress must match this sense of commitment with an adequate funding level, particularly in the programs funded by ACTION.

The life experiences older workers carry are invaluable in the workplace. In a recent study conducted by the American Association of Retired Persons, older workers were particularly valued for their experiences, knowledge, work habits, and attitudes. Thus it is imperative that employers refrain from discriminatory personnel practices in hiring, assigning, and terminating employees.

Unfortunately, however, the elderly often are discriminated against in employment opportunities and are required to retire at certain ages despite the fact that they wish to continue to work. These patterns of discrimination are discouraging because research has demonstrated that productivity does not decline with a worker's age. In fact, in most jobs, older employees work at least as well as younger employees. Older workers not only meet the productivity expectations of their employers but, contrary to popular belief, are not likely to miss many days of work for health reasons. Interestingly, these workers account for only 9.7 percent of workplace injuries despite the fact they make up 13.6 percent of the work force.

The contributions the senior citizens of this country have already made to this Nation should make us aware of the infinite potential that is yet untapped. This month is an appropriate time to recognize that access to employment, recreation, education, and all of life's pursuits should be ageless.

THE TRAGEDY IN THE UKRAINE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 5 minutes.

Mr. WALKER. Mr. Speaker, in a few moments we expect to bring a resolution to the floor that is a resolution dealing with the situation the Soviet Union at the present time. As most Americans are now aware, the situation in the Ukraine has been devastating. There may be hundreds, and perhaps thousands, of lives lost. Certainly there are that many in danger. Experts are now telling us that, over a period of years, even thousands more people may lose their lives.

One particularly appalling part of the situation in the Soviet Union is the fact that the Soviet Union has not only lied to the world, but has lied to its own people about the extent of the damage. They have consistently maintained that they have the situation under control and that there is no danger to the people within their country.

Mr. Speaker, I know of no experts in the West who are willing to confirm the Soviet version of the events in that part of the world. In fact, the experts in the West are saying flatly that there is no way that there can be the kind of damage that they are seeing at their reactor without there having been absolutely massive release of radiation.

So we are in a position where the Soviet Union is endangering the lives of their own citizens and, at the same time, have endangered the health perhaps of people in other areas of the world.

The problem that we have is the fact that the Soviet Union is not forthcoming with information, so we have no idea of the levels of radiation that are being released into the atmosphere.

We do know at the present time that very high levels of radiation have been seen in some areas of Western Europe. For example, in Sweden we saw levels of radiation 10 times the normal level with spikes up to 100 times the normal level.

This is of great concern that the Soviet Union now is refusing to tell the world what is going on and helping us to figure out ways to solve the problem.

The resolution that we will have before us will have a number of aspects to it. First of all, it is a humanitarian resolution that will seek to say that we want to help if we can, that we think there needs to be help provided to the people in the Ukraine, that families seeking to get in touch with people in the Ukraine should be permitted to do so, that information should be released.

Then also the part of the resolution that I helped author and, in fact, had 150 cosponsors sign onto earlier in the week, it says that we deplore the fact that the Soviet Union has refused to tell the world about what is going on there.

I would hope that we could get very quick approval of this resolution. It is well for this House to go on record as saying that we must do all we can in a humanitarian way, but also that we deplore the fact that the Soviet Union is showing itself to be a nation of great inhumaneness at a time that they are suffering massive tragedy.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from California.

Mr. HUNTER. Mr. Speaker, I thank the gentleman for yielding. I want to thank the gentleman for taking this time during special orders to bring this problem up and to talk about it.

Particularly I was impressed, after having seen the gentleman's resolution and having seen where the gentleman was going with it, to hear American experts and scientists on television essentially saying the same thing, that they thought that the real tragedy, the real crime, was that the Soviet Union was refusing to tell their own people about the enormity of the tragedy and the immediate threat that it posed, that it manifested, to their families, to their loved ones and to other people in the area. This same scientist said that very likely they should be evacuating Kiev right now, but the Soviet Union, for political reasons, is refusing to tell its own people about this terrible danger. He went on and said that because of that, in years in the future we are going to have people who are 28 to 35 to 45 years old dying of cancer in the next 10, 20, or 30 years. Because of the fact that the Soviet Union did not warn them in time, you are going to have these young people dying of cancer and other diseases that have been brought on by this disaster. It absolutely is a disaster.

I was reflecting on what the gentleman did in sending this resolution around for signatures, and really when you reflect on it, perhaps the free countries of the world which can stand up and say things to Soviet leaders which Soviet citizens cannot say to them is probably the only force which can perhaps persuade the Soviet Union's present leadership to reverse this policy that they have of downplaying the danger and refusing to tell their people about life-threatening dangers that exist right now. If we do that, we will have done a great service to the people of the Soviet Union.

Mr. WALKER. The gentleman makes a very interesting point, and one that I had not thought of in exactly the terms the gentleman put it. But I think it is extremely important to emphasize that point, and that is that the rest of the world can sometimes say things to Soviet leaders that the people of the Soviet Union cannot say to Soviet leaders. So while some of the exercises we go through around here, I have even criticized them in the past as being exercises that are basically so much paper, that the Soviets are not going to respond anyhow, but the fact is the Soviets do have to listen to those things. They do have to penetrate the wall that the Soviet people cannot penetrate.

In this instance, because of the work of the gentlewoman from Ohio [Ms. OAKAR] and the gentlewoman's part of the resolution, and what we did with my part of the resolution, I do think that we have some chance here of perhaps at least telling the Soviet Union what we as a nation think of the way they are presently treating their own people and treating the world.

Mr. Speaker, I thank the gentleman for his contribution.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. WALKER. Mr. Speaker, I ask unanimous consent that I may extend my time for another 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

□ 1310

Mr. WALKER. Mr. Speaker, I will be glad to yield to the gentleman from Ohio [Mr. SEIBERLING].

Mr. SEIBERLING. Mr. Speaker, I want to share the thoughts just expressed by the gentleman from Pennsylvania.

I suppose people might think this is an unusual coincidence of viewpoints, but the gentleman is stating the issue very, very accurately, in my opinion. Assuming that the best information we have is generally an accurate picture of this situation, here you have the appalling possibility of a government, that is, bureaucracy, that is so concerned with protecting its own self, its own selfish interests, that they are ignoring the terrible danger that millions, possibly millions, of Soviet citizens are being subjected to, not only from the immediate radiation that they are exposed to, but to the danger of their food supply and their water supply and particularly the terrible danger that infants and young children are being exposed to. It is inconceivable that a government that represents itself to the world as one whose primary interest is protecting the masses of the people would allow itself to be in that kind of posture. When the truth comes out, as it inevitably will, when the cancer cases start to mount and the infant deaths and the terrible defective birth syndromes become apparent, then there will be a terrible backlash, I would think, even in a country as tightly controlled as the Soviet Union. I think the gentleman does a service to try to get them to level with their own people.

Mr. WALKER. I thank the gentleman for his remarks.

Mr. Speaker, as the gentleman, I am sure, knows, one of the most appalling parts of what we are now seeing is the fact that within a few miles of the reactor, where we know that the radiation levels have to be absolutely massive at the present time, there are people still out working in fields and literally having a rain of death falling on them and are apparently unaware that they are in any kind of danger.

For a nation to behave that way toward its own people, let alone that fact that it has behaved extremely irresponsibly toward the rest of the world, is a very, very sad chapter in human history.

Mr. SEIBERLING. If the gentleman will yield further, the gentleman is absolutely right.

By way of an interesting contrast, back in 1954, the United States held some tests out in the South Pacific, nuclear tests, and due to meteorological failure to predict a wind change, a lot of the fallout from those tests fell on the inhabitants of four of the atolls in the Micronesian chain that we were then trustees for under the United Nations trusteeship.

The Navy was rather slow in coming around and telling these people the full extent of the danger that they were subjected to, but they very quickly found out because this white sort of dust rained down on them, and very quickly they developed terrible sores and sickness and, soon, thyroid cancer, and that sort of thing.

The minute that the American people and the U.S. Government found out about that, we instituted a program to go in and provide emergency health care for those people, and those people have been our particular wards ever since. In the Micronesian Compact, which the Congress enacted, the ratifying resolution which we enacted in the last Congress, which was signed into law by the President in January of this year, we insisted upon making special provisions to continue the health care and the physical care, as well as food and housing, for those people. They were not many in number, but I personally, as chairman of the subcommittee that dealt with that, felt that that was a moral obligation that we must live up to. I think the United States can be proud and the Congress can be proud that we did. I hope we can do something to help make sure that these millions of people, possibly, in the Soviet Union are helped and, if necessary, to provide emergency funding, along with other nations, to try to make that possible if the Soviets will accept it.

Mr. WALKER. I thank the gentleman for his comments.

Mr. Speaker, the gentleman may know that I happen to live next door to Three Mile Island, my district is right next door to Three Mile Island. I think we can contrast the response to this Nation at the time of Three Mile Island and what is going on in the Soviet Union. There was an absolutely massive infusion not only of people to tell the rest of the world about what was going on at Three Mile Island, but also people to help. There were evacuations. In fact, in the midst of trying to handle the accident, the President of the United States himself came to Three Mile Island to try to provide some encouragement to the people of our area about what was happening there, and I have always thought highly of President Carter's actions at that time because it was not something he had to do.

Contrast that with the Soviet Union, where the leadership seems to be trying to wash its hands of the whole matter and at least say to the rest of the world that "we don't think there is a problem there," and I think the contrast between the two societies is so stark in this particular instance that it cannot help but have some hearing, it seems to me, on the future perception of those two nations by peoples throughout the world.

Mr. SEIBERLING. If the gentleman will yield further, I think that is another very apt analogy.

Mr. Speaker, in a way, the reaction of that bureaucracy is a kind of a childlike reaction. I can remember when I was a boy, with two companions we decided to burn a little area of a field in back of some of the houses in the neighborhood, because we wanted to pitch a tent there. The fire got into some high grass and, all of a sudden, it got away from us and we could not stop it. So we thought, "Well, we better just get out of here," and so we went up to a nearby playground and started nonchalantly swinging on the swings. Pretty soon some of our friends at the playground were saying, "Say, look at all of that smoke back there. Where is that coming from?" We said, "What smoke? We don't see any smoke" We wanted to pretend that it was not even there. Well, no great harm, as it turned out, was done.

But this is the reaction. This is the thing I thought of when I started reading about this. The unpleasant fact, though, that we have to face is that human nature being what it is, every bureaucracy's first instinct, when it finds that some terrible catastrophy has occurred and it might be held responsible, is to first of all cover it up and, second, lie to the public. And that is true of bureaucracies whether they are in this county or in some other country. But the thing that saves us in the United States and in other democratic countries is, first of all, we have freedom of the press and, second, we have democratic institutions were people like ourselves are free to take the floor, and we are protected by law in so doing, and speaking the truth as we see it. And that makes all the difference in the world.

Mr. WALKER. Mr. Speaker, I would certainly agree with the gentleman. That is one reason why my resolution originally and the resolution that has been put together by the gentlewoman from Ohio [Ms. OAKAR] and myself calls upon the Soviet Union to allow the free press to go in and cover the situation so that the world can be assured of reliable information. That is the great difference. The reason why the American people understood what happened at Three Mile Island was because we were literally deluged by the free press. We had hundreds of them out there, some of whom did not write particularly good stories. Some of the stories that came out of Three Mile Island were absolutely awful stories that did not reflect the situation. But the fact is, much of what was written there was accurate and was helpful and did in fact provide the people with information they needed, particularly the local press corps, in helping the local people there understand what was going on and help them make decisions as to whether or not they wanted to leave or to stay, and so on. That was very, very important. The Soviet Union lacks all of that, and I cannot imagine a worse possible way of handling the situation than what the Soviet Government is doing at the present time.

Mr. SEIBERLING. If the gentleman will yield further, I think that any American who has visited the Soviet Union cannot help but develop a very high regard for the people of the Soviet Union; and many of the people of the Soviet Union who have visited this country have a similar reaction. So I think that we are fulfilling an obligation to our fellow human beings over there. I commend the gentleman for his efforts.

Mr. WALKER. I thank the gentleman.

Mr. Speaker, I would be glad to yield to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, before the distinguished chairman, the gentleman from Florida [Mr. FASCELL], brings up the resolution, I want to in advance thank the gentleman from Pennsylvania [Mr. WALKER] for his cooperation.

Mr. WALKER. I appreciate the gentlewoman's remarks.

EXPRESSING SENSE OF THE HOUSE OF REPRESENTATIVES CONCERNING THE NUCLEAR ACCIDENT AT THE CHERNOBYL NUCLEAR FACILITY IN UKRAINE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs be discharged from further consideration of the resolution (H. Res. 440) expressing the sense of the House of Representatives concerning the nuclear accident at the Chernobyl nuclear facility in Ukraine, and ask for its immediate consideration.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. GILMAN. Mr. Speaker, reserving the right to object, and I will not object, I will yield to the gentleman from Florida [Mr. FASCELL], the distinguished chairman of the Committee on Foreign Affairs, to explain the resolution.

Mr. FASCELL. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of House Resolution 440, together with the amendments which are at the desk, a resolution expressing the sense of the House concerning the nuclear accident at the Chernobyl nuclear facility in the Soviet Ukraine, which was introduced on April 30, 1986, by the gentlewoman from Ohio [Ms. OAKAR] and the gentleman from Pennsylvania [Mr. WALKER]. Let me express my appreciation to them for the tremendous work that they did on this resolution, in getting all of the cosponsors. The Committee on Foreign Affairs was delighted to have the opportunity to consider the resolution. I must say that it was adopted, together with the amendments, by a very strong bipartisan support in that committee. I trust my colleagues will unanimously adopt this resolution, as amended.

Mr. GILMAN. Mr. Speaker, further reserving the right to object, I commend the gentlewoman from Ohio [Ms. OAKAR], the gentleman from Pennsylvania [Mr. WALKER], and the gentlewoman from Ohio [Ms. KAPTUR] for bringing this matter before us in a timely manner, and I commend the distinguished chairman of the Committee on Foreign Affairs for moving the measure expeditiously through the committee. It certainly appears that, despite Soviet denials, a major disaster has occurred at the Chernobyl reactor in the Ukraine. The people of our Nation certainly extend their sympathy to the Ukrainian people with regard to the loss of life and the damage to health and property which has occurred.

The resolution expresses our sympathies and our hopes that the Soviet and the Ukranian Governments will allow aid offered by our Government and private citizens to be supplied to the Kiev area.

The resolution also expresses a sense of the House that the Ukrainian and the Soviet Governments facilitate direct channels of communication to allow relatives to receive word about the fate of their family members, whether residents there or just tourists.

Several groups of New York students, for example, were in Kiev and other parts of the Soviet Union this week, and their parents, understandably, were very much concerned and unable to reach them. Nor were these students receiving any accurate information from the Intourist guides about what was happening around them. As a matter of fact, in a few hours I will be greeting one of those groups, which will be returning this afternoon from the Soviet Union.

The committee amendments to the resolution which were offered by the chairman also express a sense of the House in sympathy with the concerns of European nations—and support for those nations—with respect to potential long-term adverse health effects of the incident. It calls upon the Soviet Union to allow inspection of the nuclear site by the International Atomic Energy Agency.

And, finally, Mr. Speaker, the resolution deplores the Soviet Union's failure to provide the world with notification or information about the nuclear accident and calls upon the Government to permit the international press to cover the situation freely.

Mr. Speaker, I urge my colleagues to support the resolution.

□ 1325

Ms. OAKAR. Mr. Speaker, will the gentleman yield?

Mr. GILMAN. I yield to the gentlewoman from Ohio.

Ms. OAKAR. I thank my distinguished colleague from the State of New York.

Mr. Speaker, I want to first of all commend Chairman FASCELL and the ranking minority member, who worked so hard to expeditiously bring this to the floor. I want to also thank my coworker on this, the gentleman from Pennsylvania [Mr. WALKER] for his cooperation, and all the other people responsible, including the very able staff of the Committee on Foreign Affairs.

One of the reasons I wanted to see this come to the floor is that I think there is a very imminent thing taking place, and that is that this terrible accident at this nuclear facility is an international problem, and it has profound human dimensions. Various reports, as was stated, indicate significant loss of life and many injuries. The technical, medical, and environmental problems caused by the reactor meltdown are likely to linger on for many, many years.

This is not a time for politics and mutual recrimination. The American people are in sympathy with the people of the Ukraine and want to offer their assistance if we can. This is a time, I think, to break down the barrier of communications so that we can soberly address this enormous catastrophe. Based on the monitoring of air samples in Europe and on our intelligence reports, it is clear that the accident at Chernobyl is the worst catastrophe in the history of nuclear power. Regrettably, Soviet authorities did not inform the neighboring countries, which this resolution addresses, or even their own citizens, of this accident.

I think this is a great lesson about the Soviet Union and their effort to admit that they have no problems. They have really done, I think, by not acknowledging this incident in a very forthright way, a great disservice, not only to the international community, but to their own people, who really should know about this. I think that is one of the tragedies.

As a result of this attitude, accurate information is still not available, and there are many divergent reports about the extent of casualties and damage.

One reason that I really was so delighted that the Committee on Foreign Affairs, led by its distinguished chairman, the gentleman from Florida [Mr. FASCELL], dealt with this resolution so quickly, was that many Americans and other people throughout the world trace their origins to the Kiev area of the Ukraine, and they still have relatives there, and understandably they are most concerned and anxious about the fate of their family members.

In my office in Greater Cleveland, where we have a substantial number of very distinguished Ukrainian Americans and Polish Americans in the Greater Cleveland area, they have attempted to call their relatives, and cannot get through. They have never had this kind of a problem. They have always had difficulty communicating, but it has never been this terrible. They are very, very very concerned.

We have people who have grandparents there, who have brothers and sisters there, who have other children there, and so on.

We are not trying to make this a political resolution. We are trying to say that we are in sympathy with the people of the Ukraine, especially the families of the accident victims, and we call upon the Ukrainian S.S.R. and the Soviet Union to open the channels of communication to allow private citizens to contact their relatives. It also calls for access of the international press to cover the story, so that complete and accurate information about the accident can be obtained.

In addition, the resolution reaffirms the American people's offer—our Government's offer—to provide technical and humanitarian assistance to help Ukrainian authorities cope with the massive problems at Chernobyl, and it also calls for international assistance in efforts to address the immediate problems and international cooperation and strategies to cope with these long-term problems.

We have had some experience in this area. The district of my colleague from Pennsylvania [Mr. WALKER], I believe, borders the area of the Three Mile Island catastrophe, and I must

say that as much as we find these nuclear problems so reprehensible, the fact is that it was because of an open spirit and an openness in communication that these problems in our country were able to be addressed.

We really believe very strongly that this resolution should be passed. Again, I think honestly—I hope I am not naive about this—that if the Soviets know that under the leadership of Mr. FASCELL and people like Mr. GILMAN and others, we have passed unanimously a resolution saying, "Open up your doors and let our people contact their relatives, and let us help you get those people to some measure of safety," and I think if we pass this, this will be a great signal that they should do that. We deplore their actions, the lack of communication, but the spirit of what my part in the resolution says is to reaffirm our offer for assistance. We want them to just open up the doors of communication. I think we will save a lot of lives of their own people if we can open up the doors of communication in this area.

On behalf of my constituents in Greater Cleveland, and, I am sure, Ukrainian Americans and Polish Americans and others who have relatives in this area, I want to really thank Mr. FASCELL and Mr. GILMAN and certainly Mr. WALKER and others for their fine work on this resolution.

Mr. GILMAN. Mr. Speaker, further reserving the right to object, I applaud the gentlewoman's remarks and her leadership in this effort, along with that of the gentleman from Pennsylvania [Mr. WALKER], and I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, I took a few minutes prior to the gentleman's bringing the resolution to the floor to discuss what I thought the importance of the resolution was, but I do want to take this occasion to thank the gentleman and the chairman of the committee for their prompt action on this bill, and to thank the gentlewoman from Ohio [Ms. OAKAR], who offered a portion of the resolution along with myself, and so on, for what was done here.

It is important that it was done soon. I think to have done a resolution like this weeks from now probably would have little impact. The impact we want to have is on the Soviet Union at the present time, and I think the Soviet Union needs to know that the Western World does deplore their conduct in this affair thus far, but also extends a humanitarian hand to them saying that "We want to be of help there. Please allow us to help."

This resolution combines those two things; I think it does so successfully, and I, too, would hope that the House will approve it unanimously.

Mr. GILMAN. Mr. Speaker, further reserving the right to object, I yield to the gentleman from Ohio [Mr. SEIBERLING].

Mr. SEIBERLING. I thank the gentleman for yielding.

Mr. Speaker, I would like to commend the two authors, the gentlewoman from Ohio [Ms. OAKAR], and the gentleman from Pennsylvania [Mr. WALKER], as well as the distinguished chairman of the Committee on Foreign Affairs, the gentleman from Florida [Mr. FASCELL].

I just happened to be over here when I heard this preliminary discussion. As one of the Members who has taken a special interest in relations with the Soviet Union and arms-control matters, it seems to me that if I were the leadership of the Soviet Union, I would look upon this resolution and the offer to help, as well as our request for information, as a tremendous opportunity to open a new door for a new relationship in a different channel than what we have had in the past.

This is not only a people-to-people offer of help, it is a request on our part to obtain information which is of great concern to us, since we operate nuclear reactors. The Department of Energy operates five nuclear reactors for the nuclear weapons-grade material that have no containment. One of them, at least, is a graphite reactor. So it is of extreme interest to us, and we have a legitimate interest in finding out exactly what happened at this reactor in the Soviet Union so that we can apply it to our own situation and learn from it, and we could in return perhaps help the Soviets in avoiding this kind of repetition of this kind of accident.

I do feel that this is a constructive effort, not a critical one, that we are engaged in here, and I hope that the Soviet leadership will view it as such, because that is certainly the spirit that I gather from the two authors, as well as the chairman of the committee. I want to commend them again.

Mr. GILMAN. I thank the gentleman for his remarks.

Mr. Speaker, further reserving the right to object, I am pleased to yield further to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I want to just say that I thought that the amendments that were offered in committee were really an improvement on the original resolution, such as the fact that it included other areas in Europe which are probably going to be affected by this as well, and that it called upon the Government of the Soviet Union to permit the International Atomic Energy Agency to conduct this investigation. They were really a good improvement, and I want to just offer my congratulations on those amendments.

Mr. GILMAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 440

Whereas on or about April 26, 1986, a catastrophic accident occurred at the nuclear powerplant at Chernobyl, sixty miles north of Kiev in Ukraine;

Whereas Soviet authorities made no effort to inform neighboring countries of the accident, preventing them from offering warning and a measure of protection for their citizens;

Whereas this accident has resulted in significant loss of life;

Whereas large numbers of people have sustained serious injuries;

Whereas Americans with relatives in the Kiev area are anxious over the fate of their family members; and

Whereas this accident could result in long-standing technical, medical, and environmental problems: Now, therefore, be it

Resolved, That the House of Representatives—

(1) conveys the sympathy of the American people to the people of Ukraine, especially to the families of victims;

(2) calls upon the Government of the Ukrainian Soviet Socialist Republic and the Government of the Soviet Union to facilitate direct channels of communication to allow relatives to receive word about the fate of family members;

(3) supports the offer of the United States Government to provide technical and medical assistance to help authorities in Ukraine cope with the tragedy;

(4) calls upon the Government of the Ukrainian Soviet Socialist Republic and the Governmnet of the Soviet Union to allow the American people to provide material and moral assistance to the accident victims and their families by facilitating the prompt delivery of packages;

(5) calls upon the Government of the Ukrainian Soviet Socialist Republic and the Government of the Soviet Union to facilitate the furnishing of technical and humanitarian assistance by appropriate international organizations in order to address the immediate problems and develop cooperative strategies for the future consideration of this problem that has international ramifications; and

(6) deplores the Soviet Union's failure to provide the world with notification of and information about the nuclear accident at Chernobyl, and calls upon the Government of the Ukrainian Soviet Socialist Republic and the Government of the Soviet Union to permit the international press to cover the situation freely so that the world may be assured of complete and accurate information.

The SPEAKER pro tempore. The gentleman from Florida [Mr. FASCELL] is recognized.

AMENDMENTS OFFERED BY MR. FASCELL

Mr. FASCELL. Mr. Speaker, I offer amendments to the resolution, and I ask unanimous consent that they be considered en bloc.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. FASCELL: In paragraph (4) of the resolution, insert "humanitarian" before "packages".

After paragraph (4) of the resolution, insert the following new paragraph (5) and redesignate subsequent paragraphs accordingly:

(5) expresses its concern and support for those nations in Europe that have experienced nuclear radiation from the Chernobyl accident;

Strike out "and" at the end of paragraph (6) (as so redesignated by the preceding paragraph of this amendment); strike out the period at the end of paragraph (7) (as so redesignated by the preceding paragraph of this amendment) and insert in lieu thereof a semicolon; and at the end of the resolution, insert the following:

(8) calls upon the Government of the Soviet Union to permit the International Atomic Energy Agency to conduct an investigation of the cause of the nuclear accident at Chernobyl and to share the results of the investigation with other nations in order to assess the safety and reliability of nuclear reactor design and operation; and

(9) calls upon the President to take prompt steps to establish at the International Atomic Energy Agency a mechanism for an automatic, immediate response by agency technical personnel, including on-site visits and monitoring, to any nuclear accident posing a significant threat to public health and safety.

Mr. FASCELL (during the reading). Mr. Speaker, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the question from Florida?

There was no objection.

The SPEAKER pro tempore. The question is on the amendments offered by the gentleman from Florida [Mr. FASCELL].

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the resolution, as amended.

The resolution, as amended, was agreed to.

AMENDMENTS TO THE PREAMBLE OFFERED BY MR. FASCELL

Mr. FASCELL. Mr. Speaker, I offer amendments to the preamble.

The Clerk read as follows:

Amendments to the preamble offered by Mr. FASCELL: In the second paragraph of the preamble, after "neighboring countries" insert "of Europe and other countries affected by the accident".

After the second paragraph of the preamble, insert the following new paragraph:

Whereas neighboring European nations have reported high levels of nuclear radiation as a result of the Soviet nuclear accident at Chernobyl, which may have potential adverse long-term effects;

The SPEAKER pro tempore. The question is on the amendments to the preamble offered by the gentleman from Florida [Mr. FASCELL].

The amendments to the preamble were agreed to.

A motion to reconsider was laid on the table.

□ 1335

GENERAL LEAVE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their remarks on the resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There are no objection.

GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of the special order today by the gentleman from California [Mr. ROYBAL].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CARLISLE COUNTY, KY, CELEBRATES CENTENNIAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky [Mr. HUBBARD] is recognized for 5 minutes.

Mr. HUBBARD. Mr. Speaker, this Saturday, May 3, marks the 100th anniversary of Carlisle County, KY. This county is located in far western Kentucky adjacent to the Mississippi River and in the First Congressional Distict which I'm privileged to represent.

The county was named after John Griffin Carlisle, who was Lieutenant Governor of Kentucky from 1871-75. This man is well remembered in this Chamber for having been a U.S. Representative from 1877-90 and for having served as Speaker of the House during the 48th, 49th, and 50th Congresses. He later served as Secretary of the Treasury from 1893-97. This man was indeed an outstanding Kentuckian, and it gives me great pride today to honor in this House the county which bears his name.

The entire month of May 1986 has been designated as "Carlisle County Centennial Celebration Month." The General Assembly of Kentucky, the State government agencies, citizens of Carlisle County, and others throughout the Commonwealth are expected to join in the centennial celebration on Saturday, May 3.

Indeed, it is an honor to represent this county which has always been one of my favorite areas in Kentucky. I am personnally fond of Carlisle County and its citizens for many reasons. My mother, Addie Beth Shelton Hubbard, was born in 1914 at Milburn, a Carlisle County community. I am proud to congratulate Carlisle County and the members of the local and county governments who have worked so diligently to make this celebration one that will be remembered by all.

Congratulations to Carlisle County Judge Warren L. Owens, Carlisle County's Centennial Committee Chairman Larry Kelley, the committee members, and all the people of Bardwell, Arlington, Cunningham, Milburn, Burkley, Kirbyton, and other areas of Carlisle County.

I would also like to congratulate a resident of Carlisle County, Mrs. Fannie Watson, who also celebrates her 100th birthday this year.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. WALKER, for 5 minutes, today.

(The following Members (at the request of Mr. DONNELLY) to revise and extend their remarks and include extraneous material:)

Mr. FRANK, for 5 minutes, today.

Mr. STARK, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. ROYBAL, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. GORDON, following the vote on House Resolution 436 today.

Mr. O'BRIEN, following the vote on final passage of H.R. 4409.

(The following Members (at the request of Mr. WALKER) and to include extraneous matter:)

Mr. LEWIS of California.

Mr. GUNDERSON.

Mr. COBLE.

Mr. CRANE.

Mr. KINDNESS.

Mr. LOTT.

Mr. HYDE.

Mr. MCCOLLUM.

(The following Members (at the request of Mr. DONNELLY) and to include extraneous matter:)

Mr. DURBIN.

Mr. VOLKMER.

Mr. OWENS.

Mr. EDGAR.

Mr. HERTEL of Michigan.

Mr. RODINO in two instances.

Mr. RANGEL.

Mr. BONKER.

Mr. MONTGOMERY.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on the following day present to the President, for his approval, bills and joint resolution of the House of the following titles:

On April 30, 1986:

H.R. 1116. An act to implement certain recommendations made pursuant to Public Law 98-360;

H.R. 4602. An act to authorize the Federal Housing Administration and the Government National Mortgage Association to enter into additional commitments to insure loans and guarantee mortgage-backed securities during fiscal year 1986, and for other purposes; and

H.J Res. 220. Joint resolution to reaffirm Congress' recognition of the vital role by members of the National Guard and Reserve in the national defense, and for other purposes.

ADJOURNMENT

Mr. HUBBARD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 40 minutes p.m.), under its previous order, the House adjourned until Monday, May 5, 1986, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3402. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to provide for the regulated industry to bear the cost of administering the Packers and Stockyards Act; to the Committee on Agriculture.

3403. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to recover costs of carrying out the export inspection and certification programs for apples, pears, grapes, and plums; to the Committee on Agriculture.

3404. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to recover costs of providing services to farmer cooperatives and groups of producers; to the Committee on Agriculture.

3405. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to recover the costs of carrying out the federal market news program; to the Committee on Agriculture.

3406. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Plant Variety Protection Act to provide for the deposit of fees collected to the appropriation account that incurs the cost of carrying out the act; to the Committee on Agriculture.

3407. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to provide for the assessment and collection of fees to cover the cost of the administration and enforcement of the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act; to the Committee on Agriculture.

3408. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to recover costs of carrying out Federal marketing agreements and orders; to the Committee on Agriculture.

3409. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to authorize the Secretary of Agriculture to recover costs of carrying out certain animal and plant health inspection programs, and for other purposes; to the Committee on Agriculture.

3410. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to recover costs of establishing standards and specifications for agricultural products; to the Committee on Agriculture.

3411. A letter from the Director, Administrative Office of the U.S. Courts, transmitting the seventh annual report on applications for delays of notice and customer challenges under provisions of The Right to Financial Privacy Act of 1978, pursuant to 12 U.S.C. 3421; to the Committee on Banking, Finance and Urban Affairs.

3412. A letter from the vice president, Chesapeake and Potomac Telephone Company, transmitting a statement of receipts and expenditures and a comparative general balance sheet for calendar year 1985, pursuant to 33 stat. 375 and 43 D.C.C. 313; to the Committee on the District of Columbia.

3413. A letter from the Chairman, National Commission on Libraries and Information Science, transmitting a report on the Commission's activities during fiscal year 1985, pursuant to Public Law 91-345, section 5(a)(7); to the Committee on Education and Labor.

3414. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification of the Department of the Army's proposed Letter of Offer to Korea for defense articles and services estimated to cost $155 million (transmittal No. 86-31), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3415. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a report on the number of applications for orders authorizing the interception of wire or oral communications, and the number of such orders and extensions granted or denied during the calendar year 1985, pursuant to 18 U.S.C. 2519(3); to the Committee on the Judiciary.

3416. A letter from the Secretary of the Interior, transmitting the eighth annual report on the Tule elk herds in California, pursuant to 16 U.S.C. 673f; to the Committee on Merchant Marine and Fisheries.

3417. A letter from the Administrator, Veterans' Administration, transmitting a report on the sharing of medical resources programs for fiscal year 1985, pursuant to 38 U.S.C. 5057; to the Committee on Veterans' Affairs.

3418. A letter from the Administrator, Agency for International Development, transmitting a report on the origin, contents, destination and disposition of all humanitarian goods and supplies to other countries, pursuant to Public Law 98-525, section 1540(e) (98 Stat. 2638); jointly, to the Committees on Armed Services and Foreign Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FORD of Tennessee:

H.R. 4727. A bill to amend part A of title IV of the Social Security Act to make it mandatory for States (under the AFDC Program) to provide aid with respect to dependent children in two-parent families; to the Committee on Ways and Means.

By Mr. HAWKINS (for himself, Mr. JEFFORDS, Mr. FORD of Michigan, Mr. GAYDOS, Mr. CLAY, Mr. BIAGGI, Mr. MURPHY, Mr. KILDEE, Mr. WILLIAMS, Mr. MARTINEZ, Mr. OWENS, Mr. HAYES, Mr. PERKINS, Mr. BRUCE, Mr. SOLARZ, Mr. DYMALLY, Mr. ECKART of Ohio, and Mr. ATKINS):

H.R. 4728. A bill to establish programs of education and training designed to improve the competitiveness of American workers in international trade, and for other purposes; to the Committee on Education and Labor.

By Mr. BONKER:

H.R. 4729. A bill to prohibit the imposition of excessive Customs fees for foreign trade zone services and the implementation of the currently proposed Customs Service annual fee structure for such services; to the Committee on Ways and Means.

By Mr. DAVIS:

H.R. 4730. A bill to enhance boating safety by requiring the display on gasoline pumps of the type of alcohol, the percentage of each type of alcohol and the percentage of cosolvents, if any, contained in the gasoline; to the Committee on Energy and Commerce.

By Mr. DAVIS:

H.R. 4731. A bill to amend chapter 131 of title 46, United States Code, relating to the Federal recreational boating safety program, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DELAY:

H.R. 4732. A bill relating to the tariff treatment of imported steel armor wire and exempting from bilateral arrangements subject to the Steel Import Stabilization Act steel products imported into the United States as armor wire for processing into electromechanical cables; to the Committee on Ways and Means.

By Mr. FISH:

H.R. 4733. A bill to temporarily reduce the duty on certain blood analyzers until December 31, 1988; to the Committee on Ways and Means.

By Mr. GLICKMAN (for himself and Mr. BROWN of Colorado):

H.R. 4734. A bill to amend the Clayton Act to restore the jurisdiction of the Attorney General of the United States and of the Federal Trade Commission to enforce the provisions of the Clayton Act relating to the merger of air carriers; to the Committee on the Judiciary.

By Mr. LANTOS (for himself and Mr. FRENZEL):

H.R. 4735. A bill to amend the Internal Revenue Code of 1954 to deny the benefits of section 911 of such Code to individuals who are in a foreign country in violation of an Executive order; to the Committee on Ways and Means.

By Mr. McCOLLUM (for himself, Mr. KASTENMEIER, Mr. FISH, Mr. MOORHEAD, Mr. HYDE, Mr. KINDNESS, Mr. SWINDALL, Mr. COBLE, Mr. BOUCHER, Mr. SHAW, Mr. GEKAS, Mr. LUNGREN, and Mr. BROWN of Colorado):

H.R. 4736. A bill to amend title 18, United States Code, to authorize the Attorney General to accept donations on behalf of the Bureau of Prisons, and to amend the Walsh-Healy Act to remove the limitation regarding convict labor with respect to certain con-

tracts entered into with the Federal Government; jointly, to the Committees on the Judiciary, and Education and Labor.

By Mr. MAVROULES:

H.R. 4737. A bill to reduce the threat of international terrorism through international cooperation, and for other purposes; jointly, to the Committees on Foreign Affairs, and Banking, Finance and Urban Affairs.

By Ms. OAKAR (for herself, Mr. FORD of Michigan, Mr. ACKERMAN, Mr. AKAKA, Mr. BARNES, Mrs. BOXER, Mrs. BURTON of California, Mr. DYMALLY, Mr. EVANS of Illinois, Mr. EDGAR, Mr. FAUNTROY, Mr. FAZIO, Mr. HOYER, Mr. MATSUI, and Ms. MIKULSKI):

H.R. 4738. A bill to provide for the testing of alternative systems of compensation for Federal employees; to modify the pay comparability system for Federal employees; to modify the manner in which the authority to increase minimum rates of pay for certain Federal employees may be exercised; and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PANETTA (for himself, Mrs. BOXER, Mr. UDALL, Mr. EDWARDS of California, Mr. FRANK, Mr. BEVILL, Mr. MRAZEK, Mr. TOWNS, Mr. ACKERMAN, Mr. MARTINEZ, Mr. WIRTH, Mr. STUDDS, Ms. KAPTUR, Mr. YATES, Mr. MITCHELL, Mr. WORTLEY, Mr. BIAGGI, Mrs. BURTON of California, Mr. SAVAGE, Mr. CROCKETT, Mr. GLICKMAN, and Mr. MOODY):

H.R. 4739. A bill to amend title XVIII of the Social Security Act to provide for coverage of adult day care under the Medicare Program; jointly, to the Committees on Ways and Means, and Energy and Commerce.

By Mr. PEASE:

H.R. 4740. A bill to specify information which is to be included in manifests submitted for vessels and vehicles arriving in the United States from a contiguous country; to the Committee on Ways and Means.

By Mr. SEIBERLING (for himself, Mr. MILLER of California, Mr. WEAVER, Mr. MARKEY, Mr. VENTO, Mr. KILDEE, Mr. GEJDENSON, and Mr. MOODY):

H.R. 4741. A bill to establish competitive oil and gas leasing and modify leasing procedures for onshore Federal lands; to the Committee on Interior and Insular Affairs.

By Mr. STARK (for himself, and Mr. GRADISON):

H.R. 4742. A bill to amend the Internal Revenue Code of 1954 to assure access to health insurance, and for other purposes; to the Committee on Ways and Means.

By Mr. THOMAS of California:

H.R. 4743. A bill to amend the Export Administration Act of 1979 to remove the restriction on the exportation of domestically produced crude oil; to the Committee on Foreign Affairs.

By Mr. THOMAS of California:

H.R. 4744. A bill relating to the tariff treatment of meat products processed abroad from cattle of United States origin; to the Committee on Ways and Means.

By Mr. BENNETT:

H.J. Res. 619. Joint resolution to designate the week of October 5, 1986, through October 11, 1986, as "National Drug Abuse Education and Prevention Week"; to the Committee on Post Office and Civil Service.

By Mr. HERTEL of Michigan:

H.J. Res. 620. Joint resolution designating the week beginning January 4, 1987, as "National Bowling Week"; to the Committee on Post Office and Civil Service.

By Mr. WRIGHT (for himself, Mr. MICHEL, and Mr. YATES):

H. Con. Res. 329. Concurrent resolution welcoming Natan (Anatoly) Shcharansky to the United States; jointly, to the Committees on House Administration, and Foreign Affairs.

By Mr. GEPHARDT:

H. Res. 443. Resolution designating membership on certain standing committees of the House; considered and agreed to.

By Mr. LOTT:

H. Res. 444. Resolution providing a special House rule for the remainder of the second session of the ninety-ninth Congress prohibiting the inclusion of extraneous matters in reconciliation bills and amendments in connection with the most recently agreed to concurrent resolution on the budget for fiscal year 1987; to the Committee on Rules.

By Mr. MARKEY (for himself, Mr. MCDADE, Mr. KEMP, Mrs. BOXER, Mr. OBERSTAR, Mr. RINALDO, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. DOWNEY of New York, Mr. WALKER, Mr. STRANG, Mr. BEILENSON, Mr. GEPHARDT, Mr. LOWRY of Washington, Mr. TAUZIN, Mr. ROYBAL, Mr. DEWINE, Mr. OXLEY, Mr. WEISS, Mrs. ROUKEMA, Mr. STUDDS, Mr. HERTEL of Michigan, Mr. CRAIG, Mrs. SCHROEDER, Mr. DURBIN, Mr. WOLPE, Mr. BRYANT, Mr. MAVROULES, Mr. ECKART of Ohio, Mr. FEIGHAN, Mr. DERRICK, Mr. DELLUMS, Mr. GREGG, Mr. SLATTERY, Mr. GINGRICH, Mr. LUKEN, Mr. ROBERTS, Mr. CRANE, Mr. PASHAYAN, Mr. MCCLOSKEY, Mr. CHAPMAN, Mr. RUSSO, Mr. MILLER of California, Mr. FAZIO, Mr. BOLAND, Mr. LEVIN of Michigan, Mr. SIKORSKI, Mr. ANTHONY, Mr. SMITH of Florida, Mr. DOWDY of Mississippi, Mr. REID, Mr. BERMAN, Mr. COBLE, Mr. GORDON, Mr. SWIFT, Mr. COLEMAN of Texas, Mr. ARCHER, Mr. BATES, Mr. FAUNTROY, and Mr. WEAVER):

H. Res. 445. Resolution to establish an international emergency response team to deal with accidents in nuclear power facilities and to provide for international inspection to assure their safe operation; to the Committee on Foreign Affairs.

By Ms. OAKAR (for herself, Mr. ST GERMAIN, Mr. WYLIE, Mr. WRIGHT, and Mr. GONZALEZ):

H. Res. 446. Resolution to express the sense of the House of Representatives that proposals to assess or increase fees on the credit activities of Federal housing and education agencies should be rejected; jointly, to the Committees on Banking, Finance and Urban Affairs, Education and Labor, and Veterans' Affairs.

By Mr. YATRON:

H. Res. 447. Resolution concerning relations with Romania; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

352. By the SPEAKER: Memorial of the House of Representatives of the State of Oklahoma, relative to the actions taken against Libya; to the Committee on Foreign Affairs.

353. Also, memorial of the Legislature of the State of Missouri, relative to the reestablishment of official governmental relations with the Republic of China; to the Committee on Foreign Affairs.

354. Also, memorial of the House of Delegates of the Second Olbiil Era Kelulau, Republic of Palau, relative to the funding of the specific grant from the Department of the Interior for operation of the Micronesian Occupational College in the Republic of Palau; to the Committee on Interior and Insular Affairs.

355. Also, memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to H.R. 864, relating to improving veterans' benefits for former prisoners of war; to the Committee on Veterans' Affairs.

356. Also, memorial of the House of Delegates, Second Olbiil Era Kelulau, Republic of Palau, relative to a copy of a resolution concerning the Compact of Free Association between the U.S. and the Republic of Palau; jointly, to the Committee on Interior and Insular Affairs, Foreign Affairs, and Government Operations.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 512: Mr. DOWNEY of New York and Mr. KOSTMAYER.

H.R. 864: Mr. LOEFFLER.

H.R. 883: Mr. PANETTA.

H.R. 1398: Mr. MRAZEK.

H.R. 1453: Mr. RICHARDSON.

H.R. 1454: Mr. RICHARDSON.

H.R. 1770: Mr. GEJDENSON and Mr. WHITEHURST.

H.R. 2583: Mr. MONSON.

H.R. 2952: Mr. BUSTAMANTE, Mr. SMITH of New Hampshire, Mr. WHITEHURST, and Mr. CROCKETT.

H.R. 3006: Mr. DEWINE.

H.R. 3598: Mr. SMITH of New Hampshire.

H.R. 3662: Mr. QUILLEN and Mr. BORSKI.

H.R. 3663: Mr. FROST, Mr. SKELTON, Mr. SHUMWAY, Mr. BADHAM, Mr. LIPINSKI, Mr. CONYERS, Mr. ROE, Mr. GORDON, Mr. FUQUA, Mr. MCGRATH, and Mr. SAVAGE.

H.R. 3799: Mr. ECKART of Ohio and Mr. HUGHES.

H.R. 3950: Mr. MINETA and Mr. LIPINSKI.

H.R. 4186: Mr. SABO, Mr. WHITEHURST, Mr. STUDDS, Mr. BOLAND, Mr. HALL of Ohio, Mr. GEJDENSON, Mr. SCHAEFER, and Mr. VANDER JAGT.

H.R. 4194: Mr. BATEMAN, Ms. MIKULSKI, Mr. RIDGE, Mr. VALENTINE, and Mr. SABO.

H.R. 4330: Ms. KAPTUR, Mr. MITCHELL, Mr. ROE, Mr. CONYERS, Mr. SAVAGE, Mr. DE LUGO, Mr. FAUNTROY, Mr. MURPHY, Mr. TOWNS, Mr. ST GERMAIN, Mr. CROCKETT, Mr. LEHMAN of Florida, Mr. TRAXLER, Mr. PRICE, Mr. SMITH of Florida, Mr. KILDEE, Mr. MARTINEZ, Mr. WHITEHURST, Mr. RANGEL, Mr. WEAVER, Mr. WIRTH and Mr. BIAGGI.

H.R. 4412: Mr. RANGEL, Mr. VENTO, and Mr. ROBINSON.

H.R. 4450: Mr. GEJDENSON, Mr. WOLF, Mr. SHUMWAY, Mr. PACKARD, Mr. BARNES, Mr. SILJANDER, Mr. PURSELL, Mr. HOWARD, Mr. WILLIAMS, and Mr. LEWIS of California.

H.R. 4477: Mr. MONTGOMERY.

H.R. 4556: Mr. CHAPMAN, Mr. FAZIO, Mr. KOLBE, Mr. QUILLEN, and Mr. ROWLAND of Georgia.

H.R. 4591: Mr. WATKINS and Mr. LEATH of Texas.

H.R. 4620: Mrs. BURTON of California, Mr. DE LUGO, Mr. DICKS, Mr. SCHEUER, Mr. PRICE, Mr. BORSKI, Mr. EVANS of Illinois, Mr. MAR-

TINEZ, Mr. SMITH of Florida, Mr. HORTON, Mr. STUDDS, Mr. WIRTH, Ms. KAPTUR, Mrs. BOXER, Mr. VENTO, Mr. MITCHELL, Mr. BIAGGI, Mr. FOGLIETTA, Mr. HENDON, Mr. SAVAGE, Mr. CROCKETT, Mr. MORRISON of Connecticut, Mr. YATRON, Mr. LEHMAN of California, and Mr. EDWARDS of California.

H.R. 4660: Mr. SHAW, Mr. DAUB, Mr. CHAPMAN, Mr. EVANS of Iowa, Mr. WHITEHURST, Mr. HUGHES, Mr. ROBERT F. SMITH, and Mr. SMITH of Florida.

H.R. 4669: Mr. STENHOLM.

H.J. Res. 330: Mr. SAVAGE, Mr. SMITH of Florida, Mr. DARDEN, Mr. O'BRIEN, Mr. LEVIN of Michigan, Mrs. HOLT, Mr. LAGOMARSINO, Mr. WORTLEY, Mr. MRAZEK, Mr. ROGERS, Mr. TOWNS, Mr. DE LUGO, Mr. BARNES, Mr. VENTO, Mr. HORTON, Mr. WYLIE, Mr. PURSELL, Mr. SHUMWAY, Mr. KASICH, Mrs. BENTLEY, Mr. MARTINEZ, and Mr. CROCKETT.

H.J. Res. 492: Mr. CHENEY, Mr. FRANKLIN, Mr. CARNEY, Mr. CARPER, Mr. TORRES, Mr. ECKERT of New York, Mr. DYSON, Mr. MCCAIN, Mr. HUNTER, Mr. COUGHLIN, and Mr. BONER of Tennessee.

H.J. Res. 498: Mr. FRENZEL and Mr. SAXTON.

H.J. Res. 504: Mr. AKAKA, Mr. HUNTER, Mr. HUTTO, Mr. IRELAND, Mr. PURSELL, Mr. RANGEL, Mr. ROBINSON, Mr. VOLKMER, and Mr. WYLIE.

H.J. Res. 547: Ms. KAPTUR, Mr. RINALDO, Mr. ROWLAND of Georgia, Mr. FUSTER, Mr. BATEMAN, Mr. GRAY of Illinois, Mrs. HOLT, Mr. SABO, Mr. DIXON, Mr. DAVIS, Mr. SAVAGE, Mr. SAXTON, Mr. YOUNG of Florida, Mrs. COLLINS, Mr. DE LA GARZA, Mr. SUNIA, Mr. BEVILL, Mr. GEKAS, Mr. VENTO, Mr. MCEWEN, Mr. KILDEE, Mr. OWENS, Mr. VISCLOSKY, Mr. MOODY, Ms. MIKULSKI, Mr. HUTTO, Mr. ANDREWS, Mr. BATES, Mr. BENNETT, Mr. BONIOR of Michigan, Mr. BOUCHER, Mr. BROWN of California, Mr. CHANDLER, Mr. COYNE, Mr. DONNELLY, Mr. EARLY, Mr. ERDREICH, Mr. EVANS of Illinois, Mr. FLORIO, Mr. GAYDOS, Mr. FOGLIETTA, Mr. HAMILTON, Mr. JACOBS, Mr. KOLTER, Mr. LEVINE of California, Mr. MAVROULES, Mr. MINETA, Mr. MOAKLEY, Mr. MOLLOHAN, Ms. OAKAR, Mr. OBERSTAR, Mr. RUSSO, Mr. WALGREN, Mr. WHEAT, Mr. YATRON, Mr. HOYER, Mr. COLEMAN of Texas, Mr. MORRISON of Connecticut, Mr. BRUCE, Mr. DURBIN, Mr. LOWRY of Washington, Mr. RODINO, Mr. SMITH of Florida, Mr. BEDELL, Mr. LANTOS, Mr. PERKINS, Mr. TAUZIN, Mr. BIAGGI, Mrs. BURTON of California, Mr. DINGELL, Mr. GARCIA, Mr. HATCHER, Mr. WOLPE, Mr. BOSCO, Mr. GEJDENSON, Mr. LELAND, Mr. TOWNS, Mr. WEISS, and Mr. MCCLOSKEY.

H.J. Res. 567: Mr. PURSELL.

H.J. Res. 594: Mr. LEVINE of California, Mr. KINDNESS, Mr. NEAL, Mr. FASCELL, Mr. VENTO, Mr. RICHARDSON, Mr. MAZZOLI, Mr. AKAKA, Mr. BIAGGI, Mr. DE LUGO, Mr. MCKERNAN, Mr. CARR, and Mr. SHAW.

H. Con. Res. 225: Mr. WOLPE, Mr. BADHAM, Mr. STUMP, Mr. SHAW, Mr. CONYERS, Mr. GORDON, and Mrs. LLOYD.

H. Res. 439: Mr. MARKEY and Ms. FIEDLER.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 3521: Mr. AUCOIN and Mr. LAGOMARSINO.

H.R. 3599: Mr. BOUCHER.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

330. By the Speaker: Petition of the council, Borough of Lavallette, Ocean County, NJ, relative to legislation to license recreational salt water sports fishermen; to the Committee on Merchant Marine and Fisheries.

331. Also, petition of the city council, Berea, OH, relative to the continued exemption of interest on municipal bonds from taxation; to the Committee on Ways and Means.

332. Also, petition of the city council, Irving TX, relative to H.R. 3838, in its current form; to the Committee on Ways and Means.

333. Also, petition of the common council, Gary, IN, relative to certain portions of H.R. 3838; to the Committee on Ways and Means.

334. Also, petition of the Board of Education, School District No. 200, of Cook County, IL, relative to portions of H.R. 3838 pertaining to tax-exempt financing for school districts; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 4672

By Mr. GARCIA:

(To the amendment in the nature of a substitute to H.R. 1.)

—At the end of the amendment, add the following new title:

TITLE VI—ENTERPRISE ZONE DEVELOPMENT

SEC. 601. DESIGNATION OF ENTERPRISE ZONES.

(a) DESIGNATION OF ZONES.—

(1) DEFINITIONS.—For purposes of this section, the term "enterprise zone" means any area that—

(A) is nominated by 1 or more local governments and the State or States in which it is located for designation as an enterprise zone (hereafter in this section referred to as a "nominated area"); and

(B) the Secretary of Housing and Urban Development designates as an enterprise zone, after consultation with—

(i) the Secretaries of Agriculture, Commerce, Labor, and the Treasury; the Director of the Office of Management and Budget; and the Administrator of the Small Business Administration; and

(ii) in the case of an area on an Indian reservation, the Secretary of the Interior.

(2) NUMBER OF DESIGNATIONS—

(A) IN GENERAL.—The Secretary of Housing and Urban Development may designate not more than 100 nominated areas as enterprise zones.

(B) MINIMUM DESIGNATION IN RURAL AREAS.—Of the areas designated under clause (i), at least one-fourth must be areas that—

(i) are within a local government jurisdiction or jurisdictions with a population of less than 50,000 (as determined under the most recent census data available);

(ii) are outside of a metropolitan statistical area (as designated by the Director of the Office of Management and Budget); or

(iii) that are determined by the Secretary of Housing and Urban Development, after consultation with the Secretary of Commerce, to be rural areas.

(3) AREAS DESIGNATED BASED SOLELY ON DEGREE OF POVERTY, ETC.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary of Housing and Urban Development shall designate those nominated areas with the highest average ranking with respect to the criteria described in subparagraphs (C), (D), (E), and (F) of subsection (c)(3). For purposes of the preceding sentence, an area shall be ranked within each such criterion on the basis of the amount by which the area exceeds such criterion, with the area that exceeds such criterion by the greatest amount given the highest ranking.

(B) EXCEPTION WHERE INADEQUATE COURSE OF ACTION, ETC.—An area shall not be designated under subparagraph (A) if the Secretary of Housing and Urban Development determines that the course of action with respect to such area is inadequate.

(C) SEPARATE APPLICATION TO RURAL AND OTHER AREAS.—Subparagraph (A) shall be applied separately with respect to areas described in paragraph (2)(B) and to other areas.

(4) LIMITATION ON DESIGNATIONS.—

(A) PUBLICATION OF REGULATIONS.—Before designating any areas as an enterprise zone, the Secretary of Housing and Urban Development shall prescribe by regulation no later than 4 months following the enactment of this section, after consultation with the officials described in paragraph (1)(B)—

(i) the procedures for nominating an area under paragraph (1)(A);

(ii) the parameters relating to the size and population characteristics of an enterprise zone; and

(iii) the manner in which nominated areas will be evaluated based on the criteria specified in subsection (d).

(B) Time Limitations.—The Secretary of Housing and Urban Development shall designate nominated areas as enterprise zones only during the 24-month period beginning on the later of—

(i) the first day of the first month following the month in which the effective date of the regulations described in subparagraph (A) occurs; or

(ii) July 1, 1986.

(C) Procedural Rules.—The Secretary of Housing and Urban Development shall not make any designation under paragraph (1) unless—

(i) the local governments and the State in which the nominated area is located have the authority—

(I) to nominate such area for designation as an enterprise zone;

(II) to make the State and local commitments under subsection (d); and

(III) to provide assurances satisfactory to the Secretary of Housing and Urban Development that such commitments will be fulfilled;

(ii) a nomination therefor is submitted in such a manner and in such form, and contains such information, as the Secretary of Housing and Urban Development shall by regulation prescribe;

(iii) the Secretary of Housing and Urban Development determines that any information furnished is reasonably accurate; and

(iv) the State and local governments certify that no portion of the area nominated is already included in an enterprise zone or in an area otherwise nominated to be an enterprise zone.

(5) NOMINATION PROCESS FOR INDIAN RESERVATIONS.—In the case of a nominated area

on an Indian reservation, the reservation governing body (as determined by the Secretary of the Interior) shall be deemed to be both the State and local governments with respect to such area.

(b) PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—

(1) IN GENERAL.—Any designation of an area as an enterprise zone shall remain in effect during the period beginning on the date of the designation and ending on the earliest of—

(A) December 31 of the 24th calendar year following the calendar year in which such date occurs;

(B) the termination date designated by the State and local governments as provided for in their nomination pursuant to subsection (a)(4)(C)(ii); or

(C) the date the Secretary of Housing and Urban Development revokes such designation under paragrapah (2).

(2) REVOCATION OF DESIGNATION.—The Secretary of Housing and Urban Development may after—

(A) consultation with the officials described in subsection (a)(1)(B); and

(B) a hearing on the record involving officials of the State or local government involved;

revoke the designation of an area if the Secretary of Housing and Urban Development determines that the local government or the State in which it is located is not complying substantially with the State and local commitments pursuant to subsection (d).

(c) AREA AND ELIGIBILITY REQUIREMENTS.—

(1) IN GENERAL.—The Secretary of Housing and Urban Development may make a designation of any nominated area under subsection (a)(1) only if it meets the requirements of paragraphs (2) and (3).

(2) AREA REQUIREMENTS.—A nominated area meets the requirements of this paragraph if—

(A) the area is within the jurisdiction of the local government;

(B) the boundary of the area is continuous; and

(C) the area—

(i) has a population, as determined by the most recent census data available, of at least—

(I) 4,000 if any portion of such area (other than a rural area described in subsection (a)(2)(B)(i)) is located within a metropolitan statistical area (as designated by the Director of the Office of Management and Budget) with a population of 50,000 or greater; or

(II) 1,000 in any other case; or

(ii) is entirely within an Indian reservation (as determined by the Secretary of the Interior).

(3) ELIGIBILITY REQUIREMENTS.—For purposes of paragraph (1), a nominated area meets the requirements of this paragraph if the State and local governments in which it is located certify and the Secretary of Housing and Urban Development, after such review of supporting data as he deems appropriate, accepts such certification, that—

(A) the area is one of pervasive poverty, unemployment, and general distress;

(B) the area is located wholly within the jurisdiction of a local government that is eligible for Federal assistance under section 119 of the Housing and Community Development Act of 1974, as in effect on the date of the enactment of this Act;

(C) the unemployment rate, as determined by the appropriate available data, was at least 1.5 times the national unemployment rate for that period;

(D) the poverty rate (as determined by the most recent census data available) for each populous census tract (or where not tracted, the equivalent county division as defined by the Bureau of the Census for the purpose of defining poverty areas) within the area was at least 20 percent for the period to which such data relate;

(E) at least 70 percent of the households living in the area have incomes below 80 percent of the median income of households of the local government (determined in the same manner as under section 119(b)(2) of the Housing and Community Development Act of 1974); and

(F) the population of the area decreased by 20 percent or more between 1970 and 1980 (as determined from the most recent census available).

(d) REQUIRED STATE AND LOCAL COMMITMENTS.—

(1) IN GENERAL.—No nominated area shall be designated as an enterprise zone unless the local government and the State in which it is located agree in writing that, during any period during which the area is an enterprise zone, such governments will follow a specified course of action designated to reduce the various burdens borne by employers or employees in such area. A course of action shall not be treated as meeting the requirements of this paragraph unless the course of action include provisions described in at least 4 of the subparagraphs of paragraph (2).

(2) COURSE OF ACTION.—The course of action under paragraph (1) may be implemented by both such governments and private nongovernmental entities, may be funded from proceeds of any Federal program, and may include, but is not limited to—

(A) a reduction of tax rates or fees applying within the enterprise zone;

(B) an increase in the level of efficiency of local services within the enterprise zone; for example crime prevention (particularly through experimentation with providing such services by nongovernmental entities);

(C) actions to reduce, remove, simplify, or streamline governmental requirements applying within the enterprise zone;

(D) involvement in the program by private entities, organizations, neighborhood associations, and community groups, particularly those within the nominated area, including a commitment from such private entities to provide jobs and job training for, and technical, financial, or other assistance to, employers, employees, and residents of the nominated area;

(E) the allowance of a deduction from State or local income taxes for fees paid or accrued for services performed by a nongovernmental entity but that were formerly performed by a governmental entity;

(F) the giving of special preference to contractors owned and operated by members of any minority; and

(G) the gift (or sale at below fair market value) of surplus land in the enterprise zone to neighborhood organizations agreeing to operate a business on the land.

(3) RECOGNITION OF PAST EFFORTS.—In evaluating courses of action agreed to by any State or local government, the Secretary of Housing and Urban Development shall take into account the past efforts of such State or local government in reducing the various burdens borne by employers and employees in the area involved.

(e) DEFINITIONS.—For the purposes of this section:

(1) GOVERNMENTS.—If more than 1 government seeks to nominate an area as an enterprise zone, any reference to, or requirement of, this section shall apply to all such governments.

(2) LOCAL GOVERNMENT.—The term "local government" means—

(A) any county, city, town, township, parish, village, or other general purpose political subdivision of a State;

(B) any combination of political subdivisions described in subparagraph (A) recognized by the Secretary of Housing and Urban Development; and

(C) the District of Columbia.

(3) STATE.—The term "State" shall include Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other possession of the United States.

SEC. 602. EVALUATION AND REPORTING REQUIREMENTS.

Not later than the close of the 4th calendar year after the year in which the Secretary of Housing and Urban Development first designates areas as enterprise zones, and at the close of each 4th calendar year thereafter, the Secretary of Housing and Urban Development shall prepare and submit to the Congress a report on the effects of such designation in accomplishing the purposes of this title.

SEC. 603. INTERACTION WITH OTHER FEDERAL PROGRAMS.

(a) TAX REDUCTIONS.—Any reduction of taxes under any required program of State and local commitment under section 601(d) shall be disregarded in determining the eligibility of a State or local government for, or the amount or extent of, any assistance or benefits under any law of the United States.

(b) COORDINATION WITH RELOCATION ASSISTANCE.—The designation of an enterprise zone under section 601 shall not—

(1) constitute approval of a Federal or federally assisted program or project (within the meaning of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601)); or

(2) entitle any person displaced from real property located in such zone to any rights or any benefits under such Act.

(c) ENTERPRISE ZONES TREATED AS LABOR SURPLUS AREAS.—Any area that is designated as an enterprise zone under section 601 shall be treated for all purposes under Federal law as a labor surplus area.

SEC. 604. DEFINITION OF SMALL ENTITIES IN ENTERPRISE ZONES FOR PURPOSES OF ANALYSIS OF REGULATORY FUNCTIONS.

For purposes of the analysis of regulatory functions under chapter 6 of title 5, United States Code, the following shall also be considered to be a small entity:

(1) any person, corporation, or other entity—

(A) that is engaged in the active conduct of a trade or business within an enterprise zone (within the meaning of section 601); and

(B) for whom at least 50 percent of its employees are qualified employees (within the meaning of section 30A(f) of the Internal Revenue Code of 1954);

(2) any governments that designated and approved an area that has been designated as an enterprise zone (within the meaning of section 601) to the extent any rule pertains to the carrying out of projects, activities, or undertakings within such zone; and

(3) any not-for-profit enterprise carrying out a significant portion of its activities

within an enterprise zone (within the meaning of section 601).

SEC. 605. WAIVER OR MODIFICATION OF CERTAIN AGENCY RULES IN ENTERPRISE ZONES.

(a) IN GENERAL.—Upon the written request of the governments that designated and approved an area that has been designated as an enterprise zone under section 601, an agency is authorized, in order to further the job creation, community development, or economic revitalization objectives of the zone, to waive or modify all or part of any rule that it has authority to promulgate, as such rule pertains to the carrying out of projects, activities, or undertakings within the zone.

(b) LIMITATION.—Nothing in this section shall authorize an agency to waive or modify any rule adopted to carry out a statute or Executive order that prohibits, or the purpose of which is to protect persons against, discrimination on the basis of race, color, religion, sex, marital status, national origin, age, or handicap.

(c) SUBMISSION OF REQUESTS.—A request under subsection (a) shall specify the rule or rules to be waived or modified and the change proposed, and shall briefly describe why the change would promote the achievement of the job creation, community development, or economic revitalization objectives of the enterprise zone. If a request is made to an agency other than the Department of Housing and Urban Development, the requesting governments shall send a copy of the request to the Secretary of Housing and Urban Development at the time the request is made.

(d) CONSIDERATION OF REQUESTS.—In considering a request, the agency shall weigh the extent to which the proposed change is likely to further job creation, community development, or economic revitalization within the enterprise zone against the effect the change is likely to have on the underlying purposes of applicable statutes in the geographic area that would be affected by the change. The agency shall approve the request whenever it finds, in its discretion, in the public interest that the proposed change would serve in furthering such job creation, community development or economic revitalization outweighs the public interest that continuation of the rule unchanged would serve in furthering such underlying purposes. The agency shall not approve any request to waive or modify a rule if that waiver or modification would—

(1) directly violate a statutory requirement (including any requirement of the Fair Labor Standards Act of 1938 (52 Stat. 1060; 29 U.S.C. 201 et seq.)); or

(2) be likely to present a significant risk to the public health, including environmental health or safety, such as a rule with respect to occupational safety or health, or environmental pollution.

(e) NOTICE OF DISAPPROVAL.—If a request is disapproved, the agency shall inform the requesting governments in writing of the reasons therefor and shall, to the maximum extent possible, work with such governments to develop an alternative, consistent with the standards contained in subsection (d).

(f) PERIOD FOR DETERMINATION.—Agencies shall discharge their responsibilities under this section in an expeditious manner, and shall make a determination on requests not later than 90 days after their receipt.

(g) APPLICABLE PROCEDURES.—A waiver or modification of a rule under subsection (a) shall not be considered to be a rule, rulemaking, or regulation under chapter 5 of title 5, United States Code. To facilitate reaching its decision on any requested waiver or modification, the agency may seek the views of interested parties and, if the views are to be sought, determine how they should be obtained and to what extent, if any, they should be taken into account in considering the request. The agency shall publish a notice in the Federal Register stating any waiver or modification of a rule under this section.

(h) EFFECT OF SUBSEQUENT AMENDMENT OF RULES.—In the event that an agency proposes to amend a rule for which a waiver or modification under this section is in effect, the agency shall not change the waiver or modification to impose additional requirements unless it determines, consistent with standards contained in subsection (d), that such action is necessary.

(i) EXPIRATION OF WAIVERS AND MODIFICATIONS.—No waiver or modification of a rule under this section shall remain in effect for a longer period than the period for which the enterprise zone designation remains in effect for the area in which the waiver or modification applies.

(j) DEFINITIONS.—For purposes of this section:

(1) AGENCY.—The term "agency" means agencies within jurisdiction of Housing Subcommittee.

(2) RULE.—The term "rule" means (A) any rule as defined in section 551(4) of title 5, United States Code; or (B) any rulemaking conducted on the record after opportunity for an agency hearing pursuant to sections 556 and 557 of such title 5.

SEC. 606. COORDINATION OF HOUSING AND URBAN DEVELOPMENT PROGRAMS IN ENTERPRISE ZONES.

Section 3 of the Department of Housing and Urban Development Act is amended by adding at the end thereof the following new subsection:

"(d) The Secretary shall—

"(1) promote the coordination of all programs under his jurisdiction that are carried on within an enterprise zone designated pursuant to section 601 of the Housing Act of 1986;

"(2) expedite, to the greatest extent possible, the consideration of applications for programs referred to in paragraph (1) through the consolidation of forms or otherwise; and

"(3) provide, whenever possible, for the consolidation of periodic reports required under programs referred to in paragraph (1) into 1 summary report submitted at such intervals as may be designated by the Secretary.".

SEC. 607. FOREIGN-TRADE ZONE PREFERENCES.

"(a) PREFERENCE IN ESTABLISHMENT OF FOREIGN-TRADE ZONES IN REVITALIZATION AREAS.—In processing applications for the establishment of foreign-trade zones pursuant to an Act entitled "An Act to provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes", approved June 18, 1934 (48 Stat. 998), the Foreign-Trade Board shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a foreign-trade zone within an enterprise zone designated pursuant to section 601.

"(b) APPLICATION PROCEDURE.—In processing applications for the establishment of ports of entry pursuant to an Act entitled "An Act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, nineteen hundred and fifteen, and for other purposes", approved August 1, 1914 (38 Stat. 609), the Secretary of the Treasury shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a port of entry that is necessary to permit the establishment of a foreign-trade zone within an enterprise zone designated pursuant to section 601.

(c) APPLICATION EVALUATION.—In evaluating applications for the establishment of foreign-trade zones and ports of entry in connection with enterprise zones designated pursuant to section 601, the Foreign-Trade Zone Board and the Secretary of Treasury shall approve the applications to the maximum extent practicable, consistent with their respective statutory responsibilities.

SENATE—*Thursday, May 1, 1986*

(Legislative day of Monday, April 28, 1986)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Lord of all the Earth, we are profoundly grateful for this National Day of Prayer, set apart by joint resolution of Congress and Presidential proclamation. We are grateful for the many Governors and mayors who declared this to be a State and city day of prayer. Thank You for the thousands of businesses and churches which will observe this day with special services. Thank You for the millions of people who will devote this day or portions of it to prayer for the Nation and the world. Thank You for the many observances taking place on Capitol Hill. Grant God of Grace, that a spirit of humility, repentance, and intercession will infuse us all. That our Republic may be renewed in righteousness, justice, truth, and love.

We pray for the health and security of President and Mrs. Reagan while they are separated in their diverse journeys—Mrs. Reagan in Kuala Lumpur and Bangkok—the President at the economic summit in Tokyo. Guide and bless them in their respective tasks and return them safely home.

With heavy hearts Gracious Father in Heaven, we pray for the millions of people in the Soviet Union and surrounding nations who are threatened by the nuclear reactor disaster. Especially we pray for those who are already casualties and their families. May the rich agricultural soil and waters of the Ukraine be protected as well as the city of Kiev with its 2 million inhabitants. Grant to the Soviet leadership willingness to accept help from other nations. In confidence in Your sovereign love and grace, we pray. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, followed by special orders in favor of the following Senators for not to exceed 5 minutes each: Senator HAWKINS, Senator CRANSTON, Senator LEVIN, Senator PROXMIRE, and Senator BIDEN. Then there will be routine morning business for not to extend beyond the hour of 11 a.m. with Senators permitted to speak therein for not more than 5 minutes each.

Following morning business, the Senate will resume the budget resolution, Senate Concurrent Resolution 120. Votes can be expected throughout the day today, and the Senate could be asked to remain in session late into the evening in order to complete action on the budget resolution. There are approximately 9 hours remaining on the budget.

I am not certain what may be the final disposition. But it is my hope that we can work out some bipartisan compromise that will take some of the pressure off raising taxes, and put more pressure on spending restraint—and, also, preserve a respectable number on the defense side.

Mr. President, I will make a statement on the leader's time. Prior to that, I want to yield 3 mintues of that time to the distinguished Senator from Colorado, Senator ARMSTRONG.

The PRESIDING OFFICER (Mr. HATFIELD). The Senator from Colorado is recognized.

Mr. ARMSTRONG. Mr. President, I thank the majority leader. I am grateful to the leader for yielding to me briefly.

NATIONAL DAY OF PRAYER

Mr. ARMSTRONG. Mr. President, I just want to call the attention of my colleagues to the fact that the President, in accordance with the law and tradition, has designated today, Thursday, May 1, as the National Day of Prayer.

As the President pointed out in his proclamation, which he issued in January, prayer is woven into the fabric of our history from its beginnings. And the same Continental Congress that declared our independence also proclaimed a national day of prayer. From that time forward, it seems to me almost impossible to exaggerate the role that prayer has played in the lives of individual Americans, and in the life of the Nation as a whole.

This year, again, a distinguished committee of laymen throughout the country is encouraging men and women of all faiths to take a few minutes at a time which has been selected for 12 o'clock to join in services and ceremonies in homes, in offices, and, indeed, even in the Nation's Capitol, to offer those prayers for individual and national well-being.

Under the leadership of Dr. Bill Bright and Herb Ellingwood, this committee has designated the theme of this National Day of Prayer to be "Take 5 at 12"; that is, to take at least 5 minutes at 12 o'clock for Americans of all faiths to pray in their own way in their own places, and in the manner of their choosing.

So, Mr. President, having consulted with both the majority leader and the minority leader, it is my unanimous-consent request that the Senate, in accordance with this observance, stand in recess from noon until 12:05 today so that all Members will have this opportunity.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I thank my colleague.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. I thank the presiding officer, Senator HATFIELD.

TV IN THE SENATE

Mr. DOLE. Mr. President, today the historic journey to television in the Senate takes another important step. This morning, our technical test period moves on to in-house broadcasting as the signal originating from this Chamber is distributed by cable to every Senate office. This latest advance is in preparation for our June 2 date with history. That is when these proceedings go live to the real world. We will be available on home TV, ready, and sometimes even willing for network television news coverage.

So far, the experiment has moved along on schedule. Our experts tell me that the technical bugs are being worked out and that our picture is a good one. I am not certain about the debates, but at least I am advised that we look good. I am not certain how we sound. Our offices will have an interesting show today. It is called, "The Budget." It might even be X rated. I know one thing. It will be a full-length feature picture, and let us hope it has a happy ending.

I do not know about the rest of my colleagues, but I am not looking forward to a tear-jerker.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Mr. President, I am pleased that our great experiment has worked so well. And I congratulate all of my colleagues, and our technical staff, who have labored so long to see this day arrive. I think we are all prepared.

We have cautioned some of our colleagues not to chew gum, or do things of that kind while they are live on television, and to keep their heads up so that they can be properly focused on by the cameras. So we will make a lot of mistakes—nearly all will be unintentional.

So, in any event, we are getting closer to the day when the American people, for better or for worse, will see us on television. If the experiment goes well, we will have had a time of testing, then we will have a time of reflection, and finally another opportunity to determine whether we shall proceed on a permanent basis.

THE BUDGET RESOLUTION

Mr. DOLE. Mr. President, let me say one thing about the budget. It is my hope we can complete action today. I must say it depends on whether or not we can reach some compromise. I have not had a number of meetings. I had one discussion with the Senator from Florida, and the Senator from New Mexico. I know they are meeting this morning.

It seems to me that we are not really that far apart. I hope there will be some give and take on each side. I would hope that we are not being set up at the House leadership to go for a big tax package so that the leadership on the other side of the Capitol can then say: "Oh, we don't believe in taxes. We believe we will reduce the revenues in the Senate package." That does cause a great deal of concern, particularly on this side of the aisle. There are many who believe that we should have no revenue increase at all above the President's figure of about $6 billion in the first year. The budget in the first year calls for $18 billion in new revenues. We believe that there is an acceptable figure somewhere there, and would like to arrive at that.

□ 1010

We also believe we can find additional savings that will not cause a great deal of hardship, but are legitimate savings. These are savings which should be made, savings that will help us reduce the revenue number and even increase slightly the defense figure in the Senate budget resolution.

It is very important work we are doing. I think it is very important we finish the budget process. But I must say, as the leader of the Republican majority, there is a fairly close division on this side. In addition, I did indicate suggestions to Don Regan late last night, when we transmitted some figures to the President's Chief of Staff so he could confer with the President. He probably already has—and he should be getting back to me sometime in the next 30 or 40 minutes.

We made some suggestions. We suggested a compromise, not the President's number, not the Budget Committee's number, but I believe a reasonable compromise that might be adopted by a majority on each side.

It would seem to me, and I just say this from my viewpoint, I would not want to bring up a budget that did not have strong bipartisan support. A budget resolution, which because it called for higher taxes, received 30 or 40 Democratic votes and a handful of Republican votes. It is my hope that we can work out something, but, if not, there will be a possibility to move to other business later today.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. Under the previous order, the Democratic leader is recognized.

THE BUDGET RESOLUTION

Mr. BYRD. Mr. President, while the distinguished majority leader is on the floor, may I inquire as to whether or not it is his intention to complete action on the budget today? There are only 9 hours, or some such, remaining out of the statutory 50. It would be, I think, not too difficult for the Senate to complete action today, with so few hours remaining.

Is it the leader's feeling that we ought to complete action, which we will have to do at the end of the 9 hours, or does he plan to leave some of the statutory time remaining and go over until tomorrow?

Mr. DOLE. I will say to the distinguished minority leader, Senator Byrd, that my hope would be that we could finish today. The Senator is right, that we have only 9 hours remaining. It is quite possible that if there is some agreement or something close to an agreement it would not take the full 9 hours.

We are in the process of trying to put together what we believe would be a fair compromise. I have not yet submitted that to either Senator CHILES or Senator DOMENICI. I know Senator CHILES would want to consult with the minority leader and Senator DOMENICI would want to consult with me. I hope to be able to advise the minority leader at no later than, say, 2 o'clock this afternoon. If we can complete action, then I would want to try to get some agreements on some other matters that are pending. If we are able to do that, we would not be in session tomorrow.

Mr. BYRD. I noted the distinguished majority leader indicated he had been in touch with Mr. Regan and has proposed, I believe the majority leader said, a compromise. How soon does the majority leader feel he will be able to inform the minority leader and Mr. CHILES of whatever compromise he has in mind?

Mr. DOLE. I would hope it would be within the hour or within 2 hours when we might be able to do it. It is now 10:15 p.m. in Indonesia. It was 7:30 p.m. last night when I called Mr. Regan, 7:30 a.m. his time. He should be calling me. Again, they do not have a say in the budget resolution, but I think the minority leader would agree that they ought to at least look at it and see if there are some aspects of it they could approve. I should have word, I would hope, in the next 45 minutes.

Mr. BYRD. I thank the distinguished majority leader.

May I assure the distinguished majority leader again that whether or not he can get the White House to do any compromising, whether or not he can get the White House to support a substitute, I am ready to support the distinguished majority leader, Mr. CHILES and Mr. DOMENICI in any effort to try to put together a compromise that will avoid the horrendous alternative. It is sort of like growing old. Nobody wants to grow old, but when they consider the alternative, it may not be so bad after all.

So I do not want the alternative of Gramm-Rudman. I think we ought to make a decision on this and try to avoid Gramm-Rudman.

I would hope that the Senate would vote on the committee proposal, which I think was a fair and moderate product of the committee. Mr. CHILES, Mr. DOMENICI, and others on the committee worked very hard and very skillfully to bring out the budget resolution, which was supported on a bipartisan basis.

I would also hope that if there is a substitute, we can know what the substitute is, we can know what the parameters are, and have time to debate that substitute. If it is brought in at the last minute, at the last hour, then, of course, the Senate would not have adequate time in which to consider it carefully.

I would also hope that we will not walk away from this, that we will not attempt to postpone it.

The distinguished majority leader can be sure that those of us on this side in the leadership will try to help mold a package that can command a majority of votes on both sides of the aisle.

TELEVISING SENATE PROCEEDINGS

Mr. BYRD. Mr. President, today marks an important day in the history of the U.S. Senate and it is a day that

many of us have long awaited. Pursuant to Senate Resolution 28, which I introduced on January 3 of this year and which the Senate adopted on February 27, today marks the official beginning of closed-curcuit telecast of the proceedings of this Chamber.

Beginning on June 1 and extending until July 15, Senate sessions will be broadcast live and available to the public. On July 29, the Senate will vote to make television coverage permanent, to discontinue the telecasts, or to continue television coverage on a trial basis.

Proceedings in this Chamber have been televised only once before when the late Nelson Rockefeller was sworn in as Vice President on December 19, 1974.

It was at that time that the distinguished then majority leader Mr. Mansfield was in the Far East and I as the assistant majority leader and acting majority leader at that moment, offered a resolution to make that telecast possible.

Now we embark upon this new and adventuresome journey, a journey that I hope will result in the permanent telecast of Senate floor procedures.

My testimony to the Senate Rules Committee on September 17 last year stated that, "There is nothing that benefits our country like an informed public. The will of the public is best derived from an educated public."

As we have seen from the telecasts of Senate committee hearings, television and public policy often go hand in hand. Telecasts of the work of the U.S. Senate serve an important educational function for the American people. Woodrow Wilson said that the informing function of the legislative branch is as important, if not more important, than that of legislating.

I am confident that we shall see positive results from television coverage of Senate proceedings. We will encounter areas where difficulties will arise.

As I said to the distinguished majority leader some time ago, "You and I have the responsibility of making television work in this Senate. Mr. President, I am fully committed to it, and I believe that when the time comes for the Senate to cast a vote on whether or not television coverage will be permanent, I have no doubt that that vote will be in the affirmative."

□ 1020

I think we have some work to do in the meantime, obviously, some adjustments that have to be made. But I look forward to the day when the telecasts are available to the public and I hope and believe that the Senate will decide later this summer to make these broadcasts a permanent part of the way we do business in this place.

I have suggested to the distinguished majority leader that our ad hoc groups that have been appointed heretofore with respect to this subject, monitor the proceedings as we go through the trial period and make further recommendations to the leadership on both sides. On my side of the aisle, those Senators are Messrs. FORD, PRYOR, DECONCINI, GORE, and BENTSEN.

I thank the very distinguished Presiding Officer, the chairman of the Appropriations Committee (Mr. HATFIELD).

SENATOR HAWKINS' SPECIAL ORDER

The PRESIDING OFFICER. Under the previous order, the Senator from Florida [Mrs. HAWKINS] is recognized for not to exceed 5 minutes.

Mr. DOLE. Mr. President, I submit the statement of Senator HAWKINS for the RECORD.

The statement follows:

PERU'S AMBITIOUS PLAN TO CONQUER DRUG ABUSE

Mrs. HAWKINS. Mr. President, for many years Peruvians viewed narcotics trafficking in the same light as did many of their South American neighbors. It was a problem for the United States. It had no effect on them. In fact, the growing of coca was something of a bonanza for Peru's farmers. After all, no other crop provides as much income. And the cash generated by buying and selling helps fuel the economies of chronically hard pressed villages. However, two factors usually come into play in such circumstances to cause citizens to wake up to the potential cost of drug abuse. The first is the shock and revulsion at the violence that generally accompanies drug trafficking. And the second is the concern that people begin to show when drug abuse touches close to home, when their sons and daughters, or brothers and sisters, or other family members or neighbors fall victim to the monster of addiction.

One thing that has touched a raw nerve in Peru is addiction among young people, particularly the 13 and 14-year-olds. These teens buy cheap, readily available cocaine from small-time dealers and inhale it in cigarettes. In one of the saddest sights in the civilized world, homeowners start the morning by chasing sleeping child addicts off their doorsteps. The kids spend the day begging for money or picking the pockets of passersby or moviegoers. These street children, basically homeless, seldom get a square meal but live by their wits to support their cocaine habit. Neighborhoods in communities such as the jungle town of Tingo Maria are controlled by drug dealers who lure the kids into addiction in order to expand their market. The drug trade, with its accompanying economic disruption, has brought with it so much inflation that the only commodity many people can afford is coke paste.

Drugs by their very nature when abused are debilitating and there is no limit to the degration that can result. NEWSWEEK Magazine, in its March 31 issue, reports that the issue of survival is so intense in the Andean countries that addicted children are reduced to fighting each other in the human equivalent of cock fights. Their wages are paid in coke paste.

The drug-related problem in Peru is complex. Coca leaves have been cultivated and chewed by Indians for hundreds of years. The cultivation of coca provides an income for farmers, in many instances much more than they could make from traditional crops. Coca derivatives, fashioned from natural occurring anesthetic compounds, have a legitimate medical use. The use of cocaine and coke paste is fairly well engrained in Peruvian life. The price and easy availability have resulted in a steady increase in coca use over the past 20 years. Against this backdrop, narcotics trafficking in Peru has become a major criminal enterprise with smugglers amassing large fortunes that can be spent on protection, bribery and elaborate transportation schemes. The traffickers recruit their own armies to guard crops, to keep workers safe from police during harvesting and production and to provide security during transportation of the finished product along circuitous routes.

Police and armed forces assigned to eradication and control narcotics in Peru are "unequal to the task because of unlimited resources of the drug traffickers and the limited resources of the government, given other more demanding social and economic problems." That was one of the findings of a study conducted for the U.S. Agency for International Development (AID) by Development Associates, an Arlington, Va., research firm. The study noted that while cocaine paste is the drug of choice among Peruvians, there is significant usage of marijuana, alcohol and various inhalants and observed that the cumulative effects of drug abuse are "crime, corruption, threats to national security and loss of productivity of citizens."

The Development Associates study concluded that Peru must commit substantial resources to combat drug abuse through a program of mass education and awareness, enlisting the assistance of service organizations and clubs, schools, community leaders, government officials, newspapers, radio and television stations. This education and awareness program is now underway, thanks in part to funding provided by AID. A serious problem requires a serious approach to a solution. We wish Peru well in this worthy endeavor.

RECOGNITION OF SENATOR CRANSTON

The PRESIDING OFFICER. Under the previous order, the Senator from California [Mr. CRANSTON] is recognized for not to exceed 5 minutes.

THE NUCLEAR DANGER

Mr. CRANSTON. Mr. President, I am pleased that the Senator [Mr. HATFIELD] presiding over the Senate when I make these remarks is a Senator who has been deeply devoted to the cause that I wish to discuss, the cause of seeking to cope with the dangers of nuclear war and all the dangers involved in the revolution in power and energy that occurred when the bombs were dropped at Hiroshima and Nagasaki. The Senator from Oregon has been a great leader on that front for

many, many years and I prize the opportunity to collaborate with him on this vitally important issue.

Mr. President, since the day we dropped the bomb on Hiroshima 41 years ago, I have devoted some part of virtually every day of my life to thinking about, reading about, writing about, speaking about, working on the nuclear danger, and about the urgency of ending the nuclear arms race before it ends us. But the world, I am afraid, has not made much headway in this race against time and catastrophe. We still live on the edge of oblivion, and nothing seems to move us away from that edge.

We read books about the danger of nuclear war. We read newspaper and magazine articles about it, see movies and TV shows, attend lectures and demonstrations. But nothing seems to affect what our leaders or the leaders of the Soviets do.

At home, we conduct endless technical, intellectual debates about nuclear war—is it really as bad as they say? Are they just trying to scare us? Do we not really need more missiles? And antimissile missiles? And maybe after that, anti-antimissile missiles?

Internationally, we and the Soviets play diplomatic games on the front pages of newspapers—and nothing seems to count other than who can score more propaganda points than the other guy. Nobody seems to be taking seriously the most serious issue ever to face mankind.

There are times when I have almost despaired; times when I have thought: the only thing that will finally wake us up is a nuclear disaster itself—and then it may be too late.

But providence may have had a special message for mankind in the accident in the Soviet Union's Chernobyl Nuclear Powerplant.

That disaster may, in the strange way that providence often works, prove to be not a blessing in disguise—that is going too far. But it can prove to be a God-given opportunity in disguise.

If this accident has so shaken the leaders of the Soviet Union—probably the most paranoid and certainly the most secretive society in the world—that they were driven to ask the West for help, then perhaps there is hope after all. Perhaps they are seeing—really seeing for the first time—what the nuclear horror is all about. And that the horror that can happen on a small scale by accident would be infinitely more horrible if it occurred on a large scale and by design.

Perhaps they may come to understand that they must be more forthcoming, that they must work more seriously with us to bring an end to the nuclear arms race. And perhaps our leaders will finally grasp the same message—that we, too, must be more forthcoming, more serious about ending the arms race.

Whatever it is that happened in a town deep in the Soviet Union—at a place called Pripyat that hardly anyone ever hears of—may be a sign, a sign which we ignore at the peril of our survival.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The distinguished minority leader.

Mr. BYRD. Mr. President, I rise to compliment the distinguished Senator from California on the statement that he has just made. I share with him his concerns and his hopes. On this day when we speak about prayer in particular, remembering that Tennyson said that more things are wrought by prayer than this world dreams of, I would pray, and all of us, I think, would join in the prayer for the people in the Soviet Union.

It would seem to me that this unfortunate accident should have a sobering effect on the leaders in the Soviet Union and on our own leaders and leaders everywhere because, as they see this accident and how such accidents can occur—and they can occur in this country or in Sweden or West Germany or elsewhere. As they see how these accidents can occur and do occur, they should contemplate that what they are seeing is just a slight glimmer of what it would be like to have a nuclear exchange. All leaders should redouble their efforts to bring about a workable, effective end to this horrible arms control race.

Additionally, it is inconceivable to me that a government would attempt to hide that which cannot be hidden; namely, that being what we have just seen occur in the Soviet Union. The people to the north, in Sweden, discovered it. They knew something had happened. Yet, the Soviet Union was saying nothing.

Even now, as I understand the news reports, the Soviet Government has not fully stated the truth, and I cannot see hor or why, in a terrible accident of this kind, which endangers the lives of its own citizens, the Soviet Union would choose to be silent and would not accept the offer of assistance from the United States and not only seemingly disregard the welfare and health of its own citizens in the area but likewise disregard the well-being of citizens in neighboring countries. It is inconceivable. It should cause all to ponder, but I believe that in the final analysis the truth will out, and I hope that as time goes on the Soviet Union will accept the assistance of our country and other countries, and again that the leaders of all nations will quietly ponder just what is happening here. The genie is out of the bottle, and we ought to do what we can to put it back into the bottle.

Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. I thank the distinguished Senator from West Virginia for his eloquent and forceful remarks on the great issue of our time. The Senator is the leader of the minority in this body at the present time. I am the assistant leader. We have a great responsibility to use our leadership as effectively as we can in coping with this threat not just to our Nation but to all mankind. This is not a partisan matter. I refer to the fact that the Presiding Officer of the Senate at the present time is the Senator from Oregon [Mr. HATFIELD]. As a leader in this body, he has been dedicated to this crusade to cope with the nuclear threat. It is not only beyond partisanship but it is beyond nationhood. I was thrilled that the Senate Chaplain this morning prayed for the people of the Soviet Union who are near to or directly involved in the catastrophe there, that he remembered them in his prayers to our Senate. The Senator from West Virginia mentioned prayers in the same context. We have a great responsibility to seek, with the leaders of the Soviet Union and with the leaders of other nations, to stem this greatest threat that has ever been imposed to the survival of humanity upon this planet. I will continue my work to that end, I know the Senator from West Virginia will, the Senator from Oregon, and many, many others.

RECOGNITION OF SENATOR LEVIN

The PRESIDING OFFICER. Under the previous order, the Senator from Michigan [Mr. LEVIN] is recognized for not to exceed 5 minutes.

AFTER THE ATTACK: WINE OR VINEGAR?

Mr. LEVIN. Mr. President, a few days ago, my family gathered around a table for the traditional seder meal of ritual and study, as well as food, which begins the Jewish festival of Passover. We read the story of the Israelites' ancient flight to freedom from slavery in Egypt. At one point, we recount the 10 plagues which the Bible tells us God inflicted upon the Egyptians—including the slaying of their innocent firstborn—and which persuaded the Pharoah to loosen the bonds of our people, so that escape became possible. At this point in the seder, a full goblet of wine rests before each participant—one of several cups that our sages have told us to consume over the course of the evening, in celebration of that magnificent transition from slavery to freedom 3,000 years ago.

But we do not drink that full cup. On the contrary, while enumerating the plagues that afflicted our oppres-

sors, each of us flicks 10 drops of wine from our cup, to diminish the joy therein. The message of our sages is clear: While we celebrate our triumph, we must keep in mind the pain inflicted upon others in the process—even if the recipients of the pain are those who afflicted us.

Mr. President, as we performed this ancient Passover ritual, we were struck by the contrast between the attitude it represents and the attitude of some people involved in a contemporary dramatic event, the recent U.S. air strike against Libya. I am one who supported a proportionate military response to the Libyan Government's attack upon our personnel in Berlin.

But such a response by us, while necessary, involved the taking of life, including innocent life. It should have been accompanied by rhetoric from us appropriate to that fact, not by gloating or cockiness. What we got from some of our spokesmen, however, was described well by Haynes Johnson in the Washington Post. In a column headlines "An Attack of Unseemly Rhetoric," he said that, like most Americans, he supported the use of force against terrorism. But he was appalled, he said, by "the official swagger and unseemly tone of glee and chortle permeating Washington" since the attack. Our bombing of Libya was, in a sense, a necessary plague visited upon that country. Hopefully, it will help convince the Libyan Government to let the people of the world go, to achieve a goal of freedom from terror.

He said that if it was "the only alternative to do a necessary, dirty job, fine. But don't boast about it."

Mr. President, it is one thing to do what must be done to accomplish a legitimate national purpose, such as demonstrating that our national security cannot be undermined or American lives taken by a foreign government without a price being exacted by us. It is quite another thing, however, to pound our chests in pride for the deed so loudly that we drown out the cries of pain from those killed and wounded in the process. They, too, are human beings—created, like us, in the image of God, and no less precious to their Creator than we are. Let us do what we must to defend our Nation, but let us do so in a way that demonstrates the best in us, and our awareness that when innocents suffer in the process we are diminished. We need not apologize for what we did, but neither should we gloat. As the inheritors of an ancient and noble system of values, let us moderate the joy we feel in our triumph, lest it sour some day within us.

Mr. President, I ask unanimous consent that the RECORD may include the column of April 23, 1986, by Hayes Johnson.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Apr. 23, 1986]

AN ATTACK OF UNSEEMLY RHETORIC

(By Haynes Johnson)

In briefing the news media hours after the U.S. air strike against Libya, the Defense Department spokesman noted that the attacks had been successful in part because they achieved complete surprise. Later, in a more extensive assessment, the same spokesman expansively elevated claims of success into something historic.

"This was a near-flawless professional operation under extremely difficult circumstances," he said. "I don't think there's been anything like it in U.S. military annals."

Granting the natural instinct for exaggeration in the midst of military engagements, that was a ludicrous statement, one that affirmed the wisdom of Sen. Hiram Johnson's oft-quoted remark during World War I. "The first casualty when war comes is truth," the old California Republican progressive observed then. His words are equally applicable now.

Those American claims for historic military achievement came on the same day that Pentagon briefers reported that almost one-third of the land-based U.S. planes were forced to abort their mission and failed to carry out their planned attack and after one of the remaining 13 planes over Libyan targets was shot down, its two crew members killed. The "surgical" attacks did not turn out to be confined to military targets. Civilian facilities, including foreign embassies, were hit. Civilians, including women and children, were wounded. Some were killed.

Even in an era of "smart" bombs and astonishing technological military advances, these are the inevitable consequences of any such operation, especially a night bombing attack carried out at great distances against targets in heavily populated areas. No matter how carefully conceived, daringly led and superbly executed they are, the unforeseen will occur, the innocent will suffer. It does the Americans who risked their lives carrying out their orders a disservice to pretend otherwise.

Not that Americans are alone in bending the truth or making excessive claims. The Soviets claim that five other U.S. planes were shot down in the attack, and the Libyans conduct official propaganda tours to show damage to civilian areas, some of it of suspicious origin. As always, truth is the casualty.

These are only symptoms of a deeper concern growing out of this fateful episode, and something about it has bothered me for a week.

Like most Americans, I support the use of force against terrorism, assuming, of course, that the evidence unmistakably points to the perpetrators, the response can be justified as essential and measured and the long-term rewards of undertaking such a mission clearly outweighs the risks.

But I have been appalled by the official swagger and unseemly tone of glee and chortle permeating Washington since the attack on Libya. I take no pride, either, in my country launching a surprise attack in the middle of the night against a foreign nation with which no formal state of war exists. If that's the only alternative to do a necessary, dirty job, fine. But don't boast about it.

Worse has been the display of jokes and offhand remarks that demean the seriousness of what has been happening and make light of death and destruction that result from the ultimate human tragedy, war.

When the president of the United States calls the leader of another nation "a mad dog" and "flaky" and a "barbarian" and disparages that head of state's courage by responding to shouted questions with such remarks as "he's staying under cover while the shooting is going on," he descends to the level of the person he attacks.

When he engages in banter with members of the media about how he's been "working long hours . . . burning the midday oil" and then quips about how much of a dog that foreign enemy really is, he diminishes his stature as much as that of the ascribed foreign enemy. When anonymous "administration officials" are quoted publicly as saying of that same leader, "He's obviously a coward. He's scared now . . . . He knows we're going after him," their unnecessary rhetoric makes a bad situation worse.

When presidential spokesmen engage in debates about whether adoption papers exist for a child killed in the air attack and said to be the daughter of that foreign leader, such insensitivity to human suffering is unworthy of officials of a great nation.

None of this changes the necessity for action, nor does it justify, excuse or make more palatable the actions of Muammar Qaddafi, who demonstrably has either sponsored or countenanced acts of terrorism that have taken innocent lives. But our leaders should temper their rhetoric and follow an old American adage: Keep cool, and keep your powder dry.

Mr. LEVIN. I thank the Chair, and I yield the floor.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 5 minutes.

SENATOR LEVIN CONGRATULATED

Mr. PROXMIRE. Mr. President, I congratulate my good friend from Michigan on a superb statement.

Mr. LEVIN. I thank my friend from Wisconsin.

Mr. PROXMIRE. It is a difficult topic on which to talk. I think what he said is absolutely correct. I am delighted he said it.

□ 1040

STOCKMAN IS RIGHT—HIS TIMING IS WRONG

Mr. PROXMIRE. Mr. President, it is time someone stood up on the floor of the Senate to defend David Stockman. In nearly 30 years in this body, this Senator cannot remember any official, Republican or Democrat, in the executive branch, or in the Congress who has been so overwhelmingly denounced, demeaned and verbally pounded as much as this remarkable man.

Of course, David Stockman is not without sin. After serving in the administration for 4½ years during which he was the unquestioned, dominant star of the administration's fiscal policy, he has now quit and written a devastating indictment of the dismal failure of this policy, about which he is, without question the No. 1 authority. No one can speak with more convincing credentials than this supreme insider, who, year after year, was the one man who knew the Federal budget numbers in and out, backward and forward. Did he deceive the Congress and the public for years about this fiscal policy? He sure did. Why? Because he was not a policymaking official. He was the supreme expert who told the administration policy makers what was the truth on which a responsible fiscal policy must be based.

Did he tell the President and his top economic decisionmakers the truth as he saw it? He did. He did so over and over and over again. But they did not want to follow the grim implications of the truth. The President did not want to hold down his demands for military spending. He did not want to increase taxes. He did not want to accept the truth that the Congress would not further reduce the spending for health, education, job creation, the environment, civil service pensions, and other programs recommended for deeper cuts by the administration. The President did not want to accept the Stockman insistence that even if Congress did make the cuts in such domestic programs, the deficit would continue to be far too high. So, for years, David Stockman hung in there, relying on his astonishingly detailed grasp of the details of the enormous Federal budget, and his impressive ability to make the case for his position. He failed to convince the President. So he quit.

STOCKMAN'S CRIME: THE TRUTH

Then he committed the most grievous of political crimes. He told the truth. In doing so, he exposed the most gigantic fraud in public life in this Senator's long memory. Here is a government, indeed, an entire country, including an incredibly gullible press, that has done little more than whine while the administration and Congress has handed this country the most devastating series of grossly irresponsible and totally unnecessary deficits in the Nation's history.

The Federal Government's annual deficit has climbed up above $200 billion. The national debt has doubled to a scandalous $2 trillion level. Now the man who has the unique insider information and the intelligence to thoroughly understand this abysmal situation speaks out and tells the bitter story. And what happens to him? He is considered a turncoat, a snitch, a double-dealing double-crosser, a backstabber, a modern-day Benedict Arnold. Is he? Not in this Senator's book.

Oh, sure, he speaks the truth under the worst possible circumstances. He does so after living in sin with these grossly irresponsible policies for 4½ years. He turns on his benefactors, the very officials who lifted him from the obscurity of a back seat in the minority party in the House of Representatives to become the most dazzling insider in the President's family. He rats on the most popular President in 50 years. And above all, he kissed off any sympathy for his truth-telling, by selling his story for $2 million and accepting a million-dollar-a-year salary on Wall Street. What has truth got to do with it? How can anyone feel any sympathy for a wise guy who feathers his nest with such lavish goodies?

STOCKMAN'S TIMING HURT HIM

Stockman could have avoided all this. He did not have to suffer such universal and overwhelming condemnation, even though he made himself rich while he turned on the powerful and popular President who befriended him. Why is Stockman in just about everyone's dog house? Because his timing could not have been worse.

So far, the deficit is an intellectual concept. It has not cost Americans anything—not yet. So far, the massive deficits have given us supergood times. Except for a tiny and insignificant minority, trained in classical economics, most Americans do not recognize that Stockman has been disclosing any kind of truth. They ask, "What economic disaster is he talking about?" After 5 years of so-called fiscal disaster by the Federal Government, what are the consequences? Inflation is behaving like a pussycat. Interest rates are falling. The stock market is racing ahead, from one record smashing high to another, with every week that passes. Never have so many American stock market millionaires found themselves suddenly rich. In the last 5 years, the number of new jobs has broken all records. The gross national product exceeds $4 trillion. The U.S. military was never so strong. Oh, sure, we have some economic problems here and there. But overall everything is turning up roses.

Even the deficits are expected by many, in Congress and out, to be ready to fade away with Gramm-Rudman-Hollings. Many Americans feel that the country has not faced such a glorious economic future since 1929.

Mr. President, no one can predict our economic future. But here is one Senator who is convinced that Stockman has been telling the truth. He is right. The economic future of this country is grim. Gramm-Rudman probably will not even achieve its 1987 goal of a budget deficit below $144 billion, and certainly long before the deficit goes significantly lower, this country will suffer a recession that will drive the deficit well over $300 billion. And how do we climb out of that pit? Answer: The way countries with enormous debt always have, by a currency depreciation, an inflation that will bedevil this economy for years to come. Stockman was right. He told the truth. Yes, he made himself rich in the process. But then nobody's perfect.

MYTH THAT UNITED STATES MILITARY SALES TO THE PEOPLE'S REPUBLIC OF CHINA ARE IN THE INTERESTS OF THE UNITED STATES

Mr. PROXMIRE. Mr. President, the myth of the day is that United States military sales to the People's Republic of China [PRC] are in the long-term interests of the United States.

This myth has form and substance. The Reagan administration has announced that it is planning to sell $550 million of United States military equipment, mainly aviation electronics, to the PRC. This sale, according to the White House and the Department of Defense, bolsters United States national security by providing increased military capability of a nonstrategic nature to an adversary of one of our adversaries—the U.S.S.R.

The sale includes radar, fire control, and navigation equipment for 50 F–8 PRC fighter aircraft and an additional 5 spares. At least 25 civilian and Air Force technicians would be required to travel to the PRC to install the electronics and to train PRC military personnel how to operate and maintain this sophisticated package of technology.

This sale comes on top of a commitment to sell the PRC an artillery manufacturing plant for 155-millimeter shells. It comes after negotiations about the potential sale of various naval components and weapons.

So, what is wrong with these sales? Here are just a few answers to that question.

First, they cannot redress the military balance between the U.S.S.R. and the PRC. They are useless for this purpose. But they are not useless in improving PRC capabilities against smaller, less well defended neighboring countries, including Taiwan. The supply of 55 kits for navigation and fire control will not decide a battle with the U.S.S.R. but they could have a significant impact in a battle with a smaller country depending on its own air capability for self-defense.

Second, these sales are a product of historic myopia. What guarantee is there that these F–8 aircraft will not be used against U.S. allies in the Pacific Basin or even against U.S. forces? There is none.

Third, what guarantee is there that the PRC will not one day become

more closely aligned with the U.S.S.R.? The PRC has gone through any number of changes in foreign policy and domestic policy. They remain the largest Communist nation in the world. Does it make sense to arm this Communist nation? I think not. It is shortsighted at best.

Last, do arms sales really draw nations closer together? No; they do not. They are no substitute for sound economic relationships or people-to-people exchanges or cultural visitations. Arms sales establish the wrong precedent, the wrong image, the wrong presence. To argue that they are in our national interest is to perpetrate a myth on the American public.

CAN THE DEFENSE BUDGET BE SOUND FISCALLY AND MILITARILY?

NO REAL DEFENSE INCREASE FOR 5 YEARS

Mr. PROXMIRE. Mr. President, what would happen to our national security if, for the next 5 years, this Congress should hold defense spending steady, except for an allowance for inflation? Would we lose vital military advantages to the Soviet Union? Would we be unable to modernize or even maintain our military forces? Would we endanger our solemn commitment to a strong North Atlantic Treaty Alliance and the freedom of Europe? In the view of highly respected, expert authority, the answer to all these questions is a firm and sure affirmation that we can, indeed, restrain our military spending. We can allow only for inflation for 5 years and meet our national security objections.

Who offers this expert and authoritative opinion? Answer: the Committee for National Security, or CNS. And who are the CNS experts? The experts are a military security task force, chaired by former Assistant Secretary of Defense Adam Yarmolinsky, Adm. Thomas Davies, former Secretary of the Army and Under Secretary of Defense for Policy, Stanley Resor; and the Chairman of CNS and former Assistant Secretary of Defense Paul Warnke. Each of these experts is committed to a strong defense. Each has demonstrated an understanding of the various military threats and potential threats this Nation faces and of our capacity to meet these threats.

THE PREFERRED FORCE

This Committee for National Security has projected what they call a preferred force relying on no real increase in military spending for 5 years. This force provides strong nuclear retaliatory capability. It also continues funding for ready and sustainable conventional forces to respond quickly and decisively to simultaneous military crises. In fact, they persuasively contend that by adding funds to carefully selected conventional capability, their lower budget will, in fact, improve what they call the most usable part of U.S. forces. The CNS force would not change the current U.S. force structure, with one exception. These experts would cancel the planned expansion to a 15-carrier battle group. Why cancel the expansion? Because it never had any convincing rationale.

BACK TO 20-YEAR CYCLE

But the major saving recommended by CNS would come from returning the replacement cycle for our major weapons systems to the traditional 20-year period. The Reagan administration has been buying weapons so fast that it has moved down to a 10-year cycle, a very costly 10-year turnover. This is great for corporations turning out weapons, but it serves no reasonable purpose.

After all, what is our great superpower adversary doing? The Central Intelligence Agency told Congress only a few weeks ago that, in the last 10 years, the Soviets have slowed their procurement increase—almost to a halt. CNS argues that the administration's proposal to add such new weapons as the SSN attack submarine and the small ICBM in the next 5 years would push procurement ahead of our operations and maintenance capacity. This Reagan buildup would create what they call a hollow force.

REDUCE STAR WARS FUNDING

The CNS recommends a highly controversial reduction in star wars funding. Instead of increasing this funding from the present $2.8 billion to the President's recommended $4.8 billion, CNS would reduce it to $2 billion a year and hold it at that level for the next 5 years. CNS experts argue that this would permit research to keep abreast of developments, but would not pose a threat to the Anti-Ballistic Missile Treaty.

CNS recommends funds to increase the conventional strength of the National Guard and Reserve. It would improve ground forces and add more fast sealift, permitting the United States to reply to the most likely contingencies. It would, in fact, provide greater conventional capabilities than the administration plans to acquire.

CONCLUSION

The report of the committee concludes:

> It is possible to hold defenses at current levels for the next 5 years and if funds are allocated well, provide formidable conventional and nuclear forces to meet a range of contingencies. In certain cases the CNS forces would be superior to those the administration proposes to buy.

Mr. President, this group of military experts has proposed a serious and significant alternative to the administration's massive increase in military spending. It is worthy of sober and careful consideration by Congress.

RECOGNITION OF SENATOR BIDEN

The PRESIDING OFFICER. Under the previous order, the Senator from Delaware [Mr. BIDEN] is recognized for not to exceed 5 minutes.

THE ECONOMIC SUMMIT

Mr. BIDEN. Mr. President, the economic summit beginning in Tokyo this week could be a turning point in world economic policy. It offers us the opportunity to move forward based on the lessons learned in the past 5 years. But this new beginning will only occur if President Reagan pursues more vigorously than he has to date, some significant changes in the policies which characterized the first 5 years of his administration.

In 1981, the Reagan administration espoused three notions about how to conduct international economic policy, all three were an extension of its "free market" domestic policies:

First, it proclaimed a strong dollar to be a sign of a robust economy and opposed government intervention in currency markets.

Second, it espoused "economic isolationism," refusing to consider coordination of our fiscal and monetary policies with other countries; and

Third, it believed funding for multilateral financing institutions should be reduced.

In the past 5 years, the administration has learned that each of these concepts was misguided, and it now appears to be pursuing a somewhat different course. But it must now follow the new course more boldly.

How has the administration been proven wrong and what has it done to correct its policies?

First, its lack of an exchange rate policy—in other words, failure to manage the value of the dollar against other currencies—was a major factor in reducing the competitiveness of our trade-sensitive industries. Last year, the administration wisely intervened in financial markets to trigger a downward slide in the dollar's value in order to make it more competitive.

Second, the current world debt crisis, particularly in countries such as Mexico, has underscored the need for multilateral financial institutions like the International Monetary Fund and the World Bank to deal with debt problems. Last fall, Secretary of the Treasury Baker proposed a debt plan to help bolster the economies of the debtor countries. The plan does not go far enough, but it is a step in the right direction.

Finally we have recognized the need to coordinate our economic policies with those of the other major Western nations, especially now that the dollar has begun to decline against their currencies. The administration has taken

steps necessary to prevent a "free-fall" of the dollar by refusing to cut the discount rate until other countries did the same.

The question now is whether the President is committed enough to these new policies to pursue them at the summit. He should make it clear that the United States wants to deal with international debt problems, coordinate its economic policy with other countries, and put in place some kind of management of exchange rates.

The greatest contribution to a stronger world economy the summit could make is to agree on coordination of domestic economic policies, which could lead to more open and fairer trading between countries, and more stable currency values. Japan and our European allies should be urged to agree on the need to stimulate their own economies by cutting taxes and interest rates so that they can buy more foreign goods.

The President must not accept indications. He has been accepting protestations that Japan is going to stimulate consumer spending and open Japan to United States traders. The President must insist that we be able to monitor Japan's success or failure in stimulating growth and freeing markets. We can no longer assume that what is promised will in fact occur.

The United States cannot simply make demands on other nations. Our domestic economic policies have been major contributors to international problems. In particular, we must act on our domestic budget deficits. To date, the President has refused to work with Congress to develop mutually acceptable strategy for reducing budget deficits. We cannot expect our trading partners to reshape their economies if we are not willing to face up to our budget deficits. It is also important that we adopt a reformed tax policy that will encourage saving and provide a level playing field for economic investment.

Finally, the United States must continue to coordinate its monetary policies with those of other nations, as we have been doing recently. The administration should work closely with the Federal Reserve Board to accomplish such coordination.

Mr. President, if President Reagan is ready to take part in domestic economic reform and to insist in Tokyo that other nations join us by stimulating their economies, this summit can be a resounding success. If the summit does not take meaningful actions for forceful international economic policies, then the future will be far from bright.

CHERNOBYL'S LESSONS FOR NUCLEAR SAFETY

Mr. BIDEN. Mr. President, the Nation's and the world's attention is focused on the expanding disaster at the Chernobyl nuclear plant in the Soviet Union.

Reports from Chernobyl indicate the core materials of one reactor are on fire and a second may be in a meltdown situation, an incredible event almost beyond comprehension. We still do not know the exact cause—a design flaw, mechnical error or human error. But focusing on the steps that led to the accident must not keep us from considering that the result of those errors—a loss of coolant to the reactor core—is something that could also happen in the United States, even given the structural differences between the Soviet and American nuclear powerplants.

U.S. nuclear industry representatives have assured us that a similar accident could not occur in this country. "Almost all of our reactors have containment buildings" they say. "Only two use a graphite design like that at Chernobyl." "The Soviets do not place enough emphasis on safety." I have no doubt that we are miles ahead in terms of design, but I fear we are not being vigilant in following our own standards.

Putting Chernobyl aside, there are sobering recurrances of mishaps at nuclear facilities in this country that need to be carefully and impartially looked at. Unfortunately, the NRC has a weak record in pushing strenuously for changes that address safety conditions, many of them related to coolant systems for the core.

In the last 9 months, the NRC has conducted three special investigations into events at nuclear plants. Two of the investigations showed that the plants had been warned about problems with their cooling systems, but had not been pushed to correct them. These are precursors to bigger events that cannot be ignored.

That is one reason why I am urging the enactment of legislation to create an independent safety board for the NRC. The best designs are useless if they are not correctly followed during construction. The highest standards do not protect the public if they are not enforced. The need for an independent safety board for the domestic nuclear industry to ensure that designs and standards are met has been clearly demonstrated through past investigations done by the NRC itself.

Mr. President, the Chernobyl disaster makes the risks of nuclear energy frighteningly real. It is a terrifying reminder of the dangerous power of the atom. While the consequences of a peaceful nuclear accident are on our minds today, we are inevitably moved to contemplate the destructive potential of a nuclear exchange. American and Soviet leaders bear an awesome responsibility: they must ensure that we never have to cope with the aftermath of the explosion of even one nuclear warhead. It would be, to use that powerfully descriptive phrase, a "nuclear holocaust." To prevent such an unfathomable cataclysm, progress must be made to limit testing and halt the proliferation of deadly nuclear weapons on our planet.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

□ 1100

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. The Senate is in morning business.

The Senator from Mississippi is recognized.

LAW DAY USA

Mr. COCHRAN. Mr. President, today we observe, for the 28th consecutive year, Law Day USA. This is an annual event which reminds us that we live in a free nation, under the rule of law.

When President Dwight D. Eisenhower proclaimed the first Law Day on May 1, 1958, he stated that the "American people should remember with pride and vigilantly guard the great heritage of liberty, justice and equality under law."

A review of that "great heritage" leads us to a number of important documents: The Magna Carta, the Confirmatio Cartarum, the act of the British Parliament abolishing the Star Chamber, the Northwest Ordinance, and the United States Constitution. Our attention is drawn especially to these by the theme of this year's Law Day: foundations of freedom.

It was the Magna Carta, which granted the right of trial by jury and provided for an appeal to a higher court when one disagreed with a lower court's decision. More importantly, the signing of this proclamation was an acknowledgment of the existence of individual rights which were to be protected from the power of the sovereign.

Eight years later another stone in the foundation was put in place: The Confirmatio Cartarum. It confirmed Magna Carta, and declared that all judgments contrary to Magna Carta were void. With that, Magna Carta became the highest law of the land.

In 1641, when the British Parliament abolished the Star Chamber, it

established a standard of due process of law in criminal cases.

The Northwest Ordinance was adopted by Congress before our Constitution took effect. It contained the first Bill of Rights enacted by the Federal Government. The ordinance also provided the right of representation in Congress of those who settled new lands in the West.

The Constitution of the United States provides for the protection of important individual rights, including free speech, free press, freedom of assembly, and freedom of religion. It provides that the United States is a nation governed by the rule of law rather than by the power of a sovereign.

Although our Constitution is only 200 years old, it has survived longer than any other national constitution in the world. Nearly 66 percent of national constitutions have been adopted or revised since 1970; only 14 of the 160 now in effect were enacted prior to World War II. The U.S. Constitution represents a 200-year-old tradition of freedom.

We are very proud of our "great heritage" of liberty, justice, and equality under law, as President Eisenhower described it. Let us on this day, Law Day 1986, reaffirm our appreciation of our freedoms and their foundation.

PRESERVING THE FOUNDATIONS OF FREEDOM

Mr. HATCH. Mr. President, today is a very special occasion in the history of American law. It is also a special day in the recognition of the development of the American legal process. This date marks the annual celebration of Law Day, a yearly affirmation of democratic governance based upon the rule of law. The theme of our current celebration is the foundations of freedom. No topic could be more symbolic of the greatness of this country and the historic accomplishments of its legal institutions.

What better opportunity to honor the forthcoming bicentennial of the U.S. Constitution than by the ceremonies held today throughout the land? The Constitution, justly revered by all those who hold freedom and the dignity of the individual so dear, is truly unique in the annals of recorded history. It is also a document which represents the keystone for the foundations of freedom underlying the American Republic. Alexander Hamilton, in Federalist No. 78, called the Constitution "the fundamental law." And it has indeed been fundamental to the growth and preservation of the American democratic spirit.

How the fundamental law operates is largely determined by the judicial branch in conjunction with the National Legislature. A remarkable system of checks and balances is engrained in the Constitution. In fact, as James Madison remarked in Federalist No. 48, the three distinct branches of Government should be "connected and blended" to give to each a proper "constitutional control." What he meant was that federalism represented a partnership wherein the several branches operated together as a government of enumerated powers. Those powers were indentified and explicated in a document which is justly praised for its intelligible rationality.

The preservation of the legal principles contained in the Constitution was basically left to the judiciary, for in the words of Alexander Hamilton, "the courts of justice are to be considered the bulwarks of a limited constitution. . . ." The courts were, in effect, to become the guardians of the constitutional system. The framers intended the judiciary to serve as a limitation upon governmental power. What Hamilton did not foresee, Mr. President, is the way that the judicial branch, during the past half-century, has arrogated to itself the promulgation of public policy beyond any reasonable legislative intent. The foundations of freedom which we honor today would be both enlarged and enhanced if our judicial activists would mend their ways and return to their historic role. Or to use the phraseology of Attorney General Edwin Meese, to return to the "jurisprudence of original intention."

Contemporary quarrel over constitutional interpretation, or to be more precise, the lack of constitutional interpretation, do not reflect propositions put forward by the advocates of legislative primacy or claims asserted by the proponents of judicial review. The debate today is more clearly defined. It centers on the issue of whether the Constitution should be the basis for the operation of law and of statute, or whether it should grant judge-created authority, particularly in areas the framers did not contemplate courts would interfere, such as permitting abortion and prohibiting school prayer. Nowhere in the Constitution, for example, does that revered document say that Government will decide when women may abort fetuses or that silent prayer in a schoolhouse is violative of individual rights. Early in this century a future Supreme Court Chief Justice claimed that the Constitution is what the Supreme Court says it is. That tiny crack in the foundation of freedom has become in our own time a very large fissure.

I am not arguing for the abolition of judicial review. But I am pleading for the adoption of judicial restraint. If constitutional scrutiny involves the affirmation of values, then those values or principles should be inherent in the system set forth in that very constitution. Several years ago, a nominee for the Federal bench in the southern district of Texas told the Judiciary Committee than when one becomes a Federal judge, that means divorcing oneself "from any personal beliefs and opinions" that one might have, and ruling "strictly on the Constitution and the statutes." This was an excellent description of what judging should be in the constitutional sense. A judge should interpret the laws and not make the laws.

We have been the legatees of a long-lived Constitution. It has established the foundations of our hallowed freedom. This is so because the Constitution actually is composed of principles that reflect the nature of man. Its principles have both created governmental power and limited governmental power. I do not deny that the Founding Fathers made contradictory statements about much of the Constitution. But they carefully distinguished between politics and principles, something which self-styled judicial legislators do not always do, either wisely or well.

Mr. President, it is clear from the historical record and from the opinions of the framers themselves that they did not intend the judiciary to be the primary forum for the shaping of public policy. That was to be the legislature's task. Courts were not created by the Constitution or the First Congress to implement legislative design. Nevertheless, courts in this century have taken upon themselves the role of supreme arbiter of the governmental process.

In the time of ancient Rome it was said that law provided the sinews of the State. In our more than 200-year history, it required a civil war to demonstrate that we are a government based on laws and not on the wishes of mere individuals. Our tripartite form of Republican Government provides, better than anywhere else on this Earth, the foundations of freedom. As James Madison wrote in Federalist No. 51: "You must first enable the Government to control the governed: and in the next place, oblige it to controul itself."

If Government is to control itself, Mr. President, we must place the lawmaking process back in the hands of those who make the laws; the adjudicatory process back in the hands of those who judge the laws; and the administrative process back in the hands of those who carry out the laws. Upon such a foundation can freedom truly endure. And freedom, Mr. President, is what the Constitution is all about. That is why we honor this day and honor those who participate in law and the legal process. That is the real meaning of Law Day and the reason for our celebration of the unique American contribution to the rule of law under the banner of freedom.

CHERNOBYL NUCLEAR ACCIDENT

Mr. HECHT. Mr. President, the Soviet handling of information from the Chernobyl nuclear accident once again demonstrated their callous disregard of human life. The Soviets obviously place an extremely high value on maintaining their ongoing policy of secrecy. Secrecy outweighs any consideration of human safety. Mr. Gorbachev's refusal to warn innocent people of the dangers from radiation poisoning is unforgivable. It is also a stark reminder that although Soviet leaders come and go, fundamental policies remain firmly in place, with a total disregard for public opinion.

The Chernobyl incident reminds me of initial denials in September 1983, that a Korean jetliner had been shot down by Russian jets. The empire, Mr. President, remains evil.

The Soviet press moves quickly to cover catastrophes in the West. When our space shuttle *Challenger* exploded in January, Soviet television ran film of the disaster within hours. Is this a double standard? I hope a few people finally wake up and smell the coffee.

Mr. Gorbachev is a fraud. He preaches public openness but his sermon has a shallow ring. This man does not care about people. He does not care about the horrors of nuclear war. He does not want to disarm and live in peace with the rest of the world. This Soviet leader is just as cold-blooded as his predecessors.

Mr. President, we are just now beginning to assess the consequenses of this Soviet accident. Worldwide outrage is certainly one result. As Americans, we mourn for the innocent victims. Let us hope the entire world focuses on the Soviet Union in the future with a keener sense of reality as to their motives and their human insensitivity.

THE HEROISM OF FORMER S. SGT. ADOLFO D. MORALES

Mr. EXON. Mr. President, I rise today to obtain recognition for one of the many unsung heroes of World War II, Adolfo D. Morales. Although the individual I am speaking about is not from my home State of Nebraska, several members of his combat infantry squad are Nebraskans. They were so impressed by this man's leadership and combat performance that they have contacted me in an effort to have his Bronze Star decoration upgraded to a Silver Star. I regret that the Army would not do so, citing the fact that the time limit for considering awards based upon actions during World War II expired in May 1952.

Frankly, I am not sure that I understand the strict manner in which the Army has applied this rule. As a veteran of World War II, in the Pacific theater, I am particularly impressed by the performance of former Staff Sergeant Morales and I would like to take the time to retell his story here today in the Senate. I am indebted to Jay Kriz of North Platte, NE, who served with Morales, for the details of this story.

On January 25, 1945, Staff Sergeant Morales was the squad leader of an infantry platoon of Company K, 222d Infantry Regiment of the 42d "Rainbow" Division. As more and more troops of the U.S. 3d Army under Gen. George Patton were thrown into the still raging Battle of the Bulge, the 7th Army, including the 42d Division, was compelled to thin out its troops to hold the front.

The squad led by Staff Sergeant Morales was assigned to an advanced position when it was attacked by German paratroopers—some of the best troops in the German Army. Given the severity of the attack, the order went out for the troops at the outpost to withdraw. Under the protection of artillery and machinegun fire, the men moved out across over 500 yards of open terrain. Realizing that his men would be exposed to the fire of the approaching German paratroopers, Sergeant Morales took it upon himself to stay behind and provide additional firing cover to pin down the advancing Germans. Wounded by a burst of fire from a submachinegun, Morales nevertheless continued to return fire, enabling the men of the outpost to reach safety. He was then hit twice again by bursts of machinegun fire. In all he was hit 33 times by bullets. Although the area was under fire, the members of his squad went back to recover their now helpless squad leader. Braving fierce fire, four men, including Jay Kriz, were successful in reaching Morales and carrying him back to what was thought to be security. Yet even as Morales was being loaded into a jeep, a German shell destroyed the vehicle and sent Morales flying into a snowbank. Eventually, his men were able to get him to the medics for attention.

Adolfo Morales survived, although he was left paralyzed and had his left arm amputated above the elbow. The doctors thought he would never walk again and they considered amputating his left foot. But Morales resolved to walk again, and he did. He worked for a manufacturing firm for 17 years and then as a veterans' representative for the State of California. In 1979, a stroke paralyzed his right side and he was told, again, that he would never walk. He fooled the doctors a second time and walked! Now 67, Adolfo Morales remains as resolute as ever.

Clearly, if anyone ever deserved a Silver Star for bravery on and off the battlefield, it has to be Adolfo Morales.

But there is more to this man than just bravery. There is also compassion and a strong sense of responsibility. Listen to the words of another member of his squad, Sam Platamone of Temple City, CA.

> At our first meeting in Camp Gruber, OK, I was an 18-year-old callow youth, fresh out of high school. You, at 25, were already a Purple Heart war veteran. Not only were you my squad leader, you were also my big brother and mentor. Your example was contagious. You taught me to react rather than to freeze up under fire. Indeed, you demonstrated what bravery was all about. You bought me the time to mature, a luxury many combat soldiers never have.

I do not think there can be any more fitting tribute to a military leader, whether that leader commands a squad or an entire Army. I would like to join my fellow Nebraskan, Jay Kriz, in expressing admiration and gratitude for the selfless dedication of this fine man who has touched so many lives in a positive way.

A TRIBUTE TO HENRY B. STEAGALL, JR.

Mr. HEFLIN. Mr. President, I am delighted to congratulate Henry Bascom Steagall, Jr., who, yesterday, joined the Supreme Court of Alabama as an associate justice. He is a great addition to the court and will serve with the highest integrity and dedication.

Justice Steagall brings to the bench some 35 years of experience as an attorney, and over 23 years of service to the State of Alabama. For 16 years he held a seat in the Alabama House of Representatives; he was executive secretary for Gov. George Wallace, and was director of finance for the State of Alabama. Throughout this service, he has demonstrated tremendous diligence, discretion, foresight, and intellect—qualities which will enable him to digest and analyze the most complex of issues. The many years he was chosen to represent his district in the Alabama Legislature demonstrates the great public trust with which he has been endowed by those he has served. He possesses a fine character and great judgment.

I am certain that Henry Steagall will distinguish himself as a justice and will receive the same great recognition and praises while serving on the bench as he has received for his previous efforts whether in private law practice, while representing the people of Alabama, or while serving the executive branch. I am pleased that Alabama's judiciary is in such worthy hands. I wish Justice Steagall all happiness and every success as an Alabama supreme court justice.

Mr. President, I ask unanimous consent that an article from the Montgomery Advertiser be printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A QUALIFIED CRONY

Gov. George C. Wallace has made thousands of appointments to positions of public trust during his four terms as governor of this state; when you have to select that many people, some will be good, and naturally, some will be bad.

However, there have been enough questionable appointments of people close to the governor to earn Wallace a reputation for cronyism. Last week, Wallace again named a close friend and confidante to high public office. This time, Wallace picked the right man, even if he is a close friend.

In naming State Finance Director Henry Steagall for a position on the state Supreme Court, Wallace opened himself up to the recurring cronyism charge. After all, Steagall has been a political ally of the governor for years. He served as Wallace's executive secretary from 1975 to 1979, and has served as state finance director since 1983.

But Steagall is a man whose qualifications go far beyond being a friend of the governor. He has more than 30 years of legal experience in his own practice in Ozark. He was for 16 years a member of the Alabama House. He is president pro tem of the Auburn University board of trustees.

But it has been as finance director that Steagall has provided his greatest service to the state. Under his direction, the state refinanced millions in outstanding bonded indebtedness, thereby saving millions in interest payments. More important, Steagall ensured that the state avoided the arbitrage pitfalls that snared the Fob James administration when it attempted a similar maneuver.

Steagall also played a major role in developing the Alabama Trust Fund concept to constitutionally protect oil and gas lease revenues from being frittered away by political pressures. That trust should go down as one of the major accomplishments of the Wallace years.

As finance director, Steagall has preached fiscal restraint, and he's still preaching it. Let's hope the Alabama Legislature will listen this year instead of handing out the taxpayers' money in an effort to buy votes in the upcoming primary.

Over the past few years, we've asked a dozen or more politicians and politician-watchers for the names of those they thought made up the best of the Wallace crowd. Even when there was only a handful of names forthcoming, Henry Steagall made the lists.

This time, there shouldn't be any accusations of cronyism. This time, Wallace picked a man who should make an excellent Supreme Court justice.

A DISSENTING VIEW ON THE LIBYA REPRISAL

Mr. PELL. Mr. President, as elected representatives we have a duty to reflect on what is right as well as on what is popular. By all accounts, the recent bombing of Libya is extremely popular; but some question whether it was right as a response to terrorism.

The Reverend F. Forrester Church, the son of my dear friend and our former colleague Frank Church, recently preached a very moving sermon in New York, asserting that by adopting a policy of an eye for an eye or a baby for a baby we have lost the moral high ground and our "solution" has added to the problem. In fighting the devil, he said, we have chosen the devil's own instruments.

Reverend Church, often invoking the words of his father, has made a valuable contribution to the debate on means and ends in the struggle against terrorism. I commend his sermon to my colleagues, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the sermon was ordered to be printed in the RECORD, as follows:

TERRORISM

(A Sermon Preached on April 20, 1986, at All Souls Unitarian Church, by the Reverend Dr. F. Forrester Church)

In some ways this is going to be a very difficult sermon for me to deliver. For one thing, I feel so strongly about what I am going to say, that I am sure to lose my balance here or there. Passion is not a bad thing, but rarely does it contribute to objectivity. Also, I feel most comfortable with my own views, when I can pose to myself and for others an almost but not quite convincing argument against them. As I have said to you before, much of the time I end up fashioning 100% decisions on 60% convictions. Though this is uncomfortable at times, it does have its advantages. One advantage is that almost never am I tempted to despise those who think differently than I do. After all, I myself could very well be one of them.

But today, I am absolutely sure that I am right. And that worries me. It worries me for two reasons. One is that I am not accustomed to feeling this way. And the other is that judging from the public opinion polls, almost no one in this country agrees with me.

Think about it. Never in the recent history of our country has there been so strong a consensus as there apparently is today around the President's decision to bomb Libya in reprisal for the Libyan directed bombing of a West German Nightclub, in which one American G.I. was killed. According to the New York Times, 77% of Americans favor this decision while just 14% oppose it, even though a majority of those questioned also believe that this action will increase terrorist activity, not diminish it. At the same time, the President's favorable rating on his conducting of our foreign policy has soared this week to an unprecedented 76%. As of yesterday, not one Democratic U.S. Senator had raised his voice in opposition to the bombing. The only questions that have been raised were by Senators Hatfield, Weicker, and Mathias, all members of the President's own party. In the House of Representatives, according to Ann Lewis, and the executive director of Americans for Democratic Action—who spoke at an American Friends Service Committee seminar on negotiation this Friday which I was moderating—only a handful of Congressmen have dared, or seen fit, to raise their voices in opposition: Edwards and Dellums of California; Conyers of Michigan; and Schroeder of Colorado.

All week, in fact, I waited for someone to say what I felt so very deeply, and with the exception of Alexander Cockburn in the Wall Street Journal and Tom Wicker in the New York Times, almost no one did. On the CNN Crossfire program where Tom Braden and Robert Novak debate guests who take opposite positions on issues, not a single member of Congress apparently could be found who would speak out against the bombing, and so the opposition view was offered by a British member of Parliament who just happened to be in Washington.

And yet, throughout the week my conviction grew that this action was terribly, terribly wrong. This morning I want to tell you why.

Let me begin with something I said last week in my sermon on "Paranoia and Power."

Jesus taught us that we must not answer evil with evil. And history teaches that we must choose our enemies carefully because we will become like them. Not only that, but when we do, unconscious of the good in our enemies and terrified by their evil, we eventually will become like them at their least attractive. Accordingly, when we react to terrorism with bombs of our own, killing innocent civilians and even children, we too become terrorists.

This past week, we have added a tragic new chapter to the primitive ethics of an eye for an eye and a tooth for a tooth. It could be subtitled "a baby for a baby." One infant is blown out of the side of an airplane, another blown out of her crib by our bombs.

Former President Jimmy Carter said in an interview on Thursday, that if his daughter, Amy, had been killed in this manner, he would devote his life to exacting revenge upon whoever had done it. This is not a part of his Christian theology, but it is certainly understandable from a human point of view. On the other hand, such revenge is a part of the teachings of Islam. Friday, in the streets of Tripoli, angry citizens and religious leaders were calling for a Holy War to be declared against the United States all around the world. Our government claims that we have taken a major step to end terrorism by showing that no terrorist act will go unanswered. This betrays a complete lack of understanding both of the nature of terrorism itself, and of the Islamic faith. What we forget is this. If, as they are often taught, instant bliss is the reward for death in a holy cause, religious zealots—whether terrorist, holy innocent, or both—are delighted to don the martyr's crown. And even if they don't win a free ride to Heaven, here on earth their self-proclaimed holy cause will surely be advanced. Tertullian, an early church father, said of Christian martyrs that "the blood of the martyrs is the seed of the church." By creating new martyrs in the nation of Islam, we too seed the dark clouds of terrorism all around the globe.

This, then, is my first major concern. But acting according to fear, frustration, and anger, we have not reduced but rather added to the level of violence in the world. Not only that, but we have become a full partner in that violence. We have also added to the level of terror in the hearts of our European allies.

This is not to say that the President's action and the American people's response, is not powered by deep moral outrage. Of course it is. We are a morally motivated people. We speake public language that is filled with religious and moral metaphor. We paint our enemies as demonic, and often their actions justify such a title. We also speak of evil empires, and thus create a mythos for Armageddon that pits the powers of good against the powers of evil.

Certainly, there is no question in any of our minds that terrorism is demonic. The question is, how do you fight the devil? We have chosen to fight him with his own in-

struments. And we have chosen as our pretext self-defense. Sometimes, we have no choice, as in World War II in our struggle against Hitler. Then, we answered our allies' call to protect them against German Imperialism and the evils of fascism.

Today, however, our allies, whether rightly or wrongly, are as wary of us as they are of our common enemy. Somehow, we have lost the moral initiative. Because the enemy, in this case Colonel Khadafi, is so pernicious, we have a hard time perceiving that anything we might do to punish him could be anything but right, regardless of the consequences. But here, the consequences as well as the means of accomplishing them are patently counter-productive. All we have done is further isolate ourselves. In the eyes of our allies, we again have become part of the problem, rather than part of the solution.

I don't know what the answer to terrorism is. And it is frustrating not to have a quick-fix, a solution that will surely work. Because of this frustration, to counter our sense of helplessness we are tempted to try anything. I understand that. But when our solution adds to the problem, we surely, even from a pragmatic point of view, without any consideration of the moral issues involved, we surely should forbear. One thing we learned in Vietnam was that we could not successfully wage a conventional war against guerrillas in the jungle. Soon we shall learn that we cannot wage a conventional war against tiny bands of violent zealots either. There is one thing we could do, however, if we had the strength and patience and confidence to do so. We could hold to the moral high ground. We could remember what we were taught as little children, that two wrongs do not make a right, and that good ends do not justify evil means. We could model a different code than that modeled by those we despise.

Would it work? I think, in some ways, that it has worked in the case of Yassar Arafat. Through his actions, he has finally convicted himself in the court of world opinion. He and the PLO are no longer celebrated in the Arab world, but rather seen as liabilities.

Also, in the case of Khadafi, save for the pretext that we now have given him to muster the support of his Arab neighbors, over the years he too has become an embarrassment to them. Lacking a common enemy, which we have provided him with a vengeance, it is likely that the weakness of his country's economy and the growing opposition to his flamboyant and idiosyncratic leadership within Libya itself, would bring him down.

And who knows, this still may happen. But, even if it does, I deeply believe that our bombing of Libya was wrong. Whether or not the perception is a fair one, in fighting terrorism in Rambo or Lone Ranger fashion, in moving outside the courts of law and the courts of world opinion, we have confused the moral issue, the question of good and evil. This does three things. It compromises us. It alienates our friends. And it has an incendiary effect upon the very zealots we are trying to subdue.

This past week has been more riddled with terrorist incidents and terrifying close calls than any in memory. And who is being blamed? Not the perpetrators themselves. No, we are being blamed. The demonstrations in the streets of England and France and Germany are not against Colonel Khadafi. They are against us.

I have been thinking a great deal this week about my father, Frank Church, who served in the U.S. Senate for 24 years. I miss him intensely right now. I miss his voice. So let me close, not with my own words, but with his.

In 1975 the Senate Intelligence Committee, which he chaired, uncovered evidence of five unsuccessful CIA-sponsored assassination plots against foreign leaders. In issuing his report my father wrote, "The United States must not adopt the tactics of the enemy. Means are as important as ends. Crisis makes it tempting to ignore the wise restraint that makes us free; but each time we do so, each time the means we use are wrong, our inner strength, the strength which makes us free, is lessened."

Elsewhere he said, speaking of the founders of our country, "They acted on their faith, not their fear. They did not believe in fighting fire with fire; crime with crime; evil with evil; or delinquency by becoming delinquents." Amen.

THE LEADERSHIP OF SECRETARY OF THE NAVY JOHN LEHMAN

Mr. HOLLINGS. Mr. President, on April 14, I had the pleasure of accompanying Secretary of the Navy John Lehman on a visit to the Charleston Naval Shipyard. The visit provided a clear example to me of the outstanding job that Secretary Lehman has done in his position and the invaluable contribution he has made both to the morale of our naval personnel and to the modernization of our naval forces.

He made his presence felt in every corner of the shipyard and with the fleet homeported in Charleston. He shook hands or spoke with virtually every civilian employee. He met the officers and the white hats head-on, shaking their hands and answering literally dozens of their questions. We were escorted through a frigate, destroyer, and two submarines. Wherever we went, his straightforward attitude and understanding of all issues most definitely lifted the spirits of the men and women in uniform. The Secretary closed out the day at the Charleston Naval Hospital where once more he indicated a deep awareness and concern for the problems of the military retiree.

Notwithstanding his outstanding relationship with naval personnel, there is another major accomplishment of the Secretary that I believe deserves much praise—and for which he will long be remembered. We always seems to be hearing about waste, fraud, and abuse in the DOD. The Navy, under the Secretary's guidance, goes against that tide and is a leader on saving funds. He has directed many initiatives resulting in huge savings for the DOD. I saw one firsthand that day in Charleston when the Secretary announced that the Charleston Yard had won a competition to overhaul two SSBN's at a savings of millions of dollars. This is but one example of the savings trend established by the Secretary. There are many more.

Mr. President, I ask unanimous consent that a table summarizing $5.6 billion in savings over the past 3 years in Navy shipbuilding and aircraft programs be included in the RECORD.

I would point out to my colleagues that these savings represent only a portion of the savings achieved by the management initiatives of the Secretary. There are numerous others resulting in substantial savings, and I ask unanimous consent that these be listed in the RECORD.

Mr. President, the April 19 edition of the London Economist recognized the vital importance to our national security and to the free world of the Navy and the significant improvements in the force structure and personnel that have been achieved under Secretary Lehman's tenure. I ask unanimous consent that a copy of the article be included in the RECORD.

In conclusion, Mr. President, the Navy is fit and ready to fight. I sense a great deal of pride in the service. The leadership of Secretary Lehman has brought this about, and I commend him for his many accomplishments.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF NAVY—PROCUREMENT INITIATIVES AND SAVINGS

SHIPS

Nuclear Powered Aircraft Carriers: Original estimates for split buys of two: $8024 M; Multiple ship (2) contract awarded FY83. Cost: $7270 M—Savings: $754 M—Additional management initiatives and reduced inflation resulted in further cost savings of $754 M; Final estimated end cost for 2 CVN's: $6516 M—Total savings: $1508 M.

Aegis Cruisers: First year of competition (Dec '83) resulted in 2 ships awarded to Litton/1 to Bath—Savings (over previous year's sole source award of 3 to Litton): $100 M; Second year of competition (Nov '84) resulted in 2 ships awarded to Bath/1 to Litton—Savings (over FY84 award): $97.7 M; Total savings (to date): $197.7 M.

DDG-51: Lead ship cost: $1100 M; Follow-on ships (6-10): approx. $800 M; Navy controlled contract design for use in a competitive selection of lead shipbuilder; Greater emphasis on cost considerations; Shipbuilders involved in reviewing evolving design; Bath awarded contract for lead ship in FY85—Delivery FY89; commissioning early FY90; Third shipbuilder to be brought in for bidding on follow-on contracts.

Summary: In three years 1983-85 the Department of the Navy has saved U.S. taxpayers almost $4.4 B in shipbuilding procurement money.

AIRCRAFT

F/A 18; Fly-away costs dropped from FY82 $22.5 M to FY85 $18.7 M (current dollars); In FY82 constant dollars, price dropped from $22.5 M to $15.2 M, a decrease of 32%; Similar trends found in prices of virtually all Navy aircraft programs:

[Chart not reproduced for RECORD.]

This represents a break in 30 years of uninterrupted cost escalation in naval aircraft procurement: All naval aircraft procurement programs are on firm-fixed price contract basis; Precludes possibility of produc-

tion cost overruns; Competitive pressures maintained by keeping four separate fighter and attack aircraft in production.

Summary: In the three years 1983-85, the Department of the Navy has saved U.S. taxpayers over $1.2 B in aircraft procurement money.

MANAGEMENT INITIATIVE RESULTS

The disputes, litigation, claims, cost overruns, and schedule delays that characterized naval shipbuilding in the 1970s have been eliminated. Over the last four years (CY 1982-85), 78 ships have been delivered to the Navy of which 30 were ahead of schedule, 33 on schedule, and only 15 behind schedule. The net of all four years is 46 months ahead of schedule for all ships. After years of bitterness and massive cost overruns and claims in our submarine programs, all submarines have been delivered on or under budget. For the fifth straight year there has not been a single new construction contract shipbuilding claim outstanding against the Navy.

AIRCRAFT CARRIERS

In addition to saving over $1.5 billion by our CVN 72/73 acquisition strategy, we will also deliver these ships earlier than would have been achieved by the traditional split annual procurement approach. We estimate that CVN 72 and CVN 73 will each deliver 22 months earlier than would have been achieved by the traditional approach. Also, we expect *Theodore Roosevelt* (CVN 71) to deliver by September 1986, at least 17 months earlier than the original schedule, through incentives we have established in the CVN 71 construction contract. Thus, a total of 61 additional nuclear aircraft carrier ship months will be achieved through our acquisition strategy.

BATTLESHIPS

New Jersey was recommissioned in December 1982 ahead of schedule and under budget. *Iowa* was delivered well ahead of schedule and under budget in April 1984 and is now deployed in the Caribbean. *Missouri* was in large part funded from contract savings and is currently ahead of its reactivation schedule in the Long Beach Naval Shipyard. Requests for proposals are out for *Wisconsin*, fully funded by Congress in FY 86. Award of a contract is anticipated in October 1986, with ship delivery in Janaury 1989.

BUILD/CONVERT AND CHARTER PROGRAMS

Thirteen Maritime Prepositioning Ships (MPS) and five T-5 tankers have been contracted for and are under conversion and construction. Eleven MPS have delivered; the final two deliver this year. Three of the T-5s have been delivered; the final two deliver this year. These ships provide a dramatic new capability to preposition the equipment and supplies to support three Marine Amphibious Brigades in areas of potential crisis around the world. The first six of the MPS ships were completed two months ahead of original schedule and under budget.

CONTRACT MANNING

In the major Reagan Administration effort to reinvigorate the maritime industry and the merchant mariner profession, a total of 16 more ships, including cable ships, missile range ships, and fleet tugs, will be offered for contract manning in FY 86 and FY 87. This will raise to 40 the total of naval ships offered for contract manning added by this Administration. This has resulted in a cost reduction of nearly 40 precent.

SMALL BUSINESS

The Navy Department (from FY 82 to FY 85) increased by 55 percent in dollar value its awards to small businesses, including women-owned and minority-owned concerns. These contracts to small business totaled $7.046 billion in FY 1985, reflecting a new commitment to bring the benefits of competition and the small business industrial base to Navy procurement.

NAVY ACQUISITION REPORTING SYSTEM

This new system has been a dramatic success. It involves a new, simple, and straightforward acquisition reporting system for the top 60 programs. It requires quarterly reports on any changes of estimated cost for R&D or production or changes in schedule for each of those 60 programs and provides early warning of performance difficulties. While this system is primarily meant for senior Navy management, its effectiveness makes it a prime candidate for eventual replacement of the current Selective Acquisition Reporting System.

ASSIGNMENT POLICY FOR PROGRAM MANAGERS AND INDUSTRIAL FACILITIES COMMANDS

The minimum tour length for officers serving in these important acquisition billets has been lengthened to four years. Arrival and departure from these assignments now is planned to coincide with major Department of the Navy Systems Acquisition Review Council (DNSARC) milestones and/or program starts or completions. Provision of guidance to promotion boards has been modified to increase emphasis on the performance of officers in acquisition management billets.

BOSS

The Department of the Navy instituted in 1983 a spare parts procurement program called Buy Our Spares Smart (BOSS). It is particularly frustrating to us to find that the abuses and overcharging uncovered by the Navy itself over the past three years—items for which we recovered moneys—are being used by headline-hunting critics seeking to discredit the very effort itself. Working with suppliers and parts contractors, we have made great progress in finding abuses, receiving refunds, challenging sole-source relationships, locating alternative sources, and reducing barriers to competition for spare parts by identifying and eliminating proprietary-data requirements. There are more than 2.3 million inventory items in the Navy's spare parts supply system (over 65 percent are controlled by the Defense Logistics Agency). We are methodically re-examining the more than 600,000 under Navy control—over 100,000 of them during this past year.

Return on investment in BOSS is considerable. During 1984-1985, the Navy invested $101 million in BOSS resources and achieved cost avoidance exceeding $520 million.

In 1983, 13.5 percent of our spare parts were procured competitively. In 1985 the figure was 33.8 percent. We are competing more buys to achieve more reasonable pricing. Where competing the buy is inefficient, we are exercising proper management techniques to control prices. A 1983 audit showed 35 percent of our non-competitively procured spares to be overpriced. By 1985 that had been reduced to 18 percent, and the trend continues downward.

DEPOT LEVEL REPAIRABLE (DLR) COMPONENTS

In a major innovation in the management of maintenance funding, we have instituted a decentralization of the management of DLR components to the ship and the air station level. From 1981 to 1984 we tested financing the procurement and repair of non-aviation DLRs through the Navy Stock Fund. This improved material availability by 38 percent, reduced casualty response time by 26 percent, and increased the carcass return rate by 36 percent. We then began testing financing procurement and repair of aviation DLRs through the Stock Fund in April 1985. These initiatives establish a buyer/seller relationship between the Stock Fund and its customers who in turn are being held accountable for their expenditures. This should bring a much more frugal approach to ordering, based on truly needy, and an incentive to repair at the lowest authorized level and not waste repairable assets which can be turned in for credit.

Our management and acquisition reforms are not intended to impact the system for a few brief years only and then be buried under the weight of bureaucratic inertia and free-spending reaction. They are clearly being *institutionalized* into the very fabric of Navy life. In November 1985 I signed out an acquisition policy instruction codifying our acquisition reforms and ensuring their institutionalization at all levels of the Department of the Navy.

THE UNITED STATES NAVY—ON THE CREST OF THE WAVE

From a peak of more than 1,000 ships during the Vietnam war, the American navy plummeted to a low of around 480 in 1980. Many of them were relics of the second world war. Necessary maintenance had been put off and stocks of spares and ammunition run down. Morale was at rock bottom. There were instances of ships being unable to get underway when ordered because of their poor condition and of unrest among their crews so severe that in another age it would have been called mutiny.

When the Reagan administration came to office in 1981 committed to "make America strong again", the navy, and Mr. Lehman in particular, had a prescription ready: a 600-ship fleet. In an America that was beginning to feel its muscles once more, it was an idea whose time had come. It sailed through Congress virtually unchallenged. But the way the new secretary has operated has probably influenced today's navy as much as the prospect of the 600 ships itself.

In law a service secretary has no authority over strategic planning, but Mr. Lehman took control early on. The strategy of sending several aircraft-carrier battle groups to fight the Russians off northern Norway, for example, is much more his creation than that of the joint chiefs of staff. If, as some admirals claim, this idea of fighting so far forward is more a strategy for winning money than for winning a war, it has nevertheless been a successful one. And rare is the admiral who will take direct issue with a policy that produces ships and equipment, whatever he may think privately. Whether the present military leaders would be guided by the new strategy in wartime is not by any means certain. What is certain is that an entire generation of junior and middle-grade naval officers now believes that the first wartime job of the navy would be to sail north and fight the Russians close to their bases.

Mr. Lehman's success in getting money for the navy helped mightily in getting control over its day-to-day affairs as well, but this alone would not have been enough. Al-

though service secretaries oversee training, policy and procurement matters, the operational units report directly either to their service chief or to a unified military commander. In either case the chain of command runs through the secretary of defense to the president, bypassing the service secretary. However, secretaries can control the future careers of senior officers, and Mr. Lehman wasted no time in getting to know his admirals. Within months of taking office he began to move his own men into key jobs (and move the waverers out).

But he is in no sense an autocrat. A man of fierce loyalty himself, he expects—and usually wins—the same loyalty from his subordinates. He is an assiduous visitor to ships and seldom fails to talk informally to sailors of all ranks, explaining his policies to them, listening to their gripes and convincing them that he really cares. He is a qualified helicopter pilot, as well as a navigator-bombardier in the A-6 attack-bomber, and he takes great pride in flying with the fleet in his reserve grade of commander. His youthful vigour, reminiscent of the young Winston Churchill at the Admiralty before the first world war, is enormously appealing to sailors accustomed to thinking of service secretaries as aging political hacks. One seagoing captain summed up the Lehman impact: "It used to be that everyone knew who the CNO [the Navy's top admiral] was, but hardly anyone knew who the secretary was. Now it is completely reversed. You never hear of the CNO, but every man down to the lowest seaman knows that John Lehman runs the navy today."

OFF TO THE NORTH

The centerpiece of John Lehman's navy, and its most controversial feature, is the planned force of 15 king-sized aircraft carriers, three more than there were before. But despite Mr. Reagan's commitment to the 15-carrier navy, it will be a long time in coming. The problem is that many of the ships are getting old. *Midway* and *Coral Sea* were laid down during the second world war, four others during the 1950s. A 28-month renovation programme, started in 1980, was cooked up to extend their working lives for 10-15 years. As one ship would always be out of service being renovated, these refurbishments effectively reduced the number of carriers by one, to 12 (plus the old *Lexington*, which has no maintenance facilities and is used only to train pilots). The thirteenth arrived in 1982. Mr. Lehman's contribution was to add two more, which will bring the total, on present plans, to 15 in 1990, which is ironically, the year after the Reagan administration leaves office.

The aircraft carriers are magnificent fighting machines. A modern one is around 1,000 feet long, displaces about 90,000 tons, is manned by about 6,000 men and carries around 90 aircraft.

But critics of the carriers abound. The opposition is based on two ideas: that the aircraft carriers are sopping up too much money that should be spent on other equipment, such as tanks and guns and ammunition for the central front in Europe; and that the navy has no coherent strategy for using its 15 carriers. The first proposition is arguable, but the second was never really true. What was true was that the navy had not bothered to articulate its ideas clearly. Stung by the accusation that it had no strategy, last summer the navy swung into action and began talking about its forward-defense scheme to anybody who would listen.

According to this doctrine—the formulation varies considerably, depending on to whom one is talking—at the outset of a conventional war with the Warsaw-pact countries, three (or four) aircraft-carrier battle groups would head for the seas off Norway and carry the war to the Russians. Their immediate objectives would be: to reinforce northern Norway so as to keep its airfields from falling into Russian hands, and to fight off the Russian air force so that NATO aircraft (both carrier-based and land-based) could have a free run hunting and attacking Russian submarines, which would be on their way south to destroy shipping in the Atlantic. Some supporters of this strategy also claim it is designed to lure large numbers of Russian land-based aircraft into the battle—where they could be shot down.

Perhaps the most formidable critic of this concept of naval warfare is Mr. Stansfield Turner, a retired admiral who was the director of the CIA in the Carter administration and who once commanded aircraft-carrier task forces himself. According to him, it is not necessary to send the carriers north for them to do their job of protecting the Atlantic sea lanes. The Russians must run through a long narrow sea passage on their way south from Murmansk, and only in the extreme north are they covered by their own land-based aircraft. For the Americans to fight there would be to sacrifice a significant geographical advantage and risk getting the carriers chewed up. So it would be better, in his view, to fight further south, away from Russian aircraft and against forces that will already have had to run the gauntlet of NATO submarines which will in any case—whatever the carriers do—be covering virtually every square mile of the northern seas. And without denying that a big air fight over northern Norway would keep the Russians from sending aircraft south to the land battle in Germany, Admiral Turner maintains that land-based aeroplanes from Britain and southern Norway could be at least as effective as those of the carriers.

Whether the forward strategy would work (or even be attempted), the idea of fighting in the Norwegian Sea has become firmly identified as the main justification for 15 large aircraft carriers. However, no more than four of them would be used there. What of the others? Five at most would be undergoing repairs, leaving between six and eight available for deployment elsewhere. The navy's strategy for these carriers boils down to keeping one group of three or four close to Japan and another in the eastern Mediterranean. These two groups would contribute to the land battle, according to the theory, in ways similar to the northern group: by tying down enemy land forces, inflicting losses and buoying up the morale of America's beleagured allies.

That sounds fine. But the actual military utility of such operations is at least as questionable as those prescribed for the Atlantic forces. For example, in the Mediterranean the need to bottle up the Russian fleet with air power does not apply: any ships caught in the Black Sea could be kept there merely by corking up the Dardanelles with mines or a nuclear submarine.

The fact is that none of these scenarios is ever likely to be played out, because war between the United States and Russia is not likely (though, of course, the carrier forces have an obvious deterrent purpose). What is more likely is an assortment of conflicts in and around the third world, and nobody doubts that a powerful navy can give good service if and when they occurred.

Mr. Lehman would say that the large aircraft carrier is ideal for them as well; and 15 must be maintained anyway as long as the Russians have such a huge, threatening navy, whatever the strategy for fighting them may be. Admiral Turner and those who think as he does would argue that, while a few large aircraft carriers might be useful, 15 over-egg the pudding; a larger number of smaller, cheaper ones, operating short-take-off-vertical-landing (STOVL) aircraft such as the British Harrier, would be a much better buy, especially for crises outside European waters.

But it is not to be. Mr. Lehman has got his money and he has ordered his ships. The 15-carrier, 600-ship navy is virtually assured, whatever may happen to American defense budgets in the next few years. And whatever it may turn out to cost in the long run, by 1986 the prospect of such a navy had put a spring into the steps of its officers and men that had been absent for a long time.

THEY ALSO SERVE WHO MERELY SHOOT AND SCOOT

The cost of building the latest carriers will be about $3.4 billion each in 1984 dollars. To this must be added the cost of the aircraft and the support ships that are needed to bring them fuel, food and ammunition (although seven of the carriers are to be nuclear-powered, their aircraft gulp a lot of fuel). Throw in the cost of the crews and something well over $5 billion each is involved. The unknown is the number of cruisers, destroyers and frigates that would be needed to escort the carriers. What the numbers would be would ultimately turn on the threat they were facing.

But such escorts are not mere appendages to the carriers, for they add to the power of the battle groups and they have many uses outside those groups. Not only can they convoy merchant ships and navy replenishment groups, but in their own right they can chase submarines, fight other surface ships and bombard targets ashore.

The workhorse escorts are two classes of 4,000-ton frigates, the *Knoxes* and the *Perrys*. The former are mainly anti-submarine ships; the latter carry the medium-range Standard anti-aircraft missile and are therefore designated FFG (shorthand for guided-missile frigate). The hull number of the first one was 7, and so the class is known as fig-sevens. Both sorts of ships can carry and operate manned anti-submarine helicopters.

There are about 100 of these frigates altogether. They are the lineal descendants of the destroyers of the second world war, whose role was either to operate with the fleet or to escort convoys. However, they weigh half as much again as the destroyers of even 15 years ago.

The basic American destroyer today is the *Spruance* class. These ships are some 564 feet long, weigh about 8,000 tons and are driven by four gas-turbine engines. They have two five-inch guns, an eight-tube ASROC launcher (an anti-submarine missile that carries a homing torpedo—or a nuclear depth charge—about 10,000 yards from the ship and dumps it into the water above the submarine), eight sea-skimming anti-ship Harpoon missiles designed to attack surface ships up to about 70 miles away and one launcher for shortrange anti-aircraft missiles (the NATO Sea Sparrow). Recently these ships have had Tomahawk cruise missiles installed, with which they can threaten ships several hundred miles away (provided

they have an accurate position for them) or land targets more than 1,000 miles away.

This is not an insignificant armament, but it is not nearly as heavy as one would expect on an 8,000-ton ship. The *Spruances* are best suited for anti-submarine work. They have a good hull-mounted sonar; they can operate towed hydrophone arrays for detecting submarines; and all have large flight decks and hangars for anti-submarine helicopters. But their medium-power air-search radar and short-range anti-aircraft missiles limit their usefulness against aircraft.

The reason for the lack of equipment is money. During the early 1970s the navy was faced with the choice of buying a few heavily armed *Spruances* or a greater number of less potent ones; it took the extra ships, hoping to put in more weapons later on. They have now got the Tomahawk missiles. But these large destroyers still lack punch and still have a lot of empty space.

Belatedly some of this is being filled. The class is beginning to get the Vulcan-Phalanx close-in weapons system (CIWS), based on an ultra-rapid-firing Gatling-type machine gun, designed to shoot down sea-skimming missiles such as the Exocet. Another refinement that owes something to Britain's Falklands experience is armour. American destroyers were for years called "tin cans" because their plating was so thin it could keep out the sea but not much else. but in the Falklands fighting it was apparent that even a small amount of armour would help a great deal. So the *Spruances* are getting some armour, both ¾-inch aluminium plate and Kevlar (the plastic material out of which the American army now makes its "steel" helmets). Dozens of tons of these materials are being literally glued on each ship, at a cost of around $500,000 per ship, to protect vital spaces such as communication and computer compartments. And there are plans for yet more equipment and weapons, and for breaking the class into two distinct sub-classes, one specialising in air defence and one in hunting submarines.

THE AYATOLLAH'S GIFT

One group of *Spruances* does have the firepower and advanced electronics that one would expect to find on such a big new ship: the four that were built for the Shah of Iran in the mid-1970s. As usual, the Shah wanted nothing but the best; his destroyers were to have the guns and Harpoon missiles of the standard *Spruances,* but also a twin missile launcher both forward and aft that could fire either ASROC or the medium-range Standard anti-aircraft missile (with a system that can handle three air contacts at once—Sea Sparrow can manage only one), a CIWS on each side and the advanced SPS-48 air-search radar.

These powerful ships were still being built when the Shah was overthrown and the American hostages seized. Although American-Iranian relations could not possibly have been worse, Iran stuck to the letter of its agreements, canceled the contract formally and paid the prescribed termination costs to the penny. The American navy completed the ships and took them over. Although technically the *Kidd* class, these ships have become universally known as the "ayatollah" class, and that designation seems certain to stick. Whatever the name, many officers believe that with the exception of the new AEGIS cruisers (see later) these four destroyers are the best anti-aircraft ships the United States has.

FROM LONG BEACH TO TICONDEROGA

The United States has 31 cruisers in active service; nine of them nuclear powered. They range in size from the 18,000-ton *Long Beach* to some 8,000-ton ones that are 30 feet shorter than the *Spruances* and which were originally called destroyers when they were built in the 1960s. The reason the smaller ones now qualify as cruisers is that they carry the Standard missile, and most mount the SPS-48 air-search radar (or a close relative). Thus, while they have about as much ability to attack submarines as the *Spruances,* they are much better equipped to deal with incoming air raids and missiles.

The cream of the American cruiser fleet is the celebrated *Ticonderoga* class carrying the Aegis integrated air-defence system. There are now four of these ships in service, and 12 more are authorised; the navy would like 30, two for each aircraft-carrier battle group. Built on the *Spruance* hull and driven by the same gas-turbine power plant, the *Ticonderogas* are by far the best air-defence ships in the navy—and, almost certainly, in any navy.

The heart of Aegis is the SPY-1 radar, a phased-array device that scans its beams electronically from its four fixed, billboard-sized antennas built into the ship's superstructure. Equipped with the latest in electronic gadgetry and computers to enable it to "see through" clutter and jamming and track dozens of targets simultaneously, this is the most advanced air-defence radar system afloat today. The armament of the *Ticonderogas* includes two five-inch guns, Harpoon, Standard missiles, two CIWs and an Asroc launcher.

Listening to naval officers who have worked with Aegis swear that it is little short of miraculous, it is hard to believe that in its early days the *Ticonderoga* was the most controversial warship in recent history. It was widely criticised for costing too much (about $1 billion per ship) and performing badly. At one time it was even suggested that these ships would capsize in heavy seas because of their great topside weight. Operational experience has laid that fear to rest, and the Aegis system has proved its worth in both exercises and operations off Lebanon.

The navy has another new and controversial Aegis ship on the stocks, the *Arleigh Burke* (DDG-51) class destroyer, designed to replace some early guided-missile destroyers built in the 1960s. The first DDG-51 was laid down last year, and the navy hopes to get 28 more. These ships will be smaller than the *Ticonderogas,* but will have essentially the same air-defense equipment, and—this is where controversy bubbles—essentially the same price tag.

THE BIG STICK IS BACK

The arrival of the new destroyers and cruisers is part of the reason for the renewed pride that pervades all levels of the American navy in 1986, but the rejuvenation of older ships is part of it as well. Although the battleships have been displaced by aircraft carriers as the centerpiece of the navy, their huge guns, polished brass and holystoned decks have a swagger that flat-topped ships with decks askew can never have. The decision of the Reagan administration to bring the four most modern battleships back into service—there had been none in commission since 1969—was welcomed by the uniformed navy, if not by all the Washington defence observers and analysts whom Mr. Lehman delights in disparaging as "trendy armchair strategists".

Battleships sailors have always considered themselves to be the chosen of the fleet—and they are. Once the word was out that the "battle-wagons" were to come back, literally thousands of retired navy men asked to return to active duty to serve in them—a few were accepted—and there were several times as many regular volunteers as there were places to fill. The pugnacious pride of the battleships' crews both in themselves and in their ships is unsurpassed anywhere in the fleet. (One of the biggest-selling items in the ship's store on board *USS Iowa,* which takes its nickname from Theodore Roosevelt's famous saying, is a small baseball bat, inscribed "The Big Stick is Back".)

But the fast battleships are being brought out of mothballs (*New Jersey* and *Iowa* are already in commission; *Missouri* and *Wisconsin* are still to come) not to improve morale, but for their power. They have nine 16-inch guns each; these monstrous cannons can throw a 2,700-pound shell about 20 miles. And guns can do some things much better than either missiles or aircraft bombs—particularly, of course, in coastal bombardment. The navy does not have enough gun-power. Not only did the number of barrels in the fleet fall sharply with the coming of missiles, but the heavy ones disappeared completely. Except for the battleships' 16-inchers, no barrel in the fleet is larger than five inches in diameter. The marines have lobbied the navy for years to deploy more ships with big guns on them.

The battleships' heavy armour makes them virtually impervious to most conventional weapons, and they make wonderful platforms for helicopters, small-gun systems and missiles. Both Tomahawk and Harpoon missiles have been installed on the *New Jersey* and *Iowa,* as well as four CIWs per ship. However, at a reactivation cost of about $400m each, these ships are not exactly cheap. But the navy seems determined to go ahead with the remaining two, and to keep them all in service for the foreseeable future. It is contemplating using them not only to operate with the amphibious forces, but as main units of surface-action battle groups.

DOWN UNDER

Walking around an American naval base today, one sees a surprising number of Distinguished Service Medal (DSM) ribbons (America's third highest decoration, and the highest given for non-combat achievement) adorning the blue-clad chests of fairly junior officers. These chests usually carry the gold dolphins of qualified submariners as well, and the citations for the awards are almost invariably classified. Which means they were given for gallantry, excellence and success in one of the most demanding and exciting peacetime tasks: manoeuvering against an enemy submarine hundreds of feet below the surface.

The nuclear submarine opened an entirely new era of naval operations. Unlike the old diesel boats, the "nukes" were true submersibles: they could operate submerged for weeks on end, and at high speeds if required. They are divided into two categories: the attack boats and the ballistic-missile submarines, known as "boomers".

The navy has 37 boomers. Seven are the giant (19,000 tons submerged) *Ohio* class, which has 24 missile tubes; the rest are 8,500-ton boats with 16 missile tubes. All of the big ones and 12 of the smaller ones carry the eight-warhead Trident-1 missile; the other 18 carry the older and less accurate Poseidon missile which has a shorter range but 10-14 warheads, depending on the target assignment.

Eleven older submarines have been taken out of missile service to keep the United

States from exceeding the limits established by the SALT agreements; eight of them have been put out of commission; the other three have been reassigned, one as an engineering school ship and two as commando carriers. The boomers operate independently at all times, moving from one patrol station to another at slow speed to avoid detection and believing, rightly, that they have accomplished their mission of deterrence if nothing happens.

Most of the DSMs are won by men in attack submarines, whose job it is to make things happen. Their most important business in peacetime is to collect intelligence on the Russian navy, and particularly on its submarine force. The main technique is trailing. An American submarine waits off one of the submarine ports of Russia's Kola peninsula until its quarry—it may be either a missile submarine or an attack one—begins a patrol and then attempts to stay in contact by following its noise. The Russian submariner will go through his bag of "delousing tricks" (such as reversing course suddenly or speeding up unexpectedly and then stopping, in the hope that his tracker, if there is one, speeds up as well and gives his presence away by making enough noise to be detected). The American submarine will try to hang on without being detected. Sometimes it works; sometimes not; once in a while a terrifying underwater collision occurs.

Following a missile submarine throughout an entire patrol of several weeks—it has been done—is worth a medal in anybody's navy. The Russians try it as well, but seem to be less successful. Both the United States Navy and the Royal Navy claim that they have never had any of their missile submarines trailed.

American submariners have the advantage that their equipment is much better than the Russians. The submarines are quieter and their sensors—the main sensor is a huge listening array built into the foward part of the boat—are more sensitive. The competition between designers is at least as important as the cat-and-mouse game carried out by the sailors.

But despite enormous investments in research, it will not be possible for the Americans always to stay ahead. All the obvious things to quieten a submarine down have already been done. For example, all the equipment is shock mounted, all the pipes set in rubber holders and all machinery is specially designed to be silent. Further improvements cost increasingly more for increasingly tiny reductions in noise. The Russians, having initially been behind in the competition, are beginning to catch up. The American navy now reckons that the quietest of the Russian submarines are as quiet as the noisiest 30% of the American ones.

The best of the attack submarines are the *Los Angeles* class, known as the "688s" after the hull number of that ship. Some 33 of these are in service and ten more are under construction; 52 altogether are authorized. Weighing some 7,000 tons submerged and driven by a single reactor, they can make around 35 knots running below the surface.

One more class, the SSN-21, is planned; they should start to arrive around 1995. It is possible that there could be one more class after that with worthwhile improvements in both noise-suppression and sensors. But submarines significantly quieter than the surrounding oceans in which they swim are already a practical possibility, and even the SSN-21 is likely to have some form of sound "camouflage" to make the submarine sound like specific sea noises.

The navy's goal is 100 attack submarines. (All of them would be nuclear powered; the American navy has only four diesel submarines left and hopes never to build another one, although it is periodically pressed by Congress to do so.) This represents an increase of about ten over those planned by President Carter's administration; Mr Lehaman wanted the extra ones so he could assign some to the surface battle groups. Of the 97 attack submarines now in service, the navy will retire some old ones as the new 688s are commissioned.

In a run-up to a war, the Atlantic submarines would cover virtually the whole of the Russians' exit route from Kola to Iceland with patrol areas, the size of each area being determined largely by how far away it is reckoned that the American submarine could hear an approaching enemy one. Some 688s would probably try to penetrate into the White Sea and attack Russian missile submarines, which could launch their missiles from there. In the Pacific the Americans would try to seal off the exits from Petropavlovak and Vladivostok by plugging up the breaks in the Kurile barrier and the exits from the Sea of Japan. Because of the difference in magnitude of these tasks, 60% of the attack submarines are assigned to the Atlantic fleet and 40% to the Pacific.

Mr. Lehman has made a significant change in the roles of the attack submarines by ordering them to carry cruise missiles. There was some resistance, the argument being that the attack submarines could not perform their principal mission of hunting and killing enemy submarines if they had to stay in a location from which the cruise missiles could hit their targets. This is not precisely so, for most of their normal patrol stations are breathtakingly close to the Soviet Union anyway. The real problem was torpedoes; the submariners did not want to cut down the number they carried by having to give house room to the missiles. In the end, a compromise emerged. Most of the 688s will have vertical launching tubes for the cruise missiles built into their forward ballast tanks, where they will not displace any torpedoes.

GETTING TOGETHER

The 600-ship size of John Lehman's navy is arrived at by adding submarines, convoy-escort ships, the lift for two marine assault forces and 100 attack submarines plus the ballistic missile ones to the forces for the 19 battle groups needed to support the navy's strategy (chart 4 on previous page). Four of these battle groups would be built around the fast battleships and 15 around the aircraft carriers.

A notional aircraft-carrier battle group consists of one carrier, two cruisers, four destroyers (or fig-sevens) and four frigates. A surface-action group consists of one battleship, two cruisers, four destroyers and four frigates. Either group would be deployed in a widely dispersed formation, and sometimes two battle groups would be put together. Although not technically part of the battle groups, a replenishment group, consisting of an oil tanker or two and from time to time ammunition and stores ships as well, would be operating somewhere under this vast umbrella, protected by around four escorts of its own.

Often one or two nuclear attack submarines would be operating with the battle groups as part of is anti-submarine force. Because the submarines must be free to pursue their search or shadowing operations as quietly as possible and at whatever depth is required, it is extremely difficult to communicate with them. In fact, communications are fairly troublesome in the large formations of surface ships themselves. Ordinary high-frequency radios will work in peacetime, but in wartime could easily be intercepted and jammed. So the American navy has turned to ultra-high frequencies (UHF)—which travel in straight lines and are therefore restricted to line-of-sight communications—and relays these signals by satellite. A message from the flagship to a distant escort ship would be sent up to a satellite and back down; it could be jammed only by equipment that was fairly close to a line from the flagship to the satellite or between the satellite and the receiving ship. The navy has set up its own satellite network wholly dedicated to tactical communications, and most ships have satellite antenna.

Communicating with the escort submarines is harder. The surface commander relays his messages, by satellite, through a shore station that broadcasts to submarines at pre-set times. For the times when it is essential to contact a submarine immediately, the navy operates an extremely-low-frequency transmitter that can send its radio waves through the sea water. Such low frequencies can transmit messages only very slowly; therefore they are usually used as "bell-ringers", to tell the submarine to come to periscope depth, put up its antenna and listen.

Not only messages are sent by the satellite relay, but also streams of data that contain the position, course and speed of individual ships and aircraft and information on the "unknown" or "enemy" contacts they may have. Thus it is possible for a ship to "see" on its display screens the picture of the tactical situation developed by other ships hundreds of miles away. The *Ticonderoga*, moored to a pier in Norfolk, Virginia, can display the same picture of friendly forces and unknown ships and aircraft as is being seen by the fleet flagship in the eastern Mediterranean.

TO THE SHORES OF TRIPOLI

Purists in the marines will object to their service being included in a survey of the navy. They will say that the Marine Corps, the oldest and proudest of the American armed forces, is a separate service. They are correct: it is recognized as such by law, and its commandant is a full member of the joint chiefs of staff. However, its main mission, amphibious warfare, is inextricably bound up with the navy.

Today's Marine Corps has 195,000 men and women, about 30,000 more than the British army. Its main combat forces are organized into three divisions and three air wings, two of each assigned to the Pacific and one to the Atlantic. Although marines often fight as light infantry units, these divisions possess a whole range of equipment from heavy tanks and self-propelled eight-inch artillery to heavy hauling machinery and water-purification plants. The air wings fly many of the same aircraft as the navy, plus some that are peculiar to the marines. Unlike the army and air force, marine divisions and wings are not expected to fight as separate units, but to provide building blocks for combined-arms groups called MAGTFs (Marine Air-Ground Task Forces).

These task forces would be organized for specific missions, but there are three basic sizes that serve as starting points. The smallest is the MAU (Marine Amphibious

Unit) which is built around an infantry battalion and a group of helicopters (plus, maybe, some Harriers). The next step up is a MAB (brigade). It consists of four infantry battalions; an air group of around 60 fighter-bombers; 20 transport and reconnaissance aircraft and 100 helicopters; and a support group big enough to keep the whole formation going for 30 days. Some 16,000 men strong, it is about the size of an army division.

The biggest task force is the Marine Amphibious Force (MAF), built of an entire marine division (18,000 men), including nine infantry battalions, an air wing composed of at least two groups and a support group to match. Nominally 50,000 men strong, it would probably be commanded by a lieutenant-general. In peacetime one MAU is normally deployed in amphibious ships in the Mediterranean and another in the western Pacific.

Amphibious assault is the name of the marines' game, so any of these task forces has to have ships it can get out of quickly and on to the land in fighting order. The huge (40,000-ton) LHAs are the capital ships of the amphibious forces. Faintly resembling the straight-deck aircraft carriers of the second world war, one of them can carry a MAU's helicopters and Harriers, along with some landing craft in its well deck. To launch these boats, the ship is ballasted down, the stern doors opened and the landing craft "swim" out. One of these ships plus a smaller landing-craft carrier, a landing ship for tanks and a cargo ship can lift the MAU. However, the navy has only five LHAs (plus seven smaller helicopter carriers that cannot handle landing craft). Altogether it has about enough amphibious ships to lift one MAF.

The goal of the navy and the marines—set by the Reagan administration—is to be able to lift the assault elements of a MAB and a MAF simultaneously, conceivably to two different trouble spots. More amphibious ships are on the way, and on present plans enough for the extra MAB should be available about 1996. The star of these plans is a new class of ship called the LHD. Although they have a different designation and are slightly larger, these ships generally resemble the LHAs. The navy hopes to build five all told, both to increase its lift and to replace older ships that are to be retired.

One advantage of getting the new flat-topped landing ships is that the marines can use them to operate the new AV-8B Harrier-2s that are beginning to come into service. The marines were the first service outside Britain to buy the original Harrier. These remarkable STOVL aircraft are well suited for amphibious missions, as they can operate from short metal strips or bits of roadway once the marines are ashore. However, their range—under 100 miles with any sort of bomb load—is too short. The new Harriers can do roughly twice that. The marines plan to organize eight 20-aircraft Harrier-2 squadrons and deploy them regularly on LHAs and LHDs with their MAUs, starting in 1987.

Although senior marine officers deny that their ambition is to operate their own aircraft carriers—indeed, they maintain strongly that during an assault they will need the support of navy and marine aircraft flying from the regular aircraft carriers—clearly with the Harrier-2 the marines can provide a lot of their own close air support. Equally clearly the use of the Harrier-2s from the LHAs comes pretty close to Admiral Turner's ideas of using small aircraft carriers in place of large ones. It is not impossible that the marines may be pioneering the way of the future for naval aviation.

But even when the marines eventually get enough amphibious ships to lift a MAB and a MAF simultaneously, these two units would account for only about half their combat strength. What do the rest do? The short answer is to fly in as back-up forces.

It was always planned that an assault would open the door and that reinforcements could then come in either by ordinary ships or by air. Bringing the men by air gets them there in just a few hours. But because of the great weight and size of their equipment and supplies, flying all the clobber for a force of any size is out of the question. (The biggest airlift the United States has mounted since the Berlin blockade was the reinforcement of Israel during the 1973 war; in about three weeks virtually all the airlifters the air force could muster managed to carry about one medium-sized shipload.)

To combine the advantages of both fast airlift (for the men) and heavy sealift (for the equipment), the navy and marines have put enough equipment and supplies for two MABs on board two squadrons of specially converted cargo ships, one in the Atlantic and one in the Pacific. Each squadron has the equipment for a MAB along with enough supplies, including fuel and water, to keep it going for 30 days. It could unload over piers in a matter of hours, or by the lighters that they carry in five days.

If the marines knew exactly where they would be deployed, even more time could be saved by putting their equipment ashore there ahead of time. There is one such place: Norway. The reinforcement of northern Norway against a possible Russian invasion is one of the great problems for NATO, and great problems often call for marines. In this case the matter has been assigned to both the British and American ones. Because the Americans have so far to come, they are now positioning a MAB-worth of supplies and equipment in central Norway, near Trondheim, and hope to have the job completed in 1989.

Although they may be a separate service in some respects, the marines are part of Mr. Lehman's jurisdiction. Mr. Lehman has taken his responsibilities as secretary of the Marine Corps extremely seriously, and the results show. The marines are getting new equipment and lots of it, and the new attitudes are producing better people.

During the "lean years" from 1979 to 1980, the corps had trouble getting good recruits and had at least its share of disciplinary problems with the men it did get. These problems have virtually disappeared. The marines are now getting plenty of top-flight men and women both to sign on and to stay on after their first tour of duty. An astonishing 97% of enlisted marines are now high-school graduates.

The equipment picture is equally bright. The marines are getting a whole range of new equipment, including a new rifle (the M-16A2) which they claim is the best in the world, new landing craft and a new light armoured vehicle. All that in addition to the new Harriers and the new amphibious ships and the battleships that they have wanted for years. According to Colonel Martin Lenzini, a planner at the marines' Washington headquarters, "over the past five years the Marine Corps has undergone a modernization unprecedented in its history."

Yet more goodies are in the pipeline, one of which could have an immense impact on the marines' operations. It is an 88-foot air-cushion landing craft, awkwardly called the LCAC—a hovercraft in other words. It can carry up to 75 tons of cargo out of a well-deck to the beach, up on to the beach and beyond. But unlike conventional landing craft, which are too slow to operate effectively far from their parent ships, the LCACs can boil along at 40 knots for some 200 miles. And because they can whiz over shallow-gradient beaches that would strand old-style landing boats miles away from the shore where they are supposed to deliver the troops, the LCACs will add hugely to the areas of the world where the marines can operate. The first group of six LCACs enters service this year. If they work as well as hoped, by the 1990s the marines will be able to land large forces at high speed from ships remaining well out of sight of the beach.

The marines contend, convincingly, that they make a unique contribution to deterrence and that they are essential to the navy's mission: that there is no such thing as a "striking fleet" that cannot land troops ashore. The navy and the secretary they share seem to agree; right now the navy-marine corps partnership looks stronger than ever. But it will be tested when the budget cuts begin to bite.

When the Wave Breaks

The navy, as well as the marine corps, is riding the crest of a wave. It has received big budget increases over the five years of the Reagan administration. The question is what happens if the flood of money dries up. Mr. Lehman and his admirals and generals argue that the big cash injections in 1981-85 were necessary to counter the dangerous rundown during the years of the Carter administration but, now that the 600-ship navy is in the bag, modest annual rises of 3% in real terms will do the job from here on in. However, the navy's planning, even with 3% increases, is based on the premise that it can continue to cut procurement costs. It may not be able to do so.

There is no doubt that Mr Lehman and his canny assistant secretary for research, engineering and systems, Mr Melvyn Paisley, have driven procurement prices down substantially since taking office, by requiring more contracts to be awarded competitively and for fixed amounts (in place of the "cost-plus" sort), my making more use of multi-year procurement and by refusing to provide tooling at government expense. But all the easy improvements have been made. There is certainly more cost-cutting to be done, but over the next five years the navy is not likely to achieve as much as it has over the past five.

Some observers also believe the navy will not be able to man its 600-ship-15-carrier navy. The new ships operate with fewer people than the old ones, and some of the new aircraft are easier to maintain. However, the navy has already taken credit for these factors in its future plans, and still needs its annual 3% increases to make ends meet.

And, in one of the ironies of histories, Mr Lehman, who has become known as the man who built a new navy, is actually presiding over an increasingly old one. New ships are coming, true, but his expansion programme owes more to putting off the retirement of old ships than to the new ones he has managed to get authorized. Some 550 ships are now in service, virtually all authorised during previous administrations. And many

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of them that would have looked like golden visions to sailors sweating over the troublesome rustbuckets of the 1960s and early 1970s are already more than halfway through their normal service lives. The average age of the fleet will increase even if the navy gets its 3%.

The plain fact is that annual increases of even 3% are unlikely to continue, so something will have to give. The 600-ship-15-carrier building plan is now far enough along to be virtually untouchable, but managing this aging fleet when defence spending slows down will be much more trying for the next administration than building it was for the present one. And operating it will not be nearly the thrill for the sailors that it has been to watch it grow. The measure of the United States Navy of the 1980s will not be how it rode to the crest during the first part of the decade, but how it weathers the trough that seems certain to come towards the end of it.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. PRESSLER). Morning business is closed.

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1987

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative clerk read as follows:

A Senate concurrent resolution (S. Con. Res. 120) setting forth the congressional budget for the United States Government for the fiscal years 1987, 1988, and 1989.

The Senate resumed consideration of the concurrent resolution.

Mr. DOLE. Mr. President, we have been attempting over the past week to 10 days, I think on both sides of the aisle, to put together a responsible budget package to meet the deadlines—we missed the April 15 deadline—but as quickly as possible adopt a Senate budget resolution so that we could move the budget process forward. And I certainly wish to commend the distinguished budget chairman, Senator DOMENICI, and Senator CHILES, the ranking Democrat on the Budget Committee.

I have been saying for a number of days now that we are being set up by the House Democrats and that the press, of course, would play that down. But I now have in my hand the Democratic House budget—no tax increase, no tax increase—$5.8 billion, the same as the President's number.

It seems to me that this is the smoking gun. I am pleased that we received it this morning before we took any premature action trying to act responsibly on a budget, because it is obvious to me that there is nothing but politics being played on the other side of the Capitol. We have had an inkling right along this is what was coming. The Senate Republicans and some Senate Democrats would pass a budget with a revenue increase and we would be attacked by the House Democrats for raising taxes. And I think now we understand that was the plan.

Now that does not mean we are going to stop negotiating in an effort to find a responsible solution to the budget process. And as anybody might guess, knowing the makeup of the House, why should they raise revenues? Just take it out of defense with the budget authority of defense of $282 billion and outlays of $273.5 billion, which really guts that part of the budget.

Again, it would not take any genius to understand what the liberals in the House, the Democratic leadership, had in mind at the outset.

□ 1110

Let the Republicans and the Democrats in the Senate walk the plank. Then they would come forth with a budget that would show the American people that, they do not want to raise revenues. The President is right.

On domestic savings, we have not had an opportunity to analyze this buck, since we have only had this document a few moments. But, again, as you might guess, on the House side domestic savings are never a matter of great priority. It is around $15 billion, though we are not certain how much of that is real and how much is smoke. They appear to be mostly user fees, which may or may not be enacted. So there is no real reduction in any domestic programs. Again, that is not unprecedented on the House side.

So by every measure, it is pretty obvious to the leader in the Senate that we have a problem. I think the problem is that if we want to play politics, we need to make a judgment whether we should play the same game being played by the leadership Democrats in the House.

This is a rather extensive document. If this is not their budget, then I hope they would deny it and let us see the real budget. They are going to say they have 10 or 12 budgets floating around. I do not care how many are floating around. This is the one we believed would show up, and it has. I cannot say where it came from. It just came into my hands.

I believe we have some work to do today on the Senate side. I believe we have to go back to the drawing board on the revenue side. I hope that my colleagues on both sides of the aisle will understand that we have been had. This Senator does not intend to be a part of it.

We met in good faith with the Democratic leadership, Members of both parties in the Senate. I guess if the bottom line is we do not really want a budget, or if they have the votes in the House to gut defense as they proposed to do in the budget, at least the one that is now available, then I think we need to take another look where the Senate will end up sometime today.

I am going to turn over this document to the distinguished chairman of the Budget Committee and ask his staff to analyze it to see what the savings are and to verify the numbers.

It says here, subtotal changes from baseline, 5.8 revenues in 1987; 5.9 in 1988; and 6.9 in 1989. That adds up to 18.6 as a number that we should try to achieve.

As I indicated earlier I talked to the Chief of Staff, Donald Regan, in Indonesia last night—early this morning—for him. And I indicated that we had been working, in a bipartisan way, to come together on some responsible numbers on revenues, defense, and additional nondefense spending reductions.

I met with the distinguished chairman, Senator DOMENICI, a number of times. I met with the distinguished Senator from Indiana, Senator QUAYLE, who had written me a letter earlier saying that about 25 Senators were opposed to the Senate Budget Committee proposal, primarily because of the revenues and defense.

So, Mr. President, we still have time to put something together. But I think now we need a response from the highest levels in the House Democratic leadership. Is this the Democratic budget, the House budget? Is this what they plan to report out as soon as the Senate finished work on the budget resolution if we did it today, if we did it tomorrow, or Monday, to Tuesday of next week? I think these questions need to be answered before we can conclude our action.

I hope some of my colleagues on the Democratic side will indicate their distress at this kind of gimmickry, politics at its worst, and budgeting at its worst.

Again, I say that I do not see any reason to ask the Democrats or Republicans in the Senate to vote for anything with more revenues at this point. It seems to me that the House Democrats have shown their hand. They have gotten the message. They know that the polls indicate the American people do not want additional revenue increases. So they reflect that in their budget. They take it all out of defense, and they do less on nondefense domestic spending restraint, as the chairman already pointed out from a quick survey, that most of those are user fees. So probably there are not any real cuts at all. There is not much precedent for real spending cuts in the House.

I do not have any copies. I delivered the only copy I had to the chairman. I hope that perhaps we can meet with Senator CHILES and others, go back, take another look, and redraft our substitute. The one I proposed we no longer even talk about.

I talked with Don Regan about it last evening because we were talking about increases on the revenue side matched by increases in defense, and matched by additional spending restraint. But it would seem to me now that all bets are off.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, how much time remains on the resolution?

The PRESIDING OFFICER. The Senator from New Mexico has 4 hours and 22 minutes; the Senator from Florida has 4 hours and 38 minutes.

Mr. DOMENICI. Parliamentary inquiry: Is the budget resolution the pending business?

The PRESIDING OFFICER. Yes.

Mr. DOMENICI. Mr. President, I now have in my hands the document that our distinguished leader referred to. I have never seen it and he has not seen it until a short time ago. I will now, as he has suggested, obviously review it in its entirety and attempt to report back to him and the Senate on what it is all about.

I think it is imperative that we understand what the House intends to do. They indicate to us at the last leadership meeting that they were ready to act within 72 hours after we acted. We are doing our best. We have different rules than they have. It takes use a while to get through. We have 50 hours. We have to permit everybody to speak their piece and defend amendments. We do not have any Rules Committee. We cannot review the budget in 42 hours, 2 days and a half. It takes us 8, 9, or 10 days on the floor of the Senate. But we are getting down to the time now where clearly it seems like we are going to fish or cut bait. We have a total of 8 hours for both sides.

Having said that, I would like the time to continue running so that we will all know that we are getting close to that hour when we have to decide whether we will have a budget or not, whether it is going to be real, realistic, something we can do, and have something we can expect not only for the next 6 months but for the next 3 or 4 years to accomplish significant policy goals that a majority of the U.S. Senate wants, not the least of which is to get the deficit down to the mandatory target stated by Gramm-Rudman-Hollings in a reasonable manner and a manner that we really expect will occur.

I have not had a chance to analyze this document other than on the defense number. In that regard, I can only see the bulk numbers. That number is an impossibililty. I think they know that. There is no way that responsible people ultimately are going to vote when it comes to paying for defense, and they are not going to vote these kinds of low numbers when it comes to deciding what that kind of reduction means out there in the field in terms of troop strength reductions, in terms of canceling in midstream scores of programs that we have worked years and years to get started, commitments we have around the world, and a very good new operation and maintenance program that makes us proud again of our defense. Clearly, these kinds of numbers are just incredible.

I think the majority leader is correct when he talks about realism and realistic budgets, and whether that is what we have in mind or not. Knowing nothing about the rest, but just speaking to that number, we ought to know that right now, the year we are living in as far as defense, we have told the American people so much about defense they think defense went up this year. Defense went down.

If you ask out there, "How much do you think defense went up this year?" and give them a multiple choice, 5 percent, 10 percent or 15 percent, or none of the above, 95 percent would pick one of the three. The way we promote this defense buildup probably most of the people would pick the highest number. The truth is that it is down 7 percent this year, after sequester and after appropriations. Does anybody think we can take another real 6 percent cut on top of that and literally throw away the improvements we have made in the last 5 years in defense?

I assure you, looking at the numbers and history, through good fortune this was the decade to bring back the defense establishment for the United States.

Actually, in one of the periods in the 1970's, defense went down 7 percent. There was no indication that that was the right thing for the United States to do. Everybody knows it. Now we have started to build it back up.

If this document is the proposal for the budget, it is an automatic retreat back to where we were.

Having said that, if the distinguished Senator from Indiana desires to speak, I will yield him time from the resolution on our time. I ask him to do me a personal favor when he completes speaking, to put in a quorum call while I proceed to analyse the document, asking that the time be charged to both sides.

I yield to my friend.

Mr. QUAYLE. I thank my distinguished chairman.

I would like to join in his remarks concerning the reaction about the House budget that had been proposed to the levels that have been cited, particularly for defense spending, 282 in authorization and 272 in outlays. It is perhaps one of the more irresponsible acts I have seen since I have been in the Senate.

I hope that we can get an answer from the House leadership, but I also hope that defense-minded Senators on the other side of the aisle will speak and address this budget.

I have been impressed over the last few years how a number of people have been trying to get bipartisan support for having a sound national security. This type of approach will certainly put that kind of effort in the drawer rather than bringing it out into the open.

There is absolutely no way that anybody who has looked at the armed services or national security does not know what a phony budget this is. This is playing politics at its absolute worst.

Quite frankly, I am getting a little bit tired of playing politics with the defense budget.

Certainly, there are some savings that can be made. We are working on defense procurement. We have a reorganization bill. Certainly, there are some efficiencies that can be achieved. But just to come out where it obviously looks like pure politics, to say that you are going to come out with this kind of a budget for defense, says one of two things: Either the leadership in the other body is being terribly irresponsible, or, two, that they really believe in this antidefense budget.

If they believe in this antidefense budget, then we certainly have to explain very clearly to the American people who is interested in national security.

I would imagine before the day is out many of the media will begin to ask some of the Senators on the other side of the aisle if they have thought about this budget. I would say anybody who knows about this budget would say this budget is totally unrealistic. It is either, as I say, a cheap political shot or it is where their true feeling is, that you can radically reduce national defense without any kind of risk to national security.

I would imagine that there are those who will be smiling upon the House budget resolution which has been talked about here this morning. It is just simply ridiculous. We cannot go on with any programs at all. We cannot go on with the modernization programs, with the defense programs, the voluntary services pay, compensation, housing, this type of thing.

We have commitments around the world that we have to keep. Those commitments, unless the Congress wants to get out of those commitments, must certainly be kept.

So I think this is the height of irresponsibility. I join with my chairman and majority leader in strongly denouncing this as either a cheap political gimmick or real feeling of where their true colors are, a radical difference between where I think the senti-

ment of this Congress is and certainly the opinion of the American people.

Certainly, they believe in savings, but to put defense in jeopardy, our freedoms in jeopardy, as this budget would do, I think is totally nonsensical.

Mr. DOLE. Will the Senator yield for a question?

Mr. QUAYLE. I am happy to yield.

Mr. DOLE. Obviously, now we are going to hear cries of anguish from House Democrats, saying that this must be a mistake. But it is their budget.

I want to commend the distinguished Senator from Indiana for sending me a letter some weeks ago to alert us that there were certain things lurking around that we ought to be aware of.

I still believe that we want to get a budget today if we can. But, we have to change the mix.

It is hard enough. I do not think any budget could pass right now. I think anybody who would now vote for the pending budget resolution in the face of the House document would be walking into a bear trap. I do not think too many people around here are noted for that, at least not intentionally.

I really believe that after the chairman of the Budget Committee, Senator DOMENICI, has analyzed this, and the ranking member, Senator CHILES, who must be as distressed as we are, I would hope that he would be willing to retreat now from the high revenue position that they hold and perhaps we can all agree that we do not need a revenue increase.

We can do more on the spending side, and I think we can fulfill our responsibility.

I want to get a budget, but I am not about to walk into the trap set by the House Democrats. I do not think any of us should, whether we are for or against the budget.

We now know why the Democrats did not want to do this in tandem. They wanted to wait, to let us pass a budget with more taxes, a fair defense number, and then they would come in with a very low defense number and a very low tax number. They do that by taking it all out of defense. They do not cut spending. They increase taxes, even user fees, to get their spending cuts.

I know there are some who really do not worry about revenue numbers, but they are not in the majority. I think those who do not worry about the revenue number, should understand that we agreed to regroup. And hopefully, we can do that before the day is out.

Mr. WEICKER. Will the distinguished Senator yield for a question?

Mr. QUAYLE. I yield.

Mr. WEICKER. I gather it appears the House budget calls for rather large cuts in defense spending with no taxes, is that correct?

Mr. QUAYLE. The Senator is correct. That is the way we understand it. It is not only large cuts but radical cuts. They are down to 282, and the authority is $42 billion off the President's request.

I think that is absurd and irresponsible. If they are serious about it, they really have a revelation coming from the American people as to where they stand on defense, because I have heard, over the last few months particularly, a number of people saying that the other party wants to be on the side of being for strong national security. Anybody who knows this issue knows you cannot have that with this kind of budget.

□ 1130

Mr. WEICKER. Mr. President, I wonder if the distinguished Senator from Indiana would yield me a few minutes to make some comments with regard to our own budget, or was he prepared to yield the floor?

Mr. QUAYLE. I would have to make a parliamentary inquiry. I think the time is controlled so, as a member of the Budget Committee, I yield as much time as the Senator would like.

Mr. WEICKER. I thank the Senator from Indiana.

Mr. President, I commend the distinguished Senator from New Mexico [Mr. DOMENICI] and the ranking member, the distinguished Senator from Florida [Mr. CHILES] for their direction in this budget and budget debate. Yes, I think it is essential, as indicated by the majority leader, that the U.S. Senate pass out a budget of its doing. Nobody is going to sit here and be fooled by a political attempt from the House of Representatives to achieve what cannot be achieved.

I might not agree with the Senator from Indiana as to what defense figures are vis-a-vis our budget. Believe me, defense is well taken care of, even in the Domenici budget it is well taken care of. I shall get to that in a minute.

I think whatever it is that we do in terms of a budget and in terms of achieving a balance in that budget, whatever we do we either have to pay for or we have to achieve it by virtue of cuts in other portions of the budget.

To come along and say you can just go ahead and cut defense is not going to work. It will not supply the funds and it might very well leave defense debilitated. All along, throughout this entire budget debate, anybody who knew what they were talking about understood that, yes, there had to be some cut in defense, there had to be cutting of the entitlements in the budgetary process, there had to be some revenue raising. All of these things had to take place if, indeed, we were to achieve a balanced budget. Individual Senators might have their disagreements with what is slowly being fashioned here, on the floor of the U.S. Senate, but it is a good-faith effort to incorporate the views of all the Members of this body in that document.

The Senator from New Mexico [Mr. DOMENICI] has spent hours with this Senator discussing the subjects of education, of health, of science, of the retarded, of the disabled. Those are the elements of the population that are under the jurisdiction of my committee. I am not talking about welfare programs, I am not talking about giveaways.

You cannot have good education on the cheap and nobody is going to pretend that you can. It does not do us any good to have all the missiles in the world if nobody has the brains to use them. And indeed, at the present time, under present budgets, education has been severely short changed.

I come from my committee hearing room where every form of disability and of affliction, both of mind and of body, is paraded before me day after day. Now, what are we to do? Are we to refuse to acknowledge opportunities to alleviate suffering in this Nation? Is that what we are going to do?

For example, in the budget proposed by the administration, 48 clinical trials are going to be abandoned. The clinical trial is not something at the outset of the research process; it is almost at the end of the line, when you are about to make a breakthrough. Forty-eight of them are going to be abandoned. What kind of budgetary process is that, never mind the human process?

The economic cost of disease and of disability in this country is enormous. Does the Senator realize we spend $2,000 per person in the way of health care and in this budget there is $25 for research? Mr. President, do you think we can ever balance our budget when it costs $2,000 per person in this Nation for health care as against $25 for the research budget?

I speak not only in human terms of doing the right thing, but in fiscal terms. So, yes, these matters were under discussion with both the chairman and the ranking member as to whether or not that budget ought to be reshaped in some way to be sure that the budgets of this Nation are at a level where we can do what is necessary both in health terms and in fiscal terms.

The initiative within this budget for the retarded children of America, as my colleagues know, Public Law 94-142, which is the Education For All Handicapped Children Act, is up for reauthorization. We can be proud of the fact that two of our colleagues had a huge hand in developing that law—Senator BOB STAFFORD, of Vermont; Senator PAUL SIMON, of Illinois. It has been 10 years since that law went on the books and because it went on the

books, retarded persons have had an opportunity to share in the mainstream of life in this Nation. Because of that law, the state of the art as to how one comes at their problems totally changed.

We now know the education process is best started at birth. The law as it was written 10 years ago said from age 3 to 21. Then it left a huge loophole of State discretion from ages 3 to 5 and did not provide at all from birth to 3 years of age. That reauthorization is going to be passed shortly and in effect, it will close that loophole and bring the age back to birth. It will now mean that the retarded children of this Nation will have an education from birth but, more importantly, they will have an opportunity at living a life in the mainstream of America once they get through the educational process—something that has never been achieved before anywhere in the world.

Mr. President, I am not going to pretend that that is not going to cost some money; it is going to cost some money. But the few dollars spent in that educational process is cheap as compared to the institutionalization of those children or, to put it in its crudest terms, the warehousing of those children as they get older.

This is another matter that was discussed with the distinguished Senator from New Mexico in preparation of this budget. The Andrews amendment with regard to the education of our young people has already passed. The Senate has spoken overwhelmingly in favor of putting more money into education.

The reason I raise these points is that the distinguished chairman of the Budget Committee and others have not been out here willy-nilly taking political approaches to whatever might be presented in the press or from across the Capitol. Rather we have spent now close to 40 hours on this trying to fashion a budget that is in tune with the needs of the United States. To say that excellence in any of these things, whether it is science or health or education, whether it is the retarded, whether it is the disabled, whatever, can be achieved by words—that is politics and that is a very cruel politics and one in which we should have no part.

I gather there has been some philosophical disagreement on the budget that is before us. I do not think that is particularly difficult to overcome, because I think we all have our hearts in the right place. But what I think is important is that the U.S. Senate fashion a budget regardless of what the House does, regardless of what people think the political ramifications are.

The fact is that, number one, the American people want excellence in what is legislated and we all understand that we are going to have to pay for that excellence. And you cannot get around it. And you certainly have to pay to reduce a budget deficit.

So I only add my word to the debate at this juncture to fully illustrate the difficulties the distinguished Senator from New Mexico and the Senator from Florida have had in trying to craft a budget. It is not so much in tune with the politics of the time as it is in turn with the needs of the time. I think they are to be commended and I hope we push through and get this budget in the next 2 days.

I yield the floor, Mr. President, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that it be charged equally.

The PRESIDING OFFICER. Without objection, it is so ordered.

The legislative clerk proceeded to call the roll.

□ 1200

Mr. HECHT. Mr. President, I ask unanimous consent that the order for the quorum be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS FOR 5 MINUTES

Under the previous order, in recognition of this being a national day of prayer, the Senate will stand in recess for 5 minutes.

Thereupon, at 12 noon, the Senate recessed until 12:05 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. PRESSLER).

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. BYRD. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be equally charged against both sides on the quorum.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

□ 1230

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, a few minutes ago the distinguished majority leader came on the floor and said that he was holding in his hand the Democratic House budget.

Well, Mr. President, the House has not produced a budget. The House Budget Committee has not marked up a budget. The Speaker indicated to several of us on both sides of the aisle—the leadership in the Senate, Mr. DOLE, myself, Mr. CHILES, Mr. DOMENICI, and others—a few days ago in the House in a meeting there that the House would not act before the Senate but that within 72 hours after the Senate had acted on the budget resolution, the House would then report out its budget resolution.

I was just now talking to the Speaker and he has restated that to me.

I have also talked with Mr. GRAY, the chairman of the Budget Committee on the House side. Both have said that the House has not produced a House budget but is waiting on the Senate, just as we were told face to face by them not many days ago.

I would hope, Mr. President, that we would act and act responsibly in this body.

How much time remains?

The PRESIDING OFFICER. The Senator from New Mexico has 3 hours 37 minutes, and the Democratic leader has 4 hours 15 minutes.

Mr. BYRD. That is a total of something between 7 and 8 hours.

It may be regretful that the House has not yet reported a budget, but that is one of the facts of life. They told us very clearly that they were not going to report a budget until the Senate had gone ahead with its budget and that within 72 hours they would then act.

So I think it is up to us, Mr. President.

This measure is the real budget. I hold in my hand Senate Concurrent Resolution 120. This is the concurrent resolution that was reported from the Senate Budget Committee on March 24. This is the real budget. And our time under the statute has about run its course. Of the 50 hours we have about 7 or 8 hours left.

So I think we ought not be distracted by the red herring that was purported to be the House budget.

We have a responsibility to act and we ought to act. Let us stop waiting for something to happen or for an opportunity to blame the other body. We have our own duties.

The chairman of the Budget Committee [Mr. DOMENICI] and the ranking member [Mr. CHILES] have worked diligently. Both sides on the committee worked diligently and hard and brought out a fair, moderate, and reasonable budget. We have had it before the Senate now for more than 40 hours.

So let us get on with the effort, and it is a bipartisan effort, to work on this package. Let us vote on it up or down. Let us not postpone action on it. Let us vote on it up or down. If there is going to be a substitute offered, I would hope they would offer it in time for the Senate to analyze and scrutinize it.

But the Senate needs to act. We know where our responsibilities are. Let us forget about the House for a moment. Let the House act as it will and let us attend to our duties here.

Mr. CHILES. Will the minority leader yield?

Mr. BYRD. I yield to the distinguished Senator from Florida.

Mr. CHILES. I thank the distinguished minority leader and I associate myself with his remarks.

This is a critical process, and we are at a crucial time. This is a different era, with the guillotine of the Gramm-Rudman-Hollings sequester hanging over us. It makes all of us to tend to look at shadows for a while and think. As we reach this last day, I have become nervous myself. I almost had to hold one hand this morning when I was shaving so I would not cut my own throat.

We are reaching that point—and I find it in my caucus and on the other side—where everybody is seeing all kinds of spectres. Maybe there are some out there. I do not know.

I think the minority leader is correct. We ought to do what we think is right, meet our responsibility, and trust things will work out if we do what the people elected us to do.

I have had a chance to look briefly at this document which was talked about this morning. Supposedly, it is the House budget. But it is my understanding from the conversations I had with House people that they had a number of working papers, that this one was over 30 days old, that there were a number of different working papers on ways to do things.

As I look at this document, it tells me our Senate budget is the better way to do things because there is no way this Congress is going to cut defense outlays to $282 billion; no way. It is not going to happen. Those numbers are not there on the House side, and they are certainly not here in the Senate.

In terms of other savings alleged in the House document, it resembles son of Stockman because it describes management savings. I say son of Stockman because rather than having a plug for promised savings in future years, they put it in the function but call it management savings or some kind of user fees. It is a smoky mirror. There is no way it is meaningful.

What it says to me is the deeper we got into our numbers, the more we realized we could not get down to $144 billion without cutting domestic programs, restraining the growth of defense, and putting some revenue into the package. That is what we have done. That is what we had to do. I challenge the House or anyone else, if they are going to use true numbers and avoid the smoky mirror, to do the same thing.

I think the House, as they start meeting in their Budget Committee and marking up, will have to arrive at that same thing.

I was at some of the meetings, the minority leader talks about, as was the majority leader, as was the chairman of the Budget Committee. We were told at that time that in the event the Senate completed its work, the House would produce a package. We were also told that if a majority of the Republicans in the Senate produced revenues in the package and if there was some support on the Republican side in the House, the House also would put revenues into their package.

But those are things we cannot be totally sure of. We can be sure that the hours are running on our budget resolution and we need to go forward and produce a product. I hope we can do that today.

□ 1240

Mr. BYRD. If the distinguished Senator will yield, Mr. President, what does the distinguished Senator see developing as we get closer and closer to the deadline?

We have between 7 and 8 hours and they are running. Are we going to be faced with a vote up or down on the budget resolution that was reported out of the committee? Are we going to be faced with a vote on a substitute in the last hour of the day? Or are we going to be faced, I ask the Senator, as he has been working very closely with this matter for so long a time, with a motion to postpone action on this budget resolution? What does he think is going to happen?

Mr. CHILES. Mr. President, I wish I knew.

Mr. BYRD. I for one would like to know what has been going on behind the scenes. I have not been invited to participate in any backroom discussions. I am not shedding tears because I have not been invited in; I have great confidence in the Senator from Florida [Mr. CHILES] and the Senator from New Mexico [Mr. DOMENICI]. I am sure they have been putting their heads together and trying to develop a reasonable possible compromise.

Mr. CHILES. The distinguished minority leader is correct on that score. I wish my crystal ball were cleared up so I could tell him what is going to take place the rest of the day. I cannot, nor whether we are going to be faced with that motion.

I agree we should not go down to the last hour and confront a surprise package. I think any option should be out here so that people have a chance to examine and deliberate it.

He is correct. The Senator from New Mexico and the Senator from Florida have been trying to put their heads together to see if there is a way of sustaining the spirit we had in the Budget Committee. We had a majority of the majority party and a majority of the minority party that agreed and came out with a package. We will, I hope, during the day see if we can present something this body can consider.

Mr. BYRD. Would the distinguished Senator agree with me that it is irrelevant to the other body's delay and inaccurate to refer to some phantom paper that purportedly is the Democratic House budget when we all know that that body has not reported a budget, the Budget Committee has not reported a budget, and we were told very frankly that the House would not report a budget until the Senate had acted. We have our own budget here. It has been skillfully drawn by our own Budget Committee. It is our duty now to get on with action on this.

Mr. CHILES. I think it is our responsibility and our duty. I also would say that as far as this plan being a trap, this is a briar patch that I would like to be thrown into. If this is a trap, I think Br'er Rabbit could say, "Please don't throw me into this briar patch" and hope he might be thrown in there, because I do not see anything in here that is much of a trap.

My staff has worked on 40 or 50 budget options. I assume if somebody got a copy of one of those and came out here, he might be wanting to nail me to the wall or somebody else might be wanting to nail me to the wall. You look at different options and packages as you go through the process. As you weigh them, one of those 40 or 50 would displease every Senator in here and most of them have displeased me at some time. But we go through that process every year. I think that is the case with this document from the House.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Florida, the ranking member of the Budget Committee.

Mr. BYRD. Mr. President, I believe the distinguished Senator from Nebraska [Mr. EXON] wishes some time. I do not have control over it.

Mr. CHILES. I yield 15 minutes to the distinguished Senator from Nebraska.

Mr. EXON. Mr. President, this is the first day of televising the U.S. Senate. In my opinion, it has gotten off to the rocky start that I was fearful it might. Here we are, with only 8 hours of debate left on the vital budget resolution that was supposed to have been completed not later than the 15th of last month and we seem possibly facing even further delay. The majority leader has been waving some papers around with some indication that he thinks there has been a trap laid, that he has uncovered some kind of plan by the Democratic-controlled House to trap the Republican-controlled U.S. Senate.

Mr. President, it seems to me that the people of the United States, those whom we are supposed to be here representing, could not care less about a trap or parliamentary shenanigans or a contest between the House of Repre-

sentatives and the U.S. Senate. They want something done about the scary deficit and skyrocketing national debt. I suggest, Mr. President, that what the President of the United States or any Member of the House of Representatives feels about our budget plan, we have the obligation here to discharge our duties and our awesome responsibilities and to do it here, now, and to proceed as quickly as possible sometime today on an up-or-down vote on the budget as amended that is before us. I hope, Mr. President, that that will be the case.

Mr. President, the Nation faces a most serious deficit crisis. In 5 short years, the accumulated national debt has doubled to $2 trillion.

In 1987, the first 15 cents of every tax dollar will go to pay interest on the national debt. A record $145 billion will be paid to service our existing debt. The Federal Government's interest expense for 1987 alone, would have funded the Federal Government's entire 1967 budget. The Federal Government is literally borrowing money to make its interest payments.

Common sense tells us that this trend cannot continue. Like a business or a family, a government must balance its books or face financial ruin. The problem is, the ill effects of Government borrowing are not immediately apparent. While the supply-side advocates have preached, "let the good times roll" a mountain of debt has accumulated. If we do not act now to shore up our fiscal condition, that mountain will avalanche.

Rather than looking at the deficit in cold economic terms, we should ask ourselves a simple question. Do we love our grandchildren? Every dollar added to the massive Federal debt further compromises their economic future. Each generation leaves a legacy for the next. Our forefathers built a strong nation and a strong economy. Our legacy should be more than the massive debt left from our reckless spending binges.

The recent confessions of the former Director of the Office of Management and Budget indicate that the administration has been kidding itself with regard to the deficit. Many of us knew it all along and spoke out only to have our warnings fall on optimistic but deaf ears. During the consideration of the 1981 reconciliation bill, the senior Senator from New Jersey and I offered an amendment which would have made the second and third installments of the massive 1981 tax cuts conditional on actual reductions in the deficits. I venture to say that if our amendment had been adopted, our current crisis would have been avoided.

For several years, Senators HOLLINGS, ANDREWS, and I have come to this floor to propose comprehensive plans to balance the budget. While we enjoyed broad bipartisan support, each year, the Senate, as a body, found some reason to put off the inevitable tough choices necessary to effectively deal with the deficit.

In the fall of last year, the Congress and the President tried to duck the deficit crisis again by turning over the legislative responsibility to make difficult choices to an arbitrary mathematical formula. As my colleagues well know, I strongly opposed the Gramm-Rudman amendment to the President's $2 trillion debt ceiling request. I felt that the Gramm-Rudman approach was not a responsible answer to our Nation's most serious economic problem.

While I opposed the arbitrary and unfair automatic spending reductions in the Gramm-Rudman proposal, I fully supported its goals. The 1986 budget which Senators CHILES, HOLLINGS, and I sponsored would have fully met the deficit reduction targets of the Gramm-Rudman law. The Gramm-Rudman legislation was not inevitable; there were plenty of opportunities to put the Federal Government on a balanced diet of deficit reduction.

Today a serious and meaningful plan to place the Nation on a sound fiscal policy is before the Senate. I am pleased to support the Domenici-Chiles bipartisan budget plan. I voted for this proposal in the Senate Budget Committee and participated in the negotiations which produced this broad based compromise.

The bipartisan budget is a fair and fiscally sound plan to balance the budget by 1991. This bipartisan budget proposal fully meets the deficit reduction targets of the Gramm-Rudman law.

The chairman and ranking minority member of the Budget Committee are to be congratulated. They worked long and hard under difficult circumstances to find common ground. For the first time in several years, the Senate Budget Committee worked in a truly bipartisan and cooperative manner to produce a tight budget which will significantly reduce the deficit.

While I suspect that each Senator supporting this package would make some changes if he or she could write their ideal budget, none of us have that luxury. We must design a budget in realistic terms.

Most certainly, compared to the meat ax approach of the Gramm-Rudman automatic sequester, and the President's package of previously discarded proposals, the bipartisan budget is a fair, prudent and realistic budget. It clearly represents the consensus of the Senate Budget Committee, and I believe it represents the consensus of the Congress and the people.

Make no mistake about it, this is a tough budget and it will take a considerable amount of political courage to fully enact. The bipartisan package asks shared sacrifice of the American people. In essence, the bipartisan budget is a "freeze" budget with selective reductions. By holding most spending to last year's level the Congress can make a significant reduction in the projected $183 billion deficit for 1987. In areas where appropriate, the committee budget reduces spending. There are only a limited number of areas where the committee determined it necessary to provide funding above last year's level. These areas include funding for a much needed farm credit initiative, embassy security and a replacement for the *Challenger* space shuttle.

I am especially pleased to note that new revenues are more than matched by spending reductions. This formula assures that any new revenues contained in the bipartisan package are used to reduce the deficit rather than finance new spending. The bipartisan package also explicitly rejects any increase in individual income tax rates. We can fully meet the revenue requirement by closing corporate tax loopholes, increasing taxpayer compliance or possibly increasing the tariff on imported oil, or some other plan that the Finance Committee might devise.

Mr. President, perhaps most important, the bipartisan budget fully meets the deficit targets of the Gramm-Rudman law. This is in stark contrast to the President's proposal. The nonpartisan Congressional Budget Office has estimated that if the President's budget where fully implemented, the 1987 deficit would be $160 billion. In other words, the President's budget would miss the 1987 Gramm-Rudman deficit target by $16 billion. That means to fully comply with the law, and avoid another sequester, the Congress would need to add another $16 billion in revenues and/or spending reductions to the President's plan, which falls far short.

It is time to be practical. Democrats and Republicans must put politics and dogma aside. Let us work together to bring fiscal sanity to the Federal budget. As a former Governor who balanced eight budgets, and as a Senator who has preached the gospel of fiscal restraint, I urge my colleagues in the strongest terms to join in this bipartisan effort. Our children and grandchildren cannot afford the continued stalemate.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I am going to yield 1 minute to Senator STAFFORD and then I might ask my friend, Senator BOSCHWITZ, if he could man the floor for about 8 or 10 minutes while the Senator from New

Mexico sees a constituent. I have to make one little speech first and then I will leave. I yield the floor.

Mr. STAFFORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. STAFFORD. Mr. President, I just wanted to take this opportunity, and it is apropos following the distinguished Senator from Nebraska, to say that I think the Budget Committee is on the right track; that this Senate ought to be indebted to the chairman of the Budget Committee, the distinguished Senator frm New Mexico, and ranking member, Senator CHILES. This budget will allow us to achieve the targets that were set in the so-called Gramm-Rudman-Hollings amendment, and it will allow us to do it in a way that I think is proper and humane and in the best interests of the country. So I would simply offer my encouragement to the Budget Committee and its leaders to go ahead and work this through to a successful conclusion. I can tell the chairman of the committee that this Senator is prepared to support him when we reach a final vote.

Mr. DOMENICI. I thank my friend and am most pleased that the Senator came to the floor and offered his remarks. We are getting close to the end and it seems that the closer we get to the end the further away we get from solutions, but we will keep trying. I thank the Senator once again.

Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from New Mexico.

□ 1300

Mr. DOMENICI. Mr. President, I was not here for all of the discussions on the other side of the aisle with reference to the House document that has been discussed here this morning. Let me just say by way of a concern of mine—I am sure it is a genuine concern on the part of the majority leader—clearly the U.S. House has not acted. Clearly the last official kind of communication we had was when we met with them and they said they would act promptly after we acted.

On the other hand, we have had a situation before when the deficit was serious, when the U.S. Senate made serious votes and produced a serious budget. That was last year. I do not think it comes as any shock that the U.S. House, because our budget had tough stuff in it, very little smoke and mirrors, very few items that were not real, very few items that if accomplished would not have a permanent effect of reducing the deficit, not only in a single year but over the course of 2 or 3 years—I do not think it comes as any shock that after we did that, the House did not follow suit. As a matter of fact, I think it is common knowledge that the best you could say about what they produced was that it was technically correct but that in terms of real savings and getting the job done, wherever there was an easy way out, it was taken.

I do not know how we solve the dilemma now of some kind of simultaneity of action, but I believe that the majority leader has a genuine concern. The Senator from New Mexico has a genuine concern.

I am not here preaching. We have a difficult enough time—at least, I do, as chairman of this committee—talking to the Senate. I am not a very good preacher, even to the U.S. Senate, much less to even consider preaching to the U.S. House. But I believe there is a growing problem, and I hope they understand it.

I believe there is a legitimate, growing concern about what their true intentions are. I hope they find a way—again, I say this only as the hope of a Senator from New Mexico—that they find a way to get some kind of message to the majority leader and perhaps the minority leader.

I am not suggesting that we are entitled to any kind of special treatment, but I think there is now enough skepticism around. There was plenty before; there is more now. I do not want to assess why, whether it is the document we looked at before, I think we are getting close, and obviously that makes it tought for everybody. We are getting close to: "Do we want a budget or do we not; what does it look like?"

I urge those in the U.S. House who are interested in a real budget—they have their policy choices; no doubt about that. They can choose a realistic defense level and that is realistic about what you have to cut, a realistic revenue level and find some way to communicate their intentions, not necessarily their final product. I cannot say it any better than I have.

I think those people we work with in the U.S. House, on both sides of the aisle, who are interested in something significant and serious happening in the next week or so in both bodies, here and then there, know what I am talking about. I hope they will find some way to clear the air a little with reference to what might be expected by way of the U.S. House taking some action soon and what it might look like, and in terms of action on the part of the Senate that might occur before the day is out.

I yield the floor.

Mr. BOSCHWITZ. Mr. President, I suggest the absence of a quorum, and I ask that the time be equally charged against both sides.

The PRESIDING OFFICER (Mr. DENTON). Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is os ordered.

Mr. PRESSLER. Mr. President, I ask unanimous consent that I be allowed to proceed for 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRESSLER. Mr. President, I think it is very important that the Senate move forward with the budget, and I shall support the chairman of the Budget Committee. I hope we can come to a vote later today.

What has happened in this whole budget process is that dates have slipped. One House waits for the other, and Washington is not doing its business as we should. The fact is that if the Senate waits for the House or the House waits for the Senate, we will merely be continuing this spectacle of getting nothing done. Therefore, I hope that when the time on this resolution runs out, we will have a vote.

I do not agree with everything in this budget, but it would at least provide a framework so that we can go in to the authorization and appropriations process. If we allow this system to collapse, it will make our work much harder and will make our efforts at reducing deficits and providing a national economic program much harder.

Mr. President, I yield back the remainder of my time, and I suggest the absence of a quorum.

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that the time for the quorum call be charged equally against both sides.

The PRESIDING OFFICER. Without objection, it so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

□ 1320

Mr. D'AMATO. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1816

(Purpose: To increase budget authority and outlays for programs relating to drug prevention and education and drug rehabilitation and treatment for each of the fiscal years 1987, 1988, and 1989, and to reduce budget authority and outlays for furniture and furnishings for the Federal Government by corresponding amounts in each such fiscal year)

Mr. D'AMATO. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read a follows:

The Senator from New York [Mr. D'AMATO], for himself, Mr. WEICKER, and Mr. PRESSLER, proposes an amendment numbered 1816.

Mr. D'AMATO. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

On page 2, increase the amount on line 19 by $7,156,000.
On page 2, decrease the amount on line 20 by $275,000.
On page 2, decrease the amount on line 21 by $15,000.
On page 5, increase the amount on line 10 by $7,156,000.
On page 5, decrease the amount on line 11 by $275,000.
On page 5, decrease the amount on line 12 by $15,000.
On page 6, decrease the amount on line 10 by $47,160,000.
On page 6, decrease the amount on line 11 by $37,727,000.
On page 6, decrease the amount on line 19 by $46,440,000.
On page 6, decrease the amount on line 20 by $46,575,000.
On page 7, decrease the amount on line 3 by $46,620,000.
On page 7, decrease the amount on line 4 by $46,575,000.
On page 7, decrease the amount on line 12 by $2,687,000.
On page 7, decrease the amount on line 13 by $2,552,000.
On page 7, decrease the amount on line 21 by $3,176,000.
On page 7, decrease the amount on line 22 by $3,151,000.
On page 8, decrease the amount on line 6 by $3,149,000.
On page 8, decrease the amount on line 7 by $3,151,000.
On page 8, decrease the amount on line 16 by $188,000.
On page 8, decrease the amount on line 17 by $179,000.
On page 8, decrease the amount on line 24 by $222,000.
On page 8, decrease the amount on line 25 by $221,000.
On page 9, decrease the amount on line 7 by $220,000.
On page 9, decrease the amount on line 8 by $221,000.
On page 9, decrease the amount on line 16 by $448,000.
On page 9, decrease the amount on line 17 by $425,000.
On page 9, decrease the amount on line 25 by $529,000.
On page 10, decrease the amount on line 1 by $525,000.
On page 10, decrease the amount on line 9 by $525,000.
On page 10, decrease the amount on line 10 by $525,000.
On page 10, decrease the amount on line 19 by $448,000.
On page 10, decrease the amount on line 20 by $425,000.
On page 11, decrease the amount on line 4 by $529,000.
On page 11, decrease the amount on line 5 by $525,000.
On page 11, decrease the amount on line 13 by $525,000.
On page 11, decrease the amount on line 14 by $525,000.
On page 11, decrease the amount on line 23 by $233,000.
On page 11, decrease the amount on line 24 by $221,000.
On page 12, decrease the amount on line 8 by $275,000.
On page 12, decrease the amount on line 9 by $273,000.
On page 12, decrease the amount on line 17 by $273,000.
On page 12, decrease the amount on line 18 by $273,000.
On page 13, decrease the amount on line 2 by $202,000.
On page 13, decrease the amount on line 3 by $191,000.
On page 13, decrease the amount on line 11 by $238,000.
On page 13, decrease the amount on line 12 by $236,000.
On page 13, decrease the amount on line 20 by $236,000.
On page 13, decrease the amount on line 21 by $236,000.
On page 14, decrease the amount on line 5 by $233,000.
On page 14, decrease the amount on line 6 by $221,000.
On page 14, decrease the amount on line 14 by $275,000.
On page 14, decrease the amount on line 15 by $273,000.
On page 14, decrease the amount on line 23 by $273,000.
On page 14, decrease the amount on line 24 by $273,000.
On page 16, decrease the amount on line 13 by $179,000.
On page 16, decrease the amount on line 14 by $170,000.
On page 16, decrease the amount on line 22 by $212,000.
On page 16, decrease the amount on line 23 by $210,000.
On page 17, decrease the amount on line 6 by $210,000.
On page 17, decrease the amount on line 7 by $210,000.
On page 17, decrease the amount on line 16 by $99,100,000.
On page 17, decrease the amount on line 17 by $80,271,000.
On page 17, increase the amount on line 24 by $99,100,000.
On page 17, increase the amount on line 25 by $99,100,000.
On page 18, increase the amount on line 7 by $99,100,000.
On page 18, increase the amount on line 8 by $99,100,000.
On page 21, decrease the amount on line 23 by $1,836,000.
On page 21, decrease the amount on line 24 by $1,744,000.
On page 22, decrease the amount on line 8 by $2,170,000.
On page 22, decrease the amount on line 9 by $2,153,000.
On page 22, decrease the amount on line 17 by $2,152,000.
On page 22, decrease the amount on line 18 by $2,153,000.
On page 23, decrease the amount on line 2 by $940,000.
On page 23, decrease the amount on line 3 by $893,000.
On page 23, decrease the amount on line 10 by $1,112,000.
On page 23, decrease the amount on line 11 by $1,103,000.
On page 23, decrease the amount on line 18 by $1,102,000.
On page 23, decrease the amount on line 19 by $1,103,000.
On page 24, decrease the amount on line 2 by $37,391,000.
On page 24, decrease the amount on line 3 by $35,521,000.
On page 24, decrease the amount on line 10 by $44,197,000.
On page 24, decrease the amount on line 11 by $43,854,000
On page 24, decrease the amount on line 18 by $43,829,000.
On page 24, decrease the amount on line 19 by $43,854,000.

Mr. D'AMATO. Mr. President, on Tuesday, the Senate adopted an excellent amendment offered by Senators DECONCINI and ABDNOR to strengthen drug law enforcement, and thereby reduce the supply of drugs in this country. The amendment I am now offering builds upon this approach by addressing the other major reason for our national drug epidemic, and that is the demand for drugs. The Attorney General, the Drug Enforcement Administration, and law enforcement officials everywhere admit that law enforcment is only a part of the answer to this problem.

We can double spending on law enforcement, but unless we teach children to say "no" to drugs, and unless we help the millions of Americans who are serious abusers of drugs and alcohol, we will never end this epidemic.

According to the National Association of Drug Abuse Directors, 22 million Americans are current users of illegal drugs, and 10 million more have serious problems with alcohol abuse. Treatment admissions for cocaine addiction have increased by 48 percent in the last year.

The National Institute on Drug Abuse 1985 survey indicates that:

First, 54 percent of high school seniors have used marijuana or hashish; 41 percent have done so in the last year.

Second, 17 percent have used cocaine; 13 percent in the last year.

Third, 12 percent have used hallucinogens; 8 percent in the last year.

Fourth, 10 percent have used opiates other than heroin; 6 percent in the last year.

So that if we were going to review or take a profile of American high school students today, let me summarize what their level of abuse is as it relates, not to alcohol, which is also great—but to drugs: 41 percent in the last year involved in some use of marijuana; 13 percent involved in the use of cocaine—one of the most deadly drugs in terms of its addictive propensities, and the difficulty once they become addicted, of breaking that addiction—8 percent in terms of hallucinogenics, PCP, angel dust; and 6 percent involved in opiates other than heroin.

Mr. President, drug and alcohol abuse continues to cause more than 60 percent of all the crime in America. Who is it attracting but our young

people? It brings the destruction of countless millions of lives, and the destructions of countless millions of hopes, opportunities, and dreams. It is a $200 billion a year drain on our economy.

Despite the spread of drug abuse into almost every community in America, the Federal Government today spends far less on drug prevention and treatment than it did in 1980. It provides only about 20 percent of the total spent on prevention and treatment. State and local governments now provide close to 60 percent of the total.

Drug education and rehabilitation is funded, in declining order, by:

State and county agencies, $797.3 million; private sources, $294.6 million; and Federal sources, $252.0 million. We do less than private sources.

At least 40 States have documented a serious need to increase prevention and treatment for young people, particularly because of a spreading cocaine epidemic made worse by the emergence of an extremely addictive and cheap form of this drug known as crack.

By adding $100 million per year of Federal money for these programs, my amendment can provide:

Preventive education to teach millions of young people—who now receive no such education—how to say "no" to drugs; and

Residential and outpatient help for tens of thousands of young people who cannot get into overcrowded rehabilitation centers around the country.

The money for this initiative will not come out of taxpayers' pockets. According to the General Services Administration, the Federal Government spent $820 million last year alone on new furniture and on new furnishings, such as rugs and drapes.

What we are asking for, Mr. President, is that instead of spending $820 million for new desks and chairs, new drapes, et cetera, let us tell the bureaucrats that they are going to have to cut back on these demands. Let us say that we can set aside $100 million to do what we should be doing: fight a war on drug addiction, and see to it that our resources are better applied.

Mr. President, our limited effort to combat the drug epidemic is a national scandal and disgrace. For the past several years, Mr. President, when I have raised amendments and made efforts to fund a better war against drug addiction, I have continually been met by this reply:

> Senator, we agree with you, but where do we get the money? We agree that we need strong law enforcement.

We passed a measure overwhelmingly, the DeConcini proposal, to increase law enforcement, but we have not done anything in terms of drug education and prevention. We have not done anything in terms of rehabilitation.

I am met with this constant throwback: "Yes, this is a good proposal, but we don't have the money. We cannot increase the deficit."

That is why, Mr. President, what we have done is identify with specificity an area of the budget by which we look to offset that $100 million increase.

The question is simply this: Are we going to say that we will continue to spend more than $820 million annually for furniture, for furnishings, and that we are not willing to reduce that by $100 million to begin the battle against the drug epidemic that takes place, to better fund prevention in education programs and to better fund rehabilitation programs that are absolutely strained beyond capacity?

There is an institution that does great rehabilitation work in my State, and that institution is known as Daytop Village. Every day, they turn away 100 addicts who come to them looking for help. Their record in terms of helping to rehabilitate is second to none. It is a drug-free environment they operate under.

□ 1330

There are few Federal dollars that go into that program, and yet they must turn away addicts who come and who seek treatment, who seek help because they have no funding because their place is jammed. So we say on the one hand, let us win the war, let us fight the war against drug addiction. Yet when people seek help in every State, we have this incredible problem with inadequate resources, and no rehabilitation centers. How do we get ahead of the problem? We do not fund rehabilitation adequately, and we do not fund education and prevention adequately.

So let us ask the question: Are we going to face up to the fact that we have an epidemic and reorder our priorities, or will we continue to do business as usual?

Mr. President, I think the choice is rather simple. The small reductions contained in this amendment are spread so broadly across so many functional areas of the Government that no single function, other than general government, suffers a cut of even one-fiftieth of 1 percent. Ten functions are cut by less than $4 million.

I think that it is absolutely criminal that we are spending $820 million on new furniture and new furnishings, and that we would even consider continuing that kind of expenditure. I think $100 million that I have put up is too small. But I offer this $100 million because I think maybe it is a start in the right direction, a direction that we abandoned in 1980.

The reduction in each function is based on its percentage share of 1984 and 1985 total spending on new furniture and furnishings, as reported by the Federal procurement data system.

For example, the Department of Agriculture spent 0.3 percent of the total spent on furniture and furnishings in 1984 and 1985, so it is cut 0.3 percent of $100 million, or $300,000. If the bureaucrats in the Department of Agriculture have to get by with $300,000 less on new desks and office decorations so that farm children can receive better drug prevention education, then so be it!

Although the general government function and the defense function together provide $89.7 million of the total directed to the war on drugs, the impact on these functions is quite small. General government is cut by only 0.76 percent, and the defense function is cut by only 0.013 percent, as the following table shows.

	Amount cut (millions)	Percent [1]
Function:		
050 National defense	$46.5	0.013
150 International affairs	3.4	.020
250 General science, space and technology	.2	.002
270 Energy	.7	.013
300 Natural resources and environment	.4	.003
350 Agriculture	.3	.001
370 Commerce	.2	.002
400 Transportation	.3	.001
500 Education, training, employment, social services	.2	.001
700 Veterans benefits and services	2.6	.007
750 Administration of Justice	1.1	.013
800 General government	43.2	.760

[1] Cut as percent of total amount in function.

I realize that, under the rules, a budget amendment can specify only the dollar amounts to be added to, or cut from, each functional area. I wish to note for the record, therefore, that it is my intent to find the additional funds for this initiative in the furniture and furnishings accounts of the various agencies.

Mr. President, I ask unanimous consent that a detailed, 20-page statement of unmet drug abuse prevention, education, rehabilitation, and treatment needs in 48 States—compiled by the National Association of State Alcohol and Drug Abuse Directors—be printed in its entirety at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit #1.)

Mr. D'AMATO. By voting today to cut a few hundredths or a few thousandths of 1 percent from 12 functions, and that the general Government function be cut by less than eight-tenths of 1 percent, we can meet many of these needs.

Mr. President, I urge my colleagues to think about the people they know, and particulary the children in their communities, whose lives have been destroyed by drugs or alcohol. Think about the police and the law enforcement officers who tell you they cannot win this battle alone. I urge you to then give our drug and alcohol pro-

grams some of the help they need by cutting back just 12 percent on Government purchases of new furniture and new furnishings. I urge my colleagues to support this amendment.

I also note for the record that Senator WEICKER is a cosponsor of this amendment and Senator PRESSLER has asked to be added as a cosponsor to this amendment.

I hope my colleagues will join with me in support of this amendment.

Before I yield the floor, Mr. President, I will ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. D'AMATO. Thank you, Mr. President.

EXHIBIT 1

STATE NARRATIVE REPORTS ON MAJOR UNMET NEEDS

ALABAMA

The planning process has resulted in three major areas of unmet need.

Increased funding of existing residential services.

Expansion of short term and long term substance abuse residential services.

Expansion of outpatient and day treatment services with emphasis on accessibility to target populations such as working people, women, children and elderly.

ALASKA

Improved efforts in the prevention of Fetal Alcohol Syndrome.

Establishment and operation of a residential youth treatment facility.

There is an overall need to conduct special prevention efforts on a regular and consistent basis.

ARIZONA

The Office of Community Behavioral Health has identified domestic violence shelter services as under-developed in Arizona. While not specifically supported by drug, alcohol, or mental health funds (domestic violence funds are a separate legislative appropriation) the clients served often have difficulties that grow out of substance abuse problems. We fund shelters and safe homes throughout Arizona and believe this system is in need of expansion.

The capacity to serve clients in need of methadone maintenance services is not sufficient to meet demand. Publicly supported programs are having to delay client registration. Additional funding is required.

Expanded residential treatment services are needed for women with dependent children, for clients needing detoxification services, and for drug abusing youth. Various facilities already established need refurbishment and more realistic salary structures. Additional funding is required.

ARKANSAS

Youth involved, at some level of severity, with alcohol and other drugs, and how to create/design services for this group have gained increasing emphasis in the last year. Data on the number of youth needing treatment are limited. A recent drop-out study has provided considerable new information in this area. The OADAP has made available limited funds for a pilot project designed to provide residential treatment to adolescents. There are not sufficient funds to initiate a new program. It is anticipated that the limited pilot will provide further support for the need for more services to this group. The current funding situation will prohibit any service expansion.

CALIFORNIA (ALCOHOL)

A survey of the critical unmet needs, as defined by the local county alcohol authorities, resulted in an unmet need costing $85 million.

Other data sources, identified in the State Alcohol Plan, indicate that special underserved population groups are inadequately served in California. These groups are made up of women, ethnic minorities, youth, the elderly and the disabled.

A variety of services are needed throughout the State, such as social model detoxification and recovery homes, residential treatment, non-residential and outpatient services, and prevention services.

CALIFORNIA (DRUG)

Major needs include:

Treatment facilities for cocaine and synthetic drug abusers.

Treatment facilities (residential) specifically for AIDS-diagnosed patients and for youth services.

Affordable laboratory tests to detect presence of fentanyl analogs.

Resources required include:

Adequate and timely research on the epidemiology of synthetic and natural drugs to facilitate development of public policy and program funding priorities.

COLORADO

With increased funds we would be able to provide higher reimbursement rates for services currently provided and expand services to meet the needs of a greater percentage of the target population.

CONNECTICUT

A major need identified is the replacement of federal funds due to decreased block grant allocations and lack of inflationary increases. In the first instance, a $410,000 decrease in Social Services Block Grant (SSBG) funds became effective October 1, 1985. These monies are needed to maintain the existing community based treatment and rehabilitation system. The October 1, 1985 decrease in SSBG funds was offset this year by unallocated funds which resulted from the closing of one program. Without an increase in subsequent years, service reductions would be required. In the second instance, CADAC has identified $66,819 needed to replace the amount of Alcohol, Drug Abuse and Mental Health Services (ADMS) block grant funds which will no longer be available due to inflationary costs. The effect of status quo funding is a loss of ability to maintain current positions due to increased costs relating to collective bargaining increases and anniversary increases.

Another major need identified in our planning process is the expansion of the service delivery capability of existing prevention programs. CADAC has identified $100,000 to increase by 50% the number of youth, teachers and other adults to be served by high demand population services.

DELAWARE

Appropriate residential treatment resource for adolescent alcohol/drug abusers.[1]

[1] Legally under auspices of separate governmental unit. Need acknowledged but not responsibility of this agency.

Residential treatment alternatives to incarceration for alcohol/drug abusers with significant criminal justice involvement.[2]

DISTRICT OF COLUMBIA

The following needs were identified, but not provided in the District of Columbia due to inadequate resources:

Needs	Inadequate resources
Inpatient drug detoxification (PCP and other drugs).	Funds.
Treatment slots for court referral.	Funds, staff.
High risk identification and referral (AIDS, prenatal care).	Do.
Communications network (to link treatment programs and compile data).	Funds, technology.

FLORIDA

There are currently insufficient funds to expand and enhance alcohol and drug abuse services. In addition, with an increase in cocaine use and AIDS clients (Florida currently has the third highest number of confirmed AIDS cases) additional resources will be needed to provide adequate services for these two population groups.

GEORGIA

During 1985, the Alcoholism and Drug Abuse Services Plan was formulated in order to realign resources to shift the balance more toward a community-based continuum of care. The plan further provided that the size and function of the eight regional hospital alcohol and drug units be reduced to serve only the most problematic patients and the acutely medically involved. Over a four year period, hospital resources are being redirected to develop 24 hour community services to provide for detoxification, 28-day residential treatment and extended residential care in eight regions of Georgia. During FY 1986, three regions will implement a regional system of services for alcohol and drug clients. The implementation of this portion of the plan is supported by the Department of Human Resources FY 1986 improvement funds. The plan projects an increase in all alcohol and drug abuse residential treatment beds from the current number of 646 to a total of 992 at a cost of $6 million over a four year period.

GUAM

Major needs that were identified for which resources were not adequate include the development and implementation of a drug and alcohol unit, a satellite medication and mental health clinic, specific risk reduction services for special populations, the Department's quality assurance program, and the Department's management information system. Many of these needs were not met because of a lack in funds, educational institutions, and coordination among other planning/research agencies.

HAWAII

The following table demonstrates the gap in available services and the resources needed to reach a low average level of services:

	Available resources	Support needed
Prevention	$430,604	$723,331 plus 38.6 F.T.E.
Emergency/crisis intervention	21,926	$495,385 plus 19.3 F.T.E. plus 26,055 bed days.
Outpatient	1,224,335	$11,467,573 plus 104.2 F.T.E.

[2] Not sole responsibility of this agency.

	Available resources	Support needed
Residential	1,122,731	$5,839,915 plus 138,400 bed days.

IDAHO

Idaho identified the need to establish a residential treatment program for adolescents needing longer term, more structured substance abuse treatment. Estimates were that this would cost $250,000 or more. Also identified as a need was the development of treatment programs for persons under custody of the state or county—(criminal justice systems—jails, prisons, etc.) or foster homes, youth homes, etc. The need to find cost effective treatments, matching clients and treatments, has continued to be a priority for substance abuse administration.

ILLINOIS

The Illinois Department of Alcoholism and Substance Abuse (DASA) coordinates services and distributes grants to community drug and alcohol prevention and treatment service providers. By far, the largest portion of the DASA budget is grant-in-aid. Based on research conducted by the agency, it appears that the major problem in Illinois is the lack of a full range of services in all areas, as well as the lack of adequate services to special populations (i.e., youth, women, minorities) in all parts of the State. This is caused by the fact that federal and state funding is limited, and the State's top priority at this time is to provide continued funding to the existing service system, thereby upgrading the quality of care. In a state as geographically large and culturally diverse as Illinois, additional centers throughout the state are necessary to adequately serve the population.

INDIANA

Services, primarily of a non-hospital 24 hour residential nature, were identified as deficient for both youth and adults. Intensive outpatient treatment (day treatment) needs were likewise noted as insufficient. The absence of a statewide prevention strategy was noted. Funding in the areas of $12,000,000 annually was identified as needed to meet the reasonable demands for services.

IOWA

Respondents to a mailed questionnaire identified the following treatment needs: specialized services to ethnic/racial minorities and the elderly adult in-patient services; halfway house services for men and women; day care services; and adolescent residential services. In prevention, respondents called for increased services to minorities, the elderly, and women. In addition, respondents requested more specialized training for groups outside the network of prevention and treatment programs. Those groups included police officers, volunteers, parents, physicians, clubs and organizations, prison staff, administrators and teachers.

Although there was an increased state appropriation for FY 1985, these funds were not sufficient to address the identified needs.

To enhance and promote community programs furthering youth prevention, intervention and treatment services a $10.6 million investment is needed over the next 5 years.

To promote and enhance community programs furthering alcohol and other drug abuse outpatient services, with special attention to the needs of both employed and indigent clients, a 5 year $650,000 investment is necessary.

To enhance and promote community programs furthering prevention, intervention and treatment services for minority populations a $2,376,000 investment is needed.

More than $5 million in state and community funding is needed for capital improvements in treatment facilities.

Inadequate counselor salaries resulting in excessive turnover is a longstanding problem.

KENTUCKY

Governor's Task Force on Drug and Alcohol Prevention—funds would be allocated to implement the recommendations of the Governor's Task Force.

Treatment Services for Adolescents—through subcontract arrangements with CCC's new services targeted at youth who have alcohol and drug problems would be developed.

A&D Treatment Services for Adults—Expansion of CCC system would include more halfway house and residential treatment programs for adults who abuse alcohol and drugs.

Alternatives to Incarceration—In order to implement the intent of the Decriminalization of Public Intoxication Act, alternative programs need to be established.

Prescription Abuse Data Synthesis (PADS)—One staff position and computer capability would be required to implement this recommended program of the Governor's Task Force on Prescription Drug Abuse.

Criminal Justice Diversion Program—Each CCC would have opportunity to establish court liaison for MH-MR-SA identification and referral.

Capitol Construction of Alcohol and Drug Facilities—The legislature would appropriate funds for a Bond Issue.

Employee Assistance Program for State Government—An EAP program would be established by the Department of Personnel for all state government employees.

Alcohol & Drug Programs in Kentucky Prisons—the Corrections Cabinet would expand programs in 5 prisons in Kentucky.

LOUISIANA

A recently completed needs assessment identified the following major needs and the resources required to meet total needs of those dependent on public sector treatment resources.

To provide 100% of detoxification needs; an additional 197 beds would be needed. Existing beds for detox services in the public sector totals 40.

For inpatient (30 day) treatment, unmet need is estimated to be 207 beds. Through existing resources, 310 beds are presently available for a total bed need of 517.

Halfway house/residential services are now provided through 197 beds. Unmet need is estimated to be 557 beds.

For outpatient treatment services, it is estimated that an additional 395 treatment staff positions would be needed to meet 100% of need for services based on a caseload of 1:50.

An additional $10,625,634 would be needed to fund approximately 50% of the unmet need in new or expanded prevention/intervention/treatment programs.

MAINE

Both inflation and increased quality of services have diminished the buying power of existing funds.

Halfway house services for women.

Expansion of rural outpatient services.

Extended care services for late stage population.

Expansion of adolescent treatment.

Shelter/detoxification services.

MARYLAND (ALCOHOL)

Services to adolescents—additional funds need to be appropriated to provide expanded assessment and treatment and residential treatment services. These gaps in services have been identified and are priority funding items for this current fiscal year and the next three fiscal years. In addition to this increased prevention and intervention efforts have been initiated in conjunction with other human service agencies in the State. It is projected that annually, a need to provide residential placements for 300 adolescents in fiscal year 1986 will outstrip the available resources and additional residential facilities will have to be developed. Projected costs through purchase of service contracts will be around $500,000 to $750,000 annually.

MARYLAND DRUG

To fund an additional nine addiction counselor positions to serve as adolescent treatment coordinators throughout the State to provide liaison with other juvenile agencies; assessment and referral to residential facilities; outpatient and family counseling ($200,000).

To improve treatment services for an estimated 750 new female clients annually in outpatient programs by providing two counselor/coordinator positions in each of the five regions throughout the State ($225,000).

To provide Group Home Care for approximately 92 adolescents annually who have completed formal treatment for substance abuse, but need extended aftercare and are unable to return to their own homes ($303,000).

MASSACHUSETTS

Several major needs were identified through the recent state planning process for which resources were not adequate to meet those needs. First, there has been a need to increase prevention efforts in the schools and to develop resources to train teachers and to support the development of comprehensive drug and alcohol prevention curricula. Second, the need to acquire additional funding to upgrade residential drug programming was identified. Third, the need to expand the availability of methadone services was identified.

For all services, there is a need to maintain the existing level of operations while at the same time providing for cost of living increases. This has become increasingly difficult in that state and federal funding are static. Federal "lag" money is no longer available for alcoholism services, and we are faced with the prospect of service reductions in the state 1986-87 fiscal year.

MINNESOTA

Specialized programs to prevent, identify, and treat drug and alcohol problems among various "special" populations, including the elderly, adolescents, Southeast Asians, Blacks, Hispanics, the handicapped, various dual disability groups (MI/CD, MR/CD, hearing impaired, etc.), etc. While the state can and does provide grants for demonstration projects, on-going funding and dissemination of results to effect permanent system change continue to be problems.

Treatment for those who do not meet public assistance guidelines but have no insurance or other resources.

MISSISSIPPI

Additional treatment beds for adolescents are needed, especially in the Northern and Southern portions of the state. The required resources is funding.

Prevention activities within the school system are inconsistent both in availability and quality where they exist at all. The required resource is a policy mandate from the State Board of Education for the inclusion of prevention activities in the curriculum requirements.

MISSOURI

The table below summarizes the Missouri Division of Alcohol and Drug Abuse target population and the level of service needed for that population. As can be seen, there is a large gap between existing and desired service level. An additional $76 million would be necessary to reach the desired service level.

Target population	Service	Existing services	Desired services
46,614	Detoxification beds	129	516
	Residential beds	551	2,601
	Nonresidential hours	151,118	649,514

MONTANA

Need identified	Resources required
(1) Lack of inpatient treatment beds for indigents in the eastern part of State.	Funding.
(2) Need for more transitional living, or extended care facilities.	Funding.
(3) Need for adolescent treatment services.	Funding, staff and facilities.
(4) Increase training for adolescent diagnosis and assessment.	Funding.
(5) Maintaining existing services with a continued decrease in public (State and Federal) funds.	Do.

NEBRASKA

Our most recent plan was published in July, 1985, and proposes a model service system for the six planning regions in the State. It identifies a general lack of public information, education, and prevention services in 3 of the 6 regions. Day Care (Partial Care) is not available in 3 regions nor are youth services available in 4 regions. Detoxification services are available in all but one region.

In an analysis of geographic accessibility three multiregional level services were found not to be accessible (youth halfway house, youth short term residential, and adult extended residential).

Analysis of financial accessibility reveals that five types of services are not offered on an ability to pay basis (emergency detoxification, (1 region), youth short-term residential (2 regions), adult short term residential (3 regions), youth halfway (1 region) and adult halfway house (1 region).

No estimate of resources required to fulfill these needs was made. From the above, I have estimated that there is a need for about 21 new programs (facilities). The programs listed are not of the inexpensive variety. A very rough estimate of cost would be approximately $5 million in additional state funds or about twice as much as we currently provide.

NEW HAMPSHIRE

Although more people than ever have been served, due to tight budgets and limited fiscal resources, OADAP is still only reaching four (4) percent of the identified population in need of treatment. The increasing numbers being identified as a result of prevention and awareness efforts have strained resources and created gaps in services. Because of the same constraints, special populations troubled by substance abuse, such as the hearing impaired, blind, or developmentally disabled, have not been served.

NEW JERSEY

The following major programmatic areas are in need of substantial funding resources and represent major categorical underserved populations as well: (1) Homeless/Chronic Debiliated Alcoholics and Drug Addicts in need of residential extended care services, (2) Teenage substance abusers in need of primary services, and (3) Substance abusers who have an additional simultaneous condition including AIDS, Mental Illness and Hearing Loss in need of specialized treatment services.

Additional technological resources are necessary to provide more complete, rapidly available drunk driving data and client tracking capability.

NEW YORK (ALCOHOL)

The current alcoholism service delivery system reaches approximately eight percent of the population in need. Almost all existing inpatient and outpatient alcoholism treatment services report excessive waiting time for entry into services. In many communities, the most fundamental services including alcoholism clinics do not exist.

The following chart illustrates immediate and projected needs by program type:

Program type	1985 (beds)	1986 (beds)
Inpatient detroxification	684	717
Inpatient rehabilitation	421	479
Community residence	582	4,212
Outpatient alcoholism rehabilitation (visits)	4,004,762	4,104,542

NEW YORK (DRUG)

The Division of Substance Abuse Services oversees a statewide network of programs providing treatment and rehabilitation services to substance abusers in communities throughout the State. Treatment services benefit not only the abusers whose health and personal status are improved, but society at large. However, a great many substance abusers whose problems are serious—including substantial numbers who are the cause of enormous social and economic costs—are not in treatment. Overall, there are more than 240,000 narcotic addicts and more than 550,000 heavy non-narcotic abusers in the state—while only 75,000—80,000 substance abusers are known to receive treatment during a year.

In order to adequately address the unmet treatment need problem that currently exists in the State of New York the following directions need to be undertaken: (1) expand treatment capabilities; (2) increase availability of services; (3) assess and design services for nonnarcotic abusers; (4) further increase the quality of service; (5) undertake additional research (6) increase appropriate services to special populations; (7) continue efforts to impact on public awareness/attitudes; and (8) continue contributions to AIDS research efforts.

New York also supports an extensive network of prevention and early intervention services that include statewide public information/awareness and community volunteer efforts, and local prevention and early intervention programs. While the great majority of the local prevention programs focus on a youthful population, incidence and prevalence data indicates a need to also target other groups. However, prevention services already severely constrained by recent funding decisions.

In order to adequately address the unmet prevention needs problems that currently exists in the State of New York the following directions need to be undertaken: 1) expand the capabilities of the substance abuse prevention services system, especially for target populations; 2) continue efforts to increase public awareness; 3) increase quality and cost-effectiveness of services; 4) study the future elderly population; 5) develop additional information; 6) develop and implement mechanisms to foster increased coordination of program efforts; and 7) develop mechanisms to access additional funding sources.

NORTH CAROLINA

Prevention.—There is a need to have personnel to do prevention full-time; and funds for demonstration projects in student intervention and parent education.

Adolescents.—Although the dimensions of the problem are unclear at present comprehensive early identification and treatment for adolescents with substance abuse problems is being given special emphasis in North Carolina. Our legislature has allocated $1.2 million for start up funds for new programs in 1985-86 that are designed to demonstrate model services for communities. These resources will also assist in the better assessment of needs for underserved populations in our system and further planning and training.

NORTH DAKOTA

Major resource needs include residential and intermediate care for adolescents which include both facility and operational funds with no specific estimate of the dollars required. Present outpatient programs are adequate in their present locations but our need is to expand existing treatment programs to include outreach programming in various parts of our State. The major need here is additional addiction counseling staff with an estimated budget to be around $500,000 per year including salary and travel expenses. No facilities are necessary.

OHIO

Although Ohio was able to increase funding, fiscal year 1985 again fell dramatically short of its needs for treatment and prevention dollars. As we have described in FY '84, it costs approximately $46.5 million to treat 30,105 Ohio indigents within three levels of care—inpatient, residential and outpatient. That cost is now approximately $48 million based on a 3 percent inflation factor. This cost takes into consideration all resource areas—staff, funding, facilities etc.

The increases in state funds from DWI license reinstatement fees was also certainly a step in the right direction, however, Ohio's need for an adequate continuum of care accessible to all Ohioans, particularly to specific populations, remains a high priority. This will require special attention in the area of resource development and a unified approach, whether it be through the implementation of a generally controlled statewide system, or some other alternative system.

Prevention remains a priority for Ohio. Again, despite Ohio's efforts to increase state funding for the development of a system to provide training and consultation

of Ohio communities on prevention/intervention, the gap between available resources and existing need is considerable, as previously identified, Ohio plans to implement such a system through essentially three avenues: (1) intervention training; (2) personal resources and (3) community training.

OKLAHOMA

The Department requested $960,559 as expansion funds for FY 86 but did not receive. The increase was to assist in:

Developing new adolescent residential service; upgrading the three existing adolescent residential facilities; developing new adolescent/women's residential facility for minorities; developing a new service of detoxification in one residential program; expanding residential services; expanding outpatient services.

No additional funds were received to develop or expand the programs.

OREGON

The following needs exist:

Prevention and treatment services for elderly people;

Prevention and treatment services for handicapped people;

Prevention and treatment services for adolescents;

Residential services for women.

Treatment services for the most chronic and severe clients, many of whom have organic brain damage;

Treatment services for incarcerated individuals—juveniles and adults.

Residential treatment capability for the adolescent.

Transitional housing for the homeless.

Treatment alternatives for the youthful criminal justice substance abuser. (TASC)

School prevention program.

PUERTO RICO

Prevention:

To reestablish the Humacao Prevention Center, thereby increasing services in the Eastern part of the Island, an often reported service lack, at a total cost of $74,568.

To provide additional technicians for Mobile Units and centers to broaden coverage of the Island, at a total cost of $71,850.

To intensify the mass media effort, at a cost of $34,500.

To increase personnel in the Juvenile Restitution Program at a cost of $121,768.

Treatment:

To create a complete treatment center in the Eastern area to service adults, children and adolescents, at a cost of $484,877.

To establish Day Care Centers for Alcoholics in Manati and Caguas at a cost of $75,000.

To increase the DWI Program staff, at a cost of $86,052.

To establish a specialized residential treatment center for girls and women.

To strengthen the treatment modules prevalent in the penal institutions and to set up new modules in the institutions in need of them.

To expand services at the Industrial School for Girls at Ponce and Boys at Mayaguez, at a cost of $80,000.

RHODE ISLAND

Transitional and long-term care for chronic alcoholics.

Shelter care for alcoholics.

Residential and outpatient treatment programs for adolescents.

Rhode Island—specific drug abuse study/survey.

Methadone maintenance services are inadequate.

Inadequate services, across all modalities, to meet the current demand.

Lack of growth/expansion in the treatment/prevention system due to decreased and inadequate funding.

Two catchment areas do not have funded prevention programs.

Inadequate financial resources to implement school substance abuse intervention and student assistance programs.

SOUTH CAROLINA

Needs were identified in treatment, prevention and early intervention, and in several non-programmatic areas.

The principal treatment need is for additional outpatient counselors as a result of increases during the last three years in the demand for outpatient services. For the same reason, a need has been identified for increased funding to support training and technical assistance for treatment providers.

Several needs were identified in the areas of prevention and early intervention, including expansion of primary prevention activities in communities, expansion of the School Intervention Program, expansion of prevention and intervention services for institutionalized youth, a second Teen Institute, and increased information services.

Non-programmatic needs include funding for facility renovation, funding to allow cost-of-living salary adjustments for personnel and funding for improvements in information technology capability.

SOUTH DAKOTA

An assessment of adolescent needs revealed a need for at least 2 more residential treatment programs, 5 structured outpatient treatment programs; 22 FTE's in counseling and referral centers with expertise to deal with chemically dependent adolescents and issues of children of alcoholics and 33,852 days of transitional or group home care.

We are in the process of assessing statewide services and determining systems needs. We should have specific identified need areas by late December. More information will be forwarded to you at that time.

TENNESSEE

Adolescent Residential Treatment has been a priority. In FY 84-85 the first publicly funded 15-bed program was established. With the impact of the Governor's Task Force on Youth Alcohol and Drugs, FY 85-86, two additional publicly funded 15-bed programs are being established for a total state resource amount of $1,500,000. This gives one program in each grant region of the state. The Statewide Planning Committee recommended one program per region (six regions), which would require an additional $1,500,000 of state resources.

Adolescent Aftercare and Outpatient Services was also recommended by the Statewide Committee. No identified state resources are available to meet this need in the development of the continuum of care for youth. For the present, we are asking for a percentage (10%) of contracted outpatient slot utilization for adolescents across the state.

The Statewide Planning Committee also made recommendations concerning under funding for adult services. This addresses unmet needs in regions across the state. The percentage annual increase of state funding does not meet this recommendation. It remains a continuing planning issue for this year, to more concretely address the unmet needs and resources required during the next three years to improve adult services. This will require Departmental improvement requests in the budget process and legislative action.

TEXAS

Detoxification, evaluation, and referral centers for public inebriates diverted from the criminal justice system are needed in every region of the state. At present, there are three. At least twenty-four are needed, and the three which are in operation need expansion.

The insufficient number of long-term care facilities for chronic inebriates also comprises a major gap in services.

Adolescent treatment services are a major need, in addition to a need to expand the number of outpatient services. Texas has few non-hospital based residential substance abuse treatment services for persons under 18 who are unable to access for-profit services.

The Commission also has a priority for establishing at least 24 programs to serve children from chemically dependent families. We need one in each region; at present there are five.

Additional casefinding and referral capabilities and training resources are needed to respond to the divergence of public inebriates.

Services for youthful inhalant abusers are inadequate and need significantly more financial support.

Funding and technology are also needed to respond to the service needs of specific substance abuse trends, such as cocaine and designer drugs.

UTAH

Alcohol and drug abuse problems affect the lives and health of many youth in Utah. A 1983 study by the Utah State Division of Alcoholism and Drugs shows that 7.4% of Utah teens ages 12-17 (13,067) have either extreme or severe problems with alcohol and drugs and are in need of treatment intervention. Recent increases in State appropriations for alcohol and drug services have been directed at relieving public safety pressures and at prevention. As a result, adequate treatment resources do not exist; treatment programs are filled to capacity and many youth are required to be placed on waiting lists. A survey conducted across the State in 1985 indicates that it would cost $4,961,568 over the next two years to develop and implement an adequate service system to address the needs of our youth who have extreme or severe alcohol or other drug problems.

VERMONT

A major need for the State of Vermont is an instate residential facility for youth.

Currently the existing array of services is having difficulty meeting the client demand. More general outpatient services are required for this purpose. In addition, services to older Vermonts, women and school age youth are needed. We believe that we have the technology to meet these needs. The resources are the primary problem.

Overall the existing system is in financial trouble. With the exception of a few outpatient clinics most programs are experiencing serious problems.

VIRGINIA

Although new detoxification services have been initiated in Virginia recently, there remains a need to continue development of community-based detoxification especially in areas previously served by state facilities which are now reducing detoxifcation services.

Progress is continuing in accessing care in local, general hospitals; however, as with the detoxification service need noted above, funding is an issue especially for medical services to the indigent alcoholic under the primary diagnosis of alcoholism.

Employment services are required to deal with the current 50% rate of unemployment among our treatment clientele; connections among local agencies are required.

Virginia has become increasingly aware of the special needs of the dually diagnosed (MH/SA) population—technology and improved relationships between MH and SA providers is required; then the funding issue can be examined.

Additional funding (with a focus on rural areas) is required to meet current demand as evidenced by waiting lists and to further develop a continuum of services.

VIRGIN ISLANDS

New programs for women's treatment were designed, one in St. Thomas and one in St. Croix. The St. Croix program still lacks a staff member and although women are being served, the program, as designed, will not be implemented until a staff member can be hired.

Increase services to women and youth, cooperative efforts with the school are moving along slower than expected. A new program entitled "Women's Challenges" has been designed and minimally implemented.

Staff person also need to implement this program.

WASHINGTON

There are 2,800 alcoholics and drug abusers who are receiving welfare checks on the basis of a substance abuse disability. While state policy requires that these persons be enrolled in a program at residential or outpatient treatment, funds are insufficient to provide the necessary treatment services for this population.

All persons convicted of Driving While Intoxicated (DWI) are required to undergo an assessment of alcohol dependency. Those considered to be in need of alcoholism treatment are referred to treatment by the courts as a condition of their retaining driving privileges. New DWI statutes have increased the total number of court referrals to (primarily) outpatient treatment, among them a significant number of low income persons. Bureau funding is insufficient to pay for the cost of treatment of all of these persons.

In the past, most alcohol and drug dependent youth were treated together with adults by regular treatment agencies. During the last two years, the bureau has been funding twenty-eight youth alcohol and drug treatment beds in three special residential facilities for youth, but has not developed a continuum of aftercare outpatient services for youth. There is a need for additional specialized youth treatment beds and for specially trained youth therapists to provide outpatient and aftercare services.

We have only fifty percent of the drug residential treatment capacity which we need to keep up with the service demand generated by court treatment placement. At present, there is a seventy-six day average waiting period for admission to residential drug treatment agencies. In addition, the quality of treatment is suffering because of attempts by agencies to accommodate the demand by coverextending themselves.

WEST VIRGINIA

1. Residential treatment for adolescents.

2. Long-term residential treatment for chronic alcoholics.

3. Expanded day treatment programs.

4. Expansion of outpatient services.

5. Expansion of transitional living services.

All above services could be provided with a sufficient increase in funds to provide staff, and, in the case of 1 and 2, facilities.

WISCONSIN

The State of Wisconsin, through its biennial planning and budgetary process, prepares proposals to meet the state needs. Proposals in the area of alcohol and other drug abuse programs include the following:

In addition to the increase to counties to address women's initiatives, other priorities to be considered if funding allows include: expansion of the Women Reaching Women program to all counties ($235,000).

Earmark block grant funds for specific initiatives for women through the community aids process ($360,000).

Pool funds with the Domestic Abuse Council and jointly fund new programs ($360,000).

Develop procedure to use funding for child care for women in treatment ($75,000).

Increase funding for the TRAILS programs to a level that will minimally fund one full-time employee at each reservation with adequate travel and training ($75,000).

Support and encourage the development and expansion of services to special populations (i.e., women, minorities, elderly, criminal justice, youth, the chronic, the disabled). (Amount to be determined $1-2 million approximately.)

Fund services for hearing impaired treatment ($720,000).

Fund an American Indian residential treatment center ($350,000).

Fund an American Indian Women's Treatment Center ($350,000).

Provide funding for the State Chronic Alcoholic Community Support program ($3-4 million).

Major need is treatment services for children/adolescents (persons under the age of majority which is 19 in Wyoming). Impetus for this need emerged from an overall examination by the State of all youth services in Wyoming. It became clear that alcohol and drug treatment services for youth in Wyoming are not available. Many youth are being sent to special youth treatment facilities in neighboring States. Questions arose as to whether these youth could or should be treated in adult facilities. Currently the State is exploring and searching for appropriate treatment alternatives for youth in Wyoming. Although the State is experiencing an economic downturn and new monies are difficult to obtain, the State is committed to improving the adequacy of services for children.

It is estimated that in 1982 there were 22 million persons in American households that were current drug users and 10 million persons with alcohol problems. Only 5–10 percent of these individuals are receiving treatment. Waiting lists for admission to drug and alcohol treatment programs are common in many States. Treatment admissions for cocaine addiction have increased by 48 percent in the past year. Residential and outpatient treatment programs are being inundated with demands for treatment services from intravenous drug users who are seeking treatment as a means of preventing their infection with the deadly AIDS virus.

The current appropriation for the ADMS Block Grant program is $468.9 million. The FY 1987 authorization level for the Block Grant Program is $576 million of which alcohol and drug abuse receive approximately 50 percent at the national level. If the ADMS Block Grant program was increased by $100 million, the States would be able to readily absorb the increase for drug and alcohol treatment and prevention services into their long-standing comprehensive treatment and prevention systems. These comprehensive service systems provide varying levels of prevention, education and treatment services which are targeted to the needs of the specific individual.

The States use the alcohol and drug portion of the ADMS Block Grant program to provide community and school-based prevention, education and information services as well as residential and outpatient treatment services for tens of thousands of clients. In FY 1985, the States provided alcohol and drug abuse treatment services to 1,423,689 clients. Of the total number of clients, approximately 20 percent or 284,738 were supported with ADMS Block Grant monies. In addition, hundreds of thousands of children and other members of the community received prevention services.

At the onset, the provision of education, information and prevention services are the most effective means for preventing alcohol and drug abuse problems. These services are both community and school-based and are provided through various forums. If one-half or $50 million of a $100 million increase for the ADMS Block Grant program was targeted for prevention, education and information services the following number of education/information sessions and contacts would be supported within community and school-based programs: 909,000 education/information sessions and 12 million education/information contacts. In addition, 762,200 counseling sessions would be provided in both community and school-based settings along with 1,115,800 individual contacts.

For those in need of treatment, services are available through comprehensive array of treatment modalities and environments which are targeted to the individual's particular needs. These services are typically provided in a non hospital setting and are cost effective. In the State of New York, for example, drug abuse services in a residential setting cost approximately $8,000-$10,000 per year. Inpatient rehabilitation services for alcoholism costs approximately $200 per day with an average stay of approximately 40 days. Care provided in a halfway house setting for those individuals seeking to return to the community is approximately $33 per day for an average stay of 75 days. On an outpatient basis, drug abuse services cost approximately $3,000—$4,000 per year per client.

Depending on the needs of the particular State, the additional funds provided for drug and alcohol treatment would be spent on a variety of services. Information from the National Association of State Alcohol and Drug Abuse Directors has indicated that a major need in many States centers on the development and expansion of residential programs for youth and it is anticipated that much of this need could be met with the additional influx of Federal dollars.

With an increase of $10 million for prevention activities the National Institute on Drug Abuse would be able to expand its existing prevention activities and develop new initiatives which remain unfunded due to a lack of Federal funds. It has been also been noted that the National Institute on Alcohol Abuse and Alcoholism could immediately utilize $3—$5 million for prevention ac-

tivities. Examples of drug and alcohol prevention activities that would be funded with additional Federal dollars include: development of parent training materials on drugs and videotapes to teach parents how to talk with their children about the dangers of drug use; expansion of pilot projects for runaways, delinquent populations and children of drug abusers; further promotion of ongoing national media campaigns and development of new national campaigns; an increase of cooperative activities and technical assistance to the States, including the development of model prevention programs at the school and community-based level.

Mr. BOSCHWITZ. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that it be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I yield to the Senator from Louisiana, who desires to speak, as I understand it.

Mr. JOHNSTON. Yes; for not to exceed 5 minutes on the bill.

The PRESIDING OFFICER. The Chair recognizes the Senator from Louisiana for 5 minutes on the bill.

Mr. DOMENICI. Mr. President, might I inquire if the Senator from Louisiana, since we have less time left on this side, would ask that the 5 minutes would be off their time on the bill?

Mr. JOHNSTON. Yes, Mr. President.

Mr. DOMENICI. I thank the Chair. I thank the Senator.

Mr. JOHNSTON. Mr. President, I want to say a couple of things here while we are in this key negotiating phase on the budget. First is to commend the distinguished Senator from New Mexico, Senator DOMENICI, and the distinguished Senator from Florida, Senator CHILES, for the excellent work that they have done. It would have been almost inconceivable that we would have gotten what I regard as an excellent budget out of the Budget Committee without their good, excellent, hard, difficult work involving compromises.

Mr. President, they are continuing to work hard to make this process work. It is a very, very fragile process. I was not for Gramm-Rudman. I am still not for Gramm-Rudman but I would like to try to make it work. It is because of their good work and their good efforts that they are trying to make it work.

Mr. President, I want to sound a word of caution about what I regard as negotiations that are presently going on because I hope they are not going on on a false assumption.

I fear that at least the outlines of the budget compromise which I hear about are not going to be that well received on this side of the aisle, particularly by this Senator, and I have heard many other Senators. Let me say why.

First of all, the budget compromise that came out of the Senate Budget Committee I thought was an excellent one. For example, we started with a budget figure on national defense of, if I recall the figure, $287 billion which we had been told on our first crunch of the numbers would be the nominal level plus an allowance for inflation, plus maybe a billion or 2 billion extra, additional dollars which we thought was sufficient for national defense.

We went back and scrubbed the numbers again, and decided that was not enough for national defense—that, sort of, beauty is in the eye of the beholder as to what the actual nominal level on the inflationary level is.

So we decided using a new approach that $291 billion was the inflationary full allowance. Then we ended up, Mr. President, with a figure of $295 billion, which in my judgment was inflation plus $4 billion. And I can say that many of those on our side of the aisle stretched themselves to go to $295 billion.

On the tax side, Mr. President, there are many of us who feel that you can raise some significant amount of revenue without putting any additional burden on individuals, by simply closing some of the most egregious loopholes, the kind of loopholes that allow the biggest companies in this country to escape all tax altogether, and I am talking about the General Electrics, the General Dynamics, and other great companies with great people running them, and in the great spirit of free enterprise are making a lot of money. But they are not paying any taxes—none.

We felt, Mr. President, that we could put together a modest package of revenue enhancement. We ended up with I think $18.7 billion which was not going to hurt anybody but was going to really give you more equity.

So, Mr. President, we came out without resolution out of the Budget Committee, and it was supported by a majority of the Republicans and a majority of the Democrats.

Mr. President, I do not know what it is we are doing now with this negotiation. We are saying somehow that cannot work because of some ideological fixation on additional money on defense to fund a lot of gold plating of a lot of programs in national defense. We are being told that is not enough. We have to use what we did in the Budget Committee with a majority of both sides as a starting point for a new bargaining position.

□ 1340

Mr. President, I have not OK'd what I hear, and there are a lot of others on this side of the aisle who have not either.

Yes, I am for a strong national defense, and we thought $295 billion was a strong national defense. We thought that was not gold plated but a good, strong program.

We thought that of $18.7 billion on taxes with no tax on individuals, and it is not the kind of figure that you can say tax and tax, spend and spend. That is ridiculous.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. JOHNSTON. I ask for one additional minute, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, speaking for myself, I am not saying that I am stuck in concrete on every last jot and tittle of that bipartisan package so artfully put together under the leadership of the Senator from New Mexico. But I am saying as a word of caution, just do not take for granted those of us who are regarded as moderate to conservative Democrats that we are just automatically going to decrease taxes and increase national defense so you can have a lot of gold plated, unnecessary programs like $4.75 billion for the strategic defense initiative.

There are just some of us who are going to say, if you are talking about spend and spend, that is spend and spend and that is what has put us in the shape we are in.

With that word of caution, Mr. President, I yield back the remainder of my time.

● Mr. LEVIN. Mr. President, I want to see more money spent for educating the youth of this country about the dangers of drugs. For that reason, this amendment has a good deal of appeal to me.

However, I am concerned that in an effort to make this amendment deficit neutral, as is required by Gramm-Rudman, this amendment proposes to reduce the funds for other Government functions by $100 million without any assessment as to whether such a proposed reduction is justified by the facts. Without such a record, I do not believe that it is responsible to support such a reduction here on the floor. I know that Government furniture is an attractive target and, I'm not claiming that it's wrong to cut funding for it. But just as it makes sense to look before we leap, it makes sense to know the facts before we cut. Unfortunately, those facts were not laid out during the debate.

This amendment is appealing and tempting, but until there is an analysis offered of its impact, decent legislative process requires it not be adopted, de-

spite the ease with which a negative vote can be misconstrued.●

● Mr. MOYNIHAN. Mr. President, I support the amendment to the budget resolution to add $100 million per year for 3 years to the Nation's efforts to combat drug abuse. This amendment will add $100 million per year in budget authority to the health function of the budget—$50 million for drug abuse education and prevention, and $50 million for drug abuse treatment and rehabilitation.

Passage of this amendment, sponsored by my distinguished colleague, Senator D'AMATO, must be part of a comprehensive approach to dealing with this country's drug problem. At stake is not only the incidence of crime, overdose deaths, and property loss associated with drug abuse, but the loss of part of a generation of young people consumed by the unstaunched tide of illegal drugs into this country.

At the beginning of this Congress, I introduced S. 15, the State and Local Narcotics Control Assistance Act of 1985, to provide $125 million in grants, administered through the Department of Justice, to assist State and local efforts to catch, prosecute, and incarcerate those who violate drug laws, and to destroy illegal drug supplies.

My legislation will also provide $125 million in grants, administered through the Department of Health and Human Services, for programs to treat and rehabilitate victims of drug abuse and to educate the public, especially schoolchildren, to the dangers of drug abuse.

S. 15 has 20 cosponsors, including the distinguished Senator from Florida [Mrs. HAWKINS] in whose Subcommittee on Children, Family, Drugs, and Alcohol the legislation is pending.

This measure represents an important element in what I hope will be a more comprehensive approach to drug abuse and trafficking. I urge all of my colleagues to support the State and Local Narcotics Control Assistance Act.●

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I want to say to the junior Senator from New York, Senator D'AMATO, that I do not intend to spend much time discussing his amendment. If he is prepared, shortly we will have the rollcall vote he has sought.

If I had to choose between the hundreds and hundreds of accounts that the Government will fund in the appropriations process after we are through with the budget resolution, there is no doubt in my mind that I would look around for savings, in order to fund the specific program that he is talking about to the level that he is asking in his debate and that he contends he wants.

So I commend him for that.

Having said that, however, let me make sure that the Senate understands the impact of the amendment as a matter of budget resolution activity.

I am not going to spend time repeating the effectiveness or lack of effectiveness when one comes here and offers an amendment that moves money from existing programs and says, "I want it here." I am not going to give the whole budget process explanation.

Suffice it to say that whether or not this particular program within the very large health program function of our Government is increased as the Senator from New York indicates he would like it to be increased or not has nothing to do with the budget resolution.

The appropriations will decide from all of this money, all the budget authority, how much they want to send over to the subcommittee that spends money on health, including this drug prevention program.

So for starters, the distinguished Senator is on that committee. He has always been a staunch advocate of making sure we spend more in this program if we can find it within some bounds of fiscal sanity, and I assume that he will be joined by many others in the appropriations process. He may very well end up in August or September when we have the appropriations processes completed, if we do, with this program increased as he desires.

But Senators ought to know that this amendment, this amendment to the budget resolution, is not going to assure that these programs increase. The reason is that the appropriators are going to decide in defense and in all the other functions whether they are going to save enough to add it to this account so that this program can go up. That is No. 1.

And No. 2, if they decide to save elsewhere and put it in this 550 health function, there are hundreds of programs in the function, including the National Institutes of Health, the National Institutes of Mental Health, and others. The appropriators are going to decide within all those accounts whether they are going to increase some of the other accounts rather than this specific one.

So since that is the case, I do not think anyone should assume in 6 or 7 months "I voted for the D'Amato amendment and, therefore, did not I vote to increase by $100 million drug prevention programs." The answer is no. "You voted to move money around within the budget to add to a very large function called health within which the program lies, and you sent sort of a signal of some sort to the appropriations that you think this is a high priority program."

I believe that is as fair a statement as I could make about this amendment. It is not intended to be anything but complimentary to the Senator from New York. But I think everyone shoud know that the effectiveness of the amendment will find itself to be realized or not realized only after the appropriators do their work. The appropriators would have to cut other places, perhaps even the furniture account he speaks of, across the Government to spend more in this drug prevention program.

Mr. METZENBAUM. Will the Senator yield for a question?

Mr. DOMENICI. I am pleased to yield.

Mr. METZENBAUM. I have read the D'Amato amendment and I recognize the increase of the function health of $300 million. I totally support that concept, and that it would be used in drug abuse and rehabilitation. That is fine. But I wonder whether the chairman of the Budget Committee, with whom I serve, would not agree with me that for us to make an assumption that reduction would come from furniture acquisition in three separate accounts, defense, international affairs, and general government, is not a little bit of smoky mirrors. In the legislation we are working on here, we do not deal with the specific expenditures of furniture, we do not deal with travel allowances, we do not deal with automobile repair costs. We deal with broad categories.

To make that assumption is to include it as a factual representation without it having any basis whatsoever and totally nonbinding on the Appropriations Committee.

Mr. DOMENICI. Let me respond. I clearly cannot respond to a question that uses words like smoky mirrors.

Mr. METZENBAUM. I will take out the words smoky mirrors. It is not unrealistic for us to make an assumption that it will come from furniture acquisition since, in a budget resolution, we do not get into that kind of detailed specific? Would the Senator be good enough to answer that?

Mr. DOMENICI. I have done my very best to explain the ultimate efficacy of this amendment. Honestly, I would not be surprised that even if this amendment were not offered—if we did not vote on it and it was not adopted—that the appropriators would increase the account for this drug program and find offsets within other areas of Government—maybe not furniture but maybe travel, maybe attrition, maybe postage. I would not be at all surprised because of the enormous increase in the drug problem in this country, the growing recognition that we are not doing enough in the

prevention area, and in particular as it applies to the young people in schools.

I do not know how to answer the question.

Mr. METZENBAUM. I think the chairman has answered it and I appreciate his response.

Mr. D'AMATO. Will the Senator yield?

Mr. DOMENICI. I yield.

Mr. D'AMATO. Mr. President, I am not going to disagree with anything that my distinguished friend and colleague, the chairman of the Budget Committee, said with reference to what the budget amendment does, what the legal effect or authority is. But this does set parameters, it does set a priority, it does send a clear signal.

When we go to the Appropriations Committee—and I might note that a cosponsor of this is the chairman of the subcommittee charged with health, Senator WEICKER—what we are saying here and now is that the Senate of the United States recognizes as a Committee of the Whole that there should be additional appropriations specifically set up not just for health but for increasing the efforts in prevention and education. They have literally been abandoned.

In rehabilitation, we have a problem in 48 out of 50 States which have indicated a serious deficiency in this area.

Then, of course, we meet the problem with every subcommittee chairman of the Appropriations Committee, jealous of their prerogatives in terms of seeing that funds are not taken from their accounts, from their functions, and we say this is an area which we have set out as one which the Senate of the United States has said we will not spend $820 million on: furniture.

By the way, we are spending more than $820 million. That is just money we have been able to identify.

□ 1350

Let us see to it that the appropriators look at this as a vehicle by which to increase spending in the area of drug prevention and education and rehabilitation, and decrease the accounts that fund the purchase of furniture and furnishings. That is what we ought to do, to send a very clear signal, one that I believe will be successful, because heretofore I must confess to you I have been thwarted in the Appropriations Committee as it relates to this kind of an amendment without there being a clear indication that the powerful budget process and committee is supportive of a move in this direction. So that is why we do this. I appreciate, by the way, the chairman's comments on it. I hope that not only will we pass it here, but I would ask the chairman to be an outspoken advocate after we do this, if it does come to pass, as it relates to the appropriating process, as he and I both serve on the appropriations committee.

Mr. DOMENICI. Mr. President, let me again say that I commend the distinguished Senator from New York. His interest in this area, his desire to have more funding in this area, is of long standing and well known. On the other hand, I do not want anyone to misunderstand the amendment. This amendment assumes that we will take $37 million out of defense, function 050 to pay for this program because the Senator assumes that the appropriators will cut $37 million of outlays in what he perceives to be furniture accounts in the Defense Department. Clearly there is that much of a furniture account in a $300 billion defense budget, no question about it. It assumes $47 million in budget authority out of defense as the principal component of the $100 million. Frankly, I do not believe we are going to cut defense that much, not because of this amendment. Based on $295 billion that we have for defense, I do not think there is that much latitude to cut, and this amendment is just a general reduction of the defense function. Having said that, I do not desire to belabor the point. I am prepared to yield back the remainder of my time if the Senator is, and we will vote.

Mr. D'AMATO. Mr. President, I am prepared to yield back the remainder of my time. I yield it back.

Mr. DOMENICI. Mr. President, I yield back the remainder of my time and yield the floor.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from New York. The yeas and nays are ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Arizona [Mr. GOLDWATER] and the Senator from Florida [Mrs. HAWKINS] are necessarily absent.

I also announce that the Senator from Maryland [Mr. MATHIAS] is absent on official business.

I further announce that, if present and voting, the Senator from Florida [Mrs. HAWKINS] would vote "yea."

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. INOUYE], the Senator from Georgia [Mr. NUNN], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER (Mr. EVANS). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 82, nays 12, as follows:

[Rollcall Vote No. 87 Leg.]

YEAS—82

Abdnor	Ford	Mitchell
Andrews	Garn	Moynihan
Armstrong	Gore	Murkowski
Baucus	Gorton	Nickles
Bentsen	Gramm	Packwood
Biden	Grassley	Pell
Bingaman	Harkin	Pressler
Boschwitz	Hart	Pryor
Bradley	Hatch	Riegle
Bumpers	Hatfield	Rockefeller
Burdick	Hecht	Roth
Byrd	Heflin	Rudman
Chafee	Heinz	Sarbanes
Chiles	Helms	Sasser
Cochran	Humphrey	Simon
Cohen	Kassebaum	Simpson
Cranston	Kasten	Specter
D'Amato	Kennedy	Stevens
Danforth	Kerry	Symms
DeConcini	Lautenberg	Thurmond
Denton	Laxalt	Trible
Dixon	Leahy	Wallop
Dodd	Matsunaga	Warner
Dole	Mattingly	Weicker
Domenici	McClure	Wilson
Eagleton	McConnell	Zorinsky
East	Melcher	
Evans	Metzenbaum	

NAYS—12

Boren	Hollings	Lugar
Durenberger	Johnston	Proxmire
Exon	Levin	Quayle
Glenn	Long	Stafford

NOT VOTING—6

Goldwater	Inouye	Nunn
Hawkins	Mathias	Stennis

So the amendment (No. 1816) was agreed to.

□ 1420

Mr. D'AMATO. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. President, I am very shortly going to yield to my good friend, the senior Senator from Virginia.

But I want to make a statement off the resolution on the amendment by the Senator from New York and amendments like it to see if I can one more time make sure those who are observing and those who are attempting to derive some significance out of the vote just taken and similar votes on amendments that transfer money back and forth between the functions. First, this is not a vote for a new drug program if you voted for it. It is not a vote against this new drug program if you voted against it. It is not a vote for more money for drug prevention if you voted for it. And it is not a vote against more money if you voted against it.

Plain and simple, none of these votes which a sponsor says is for reducing the expenditure on carpets and increasing expenditure for child nutrition, are for or against those items.

Admittedly, the sponsor says that is what they are for. We have no way in this Senate at this point in our history on budget resolutions of letting the record reflect what it really is. So

some will go look in their voting profile of who is for more money for drugs and they will say those people who voted against D'Amato are against more money for drug education and drug prevention.

I urge that everyone understand that is not the case.

Having said that, obviously there are not very many people around here who have enough courage to vote against what looks and sounds and smells like more money for drug prevention. I will say right here, right up front, I voted for it. In fact, if we get very many more I am going to ask that everyone vote for them because the truth of the matter is that these amendments are just a first go around in a budget process. The amendments move money from one function of Government to another one with no assurance that the move will be the final outcome. In the case of this amendment, it moves money to a giant function of health care with absolutely no assurance that the appropriators are going to spend that extra money for this specific program if they spend it in that function at all.

I know for some that sounds like a very complicated sort of matter. I would hope that some Senators are concerned about this as it evolves, since we now work under a deficit neutrality requirement. I would hope we would begin to think of some kind of a rule that we might establish as to what the vote really means rather than what sponsors say it means.

I think the simplest explanation for this amendment would be it is a suggestion that defense be reduced $50 million and some other functions be reduced $50 million and that it be added to health care. I think in its simplest form it is that and no more. But to even suggest that in the final analysis what the sponsor claims the money will be used for is what it will end up being is more than one can say. It is but an amendment with reference to a budget resolution, no more, no less.

For those who voted to take some money out of functions and put it into more drug prevention activities 2 or 3 days ago, the argument I have just made is exactly the same. The conclusion that one should draw from it is exactly the same. We will have to wait around 3, 4, 5, 6 months and see what the appropriate subcommittees of appropriations decide to do in allocating these totals to their respective functions as they move to appropriate money.

Now I yield 3 minutes to the senior Senator from Virginia.

SAUDI ARABIA ARMS SALE

Mr. WARNER. Mr. President, I rise today to speak in support of the administration's most recent proposed sale of weapons to Saudi Arabia.

This sale involves $354 million worth of air to air, air to sea, and air to surface missiles.

The Saudi Government currently has all of these type weapons in its inventories, so the purpose of this sale is essentially to bolster the existing inventories.

As the Iran-Iraq war has recently intensified, both Saudi Arabia and Kuwait have felt increasingly threatened.

Iranian aircraft recently attacked and inflicted damage on a Saudi Arabian oil tanker sailing off the coast of Qatar.

Previously, the Saudi military was forced to intercept and shoot down one—possibly two—Iranian planes headed toward Saudi Arabia territorial areas; namely, their vital oilfields.

This sale will serve as a clear signal that the United States is steady in its resolve and will provide the assistance necessary for our friends in this region to stand firm and defend themselves against hostile acts by increasingly radical Iranian forces.

I know that some of my colleagues have expressed concern regarding this sale.

For that reason, I am proposing that certain assurances be attached to this sale as we did with the sale of AWACS system to Saudi Arabia.

Because these missile systems are far less complex than the AWACS, similar technical assurances probably may not be appropriate; however, consideration should be given to assurances providing for security safeguards, use restrictions and participation by the Saudi Government in efforts to stabilize conditions in that region namely, the peace process.

As we move to debate this measure, I urge my colleagues to consider the importance of maintaining a balanced policy in this area of the world, which is essential to the strategic interests of the United States of America.

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1987

The Senate resumed consideration of Senate Concurrent Resolution 120.

The PRESIDING OFFICER. Who yields time?

Mr. CHILES. I suggest the absence of a quorum, time to be used to be divided equally between each side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

□ 1540

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. I thank the Chair.

Mr. President, parliamentary inquiry: How much time remains on the resolution and how much to each side?

The PRESIDING OFFICER. At the present time, the remaining time on the resolution is 5 hours 6 minutes total and it is divided as follows: 2 hours 22 minutes to the Senator from New Mexico and the balance to the Senator from Florida.

Mr. DOMENICI. Mr. President, I yield myself 5 minutes.

Mr. President, the Senate has just heard the Chair announce how much time remains on this resolution. Obviously, there is still considerable time. But I would like Senators to know that I have not been advised to the contrary, nor has the distinguished senior Senator from Florida, the Democratic manager, with reference to amendments.

I still have a number of amendments listed by various Senators that have indicated that they desire to offer amendments. I urge that, if there are serious amendments, the Senators begin to discuss them with us, in light of the expiring time. I understand that Senator McCLURE has a possible amendment regarding reconciliation and Senator RUDMAN has one on the same subject with a different approach. I also understand that Senator STEVENS desires to offer an amendment or discuss an issue of how you score outlays for the Department of Defense, function 050. We have been in touch with those three Senators and understand that Senator STEVENS clearly intends to come to the floor with reference to his issue around 4 o'clock. I urge any other Senators that have amendments, that they seriously consider bringing them to the floor and begin discussion so we can dispose of them.

Obviously, as everyone knows, under the Budget Act, when the time runs out, you can still offer amendments, you just cannot debate them. We have been in that position a couple of times. Clearly that is not the best way to give Senators an opportunity to understand and know what we are doing. But, nonetheless, it is available for anybody that desires to use it. We have 4 or 5 hours.

It would be preferable to the floor managers if they did something different than that and I urge that Senators who are interested to proceed accordingly. And I thank then for their cooperation over the last 7 or 8 days. We clearly have a much shorter list of amendments for this time in a budget resolution than we probably have had in at least my 5 previous years chairing it and managing it here on the floor.

But I thank them for that. I hope we can proceed with dispatch to accommodate, and perhaps make sure that we clean up the amendment list as we move into the waning hours of the debate on this resolution.

I yield the floor. I suggest the absence of a quorum, and ask unanimous consent that it be charged equally.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

□ 1550

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1817

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Alaska (Mr. STEVENS) proposes an amendment numbered 1817:

SEC. ( ) For the purpose of Senate consideration of appropriations bills for defense spending, outlay estimates shall be determined for prior year expenditures at levels consistent with estimates provided by the Office of Management and Budget. The Office of Management and Budget shall be required to limit actual expenditures from enacted appropriations in accordance with the outlay limitations established by this resolution.

Mr. STEVENS. Mr. President, I am trying to raise an issue here and have a little dialog with the chairman and members of the Budget Committee concerning a problem that I see. I apologize to the Chair; the pollen count is a little bit too high for me today, and I may be a little short of breath from time to time. The difficulty is that as we face defense outlays for 1987, a figure that is computed for the outlays from prior year appropriations, that has been interpreted one way by the CBO and another way by the OMB. While the OMB figures are lower, the CBO has estimated a higher level of outlays from prior year commitments. In order to match the outlay target if the bill is approved based on the Budget Committee recommendation, we will have to increase defense budget authority for 1987 to a level that I personally think is unachievable given the mood of the Senate now.

Several years ago and again last year we had differences between computers and we actually lost a continuing resolution because of the very great difficulty that the Senate and the House had because of this conflict. I perceive this conflict to be similar in the sense that I believe the House is relying on the Office of Management and Budget and the Senate is relying upon the Congressional Budget Office for their estimates. As a matter of fact, the Appropriations Committee advised the Budget Committee earlier this year that we realize this problem and we asked the Budget Committee to rely upon the Congressional Budget Office outlay projections in aggregate for defense.

Now we have a problem where I believe there is an $8 billion difference which between OMB and CBO because of the interpretation of prior years outlay projections. The purpose of my amendment is to direct that the scoring of prior year obligations be scored at a rate consistent with the Office of Management and Budget estimates.

If we do that—and I think there is great rationale for doing it—we will not have the $8 billion outlay gap that exists if we continue to use the Congressional Budget Office figures.

The Office of Management and Budget is authorized through its apportionment procedure to control actual outlays. This amendment would require the Office of Management and Budget to monitor the outlays of the Department of Defense in fiscal year 1987 so that outlay would not exceed the level of the final budget resolution. Consistent with approach the Office of Management and Budget outlay estimate should be used in interpreting this budget resolution.

If we are to get out of the problem that is going to come about because of the different computation of the impact of prior years' budget authority, we are going to have to do something like this. I had also suggested we might have an averaging procedure. I think we will have to get to some kind of averaging procedure, similar to the way we average income if we have a windfall income in any particular year. But I do believe that is something which will require an amendment to the Budget Act itself and I do not want to take that on at this time. I would like to take on just this year's problem. It is a different problem because this year the outlays are going up. Very frankly, we have to pay for some things that we authorized and appropriated in prior years. We are paying an increasing amount in terms of outlays for past years' budget authority. So even with a lower budget authority target this year, outlays will increase due to these prior year outlays stemming from enacted appropriations.

I believe that we should not have future budget authority driven by current outlay problems when those problems are the result of accumulating prior year outlays. This unnecessarily restricts our ability to choose among all programs in the defense request in order to achieve the budget resolution targets.

□ 1630

I hope that the Budget Committee realizes that the Defense Subcommittee, which I chair, is trying to be reasonable about this problem and to be responsible.

Last year, the defense authorization bill, for example, met the budget authority target for defense, but outlays were not taken into account. If the Appropriations Committee had recommended a bill consistent with the defense authorization bill, the outlays would have exceeded the budget resolution targets. This year, it is apparent to me that in the authorization process and in the appropriations process, we have to adhere to both the budget authority and the outlays limitations or we are going to be in severe difficulties.

I believe this amendment would go a long way toward avoiding the problems, because the Appropriations Committee will be permitted to adhere to the OMB's calculations as to outlays, and OMB will be required to assure that outlays be limited to their estimates. This amendment to this resolution would direct the Appropriations Committee to require OMB to do just that. I think it would be an ad hoc solution on a 1-year basis and would avoid the problems and misunderstandings we had last year. In large measure, the mismatch between budget authority and outlays was a significant factor in the appropriation of funds now claimed to be unauthorized.

I do not want to reiterate these problems, especially since we are still facing them. We still have daily negotiations with the Armed Services Committee, attempting to work out the problems on what they consider were unauthorized appropriations last year and what we considered were necessary deviations because of the outlay impact, because we were under the outlay limitation and they were not in the authorization bill.

I ask my good friend from New Mexico, the distinguished chairman of the Budget Committee, if he perceives the same problem I do about the two scoring techniques. I might say to him that our staffs have discussed that there is an alternative to this, and that would be a Budget Committee request to the Congressional Budget Office that would put CBO on notice that it is our desire that they use the OMB figures with regard to outlay calculations so far as prior-year budget authority is concerned.

Does the Senator from New Mexico wish to comment on my proposition?

The PRESIDING OFFICER (Mr. PRESSLER). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, first, I say to my friend, the senior Senator from Alaska, that he has as

difficult a job as any Senator. He chairs the subcommittee on appropriations that, for all interests and purposes, handles almost the entire defense budget of this country.

I, for one, want to say right up front that while he is a staunch advocate of defense preparedness, as is the Senator from New Mexico, there is no Senator who has been more cooperative in trying to understand the serious nature of this deficit, and no one who has been more helpful in trying to make this budget process work.

Despite the budget problems we have, and the serious deficiences that existed in the Defense Department that required us to increase and the fact that during the defense funding during the past 5 years, after a decade of neglect, the Senator from Alaska has continued to be supportive of us, trying to put some reasonable limitations on budget authority—that is, program level as well as outlays—in order to keep annual deficits within control. He is to be commended and complimented, and I do that.

I think that anyone who is familiar with the budget of the United States, knows it is complicated. It is a hybrid consisting of many different kinds of spending. It has entitlements, appropriated entitlements, forward-funded programs, and many other kinds of spending. When it comes to the Defense Department most of the spending is funded in appropriations bills, but it consists of many differing activities. Many of the programs purchase complicated, strategic and tactical hardware that takes a long time to get delivered. As a consequence, there is a constant job of estimating how much each of those things will spend-out during the year in terms of checks written on the U.S. Treasury.

This is nothing new. I can vividly remember the days of the very first Budget Committee chairman, Senator Muskie; we had cycles for a couple of years when the best estimates of how much defense would expend in actual checks written; would be much higher than anybody estimated.

Then, for some reason, it may have had to do with inflation or the level of contracts let during the year. We would go through cycles when we estimated high levels; and midway through a year, we would reestimate outlays downward.

What has actually happened, and what the Senator from Alaska is talking about now, is that the year before last, the estimate of what the Defense Department would write checks for was overestimated by those of us looking at the budgets. In other words, we thought they would spend more in paying for what they agreed to pay for.

I have heard some experts—in fact, I have heard some within the Defense Department—say, "Outlays don't mean anything. We'll just control them."

That might be the case for a year or two, but you cannot do that forever. The outlays are going to be determined by the programs approved by Congress in the appropriations bills that the senior Senator from Alaska sends them after those conferences.

However, we do have a situation where we had a history of low outlays versus low program level and now, this year they are substantially over what the administration predicted. The Senator is attempting to address that issue, because he is concerned that when we talk about the budget for the Defense Department, for the defense of our Nation, nobody—certainly not the budget resolution that is before us—intends that the total level of programs available, budget authority, will go down.

We can look at the resolution before us. We are all saying that there are certain things we have to budget for that are new, that are add-ons. In fact, that is the big fight. The resolution allows about 2.8 percent of that type of add-on, and the President is asking for 12.

The Senator from Alaska is worried, if I understand him correctly, that if the current short-term history of outlay upward movement remains for a couple of years, you would not even be able to accommodate any new budget authority, even the 2.6 nominal growth we have in the resolution. We would actually have to cut back on the programmatic authority that is already there. I understand that that is the nature of the problem he brings to the U.S. Senate.

Mr. STEVENS. It goes even further than that, because if we are to live within the limits of the budget resolution and the outlay limitations, I believe we will be forced to cut the higher spendout areas—readiness, the operation and maintenance accounts and personnel. As the Senator knows, the outlay percentage is much higher in those accounts in order to meet the outlay limitation. This would have the most serious effect on our defense, if we have to impose a limitation on readiness in order to achieve the outlay limitations. The reported resolution assures a budget authority cut of $25 billion and an outlay cut of $16 billion. In order to reach outlays savings of this magnitude, high spend-out accounts must be targeted hardest.

□ 1640

If we can have some understanding as to who is going to interpret the outlay impact of prior years' budget authority, and particularly to give it to the OMB, the problem may be more manageable. OMB has the authority year by year to control expenditures so that they will not exceed a certain limitation. I agree with the Senator, by the way, you could not do that on the basis of holding back expenditures. But every year we could have OMB tell us what is their estimate of apportionment and set these levels as the outlay target which could not be exceeded. Then perhaps we would not be in a position of being forced to reduce the high spend-out annual readiness accounts, such as, as I said, O&M and personnel, in order to meet outlay ceilings.

We should not be forced into personnel reductions in order to meet outlay ceilings is what I am saying.

Mr. DOMENICI. Let me say to my friend again, the Senator from Alaska, that I understand the problem clearly and clearly there is a problem. I am sure this comes as no surprise to the Senator from Alaska, when I say I could not agree today on even a sense of the Senate proposal that we are going to, that we are going to change the Budget Act in a very meaningful way without hearings and a thorough understanding. For years, we have been trying to firmly fix who makes the estimates of spending that are binding. Unless the Congress wants to change. What we did in the new Budget Reform Act, which says in section 311 that the Senate has to look to the Congressional Budget Office, and then the Budget Committee gives an answer to the other committees on the result of those findings, then this issue is now settled.

It is fixed and in statutory law. We worked hard on that. Obviously, everyone is worried about outlays around here. The checks written each year are what determine the deficits just as the taxes that come in each year determine the revenues.

So we could not agree here to change that, and I do not think my friend from Alaska expects that.

Second, let me say in all honesty to Senator STEVENS that I do not believe, if the Senate were prepared to change the guidelines and the rules, they would give that exclusively to the Office of Management and Budget.

I think the Senator knows the great respect I had for the previous Director and the great respect I have for the current Director. I think the Senator also knows about the Pentagon and its dispute with the Congress on how much is enough for defense and how much is left over and available for reprogramming, reprogrammed somewhere, because there are savings. There has been a dispute about how much is needed to maintain our defense growth that the Senator and I worked so hard to get.

So I do not believe we have hit on some new formula by putting that in OMB's hands.

I am willing to say to the Senator that we will work on the problem. We understand the problems. I am also,

willing to say that I did not intend that to cause a dramatic cut in budget authority beyond the $295 billion in budget authority because of the outlay number I attributed to it. That is my own personal view, and I can tell the Senator that I do not think it has to happen.

Mr. STEVENS. Mr. President, no one has greater admiration for the Senator from New Mexico and what he has done in the budget area than this Senator, but I want to make sure we understand each other.

By virtue of the CBO assessing the amount they do to prior years' budget authority, these outlays come through into 1987 and squeezes out a substantial portion of the new budget authority allocation for outlays. So, by bringing in that past year's outlays, let us assume there is a $20 billion difference between CBO and the OMB as to how much comes forward. OMB says there is $20 billion less and CBO says there is $20 billion more. That means when prior year outlays come into the allocation for us in 1987, there is $20 billion less that can be spent of the new budget authority in 1987. New systems, which spend out very low in the early period, have to move out, but there are not enough of those to significiantly offset the outlay cuts required.

It means that we would have to significantly pare back new programs in the 1987 appropriations bill. There are a whole series of things we would not start. Beyond more severely it would also mean we have to reduce troops, reduce steaming hours, and reduce flying hours. We would have to limit the use of battleships because of the high operations cost. We would have to cut down O&M and restrict readiness in a way that would be severe in order to get that $20 billion if it is taken away from 1987, because of the allocation to prior years' appropriations.

I know that the Senator from New Mexico understands that. I am not sure many other Members of the Senate do understand it. And what it means to have this difference and all I plead is that somehow or other we rely on similar baselines and scorekeeping because I see us coming back, as I told the Senator from New Mexico, with a continuing resolution sometime about the first or second day of October with the House saying "We are going to rely on one," and the Senate saying, "We are going to rely on the other," and we are somewhere $8 to $20 billion apart in terms of the baselines.

That is no way to run a Department of Defense, and I can tell you they could not operate under that hiatus.

We have to decide who is right. We have to decide whether the prior year's allocation of outlays applied to this budget resolution is divided from one source or the other.

I tell you if you rely on the basis of reported resolution you have to increase the outlays substantially to correct the imbalance. If we adopt the approach I've outlined, we do not have to have a substantial increase and we in fact can have an operating Department of Defense. Since outlays are enforceable on the appropriations bill, it's important to resolve this issue.

Mr. President, I ask that the Budget Committee, in deference to them, to come to the Senate and give us a recommendation as to how the impact of prior year outlay will be interpreted when the Appropriations Committee reports a Department of Defense appropriations bill for fiscal year 1987.

Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, let me once again thank the Senator from Alaska for the constructive discussion. I hope a number of Senators who should be as concerned as the Senator from Alaska will read this record and will begin to discuss this issue. I understand it exactly. He gave the exact closing remarks that this Senate needs.

Let me say to him, however, it is very interesting because we have had some people say to us, not the Senator from Alaska, "You do not have to worry about a budget resolution, you do not have to worry about restraining domestic spending, you do not have to worry about any new revenues; it is all going to work out."

Incidentally, I have seen one of the "it is all going to work out" worksheets that says, "we are going to make sure defense does not spend out as fast as people thought. We are going to make sure the outlays come down." The Senator from Alaska, however, is saying they are going up this year; they were underestimated.

I want to make the point that outlays, that is the checks written during the year, are now the whole ball game under Gramm-Rudman-Hollings. There is no sequester based on programs. It is on outlays. The Senator is correct. It is on estimates of outlays but we have established a procedure for estimating them. We have to get our heads together on this issue of estimating outlays on defense, to help the Senator solve his problem. I thank him for his efforts.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I yield 10 minutes to the junior Senator from Washington.

□ 1650

Mr. EVANS. Mr. President, I have listened with considerable interest to this most recent discussion which I think was useful and will help us in finally reaching a conclusion to this budget dilemma we are now in.

But as we approach the end of this discussion, I am disturbed by three trends which seem to be prevalent. First, the hero amendments, which in their explanation bear little resemblance to the amendments themselves. As the Senator from New Mexico has pointed out so many times, the amendments are merely dollars. They shift from one place to another. The arguments all surround some of the beneficial but most popular programs that people want in this country.

I have voted against virtually all of those amendments because I do not believe that is the way in which we ought to create a responsible budget. We ought to do it comprehensively and we ought to do it keeping in mind all of the needs and all of the expenditures we have.

The second disturbing trend is the demand to use potential future savings to calculate ourselves out of a deficit. And I fear that we will see, later on this evening or at some time, a modified proposal, which may even come from the Budget Committee itself. And that modified proposal, Mr. President, will very likely assume that there will be better times ahead between now and the August 15 date on which we must calculate the final economic figures for this budget. And I think that is a dangerous step indeed.

The third disturbing trend is the horrifying fear of taxes most Members of this body seem to have, even though the discussions revolve around something less than a 2-percent differential, a 2 percent of total revenues in terms of proposed taxes. And that is not between a zero presentation by the President and 2 percent by this Senate, but between a 1-percent increase in taxation which the President himself suggested in his budget and 3 percent which the Budget Committee recommended.

Mr. President, I do not think incumbents ever get defeated on the basis solely of taxation or of voting for a new taxation. They get beat because they do not take the case to their own citizens and to the people of their communities on the need for new taxes.

In past years we balanced our budget on the size of the deficit. That was the easy way to do it. We could add up all of our expenditures for either defense or nondefense. We usually ignored taxes, because that was the easy thing to do, and let the size of the deficit be the balancing figure.

Mr. President, if there is one good thing that happened under Gramm-Rudman, it ended that opportunity. We now must hew to a fixed target of $144 billion. And, as a result, we must honestly measure both expenditures and taxes.

Mr. President, for a long period of time in my political life, I have felt that working on a budget, determining the expenditure patterns and what service you would provide for your people and what taxes you would take from them, was the most fundamental effort we could do.

I think it might be useful to remind ourselves of the preamble to our Constitution, because what we are arguing here may come closer to meeting that preamble or figuring how we can meet the preamble than in any other act we pass in this Congress. And that, of course, says:

We the people of the United States, in order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defense, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution of the United States of America.

That is precisely what we are attempting to do—to promote the common defense, to ensure the blessings of liberty to ourselves and our posterity, to provide for the common welfare. These are the elements of a budget and ultimately of the appropriation acts which will follow this budget.

So, Mr. President, between now and the end of this debate, we must honestly measure the economy as well as we can. Now those figures have been given to us at the beginning of the budget debate and they will be revised again in August. And that is the time we ought to review and perhaps change our own attitudes toward spending and toward taxation when that final figure is calculated in August.

We simply must ensure that we have provided efficiently and adequately for the domestic needs of our citizens—for those who need the help of welfare, for those who are ill, for those who need pensions, and the many ways we have become accustomed to providing adequately for the public welfare. It is important to continue to do that.

And equally, perhaps, even more important at the national level, to provide for the common defense. There has been a lot of argument about what is necessary, but there should be no argument that an adequate defense is primary among all of the expenditures we have in this Nation. This is because inadequacy—failure to provide for the common defense—ultimately could be terminal.

And after we have done all of that—after we have done the job of efficiently and well providing for domestic expenditures and for the common defense; after we have done those jobs, and after we have measured the economy as well as we can to determine what kind of revenues we are going to receive. Mr. President, then the difference is what we may be required to raise in terms of adequate taxation.

I think the Budget Committee, in the proposal they sent to us on the floor, has come very close to that appropriate balance. We have modified it to a degree especially on the domestic side. Some suggest that we are not quite there in terms of spending for national defense. But now it looks as though there are some who, in order to make it a little easier; to reject the idea that we might have to vote for a little additional revenue, now want to borrow from the future by assuming that we will spend less for the cost-of-living allowances, for Social Security recipients and for pensioners, because somehow inflation is lower than the original estimates on which the budget was built.

Well, I say, Mr. President, that we will find that out in August. We ought not to make those assumptions now. Because we are assuming the good half of a lowered inflation when there is a bad half that goes along with it. And let me explain.

If there is a 1-percent drop in inflation, the overall revenues of the Nation will drop by about $15 billion. Outlays will drop by $14 billion. That is virtually a wash, but it does mean that there will be no great bonanza if inflation drops by 1 or 2 percent.

Now, that is leaving aside for the moment the question of whether the gross national product will be as healthy as the original expectations or whether interest rates will be lower or higher. But if we are talking about COLA's, we are talking about inflation. And if inflation is lower and you take the benefits of that to reduce expenditures on COLA's and do not look at the other half of that equation, we are digging ourselves a hole which we will be forced to meet up with on August 15 of this year.

To explain it further, the $15 billion that will be reduced in terms of revenues comes from $8 billion lower individual income taxes and $2 billion in the corporate income tax rate.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GORTON. I yield 4 more minutes to the Senator from Washington.

□ 1700

Mr. EVANS. Mr. President, social insurance taxes will decrease by $4 billion, and others by $2 billion—rounding down to a total of $15 billion. On the other side, the outlays of automatically indexed programs will be reduced by $1.6 billion, indirectly indexed programs by $1.6 billion, discretionary appropriated programs by $2.2 billion, and interest savings $8.6 billion—adding up to $14 billion.

Mr. President, I think there is another and a better way to hope for these better economic times in August. Some say that interest rates will also go down along with inflation, and that we ought to use that as another measure of reducing our problem. They are correct. If interest rates go down by 1 percentage point, then the net deficit problem goes down by about $10 billion. But if our gross national product is not quite as healthy as some suggest, or as our estimates would propose, for every 1 percent that the gross national product is short we have a $19 billion bigger problem.

I think we should take advantage of the possibility of a better economic situation in August without the danger that comes from making optimistic assumptions today. I believe we ought to provide on a contingency basis that if the situation is better in August, if the deficit as a result is lower than $144 billion, that we provide the modest additional help necessary to ensure that national defense is adequately provided for, and use the remainder to reduce tax requirements.

That is really a challenge to those who think that we will have lower inflation, that we will have lower interest rates, and that we will have a booming economy. If they are correct, there would be virtually no tax increases required, and we would have adequate national defense as well as domestic programs. If they are wrong, and if the situation is no better than we now expect, then we have not put ourselves at risk. We have not created a hole for ourselves that will require more painful votes in August or September of this year.

I believe this contingency plan is safe. It is a response to a potentially better economy, and, Mr. President, it does one other thing that I think is terribly important. It says right now that if the economy is going to be better, if the deficit is going to be reduced, then we ought to reduce right along with it the need for new taxation.

Mr. President, I have voted against virtually all of the piecemeal changes which have been proposed during this budget debate because, for the most part, they have been political and they have all been meaningless in terms of actually specifying where budget moneys go.

I urge my colleagues to join in voting for a responsible package, perhaps any one of several which I hope will shortly be introduced. I intend to, even though I find that in some of them not all of it is to my liking. But there is one point beyond which I do not propose to go; that is, to borrow from our future by making new guesses about the economy, long before those guesses are translated into reality at the new measuring point we have in August this year.

I think it is important for the Senate to lead rather than follow. I think this budget could represent an initial

framework for negotiation. It certainly will not be the last.

The PRESIDING OFFICER. The Senator's 4 minutes have expired.

Mr. EVANS. Finally, Mr. President, such a budget is responsible.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. I suggest the absence of a quorum, and ask unanimous consent that the time be equally charged.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GORTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORTON. I yield 10 minutes to the distinguished senior Senator from Oregon.

The PRESIDING OFFICER (Mr. MCCONNELL). The Senator from Oregon.

Mr. HATFIELD. Thank you, Mr. President.

Mr. President, as we enter into what I hope will be the final stretch in these most important deliberations on the fiscal year 1987 budget, I want to spend just a few minutes of time and speak about the importance of the community service block grant to millions of low-income Americans.

During the last 2 weeks we have heard much discussion concerning the need for adequate funding for programs involved with health, education, job training, and drug abuse.

Every Member of this Chamber is also deeply concerned about the deficit spending in this country. No program epitomizes more the progress that can be made in reducing the deficit by moving people out of dependency and into self sufficiency than the Community Services Block Grant Program. It is because of that that I would like to remind my colleagues that the very success of many of the programs involved with health, education, job training, drug abuse, and others is dependent on full funding for the Community Services Block Grant. Therefore any budget resolution passed by the Senate must include, at a minimum, the level of funding currently approved in Senate Concurrent Resolution 120 for the Community Services Block Grant.

One of the principle reasons for the success and importance of the Community Services Block Grant is the unique ability of Community Action Agencies to bring a variety of resources from the public and private sectors together to develop comprehensive solutions to the problems of poverty. When President Reagan talks about public/private partnerships, local initiatives, local control, and local decisions, he is describing the very essence of what the community services block grant is.

These agencies provide irreplaceable support services for low-income Americans, most of these services would not continue in the absence of CSBG appropriations. The flexibility and accessibility of CAA's make them the frontline defense for low-income families facing emergencies. Further, CAA's unique role in the community makes them both the first and best place the needy can go to identify the resources and services available and also the central agency for generating local and private funds and volunteers. This means that the CSBG dollars are in fact the leverage for generating new resources and for coordinating assistance to the poor so that resources are used efficiently and without duplication.

I want to commend the Budget Committee for being sensitive to the importance of this program as they have demonstrated by recommending only 10 percent reduction because of its cost-effectiveness.

Community Action Agencies [CAA's] house and administer numerous Federal, State, and other antipoverty programs. Approximately 55 percent of Head Start programs are sponsored by CAA's; CAA's operate, almost exclusively, the Low-Income Weatherization Program and the Emergency Energy Assistance under the Low-Income Energy Assistance Programs. The Administration on Aging uses community organizations, chiefly CAA's, to operate its programs on behalf of the low-income elderly.

The Commodity Food Distribution Program which distributes surplus food to the many hungry poor in this country is administered to a large extent with community services block grant dollars. CSBG dollars are also being used by CAA's to provide housing and self-help services to homeless families and individuals.

□ 1710

CSBG dollars are also being used by community action agencies to provide housing and self-help service to homeless families and individuals. Other programs dependent upon the community service block grant include rural transportation, youth employment, Meals-on-Wheels, disaster assistance programs, WIC, subsidized or rehabilitated housing for the poor, day care for children and the elderly, employment and training programs for handicapped or disabled, economic development programs in depressed areas, and so on.

Mr. President, I ask unanimous consent that a list of typical CSBG-run programs be inserted in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HATFIELD. A General Accounting report recently showed community services block grant funds play an important role in supporting the administration of other Federal programs. For example, USDA's Surplus Commodity Food Program provides only 5 percent administration funds and the Department of Energy's Weatherization Program has a limit of 5 percent administrative cost. In these situations CSBG funds were used to pay the administrative costs that exceeded the allowed amounts. GAO found that the flexibility in CSBG enables CAA's to identify community needs, provide services not available under other Federal or State programs and support administrative operations.

The GAO's analysis also indicated that the CSBG supported services did not duplicate those provided by social service block grant funds. In the communities GAO visited, the CSBG supported services were targeted to fill specific unmet needs, which were not eligible for SSBG funding.

Finally, GAO addressed two factors related to loss of the community services block grant funds. They found that, in most instances, other grants were being charged the full amounts allowed for administrative expenses. CSBG paid additional costs necessary to operate programs. GAO also reported that States and local officials were generally supportive of Community Action activities, but none thought their State or local government would replace lost CSBG funds. The package of comprehensive programs operated by CAA's is entirely directed toward helping the truly needy to become self-sufficient and move out of poverty. A recent survey showed that with a community services block grant of $305,000 the average Community Action Agency was able to leverage more than $2.9 million, a ratio of $9.50 for every dollar of core funding. Agencies had an average salary cost of $8,230 per employee, an average administrative cost of 10.6 percent raised an average of over $530,000 in in-kind and local funding, and recruited an average of eight volunteers for every paid staff person. According to a similar survey sponsored last year by the National Governors' Association—which supports full funding for the community services block grant—Community Action Agencies served over 2 million persons in their communities.

Yet Community Action is more than dollars and cents. It is a program that sparks hope, courage and initiative so that people help themselves. It is a hand up, not a hand out. A hand up to lift oneself into the mainstream of modern America.

Finally, Mr. President, I point out that we heard repeatedly in this debate by the distinguished chairman

and ranking member that any assumption in the resolution does not restrict the Appropriations Committee regarding that individual program. In other words, an assumption by the committee that only 90 percent of community service block grant funding is available in function 500 will not restrict the Appropriations Committee from providing full funding to community service block grant programs.

I make this observation because I am committed to seeking full funding for this vital program.CSBG's are the lifeblood of the Head Start Program, for low income energy assistance, and a number of the programs which I have labored to insulate from haphazard budget cuts.

If you want to bring the Federal Government's involvement in the battle against poverty and hunger, you could not strike a more deadly blow than by hacking away at the appropriations for CSBG's. In fact, anyone wanting to isolate the folly of the Gramm-Rudman-Hollings meat-ax approach in deficit reduction need only look at the threat it poses to CSBG's. Block grant programs in general can be eradicated by across-the-board percentage cuts far short of program termination. And make no mistake about it, left to its current course of direction, Gramm-Rudman-Hollings will bleed the CSBG program to certain death. It will gouge it this fall and let it die and let many other vital programs flounder for administration and implementation.

So I seek recognition during this debate to make unmistakably clear how critical CSBG's are to our nationwide efforts to feed, house, and educate people in our country living in the shadow of first-class citizenship and first-rate opportunity.

Whatever budget consensus is reached, it will have to include funding for CSBG in an amount at least equal to the Domenici-Chiles proposal.

Mr. President, I ask unanimous consent that "A Tale of Survival" be printed in the RECORD following my remarks in addition to the aforementioned enclosure.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. HATFIELD. Mr. President, I again compliment the leadership on the Budget Committee, particularly the Senator from New Mexico, Senator DOMENICI, and the Senator from Florida, Senator CHILES. It has not been an easy task. I am very anxious to see their efforts succeed. Not only because of the quality of their product but because I will be liberated and my committee will be liberated to take action in an area vital to their country; namely, to appropriate money to keep the Government going. Until the Budget Committee resolution is adopted, we are imprisoned. The Appropriation Committee of this Senate cannot act.

The House committee is going to commence action of the fiscal year 1987 appropriations bills very shortly because they are free to act. The Gramm-Rudman-Hollings panacea saw fit to establish two sets of rules—one to govern the Senate Appropriations Committee and one to govern the House Appropriations Committee, because the Representatives of the House would not tolerate such an insane, unbelievably, and unconscionably stupid position to put any committee in this Legislature in as the Senate conferees permitted the Senate Appropriations Committee to be put in.

After having made that rather ambiguous statement about my feeling toward Gramm-Rudman-Hollings, and what it has done to paralyze further not just the budget process but now the appropriations process, we stand ready to act.

April 15 was the date of the first Gramm-Rudman-Hollings day of the new era for the Senate appropriations and budgetary process.

Well, they could not deliver on the first date, they will not deliver on the second date, they will not deliver on the third date and, I say to my colleagues, Gramm-Rudman-Hollings will not deliver on the deficit. It is another of those shams we go through to try to communicate to the public that we have done something significant.

I want to make clear that what is going out in the back room now to negotiate out an alternative to a quality product here on the floor, to placate some particular segment of this Senate, I would urge that activity to remember there is another segment of the Senate that is committed to basically human values, to deal with the matters of human poverty and human suffering in this country.

We are committed to life, to the enhancement of the quality of life. For those who seem to be so preoccupied with increasing the machinery of death in this country and this world; namely, the military machinery, and their demands on this budget resolution process, they may be in the majority but, remember, we, in the minority, can also use methods of parliamentary procedure to frustrate and block action as Gramm-Rudman-Hollings has done in the whole process of the Appropriations Committee and the budgetary process at this point.

I think it is absolutely reprehensible that we have let this legislative body come to this kind of paralysis where we cannot even deal with a supplemental appropriations measure, where we cannot even start to bring to the floor the appropriations bills for 1987. And then when we get to that August-September deadline, everybody is then faced with the one giant continuing resolution and then start complaining that this is no way to do the Nation's business. Bear in mind, where we are on May 1 is where we were on April 15, and where we were on that infamous day that Gramm-Rudman-Hollings passed this body as the cure-all, the quick fix.

I wanted to make these ambivalent comments today about my feeling, and I again want to thank the representative of the Budget Committee because I am sure he suffers some of the frustrations that I suffer, maybe from a little different perspective or for different reasons. We are all in this situation, I know, not because we want to be. Now is the time, of course, to work our way out.

I want to say as much as I have disdain for that Gramm-Rudman-Hollings action, it is the law and it is my responsibility, along with the responsibility of every Member of this body, to help make it work to the best of our ability. I am committed to that. That is why I have been supporting the Budget Committee throughout this laborious action of trying to get some conclusion. I will continue to support that process.

I am hopeful that one of these days we will have that wonderful, exhilarating, redeeming experience of repenting of our mistake about Gramm-Rudman-Hollings and repeal it and send it back under the wet rock from which it came.

EXHIBIT 1

EXAMPLES OF THE KINDS OF PROGRAMS OPERATED BY COMMUNITY ACTION AGENCIES NATIONWIDE

To secure and retain meaningful employment: In-school Employment; Job Training Partnership Act; Green Thumb; Senior Employment; Chore Providers; Youth Job Development; Part-time Employment for Low Income People, 55 years of age and older, at nonprofit organizations; Union Apprenticeship Training Programs; Support to Development Corporations; Economic Development and Assistance to Dislocated Workers.

To attain an adequate education: Head Start; GED Training, Education, Health, Social Services and Parent Involvement to Low Income and Handicapped Preschool Children; Health Education; Staff Training; Board Training (with emphasis on low income members); Legal Education; and Money Management.

To obtain, and maintain adequate housing and a suitiable living environment: Outreach and Referrals for Weatherization, Self-Help Housing Construction, Housing Rehabilitation, Home Improvement Grant Referrals, Deferred Loan Programs, Assistance Program, and the Low Income Weatherization Program.

To make better use of available income: Budget Counseling, Income Tax Preparation, Organized Craftsmen's Fairs, Cottage Industries and Technical Assistance to Cottage Industries, Senior Discounts, Co-ops, Community Gardens and other sweat equity programs.

To obtain emergency assistance through loans or grants to meet immediate and urgent individual family needs, including

the need for health services, nutritious food, housing, and employment assistance: Energy Crisis Intervention, Food Pantries, Clothing Banks, Emergency Housing, Transportation Assistance, Emergency Loans and Rent Payments, Commodity Food Distribution, Temporary Food Assistance Program, Disaster Assistance, Child Abuse Prevention.

To remove obstacles and solve problems which block the achievement of self-sufficiency: Education, Employment, Health Programs, Institutional Change, Transportation Systems, Day Care Programs, Assistance to Refugees, Job Development and Placement.

To achieve greater participation in the affairs of the community: Placement of Low Income Members on Community Boards; Information on Activities and Meetings in the Community (often by newsletter); Provision of Transportation, particularly in rural areas.

To make more effective use of other programs related to the purposes of the community services block grant: Outreach to Find the Low Income and to Identify Their Needs; Referal to Programs That Can Meet Their Needs. The fact that many of the programs needed by the poor are housed within the CAA has made them much more effective.

To provide emergency food and related services to counteract conditions of starvation and malnutrition among the poor: Home Delivered Meals; Title III Meals; Women, Infants, and Children Feeding Program; Emergency Food and Shelter; Commodity Food Distribution; Canning Workshops and Projects; Gleaning Projects; Food Pantries; Food Stamp Referral; Congregate Dining.

To coordinate and establish linkages between governmental and other social service programs to assure effective delivery of such services to low-income individuals.

To encourage the use of entities in the private sector in efforts to ameliorate poverty in the community: Participation in Community Planning Activites, Publicity for the Plight of the Poor; Outreach to the Community; CAAs Tripartite Board Policy; Participation on Other Boards; Attendance at Meetings; Ombudsman Services; Joint Ventures; Coordination.

EXHIBIT 2

[From the National Journal, Apr. 19, 1986]

A TALE OF SURVIVAL

(By Julie Kosterlitz)

In mid-March, 650 supporters of the community services block grant—a small federal award to states to help finance a network of local antipoverty agencies—assembled in Washington for their annual meeting and were treated to a star-studded parade of speakers. Sens. Mark O. Hatfield, R-Ore., Lowell P. Weicker Jr., R-Conn., Patrick J. Leahy, D-Vt., Warren Rudman, R-N.H., Ernest F. Hollings, D-S.C., Carl Levin, D-Mich., and six Members of the House each took the podium, many of them praising the program or issuing another call to arms for a renewed battle against poverty.

That's not a bad lineup for any interest group. For the National Community Action Foundation, whose cause célèbre is the obscure community services block grant—a favorite target of the Reagan Administration budget cutters—the presence of congressional heavy hitters was particularly striking. "And the irony is we had to turn another half-dozen members away," said David Bradley, legislative director of the foundation.

The celebrity turnout is just one of a number of symbolic and substantive victories for the block grant program since President Reagan took office promising to eliminate federal support for community action agencies on the ground that they are inefficient and result in duplication of services. The numerous close calls for the program since it began as the centerpiece of President Johnson's War on Poverty make it 22-year history sound something like the "Perils of Pauline," but the program has managed to survive and, in recent years, perhaps emerge politically strengthened by the ordeals.

Key to its survival is the support of a few key Members of Congress who think the federal investment pays off handsomely and other Members who are increasingly tired of being asked to make cuts in social programs. Support for the community action agencies has increased among states and localities since 1981, when federal aid to the agencies began being funneled through the states rather than going directly to the local agencies. Also important is a well-organized grassroots lobbying campaign coordinated by the small but savvy National Community Action Foundation.

Despite their successes, supporters of the block grant are taking nothing for granted. The Administration has again proposed killing the program in its fiscal 1987 budget, and even wants to rescind half the block grant monies for fiscal 1986. The program is also up for reauthorizaiton in fiscal 1986. Still, the block grant's fortunes have been boosted this year by a favorable review from the General Accounting Office (GAO) and by the reluctance of many politicians to propose outright elimination of a social services program in an election year.

As a result, the Administration isn't holding its breath. "We've gone up there every year to ask them to terminate the program, and every year Congress has insisted on giving us money," said Jerrold B. Speers, who is acting director of the office of community services at the Health and Human Services Department (HHS). "We've threatened to go to [Defense Secretary Caspar W.] Weinberger and tell him how [we've accomplished that]."

CRITICISMS

The money at stake may seem trifling: only $372 million went last year to the block grant, which helps to underwrite approximately 900 local antipoverty agencies around the country. But ever since the federal community action programs (CAPs) were established as the crown jewels of President Johnson's Office of Economic Opportunity (OEO) in 1964, federal support for the CAPs has generated controversy greater than the dollars involved.

The idea was to create a network of grassroots offices not only to deliver services to the poor, but also to attack "the causes of poverty." But the program immediately ran afoul of state governments, which felt the federal government had bypassed them by creating a base for antipoverty activists who frequently challenged state policies.

The federal government also had second thoughts about underwriting liberal local activists. The conflict came to a head in 1974, when President Nixon tried to end the program. Despite a bitter fight waged by supporters of the CAPs, including six lawsuits, Nixon succeeded in breaking up OEO, dispersing many of the programs that were once part of the CAPs, such as Legal Services and Head Start, to other federal agencies. But Congress saved the CAPs and created a new Community Services Administration (CSA) to administer them.

The program continued, however, to be the subject of sharp criticism. A series of congressional reports on the CSA in the late 1970s found poor performance, low morale and inadequate controls on how the federal money was being spent. The criticisms helped set the stage for the Reagan Administration's efforts to abolish the agency. "Ronald Reagan didn't kill the CSA," Bradley said. "Jimmy Carter did"—with his lack of leadership.

But Reagan intended not only to do away with an inefficient agency, but also to end the separate federal appropriation that supported the community action agencies. The President wanted to roll a host of social services programs into a large block grant to the states, to spend as they saw fit. Congress turned the President's strategy against him, saving separate federal aid for community action programs by creating a special block grant for them. The $40 million, 935-employee CSA was replaced by a tiny office at HHS with only a 10th of the CSA's administrative budget and a mere 55 employees. But federal dollars continued to flow to local community action agencies, although they are now distributed first to the states.

CRAZY QUILT

Local community action agency directors think the Administration's continued dislike for the block grant stems from the program's link to 1960's activism.

"They think we're a bunch of liberal Democratic activists out there, and they're wrong," Bradley said. Agency staff are "more conservative than people think. Many are Republicans," he said.

The Administration sees those running the agencies "as a group out there that can rally support in opposition to the Administration's line," said Sen. Charles E. Grassley, R-Iowa. "There may be some truth to that," he said, but it doesn't outweigh "the over-all good they do." In fact, Grassley argued, the notion of giving seed money to attract state, local and private money "is a pretty good Republican policy that ought to be duplicated in other programs."

Speers of HHS denies that the opposition is motivated by ideology. "I know the feeling was antagonistic toward them by past Administrations," he said, "but there is no animosity from HHS." He said the Administration knows the agencies have changed since their early, controversial days and is only worried federal funds are being wasted.

Although the amount of money is small, Speers said the savings has a symbolic importance. Former Office of Management and Budget (OMB) director "David Stockman used to say that as long as [money for community action agencies] is in the budget, Congress cannot be said to be serious" about reducing the deficit, Speers said.

But supporters of the program say the tiny savings from eliminating it would not be realized. "One of the greatest distortions of [the President's fiscal 1987 budget] is the notion that money will be saved through the elimination of the community services block grant," Sen. Weicker told the foundation's meeting last month. He cited the foundation's survey of 800 agencies in 41 states, which concluded that without the block grant, more than 500 of the agencies would close within 18 months. "What about the outyear costs society will pay when it

disinvests in the nation's low-income communities?" Weicker asked.

What makes the debate hard for the uninitiated to follow is the difficulty in getting a fix on precisely what the block grant does. Community action agencies differ widely in how they are run, what they do, how much money they receive and how they spend those funds.

The block grant is a multipurpose pot of money for community action agencies that coordinate a crazy quilt of funds and services for the poor. The agencies help "identify problems and coalesce the resources to deal with them," said Marjorie Witherspoon, executive director of the National Association of State Community Services Programs, which represents state government offices that oversee the community action agencies. "That's different than a social welfare agency, which exists to send out a check."

The block grant itself is only a fraction of the agencies' financing—about 11 per cent nationwide, according to voluntary reports from the agencies. Most of the programs that the agencies operate or contract out for, such as weatherization, Head Start and meals for the elderly, are underwritten with other federal, state, local and private funds.

But by helping to finance a base of operations, say advocates, the block grant allows the agencies to apply for other government funds and go before state, local and federal governments to push for programs that will further benefit the poor. A 1983 study by the National Governors' Association found that for every federal dollar spent, the community action agencies raised another seven from other sources. The block grant money can also be used to fill gaps in existing social service programs or underwrite emergency programs for which no other funds are available.

Subject to state and federal guidelines, agencies can fashion a package of services to meet local needs, supporters say. They add that flexibility is the program's greatest asset. The nation is "so heterogeneous and geographically vast, it's difficult to pour [assistance to the poor] into one mold," Grassley said.

"The $1.3 million we get from [the block grant] gives rise to all the other things we're doing," said Isaac Withers, executive director of Miami's Metro-Dade County community action agency. "We provide 1,100 meals for the elderly, 3,100 Head Start meals and work with 100 foster grandparents." The block grant provides "the seed and glue money to hold things together and provide other activities," he said.

But the Administration says the crazy quilt of financing and service delivery results in duplication and inefficiency. CAPs don't need a special block grant to administer other federal programs that themselves have money set aside for administrative costs, the Administration contends. The block grant "is not essential to the safety net nor to the continuation of the CAPs," Speers said. "It's generally duplicative of other programs designed to help the poor." Eighty-six per cent of community action agency funds, Speers said, come not from the block grant but from other federal programs, whose financing could continue regardless of the block grant's fate.

But a recent survey by the GAO that looked at 16 community action agencies in eight states found that most of the agencies used only 30 per cent or less of the block grant money for administrative expenses. Seventy per cent or more of their 1985 block grants went to provide outreach and referral services, emergency food and shelter and nutrition services. The report said that the agencies also spent the funds on housing assistance, training day care workers and arranging transportation and home meals for the elderly, ill and handicapped. Perhaps more important, the report said that in all but one instance, the block grant money went for services that did not duplicate those offered by other local social service agencies.

The GAO report, Speers said, merely proved that a given service is not being paid for twice. But "you could still provide the same services with money you get from other programs," he argued. Speers conceded that because block grant money is used to supplement other program funds, some services might have to be trimmed or eliminated, "but they [the CAPs] have to prioritize. The whole point is to reduce the deficit."

ARRAY OF ALLIES

Time and again, the block grant program has survived both Administration and congressional efforts to do away with it.

In 1984, CAP supporters won an obsecure but important victory when they persuaded Congress to require states to give 90 percent of the block grant funds to community action agencies—rather than allowing the states to spend a greater share of the funds as they saw fit. Supporters also succeeded in guaranteeing that the block grant program would be up for reauthorization in the same year as the popular Head Start program—which the Administration supports—making it possible for the two programs to be linked.

Last year, key Senate supporters of the program—primarily Grassley and Hatfield—battled Majority Leader Robert Dole, R-Kan., and Administration officials behind closed doors over whether to include the block grant in the Senate's fiscal 1986 budget. At 2:45 A.M. on May 10, supporters prevailed, and the block grant was the last item to be included in Dole's budget proposal, which was narrowly approved on the floor.

This year, the program's future again seemed in doubt when Senate Budget Committee chairman Pete V. Domenici, R-N.M., left it out of his budget proposal. After some behind-the-scenes dickering, however, the block grant reappeared, albeit with a 10 percent cut, in the committee-approved budget.

That's not to say the program is home free. While its support has typically been strong in the House, the program could face more challenges in the Senate as the budget is taken up on the floor. In addition, the program is up for reauthorization in fiscal 1986 before the Labor and Human Resources Committee, whose chairman, Orrin G. Hatch, R-Utah, has not always been enthusiastic about the block grant in the past.

But there are signs that the program's supporters may again beat the Administration. The House Labor and Education Committee voted in early April to reauthorize the block grant, defeating a potentially lethal amendment by Rep. Richard K. Armey, R-Texas, that would have forbidden block grant monies to underwrite abortions, abortion counseling or referrals.

A bill to reauthorize the block grant has also been introduced in the Senate. Because of this year's elections, the program's list of visible supporters has expanded to include some moderates and conservatives—most notably Paula Hawkins, R-Fla., who chairs the Senate Labor and Human Resources Subcommittee on Children, Family, Drugs and Alcoholism. After holding a hearing on the block grant in late March, Hawkins, who is up for reelection, announced her intention to seek reauthorization of the program.

How has this tiny program, whose name is unknown to most Americans, been able to repeatedly buck both the prestige of the presidency and the budget cutting imperative?

Speers has some ideas. "The CAP organizations have a strong lobby," he said. "They're in every congressional district." While forbidden by law to engage in voter registration efforts or partisan politics, agency workers can nevertheless generate political support for candidates and causes. Members of Congress are reminded of the grass-roots connection when agency representatives visit them, as most did during the National Community Action Foundation's meeting.

But the grass-roots network would not be nearly as powerful without the efforts of the foundation to work the halls of Congress. Founded almost immediately after Reagan's election in 1980, the foundation raises money from private contributions of agency directors and staff to champion its cause in Washington.

With a budget of $200,000 and a six-person staff crammed into a tiny two-room office in northwest Washington, the foundation conducts research and public relations efforts, orchestrates hearings on the block grant and related federal programs and, of course, directly lobbies Members and their staffs.

The foundation also operates a 24-hour phone recording designed to keep agency staffers abreast of the latest political developments. Recently, the foundation started a political action committee, which last year gave nearly $15,000 to the campaigns of a dozen Members. "The name of the game is to help the Members who help you," Bradley said.

The block grant program has other important allies; the states. One-time foes of a program they considered a challenge to their authority, the states have gotten more protective of the agencies now that states handle the block grant monies. The National Governors' Association supports the block grant, as does the U.S. Conference of Mayors.

Supporters in state government and in Congress say they are genuinely pleased with the role played by the agencies in communities back home—particularly in states that are experiencing hard economic times. In Iowa, hard hit by the farm crisis, conservative Republican Gov. Terry Branstad recently wrote Congress to praise the program and warned that "given the economic deterioration in the rural Midwest, the state of Iowa has not been able to finance [community services block grant] activities at a time when the demand and need for these services is increasing."

While the program's link to an era of anti-poverty activism may have hurt its fortunes with the Administration, that link may work to the block grant's advantage in Congress. "It is looked upon as one of the last vestiges of the War on Poverty," Speers said.

In addition, the block grant's fortunes may benefit from increasing congressional frustration over the President's directive to seek more cuts in social programs each year, Grassley said, and the fact that "this is an

election year." Its chances for survival, he said "are pretty strong. Every program may take a little cut, but there will not be many terminations," he predicted.

Even though the Administration is actively seeking to eliminate the block grant, officials do not appear hopeful that Congress will finally go along. Where Stockman often inveighed against the block grant and made its elimination a pet project, new OMB director James C. Miller III is considerably more equivocal. "I don't know whether we'll make it or not; there's a lot of opposition to cutting that out," he said. But, the Administration plans to stick by its guns, Miller added.

Speers, who has been involved with the effort since 1981, admitted that the constant congressional rebuffs have taken some of the fire out of the campaign. "It's getting boring," he said.

□ 1720

Mr. GORTON. Mr. President, as is always the case, I am delighted at the eloquent remarks of my distinguished and learned senior colleague from the State of Oregon. I share many of his frustrations. I share his praises of the chairman of the Committee on the Budget and the distinguished ranking member. If only everyone who praised their efforts were willing to vote for those efforts, we would long since have cured this problem and passed a resolution.

We have had a great deal of oratory here, Mr. President, over the course of the last 2 weeks about its shortcomings and defects. It is all the more remarkable that we have yet to see the first alternative proposal to what the distinguished Senators from New Mexico and Florida have produced. As is the Senator from Oregon, I am ready to vote for it right now or for any acceptable alternatives to it right now. I hope that, quite soon, we get that opportunity.

Mr. President, how much time would the distinguished Senator from Iowa like?

Mr. GRASSLEY. Two minutes.

Mr. GORTON. I yield 2 minutes to the Senator.

Mr. GRASSLEY. I thank the Senator from Washington for yielding to me.

Mr. President, I rise to commend the Senator from Oregon [Mr. HATFIELD] for his remarks in support of the community services block grant and his efforts to save that program, not only this time but also a year ago when we were debating the issue and there was an effort to zero out the appropriation. Because of Senator HATFIELD's leadership and his strong position as chairman of the Committee on Appropriations, the program was saved last time I think we find a very good program there in which a little bit of Federal money serves to administer a program that invites in and encourages and elicits an awful lot of private funding, an awful lot of volunteer help, and even some State and local money.

I think we are getting a terrific purpose on that money through this program, particularly in my State of Iowa. Our Governor has written in support of that program and the great good that it does in our State, particularly in times of extreme depression caused by our economy being so dependent upon agriculture. Services provided by the community action programs in my State are very needed in a time of transition in agriculture. Without Senator HATFIELD's efforts last year, this program perhaps would not be available. I think he is to be commended.

I want to say that I enjoyed very much working with him last year on saving that program and I hope that the message is loud and clear so that, in this particular year, this program will not be in jeopardy as it was a year ago.

Mr. GORTON. Mr. President, I yield 10 minutes to the Senator from Texas.

Mr. GRAMM. Mr. President, I thank the distinguished Senator from Washington for yielding. I am sorry that the Gramm-Rudman-Hollings bill has set out a roadblock in the appropriations process. It is a simple roadblock. It says we have to adopt a budget which meets the targets of Gramm-Rudman-Hollings before we can pass appropriations bills.

That is a roadblock. It makes the committee process harder and those of us who labor within that process are obviously concerned about it. But I can assure the distinguished chairman that the American people are far more concerned about what the deficit is. They are far more concerned about the burden of debt on our children. They are far more concerned about sustaining a recovery that has put 10.3 million people to work in permanent, productive, tax-paying job for the future in the past 4 years than they are about the neatness of the committee process and what roadblocks may exist in our effort to force Congress to make hard choices.

The budget is about hard choices and because of Gramm-Rudman, we are going to be forced to make a hard choice. Since 1982, the President has routinely, under law, sent budgets to Congress and Congress has ceremoniously declared those budgets dead on arrival. That has been followed by a lot of rhetoric and little action.

We have a budget before us today that proposes to deal with this problem by setting out a program so as to achieve $144 billion of deficits, to achieve the first step toward balancing the budget by the end of the decade as prescribed by the Gramm-Rudman-Hollings bill. I do not agree with this prescription and I have risen to speak against it and I shall vote against it if no substitute is adopted. But I would like to say the fact that we are here talking about hard choices, the fact that we have before us a budget that now has 74 billion dollars' worth of tax increases in it to meet the target of Gramm-Rudman-Hollings is an indication that that bill is in fact affecting congressional behavior and brings us to a point of making a hard decision. It is $56 billion above the level proposed by the President.

I had hoped to wait and speak on a substitute which I hope will still be offered, and I commend that effort wherever there are those who are working on it. But in case there is no substitute, I did not want to simply vote against this budget without saying why. I would like to try to do that very briefly.

Let me first begin as a point of reference with the budget that the President proposed and compare this budget to it. As compared to the budget proposed by the President——

Mr. DOMENICI. Mr. President, would the Senator from Texas yield?

Mr. GRAMM. I am happy to yield.

Mr. DOMENICI. May I say to my good friend, the junior Senator from Texas, if he would at the conclusion of his remarks—how long does he intend to speak?

Mr. GRAMM. It depends. If the Senator would like the floor, I shall be happy to yield.

Mr. DOMENICI. I should like the Senator, in my behalf and the leader's behalf, when he completes his remarks, to ask that the Senate be in morning business for up to 30 minutes so we will no longer be using time on the resolution for that 30 minutes.

Mr. GRAMM. I shall be happy to do that.

Mr. DOMENICI. How long does the Senator propose to speak?

Mr. GRAMM. I have approximately 7 minutes left.

Mr. DOMENICI. That is fine with the Senator from New Mexico. If he would do that, I would appreciate it.

Mr. GRAMM. As compared to the budget proposed by the President, the budget currently before us raises taxes by approximately $56 billion. It raises domestic spending over a 3-year period by some $66 billion above the level proposed by the President. As compared to the President's proposal, it raises spending on domestic programs by roughly $66 billion. So that, as compared to the President's budget, this budget raises taxes by $56 billion and spends every penny of it on domestic spending increases above the level contained in the President's budget.

In terms of defense, the reduction as compared to the President's proposal is rather startling: $97 billion in budget authority, $76 billion in outlay reduction as compared to the President's proposal.

What I am struck by is not by how much this budget deviates from the President's budget. I am struck by how much it deviates from the budget that we adopted on this very floor last year at 3 o'clock in the morning in what I hoped at that time would become a historic hour.

□ 1730

It did not. That budget ended up dying in conference. But let me point out to my colleagues how startling the differences are. A year ago we adopted a budget on the Senate floor that over a 3-year period had $6.3 billion in new revenues. This budget has $74.3 billion in new revenues, or $68 billion over a 3-year period above the level that we adopted only a year ago.

It claims to save roughly $60 billion in domestic programs compared to $141 billion saved in budget last year, or an $81 billion difference. So as compared to a year ago we are voting today on a budget which raises taxes by $68 billion and raises domestic spending by $81 billion above the levels contained in last year's budget.

In terms of defense over a 2-year period in the 2 comparable years, in fiscal years 1987 and 1988, the budget before us today cuts defense budget authority by $66 billion and cuts outlays by $35 billion.

Last year we voted on a budget that terminated 13 programs. This budget today terminates the single program we claimed to have terminated last year and terminates Conrail which we have already voted to sell on the Senate floor.

Now, what happened over this year? It seems, if we look at this proposal, that the Senate has lost its will to control spending; that now there is a rush to raise taxes. I do not support that effort. I believe that we can meet the targets of the Gramm-Rudman-Hollings bill by controlling spending. Revenues are up by $72 billion under the President's budget proposals. To meet the requirements of the Gramm-Rudman-Hollings about $60 billion of that $72 billion has to go to reduce the deficit. That leaves about $12 billion of new spending authority. So in order to meet the requirements of the Gramm-Rudman-Hollings bill without raising taxes, we do not have to cut spending, but we do have to limit the growth of aggregate spending to about $12 billion. What is proposed here is to increase taxes so that the rate of growth can spend beyond that amount.

In the budget we are really choosing what kind of America we want, and I submit that the real question is do we want to raise taxes so that Government can go on spending as usual in Washington or do we want to control spending? Do we want a future dominated by Government or do we want a future dominated by opportunity? I want a future dominated by opportunity. The people in the 1984 elections in 49 of 50 States said very clearly that they did not want to raise taxes so that Government could go on spending as usual. The President has said very clearly in a letter to our majority leader delivered yesterday that he is opposed to this budget and will veto the tax increases that it contains. If the President vetoes the tax increases contained in this budget, this budget will be some $15 billion above the Gramm-Rudman-Hollings proposal.

The missing ingredient in this budget is a missing character in the whole negotiation process, and that is the President. I believe that basically is the fundamental weakness of this budget. I am hopeful that later tonight we can come to the floor with a substitute which meets the targets of Gramm-Rudman-Hollings within the constraints of the Reagan mandate from the 1984 election. If such a budget comes to the floor—I hope that it will; I worked for that objective—I will support it. If such a budget does not come to the floor, I find myself in the unhappy position of voting no on this budget, not choosing this budget over a sequestration process but choosing to go back to the Budget Committee, to have the Budget Committee reconsider the process and bring us a new budget.

I yield the floor.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I had theretofore asked the distingished junior Senator from Texas to put us in morning business because the leader had requested that. However, I did not understand that the Senator was going to deliver us a speech about the Budget Committee's resolution versus the President, so I would like to just take a couple of minutes, and then, unless the Senator from Florida desires to speak, I, at the leader's request, would put us in morning business for a half hour.

Let me say to my friend, the Senator from Texas, that he knows I appreciate and respect his knowledge of the budget. I know that he is an expert on the budget, and I know that 4 or 5 years ago he was part of putting together some very exciting uses of the budget process that were consistent with some of my ideas. I recognize that he did an excellent job. However, I say to my friend from Texas that it does not do a lot of good in the U.S. Senate to talk about what we ought to do. It does not do a lot of good to say what the President's budget proposed. What counts ultimately is that we do something and that we get enough Senators to support something so that we can get on with the business of the country.

Now, I did not hear the Senator's comments on the President's budget. I think he knows without my saying, the high esteem in which I hold the President, and I have many times succeeded in getting things done on the budget that he desired. As a matter of fact, contrary to former Budget Director Dave Stockman, who seems to indicate we failed, I have looked at the numbers and we have not failed at all. As a matter of fact, considering that we have had 2 years of recession, we have almost doubled defense up to 6.3 percent real growth per year in each of the past 5 years, and entitlement are coming down dramatically. On average they used to go up 11 percent a year. As a matter of fact, 5 years before this decade started they were going up an average 9 percent a year and they are now down to 3.4 percent. And lo and behold, to those who say, "Let's just get more out of this budget," I have said I would sure do that. Most of those people say, however, "Let's get a lot more in defense." I have tried to get as much as I can. But the domestic appropriated accounts in that period of failure of accomplishing the so-called revolution that David Stockman referred to, those accounts have declined on average for the 5 years of this decade by 3.4 percent. The 5 years before that and the 5 years before that on average, those same accounts went up 4 to 6 percent each and every year.

Now, I think that is good performance. As a matter of fact, there was not one single new program put into effect in this Congress in the midst of a recession. We cut taxes which was the right thing to do. We did not put in any jobs programs. We used to put them in and they would trigger about the time the recession was over. We did not do that. As a matter of fact, during that same period we got rid of CETA, the Comprehensive Employment Training Program, which was about a $9 billion program at its fullest. I think we have done pretty well.

I have a very simple response to my friend from Texas, whom I hold in great esteem. The proof of the pudding is let the Senate vote. I urge that if you do not like what we have, bring a budget down here. That is the way things are done in the Senate. If you have a budget that is better than this one, if you have a budget that is closer to the President, I urge you to offer it. You cannot offer his; you know that. You cannot offer his because it is out of order, because it does not meet your maximum deficit requirement under Gramm-Rudman-Hollings, and you know that. So you cannot do that. However, you can offer another budget and I urge you do it. We have about 5 hours left. We will yield you as

much time as you desire. I only know of two other amendments, maybe three and they will not take much time. So acutually I know you did a good analysis and I compliment you for it, and I know how seriously you feel about it. I really think that the way to find out whether we come reasonably close to what really counts around here, is to have 51 Senators who will vote for something. So I urge that the Senator do that. It could help us all.

□ 1740

Mr. GRAMM. Mr. President, will the Senator yield me 2 minutes?

Mr. DOMENICI addressed the Chair.

Mr. GRAMM. Will the Senator yield me 2 minutes for my response?

Mr. DOMENICI. I will. I wonder if I could do it this way.

Pursuant to the previous request of the majority leader, I ask unanimous consent that we go into morning business for 30 minutes.

Mr. WEICKER. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DOMENICI. I yield 2 minutes to the Senator from Texas.

Mr. GRAMM. I thank the distinguished chairman of the Budget Committee.

Let me begin by saying that I agree with him that our efforts have not failed. In fact, I think our efforts have succeeded greatly.

Inflation was the No. 1 problem in 1980. We brought the inflation rate to a standstill. When it reached a 17-year low in January, that did not make the front page of any newspaper in America. That is how common our success has been.

We have cut taxes, provided incentives for people to invest and to save; 10.3 million people have gone to work, and we are collecting more taxes than when we cut the rates. We put Social Security back in the black. We rebuilt national defense. We rekindled pride and confidence in America. I think our program has worked, not failed.

Our program is not complete. The distinguished chairman of the Budget Committee and I worked to put binding constraints on the House and the Senate and the President to make it complete by gaining control of spending.

Let me also say to our distinguished chairman that there is nothing I would like better than to see us work out a substitute that would give people a choice, and that is what the whole process is about, and I understand that.

As the distinguished chairman is aware, I have worked probably harder than anybody else in the Senate to try to develop a viable alternative. Whether or not such an alternative will evolve, I do not know. It certainly will not be for my lack of effort if it does not.

I commend the distinguished chairman for his effort. He has brought us a budget that meets the targets of Gramm-Rudman. I do not support it. I do not like the way it does it. I think the President will veto the tax increase. But he is correct, that whatever I think of it, that is no substitute for having a viable alternative, and I will continue to work and hope that we will.

Mr. DOMENICI. I yield myself 2 additional minutes.

Mr. President, I say to my friend, the junior Senator from Texas, that he speaks frequently, as I have in the past, about the fact that we should not have any taxes in this budget resolution. There is a very nice sounding phrase around here: 19 percent of GNP is about the traditional level of taxation we have imposed on the American people. I do not know of any empirical formulas that say 19 percent is right and anything above that is wrong. I agree that taxation should be reduced if possible.

Some Senators may wonder: "What does that 19 percent of GNP mean? How come Senator DOMENICI, who does not like taxes and wants to cut spending, says we cannot live with taxes at that level and still have a balanced budget? Why is he saying that?"

Somebody like Senator GRAMM would question me on the need for taxes. He would say, "We should be able to do it without taxes. We used to spend a much bigger percentage on defense than we do now."

However, here is the difference, I say to my friend from Texas. When you look at taxes as a percent of GNP in 1970, which incidentally were at 19.5 percent, please take a look at Social Security taxes. You can see how much they were then and how much they are now. I am not complaining. We want to do right. It is our policy to get seniors out of poverty and we have succeeded. But only 4.5 percent of GNP went to Social Security in 1970. Fully 15 percent of GNP went to the military and other programs. We now have over 2 percent more in GNP that goes for Social Security than we did then. That is $100 billion which is not available for other programs or for reducing the deficit.

Let's work it out: 2 to 3 percent of GNP at $40 billion per percentage point; 2 times 40 is 80: $80 billion is taken out of that tax pot—$80 to $120 billion—and we put all that in Social Security now. It cannot be used for defense or deficit reduction because it is being used for Social Security.

Therein is the dilemma of our day. Some would say: "Leave taxes alone. Leave them at 19 percent. Get defense back to its historic average, don't touch Social Security, and you can't touch interest and now cut nondefense spending for the rest." That cut is a startling number; because, if you add up the arithmetic to balance the budget, you have to take about $165 billion out of this budget. That comes to the entire discretionary budget. This means that you would have to eliminate all of the discretionary programs of Government to balance the budget.

If you could solve that riddle, you would not need any more taxes. But I guarantee that you are not going to solve it by running around saying, "Use the historic level of taxes," until you start telling the American people the truth. The truth is that we took a whole bunch of that historic level of taxes and dedicated it to Social Security and Medicare. Where do we get the extra for the rest of the programs? Do Americans want to get rid of them all? I do not believe so.

Mr. President, I yield the floor, and I ask unanimous consent that the Senate go into morning business for 30 minutes, as I previously indicated.

The PRESIDING OFFICER. Is there objection?

Mr. WEICKER. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum, and I ask that the time be charged equally.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I renew my request that the Senate go into morning business for 30 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. DOMENICI. I thank my friend from Connecticut.

Mr. GORTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

□ 1750

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMENICI. Are we in morning business?

The PRESIDING OFFICER. The Senate is in morning business.

Mr. DOMENICI. I yield myself 5 minutes.

THE BUDGET RESOLUTION

Mr. DOMENICI. Mr. President, I was talking a while ago about the fallacy of talking about the way it used to be, the fallacy of equating the level of revenues as a percent of GNP 15 years ago with the level today. I alluded to the fact that a lot of people talk about maintaining the historical level and say that is the way it ought to be. I suggested that Senators are interested in why revenues cannot stay at that level and still get us to a balanced budget, and why it is so difficult to reduce that gap between revenues and expenditures.

In that brief discussion I forgot to mention something. As I left the floor it dawned on me what that was.

So let me see if I can just supplement my earlier discussion so that anyone who alludes to my remarks will know that I knew what I was talking about and that I had the right thing in mind.

We are trying to reach a $144 billion deficit. That is what our new law told us we ought to do. Since Lyndon Johnson's time we have had Social Security on this unified budget. Some people think that was Lyndon Johnson's way of getting around a big deficit, by using Social Security taxes to pay for spending on other programs. I thought so, too, but you may be interested to know who suggested the unified budget. He is one of the most reknowned conservative economists we have ever had, a former chairman of the Federal Reserve Board, and an adviser to Richard Nixon. It was Arthur Burns who suggested it. In fact, I believe he suggested it 5 years before we did it.

Unifying the budget made great sense. It still makes sense. We still use Social Security to calculate the maximum deficit amount for the Gramm-Rudman-Hollings targets.

Now let me suggest to you what I said a while ago. I was talking about why we are never going to get where we have to be and still have defense growing, which we want, and still leave Social Security and the big entitlements alone unless we agree to some additional revenues. I gave you an explanation of the dilemma by describing what happen to the makeup of the tax revenues from 1971 to this year. When we had 19.5 percent of GNP in 1971, a much smaller share of that was for Social Security. Now a very big piece is. But I forgot to mention that this year, if and when we get to the $144 billion target, we will be using $15 billion of excess from the Social Security fund to do it.

So, was my reasoning right when I said that revenues of 19.0 percent of GNP would not get us to a balanced budget? Well, instead of $144 billion, the problem is really 144 plus 15, because we have $15 billion that we have borrowed from the Social Security fund. Interestingly enough, the next year, when we get to Gramm-Rudman-Hollings' second year total, we are going to have to take $36 billion more off the deficit. That is the goal. Well, if we do it—and I hope we do—we will not be making much headway because $30 billion of the $36 billion will be borrowed from Social Security that year.

And then the next year, the problem gets worse. We will have to take another $36 billion off the deficit that year in our third installment. Lo and behold, we are going to be borrowing $39 billion from Social Security, because that is the excess in that fund then.

Now that should complete the discussion I started a while ago, of why it does not do a lot of good to run around telling the American people, "We have lived with 19 percent of GNP in taxes over the years and, by George, we are going to continue doing it." I would point out that we are getting defense built back up. Even more important to the budget, we dramatically switched the taxes that were available for other things to the specific trust fund used for Social Security.

Now we are going to maintain Social Security, so it would appear to me that we have two options: One is a rhetoric option. We can continue to run around and say the deficit indeed will be solved by cutting. You can see from the discussion that it will not be done, because the level of taxes available for discretionary programs and defense is much less than the 19 percent we are accustomed to because we are using a whole bunch of those taxes for Social Security. That is one option. Keep talking like it might happen; keep talking like 15 years ago is relevant to today in terms of a budget and fiscal policy.

Or, second, we cut as much as we can, then reform as much as we can, and decide that we ought to add a little revenue in this time of a strengthening economy.

Now there is another interesting thing. We can just close the discussion by saying, if not now, when? Shall we wait until we are in another part of the business cycle where we are not growing? We surely would not want to raise taxes in bad times, the exact opposite of what we ought to do. When is it going to be the right time to do it? When will times be good enough to do it?

For some, as economic times get better, they would not have us touch the taxes because that is what makes the economy better. But we already know it cannot get better enough to take care of the deficit. I will give you my hunch. We will have to have about 6 percent real growth for about 3 years, in order to meet our deficit targets, and we will not get that.

So we cannot raise revenues when the economy is getting better because the economy is going to keep on getting better. So we are going to wait around until times are not so good, when it will be impossible to adjust revenues and the deficits will be $250 billion or more and we will wonder why.

I am confident that we are going to begin to solve the problem. I am confident that before the night is over we will make a real giant step in that direction. And I do think there will be some cognizance by the U.S. Senate—whether anybody agrees with the discussion during the last 35 or 40 minutes—there will be some kind of a sense that there is no other way to make real headway. So we will make a nice stab at reducing the deficit before we are finished this year and part of that reduction will come from revenues of one type or another. I am hopeful we will get that done with a very bipartisan and large vote.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

□ 1820

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

AGENDA

Mr. SIMPSON. Mr. President, I ask unanimous consent that morning business be extended until the hour of 6:45 p.m. this evening.

The PRESIDING OFFICER. Is there objection?

Mr. MELCHER. Reserving the right to object, might I ask the distinguished assistant majority leader what we are to anticipate this evening?

Mr. SIMPSON. Mr. President, I cannot give a full recitation of what will be. The purpose of this request is from the Democratic leader and the Republican leader so that time will not run while there is further discussion of a potential compromise. I believe there are some 3 hours remaining. That compromise or some version thereof or another measure will be submitted to us for a vote this evening.

It is the leader's intention, I still believe, to go forward tonight to try to get a time agreement, a unanimous consent agreement, on three measures for Monday, which would then allow us not to be in session tomorrow.

That is the present intent, to pursue this this evening, hopefully to conclude it, and then get agreement for Monday's activities dealing with three or four items, and then no session on Friday. Of course, that is all very tentative.

Mr. MELCHER. If the assistant majority leader will yield, might I further inquire if it is the intention at 6:45 to return to the budget resolution?

Mr. SIMPSON. Mr. President, that is the intent.

Mr. MELCHER. I have no objection.

Mr. DOMENICI. Mr. President, will the acting majority leader yield for an observation?

Mr. SIMPSON. I yield.

Mr. DOMENICI. Everyone knows that discussions are taking place on all sides. I do not know that it is fair to say we are discussing a compromise. I wish we were. I think it is fairer to say that with the discussions there are still five or six people with amendments. I know the distinguished Senator from Idaho has been waiting with one. Time would be running off the resolution while the discussions occur. I cannot be on the floor and things cannot get done with reference to those kinds of amendments. It is in that context that both the majority leader, the minority leader, and myself have asked the acting majority leader to seek the extension of morning business.

The PRESIDING OFFICER. Without objection, the request is agreed to.

Mr. MELCHER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

□ 1830

Mr. DECONCINI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NAUM AND INNA MEIMAN

Mr. DECONCINI. Mr. President, I would like to take a few minutes to once again address the tragic fate of Naum and Inna Meiman. Naum, a prominent Soviet human rights activist whom I have had the pleasure of meeting on several occasions, has waged a tireless and courageous effort for more than a decade to be reunited with his daughter in Israel. Many of my colleagues are familiar with the Meiman's situation and have spoken often on their behalf on this floor.

Recently, Naum provided me with a copy of his appeal to Ambassador Michael Novak, the chief U.S. delegate to the Bern Human Contacts Experts Meeting, which convened on April 21. Representatives from the 35 nations who signed the Helsinki Accords in 1975, including the Soviet Union, are attending this conference to discuss specific human contacts commitments contained in this international document. Since Naum's own words best describe the tremendous adversity he and his wife have encountered in their pursuit of freedom, I would like to share with my colleagues the letter Naum addressed to the delegates at the Bern meeting.

I ask unanimous consent that the full text of Naum's letter be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NAB. GORKOGO 4/22, APT. 57,
113127 Moscow, USSR,
April 9, 1986.

CSCE CONFERENCE IN BERNE: I appeal to you in view of actions of the Soviet authorities that constitute a crime against humanity. They have doomed my wife to a torturous slow death.

I. I am a professor of mathematics, 75 years old, fighting since 1975 for permission to go to Israel to reunite with my only daughter.

My wife, Inna Kitrosskaya, 53, a teacher of English, first applied to go to Israel together with her son's family in 1979. This was before she and I married in 1981.

In 1983 my wife was stricken by sarcoma on the back of the neck. The turmor lies close to her spine, so that treatment called for extremely sophisticated equipment and skill in using it. Neither the equipment nor the skill in using it is available in the Soviet Union. The only treatment provided was repeated surgery. In less than two years, my wife had four hazardous operations, the last in July 1985. When the tumor appeared again in the fall of 1985, the doctors found it inadvisable to risk another operation. Since then, Inna has been left to her fate. The tumor continues to grow, bringing ever more pain.

Right after the disastrous first operation, in October, 1983, it was clear that there is no adequate treatment in the Soviet Union. She was magnanimously invited to receive treatment at oncological centers in Sweden, the United States, Israel, and France. She received personal invitations from former Ministers of Health of Sweden and France Karin Ahrland and Simone Veil. Mrs. Veil came to Moscow specially to see my wife.

All that was required of the Soviet authorities was not to hamper others in curing my wife, to grant her at least a temporary exist visa. The Soviets refused.

I have addressed Communist Party General Secretaries Andropov, Chernenko, and Gorbachev. My letters to them are not considered, but simply passed on to the Visa Office (OVIR).

Last summer, in reply to one of my letters to Mikhail Gorbachev, we were phoned by OVIR and told to reapply for visas to the local visa office, to begin the rounds all over again, as if there had never been all the past ten years of waiting.

The application process in itself is an extremely difficult, humiliating procedure. Many cannot take the hurdle. We were fortunate, being able to submit all the documents required last July. The city Visa Office called me in on August 23 to announce that we were once again refused permission to leave. The day before, the same office called in Inna's son, brother, and mother, and told them to reapply, since their case was being reconsidered. Usually, this leads to permission to leave. My wife and I thereupon felt inspired to apply on September 4 to the National OVIR Chief, Col. Kuznetsov, to let Inna leave with the other members of her family, without me.

On September 18, Kuznetsov told my wife that she was refused permission to leave with her son because her departure would be a security risk for the Soviet Union after her having lived with me too long.

II. I am refused permission to leave the Soviet Union on the pretext of so-called classified work done. More than 30 years ago, at the dawn of the Atomic Age, I did do certain classified calculations for the late Academician Landau at the Institute of Physical Problems (IPP) of the USSR Academy of Sciences. Those calculations, done so long ago, even then were merely conventional; they have long been neither secret nor of any interest or significance to anyone anywhere.

In 1955 I transferred to work in another institute, and according to an official document have had nothing to do with classified work since then. Upon applying to go to Israel in 1975, I had to retire on pension.

President Alexandrov of the USSR Academy of Sciences, former Director of the IPP when I worked there, certified in 1976 that I possess no classified information. How can anyone talk seriously about scientific, and in my case, merely calculatory, secrets more than 30 years old? It is absolute nonsense.

Yet that absurd fabrication was enough not only to deny me my inalienable right to emigrate, to reunite with my only daughter. It denies my wife her only chance of survival.

In January 1980, I was called in to a local Prosecutor's Chief of Investigation and told officially that because of my former classified work, it had been decided never to let me emigrate. I asked who had decided, and was told that no one had the right to tell me. It had been decided by a competent body.

Can you imagine the like in any law-abiding state? My life sentence is so secret that they cannot tell me who passed it, or when. It's an echo of medieval secret trials, of the nightmares of Kafka and Orwell. But this is not history, nor is it fiction. It's like today for the refusenik. More than that, judging by the cruel, senseless treatment of my wife, my secret life sentence covers her too.

III. Refusal to let my wife receive treatment abroad is especially repulsive in view of a letter to Mr. Gorbachev from the prominent Prof. Douglas P. Zives of Indiana about two recent American breakthroughs in cancer therapy that offer some hope that my wife can be cured. Prof. Zives also sent an appeal to Gorbachev by cable.

Meanwhile, U.S. Senator Grassley informed former Soviet Ambassador to the United States Dobrynin that my wife has been accepted for the Sloan-Kettering Experimental Program in New York.

Some time ago, Inna received an invitation from Mrs. Max Kampelman to visit her as a guest for three months. The invitation is endorsed by U.S. Senators Gore, Pell, Stevens, Wallop, Moynihan, Rudman, Warner, Hart, and Nunn and Ambassador Zimmerman, as well as by Ambassador Kampelman himself.

Col. Kuznetsov refused to even read the invitation. He said my wife would be refused permission to visit abroad. He knew, he said, that the real reason for any trip would be to

get medical treatment. Kuznetsov was repeating numerous previous such statements of his. But this came shortly after Gorbachev said in Pravda on March 15 in reply to Professor Marois that human life was the highest value. Doesn't Kuznetsov take Mr. Gorbachev seriously?

Two months ago, my wife's condition deteriorated sharply. She now has to stay in bed practically all the time, suffering a difficult course of chemotherapy. She is in need of constant doctors' and nurses' attention. A new misfortune has complicated my wife's conditions last week, our telephone was cut off. This aggravated the barbarity, since I am not well myself, and my wife and I live alone. Back in 1977, I was expelled from the Academy Polyclinic, to which I had a right. This was totally unlawful after more than 35 years work in various Academy institutes.

IV. Since you are dealing with Contacts, let me inform you that I have received invitations to work as visiting professor from several universities in the United States, Stockholm University, and Oxford. I did not receive several other invitations sent to me by mail. I am prevented from accepting any of these invitations. I have been informed that hundreds of ordinary letters have never been delivered to me.

NAUM MEIMAN, *Professor.*

NAUM AND INNA MEIMAN: IN NAUM'S OWN VOICE

● Mr. SIMON. Mr. President, I commend the attention of my colleagues to the letter which my good friend, Senator DECONCINI, received from Naum and Inna Meiman, a Soviet Jewish couple who have been refused permission to emigrate to Israel. This letter is reprinted in the RECORD.

Naum's letter confirms our worst suspicions of Inna's physical condition. Inna has had four cancer operations and has another tumor growing on her neck. Naum's plea must be heeded. We must redouble our efforts to obtain permission for the Meimans to seek medical treatment in the West.

I commend my colleague for his work on behalf of the Meimans and strongly urge the Soviets to allow the Meimans to emigrate to Israel.●

GOLDEN GAVEL AWARD FOR SENATOR PRESSLER

Mr. DOLE. Mr. President, today Senator PRESSLER has qualified for the Golden Gavel Award for presiding over the U.S. Senate for 100 hours. Senator PRESSLER is thus the first Senator to win the Golden Gavel Award in this 99th Congress.

Presiding over the U.S. Senate is a task that is shared by Senators in the absence of Vice President BUSH, who is President of the Senate. Senator PRESSLER is to be congratulated for his diligence, fairness, and hard work in carrying out the duties of the Presiding Officer.

I might add two notes of historical interest: Senator BAKER recognized Senator PRESSLER as the first Senator to preside over the Senate in January 1981, after our party took control; and Senator PRESSLER was the first Senator to be awarded the Golden Gavel Award in the 97th Congress. At that time Senator BAKER cited him for his accomplishment. I am happy to congratulate him again today for his continual excellent service to the U.S. Senate.

TV IN THE SENATE

Mr. MATHIAS. Mr. President, today marks the official beginning of "in-house" coverage of the proceedings of the U.S. Senate by television. Today, all over Capitol Hill, Senate staffs and even Senators themselves, while working in their offices, will be able to see as well as hear their colleagues in action.

What will they learn from this new experience? I believe they will learn that seeing Senators in the Chamber while listening to the debates brings a clearer understanding of the issues.

They will learn that television enhances the Senate as an institution, rather than diminishes it.

They will learn that the business of the Senate continues to be carried on in a dignified and professional manner.

And surprisingly enough, they will learn that to watch the Senate on television is to witness good debate and good theater.

"In-house" television is another historic first toward the goal of opening the Senate to the American public. I don't believe the point can be made too often that deliberations on the Senate floor and the decisions we make on legislation touch every American.

But not only is televising the Senate proceedings informative, it also provides an accurate record of what actually happens on the Senate floor. Such a documentary record will be invaluable to future historians and students in trying to understand the temper, the politics and the issues of our times.

I am proud of the Senate for taking this giant step toward openness in government. I feel confident that once we've tried television, we'll like it and I look forward to the day when, not only those of us who work on Capitol Hill, but the whole Nation, will be able to see the greatest deliberative body in the world in action.

I would also like to commend the Architect of the Capitol, Mr. George White, and his staff for their work in getting the video equipment in place and operating.

Mr. President, I ask unanimous consent that a notice from the Radio-Television Correspondents' Galleries on television broadcasts and a letter on the use of radio broadcasts appear in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMITTEE ON RULES AND ADMINISTRATION,
Washington, DC, March 11, 1986.

Mr. MIKE RUSSELL,
Office of Senator Riegle,
U.S. Senate, Washington, DC.

DEAR MR. RUSSELL: Thank you for your letter requesting clarification of certain aspects of the pending radio coverage of Senate deliberations.

Guidelines and regulations relating to television and radio broadcasts of the Senate will be developed by the Rules Committee in the near future in accordance with the provisions of S. Res. 28. As you know, S. Res. 28 prohibits the use of audio recordings of Senate proceedings for "political purposes"; what constitutes "political purposes" will have to be determined by the Rules Committee in conjunction with the Ethics Committee. In the meantime, those who wish to record their Senator's voices from their Senate FM receivers should limit such recordings to their own Member's comments and use the tapes for legitimate news purposes. In other words, the content and use of audio recordings should equate with those of press releases and/or newsletters.

Senate staff are not authorized to use the radio broadcast "mults" which will be provided only for accredited members of the Senate Radio—Television Gallery. However, the Rules Committee will study the feasibility of alternative methods of getting a "clean" recording of the Senate floor action.

Again, thank you for writing. Your offer of assistance is much appreciated.

With best wishes,

Sincerely,

CHARLES MCC. MATHIAS, JR.,
Chairman.

IMPORTANT NOTICE

This is to officially notify all Gallery members and Bureau Chiefs that until June 1, 1986, the television transmissions from the Senate floor will be for Senate internal use only and not for broadcast usage.

This means that no one will be allowed to tape or film Senate floor proceedings from a monitor in any office on Capitol Hill. Members of Congress and staff will have no authority to grant exemptions to this rule. Bureau Chiefs, producers, and editors will be expected to help prevent any violation of the Senate rule prohibiting use of television before June 1.

Everyone is now on notice and violators will be subject to loss of gallery credentials and privileges.

MAX BARBER,
Superintendent.
PHIL JONES,
Radio-Television Executive Committee.

THE CHERNOBYL TRAGEDY

Mr. CHAFEE. Mr. President, for the past several days the world has been witness to a nuclear accident of extraordinary proportions.

By nearly all accounts, the violent chemical explosion and subsequent core meltdown at the Chernobyl nuclear powerplant near Kiev is probably the worst nuclear disaster in history. As swirling winds indiscriminately blow nuclear "death clouds" around the Soviet Union and Europe, the ramifications of this tragedy grow more and more frightening.

I rise today to express my profound sympathy and concern for the unfortunate victims of this case of man's technology gone awry, the ordinary people of Russia and Europe.

Mr. President, disasters—natural, technological, or other—seem to happen with such regularity in today's world that their effects are numbing; 500 people die in plane crash; 2,000 people perish in an earthquake. Victims conveniently become statistics. Numbers—staggering numbers—are bandied about without regard, and we are dehumanized. We lost focus of the meaning of a human life.

Chernobyl is no different. Already estimates are being made as to how many hundreds might die, how many thousands might be adversely affected for life.

Mr. President, we should try to bear closely in mind the "human" aspect of this tragedy over the next few days. It is not "Russian" people that are dying, it is that "people" who are dying. Children—just like ours are dying. Nationality or ethnicity has nothing to do with it. A disaster of this scope is indiscriminate in choosing its casualties.

John Donne best described my feelings when he said nearly 400 years ago:

No man is an island, entire of itself; every man is a piece of the continent, a part of the main; any man's death diminishes me, because I am involved in mankind; and therefore never send to know for whom the bell tolls; it tolls for thee.

UNITED STATES RELATIONS WITH LIECHTENSTEIN

Mr. PRESSLER. Mr. President, I would like to share with our colleagues some correspondence I have had with Hans-Adam, the Hereditary Prince of Liechtenstein.

I initiated the correspondence as part of a study of small nations' relations with the United States which the European Affairs Subcommittee is conducting. The very positive and thoughtful response from Prince Hans-Adam is encouraging. Other Members of the Senate may wish to be aware of the high regard in which his country holds the United States. Too often we forget the value of smaller nations such as Liechtenstein. We should all work for broader American recognition of the strong bonds of friendship and commerce which exist between our two countries.

Mr. President, I ask that the correspondence to which I have referred be printed at this point in the RECORD. I also understand that our distinguished colleague from Rhode Island, Senator PELL, may have some pertinent comments he may wish to make on the subject of Liechtenstein.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

VADUZ CASTLE,
March 12, 1986.

HON. LARRY PRESSLER,
Chairman, Subcommittee on European Affairs, United States Senate, Committee on Foreign Relations, Washington, DC.

DEAR SENATOR PRESSLER: Thank you very much for your letter of February 20 and your interest in the relations between the United States and the small nations of Europe. We, here in Liechtenstein, are very thankful for the interest you and the Subcommittee on European Affairs have for the small nations. Although we are small, we feel very much as being a part of the large community of nations in the world.

I discussed with our government the questions you have asked me.

The government, too, will send you a separate letter concerning this matter.

I take the liberty to answer in the same order as you have asked the questions:

1. Liechtenstein's relations with the United States are excellent. Any small problems which might have emerged in the past, were quickly solved in a very informal way.

2. Considering the excellent relations between the two countries, we have difficulties to identify any area where the relations could be further improved.

3. Our existing treaties with the United States have served the interests of both countries, as far as we can judge it. We do not see here in Liechtenstein the need for any changes.

4. If we consider the excellent relations between our two countries, probably very little can be done from the authorities. In this situation, private initiative seems to work best. Private initiative has also led to the largest art exhibition, Liechtenstein has ever made, abroad. This exhibition has opened at the Metropolitan Museum in New York in October 1985 and will last until end of April 1986.

In the table on the smallest states of Europe, you have sent to me, there is a small mistake. It is said that Switzerland handles also our defence which is not the case.

There is just one other area which I would like to mention. We would very much appreciate the support of the United States should Liechtenstein apply for a membership at the United Nations. The question is currently discussed here in Liechtenstein and we might decide to apply for a membership, whatever the outcome of the popular vote in Switzerland on this question. I have personally always supported the idea of our membership in the United Nations. I believe that also a small nation has some obligations towards the world. Liechtenstein could support in the United Nations the nations who are in favour of human rights, democracy and free trade.

It would be a pleasure for me to provide you with further information or whatever assistance you wish. I hope to see you again, either here in Liechtenstein or in the United States.

With all the best regards,
Sincerely,

HANS-ADAM,
Hereditary Prince of Liechtenstein.

Mr. PELL. Mr. President, I congratulate the Senator from South Dakota, Mr. PRESSLER, on his interest in smaller nations and his insertion in our CONGRESSIONAL RECORD, of his correspondence with crown Prince Hans Adam of Liechtenstein.

In this regard, I am very glad to say that both he, some 20 years ago, and his son Prince Louis, just this past week, served as interns right here in our Senate.

I have known and have had huge affection for Liechtenstein and the Liechtenstein family for almost 40 years. It is truly a country of balance where each citizen takes great independent pride in his or her own work and status and life in the communities that compose Liechtenstein.

When I first used to visit there, it was basically an agrarian economy with some cash revenues from a few manufactured goods. Now it has a thriving industrial economy with its own service related activities and with agriculture far down the list. Its government and its people are basically conservative and of a very religious nature. If more countries like Liechtenstein were members of the United Nations the world would be very much the better for it.

I look forward to many more years of friendship between the United States and Liechtenstein.

□ 1840

THE HART-CHILES-BYRD AMENDMENT: A LOOK TO THE FUTURE

Mr. DECONCINI. Mr. President, I would like to take a few moments to reflect on the action the Senate took Tuesday afternoon in defeating an amendment offered by the distinguished senior Senator from Colorado [Mr. HART], the Democratic leader [Mr. BYRD], the ranking member of the Budget Committee [Mr. CHILES], and others. Unfortunately, after just a few short hours of debate, the Senate turned aside not just another amendment to the budget resolution, but perhaps a national blueprint for where this country should be going for the next decade and beyond.

Mr. President, since President Reagan took office in 1981, the entire focus of the Congress, OMB, the President, and, to a certain extent, the country has been on the present—the present only. We have been focusing on how to bring down the deficit and properly so. We have been examining old programs to see which ones work and which ones no longer serve their original purpose. We have examined new budget procedures to bring order to the way the Government does its budgeting business. And we have examined ways to put the brakes on Government programs and do more with less. This reexamination of our current policies, programs, and procedures has been healthy and probably long overdue.

However, during the same 5-year period we have lost something that the amendment of the Senator from

Colorado has tried to recapture: The vision of this country to look beyond the present and start building for the future. We have spent the last 5 years in a defensive posture, reacting to the most devastating attack on the social infrastructure of the country in modern history. We have spent the past 5 years in fiscal combat with a President who has attempted to throw the Nation in "reverse" rather than examine what we need to do to guarantee a productive, innovative future for our children and their children. We have spent the past 5 years trying to reverse the largest accumulation of debt in the history of the Nation. And we have dropped any attempt to look to the future, while we broke our backs to tackle the largest peacetime deficits in our history.

The amendment of the Senator from Colorado has, if nothing else, forced the Senate for a few brief hours to take off the blinders and green eyeshades, rub our eyes, and look ahead to where we should be putting our scarce Federal resources in order to build for the future. For that, Mr. President, we owe the Senator and the Democratic leader a great debt of gratitude.

Mr. President, the amendment of the Senator from Colorado was not some wild-eyed, antidefense proposal to scale back national defense to accommodate more unbridled social spending. On the contrary, I would not have supported the amendment if that had been the case. What the amendment did do was tell the country and the Senate that we should put out scarce dollars: into rebuilding investment in basic sciences so that we can take innovation and productivity off the back burner and make it a high priority; into developing new technologies in health, industry, and commerce that will put Americans back to work and make our lives safer and more productive; into programs that will invest in resource development in energy, agriculture, and natural resources; and into programs that will invest in the education and training of our children and our work force. Those are priorities and visions of the future that this body and this administration have lost sight of over the past 6 years because of the deficit.

Mr. President, to be completely fair to the administration, not all of the blame for our loss of vision can or should be laid totally at their doorstep. In fact, a good argument can be made that our current cycle of good economic news has lulled the general public and the Congress into resting on our collective laurels and focusing our time and energies on the present—not the future. The amendment of the Senator from Colorado forced us to think beyond our present good fortune, beyond temporary lower oil prices, beyond a booming stock market, and beyond our current unemployment levels, and to start putting our scarce dollars into science, technology, education, and other infrastructure-building programs that will assure that economic good fortune and progress will be available for our children and their children.

Mr. President, the amendment of the Senator from Colorado would have paved the way for a comprehensive program for economic growth, expansion of international trade opportunities, and the rebuilding of our educational and technological underpinnings as we approach the end of this century. By putting our resources into basic research, health, industry and commerce, energy research, agriculture technology, and education and training, the Senator's amendment would be investing in our future without mortgaging our future.

Let me conclude by saying that, as a member of the Democratic Leader's Budget Task Force, I have spent months wrestling with the Senator from Colorado and others over budget plans, the matter of revenues, and the pay as you go concept that is the backbone of the Hart-Chiles-Byrd amendment. I must say that I have serious reservations about any increase in revenues, whether it be user fees, oil import fees, or any other type of revenues. However, at my request, the amendment initially offered by the Senator from Colorado and cosponsored by this Senator included a proviso that none of the unspecified revenues addressed in the amendment would come from low- or middle-income taxpayers who are already shouldering a disproportionate share of the tax burden. Unfortunately, the proviso was challenged on germaneness grounds and dropped. I have nonetheless supported this amendment and the idea that we should pay as we go in order to establish the funding priorities that are assumed in the Hart-Chiles-Byrd amendment.

Major corporations of this country or the uppermost income citizens of this country, who currently pay little or no taxes whatsoever, may have to chip in a few bucks to guarantee the future of our children, the future of our economy, the future of our natural resources, and the future of our agricultural industry. This is a small extra burden to bear when so much is at stake for this great Nation.

Mr. President, the amendment of the Senator from Colorado should have been adopted. Nevertheless, it is not too late for the Senate and the administration to take a long look down the road and begin to reassess our priorities to address the problems of today but, more importantly, the problems facing our future.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. RUDMAN. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF ROUTINE MORNING BUSINESS

Mr. RUDMAN. Mr. President, I ask unanimous consent that the period for routine morning business continue not to extend beyond 7 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RUDMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

□ 1900

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HECHT). Without objection, it is so ordered.

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1987

Mr. EXON. Mr. President, what is the parliamentary situation at this moment? It was my understanding, and I would like to be corrected if my understanding was wrong, that the morning business was to be concluded at 7 o'clock and that at that time we were to go back on the resolution before us. Is the Senator from Nebraska correctly informed?

The PRESIDING OFFICER. The Senate will now return to the consideration of Senate Concurrent Resolution 120.

Mr. EXON. Mr. President, I ask unanimous consent that as to any other time under quorum calls that the time be equally charged.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Will the Senator withhold that?

Mr. EXON. I am glad to yield to the majority leader.

Mr. DOLE. Mr. President, a number of us have been working all day on both sides, and we are not there yet. We may get there yet. But it seems to me that it is in the interest so nobody thinks we are trying to run the clock on anyone. I ask unanimous consent that there be an additional period of 2 hours allotted in consideration of Senate Concurrent Resolution 120.

Mr. EXON. Mr. President, reserving the right to object, could the majority leader be good enough to inform this

Senator and probably the Senate as a whole as to what the situation is planned for this evening? If we accept the unanimous-consent request that has just been proposed that would take us up until about 9 p.m. this evening, is that correct?

Mr. DOLE. It could be longer. I doubt we would use it.

The Senator from Florida has suggested and so has the distinguished chairman of the committee, there are some Members who feel we are trying to run the clock and then will come in with some big substitute. I want to allay that fear. That is not my purpose. My purpose is to get something we can get 60 or 70 votes for.

I know the distinguished minority leader indicated earlier the concern. I know the Senator from New Mexico has 40-some minutes remaining. The distinguished Senator from Florida has a couple hours.

Again, if we had a substitute that took 2 or 3 hours plus and we still have three amendments pending, we might need that time.

So, I am just trying to satisfy concerns, and I think the Senator from Florida would agree that it would be a good idea.

Mr. EXON. Mr. President, reserving the right to object, let me see if I can clarify this a little bit. The majority leader asked unanimous consent for another 2 hours delay with no time to be charged to either side; is that correct?

Mr. DOLE. No. I am asking for additional 2 hours for debate. I do not believe we will need it. I do not want people to have a feeling we are trying to run the clock out.

Mr. EXON. That being the case, then can the majority leader please bring us up to date as to when in his best judgment are we likely to proceed with any action on the floor of the Senate, a half-hour from now or 3 hours from now?

Mr. DOLE. There are still three amendments. I think they are on our side. We are prepared now to accept, if those who want to offer amendments will do so.

We have a couple of things we are trying to do. We are trying to complete action on this evening, trying to avoid a session tomorrow, and trying to work out some business to do on Monday.

I just suggest that to facilitate the managers, if we had this little cushion, hopefully we are not going to need it, but I think it would dispell a lot of fears, at least the perception that some have that we are tying to run the clock down and at the last minute are going to send up a big substitute and vote on it. That is not the intent of the leadership, I do not have a substitute at this point.

But again if it is going to take time, I will withdraw the request.

Mr. CHILES. No. I just would like to say to the majority leader I think it would be helpful to have the additional 2 hours because I think there are people on our side who have a fear that we are going to run down to the wire and then a substitute would be dumped on the last minute, and no one will have a chance to look at it and they would just be required to vote. Hopefully, we may not need the time. I think it would be useful. I think it would help even toward trying to do something this evening.

Mr. EXON. Further reserving the right to object, let me ask my friend and colleague from Florida what the situation would be if the unanimous-consent request is granted and each side has an additional 1 hour? We could find ourselves in a situation, could we not, where we have the continuing delays, delays, so that we may be back here 3 or 4 hours from now asking for an additional hour on each side in addition to that, is that not a possibility.

Mr. DOLE. I intend the clock to start running immediately. I hope Members will call up the amendments. We have been trying all afternoon to get amendments called up. There are still three floating around.

Mr. EXON. If the two leaders have agreed on this, I will not object.

Mr. BYRD. I have not agreed on anything.

The PRESIDING OFFICER. Is there objection to the request?

□ 1910

Mr. BYRD. Mr. President, reserving the right to object.

Mr. President, I remove my reservation.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

A Senate concurrent resolution (S. Con. Res. 120) setting forth the congressional budget for the United States Government for the fiscal years 1987, 1988, and 1989.

The Senate resumed consideration of the concurrent resolution.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum to be equally divided.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

□ 1940

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1818

(Purpose: To require committees which are required to report changes in law to reduce budget authority and outlays to submit, with such changes, a statement specifying, with respect to each program for which such changes are reported, the budget authority which would have been provided, and the outlays which would have been made under such program if such reductions had been made below the current law baseline and below the 1986 expenditures baseline.)

Mr. McCLURE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Idaho [Mr. McCLURE] proposes an amendent numbered 1818.

Mr. McCLURE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 44, between lines 8 and 9, insert the following:

(2)(1) It is the sense of the Senate that each committee of the Senate or the House of Representatives which, pursuant to subsection (a) through (y) of this subsection, is required to report changes in law to reduce budget authority or outlays, or both for one or more fiscal years shall submit, as feasible, to the Committee on the Budget of its respective House with such changes a statement specifying, with respect to each program for which such changes are reported—

(A) an estimate (utilizing the baseline upon which the levels and amounts set forth in this concurrent resolution are based) on the total amount of budget authority and outlays for such program for each such fiscal year after such changes are made; and

(B) an estimate (utilizing the current law baseline) of the total amount of budget authority and outlays for such program for each fiscal year after such changes are made.

(2) For purposes of this subsection the term "current law baseline" means, with respect to budget authority and outlays for a program, the amount of budget authority which would be provided for such program for a fiscal year and the amount of outlays which would be made under such program for a fiscal year under the laws in effect on the date of adoption of this concurrent resolution, without any change in policy.

(3) It is further the sense of the Senate that the Committee on the Budget of the House and the Committee on the Budget of the Senate shall include, as feasible, in the report accompanying a reconciliation bill or resolution reported to its respective House under subsection (a) of this section the statements received by such Committee under paragraph (1) of this subsection.

Mr. McCLURE. Mr. President, the purpose of my amendment is to require, to the extent feasible, that the substantive committees reporting legislation pursuant to the reconciliation process compare their reported savings not only to the baseline underlying

the reconciliation instructions, but also to the current law baseline.

Although this sounds esoteric, the reason behind it is relatively simple: At the beginning of the year, the Budget Committee selects a baseline of anticipated revenues and spending from which further increases and cuts in spending and revenues are to be judged. This baseline embodies what the Budget Committee expects taxes and spending to be.

In the past, the committee has selected a baseline which is very similar to what used to be called current policy. This means that the baseline anticipates spending and taxes which are generally somewhat above what is authorized by current law. In a case of a rapidly expanding program such as Superfund, for instance, the baseline could anticipate spending as must as five times the level of spending in previous years.

When compared to the expanding spending and taxes envisioned by this baseline, even spending and tax levels considerably in excess of previous years may appear to be spending cuts and tax cuts. This is because these spending and tax increases over previous years' spending and taxes nevertheless represent less money than anticipated by the baseline.

Mr. President, by comparing spending and taxes not only with the Budget Committee baseline, but also with what is currently being spent and taxed, we can get a more accurate picture of how budget targets are being achieved.

It is my understanding that the managers of the bill are prepared to accept my amendment, so I yield the floor.

Mr. SYMMS. Mr. President, I am authorized on behalf of the majority and the minority on the committee to accept the amendment. We thank the Senator from Idaho for his contribution to this process.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1818) was agreed to.

Mr. McCLURE. I move to reconsider the vote by which the amendment was agreed to.

Mr. SYMMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLURE. Mr. President, I thank the staff of the committee for their assistance with the language in which the amendment was prepared and adopted.

Mr. SYMMS. Mr. President, I yield 5 minutes to the Senator from Maryland off the majority's time.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. MATHIAS. Mr. President, the proposed resolution on the budget would reduce by 11 percent the funds that would be utilized to implement and promote the foreign policy of the United States. The substantial reduction in foreign assistance recommended by the Senate Budget Committee would have a very serious effect on meeting our foreign policy goals and our foreign policy commitments. In some cases, it would affect solemn commitments that we have entered into under treaties; in some cases, it would affect promises that we have given and hopes that we have raised by our actions in previous years.

The Senate, earlier this week, slashed another $168 million from the function—$168 million beyond the cut that had been recommended by the Senate Budget Committee. I suggest that this will further cripple our efforts in the field of foreign policy—not just, Mr. President, in the field of foreign aid but in the field of foreign policy. It will cripple our efforts to implement foreign policy, to promote those goals that the United States feels are important for stability and peace in the world.

I recently had occasion to travel to the Middle East—to Saudi Arabia, to Syria, to Jordan, to Israel, and to Egypt. During that trip, I became convinced that American influence in the region has suffered a net loss in recent years. We are perceived as being less interested and less vigorous in pursuing efforts to revitalize the peace process. This lessening of our traditional role is due to more than one factor, but certainly diminishing aid levels to some of the nations in that region will be seen as only one more step in the direction of a weaker U.S. influence in the Middle East.

Perhaps it will also be seen as an invitation to our adversaries to play a more active role in the Middle East. I suggest that the Senate should weigh that consideration as it looks at this particular item in the budget.

In this regard, I am much more concerned about the smaller countries and projects which are going to recieve bigger cuts—larger than the 11 percent which is projected by the committee—than about the major recipients who may not even be touched. This year, we will spend only $109 million on bilateral development assistance for all the Caribbean, which is literally on our front doorstep. One hundred nine million dollars for food, for clothing, for shelter, for machinery for this small but vitally important area for American security and for our future.

I note just in passing that the Congress will spend nearly 1½ times that amount for mass mailing compaigns, telling our constituents about all the cuts that we have made and the budgetary commitments that we have kept.

This year we will spend more on covert military aid in Angola than on development assistance to the West Bank and Gaza. And in all probability one cost overrun on a weapons system will cost us more than our developmental assistance to all of Africa, where there is such potential for doing positive things and clearly such potential for suffering as well. Large cuts in programs such as these will have a devastating effect on the economies of these areas and toward our foreign policy goals as well.

□ 1950

My second immediate concern relates to the tragic role that terrorism has come to play in international relations. While it is, of course, necessary to take a strong stand against state-supported terrorists, we must realize that as long as there are thousands of people who feel thwarted in political expression, who are displaced from their homes, denied hope and opportunity in life, then the seeds of terrorism will surely exist. We must deal with the causes of the disease as well as the symptoms; we should not take a substantial cut, over one-tenth, from our programs that address some of the root causes of terrorism.

I do not believe this is the way the people of the United States want to move. I do not believe it is the way we should move. To retreat from our commitments and to withdraw the peaceful hand of international cooperation is the wrong course. Currently, the United States only contributes two-tenths of 1 percent of its gross national product for foreign assistance. As a percentage of total economic activity or GNP, that is less than one-half of the average for most of the industrialized countries.

In the course of this debate on the budget, I think it is absolutely necessary that we focus carefully on this consideration. I would be prepared to offer an amendment which would restore this item at least to the current level, if not to the level of the President's request, which, of course, is in excess of current expenditures. But before I offer such an amendment, I want the Senate to think carefully about the subject and to decide whether we can muster the kind of support which this vital program demands.

At a time of growing political economic and military problems throughout the world, our foreign assistance priorities should not be undermined by short-term budgetary considerations. For if they are, the United States will pay a higher price to preserve our long-term interests.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. MATHIAS. To be evenly divided.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

□ 2140

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

30-MINUTE RECESS

Mr. SIMPSON. Mr. President, after conferring with the Democratic leadership, I ask unanimous consent that the Senate stand in recess for 30 minutes, and that the time be charged equally against the resolution.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Thereupon, at 9:46 p.m., the Senate recessed until 10:16; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. TRIBLE].

□ 2210

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

20-MINUTE RECESS

Mr. SIMPSON. Mr. President, after conferring with the minority leader, I ask unanimous consent that the Senate stand in recess for 20 minutes and that the time be charged equally against the resolution.

There being no objection, the Senate recessed at 10:17 p.m. until 10:40 p.m.; whereupon, the Senate was called to order by the Presiding Officer (Mr. TRIBLE).

□ 2240

The PRESIDING OFFICER. The deputy majority leader is recognized.

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum with the time to be equally divided between the parties.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum with the time not to be charged to either party.

The PRESIDING OFFICER. The clerk will call the roll to ascertain the presence of a quorum.

The assistant legislative clerk proceeded to call the roll.

□ 2300

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate will be in order.

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMENICI. How much time do we have and how much does the minority have?

The PRESIDING OFFICER. The Senator from New Mexico has 5 minutes remaining. The Senator from Florida has 1 hour 35 minutes remaining.

Mr. DOMENICI. Mr. President, would the Senator from Florida agree to yield 10 minutes to the Senator from New Mexico? I have 5 minutes.

Mr. CHILES. Yes.

Mr. DOMENICI. Mr. President, I ask unanimous consent that 10 minutes of the minority's side be transferred to the Senator from New Mexico.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate will be in order.

Mr. DOMENICI. Mr. President, Senator MCCLURE, the Senator from Idaho, has an amendment. We have worked it out with a colloquy. I ask if he would submit it at this point.

The PRESIDING OFFICER. The Senator from Idaho.

AMENDMENT NO. 1819

(Purpose: To provide that contributions from recoupment of petroleum overcharge funds are reflected in the budget resolution as undistributed offsetting Receipts, and not as an offset against those programs in functions 270 and 600)

Mr. MCCLURE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. MCCLURE], for himself, Mr. RUDMAN, Mr. WARNER, Mr. RIEGLE, Mr. HEINZ, and Mr. ROCKEFELLER, proposes an amendment numbered 1819.

Mr. MCCLURE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 9, increase the amount on line 16 by $172,000,000.

On page 9, increase the amount on line 17 by $43,000,000.

On page 9, increase the amount on line 25 by $172,000,000.

On page 10, increase the amount on line 1 by $158,000,000.

On page 10, increase the amount on line 9 by $172,000,000.

On page 10, increase the amount on line 10 by $164,000,000.

On page 19, increase the amount on line 18 by $900,000,000.

On page 19, increase the amount on line 19 by $900,000,000.

On page 20, increase the amount on line 3 by $700,000,000.

On page 20, increase the amount on line 4 by $700,000,000.

On page 20, increase the amount on line 13 by $500,000,000.

On page 20, increase the amount on line 14 by $500,000,000.

On page 28, decrease the amount on line 6 by $943,000,000.

On page 28, decrease the amount on line 7 by $943,000,000.

On page 28, decrease the amount on line 15 by $858,000,000.

On page 28, decrease the amount on line 16 by $858,000,000.

On page 28, decrease the amount on line 24 by $664,000,000.

On page 28, decrease the amount on line 25 by $664,000,000.

On page 2, increase the amount on line 19 by $129,000,000.

On page 2, increase the amount on line 20 by $14,000,000.

On page 2, increase the amount on line 21 by $8,000,000.

On page 5, increase the amount on line 10 by $129,000,000.

On page 5, increase the amount on line 11 by $14,000,000.

On page 5, increase the amount on line 12 by $8,000,000.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. MCCLURE. On behalf of myself, and Senators RUDMAN, WARNER, RIEGLE, HEINZ, and ROCKEFELLER, I have sent the amendment to the desk.

Mr. President, I wish to express my appreciation to the Senator from New Hampshire for his cooperation in working out an amendment that meets our mutual concerns regarding funding for the energy conservation programs of the Department of Energy and the Low-Income Home Energy Assistance Program.

This amendment adjusts the budget resolution assumption regarding these programs so as to provide full funding. In addition our amendment provides that any recoupment of the State share of any petroleum overcharge funds will be treated as an undistributed offsetting receipt in function 950.

By comparison, Mr. President, the budget resolution currently reduces the totals for the energy function (270) and the income security function (600) by the amount of the State share of the petroleum overcharge funds that is assumed to be available for recoupment. These moneys arise from an assumed settlement of pending litigation on the so-called stripper well case and from future oil overcharge settlements.

For the benefit of my colleagues, I would like to briefly review the background of this amendment. A number

of cases are still proceeding under the now expired Emergency Petroleum Allocation Act. These cases involve compensation of individuals adversely affected by overcharges that arose from the entitlements program created by that act. However, in some instances the victims of such violations cannot be identified, and the question arises as to what to do with those overcharge funds deposited in the current escrow account.

Under such circumstances, current administration policy is that the affected funds will be deposited in the general fund of the Treasury. This policy is set forth in the Federal Register of July 2, 1985.

In other words, Mr. President, if nothing were to occur—that is the court did not act nor the Congress enact legislation—all of these moneys would be automatically deposited in the Treasury. Legislation would not be required to achieve this result. However, a settlement is proposed that would provide a 50-50 split.

What the budget resolution does intend is that the Congress intervene in pending legal proceedings to prevent the proposed 50-50 split of these funds between the Federal Government and the States. The budget resolution assumes that all these moneys would be deposited in the general fund of the Treasury.

For years the Department of Energy has been seeking to settle these cases. The proposed settlement is intended to resolve the payment of funds collected in all outstanding litigation. As such, the settlement would include the so-called stripper well exemption litigation; the entitlements case Texaco, Inc. et al., versus DOE et al., before the Temporary Emergency Court of Appeals; and distribution of future funds by the Department. OMB currently estimates a total of $4.5 billion would become available, with $2.25 billion going to both the Federal and State government under the 50-50 split in the proposed agreement.

Final resolution of this litigation is in the national interest. Congressional consideration of the assumption in the budget resolution is creating uncertainty at a most inopportune time—just when this matter is about to be resolved by the courts. On the current schedule, settlement is expected before the Congress could enact such legislation.

A purpose of this amendment is to insure that, whether or not there is a settlement and notwithstanding the report language on Senate Concurrent Resolution 120 regarding the recoupment of these funds, this assumption is not crosswalked to the Appropriations Committee so as to automatically reduce appropriations ceilings for energy conservation and low-income security programs.

Mr. President, a second purpose of our amendment is to assure that resolution of this litigation can occur expeditiously. The amendment would reflect these recoupment moneys in the Federal budget as undistributed offsetting receipts.

If settlement is achieved prior to action by the Energy and Natural Resources Committee on its reconciliation instruction, these funds would not be available for recoupment as assumed in the budget resolution. Should this occur, the assumption no longer would be valid and it would be unrealistic to require the committee to meet this assumption. Therefore neither the Appropriations Committee nor the Energy Committee would be required to achieve the required savings.

I therefore would like to address a question to the distinguished chairman of the Budget Committee. Is it correct that it is not the intention of the budget resolution to require the Energy and Natural Resources Committee to comply with this reconciliation assumption should the funds no longer be available for recoupment due to court settlement of this matter?

Mr. DOMENICI. That is correct, Mr. President.

Mr. RUDMAN. Mr. Chairman, it is my understanding, therefore, that our amendment will restore full funding for the Low-Income Energy Assistance Program and the weatherization and energy conservation programs. The Budget Committee's assumed savings from recoupment legislation are shifted to function 950 as an offsetting receipt and reconciliation instructions are still directed to the Energy Committee to enact reconciliation legislation to recoup the States' share of oil overcharge restitution funds. Consequently, the amendment severs the link in the Budget Committee's original resolution between the low-income energy programs and the oil recoupment reconciliation instructions.

In the event, however, that a court settlement is achieved prior to action by the Energy Committee on reconciliation legislation, the Energy Committee is not expected to meet this portion assumed in the reconciliation instruction. Furthermore, neither the Appropriations Committee nor the Energy Committee would be obliged to achieve comparable savings. Is this your understanding of the amendment offered by the distinguished Senator from Idaho and myself?

Mr. DOMENICI. Yes; that is my understanding of the amendment. The need to possibly relieve the Energy Committee from a portion of its reconciliation instruction arises from unique circumstances. The Energy Committee's and Congress' ability to achieve the overcharge savings is dependent on a possible judicial settlement, something that is outside of Congress' control. If there is no settlement or a settlement does not occur by the time the Energy Committee is expected to meet its reconciliation instruction, the Energy Committee would be expected to do so.

Is that also the understanding of the ranking minority member of the Budget Committee?

Mr. CHILES. Yes, that is also my understanding of the amendment. The amendment would ensure that the resolution provides for full funding of the Low-Income Energy Assistance Program and the energy conservation programs of the Department of Energy. This will help protect vulnerable low-income elderly citizens and low-income families and assist them in paying for the energy costs in their homes. It will help pay for the weatherization of homes of low-income people which is so desperately needed in many cases. It will continue funding for other valuable energy conservation programs administered by the States. I would hope that the Senate Energy Committee would be able to produce legislation to recoup all of the remaining overcharge moneys and bring them into the Federal Treasury. I would hope such legislation could be enacted before any final settlement—of the pending cases—by the Department of Energy.

Mr. McCLURE. I would like to address another inquiry to my colleague from New Mexico regarding the intent of the budget resolution pertaining to the treatment of petroleum overcharge funds flowing directly to the States from court settlements.

The reason that I ask this question is to clarify a misconception in this regard. As you are aware, funds have recently become available to the States through the settlement of the Exxon oil overcharge case and these funds, over $2 billion, must be used within the same five programs.

Regardless of the source of funding, the Federal programs must continue to operate so as to assure that both the Federal and State administrative direction and regulatory framework that defines the programs are maintained. In other words, if these alternative sources of State funds are to be spent on these programs, not only must the Federal programs necessarily continue to administer and regulate the programs but they must address the necessary State administrative capabilities to administer and regulate these programs.

Mr. DOMENICI. If I may make a brief comment—I thank my colleague from Idaho for making this important point. This budget resolution is not intended to affect the continued administration of these programs. It is intended that each of the Federal administering agencies continue in their current role and that they maintain sufficient program capabilities to mon-

itor the use of any alternative funds that may become available to, and expended by, the States. In this regard the Federal agencies should monitor alternative funds as if they were Federal funds.

Mr. McCLURE. I thank my colleague for his comments. I appreciate his emphasis that alternative funds for these programs are to be treated by the States and Federal agencies as if they were federally appropriated funds. This necessarily requires continuation of basic program capabilities by both Federal and State government.

Mr. RUDMAN. Mr. President, the amendment that my colleague, the distinguished Senator from Idaho, and I are offering is intended to protect the Low-Income Energy Assistance Program and Department of Energy conservation programs. The amendment has no outlay impact. Rather, it revises the Budget Committee's accounting so that these programs are not potentially subject to crippling cuts.

The budget resolution reported by the Budget Committee recommends $1.919 billion for low-income energy assistance and $0.5 billion for energy conservation programs. However, the Budget Committee made $943 million of this amount in fiscal year 1987, and $1.522 billion the following 2 years, effectively contingent upon enactment of unrelated legislation to recoup the States' share of oil overcharge restitution funds. The committee did this by scoring the savings to be achieved from the proposed recoupment legislation as increased outlays in functions 270 and 600 where the energy programs are located. Thus, if the legislation is not enacted and the savings are not accrued, functions 270 and 600 are reduced by a corresponding amount. Normal accounting practices under the budget process would require these savings to be scored as an undistributed offsetting receipt in function 950.

As a realistic matter, it is possible that the appropriations process and the reconciliation process will be moving simultaneously. The assumption that recoupment legislation will be enacted before the relevant appropriations bills begin to move cannot be counted on. Therefore, under the Budget Committee's scenario, there is no realistic prospect of providing the critical low income energy assistance, weatherization, and State energy conservation programs with the funding levels assumed in the budget resolution in a timely manner. The result would be a nearly 50 percent reduction in energy assistance and significant reduction in weatherization programs in fiscal year 1987.

Mr. President, this is an acceptable result for the millions of people dependent on these programs, and, in particular, the elderly. Furthermore, this result is inconsistent with the procedures established under the Gramm-Rudman-Hollings Act. Under Gramm-Rudman-Hollings, the penalty for failure of Congress to comply with reconciliation instructions is supposed to be sequestration. Here, the Budget Committee is proposing reconciliation instruction on an unrelated matter is not complied with.

Our amendment does not change the Budget Committee's individual programmatic assumptions. It merely severs the link between the funding levels for the energy programs and the savings from recoupment legislation. The assumed savings from the recoupment legislation would be shifted from functions 270 and 600 to function 950. The amendment therefore restores to functions 270 and 600 the amounts necessary to accommodate the Budget Committee's full funding levels for the low-income energy programs. The anticipated offsetting receipts in function 950 are increased to account for the Budget Committee's expected savings from recoupment legislation. Our amendment preserves the reconciliation instructions to the Energy Committee and crosswalks the savings to Energy Committee unless a settlement of pending petroleum overcharge cases is reached prior to enactment of reconciliation. The Appropriations Committee would therefore have the authority to appropriate full funding for the energy programs without being dependent on the Energy Committee's action on reconciliatin legislation.

I urge the Senate to act favorably on our amendment so that funding for these critical programs is not held hostage to unrelated legislation.

Mr. WARNER. Mr. President, I rise today to join with the chairman of the Energy and Natural Resources Committee to protect the original intent of the Warner amendment.

Originally, I offered what has become known as the Warner amendment to the 1983 Further Continuing Appropriations Act, Public Law 97-377, to provide restitution to consumers, especially the low income, the elderly, and the handicapped, who were overcharged during the period when petroleum allocation and price controls were in effect.

My amendment required a one-time distribution of funds recovered through petroleum pricing regulation enforcement actions held by the Department of Energy in escrow accounts. The Department placed these funds in escrow because it was virtually impossible to identify the overcharged parties.

The funds available under the Warner amendment supplemented existing fuel assistance, weatherization, and other energy conservation programs. I believe this program was successful in assisting those persons least able to afford the pricing overcharges assessed against them.

While my amendment was only a one-time distribution of funds, I am proud that in subsequent overcharge cases where awards have been made, the court has directed the Warner amendment be used as a model for the disbursement.

Mr. President, the most recent of these cases, United States against Exxon, requires the distribution of $2.1 billion along the lines of the Warner amendment.

Fortunately, today we are not faced with the emergency situation of rising fuel bills and a severe winter that caused the shortfall in funding in 1983.

This year, I concurred in the budget recommendations of the Energy and Natural Resources Committee to the Budget Committee to allow for a decrease in Federal funding for those five energy conservation State grant programs should the Appropriations Committee decide to do so.

I believe the Exxon moneys which have been distributed to the States will be able to supplement the energy conservation funds without any disruption in the services offered by the State governments. We also achieved the added benefit of reducing Federal spending for these programs.

I do not support the recommendations in the budget resolution requiring the Federal Government to recoup the State share of these funds in upcoming petroleum overcharge cases.

While I would prefer to simply strike all reference in Senate Concurrent Resolution 120 to the court-ordered oil overcharge awards, I have joined with Chairman McCLURE to show the recoupment as an undistributed offsetting receipt. The amendment also would not require the Energy and Natural Resources Committee to report such legislation, as directed by the Budget Committee's reconciliation instruction, if there is a settlement of a court case.

By adopting this amendment, the Senate will be preserving the status quo of the Warner amendment and ensuring that those persons who suffered the most from the pricing violations will be compensated.

Mr. President, I urge my colleagues to support this amendment.

● Mr. HEINZ. Mr. President, I strongly support the amendment to the budget resolution, Senate Concurrent Resolution 120, offered by my distinguished colleagues, Mr. McCLURE, Mr. RUDMAN, and Mr. WARNER. Simply stated, this amendment will ensure that the several important Energy and Weatherization Assistance Programs can be fully funded and will meet the needs of millions of poor and older Americans.

This amendment is necessary because under the budget resolution full funding for these programs depends on the timely recoupment of $943 million from the oil overcharge restitution funds in fiscal year 1987. Unfortunately, when the Appropriations Committee reaches the point when it is prepared to provide funds for the Energy and Weatherization Assistance Programs, the oil overcharge funds are not likely to be available. There may be a gap in time between the appropriations process and reconciliation which is needed to obtain those funds. These programs are too important to have this happen.

Mr. President, I have long been a strong supporter of the Low-Income Home Energy Assistance Program [LIHEAP] and the Department of Energy Weatherization Assistance and State Energy Conservation Programs. By decoupling funding for these programs from the oil overcharge legislation, this amendment will allow the Appropriations Committee to go ahead and appropriate funds regardless of the recoupment action. This amendment is extremely important to the poor and elderly whom these programs serve.

As chairman of the Senate Special Committee on Aging, I am particularly aware of the importance of energy assistance programs which serve so many older Americans. We must make every effort to ensure that their funding is not delayed or drastically cut. Although States estimated that almost 8 million households received some form of LIHEAP assistance during fiscal year 1985, this is far short of the 23.4 million households that the Congressional Research Service estimates meet the income eligibility requirements for LIHEAP benefits. That estimate excludes individuals who may be categorically eligible for benefits because they receive certain other income assistance programs.

Mr. President, there is clear evidence that Federal Energy and Weatherization Assistance Programs have been successful in providing emergency relief and basic energy needs to millions of poor Americans. These programs have also reduced the energy expenditures for many poor households through weatherization. We should not jeopardize their excellent work by tying their funding or the funding levels of other programs to the recoupment of oil overcharge funds. I urge my colleagues to support the amendment that we offer today to rectify this situation.●

Mr. McCLURE. This amendment has been worked out with the parties on both sides. It deals with the manner in which the accounting is done for the petroleum overcharge fund distribution.

Mr. BRADLEY. Will the Senator yield for a question?

Mr. McCLURE. Yes.

Mr. BRADLEY. Will the Senator explain it a little more than that?

Mr. McCLURE. Yes. I would be happy to. It is about as complex as anything you can get into in detail between the Budget Act and the Gramm-Rudman-Hollings Act.

The question is, How do you handle the direction that we have been given from the Budget Committee that the half of the money which has been identified to be distributed directly from the courts to the States shall be treated in a reconciliation resolution that directs us to recover that and channel it through the Federal Treasury? In effect, the change that is made moves this from the energy function of the budget, function 950 of the budget, and it also provides that if the courts act to distribute that money before the Congress acts, it is not charged back against the energy function for failure to have achieved the reconciliation instruction.

Mr. BRADLEY. So that the effect of this would be that there would not be a reduction in the assistance program pending the outcome of the overcharge case, is that correct?

Mr. McCLURE. That is part of what it does. The Senator is correct.

Mr. BUMPERS. Will the Senator from Idaho yield for an additional question?

Mr. McCLURE. I am happy to yield.

Mr. BUMPERS. Has the court allocated the money by States? Can the money go directly from the court to States without going through the Federal Treasury?

Mr. McCLURE. The court has not yet made an order distributing future revenues. They have dealt with one portion of the recovery of such overcharge.

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They are in the process of dealing with other alleged overcharges and expect to repay money. We expect when the court gets to that point, they are likely to allocate in the way they have already done in the past. We do not know that for sure.

What they did in the past was allocate to the States on the basis of the amount of gasoline or product that was purchased in the States which is a different distribution formula than the statute that we have. Half of it would go to the States directly from the court. The other half goes to the Federal Government and is channeled through the Federal program.

The reconciliation instructions in the resolution direct the Energy Committee to amend the statute to recapture all of that so that all of it flows through the Treasury rather than half of it going to the States. My amendment simply says that if the court makes the distribution directly to the States, we are relieved of the obligation to come up with that statute.

Mr. BUMPERS. Half of the money still goes to the Treasury?

Mr. McCLURE. In any event.

Mr. BUMPERS. Are there no constraints on the States when they get their half as to how they use it?

Mr. McCLURE. That is a separate question. The Senator is correct, although it is not involved in the budget resolution or in this amendment.

Mr. BUMPERS. I thank the Senator.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Idaho.

The amendment (No. 1819) was agreed to.

Mr. McCLURE. I move to reconsider the vote by which the amendment was agreed to.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1820

Mr. SYMMS. Mr. President, on behalf of Senator SPECTER, Senator MURKOWSKI, Senator ABDNOR, and myself, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Idaho [Mr. SYMMS], for himself, Mr. SPECTER, Mr. MURKOWSKI, and Mr. ABDNOR, proposes an amendment numbered 1820.

At the end of the concurrent resolution, add the following:

It is the sense of the Senate that over the next three fiscal years the cash balance in the Highway Account of the Highway Trust Fund should be reduced toward a minimum level of reserves, in a manner consistent with sound financial practices.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Mr. President, this resolution will put the Senate on record in support of a Federal-aid highway program funded at a level which keeps our promise to the Nation's highway users to spend their fuel tax dollars on the construction and maintenance of our highway system. I am pleased to offer this resolution with the cosponsorship and support of my friend from Pennsylvania, Senator SPECTER, and my friend from Alaska, Senator MURKOWSKI, and my friend from South Dakota, Mr. ABDNOR, and I hope the full Senate will take this opportunity to offer its strong, continued support for the most valuable and technologically advanced public works program undertaken in the Nation's history.

As the chairman of the Environment and Public Works Subcommittee on Transportation, I want to take just a minute to remind my colleagues of the tremendous highway needs which are

unmet today. For instance, the 1985 Bridge Needs Report shows that $48.3 billion is needed immediately to repair and replace deficient bridges. Twelve to fifteen billion dollars is required to complete the Interstate and Defense Highway System. There remains a backlog of over $20 billion in Interstate 4R needs, and in the next 15 years, over $50 billion will be required to maintain the current level of service on the Interstate System.

Over 230,000 miles of the primary highway system will need capital investments during the next 15 years, and maintaining the primary system will take $4.5 to $5 billion per year. Current funding for this system is $2.9 billion per year.

Maintaining existing conditions on the urban and secondary systems will require another $6 to $6.5 billion per year. This amount would not address any of the urban congestion problems.

Mr. President, I think these figures adequately illustrate the fact that significant needs continue to exist in the highway program, despite the increased revenues and funding levels authorized in the Surface Transportation Assistance Act of 1982. It is a simple fact that our highway revenues fall short of our needs, but the current shortfall in funding is not solely a result of insufficient revenues.

In fact, the highway account of the Highway Trust Fund has a current cash balance of $9 to $10 billion, most of which cannot be obligated by the States because of spending restrictions imposed by Congress. Annual revenues to the account, including interest, are approximately $12.8 billion.

Mr. President, I believe we have an obligation to our constituents, most of whom are highway users and all of whom benefit from a strong economy which depends on a good highway system, to fund the highway program at a level that spends the tax revenues and interest and draws down the balance in the highway account. I urge the Senate to adopt this resolution.

Mr. SPECTER. Mr. President, the distinguished Senator from Idaho [Mr. SYMMS], and I are offering an amendment to the budget resolution to urge help in funding highway projects without increasing taxes. We propose to accomplish this by expending a reasonable portion of the approximately $10 billion excess that exists in the Highway Trust Fund over the years 1987, 1988, and 1989. By the end of fiscal year 1989, obligations from the Trust Fund would be required to be equal revenues deposited in the Trust Fund. In this way, an excess reserve does not build up and the highway program receives necessary funding.

We realize that some reserve must be maintained against unexpected obligations, but $10 billion is far in excess of what is required. Reportedly, a $3 to $4 billion reserve is all that is needed. Our amendment recognizes the need for the retention of appropriate reserves in a manner consistent with sound finanical practices.

The need for these funds is great in this country. The Nation has invested over $100 billion in the Interstate Highway System which is 86 percent complete. It would be unconscionable to let this investment fall into disrepair, but that is what is occurring.

My home State of Pennsylvania is illustrative. Highway funding is simply not keeping pace with requirements in Pennsylvania. The State estimates a requirement of $1.4 billion for interstate restoration between now and 1990. Given present funding projections Pennsylvania could only mount a $500 million effort against this requirement, leaving a $900 million shortfall. For example, Interstate 80, which is a vital link between the East and the West, requires $50 million per year to finance necessary reconstruction, but receives only $15 million per year through the regular apportionment of Federal funds for interstate restoration.

The cause for this buildup of a highway trust fund reserve and a partial cause of the shortfall in Federal highway dollars to the States is that the States are not allowed to obligate at a rate that equals their apportionment. Again, my home State is an example of this. Pennsylvania's federally mandated obligation ceiling versus its apportionment was only 93 cents on the dollar in 1985 and is 84 cents on the dollar in 1986. Pennsylvania now reportedly has a $460 million unobligated balance because of these low mandated obligation ceilings. I find this situation to be irrational considering the needs that I have mentioned.

Given the need for these funds and the fact that they would be drawn out of an existing trust fund surplus, with no imposition of new taxes, I believe that passage of this amendment would be a very responsible action indeed.

I urge my colleagues to vote for this measure and send a clear signal to those currently in the process of developing authorizing language on the Highway Trust Fund.

Mr. DOMENICI. Mr. President, the Symms-Specter amendment sets forth the principle that the cash balance in the highway account of the Highway Trust Fund should be declining over the next 3 fiscal years, without bleeding the Trust Fund dry. I agree with the principle and support the Symms-Specter amendment.

There are many different highway spending plans that fulfill this principle. One plan that fulfills this principle is the Senate-reported budget resolution, which assumes enactment of the administration's highway block grant proposal. Although the principle embodied in this amendment is consistent with the resolution's assumptions for fiscal year 1987, if a specific plan draws down the cash balance too quickly, it could result in an increase in the deficit in the outyears, compared to the budget resolution.

My colleagues may have other highway spending plans that are also consistent with this principle. As the Senate considers a highway reauthorization bill this year, we will have an opportunity to discuss these highway spending plans in greater detail. We will discuss how fast the cash balance should be brought down.

We are not going to resolve today what the highway reauthorization bill is going to look like. But we can express our sense that we would like to see the current $10 billion cash balance in the Highway Trust Fund decline over the next 3 years. The highway spending plan in the reported resolution is one way to accomplish this goal.

Mr. President, I agree with the theme and the premise of the amendment. That is why I have no objection to it. I think we ought to move as rapidly as we can to expending that trust fund.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 1820) was agreed to.

Mr. DOMENICI. I move to reconsider the vote by which the amendment was agreed to.

Mr. SYMMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from New Mexico has 12 minutes remaining. The Senator from Florida has 1 hour and 21 minutes remaining.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that it be charged to the minority side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1821

(Purpose: To make technical corrections)

Mr. DOMENICI. Mr. President, in behalf of myself and Senator CHILES, I send to the desk a technical amendment. This is not a substitute, this is a technical amendment. I ask for its im-

mediate consideration. I shall explain it quickly once it is pending.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for himself and Mr. CHILES, proposed an amendment numbered 1821.

Mr. DOMENICI. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 29, decrease the amount on line 24 by $70,000,000.

On page 29, decrease the amount on line 25 by $70,000,000.

On page 29, decrease the first amount on line 26 by $230,000,000.

On page 29, decrease the second amount on line 26 by $230,000,000.

On page 30, decrease the amount on line 1 by $290,000,000.

On page 30, decrease the amount on line 2 by $290,000,000.

On page 30, decrease the amount on line 11 by $16,000,000.

On page 30, decrease the amount on line 12 by $16,000,000.

On page 30, decrease the first amount on line 13 by $57,000,000.

On page 30, decrease the second amount on line 13 by $65,000,000.

On page 30, decrease the amount on line 14 by $123,000,000.

On page 30, decrease the amount on line 15 by $123,000,000.

On page 30, line 17, strike out "(A)" and insert in lieu thereof "(1)".

On page 30, line 21, strike out "(B)" and insert in lieu thereof "(2)".

On page 30, line 24, strike out "(C)" and insert in lieu thereof "(3)".

On page 30, decrease the first amount on line 25 by $840,000,000.

On page 30, decrease the second amount on line 25 by $383,000,000.

On page 31, decrease the amount on line 1 by $823,000,000.

On page 31, decrease the amount on line 2 by $1,003,000,000.

On page 31, decrease the first amount on line 3 by $615,000,000.

On page 31, decrease the second amount on line 3 by $535,000,000.

On page 31, decrease the first amount on line 14 by $58,000,000.

On page 31, decrease the second amount on line 14 by $63,000,000.

On page 31, decrease the amount on line 15 by $68,000,000.

On page 31, decrease the amount on line 16 by $71,000,000.

On page 31, decrease the first amount on line 17 by $68,000,000.

On page 31, decrease the second amount on line 17 by $69,000,000.

On page 32, decrease the first amount on line 3 by $377,000,000.

On page 32, decrease the second amount on line 3 by $377,000,000.

On page 32, decrease the second amount on line 5 by $21,000,000.

On page 32, decrease the second amount on line 7 by $36,000,000.

On page 32, decrease the first amount on line 18 by $81,000,000.

On page 32, increase the second amount on line 18 by $69,000,000.

On page 32, decrease the amount on line 19 by $87,000,000.

On page 32, increase the amount on line 20 by $63,000,000.

On page 32, decrease the first amount on line 21 by $92,000,000.

On page 32, increase the second amount on line 21 by $58,000,000.

On page 33, decrease the first amount on line 7 by $5,491,000,000.

On page 33, decrease the amount on line 8 by $7,777,000,000.

On page 33, decrease the second amount on line 9 by $8,499,000,000.

On page 33, decrease the amount on line 13 by $2,500,000,000.

On page 33, decrease the first amount on line 14 by $2,800,000,000.

On page 33, decrease the second amount on line 14 by $2,900,000,000.

On page 33, decrease the first amount on line 25 by $310,000,000.

On page 34, decrease the amount on line 1 by $48,000,000.

On page 34, decrease the second amount on line 2 by $79,000,000.

On page 34, decrease the first amount on line 13 by $175,000,000.

On page 34, strike out the comma immediately following the first amount on line 13.

On page 34, decrease the second amount on line 13 by $170,000,000.

On page 34, decrease the amount on line 14 by $270,000,000.

On page 34, strike out the comma immediately following the amount on line 14.

On page 34, decrease the amount on line 15 by $265,000,000.

On page 34, decrease the first amount on line 16 by $182,000,000.

On page 34, strike out the comma immediately following the first amount on line 16.

On page 34, decrease the second amount on line 16 by $192,000,000.

On page 34, decrease the first amount on line 23 by $41,000,000.

On page 34, decrease the second amount on line 23 by $42,000,000.

On page 34, decrease the amount on line 24 by $42,000,000.

On page 35, decrease the amount on line 11 by $644,000,000.

On page 35, decrease the amount on line 12 by $758,000,000.

On page 35, decrease the first amount on line 13 by $948,000,000.

On page 35, decrease the second amount on line 13 by $1,020,000,000.

On page 35, decrease the amount on line 14 by $660,000,000.

On page 35, decrease the amount on line 15 by $819,000,000.

On page 35, decrease the amount on line 20 by $1,005,000,000.

On page 35, decrease the amount on line 21 by $1,079,000,000.

On page 35, decrease the amount on line 22 by $1,125,000,000.

On page 36, decrease the amount on line 6 by $356,000,000.

On page 36, decrease the amount on line 7 by $356,000,000.

On page 36, decrease the first amount on line 8 by $473,000,000.

On page 36, decrease the second amount on line 8 by $473,000,000.

On page 36, decrease the amount on line 9 by $512,000,000.

On page 36, decrease the amount on line 10 by $512,000,000.

On page 36, decrease the amount on line 20 by $70,000,000.

On page 36, decrease the amount on line 21 by $70,000,000.

On page 36, decrease the first amount on line 22 by $230,000,000.

On page 36, decrease the second amount on line 22 by $230,000,000.

On page 36, decrease the amount on line 23 by $290,000,000.

On page 36, decrease the amount on line 24 by $290,000,000.

On page 37, decrease the amount on line 7 by $16,000,000.

On page 37, decrease the amount on line 8 by $16,000,000.

On page 37, decrease the first amount on line 9 by $57,000,000.

On page 37, decrease the second amount on line 9 by $65,000,000.

On page 37, decrease the amount on line 10 by $123,000,000.

On page 37, decrease the amount on line 11 by $123,000,000.

On page 37, line 13, strike out "(A)" and insert in lieu thereof "(1)".

On page 37, line 17, strike out "(B)" and insert in lieu thereof "(2)".

On page 37, line 20, strike out "(C)" and insert in lieu thereof "(3)".

On page 37, decrease the first amount on line 21 by $840,000,000.

On page 37, decrease the second amount on line 21 by $383,000,000.

On page 37, decrease the amount on line 22 by $823,000,000.

On page 37, decrease the amount on line 23 by $1,003,000,000.

On page 37, decrease the first amount on line 24 by $615,000,000.

On page 37, decrease the second amount on line 24 by $535,000,000.

On page 38, decrease the amount on line 9 by $175,000,000.

On page 38, decrease the amount on line 10 by $170,000,000.

On page 38, decrease the first amount on line 11 by $270,000,000.

On page 38, decrease the second amount on line 11 by $265,000,000.

On page 38, decrease the amount on line 12 by $182,000,000.

On page 38, decrease the amount on line 13 by $192,000,000.

On page 38, decrease the amount on line 18 by $41,000,000.

On page 38, decrease the amount on line 19 by $42,000,000.

On page 38, decrease the amount on line 20 by $42,000,000.

On page 39, decrease the first amount on line 8 by $139,000,000.

On page 39, decrease the second amount on line 8 by $1,821,000,000.

On page 39, decrease the first amount on line 10 by $155,000,000.

On page 39, decrease the second amount on line 10 by $2,920,000,000.

On page 39, decrease the first amount on line 12 by $160,000,000.

On page 39, decrease the second amount on line 12 by $3,750,000,000.

On page 39, decrease the first amount on line 23 by $3,524,000,000.

On page 39, decrease the amount on line 24 by $4,452,000,000.

On page 40, decrease the second amount on line 1 by $4,477,000,000.

On page 40, decrease the first amount on line 12 by $377,000,000.

On page 40, decrease the second amount on line 12 by $377,000,000.

On page 41, decrease the amount on line 1 by $5,000,000.

On page 41, decrease the second amount on line 2 by $3,000,000.

On page 41, decrease the second amount on line 3 by $1,000,000.

On page 41, decrease the amount on line 14 by $158,000,000.

On page 41, decrease the second amount on line 15 by $163,000,000.
On page 41, decrease the amount on line 17 by $169,000,000.
On page 42, decrease the first amount on line 2 by $8,000,000.
On page 42, increase the second amount on line 2 by $142,000,000.
On page 42, decrease the amount on line 3 by $8,000,000.
On page 42, increase the amount on line 4 by $142,000,000.
On page 42, decrease the first amount on line 5 by $9,000,000.
On page 42, increase the second amount on line 5 by $141,000,000.
On page 42, decrease the amount on line 15 by $644,000,000.
On page 42, decrease the amount on line 16 by $758,000,000.
On page 42, decrease the first amount on line 17 by $948,000,000.
On page 42, decrease the second amount on line 17 by $1,020,000,000.
On page 42, decrease the amount on line 18 by $660,000,000.
On page 42, decrease the amount on line 19 by $819,000,000.
On page 42, decrease the amount on line 24 by $1,005,000,000.
On page 43, decrease the amount on line 1 by $1,079,000,000.
On page 43, decrease the amount on line 2 by $1,125,000,000.
On page 43, decrease the amount on line 11 by $356,000,000.
On page 43, decrease the amount on line 12 by $356,000,000.
On page 43, decrease the first amount on line 13 by $473,000,000.
On page 43, decrease the second amount on line 13 by $473,000,000.
On page 43, decrease the amount on line 14 by $512,000,000.
On page 43, decrease the amount on line 15 by $512,000,000.
On page 43, decrease the first amount on line 25 by $2,019,000,000.
On page 44, decrease the amount on line 1 by $2,716,000,000.
On page 44, decrease the second amount on line 2 by $2,928,000,000
On page 44, increase the amount on line 6 by $16,780,700,000.
On page 44, increase the first amount on line 7 by $24,772,400,000.
On page 44, increase the second amount on line 7 by $26,870,200,000.

Mr. DOMENICI. Mr. President and Members of the Senate, the Committee on the Budget reported out the pending resolution on March 19. The reconciliation bill that we passed here was signed by the President after we reported the budget resolution that is pending. What this technical amendment does is nothing more, nothing less than to take into account the reconciliation which has been signed into law, which needs to be filtered into the resolution that is before us because, in fact, it has been done. Therefore, all numbers in the budget resolution, all functions, all levels of revenue, will reflect the state of the law postreconciliation rather than prereconciliation.

Mr. CHILES. Mr. President, I agree with that explanation. I think it is something of an afterthought. We want to put it on the budget resolution at this time just to confirm where we actually are in regard to the law we passed.

Mr. DOMENICI. I yield back any time we have on the amendment.

Mr. CHILES. I yield back my time.

□ 2325

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1821) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. CHILES. I yield. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1822

Mr. DOMENICI. Mr. President, I send to the desk an amendment, on behalf of myself and the Senator from Florida [Mr. CHILES], and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for himself and Mr. CHILES, proposes an amendment numbered 1822.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, decrease the amount on line 3 by $5,962,000,000.
On page 2, decrease the amount on line 4 by $7,941,000,000.
On page 2, decrease the amount on line 5 by $9,893,000,000.
On page 2, decrease the amount on line 8 by $5,962,000,000.
On page 2, decrease the amount on line 9 by $7,941,000,000.
On page 2, decrease the amount on line 10 by $9,983,000,000.
On page 2, increase the amount on line 19 by $2,405,000,000.
On page 2, decrease the amount on line 20 by $1,483,000,000.
On page 2, decrease the amount on line 21 by $1,738,000,000.
On page 2, decrease the amount on line 24 by $3,750,000,000.
On page 2, decrease the amount on line 25 by $2,879,000,000.
On page 3, decrease the amount on line 1 by $3,486,000,000.
On page 3, increase the amount on line 5 by $2,282,000,000.
On page 3, increase the amount on line 6 by $5,330,000,000.
On page 3, increase the amount on line 7 by $6,894,000,000.
On page 3, increase the amount on line 10 by $4,610,000,000.
On page 3, increase the amount on line 11 by $10,470,000,000.
On page 3, increase the amount on line 12 by $17,957,000,000.
On page 3, increase the amount on line 15 by $2,782,000,000.
On page 3, increase the amount on line 16 by $5,860,000,000.
On page 3, increase the amount on line 17 by $7,487,000,000.
On page 4, increase the amount on line 2 by $14,500,000,000.
On page 4, increase the amount on line 4 by $12,400,000,000.
On page 4, increase the amount on line 9 by $3,700,000,000.
On page 4, increase the amount on line 11 by $4,600,000,000.
On page 4, increase the amount on line 16 by $5,300,000,000.
On page 4, increase the amount on line 18 by $7,000,000,000.
On page 5, decrease the amount on line 5 by $5,962,000,000.
On page 5, decrease the amount on line 6 by $7,941,000,000.
On page 5, decrease the amount on line 7 by $9,893,000,000.
On page 5, increase the amount on line 10 by $2,475,000,000.
On page 5, decrease the amount on line 11 by $1,215,000,000.
On page 5, decrease the amount on line 12 by $1,251,000,000.
On page 5, decrease the amount on line 15 by $5,862,000,000.
On page 5, decrease the amount on line 16 by $5,782,000,000.
On page 5, decrease the amount on line 17 by $6,418,000,000.
On page 5, increase the amount on line 22 by $100,000,000.
On page 5, increase the amount on line 23 by $2,159,000,000.
On page 5, increase the amount on line 24 by $3,475,000,000.
On page 6, increase the amount on line 10 by $5,900,000,000.
On page 6, increase the amount on line 11 by $2,000,000,000.
On page 6, increase the amount on line 19 by $3,200,000,000.
On page 6, increase the amount on line 20 by $1,300,000,000.
On page 7, increase the amount on line 3 by $3,600,000,000.
On page 7, increase the amount on line 4 by $2,182,000,000.
On page 7, decrease the amount on line 12 by $278,000,000.
On page 7, decrease the amount on line 13 by $108,000,000.
On page 7, decrease the amount on line 21 by $50,000,000.
On page 7, decrease the amount on line 22 by $63,000,000.
On page 8, decrease the amount on line 7 by $40,000,000.
On page 8, decrease the amount on line 16 by $720,000,000.
On page 8, decrease the amount on line 17 by $503,000,000.
On page 8, decrease the amount on line 24 by $715,000,000.
On page 8, decrease the amount on line 25 by $732,000,000.
On page 9, decrease the amount on line 7 by $552,000,000.

On page 9, decrease the amount on line 8 by $598,000,000.
On page 9, decrease the amount on line 16 by $406,000,000.
On page 9, decrease the amount on line 17 by $431,000,000.
On page 9, increase the amount on line 25 by $100,000,000.
On page 10, increase the amount on line 1 by $90,000,000.
On page 10, increase the amount on line 9 by $100,000,000.
On page 10, increase the amount on line 10 by $90,000,000.
On page 13, increase the amount on line 2 by $4,000,000.
On page 13, decrease the amount on line 3 by $753,000,000.
On page 13, increase the amount on line 7 by $14,500,000,000.
On page 13, increase the amount on line 9 by $12,400,000,000.
On Page 13, increase the amount on line 11 by $3,000,000.
On page 13, decrease the amount on line 12 by $7,000,000.
On page 13, increase the amount on line 16 by $3,700,000,000.
On page 13, increase the amount on line 18 by $4,600,000,000.
On page 13, increase the amount on line 20 by $8,000,000.
On page 13, decrease the amount on line 21 by $6,000,000.
On page 13, increase the amount on line 25 by $5,300,000,000.
On page 14, increase the amount on line 2 by $7,000,000,000.
On page 14, decrease the amount on line 5 by $5,000,000.
On page 14, decrease the amount on line 6 by $5,000,000.
On page 14, decrease the amount on line 14 by $7,000,000.
On page 14, decrease the amount on line 15 by $7,000,000.
On page 14, decrease the amount on line 23 by $8,000,000.
On page 14, decrease the amount on line 24 by $8,000,000.
On page 15, decrease the amount on line 9 by $9,000,000.
On page 15, decrease the amount on line 10 by $4,000,000.
On page 15, decrease the amount on line 18 by $9,000,000.
On page 15, decrease the amount on line 19 by $8,000,000.
On page 16, decrease the amount on line 2 by $10,000,000.
On page 16, decrease the amount on line 3 by $8,000,000.
On page 16, increase the amount on line 13 by $1,018,000,000.
On page 16, decrease the amount on line 14 by $116,000,000.
On page 16, decrease the amount on line 22 by $1,733,000,000.
On page 16, decrease the amount on line 23 by $558,000,000.
On page 17, decrease the amount on line 6 by $1,734,000,000.
On page 17, decrease the amount on line 7 by $1,266,000,000.
On page 17, increase the amount on line 16 by $526,000,000.
On page 17, increase the amount on line 17 by $271,000,000.
On page 17, increase the amount on line 24 by $305,000,000.
On page 17, increase the amount on line 25 by $238,000,000.
On page 18, increase the amount on line 7 by $339,000,000.
On page 18, increase the amount on line 8 by $295,000,000.
On page 19, decrease the amount on line 18 by $450,000,000.
On page 19, decrease the amount on line 19 by $950,000,000.
On page 20, decrease the amount on line 3 by $637,000,000.
On page 20, decrease the amount on line 4 by $1,167,000,000.
On page 20, decrease the amount on line 13 by $590,000,000.
On page 20, decrease the amount on line 14 by $1,183,000,000.
On page 21, decrease the amount on line 23 by $156,000,000.
On page 21, decrease the amount on line 24 by $140,000,000.
On page 22, decrease the amount on line 8 by $191,000,000.
On page 22, decrease the amount on line 9 by $191,000,000.
On page 22, decrease the amount on line 17 by $195,000,000.
On page 22, decrease the amount on line 18 by $195,000,000.
On page 24, decrease the amount on line 2 by $20,000,000.
On page 24, decrease the amount on line 3 by $20,000,000.
On page 26, decrease the amount on line 3 by $764,000,000.
On page 26, decrease the amount on line 4 by $764,000,000.
On page 26, increase the amount on line 12 by $253,000,000.
On page 26, increase the amount on line 13 by $253,000,000.
On page 26, increase the amount on line 21 by $463,000,000.
On page 26, increase the amount on line 22 by $463,000,000.
On page 27, decrease the amount on line 5 by $1,383,000,000.
On page 27, decrease the amount on line 6 by $1,375,000,000.
On page 27, decrease the amount on line 13 by $2,464,000,000.
On page 27, decrease the amount on line 14 by $2,489,000,000.
On page 27, decrease the amount on line 21 by $3,913,000,000.
On page 27, decrease the amount on line 22 by $3,966,000,000.
On page 28, decrease the amount on line 6 by $852,000,000.
On page 28, decrease the amount on line 7 by $852,000,000.
On page 28, increase the amount on line 15 by $462,000,000.
On page 28, increase the amount on line 16 by $462,000,000.
On page 28, increase the amount on line 24 by $754,000,000.
On page 28, increase the amount on line 25 by $754,000,000.
On page 29, increase the amount on line 24 by $500,000,000.
On page 29, increase the amount on line 25 by $500,000,000.
On page 29, line 7, strike "May 15" and insert "May 30".
On page 30, increase the second amount on line 25 by $289,000,000.
On page 31, increase the amount on line 2 by $257,000,000.
On page 32, increase the first amount on line 3 by $1,886,000,000.
On page 32, increase the second amount on line 3 by $1,886,000,000.
On page 33, decrease the amount on line 13 by $5,962,000,000.
On page 33, decrease the first amount on line 14 by $7,941,000,000.
On page 33, decrease the second amount on line 14 by $9,893,000,000.
On page 33, increase the first amount on line 25 by $632,000,000.
On page 34, increase the amount on line 1 by $1,314,000,000.
On page 34, increase the second amount on line 2 by $2,029,000,000.
On page 34, increase the second amount on line 13 by $289,000,000.
On page 34, increase the amount on line 15 by $257,000,000.
On page 36, increase the amount on line 20 by $500,000,000.
On page 36, increase the amount on line 21 by $500,000,000.
On page 37, increase the second amount on line 21 by $289,000,000.
On page 37, increase the amount on line 23 by $257,000,000.
On page 38, increase the amount on line 10 by $289,000,000.
On page 38, increase the second amount on line 11 by $257,000,000.
On page 40, increase the first amount on line 12 by $1,886,000,000.
On page 40, increase the second amount on line 12 by $1,886,000,000.
On page 41, increase the amount on line 14 by $632,000,000.
On page 41, increase the second amount on line 15 by $1,314,000,000.
On page 41, increase the amount on line 17 by $2,029,000,000.
On page 44, decrease the amount on line 6 by $5,962,000,000.
On page 44, decrease the first amount on line 7 by $7,941,000,000.
On page 44, decrease the second amount on line 7 by $9,893,000,000.

At the end of the concurrent resolution, add the following new section:

NASA SPACE SHUTTLE PROGRAM

SEC. . Upon the enactment of legislation authorizing up to $976,000,000 in fiscal year 1987, $915,000,000 in fiscal year 1988, and $752,000,000 in fiscal year 1989 for the NASA Space Shuttle program, and upon the enactment of legislation increasing revenues in an amount equal to the amount authorized and in addition to amounts of increased revenues required to be reported pursuant to section 2 of this concurrent resolution, the authorized amount of budget authority and outlays shall be allocated to the Senate Committee on Appropriations, and that same amount will be added to the total amounts of budget authority and outlays provided for in this concurrent resolution.

The PRESIDING OFFICER. The Senate is not in order. Those Senators conversing are asked to retire to the Cloakroom.

Mr. DOMENICI. Mr. President, this is the amendment we have been working on yesterday and most of today. Senator CHILES and I offer it after having discussed it with a number of Members. On our side, we just had a Republican Conference with reference to it, and many Members already know its general content. I will explain it briefly, and then I will be delighted to answer questions anyone might have.

Mr. BOSCHWITZ. Vote. [Laughter.]

Mr. DOMENICI. I have no objection to voting.

The PRESIDING OFFICER. Is there further debate?

Mr. DOMENICI. The distinguished majority leader wants me to yield to him whatever time I have remaining.

Mr. President, a parliamentary inquiry. How much time remains?

The PRESIDING OFFICER. There are 86 minutes remaining.

Mr. DOMENICI. I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, let me indicate in general terms what we accomplish in this statement, and then, as I said, I will be glad to answer any questions.

We have reduced nondefense spending from the reported resolution by $7.5 billion in 1987; and over the 3 years, we have reduced nondefense outlays by $25 billion. That is accomplish in a number of ways, but let me indicate a number of them:

Thirty-five percent pay absorption, since there is a pay increase provided. In previous budget resolutions, we have provided for absorption by the agencies of up to 50 percent. This amendment says they will find 35 percent of the increase throughout the year by way of absorption.

Two-and-a-half percent travel cut across the board by Government.

We assume $289 million in asset receipts by selling some education loan portfolios. The resolution contemplated selling half of them. This says sell them all, consistent with the President's recommendation.

We assume that the limit for FHA mortgage insurance will increase by about $60 billion in fiscal year 1986, which will yield $750 million in receipts in the next fiscal year.

We assume an additional savings in the Civil Service retirement bill for new employees—not the major Roth "early out" reform which he is working on—but there will be a $200 million savings.

Export-Import Bank, SBA, accelerated Philippine aid, and the like, combined, will spend out less in 1987 than we estimated.

Then there are two very large items, and I will state them quickly.

The budget resolution before the Senate contemplates that the cost-of-living index will rise by 3.4 percent. It is almost universally accepted that the cost of living will not be 3.4 percent, but we will assume that it will be about 2 percent. There is little doubt but that will be the case. Some would even say inflation will be lower. Lower inflation affects all cost-of-living indexes, I want to make it clear that the resolution assumes that all COLA's will be paid at the actual inflation rate. It does not assume any reduction.

Conversely, it assumes that we will actually vote to pay them at whatever the rate of inflation is. Across the board, for all items, that will save $3 billion.

We assume that all pay increases also will be consistent with inflation.

Then we have one item that is a carryover from this year. The OCS provisions of COBRA that we passed about 2 months ago says that the State of Louisiana will not get their share until fiscal year 1987. This amendment takes credit for the Federal Government's share in 1987, because that is when the Department of the Interior will actually transfer it to Treasury.

There are a number of other smaller items amounting to $60 million, $70 million, or $80 million in total. Those are the essential items.

I am quick to admit that the OCS estimate of $1.9 billion is a one-time accounting saving, but I am also certain that it will occur in fiscal year 1987. If we do not take credit for that, it will be eventually credited for in both CBO's and OMB's accounting, because that is when it will occur. When you add these items, you get $8.3 billion in reductions over the resolution before us.

All the amendments that were adopted by the Senate—education, WIN, and all other—are left intact. We do not change them.

We add another $600 million in various domestic programs, NSF and the like, and that accounts for all nondefense activities.

On the defense side, the budget resolution came out of the Budget Committee with $295 billion in budget authority. This resolution says that we add $6 billion in budget authority. It is $301 billion. We have added $2 billion in outlays for defense to bring outlays to $282 billion. That is part of the savings we just talked about.

Finally there is revenues. This resolution says: "Finance Committee and Ways and Means Committee, if and when the resolution comes out of conference, you are charged with either taxes or law changes that save money. You are charged with raising $10.6 billion in the first year." It is $17 billion in each of the outyears. It says: "You will either do that by raising revenue or, under the law, up to 20 percent of that can be by saving money in programs that are within the jurisdiction of the Finance Committee.

□ 2335

Incidentally, they have $477 billion worth of programs but in any event they can get that 10.6, 17 and 17 through raising revenues or 20 percent of it can be by saving from existing programs in that portfolio that I have just enumerated.

They can take credit for such things as expanding coverage for Social Security and Medicare to public servants at the local level.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. DOMENICI. I yield 1 additional minute.

The PRESIDING OFFICER. The Senator is recognized.

Mr. DOMENICI. When you add all of that up you basically produce a budget resolution that assumes the same economics that were assumed when we came to the floor, no changes in it. Programmatically, we have changed the COLA's to reflect more current information, as I indicated, and pay to reflect more current information. We have increased defense, as I have just described it. And we met target of $144 billion in 1987, as required by Gramm-Rudman-Hollings.

I want to say two things before I close.

I am not certain that all of the economics that we contemplate will remain intact for the next 3 years. Anybody that could give the Senate that assurance has more wisdom and clairvoyance than I have.

But I can assure you that if this budget resolution as amended by Senator CHILES and myself is adopted and implemented, absent some kind of catastrophe that I do not think any of us could plan on, we will not have a sequester at the end of this year. We may be off, but we are not going to be off by $10 billion, and we have a $10 billion float and we will not have a sequester. We will have a planned budget cycle. If it is adopted by both bodies, appropriations can proceed in due course, and I believe we would have a real chance of getting almost all appropriations bills through here one at a time and debate them properly.

Last, I am convinced that we either do this or we do nothing. I wish there were three or four alternatives. I do not know of any. I have talked with Senators about budget resolutions that have no revenues, in them. I have talked with some who want to have more defense in the budget and a lot more domestic cuts. I myself might have done it differently. But I believe this is a fair approach to a serious problem.

I believe good economics for 2 or 3 years could very well leave us in a position where we meet the targets each year without major changes, domestic or defense policy, and that would be a rather welcome reprieve for most of us. It surely would be for the Senator from New Mexico. I hope we adopt it.

Clearly it is more complicated than I have described, but in its simplest terms I have described it.

I thank too many Senators to name for their help but in particular I thank the distinguished majority leader for his help and the ranking minority member of the Budget Committee, Senator CHILES.

I hope we will adopt it here in the next 30 or 40 minutes.

I yield the floor.

PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. Mr. President, I have listened to the explanation of the Senator from New Mexico. I think in his brief description he has described the plan well.

I want to make just several remarks. One, this is a change from the bipartisan budget that came out of the Budget Committee. As far as the Senator from Florida is concerned, that budget was a good budget. It represented the work of the Budget Committee and I think Members on both sides worked long and hard, and I think it came up with a fair budget.

□ 2340

We realized as we went through the process—and we have been on the floor now into the second week—that there were not sufficient votes on the majority side so that that budget could pass. One of the concerns of the Senator from Florida, and I think many on our side of the aisle, was that if this was going to be a meaningful budget and have an opportunity to have a bipartisan, bicameral budget, that we could say that the Congress had met its duties and its responsibilities under Gramm-Rudman-Hollings and met the targets without having to sequester. We knew that that would have to have new revenues in it and we knew for that to be able to be viable and have a chance there had to be a majority of Republicans in the Senate vote for that budget.

So one of the the things we on our side, I think, worked for and stressed and said that we were going to require both in the Budget Committee and on the floor was that we try to adopt a resolution and a budget that would have bipartisan support that would attract a majority of the votes of the Republican side.

As we started into the compromise, there were, once it was clear that the budget as has been presented by the Budget Committee would not be able to command that majority of Republican votes, we started trying to determine what could we do in order to do that. And we did find certain savings, as the Senator from New Mexico has described, many of which came to our attention some 6 weeks ago, after the time that we were actually in our markup in the Budget Committee.

One of the concerns of the Senator from Florida was that, as we made any changes, we would make sure that we looked at the 3-year totals to make sure that with those totals at the end of 1988, we were still on the glide path of meeting the Gramm-Rudman-Hollings targets and that we were not going to pass a budget that would simply be an election year budget and get us by the 1 year but we find ourselves coming back, as we found so often, cutting programs again in the next year only to find that you had to cut those programs again in the next year.

Overall, the revenues level will be reduced $5.5 billion in fiscal year 1987, but there will still be a 3-year revenue reconciliation at a level sufficient to meet the Gramm-Rudman-Hollings targets and to protect us against further cuts in the domestic program.

One of the other provisions that I felt, and many on our side felt, was key to the compromise was that, as we went up in the defense number on the defense side, we have a similar sharing of savings that we had discovered for programs on the domestic side. And that has been done in this proposal.

One other thing I would point out is, as we reestimated the amount of money that would be necessary to pay the COLA's, we felt that it would not have to be 3 or 3.4 percent, it could be done in 2 percent. I will point out that we have provided that Congress will repeal the 3-percent minimum threshold on Social Security COLA's and give a COLA in keeping with the anticipated inflation rate. That means, in spite of the fact that the law now says if you do not have inflation of 3 percent or more Social Security recipients will not get a COLA, the provisions that we made in here allow for that COLA to be paid even though it will be probably at a rate of 2 percent. The same thing will be for other retirees and for our civilian and military retirees. And we provide a 2-percent raise for civilian and military pay raises.

Mr. President, one of the key problems on our side was a feeling that we needed to have some recognition to the need for growth initiatives. We had the one major amendment that came in addition to the budget package on our side, the Hart-Chiles-Byrd amendment, that would provide for growth. That amendment was not adopted but, as we talked about shared savings in this, we have provided from those savings money in science and technology, additional money in education, additional money in job training, some additional funds in trade promotion and in child health and immunization, and in law enforcement, all areas of critical concern to Members on our side of the aisle, all of which we felt were major problems and major areas we wanted to express our concern for. So I think you can say that there is a growth initiative in this feature and I think that is very good.

Mr. President, again, this is not a budget that the Senator from Florida would have drafted, as many of us would not have if we could have done that entirely by ourselves. I anticipate that this is going to command a strong majority now. I anticipate that there will be a strong majority from the Republican side of the aisle, as well as from the Democratic side of the aisle. I think that is the healthiest thing we could do to respond to the people that we are going to comply with Gramm-Rudman-Hollings, we are going to be able to meet those targets.

I think it is also the strongest signal that we can send to the White House that we are serious about deficit reduction; that we think it is the most important thing that we should be dealing with. We have expressed that in a sense-of-the-Senate resolution before, now we have a chance to express it into law.

I think by doing that we are saying we do not think that can be done just on the spending side. It is going to take some additional revenues. We do not think that that is too much in the way of additional revenues. But I think this strong vote would evidence that.

I hope the House would take that as a signal that the Senate strongly believes that, with a commanding vote from both the majority and the minority parties in the Senate, and that the House would then work to put together their bipartisan budget and that we could have truly a bipartisan, bicameral budget that would go to the President and say to the President:

This Congress finds that deficit reduction is one of the most important areas or probably the most important area that we can deal with and we need your help. We need you to get on board. We need you to work with us in trying to present that plan.

So I urge my colleagues to support this provision. I think that it would be to our benefit and I certainly hope that we will support it.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. The Senator from New Mexico has 30 minutes total time remaining at this point.

Mr. DOMENICI. Mr. President, I yield to the Senator from Virginia.

Mr. WARNER. Mr. President, many of us have concerns with this budget but wish to show a spirit of cooperation about it. My concern is the defense number is low, very low.

I wonder if the distinguished Senator from New Mexico would enter into a brief colloquy here with me concerning the question I raised in our caucus, in response to points made by the distinguished Senator from New Hampshire, Mr. RUDMAN, namely, that this figure on defense, 301 BA and the approximately 282 outlay figure would be held to and not acceded to in the House for a lower figure.

Mr. DOMENICI. Well, let me say to my friend from Virginia and to all Senators, I do not think there is any doubt here in the Chamber about my position on defense. I would have had yet a higher number. I offered a

budget twice in the committee to have more than the $301 billion in budget authority, and we have now settled in this resolution for $301 billion.

□ 2350

It is very difficult for me as chairman going to conference to say absolutely, unequivocally, unalterably, I will not change from what the Senate passed. But let me tell you it is not my intention to reduce the defense number in conference. I believe it is about at the right level. I am actually more worried about the outlay target than I am the budget authority target. That is unique and different. But true.

I believe we are in an outlay bind more than a budget authority bind. But I am going to do my very best to correct this problem in conference. I hope we have support.

I do not intend to go there and lower it. I do not want to tell the U.S. Senate here, tonight, that under no circumstance would I agree to a lower number. But I will go to conference with the U.S. House if we pass the resolution tonight, with no intention of lowering the $301 billion budget authority target or the outlay target in conference.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. DOMENICI. I am pleased to yield.

Mr. WARNER. I thank the distinguished Senator from New Mexico.

Perhaps we should invite the distinguished Senator from Florida, if he might wish to enter into this colloquy with respect to the approach we take in conference on the defense figure.

Mr. CHILES. I do not believe you want to invite me. But you are welcome to. [Laughter.]

Mr. DOMENICI. Do not forget, Senator, that the Senator from Florida will be in the minority on conference on the Senate side.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. DOMENICI. I yield to the Senator from Alaska.

Mr. STEVENS. This afternoon the Senator from New Mexico and I had a discussion with the problem in regard to the difference in the estimates of the impacted prior year budget authority on the outlays for 1987.

I perceive this to be the most difficult problem to comply with Gramm-Rudman-Hollings in 1987. And I wonder if the Senator now after having reflected on it, and in view of some of the conversations we have had, and I know the Senator from New Mexico has had today, could tell the Senate. Is there any leeway at all that is possible in terms of this outlay figure? The $2 billion increase in outlays helps. But it really would not meet the problem of the increased outlay requirements if the CBO figures are to be adhered to.

I would hope that he might indicate a willingness to try to find some balance at least between the CBO and OMB or to get them together and require them to come to some agreement. If that was the case and they blended the $8 billion difference, and we have this $2 billion increase, we then would only be $2 billion short in outlays. I think we could live with that and the 301 budget authority figure. But I do not think we can live with a $6 billion difference even with the $2 billion increase here in the outlay figure.

Mr. DOMENICI. I thank my friend, the senior Senator from Alaska for that question.

Let me say to him and to the Senate that normally the big concern with defense is programmatic authority, budget authority. The Senator who does the appropriating is asking the question, and I think he is implicitly saying he is not as worried about the $301 billion budget authority level as he is about an apparent outlay squeeze that may be occurring because of the way CBO estimates outlays, versus the way OMB estimates outlays. In both instances, I use the word "estimate." But as he knows, and you all must know, under Gramm-Rudman-Hollings outlays must be estimated almost a year in advance and then become binding. And then there is a trigger to determine whether there will be a sequester based upon those outlays estimates. There is a big difference between OMB and CBO on how much outlays are resulting from past programs.

I can only tell the Senator that I understand his concern, and I understand there is a very big difference in the two estimates. I have no solution here tonight.

I do not believe the Senator is suggesting that we add $6 billion in outlays to this budget resolution for defense. I note that he is not. All I can say is we ought to work together. I pledge that we will work together to see if we can find out what is the best estimate. If we have been wrong in terms of using CBO or if we can adjust, then we will be able to report back to the Senate that we have made progress. If not, we are going to have a very serious problem. I do not think we can fix it here tonight.

Mr. STEVENS. Mr. President, I thank the Senator.

I want to make sure we understand this now because if that $6 billion figure, that CBO difference, that remains is carried through into 1987, it affects immediately the readiness items in the new budget authority for 1987. If by any calamity we face the Gramm-Rudman-Hollings sequester in order to achieve that $6 billion, we would have to affect budget authority in the vicinity of $20 billion. I think the Senate ought to be aware of this difference between the CBO and the OMB, and I urge the Budget Committee to find some way to resolve that difference.

Mr. ARMSTRONG, Mr. GRASSLEY, Mr. JOHNSTON, and Mr. NUNN addressed the Chair.

The PRESIDING OFFICER. Who yields time? The Senator will suspend. The Senate is not in order.

Who yields time?

Mr. JOHNSTON. Mr. President, will the Senator from Florida yield?

The PRESIDING OFFICER. The Senators from Florida and New Mexico control the time.

Who yields the time?

Mr. GRASSLEY and Mr. JOHNSTON addressed the Chair.

Mr. DOMENICI. I yield to Senator GRASSLEY, and Senator ARMSTRONG has been seeking recognition. I will give them as much time as they want.

Mr. GRASSLEY. Mr. President, until now there has not been any debate on defense. I am mightily disappointed in that. Yet, I want to commend Senator DOMENICI and Senator CHILES for the number in defense that was reported out of the Budget Committee under their leadership. If we would have had a debate on defense, we would not be budgeting $301 billion for defense.

Understand that there is not one penny saved from defense in this budget off the baseline. The Budget Committee level of $295 billion was reasonable, and a very good compromise.

There is absolutely no analytical basis for the $301 billion in this budget for defense. It is purely political. And, of course, it flies in the face of the revelations that have been made over the last several months about excess defense spending. For instance, just recently, the $2.2 billion savings in fiscal year 1986, and that is after the March 1 sequester. We have another $5.2 billion appropriated last year but not authorized or reprogrammed. And the Comptroller General says that over the last 4 years we have had $45 billion of excess funds for inflation—$12 billion last year in unobligated balances higher than were projected.

Understand that—$12 billion higher than was projected, using the Defense Department's own figures. We have been budgeting at rates higher than can be obligated. I hope you understand that we are making a decision to spend here money faster than what the Defense Department can execute in the way of a budget.

Let me just give you some percentages. In 1984, they came 3.7 percent short of executing the entire available authority. In 1985, it was 4 percent; and in 1986, it was 1.2 percent even after the March 1 sequester. We have been throwing money at the defense

budget, and what we have really ended up with is defense stagflation.

□ 2400

I want to say to you that I guarantee as a result of what we are doing here tonight that the extra $6 billion for defense is going to end up in the DOD mattress just like it has for the last several years.

That is not a responsible way for us to make budget policy, giving money faster than it can be expended, not even considering the fact that what will be spent may not be spent very wisely.

Mr. President, I am very curious about the rationale for supporting a budget with an increase in defense spending above the resolution level in the face of strong public sentiments for holding the line, and especially when it will simply wind up under DOD's mattress. Why, DOD has been unable to obligate its funds even with a 4.9-percent sequester last March.

This budget substitute contains a defense budget level that is most extensive and excessive. It means we have saved not one penny in defense off the fiscal year 1987 baseline. Out of $38 billion of required savings, not 1 cent is from defense.

As far as the defense number is concerned, it is purely a political number. There is no basis for it in analysis; in necessity; in evidence. It is purely political.

The number arrived at in Budget Committee, $295 billion, was well reasoned to; it was negotiated in a bipartisan manner, and in consultation with OMB and CBO. It reflected a full inflation adjustment for the fiscal year 1987 defense budget program.

Putting all opinion aside, it is undeniable empirically that $295 billion for fiscal year 1987 is more than enough to fund the program.

There are plenty of unused funds from previous years still lying around, despite efforts by Congress to squeeze some of it out and reprogram it.

This political defense level of $30 billion flies in the face of a steady drumbeat of revelations, in recent weeks, of defense overfunding.

For instance, we just discovered that DOD has identified $2.2 billion in excess funds for the current year, after the sequester. And that was just 5 months into the fiscal year.

Last May you recall that DOD suddenly found $4 billion, and by the end of the year it was $6.3 billion. Who knows how much larger that $2.2 billion "savings" this year will grow by September? All signs indicate it will get larger.

Let us look at some of these signs. First, there is the issue of unobligated balances and unexpended balances. I have just released a paper called "Understanding Unobligated Balances," which I have made available to my colleagues and would like to submit for the record. This paper is useful in determining the extent to which we have overfunded the defense budget in recent years.

The tables in this paper show conclusively, when taken together, that DOD is awash in excess funds. For example, in the fiscal year 1985 budget request, DOD predicted unobligated balances at year end of $50.5 billion based on a program with total budget authority of $305 billion, and investment authority of $148.7 billion.

One year later, in the fiscal year 1986 request, the fiscal year 1985 year-end unobligated balances were estimated as $51.5 billion, $1 billion more, but total budget authority had declined by more than $20 billion, and investment had declined by $15 billion.

Now that the figures are firm for fiscal year 1985, unobligated balances have risen by another $10 billion. The data indicate the same phenomenon is being repeated for fiscal year 1986.

Obligated balances have also risen dramatically in recent years, Mr. President, and are at an all-time high both in absolute terms and relative to total and investment budget authority. Much of the excess inflation funding finds its way in these balances.

Some analysts have indicated that the rapid increase in the size of the DOD investment accounts has strained the capacity of both DOD and industry to perform, and thus slowed the rate of execution.

The trend, Mr. President, of simultaneous rises in both unobligated and obligated balances despite levels of budget authority far lower than requested makes it clear the Defense Department has had great difficulty executing its programs.

To put that in layman's terms, there is a lot of unused defense money kicking around.

I would defer making any additional and corroborating points about overfunding for inflation to my colleague from Arkansas, Mr. PRYOR, who has done tremendous work tracking and measuring the defense windfall. I would like to commend him for his work because it has helped focus the debate on just how much, or little, defense spending we really need to execute the entire defense program.

Now, DOD has a clever comeback for most of these arguments, Mr. President—the inflation overfunding argument; the excess unobligated balances argument; and the slush fund arguments.

But the one point DOD cannot respond to is that they have failed to execute their program, that Congress appropriates too much money.

Let me lay out the facts, Mr. President. In the fiscal year 1984 defense program, 3.7 percent of availability authority failed to be obligated. In fiscal year 1985, it was 4 percent. This year, even after Gramm-Rudman, an additional 1.2 percent will not be obligated.

It is not as if DOD has not been obligating. Goodness knows they have. And at a constant rate the past 5 years—all those unpriced orders; all those end-of-year spending sprees; even last December's "Operation Obligation," the largest monthly increase in obligations in history in an effort to obligate funds before the March sequester.

Despite these acts of desperation, DOD still has not been able to execute its program. Unwittingly, Congress has simply appropriated too much money for the requirements of the defense program. It is an age-old bureaucratic game, Mr. President, to pad your budget to cushion against cuts.

I would like to point out an additional $5.2 billion of available money that will not be used in fiscal year 1986 and that could be used for the fiscal year 1987 budget.

First, there is the very confusing and complicated issue of the $6.3 billion of prior-year balances made available for the fiscal year 1986 military pay raise, certain O&M readiness activities, the Mariner fund, payments to the military retirement trust fund, and coastal defense agumentation. These changes are required to go through the normal reprogramming processs. However, it has become clear, based on the House Armed Services Committee's markup of the fiscal year 1986 supplemental defense authorization bill, as well as testimony at recent hearings concerning the reprogramming of the transfers, that a least $2.5 billion of the total will not be reprogrammed.

Second, $6.5 billion of appropriated funds that have not been authorized were contained in the fiscal year 1986 DOD appropriations bill. These funds are required to be approved through the supplemental authorization process. However, only $3.8 billion of the total was authorized in the Senate Armed Services Committee's March markup, leaving $2.7 billion available.

When taken together, both the reprogramming and authorizing actions, it appears that up to $5.2 billion may be available in the fiscal year 1986 DOD budget to fund high-priority items in the fiscal year 1987 budget request.

To begin with, these are bad budgeting practices on the part of DOD. They are not unusual practices, only bad. If left to their own vices, bureaucracies will always engage in such shenanigans. And if we catch them, it is up to us to squeeze all that mattress money out of there. Back in the early 1970's, when Congress found just $1.7 billion of unused money, we raised the roof right off this building. Last year, DOD had $10 to $16 billion in unused funds. This year, we already know of $2.2 billion, and that was after the se-

quester. We ought to be raising the dome right off the Capitol.

Far more than just bad budgeting practices, Mr. President, there is a much more adverse consequence for our negligence in overfunding the defense budget. We have saturated an already small defense industry with excess demand. Defense capacity is full to the brim. During the first years of the buildup, prices were skyrocketing to absorb the available money.

Now, despite the leveling off of prices, we are still budgeting as if prices were skyrocketing. It is creating an enormous backlog of unexpended funds. It is a form of pent-up demand. Sooner or later this backlog will find its way into the market and shoot prices upward again.

That, Mr. President, will make national security much more expensive than even present unprecedented levels. It would perpetuate contract inefficiency and guarantee business as usual.

That is not the message we want to send to the American people during troubled fiscal times, and it certainly would impede our ability to provide for an adequate national defense.

This whole problem of excess "demand" and its adverse impact on defense "supply" is the subject of a recent paper I published called "Supply-Side Defense."

Now, whether you believe in supply-side or not is not the point. It is still a demand-pull inflation problem we have in defense, the kind we all read about in high school economics.

The term "supply-side defense" is for the benefit of some of my Republican brethren who, for some reason, still think throwing money at defense will buy more defense.

The problem, however, is that we have got stagflation in defense. We have got too much money. And not enough goods. We have been running the Defense Department like Jimmy Carter ran the economy. How many times did we hear that to solve the stagflation problem we needed a combination of better incentives to produce and a money policy that did not increase prices?

Well, that is what our solution for defense should be. We need to restructure the incentives in the defense industry to reward efficiency and production instead of rewarding high costs and shrinking output.

The last thing we want to do to end stagflation is spend our way out, just like we do not get a higher GNP by printing more dollars. There is so much artificial demand out there already that more money would worsen the stagflation. We need to put that money that is out there to work before we start pumping more money in. We need to squeeze demand and build up supply through competition and "should-cost" standards. At all costs, we have to get away from this notion that more money equals more defense. It would mean more defense if DOD's incentive structure were right side up. But it is not. It is biased to an extreme toward demand. And we are paying a steep price because of it.

We have a real problem here, Mr. President, and we will have an even worse public relations problem if we elect to grant another excess inflation walnut for the squirrels in DOD.

Now, what I would like to know, Mr. President, is why in the world, in light of all this, would we want to arbitrarily increase the defense budget by $6 billion?

We do not need a political number for the defense budget. We need a reasonable number, both on national security grounds and on budgetary grounds. We need a reasonable number that will force more efficiency and cut down on overhead and labor inefficiency, and will encourage better contract pricing. There is virtually no empirically based rationale for $301 billion for defense.

We also need to send a message to the country that in these times of budget constraint, we are going to ignore politics and make the defense budget contribute its fair share to the $40 billion of cuts required to meet next year's deficit target, especially when the Defense Department enjoys a handsome savings account to help it survive hard times ahead.

I would like my colleagues to view this defense budget problem from another point of view.

All the excess money, Mr. President, has turned the defense budget into a "blivet." For those of us unacquainted with the term, a "blivet" is 5 pounds of manure in a 4-pound sack.

Think of all that manure oozing out of the sack. That is what all these indications of excess funds represent. It is coming out all over the place. We have seen DOD's inability to obligate; we have seen the rise in unobligated balances; we have seen the unprecedented levels of unexpended balances; we have seen excess funding for inflation.

All of this points to one thing, Mr. President. If it walks like a "blivet," and talks like a "blivet," and smells like a "blivet," it sure as heck is a "blivet."

In conclusion, Mr. President, I reiterate my concerns about this budget.

I believe it lacks balance because there are no savings from defense.

I do commend the efforts of the chairman of the Budget Committee and the ranking member for fighting the good fight, and maintaining a bipartisan and balanced package up to the end. I commend them for working out a reasonable and responsible defense compromise in committee. I hope they will work in conference to return the defense number back to the $295 billion level. I regret, Mr. President, that I cannot support this budget resolution.

Thank you, Mr. President.

Mr. President, I ask unanimous consent that an overview be printed at this point in the RECORD.

There being no objection, the overview was ordered to be printed in the RECORD, as follows:

(I) OVERVIEW

The rapid increases in unobligated and obligated balances in FY 1983, FY 1984 and FY 1985, despite levels of budget authority far lower than requested, seems to indicate there is either a serious problem with program execution, or that a significant portion of the unobligated balances may be in excess of needs, despite efforts by the Congress to remove those funds.

Obligated balances have risen dramatically in recent years, and are at an all-time high both in absolute terms and relative to total and investment budget authority.

Despite the simultaneous rises in unobligated and obligated balances, DOD has continued to project increases in the rate of obligations, which have failed to materialize. DOD has maintained a relatively constant rate of obligations over the past five years. Thus, the increase in unobligated balances does not appear to result from a slowdown in obligations, but rather from an inability to achieve DOD's optimistically projected increase in obligations.

Some analysts have indicated that the rapid increase in the size of the DOD investment accounts has strained the capacity of DOD and industry to perform, and thus slowed the rate of execution.

Additionally, lower prices for oil and spare parts plus management improvements may also have increased the level of unobligated balances. It is difficult, if not impossible, to isolate the impact of each particular factor.

In any case, the trend of simultaneous rises in unobligated and obligated balances despite levels of budget authority far lower than requested makes it clear the Department of Defense has had great difficulty in executing its programs. Current data indicates the same phenomenon is being repeated for FY 1986.

(II) DIMENSIONS FOR THE PROBLEM

Table 1 in Appendix C provides a history of obligated and unobligated balances. Because these balances are generated by the budget authority made available to the Department of Defense, data on total budget authority is also shown. Table 2 shows the composition of unobligated balances within the procurement account. As can be seen, these balances are not uniformly distributed across the accounts, which means that the mix of these programs has a large impact on the amount of unobligated balances.

Table 1 reveals that both obligated and unobligated balances have risen dramatically in recent years. Obligated balances are at an all-time high, both in absolute terms and relative to total and investment budget authority. A final table (Table 3) is provided, and it shows these balances as they were estimated in the various budget documents. The difficulty DOD has had in executing its programs is evident in these tables. For example, in the FY 1985 budget request, DOD predicted unobligated balances at year-end of $50.5 billion based on a program with total (051) budget authority of $305 billion and investment budget authority of $148.7

billion. One year later, in the FY 1986 budget request, the FY 1985 year-end unobligated balances were estimated as $51.5 billion, one billion more, but total budget authority had declined by over $20 billion and investment had declined by $15 billion. Now that the figures are firm for FY 1985, unobligated balances have risen by another $10 billion. The data indicates the same phenomena is being repeated for FY 1986.

(III) CAUSES

There are many causes for the increases in obligated and unobligated balances. Obviously, the most direct cause is the amount of budget authority enacted by the Congress. As budget authority rises, it is only logical that both obligated and unobligated balances will rise. For example, over the past decade (FY 77-FY 86) unobligated balances have tripled, from $20 billion to $50 billion. But the size of the procurement account has more than tripled, from $28 billion to $93 billion. A second factor that affects the level of these balances, is the program mix. In FY 1976, the procurement account comprised 22 percent of the enacted budget authority. In FY 1986, it comprises over 33 percent. By shifting to a mix of programs that contains more of the slow-spending accounts, one would expect the rate of obligation and expenditure to slow down. A third reason is the significant decrease in inflation compared to the assumptions built into the budget. As the cost of goods and services end up costing less than anticipated, funds which are in excess of the needs of the program simply build up in the accounts. The most notable example of this is fuel, where costs have fallen dramatically over the past year.

Funds in excess of needs occur for other reasons as well. One reason is that good management, economic production rates, increased competition and other management techniques have produced savings. Much of these funds have been reclaimed by Congress within the appropriation process, but additional excess funds obviously remain. Funds also accumulate in these accounts because of bad management, technical problems and political problems. Any program that is delayed because of technical or management problems or political problems generally falls far behind its schedule and accumulates large unobligated and/or obligated balances. For example, when the DIVAD was canceled, approximately $0.5 billion was made available for other uses.

There are other factors that affect the rate of obligations and expenditures of the various accounts. Recent initiatives to break out spare parts for separate procurement, to increase audit activity, and increase competition have generally slowed the procurement process. These initiatives are all directed at saving money, and if one accepts the premise that they are working, then the savings are likely to increase the level of unobligated balances. Some analysts have indicated that the rapid increase in the size of the DOD investment accounts has strained the capacity of DOD and industry to perform and thus slowed the rate of execution. At the same time, DOD projected an increase in the rate of obligations, which for whatever reason, did not materialize. DOD has maintained a relatively constant rate of obligations over the past five years. Thus, the increase in unobligated balances does not appear to result from a slowdown in obligations, but rather from an inability to achieve DOD's projected increase in obligations. Table 4 shows the recent history of DOD's optimistically projected obligations in contrast to actual obligations.

Undoubtedly, all of these factors have contributed to the rise of unobligated balances. It is difficult, if not impossible, to isolate the impact of each particular factor. The rapid increase in these balances in FY 1985 and FY 1986, despite levels of budget authority far lower than requested, however, seem to indicate that there is either a serious problem with program execution or that a significant portion of the unobligated balances may be in excess of needs, despite efforts by the Congress to remove these funds.

APPENDIX

APPENDIX A: DEFINITIONS

The balances that are discussed in this paper are defined as follows:

Unobligated: Any funds that are available for obligation, but against which no obligation or commitment has been made.

Obligated: Any funds that have been obligated for a specific use or purpose but have not been disbursed.

Unexpended: Any funds, obligated or unobligated, that have not been disbursed. Unexpended balances can also be defined as the sum of unobligated and obligated balances.

APPENDIX B: CHARACTERISTICS OF THE BALANCES

The Congress has a number of ways to make spending authority available to a department or agency. Examples are a direct appropriation from the general fund, creation of an entitlement, a loan, or loan guarantee, contract authority and others. In the Defense Department, the vast majority of the spending authority is the result of a direct appropriation of federal funds. These appropriations fund the pay of people, the operations of the forces, and the capital programs necessary to replace equipment and facilities of the department.

The Congress insists on the concept of full funding for the budget programs of the Department of Defense, which means that if the legal authority and funds are provided to start a program, that full funding for that program must also be provided. Many of the programs that are capital in nature such as construction of facilities, ships, aircraft, and other weapons, often take years to complete. Recognizing this, the Congress funds these programs with appropriations that have a multiple-year life. This means that these appropriations are available for a specific period to be obligated, that is, legally committed. If they are not obligated within the specified period, the funds lapse and are returned to the Treasury. As a general rule, the appropriations to the Department of Defense are for the following periods:

	Years
Military personnel	1
Operations and maintenance	1
Procurement (except ship constr.)	3
Ship construction	5
Military construction	5

The length of viability of each account is usually specified in the legislation and can be varied.

As the department begins to execute its program, after funds are made available, obligations are recorded against the available funds. These obligations are legally binding commitments and derive from actions such as signing a contract. The process of registering an obligation against a fund balance is very important because it measures the amount of outstanding commitment made by the government and prohibits improper dual use of funds. Once the contract is signed, and the obligation is recorded, the contractor begins work and may bill for work in process. When DOD issues a check in payment for the work, an expense in the amount of the check is registered against the contract and the account. At the end of the life of each appropriation, the amount of funds that remain unobligated lapse and are returned to the Treasury. Those funds that are obligated remain on the books for a period of time to pay for the goods and services for which they were obligated. Excess funds, if any, are deobligated. Funds may also be deobligated at any time they are determined to be in excess of funding needed to complete a given contract.

Normally the process of budget execution is measured at yearend. Funds that are available but have not been obligated show as unobligated balances. Funds that are obligated but not expended, show as obligated balances. Funds that have been obligated and for which checks have been issued show as expended balances. The percentage of new budget authority that makes it all the way through the process in the first year is also referred to as the "first-year outlay rate."

Those accounts that have a one-year life (Military Personnel and Operation and Maintenance), reflect the fact that all the program activity funded in these accounts can be contracted for (obligated) within the fiscal year. Those funds not obligated within the year, lapse. In fact, the vast majority of these accounts are also expended within the fiscal year in which they are enacted. Only 2 percent of the Military Personnel Account is expended (outlayed) beyond the first year. The Operations and Maintenance Account also spends at a fast rate but it is slightly slower than the Military Personnel Account. Overall, 73 percent of this account is outlayed in the first year and 21 percent in the second year. Because this account has a one-year life, all unobligated balances would expire at year end. Both accounts generate obligated balances although they tend to be small.

The so-called "investment accounts," procurement, research, development, test and evaluation, and military construction, are the major contributors to both unobligated and obligated balances. The Military Construction account is quite slow spending, but is comparatively small ($5.3 billion in FY 1986).

The RDT&E account is much larger ($33.7 billion in FY 1986), but is a relatively fast-spending account. The procurement account clearly is the major source of both unobligated and obligated balances. It is a large account ($92.6 billion in FY 1986) that is slow-spending. In fact, the procurement account contains over 75 percent of all unobligated balances.

The Department of Defense also operates a number of revolving funds that function much like industrial wholesalers. These funds have obligational authority to purchase parts and services in advance of an appropriation so that the parts and services will be in the pipeline and available when they are needed. These funds maintain a requirement for working capital which shows up as an unobligated balance. The estimated FY 1986 level of unobligated balances in the revolving fund is $6.6 billion.

APPENDIX C: SEE ATTACHED TABLES

TABLE 1.—HISTORY OF UNOBLIGATED AND OBLIGATED BALANCES IN DOD

[In billions of dollars]

	Current dollars			Constant dollars		
	Unobligated balance	Obligated balance	Total budget authority [1]	Unobligated balance	Obligated balance	Total budget authority [1]
Fiscal year:						
1986 estimate	59.9	202.4	278.4	62.0	209.4	288.0
1985	61.5	182.9	286.8	65.6	195.1	306.0
1984	51.6	153.5	258.2	57.0	169.6	285.3
1983	43.4	128.7	238.7	49.3	146.3	271.3
1982	34.6	107.6	211.6	40.8	126.8	249.3
1981	26.5	86.3	176.0	33.5	108.9	222.2
1980	24.2	67.9	140.7	34.6	97.0	200.9
1979	23.0	60.9	123.7	36.7	97.1	197.2
1978	21.3	52.4	114.6	36.9	90.7	198.4
1977	20.0	42.7	108.1	37.4	79.8	202.1
1976	21.0	30.3	95.7	42.2	61.0	192.5
1975	16.7	27.1	85.7	35.9	58.2	184.0
1974	15.1	28.6	81.0	35.3	66.9	189.5
1973	12.7	26.9	77.6	32.0	67.7	195.4
1972	11.9	24.0	75.0	32.4	65.4	204.4
1971	13.0	23.0	71.2	38.4	67.9	210.3
1970	14.8	25.5	74.1	46.6	80.3	233.4
1969	14.9	29.5	76.9	50.2	99.3	258.9
1968	14.8	30.9	76.3	52.4	109.4	270.2
1967	15.1	32.1	72.2	55.9	118.8	267.3
1966	15.8	26.9	63.6	61.0	103.8	245.4
1965	13.6	19.5	49.1	56.4	80.9	203.6
1964	12.7	17.5	49.6	54.4	75.0	212.5
1963	11.7	18.7	49.6	52.2	83.5	221.4
1962	9.9	22.1	48.0	45.0	100.4	218.0
1961	9.9	20.6	49.4	45.5	94.8	227.2

[1] Subfunction 051, Department of Defense.

Sources: Budget of the U.S. Government, fiscal years 1963–87. Historical tables, budget of the U.S. Government, fiscal year 1987.

TABLE 2.—END OF FISCAL YEAR

	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986
Unobligated balance	16.7	21.0	20.0	21.3	23.0	24.2	26.5	34.6	43.4	51.6	61.5	59.9
Obligated balance	27.1	30.3	42.7	52.4	60.9	67.9	86.3	107.6	128.7	153.5	182.9	202.4
Total unexpended	43.9	51.3	62.7	73.6	83.9	92.2	112.8	142.2	172.1	205.1	244.4	262.3
Enacted:												
Total budget authority (051)		95.7	108.1	114.6	123.7	140.7	176.0	211.6	238.7	258.2	286.8	278.8
Procurement		21.0	27.9	29.5	31.4	35.3	48.0	64.5	80.4	86.2	96.8	92.6
R&D		9.5	10.4	11.4	12.4	13.6	16.6	20.1	22.8	26.9	31.3	33.7
Military construction		2.4	2.2	1.6	2.3	2.3	3.4	4.9	4.5	4.5	5.5	5.3
Total		32.9	40.5	42.5	46.1	51.2	68.0	89.5	107.7	117.6	133.6	131.6
Unobligated as a percent of:												
Total budget authority		21.9	18.5	18.6	18.6	17.2	15.1	16.4	18.2	20.0	21.4	21.5
Total investment		63.8	49.4	50.1	49.9	47.3	39.0	38.7	40.3	43.9	46.0	45.5
Obligated balance as a percent of:												
Total budget authority		31.7	39.5	45.7	49.2	48.3	49.0	50.9	53.9	59.5	63.8	72.7
Total investment		92.1	105.4	123.3	132.1	132.6	126.9	120.2	119.5	130.5	136.9	153.8

TABLE 3.—CHRONOLOGICAL ESTIMATE OF UNOBLIGATED BALANCES

	Fiscal year 1983			Fiscal year 1984			Fiscal year 1985			Fiscal year 1986		
	Unobligated balance	Total budget authority	Investment budget authority	Unobligated balance	Total budget authority	Investment budget authority	Unobligated balance	Total budget authority	Investment budget authority	Unobligated balance	Total budget authority	Investment budget authority
1983 budget request	43.1	257.5	119.2									
1984 budget request	38.5	239.4	107.6	45.5	273.4	129.5						
1985 budget request	43.4	238.7	107.7	43.0	258.1	117.4	50.5	305.0	148.7			
1986 budget request	43.4	238.7	107.7	51.6	258.2	117.5	51.5	284.7	133.8	55.7	313.7	153.2
1987 budget request				51.6	258.2	117.6	61.5	286.8	133.7	59.9	278.4	131.6

TABLE 4.—OBLIGATION RATES: [1] PROJECTIONS VERSUS ACTUAL—FISCAL YEARS 1984 TO 1986

[Percents]

	Projected	Actual
Fiscal year:		
1984	88.6	84.9
1985	87.9	83.9
1986	86.5	[2] 85.3

[1] Direct and reimbursable obligations divided by total available for obligation. Estimated current-year projection for fiscal year 1986 based on adjustment for March 1 sequester.

[2] Estimated current-year actual for fiscal year 1986 resulting from time series analysis based on data from October 1979 through first quarter fiscal year 1986.

Source: DOD Financial Sumary Tables, FAD Table 746.

FISCAL IRRESPONSIBILITY IS SPELLED "C-O-N-G-R-E-S-S"

Mr. HATCH. Mr. President, let me preface my remarks about the budget before us today by quoting a line from one of Robert Frost's poems. I offer for contemplation by this body: "* * * two roads diverged in a wood, and I—I took the one less traveled by, and that has made all the difference." For once I wish Congress would take the road less traveled and make the necessary spending cuts to achieve deficit reduction.

I cannot now support Senate Concurrent Resolution 120, the fiscal year 1987 budget resolution reported by the Senate Budget Committee as amended, just as I did not support it in committee. The road to deficit spending is much more attractive, obvious by its wide and well-used path, then the road to fiscal discipline. Difficult as it may be, I hope my colleagues will find the strength and will to tackle the deficit plaguing our Nation and instead proceed on the narrow and sometimes difficult path of thriftiness.

When I advocate fiscal discipline, I advocate slaying the culprit of three-digit deficit figures; the culprit being unchecked spending. Let the record speak for itself. Since 1950, Federal spending has risen from 16 percent of GNP to 24 percent in 1985, yet Federal receipts have remained relatively constant for the same period, registering a slight rise to 18.6 percent of GNP in 1985. The subtraction of 24 from 18.6 is simple arithmetic: a negative number.

One may argue about which side of the budget scale is out of balance, but no one can refute the evidence that the spending side has remained heavily weighted in recent years. In fact, actual spending has exceeded the budget resolution by an average of $24 billion annually since 1980. The budget resolution before us, while purporting to cut spending, only skims the top layer of growth in spending rather than trimming spending. This budget shows spending in fiscal year 1987 to be nearly $40 billion higher than the current estimated spending for fiscal year 1986. This growth in spending is a fashionable and expensive habit "Uncle Sam" indulges in. The "plastic card" mentality of living beyond one's means has reached the Halls of Congress.

The Senate Budget Committee has sustained the growth in spending for several years now. Since 1981, the committee has repeatedly recommended raising spending an average of $50 billion annually. While inflation may account for part of this increase, it is an abuse of democracy to bribe the American taxpayer with his own money.

Damaging as taxes are to an individual's take-home pay, taxes are equally devastating to commerce, threatening the economic recovery we have enjoyed the past 3½ years. Revenue enhancement, increased revenues, or whatever euphemistic expression one so desires to call a tax increase, siphons off necessary capital for business expansion. It is Government spending which crowds out private investment and initiative, resulting in a fiscal drag on an otherwise healthy economy. In essence, higher taxes signal to Congress and every special-interest group that more money is available for excessive spending.

Many floor amendments have been offered during the past few weeks, most of them financed by "increased revenues" or offset by reductions in defense spending. I rise in strong opposition to any serious contemplation by this body for reducing defense. Defense needs are dictated by the actions of other countries, by external threats to our vital interest; Libya being a case in point. There are some responsibilities which only the National Government can execute, such as ensuring the national security. Defense is unquestionably a legitimate responsibility of the Federal Government. As Federal legislators, let us not neglect those responsibilities which are dutifully ours, such as providing for an adequate defense.

Last year Congress promised 3 percent real growth in defense spending in part to compensate for years of neglect of the defense budget. While Congress assumed one defense spending level for 1986, the respective authorization committees lowered this number. By the end of the year, with Congress scrambling to adjourn, the final appropriation level was lower than the authorization level and the Gramm-Rudman-Hollings sequester further reduced the spending level. What Congress originally prescribed and the degree it actually took resulted in a sizable difference. Just how reasonable is it to expect that the Senate defense spending level of $301 billion won't be reduced to $270 billion by the time Congress has completed action on an appropriation bill?

All too often some of my colleagues are quick to attack, unjustifiably, current defense spending levels. Like a broken record, I have heard defense spending levels lambasted too many times. The recent record for the Department of Defense marks improvements after the U.S. defense investment plunged by more than 20 percent during the 1970's. The Defense Department has performed well in recent years, dramatically reducing the cost growth of major weapons programs from 14 percent in 1981 to below 1 percent in 1984. Once again, a plummeting inflation rate partially explains the decline in weapons costs, but just this past month the Comptroller of the Department of Defense released a report citing cost savings attributable to better management and increased productivity. The following list of weapon programs, all samples of applied high technology, represents only a few of the many weapon programs whose costs have declined: F-16, Advanced Tactical Fighter, AV-8B (Harrier), B-1B, and the MX Peacekeeper.

Congress has reneged on its promised defense spending level assumed in last year's budget and I do not believe it prudent for the Senate to go into conference with defense outlays of $282 billion for fiscal year 1987. In fiscal 1985, the Senate Budget Committee reported defense outlays were to be $330 billion for fiscal year 1987. Two years later in the budget resolution now before us, defense outlays for fiscal year 1987 have been cut $48 billion from that level. Perhaps it is skewed priorities and not blissful ignorance which accounts for setting defense spending at such a dangerously low level.

As elected officials, we have accepted the responsibility of making tough choices, but unfortunately, we have disappointed and frustrated the taxpayer who bears the burden of our fiscal irresponsibility. While the Gramm-Rudman-Hollings law is not flawless, it can be cited as changing the tone of budget debate from an open-ended exercise to practical budgeting. Like the driving force of competition which fosters productivity in the free market, setting spending priorities among a multitude of Federal programs will promote improved management and efficiency as well as weed out programs unworthy of getting 1 cent of the taxpayers hard earned money.

Once again we approach the fork in the road with the worn path appealing to our political senses. It is much easier to cast votes for spending and more spending, but let us look beyond today and tomorrow. It will be our children and grandchildren who will say that the removal of the burden of deficit spending "has made all the difference."

Mr. GORTON. Mr. President, I would like heartily to commend my distinguished colleagues, the majority leader, the chairman and ranking minority member of the Senate Budget Committee, for leading us once again through the labyrinth of prioritizing this Nation's spending needs and achieving a solid budget resolution.

This year, as in past years, the task of fashioning a budget resolution has been arduous and, at times, frustrating. This year, however, unlike past years, the task has been further complicated by the parameters under which we must work which have been set by the Gramm-Rudman-Hollings Act. This year we have a budget target that we must reach, and, Mr. President, we have indeed met this target.

The budget process is one of the most difficult tasks we as Senators undertake and, in my mind, the task which demonstrates most clearly conflict inherent in our democratic process. It requires each Senator to examine not only the needs of this Nation, from defense to domestic spending, but requires formulating a position on fiscal policy: the desired levels of spending and taxation. Finally, each Senator must consider carefully and represent thoroughly his or her State's varied needs.

These several types of budget questions must then be melded into a comprehensive package that distributes the Federal Government's resources as fairly as possible across all interests and sections of the budget.

In past years, during times when deficits were much smaller, that process was much easier because there was much more to give out. In recent years, however, as in this year, we are giving out less, and working to control the rapid growth of Government spending.

The budget that we have before us now does slow the growth in Federal spending and accomplishes it as fairly as possible. Our democratic process has led to a bipartisan budget resolution that has strong support on both sides of the aisle because of its well-balanced configuration.

We have slowed the growth in defense spending, but have managed to include enough to keep our Armed Forces strong. We have cut social spending in lower priority areas of the Federal budget, but have managed to spare programs that are the lifeline of survival for the elderly and indigent. We have raised some new revenues, but they amount to less than 2 percent of current revenue levels. Finally, and very importantly, we have managed to meet the Gramm-Rudman-Hollings budget targets. Meeting those targets is vital to the growth and economic health of our society—and it is that health, of course, which provides the source of money to meet a wide range of social needs.

I am satisfied that this budget is sound national policy.

Beyond the reach of national issues, however, each Senator must consider the special needs of his own constituents. He must represent those needs in this Chamber and work to advance them, not with the dispassionate attitude of a government technician, but rather with commitment and the recognition that he is the representative of his sovereign State, and charged with defending and advancing its interests.

I am pleased that this budget resolution is a favorable one for the State of Washington. When the administration submitted its original budget request, it contained items which would have been extremely damaging to the interests of my State. The proposed sale of the Bonneville Power Administration would have caused skyrocketing electric power rates and devastated my State's economy. Ocean sports fishing fees would have posed a serious problem for our recreational fishing. Waste treatment construction grants—vital to our water quality program in Washington—would have been terminated. Stiff new Coast Guard user fees would have been imposed. Timber receipt sharing, so important in many of Washington State's rural counties, would have been greatly reduced. The sea grant and coastal zone management grants, both important in Washington, would have been terminated. The Export-Import Bank, vital to jobs in my State, would have been greatly reduced in the administration's budget.

I am pleased that we have been able to adopt a budget resolution that does none of these things, and still yields a deficit substantially lower than that the President proposed.

There are many programs in this budget with which I had a special concern, and this is not the time or place to review them all. I merely make the point that this resolution is highly favorable to the economy of Washington State—it will help create employment and investment.

On a personal note, I am disappointed that a replacement orbiter for NASA is authorized only if a specific revenue measure is passed to pay for it. I am absolutely convinced that such a condition is unnecessary. But I am assured that the unnecessary condition to the replacement orbiter will not survive a conference committee—and I therefore reluctantly accepted.

During the budget debate in the Senate Budget Committee, I worked hard, as did my colleagues, not only to reduce the deficit, but to do so in a way which was both sound national policy and which protected the legitimate needs of my constituents. I am pleased that, as tonight's resolution shows, these two goals were eminently compatible. I support this budget resolution wholeheartedly.

● Mr. DURENBERGER. Mr. President, though the Senate's action on the fiscal year 1987 budget resolution lacks the drama of last year's final vote, it is no less satisfying. For this resolution, enjoying the tremendous bipartisan support that it does, demonstrates that we need not pull our colleagues out of hospitals at 3 a.m. or use the Vice President's vote to break a partisan deadlock in order to pass a responsible budget in the Senate. And this is a responsible budget.

In many respects, this resolution is one of the first byproducts of the Gramm-Rudman-Hollings Deficit Reduction Act. Throughout the past week's debate every amendment was offered in a way so as to not violate the Gramm-Rudman-Hollings Act. And the final product, through the mixture of cuts in defense and nondefense programs, as well as a minor increase in taxes, meets the Gramm-Rudman deficit target of $144 billion—a remarkable accomplishment when one considers that just last year the Congressional Budget Office projected a fiscal year 1987 deficit of $233 billion.

There are some who will look at this resolution and oppose it because they feel there is either not enough or too much for defense. Others will point to the modest increase in revenues as grounds for rejection. And the ingenious ones will find fault with the economic assumption underpinning the resolution and reject a document that is unquestionably the best package that our leadership could devise. But I will not be one of them.

If the truth be known, I feel good about this budget. It enjoys Republican and Democratic support. It reduces the deficit and meets the requirements of Gramm-Rudman. And it requires the Congress to achieve savings that could be adopted and enacted by October 1 if the House of Representatives would stop playing partisan games and start acting responsibly. I urge its adoption.●

Mr. GRASSLEY. As the Chairman of the Budget Committee knows, I and several of my colleagues were ready to offer an amendment to the committee's budget resolution which would have had the effect of providing enough additional funds to functions 500 and 605 to allow the Appropriations Committee to establish funding for the Older Americans Act for fiscal year 1987 at the originally appropriated 1986 levels. The Members who were to join with me in this were Senators PRESSLER, D'AMATO, MATSUNAGA, and HEINZ. I thank them for their interest and assistance. I wonder whether the Budget Committee chairman can assure me that the funds envisioned for these functions were indeed included in this compromise package.

Mr. DOMENICI. I am pleased to give that assurance to my good friend from Iowa.

Mr. GRASSLEY. Mr. President, the funds I refer to would add $44 million in budget authority and $24 million in outlays to the budget resolution for function 55 and $6 million in budget authority and $5 million in outlays to function 605 for fiscal year 1987. It is my intention to provide enough additional funds for these functions to allow the Appropriations Committee to appropriate funds for the Older Americans Act at the originally appropriated 1986 level. The Reagan administration's 1987 budget proposal envisioned funding for the Older Americans Act programs, with the exception of title IV, at the original 1986 levels.

My colleagues, Senators PRESSLER, D'AMATO, MATSUNAGA, and HEINZ supported me in this effort.

As most of my colleagues know, the Older Americans Act, with the Social Security Retirement Program and Medicare, is one of our major enactments on behalf of older people and one of our most successful social programs. It establishes a national network of State and area agencies on aging which provides congregate and home-delivered meals, and social and personal care services for people who are, according to a 1986 survey of 18,000 participants in 20 States, mostly low income, mostly very old, and mostly female. The Older Americans Act also provides community service employment for some 54,000 people who are required by the act to have incomes not greater than 125 percent of the poverty level.

There is widespread agreement that there has been, in recent years, a great increase in the need for these services. A 1985 survey by the University of

Texas found that State and area agencies on aging reported greatly increased need, compared to the comparable time the year before, for case management, home-delivered meals and home-delivered support services. The increase in the need for these services were probably, at least in part, attributable to the effectiveness of Medicare's prospective payment system, which many observers think is causing hospitals to release medicine beneficiaries who need assistance in the community or at home to continue successsful recuperation.

With respect to the Senior Community Service Employment Program, I would like to point out that the cost per enrollee for this program has been frozen since 1981 at $5,111 per enrollee. Unemployment for older workers has increased greatly in recent months. According to figures from the Bureau of Labor Statistics, unemployment for workers 55 years of age and older has increased 11 percent in just the first 2 months of 1986. My own State of Iowa is particularly hard-pressed in this respect, and the additional almost $200,000 which would go to Iowa would be very helpful in this situation.

At the same time as the need for these services has been increasing, funding for the program has declined in constant dollars. The total amount of money appropriated for the Older Americans Act increased by about $177,000 between 1980 and the presequestration 1986 level. The increase when the 1986 sequestration is taken into account is about $126,000. The value of a dollar over this period, 1980 to 1986, has declined by about one-third, according to figures provided by the Congressional Research Service. Therefore, in constant dollars there has been a decrease in the dollars available for these Older Americans Act programs of about 20 percent. The decrease, when one takes into account the 1986 sequestration, is about 25 percent.

The amount added is a very small amount. But according to figures provided to me by the National Association of State Units on Aging, the additional amount of money to the Older Americans Act programs would mean up to an additional 5.8 million congregate and home-delivered meals in fiscal year 1987. Up to 116,000 additional individuals could be assisted in just the title III programs.

With respect to the employment programs, additional money in this amount would make it possible to restore about 2,800 title V enrollee jobs around the country.

The Older Americans Act is one of our most successful programs for older Americans, providing essential services to those who are primarily low-income, very old, and female.

OLDER AMERICANS ACT AMENDMENTS TO THE BUDGET

Mr. HEINZ. Mr. President, I had planned on joining my distinguished colleague from Iowa, Mr. GRASSLEY, in offering an amendment to the budget resolution, Senate Concurrent Resolution 120, to restore the funding for all titles of the Older Americans Act to fiscal year 1986 presequestration levels. Mr. GRASSLEY and I have been assured, however, that our concerns have been completely addressed in the Domenici-Chiles substitute budget resolution. Because Mr. DOMENICI assures us that our language has been included in the substitute package, we will not offer our amendment.

Some would question why we should single out the Older Americans Act for restoration of the funds lost because of Gramm-Rudman-Hollings. There are many reasons, but primarily, the Older Americans Act programs have been very successful in improving the quality of life for older individuals, but funding has not kept pace with either the increased need for these services or inflation.

The Older Americans Act, now in its 21st year, is an enormous success. For the last two decades this legislation has guided and governed many of the Nation's efforts to respond to the problems and enhance the opportunities of a rapidly growing population of older Americans. The act and its programs promote greater independence and provide services designed to maintain the dignity of older adults. The coordinated system of services mandated under the act reach into every community in this Nation.

Mr. President, as excellent as this social service initiative has been, demand for services far exceeds available resources, and we have only begun to see the growth in the number of older persons. The older population grew twice as fast as the rest of the population in the last two decades, and the very older are increasing the fastest. In fact, by the year 2010, because of the maturation of the baby boom, the proportion of older Americans is projected to rise dramatically; more than one-fourth of the total U.S. population is expected to be at least 55 years old and one in seven Americans will be at least 65 years old.

We have not, however, kept up with the growing demand for service. Actually, Older Americans Act funding decreased in real dollars by 24.9 percent between 1980 and 1986. With this record of funding, further reductions are simply not justified.

Mr. President, this is not the time for the Federal Government to relinquish or reduce its role in making possible this broad range of programs which include nutrition, transportation, counseling, and intensive home health and social services. Literally millions of Americans have benefited from such programs, but the Gramm-Rudman-Hollings cuts have begun to undermine the solid foundation of services that the Older Americans Act has built.

The National Association of Nutrition and Aging Services Programs [NANASP] has recently completed a survey of congregate and home delivered meals programs to assess the damages of the sequestration. NANASP estimates that in the 20 States which submitted data, over 1.2 million congregate meals and 500,000 home-delivered meals have been cut, and that 22 meals program sites have been closed. We also know that many of the services that promote independent living and keep individuals functioning in their communities have been cut. In-home services such as home health aid, and homemaker and chore services have been reduced leaving many older Americans living like prisoners in their own homes. In addition, access to information and the community has been hampered by reductions in transportation, outreach, and information and referral services.

Without our language, Mr. President, we would be cutting these essential programs again. This budget would have applied another Gramm-Rudman-Hollings cut to older Americans for fiscal year 1987, and threaten the health and safety of millions of older Americans.

Mr. President, this funding increase is not a budget buster; it does not increase the deficit beyond the $144 billion limit set by the Gramm-Rudman-Hollings law. This is a modest addition which simply brings these programs back up to fiscal year 1985 levels. I ask my colleagues to consider the millions of Americans who depend on the excellent services that the Older Americans Act provides.

IN SUPPORT OF RESTORING FUNDING TO THE OLDER AMERICANS ACT

Mr. PRESSLER. Mr. President, I rise in support of our amendment to restore funding to the Older Americans Act [OAA] programs. This amendment would restore funding for OAA programs to the original fiscal year 1986 appropriations level.

Mr. President, during my work as the third ranking majority member of the Senate Special Committee on Aging, one simple demographic factor dominates all—elderly Americans are the fastest growing segment of our population. Between 1984 and 2050 the age 55 and older population is expected to double. The old-old, those 85 and older will triple between 1980 and 2020, and increase seven times by the year 2050. If current projections hold true, the elderly will be the only age group experiencing significant growth in the next century.

Mr. President, the importance of deficit reduction cannot be understated. However, the elderly in our Nation are increasing so rapidly that even baseline funding results in a significant reduction in services for our senior citizens. The long-term implications of reducing funding for programs such as the Older Americans Act and Medicare are devastating. I fear we are going to find ourselves ill prepared for the dramatic impact caused by the maturation of the baby boomers.

Mr. President, the argument has been raised throughout this debate that there are no guarantees that increased funding for specific programs will in fact be accomplished by amendments such as this one. We are dealing only with aggregate functional totals. I think we all understand that. However, it sends a strong message to the proper committees that the Senate's intention, in voting for this amendment, was to restore funding specifically to the Older Americans Act. You can rest assured that my colleague from Iowa and I will be reminding our colleagues on the Appropriations Committee of that intent.

The Older Americans Act of 1965 celebrated its 20th anniversary just last year. This valuable program provides millions of senior citizens with congregate and home-delivered meals, as well as a variety of social and personal care services. It provides community service employment for some 64,000 low-income elderly.

The Senate Special Committee on Aging recently held a hearing on the effect of Gramm-Rudman-Hollings on programs serving the elderly. At this hearing, Michio Suzuki, Associate Commissioner of State and Tribal programs at the Administration on Aging testified that the 4.3-percent sequestration in title III allotments for congregate and home-delivered nutrition services in fiscal year 1986 may result in an average reduction of up to 4 meals per day per nutrition site. With some 14,000 nutrition sites, that adds up to a potential loss of 56,000 meals per day nationwide. With the need for such nutrition services growing, this loss is compounded.

I urge my colleagues to join us in supporting this amendment. Between 1980 and 1984 every State in the Union had an increase in its elderly population. In fact, 24 States had a double-digit increase. Some of the leaders include: Alaska, 32.6 percent increase; Nevada, 32.2 percent increase; Hawaii, 22.9 percent increase, and Arizona: 21.9 percent increase.

Additionally, in Arkansas, Florida, Iowa, Kansas, Maine, Massachusetts, Missouri, Nebraska, Pennsylvania, Rhode Island, South Dakota, and West Virginia, the elderly comprise over 13 percent of total State population.

There are about 28 million elderly Americans and the number is growing daily. With such an increase in need, it is imperative that we do not cut back on programs like the Older Americans Act which is devoted solely to meeting the unique needs of the elderly.

Mr. LEAHY. Mr. President, I rise today in support of the bipartisan budget for fiscal year 1987.

The budget ensures a strong national defense. It provides adequate funds for health and education and for the other programs that help make this country compassionate and civilized. And, this bipartisan budget cuts $55 billion in taxes over the original budget resolution.

No Senator, including this one, agrees with every provision of the budget. But, it represents a compromise and an outline of our priorities as a nation. It reaffirms our commitment to an educated America where workers can gain new skills and help increase our competitive edge in the world economy. This budget testifies to our concern for the elderly, the poor, and the handicapped. It keeps our promise to veterans who have served their Nation in times of trouble.

Mr. President, very importantly, this budget also keeps the promise Congress made to the American people last year. It reduces the deficit by more than $40 billion in compliance with the Gramm-Rudman-Hollings balanced budget law. Our deficit reduction plan is back on track, due to bipartisan cooperation.

But, we almost did not make it. The Senate Budget Committee reported an initial budget resolution on March 18, 2 weeks before Gramm-Rudman-Hollings required that committee to produce a budget to reduce the deficit. But, then the administration delayed and delayed and refused to allow the leadership to bring the budget to the floor of the Senate, because the committee and the rest of us said no to a $30 billion increase in the almost $300 billion defense budget.

After weeks of hard work by the chairman of the Budget Committee and the ranking member, and after urging by this Senator and a majority of others, we were given a chance to debate the budget, amend and improve the budget, and finally to pass a budget that meets our commitments as a nation and begins to restore fiscal responsibility in government.

The budget before us provides for a strong national defense. Defense spending is increased by $1.5 billion, allowing for increases in inflation. The economic assumptions in the defense portion of the budget indicate that defense spending is held at zero real growth. I am concerned, however, that these figures be checked and rechecked. Our intention is that defense spending be held to current levels plus inflation. In the coming weeks, as the House and Senate begin negotiations on the budget that will ultimately be adopted, there will be sufficient time to check the defense numbers. If the assumptions are wrong, defense levels must be adjusted down to reflect the spending level we endorsed in this budget.

In an era of unprecedented budget deficits, however, when every Vermont family must send two paychecks to Washington per year just to pay the growing interest on the national debt, this budget rejects the administration's policy of spending now on a massive defense buildup and sending the bill to the next generation. The Senate budget resolution recognizes that there is a consensus in this country in support of a strong national defense, but not wasteful defense spending.

As resently as last week, the Secretary of Defense discovered $2 billion in padding in this year's Pentagon budget, and the General Accounting Office recently reported to me that there are billions more to be saved. That is why I sponsored a successful amendment to the Gramm-Rudman-Hollings law to require audits of all major defense contracts, to ferret out budget padding and return wasted dollars to reduce the deficit.

Mr. President, I ask unanimous consent that a copy of the report from the General Accounting Office be printed at the end of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered. (See exhibit 1.)

Mr. LEAHY. We need a strong national defense. This budget pays for a strong national defense, but is says no to waste. And, all of us must also say no to funny numbers. I support this budget, but let me stress that it is only a beginning. Defense must be held to zero growth. If $300 billion in budget authority and $282 billion in outlays truly represent zero real growth, as a bipartisan majority of the Senate intends, then let those numbers stand. If those numbers are miscalculated, they must be reduced to reflect the intention of the Senate.

On the domestic side, programs are generally maintained at their current levels. I am pleased, however, that an amendment, which I cosponsored, was adopted to increase spending on education to keep up with inflation. One cannot quantify the return we receive from an increased investment in education. But we do know, however, that a renewed commitment to higher education, basic research, math, science and foreign language education is part of the recipe for a return to American competitiveness.

Better education also means better jobs for workers and new opportunity for the millions of adults who cannot read a want ad or help their children

learn and grow to become productive and informed adults. In addition, increased support for education fosters an enlightened electorate. We Vermonters, who take responsibility as individuals for running our towns and school boards, know how very important education is to the survival and improvement of communities. Town meeting, by which we govern ourselves, is only as wise and farsighted as the wisest among us.

I am pleased also that the Senate budget resolution restores $200 million in spending on health and nutrition programs, including the Women, Infants, and Children's Feeding Program [WIC]. In Vermont, 45 percent of the women giving birth receive assistance through WIC, and it is no coincidence that our State has the lowest infant mortality rate in the Nation. WIC works. WIC saves lives and makes for healthy babies. WIC also saves Government money. Every $1 we spend on WIC saves the Treasury $7 later in increased illness and hospitalization costs for poor mothers and their children.

Child Immunization, Maternal and Child Health Care, and Community Health Center Programs are all strengthened by this budget. The Senate budget resolution is as much committed to a healthy America as it is to an educated America.

In addition, this budget provides inflation protection for Social Security recipients and Federal retirees. Cost-of-living adjustments [COLA's] are provided despite the fact that inflation has fallen below the 3-percent legal threshold for the provision of such inflation adjustments.

I am, however, concerned that the budget only provides for two quarters of general revenue sharing for the next fiscal year. Revenue sharing helps Vermont's cities and towns provide essential services without raising already high property taxes. Revenue sharing pays for 15 percent of local fire protection costs and 11 percent of local police costs in Vermont.

I supported an amendment to the budget resolution to extend revenue sharing for 3 years at up to the current level of $4.6 billion, to ease the burden on Vermont's financially strapped communities, many of which face astronomical increases in liability insurance premiums, for example. I urge conferees on the budget to note the close vote in the Senate in support of revenue sharing and vote to extend this important program.

If the problem is raising revenues to pay for revenue sharing, let the conferees ponder one thought. If you eliminate revenue sharing, local property taxes go up. If you extend revenue sharing, we can easily help pay for police and fire protection and education in communities around the Nation by collecting taxes from profitable corporations which have avoided paying their fair share for long. So who should pay? Vermont families and other Americans or corporate tax evaders?

I have one last and important concern, and that is the integrity of the economic assumptions in this budget. I support the overall balance of defense spending, domestic spending, and modest revenues in this bipartisan budget package, but I am concerned that some of the economic analysis and the calculation of the deficit in this budget may be faulty. Those assumptions need careful study and review.

The Senate budget resolution is a first start. The House has yet to pass a budget, and after it does, House and Senate conferees will hammer out a final package to reduce the deficit. There is plenty of time to refigure the economic calculations, for there is more at stake this year than accuracy or economic integrity.

Next fall, if the economic assumptions in the budget we finally pass are incorrect, we risk an across-the-board reduction in virtually all Federal programs to reduce the deficit to legal limits. Such a sequester might threaten national defense and could also mean severe reductions in programs that help people. This cannot be allowed. Let us take the time and get the numbers right.

Finally, every Member of the Senate has sent a clear message concerning the revenues contained in this budget: Individual income taxes must not be raised. The $13.2 billion in revenues in this budget should be raised by forcing the more than 200 profitable corporations that paid no taxes last year to pay their fair share. In addition, the IRS should beef up efforts to collect $92 billion in back taxes owed to the Government. Yes, we must pay for this budget, but not out of the pockets of working Vermont families. They already contribute more than their fair share.

Mr. President, I ask unanimous consent that a list of corporations which paid no taxes be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered. (See exhibit 2.)

Mr. LEAHY. Mr. President, we have before us a budget which will reduce the deficit by $40 billion. It is not a perfect budget, but it provides for the basic needs of the American people, it keeps our Nation strong at home and abroad and it reduces the deficit. I urge my colleagues to support it.

EXHIBIT 1

U.S. GENERAL ACCOUNTING OFFICE,
Washington, DC.

B-222917.

The Honorable DAVID PRYOR,
The Honorable THOMAS F. EAGLETON,
The Honorable WILLIAM PROXMIRE,
The Honorable PATRICK J. LEAHY,
United States Senate.

On November 8, 1985, you requested that we examine the process by which the Department of Defense (DOD) estimates funding for inflation in its fuel purchases and that we update our estimates of the inflation dividend realized by DOD in budgeting for its fuel purchases. The inflation dividend is defined as the amount of excess funds accruing to the DOD due to the overestimation of future inflation in developing defense budget requests. We first analyzed funding for inflation in fuel purchases as part of a general analysis of inflation in the defense budget contained in our September 1985 report entitled "Potential for Excess Funds in DOD" (GAO/NSIAD-85-145). In that report, we did not consider fuel purchases separately but included them in the analysis of the two appropriation titles: Operation and Maintenance (O&M) and Research, Development, Test and Evaluation (RDT&E). We estimated that the inflation dividend, resulting from overprojections of the price of fuel, totaled $4.8 billion for fiscal years 1982 through 1985.

Our updated estimate shows that the inflation dividend in fuel purchases will total $5.03 billion between fiscal years 1982 and 1986. This estimate does not take into account the most recent dramatic decreases in fuel prices.

Between 1982 and 1985 the Congress reduced the DOD budget by $3.09 billion to offset the fuel inflation dividend. Implementation of the Balanced Budget and Emergency Deficit Control Act of 1985 has reduced this dividend by an additional $15 million.

In analyzing the process used by DOD to forecast its fuel prices, we found that it uses forecasts of crude oil prices provided by the Office of Management and Budget (OMB) to predict prices DOD will pay for refined petroleum products. Because crude and refined prices showed similar trends between 1982 and 1986, DOD's forecasting approach did not lead to any substantial errors in its price forecasts.

FORECASTING FUEL INFLATION

In fiscal year 1985 petroleum products constituted 2 percent of all defense expenditures. Fuel prices are forecasted separately in the budget for several reasons. First, fuel is a major commodity rather than a finished product, and therefore its cost structure and the factors that influence changes in its prices are different. Second and more importantly, fuel prices have been quite volatile since the mid-1970's. Prices paid by DOD for fuel increased by about 270 percent between 1974 and 1981 and have been steadily falling since then.

OMB focuses on crude oil prices, specifically refiner's acquisition costs, and constructs a weighted average (⅓ import and ⅔ domestic) price. Using generally available information on the oil markets, OMB then develops forecasts of this price for the period of the budget (usually 5 years). These projected fuel prices are given to DOD as part of OMB's guidance for economic assumptions in preparing the President's budget.

However, DOD's purchases and primarily refined products, such as regular gasoline, diesel fuel, kerosene and naptha base jet fuels. Thus, in using OMB's price projections in preparing its budget, DOD is implicitly applying forecasts of crude oil prices to predict the prices of refined products.

In figures 1 through 3, we display the price forecasts developed by OMB and used by DOD for the previous three budgets. We also present forecasts made by a major private forecasting firm, Data Resources Incorporated (DRI). DRI issues a comparable and readily available index of the percentage change in crude and refined oil product prices. Because DOD applies a crude oil price forecast to predict refined product prices, we examine DRI's forecasts of both crude oil and refined product prices.

[Figures 1, 2, and 3 not reproducible for the RECORD.]

DRI's forecasts of crude and refined prices were quite similar and the forecasts used by DOD generally reflect a price change movement like DRI's. In February 1986, both DRI and DOD forecasted significantly lower prices for fiscal year 1987 than they had in January 1984 and 1985. However, in the latest forecast, DRI projects oil prices falling much further in 1986 than does DOD.

DRI's forecasts show that crude and wholesale refined prices moved rather closely over the three forecast periods. Therefore, DOD's fuel budgeting process, which applies a composite of crude oil price forecasts to predict refined product prices, does not appear to have introduced a systematic price distortion into DOD's forecasts. Consequently, we do not believe that DOD's process led to any large increase in fuel budgets during this period.

No matter what forecasting procedures are used, fuel budgeting will always entail some inaccuracies. Forecasting any economic event is quite difficult, but forecasting the oil market has been notoriously difficult and oil price estimates have not been particularly accurate. The existence of the OPEC cartel and its recent failure to maintain prices has further complicated a market already affected by other shifts in demand and supply. Given the difficulty in developing extremely accurate forecasts, DOD is likely to be continually faced with either excess or inadequate funds for fuel in its budget. We continue to believe, as we recommended in our September 1985 report, that careful monitoring of changes in petroleum product prices and their effect on the budget are essential.

ESTIMATING THE FUEL INFLATION DIVIDEND

Table 1 compares the originally forecasted price changes used to develop fuel funding estimates in DOD budgets with the actual fuel price changes. Using fiscal year 1985 as an example, the defense fuel budget was developed assuming a slight increase in fuel prices of 0.5 percent. When fuel prices actually fell 4.3 percent, there was potentially 4.8 percent in excess fuel funds.

We estimated two fuel inflation dividends, as shown in table 2. The first dividend estimate is derived from comparing the original forecast of fuel prices made in each fiscal year's initial budget submission and the revised OMB fuel price forecasts published by the DOD in March 1985.[1] This estimated fuel dividend of $4.8 billion was part of our estimate of the total inflation dividend included in our September 1985 report.

[1] These forecasts, cited in table 5-1 of Office of the Assistant Secretary of Defense (Comptroller), *National Defense Budget Estimates, FY 1986*, are consistent with OMB's fuel price forecasts constructed in January 1985.

TABLE 1: COMPARISON OF DOD FUEL PRICE FORECASTS TO ACTUAL FUEL PRICE CHANGES: FISCAL YEAR 1983 THROUGH 1986

	Fiscal year			
	1983	1984	1985	1986
January 1983 forecast (percent)	+1.9	+5.3	+5.7	+5.6
January 1984 forecast (percent)	—	+0.5	+0.5	+3.2
January 1985 forecast (percent)	—	—	−5.5	−1.4
February 1986 forecast (percent)	—	—	—	−7.3
Actual	−9.3	−10.2	−4.3	N/A

Source: Office of Assistant Secretary of Defense (Comptroller), "National Defense Budget Estimates," Fiscal Year 1985, table 5–7 and Fiscal Year 1986, table 5–1 and unpublished data from Office of Assistant Secretary of Defense (Comptroller).

The second dividend estimate is based on the more recent February 1986 OMB fuel price forecasts. It shows an increase in the estimate to $5.03 billion. The difference between the new estimate of $5.03 billion and the previous estimate of $4.80 billion results from changes in both the fiscal year 1985 and 1986 dividends. The increase in the total dividend due to the inclusion of fiscal year 1986—$300 million—is partially offset by a decrease in the fiscal year 1985 dividend of $70 million.

Our analysis does not reflect the effects of the recent dramatic decrease in crude oil prices. OMB's February 1986 forecast is the most recent official forecast. However, in the short time since that forecast was made, fuel prices have decreased substantially and this trend seems likely to continue. In constructing our estimates, we did not independently forecast future fuel prices or speculate on the impact that more recent price movements in fuel markets may have on fiscal year 1987 fuel funding.

TABLE 2: ESTIMATES OF THE FUEL INFLATION DIVIDEND FISCAL YEARS 1982 THROUGH 1985 AND 1986

[In billions]

	Fiscal year					
	1982	1983	1984	1985	1986	Total
Estimate based on forecast as of:						
March 1985	$1.07	$1.27	$1.64	$0.82	[1] N/A	$4.80
February 1986	1.07	1.27	1.64	0.75	[2] $0.30	5.03

[1] In our September 1985 report, we did not estimate a fuel inflation dividend for fiscal year 1986.

[2] Including the cuts made by the application of the Balanced Budget and Emergency Deficit Control Act of 1985 would reduce the dividend by 4.9%, or $14.7 million.

RECOVERING THE FUEL INFLATION DIVIDEND

We were not able to determine how much of this fuel inflation dividend remains available to DOD for obligation. Virtually all of these dividends occurred in either the Stock Fund account or the Operations and Maintenance accounts.

To the extent the dividends for fiscal years 1982 through 1985 originally resided in the Operations and Maintenance accounts of the individual services, they should have either lapsed or been reprogrammed to other uses by now. Some reprogrammed dividends could still remain available if they were moved to accounts allowing obligation over multiple years, such as procurement. Of course, the dividend accruing in fiscal year 1986 remains available to DOD for use in purchasing additional amounts of fuel beyond that planned in the original budget.

Alternatively, it seems likely that most of these dividends would have accrued in the Stock Fund accounts. Because the Stock Fund is a revolving fund, the dividend funds, would not lapse unless DOD or Congress took special action. In fact, between 1982 and 1986, DOD and Congress did become aware that excess balances in fuel funds were collecting in the Stock Fund and reduced DOD fuel budgets to compensate for these excess balances.

In table 3, we compare our estimated fuel inflation dividends to congressional cuts for fuel price overestimates. In fiscal years 1982 and 1983, these cuts were made on a prospective basis, that is, reductions were intended to offset changes in the projected level of fuel prices. As table 3 shows, these reductions substantially offset the dividend.

In fiscal years 1985 and 1986, these cuts were made on a retroactive basis, that is, they were intended to offset excess balances in the Stock Fund accounts which accrued because the prices actually paid for fuel were below the prices projected in the budget. The congressional reductions for fiscal years 1985 and 1986 offset most, but not all, of the dividends realized in fiscal years 1984 and 1985.[S01MY6-B65]

TABLE 3: COMPARISON OF ESTIMATED FUEL INFLATION DIVIDEND TO REDUCTIONS IMPOSED BY CONGRESS

[In billions]

	Dividend [1]	Reductions in fuel budgets imposed by Congress	Difference
Fiscal year:			
1982	$1.07	$0.49	$0.58
1983	1.27	0.85	0.42
1984	1.64	N/A	1.64
1985	.75	1.31	−.56
1986	.30	0.44	−.14
Total	5.03	3.09	1.94

[1] Estimate based on February 1986 forecast cited in Table 2.

In accordance with your wishes, we did not request official agency comments on this report. Our work was performed in accordance with generally accepted government auditing standards.

As arranged with your offices, unless you publicly announce its contents earlier, we plan no further distribution of the report until 30 days from its issue date. At that time, we will send copies to the Chairman, House Committee on Government Operations, Senate Committee on Governmental Affairs, House and Senate Committees on Appropriations, and House and Senate Committees on Armed Services; the Director, Office of Management and Budget; the Secretaries of Defense, Army, Navy, and Air Force; and other interested parties.

FRANK C. CONAHAN,
Director.

EXHIBIT 2

COMPANIES THAT PAID NO INCOME TAX

[The following chart lists 50 American companies that paid no Federal income tax or received refunds from 1981 through 1984, according to a recent survey of 275 companies by Citizens for Tax Justice. Total profits and tax refunds for that period are in millions of dollars]

Company	Profit	Tax refund	Tax rate (percent)
Boeing Co	$2,099.0	$285.0	−13.6
Dow Chemical Co	972.0	180.0	−18.5
ITT	815	177.7	−21.8
Tenneco	3,401.0	166.0	−4.9
Pepsico	1,798.7	135.8	−7.6
Santa Fe Southern Pacific Corp	2,309.0	133.4	−5.8
General Dynamics	1,579.5	103.8	−6.6
General Electric	9,477.0	98.0	−1.0
Transamerica Corp	748.6	93.6	−12.5
Texaco	1,819.0	68.0	−3.7

COMPANIES THAT PAID NO INCOME TAX—Continued

[The following chart lists 50 American companies that paid no Federal income tax or received refunds from 1981 through 1984, according to a recent survey of 275 companies by Citizens for Tax Justice. Total profits and tax refunds for that period are in millions of dollars]

Company	Profit	Tax refund	Tax rate (percent)
Ashland Oil	336.1	62.0	−18.5
Hutton (E.F.) Group	372.5	59.6	−16.0
Weyerhaeuser Co	929.2	59.1	−6.4
Georgia Pacific Corp	783.0	59.0	−7.5
IC Industries	534.7	55.4	−10.4
Northrop Corp	416.8	46.4	−11.1
First Executive Corp	444.2	44.2	−10.0
International Minerals and Chemical	371.6	43.7	−11.8
Mitchell Energy and Development Corp	458.7	41.1	−9.0
Dupont	4,075.0	40.0	−1.0
Mellon Bank Corp	544.7	32.8	−6.0
International Paper Co	1,136.3	32.6	−2.9
Ohio Edison Co	1,524.4	31.8	−2.1
Scott Paper Co	594.6	30.5	−5.1
Philadelphia Electric Co	1,892.5	30.3	−1.6
Panhandle Eastern Corp	1,220.7	28.8	−2.4
Union Carbide	892.0	26.0	−2.9
Piedmont Aviation	169.0	25.4	−15.0
Tesoro Petroleum	124.3	22.5	−18.1
Harris Corp	307.6	19.5	−6.3
Allied Corp	693.0	17.0	−2.5
Columbia Gas System	1,147.1	15.9	−1.4
Northern Indian PSC	792.5	14.6	−1.8
Arizona Public Service Co	1,278.4	14.1	−1.1
Singer Co	194.2	11.6	−6.0
Sun Chemical Corp	103.2	10.4	−10.1
Greyhound Corp	419.9	10.4	−2.5
Centex Corp	264.4	10.2	−3.9
Pennsylvania Power and Light Co	1,362.9	10.0	−.7
Xerox	1,122.7	9.2	−.8
Southwest Airlines Co	213.0	8.1	−3.8
Comerica	135.3	7.1	−5.3
Dun and Bradstreet Corp	967.0	6.7	−.7
Ogden Corp	251.5	5.6	−2.2
Jim Walter Corp	361.7	4.1	−1.1
International Multifoods	43.9	3.2	−7.3
Burlington Northern	2,799.2	1.1	−.0
Tyson Foods	69.1	1.0	−1.4
Grumman Corp	653.4	.0	−.0
Lockheed Corp	1,670.9	.0	−.0

Compiled by James Schwartz—the Washington Post.

Mr. WEICKER. Mr. President, I rise to commend the chairman and ranking minority member of the Budget Committee for their work in crafting a budget resolution compromise which incorporates increased fiscal year 1987 funding for education of handicapped children. It is my understanding that the resolution now includes an additional $265 million to fund a new initiative in the area of early childhood intervention services for handicapped children, and to provide for an increased Federal contribution to the State Grant Program for handicapped education.

On April 28, the Senate Subcommittee on the Handicapped unanimously reported S. 2294, the Education of the Handicapped Amendments of 1986, to the full Committee on Labor and Human Resources. That legislation asks Congress and the administration to accept both in law and fiscal policy what the experts now recognize in fact. That is, that this Nation has an opportunity to help lift an entire generation of handicapped children to levels of achievement and independence never before thought possible, through intensive services during the early childhood years.

The crucial link between early childhood intervention services, achievement, and economic benefit to the disabled and the Nation is now widely understood.

The Department of Education, in its 1985 report to Congress, said the following, and I quote:

Studies of the effectiveness of preschool education for the handicapped have demonstrated beyond doubt the economic and educational benefits of programs for young handicapped children. In addition, the studies have shown that the earlier intervention is started, the greater is the ultimate dollar savings and the higher is the rate of educational attainment by these handicapped children.

Therefore, consistent with the clear need for early intervention services and the provisions of S. 2294, this resolution now contains $200 million for early childhood intervention services for handicapped children.

Further, the resolution also contains $65 million to enable the Federal Government to begin, in a small but significant way, to make good on its 10-year old commitment to education of the handicapped through the basic State Grant Program. These funds, together with funds already available in the resolution as it was reported by the Senate Budget Committee, will allow the Federal share of the Handicapped Education State Grant Program to rise to 10 percent.

I'm sure my colleagues remember the enactment of Public Law 94-142, guaranteeing a free, appropriate public education for all handicapped children. That act authorized a gradually increasing Federal contribution beginning at 5 percent in fiscal year 1977, and growing to 40 percent by fiscal year 1982. The Federal Government kept up its commitment during the first 2 years after Public Law 94-142, but beginning in fiscal year 1979, we began to lag farther and farther behind the levels envisioned in the law. In fiscal year 1979, when the law authorized a 20-percent share, the Federal contribution was 12.5 percent. For the last 4 years, we have hovered around a 9- or 10-percent level, while the authorization has been at 40 percent. And under Gramm-Rudman-Hollings, the fiscal year 1986 appropriation ends up paying for only 8.6 percent. Yet my colleagues should know that, if the administration had had its way for fiscal year 1987, the percentage would have dropped below the fiscal year 1986 levels, to about 8 percent. Fortunately, the education amendment adopted by the Senate earlier in this debate turned aside that request.

Today, the Senate has reaffirmed its commitment to special education. Our efforts here on behalf of handicapped children are really of benefit to us all, as compassionate human beings, as taxpayers, and as the parents and friends of all those with disabilities.

TAX INCREASES NOT IN NATION'S INTEREST

Mr. KASTEN. Mr. President, I rise in opposition to the compromise budget resolution. This resolution contains nearly $54 billion in new taxes on the working men and women of this Nation. That new tax burden is unacceptable.

The compromise resolution takes the wrong course for reducing Federal deficit spending. We should not balance the budget on the backs of taxpayers by adopting a measure to provide for new taxes. Instead, we should make the difficult decisions necessary to reduce Federal spending.

I am deeply concerned that this budget resolution will be counterproductive in our long term efforts to reduce Federal deficit spending. A tax increase of this magnitude will have a negative impact on the Nation's economy.

This resolution ignores the potential impact of a major tax increase on our economy. What effect will a $54 billion tax increase over the next 3 years have? The economic assumptions behind this budget do not include a tax increase of anywhere near this size. Clearly a tax increase of this magnitude will have a significant impact.

I believe we are in danger of undercutting many of the important steps we have already taken to reduce Federal deficit spending. By enacting both the reconciliation package and the initial sequester under Gramm-Rudman, Congress has taken significant steps to reduce Federal spending.

These actions stimulated the economy; interest rates have dropped, inflation has been held in check and the economy has expanded. All of these actions have an impact on the Federal budget—all of these actions have been very positive. A tax increase will offset many of these gains.

Instead of adopting this resolution, I believe we need to live up to the duties our constituencies elected us to fulfill. We need to make the difficult decisions about reducing spending.

A modified across-the-board freeze is a better alternative. Such an approach could be crafted to protect critical domestic programs without the need for a major tax increase. It would also have the support of the American people.

The American people are willing to do their part. We need to keep our promise to them by reducing Federal spending. We should not take the easy way out of increasing taxes—that action will simply come back to haunt us in years ahead.

● Mr. KERRY. Mr. President, I commend the Budget Committee and its distinguished leadership for their efforts in bringing a balanced resolution before the Senate. I supported that original committee resolution and would have voted for it. But, I am not able to support this amended version.

It is a great deal better than the budgets finally voted in the previous 5

years of the Reagan administration and demonstrates that the Gramm-Rudman-Hollings climate has begun to put a cap on military spending; and reverses the constant trend of reducing domestic programs, and effectively reduces runaway Federal deficits. But, that progress, commendable as it is, simply is not good enough.

I cannot support an amendment which gives the Department of Defense $301 billion for this fiscal year. Mr. President, just 7 days ago Secretary of Defense Weinberger notified the Congress that the current Pentagon budget contains an extra $2.2 billion even after the $11 billion in cuts imposed in this years Gramm-Rudman-Hollings sequester cuts. In other words, the Pentagon is currently unable to spend out at the rate we funded last year yet we would, in this action, continue to fund it at inflation levels.

The revenue adjustments presumed in the amendment are questionable. Some have gone so far as to say that the numbers have been "cooked"; adjusted to include room for additional spending and reduced revenues while still reaching the Gramm-Rudman-Hollings target figures. Mr. President, this kind of numbers juggling is too much like the old pattern of avoiding hard choices by risking increased deficits. With potential sequesters facing us, that continued risk is too high. Had the amendment included a more forthright revenue package, including a strong commitment to tax compliance, I could have supported it. I will work to see that the conference includes such provisions.

Let me say a word about the domestic spending in this amendment. It is indeed a step in the right direction to see an end to major domestic reductions. I am greatly encouraged that almost all domestic programs stay at freeze levels, that WIN funding is restored, education and handicapped education funds are enhanced and that the pattern of massive cuts is reversed. But I am bothered that on balance this is not a 50-50 cut between military and domestic program. Instead, it is closer to a 75-25 split. Again, this heads us in the right direction but it falls short of the fairness needed for endorsement.

I am voting for final passage of this amended resolution so that we can continue to move through the budget process in an orderly way. It is my expectation that the House version of a budget resolution will go a long way in adjusting the discrepancy between domestic and defense spending and that the conference report which comes back to us in the Senate will be a Federal budget which I can support.●

● Mr. McCONNELL. Mr. President, for many of my colleagues the process which we are about to complete is but one more battle in a long history of budget skirmishes. For me, however, this is a relatively new ordeal. I have now served as a U.S. Senator during the forging of two budget resolutions, and I must admit that the experience is at once frustrating, and encouraging—it is the legislative process at its best, and at its worst.

The package before us is a compromise in the truest sense of the word. Indeed, I can say with virtual certainty that there is not a Senator in this institution who supports every line item of this budget.

But in the final analysis, Mr. President, democracy is not about perfection, it is about give and take. At the heart of democracy is a legislative process that is not smooth and efficient, but cumbersome, and tiresome, and laborious, and when it is completed the results are not always very attractive. To paraphrase Winston Churchill, there is no government worse than a democracy—except, of course, for all others.

And so Mr. President, we have a resolution before us which shows the nicks and scars of the legislative process. In reality, it is but the first modification of the budget initially reported out of the Senate Budget Committee. Before the authorization and appropriation process is finished the fiscal year 1987 budget will go through numerous changes.

What we approve tonight, then, is only a beginning. And while it is a beginning which I will support, I will do so only as a means of moving forward. I do not believe for a moment that the spending and revenue levels in this proposal are anything more than a starting point for the budget process this year. I think we can do better in terms of avoiding revenue increases. I believe we can do better in terms of maintaining a level of defense spending that keeps America strong. And I think we can do better in slowing the rush of entitlement and nondefense spending in the budget.

Our vote tonight is important, Mr. President, but it should be measured against our ability to make the really tough spending decisions in the weeks and months to come. By the time the budget process is finished this year, I will offer the people of Paducah, and Owenesboro, and Louisville, and Lexington, and London, and every town and city in my State more, in terms of fiscal restraint and accountability, than we are able to offer them tonight.●

[[The following proceedings occurred after midnight.]]

Several Senators addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, how much time remains?

The PRESIDING OFFICER. Eighteen minutes and 50 seconds remain over all.

Mr. DOMENICI. How much time would the Senator wish?

Mr. ARMSTRONG. Four or five minutes.

Mr. DOMENICI. I yield 4 or 5 minutes.

Mr. ARMSTRONG. I would like to propound a parliamentary inquiry. It is my understanding we have pending a substitute amendment, the effect of which would be to raise the defense number and lower the amount of the projected tax increase. I think most of us, probably every Member, is going to want to vote for the amendment. The real question under debate is whether or not having done so we would want to then go ahead and vote for final passage.

I know of no reason anybody would want to vote against the substitute amendment because it does improve the resolution.

As I read the handout, there are some $53 billion in proposed revenue increases over the next 3 years. Have we a 5-year figure on that?

Mr. DOMENICI. I do not have one.

Mr. ARMSTRONG. I would like Senators to think about maybe $100 billion over 5 years as sort of a ballpark figure. I do not have a number either, but that would be a reasonable extrapolation.

The reason I mention it is because we are in the process of trying to write a tax reform bill. We are struggling mightily to come up with a revenue neutral tax bill. The passage of this resolution, as I see it, is going to add $100 billion, maybe only $90 billion or maybe $110 billion, but a large additional task to the Senate Finance Committee.

It is my view that the passage of this kind of a budget resolution would probably scuttle tax reform. I am not sure we are going to have tax reform anyway. But a vote for this, in my opinion, is a vote against serious attempts at tax reform.

Second, Mr. President, I just want to say that this seems to me to be sort of an act of political jujitsu. Ronald Reagan won the last election, but we are ending up with a Fritz Mondale budget. I understand that the proposed amount of this, while a large amount in dollars, is not a very big percentage of the total national budget. That is an argument that we ought to go along with the tax increase.

But while the amount is not large compared to the total budget, the savings that would be necessary to avoid taking that step would not be extraordinarily large either.

I say to my friends tonight is not the last step in the process; it is the first. The small tax increase that we are

being asked to approve, if we think a $50 billion 3-year, $100 billion 5-year tax increase is just a little increase, remember this is not the last time we will visit this issue this summer. We will be back to it.

It is almost inconceivable that the amount of the projected tax increase is going to decline. It is going to go up.

Let me point out something else, that we are projecting very favorable economic trends. Maybe they are right on target. If inflation starts to march up again and interest rates start to march up again, and that will happen sometime—I do not know when, but at some point it will happen—then we will have to have a further tax increase unless we think in that economic environment it is going to be a lot easier to cut spending for Federal domestic programs.

So what we are really doing is taking the first step of what will probably be several steps toward higher taxes.

Mr. President, I do not think that is a good idea.

That brings me to my next question.

Have we a response from the President as to his view of this proposed tax increase?

Mr. DOMENICI. Let me say that I am going to reserve enough time to let our distinguished majority leader address the body. I assume he will answer the question at that point.

Mr. ARMSTRONG. Mr. President, the final argument that is advanced in favor of this is that it is better than a sequester, and it is not obvious to me that that is the case.

In some respects, it is better than a sequester if you assume that the sequester itself is the last word. At least, we can console ourselves that this is a little better on defense. But is it really any better on defense?

In response to a direct question by the Senator from Alaska, the manager——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ARMSTRONG. Might I have 30 seconds more?

Mr. DOMENICI. Thirty seconds. Make it quick.

Mr. ARMSTRONG. In response to the question of the Senator from Alaska, the leader of the conferees said it was not his intention to give up on this number, but he sure did not promise that he would not. He could have. There would be nothing improper or unprecedented if he just said, "No, I will say to the Senator from Alaska, I am not going to give up."

When the minority manager was asked that question, "Are you prepared to stick to 301, is that why we are taking this step we do not want to take?" the minority manager declined to be interviewed, and I think that speaks for itself. I am for the amendment, but after we adopt it, I am not for the resolution.

Mr. DOMENICI. Mr. President, let me correct one thing. When you take the already passed reconciliation bill into effect, and it has passed and we have voted for it and it has been signed, the Finance Committee change is $10.5 billion, $17.4 billion, $17.7 billion, for a total of $45.6 billion. Those are the numbers in the 3 years.

Senator ARMSTRONG, the Senator from Colorado, used the prereconciliation numbers. I acknowledge using the after reconciliation ones, because we already finished that work.

I do not have 5 years because the budget resolution is only 3 years.

Mr. ARMSTRONG. If the Senator will yield, it is not my purpose to quibble. I was simply reading the figures distributed as to revenue increases. It is only $45 billion for 3 years instead of $53 billion. I will accept the Senator's explanation, but the principle remains the same.

Mr. DOMENICI. I just want 30 seconds and then I will yield to Senator CHILES, asking that he save 4 minutes for the majority leader.

With reference to defense and whether the Senator from New Mexico goes to conference intending to hold 301 to 282 for budget authority and outlays respectively. I intend to ask the majority leader to appoint a majority of Republican conferees who agree to that position or they do not go to conference. I do not know what else I can do.

If you need a promise, we cannot promise with reference to 4 or 5 months from now, but that is my intended position and hope.

Mr. JOHNSTON. Will the Senator yield 2 minutes?

Mr. CHILES. I yield.

Mr. JOHNSTON. Mr. President, I will not and cannot slow down this midnight express train, but before it goes out of this Chamber let us just think for a moment about what we have done to this budget in terms of the size of the deficit since it left the Budget Committee.

By my calculation it is somewhere between $10 billion and $16 billion that we are adding to the size of the deficit, some of it very plainly.

$3 billion additional in spending. That is admitted.

$5.5 billion in less revenues. That is admitted.

There is at least another $2.7 billion in what I consider to be mainly cooked numbers.

$1.8 billion on OCS. Do you know where that came from? Money already received and we are playing like we are putting it over into next year. We ought to give the Dave Stockman magic asterisk award for that little slight of hand for $1.8 billion.

How many of you think——

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. DOMENICI. Can the Senator restate the reference? Is it a small one?

Mr. JOHNSTON. I guess it is. I guess it is.

But that is not all. You have FHA mortgage insurance at $1.8 billion. They tell me the House will not accept it. You assume everything else is accepted, another $2.7 billion.

We have not counted the $4.5 billion in defense CA. That is money that has to be spent. If you add all of that up, it is $15.7 billion added to the deficit.

The deficit used to be a higher priority than that. While we are congratulating ourselves and passing this out of the Senate, just remember you are adding about $15.7 billion to the deficit.

Mr. CHILES. Mr. President, I yield 2 minutes or such time as he might need to the distinguished minority leader.

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. BYRD. Mr. President, the hour is late and everything has been said that has to be said with reference to the budget. I want to compliment the distinguished chairman of the Budget Committee [Mr. DOMENICI] and I want to compliment the equally distinguished ranking member [Mr. CHILES]. They have worked hard and they have persevered. I think that the product of their work and the work of others on that committee is fundamentally sound. I hope that it will receive a good bipartisan vote. It is certainly preferable to Gramm-Rudman. It puts the budget deficit on a glide path toward a balanced budget in fiscal year 1991. I feel that the Senate will be rendering a service to the country in passing this resolution and I thank all Senators.

□ 0010

Mr. DOLE addressed the Chair.

Mr. CHILES. Mr. President, I just wanted to say a special word of thanks to the senior Senator from Mississippi [Mr. STENNIS], who is here to vote on a budget resolution at this late hour. Throughout the year and throughout the 4 years I have been the ranking member on the Budget Committee, Senator STENNIS has been a stalwart warrior in supporting the process. I thank him for coming at this late hour and being part of the vote.

The PRESIDING OFFICER. There are 8 minutes remaining. The majority leader is recognized.

Mr. DOLE. Mr. President, first let me thank all my colleagues. Let me assure those who have been wondering "Where is the budget," we are about ready to find out where the votes are.

I would guess we are in about the same shape we are in every year. Some do not like any of it, some like parts of it, some like all of it, and some do not really care. I suggest that after some

discussion—we have had a lot of discussion. I want to thank both Senators DOMENICI and CHILES and many others and the distinguished minority leader. I believe we have a pretty good budget.

Maybe there is a little cooking going on—not much compared to other years. It hardly needed a stove. So I suggest to the distinguished Senator from Louisiana tha. there may be but they are really savings, not bookkeeping. I suggest there is very little of that in this budget resolution.

Many of my colleagues on this side are concerned about the revenues. I urge my colleagues to understand that we have gone from around 19 and a billion and a half—that was added on the floor. It was 17-some. I guess if you take out the COBRA, it was down to about 17. We are now down to about 10.6 in revenues.

The President's number, if you take out the cigarette tax and others that have already been passed, would be about 4. So there is a difference of about $6 billion, a bit more.

I am not certain what the Senate Finance Committee will do, but last year, we covered State and local employees with Medicare coverage. That is $1.7 billion. There is also a provision that indicates that about 20 percent of the total could be an additional savings cut in anything that the Finance Committee is asked to do. That is another $2 billion.

There are some who suggest there could be other program changes. I do not want to leave the impression that there might not be any revenue; I am suggesting that it would be very slight. Many of us had hoped that there would be none at all.

I do not believe it is necessary to increase revenues, but I also know that it is necessary to pass a budget resolution.

There are some who never vote for anything unless they can draft it and they would not vote for it if they thought it might pass. I just suggest we have reached that point where we have to pass something.

I have talked with Don Regan a couple of times this evening. They were just leaving the airport at Indonesia for Tokyo. I think I can report the conversation in the following way:

In the earlier conversation, I told the Chief of Staff that we probably had two options: that I believe we could to out and kill the pending budget resolution or any substitute offered because I did not believe there would be a majority of Republicans that would vote for it and therefore I doubted that a majority of Democrats supported it. So it would not pass. That was option No. 1. I gave him that option.

The second option is to do the best we can to reduce the revenues, to increase the budget authority on defense, increase the defense outlays to $232 billion and so some more reduction on the spending side. I said that is the other option.

So Don Regan carefully took the number of numbers that we gave him on the telephone. We were in touch with the Budget Office. They gave him additional numbers later.

He returned my call from the airport at Bali—some airport over there. This is precisely what he had to say: that the President would issue a statement. First of all, he wants the budget process to continue. They want a budget resolution. The President would express some disappointment. I think he is justified to do that with this budget. Many of my colleagues have already expressed some disappointment, so the President ought to have the same opportunity. He would indicate he thought we had gone too far on the revenues, not far enough on defense, not far enough on spending reduction, which is pretty much the same position the President has held in the past several weeks.

Beyond that, it is my understanding that he would also say in the statement that his—maybe "commendation" would be too strong a word, but some indication that he appreciates the fact that the Senate has met its responsibility.

That is not a flat-out endorsement of what we have before us, but it is an indication that the President wants us to move ahead. If he were here or if we had more votes to do what he would like to do, we would do it.

It had been my hope earlier on that before we adopt this amendment, there would have been another amendment offered that would have given some a vote on no revenue increases, more defense spending, and more nondefense spending reductions. But it has been determined by the original sponsor of that amendment not to offer it so it will not be offered.

So the vote we have now is whether or not to adopt the substitute. In my view, the choice is fairly obvious. We can meet our responsibilities, we can send this to the House, we can find out—and I trust the House Democrats and Republicans will respond, and we can have a budget conference fairly soon and get on to the reconciliation and appropriations bills and do our work.

We are a bit behind schedule. As I remember, we are 10 days ahead of where we were last year. We passed a budget resolution, I think, at 3 o'clock in the morning on May 10. So we have made a little progress over last year.

I urge my colleagues on both sides: What we need is a strong, bipartisan in support of the Domenici-Chiles substitute. It is not perfect. It is not what any of us would have offered if we had the votes.

I am not certain the votes are here. I think so. I hope we have 70 or so votes on this final amendment.

I want to thank all Members, even those who oppose the effort, for their constructive criticism over the past week and constructive efforts to put together a package. I am prepared to join my colleagues in not only speaking for the amendment but voting for the amendment. I thank my colleagues.

Mr. President, I yield 10 seconds to the Senator from South Carolina.

AFFECT OF SPENDING CUTS ON U.S. DEFENSE

Mr. THURMOND. Mr. President, since Reagan came to office, Congress has cut $180 billion from the President's plan to rebuild America's defense.

If the orginal budget as reported by the Budget Committee for fiscal year 1987 is passed, $205 billion will have been cut from defense budget between fiscal year 1982 and fiscal year 1987.

Cuts in Defense Budget have hurt American security.

The Navy has to "cross-deck" ammunition and spare parts before ships can go to sea. This means that ships returning from deployment must unload ammo and parts and give to other ships before they can go to sea.

This means if war comes, only a portion of our fleet will be able to fight at 100 percent of capability.

In NATO, we will run out of certain types of ammunition stocks within a short time.

Stocks of spare parts are also dwindling. Combat readiness and effectiveness threatened.

Military pay and benefits are too low.

Military pay is at its lowest point below private sector since draft ended, 8.3 percent below.

On October 1, 1986, military pay will fall to 12.3 percent below the private sector.

This comes at a time when the manpower pool of military is shrinking.

Spending for social programs is out of control.

Twenty-five years ago, defense spending accounted for almost 51 percent of Federal outlays.

Today, it comprises less than 27 percent.

Quarter of a century ago, defense spending accounted for almost 10 percent of GNP. Today, it amounts to only 6 percent.

The defense of the Nation is our chief responsibility.

Without a secure defense, peace cannot be kept.

History shows that war occurs when strong nations threaten weak ones.

Our Government's top priority is to protect its citizens.

Mr. President, I commend the able majority leader [Mr. DOLE], the chairman of the Budget Committee [Mr.

DOMENICI], and the ranking member of the Budget Committee [Mr. CHILES] for the good work they have done in bringing this amendment to us. The amount for defense was increased and I appreciate that. I would have liked more, but they have done the best they could.

It seems to me that we ought to go along with this and adopt it promptly.

Mr. DOMENICI. Mr. President, I thank the distinguished majority leader for all the help he has been. This has been a very difficult and trying 3 or 4 weeks. I think without his help, we wouldn't be here. Without his help, we would not pass it. I know it is a very tough decision for him as it is for a lot of the others.

Second, I want to thank Senator CHILES, the ranking minority member. There is no doubt we could not have gotten a budget unless it is bipartisan. We think we did a good job in committee. When you consider the Senate as a whole, this is probably a product that is more consistent with its desires.

I want to thank all of those who helped. It has been days and days, a tough problem, a very tough thing to do. I think it is a step in the right direction.

I repeat, while it is not perfect and while we might be off a little, I think the chances of having a sequester if this is adopted and implemented are minimal. The chances without it are maximum.

I thank the minority leader [Mr. BYRD] for his help and cooperation also.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment.

Mr. DOMENICI. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, I ask unanimous consent to proceed for 2 minutes.

□ 0020

Mr. BYRD. Mr. President, this first vote will be not on a substitute but on a package which, in essence, touches all the numbers. I assume that we will have a vote on the amendment and then a vote on the resolution as amended—two votes.

Mr. DOMENICI. I say to the minority leader that shortly we will have to pass something, so we have to vote at least twice. If the Senator wants rollcalls, we will have to do so. Otherwise, we will have one on this and we will have to have a vote on the resolution.

Mr. BYRD. That is what I want to know—whether the Senate wishes a yea-and-nay vote on final passage.

Mr. President, I wonder if the majority leader will indicate whether or not the Senate will be in tomorrow, when it will come in next, and what we will be doing on Monday. I assume that this is all the Senate will do tonight, when it completes this matter.

Mr. DOLE. It is now Friday; and when we complete our work this morning, we will not be in the balance of today, Friday.

We will come back at 12 noon on Monday. We hope to take up the nomination of Jim Fletcher. We also hope to dispose of a couple of other matters if we can clear them—maybe the Newman nomination.

I doubt that we can do the bankruptcy judges matter on Monday.

If there are votes ordered on Monday, they will occur on Tuesday.

Mr. BYRD. I wonder if we should not order the yeas and nays on final passage.

Mr. DOLE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. So there will be no rollcall votes on Monday. Am I correct?

Mr. DOLE. No rollcall votes on Monday, unless somebody wants a rollcall. [Laughter.]

Mr. BYRD. Mr. President, I want the RECORD to show whether or not there will be a rollcall vote on Monday.

The PRESIDING OFFICER. All time has expired.

Mr. BYRD. I ask unanimous consent to proceed for an additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, does the majority leader say there will be no rollcall votes on Monday?

Mr. DOLE. I understand there may be a rollcall vote on the Fletcher nomination. If that is so, we will have the vote on Tuesday. We will have the debate on Monday.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Mexico and the Senator from Florida. On this question the yeas and nays have been ordered, and the clerk will call the role.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Arizona [Mr. GOLDWATER], and the Senator from Florida [Mrs. HAWKINS] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Missouri [Mr. EAGLETON], and the Senator from Hawaii [Mr. INOUYE], are necessarily absent.

I further anounce that, if present and voting, the Senator from Missouri [Mr. EAGLETON] would vote "Yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 66, nays 29, as follows:

[Rollcall Vote No. 88 Leg.]

YEAS—66

Abdnor	Dole	Murkowski
Andrews	Domenici	Nickles
Armstrong	Durenberger	Nunn
Baucus	Exon	Packwood
Bentsen	Ford	Pressler
Bingaman	Gorton	Proxmire
Boren	Gramm	Quayle
Boschwitz	Hatfield	Riegle
Bradley	Heinz	Rockefeller
Bumpers	Hollings	Rudman
Byrd	Humphrey	Simon
Chafee	Kassebaum	Simpson
Chiles	Lautenberg	Stafford
Cochran	Leahy	Stennis
Cohen	Long	Stevens
Cranston	Lugar	Thurmond
D'Amato	Mathias	Trible
Danforth	Matsunaga	Wallop
DeConcini	Mattingly	Warner
Denton	McConnell	Weicker
Dixon	Metzenbaum	Wilson
Dodd	Mitchell	Zorinsky

NAYS—29

Burdick	Hecht	Melcher
East	Heflin	Moynihan
Evans	Helms	Pell
Garn	Johnston	Pryor
Glenn	Kasten	Roth
Gore	Kennedy	Sarbanes
Grassley	Kerry	Sasser
Harkin	Laxalt	Specter
Hart	Levin	Symms
Hatch	McClure	

NOT VOTING—5

Biden	Goldwater	Inouye
Eagleton	Hawkins	

So the amendment (No. 1822) was agreed to.

□ 0040

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ADMINISTRATION OF JUSTICE

Mr. RUDMAN. The budget resolution for fiscal year 1987 as adopted by the Senate would increase outlays in budget function 750 by $168,000,000 above the amount assumed in the original version of Senate Concurrent Resolution 120. Is it the understanding of the distinguished chairman of the Budget Committee, Senator DOMENICI, that this increase is not meant to be earmarked for any particular programs?

Mr. DOMENICI. The Senator from New Hampshire is correct. The Appropriations Committee can allocate these additional resources as it sees fit, and previous action on Senate Concurrent Resolution 120 is irrelevant as it affects the increase assumed in the substitute budget resolution.

Mr. RUDMAN. I thank the chairman of the Budget Committee for this clarification. As the Senator knows, I am very concerned about the potential

impact of the budget resolution on the operations of the Federal Judiciary and the Federal Prison System. It will be very difficult to provide adequate resources for either organization under the funding levels assumed in the budget resolution, even with the addition of $168,000,000 in outlays.

To illustrate this point, I ask unanimous consent that a table showing comparative workload data for the Federal Judiciary be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMPARATIVE WORKLOAD DATA FISCAL YEARS 1976–87
(ESTIMATED)

Fiscal year	Appeals	Percent change
U.S. Courts of Appeals:		
1976	18,408	
1977	19,011	3.3
1978	19,185	0.9
1979	21,127	10.1
1980	23,204	9.8
1981	27,101	16.8
1982	27,761	2.4
1983	30,387	9.5
1984	32,342	6.4
1985	33,506	3.6
1986 (estimate)	36,500	8.9
1987 (estimate)	39.500	8.2
Percent change 1987 estimate over 1976		114.6
U.S. District Courts:		
Civil cases:		
1976	130,597	
TQ	32,504	
1977	133,929	[1] 2.6
1978	140,544	4.9
1979	160,016	13.9
1980	171,346	7.1
1981	185,626	8.3
1982	212,503	14.5
1983	250,855	18.0
1984	259,549	3.5
1985	278,681	7.4
1986 (Estimate)	283,000	1.5
1987 (Estimate)	295,000	4.2
Percent change 1987 estimate over 1976		125.9
Criminal cases:		
1976	41,020	
TQ	10,303	
1977	39,464	[1] −3.8
1978	34,255	−13.2
1979	31,196	−8.9
1980	29,387	−5.8
1981	31,280	6.4
1982	33,097	5.8
1983	35,390	6.9
1984	37,829	6.9
1985	39,720	5.0
1986 (estimate)	42,000	5.7
1987 (Estimate)	42,000	0.0
Percent change 1987 estimate over 1976		2.4
United States Bankruptcy Offices:		
1976	246,549	
TQ	54,261	
1977	212,669	[1] −13.7
1978	202,518	−4.8
1979	240,676	18.8
1980	300,180	24.7
1981	363,627	21.1
1982	374,235	2.9
1983	362,320	−3.2
1984	346,594	−4.3
1985	383,497	10.6
1986 (Estimate)	440,000	14.7
1987 (Estimate)	485,000	10.2
Percent change 1987 estimate over 1976		96.7

[1] Percent change excludes transition quarter.

Mr. RUDMAN. Mr. President, I thank the Senator from New Mexico and I yield the floor.

DOE SCIENCE

Mr. SASSER. Mr. President, I am concerned about the funding levels assumed in the budget resolution for Department of Energy high energy and nuclear physics science programs. What does Senate Concurrent Resolution 120 assume for these programs' funding levels.

Mr. DOMENICI. Like nearly all domestic discretionary programs, the DOE high energy and nuclear physics science programs were assumed to be frozen in fiscal year 1987 at the fiscal year 1986 postsequester program level. Of course, this is only the assumption used by the Budget Committee to develop the overall total for function 250, within which these programs are carried. The Appropriations Committee is obviously free to increase or decrease the actual fiscal year 1987 appropriations level for high energy and nuclear physics science programs, as they see fit.

Mr. GORTON. Mr. President, I would like to address some questions about the compromise proposal to the distinguished chairman of the Senate Budget Committee, Senator DOMENICI.

Does the compromise proposal which is now before the Senate provide an additional $200 million in outlays for fiscal year 1987 for function 250: General Science, Space and Technology, as compared to Senate Concurrent Resolution 120 as reported by the Budget Committee?

Mr. DOMENICI. Yes, it does.

Mr. GORTON. Is this $200 million in outlays earmarked in any way for specific programs or agencies within function 250, or would it be available to the Appropriations Committee to be allocated to programs within the function, as is their normal function and prerogative?

For example, could some of this additional $200 million be allocated to the National Science Foundation as well as to NASA?

Mr. DOMENICI. The Senator is correct. As I have tried to make clear to all Senators during this debate, and as can be seen from a careful reading of the budget resolution, we do not in the budget resolution allocate funds to specific programs. Assumptions may be made by various members about how funds may be allocated. Very rarely some of these funds may be restricted, for example, the way some funds in function 250 are available only for restoring NASA's space transportation system. But in general under the budget process, the additional $200 million in outlays will be crosswalked to the Appropriations Committee, and it is up to that committee to allocate these funds to specific programs within that function. Some of this money could well go to the National Science Foundation, but it is up to the authorization and appropriations committees to make the final allocation.

Mr. GORTON. I thank the distinguished chairman.

Mr. DOMENICI. Mr. President, I want to express my sincere appreciation to both the majority and minority staff of the committee for their hard work in assisting both myself and the ranking members in bringing this resolution to fruition. Without their help I am sure we would not have made it this far.

I also want to express my sincere thanks to the majority leader's staff, particularly chief of staff Sheila Burke for her assistance over these last few arduous weeks.

I thank them all.

Mr. LEVIN. Mr. President, I intend to vote in favor of final passage of this budget resolution, although with some misgivings.

In my view, it was a mistake to adopt the substitute to the committee reported bill as we did a few minutes ago. I did not agree with every part of the committee reported version. I doubt anyone did. But what I liked about that budget plan was that it met the Gramm-Rudman deficit target of $144 billion through realistic economic assumptions, a realistic appraisal of the spending cuts that Congress would actually make, and a realistic view of the need to raise revenues.

It was, thus, better than the substitute which was just approved and which I voted against. That substitute makes assumptions about the cost-of-living adjustments which, although not incredible, are highly optimistic. It makes a determination about the need for revenues which, although not irresponsible, is probably understated.

When new savings are found late in the night and when revenues diminish late in the night, I think it is fair to be skeptical of this work-product as compared to the committee reported version, which was the result of days of deliberations. Furthermore, the revelations of David Stockman have made all of us uneasy about rosy scenarios and cooked numbers. The prospect of repeating bad history should make us all uneasy. The prospect that the cooking of the numbers will be overdone and burn all of us with an increase in the deficit certainly should not be something we vote for as a first choice.

But the Senate, over my opposition, did vote for the substitute. The question, then, is whether the budget resolution before us as amended is better than the alternative of doing nothing. It is better for three reasons. First, it moves the process along so that the House will get on with its work on the budget, and so we can achieve a joint congressional budget upon which the appropriations process and the authorization process can proceed within

some discipline. Second, passage of this resolution avoids sending out the signal that the deficit will not be addressed. The passage of Gramm-Rudman had a favorable impact even before it had any legal effect because it sent out a positive signal of our determination to reduce the deficit and reach a balanced budget. The failure to act now would send the opposite signal with the opposite effect. Third, passage of this resolution makes it less likely that there will be any across-the-board cuts through a sequester order. The across-the-board cuts are supposed to be an effective way to force the Congress to take responsible action, but they are not a substitute for responsible action. Responsible action will only come through making the hard decisions as part of the budget process. Passage of this resolution puts us on a road where we may still yet follow a responsible course to its conclusion.

Mr. DOLE. Mr. President, this has been a long and difficult day for many of us. But we're beating last year's budget deadline by 9 days, it's not anywhere near 3 o'clock in the morning, and as far as I know, nobody's going to be wheeled in on a stretcher to vote tonight, although some have to be wheeled out. And it looks like we won't need the Vice President here to break a tie.

Seriously, when all is said and done I think this day will prove to be a successful one. The substitute budget we will vote on shortly is a significant improvement over the Budget Committee's resolution in three important areas.

First, the revenue increase is substantially lower. Instead of the $18.7 billion in the committee's resolution, this budget would call for additional revenues of $13.1 billion. And over 3 years, the figure would be $55 billion rather than $74.3 billion.

Second, we have added reasonable but essential funds back into the critical defense function. For fiscal 1987, defense spending authority would be $301 billion, opposed to the $295 billion in the committee resolution. Defense outlays in fiscal 1987 would be $282 billion.

Finally, we were able to accomplish this change because we went back and made substantial reductions in nondefense spending. In 1987 alone, we saved an additional $8.7 billion in these programs—and over the next 3 years these program reforms will yield $25 billion in savings.

Mr. President, tonight we reached a major turning point. A few hours ago I spoke with the President's Chief of Staff Don Regan. I told him, quite bluntly, that we had two choices. We could kill the budget, or we could keep the process alive.

Mr. Regan told me don't kill it—and I hope we won't. There is no such thing as a perfect budget. But this is an honest, straightforward attempt to deal with economic realities. It meets the deficit targets under Gramm-Rudman-Hollings—not by making defense a whipping boy and not by tax overkill.

Last fall when we approved Gramm-Rudman-Hollings Congress assumed a responsibility, tonight we can face up to that commitment to deficit reduction and approve this budget resolution. Or we can turn our backs on the process, roll the dice and hope that the gods will save us from sequester. My choice is to opt for being responsible.

Mr. BYRD. Mr. President, I must say that I am, more than anything else, relieved tonight that the Senate apparently is going to rise to meet its responsibilities to pass a budget—and that the majority of those on the other side of the aisle apparently will join a majority on this side of the aisle in assuring that we pass a budget that I believe can be labeled accurately bipartisan and responsible.

This budget, Mr. President, is by no means my idea of a perfect budget. I would design a quite different budget if the task were solely mine to perform. But this is a worthy product of the political process—wherein reasonable people who may differ in many ways arrive at a reasonable compromise that protects the vital interests of this Nation.

Most important, Mr. President, by passage of this budget, we avoid the train wreck of Gramm-Rudman that otherwise will be the Nation's fate. That is an outcome that the Congress cannot and must not allow; it would decimate both our national defense and our human services and other domestic programs which are so essential to the strength, vibrancy, and future of this Nation.

I must express my admiration for the tenacity and the capability—and the courage—of the chairman of the Budget Committee, and the ranking Democratic member of the Budget Committee, Mr. DOMENICI and Mr. CHILES, who have labored long and hard to see that we have a budget on the floor to accept this evening. The forces that were arrayed against this successful outcome were strong and entrenched. They included an administration that would not negotiate with anyone on anything, but instead only stood along the sidelines throwing brickbats.

But due to the perseverance and the commitment of these two Senators and a number of others, we will meet our responsibility tonight, Mr. President, and will do so in what I believe is a fundamentally responsible manner.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution, as amended. The yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Arizona [Mr. GOLDWATER] and the Senator from Florida [Mrs. HAWKINS] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Missouri [Mr. EAGLETON] and the Senator from Hawaii [Mr. INOUYE] are necessarily absent.

I further announce that, if present and voting, the Senator from Missouri [Mr. EAGLETON] would vote "yea."

The PRESIDING OFFICER [Mr. EVANS]. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 70, nays 25, as follows:

[Rollcall Vote No. 89 Leg.]

YEAS—70

Abdnor	Evans	Murkowski
Andrews	Exon	Nickles
Baucus	Ford	Nunn
Bentsen	Gore	Packwood
Bingaman	Gorton	Pell
Boren	Hatfield	Pressler
Boschwitz	Heinz	Proxmire
Bradley	Hollings	Quayle
Bumpers	Johnston	Riegle
Burdick	Kassebaum	Rockefeller
Byrd	Kennedy	Rudman
Chafee	Kerry	Sarbanes
Chiles	Lautenberg	Sasser
Cochran	Leahy	Simon
Cohen	Levin	Simpson
Cranston	Long	Stafford
D'Amato	Lugar	Stennis
Danforth	Mathias	Stevens
DeConcini	Matsunaga	Thurmond
Dixon	McConnell	Trible
Dodd	Melcher	Warner
Dole	Metzenbaum	Weicker
Domenici	Mitchell	
Durenberger	Moynihan	

NAYS—25

Armstrong	Hatch	Pryor
Denton	Hecht	Roth
East	Heflin	Specter
Garn	Helms	Symms
Glenn	Humphrey	Wallop
Gramm	Kasten	Wilson
Grassley	Laxalt	Zorinsky
Harkin	Mattingly	
Hart	McClure	

NOT VOTING—5

Biden	Goldwater	Inouye
Eagleton	Hawkins	

So the concurrent resolution (S. Con. Res. 120), as amended, was agreed to.

(The text of the concurrent resolution (S. Con. Res. 120) will be printed in the RECORD of Monday, May 5, 1986.)

□ 0050

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. CRANSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate will be in order. Those Sena-

tors in the well will please clear the well, and those Senators in the aisle will take their seats or go to the cloakrooms. The Senate will please be in order.

Mr. CRANSTON and Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. CRANSTON. Mr. President, will the majority leader yield for a question? Can I ask a question of the majority leader?

SAUDI ARMS PACKAGE

Mr. CRANSTON. Mr. President, as the majority leader knows, I have been talking with him for some time about the resolution disapproving the Saudi arms package. I have sought to accommodate myself with the Senate program, and the majority leader's need. But we do have a deadline looming. I wonder if the majority leader will be able to work out in his own mind when it might fit into his schedule.

Mr. DOLE. Mr. President, I know the distinguished Senator from California, and the Senator from Iowa wanted to meet with me today on this issue. We were tied up in the budget process. I think we have made some progress on the House message on S. 49, the so-called gun bill.

□ 0100

I would hope on Monday we might get a time agreement on that. We are quite close to doing that. If that were the case, if we had a time agreement, we could probably move to the arms sale ahead of the gun bill.

Mr. CRANSTON. I would hope that something could be worked out that would make it possible to get to it. As the majority leader knows, the time runs out next week. If we could not work it out, I would have to make a motion sometime Tuesday to proceed. I hope to work it out with the majority leader so that that is not necessary.

Mr. CHILES. Will the Senator yield?

Mr. DOLE. Let me say, first, I understand the Senator's interest and I hope we can accommodate the request.

Mr. CHILES. Mr. Leader, I just wanted a moment to express my appreciation to the distinguished chairman of the Budget Committee for the work that he has done all through this process. I know it has been a time of great pressure for him under many adverse circumstances. I think his persistence in being stalwart has paid off in the vote we have had in passing this. I admire him for the work he has done very much.

I also wanted to just express my appreciation to the staff of the majority and the minority for the tremendously long hours they have put into this process, as well as the members of the Budget Committee, on both sides of the aisle. I think the work they have done has certainly been yeoman. I do want to express also my appreciation to the majority leader and the minority leader for the cooperation they have given us in this effort.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I thank my friend, the senior Senator from Florida, immensely for his kind words.

Let me say first to every Senator, to every staff member, and in particular my friend, the senior Senator from Florida, that I apologize if I have from time to time in the last couple of weeks been less than a gentleman. Perhaps I have lost my temper occasionally, and maybe I have even acted as if I did not appreciate what everyone was doing. But, frankly, it has been a very difficult undertaking.

Having said that, I want to thank the staff on both sides, and particularly the staff of the majority leader for their help.

I want to say that I think this is the best budget vote we have had since we have had a budget process, with no exceptions.

I started this process about 7 weeks ago, attempting to meet the goal. About a week into the serious discussion, I concluded that this was a year to get a bipartisan budget. I was right then, I was right when I came out of committee, and I think the Senate has proved that tonight.

It is far better for the U.S. Senate at this juncture, when we have to do some tough things, to have 70 U.S. Senators voting for this resolution from both sides of the aisle, with a majority of the Republicans and a majority of the Democrats voting for it than almost anything we could do. I believe it sends a signal to the U.S. House that something very close to this is what we ought to do and we ought to get on with it.

I believe it says we are serious about getting to Gramm-Rudman-Hollings totals in our own way, not in any forced way of sequester. After deliberation, we have made choices. I hope the House follows through and I hope our majority leader reminds them that they are committed to following through and quickly.

This is exactly what we ought to do. We are a little bit late but not too late. We will get it done and the appropriations process can find its way back onto the floor in a meaningful way if we get this done.

I want to save my last thanks for two people:

Senator CHILES, I appreciate everything you have done, the concessions you have made, and they have been in both directions. You have conceded; I have conceded.

Last, but not least, I thank Senator DOLE. He, too, has conceded. Obviously, he is the leader of this Senate on the majority side, its real leader. It was a tough decision for him, but he did it. It took a while.

This is close to what we thought at the very beginning, and I frankly think it is just about the right policy for this time in our history.

I repeat, it is better that it be 70 to 25 than that we be looking around for the last vote. As a matter of fact, we may have given up less this way than when we had to sit in the back room and every single Senator that we needed for a vote got something. Those were pretty expensive Senators. Maybe the whole UDAG program for one vote, and who knows how many more.

I think this will be implemented and that is most important.

With that, we will put some detailed statements in thanking people when we return Monday. I yield the floor.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, let me just thank again the managers of the bill and all my colleagues who supported this and those who did not support the final vote. In my view, we have demonstrated again in the Senate of the United States that we take our duties seriously.

I want to thank the Presiding Officer, Senator EVANS, for helping us on this last vote. I know he had some difficulties, some real problems with parts of the resolution.

It would seem to me that we came very close to having almost an overwhelming vote for the resolution. We had a vote ahead of this vote that would have indicated no changes in revenue. Many Senators who voted for that voted for final passage when it was determined not to offer that amendment.

I understand there will be a statement issued by the traveling White House sometime soon. I would hope the President would interpret the vote correctly. A vote of 70 to 25 is a rather decisive vote. I hope the House will interpret the vote correctly.

As I recall, when we met with the Speaker and others, they indicated that within 72 hours after we completed action they would have a bill reported out of committee.

I would hope it is not the document that I displayed this morning. If it is, it will demonstrate a total unwillingness to act responsibly in the budget process.

I believe we have carried out our responsibilities. Some will be displeased. Some will have wanted more defense. Some would have wanted more spending reductions in nondefense. Some would insist there should be even no

consideration for revenues over the next 3 years.

I assume the President will indicate that as far as he is concerned we take 1 year at a time. I think that if that is his interpretation, he will find the first year particularly satisfying.

I want to join my colleague, the distinguished chairman of the committee, in expressing my firm hope that the conferees who are appointed from the Senate side will not yield on the defense number, on the outlay number, or the budget authority number. It seems to me that that was the strongest point we had to overcome; the President felt about equally strong on that particular item and tax increases as revenue increases.

I have assured the Chief of Staff that we would attempt to make certain that the revenue increases are reflected by changes in the Medicare coverage, Social Security coverage, and other programs, and not the tax increase.

Finally, again I want to thank the distinguished Senator from Florida, Senator CHILES, the ranking Democrat on the Budget Committee, along with the distinguished chairman, Senator DOMENICI, for their tireless efforts, good humor, their willingness to negotiate and discuss, and particularly the attitude throughout of the distinguished minority leader indicating that he very much wanted to work out a bipartisan agreement. We have done that. We have expressed that. We have voted on it. We have completed our responsibilities. We are a little late by about 15 days, but I believe considering the crosscurrents that have been flying around in this town probably completed action on this resolution in a fairly prompt time.

We have considered it for 45 hours 30 minutes. There have been 14 rollcall votes, with 23 amendments and motions considered. Thirteen were agreed to; two were rejected. Five were tabled; three were withdrawn.

We have considered this measure, Senate Concurrent Resolution 120, the following dates: April 21, 22, 23, 24; April 28, 29, 30, and May 1. Total days considered were 8 and we completed action as of 12:59 a.m. on Friday, May 2, 1986.

Mr. President, I yield the floor.

Mr. BYRD. Mr. President, I congratulate the distinguished majority leader. This was a very difficult task for him. I am sure he did not have at times the support of the White House, yet he was trying his best to get a budget passed that would be supported in a bipartisan way. He is to be commended.

I congratulate again and thank again the Senator from New Mexico [Mr. DOMENICI], the chairman of the Committee on the Budget, and I express my appreciation and congratulations to the able Senator from Florida, the ranking member [Mr. CHILES]. Both Senators have worked hard and long. They delivered a product here that is going to lead to a balanced budget in fiscal year 1991. When we consider the alternative, the Gramm-Rudman-Hollings guillotine, the Senate has acted wisely to take the action it has taken.

I congratulate all Members. I am sure that Members on both sides agonized in many instances over the votes that they had to cast, but in the final analysis, the Senate came through, as it always does.

Mr. DOLE. Mr. President, I want to put in the RECORD the comparison of this year's and last year's action on the budget for those who may deal in trivia down the road.

In 1985, we worked on the budget 11 days as compared to 8 this year. We consumed 71 hours 13 minutes, compared to 45 hours 30 minutes. We had 42 rollcall votes as opposed to 14. There were 44 amendments as compared to 23.

I think it is an indication of the impact Gramm-Rudman has had on at least offering amendments. That is certainly a positive sign.

I ask unanimous consent that the remainder of the information that I know many people are dying to have be printed in the RECORD.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

Measure: 1985—S. Con. Res. 32 (budget).
Dates considered: (1985) April 25-26—29-30; May 1-2-3—6-7-8-9.
Total days considered: 11.
Time consumed: 71 hrs., 13 min.
Rollcall votes: 42.
Amendments and motions considered: 44.
Disposition of amendments:
Agreed to: 15.
Rejected: 12.
Tabled: 12.
Withdrawn.
Out of order.
Not acted on: 5.
Temp. laid aside.
Pending.
Measure: 1986—S. Con. Res. 120.
Dates considered: April 21-22-23-24—28-29-30-May 1.
Total days considered: 8.
Time consumed (as of 12:59 a.m.): 45 hrs., 30 min.
Rollcall votes: 14.
Amendments and motions considered: 23.
Disposition of amendments and motions:
Agreed to: 13.
Rejected: 2.
Tabled: 5.
Withdrawn: 3.
Out of order.
Not acted on.
Temp. laid aside.
Pending.

ROUTINE MORNING BUSINESS

(During the day routine morning business was transacted and additional statements were submitted, as follows:)

MESSAGE FROM THE HOUSE RECEIVED DURING RECESS

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on April 30, 1986, during the recess of the Senate received a message from the House of Representatives announcing that the House agrees to the amendment of the Senate to the bill (H.R. 4602) to authorize the Federal Housing Administration and the Government National Mortgage Association to enter into additional commitments to insure loans and guarantee mortgage-backed securities during fiscal year 1986, and for other purposes.

The message also announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 284. Joint resolution to designate the month of May 1986 as "Better Hearing and Speech Month";

S.J. Res. 285. Joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "National Osteoporosis Awareness Week of 1986";

S.J. Res. 289. Joint resolution to designate 1988 as the "Year of New Sweden" and to recognize the New Sweden 1988 American Committee; and

S.J. Res. 293. Joint resolution to designate the month of May 1986 as "National Child Safety Month".

The message also announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 614. Joint resolution to designate the week beginning May 4, 1986, as "Working Women's Awareness Week".

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

H.R. 4602: An act to authorize the Federal Housing Administration and the Government National Mortgage Association to enter into additional commitments to insure loans and guarantee mortgage-backed securities during fiscal year 1986, and for other purposes.

Under the authority of the order of the Senate of January 3, 1985, the enrolled bill was signed on April 30, 1986, during the recess of the Senate by the President pro tempore [Mr. THURMOND].

MESSAGES FROM THE HOUSE

At 1:06 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 126. A concurrent resolution authorizing the rotunda of the United States Capitol to be used on May 6, 1986, for a ceremony commemorating the days of remembrance of victims of the Holocaust.

The message also announced that the House has passed the following

joint resolutions, in which it requests the concurrence of the Senate:

H.J. Res. 297. Joint resolution to designate the week beginning July 27, 1986, as "National Nuclear Medicine Week";

H.J. Res. 427. Joint resolution designating the week beginning on May 11, 1986, as "National Asthma and Allergy Awareness Week"; and

H.J. Res. 569. Joint resolution to designate May 8, 1986, as "National Aviation Day".

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 329. A concurrent resolution welcoming Natan (Anatoly) Shcharansky to the United States.

At 4:28 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3302. An act to designate certain National forest lands in the State of Nevada for inclusion in the National Wilderness Preservation System, and for other purposes.

MEASURES REFERRED

The following bill and joint resolutions were read the first and second times by unanimous consent, and referred as indicated:

H.R. 2298. An act to make technical amendments to title 18, United States Code, relating to victims of crime and to the Victims of Crime Act of 1984; to the Committee on the Judiciary.

H.R. 3302. An act to designate certain National forest lands in the State of Nevada for inclusion in the National Wilderness Preservation System, and for other purposes; to the Committee on Energy and Natural Resources.

H.J. Res. 297. Joint resolution to designate the week beginning July 27, 1986, as "National Nuclear Medicine Week"; to the Committee on the Judiciary.

H.J. Res. 427. Joint resolution designating the week beginning on May 11, 1986, as "National Asthma and Allergy Awareness Week"; to the Committee on the Judiciary.

H.J. Res. 614. Joint resolution to designate the week beginning May 4, 1986, as "Working Women's Awareness Week"; to the Committee on the Judiciary.

MEASURE HELD AT THE DESK

The following concurrent resolution was ordered held at the desk by unanimous consent pending further disposition:

H. Con. Res. 329. A concurrent resolution welcoming Natan (Anatoly) Shcharansky to the United States.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3062. A communication from the President of the United States transmitting, pursuant to law, a top-secret report on Theater Nuclear Weapons and Force Structure; to the Committee on Armed Services.

EC-3063. A communication from the Secretary of Defense transmitting, pursuant to law, a secret report on U.S. expenditures in support on NATO; to the Committee on Armed Services.

EC-3064. A communication from the Secretary of the Navy transmitting, pursuant to law, his comments and recommendations relative to the military department acquisition reporting process; to the Committee on Armed Services.

EC-3065. A communication from the Acting Director of the Selective Service System transmitting, pursuant to law, the Service's semiannual report; to the Committee on Armed Services.

EC-3066. A communication from the Deputy Assistant Secretary of the Air Force transmitting, pursuant to law, a report on a decision to convert the administrative switchboard operations function at Shaw Air Force Base, SC, to performance under contract; to the Committee on Armed Services.

EC-3067. A communication from the Secretary of Housing and Urban Development transmitting, pursuant to law, a report on the congregate housing services program demonstration; to the Committee on Banking, Housing, and Urban Affairs.

EC-3068. A communication from the Secretary of Transportation transmitting a draft of proposed legislation to authorize appropriations for pipeline safety programs; to the Committee on Commerce, Science, and Transportation.

EC-3069. A communication from the Secretary of Transportation transmitting, pursuant to law, the annual report of the Maritime Administration for 1985; to the Committee on Commerce, Science, and Transportation.

EC-3070. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on 23 refunds of excess oil and gas royalty payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-3071. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on 20 refunds of excess oil and gas lease payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-3072. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on seven refunds of excess oil and gas royalty lease payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-3073. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on 20 refunds of excess oil and gas royalty lease payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-3074. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on eight refunds of excess oil and gas royalty lease payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-3075. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on two refunds of excess oil and gas royalty lease payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-3076. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on 32 refunds of excess oil and gas royalty lease payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-3077. A communication from the Director of the U.S. Information Agency transmitting, pursuant to law, the USIA Private Sector Committee's annual report; to the Committee on Foreign Relations.

EC-3078. A communication from the Assistant Secretary of State transmitting, pursuant to law, a report on an altered Privacy Act system of records; to the Committee on Governmental Affairs.

EC-3079. A communication from the Vice President of C&P Telephone Co. transmitting, pursuant to law, the 1985 statement of receipts and expenditures of the company; to the Committee on Governmental Affairs.

EC-3080. A communication from the Chief Administration Officer of the Postal Rate Commission transmitting, pursuant to law, the Commission's 1984 Freedom of Information Act report; to the Committee on the Judiciary.

EC-3081. A communication from the Chief Administrator of the Postal Rate Commission transmitting, pursuant to law, the Commission's 1985 Freedom of Information Act report; to the Committee on the Judiciary.

EC-3082. A communication from the Director of the Administrative Office of the United States Courts transmitting a draft of proposed legislation to amend the bill H.R. 3004 and the bill S. 1581; to the Committee on the Judiciary.

EC-3083. A communication from the Secretary of Labor transmitting, pursuant to law, the Department's Fair Labor Standards Act annual report; to the Committee on Labor and Human Resources.

EC-3084. A communication from the Secretary of Education transmitting, pursuant to law, notice of final funding priorities for NIHR—research fellowships; to the Committee on Labor and Human Resources.

EC-3085. A communication from the Secretary of Labor transmitting, pursuant to law, the Department's Fair Labor Standards Act annual report; to the Committee on Labor and Human Resources.

EC-3086. A communication from the Chairman of the Railroad Retirement Board transmitting, pursuant to law, the Board's 1984 annual report; to the Committee on Labor and Human Resources.

EC-3087. A communication from the Administrator of the Veterans' Administration transmitting, pursuant to law, a report on the VA Sharing of Medical Resources Program; to Committee on Veterans' Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GOLDWATER, from the Committee on Armed Services, without amendment:

S. 2395. An original bill to establish a revised retirement system for new members of the uniformed services, to revise the method of determining cost-of-living adjustments under the revised retirement system, and for other purposes (Rept. No. 99-292).

By Mr. THURMOND, from the Committee on the Judiciary, with amendments, amendments to the preamble, and an amendment to the title:

H. Con. Res. 281. A concurrent resolution recognizing the achievements of the Ireland Fund and its founder, Dr. Anthony J.F. O'Reilly.

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S.J. Res. 241. Joint resolution designating the week beginning on May 11, 1986, as "National Asthma and Allergy Awareness Week".

S.J. Res. 245. Joint resolution designating "National Epidermolysis Bullosa Awareness Week".

S.J. Res. 337. Joint resolution designating May 18-24, 1986, as "Just Say No To Drugs Week".

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary:

Roger Milton Olsen, of Virginia, to be an Assistant Attorney General;

Herman Wirshing Rodriquez, of Puerto Rico, to be United States Marshal for the District of Puerto Rico for the term of 4 years.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. RIEGLE (for himself and Mr. LEVIN):

S. 2389. A bill to amend the Tariff Schedules of the United States to increase the rate of duty on imported roses; to the Committee on Finance.

By Mr. MATSUNAGA:

S. 2390. A bill for the relief of Hee Man Cheng; to the Committee on the Judiciary.

S. 2391. A bill for the relief of William Shu-Lai Mok and his wife Jaqueline Mok; to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself, Mr. HECHT, Mr. SYMMS, Mr. EAST, Mr. ZORINSKY and Mr. HELMS):

S. 2392. A bill to waive the application of certain laws to small purchases made under a test program of simplified small purchase procedures; to the Committee on Labor and Human Resources.

By Mr. GARN (by request):

S. 2393. A bill to authorize the Secretary of the Treasury to adopt distinctive counterfeit deterrents for exclusive use in the manufacture of United States securities and obligations, to clarify existing authority to combat counterfeiting, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

S. 2394. A bill to increase the authorized pay level of the Treasurer of the United States to Executive Level IV; to the Committee on Governmental Affairs.

By Mr. DOLE (for Mr. GOLDWATER), from the Committee on Armed Services:

S. 2395. An original bill to establish a revised retirement system for new members of the uniformed services, to revise the method of determining cost-of-living adjustments under the revised retirement system, and for other purposes; placed on the calendar.

By Mr. THURMOND (for himself and Mr. HOLLINGS):

S. 2396. A bill to amend title 28, United States Code, to create the Beaufort Division in the District of South Carolina and to designate Beaufort as the place of holding court for the new division; to the Committee on the Judiciary.

By Mr. STAFFORD (for himself and Mr. BENTSEN):

S. 2397. A bill to authorize appropriations for the Public Building Service of the General Services Administration for fiscal year 1987; to the Committee on Environment and Public Works.

By Mr. ROTH (for himself, Mr. DENTON, Mr. NUNN, Mr. EXON, Mr. BUMPERS, Mr. TRIBLE, Mr. MATTINGLY, Mrs. KASSEBAUM, Mr. GRASSLEY, Mr. BOREN, Mr. DECONCINI, and Mr. GRAMM):

S. 2398. A bill to amend title 18 of the United States Code to ban the production and use of advertisements for child pornography or solicitations for child pornography, and for other purposes; to the Committee on the Judiciary.

By Mr. CHAFEE:

S. 2399. A bill to temporarily suspend the duty on certain stuffed toy figures; to the Committee on Finance.

By Mr. DODD:

S. 2400. A bill to amend title XVIII of the Social Security Act to provide for coverage of an annual preventive health care checkup under part B of such title, and for other purposes; to the Committee on Finance.

By Mrs. KASSEBAUM (for herself and Mr. DANFORTH):

S. 2401. A bill to prohibit the manufacture or distribution in, or the importation into, the United States of certain firearms; to the Committee on the Judiciary.

By Mr. KENNEDY (for himself, Mr. DURENBERGER, Mr. HEINZ, and Mr. RIEGLE):

S. 2402. A bill to amend the Public Health Service Act to assure access to health insurance, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DURENBERGER (for himself, Mr. KENNEDY, Mr. HEINZ, and Mr. RIEGLE):

S. 2403. A bill to amend the Internal Revenue Code of 1954 to assure access to health insurance, and for other purposes; to the Committee on Finance.

By Mr. RIEGLE (for himself and Mr. LEVIN):

S.J. Res. 338. A joint resolution to designate November 18, 1986, as "National Community Education Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. KENNEDY (for himself and Mr. KERRY):

S. Res. 393. A resolution commending Roger Clemens of the Boston Red Sox for his record-breaking performance; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. RIEGLE (for himself and Mr. LEVIN):

S. 2389. A bill to amend the tariff schedules of the United States to increase the rate of duty on imported roses; to the Committee on Finance.

INCREASING THE RATE OF DUTY ON IMPORTED ROSES

● Mr. RIEGLE. Mr. President. Today I am introducing a bill to amend the Tariff Schedules of the United States as they relate to imported roses. This legislation would make imported roses subject to the same tariffs that roses grown in the United States encounter in other nations.

The rosegrowers in this country have seen an enormous share of their market taken by foreign imports in recent years. In 1978, for example, rose imports totaled just under 16 million stems. By 1985, this total approached 170 million stems, and there is no sign that this trend will abate. Imports have climbed in just 3 years from 20 percent of U.S. production to over 35 percent today, and once again there is every reason to believe that the growth will continue. In fact, USDA reports show that rose imports are up in 1986, with more than 1 million stems a week coming into this country.

Clearly, the domestic industry is adversely affected by the influx of roses, and growers have used every available commercial means to prevent the loss of their market. They have greatly reduced their operating costs, by making greenhouses more energy efficient. They have spent considerable sums to promote roses, and to a great extent these efforts have resulted in increased rose purchases. But there is a limit to the amount and rate at which the market will grow, and due to the disparity in rose tariffs between our Nation and other producing nations, foreign roses have actually benefited from the efforts of domestic growers.

U.S. rosegrowers have made diligent efforts to obtain relief through available legal avenues, as well. They have initiated actions in the Internatinal Trade Commission, under section 201, and dumping actions with the Department of Commerce.

There have been definitive findings that roses were being dumped on U.S. markets. Despite these events, rose imports continue to increase and the differences in tariffs guarantee that domestic roses will not break into the EEC or Colombia, while we have a virtual open door policy.

Current EEC tariffs on imported roses are 24 percent in the summer months and 17 percent in the winter period. Colombia has a flat 25-percent tariff, and Mexico maintains a 50-percent tariff with an automatic denial of import licenses. These tariffs are cou-

pled with quantity controls, so even if U.S. producers could compete at higher prices, the importing countries would have the means to limit the total amount of roses entering their markets. In stark contrast to these tariffs is the U.S. flat tariff of 8 percent throughout the year. It is not difficult to understand why so much of the domestic rose market has been lost to foreign competition in light of the vast differences in tariffs; and the legislation that I have introduced will correct this disparity.

Mr. President, the Congress is the last hope for relief for the rose industry of this country. The industry has exhausted all remedies that were designed for cases such as this, and still the drain on their markets continues. One major cause has to be the fact that domestic growers have absolutely no possibility of competing with foreign growers in foreign markets. The existing barriers prevent that, and it is my hope that approval of this legislation will induce these nations to lower their tariffs and compete with domestic growers on a level basis.●

By Mr. HUMPHREY (for himself, Mr. HECHT, Mr. SYMMS, Mr. EAST, Mr. ZORINSKY, and Mr. HELMS):

S. 2392. A bill to waive the application of certain laws to small purchases made under a test program of simplified small purchase procedures; to the Committee on Labor and Human Resources.

SIMPLIFIED SMALL PURCHASE PROCEDURES TEST PROGRAM ACT

● Mr. HUMPHREY. Mr. President, today I am introducing legislation which will waive the application of certain laws to small purchases under a test program of simplified small purchase procedures for a 2-year test period. Only purchases and contracts of less than $25,000 will be exempt from these so-called socio-economic statutes. The objective of this test program is to ensure that the Government has a fast, easy to understand and inexpensive procedure for low-dollar purchases, by eliminating the numerous and unnecessary provisions from small purchases. Too often, the burdensome paperwork requirements associated with compliance with these laws discourages small business participation and competition in Federal contracts and purchases. This not only hurts small businessmen who are shut out of the market, but it may lead to increased procurement costs and lead-time for the Government.

By exempting these small purchases and contracts from the Davis-Bacon Act, the Service Contract Act and other socio-economic laws for 2 years, we hope to promote full and open competition, reduce costs to the Government, promote the development of simplified and uniform procurement processes, and promote small business.

The test will compare administrative costs and prices paid for the same or similar items or services used under existing procedures and those uses under the test procedures. The test will also determine the feasibility and desirability of making permanent revisions to these labor statutes.

The Congressional Budget Office estimates that this bill will save the Government $500,000 by exempting small contracts from the Service Contract Act; exempting small contracts now covered under the Davis-Bacon Act is estimated to save $6 to $7 million. While these numbers may be tiny when compared to the Federal deficit, they could foretell even greater savings if it is decided in the future to enact these provisions more widely or make the revisions permanent. I ask my colleagues to support this experiment so we may have a greater understanding of the effect of socio-economic statutes on our procurement procedures.●

By Mr. GARN (by request):

S. 2393. A bill to authorize the Secretary of the Treasury to adopt distinctive counterfeit deterrents for exclusive use in the manufacture of United States securities and obligations, to clarify existing authority to combat counterfeiting, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

S. 2394. A bill to increase the authorized pay level of the Treasurer of the United States to Executive Level IV; to the Committee on Government Affairs.

LEGISLATION RELATING TO OPERATION OF THE BUREAU OF ENGRAVING AND PRINTING

● Mr. GARN. Mr. President, today I am introducing two bills, by request, which amend the statutes governing the Bureau of Engraving and Printing and its currency production operations, and raise the position of the Treasurer of the United States to Executive Level IV.

The first bill contains four changes to our currency statutes. The first provision would permit the Secretary of the Treasury to adopt and exclusively use distinctive counterfeit deterrents for the manufacture of securities and other obligations, and clarify existing authority to combat counterfeiting by modernizing our counterfeiting statutes. This provision has already been introduced as S. 1791.

The second provision of this bill authorizes the Secretary of the Treasury to engrave and print the currency, bonds, and other security obligations of a foreign country or engage in research and development for printing these instruments on behalf of another country, on a reimbursable basis. Currently, the Bureau of Engraving and Printing shares a close association and technological exchange with the security printers of foreign nations. However, all research and development resulting from these exchanges is done at facilities not in the United States, because the Bureau is not authorized to accept reimbursements for costs of these joint projects. This provision would permit the Bureau to use its state of the art printing equipment for these joint research and development projects, and charge the security printers of foreign nations for their proportionate share of the costs. Any expertise developed in the project would remain in the United States. This provision would also allow the Bureau to undertake short term currency or security printing projects for foreign countries on a short-term emergency basis.

The third provision of this bill authorizes the Secretary of the Treasury to enter into contracts for up to 5 years to purchase, manufacture, supply, engrave, print, warehouse, and distribute U.S. Savings Bond stock. Current law limits such contracts for 1 year periods, which has effectively prevented competition among potential vendors for contracts to manufacture savings bond stock. More businesses would bid for this work if the contracts were longer. The purpose of this change from 1 to 5 years is to promote open competition and lower the cost to the Treasury by giving the Department more contracting flexibility.

The last provision of this bill repeals a requirement that U.S. currency notes be reissued after redemption. As a circulating currency, these notes have become obsolete and are no longer viable as a medium of exchange. Because revisions of the currency statutes in 1982 are ambiguous, it can be argued that the Secretary has to reissue U.S. currency notes. This provision makes it clear that reissuance is not required.

I am also introducing a second bill which would elevate the position of Treasurer of the United States to an Executive Level IV. Right now, the Treasurer is the only Presidential appointment in the Office of the Secretary of the Treasury that is not at this level, or higher. More importantly, the duties and responsibilities of the Treasurer have dramatically increased since 1981 to include oversight responsibility for the Bureau of the Mint, the Bureau of Engraving and Printing, and the U.S. Savings Bond Division. In view of the increased responsibilities assigned to the Treasurer, the Department believes that the position should be increased to Executive Level IV.●

By Mr. THURMOND (for himself and Mr. HOLLINGS):

S. 2396. A bill to amend title 28, United States Code, to create the Beaufort Division in the district of

South Carolina and to designate Beaufort as the place of holding court for the new division; to the Committee on the Judiciary.

BEAUFORT DIVISION ON THE DISTRICT OF SOUTH CAROLINA

Mr. THURMOND. Mr. President, I am pleased today to introduce, along with Senator HOLLINGS, legislation to create the Beaufort Division in the district of South Carolina and to designate Beaufort as the place of holding court for the new division.

This proposal has the unanimous recommendation of the Federal judges in South Carolina. It was approved in October 1985, by the council for the fourth circuit, and then was reviewed favorably by both the Judicial Improvement Subcommittee and the Court Administration Committee of the Judiciary Conference. Finally, the Judicial Conference endorsed this measure at its March 1986, meeting.

Mr. President, the people of Jasper and Beaufort Counties have had to travel to Charleston to conduct business in the Federal courts. This has made their access to Federal courts both difficult and expensive.

This part of South Carolina has continued to attract more and more people and the need to have a Federal court house in the area is acute. I am pleased that the establishment of Beaufort as a place of holding court has the full endorsement of the Judicial Conference of the United States.

I urge my colleagues to support this legislation.

By Mr. STAFFORD (for himself and Mr. BENTSEN):

S. 2397. A bill to authorize appropriations for the Public Buildings Service of the General Services Administration for fiscal year 1987; to the Committee on Environment and Public Works.

PUBLIC BUILDINGS AUTHORIZATION ACT

● Mr. STAFFORD. Mr. President, Senator BENTSEN and I are introducing the Public Buildings Authorization Act of 1986. The bill provides monetary authorization for the Public Buildings Service of the General Services Administration in fiscal year 1987. In the aggregate, $2.4 billion for construction, repairs, leasing, and operation and maintenance of facilities under the jurisdiction of the GSA is recommended. This amount is the same as requested in the President's 1987 budget. However, there are differences from the budget in a number of the various components of this aggregate figure.

The capital budget of $534 million represents only 22 percent of the total budget. The bill makes a number of significant changes within GSA's capital budget. The construction and acquisition budget is increased by almost 9 percent. The so called opportunity purchase program is increased by $6.4 million, and $3.5 million of additional funds would be made available for construction of the Charleston, SC, post office and courthouse annex.

The President's budget contains funds for the proposed acquisition of the Wellesley Island Border Station. To date, GSA has submitted no prospectus for this proposal as required under section 7(a) of the Public Buildings Act of 1959. This proposal is contained in this bill only upon assurance from some officials at GSA that the prospectus will be forthcoming within the next week or so.

The repair and alteration authorizations in the bill are $4 million less than the President's budget; $12.4 million for the Pentagon building is eliminated and construction funds for the Grove Arcade Building in Ashville, NC, are reduced to the level requested in the prospectus for this project. Officials of GSA have indicated that the President's budget is wrong with regard to this project. Not included in the budget but contained in the bill are funds for the alteration of the Chet Holifield Building in Laguna Niguel, CA, is the amount of $9.1 million.

The budget for design and construction services is reduced by a net amount of $4.9 million. The GSA design budget contains funds for five projects that were also included in prior year budgets. GSA has been unable to explain this discrepancy.

To date, GSA has not submitted any of its lease prospectuses to the Congress that comprise the leasing budget which approaches $1 billion in fiscal year 1987. Included in GSA's leasing budget is a request for expansion space—space in addition to current agency requirements—which I am told on an annualized basis would exceed $55 million a year. It is hard to evaluate this request given GSA's failure to submit the appropriate documentation in a timely manner. I believe the Committee on Environment and Public Works will want to examine the needs for this expansion, especially in view of the much heralded space reductions program in GSA and Government cutbacks under Gramm-Rudman-Hollings.

The committee will conduct hearings on this bill and GSA's public buildings policies and program for 1987 on Wednesday, May 14.

Mr. President, I ask that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2397

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Public Buildings Authorization Act of 1986".

SEC. 2. No appropriation, including any appropriation from the fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, shall be made by Congress or obligated by the Administrator unless it has been authorized by Congress in accordance with this Act.

SEC. 3. (a) No public building construction, renovation, repair, or alteration shall be commenced unless an appropriation has first been made in the same fiscal year for which such appropriation is authorized and for the estimated cost of completion of such construction, renovation, repair, or alteration.

(b) Beginning in fiscal year 1988, no lease shall be entered into unless the authority to enter into contracts has first been made for the maximum cost of such lease over the entire term in such amounts as are specified in annual appropriations acts and in the fiscal year for which such lease is authorized.

SEC. 4. There is hereby authorized to be appropriated for fiscal year 1987 not to exceed in the aggregate the amount of $2,404,437,000 from revenues and collections deposited into the fund pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)), for the real property management and related activities of the Public Buildings Service of which:

CONSTRUCTION AND ACQUISITION

(a) Not to exceed $108,873,000 shall be available for fiscal year 1987 as follows:

(1) $2,680,000 for construction of the Columbus, New Mexico, Border Station (including funds for site acquisition);

(2) $3,500,000 to supplement available funds for construction of the Charleston, South Carolina, Post Office and Courthouse Annex;

(3) $1,057,000 for the payment of a claim in relation to the Columbia, South Carolina, Federal Building, Courthouse;

(4) $101,636,000 for the purchase of sites and buildings at the following locations and maximum acquisition costs:

New York, Wellesley Island, Border Station	$1,925,000
Other selected purchases including options to purchase	99,711,000

RENOVATIONS, ALTERATIONS, AND REPAIRS

(b) Not to exceed $358,027,000 shall be available for fiscal year 1987 as follows:

(1) $211,843,000 for renovations, alterations, and repairs of public buildings at the following locations and maximum construction costs of $500,000 or more:

Alabama, Birmingham, Federal Building, Courthouse	$3,899,000
Arizona, Phoenix, Federal Building, Courthouse	762,000
California, Laguna Niguel, Holifield Federal Building	9,167,000
California, Los Angeles, Federal Building, 300 N. LA	7,825,000
California, San Diego, Federal Building (Old)	1,576,000
California, San Diego, Federal Building, Courthouse	1,178,000
California, San Francisco, Post Office, Courthouse	1,683,000
California, San Francisco, Burton Federal Building (Phase I)	20,000,000
District of Columbia, Federal Building, Post Office (New)	1,700,000
District of Columbia, Federal Building No. 6	1,213,000
District of Columbia, Federal Building No. 8	1,886,000

District of Columbia, Federal Building No. 9	1,713,000
District of Columbia, Federal Building No. 10A	1,121,000
District of Columbia, General Accounting Office	3,552,000
District of Columbia, Justice	599,000
District of Columbia, State	2,765,000
District of Columbia, Steam Distribution System	13,764,000
Florida, Miami, Federal Building	11,481,000
Hawaii, Honolulu, Kalanianaole, Federal Building, Courthouse	1,850,000
Illinois, Chicago, Railroad Retirement Board	5,200,000
Illinois, East St. Louis, Federal Building, Courthouse	3,762,000
Louisiana, New Orleans, Hebert Federal Building	9,928,000
Massachusetts, Boston, Kennedy Federal Building (Phase I)	13,544,000
Missouri, Kansas City, 601 E. 12th	997,000
Missouri, Kansas City, 1500 E. Bannister	2,560,000
Missouri, Kansas City, 2306 E. Bannister	4,408,000
Missouri, St. Louis, Mart Federal Building (Phase I)	20,000,000
Missouri, St. Louis, 4300 Goodfellow	2,176,000
Nevada, Las Vegas, Federal Building, Courthouse	2,197,000
New Jersey, Trenton, Federal Building	2,070,000
New York, Brooklyn, Federal Building, No. 2	9,544,000
New York, New York, Customshouse	8,000,000
North Carolina, Asheville, Federal Building	7,083,000
Oregon, Portland, Federal Building	12,069,000
Texas, Dallas, Federal Building	1,600,000
Texas, San Antonio, Post Office, Courthouse	6,078,000
Utah, Salt Lake City, Post Office, Courthouse	675,000
Virginia, Arlington, Federal Building No. 2	7,464,000
Wisconsin, Milwaukee, Federal Building, Courthouse	2,799,000
Wyoming, Casper, Federal Building, Courthouse	1,923,000

(2) $130,184,000 for renovations and repairs of public buildings at construction costs of less than $500,000;

(3) $16,000,000 for alterations of leased buildings, the maximum cost for a single building being less than $250,000.

DESIGN AND CONSTRUCTION SERVICES

(c) Notwithstanding the provisions of section 3(a) of this Act, not to exceed $67,586,000 shall be available for design and construction services as follows:

(1) $25,436,000 for repair and alteration projects whose maximum costs of construction do not exceed $500,000;

(2) $13,834,000 for technical services;

(3) $488,000 for design of the Columbus, New Mexico, Border Station.

(4) $17,350,000 for design of repair and alteration projects whose construction phase is authorized to commence in fiscal year 1987 at the following locations and maximum design costs:

Alabama, Birmingham, Federal Building, Courthouse	292,000
Arizona, Phoenix, Federal Building, Courthouse	57,000
California, Laguna Niguel, Holifield Federal Building	1,330,000
California, Los Angeles, Federal Building, 300 N. LA	429,000
California, San Diego, Federal Building (Old)	292,000
California, San Diego, Federal Building, Courthouse	88,000
California, San Francisco, Post Office, Courthouse	311,000
California, San Francisco, Burton Federal Building (Phase I)	1,876,000
District of Columbia, Federal Building, Post Office (New)	128,000
District of Columbia, Federal Building No. 6	91,000
District of Columbia, Federal Building No. 8	141,000
District of Columbia, Federal Building No. 9	128,000
District of Columbia, Federal Building No. 10A	84,000
District of Columbia, General Accounting Office	266,000
District of Columbia, Justice	47,000
District of Columbia, State	207,000
District of Columbia, Steam Distribution System	721,000
Florida, Miami, Federal Building	989,000
Hawaii, Honolulu, Kalanianaole Federal Building Courthouse	342,000
Illinois, Chicago, Railroad Retirement Board	312,000
Illinois, East St. Louis, Federal Building, Courthouse	282,000
Louisiana, New Orleans, Hebert Federal Building	596,000
Massachusetts, Boston, Kennedy Federal Building (Phase I)	1,001,000
Missouri, Kansas City, 601 E. 12th	75,000
Missouri, Kansas City, 1500 E. Bannister	192,000
Missouri, Kansas City, 2306 E. Bannister	154,000
Missouri, St. Louis, Mart Federal Building (Phase I)	1,200,000
Missouri, St. Louis, 4300 Goodfellow	163,000
Nevada, Las Vegas, Federal Building, Courthouse	388,000
New Jersey, Trenton, Federal Building	215,000
New York, Brooklyn, Federal Building No. 2	573,000
New York, New York, Customshouse	1,160,000
North Carolina, Asheville, Federal Building	164,000
Oregon, Portland, Federal Building	1,750,000
Texas, Dallas, Federal Building	120,000
Texas, San Antonio, Post Office, Courthouse	47,000
Utah, Salt Lake City, Post Office, Courthouse	125,000
Virginia, Arlington, Federal Building No. 2	448,000
Wisconsin, Milwaukee, Federal Building, Courthouse	210,000
Wyoming Casper, Federal Building, Courthouse	356,000

(5) $10,478,000 for design of additional repair and alteration projects at the following locations and maximum design costs:

California, Los Angeles, Courthouse	$386,000
California, Sacramento, Federal Building, Courthouse	642,000
District of Columbia, Central Heating Plant	700,000
District of Columbia, Internal Revenue Service	110,000
Illinois, Champaign, Federal Building	176,000
Illinois, Chicago, Dirksen Federal Building	869,000
Illinois, Chicago, Federal Supply Service Depot	376,000
Louisiana, New Orleans, Boggs Federal Building	657,000
Maryland, Baltimore, Appraisers Stores	272,000
Maryland, Middle River, Depot	1,000,000
Massachusetts, Boston, McCormack Post Office & Courthouse	3,200,000
Michigan, Detroit, McNamara Federal Building	302,000
Pennsylvania, Philadelphia, Courthouse	500,000
Texas, Austin, Internal Revenue Service Complex	743,000
Texas, Austin, Post Office	445,000
Virginia, Abingdon, Federal Building	100,000

LEASING

(d) Not to exceed $935,100,000 shall be available for fiscal year 1987 as follows:

(1) $27,700,000 for expansion space,

(2) $907,400,000 for payments in fiscal year 1987 to provide for space under lease prior to fiscal year 1987 and replacement space, including increases in operating costs and taxes less savings due to lease cancellations.

REAL PROPERTY OPERATIONS

(e) Not to exceed $734,319,000 shall be available for fiscal year 1987 real property operations.

PROGRAM DIRECTION

(f) Not to exceed $57,090,000 shall be available for fiscal year 1987 program direction.

PURCHASE CONTRACTS

(g) Not to exceed $143,442,000 shall be available for fiscal year 1987 for payment of principal, interest, taxes, and any other obligation for public buildings acquired by purchase contract.

SEC. 5. (a) Funds appropriated under section 4 of the Act for construction, renovation, repair, or alteration shall remain available for obligation and expenditure without regard to fiscal year limitations: *Provided*, That construction, renovation, repair, or alteration has commenced in the same fiscal year which funds are made available.

(b) Commencement of design using funds authorized pursuant to section 4(c) of this Act for projects authorized by sections 4(a) and 4(b) shall be regarded as complying with the provisions of subsection (a) of this section.

SEC. 6. Ten per centum of the funds made available pursuant to this Act to the Public Buildings Service for renovation, alternation, and repair of public buildings and for payment of leases on buildings shall be available for repair or alternation projects and leases, respectively, not otherwise authorized by this Act, if the Administrator certifies that the space to be repaired, altered, or leased resulted from emergency building conditions or changing or additional programs of Federal agencies. Funds for such projects may not be obligated until thirty days after the submission by the Administrator of an explanatory statement to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives. The explanatory statement shall, among other things, include a statement of the reasons why such project or lease cannot be deferred for authorization in the next succeeding fiscal year.●

By Mr. ROTH (for himself, Mr. DENTON, Mr. NUNN, Mr. EXON, Mr. BUMPERS, Mr. TRIBLE, Mr. MATTINGLY, Mrs. KASSEBAUM, Mr. GRASSLEY, Mr. BOREN, Mr. DECONCINI, and Mr. GRAMM):

S. 2398. A bill to amend title 18 of the United States Code to ban the production and use of advertisements for child pornography or solicitations for child pornography, and for other purposes; to the Committee on the Judiciary.

CHILD SEXUAL ABUSE AND PORNOGRAPHY ACT

● Mr. ROTH. Mr. President, there is no question that there is a direct link between child pornography and the sexual abuse and exploitation of our Nation's children. A year-long investigation by the Permanent Subcommittee on Investigations, which I chair, as well as public hearings last year by both the subcommittee and the Attorney General's Commission on Pornography, have established beyond any doubt that pedophiles—emotionally disturbed individuals who are sexually attracted to children—make extensive use of child pornography to stimulate and justify their ugly behavior and to entice and blackmail their helpless young victims. For the sake of our children, we must do more to restrict the availability of child pornography to these individuals, and it is to that end that I am today introducing the Child Sexual Abuse and Pornography Act of 1986.

This bill modifies and supersedes S. 554, which I introduced last year along with Senators NUNN and CHILES, deleting some provisions and clarifying others in response to comments received on S. 554 during the course of last year. As I indicated when I introduced S. 554, the subcommittee's investigation disclosed the existence of a seamy underground network of child molesters—adults who seek out children for sexual gratification—and it showed that the very lifeblood of this loosely organized underground society is child pornography. Virtually every expert on the subject who testified before the subcommittee or discussed child abuse with subcommittee investigators, including several convicted child molesters, confirmed the central role of child pornography in the life of the pedophile.

The production and distribution of child pornography is, of course, illegal; and action taken by Congress in 1984 to strengthen the laws against child pornography has resulted in a dramatic and encouraging increase in child pornography indictments and convictions. Despite increased vigilance on the part of the U.S. Customs Service and other Federal authorities, however, commercial and noncommercial child pornography continues to be widely sold and traded by pedophiles in this country.

One reason that the trade in child pornography continues to flourish, Mr. President, is that this salacious and clearly illegal material—photos, films, and videotapes depicting nude young children and children engaged in explicit sexual behavior—is being openly advertised, traded and sold in pedophile newsletters and other publications within the United States. Even more shocking, these publications sometimes contain thinly disguised advertisements and solicitations for child prostitution, including such things as child sex tours to foreign countries where pedophiles can obtain children for purposes of sexual molestation. While the goods and services offered in these ads are illegal, Mr. President, the advertisements themselves are not.

The legislation I am introducing today would close this and other loopholes in our laws against child abuse. My bill would, for the first time, ban the production and publication of advertisements for child pornography as well as solicitations for child pornography and sex with children. Violations would be punishable by prison terms of up to 10 years, and up to 15 years for a second conviction. This bill would enable Federal authorities to prosecute those who would molest children or solicit child molestation before they can do irreparable harm to an innocent child or children.

This bill also would amend the portion of title 18 of the United States Code known as the Mann Act, which prohibits the interstate transportation of females for the purpose of prostitution and other immoral purposes. Our investigation revealed that children of both sexes are victimized by pedophiles, who sometimes trade their young victims by transporting them back and forth across State lines. My bill will make this law sex neutral, so that it will protect males as well as females and it will apply whether or not the defendants seek or obtain any financial advantage. In addition, the bill will expand the Mann Act's scope. Now, in order to prosecute someone for transporting a minor for purposes of prohibited sexual conduct, that conduct must be shown to be commercially exploited. The subcommittee's investigation showed that minors and recordings of minors engaged in prohibited sexual conduct are often traded by pedophiles strictly for purposes of sexual gratification, with no money changing hands. My bill would place these individuals within the reach of the Mann Act.

Mr. President, those who advertise in order to receive or deal in child pornography and child prostitution are as guilty of child abuse as the actual child molester—in fact, in many cases it is the same person. It is important to recall that every piece of child pornography represents the depiction of a terrible crime—the sexual exploitation of a child. Child sexual abuse can literally destroy a childhood, turning one of life's most precious times into a psychic nightmare of guilt and shame. My goal in introducing this legislation is to make it so costly to advertise any sexually explicit material involving children that the risk of prosecution will outweight any possible incentive to engage in this activity. I hope the Senate will act quickly to close the loopholes which we have identified in our child abuse pornography laws. Nothing less than the well-being of our Nation's children is at stake.

Mr. President, I ask unanimous consent that a section-by-section analysis be printed in the RECORD.

SECTION-BY-SECTION ANALYSIS

Section 1. Section 1 states the short title of the bill, "The Child Sexual Abuse and Pornography Act of 1986."

Section 2. Section 2 amends 18 U.S.C. Section 2251 by creating new subsection (c) and redesignating the sentencing portion of the law as subsection (d). Under current law, Section 2251 makes it illegal to entice, encourage or otherwise induce a minor to engage in child pornography which has or will be transported in interstate commerce or mailed. It is also illegal for a parent or guardian to permit a minor to engage in or otherwise assist in the creation of child pornography.

New subsection (c) adds a provision that would make it illegal to 1) create or publish an advertisement offering child pornography; and 2) create or publish an advertisement soliciting sexually explicit conduct with a minor. As under current law, new subsection (c) refers only to advertisements that will be or have been transported in interstate commerce or mailed. In addition, the new provision requires a showing that the defendant "knows or has reason to know" that the notice, statement or advertisement is for material which actually depicts or will be used to encourage the prohibited sexual conduct of a minor.

This section modifies two of the definitions in Section 2255 for prohibited "sexually explicit conduct." It changes paragraph (2)(D) from "sadistic or masochistic abuse" to "sadistic or masochistic abuse (for the purposes of sexual stimulation of any person)." An extensive search for federal cases defining sadism and masochism revealed that the words are not necessarily confined to sexual conduct. This modification to the definition, therefore, clarifies that the prohibited conduct is sexual.

This section also changes paragraph (E) which currently reads "lascivious exhibition of the genitals or pubic area of any person." The word "lascivious" is replaced with the words "lewd or lascivious." There is a dearth of federal case law defining "lewd" and "lascivious," but the words are used interchangeably. Indeed, *Black's Law Dictionary* treats lewd and lascivious as synonyms.

No changes were made in the sentencing portion of Section 2251. This means that the sentence for one convicted under 2251 if amended as proposed, will be the same as that in effect before amendment. Specifically, one may be sentenced for a period of incarceration of any term up to 10 years (or two to 15 years for a second conviction). In addition, one may be fined in accordance with Section 2251 or 18 U.S.C. Section 3623. The fines contained in Section 2251

($100,000 for an individual, $200,000 for a repeat offender, and $250,000 for an organization) were changed in May of 1984. However, on December 31, 1984, the Criminal Fine Enforcement Act of 1984 took effect. It allows a judge the option of sentencing one convicted under 18 U.S.C. Section 2251 to the fines contained therein or to a maximum fine of $250,000 for an individual and $500,000 for an organization.

Section 3. Section 3 amends 18 U.S.C. Section 2421, which proscribes the knowing transportation of any woman or girl for the purposes of prostitution or for other immoral purposes. The bill would replace the words "woman or girl" with "individual" and make other semantic and grammatical changes to make the offense applicable in cases where the victims are male as well as where they are female.

In so doing, this statute becomes an alternative vehicle for prosecuting sexual crimes against all minors. Under current law, Section 2423 is the exclusive vehicle for prosecuting those who take male children across state lines for the purposes of committing prohibited sexual acts with children. (Section 2421 protects only women and girls.)

No changes are made in the sentencing portion of Section 2421. Hence, the appropriate sentence for one convicted under the amendment Section 2421 would be a maximum of five years incarceration and a fine as set forth in 18 U.S.C. Section 2421 or 3623. 18 U.S.C. Section 2423 provides a 10-year maximum penalty. No changes are made in the term of incarceration available for Section 2421 or Section 2423 since at the time this bill was drafted and will be considered, the Sentencing Commission is reviewing sentences and devising guidelines for all federal sentences.

Section 4. Section 4 amends 18 U.S.C. Section 2422, which currently makes it illegal to induce a female to travel in interstate or foreign commerce for the purpose of prostitution or for other immoral purposes.

This Section would make the provision applicable to males as well as females by replacing the words "woman or girl" with the word "individual" and making other necessary changes in language. It would also change the title by deleting reference to female.

As with Sections 2 and 3, the appropriate sentence for one convicted under the amended 2422 would be a maximum term of five years incarceration and a fine as set forth in 18 U.S.C. Section 3623.

Section 5. 18 U.S.C. Section 2423 now makes it illegal to transport a minor for prostitution or other prohibited sexual conduct that will be commercially exploited. Section 5 would change the definition for sexually explicit conduct in paragraph (b) of 18 U.S.C. Section 2423 to conform to changes made in 18 U.S.C. Section 2251 in 1984 as well as to clarify certain words. Specifically, Section 5 would change 18 U.S.C. Section 2423 (b)(2)(D) from "sado masochistic abuse (for the purposes of sexual stimulation)" to "sadistic or masochistic abuse (for the purposes of sexual stimulation of any person)." It would also change "lewd exhibition of the genitals or pubic area of any person" to "lewd or lascivious exhibition of the genitals or pubic area of any person." (Section 2 of this bill makes the same changes to Section 2251.)

Section 5 would also expand the Act's scope. 18 U.S.C. Section 2423 prohibits the transportion of any minor for prohibited sexual conduct that will be "commercially exploited." Neither 18 U.S.C. Section 2421 nor 2423 prohibits one from recording the prohibited sexual conduct and using it to entice a minor to commit illegal sex acts, nor does it prohibit an adult from taking a male child across state lines for prohibited sexual conduct where no commercial advantage is sought or obtained. (18 U.S.C. Section 2421 currently prohibits only the transportation of any female for prostitution or other immoral purposes.) This bill would change Section 2421 to cover any individual who is transported for these purposes. In 1984, Congress deleted the commercial exploitation requirement from the child pornography laws, specifically 18 U.S.C. Section 2252 and current 2255. See DOJ Handbook on the Comprehensive Crime Control Act of 1984 and other Criminal Statutes Enacted by the 98th Congress, December 1984, page 217). A similar change to Section 2423 would unduly enlarge the class of defendants. Hence, a change was made to assure that Section 2423 would cover those who record and utilize the prohibited sexual conduct with minors without regard to a profit motive but not the 19-year-old who crosses state lines with a 17-year-old husband or wife. Since Section 3 of the bill amends Section 2421 and in so doing prohibits the transportation of all minors for immoral purposes, that change sufficiently covers the situation, described above, when the adult takes a child across state lines in order to engage in prohibited sexual conduct.

This section also changes the term "commercial exploitation" in paragraph (b), the definition portion of Section 2423, to "commercially exploited." This is a technical change to conform the definition section to the description of illegal conduct.

As with Sections 2 through 4, the sentencing portion of 18 U.S.C. Section 2423 has not been changed. Accordingly, one convicted under amended Section 2423 could be sentenced to a maximum period of incarceration of 10 years and and a fine in accordance with 18 U.S.C. Section 2423 or 3623.

Section 6. Section 6 would amend 18 U.S.C. Section 2424 (including its title) to make it sex neutral. This provision requires that one who keeps or otherwise supports an alien female for the purpose of prostitution, or for other immoral purpose, must file a statement (with the INS); the statute also creates a penalty for failing to file such statement.

Since no changes are made to the penalty provisions, the sentence for one convicted after enactment of this bill would be a maximum prison term of two years and a fine as set forth in 18 U.S.C. Section 2424 or 3623.

Section 7. Section 7 changes the title of Chapter 117 of Title 18 from "White Slave Traffic" to "Prostitution and Related Offenses".●

● Mr. DENTON. Mr. President, I rise in support of the Child Sexual Abuse and Pornography Act of 1986, a bill to outlaw the advertising of child pronography and to strengthen the Mann Act's protection against the sexual exploitation of minors. I commend my distinguished colleague from Delaware, Mr. ROTH, for his leadership in the fight against pornography and I am only too please to join him as an original cosponsor of this bill.

Mr. President, pornography attacks human dignity itself at its very core. It is an epidemic that devastates the personal and social well-being of contemporary society. We must remain alert to its effects and take countermeasures to prevent its spread. Pornography encourages the sexual exploitation and abuse of men, women, and children, with tragic consequences.

Testimony received in the Judiciary Subcommittee on Juvenile Justice indicated beyond a doubt that the effects of pornography are devastating, both to the individual and to society. The sex industry abuses and exploits not only those who engage in making pornography, and those who are exposed to it, but also those who are victimized by its effects on other people. It uses every means of social communication: Books, magazines, tabloids, films, video cassettes, subscription television, video games, coin-operated machines, computers, and erotic telephone messages.

Pornography is an offense against the rights of all people. It is a problem which victimizes everyone. In order to deal effectively with the problem we must recognize that pornography victimizes all members of society, regardless of sex, age, race, religion, or social station. Pornography is particularly egregious when children become unwilling participants or when children are sexually abused or exploited as a result of the pornography.

Mr. President, hearings conducted by the Senate Judiciary Subcommittees on Juvenile Justice and Criminal Law and the Subcommittee on Security and Terrorism, which I chair, have demonstrated beyond doubt that there is a direct link between child pornography and the sexual abuse and exploitation of our Nation's children. In fact, at the Subcommittee on Security and Terrorism hearing, testimony was presented by the FBI that pedophiles make extensive use of child pornography to stimulate and justify their behavior, to lower the child's inhibitions and reluctance, to blackmail the child victim and to establish a medium by which they can communicate with other like-minded criminals.

Mr. President, the Congress must work to eliminate the production of child pornography and the sexual exploitation and abuse of our chidren. It is only through hard work and cooperation that we can find a way to solve the problem of child sexual exploitation which, because of past errors, has been allowed to flourish unabated. The production of child pornography degrades and exploits children in a fundamental, inhumane, uncivilized way, and harms all of society in the process.

Mr. President, the Child Sexual Abuse and Pornography Act of 1986, provides a useful tool in our fight against child pornography. The bill creates a criminal penalty for advertising or soliciting child pornography and child sexual abuse, revises the Mann Act so that it will apply to

males as well as females and outlaws the "trading" of young children by pedophiles across State lines, regardless of whether the activity is done for "commercial" purposes.

Mr. President, I urge my colleagues to support this important piece of legislation.●

● Mr. BUMPERS. Mr. President, I am pleased to join several of my distinguished colleagues in cosponsoring the Child Sexual Abuse and Pornography Act of 1986, introduced today by Senator ROTH. This bill is a revision of S. 554, introduced last year to toughen laws against child prostitution and commercial exploitation of child pornography through advertising. I was also a cosponsor of S. 554.

I commend Senator ROTH for his diligence in working with prosecutors and other lawyers over the last several months to create this improved version of S. 554, which will better enable our courts to penalize those deplorable individuals who destroy the lives of our young children through the commercial exploitation of their sexual innocence. The Supreme Court has held, Mr. President, that a lesser standard of freedom to publish applies, under the first amendment, where juveniles are involved. Whatever one may think about adults who choose to engage in or purchase pornography, surely all will agree that involving children in any way in this disgusting business is pure victimization, and it should be condemned by any decent society. The Supreme Court has given legislators and prosecutors greater power to protect these young victims. Congress should use that power.

This bill will create a criminal penalty for advertising or soliciting child pornography and child sexual abuse, and it will also amend the Mann Act so that it will apply to males as well as females and will outlaw the "trading" of young children by pedophiles across State lines.

Our children must be protected from this heinous activity, and these outrageous practices by pedophiles and pornographers must be eradicated. I urge my colleagues to pass this legislation today.●

By Mr. CHAFEE:

S. 2399. A bill to temporarily suspend the duty on certain stuffed toy figures; to the Committee on Finance.

DUTY SUSPENSION FOR STUFFED TOY ANIMALS

● Mr. CHAFEE. Mr. President, I am pleased to offer legislation today that would temporarily suspend until December 31, 1990, the duty on certain stuffed toy figures of animate objects not exceeding 25 inches in either length, width, or height.

Major toy companies in the United States import their line of stuffed toy animals because there is no significant domestic manufacturer of these items. Since there is no domestic production, no domestic interests would be adversely affected by this bill. Furthermore, elimination of duty on stuffed toy animals will result in lower consumer prices for children's toys.

Mr. President, I ask unanimous consent that this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2399

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTAIN STUFFED TOY FIGURES.

Subpart B of part 1 of the Appendix to the Tariff Schedules of the United States is amended by inserting in numerical sequence the following new item:

"912.32	Stuffed toy figures of animate objects (except dolls) not having a spring mechanism and not exceeding 25 inches in either length, width, or height (provided for in item 737.30)	Free	No Change	On or before 12/31/90".

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption after the date that is 15 days after the date of enactment of this Act.●

By Mr. DODD:

S. 2400. A bill to amend title XVIII of the Social Security Act to provide for coverage of an annual preventive health care checkup under part B of such title, and for other purposes; to the Committee on Finance.

ANNUAL PREVENTIVE HEALTH CARE CHECKUP

● Mr. DODD. Mr. President, I am introducing today a bill which would provide Medicare coverage for the cost of an annual preventive care physician visit by each beneficiary. Current Medicare law specifically exempts from coverage all routine physician examinations.

Good primary care for our elderly citizens requires timely and accurate diagnosis of illness. Many elders, because they are homebound and cannot get to a doctor or because they simply cannot afford a physician visit without full Medicare coverage, do not immediately seek the medical care they need. Almost 20 percent of all elders do not see a doctor in a given year; over 10 percent fail to see a doctor over a 2-year period.

Without timely checkups, disease and illness in the elder develops and can only continue to worsen. By the time the elder is finally seen by a physician, three things have happened: One, the diagnosis has become more difficult, especially as multiple chronic conditions develop; two, the chance of successful treatment has lessened due to the advance of the illness; and three, the treatment has undoubtedly become more costly.

Mr. President, my bill is straightforward. It would provide Medicare coverage for an annual checkup for each Medicare beneficiary, whether the checkup is in the hospital, doctor's office, or the beneficiary's home. The services provided in the checkup would include those necessary to diagnose or prevent illness or injury in the beneficiary, including hypertension screening and a mammograph for the detection of breast cancer.

While my primary concern is to ensure the best possible health for our elderly citizens, this bill may very well result in long-term savings in the Medicare system due to the early detection of illness. While the cost data available to date is not extensive, it indicates that the initial costs associated with administration of preventive health services, such as those to be provided in the annual physician visit, will be offset by the savings which come from earlier diagnosis and treatment.

For instance, in an October 1985 hearing before the House Select Committee on Aging, one medical witness testified that the medical costs for a breast cancer patient who is cured because of early detection are approximately $20,000. In contrast, the patient whose disease is not detected early on faces costs of $60,000. The cumulative cost saving of early detection for all women who will develop breast cancer in a year was estimated to be $204 million.

Private insurers or employers who have instituted preventive health programs are reporting similar cost savings. For instance, the Washington Business Group on Health testified before the House Subcommittee on Compensation and Employee Benefits this past month that Blue Cross and Blue Shield of Indiana, which 5 years ago instituted a comprehensive health promotion program, has determined that $1 invested in health returned $1.50 in saved insurance benefits utilization.

Mr. President, this Congress has already recognized the value and fiscal sensibility in instituting preventive health services under Medicare. The 1986 reconciliation bill authorized several demonstration projects to provide a package of preventive health services to Medicare beneficiaries on a trial basis. While such demonstration projects are worthwhile, I believe that the health of our elderly citizens and the cost data available to date dictate that we begin providing at least a limited annual physician visit under Medicare now.

Mr. President, I ask that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ANNUAL PREVENTIVE HEALTH CARE CHECKUP.

(a) COVERAGE.—

(1) Section 1861(s) of the Social Security Act (42 U.S.C. 1395x(s)) is amended—

(A) by striking out "and" at the end of paragraph (9);

(B) by striking out the period at the end of paragraph (10) and inserting in lieu therof "; and";

(C) by inserting after paragraph (10) the following new paragraph:

"(11) services furnished in connection with an annual preventive health care checkup."; and

(D) by redesignating paragraphs (11) through (14) as paragraphs (12) through (15), respectively.

(2)(A) Section 1864(a) of such Act (42 U.S.C. 1395aa(a)) is amended by striking out "paragraphs (11) and (12)" and inserting in lieu thereof "paragraphs (12) and (13)".

(B) Section 1865(a) of such Act (42 U.S.C. 1395bb(a)) is amended by striking out "paragraphs (11) and (12)" in the matter following paragraph (4) and inserting in lieu thereof "paragraphs (12) and (13)".

(C) Section 1902(a)(9)(C) of such Act (42 U.S.C. 1396a(a)(9)(C)) is amended by striking out "paragraphs (11) and (12)" and inserting in lieu thereof "paragraphs (12) and (13)".

(D) Section 1915(a)(1)(B)(ii)(I) of such Act (42 U.S.C. 1396n(a)(1)(B)(ii)(I)) is amended by striking out "paragraphs (11) and (12)" and inserting in lieu thereof "paragraphs (12) and (13)".

(b) DEFINITION.—Section 1861 of such Act is further amended by adding at the end thereof the following new subsection:

"(ee) The term 'services furnished in connection with an annual preventive health care checkup' means services furnished by a physician during a routine physical checkup (without regard to the location at which such services are furnished, but no more than once each year for any patient) to diagnose or prevent illness or injury. Such services may include hypertension screening, administration of influenza vaccine, a routine exfoliative cytology (Papanicolaou) test for the detection of uterine cancer, test for blood in the stool, rectal examination, nutrition screening, a mammograph for the detection of breast cancer, and appropriate referral for diagnosis or treatment of physical, psychological, and social disorders.".

(c) STANDARD OF MEDICAL NECESSITY.—

(1) Section 1862(a)(1) of such Act (42 U.S.C. 1395y(a)(1)) amended—

(A) by striking out "or (D)" in subparagraph (A) and inserting in lieu thereof "(D), or (E)";

(B) by striking out "and" at the end of subparagraph (C);

(C) by striking out the semicolon at the end of subparagraph (D) and inserting in lieu thereof ", and"; and

(D) by adding at the end thereof the following new subparagraph:

"(E) in the case of services furnished in connection with an annual preventive health care checkup (as described in section 1861(ee)), which are not reasonable and necessary for the diagnosis or prevention of illness or injury;".

(2) Section 1862(a)(7) of such Act is amended by inserting "(other than an annual preventive health care checkup)" after "checkups".

(d) WAIVER OF DEDUCTIBLE AND COPAYMENTS.—

(1) Section 1833(b) of such Act (42 U.S.C. 13951(b)) is amended by striking out "and" before "(5)", and by inserting before the period at the end of the first sentence the following: ", and (6) such deductible shall not apply with respect to items and services furnished in connection with an annual preventive health care checkup (described in section 1861(ee))".

(2)(A) Section 1833(a)(1) of such Act (42 U.S.C. 13951(a)(1)) is amended by striking out "and" before "(G)", and by adding at the end thereof the following: "and (H) with respect to items and services (other than clinical diagnostic laboratory tests) furnished in connection with an annual preventive health care checkup (described in section 1861(ee)), the amounts paid shall be 100 percent of the reasonable charges for such items and services;".

(B) Section 1833(a)(1)(D) of such act is amended by inserting "for tests furnished in connection with an annual preventive health care checkup (described in section 1861(ee))," after ", under the procedure described in section 1870(f)(1),".

(C) The last sentence of section 1866(a)(2)(A) of such Act (42 U.S.C. 1395cc(a)(2)(A)) is amended by inserting after "with the first opinion)," the following: "with respect to items and services furnished in connection with an annual preventive health care checkup (described in section 1861(ee)),".

(e) EFFECTIVE DATE.—The amendments made by this sectioin shall apply to services furnished on or after the first day of the first calendar month to begin more than 60 days after the date of the enactment of this Act.●

By Mrs. KASSEBAUM (for herself and Mr. DANFORTH):

S. 2401. A bill to prohibit the manufacture or distribution in, or the importation into the United States of certain firearms; to the Committee on the Judiciary.

BAN ON PLASTIC HANDGUNS

Mrs. KASSEBAUM. Mr. President, in response to the recent wave of terrorist activity, I am introducing legislation with Senator DANFORTH to ban the importation or domestic manufacture and distribution of firearms made of plastic or nonmetallic materials. An alarming attribute of such weapons is that they would be able to pass undected through x-ray machines and metal detectors. These devices form the backbone of our airport and Government office security. The availability on nondetectable firearms would enable terrorists to penetrate effectively our own most sophisticated security systems including all domestic and international airports, the Supreme Court, both Houses of Congress, and the White House.

Although the technology for such weapons is still in its developmental stage, it is clear that if unchecked they can soon be expected on the market. We cannot close our eyes to this threat and react only after a tragedy occurs. The time to act is now.

We can be assured that once placed on the market, there will be no way to prevent such weapons from falling into terrorist's hands. I do not think we could, nor do I think we would want to stifle the ultimate development of such weapons. I do think, however, immediate action is necessary to prevent the technology development of these weapons from outpacing our security controls.

I have consistently supported additional appropriations to the Federal Aviation Administration for the development of more effective detection devices. By acting to stop the commercial manufacture in our domestic market and prohibiting the wholesale importation of these weapons from abroad, we can gain sufficient time to develop and implement the technology necessary for their detection before they become generally available in the black market.

Mr. President, this legislation is straightforward. It makes it unlawful for any person to manufacture or distribute in the United States, or to import into the United States, any firearm that the Secretary of the Treasury, in consultation with the Administrator of the Federal Aviation Administration, determines is not readily detectable as a firearm by the standard security equipment commonly used at airports in the United States.

We must not naively think that terrorists will fail to exploit the most advanced technologies available to achieve their purposes. Three Americans already have been killed as a result of a plastic bomb blast over Greece, and another 400 travelers recently faced a similar threat in London. To ensure the safety of Americans relying on our airport security systems, I urge strong and vocal support for this legislation. A single life must not be lost as the result of congressional or administrative inaction.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2401

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 922 of title 18, United States Code, is amended by adding at the end thereof the following:

"(n) It shall be unlawful for any person to manufacture or distribute in the United States, or to import into the United States, any firearm that the Secretary determines—

"(1) in consultation with the Administrator of the Federal Aviation Administration, is not readily detectable as a firearm by the standard security equipment commonly used at airports in the United States; and

"(2) is not readily identifiable as a firearm.".

(b) Section 925(d) of title 18, United States Code, is amended by adding at the end thereof the following: "The Secretary shall not authorize under this subsection the importation into the United States of any firearm that the Secretary determines, in consultation with the Administrator of the Federal Aviation Administration, is not readily detectable as a firearm by the standard security equipment commonly used at airports in the United States.".

By Mr. KENNEDY (for himself, Mr. DURENBERGER, Mr. HEINZ, and Mr. RIEGLE):

S. 2402. A bill to amend the Public Health Service Act to assure access to health insurance, and for other purposes; to the Committee on Labor and Human Resources.

ACCESS TO HEALTH CARE ACT

● Mr. KENNEDY. Mr. President, I rise to introduce a bipartisan, four-point initiative to deal with one of the most serious health problems facing the Nation—the inaccessibility of health care for millions of our fellow citizens.

This initiative is introduced as two mirror-image bills, identical in all but the enforcement mechanism. Senator DURENBERGER—who is joining me in this initiative, along with Senators HEINZ and RIEGLE—and I are introducing this package as two bills so that both the Labor and the Finance Committee will have the opportunity to move this legislation forward. The different enforcement mechanisms create different committee jurisdictions, and we feel the ability to work within two committees maximizes the likelihood of success for this initiative.

The initiative is also being introduced in the House today by Congressman FORTNEY H. "PETE" STARK, and WILLIS GRADISON.

The crisis in access to health care this bill addresses has two causes and you don't need an EKG or even a stethoscope to diagnose them. Too many Americans have no health insurance to pay for care they need. And too many hospitals may soon be forced to shut their doors to those who cannot pay.

Thirty-seven million Americans—one out of every six citizens—have no health insurance at all. Since 1980, the number of persons without such coverage has soared by 42 percent.

At the same time, hospitals face a growing burden in providing care for the seriously ill who cannot pay. Between 1980 and 1984, the cost of hospital charity doubled, from $2.8 billion to $5.7 billion. In the new world of hospital competition, even the most compassionate and committed institutions will soon face a cruel choice between rationing health care for the poor or bankruptcy for their institutions.

According to a recent study sponsored by the Robert Wood Johnson Foundation, 1 million Americans every year are refused health care because they cannot pay, and an additional 4 million do not even seek care they need, because they know they cannot afford it.

We propose four specific steps to deal with this crisis.

HEALTH INSURANCE FOR THE UNEMPLOYED

Employers offering health insurance to their workers will be required to extend coverage for 4 months after a worker is laid off, as long as the worker agrees to pay the same premium he was paying on the job. In addition, employers will be required to permit open enrollment for family coverage when a worker in a two-worker family is laid off and loses health insurance.

Seventy percent of the unemployed have been without work for less than 4 months. Because they have lost their employment-based group insurance and can't afford an individual policy, they are forced to go without coverage—and gamble that a medical catastrophe will not strike them or their loved ones.

For half a century, the unemployment insurance system has protected Americans against the income loss arising from short-term unemployment: It is time to provide the same protection against the potentially ruinous cost of a major uninsured illness.

Solving this problem is not a budget-buster. The Congressional Budget Office estimates that as many as 10 million workers and their dependents would benefit from enactment of this proposal. There would be no additional Federal outlays, and the maximum cost to employers would be $1.5 billion, less than seven-hundredths of 1 percent of current payroll.

INSURANCE POOLS FOR THE UNINSURABLE

Hundreds of thousands of Americans are not poor but have no access to employment-based insurance and cannot obtain insurance because of their poor health status. Many of these are parents who face the emotional burden of caring for a chronically ill child—a burden that should not be compounded by the fear of financial ruin.

Our proposal requires States to establish pools of comprehensive insurance for all residents, regardless of health status. The pools will be largely self-supporting, but if the premium exceeds 150 percent of the customary cost of individual policies, all employers and insurers offering employment-based health insurance would contribute to the pool.

Nine States—Connecticut, Florida, Indiana, Minnesota, Montana, Nebraska, North Dakota, Rhode Island, and Wisconsin—already offer similar pools to their residents: Two million more Americans will benefit if all States offer them.

Almost all States have mechanisms to provide auto insurance for otherwise uninsurable motorists. Citizens burdened by the cost of serious illness deserve help at least as generous in obtaining the coverage they need.

HOSPITAL CARE FOR THE UNINSURED

Charity care for the poor and the uninsured is a traditional mission of community hospitals. For decades, the cost of care for those who cannot pay has been financed out of earnings from paying patients. In today's highly competitive health care system—created in part by Government mandated cost controls imposed in recent years—hospitals are increasingly unable to subsidize those who cannot pay. Competition has been an important innovation in the health care system, but it is false economy to deny health care to those who cannot afford it.

Our proposal requires States to establish mechanisms to finance essential hospital care for those who cannot pay. The traditional subsidies that are now drying up must be replaced with explicit help.

New York, New Jersey, and Florida already have such mechanisms in place. Enactment of this proposal will assure that patients with serious illnesses can obtain the care they need. Hospitals must be able to fulfill their traditional mission of care and open their doors to all who need it, free from the fear that bankruptcy will close their doors to all.

HEALTH INSURANCE FOR SMALL BUSINESSES

Three-quarters of those without health insurance are workers or dependents of workers—and three quarters of these in turn work for small businesses.

Owner-operators of small unincorporated firms face a significant tax disincentive in providing health insurance for their workers. Employer-paid health insurance premiums do not count as taxable income to the workers, but—because the owner is not an employee—he is not entitled to deduct the cost of his own health insurance as a business expense. Our proposal encourages small businesses to provide insurance to their workers by enabling the owner to deduct the cost of his own personal insurance as a business expense if his workers also participate in the plan.

Small businesses are also less likely to offer health insurance because of higher marketing and administrative costs, which require them to pay 40 to 50 percent more than large firms for comparable coverage. Our proposal requires the Secretary of HHS to conduct studies and demonstrations of methods to reduce the cost of health insurance to small businesses.

Enactment of the measures we are proposing is affordable and achievable within the constraints of the Federal budget and the capabilities of the Nation's health care system. It will not solve all the problems of the current

system, but it will bring decent health care to millions of our fellow Americans who find it out of reach today.

Mr. President, I ask that a summary of the bill and a list of supporting organizations be printed in the RECORD, along with the text of the bill.

I urge prompt enactment of these important measures.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2402

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Access to Health Care Act of 1986".

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Sec. 1. Short title.
Sec. 2. Incentives for the establishment of statewide insurance pools.
Sec. 3. Requiring State plans for the uninsured and underinsured.
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Sec. 5. Demonstration projects on improving access to health insurance for small employers and self-employed individuals.

SEC. 2. INCENTIVES FOR THE ESTABLISHMENT OF STATEWIDE INSURANCE POOLS.

(a) IN GENERAL.—The Public Health Service Act is amended—

(1) by redesignating title XXI as title XXIII and by redesignating each section of that title as the corresponding section in title XXIII, and

(2) by inserting after title XX the following new title:

"TITLE XXI—INCENTIVES FOR ESTABLISHMENT OF STATEWIDE INSURANCE POOLS

"REQUIREMENT FOR LARGE EMPLOYERS

"SEC. 2101. (a) IN GENERAL.—In accordance with regulations which the Secretary shall prescribe, in the case of each large employer that offers a health benefits plan, either the employer or the entity through which benefits under the plan are offered must be a member of a qualified pooling association (described in section 2102) in each State in which benefits under the plan are offered as a result of employment in that State.

"(b) LARGE EMPLOYER.—For purposes of this section—

"(1) IN GENERAL.—Except as provided in paragraph (2), the term 'large employer' means an employer who, on each of some 20 days during a year or the preceding year, each day being in a different calendar week, employed for some portion of the day (whether or not at the same moment of time) 20 or more individuals.

"(2) EXCEPTION FOR CERTAIN GOVERNMENTAL UNITS.—The term 'large employer' shall not include the United States or any possession of the United States or any agency or instrumentality of any of the foregoing (including the United States Postal Service and Postal Rate Commission); except that such term shall include any nonappropriated fund instrumentality of the United States.

"QUALIFIED POOLING ASSOCIATION DEFINED

"SEC. 2102. In this title, the term 'qualified pooling association' means any organization which—

"(1) is a nonprofit corporation established pursuant to and regulated by State law;

"(2) permits any of the following doing business in the State to be participating members:

"(A) insurers writing expense incurred health insurance,

"(B) hospital and medical service plan corporations,

"(C) health maintenance organizations, and

"(D) employers and other health financing entities (including self-funding entities and employee welfare benefit plans);

"(3) makes available (without regard to health conditions) to all residents of the State (who are not eligible for benefits under part A of title XVIII of the Social Security Act) levels of health insurance typical of the levels of coverage provided through large employer groups, except that—

"(A) any such level of insurance must limit the amount of the annual out-of-pocket expenses for covered services under individual coverage to $1,500 and under family coverage to $3,000,

"(B) any such level of insurance may not establish a lifetime benefit limit for any individual of less than $500,000,

"(C) subject to subparagraph (A), such insurance may provide for a choice of deductibles (in addition to the deductibles typical of levels of coverage provided through large employer groups), but not to exceed $1,000 for each covered individual, and

"(D) such insurance may deny coverage for covered services for preexisting conditions for a period not to exceed 6 months;

"(4) charges a pool premium rate expected to be self-supporting based upon a reasonable actuarial determination of anticipated experience and expected expenses, such pool premium rate in no event to exceed 150 percent of average premium rates for individual standard risks in the State for comparable coverage; and

"(5) assesses losses of the pool equitably among all participating members.

Nothing in this section shall be construed as preventing a State or other entity from providing for payment of part or all of the premium of an enrollee and from varying the amount of such payment based on the enrollee's income or other basis.

"ENFORCEMENT

"SEC. 2103. (a) CIVIL PENALTY.—Any employer (other than a State or political subdivision thereof, or any agency or instrumentality thereof) who knowingly does not comply with the requirement of section 2101 shall be subject to a civil penalty of not more than 10 percent of the amount of an employer's expenditures for plans which do not comply with that requirement. Such penalty may be assessed by the Secretary and collected in a civil action brought by the United States in a United States district court.

"(b) NOTICE AND HEARING RIGHTS.—In any proceeding by the Secretary to assess a civil penalty under this section, no penalty shall be assessed until the employer charged shall have been given notice and an opportunity to present its views on such charge. In determining the amount of the penalty, or the amount agreed upon in compromise, the Secretary shall consider the gravity of the noncompliance and the demonstrated good faith of the employer charged in attempting to achieve rapid compliance after notification by the Secretary of a noncompliance.

"(c) TRIAL DE NOVO.—In any civil action brought to review the assessment of a civil penalty assessed under this section, the court shall, at the request of any party to such action, hold a trial de novo on the assessment of such civil penalty and in any civil action to collect such a civil penalty, the court shall, at the request of any party to such action, hold a trial de novo on the assessment of such civil penalty unless in a prior civil action to review the assessment of such penalty the court held a trial de novo on such assessment.

"(d) PRIVATE RIGHT OF ACTION.—Any employer (other than a State or political subdivision thereof, or any agency or instrumentality thereof) who knowingly does not comply with one or more of the requirements of this title shall be liable to individuals for damages (including health care costs incurred) resulting from the employer's failure to comply with the requirements.

"(e) ENFORCEMENT AGAINST STATES.—If the Secretary, after reasonable notice and opportunity for a hearing to a State, finds that it or any of its political subdivisons has failed to comply with the requirement of section 2101, the Secretary shall reduce payments to such State under sections 314(d), 317, 318, 1002, 1525, and 1613 in a total amount equal to not more than 10 percent of the amount of the State's or political subdivision's expenditures for plans which do not comply with that requirement."

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to years beginning on or after January 1, 1988.

(2) EXCEPTION FOR LARGE EMPLOYERS LOCATED IN CERTAIN STATES.—

(A) IN GENERAL.—In the case of a large employer located in a State in which the first regular State legislative session does not end before January 1, 1988, the amendments made by this section shall apply on or after the first year that begins after the close of the first regular State legislative session of the State.

(B) FIRST REGULAR STATE LEGISLATIVE SESSION DEFINED.—In subparagraph (A), the 'first regular State legislative session' refers to the first regular session of a State legislature that begins after the date of the enactment of this Act.

SEC. 3. REQUIRING STATE PLANS FOR THE UNINSURED AND UNDERINSURED.

(a) DENIAL OF PUBLIC HEALTH SERVICE ACT FUNDS FOR NONCOMPLIANCE.—Title XXIII of the Public Health Service Act (as redesignated by section 2(a) of this Act) is amended by adding at the end the following new section:

"REQUIRING STATE PLANS FOR THE UNINSURED AND UNDERINSURED

"SEC. 2316. (a) REQUIREMENT.—Each State shall either—

"(1) have in effect a qualified State plan of assistance for the uninsured and underinsured that meets the requirements of subsection (b), or

"(2) provide for health care coverage—

"(A) that may be a health maintenance organization or other management system of care, and

"(B) that pays for the costs of (or provides) inpatient and outpatient hospital services in the State,

for all individuals in the State who (but for this clause) would qualify to have payments for such services made under a plan described in paragraph (1).

"(b) REQUIREMENTS FOR QUALIFIED STATE PLANS OF ASSISTANCE FOR THE UNINSURED AND UNDERINSURED.—The requirements, referred

to in subsection (a)(1), for a qualified State plan of assistance for the uninsured and underinsured are as follows:

"(1)(A) The plan must provide for payment for the unreimbursed costs incurred by each hospital in the State in furnishing medically necessary inpatient and outpatient services. Such unreimbursed costs may be determined on a patient by patient basis, on the basis of a prospectively approved budget for a hospital, on the basis of costs that are reasonable and necessary for the provision of services, or on another reasonable basis established by the State.

"(B) Payment may not be made under the plan for costs—

"(i) respecting care provided by a hospital pursuant to an assurance under title VI or XVI (commonly known as the Hill-Burton program) that the hospital will make available a reasonable volume of services to persons unable to pay therefor,

"(ii) respecting obligations to pay taxes,

"(iii) for which charges can reasonably be expected to be collected with suitable bill collection mechanisms,

"(iv) for care for which payment is made under title XVIII of the Social Security Act (commonly known as the medicare program), or

"(v) for care for which payment is made under a State plan approved under title XIX of the Social Security Act (commonly known as the medicaid program).

"(2) The plan must have adequate financing through a mechanism established by the State.

"(3) The plan must not provide for a legal or regulatory limit on the amount of charity and unreimbursed care a hospital may provide.

"(c) EXCEPTIONS.—Notwithstanding subsection (b), a plan may—

"(1) provide that no payment will be made under the plan for any unpaid deductible or coinsurance amount not in excess of $250;

"(2) take into account, and require continuation of, the payment, from State and local taxes, of amounts for charity and unreimbursed care at the levels in effect during fiscal year 1985 (with such adjustments to take into account changes in prices, costs, tax collections, or other reasonable items as the plan may provide), and

"(3) require, as a condition of payment under the plan to a hospital, that the hospital (A) provide a certain level of charity and unreimbursed care for inpatient and outpatient hospital services, and (B) meet minimum standards in its efforts to collect unpaid bills.

"(d) ENFORCEMENT.—If the Secretary, after reasonable notice and opportunity for a hearing to a State, finds that it has failed to comply with the requirement of this section, the Secretary shall terminate payments to such State under sections 314(d), 317, 318, 1002, 1525, and 1613 and under title XIX and notify the Governor of such State that further payments under such sections and such title will not be made to the State until the Secretary is satisfied that there will no longer be any such failure to comply."

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall take effect on January 1, 1988.

(2) EXCEPTION FOR CERTAIN STATES.—

(A) IN GENERAL.—In the case of a State in which the first regular State legislative session does not end before January 1, 1988, the amendment made by subsection (a) shall apply to years beginning after the close of the first regular State legislative session of the State.

(B) FIRST REGULAR STATE LEGISLATIVE SESSION DEFINED.—In subparagraph (A), the "first regular State legislative session" refers to the first regular session of a State legislature that begins after the date of the enactment of this Act.

SEC. 4. TEMPORARY EXTENSION OF COVERAGE FOR LAID-OFF WORKERS; OPEN ENROLLMENT FOR SPOUSES OF UNEMPLOYED WORKERS.

(a) EXPANDING TITLE XXII TO COVER PRIVATE, AS WELL AS PUBLIC, EMPLOYERS.—Title XXII of the Public Health Service Act, as added by section 10003 of the Consolidated Omnibus Budget Reconciliation Act of 1985, is amended—

(1) in the heading, by striking "FOR CERTAIN STATE AND LOCAL EMPLOYEES",

(2) in the heading of section 2201, by striking "STATE AND LOCAL GOVERNMENTAL",

(3) in section 2202(a), by striking "that is maintained" and all that follows through "subdivision,", and

(4) in section 2207, by striking "a State, political subdivision, or agency or instrumentality thereof," and insert "a group health plan".

(b) MODIFICATION OF CONTINUATION COVERAGE REQUIREMENTS.—

(1) EXTENSION OF CONTINUATION PERIOD.—Paragraph (2)(A)(i) of section 2202 of such Act (relating to maximum period of continuation coverage) is amended by striking "18 months" and inserting "22 months".

(2) CLARIFICATION OF RIGHT TO TERMINATE CONTINUATION COVERAGE.—Paragraph (2) of such section (relating to period of continuation coverage) is amended by adding at the end the following subparagraph:

"(F) NOTICE OF TERMINATION OF COVERAGE.—The date on which the qualified beneficiary notifies the plan administrator, in writing, that the coverage should be terminated."

(3) EMPLOYER CONTINUATION OF PREMIUM PAYMENTS FOR 4 MONTHS.—

(A) IN GENERAL.—Such section (relating to continuation coverage) is further amended by adding at the end the following new paragraph:

"(6) SPECIAL RULES FOR CERTAIN QUALIFIED BENEFICIARIES.—

"(A) IN GENERAL.—In the case of a qualifying event described in section 2203(2) (relating to terminations and reduced hours), during the period described in subparagraph (B)—

"(i) the amount and frequency of payment of any premium charged under paragraph (3) shall be under the same terms and conditions as if the qualifying event had not occurred, and

"(ii) paragraph (2)(C) shall only apply to failures of the qualified beneficiary to pay the premium required with respect to the beneficiary.

"(B) PERIOD OF APPLICATION.—The period described in this subparagraph is the period beginning on the day after the date of the qualifying event and ending at the end of—

"(i) 4 months, or

"(ii) the number of months (before the date of the qualifying event) for which the qualified beneficiary was provided coverage under the group health plan,

whichever is less."

(B) PROMPT ELECTION REQUIRED.—Section 2205 of such Act (relating to the election of continuation coverage) is amended by adding at the end the following new paragraph:

"(3) SPECIAL RULES FOR CERTAIN ELECTIONS.—In the case of an election respecting a qualifying event described in paragraph section 2203(2) (relating to terminations and reduced hours), in order to obtain the benefits of section 2202(6), the qualified beneficiary must make the election during the first 14 days of the election period.".

(c) SPOUSAL OPEN ENROLLMENT REQUIREMENT.—Title XXII of such Act is further amended—

(1) in section 2201(a)—

(A) by inserting "(1)" after "with this title,", and

(B) by inserting before the period at the end the following: ", and (2) for the opportunity of spouses to enroll in group health plans";

(2) by redesignating section 2208 as section 2209;

(3) by striking "2208(3)" in section 2205(2) and inserting "2209(3)"; and

(4) by inserting after section 2207 the following new section:

"SPOUSAL OPEN ENROLLMENT REQUIREMENTS OF GROUP HEALTH PLANS

"SEC. 2208. (a) IN GENERAL.—For purposes of this title, a group health plan meets the requirements of this section only if the plan provides for an open enrollment period (meeting the requirements of this subsection) for each married employee—

"(1) who is (or, but for a previous election, would be) covered under the plan, and

"(2) whose spouse loses or will lose coverage under a group health plan due to a qualifying event (described in section 2203(2)).

"(b) OPEN ENROLLMENT PERIOD.—The open enrollment period must—

"(1) be a period of not less than 60 days, and

"(2) begin not earlier than 30 days before the date of the qualifying event and not later than such date, except, at the option of the employee, the period may be delayed to begin on a date not later than the date the employee's spouse actually loses coverage under a group health plan.

"(c) LOSS OF COVERAGE.—For purposes of this section, a spouse shall not be considered to have lost coverage during any period (after a separation from employment) in which the coverage is continued and for which a contribution toward the cost of the coverage is being made by an employer, union, or entity other than the spouse.

"(d) TERMS OF ENROLLMENT OPTION.—

"(1) NO REQUIREMENT OF INSURABILITY.—The terms of such an enrollment may not require, or discriminate on the basis of lack of, evidence of insurability.

"(2) BENEFITS AND ENROLLMENT.—Except as provided in paragraph (3), the coverage and terms of an enrollment during an open enrollment period provided under this section shall be the same as the terms (including any option for coverage of immediate family members) most recently offered with respect to the enrollment of that employee or (at the employer's option) of newly hired or other employees similarly situated.

"(3) EFFECTIVE DATE OF COVERAGE.—Except as provided in paragraph (4), the coverage provided pursuant to an individual's enrollment during an open enrollment period under this section shall be effective no later than—

"(A) the first day of the first pay period that begins more than 5 days after the date the individual enrolls, or

"(B) 30 days after the date the individual enrolls,

whichever is earlier.

"(4) IMMEDIATE COVERAGE OF ADDED FAMILY MEMBERS.—If an employee was previously

covered and only exercises the option to cover immediate family members, the coverage of the immediate family members shall begin not later than the first day of the first pay period that begins after the date the individual exercises the option.".

(d) CHANGE IN NOTICE REQUIREMENTS.—Section 2206 of such Act (relating to notice requirements) is amended—

(1) in paragraph (1), by inserting "and section 2208(1)" after "this subsection",

(2) in paragraph (2), by inserting "(or 7 days in the case of a qualifying event described in section 2203(2))",

(3) in the second sentence, by striking "within 14 days of the date on which the plan administrator is notified under paragraph (2) or (3)" and inserting "within 7 days of the date on which the plan administrator is notified under paragraph (2) or within 14 days of the date on which the plan administrator is notified under paragraph (3)", and

(4) by adding at the end the following: "Each notice under paragraph (4)(A), in the case of a qualifying event described in section 2203(2), shall include information concerning the special rules in sections 2202(6) and 2205(3)."

(e) EFFECTIVE DATES.—

(1) GENERAL RULE.—The amendments made by this section shall apply to plan years beginning on or after January 1, 1947.

(2) SPECIAL RULE FOR COLLECTIVE BARGAINING AGREEMENTS.—In the case of a group health plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more employers ratified before the date of the enactment of this Act, the amendments made by this section shall not apply to plan years beginning before the earlier of—

(A) the date on which the last of the collective bargaining agreements relating to the plan terminates (determined without regard to any extension thereof agreed to after the date of the enactment of this Act), or

(B) July 1, 1987.

For purposes of subparagraph (A), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this section shall not be treated as a termination of such collective bargaining agreement.

(f) NOTIFICATION TO COVERED EMPLOYEES.—At the time that the amendments made by this section apply to a group health plan described in section 2209(1) of the Public Health Service Act (as amended by this Act), the plan shall notify each covered employee, and spouse of the employee (if any), who is covered under the plan at that time of the continuation coverage and open enrollment period required in title XXII of such Act. The notice furnished under this subsection is in lieu of notice that may otherwise be required under section 2206(1) of such Act.

SEC. 5. DEMONSTRATION PROJECTS ON IMPROVING ACCESS TO HEALTH INSURANCE FOR SMALL EMPLOYERS AND SELF-EMPLOYED INDIVIDUALS.

(a) STUDIES AND DEMONSTRATION PROJECTS.—The Secretary of Health and Human Services shall provide for the conduct of studies and demonstration projects on ways to reduce the costs for small employers and self-employed individuals in obtaining health insurance. In particular the Secretary shall examine, demonstrate, and evaluate how savings in marketing and administrative costs can be achieved through the use of—

(1) standardized policy packages,

(2) State arrangements for the pooling of health insurance,

(3) State or Federal reinsurance of group health contracts,

(4) contracts with banks to offer such insurance to depositors or other groups,

(5) contracts with medicare carriers,

(6) contracts or grants to Chambers of Commerce or similar groups representing business, and

(7) other innovative means.

(b) REPORT.—The Secretary shall report to Congress on the results of the studies and demonstration projects not later than January 1, 1988.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each fiscal year (beginning with fiscal year 1987) such sums as may be appropriate to carry out this section.6

THE IMPROVED ACCESS TO HEALTH CARE INITIATIVE

The Improved Access to Health Care Initiative (ACI) is a response to the growing lack of health care for the poor and uninsured. It builds on the last year's successful Stark-Kennedy initiative, which resulted in the enactment of a number of important first steps to deal with this problem.

Between 1980 and 1985, the number of Americans without any health insurance increased a stunning 42%, to over 37 million people. Simultaneously, new competitive pressures in health care have reduced care to those without insurance. A recent study by the Robert Wood Johnson Foundation found that a million Americans are refused medical care annually because they cannot pay for it, another four million do not seek needed care because they cannot afford it.

Enactment of ACI will improve access to essential health care by increasing the number of Americans covered by health insurance and by improving the financing of hospital care for the uninsured.

The bill has five elements:

Extension of employment-based health insurance coverage for laid-off workers and their dependents.

Creation of subsidized health insurance pools to allow people without employment-based coverage to buy health insurance regardless of their health status.

Requirement that states establish a mechanism to fund hospital charity care or develop a plan to provide health insurance to all uninsured residents.

Advantageous tax treatment to encourage self-employed individuals to offer health insurance to employees.

Development of methods to lower the cost of health insurance to small businesses.

EXTENSION OF COVERAGE FOR LAID-OFF WORKERS

The proposal would require employers to continue health insurance coverage for laid-off workers and their dependents for up to four months. Both employee and employer would be required to continue to pay whatever share of the premium they paid before the worker was laid off. Typically, employers pay 80-100% of the cost of health insurance.

After the four month period was over, workers could continue coverage for eighteen months more if they were willing to pay the entire premium.

More than 70% of the unemployed are employed for less than four months. The Congressional Budget Office estimates that as many as 5.7 million workers who would otherwise lose health insurance would be able to have continued protection under this proposal.

The bill would also mandate an open-enrollment period for employed spouses of workers who lost their jobs and their health insurance. Frequently, in two-worker families, only one member choses to enroll in the family health insurance plan because enrolling in both workers' family plans would result in duplication of coverage. As a result, if the worker who carries the insurance loses his or her job, the family is left without protection. This bill would allow the spouse that still has a job to enroll the family under his or her plan.

These provisions would fill a major gap in the Nation's health insurance system. Just as unemployment insurance protects workers and their families against loss of income during a period of temporary unemployment, enactment of this proposal could ensure protection against the devastating cost of uninsured illness.

SUBSIDIZED INSURANCE POOLS

States would be required to establish insurance pools for people who do not have access to employment-based health insurance and find it difficult or impossible to purchase adequate, affordable individual policies because they have pre-existing health conditions.

Policies offered by the pools would have to be available to anyone regardless of health status. Premiums would be limited to 150 percent of the average premium normally charged for health plans offered to individuals.

Policies would be designed to offer coverage typical of large employer plans in the State, but could not establish a life-time limit on benefits of less than $500,000 and would have to cap annual out-of-pocket expenses for covered services at no more than $1,500 for individual coverage and $3,000 for family coverage. If the plan were not self-supporting from premiums, losses would be made up by assessments on all entities offering employment-based health insurance in the State, including self-insured plans.

Nine states already offer such pools. They are important in assuring medical care and protection from bankruptcy to families facing serious illness that do not have access to employment-based health insurance.

STATE SYSTEMS TO FUND HOSPITAL CARE FOR THE UNINSURED

Last report care for the poor and uninsured who are very sick has traditionally been one of the missions of hospitals. Hospitals have finance the cost of charity care largely out of earnings on other care.

Changes in the health care market now jeopardize the willingness of hospitals to provide charity and unreimbursed care. Under the influence of medicare's prospective payment system, greater competition between hospitals for business, increasing enrollment in HMOs, and growing insistence by large employers and insurers on the lowest possible charges for services, hospitals have come to feel they have to behave more and more like businesses. Hospitals believe that the cross-subsidies that they have traditionally relied on to finance charity care can no longer be counted on for this purpose.

This proposal requires states to establish a subsidy to finance charity care to substitute for the hidden subsidies that are now drying up. Under the proposal, hospitals would be assured that the charity and unreimbursed care they provided would be paid for so long as the care was rendered eco-

nomically and efficiently and they tried to collect whatever costs the patient himself was able to finance.

Alternatively, states could establish a program to provide health insurance for all residents.

Several states—New York, New Jersey and Florida—already have funding mechanisms for uncompensated hospital care. Enactment of this proposal will assure that severely ill patients can be confident of receiving the essential hospital care they need regardless of their ability to pay. Likewise, hospitals can be assured that fulfilling their traditional mission of providing care to everyone in the community will not jeopardize their financial well being.

TAX INCENTIVES FOR THE SELF-EMPLOYED

Seventy-five percent of all uninsured Americans are employed or the dependents of employees. Most of these employed but uninsured Americans work for self-mployed individuals or small businesses. While 90 percent of workers in businesses with more than 26 employees are offered health insurance, only about half of businesses with 25 workers or less offer their employees health insurance. The inabililty of self-employed individuals to take the business deduction for their health insurance has been a significant disincentive to offer health insurance to their employees.

Under current tax law, the cost of employer-paid health insurance premiums is not counted as taxable income to workers. In small, unincorporated businesses, however, the owner-operator of the business receives no tax benefit for the cost of his own health insurance. If he offers health insurance to his employees, they do not pay any tax on the contribution the business makes to the cost of the premium, but the self-employed owner must pay his own full premium out of after tax dollars.

This bill would encourage self-employed individuals to offer health insurance to their workers by allowing them to take the business tax deduction for the cost of the lowest premium they pay for health insurance for their full-time employees.

DEMONSTRATIONS ON LOWERING THE COST OF CARE TO SMALL BUSINESSES

Small businesses are less likely to offer health insurance to their employees because of higher marketing and administration costs. The Health Insurance Association of America estimates that very small businesses (less than 10 employees) must pay a rate for insurance that is typically 40 to 50 percent higher than large businesses pay for similar coverage.

This proposal requires the Secretary of the Department of Health and Human Services to conduct studies and demonstration projects on ways to lower the cost of health insurance coverage for small firms. The demonstrations could include state government pool arrangements, grants to Chambers of Commerce or similar groups to arrange insurance coverage for small firms in a given geographical area, and offering of insurance to small firms through medicare carriers.

THE IMPROVED ACCESS TO HEALTH CARE INITIATIVE—SUPPORTING ORGANIZATIONS

National Health Care Campaign.

Member Organizations: National Council of Senior Citizens, Children's Defense Fund, Citizen Action, Congress of National Black Churches, National Association of Community Health Centers, National Association of Social Workers, National Black Child Development Institute, Service Employees International Union, Southern Christian Leadership Conference, United States Catholic Conference.

AFL-CIO, American Association of Retired Persons, American College of Gastroenterology, American Diabetes Association, American Hospital Association, Catholic Hospital Association, Older Women's League, UAW.

Coalition for Health Insurance Availability (supporting the risk pool legislation).

Member Organizations: ACLD, Inc. An Association for Children and Adults with Learning Disabilities, Alliance for the Neurologically Impaired, American Diabetes Association, American Foundation for the Blind, Amyotrophic Lateral Sclerosis Association, Arthritis Foundation, Association for Retarded Citizens, Cooley's Anemia Foundation, Cystic Fibrosis Foundation, Epilepsy Foundation of America, Handicapped Organized Women, Inc., Health Insurance Association of America, Huntington's Disease Foundation of America, Immune Deficiency Foundation, Lupus Foundation of America, National Association of Children's Hospitals and Related Institutions, Inc., National Association of Developmental Disabilities Councils, National Coalition for Rare Disorders, National Easter Seal Society, National Head Injury Foundation, National Foundation for Ileitis and Colitis, National Huntington's Disease Association, National Multiple Sclerosis Society, National Rehabilitation Association, National Society for Children and Adults with Autism, National Women's Health Network, Sickle Cell Support Association, Sick People Need Insurance, Sick Kids Need Involved People, Spina Bifida Association of America, Tourette Syndrome Association, Inc., United Cerebral Palsy Associations, Inc.●

● Mr. HEINZ. Mr. President: I am pleased to join my colleagues, Senators KENNEDY and DURENBERGER, as a sponsor of the Access to Health Care Act of 1986. The strong bipartisan support we have on both sides of the Capitol for this legislation reflects how important this legislation is to America's 35 to 37 million medically uninsured citizens. I am particularly gratified that the sponsors have incorporated within this initiative a modified version of my bill, S. 1372, the Health Insurance Availability Act of 1985.

For 1 in 6 Americans today, riding in a car, catching a cold, just getting out of bed a day older each morning poses a monumental risk. If you don't have health insurance, an accident or illness carries the threat of financial disaster, unnecessary pain, disability, and even death.

Traditionally, Americans insure themselves against the financial risk of poor health through four major avenues—employer-sponsored group health insurance, Medicare, Medicaid, or private insurance paid by the individual. Four avenues for care, but each with insurmountable roadblocks for too many in need of insurance. And for many uninsured, neither a job nor a comfortable income are a guarantee of safe passage.

The medically uninsured represent a broad cross section of income class, employment status, and age groups. They are people like:

Beulah S., a widow from San Francisco, who testified at a hearing of the Aging Committee last year. When Beulah's husband died in 1979 and she lost his health insurance coverage, she suddenly found herself a victim of cancer and a victim of a health insurance system which shuns the risky patient. Too young for Medicare, too sick for private insurance, Beulah was forced to use up much of the savings her husband had left her to buy the critical medical care she needed.

Bill F., an unemployed steel worker in my home State of Pennsylvania, faces the prospect of depleting his small savings because he cannot find coverage for himself and his pregnant wife, casting a shadow on what should be a happy event.

The bill we are introducing today will help people like Beulah by encouraging States to set up risk pools and Mr. and Mrs. F. by extending employer health coverage to laid-off workers. It will help to expand health insurance coverage by small businesses where employees now have a mere 50-50 chance of being covered. And finally, this bill will give health care providers the assurance that they will be paid for the charity and unreimbursed care they provide.

More specifically, this legislation will do the following:

First. Encourage States to establish insurance risk pools for those unable to purchase health insurance because of a pre-existing condition. Employers with 20 or more employees, who provide health benefits either through insurance or by self-funding, would be required to contribute to the statewide risk pool. Any employer who failed to participate would be subject to a 10-percent excise tax on their employee health expenses. The pool's health insurance must make available to all residents of the State levels of health insurance typical of the levels of coverage provided through large employer groups. The bill would limit out-of-pocket expenses for individual coverage to $1,500 and for family coverage to $3,000. The lifetime benefit could not be less than $500,000. The pool would offer a choice of deductibles, not to exceed $1,000 for each individual covered and the premium could not exceed 150 percent of average premium rates for individual policies in the State for comparable coverage. The bill allows States to subsidize premiums.

Second. Require States to establish financing mechanisms to pay for uncompensated and charity inpatient and outpatient hospital care. This proposal requires States to establish an explicit subsidy mechanism to finance charity and unreimbursed care for the uninsured and underinsured. Under

the proposal, hospitals would be paid for so long as the care was rendered economically and efficiently, and they had made businesslike efforts to collect whatever costs the patient himself was able to finance.

Alternatively, States could establish a program to provide health insurance for all of the residents in the State and thereby obviate the need to reimburse hospitals for charity care.

Third. Extention of coverage for laid-off workers. The Access to Health Care Act would require employers to offer extended health insurance coverage for laid-off workers and their dependents for up to 4 months. Both employee and employer would be required to continue to pay whatever share of the premium they paid before the worker was laid off. After the 4-month period was over, workers could exercise the option under the Consolidated Omnibus Budget Reconciliation Act of 1985 to continue coverage for a total of 18 months if they were willing to pay both the employer and employee share of the premium.

The bill also requires an open enrollment period for employed spouses of workers who lost their jobs and their health insurance. Under current law, if the worker who carries the insurance loses his or her job, the family is left without protection. This bill would allow the spouse that still has a job to enroll the family under his or her employer's plan.

Fourth. Tax incentives for the self-employed. Under current tax law, the cost of employer-paid health insurance premiums is not counted as taxable income to workers. In small, unincorporated businesses, however, the owner-operator of the business receives no tax benefit for the cost of his own health insurance. If he offers health insurance to his employees, they do not pay any tax on the contribution the business makes to the cost of the premium, but the self-employed owner must pay his own full premium out of after tax dollars. This bill would encourage self-employed individuals to offer health insurance to their workers by allowing them to take the business tax deduction for the cost of the lowest premium they pay for health insurance for their full-time employees.

Fifth. Demonstration projects on lowering the cost of care to small businesses. The Access to Health Care Act requires the Secretary of HHS to conduct studies and demonstration projects on ways to lower the cost of health insurance coverage for small firms. The demonstrations could include State government pool arrangements, grants to chambers of commerce or similar groups to arrange insurance coverage for small firms in a given geographical area, and offering of insurance to small firms through Medicare carriers.

This important initiative is supported by a broad coalition of groups including the National Council of Senior Citizens, the National Healthcare Campaign, the United Auto Workers, AFL-CIO, Older Women's League, and the American Hospital Association, to name just a few.

Mr. President, we need to underscore our commitment to quality health care as a right of all Americans—not a privilege just for the lucky few. The Access to Health Care Act is designed with this priority in mind.●

By Mr. DURENBERGER (for himself, Mr. KENNEDY, Mr. HEINZ, and Mr. RIEGLE):

S. 2403. A bill to amend the Internal Revenue Code of 1954 to assure access to health insurance, and for other purposes; to the Committee on Finance.

ACCESS TO HEALTH CARE ACT

● Mr. DURENBERGER. Mr. President, I am happy to introduce today with my colleagues from the State of Massachusetts [Mr. KENNEDY], the State of Pennsylvania [Mr. HEINZ], and the State of Michigan [Mr. RIEGLE], the Access to Health Care Act of 1986. The bill includes a set of measures amending the Tax Code and Medicaid law to improve access to health insurance coverage for Americans.

Mr. President, in efforts to make health care available to Americans, as in efforts to contain the cost of health care, we have learned there are no universal approaches—no "magic bullets." Concepts such as federally administered national health insurance or nationally mandated all-payer insurance systems are impractical, politically unpalatable, and just plain won't work. We have learned that the market place at the community level, guided by consumer choice of private health plans, is the best means to promote quality, cost-effective health care. So it is important that as we address the issue of uninsured Americans that congressional action be consistent with the principle of consumer choice of private health coverage in the local health marketplace.

Insurmountable financial obstacles to health care confront too many Americans. The number of uninsured has grown from 33 million at the bottom of the recession to 37.1 million today. All indications are that it will continue to rise. There are many reasons why the number of uninsured has increased. First, many parts of the country never recovered from the 1982-83 recession and rural America is now deep in economic crisis. Also, reform of the health care system, the "competition strategy" under which hospitals, doctors, and health plans have begun to compete for business based on the price of services or premiums is another factor.

Competition in the health care system and the complimentary Medicare payment reforms, both of which promote efficiency in the delivery of hospital services, have reduced the cost of health care. However, the incentives inherent in competition and Medicare reform also have sent a message to the hospitals and health plans that the cross-subsidization of charity care, medical education and research will no longer be funded primarily through the dollars of paying patients. Today, those patients and their health plans—including Medicare—are only interested in paying for the value of what they receive not the care of medical training of others.

This side effect of the economics of competition in the health care system will be useful in the long run. It will enable the health care system to move away from hidden subsidization to explicit support for the poor and medical training. This will encourage the explicit funding of the efficient, quality providers who are best able to give value for dollars paid for service.

As I have said many times, reform of the health care system depends on individual Americans making choices in a market. As a national policy, it makes sense to encourage individuals to make the right health care choices by subsidizing their purchase of health plan coverage. This subsidization achieved through the tax exclusion for employer paid health premiums. More than 192 million Americans have private health plan membership, most of it subsidized the exclusion. Another 31.1 million Americans receive Medicare and many of them also purchase private insurance to supplement Medicare benefits. There are 27.5 million Americans receiving benefits under the Medicaid Program. But, that leaves only the 37.1 million Americans unprotected. It is this group for which the Federal Government has no policy of incentives to obtain health plan coverage.

Equity, fairness and good sense call for Federal initiatives to provide and encourage health coverage for all Americans. That is why I am joining with my colleagues from Massachusetts [Mr. KENNEDY] and my colleague from Pennsylvania [Mr. HEINZ] in sponsoring S. 2403 today. The "Access to Health Care Act of 1986," takes positive, careful steps to promote health care insurance coverage of those who are uncovered today.

This bill, however, does not finish the job. Much more can be done through reform of tax rules for health benefits. Next week, I will introduce a set of alternative proposals to provide better incentives for individuals and their families to purchase health insurance. Current law only makes this tax incentive available to those who

are fortunate enough to have health insurance provided by their employers.

Mr. President, S. 2403 is part of a process I began last year with the introduction of S. 1211, the Health Equity and Fairness Act of 1985. That bill included three provisions designed to make private health insurance more readily available to many of those now uninsured: Health insurance premium deductions for self-employed and unemployed persons, mandatory catastrophic loss protection of employer-sponsored health insurance plans, and time limited continuity of coverage options for those who lose eligibility for employer-sponsored insurance.

The continuity of coverage provisions were included in the fiscal year 1986 reconciliation bill signed into law by the President. I look forward this year to building on this accomplishment with the passage of provisions from the Access to Health Care Act of 1986 and the benefits reform bills I will introduce next week.

The bill S. 2403 introduced today has five elements:

Extension of employment-based health insurance coverage for laid-off workers and their dependents.

Establishment of subsidized health insurance pools to enable Americans without access to employment-based coverage, or Medicare to purchase individual health insurance regardless of their health status.

Requirement that States establish programs to provide health plan coverage for uninsured and underinsured or establish mechanisms to fund hospital uncompensated care.

A tax deduction for health benefits to encourage individuals to offer health insurance to employees.

Studies and demonstrations of methods to reduce the cost of health coverage to small business and the self-employed.

HEALTH INSURANCE FOR THE UNEMPLOYED

More than 70 percent of the unemployed have been out of work for less than 4 months. And, despite the current period of economic growth there are 5,000,000 Americans—10,000,000 counting their dependents—who fall into this 70 percent during a given year. These individuals will frequently lose their dependents lose their health insurance when they are laid off and so become part of the 37.1 million Americans.

Last year I proposed in S. 1211, a protection for this group, by requiring that laid off workers and their dependents have the option to continue their coverage in their former employer's health insurance group. That provision was incorporated in the 1987 reconciliation bill for fiscal year 1986.

But, the Congress should go further for those workers who are involuntarily laid off from their jobs. Many corporations already take responsibility for these workers, others do not. To help close the gap of coverage, particularly since most workers find some employment within 4 months, it is important to help build a bridge for their health benefits between employers. This revision will not help the chronically unemployed but this group is clearly a minority of those unemployed Americans.

S. 2403 requires that employers provide 4 months of coverage to laid-off workers and their dependents. In addition, S. 2403 requires an open-enrollment period for employed spouses of workers who lose their jobs and health insurance. In many two-workers families—so common today—only one member chooses to enroll in the family health plan since both workers' family plans would result in duplication of coverage. If the worker who carries insurance for the family loses his or her job, the family as a whole would be left uncovered. S. 2403 would allow the spouse that still has a job, the option to enroll the family under his or her employer plan.

These provisions were part of the discussions during the 1983 recession of the health insurance for the unemployed initiatives. With the improvement of the economy since that time, the push for legislation in this area died. It is now time to again visit this issue. The face that the number of the uninsured has not dropped, despite the fact that overall unemployment has gone from 9.7 percent to 7.5 percent, is indicative of the fact that there is a need for the protection for workers proposed in S. 2403.

SUBSIDIZED INSURANCE POOLS

Many Americans cannot obtain health coverage because of a pre-existing health problem. One solution nine States have chosen to use to assist their uninsurable citizens are insurance pools.

These pools are created from a contribution levied on health insurers based on their number of insured persons in a State. Health plans will then bid to administer the pool. The health plan awarded the contract then offers policies to individuals or families who have been unable to obtain conventional health insurance coverage.

Such a program has been implemented in Minnesota and covers 10,000 people. It has operated for almost 10 years. The policy provided by the pool for a person aged 60 to 64 years with a $1,000 deductible costs the individual $1,200 per year in premiums. Obviously, this alternative is not for everyone but it surely has made the difference for many Minnesotans.

One obstacle to States forming pools is that large employer self-insured health plans established under Federal ERISA rules cannot be required to contribute to the pools. This has made it difficult to form pools, particularly since the trend is for large employers to self-insure.

S. 2403 places an excise tax on such employers if they do not cooperate with the state in contributing to the pool. These pools depend on broad participation. It is not easy for me to support this hammer approach to encouraging employers to assume a role in the pool. Unfortunately, it is the only means we appear under current law to have to send the message that insurance pools make sense and should be made available to all Americans who cannot get insurance because they are high risks.

STATE HEALTH PLANS FOR THE UNINSURED

Last year the Senate passed a provision of the fiscal year 1987 reconciliation bill which bars Medicare payment to those hospitals that refuse to care for patients unable to pay but suffering from a life threatening condition. When this measure was under consideration, I argued that the state should have general plans to meet the needs of the non-Medicaid poor who could not afford health care.

Clearly, the number of uninsured Americans is increasing. And, I argued that the States are in the best position to arrange for the delivery of services to these people. This does not mean, however, that the Federal Government should have no role. To the contrary, the Federal Government has a responsibility to the poor. It is unconscionable that the Lee Iaccoca's of the world get $3,500 tax-free for health premiums paid by his employer while those Americans who have an employer have no employer-paid benefits must purchase insurance with after-tax dollars, assuming they can even afford the premiums.

Next week I will propose a set of alternative means, to refine the Tax Code to provide a subsidy to all Americans to purchase health coverage. But, it still must fall to the States to use this subsidy as a base for the health plan payments for those not covered now by insurance.

S. 2403 will require states as part of their Medicaid planning to develop mechanisms for helping all residents to obtain health plan membership. Only through the subsidy of people's coverage will policies to help the uninsured truly compliment the progress made in making the delivery of health care more efficient through consumer choice.

The bill also allows the States under this provision, as an option facilitating health coverage, to directly fund uncompensated care in hospitals. Philosophically, I am opposed to this notion of subsidizing institutions rather than people. I believe health plans will meet the true health care needs of individuals whereas hospitals can only help them when sick.

Also, supporting the bad debt and charity care of all hospitals may boost the wrong institutions.

Nevertheless, in the short run the importance of assuring access to needed care for all Americans is our goal. As we reform the tax system and make other changes to encourage broader coverage, it may be unnecessary to turn to this alternative option. From my view, as long as the objective is not forgotten and the process to get there is not forsaken, then this stopgap measure ought to be taken.

TAX TREATMENT FOR THE SELF-EMPLOYED

Seventy-five percent of uninsured Americans are employed or the dependents of employees. Most of these employed but uninsured individuals work for small businesses. Ninety percent of workers in businesses with more than 26 employees are offered health insurance, while less than half of small business employees get health insurance.

Part of the problem with small businesses, is that they are operated by self-employed individuals who can take a business deduction for the health benefits they provide employees but not for themselves. The inability of these employees to take the deduction for their health insurance reduces their incentives to offer coverage to their employees.

Under current tax law, the cost of employer-paid health insurance premiums is not counted as taxable income to workers. In small, unincorporated businesses, however, the owner-operator of the business receives no tax benefit for the cost of his own health insurance. If he offers health insurance to his employees, they do not pay any tax on the contribution the business makes to the cost of the premium, but the self-employed owner must pay his own full premium out of after tax dollars.

S. 2403 would change tax law to allow the self-employed individual to take as a business deduction for themselves the cost of the lowest paid premium they paid for an employee.

This small tax change should be made. Broader refinements are needed, as I have said, however, to put all Americans on an even footing as regards to the tax subsidy for health insurance coverage.

DEMONSTRATION PROJECTS

The final provision of the bill would fund studies and demonstration projects on improving health insurance availability for small employers and the self-employed.

Minnesota is already a laboratory for such activity. The Minnesota Association of Commerce and Industry [MACI] has a cost containment committee of 5,000 members, mostly small business people, to help control health care cost. Projects the committee has promoted include:

Pooling MACI members to negotiate for discounts for health plan packages—an effort which reduced health care premium costs by 10 percent on average.

Providing information to MACI members on how to be more prudent buyers of health care—for example, information on second opinion programs, outpatient surgery and shopping for health care services.

Efforts to inform small businesses about health plan design—that is, offering health plans with cost sharing and other facets to make employees more cost conscious about health care purchasing.

Mr. President, S. 2403 represents a vital next step in the process to provide access for all Americans to private health plan coverage. Gaps will remain even after this measure is passed. But, the bill keeps this Congress moving in the right direction.

Mr. President, while this bill provides a framework for new Federal initiatives and reforms of the existing Federal role in assuring access to health care, much more work will need to be done at both the State and Federal level to solve this problem. Many States have already taken the initiatives and established some type of plan for providing coverage to those currently without health insurance. S. 2403 and the other bills affecting incentives for health plan coverage I will introduce next week serve to clarify the appropriate Federal role in their efforts and to assure equity and fairness in the ways the Federal Government subsidizes private health plan coverage for all Americans.

Mr. President, I ask unanimous consent that my statement at this afternoon's press conference, the bill, and the bill summary be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2403

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Access to Health Care Act of 1986.".

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Sec. 1. Short title.
Sec. 2. Incentives for the establishment of statewide insurance pools.
Sec. 3. Requiring State programs for the uninsured and underinsured.
Sec. 4. Temporary extension of coverage for laid-off workers; open enrollment for spouses of unemployed workers.
Sec. 5. Deduction allowable for certain group health plan contributions by self-employed individuals.
Sec. 6. Demonstration projects on improving access to health insurance for small employers and self-employed individuals.

SEC. 2. INCENTIVES FOR THE ESTABLISHMENT OF STATEWIDE INSURANCE POOLS.

(a) GENERAL RULE.—Chapter 41 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new subchapter:

"Subchapter B—Health Plans of Large Employers Not Members of Qualified State Pooling Associations

"Sec. 4912. Tax on expenses of health plans of large employers not members of qualified state pooling associations.

"SEC. 4912. TAX ON EXPENSES OF HEALTH PLANS OF LARGE EMPLOYERS NOT MEMBERS OF QUALIFIED STATE POOLING ASSOCIATIONS.

"(a) TAX IMPOSED.—In the case of a large employer, there is hereby imposed a tax equal to 10 percent of the amount of the nonqualified employee health expenses paid or incurred during the taxable year.

"(b) LARGE EMPLOYER.—For purposes of this section—

"(1) IN GENERAL.—Except as provided in paragraph (2), the term 'large employer' means an employer who, on each of some 20 days during the taxable year or the preceding taxable year, each day being in a different calendar week, employed for some portion of the day (whether or not at the same moment of time) 20 or more individuals.

"(2) EXCEPTION FOR GOVERNMENTAL UNITS.—The term 'large employer' shall not include the United States, any State or political subdivision thereof, or any possession of the United States or any agency or instrumentality of any of the foregoing (including the United States Postal Service and Postal Rate Commission); except that such term shall include any nonappropriated fund instrumentality of the United States.

"(c) NONQUALIFIED EMPLOYEE HEALTH EXPENSES.—For purposes of this section—

"(1) IN GENERAL.—The term 'nonqualified employee health expenses' means the expenses paid or incurred by the employer for a group health plan to the extent such expenses are allocable—

"(A) to employment within a State, and

"(B) to a period during which neither

"(i) the employer, nor

"(ii) any entity through which benefits under the plan are provided,

is a member of a qualified pooling association in such State.

"(2) GROUP HEALTH PLAN.—The term 'group health plan' has the meaning given to such term by section 162(i)(3).

"(3) QUALIFIED POOLING ASSOCIATION.—The term 'qualified pooling association' means any organization which—

"(A) is a nonprofit corporation established pursuant to and regulated by State law;

"(B) permits any of the following doing business in the State to be participating members:

"(i) insurers writing expense incurred health insurance,

"(ii) hospital and medical service plan corporations,

"(iii) health maintenance organizations, and

"(iv) employers and other health financing entities (including self-funding entities and employee welfare benefit plans);

"(C) makes available (without regard to health conditions) to all residents of the State, who are not eligible for medicare, levels of health insurance typical of the levels of coverage provided through large employer groups, except that—

"(i) any such level of insurance must limit the amount of the annual out-of-pocket expenses for covered services under individual coverage to $1,500 and under family coverage to $3,000,

"(ii) any such level of insurance may not establish a lifetime benefit limit for any individual of less than $500,000,

"(iii) subject to clause (i), such insurance may provide for a choice of deductibles (in addition to the deductibles typical of levels of coverage provided through large employer groups), but not to exceed $1,000 for each covered individual, and

"(iv) such insurance may deny coverage for covered services for preexisting conditions for a period not to exceed 6 months;

"(D) charges a pool premium rate expected to be self-supporting based upon a reasonable actuarial determination of anticipated experience and expected expenses, such pool premium rate in no event to exceed 150 percent of average premium rates for individual standard risks in the State for comparable coverage; and

"(E) assesses losses of the pool equitably among all participating members.

Nothing in this paragraph shall be construed as preventing a State or other entity from providing for payment of part or all of the premium of an enrollee and from varying the amount of such payment based on the enrollee's income or other basis.

"(4) MEDICARE.—The term 'medicare' means the insurance program established under part A of title XVIII of the Social Security Act.

"(d) CROSS REFERENCE.—

"(1) For provision denying deduction for tax imposed by this section, see section 275(a)(6).

"(2) For provisions making deficiency procedures applicable to tax imposed by this section, see section 6211 et seq."

(b) CLERICAL AMENDMENTS.—

(1) Chapter 41 of such Code is amended by striking the chapter heading and inserting the following:

"CHAPTER 41—PUBLIC CHARITIES; CERTAIN HEALTH PLANS OF LARGE EMPLOYERS

"Subchapter A. Public charities.

"Subchapter B. Health plans of large employers not members of qualified State pooling associations.

"Subchapter A—Public Charities".

(2) The table of chapters for subtitle D of such Code is amended by striking the item relating to chapter 41 and inserting the following:

"Chapter 41. Public charities; certain health plans of large employers."

(3) Subparagraph (B) of section 6104(c)(1) of such Code is amended by striking "or chapter 41 or 42" and inserting ", subchapter A of chapter 41 or chapter 42".

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years beginning on or after January 1, 1988.

(2) EXCEPTION FOR TAXPAYERS LOCATED IN CERTAIN STATES.—

(A) IN GENERAL.—In the case of a taxpayer located in a State in which the first regular State legislative session does not end before January 1, 1988, the amendments made by this section shall apply to taxable years of the taxpayer beginning on or after the first January 1st that occurs after the close of the first regular State legislative session of the State.

(B) FIRST REGULAR STATE LEGISLATIVE SESSION DEFINED.—In subparagraph (A), the 'first regular State legislative session' refers to the first regular session of a State legislature that begins after the date of the enactment of this Act.

SEC. 3. REQUIRING STATE PROGRAMS FOR THE UNINSURED AND UNDERINSURED.

(a) MEDICAID STATE PLAN REQUIREMENT.—Section 1902(a) of the Social Security Act (42 U.S.C. 1396a(a)) is amended—

(1) by striking "and" at the end of the paragraph (45),

(2) by striking the period at the end of paragraph (46) and inserting "; and", and

(3) by inserting after paragraph (46) the following new paragraph:

"(47)(A) have in effect a qualified State program of assistance for the uninsured and underinsured that meets the requirements of section 1903(s)(1), or

"(B) provide for health care coverage—

"(i) that may be a health maintenance organization or other management system of care, and

"(ii) that pays for the costs of (or provides) inpatient and outpatient hospital services in the State,

for all individuals in the State who (but for this subparagraph) would qualify to have payments for such services made under a program described in subparagraph (A)."

(b) REQUIREMENTS FOR QUALIFIED STATE PROGRAMS OF ASSISTANCE FOR THE UNINSURED AND UNDERINSURED.—Section 1903 of such Act (42 U.S.C. 1396b) is amended by inserting after subsection (r) the following new subsection:

"(s)(1) The requirements, referred to in section 1902(a)(47)(A), for a qualified State program of assistance for the uninsured and underinsured are as follows:

"(A)(i) The program must provide for payment for the unreimbursed costs incurred by each hospital in the State in furnishing medically necessary inpatient and outpatient services. Such unreimbursed costs may be determined on a patient by patient basis, on the basis of a prospectively approved budget for a hospital, on the basis of costs that are reasonable and necessary for the provision of services, or on another reasonable basis established by the State.

"(ii) Payment may not be made under the program for costs—

"(I) respecting care provided by a hospital pursuant to an assurance under title VI or XVI of the Public Health Service Act (commonly known as the Hill-Burton program) that the hospital will make available a reasonable volume of services to persons unable to pay therefor,

"(II) respecting obligations to pay taxes,

"(III) for which charges can reasonably be expected to be collected with suitable bill collection mechanisms,

"(IV) for care for which payment is made under title XVIII, or

"(V) for care for which payment is made under a State plan approved under this title.

"(B) The program must have adequate financing through a mechanism established by the State.

"(C) The program must not provide for a legal or regulatory limit on the amount of charity and unreimbursed care a hospital may provide.

"(2) Notwithstanding paragraph (1), a program may—

"(A) provide that no payment will be made under the program for any unpaid deductible or coinsurance amount not in excess of $250;

"(B) take into account, and require continuation of, the payment, from State and local taxes, of amounts for charity and unreimbursed care at the levels in effect during fiscal year 1985 (with such adjustments to take into account changes in prices, costs, tax collections, or other reasonable items as the program may provide), and

"(C) require, as a condition of payment under the program to a hospital, that the hospital (i) provide a certain level of charity and unreimbursed care for inpatient and outpatient hospital services, and (ii) meet minimum standards in its efforts to collect unpaid bills.

"(3)(A) If a State fails to meet the requirement of section 1902(a)(47) with respect to a calendar quarter—

"(i) if the calendar quarter is one of the first 4 calendar quarters in which the requirement applies to the State, the per centum that shall apply for purposes of subsection (a)(7) shall be one-half the per centum that would otherwise be specified, or

"(ii) if the calendar quarter is a subsequent calendar quarter, the per centum specified in subsection (a)(7) shall be reduced to zero.

"(B) Notwithstanding any other provision of this title, no financial penalty (other than that described in subparagraph (A)) may be imposed against a State for its failure to meet the State plan requirement described in section 1902(a)(47)."

(c) CONFORMING AMENDMENT.—Section 1903(a)(7) of such Act (42 U.S.C. 1396b(a)(7)) is amended by inserting "subject to subsections (r) and (s)," after "(7)".

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to payments to States for calendar quarters beginning on or after January 1, 1988.

(2) EXCEPTION FOR HOSPITALS LOCATED IN CERTAIN STATES.—

(A) IN GENERAL.—In the case of a State in which the first regular State legislative session does not end before January 1, 1988, the amendments made by this section shall apply to calendar quarters beginning on or after the first January 1st that occurs after the close of the first regular State legislative session of the State.

(B) FIRST REGULAR STATE LEGISLATIVE SESSION DEFINED.—In subparagraph (A), the "first regular State legislative session" refers to the first regular session of a State legislature that begins after the date of the enactment of this Act.

SEC. 4. TEMPORARY EXTENSION OF COVERAGE FOR LAID-OFF WORKERS; OPEN ENROLLMENT FOR SPOUSES OF UNEMPLOYED WORKERS.

(a) DENIAL OF DEDUCTION FOR EMPLOYER CONTRIBUTION TO PLAN.—Paragraph (2) of section 162(i) of the Internal Revenue Code of 1954 (relating to deduction for trade or business expenses with respect to group health plans), as amended by section 10001(a) of the Consolidated Omnibus Budget Reconciliation Act of 1985, is amended—

(1) in the heading, by inserting "and open enrollment option for spouses of unemployed workers" after "certain individuals", and

(2) in subparagraph (A), by inserting "and the spousal open enrollment requirements of subsection (l)" after "subsection (k)".

(b) DENIAL OF EXCLUSION FOR HIGHLY COMPENSATED INDIVIDUALS.—Section 106(b) of such Code (relating to contributions by employer to accident and health plans), as amended by section 10001(b) of the Consoli-

dated Omnibus Budget Reconciliation Act of 1985, is amended—

(1) in paragraph (1), by striking "meet" and all that follows to the end of the paragraph and inserting the following: "meet—

"(A) the continuing coverage requirements of section 162(k), and

"(B) the spousal open enrollment requirements of section 162(l).",

(2) by striking "Paragraph (1)" in paragraph (2) and inserting "Paragraph (1)(A)", and

(3) by amending subparagraph (B) of paragraph (2) to read as follows:

"(B) a plan established and maintained for its employees by the Government of the United States, or by any agency or instrumentality of such, and a plan described in the second sentence of section 414(d), or".

(c) MODIFICATION OF CONTINUATION COVERAGE REQUIREMENTS.—

(1) EXTENSION OF CONTINUATION PERIOD.—Paragraph (2)(B)(i)(I) of section 162(k) of such Code (relating to maximum period of continuation coverage), as inserted by section 10001(c) of the Consolidated Omnibus Budget Reconciliation Act of 1985, is amended by striking "18 months" and inserting "22 months".

(2) CLARIFICATION OF RIGHT TO TERMINATE CONTINUATION COVERAGE.—Paragraph (2)(B) of such section (relating to period of continuation coverage) is amended by adding at the end the following clause:

"(vi) NOTICE OF TERMINATION OF COVERAGE.—The date on which the qualified beneficiary notifies the plan administrator, in writing, that the coverage should be terminated."

(3) EMPLOYER CONTINUATION OF PREMIUM PAYMENTS FOR 4 MONTHS.—

(A) IN GENERAL.—Paragraph (2) of such section (relating to continuation coverage) is further amended by adding at the end the following new subparagraph:

"(F) SPECIAL RULES FOR CERTAIN QUALIFIED BENEFICIARIES.—

"(i) IN GENERAL.—In the case of a qualifying event described in paragraph (3)(B) (relating to terminations and reduced hours), during the period described in clause (ii)—

"(I) the amount and frequency of payment of any premium charged under subparagraph (C) shall be under the same terms and conditions as if the qualifying event had not occurred, and

"(II) subparagraph (B)(iii) shall only apply to failures of the qualified beneficiary to pay the premium required with respect to the beneficiary.

"(ii) PERIOD OF APPLICATION.—The period described in this clause is the period beginning on the day after the date of the qualifying event and ending at the end of—

"(I) 4 months, or

"(II) the number of months (before the date of the qualifying event) for which the qualified beneficiary was provided coverage under the group health plan,

whichever is less."

(B) PROMPT ELECTION REQUIRED.—Paragraph (5) of such section (relating to the election of continuation coverage) is amended by adding at the end the following new subparagraph:

"(C) SPECIAL RULES FOR CERTAIN ELECTIONS.—In the case of an election respecting a qualifying event described in paragraph (3)(B) (relating to terminations and reduced hours), in order to obtain the benefits of paragraph (2)(F), the qualified beneficiary must make the election during the first 14 days of the election period.".

(4) NOTICE OF REQUIREMENTS.—Paragraph (6) of such section (relating to notice requirements) is amended—

(A) in subparagraph (A), by inserting "and subsection (l)" after "this subsection",

(B) in subparagraph (B), by inserting "(or 7 days in the case of a qualifying event described in paragraph (3)(B))",

(C) in the second sentence, by striking "within 14 days of the date on which the plan administrator is notified under subparagraph (B) or (C)" and inserting "within 7 days of the date on which the plan administrator is notified under subparagraph (B) or within 14 days of the date on which the plan administrator is notified under subparagraph (C)", and

(D) by adding at the end the following: "Each notice under subparagraph (D)(i), in the case of a qualifying event described in paragraph (3)(B), shall include information concerning the special rules in paragraphs (2)(F) and (5)(C)."

(d) SPOUSAL OPEN ENROLLMENT REQUIREMENT.—Section 162 of such Code is further amended by redesignating subsection (l) as subsection (m) and by inserting after subsection (k) the following new subsection:

"(l) SPOUSAL OPEN ENROLLMENT REQUIREMENTS OF GROUP HEALTH PLANS.—

"(1) IN GENERAL.—For purposes of subsection (i)(2) and section 106(b)(1), a group health plan meets the requirements of this subsection only if the plan provides for an open enrollment period (meeting the requirements of this subsection) for each married employee—

"(A) who is (or, but for a previous election, would be) covered under the plan, and

"(B) whose spouse loses or will lose coverage under a group health plan due to a qualifying event (described in subsection (k)(3)(B)).

"(2) OPEN ENROLLMENT PERIOD.—The open enrollment period must—

"(A) be a period of not less than 60 days, and

"(B) begin not earlier than 30 days before the date of the qualifying event and not later than such date, except, at the option of the employee, the period may be delayed to begin on a date not later than the date the employee's spouse actually loses coverage under a group health plan.

"(3) LOSS OF COVERAGE.—For purposes of this subsection, a spouse shall not be considered to have lost coverage during any period (after a separation from employment) in which the coverage is continued and for which a contribution toward the cost of the coverage is being made by an employer, union, or entity other than the spouse.

"(4) TERMS OF ENROLLMENT OPTION.—

"(A) NO REQUIREMENT OF INSURABILITY.—The terms of such an enrollment may not require, or discriminate on the basis of lack of, evidence of insurability.

"(B) BENEFITS AND ENROLLMENT.—Except as provided in subparagraph (C), the coverage and terms of an enrollment during an open enrollment period provided under this subsection shall be the same as the terms (including any option for coverage of immediate family members) most recently offered with respect to the enrollment of that employee or (at the employer's option) of newly hired or other employees similarly situated.

"(C) EFFECTIVE DATE OF COVERAGE.—Except as provided in subparagraph (D), the coverage provided pursuant to an individual's enrollment during an open enrollment period under this subsection shall be effective no later than—

"(i) the first day of the first pay period that begins more than 5 days after the date the individual enrolls, or

"(ii) 30 days after the date the individual enrolls,

whichever is earlier.

"(D) IMMEDIATE COVERAGE OF ADDED FAMILY MEMBERS.—If an employee was previously covered and only exercises the option to cover immediate family members, the coverage of the immediate family members shall begin not later than the first day of the first pay period that begins after the date the individual exercises the option.".

(e) EFFECTIVE DATES.—

(1) GENERAL RULE.—The amendments made by this section shall apply to plan years beginning on or after January 1, 1987.

(2) SPECIAL RULE FOR COLLECTIVE BARGAINING AGREEMENTS.—In the case of a group health plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more employers ratified before the date of the enactment of this Act, the amendments made by this section shall not apply to plan years beginning before the earlier of—

(A) the date on which the last of the collective bargaining agreements relating to the plan terminates (determined without regard to any extension thereof agreed to after the date of the enactment of this Act), or

(B) July 1, 1987.

For purposes of subparagraph (A), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this section shall not be treated as a termination of such collective bargaining agreement.

(f) NOTIFICATION TO COVERED EMPLOYEES.—At the time that the amendments made by this section apply to a group health plan described in section 162(i) of the Internal Revenue Code of 1954, the plan shall notify each covered employee, and spouse of the employee (if any), who is covered under the plan at that time of the continuation coverage and open enrollment period required sections 162(k) and 162(l) of such Code. The notice furnished under this subsection is in lieu of notice that may otherwise be required under section 162(k)(6)(A) of such Code.

SEC. 5. DEDUCTION ALLOWABLE FOR CERTAIN GROUP HEALTH PLAN CONTRIBUTIONS BY SELF-EMPLOYED INDIVIDUALS.

(a) IN GENERAL.—Section 162 of the Internal Revenue Code of 1954 (relating to trade or business expenses), as amended by section 4 of this Act, is further amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

"(m) DEDUCTION ALLOWABLE FOR CERTAIN GROUP HEALTH PLAN CONTRIBUTIONS FOR THE BENEFIT OF SELF-EMPLOYED INDIVIDUALS.—

"(1) IN GENERAL.—For purposes of this section and sections 212, 104, 105, and 106, in the case of a qualified group health plan which provides medical care benefits for any self-employed individual—

"(A) such individual shall be treated as an employee,

"(B) the employer of such individual shall be treated as being the person so treated under section 401(c)(4), and

"(C) contributions to such plan for medical benefits for such individual shall be treated as meeting the requirements of subsection (a) and section 212 to the extent

such contributions during the taxable year do not exceed the lowest per/employee contribution to the plan made by the employer during such year.

"(2) DEDUCTION CANNOT EXCEED TAXABLE INCOME FROM ACTIVITY.—The deduction allowed to any individual by reason of this subsection for any taxable year shall not exceed the portion of the taxable income of such individual (determined without regard to this subsection) for such year which is allocable or apportionable to such individual's interest in the employer.

"(3) QUALIFIED GROUP HEALTH PLAN.—

"(A) IN GENERAL.—For purposes of this subsection, the term 'qualified group health plan' means, with respect to any self-employed individual, any group health plan (as defined in subsection (i)(2)) of an employer if—

"(i) such plan is not a self-insured plan, and

"(ii) such plan meets the requirements of subparagraphs (B) and (C).

"(B) ONE-HALF OF PARTICIPANTS MUST BE EMPLOYEES WHO ARE NOT SELF-EMPLOYED INDIVIDUALS OR EMPLOYEE FAMILY MEMBERS OF SUCH INDIVIDUALS.—

"(i) IN GENERAL.—A plan meets the requirements of this subparagraph with respect to any self-employed individual only if at least half of the participants in the plan (on each day of the taxable year of such individual) are employees who are not—

"(I) self-employed individuals to whom a deduction is allowable by reason of this subsection with respect to contributions to such plan, or

"(II) family members of any self-employed individual described in subclause (I).

"(ii) FAMILY MEMBER.—For purposes of clause (i), the term 'family member' means, with respect to an individual, such individual's brothers and sisters (whether by the whole or half blood), spouse, ancestors, and lineal descendants.

"(C) PLAN MUST BENEFIT ALL EMPLOYEES (OTHER THAN PART-TIME AND SEASONAL EMPLOYEES) NOT COVERED BY ANOTHER GROUP HEALTH PLAN.—A plan meets the requirements of this subparagraph only if such plan benefits all employees (other than part-time and seasonal employees) of the employer who do not benefit under a group health plan of an unrelated employer.

"(D) SELF-INSURED PLAN.—The term 'self-insured plan' means any plan under which medical care benefits are not provided under a policy of accident and health insurance.

"(4) LOWEST PER/EMPLOYEE CONTRIBUTION.—

"(A) IN GENERAL.—For purposes of this subsection, the term 'lowest per/employee contribution' means, with respect to any taxable year of a self-employed individual, the smallest contribution made by the employer during such taxable year to the plan with respect to any employee—

"(i) who is not a self-employed individual,

"(ii) with respect to whom a contribution to the plan was made during such year, and

"(iii) who is in the same category of coverage as the self-employed individual.

"(B) CATEGORIES OF COVERAGE.—For purposes of subparagraph (A), the categories of coverage are—

"(i) self only, and

"(ii) self and family.

"(C) SELF-EMPLOYED INDIVIDUALS WHO ARE PARTICIPANTS FOR LESS THAN ENTIRE TAXABLE YEAR.—In the case of a self-employed individual who is a participant in the plan for less than the entire taxable year, the lowest per/employee contribution applicable to such individual shall be the same portion of amount determined under subparagraph (A) as the portion of the taxable year during which such individual was a participant in the plan bears to the entire taxable year.

"(D) SPECIAL RULES.—For purposes of subparagraphs (A)—

"(i) only contributions for coverage during the taxable year shall be taken into account, and

"(ii) the contributions with respect to any employee who is not a participant in the plan for the entire taxable year shall be determined on an annualized basis.

"(5) OTHER DEFINITIONS.—For purposes of this subsection—

"(A) SELF-EMPLOYED INDIVIDUAL.—The term 'self-employed individual' has the meaning given such term by section 401(c)(1)(B).

"(B) MEDICAL CARE BENEFITS.—The term 'medical care benefits' means, with respect to any self-employed individual, compensation for the medical care (as defined in section 213(d)) of such individual, the spouse of such individual, and dependents of such individual.

"(C) DEPENDENT.—The term 'dependent' has the meaning given such term by section 152. Any child to whom section 152(e) applies shall be treated as a dependent of both parents.

"(6) SPECIAL RULES.—

"(A) COORDINATION WITH SECTION 213.—Any amount allowed as a deduction by reason of this subsection shall not be treated as an amount paid for medical care under section 213.

"(B) AGGREGATION OF EMPLOYER PLANS.—If any self-employed individual is a participant in 2 or more qualified group health plans of the employer, all such plans shall be treated as 1 plan for purposes of this subsection."

(b) TECHNICAL AMENDMENT.—Subsection (g) of section 105 of such Code (relating to self-employed individual not considered an employee) is amended by striking out "For purposes of this section" and inserting in lieu thereof "Except as provided in section 162(m)(1), for purposes of this section".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1986.

SEC. 6. DEMONSTRATION PROJECTS ON IMPROVING ACCESS TO HEALTH INSURANCE FOR SMALL EMPLOYERS AND SELF-EMPLOYED INDIVIDUALS.

(a) STUDIES AND DEMONSTRATION PROJECTS.—The Secretary of Health and Human Services shall provide for the conduct of studies and demonstration projects on ways to reduce the costs for small employers and self-employed individuals in obtaining health insurance. In particular the Secretary shall examine, demonstrate, and evaluate how savings in marketing and administrative costs can be achieved through the use of—

(1) standardized policy packages,

(2) State arrangements for the pooling of health insurance,

(3) State or Federal reinsurance of group health contracts,

(4) contracts with banks to offer such insurance to depositors or other groups,

(5) contracts with medicare carriers,

(6) contracts or grants to Chambers of Commerce or similar groups representing business, and

(7) other innovative means.

(b) REPORT.—The Secretary shall report to Congress on the results of the studies and demonstration projects not later than January 1, 1988.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each fiscal year (beginning with fiscal year 1987) such sums as may be appropriate to carry out this section.

BILL SUMMARY

Sec. 1. Short title: "Access to Health Care Act of 1986."

Sec. 2. Incentives for the establishment of statewide insurance pools.

Sec. 2 places an excise tax on large employers equal to 10% of the expenses for employee health benefits if that employer does not participate in a state established health insurance pooling association.

The section defines the minimum standards for a qualified health insurance pooling association. Such association must offer individuals and their dependents who are residents of the state, and not medicare eligibles, a health insurance policy which at minimum has:

A limit of annual out-of-pocket expenses for covered services of $1,500 for individual coverage and $3,000 for family coverage.

A lifetime limit of payment for covered services for any individual not less than $500,000,

Deductibles which do not exceed $1,000, and

Denies covered services for preexisting conditions for no more than 6 months.

The pool premium rate is not to exceed 150% of the average premium rates for individual standard risks in the state for comparable coverage.

The losses to the pool will be assessed equally by the association and all its participating members.

Sec. 3. Requiring state programs for the uninsured and under insured.

Sec. 3 requires the States to develop programs to meet health care needs for its uninsured and underinsured residents. The States are at risk of losing federal matching funds for Medicaid administrative expenses if they fail to develop the program by January 1, 1988 or on the first January 1 following state legislative sessions which do not occur before January 1, 1988.

In developing programs, states may either provide for health coverage—by the means it determines. The coverage may be in the form of a health maintenance organization or other managed system of care or traditional insurance. Or, the States may develop a program which remunerates hospitals for the inpatient and outpatient uncompensated and charity care these institutions provide to the uninsured or underinsured.

Sec. 4. Temporary extension of coverage for laid-off workers; open enrollment for spouses of unemployed workers.

Sec. 4 amends the section of the Consolidated Omnibus Budget Reconciliation Act of 1985 which requires employers to offer terminated employees and their dependents the option to maintain their participation in the employer's health insurance group coverage (if the beneficiary pays the premium costs)

A. The Amendment would require employers to maintain its contribution to the health benefits for a period up to 4 months if the employee has been laid-off involuntarily.

The amendment also requires that employers provide employees an open-enrollment period to sign for health insurance when that employee's spouse has lost employment and the family was covered only

on the former employer's health benefit program.

Sec. 5. Deduction allowable for certain group health plan contributions by self-employed individuals.

Sec. 5 allows self-employed individuals to take a business deduction for health benefits when that individual provides health insurance coverage to his or her employees. For the payers of the provision the tax deduction can not exceed the lowest paid employee contribution made to the firm's health plan.

Sec. 6. Demonstration Projects on improving access to health insurance for small employers and self-employed individuals.

Sec. 6 instructs the Secretary of Health and Human Services to carry out studies and demonstration projects on ways to reduce the costs of obtaining health insurance for small employers and self-employed individuals. The Secretary is to report back to Congress by January 1, 1988 on these projects.

ACCESS TO HEALTH CARE ACT OF 1986

(Remarks of Senator Durenberger)

Some of you may remember, a few years back, President Reagan had an idea called "New Federalism." It never really caught fire, mostly because in practice it became a mechanism to shift a lot of burdens onto the states without helping them meet the new responsibilities.

But the basic concept is a very important one: Namely, that while some things are properly done by state and local government, there are certain fundamental national responsibilities or purposes of the federal government—certain needs of rights that can only be secured at the national level.

One of those duties of the federal government is to secure for all Americans access to quality health care. Not just those who can afford it . . . not just those who are employed or have working spouses . . . not just those who work for somebody else . . . not just those who are poor enough to receive direct government help . . . not just those healthy enough to be a good risk . . . and not just those who are old enough to vote. All Americans.

In reality, access to health care has to mean some form of health insurance, public or private, for every citizen. We've made admirable strides toward achieving that goal. The vast majority of Americans are covered either by private health insurance, or by Medicare and Medicaid.

But as Ted has pointed out, there are still a great number of people—a growing number—who are unable to attain or afford health insurance. Thirty-seven million Americans. Right here, that just looks like a figure on a pie-chart. Let me put it in perspective for you.

Thirty-seven million people is equal to the combined population of Alaska, Wyoming, Vermont, Delaware, North and South Dakota, Montana, Nevada, New Hampshire, Idaho, Rhode Island, Hawaii, Maine, Utah, Nebraska, West Virginia, Arkansas, Kansas, Mississippi, Oregon, Arizona and Colorado. In case you weren't counting, that's 23 states. Nine times the population of my own state of Minnesota. That many Americans are uninsured.

But numbers don't really tell the story either. The real story is in the uninsured individuals and families themselves who are denied medical care. I heard many of those stories at a hearing I held last fall on infant mortality.

One of them concerned a Minnesota woman who was pregnant and living in a battered women's shelter. She was ineligible for Medicaid, and couldn't afford to buy insurance. The only way she could get proper care for her unborn child and her other children was to go back to her husband. The unborn baby was later injured in the womb by her husband's continued battering.

Five or six years ago we probably wouldn't be here proposing the types of solutions we're talking about today. But there's been a significant change in both the nature of the problem and the health care system itself.

Recent years have brought the start of a revolution in our health care system, and the force behind that revolution is consumer choice. We are putting the power of choice in the hands of health care consumers, and letting marketplace competition work to hold costs down.

But there's an ironic side-effect of that process. Competition exacerbates the problems of those Americans who cannot take advantage of the marketplace, particularly those who fall through the holes in our safety nets.

Back in 1980, before the health revolution, the uninsured got their health care from a sort of unofficial national health plan, consisting mainly of community and non-profit hospitals who cared for anybody in need regardless of ability to pay. The hospitals had to absorb those costs or pass them on to other patients.

Today it's a lot harder for hospitals to do that. The country's biggest health care consumer, the federal government, has changed the way it buys their services. We've given them incentives for efficiency and cost-control. But unfortunately, cost efficiency is not very compatible with patients who cannot afford to pay for services.

At the same time, government is increasingly unwilling or unable to pick up the slack. Welfare reforms in 1981 tightened eligibility for AFDC and Medicaid, throwing more than 440,000 families off the rolls. In a study by the Children's Defense Fund, as many as 24 percent of those families who lost their benefits either were refused necessary medical care, or didn't seek medical care because they could no longer afford it.

Moreover, state and local governments are less able to fill in the gaps. Between 1981 and 1984, aid to state and local governments was cut more than any other segment of federal spending.

Add to all of these changes the ominous upward trends in numbers of poor, near-poor and uninsured. Today one out of five children is born into poverty, and children account for fully one-third of the uninsured. The rural economy is disintegrating, throwing formerly self-sufficient families into poverty, and forcing others to forego health insurance in favor of food and shelter. The same is true in other depressed parts of our economy, such as industries hurt by competition from foreign imports.

The sum total of this change in the national climate is that red wedge on the chart—37 million people.

We have recently taken some positive steps toward filling in the rest of the health insurance pie. S. 1211, which I introduced last year, contained a successful proposal to extend company health plan coverage for those who lose that coverage for a variety of reasons. That provision became law as part of COBRA, the Budget Reconciliation Act. Also in COBRA was the legislation Ted and I worked on to ensure life-saving hospital treatment for those who can't afford to pay.

Our new legislation goes several steps further. It specifically requires planning and establishment of programs on the state level to meet the health care needs of the uninsured and underinsured. It will encourage the formation of insurance pools to take on high-risk insurance cases. Some 10,000 Minnesotans are already benefiting from such a pool, which includes every health insurer in the state. Some eight other states have pools as well. It helps ensure health coverage for workers who are laid off. And it works toward cutting the cost of health insurance for small employers and the self-employed.

The self-employed face particular barriers to getting affordable health insurance. I'd like to quickly illustrate one major facet of the problem, the inequitable tax treatment of health benefits for the self-employed.

This unnamed corporate chairman, who may look familiar to you, earned $1.6 million in straight salary and bonuses last year. That doesn't include long-term compensation like stock options, which brings the total to something over $11 million. His company has a very generous health plan, and the benefits are, of course, tax-free. The value of those benefits totalled $3,300 last year.

Compare that to the average farmer in Southern Minnesota. With the agricultural economy in a steep decline, that farmer earned only about $5,400 in income last year. The vast majority of farmers are self-employed, and that means they buy their own health insurance—if they can afford it. No tax exclusion on his benefits. He got zip, compared to our executive's $3,300. If that seems fair to you, we don't have much to talk about.

The bill we are introducing today is a significant part of our effort to make health insurance more available to the self-employed, but clearly the puzzle-piece that will close this pie-chart is tax reform. Next week I will be introducing a package of bills on health care taxation that I hope will fill in that gap.●

By Mr. RIEGLE (for himself and Mr. LEVIN):

S.J. Res. 338. Joint resolution to designate November 18, 1986, as "National Community Education Day"; to the Committee on the Judiciary.

NATIONAL COMMUNITY EDUCATION DAY

● Mr. RIEGLE. Mr. President, I am introducing today a joint resolution to designate November 18, 1986 as National Community Education Day. National Community Education Day was first observed in many States in 1982. The day provides communities and schools an opportunity to showcase programs and projects and to develop new relationships among schools, parents, and organizations and agencies.

I had the opportunity to attend community schools in Flint, MI where this concept originated over 50 years ago and I am particularly proud of the success of this program in my home community. What began as a small recreation program in 1935 has now become a strong, positive force not only in Flint but in many other communities across the country. The community education program now provides needed recreational, education, cultur-

al, social, and medical services in some 3,500 school districts across the country.

I was the original sponsor of legislation to provide the Federal support for the community schools program. Over the last 4 years, Governors in 39 States have proclaimed Community Education Days in recognition of the strong relationships that have developed between public schools and the communities they serve.

Strengthening community involvement through this concept has helped to improve the classroom performance of our younger students and to open up classrooms for adult education programs to fight illiteracy and help people gain the skills they need to participate fully in our increasingly technical workplace and society. The program has also helped reach alienated and isolated groups in our society who need special assistance. One of the greatest values of community schools is that they help reestablish a sense of community, to give people a sense of connection and of shared purpose.

Mr. President, I feel this has been a very valuable program and I strongly urge my colleagues to join me in cosponsoring this joint resolution.●

ADDITIONAL COSPONSORS

S. 519

At the request of Mr. EVANS, the name of the Senator from Maryland [Mr. MATHIAS] was added as a cosponsor of S. 519, a bill to require a study of the compensation and related systems in executive agencies, and for other purposes.

S. 524

At the request of Mr. ARMSTRONG, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 524, a bill to recognize the organization known as the Retired Enlisted Association, Inc.

S. 942

At the request of Mr. DANFORTH, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 942, a bill to promote expansion of international trade in telecommunications equipment and services, and for other purposes.

S. 1704

At the request of Mr. MCCLURE, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 1704, a bill to authorize an increase in the appropriation ceiling for the North Loup Division, Pick-Sloan Missouri Basin Program, Nebraska.

S. 2050

At the request of Mr. METZENBAUM, the names of the Senator from Connecticut [Mr. DODD] and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of S. 2050, a bill to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers, and for other purposes.

S. 2090

At the request of Mr. PRYOR, the names of the Senator from Alabama [Mr. HEFLIN] and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 2090, a bill to provide that the Internal Revenue Service may not before July 1, 1987, enforce its regulations relating to the tax treatment of the personal use of vehicles, and for other purposes.

S. 2181

At the request of Mr. D'AMATO, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 2181, a bill entitled the "Construction Industry Labor Law Amendments of 1986".

S. 2183

At the request of Mr. METZENBAUM, the names of the Senator from Montana [Mr. MELCHER], and the Senator from Indiana [Mr. LUGAR] were added as cosponsors of S. 2183, a bill to improve services for individuals with Alzheimer's disease and their families.

S. 2187

At the request of Mr. DECONCINI, the name of the Senator from Florida [Mr. CHILES] was added as a cosponsor of S. 2187, a bill to amend title 38, United States Code, to exempt from sequestration certain benefits for veterans and dependents and survivors of certain veterans which are paid based on the service-connected disability or death of veterans.

S. 2209

At the request of Mr. DOLE, the names of the Senator from Oregon [Mr. HATFIELD], the Senator from North Dakota [Mr. BURDICK], and the Senator from Montana [Mr. BAUCUS] were added as cosponsors of S. 2209, a bill to make permanent and improve the provisions of section 1619 of the Social Security Act, which authorizes the continued payment of SSI benefits to individuals who work despite severe medical impairment; to amend such Act to require concurrent notification of eligibility for SSI and medicaid benefits and notification to certain disabled SSI recipients of their potential eligibility for benefits under such section 1619; to provide for a GAO study of the effects of such section's work incentive provisions; and for other purposes.

S. 2270

At the request of Mr. SIMON, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 2270, a bill to amend the Immigration and Nationality Act to deter immigration-related marriage fraud and other immigration fraud.

S. 2274

At the request of Mr. KASTEN, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 2274, a bill to provide that certain individuals who are not citizens of the United States and certain persons who are not individuals shall be ineligible to receive financial assistance under the price support and related programs administered by the Secretary of Agriculture.

S. 2290

At the request of Mr. FORD, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 2290, a bill to amend the Communications Act of 1934 to prohibit the encoding of satellite-transmitted television programming until decoding devices are fully available at reasonable prices.

S. 2294

At the request of Mr. WEICKER, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 2294, a bill to reauthorize certain programs under the Education of the Handicapped Act, to authorize an early intervention program for handicapped infants, and for other purposes.

S. 2295

At the request of Mr. GOLDWATER, the names of the Senator from California [Mr. CRANSTON], and the Senator from Washington [Mr. EVANS] were added as cosponsors of S. 2295, an original bill to amend title 10, United States Code, to reorganize and strengthen certain elements of the Department of Defense, to improve the military advice provided the President, the National Security Council, and the Secretary of Defense, to enhance the effectiveness of military operation, to increase attention to the formulation of strategy and to contingency planning, to provide for the more efficient use of resources, to strengthen civilian authority in the Department of Defense, and for other purposes.

S. 2333

At the request of Mr. DURENBERGER, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 2333, a bill to amend title XIX of the Social Security Act to strengthen and improve medicaid services to low-income pregnant women and children.

S. 2348

At the request of Mr. MOYNIHAN, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 2348, a bill to authorize the procurement and installation of cryptographic equipment at satellite communications facilities within the United States, and for other purposes.

S. 2381

At the request of Mr. MURKOWSKI, the names of the Senator from California [Mr. WILSON], and the Senator from South Dakota [Mr. ABDNOR] were added as cosponsors of S. 2381, a bill to revise the guaranteed loan limi-

tation amount applicable to chapter 37 of title 38, United States Code, for fiscal year 1986, for the purpose of implementing any order issued by the President for such fiscal year under any law providing for sequestration of new loan commitments.

SENATE JOINT RESOLUTION 241

At the request of Mr. DOLE, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of Senate Joint Resolution 241, a joint resolution designating the week beginning on May 11, 1986, as "National Asthma and Allergy Awareness Week".

SENATE JOINT RESOLUTION 305

At the request of Mr. SIMON, the names of the Senator from Mississippi [Mr. STENNIS], the Senator from Michigan [Mr. RIEGLE], and the Senator from Nebraska [Mr. ZORINSKY] were added as cosponsors of Senate Joint Resolution 305, a joint resolution to designate the week of April 27, 1986, through May 3, 1986, as "National Arts in the Schools Week".

SENATE JOINT RESOLUTION 306

At the request of Mr. D'AMATO, his name was added as a cosponsor of Senate Joint Resolution 306, a joint resolution to designate the week beginning November 23, 1986, as "National Adoption Week".

SENATE JOINT RESOLUTION 326

At the request of Mr. WALLOP, the names of the Senator from Georgia [Mr. MATTINGLY], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from South Carolina [Mr. THURMOND], the Senator from Alabama [Mr. DENTON], the Senator from Utah [Mr. GARN], and the Senator from Nevada [Mr. LAXALT] were added as cosponsors of Senate Joint Resolution 326, a joint resolution to proclaim May 21, 1986, as "Andrei Sakharov Honor and Freedom Day."

SENATE JOINT RESOLUTION 335

At the request of Mr. CHILES, the names of the Senator from South Dakota [Mr. ABDNOR], the Senator from Oklahoma [Mr. BOREN], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Arizona [Mr. DECONCINI], the Senator from Alabama [Mr. DENTON], the Senator from Mississippi [Mr. COCHRAN], the Senator from Illinois [Mr. DIXON], the Senator from Missouri [Mr. EAGLETON], the Senator from Nebraska [Mr. EXON], the Senator from Ohio [Mr. GLENN], the Senator from Tennessee [Mr. GORE], the Senator from Texas [Mr. GRAMM], the Senator from Alabama [Mr. HEFLIN], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Vermont [Mr. LEAHY], the Senator from Michigan [Mr. LEVIN], the Senator from Indiana [Mr. LUGAR], the Senator from Georgia [Mr. NUNN], the Senator from New York [Mr. MOYNIHAN], the Senator from Oklahoma [Mr. NICKLES], the Senator from Rhode Island [Mr. PELL], the Senator from Mississippi [Mr. STENNIS], the Senator from South Carolina [Mr. THURMOND], the Senator from Virginia [Mr. WARNER], and the Senator from Connecticut [Mr. WEICKER] were added as cosponsors of Senate Joint Resolution 335, a joint resolution to designate May 8, 1986, as "Naval Aviation Day."

SENATE JOINT RESOLUTION 337

At the request of Mrs. HAWKINS, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Utah [Mr. GARN], the Senator from Michigan [Mr. LEVIN], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from North Dakota [Mr. BURDICK], the Senator from Louisiana [Mr. LONG], the Senator from Pennsylvania [Mr. HEINZ], and the Senator from Virginia [Mr. WARNER], were added as cosponsors of Senate Joint Resolution 337, a joint resolution designating May 18–24, 1986, as "Just Say No to Drugs Week."

SENATE CONCURRENT RESOLUTION 125

At the request of Mr. HEINZ, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of Senate Concurrent Resolution 125, a concurrent resolution recognizing the achievements of the Ireland Fund and its founder, Dr. Anthony J.F. O'Reilly.

SENATE CONCURRENT RESOLUTION 135

At the request of Mr. WILSON, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of Senate Concurrent Resolution 135, a concurrent resolution expressing the sense of the Congress concerning essential verification improvements to the Threshold Test Ban Treaty and the Peaceful Nuclear Explosions Treaty and the long-term goal of a comprehensive agreement banning nuclear testing.

SENATE RESOLUTION 297

At the request of Mr. DIXON, the names of the Senator from North Dakota [Mr. ANDREWS], the Senator From Hawaii [Mr. MATSUNAGA], the Senator from Illinois [Mr. SIMON], and the Senator from Massachusetts [Mr. KENNEDY] were added as cosponsors of Senate Resolution 297, a resolution to call for an International Congress on Terrorism.

SENATE RESOLUTION 373

At the request of Mr. WILSON, the names of the Senator from Tennessee [Mr. GORE], the Senator from Ohio [Mr. METZENBAUM], the Senator from New York [Mr. MOYNIHAN], the Senator from North Dakota [Mr. BURDICK], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Nebraska [Mr. ZORINSKY], the Senator from Michigan [Mr. RIEGLE], and the Senator from Minnesota [Mr. BOSCHWITZ] were added as cosponsors of Senate Resolution 373, a resolution expressing the sense of the Senate regarding the search for, and appropriate judgment and prosecution of, Nazi war criminals.

RESOLUTION COMMENDING ROGER CLEMENS OF THE BOSTON RED SOX

Mr. KENNEDY. Mr. President, on behalf of Senator KERRY and myself, I send to the desk a resolution and I ask for its immediate consideration.

Last Tuesday evening at Fenway Park, a pitcher for the Boston Red Sox accomplished one of the greatest individual performances in the history of major league baseball.

Roger Clemens, a 23-year-old, right-handed pitcher for the Red Sox with a 95-mile-an-hour fast ball, struck out 20 batters of the Seattle Mariners, setting a new major league strikeout record.

The old record was 19 strikeouts, set by Steve Carlton of the St. Louis Cardinals in 1969, and equaled by Tom Seaver of the New York Mets in 1970 and by Nolan Ryan of the California Angels in 1974—three of the finest pitchers in baseball. But in the 111-year recorded history of baseball, no pitcher had ever struck out 20 batters in a 9-inning game before Roger Clemens took the mound in Fenway Park on Tuesday night.

Baseball so captivates the national imagination because of its grace and its infinite variety of achievement. There are feats of endurance that cap long careers and dominate the game's history, such as Hank Aaron's home runs, Ty Cobb's lifetime average, Pete Rose's hits, Lou Brock's stolen bases, Lou Gehrig's consecutive games, or Cy Young's victories. There are awesome feats over a single season, such as Babe Ruth's 60 home runs and Roger Maris' 61, and Joe DiMaggio's 56-game hitting streak; and there are also individual performances in single games that electrify the baseball world, such as pitching a perfect game, hitting 4 home runs in a game, or Johnny Vander Meer's back-to-back no-hitters.

To these latter feats, we now add Roger Clemens' astonishing performance last Tuesday, which in my view ranks with the 4-minute mile and exalted peaks in other sports that few, if any, thought could ever be attained.

When fans from around the world travel to the Baseball Hall of Fame in Cooperstown, NY, they will already be able to see Roger Clemens' cap, spikes, glove, and recordsetting baseball. At the age of 23, Roger Clemens has many great years ahead—and perhaps more records too. But his place in the record books is already secure, and I congratulate him on this unique and historic achievement.

I urge the adoption of the resolution, and I ask unanimous consent that the text of the resolution and articles from the Boston Globe and the Boston Herald may be printed in the RECORD.

S. RES. 393

Whereas on April 29, at Fenway Park in Boston, Roger Clemens, 23-year-old pitcher for the Boston Red Sox, struck out twenty batters in a game against the Seattle Mariners.

Whereas the twenty strikeouts by Roger Clemens broke the major league baseball record that had stood for seventeen years for strikeouts in a nine-inning game.

Whereas sports fans everywhere are celebrating the outstanding accomplishment of Roger Clemens as one of the all-time great individual performances in the history of baseball.

Resolved, That the Senate of the United States joins with the people of Massachusetts and sports fans throughout the world in honoring Roger Clemens of the Boston Red Sox for his historic achievement as a pitcher in establishing a new strikeout record in major league baseball.

[From the Boston Globe, Apr. 30, 1986]

CLEMENS FANS A RECORD 20—SOX PITCHER BAFFLES MARINERS, 3-1

(By Dan Shaughnessy)

Smoke Got In Your Eyes. In one of the most sensational pitching performances in baseball history, Red Sox right-hander Roger Clemens last night struck out a major league record 20 batters en route to a three-hit, 3-1 victory over the Seattle Mariners at Fenway Park.

Has any pitcher ever been more overpowering? In 111 years of major league baseball, Clemens is the first hurler to strike out 20 batters in a nine-inning game. He walked none.

"The people who were here tonight (13,414) saw history that won't be broken," said ancient Mariner Gorman Thomas (one strikeout and a homer for Seattle's run). "When the last out was made, I wanted to tip my hat. He was that good. It's the finest effort you'll ever see."

Watching the Mariners try to hit Clemens was like watching a student driver navigate Storrow Drive at 4:30 on Friday afternoon. Slumping Seattle is on a record-setting strikeout pace, and Clemens was at the top of his high-octane game. You didn't need Dick Albert, Jimmy the Greek Snyder or Carnac the Magnificent to tell you what was going to happen. But no one could have envisioned the magnitude of Clemens' mound mastery.

Sir Roger struck out the side three times. The Mariners put only 10 balls in play, and only two of those were pulled.

"I was playing catch with Geddy (Sox catcher Rich Gedman) all night long," said Boston third baseman Wade Boggs. "It was an easy night."

Clemens threw 138 pitches, 97 for strikes. A Toronto radar gun clocked several serves at 97 miles per hour, and his fast ball averaged 95 m.p.h.

Red Sox manager John McNamara said, "I saw Catfish Hunter pitch a perfect game and I saw Mike Witt pitch a perfect game and Tom Seaver pitch some great games—but that was the most awesome display of pitching I've ever seen."

In addition to setting the coveted nine-inning strikeout record, Clemens tied the American League record with eight straight punchouts (matching Nolan Ryan and Ron Davis), broke the single-game Red Sox strikeout record (17 by Bill Monbouquette in 1961), and shattered the Fenway mark (16 by Jack Harshman of the White Sox in 1954). If you're looking for a little more perspective, remember that they've been playing baseball at Fenway for 75 years.

The ninth inning was electric. Clemens struck out Spike Owen swinging, then fanned Phil Bradley on three pitches for the magic No. 20. Ken Phelps grounded to short to end it.

"The ninth was all on adrenaline," said Clemens.

After Phelps grounded out, Clemens was mobbed by his teammates. He worked his way over to the backstop and hugged his wife, Debbie. "I wanted to give her the ball, but she was afraid somebody would take it from her," said Clemens. "So I kept it."

The record-smashing outing came very close to being a heartbreaking loss for Clemens. He trailed, 1-0, after Thomas' center-field homer in the top of the seventh, and the frustrated Sox had run into three outs while trying to score on Seattle righty Mike Moore.

Dwight Evans broke the spell with a two-out, three-run seventh-inning homer, his first homer since the opening pitch of the season.

But Evans' blast will serve as little more than a footnote when baseball bards sing of this night. It was not an evening for hitters or fielders.

"This will be something I'll cherish for a long time," said Clemens. "And I hope it stands for a while."

The fireballing righty was the last person the Mariners wanted to see. They came into the game with 166 strikeouts, 55 more than the league runners-up (Texas, 111). Seattle is on a pace which would shatter the major league strikeout record (1,203) by more than 200.

Clemens (4-0, 1.62 ERA) was perfect in the first three innings. Owen, Bradley and Phelps all went down swinging in the first. Thomas led off the second with a hard liner to Jim Rice in left, then Jim Presley and Ivan Calderon (called) struck out. In the third, rookie Danny Tartabull grounded to second, Dave Henderson was called out on strikes and Steve Yeager flied to left. Clemens was in danger of walking five of the first nine batters, but never threw ball four.

Clemens' no-hitter/perfect game was punctured in the fourth when shortstop Owen led off with a single to right on a 0-2 curve ball. Clemens punished the Mariners by whiffing the next eight batters.

Don Baylor had a big assist in the eight-straight record. After Clemens got Bradley and Phelps swinging, Baylor (playing first while Bill Buckner DH'd) dropped a Thomas popup in foul territory.

Baylor's blunder served history well. Thomas was called out by Vic Voltaggio on a 3-2 pitch as Clemens closed the door on the fourth.

Clemens was at his best in the fifth when he fanned Presley with a 2-2 heater, then blew Calderon away on three pitches and got Tartabull on a 2-2 looker. All three Mariners were called out on strikes. Seen that lately? Clemens had 12 strikeouts at the end of five.

With an assist from Baylor, Clemens had become the third pitcher in Sox history to fan six straight batters. The immortal Buck O'Brien turned the trick against the Senators on April 25, 1913, and Ray Culp punched out six straight Angels on May 11, 1970.

O'Brien and Culp fell out of the Sox record book when Henderson fanned on a 2-2 pitch leading off the sixth. Seven straight.

Yeager was next and fell behind 0-2, then looked at a 2-2 curve ball. Eight straight, four swinging, four called. Clemens had tied the league record shared by Ryan (1972 and 1973) and Davis (1981).

Owen broke the string by flying to center to end the sixth. Through six innings, Clemens had fanned 14 and thrown 92 pitches, 60 for strikes. The Mariners had put only four balls into play.

The fires were still burning in the seventh. Bradley and Phelps struck out swinging.

Enter Thomas. With the count 1-and-2 and the crowd on its feet and roaring, Thomas interrupted the euphoria. He drove a fly which landed in the first row of the center-field bleachers, Clemens trailed.

Evans got it back, with interest, in the bottom of the seventh.

With two outs and no one on, Steve Lyons slapped a single to left. Glenn Hoffman walked (Ed Romero ran for Hoffman), then Evans drove a 1-0 pitch off the back wall in center for a 3-1 lead.

"That picked me up," said Clemens.

He picked up strikeouts No. 17 and 18 (setting the ballpark and club records) in the eighth, and went into the major league record book in the ninth. It was Clemens' 20th big league victory.

[From the Boston Globe, May 1, 1986]

A WHIFF OF IMMORTALITY

(By Leigh Montville)

The daze continued into the next day. Roger Clemens awoke—well, didn't exactly awake, because he never really had slept—into a lovely strangeness.

His mother was on the telephone. Crying. His brothers were on the phone. Crying. People magazine wanted him. Sports Illustrated. "The CBS Morning NEWS." Gentle pulls. Affectionate tugs. The Baseball Hall of Fame in Cooperstown wanted his glove, his cap, his shoes.

And, of course, the baseball.

"I'm in the Hall of Fame," the 23-year-old Red Sox pitcher said yesterday in the soft Texas accent, again and again, as if he were a lottery winner still staring at the numbers and only half believing what he saw. "That's something nobody can take away from me now."

Twenty strikeouts. He did that. No pitcher in 111 years of major league baseball ever had struck out 20 batters in a nine-inning game. He did that.

Nowhere in sport are the records as meaningful, as consistent, as in professional baseball. The line of history goes from today to the furthest yesterday, encompassing all the names and all the eras, everyone whoever played. Roger Clemens now was part of that. Part? His name now was at the top of the strikeout list.

"I still don't think he realizes what he did," friend and teammate Al Nipper said. "I picked him up today and drove him to the park and I still don't think it's hit him. He's still spinning."

Who can wake up in the morning and realize that he has done something that Christy Mathewson never did? That Walter Johnson never did. That Bob Feller, Nolan Ryan, Tom Seaver, no one ever did. Who can do that? Who can realize—truly real-

ize—how special a special night like that could be?

"I got home, I couldn't sleep," Roger Clemens said. "I tried—it's important for a pitcher to get that rest for his arm—but I just couldn't. I was tossing all night."

He dipped into sleep only once. He said he had a weird dream. He was back on the mound in the middle of the game Tuesday night, on the way to the 3-1 win over the Seattle Mariners. The game suddenly changed.

A fan came out of the stands—as, indeed, two fans did during the real game—and ran onto the field. This fan ran to the mound to talk to Roger Clemens. Roger Clemens whacked the fan in the head. The police arrived, not to take away the fan, but to arrest Roger Clemens.

"That's when I woke up," Roger Clemens said. "The police were taking me away from hitting the dude in the head."

Was that the way it happened? No, not the way. The strikeouts happened. That was what was real. The strikeouts. Twenty strikeouts.

He remembered the game mostly as a concentrated blur. He was concentrating on what he was doing with each batter on each pitch. He knew he was pitching as well as he ever had pitched, that his fast ball was going where he wanted it to go, 97 miles per hour, that he felt really strong, but he had no time for counting. He was in the middle of Fenway Park, not history..

"I was in the trainer's room between innings," he said. "I usually put my jacket on with two outs and get out of there, but once, before I left, I did hear the announcers say I had a chance at the record for eight strikeouts in a row. That's all I knew until the final inning."

A numbness seemed to extend everywhere. Clemens didn't know he was heading toward history. His catcher, Rich Gedman, had no idea. The home plate umpire, Vic Voltaggio, had no idea. Everyone knew that something good was happening, but nobody seemed to know how good.

"The fans were cheering after every pitch," Gedman said. "I couldn't figure out why they were cheering. I didn't know what it was all about."

"I'm glad I didn't know." Voltaggio said. "All I knew was that I was working the best pitching performance I'd ever seen. I told that to the batboy after the seventh. That this was the best I'd ever seen. Anywhere."

The players in the dugout noticed that some fans in the centerfield bleachers had begun to place K's on the outfield wall. When had that started? There were no K's on the wall for the first five innings, but suddenly there were K's and more K's, each of them signifying another strikeout.

"Where'd they come from?" Nipper asked. "Did those guys run out and get the cardboard and paint? Suddenly they were there."

The media contingent was as small as possible for a weeknight game. The pro football draft had been held in the afternoon. The Celtics were playing the Altanta Hawks in a play-off game at the Garden at the same time. A Red Sox official looked down at the little photographers' box along the first base line early in the game and saw only one cameraman. The cameraman was the offical Red Sox photographer.

The night seemed to start at the bottom level of interest—The Seattle Mariners? Who cared?—and grow and grow. Better and better. More and more. On the way to history.

"I was checking with Roger every inning after the fifth," Red Sox manager John McNamara said. "I've been doing that every game this year, making sure his arm feels good."

"My legs feel tired," Clemens reported after the seventh. "They're starting to cramp."

"What about your arm?" McNamara asked.

"Fine."

"Keep going."

The news that he was going for a record was given to Clemens before the start of the ninth by Nipper. Clemens had no idea how many strikeouts he had or how many would be the record. Nipper told him he needed one to tie and two to set the record.

"I had to do it," Nipper said. "Wouldn't it be a shame if a guy had a chance for something like that and didn't try for it? I wanted him to know. He's not the type of guy who would be affected by knowing."

The rest . . . the rest was more of the blur. Swinging third strike by Spike Owen to tie the record. Called third strike to Phil Bradley to set the record. Third baseman Wade Boggs rushed over to shake hands, and Roger Clemens didn't know why. Was this the end of the game? No, one more out to go.

"We should get the ball to save it," trainer Charlie Moss said in the dugout.

"You don't have to," pitcher Bruce Hurst, charting the game, said. "That ball ain't going anywhere."

Sure enough. No foul balls. No ball out of play. A final ground out to short and the record was the record and the ball was safe in Roger Clemens' glove.

"What would you tell people about yourself?" Roger Clemens was asked yesterday. "What would you tell people who read your name and what you did and say, 'Who is this guy?' "

"First of all," the pitcher said, still in his lovely daze, "I hope they don't think it's a misprint."

Twenty strikeouts? Twenty strikeouts. Yes, he did that.

[From the Boston Herald, May 1, 1986]

MY RECORD-BREAKING DAY—BY ROGER CLEMENS

(Roger Clemens became the first pitcher in Major League Baseball history to strike out 20 batters in a nine-inning game Tuesday when he dazzled the Seattle Mariners at Fenway. One day after his amazing feat, Clemens talked about his performance and how it feels to be the strikeout king.)

It was a tough game. It was tough because it was the type of game where Mike Moore was pitching a great game against me.

I was throwing the ball 97 to 98 miles per hour and all they (Seattle batters) had to do was put the head of their bat on the ball and get an upward trajectory and it was going to jump out of this park.

And it happened (in the seventh inning). I turned the ball over and it ran back across the middle of the plate and Gorman Thomas got it. That upset me because I thought I was getting the wind out of their sails over there.

I was trying to keep the momentum as best I could and keep it in our dugout. After Dewey (Evans) hit that home run (in the bottom of the seventh), it put about 10 more innings in my arm. There was nothing that was going to stop us then.

Before the ninth inning, I was sitting inside. I wasn't sure how many (strikeouts) I had. Nip (Red Sox pitcher Al Nipper) came up next to me and said 'Rocket, do you know you have a chance to set an all-time record?' He said I had to go for it.

I knew I would, because when I made the decision to play this game, I was going to give it everything I had. I've worked hard since I had the (arm) injury.

I decided to concede and give the ball up last year, something which I didn't want to do. I had been pitching some pretty good games against some top named pitchers with severe pain in my arm, but I was still keeping us in the ballgame.

But I had to give the ball up, and I decided after they did the arthroscopic shoulder surgery, I was going to put everything I had into it and it wasn't going to set me back. I was going to come to spring training ready.

Arm injuries to pitchers scare you any time. I feel fortunate mine was a minor case. I'm a power pitcher; those things are going to happen. I'm going to go out there as long and as hard as I can throw and win ballgames for us.

As for other goals, the only thing I want to do is get in the playoffs somehow, whatever it takes I want to get there. If we can get in the playoffs, this town is going to be unbelievable.

Heck, the crowd was real loud last night, I remember that. It was a once-in-a-lifetime night for me. Playing here, being in this ballpark with all the great players who've played here and all the records that have been established in this ballpark, I'm glad I did it here.

I wish my father were still alive to see it, but I'm sure he was watching somehow.

It really hasn't sunk in yet with all the media around and everything happening.

The fact that my teammates got to see something like that, that's what makes it all fun for me.

It has started to sink in a little bit with everybody calling. I just didn't know it was going to be that big of a feat.

This morning, I pretty much took the phone off the hook from eight o'clock until about ten o'clock and tried to get some rest. Usually at times like this, like the 15-strikeout game I had, or like my first major-league win, I don't drink at all. But I should have had a couple of beers I think because I didn't sleep a wink all Tuesday night. I probably needed something to relax me.

I think I finally dozed off about 4:30 in the morning. I tossed and turned pretty much up until that time. I tried to count sheep and everything I was supposed to. Maybe I should have started to count Ks or something.

Most of the calls that came last night were from family people. Both my brothers cried, my mother cried—she couldn't believe it. As they kept telling me and telling me it kept sinking in more and more that I'm going to the Hall of Fame.

I'm going to the Hall of Fame and I'm the youngest person to ever do this. All of the other guys are older, all with more years in the league. It's something no one can ever take away from me now. It's all mine and they can't take it away from me right now.

Records are meant to be broken and I broke one. But you never know, somebody might come along and get this one or maybe one day, I'll be fortunate enough that I'll have the same kind of stuff and go out there and maybe get a couple more.

This was something special, though, the way my teammates were in awe or whatever. But personally, it just hasn't quite hit me that way yet. I've had some big highlights in my baseball career. The final game in the

college World Series, pitching that and winning that. It took a while for that to sink in.

That time and the 15 strikeouts against Kansas City are two big highlights, but nothing can top what I did Tuesday night, not in my baseball career.

The PRESIDING OFFICE. The Clerk will report the resolution.

The legislative clerk read as follows:

A Senate resolution (S. Res. 393) commending Roger Clemens of the Boston Red Sox for his record-breaking preformance.

The Senate proceeded to consider the resolution

Mr. KENNEDY. Mr. President, I move the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENTS SUBMITTED

FIRST CONCURRENT RESOLUTION ON THE BUDGET

D'AMATO (AND OTHERS) AMENDMENT NO. 1816

Mr. D'AMATO (for himself, Mr. WEICKER, Mr. PRESSLER, and Mr. WILSON) proposed an amendment to the concurrent resolution (S. Con. Res. 120) setting forth the congressional budget for the U.S. Government for the fiscal years 1987, 1988, and 1989; as follows:

On page 2, increase the amount on line 19 by $7,156,000.

On page 2, decrease the amount on line 20 by $275,000.

On page 2, decrease the amount on line 21 by $15,000.

On page 5, increase the amount on line 10 by $7,156,000.

On page 5, decrease the amount on line 11 by $275,000.

On page 5, decrease the amount on line 12 by $15,000.

On page 6, decrease the amount on line 12 by $47,160,000.

On page 6, decrease the amount on line 11 by $37,727,000.

On page 6, decrease the amount on line 19 by $46,440,000.

On page 6, decrease the amount on line 20 by $46,575,000.

On page 7, decrease the amount on line 3 by $46,620,000.

On page 7, decrease the amount on line 4 by $46,575,000.

On page 7, decrease the amount on line 12 by $2,687,000.

On page 7, decrease the amount on line 13 by $2,552,000.

On page 7, decrease the amount on line 21 by $3,176,000.

On page 7, decrease the amount on line 22 by $3,151,000.

On page 8, decrease the amount on line 6 by $3,149,000.

On page 8, decrease the amount on line 7 by $3,151,000.

On page 8, decrease the amount on line 16 by $188,000.

On page 8, decrease the amount on line 17 by $179,000.

On page 8, decrease the amount on line 24 by $222,000.

On page 8, decrease the amount on line 25 by $221,000.

On page 9, decrease the amount on line 7 by $220,000.

On page 9, decrease the amount on line 8 by $221,000.

On page 9, decrease the amount on line 16 by $448,000.

On page 9, decrease the amount on line 17 by $425,000.

On page 9, decrease the amount on line 25 by $529,000.

On page 10, decrease the amount on line 1 by $525,000.

On page 10, decrease the amount on line 9 by $525,000.

On page 10, decrease the amount on line 10 by $525,000.

On page 10, decrease the amount on line 19 by $448,000.

On page 10, decrease the amount on line 20 by $425,000.

On page 11, decrease the amount on line 4 by $529,000.

On page 11, decrease the amount on line 5 by $525,000.

On page 11, decrease the amount on line 13 by $525,000.

On page 11, decrease the amount on line 14 by $525,000.

On page 11, decrease the amount on line 23 by $233,000.

On page 11, decrease the amount on line 24 by $221,000.

On page 12, decrease the amount on line 8 by $275,000.

On page 12, decrease the amount on line 9 by $273,000.

On page 12, decrease the amount on line 17 by $273,000.

On page 12, decrease the amount on line 18 by $273,000.

On page 13, decrease the amount on line 2 by $202,000.

On page 13, decrease the amount on line 3 by $191,000.

On page 13, decrease the amount on line 11 by $238,000.

On page 13, decrease the amount on line 12 by $236,000.

On page 13, decrease the amount on line 20 by $236,000.

On page 13, decrease the amount on line 21 by $236,000.

On page 14, decrease the amount on line 5 by $233,000.

On page 14, decrease the amount on line 6 by $221,000.

On page 14, decrease the amount on line 14 by $275,000.

On page 14, decrease the amount on line 15 by $273,000.

On page 14, decrease the amount on line 23 by $273,000.

On page 14, decrease the amount on line 24 by $273,000.

On page 16, decrease the amount on line 13 by $179,000.

On page 16, decrease the amount on line 14 by $170,000.

On page 16, decrease the amount on line 22 by $212,000.

On page 16, decrease the amount on line 23 by $210,000.

On page 17, decrease the amount on line 6 by $210,000.

On page 17, decrease the amount on line 7 by $210,000.

On page 17, increase the amount on line 16 by $99,100,000.

On page 17, increase the amount on line 17 by $80,271,000.

On page 17, increase the amount on line 24 by $99,100,000.

On page 17, increase the amount on line 25 by $99,100,000.

On page 18, increase the amount on line 7 by $99,100,000.

On page 18, increase the amount on line 8 by $99,100,000.

On page 21, decrease the amount on line 23 by $1,836,000.

On page 21, decrease the amount on line 24 by $1,744,000.

On page 22, decrease the amount on line 8 by $2,170,000.

On page 22, decrease the amount on line 9 by $2,153,000.

On page 22, decrease the amount on line 17 by $2,152,000.

On page 22, decrease the amount on line 18 by $2,153,000.

On page 23, decrease the amount on line 2 by $940,000.

On page 23, decrease the amount on line 3 by $893,000.

On page 23, decrease the amount on line 10 by $1,112,000.

On page 23, decrease the amount on line 11 by $1,103,000.

On page 23, decrease the amount on line 18 by $1,102,000.

On page 23, decrease the amount on line 19 by $1,103,000.

On page 24, decrease the amount on line 2 by $37,391,000.

On page 24, decrease the amount on line 3 by $35,521,000.

On page 24, decrease the amount on line 10 by $44,197,000.

On page 24, decrease the amount on line 11 by $43,854,000.

On page 24, decrease the amount on line 18 by $43,829,000.

On page 24, decrease the amount on line 19 by $43,854,000.

STEVENS AMENDMENT NO. 1817

Mr. STEVENS proposed an amendment to the concurrent resolution (S. Con. Res. 120), supra; as follows:

SEC. ( ). For the purpose of Senate consideration of appropriations bills for defense spending, outlay estimates shall be determined for prior year expenditures at levels consistent with estimates provided by the Office of Management and Budget. The Office of Management and Budget shall be required to limit actual expenditures from enacted appropriations in accordance with the outlay limitations established by this resolution.

McCLURE AMENDMENT NO. 1818

Mr. McCLURE proposed an amendment to the concurrent resolution (S. Con. Res. 120), supra; as follows:

On page 44, between lines 8 and 9, insert the following:

(z)(1) It is the sense of the Senate that each committee of the Senate or the House of Representatives which, pursuant to subsections (a) through (y) of this subsection, is

required to report changes in law to reduce budget authority or outlays, or both, for one or more fiscal years shall submit, as feasible, to the Committee on the Budget of its respective House with such changes a statement specifying, with respect to each program for which such changes are reported—

(A) an estimate (utilizing the baseline upon which the levels and amounts set forth in this concurrent resolution are based) of the total amount of budget authority and outlays for such program for each such fiscal year after such changes are made; and

(B) an estimate (utilizing the current law baseline) of the total amount of budget authority and outlays for such program for each such fiscal year after such changes are made.

(2) For purposes of this subsection, the term "current law baseline" means, with respect to budget authority and outlays for a program, the amount of budget authority which would be provided for such program for a fiscal year and the amount of outlays which would be made under such program for a fiscal year under the laws in effect on the date of adoption of this concurrent resolution, without any change in policy.

(3) It is further the sense of the Senate that the Committee on the Budget of the House and the Committee on the Budget of the Senate shall include, as feasible, in the report accompanying a reconciliation bill or resolution reported to its respective House under subsection (a) of this section the statements received by such Committee under paragraph (1) of this subsection.

McCLURE (AND OTHERS) AMENDMENT NO. 1819

Mr. McCLURE (for himself, Mr. RUDMAN, Mr. WARNER, Mr. RIEGLE, Mr. HEINZ, and Mr. ROCKEFELLER) proposed an amendment to the concurrent resolution S. Con. Res. 120, supra; as follows:

On page 9, increase the amount on line 16 by $172,000,000.

On page 9, increase the amount on line 17 by $43,000,000.

On page 9, increase the amount on line 25 by $172,000,000.

On page 10, increase the amount on line 1 by $158,000,000.

On page 10, increase the amount on line 9 by $172,000,000.

On page 10, increase the amount on line 10 by $164,000,000.

On page 19, increase the amount on line 18 by $900,000,000.

On page 19, increase the amount on line 19 by $900,000,000.

On page 20, increase the amount on line 3 by $700,000,000.

On page 20, increase the amount on line 4 by $700,000,000.

On page 20, increase the amount on line 13 by $500,000,000.

On page 20, increase the amount on line 14 by $500,000,000.

On page 28, decrease the amount on line 6 by $943,000,000.

On page 28, decrease the amount on line 7 by $943,000,000.

On page 28, decrease the amount on line 15 by $858,000,000.

On page 28, decrease the amount on line 16 by $858,000,000.

On page 28, decrease the amount on line 24 by $664,000,000.

On page 28, decrease the amount on line 25 by $664,000,000.

On page 2, increase the amount on line 19 by $129,000,000.

On page 2, increase the amount on line 20 by $14,000,000.

On page 2, increase the amount on line 21 by $8,000,000.

On page 5, increase the amount on line 10 by $129,000,000.

On page 5, increase the amount on line 11 by $14,000,000.

On page 5, increase the amount on line 12 by $8,000,000.

SYMMS (AND OTHERS) AMENDMENT NO. 1820

Mr. SYMMS (for himself, Mr. SPECTER, Mr. MURKOWSKI, and Mr. ABDNOR) proposed an amendment to the concurrent resolution (S. Con. Res. 120), supra; as follows:

At the end of the concurrent resolution, add the following:

It is the sense of the Senate that over the next three fiscal years the cash balance in the Highway Account of the Highway Trust Fund should be reduced toward a minimum level of reserves, in a manner consistent with sound financial practices.

DOMENICI (AND CHILES) AMENDMENT NO. 1821

Mr. DOMENICI (for himself and Mr. CHILES) proposed an amendment to the concurrent resolution (S. Con. Res. 120), supra; as follows:

On page 29, decrease the amount on line 24 by $70,000,000.

On page 29, decrease the amount on line 25 by $70,000,000.

On page 29, decrease the first amount on line 26 by $230,000,000.

On page 29, decrease the second amount on line 26 by $230,000,000.

On page 30, decrease the amount on line 1 by $290,000,000.

On page 30, decrease the amount on line 2 by $290,000,000.

On page 30, decrease the amount on line 11 by $16,000,000.

On page 30, decrease the amount on line 12 by $16,000,000.

On page 30, decrease the first amount on line 13 by $57,000,000.

On page 30, decrease the second amount on line 13 by $65,000,000.

On page 30, decrease the amount on line 14 by $123,000,000.

On page 30, decrease the amount on line 15 by $123,000,000.

On page 30, line 17, strike out "(A)" and insert in lieu thereof "(1)".

On page 30, line 21, strike out "(B)" and insert in lieu thereof "(2)".

On page 30, line 24, strike out "(C)" and insert in lieu thereof "(3)".

On page 30, decrease the first amount on line 25 by $840,000,000.

On page 30, decrease the second amount on line 25 by $383,000,000.

On page 31, decrease the amount on line 1 by $823,000,000.

On page 31, decrease the amount on line 2 by $1,003,000,000.

On page 31, decrease the first amount on line 3 by $615,000,000.

On page 31, decrease the second amount on line 3 by $535,000,000.

On page 31, decrease the first amount on line 14 by $58,000,000.

On page 31, decrease the second amount on line 14 by $63,000,000.

On page 31, decrease the amount on line 15 by $68,000,000.

On page 31, decrease the amount on line 16 by $71,000,000.

On page 31, decrease the first amount on line 17 by $68,000,000.

On page 31, decrease the second amount on line 17 by $69,000,000.

On page 32, decrease the first amount on line 3 by $377,000,000.

On page 32, decrease the second amount on line 3 by $377,000,000.

On page 32, decrease the second amount on line 5 by $21,000,000.

On page 32, decrease the second amount on line 7 by $36,000,000.

On page 32, decrease the first amount on line 18 by $81,000,000.

On page 32, decrease the second amount on line 18 by $69,000,000.

On page 32, decrease the amount on line 19 by $87,000,000.

On page 32, increase the amount on line 20 by $63,000,000.

On page 32, decrease the first amount on line 21 by $92,000,000.

On page 32, increase the second amount on line 21 by $58,000,000.

On page 33, decrease the first amount on line 7 by $5,491,000,000.

On page 33, decrease the amount on line 8 by $7,777,000,000.

On page 33, decrease the second amount on line 9 by $8,499,000,000.

On page 33, decrease the amount on line 13 by $2,500,000,000.

On page 33, decrease the first amount on line 14 by $2,800,000,000.

On page 33, decrease the second amount on line 14 by $2,900,000,000.

On page 33, decrease the first amount on line 25 by $310,000,000.

On page 34, decrease the amount on line 1 by $48,000,000.

On page 34, decrease the second amount on line 2 by $79,000,000.

On page 34, decrease the first amount on line 13 by $175,000,000.

On page 34, strike out the comma immediately following the first amount on line 13.

On page 34, decrease the second amount on line 13 by $170,000,000.

On page 34, decrease the amount on line 14 by $270,000,000.

On page 34, strike out the comma immediately following the amount on line 14.

On page 34, decrease the amount on line 15 by $265,000,000.

On page 34, decrease the first amount on line 16 by $182,000,000.

On page 34, strike out the comma immediately following the first amount on line 16.

On page 34, decrease the second amount on line 16 by $192,000,000.

On page 34, decrease the first amount on line 23 by $41,000,000.

On page 34, decrease the second amount on line 23 by $42,000,000.

On page 34, decrease the amount on line 24 by $42,000,000.

On page 35, decrease the amount on line 11 by $644,000,000.

On page 35, decrease the amount on line 12 by $758,000,000.

On page 35, decrease the first amount on line 13 by $948,000,000.

On page 35, decrease the second amount on line 13 by $1,020,000,000.

On page 35, decrease the amount on line 14 by $660,000,000.

On page 35, decrease the amount on line 15 by $819,000,000.

On page 35, decrease the amount on line 20 by $1,005,000,000.

On page 35, decrease the amount on line 21 by $1,079,000,000.
On page 35, decrease the amount on line 22 by $1,125,000,000.
On page 36, decrease the amount on line 6 by $356,000,000.
On page 36, decrease the amount on line 7 by $356,000,000.
On page 36, decrease the first amount on line 8 by $473,000,000.
On page 36, decrease the second amount on line 8 by $473,000,000.
On page 36, decrease the amount on line 9 by $512,000,000.
On page 36, decrease the amount on line 10 by $512,000,000.
On page 36, decrease the amount on line 20 by $70,000,000.
On page 36, decrease the amount on line 21 by $70,000,000.
On page 36, decrease the first amount on line 22 by $230,000,000.
On page 36, decrease the second amount on line 22 by $230,000,000.
On page 36, decrease the amount on line 23 by $290,000,000.
On page 36, decrease the amount on line 24 by $290,000,000.
On page 37, decrease the amount on line 7 by $16,000,000.
On page 37, decrease the amount on line 8 by $16,000,000.
On page 37, decrease the first amount on line 9 by $57,000,000.
On page 37, decrease the second amount on line 9 by $65,000,000.
On page 37, decrease the amount on line 10 by $123,000,000.
On page 37, decrease the amount on line 11 by $123,000,000.
On page 37, line 13, strike out "(A)" and insert in lieu thereof "(1)".
On page 37, line 17, strike out "(B)" and insert in lieu thereof "(2)".
On page 37, line 20, strike out "(C)" and insert in lieu thereof "(3)".
On page 37, decrease the first amount on line 21 by $840,000,000.
On page 37, decrease the second amount on line 21 by $383,000,000.
On page 37, decrease the amount on line 22 by $823,000,000.
On page 37, decrease the amount on line 23 by $1,003,000,000.
On page 37, decrease the first amount on line 24 by $615,000,000.
On page 37, decrease the second amount on line 24 by $535,000,000.
On page 38, decrease the amount on line 9 by $175,000,000.
On page 38, decrease the amount on line 10 by $170,000,000.
On page 38, decrease the first amount on line 11 by $270,000,000.
On page 38, decrease the second amount on line 11 by $265,000,000.
On page 38, decrease the amount on line 12 by $182,000,000.
On page 38, decrease the amount on line 13 by $192,000,000.
On page 38, decrease the amount on line 18 by $41,000,000.
On page 38, decrease the amount on line 19 by $42,000,000.
On page 38, decrease the amount on line 20 by $42,000,000.
On page 39, decrease the first amount on line 8 by $139,000,000.
On page 39, decrease the second amount on line 8 by $1,821,000,000.
On page 39, decrease the first amount on line 10 by $155,000,000.
On page 39, decrease the second amount on line 10 by $2,920,000,000.
On page 39, decrease the first amount on line 12 by $160,000,000.
On page 39, decrease the second amount on line 12 by $3,750,000,000.
On page 39, decrease the first amount on line 23 by $3,524,000,000.
On page 39, decrease the first amount on line 24 by $4,452,000,000.
On page 40, decrease the second amount on line 1 by $4,477,000,000.
On page 40, decrease the first amount on line 12 by $377,000,000.
On page 40, decrease the second amount on line 12 by $377,000,000.
On page 41, decrease the amount on line 1 by $5,000,000.
On page 41, decrease the second amount on line 2 by $3,000,000.
On page 41, decrease the second amount on line 3 by $1,000,000.
On page 41, decrease the amount on line 14 by $158,000,000.
On page 41, decrease the second amount on line 15 by $163,000,000.
On page 41, decrease the amount on line 17 by $169,000,000.
On page 42, decrease the first amount on line 2 by $8,000,000.
On page 42, increase the second amount on line 2 by $142,000,000.
On page 42, decrease the amount on line 3 by $8,000,000.
On page 42, increase the amount on line 4 by $142,000,000.
On page 42, decrease the first amount on line 5 by $9,000,000.
On page 42, increase the second amount on line 5 by $141,000,000.
On page 42, decrease the amount on line 15 by $644,000,000.
On page 42, decrease the amount on line 16 by $758,000,000.
On page 42, decrease the first amount on line 17 by $948,000,000.
On page 42, decrease the second amount on line 17 by $1,020,000,000.
On page 42, decrease the amount on line 18 by $660,000,000.
On page 42, decrease the amount on line 19 by $819,000,000.
On page 42, decrease the amount on line 24 by $1,005,000,000.
On page 43, decrease the amount on line 1 by $1,079,000,000.
On page 43, decrease the amount on line 2 by $1,125,000,000.
On page 43, decrease the amount on line 11 by $356,000,000.
On page 43, decrease the amount on line 12 by $356,000,000.
On page 43, decrease the first amount on line 13 by $473,000,000.
On page 43, decrease the second amount on line 13 by $473,000,000.
On page 43, decrease the amount on line 14 by $512,000,000.
On page 43, decrease the amount on line 15 by $512,000,000.
On page 43, decrease the first amount on line 25 by $2,019,000,000.
On page 44, decrease the amount on line 1 by $2,716,000,000.
On page 44, decrease the second amount on line 2 by $2,928,000,000.
On page 44, increase the amount on line 6 by $16,780,700,000.
On page 44, increase the first amount on line 7 by $24,772,400,000.
On page 44, increase the second amount on line 7 by $26,870,200,000.

DOMENICI (AND CHILES) AMENDMENT NO. 1822

Mr. DOMENICI (for himself and Mr. CHILES) submitted an amendment to the concurrent resolution (S. Con. Res. 120, supra); as follows:

On page 2, decrease the amount on line 3 by $5,962,000,000.
On page 2, decrease the amount on line 4 by $7,941,000,000.
On page 2, decrease the amount on line 5 by $9,893,000,000.
On page 2, decrease the amount on line 8 by $5,962,000,000.
On page 2, decrease the amount on line 9 by $7,941,000,000.
On page 2, decrease the amount on line 10 by $9,983,000,000.
On page 2, decrease the amount on line 19 by $2,405,000,000.
On page 2, decrease the amount on line 20 by $1,483,000,000.
On page 2, decrease the amount on line 21 by $1,738,000,000.
On page 2, decrease the amount on line 24 by $3,750,000,000.
On page 2, decrease the amount on line 25 by $2,879,000,000.
On page 3, decrease the amount on line 1 by $3,486,000,000.
On page 3, increase the amount on line 5 by $2,282,000,000.
On page 3, increase the amount on line 6 by $5,330,000,000.
On page 3, increase the amount on line 7 by $6,894,000,000.
On page 3, increase the amount on line 10 by $4,610,000,000.
On page 3, increase the amount on line 11 by $10,470,000,000.
On page 3, increase the amount on line 12 by $17,957,000,000.
On page 3, increase the amount on line 15 by $2,782,000,000.
On page 3, increase the amount on line 16 by $5,860,000,000.
On page 3, increase the amount on line 17 by $7,487,000,000.
On page 4, increase the amount on line 2 by $14,500,000,000.
On page 4, increase the amount on line 4 by $12,400,000,000.
On page 4, increase the amount on line 9 by $3,700,000,000.
On page 4, increase the amount on line 11 by $4,600,000,000.
On page 4, increase the amount on line 16 by $5,300,000,000.
On page 4, increase the amount on line 18 by $7,000,000,000.
On page 5, decrease the amount on line 5 by $5,962,000,000.
On page 5, decrease the amount on line 6 by $7,941,000,000.
On page 5, decrease the amount on line 7 by $9,893,000,000.
On page 5, increase the amount on line 10 by $2,475,000,000.
On page 5, decrease the amount on line 11 by $1,215,000,000.
On page 5, decrease the amount on line 12 by $1,251,000,000.
On page 5, decrease the amount on line 15 by $5,862,000,000.
On page 5, decrease the amount on line 16 by $5,782,000,000.
On page 5, decrease the amount on line 17 by $6,418,000,000.
On page 5, increase the amount on line 22 by $100,000,000.
On page 5, increase the amount on line 23 by $2,159,000,000.

On page 5, increase the amount on line 24 by $3,475,000,000.
On page 6, increase the amount on line 10 by $5,900,000,000.
On page 6, increase the amount on line 11 by $2,000,000,000.
On page 6, increase the amount on line 19 by $3,200,000,000.
On page 6, increase the amount on line 20 by $1,300,000,000.
On page 7, increase the amount on line 3 by $3,600,000,000.
On page 7, increase the amount on line 4 by $2,182,000,000.
On page 7, decrease the amount on line 12 by $278,000,000.
On page 7, decrease the amount on line 13 by $108,000,000.
On page 7, decrease the amount on line 21 by $50,000,000.
On page 7, decrease the amount on line 22 by $63,000,000.
On page 8, decrease the amount on line 7 by $40,000,000.
On page 8, decrease the amount on line 16 by $720,000,000.
On page 8, decrease the amount on line 17 by $503,000,000.
On page 8, decrease the amount on line 24 by $715,000,000.
On page 8, decrease the amount on line 25 by $732,000,000.
On page 9, decrease the amount on line 7 by $552,000,000.
On page 9, decrease the amount on line 8 by $598,000,000.
On page 9, decrease the amount on line 16 by $406,000,000.
On page 9, decrease the amount on line 17 by $431,000,000.
On page 9, increase the amount on line 25 by $100,000,000.
On page 10, increase the amount on line 1 by $90,000,000.
On page 10, increase the amount on line 9 by $100,000,000.
On page 10, increase the amount on line 10 by $90,000,000.
On page 13, increase the amount on line 2 by $4,000,000.
On page 13, decrease the amount on line 3 by $753,000,000.
On page 13, increase the amount on line 7 by $14,500,000,000.
On page 13, increase the amount on line 9 by $12,400,000,000.
On page 13, increase the amount on line 11 by $3,000,000.
On page 13, decrease the amount on line 12 by $7,000,000.
On page 13, increase the amount on line 16 by $3,700,000,000.
On page 13, increase the amount on line 18 by $4,600,000,000.
On page 13, increase the amount on line 20 by $8,000,000.
On page 13, decrease the amount on line 21 by $6,000,000.
On page 13, increase the amount on line 25 by $5,300,000,000.
On page 14, increase the amount on line 2 by $7,000,000,000.
On page 14, decrease the amount on line 5 by $5,000,000.
On page 14, decrease the amount on line 6 by $5,000,000.
On page 14, decrease the amount on line 14 by $7,000,000.
On page 14, decrease the amount on line 15 by $7,000,000.
On page 14, decrease the amount on line 23 by $8,000,000.
On page 14, decrease the amount on line 24 by $8,000,000.
On page 15, decrease the amount on line 9 by $9,000,000.
On page 15, decrease the amount on line 10 by $4,000,000.
On page 15, decrease the amount on line 18 by $9,000,000.
On page 15, decrease the amount on line 19 by $8,000,000.
On page 16, decrease the amount on line 2 by $10,000,000.
On page 16, decrease the amount on line 3 by $8,000,000.
On page 16, decrease the amount on line 13 by $1,018,000,000.
On page 16, decrease the amount on line 14 by $116,000,000.
On page 16, decrease the amount on line 22 by $1,733,000,000.
On page 16, decrease the amount on line 23 by $558,000,000.
On page 17, decrease the amount on line 6 by $1,734,000,000.
On page 17, decrease the amount on line 7 by $1,266,000,000.
On page 17, increase the amount on line 16 by $526,000,000.
On page 17, increase the amount on line 17 by $271,000,000.
On page 17, increase the amount on line 24 by $305,000,000.
On page 17, increase the amount on line 25 by $238,000,000.
On page 18, increase the amount on line 7 by $339,000,000.
On page 18, increase the amount on line 8 by $295,000,000.
On page 19, increase the amount on line 18 by $450,000,000.
On page 19, decrease the amount on line 19 by $950,000,000.
On page 20, decrease the amount on line 3 by $637,000,000.
On page 20, decrease the amount on line 4 by $1,167,000,000.
On page 20, decrease the amount on line 13 by $590,000,000.
On page 20, decrease the amount on line 14 by $1,183,000,000.
On page 21, decrease the amount on line 23 by $156,000,000.
On page 21, decrease the amount on line 24 by $140,000,000.
On page 22, decrease the amount on line 8 by $191,000,000.
On page 22, decrease the amount on line 9 by $191,000,000.
On page 22, decrease the amount on line 17 by $195,000,000.
On page 22, decrease the amount on line 18 by $195,000,000.
On page 24, decrease the amount on line 2 by $20,000,000.
On page 24, decrease the amount on line 3 by $20,000,000.
On page 26, decrease the amount on line 3 by $764,000,000.
On page 26, decrease the amount on line 4 by $764,000,000.
On page 26, decrease the amount on line 12 by $253,000,000.
On page 26, decrease the amount on line 13 by $253,000,000.
On page 26, decrease the amount on line 21 by $463,000,000.
On page 26, decrease the amount on line 22 by $463,000,000.
On page 27, decrease the amount on line 5 by $1,383,000,000.
On page 27, decrease the amount on line 6 by $1,375,000,000.
On page 27, decrease the amount on line 13 by $2,464,000,000.
On page 27, decrease the amount on line 14 by $2,489,000,000.
On page 27, decrease the amount on line 21 by $3,913,000,000.
On page 27, decrease the amount on line 22 by $3,966,000,000.
On page 28, decrease the amount on line 6 by $852,000,000.
On page 28, decrease the amount on line 7 by $852,000,000.
On page 28, increase the amount on line 15 by $462,000,000.
On page 28, increase the amount on line 16 by $462,000,000.
On page 28, increase the amount on line 24 by $754,000,000.
On page 28, increase the amount on line 25 by $754,000,000.
On page 29, increase the amount on line 24 by $500,000,000.
On page 29, increase the amount on line 25 by $500,000,000.
On page 29, line 7, strike "May 15" and insert "May 30".
On page 30, increase the second amount on line 25 by $289,000,000.
On page 31, increase the amount on line 2 by $257,000,000.
On page 32, increase the first amount on line 3 by $1,886,000,000.
On page 32, increase the second amount on line 3 by $1,886,000,000.
On page 33, decrease the amount on line 13 by $5,962,000,000.
On page 33, decrease the first amount on line 14 by $7,941,000,000.
On page 33, decrease the second amount on line 14 by $9,893,000,000.
On page 33, increase the first amount on line 25 by $632,000,000.
On page 34, increase the amount on line 1 by $1,314,000,000.
On page 34, increase the second amount on line 2 by $2,029,000,000.
On page 34, increase the second amount on line 13 by $289,000,000.
On page 34, increase the amount on line 15 by $257,000,000.
On page 36, increase the amount on line 20 by $500,000,000.
On page 36, increase the amount on line 21 by $500,000,000.
On page 37, increase the amount on line 21 by $289,000,000.
On page 37, increase the amount on line 23 by $257,000,000.
On page 38, increase the amount on line 10 by $289,000,000.
On page 38, increase the second amount on line 11 by $257,000,000.
On page 40, increase the first amount on line 12 by $1,886,000,000.
On page 40, increase the second amount on line 12 by $1,886,000,000.
On page 41, increase the amount on line 14 by $632,000,000.
On page 41, increase the second amount on line 15 by $1,314,000,000.
On page 41, increase the amount on line 17 by $2,029,000,000.
On page 44, decrease the amount on line 6 by $5,962,000,000.
On page 44, decrease the first amount on line 7 by $7,941,000,000.
On page 44, decrease the second amount on line 7 by $9,893,000,000.
At the end of the concurrent resolution, add the following new section:

NASA SPACE SHUTTLE PROGRAM

SEC. . Upon the enactment of legislation authorizing up to $976,000,000 in fiscal year 1987, $915,000,000 in fiscal year 1988, and $752,000,000 in fiscal year 1989 for the NASA Space Shuttle program, and upon the enactment of legislation increasing revenues

in an amount equal to the amount authorized and in addition to amounts of increased revenues required to be reported pursuant to section 2 of this concurrent resolution, the authorized amount of budget authority and outlays shall be allocated to the Senate Committee on Appropriations, and that same amount will be added to the total amounts of budget authority and outlays provided for in this concurrent resolution.

NOTICE OF HEARINGS

SUBCOMMITTEE ON EMPLOYMENT AND PRODUCTIVITY AND SUBCOMMITTEE ON SOCIAL SECURITY AND INCOME MAINTENANCE PROGRAMS

Mr. QUAYLE. Mr. President, I would like to announce that the Subcommittees on Employment and Productivity and on Social Security and Income Maintenance Programs (chaired by Mr. ARMSTRONG) will hold joint hearings on "Work and Welfare" at 9:30 a.m. on July 17 and 22 in room 430 of the Dirksen Senate Office Building.

The purpose of the hearings is to examine how and to what extent employment can lead to economic independence for AFDC recipients. The subcommittees are particularly interested in answers to the following questions:

What kind of education, training and employment services are needed by recipients?

Should such policies be targeted to particular groups of recipients?

Who should be responsible for administering employment and training programs for recipients?

Should recipients be provided jobs in lieu of welfare?

How can children of working parents be assured of proper care?

Should other economic or tax policies be used to reduce welfare dependency?

The hearings expect to focus on lessons to be learned from experience gained under JTPA, WIN, community work experience and other employment and training programs currently serving AFDC recipients.

Due to the limited time available for the hearings, witnesses will be selected by the Subcommittees. Any person wishing to submit a statement for the record should contact Betty Scott-Boom, 219 Dirksen Senate Office Building, Washington, DC 20510.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON NATURAL RESOURCES DEVELOPMENT AND PRODUCTION

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Subcommittee on Natural Resources Development and Production of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, May 1, 1986, to hold an oversight hearing on impacts of coal and electricity imports on the domestic coal industry.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON DEFENSE ACQUISITION POLICY

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Defense Acquisition Subcommittee of the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, May 1, to hold a hearing to receive testimony on the following:

S. 2151, to amend title 10 of U.S. Code to require the Department of Defense to exclude from consideration for contracts those firms which a hostile foreign government or a covered foreign national, owns or controls a significant interest;

S. 2380, to amend title 10 of U.S. Code to require the heads of DOD agencies to consider U.S. Foreign Policy objectives before entering into a procurement contract with a foreign government.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

NATIONAL SENIOR CITIZEN MONTH

● Mr. BINGAMAN. Mr. President, I am pleased to take the floor today to remind my colleagues that May has been designated by the President as "National Senior Citizen Month." As part of the national celebration, the Administration on Aging has decided to honor one program from each State which emphasizes the theme of National Senior Citizen Month—"Lifestyle Changes in Nutrition, Exercise, Accident Prevention, Drug Abuse and Smoking Cessation."

The New Mexico recipient of this Health Promotion Award is the Therapeutic Water Exercise Program of the Albuquerque/Bernalillo County Office of Senior Affairs [OSA]. Its program exemplifies the growing recognition in the senior community of my State that fitness not only fosters independence but plays a major role in improving the quality of life. It also reduces the need for institutionalization and the cost of remedial health care.

The New Mexico program began in Albuquerque in 1977 as a joint effort of the OSA and the University of New Mexico Therapeutic Recreation Program under the directorship of Charlotte Piper. It envisioned the use of a water environment to increase the enjoyment of exercise by older adults, and it offered a practical laboratory for adaptive PE majors, recreation therapy majors, and nursing students to gain experience in working with older and handicapped seniors.

Under the program manager, Pam Groves, who is here today to receive the award, the exercises were developed for every ability level from fully functioning to wheelchair-bound seniors. Volunteers assist the students, working one-on-one with those most severely handicapped. The program was coordinated with the New Mexico Arthritis Foundation.

Over the years the program has become increasingly popular in the senior citizen community. It is especially beneficial to senior who cannot participate in other senior center exercise activities because of physical limitations.

During 1985, 2,091 sessions in the pool were held and 51,603 people participated. This is a duplicated count since many participate regularly. A monthly average is 170 sessions involving 3,700 participants—duplicated count.

An average session is an hour long. The seniors exercise to music or swim laps. A wheelchair ramp has been added to allow easy access to the water. Individualized programs are available on request, and participants have noted the improvement in their strength, endurance, and self-esteem.

Participants include the full spectrum of minority and income levels. The fact that it is never too late to feel better is emphasized. Many seniors who did not know how to swim have become proficient swimmers, and most importantly, many who suffered severe muscular limitations from arthritis have significantly improved.

I am pleased that this excellent and innovative program has been recognized. And I wish to congratulate Dr. Charlotte Piper, Pam Groves, the staff of OSA, and the participants of the Therapeutic Water Exercise Program.●

HARD TIMES HURT NORTHWEST GOOD LIFE

● Mr. KENNEDY. Mr. President, late last year I journeyed to three different States to see firsthand and to call attention to some of the major problems confronting American families.

There are those in our Nation whose portrayal of middle America as a place of plenty is a portrayal that, to say the least, is less than accurate. Only through study and firsthand observation and appropriate attention to the problems of our people can we begin to address them before they become even more widespread.

I was able to undergo that kind of exposure in Kansas, Missouri, and West Virginia. Although inclement weather prevented me from personally visiting Washington State, a member of my staff at the Senate Labor and Human Resources Committee spent several days there.

What follows are excerpts from her report to me, a report on which I and my colleagues will base much of our work during the 1986 legislative session. Working with Congressman NORM DICKS, who filled in for me on the tour of Seattle and Tacoma, and

others hopefuly we can all better represent those families of America who know full well that there are major problems in the heartland of America that need full congressional attention.

The excerpts follow:

HARD TIMES HURT NORTHWEST "GOOD LIFE"

(By Mona Sarfaty, M.D.)

John Folger started working at Tacoma's ASARCO Smelter six days after he was graduated from high school. He worked there for 21 years. When the smelter closed several months ago he was a foreman earning $36,000. Today, he is supporting his wife and two children working as a concrete laborer for $11,000.

He is having difficulty making his mortgage payments and fears he won't be able to afford to send his children to college.

Ronald Warton, his wife, and six children have gone on welfare for the first time. A year ago he was a glass company glazier earning $10 an hour. Though he collected unemployment insurance after he lost his job, he was recently denied an extension because he refused to take a job which payed $5.17 an hour. That salary would be less than he received from unemployment insurance or welfare.

TOO ILL TO WORK

Hard times are stressing the family's resources. Mrs. Warton feels their house has become the most dilapidated on the block and their children complain of being teased at school about their clothing and about being poor.

Barbara Primus is a divorced mother of four. Though she earned $12 per hour at her last two industrial jobs, she is now unemployed and on welfare. She lost her unemployment insurance when her doctor certified that her gall bladder condition made it impossible for her to work. Even then, she avoided welfare and lived on savings until medical bills made welfare unavoidable.

She doesn't plan to stay on welfare, though. She was recently accepted for a training course as a correctional officer. She sees this as a secure job with a decent starting salary.

Clark Hoker, now also on welfare for the first time, lost his job as an air traffic controller when President Reagan fired the striking controllers. After trying various jobs, he turned to driving a cab until a leg injury eliminated that income.

Last year, his income was $13,000, down from the $35,000 he was earning four years ago. Clark described his efforts to make ends meet as "living on the razor's edge."

Though stories like these might not seem unusual coming from depressed Midwestern industrial states, the experiences reported here are those of residents of the Pacific Northwest. They once lived the American dream. Now they find themselves on the brink of poverty.

There is a profound contradiction between encouraging reports of improvement in the American economy since the 1982-83 recession and the realife experiences of people like these. While monthly statistical reports do show steady decreases in unemployment and increases in new jobs, community organizations, food banks and shelters for the homeless report significant increases in demand for their services.

Much of the disparity is explained by focusing on families with children. Between 1979 and 1984, there has been a decline in mean real income for all families with children—except for those in the top 20 percent of the income ladder. For a family living at the median income level, there has been a 9.6 percent decline in income since 1973. Most of the decline has occurred since 1979.

The share of income earned by families in the lower 60 percent of the income ladder also has declined. The largest decline occurred between 1979-85. In 1979, the share of income for the lower 60 percent was 36 percent of aggregate family income. In 1985, it was 32.8 percent.

During this time, the poverty rate also has increased significantly. In 1984, 17.4 percent of all families with children were living below the poverty line. In 1979, it was 12.7 percent.

HIGH-PAY JOBS GONE

Economists attribute these changes to several factors. The growing percentage of families whose heads have low weekly earnings has meant that a full-time job no longer provides sufficient income to maintain a family above the federal poverty level. Another important factor is the increase in the proportion of families headed by women. In addition, the decline after 1973 in the real value of government assistance has contributed to the increased number of families living well below the poverty line.

Lower earnings by the chief wage earner are tied to the decline in manufacturing employment. As of April 1985, manufacturing employment was still 665,000 below the July 1981 level. Though there has been considerable new job creation during this time, 75 percent of the new jobs have been in low paying service jobs.

Washington state has lost 20,000 manufacturing jobs since 1979. Tacoma has lost 5,000.

Tacoma illustrates some of the problems of the declining American industrial economy. Pierce County, which includes Tacoma, has never been an affluent county.

But Tacoma was a solid industrial town with a solid industrial future until just a few years ago. For those who were enterprising enough to make their future with it, it offered the promise of an ample life based on hard work and savings. But, in 1985, the unemployment rate in Tacoma was substantial at 9.5 percent.

Daniel Neigen is a good example. He grew up in Tacoma, graduated from high school there and completed two years of college. He became an experienced welder, took all the improvement courses offered by his union, and was working at Tacoma Boat Co. earning $27,000 a year until he was laid off five months ago.

A few years ago he had bought a little land on the beach and built his own beach house. When his income was cut to the $740 per month that he receives from unemployment insurance it changed his life.

His Christmas gift to his small son this year was a pair of shoes and he visited Christmas House, a free mini-department store that was visited by more families this year than ever before. More than 300 families a day lined up outside the building to await the intake interview. The interviews showed that 60 percent of the families had never come to Christmas House before in its 10 years of operation.

The unemployed in Tacoma search in a larger and larger radius around their homes. There is always at least a passing thought given to relocating. For most, selling their homes would mean losing what they have invested because the housing market is poor in a city with a high unemployment rate.

Seattle, a half hour away, attracts hopeful people who are searching for jobs. Seattle's better unemployment rate, 7 percent, and more generous services for the poor and unemployed, has, in fact, caused a steady flow of job seekers into the city from all over the country. But many exhaust their resources just getting there.

HOMELESS IN SEATTLE

The Sacred Heart Shelter for homeless families provides an opportunity to speak to adventurous souls who have relocated—with their families—in the hope of finding a job.

One is a single mother whose boy, a third grader, goes to school from the homeless shelter while she combs the city for a sales job. On his sweater, the boy wears the gymnastics medal he won in a competition in his elementary school at home. His mother worries because the shelter does not reopen until 4 p.m. and he gets out of school at 3 p.m.

Joseph Plummer also moved to Seattle in the hope of finding a job. When his wife left him with his 2-year-old son (she took the 4-year-old girl) he moved into the Sacred Heart Shelter until he could find a job.

Joseph is a construction worker. He and his wife were living in another city in the Northwest until financial problems made them decide to move. During the best times he was earning $30,000. With both of them working, they owned their own home, two cars, a TV, and the other amenities of a good middle-class life.

When his work dropped to part-time, they used their savings, sold one car, pawned the TV and jewelry and finally had to give up their home. They moved to Seattle, one block from the union hall where Joe could be available for work. When his wife left, Joe wasn't sure where to turn. The counselors at the shelter are helping him to find day care for the baby.

Success may not come instantly but Seattle does offer more opportunities and support than many other cities. The Northwest Harvest food bank system is another example of what the citizens of Seattle offer to help out their neighbors who are facing rough times. Demand for the food banks' services has grown dramatically.

The development officer for Northwest Harvest describes the change he has seen in the people who use the food bank in the past five years. Rather than elderly or homeless, he describes the new users as bewildered young people.

The Infant Corner at Northwest Harvest—established only two years ago—is part of the response to this change. The typical mother who uses Infant Corner is young, and black, and on Aid to Families with Dependent Children. She has one or two young children. If there is a man in the family, he is generally either disabled or unemployed. These mothers get about $400 a month from AFDC and an additional $100 from food stamps.

By the end of the second or third week of each month when the food stamps are exhausted, many of these mothers turn to Northwest Harvest for help. There they get formula strained baby food and diapers. You can't buy diapers with food stamps and Northwest Harvest tries to keep a supply available. It is one of the very few food banks around the country that provide for infant needs. Two years ago, Northwest Harvest established its infant section in response to the cutbacks in the federal Women, Infants and Children nutrition program.

Northwest Harvest is one of the largest voluntary food distribution networks in the

country. Its budget has grown from $150,000 to $4.5 million. In 1985, it distributed 8 million pounds of food. But its director takes great pains to point out that though Northwest Harvest gets lots of honors, it is not the answer.

COH BUDGET STRAINED

Most other services offered by the city are heavily reliant on government support and public charity. Cutbacks in federal government programs have hammered local services. Voluntary organizations have picked up the slack. But they go only so far.

Children's Orthopedic Hospital is a good example. It has a nationwide reputation and provides a wide range of services, including the only major rehabilitation service for children in the Northwest. It is also one of Seattle's major charities. Last year it provided $11 million of its $60 million budget as charity care.

This year, Children's will fall short of meeting its expenses by $5 million. The hospital has already eliminated its primary care outpatient medical and dental services.

Like many states, Washington has tried to increase local resources available to help launch its citizens from under the poverty line and provide a safety net when they fall back below it. But the task has been increasingly difficult due to federal cutbacks.

Unless there is a turnaround in the health of the economy or a fundamental change of policy on taxes and programs the future is only likely to be more difficult.●

GOODWILL SERVES DETROIT FOR 65 YEARS

● Mr. RIEGLE. Mr. President, I would like to recognize the fine work that Goodwill Industries in Detroit has provided for the past 65 years.

The Mission of Goodwill Industries of Greater Detroit is to help the physically, mentally, and socially disabled achieve greater independence and self-esteem through training, work experience, and other services designed to improve their ability to become more self-reliant, self-supporting, and contributing members of society. In 1985 alone, 3,423 handicapped individuals in southeastern Michigan were served through Goodwill's various programs. 480,000 hours of employment was provided for 805 disabled employees and 402 people were placed into competitive employment through job placement programs.

During National Goodwill Week, May 4–10, 1986, Goodwill Industries of Greater Detroit will hold its Third Annual Awards Luncheon to honor volunteers as well as clients for their accomplishments and also the community for its support. Mr. John A. Doyle, executive director of the National Association of Rehabilitation Facilities [NARF] will be the keynote speaker. At the awards luncheon several individuals and businesses will be recognized for their work and accomplishments.

I would like to take this opportunity to congratulate these recipients:

Special Awards: Clay Howell, president, United Foundation.

Community Services: American Sunroof; Ford Motor Co., Parts and Service Division and General Motors Corp.

Volunteer of the Year Awards: Kay Leonard, president, Women's Assn.; Betty Fuchs, Junior Group & Jolly Cheers.

"Mental Health" Award: Mary Ann Simone, New Center Vocational Program [NCVP].

"Worker of the Year" Award: Paul Kasch, Macomb Rehabilitation Center.

"Competitive Employment" Award: Lawrence Menna, Job Club.

"Employer of the Year" Award: Mountain Jack's Restaurant (Project GUIDE).●

INDEPENDENCE FOR NAMIBIA

● Mr. SIMON. Mr. President, recently I received a copy of a letter from the Reverend Dr. Robert J. Marshall, former president of the Lutheran Church in America and now with the Lutheran Theological Southern Seminary in Columbia, SC.

Reverend Marshall had written one to our colleagues to discuss the issue of independence and self-government for the people of Namibia. I found Reverend Marshall's insight and analysis to be valuable for those of us who continue to grapple with the problems in southern Africa. In order that my colleagues may read it, I ask that Reverend Marshall's letter be printed in the RECORD.

The letter follows:

LUTHERAN THEOLOGICAL SOUTHERN SEMINARY,
Columbia, SC, April 2, 1986.

DEAR SENATOR: Recently I read the statement you made in the Senate concerning Namibia. It's obvious we have quite different views on the situation there, and I would like to offer mine for your consideration.

My interest in and knowledge of Namibia goes back to my tenure as President of the Lutheran Church in America and work with the Lutheran World Federation, of which two Namibian Lutheran churches are also members. These two churches, the Evangelical Lutheran Church in Namibia (ELC) and the Evangelical Lutheran Church in Namibia (ELOC), count more than half the Namibian population in their membership. It is no exaggeration to say that these churches, along with the Episcopal, Roman Catholic, and Methodist Churches, play a role in Namibia similar to that played by the Roman Catholic Church in Poland.

(The two churches' names have been made similar as they progress toward church unity. The ELC stands for "Evangelical Lutheran Church," which was the former name of one church. It was started nearly a century ago by German missionaries from the Rhenish Mission when Namibia was a German colony. The "ELOC" stands for "Evangelical Lutheran Ovambokavango Church," the former name of the second, and largest, church. It was started more than a century ago by Finnish Lutheran missionaries.)

First, I am unsure from your statement whether you applaud the offer made by South African President Botha to implement United Nations Security Council Resolution 435 by August 1st provided that an agreement on the withdrawal of Cuban troops from Angola can be made. I can assure you that the churches of Namibia, as well as the Lutheran Church in America, does not. The Namibian churches were rightly calling for an end to South Africa's occupation of Namibia long before Portugal's withdrawal from Angola, or the entrance into Angola of any foreign troops—Cuban or South African. Namibians continue to wonder why their own independence from South Africa must depend upon something they have no control over.

The Namibian people's desire for—and right to—independence is just on its own merits, and ought not be preconditioned or delayed because of political problems that have no bearing on their lives.

That brings us to the second disagreement between us. Namibia is not independent now, and ought to be. The "Namibian Transitional Government of National Unity" is nothing but a sham. You say that the members of the government were duly elected or designated. That is partially correct. They were designated by the few political parties in Namibia which South Africa allowed to establish a government. But what elections do you refer to? The government's own founding document establishes the principle that "because this is to be a government of natonal unity, no elections are necessary." And no elections have been held in Namibia to found a government on. Indeed, that is the heart of UNSCR 435—free elections in Namibia. Presently there are no duly elected leaders of any national government of Namibia.

It is this fear of contesting a free election in Namibia which causes this "Council of Ministers" to make statements like the one you inserted into the Congressional Record. Their first paragraph is nothing but an artfully worded avoidance of support for UNSCR 435 and internationally supervised elections.

In their second paragraph they make two points. First, they demand that the United Nations, "including the Security Council" demonstrate their impartiality. It is true that the U.N. General Assembly has voted to designate SWAPO as the "sole and legitimate" representative of the Namibian people. It is equally true that at the commencement of the 435 process, that designation lapses. Further, the Security Council, under which responsibility for implementation of 435 falls, has never acted impartially with respect to Namibia, except to support the ruling of the ruling of the International Court of Justice that the South African occupation of Namibia is illegal, a ruling concurred by the U.S. judge on the court, and stemming from a General Assembly action supported by the United States.

Second, the "Council of Ministers" proposes that a constitutional conference be held before elections. This is in direct contravention to Resolution 435, because it still fails to decide who shall draft the constitution. This sham government, as you may know, has already appointed a committee to begin drafting a constitution. You may not be aware that the chairman of that committee is a South African. So much for the independence of this governmemt from South Africa, and so much, frankly, for any expectation that the people of Namibia will approve any constitution which arises from it.

In their third paragraph, the "Council" makes the praiseworthy statement that

they have released all political prisoners "who were previously imprisoned in South Africa." What they don't say is that more than fifty people are currently detained for political offenses in Namibia, and they have made no effort to release them. What they are claiming is that their "Namibian" government has the power to open prison doors in South Africa, where it is not sovereign, while their actions show they won't open them in Namibia. This is more clear evidence that it is not a government independent from the South Africa government, which controls South African prisons, or from the South African Defense Force, which controls the security forces in Namibia.

The statement then goes on to call on SWAPO to agree to an immediate cease-fire. Did you know that SWAPO has been calling for a cease-fire and implementation of UNSCR 435 ever since it was approved by the Security Council in 1978? Did you know that it was the South African government which walked out of a U.N. meeting in Geneva, Switzerland, rather than respond to SWAPO's public call for a cease-fire and implementation of 435?

As for the pledge to "provide the best government possible" for the people of Namibia, the short history of this sham government is already rife with violations of that pledge. As you say, "It is difficult to conceive of an independent Namibia without considering the views of the majority of its people." As the views of General DeGaulle and the Free French Forces more clearly reflected the views of the people in occupied France than did the views of Marshall Petain, the views of the independent churches of Namibia far more clearly reflect the views of the majority of the people of Namibia than does this sham government.

I look forward to hearing from you on this matter, and to your cooperation in assisting the people of Namibia to become independent and self-governing. I would be pleased to have Martin Sövik of our church's Washington office provide you or your staff with more information about the current situation in Namibia and its history.

Sincerely,

Rev. Dr. ROBERT J. MARSHALL.●

NUCLEAR TESTING AND ARMS CONTROL

● Mr. GARN. Mr. President, it is a pleasure for me to join with my colleagues, Senators WILSON, WALLOP, and QUAYLE, in introducing Senate Concurrent Resolution 135, a resolution concerning nuclear testing and arms control. Unfortunately, the public is being treated to a feast of rhetoric on these subjects that runs contrary to the security interests of the United States and its allies. It is, therefore, important that the Senate make a strong, reasoned statement on the subject of nuclear testing.

The resolution is intended to provide such a statement. It addresses four basic points, namely:

The need for the Soviet Union to bring its weapons programs back into compliance with existing arms control agreements.

The requirement for verification improvements to the Threshold Test Ban and Peaceful Nuclear Explosive Treaties to address current uncertainties in estimating Soviet nuclear test yields.

The positive effects derived from a program of limited, underground nuclear tests; and

The security conditions under which a comprehensive ban on nuclear testing would contribute to the interests of the United States and its allies.

The fundamental message of this resolution stands in marked contrast to the proposal, House Joint Resolution 3, that was adopted by the House in February. House Joint Resolution 3 calls for the immediate ratification of the TTBT and PNET, without verification improvements, and the resumption of negotiations on a comprehensive test ban agreement. In my view, the President was correct in pointing out that:

The actions called for in House Joint Resolution 3 do not serve the interests of the United States, our allies, and our friends. They would undercut the initiatives I have proposed to make progress on nuclear test limitations issues, and they would set back prospects on a broad range of arms control efforts, including the achievement of deep stabilizing, and verifiable arms reductions.

Mr. President, I have noted with interest statements by Soviet officials, including General Secretary Gorbachev, indicating a willingness to accept appropriate verification provisions—including onsite inspection measures—in the context of United States-Soviet arms control negotiations. I welcome such statements, but the fact remains that these public sentiments have yet to find their way into the private negotiating positions of the Soviet Government. With respect to the test ban treaties, specifically, the United States has consistently attempted to engage the Soviets in a dialog on necessary verification improvements to the unratified TTBT and PNET.

Most recently, President Reagan has made a concrete proposal to the Soviets to incorporate into the verification regimes of these agreements the CORRTEX system, or its equivalent. CORRTEX is a hydrodynamic yield measurement technique which the United States has used to calculate the yields of its own nuclear tests. The use of such a system to monitor compliance with the TTBT and PNET would allow the United States to reduce substantially the uncertainties that currently exist in using seismic estimating techniques to measure test yields. The fact is that these uncertainties cloud the issue of Soviet compliance and must be removed before the President or the Senate move forward with the ratification of the TTBT and PNET. Progress is now within our grasp, and it is incumbent upon the Soviet leaders to take the President up on his offer to discuss the necessary verification improvements to the test ban agreements.

With respect to a comprehensive test ban, I believe that it should be noted that our current program of limited, underground testing has had—and will continue to have—the beneficial effect of contributing to the reliability and safety of our nuclear weapons arsenal. I am not in the habit of quoting favorably from the New York Times, but I would point out to my colleagues that the Times recently observed that:

A freeze (on testing) 20 years ago would have prevented development of lower yield warheads and of permissive action links, the safety devices that prevent the unauthorized use of nuclear weapons.

The credibility of the U.S. nuclear deterrent is essential to the security of our allies and friends. This is true today, and is likely to be true for the foreseeable future. Limited, underground testing contributes to ensuring the reliability, and therefore, the credibility of our nuclear weapons. Thus, until our security situation changes dramatically, a comprehensive ban on testing should remain no more than a long-term objective of U.S. policy. Certainly, it should not detract from current U.S. efforts to negotiate deep and verifiable reductions in existing nuclear weapons.

The Senate has an opportunity to speak on these critical matters in a responsible fashion. I would hope, therefore, that careful and favorable consideration be given to the resolution we are introduced yesterday.

Mr. President, I ask that statements by the Director of the Arms Control and Disarmament Agency, Kenneth Adelman, and Deputy Assistant Director for Verification and Intelligence at ACDA, Dr. Robert Barker, be printed in the RECORD.

STATEMENT OF KENNETH L. ADELMAN, DIRECTOR, U.S. ARMS CONTROL AND DISARMAMENT AGENCY

Many in Congress today are interested in nuclear testing limitations: namely, in a comprehensive test ban (CTB) and in ratification of the 1974 Threshold Test Ban Treaty (TTBT) and the Peaceful Nuclear Explosions Treaty (PNET). Significantly different issues are involved in each. Therefore, I would like to treat them separately.

A comprehensive test ban remains a long-term objective of the United States. We believe such a ban must be viewed in the context of a time when we do not need to depend on nuclear deterrence to ensure international security and stability, and when we have achieved broad, deep, and verifiable arms reductions, substantially improved verification capabilities, and greater balance in conventional forces.

As long as we must rely on nuclear weapons for deterrence, nuclear testing will continue to be required. Nuclear testing is required for the reliability, safety and survivability of our nuclear forces, to ensure the survivability of non-nuclear forces and command-and-control, and also for modernization. It is critical that we be able to continue to modernize to respond to Soviet modernization and other activities which diminish the credibility of our deterrent.

Verification of a comprehensive test ban also poses tremendous problems. While our

ability to *detect* nuclear explosions by seismological means has greatly—through enormous effort—improved, we still cannot distinguish at low—but militarily significant yields—a nuclear explosion from other seismological events such as earthquakes or chemical explosions.

In the nuclear testing area, the United States places a high priority on improved verification of the 1974 Threshold Test Ban Treaty (TTBT) and the 1976 Peaceful Nuclear Explosions Treaty (PNET). The United States has observed the 150 kiloton threshold of the TTBT since 1976, but has not ratified it. The Soviet Union has stated that it would observe the 150 kiloton threshold—but as the President's reports on compliance make clear, the Soviets have likely violated this limit.

Some argue that the verification provisions of the TTBT, which would come into effect with the ratification of the treaty, are adequate to verify the level of Soviet testing. These claims are not accurate. The TTBT and its associated Protocol contain provisions for the exchange of geophysical data and for announcing the yields of two explosions for calibration purposes. But the Treaty provides no mechanism for one Party to validate independently the accuracy of the data provided by the other Party.

Data provided on two Soviet tests would be of little value unless it can be independently verified by the United States. And even if the particular data exchanges were accurate, that data is limited and would not reduce the overall, uncertainty in the seismic yield estimation process to acceptable levels.

Additional verification measures are included in the PNET since it involved explosions conducted away from military test sites and permitted aggregates of multiple tests to be above 150 kilotons. Provisions were, therefore, included for on-site measurements of each explosion by downhold instrumentation similar in result to the current CORRTEX equipment. Seismic instruments were also to be allowed in the test area to detect non-standard explosive emplacement or hidden explosives. However, even if the PNE Treaty had been ratified, this does not solve the problem of the TTBT. Moreover, these PNET verification measures would not have been implemented up to now because the Soviets have apparently never reached the yield threshold for PNEs that would trigger installation of U.S. devices on Soviet territory.

As you are aware, the United States has made several specific suggestions to the Soviet Union aimed at ensuring effective verification of the TTBT and PNET.

In 1984 President Reagan proposed an exchange of Soviet and U.S. experts to measure directly the yields of tests of nuclear weapons at each other's test sites. In mid-1985, the President unconditionally invited Soviet experts to measure such a test at the Nevada Test Site, bringing with them any instrumentation devices they deemed necessary for such measurement.

In December 1985, the President proposed to Secretary General Gorbachev that U.S. and Soviet experts on nuclear testing limitations meet in February, 1986, to discuss our respective verification approaches and to address initial tangible steps to resolve this issue. On March 14, 1986 the President proposed that the Soviet Union join the United States in bilateral discussions on finding ways to reach agreement on essential verification improvements of the TTBT and PNET. The President invited Mr. Gorbachev to send his scientists to the U.S. test site the third week of April 1986 to monitor a planned U.S. nuclear weapons test and to examine the CORRTEX system. The President stated that, if the Soviets would join us in an agreement for effective verification, including the use of CORRTEX, the United States would be prepared to move forward on ratification of the TTBT and the PNET.

To date the Soviet Union has not responded either to the serious U.S. concerns in this area or to any of our initiatives to address these concerns in a constructive manner.

Our verification concerns cannot be satisfied by appending them to requests to the Senate for advice and consent on treaty ratification. They can only be satisfied by an honest exchange of technical views with the Soviets, as we have repeatedly proposed, on how verification can be improved and subsequent negotiation with the Soviets on the means which will permit effective verification.

Ratification without such verification improvements would provide no guarantee of their subsequent adoption. We need to fix the treaty before, not after we ratify. Failure to do so will only fuel future acrimony.

The United States seeks to achieve the eventual elimination of nuclear weapons in a way that strengthens the security and stability which the entire world desires. In this context, we are convinced that deep reductions in the offensive nuclear weapons of the Soviet Union and the United States must have our highest priority. In seeking deep reductions we will demand equality and require effective verification in any resultant treaty. Congressional support for U.S. efforts to achieve such reductions in the Geneva negotiations has been substantial and we believe such support is not lost on the Soviets.

Testimony Before the Senate Armed Services Committee

(By Dr. Robert B. Barker)

Good afternoon, I am happy to appear before this Committee for the purpose of providing an overview of the technical foundations for the Administration's views on nuclear test limitation treaties.

Careful study led us, over four years ago, to conclude that the Threshold Test Ban Treaty, in its current form, is not effectively verifiable; ratification of this treaty before verification improvements can be negotiated with the Soviet Union is not in the national security interest of the United States. The President has stated to Soviet General Secretary Gorbachev that he would be prepared to move forward on ratification of both the Threshold Test Ban Treaty and the Peaceful Nuclear Explosions Treaty as soon as agreement is reached on the use of an effective verification system. He has described to Secretary General Gorbachev a technical system, using a technique known as CORRTEX, which we believe will determine yield with an acceptable level of uncertainty.

Thorough evaluation has led the Administration to reaffirm that a comprehensive test ban remains a long-term objective of the United States; an objective which we will seek to pursue within the context of broad, deep and verifiable arms reductions, substantially improved verification capabilities, a greater balance in conventional forces and at a time when a nuclear deterrent is no longer as essential an element as currently for international security and stability. There is much to be accomplished with respect to each of these objectives; it is not yet time to undertake negotiation of a Comprehensive Test Ban Treaty.

In a recent letter to Senator Dole, the President stated: Any limitations on nuclear testing must be compatible with our security interests and must be effectively verifiable. Because of the continuing threat that we face now and for the foreseeable future, the security of the United States, its friends and its Allies must rely upon a credible and effective nuclear deterrent. A limited level of testing assures that our weapons are safe, effective, reliable and survivable and assures our capability to respond to the continued Soviet nuclear arms buildup. Such testing, which is conducted underground, is permitted under the existing agreements on nuclear test limitations, all of which the United States fully complies with—the TTBT, the PNET, and the Limited Test Ban Treaty (LTBT).

NUCLEAR TESTING

The nuclear tests of the United States fall into four general categories: stockpile reliability/confidence tests; weapons effects tests; development tests; and tests designed to further understanding of the fundamental physical processes which occur in a nuclear explosion. Each category contributes to assuring that our deterrent is safe, effective, reliable, and survivable.

Stockpile reliability/confidence tests

Each year a small number of tests are directly conducted for stockpile reliability/confidence reasons. These tests can confirm that a recently produced nuclear weapon will perform properly or determine whether an older weapon is still performing as expected.

The use of the word "reliability", in conjunction with the need for nuclear testing, has confused many people. In everyday usage, reliability is associated with a statement about probability—such as 99 out of 100 weapons will operate properly. Thus, apparently, many people assume that a concern about nuclear weapons reliability is a concern that today's possible reliability of 99 percent may degrade to 95 percent or 90 percent sometime in the future. This is not what concern for nuclear weapon reliability is about. What we must be concerned about is a fault in the design which dramatically reduces the expected yield or makes a nuclear weapon unsafe. Such faults could be accidently built into a weapon during the production process or could be a result of chemical changes that occur as weapons grow old.

Such problems are not imaginary nightmares; the actual cases are all too real. While much still remains classified about problems with the U.S. nuclear stockpile, a great deal is revealed in a 1983 paper produced for the Department of Energy, authored by Jack W. Rosengren, and entitled "Some Little-Publicized Difficulties with a Nuclear Freeze." The paper discusses a half-dozen significant stockpile problems which required nuclear testing for their identification and/or fixing. This paper revealed that at one time 75 percent of one type of warhead designed for our Polaris submarines would have produced zero yield—no yield—if detonated. This is the kind of catastrophy that is the basis for our concern about nuclear weapon reliability, and, therefore, the reliability of our deterrent.

At the current time, a representative warhead, one of each new type produced, is tested to make sure that weapons from the production line will meet their design requirements. Every kind of military materiel, from boots to ammunition, to tanks, planes,

and submarines must be similarly "proof-tested", to ensure that the government is getting what it paid for—only in the case of nuclear wepons do some suggest such testing is unnecessary. While these critics of nuclear testing may believe that the computer calculations of nuclear weapon scientists are sufficient for a reliable nuclear deterrent, the Directors of the nation's nuclear weapon design laboratories are firmly on record stating that they cannot—in the absence of testing—retain confidence in the performance of weapons that their laboratories have designed.

In addition to tests of newly produced weapons, the category of stockpile reliability tests also includes the rare tests whose purpose it is to confirm that an older weapon from the U.S. inventory will still perform its function or to confirm a "fix" for a serious stockpile problem. Representative samples of older nuclear weapons are disassembled on a routine basis. Those parts of a weapon which can be fully tested in the laboratory—such as the electronic components—are so tested. The components which would produce nuclear yield are carefully examined by scientists and engineers from the nuclear weapons laboratory which was responsible for the initial design. Nuclear weapons are not immune from corrosion and decay. These scientists and engineers are asked to evaluate whether the changes wrought by time will adversely affect performance. Routinely their answer is that performance will not be compromised by the changes that have occurred.

But should changes be observed from which it is concluded that performance may be adversely affected, then a nuclear test will be devoted to determining the true situation. If there is a problem, a solution will be designed, tested in a nuclear test, and the entire inventory of that weapon will be recalled to install the design change.

What is unique about this process of stockpile evaluation is not that a test may be required—all military materiel is routinely tested to ensure that age has not unacceptably degraded its performance. What is unique is that testing for the effects of age is so rare. A nuclear weapon destroys itself in a test and each weapon and test are expensive items. Therefore, rather than conduct routine tests of the aging nuclear weapon, we depend upon the judgment of a very few nuclear weapon scientists and engineers to tell us whether everything is in order. Why should we trust the judgment of these people? Because, these same scientists and engineers are involved in the ongoing nuclear weapon design and testing program and are constantly having their judgments about design validated repeatedly by the results of underground nuclear tests.

Thus we see that while we categorize only a very few nuclear tests as stockpile confidence or reliability tests, in reality every nuclear test is a reliability test—because every test contributes to the competence of those upon whom we ultimately depend for assurance that our deterrent is reliable.

Weapons effects tests

The second category of nuclear tests is weapons effects tests. Again this is a small number of tests in any given year but it is these tests which establish another critical aspect of a deterrent in which we can have confidence. For our deterrent to be real we must believe, and so must the Soviet Union, that we will achieve sufficient warning of an attack to maximize the survivability of our deterrent and to ensure a response unacceptable to the Soviet Union. This requires that we design our space-based advanced warning systems and our space-based communication systems to be sufficiently hardened against the effects of nuclear detonations so that they cannot be too easily disabled. We also protect our military equipment against nuclear radiations and electromagnetic impulse—again so that the Soviet Union cannot calculate that our forces would be easily destroyed in a nuclear attack.

We convince ourselves that we have successfully achieved our hardness goals for our warning, communication, and all other relevant military materiel by exposing samples of these equipments to nuclear radiations in specially designed weapons "effects" tests managed by te Department of Defense's Defense Nuclear Agency. While small in number these tests are vital to ensuring the effectiveness of the U.S. deterrent.

Development tests

Development tests comprise a major part of the nuclear tests conducted by the United States each year. Some of these tests contribute to the engineering of a specific new nuclear weapon for a specific new weapon system; other tests investigate concepts which might have utility in some future U.S. weapon system or which might be employed by the Soviet Union and, therefore, need to be protected against. Typical concepts under investigation include improved nuclear weapon safety and security features as well as concepts important to the evaluation of the Strategic Defense Initiative, such as the x-ray laser.

Modernization of U.S. nuclear weapons delivery systems has been an ongoing process. Weapons systems based on newer technology replace those that have lost effectiveness because of obsolescence; for example, air-launched cruise missile carriers and B-1 bombers are to replace penetrating B-52s. Weapons systems whose survivability may be threatened are replaced with less vulnerable systems; thus the Trident missile system is replacing the Polaris and Poseidon systems.

In every case to date, the replacement system has required a nuclear weapon different from the weapon in the system that was replaced. In some cases, physical dimensions alone preclude use of the older weapon. In other cases, existing warheads cannot survive the heat, acceleration, vibration and other environmental extremes that a new nuclear weapon will meet in the stockpile or during delivery. Even the yield requirement of the new system may be different from that of the system it replaces. As J. Carson Mark, retired head of the Theoretical Division of Los Alamos, has noted in the Bulletin of the Atomic Scientists: The nuclear explosive and its carrier constitute a "weapon system" of which neither part is of much use without the other . . . The weapon, tailored for . . . [its] particular delivery mode, cannot easily be used in any other way.

The Navy designed its C-4 missile to have a longer flight range, thereby permitting the Poseidon and Trident submarines to operate in larger ocean areas. No existing Navy reentry body could survive the harsh reentry environments associated with the greater missile range: a new reentry body with a new warhead made the C-4 system possible. The B-1 bomber will replace the B-52 in its role as a penetrating bomber. For the new bomber to fulfill its mission of deterrence, it must credibly be able to penetrate Soviet air defense, deliver its weapons and escape. Accordingly, bombs delivered by the B-1 must be able to withstand release at greater speed, survive a more stressing ground impact, and delay detonation while the aircraft flies out of range of the bomb's explosion. The criteria are very different from those for bombs designed for delivery by the B-52. The weapons labs have developed new nuclear designs to enable the B-1 to fulfill its mission.

In the area of tactical nuclear weapons, new development work has established the survivability of nuclear weapons in long-range artillery. The original nuclear artillery shells were designed to withstand the acceleration associated with the range of the 8-inch and 155-mm howitzers of the 1960s. In the following decades, U.S. and Soviet artillery doubled in range. Without new nuclear shells, capable of withstanding the acceleration associated with the longer ranges, U.S. nuclear artillery would be "outranged" and therefore vulnerable to destruction by conventional weapon fire.

While concern for survivability is the primary motivation for modernizing nuclear weapons systems, there are other important reasons for doing so. The military effectiveness of established systems has declined as the hardness of intended targets has increased. To reestablish past destructive capability requires new nuclear weapons systems. Another motivation for modernization comes directly from developments in the area of nuclear weapons design. In the last decade the nuclear weapons laboratories have developed the technology to increase dramatically the safety and security of nuclear weapons.

Improved safety and security

In the laboratories' work on nuclear weapons safety, the concern is not that of an accidental nuclear explosion. As Mark has stated: The high explosives which have been mostly used in connection with nuclear weapons . . . can reliably withstand the jolts and impacts encountered in normal handling, even if they should be dropped from modest heights, but they might detonate on falling on to a hard surface from a plane, for example. The concern is not that a full-scale nuclear explosion would result, since that requires a thoroughly symmetric detonation of the explosive which could not be induced by impact at one point.

In fact, two aircraft accidents have caused the high explosives in nuclear weapons to detonate: in 1966 at Palomares, Spain, and in 1968 in Thule, Greenland. In both cases there was no nuclear chain reaction, but the explosions dispersed plutonium, requiring extensive cleanup operations to eliminate the hazard to health.

As a result of developments at the nuclear weapons laboratories, it is now possible to preclude accidents that disperse plutonium. There are some relatively insensitive high-explosive mixtures that can survive quite violent impacts. The laboratories are now in the process of incorporating such explosives in new weapons systems as they are modernized. Due to the number of different nuclear weapons designed in the U.S. stockpile, it will be many years before all the weapons incorporate this improved safety feature. Because the weapons with insensitive explosives are based on new designs that differ substantially from those using older explosives, nuclear testing must be conducted before the features are incorporated in the U.S. stockpile.

Security is another area where recent developments in design are leading to dramat-

ic improvements. Again, as weapons systems are modernized, features are being included that make it impossible for unauthorized persons to make use of a nuclear weapon. These features are an intimate part of the nuclear design and require nuclear tests to ensure that only authorized use would result in the expected performance.

Technical surprise

One long-standing mission of the nuclear weapons laboratories is to understand all means by which a nuclear explosion might be of military use. In part, this represents a desire to understand all the ways in which the U.S. might employ such explosives to enhance its security. It also represents a desire to avoid surprise from the advantages others might obtain from nuclear weapons developments.

The evolution of nuclear weapons design is not a one-dimensional process; there is no unique path that a nuclear weapons state must follow from its first nuclear explosion to subsequent developments. One cannot be confident that findings by the United States match those of the Soviet Union. With the maturity of the U.S. nuclear program, new concepts are less frequent, but they do occur. Nuclear testing is critical to determining whether a new concept will work.

Verification that a concept is feasible does not imply that it will be incorporated into weapons in the U.S. stockpile—far from it. But establishment of feasibility does permit the evaluation of the threat to this country should the Soviet Union have already incorporated it into its nuclear arsenal.

Physics tests

The fourth category of nuclear testing includes those tests which are devoted to improving the basic understanding of nuclear weapon performance. Despite the lengthy history of nuclear weapons testing in the United States, weapons scientists do not fully understand some fundamental phenomena that bear on the performance of nuclear explosives. The nuclear weapons laboratories possess the country's largest computer resources and a very impressive cadre of theoretical physicists. Yet, sometimes substantial discrepancies exist between calculation and experimental results; the mathematical models are just not yet adequate to predict reality. Economic considerations alone motivate the nuclear weapons laboratories to maximize the role of calculations in order to husband the scarce and expensive resource of nuclear tests. Thus, the objective of some nuclear tests is to improve calculations by exploring fundamental phenomena that are not yet understood, and which may be the cause of the discrepancies between calculation and experiment.

A further very real consideration since 1958 has been the recognition that a comprehensive test ban may some day preclude testing, leaving the laboratories with calculation as the sole tool for meeting their obligation to maintain confidence in the U.S. nuclear weapons stockpile. We are not at the point where we can maintain current confidence requirements with calculation alone. Even in the last few years we have been surprised at the results of nuclear tests of weapons in production and have had to modify designs as a result of such tests.

VERIFICATION

Comprehensive Test Ban Treaty

Effective verification is also a necessary condition for a Comprehensive Test Ban Treaty (CTBT). Today it does not exist. The U.S. has spent hundreds of millions of dollars on research to establish the basis for verifiable nuclear test limitations. This Administration is continuing that search. As part of that effort we have actively supported multilateral involvement in nuclear test ban verification studies at the 40-Nation Conference on Disarmament in Geneva.

A specific example of this research effort is U.S. support for the Norwegian Regional Seismic Array (NRSA) which uses a cluster of seismometers to detect and locate the sources of seismic disturbances—even those so weak that background noise would normally obscure them. Many of the features of NRSA would be expected to be incorporated into the in-country seismic stations which would be required as part of any future CTBT verification regime. The data from this seismic array is shared with the international community. It was dedicated in 1985 in a ceremony with international participation following its development and installation with funding provided by the Department of Energy and the Department of Defense's Advanced Research Project Agency.

The geophysical characteristics of the Norwegian site are such that the array is particularly sensitive. The research effort that will be required before such stations could be meaningfully applied to CTBT verification include: evaluation of the reliability of the instruments at the NRSA site; determination that sufficiently sensitive sites for in-country location of such arrays exist within the boundaries of potential signatory countries; and much better understanding of the transmission of weak seismic signals within the boundaries of signatory countries.

While only one example, NRSA demonstrates our commitment to establish a basis for effective verification should the other conditions established by the President for Comprehensive Test Ban negotiations be achieved.

Threshold Test Ban Treaty

Turning to the Threshold Test Ban Treaty, the President has made clear that he is prepared to move forward on ratification of both the TTBT and PNET as soon as we and the Soviets can reach agreement on the use of an effective verification system. We have described to the Soviets a technique that we call CORRTEX (Continuous Reflectometry for Radius Versus Time Experiment), which can provide acceptable uncertainty in estimating the yield of high yield nuclear tests consistent with the 150 kt threshold. CORRTEX will measure yield without compromising other potentially sensitive information about the performance of the nuclear explosion.

CORRTEX is a hydrodynamic yield measurement technique that measures the propagation of the underground shock wave from an explosion. This technique uses a coaxial cable which is shorted out by the shock wave as it propagates from the center of the explosion. The coaxial cable is emplaced in a hole parallel to the device emplacement hole. Precise measurements are made of the length of the cable by timing the return of low energy electrical pulses sent down to, and reflected from the cable end. When the nuclear device is detonated, a shock wave emanates through the ground, crushing and shortening the cable. The rate by which the cable length changes is recorded via measurements of the changing pulse transit times. This rate is a measure of the propagation rate of the explosive shock wave through the ground which is, in turn, a measure of the propagation rate of the explosive shock wave through the ground which is, in turn, a measure of the yield of the nuclear explosion.

CORRTEX has been shown to be accurate to within 30 percent of more direct, radiochemical yield measurements for tests of yield greater than 50 kilotons and in the geological media of the U.S. test site. This is based on over 100 tests with the sensing cable in the device emplacement hole and four tests with cables in a satellite hole. The accuracy of the technique is believed to be relatively independent of the geological medium, provided the satellite hole measurements are made in the "strong shock" region near the nuclear device explosion. At greater separation distances, the properties of the medium become much more important factors. A satellite hole separation distance of 14 meters (46 feet) is appropriate for a test near 150 kt.

The electronic device that provides the timing signals is a battery-powered suitcase-sized unit that may be remotely controlled. All equipment for power, recording, and data reduction can be contained in a small trailer.

The President invited the Soviets to send technical experts to our Nevada Test Site to observe CORRTEX measurements with the hope that this could begin the process of agreeing to its implementation as a basis for an effectively verifiable TTBT.

The test to which we invited the Soviets has already occurred—without the presence of a Soviet technical team. We hope that the Soviets will ultimately respond positively and observe similar measurements on a future U.S. nuclear test. Congressional support for the President's proposal can only enhance the prospects for a positive Soviet responsive which could lead to ratification of the TTBT and PNET.●

CONGRATULATIONS TO WATERBURY BAR ASSOCIATION FOR OBSERVANCE OF LAW DAY 1986

● Mr. WEICKER. Mr. President, I want to congratulate the Waterbury Bar Association for its observance of Law Day 1986. For those who honor the rule of law, this is an important year. It is a year of preparation, a pause to consider the importance of next year's 200th anniversary of the Constitution of the United States.

In this year of 1986, the best preparation I can think of is the chance Americans have once again to choose a variety of Federal, State, and local officers at the polls. Lately these elections have been more the result of default than choice, with 30 percent a majority to elect a President and even less for other elective jobs.

Across the spectrum of public affairs, goals and policies and priorities are set with a noticable lack of public participation. Ben Franklin said, "In this nation the people rule," and he was right. That is the legacy of the Constitution. To its credit, this document also ensures that the wheels of representative democracy will always roll no matter the level of public participation. But to its descendants in the third century of the Constitution,

this generation is leaving its own version of the Franklin quote: "In this nation, the active minority rules."

The topic of this year's Law Day observance is the "Foundations of Freedom," and the first foundation is the very sort of participation we find missing today. Uniting this Nation under a Constitution was the result of the greatest debate among individuals in history. That debate must be constantly renewed if the law and the Government that upholds it is to maintain its vital connection to American life and values. For its parts in pursuing citizen involvement in the law, I again congratulate the Waterbury Bar Association and all participants.●

THE NEW YORK TIMES EVALUATES THE SENATE'S WATER RESOURCES BILL

● Mr. STAFFORD. Mr. President, as the Senate prepares in the near future to go to conference with the House to resolve the differences over H.R. 6, I would like to call the attention of my colleagues to an editorial that appeared recently in the New York Times.

The editorial, like one that appeared previously in the Washington Post, points out the virtues and advantages of the Senate's version.

It is important that we pass a water resources law this year. To achieve such a law, the conference must send to the President a bill close to the Senate version. Mr. President, I ask that the editorial be printed in the RECORD.

The editorial follows:

[From the New York Times, Mar. 29, 1986]

WATER: NOT FREE AT LAST

Pssst—I'll vote to widen your barge canal if you vote to dredge my harbor . . . In mixing water with politics, Americans have usually ended up with pork. Typically, the decision to invest Federal dollars in water projects has had a lot to do with dealmaking and little with economic merit. Now, thanks to a decade of stubborn effort by two Presidents, the system is on the verge of change.

Under bills passed by both the House and Senate, the local beneficiaries of improvements in water transport irrigation, flood control and municipal supply will have to bear part of the expense. Neither bill is perfect; the House's version, authorizing $20 billion in new projects, is downright profligate. But the cost-sharing is likely to survive in the final legislation and should progressively deter the most deplorable boondoggles.

Particularly wasteful or environmentally damaging water projects have sometimes been challenged in Congress, and occasionally defeated. But the battles have had to be fought one at a time, and the odds against winning have always been long. Every member of Congress knows that the next project under attack may be his own.

President Carter challenged this cozy system in 1977, questioning wasteful water projects then under way and refusing to accept new ones. President Reagan has kept up the pressure, threatening vetoes to enforce a moratorium on all new projects until Congress agreed to reform. Now, after a decade without a single major new authorization, the legislators are reluctantly giving way.

The bill passed by the Senate last week requires that half the cost of all inland navigation construction be paid out of fuel taxes. Cargo fees would offset up to 45 percent of the costs of harbor maintenance. And for flood control projects, communities would have to cover 25 to 35 percent of construction costs, with 5 percent paid up front.

The cost-sharing provisions in the House bill are considerably weaker. The House, moreover, chose to authorize dozens of projects that haven't even been declared feasible by the Army Corps of Engineers. The Administration, which originally asked for 70 percent cost sharing, sensibly warns that any compromise leaning toward the House version will be vetoed.

But while tough battles lie ahead, some progress seems assured. Uncle Sam may continue to fund water projects, including some that can't be justified by economic criteria. From now on, however, users that reap most of the benefits will bear some of the burden.●

THE SERVICE CONTRACT REFORM ACT OF 1986

● Mr. HUMPHREY. Mr. President, on March 27 of this year, I introduced the Service Contract Reform Act of 1986, S. 2261. At this time, eight distinguished Members, Senators HECHT, THURMOND, EAST, HELMS, ZORINSKY, ARMSTRONG, SYMMS, and GRAMM have joined with me in cosponsoring this piece of legislation. Support for S. 2261 has also come from private-sector organizations. On April 25, I received a letter of endorsement for the reform measures of S. 2261 from Mr. David Y. Denholm, president of the Public Service Research Council of Vienna, VA. The Public Service Research Council has been a leading organization which aggressively has supported efforts in Congress to promote free and open competition in the workplace. I commend the PSRC for its excellent work in educating the public on the reforms of S. 2261. I ask that the letter of support from Mr. Denholm be printed in the RECORD.

The letter follows:

PUBLIC SERVICE RESEARCH COUNCIL,
Vienna, VA, April 23, 1986.

Hon. GORDON HUMPHREY,
U.S. Senate,
Washington, DC.

DEAR GORDON: On behalf of the members of the Public Service Research Council, I want to express our strong support for the Service Contract Reform Act, S. 2261, which you introduced on March 27, 1986.

This is a very well crafted piece of legislation. It is responsive to the concerns of those who desire to retain the original intent of the SCA while at the same time greatly lessening the ill effects inherent in such laws.

The urgent need for the government to eliminate waste and reduce spending should make S. 2261 a very popular proposal. We look forward to working with you to mobilize support for this vitally important legislation.

Sincerely yours,

DAVID Y. DENHOLM,
President.●

STINGER MISSILES AND TERRORISTS

● Mr. CHAFEE. Mr. President, I am pleased today to cosponsor Senator DECONCINI's legislation, S. 2286, requiring strict security measures for all Stinger antiaircraft missiles sold by the United States. If enacted, this legislation will help prevent these dangerous and extremely accurate weapons from getting into the wrong hands. I would like to commend Senator DECONCINI for his leadership on this issue, and for putting together this important bill.

It was revealed a few weeks ago that rebel forces in Angola and Afghanistan had begun receiving shipments of Stingers from the United States. This concerns me because of the danger that some of these shoulder-fired missiles, which have a range of 5 kilometers, might be diverted to the black market and become available to terrorists. The Stinger—with its advanced infrared targeting system and lethal precision—can destroy an airplane from 3 miles away, and is more advanced and reliable than comparable Soviet weapons. I have little doubt that the same fanatical terrorists who have recently singled out Americans for attack are greedily eyeing the Stinger.

The delivery of Stingers to rebels in Afghanistan and Angola provides a new opportunity for terrorists to obtain these weapons. Since they are being delivered to the Afghan and Angolan resistance forces without the strict security requirements we place on the Stingers we sell to other countries, the chances are greatly increased that Stingers could find their way into the hands of terrorists. Our legislation takes steps to prevent this.

The bill requires that the launcher and missile components of each Stinger be stored in separate areas. Each area must have a full-time guard and an intrusion-protection system, and must be surrounded by a 6-foot fence on steel or reinforced concrete posts. Other requirements include strict accounting of the number of missiles, inspection by U.S. officials, protection of information relating to the Stinger, and a separate key system under which two people are necessary in order to open the storage area.

Mr. President, I see no point to placing strict security requirements on the Stingers we send to some countries, but not on those we send to Angola and Afghanistan. Either we believe terrorists will try to obtain this weapon or we do not, and if we do, we must work to thwart them. I urge my

colleagues to consider the tragic possibility of terrorists using the best of our military technology to shoot innocent Americans out of the sky. With that terrible scenario in mind, I hope they will support this legislation.●

MARY THOMPSON HOSPITAL: A TRADITION OF EXCELLENCE

● Mr. DIXON. Mr. President, I would like to take this opportunity to recognize one of Chicago's oldest and most dedicated health care facilities.

On May 12, 1986, Mary Thompson Hospital, the city's second oldest existing hospital, will celebrate its 121st year of service to Chicago's Near West Side.

Mary Thompson Hospital has been, and continues to be, an important institution in the community and provides a diversity of high-quality medical services.

The hospital's founder, Dr. Mary Harris Thompson was the first female surgeon in the United States and a pioneer in community health care. When Dr. Thompson came to Chicago, neither of the two hospitals then open would allow women on their medical staffs, and one would not admit women or children as patients.

Chicago, at the time, was a thriving frontier town whose development had outpaced the growth of its health and sanitary facilities. The city was crowded with refugees uprooted by the Civil War, in addition to large numbers of needy soldiers' wives, widows, and orphans. Consequently, there was a tremendous need for medical care. Dr. Thompson opened her new hospital, called Chicago Hospital for Women and Children, in a large frame house at the junction of Rush and Indiana Streets. The hospital had a capacity of 14 beds and provided care for 766 patients in its first year. Although the fee for hospital care was only $5 a week, only one bill was paid in full that year.

The Chicago fire of 1871 destroyed the hospital but not Dr. Thompson's dedication. Within 24 hours she had found temporary quarters, and supplied only with pillows and blankets, treated the scores of burned and injured women and children. The hospital moved its location several more times before settling in 1929 at its present site at 140 North Ashland.

In 1866, Dr. Thompson established the first women's medical college in the Midwest as a branch of the hospital. It was later incorporated into Northwestern University and is now part of the McGraw Medical Center. In 1874, she established Chicago's first nursing school. In 1881, she became the vice president of the Chicago Medical Society, the first women elected as an officer. The pioneering tradition of Mary Thompson continued after her in 1895, with other landmarks for the hospital which included the first cancer detection clinic in the Midwest, Chicago's first mental hygiene clinic for working women, and the Midwest's first cardiac kitchen.

The hospital was renamed after Dr. Thompson's death to Mary Thompson Hospital. Today the 203-bed community hospital continues to fill the mission set forth by its founder by providing the highest quality of medical care in both its inpatient and outpatient facilities.

In honor of the hospital's 120th anniversary, a commemorative Mary Thompson, M.D., Award was given to a female physician in the Metropolitan Chicago area who embodies the qualities of dedication, innovation, and commitment that Dr. Thompson personified. This award is now an annual and prestigious presentation.

Mr. President, the staff and administration of Mary Thompson Hospital are dedicated to providing the best medical attention and service possible to its many patients who come from many neighborhoods of Chicago. As the hospital celebrates its 121st year in service, I would like to congratulate those involved for their invaluable contributions and wish them many more years of achievement and success.●

MACHINE TOOL IMPORTS

● Mr. HEINZ. Mr. President, last week in the Finance Committee, we debated putting trade discussions with Canada on a fast track. During that debate, I couldn't help but consider the irony that, while we were being admonished to support fast track trade talks, there is still no resolution of the section 232 machine tool import petition after more than 2 years of consideration by the White House. I understand that during the past 3 years, over 200 Members of Congress have urged the administration to put that petition on a fast track.

What is particularly worrisome is that section 232 of the trade laws is a national security provision. It is only to be used if the imports of a critical item are sufficient to jeopardize the Nation's ability to mobilize in time of war or national emergency. Over 2 years ago, the Secretary of Commerce reported to the President his findings of a full year investigation concerning machine tool imports. That report is classified, but it is common knowledge that sufficient findings were made to bring the issue to the attention of the President. After all, machine tools are the machines that build other machines. Without them, we could not expand production sufficiently to mobilize for war or national emergency. Machine tool capacity has been a bottleneck in every conflict in which this country has engaged since World War II.

● Mr. GRASSLEY. If the Senator will yield, I would like to add an additional point, since I whole-heartedly agree with my colleague's concerns. In fact, I sat in on the same hearings in the Finance Committee in which we discussed the fast track trade agreement with Canada, and the very first thing that came to my mind during these discussions was the 232 petition filed by the machine tool builders.

The delay in deciding the machine tool case is almost beyond comprehension. In fact, as a result of the delay, I introduced legislation last fall—S. 1679—which would impose a deadline on Presidential decisions in national security import relief cases filed under section 232 of our trade laws. This legislation has since been incorporated into the Trade Enhancement Act of 1985 as title 10 of the act.

When I first introduced my bill, the petition had been languishing in the White House for approximately 19 months. In the last several days, I have made some inquiries as to the status of the petition, and learned that finally there had indeed been a cabinet meeting to discuss the issue. Unfortunately, that meeting was held more than a month ago, and still no word from the White House on what action will be taken. I find this hard to comprehend since I have been told that experts present at the meeting agreed that a serious national security problem does exist due to the decline in the domestic machine tool production in the United States.

● Mr. HEINZ. I thank my friend for that information. I suppose that sometimes there are issues which, if ignored, will cure themselves or somehow go away. Unfortunately, the machine tool problem is not one of them. When the initial inquiry began in 1983, foreign machine tools comprised about 23 percent of the total U.S. market. Even at that level most experts believed the national security was threatened. But now, imports have increased to over 45 percent of the U.S. market and continue to grow rapidly.

● Mr. DANFORTH. If my colleague from Pennsylvania will yield, I would like to add a comment about this unconscionable delay. It doesn't matter what side of the issue one is on, a 2-year delay in deciding a national security issue of this magnitude is totally unwarranted.

I think it is worth pointing out that the U.S. machine tool industry has not spent the past 2 years sitting around waiting for import relief. Regretably, many companies have moved their production facilities offshore. Others have shifted from producing machine tools to importing them.

On the positive side, however, the industry itself appears to be undertaking a remarkable program of moderniza-

tion and development during the most unprofitable period of its existence. Last week, the National Machine Tool Builders' Association announced that it would contribute $1 million as seed money for a new research and development center that will facilitate cooperation between machine tool manufacturers and domestic users in creating state-of-the-art technology for use in the United States.

This new project will be called the National Center for Manufacturing Sciences. It will direct research and development to a variety of existing centers throughout the United States. This center has the potential to grow into a major national resource. I personally could not be more pleased. For years I have encouraged this type of self-help, cooperative research and development activity. The machine tool industry and its user groups deserve our strongest support and encouragement for this undertaking.

● Mr. GRASSLEY. The Senator from Missouri is absolutely right. He has been one of the most forceful advocates in Congress for research and development and knows what he is talking about. In my view, however, such efforts are necessary but not sufficient to solve our machine tool problem. All the research and development we can afford won't stop the unremitting surge of imports.

● Mr. HEINZ. The Senator is correct. I too applaud this new research and development effort. Let us hope there is an industry left in this country which will benefit from it. Time continues to be our worst enemy. Over 2 years have passed since the issue reached the White House. Now over a month has passed since the Cabinet met on the issue. If the administration wants to show us how to fast track something, maybe it first should demonstrate its ability on the machine tool issue.

● Mr. GRASSLEY. I agree.●

DOBYNS-BENNETT BAND AMONG THE NATION'S FINEST

● Mr. SASSER. Mr. President, it is a real pleasure for me to direct the attention of the U.S. Senate to a truly great musical organization, the Dobyns-Bennett High School Band of Kingsport, TN.

This nationally known band has captured the hearts of the people of Kingsport because of its excellence and because of its esprit de corps. When this band marches on the field with its measured cadence, there is an atmosphere of excitement and expectation. And the performances usually exceed expectations.

The band is in the expert hands of Mr. Tyler Fleming, the director, and Mr. Perry Elliott, assistant director, both accomplishment musicians and leaders of young people. They are friends to the 240 members of the band as well as directors and instructors.

This widely traveled band has excelled in competition. Its repertoire ranges from Bach to rock, by way of the top 40, and its intricate marching maneuvers often require an entire football field. It is strongly supported by the band boosters, the enthusiastic parents of band members, and others in the city who assist with expenses and logistics.

Mr. Fleming points out that Dobyns-Bennett also has a superb orchestra under the direction of Celia Bachelder and an outstanding chorus under the direction of Milton Nelson. Both of these groups have also won their share of honors and awards. Academically, Dobyns-Bennett, whose principal is Dr. A.D. Etienne, was rated 1 of the 10 outstanding high schools in Tennessee this year and the performance of the musical groups is a reflection of the school's overall record of excellence.

"We are one big, happy family," says Director Fleming. And many believe that this is the secret to the band's success.

Awards, honors and performance ratings bestowed upon the band include the following:

Judged "band of the day" as class AAAA winner in the 1983 Central Carolina Festival.

Participated in the nationally televised 1984 Macy's Thanksgiving Day Parade in New York City.

Marched in the 1984 Greatest Bands in Dixie Parade in New Orleans, LA.

Was chosen "grand champion" at the American High School Music Festival held at Opryland in Nashville in 1985.

Won highest honors—the Sweepstakes Trophy—in the Atlanta-Lafayette Marching Band Classic last year in competition with 30 other elite bands.

Received a superior rating for an outstanding performance last year in the Land of the Sky Marching Band Festival at Enka High School, Asheville, NC.

The band and its boosters host the Southern Bands Marching Band Invitational each year, featuring top bands from Tennessee, North Carolina and Virginia. More than 2,000 musicians compete in this event.

Mr. Fleming has commented to the press concerning the diversification and sophistication of today's high school bands that they are far more advanced now than they were even a few years ago.

The Dobyns-Bennett High School Band is truly Kingsport's foremost ambassador of goodwill.

One recent judge wrote on his scoring sheet, after watching the band perform: "A wonderful band—just tremendous."

In conclusion, I submit for the RECORD a letter to the editor of the Kingsport Times-News written by a parent of one of the band members last November 8, capturing the essence of the great musical group:

The letter follows:

SALUTE TO D-B BAND

I think the remarkable Dobyns-Bennett High School Band and its distinguished director Mr. Tyler Fleming deserve a resounding round of applause from this community. This band is a truly outstanding musical group, 240 strong, drilled to perfection, with every component strong and expressive.

The band has swept virtually every competition in which it has participated in the past two years or so—and on top of that, represented the city in the Macy's Christmas Parade.

This band is the best ambassador and the greatest asset this city has. It has class and style, character and charisma.

When the band marched on the field a few days ago in its competition in Atlanta Ga., with the percussion section pounding that distinctive, staccato beat, a stillness settled over the crowd. It sensed drama and perfection. And as the band performed, thunderous applause swept the audience as each component did its thing with verse and skill.

There were some 31 bands from six states in this compeition—and Dobyns-Bennett was rated tops for best overall performance. Individual groups like the majorettes, the drum majors, percussion, and color guard walked away with top or high honors. Although the Dobyns-Bennett Band was a "stranger," it captured the hearts of the judges and audience.

As for character, have you heard the great reception that members of the band give visiting bands at J. Fred Johnson Stadium? They not only applaud. They cheer and whistle and "stomp" their feet in warm approval of the visitors' performances. They make them feel welcomed and appreciated on a strange field.

This fine group of young people and the outstanding director work hard day after day to achieve near perfection. They represent this community with flair and elan and they provide excellent entertainment for the citizens of Kingsport. I, for one, thank them for the great thrill they give me every time they march on the field, Keep up the good work!●

LAW DAY 1986

● Mr. DODD. Mr. President, for almost 30 years, May 1 has been recognized throughout the country as Law Day, U.S.A. As the law creating the designation recognizes, this is a special day for all American people to celebrate our liberties and reaffirm our loyalty to the United States. It is a day to rededicate ourselves to the ideals of equality and justice under the law in our relations which each other as well as other nations. And it is a day to cultivate that respect for the law which is so vital to our democratic way of life.

Political, legal, and civic groups all over the country today will be observing Law Day, U.S.A. with appropriate ceremonies and celebrations. I know that various groups from my State of

Connecticut, including the Waterbury Bar Association, will be among those joining in the observance. I want to congratulate all such groups for working to build public awareness and appreciation of the principles embodied in Law Day.

A celebration of our individual liberties and the ideals of equality and justice under the law carries with it a commitment to work to maintain those very liberties and ideals. It is my hope that, more than anything else, Law Day 1986 will result in a renewed commitment among our people to work to preserve and strengthen the liberties we all cherish.●

STEGER INTERNATIONAL POLAR EXPEDITION

● Mr. DURENBERGER. Mr. President, I would like to take this opportunity to call to the attention of my colleagues the Steger International Polar Expedition.

Today, the closest most of us get to the adventures of the early explorers is through the pages of a historical novel or Jack London adventure. But the challenge to conquer the unknown—the rugged individualism and courage that enabled our forefathers to defy danger and death to explore and settle our frontiers—still exists in the hearts and minds of the members of the Steger International Polar Expedition as they seek to reach the North Pole.

When Will and his companions reach the North Pole they will have accomplished something that has never been done: Reach the true top of the world, totally self-contained, without outside support.

The Steger International Polar Expedition is headed by Will Steger of Ely, MN and includes Ann Bancroft, of Sunfish Lake, MN, who will be the first woman to reach the North Pole. The expedition is truly international in nature, with team members representing the United States, Great Britain, New Zealand, and Canada. I ask that the team profiles be printed in the RECORD at this point.

The material follows:

STEGER INTERNATIONAL POLAR EXPEDITION

NORTH POLE '86 TEAM PROFILES

William Raymond Steger, Co-Leader:

Age 40 (8-28-45), 5'9", 145 lbs.; B.S. Geology, M.A. Education, College of St. Thomas, St. Paul, Minn. Born: Richfield, Minn. Home: Ely, Minn. Unmarried: High School Teacher (2 years), photographer, wilderness skills instructor, Co-Director, Lynx Track Winter Travel School (group dogsled and ski expeditions), 11 major expeditions since 1960 including 4 Arctic kayak expeditions totaling 10,000 miles (1965-1969), mountain climbing in Peruvian Andes (1965), 4 Arctic dogsled expeditions totaling 12,000 miles (1979-1985).

North Pole '86 Roles: Expedition logistics, equipment and supplies, photographer, dog driver.

Paul David Schurke, Co-Leader:

Age 30 (7-18-55), 6'2", 170 lbs.; B.S. Natural Science, St. John's University, Collegeville, Minn., M.A. Science Journalism, University of Minnesota. Born: Minneapolis, Minn. Home: Ely, Minn. Married (Susan Hendrickson-Schurke, Expedition designer-seamstress, daughter Bria, born 8-85); writer, wilderness skills instructor, Co-Director Lynx Track Winter Travel School, Co-Founder/Director Wilderness Inquiry (wilderness dogsled and canoe excursions involving people with disabilities), numerous canoe, backpack, bike, and dogsled journeys.

North Pole '86 Roles: Expedition logistics, business manager, navigator, dog driver.

Robert Isaac Mantell:

Age 31 (1-18-54), 5'9", 150 lbs.; Born: Chicago, Illinois. Home: Anchorage, Alaska. Unmarried; carpenter, mechanic, dog trainer, numerous ski and dogsled journeys, traveled with Steger on 1982-83 7,500-mile Arctic trek, 2,500-mile solo dogsled journey across Alaska (1985).

North Pole '86 Roles: Sled design-construction, dog trainer, dog driver.

Richard Robert Weber:

Age 26 (6-19-59), 5'9", 145 lbs.; B.S. Mechanical Engineering, University of Vermont, Born: Edmonton, Alberta, Canada. Home: Cantley, Quebec. Unmarried ; a 7-year member of Canadian National Ski Team, 19 national titles, twice appointed to All American Ski Team, whitewater raft guide, summer work with high Arctic geology research team.

North Pole '86 Roles: Expedition diet rations, trail crew scout.

Ann Escott Bancroft:

Age 30 (9-29-55), 5'4", 125 lbs.; B.S. Physical Education, University of Oregon. Born: St. Paul, Minn. Home: Sunfish Lake, Minn. Unmarried; elementary school teacher, mountain climbing and ski instructor, numerous ascents of major North American mountains.

North Pole '86 Roles; Emergency medical equipment, trail crew.

Geoffrey Markus Carroll:

Age 35 (9-26-50), 5'11", 200 lbs.; B.A. Wildlife Biology, University of Alaska. Born: Wyoming. Home: Juneau, Alaska. Divorced (daughters Cameron, 8 and Samantha, 9); 3,000-mile Yukon canoe expedition (1976), numerous sea kayaking and mountaineering trips in the Alaska range and Wrangell mountains, developed and currently supervises whale census for Alaska's North Slope Borough on the Chukchi Sea off Pt. Barrow, Alaska.

North Pole '86 Roles: Dog training, sea ice tools, trail crew.

Brent Boddy:

Age 31 (6-19-54), 6'2", 170 lbs.; Born: Edmonton. Alberta, Canada. Home: Frobisher Bay, Northwest Territories. Married (Nala, son Nigel, 7, daughter Crystal, born 10-85); hospital stores supervisor, directs Nuna-Kuuk Outfitters (Arctic dogsled and kayak expeditions), numerous first ascents by kayak of Arctic rivers.

North Pole '86 Roles: Training Canadian Eskimo sled dogs, sled design/construction, skin clothing, dog driver.

Robert James McKerrow:

Age 37 (3-21-48), 5'9", 190 lbs.; B.A. Sociology, Massey University, New Zealand. Born: Dunedin, New Zealand. Home: Anikiwa, New Zealand. Married (Joan, five daughters, 2-9 years); Director, New Zealand Outward Bound School, seismology technician—Antarctica (1969-1970), disaster relief officer for International Red Cross (1973-1981—lived in 12 third-world countries), numerous mountain climbing and ski expeditions in Peru, Borneo, Africa, the Himalayas.

North Pole '86 Roles: Radio technician, cinematographer, trail crew.

Mr. President, throughout the age of exploration, attaining the North Pole represented the ultimate challenge to man's ingenuity and resourcefulness. When the early exploring parties headed out across the pack ice, all of their life lines with civilization were cut. Their survival depended entirely upon themselves and the supplies they carried with them. The era of aircraft and radio changed all of that. While surface expeditions to the pole will always be rigorous and dangerous, aircraft offer the option of resupplies of food, dogs, and dry clothes and sleeping bags.

When the Steger expedition left Ward Hunt Island on March 8, they did so on skis and dog sleds, taking with them all of their provisions for the expedition—each dog sled carrying 1,000 pounds of food and equipment. They left with the confidence that they can accomplish their goal. Prior to their departure, they conducted one of the most extensive polar field testing and training programs ever. Their designs for equipment and sleds and their breed of dogs were tested and refined on over 10,000 miles of dogsled travel.

In addition to reaching the pole through the power and perseverance of men and dogsleds, the expedition is dedicated to seeking answers to two key lingering questions in the history of polar exploration. First, can the Earth's most remote destination, the North Pole, be reached unaided?

Second, were the efforts of early explorers to reach the pole without the benefit of such modern technology as aircraft realistic? All expeditions that are confirmed successes have involved air support. By not relying on airplanes for reconnaissance or resupplies, this expedition seeks to shed much light on the plausibility of claims made by such early explorers as Adm. Robert Peary and Dr. Frederick Cook by conducting the first field studies and tests on their travel systems, daily mileage data and navigational methods.

This is a bold and historic adventure. I consider it an honor to have been personally involved with it since its inception, first in obtaining corporate contributions, and more recently as the honorary chairman of the Minnesota Support Campaign.

The "National Geographic" has termed the 1986 polar expedition a "landmark in polar exploration." The expedition is now within 30 miles of the pole, 30 miles to making history, 30 miles to solving lingering historical questions, and 30 miles from realizing life long dreams. We congratulate

them and celebrate with them the great American spirit of adventure.●

WORLD TRADE FORUM

● Mr. HART. Mr. President, today I have the pleasure of introducing to the Senate a truly novel organization called the World Trade Forum. The World Trade Forum is an informal broad-based group of companies, trade associations, farm groups, and civic and consumer groups which share an interest in, and commitment to, the principle of open and expanding world trade. This group consists of over 90 organizations which represent well over half of all U.S. farmers, nearly 100 percent of U.S. exporters and importers, and through major business trade associations, the majority of the Nation's businesses.

The farsighted members of the World Trade Forum endorse eight principles as the cornerstone of a competitive national trade policy. These principles encourage aggressive action to create a climate more favorable for the exportation of U.S. goods without imposing protectionist trade barriers or threatening the economies of our friends and allies. Mr. President, I am sure that the Members of the Senate share these goals and will join me in supporting the World Trade Forum's eight guiding principles:

1. The United States should move swiftly and aggressively under existing authority against unfair trade practices that harm American business and workers.

2. The Federal Government should move quickly and comprehensively to address important factors contributing to the U.S. trade deficit, including the federal budget deficit and the highly valued dollar.

3. U.S. trade policy should be developed in a comprehensive manner, recognizing that exports create jobs, and should avoid actions that benefit one sector to the detriment of others and the national interest.

4. Any new trade legislation should be consistent with U.S. international obligations and should have the effect of strengthening the President's ability to expand U.S. exports rather than creating new U.S. import restrictions.

5. U.S. international policy must recognize the critical need to enhance our exports and to minimize export disincentives.

6. The Federal Government should promote the retraining of workers adversely affected by shifts in world trade through cost-effective efforts involving both the public and private sectors.

7. U.S. trade policy should not undermine the economies of our trading partners in developing countries, which will only shrink long-term U.S. export markets and threaten the international financial system.

8. The U.S. should actively promote comprehensive multilateral negotiations to expand trade in goods and services and should work toward the strengthening of the international economic system.

Mr. President, I ask that a list of those business and trade organizations which have endorsed these laudable principles be included in the RECORD.

The following is a list of the organizations endorsing the "Principles to Govern U.S. Trade Policy," as of March 7, 1986:

1. American Association of Exporters and Importers.
2. American Association of Nurseryman, Inc.
3. American Association of Port Authorities.
4. American Electronics Association.
5. American Fair Trade Council.
6. American International Automobile Dealers Association.
7. American Retail Federation.
8. American Soybean Association.
9. Arizona Forage and Grain Growers, Inc.
10. Arkansas Association of Wheat Growers.
11. Arkansas Retail Merchants Association.
12. Association of General Merchandise Chains.
13. Automobile Importers of America.
14. California Association of Wheat Growers.
15. Citizens for a Sound Economy.
16. Colorado Association of Wheat Growers.
17. Computer and Business Equipment Manufacturers Association.
18. Connecticut Retail Merchants Association.
19. Consumers for World Trade.
20. Direct Selling Association.
21. Emergency Committee on American Trade.
22. Fertilizer Institute.
23. Florida Retail Federation.
24. Footwear Retailers of America.
25. Georgia Retail Association.
26. Idaho Retailers Association, Inc.
27. Idaho State Wheat Growers Association.
28. Illinois Retail Merchants Association.
29. Indiana Retail Council, Inc.
30. International Apple Institute.
31. Jewelers of America.
32. Kansas Association of Wheat Growers.
33. Kansas Retail Council.
34. Louisiana Retailers Association.
35. Maryland Retail Merchants, Inc.
36. Michigan Merchants Council and Associates, Inc.
37. Millers' National Federation.
38. Minnesota Association of Wheat Growers.
39. Minnesota Retail Merchants Association.
40. Missouri Retailers Association.
41. Montana Grain Growers Association.
42. Montana Retail Association.
43. National Association of Retail Druggists.
44. National Association of Stevedores.
45. National Association of Wheat Growers.
46. National Constructors Association.
47. National Cooperative Business Association.
48. National Corn Growers Association.
49. National Federation of Export Associations.
50. National Foreign Trade Council.●

DEATH OF RAFAEL MEZA-AGUIRRE

● Mr. DECONCINI. Mr. President, it is with sadness that I have learned of the death of my dear friend, Rafael Meza-Aguirre. Although a native of Sonora, Mexico, Rafael made a name for himself in Tucson, AZ. Rafael was active in many community organizations, and, though his presence will be missed, his accomplishments will remain with us.

I offer my condolences to his wife, Bernadina, and their children. Rafael and I were friends for many years and I will miss him.●

CONGRATULATIONS TO EMPEROR HIROHITO AND THE PEOPLE OF JAPAN

● Mr. SIMON. Mr. President, yesterday was Emperor Hirohito's 85th birthday, a popular national holiday in Japan. On this day, thousands of Japanese people gather at the Emperor's palace to join in the celebration of his birthday in the hope of getting a glimpse of him.

Emperor Hirohito presided over Japan during the militarist era of the 1930's and through the victorious early days of World War II and its disasterous end. In 1947 he became a constitutional monarch. The Emperor has seen the country develop into one of the world's greatest economic powers. Japan is a major figure in international trade and the combined efforts of Japan and the United States can be utilized to promote peace and prosperity throughout the world.

Although Emperor Hirohito is a politically powerless symbol of Japan under the current constitution, he is a symbol of continuity to the Japanese. The celebration of the Emperor's birthday is also a symbol of tradition and respect for the early leader of the nation. The holiday is a reminder of peace and stability for the Japanese. I join in this festive spirit and extend my best wishes to Emperor Hirohito and to the Japanese-Americans on this day of celebration.●

WAYNE MEISEL HONORED BY COMMON CAUSE

● Mr. LAUTENBERG. Mr. President, this Saturday, the citizens' lobby Common Cause will present its annual Public Service Achievement Awards to seven individuals whose outstanding contributions to the public interest deserve our recognition. One such individual is Wayne Meisel, a recent Harvard graduate who grew up in Princeton, NJ.

Wayne is being honored for his work in promoting campus-based community service. A little over a year ago, Wayne established the Campus Outreach Opportunity League [COOL], an organization that provides detailed technical assistance to college and university students and administrators seeking to improve volunteer community service programs. Since its inception, COOL has organized several national student conferences on volunta-

rism, the most recent of which was held in February at Brown University. In addition, the organization sponsors workshops and provides a clearinghouse for public service careers. Based on his recent work, Wayne this year coauthored a reference work on community service, "Building a Movement: Students in Community Outreach."

Through his energetic efforts, Wayne secured an initial 1 year grant of $17,400 from New Haven's Edward W. Hazen Foundation to fund COOL. He and Robert Hackett, COOL's codirector, also were awarded a $60,000 grant in 1985 from the Lyndhurst Foundation in Tennessee. They have used this grant to expand their work to southern universities and colleges. COOL has offices at Yale and Duke Universities, and will be opening a national office in Washington this summer.

After graduating from Harvard in 1982, Wayne spent a year setting up a community service program linking each of Harvard's college houses with a Cambridge neighborhood.

Next, Wayne set off on a 5-month, 1,500-mile trek down the east coast, starting in January 1984 in Maine and finishing in Washington at the end of May. He stopped at 70 colleges and universities along the way, meeting with administrators and student leaders to discuss ways of promoting and facilitating student community service projects. He decided to form COOL after finishing his journey.

Mr. President, one story that has been shared with me seems to best sum up Wayne's integrity, and his level of commitment to his cause: During his 1984 walk, Wayne traveled from Princeton to Philadelphia for a meeting with the University of Pennsylvania's provost. However, in order to make the meeting on time, he had not walked, but instead had taken a train to Philadelphia. Later, he hopped on a train back to Princeton, retracing his path so that he could walk the 40 miles to Philadelphia.

Wayne has been said to represent the "best of America's youth." His work recognizes that along with freedom comes a strong measure of responsibility. In giving of himself, he has in turn inspired others to give of themselves. His own idealism has proven infectious: "Young people do care," he has written. "They have tremendous, too-often untapped wells of spirit, energy, and creativity. Young people are thoughtful and are asking the right questions. Idealism isn't dead."

For his dedicated and generous spirit, for his sense of purpose and commitment to public service—and, just as importantly, for his warmth, humor, and modesty—Wayne Meisel is to be commended. His work is an inspiration to all of us.

I ask that the text of a recent "Youth Policy" magazine column written by Wayne Meisel be printed in the RECORD:

The article follows:

AMERICAN YOUTH NEED A CALL TO SERVICE

(By Wayne Meisel)

If you have grown up in the 1970s and '80s, the label 'me generation' is something you are all too familiar with. In graduation speeches, media reports and surveys we continue to discover that young people are self-centered, materialistic and apathetic.

There is a problem. Young people seem less involved in community issues. Except for an occasional outburst, the level of social action on college campuses is low. There is heavy pessimism, throughout society and among students themselves, that the youth of today are shirking their responsibilities.

Yet, to conclude that the young people have lost all sense of community, commitment and service is overly simplistic, if not wrong. If we go beyond the symptoms and begin to analyze why young people appear this way, we will begin to shed some light on the cause of this discouraging situation. More importantly, we will begin to uncover some solutions.

If we look at the situation from their point of view, it is not altogether surprising that we find students reacting as they do. They are frightened that they won't have jobs, they won't rate with their peers and the world will blow up. The economic, social and political pressures they face are tremendous.

Today's economic climate has a major influence on the behavior of college students. Education costs have sky-rocketed and so, in turn, has pressure for students to get their money's worth. Yet this does not encourage one to seek a total educational experience. Instead, everyone is worried about their marketability after college. As college becomes more of an economic investment, the growing tendency is to tie education directly to financial return. Thus one needs to find a high-paying job to justify spending all that money for a college degree. So much for liberal arts education. Throughout our campuses a tremendous undercurrent encourages this way of thinking, and it continues to gain in strength.

Unsure of what to do after graduation, seniors often go to graduate school to think about it a while longer. Since so many graduates have little clear direction, we find the graduate schools overloaded with students. Giving the student something to do for the next couple of years takes the pressure off parents and peers.

The state of the world also has young people discouraged, even terrified. My experience has shown me that young people have given serious thought to issues like the arms race, the hunger crisis in Africa, and the turmoil in the Middle East. Yet, the ambiguity of some situations and the helplessness of others often turns them off, creating an attitude that there is nothing they can do to help.

There is, in short, a "crisis of conscience" in young people today. Students doubt their talents and skills and their ability to make a difference. On campus, with a heavy course load and a multitude of activities vying for one's attention, it is difficult to feel a small, personal effort every week makes much difference. When the feeling of accomplishment is lost, the incentive to continue is weakened. Students are increasingly asking themselves, "What's the point?"

STRUCTURAL APATHY

There is good news, however. It it were true that young people simply did not care, they they had successfully divorced themselves from the concerns of their society, then we would have a huge task before us. But young people do care. They have tremendous, too-often-uptapped wells of spirit, energy and creativity. Young people are thoughtful and are asking the right questions. Idealism isn't dead. There just isn't anyone listening to students, helping them find ways to get involved in the search for answers to issues of social justice and community concern. Given the proper leadership, structure and a clear challenge, our youth will act forcefully and quickly.

Traditionally, religious and political institutions have provided direction and mechanisms for action. Yet many of today's youth have no such affiliations. Often students feel alienated from any established religious or political group. But such organizations are needed now more than ever.

Their absence leaves us with a system suffering from what I term "structural apathy." We are missing the impetus and the structure necessary to draw out and link the idealism of young people with the needs of society. We are failing to inspire, challenge and support young people to battle their sense of isolation and impotence. We are failing to give our young people a sense of purpose, hope and importance.

We need to begin new efforts. Structural apathy can be fixed. It can be addressed in relatively inexpensive ways. Higher education can take the lead in developing a structure that is responsive to students' need for positive, constructive, active involvement in their society.

It is crucial to understand what students will respond to. Today's students seem much more inclined to get involved in community service than in political issues. Many would rather teach English in a Spanish-speaking neighborhood than work for a political action group. They would rather work with a senior citizen than with city politics. Such direct service is motivated not out of political interest, but rather out of concern for real human needs.

Though community service is frequently less flashy and dynamic than public policy, its importance cannot be overstated. Social service is social action. By encouraging young people to get involved in community service, we can spur their interest in public policy as another means toward addressing these problems. And public policy, when shaped by experience, is more effective.

COMMUNITY OUTREACH ON CAMPUS TODAY

Most colleges have organizations designed to place students in community activities. The size, structure and effectiveness of these organizations vary greatly, and many suffer in terms of the number of participants, strength of programming, amount of funding, and prestige on campus. As a result, they often fail to have a large impact on the student body.

Given the proper leadership, young people will participate. This will not happen by itself. Leadership has to be cultivated and supported. It cannot just be any leadership, but one that is both sensitive and aggressive in its presentation to students. A supportive structure must be re-established. The programs that exist today have all but collapsed. The pitch is often faint, if not just plain dull.

Too often the people I talk to suggest that student participation and interest in community and social issues is something which cannot be pushed, that is cyclical and will increase again in time. This "come what may" attitude has much to do with the apathetic appearance of the campus community service programs. The structure and leadership that is supposed to champion civic activities and run their operations, in too many instances, is simply not doing the job.

The service movement itself is divided. Dozens of factions push their own version of community outreach. Many don't communicate or cooperate. A school may have a "volunteer" program that has nothing to do with community projects using work-study money. Social action programs usually differ from social service projects. The former claim that the latter is band-aid work, while the service groups charge social action groups with being too radical and alienating. There are internship offices that often won't have anything to do with either of these programs.

The differences too often overshadow the similarities and the common goals that all these groups share. That is detrimental to the movement in general. What is needed is a broad interpretation of community outreach. While people have their own ideas, it is divisive to think that theirs is the only way.

Our society is faced with dozens of complex issues, both domestic and international, that call for action. In comparison to the issues of world hunger, illiteracy, teenage unemployment, drug abuse and the decay of our public schools, the issue of student involvement in the community may seem trivial.

But students have the time, the setting and the energy to provide effective resources to needy communities and contribute locally to alleviating many of these problems. At the same time, students are in need of ways to express their idealism, utilize their skills, and feel a part of society and a part of the solution.

We need to cultivate an engaged youth. This will provide positive results both for students and the community. It will also insure a future generation of thoughtful, sensitive and active citizens and leaders. This is the essential ingredient both to our form of government and our health as a society.●

EXPLANATION OF VOTE ON WILSON AMENDMENT NO. 1811

● Mr. DURENBERGER. Mr. President, yesterday, by an overwhelming margin of 95 to 2, the Senate approved an amendment offered by the distinguished junior Senator from California, PETE WILSON. The purpose of the amendment, as stated by Senator WILSON, was to reduce funds for Senate mailing expenses in order to increase funds for Alzheimers and AIDS research. Because I happened to be in the underwhelming minority of two which voted against the amendment, I want to take this opportunity to explain my vote and how that vote relates to my position on AIDS research and Senate mailing expenses.

First, my vote was not designed to show opposition to increased funding for AIDS or Alzheimers research. For while the Senate Budget Committee's resolution assumes a $500 million budget for AIDS research, I suspect that twice that figure is needed. In fact, had the amendment sought to offset the increased spending with increased taxes, I would have supported it wholeheartedly.

Last year, I voted with my Senate colleagues to allot over $200 million for AIDS research, treatment, and prevention programs for fiscal 1986. That more than doubled the funding for fiscal 1985, and was $50 million more than the Secretary of Health and Human Services had requested.

We have to find a cure for AIDS. We have to educate the public about preventing the spread of AIDS. We need dollars to accomplish these challenging goals. You can be sure that I am committed to doing what I can to see that this Nation achieves these goals.

Today, in my home State of Minnesota, the Minnesota Health Department released a landmark study on AIDS. It reports what we can expect in Minnesota between now and 1990 in terms of the number of people who will acquire AIDS, and how much these cases of AIDS will cost us, both in dollars and the loss of human life. While the number of AIDS victims in Minnesota is small, 95 this year, in just 4 short years, that number will mushroom to somewhere between 1,000 and 2,000. And the economic costs will between $433 and $846 million.

The report out of Minnesota gives us a frightening preview of what our Nation must face in the next few years. Given these sobering facts, you bet I am committed to supporting the research and education efforts that are now underway. This Nation's health care providers and scientists are searching desperately for a cure, a treatment, and better ways to spread the word on how we can prevent AIDS from taking any more American lives, and they have my full support.

As AIDS takes the young from us in the summer of their lives, Alzheimer's disease takes those in the autumn of their lives. This degenerative disease afflicts over 2 million of our Nation's older citizens, not to mention the devastating impact, both emotionally and financially, it has on their loved ones.

As chairman of the Senate Finance Health Subcommittee, I am well aware of the impact of this disease on our Nation's elderly and their families. The cost of providing care to Alzheimer's patients is approaching $30 million each year. But, the emotional cost of the disease is immeasurable. The Federal Government must make research on the treatment, cure, and care of Alzheimer's disease victims one of our national priorities.

Last year, I cosponsored legislation designating November as National Alzheimer's Disease Month. While setting aside a month to give special attention to Alzheimer's disease is important to draw this Nation's attention to the impact this disease has on our elderly, it is only one of many things the Federal Government must do.

As with our commitment to solving this crisis of AIDS, this Nation must focus on our elderly with Alzheimer's disease. The Federal Government has a crucial role to play in addressing both these tragedies.

The congressional franking privilege performs an important function in our democracy. When used properly, it can be a vital tool for keeping our constituents informed on how their representatives are serving them. But we all know privileges can be abused. For my own part, I have made every effort not to do so, and my staff tells me that I am among the bottom half of Senate spenders on congressional mail.

So my vote yesterday was not intended as a blank check for unlimited congressional franking privileges. Far from it. We have a serious problem here that has to be redressed. The cost of mass mailings has skyrocketed in recent years. In 1986 alone, an estimated $144 million will be spent by House and Senate Members on their mail, up from $86 million last year and $111 million in 1984. Because of these increases and the budget belt-tightening required by Gramm-Rudman, Congress is expected to exhaust its annual appropriation for mail by June.

Fortunately, we have a process for dealing with this issue—and it is working. Two weeks ago, the Rules Committee reported out a plan for correcting the Senate's portion of this overspending, without an additional appropriation. The committee's plan would limit each Member's mailing allocation for the remainder of this year. It considered, but did not endorse, a proposal to cut off funds for mass mailings of the type which passed yesterday. I believe we owe it to the members of the Rules Committee to hear them out and consider their proposal before endorsing an ad-hoc proposal on the floor. Each of us who spends the time working on issues in our own committees expects the same courtesy, and public policy is much the better for it. It is as simple as that.

As is evident, my vote in opposition to the Wilson amendment had nothing to do with increased funding for AIDS research. Rather, my vote was cast in opposition to putting the Senate on record as supportive of eliminating Senate mass mailings prior to the Senate Rules Committee completing its work on the matter. It is very easy to criticize the tremendous waste associated with newsletters and the like, particularly when the chairman of the authorizing committee—Senator MATHIAS—was not around to defend the committees prerogatives. But the committee is working on a reform package

and, meaningless or not, the Wilson amendment was designed to prejudge the committee's work. As one who believes very strongly about the need to communicate with one's constituents, I could not in good conscience support such an action.●

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. BOSCHWITZ. Mr. President, I rise today with the recent Passover Seder on my mind, to speak out for those who cannot speak out for themselves—Jews in the Soviet Union who are not allowed to partake in a Passover Seder.

The Soviet Union has the third largest number of Jews. It has, with historical continuity, violated the rights of those Jews. It is a state that refuses to allow the Jews to live in their homeland with dignity, without the freedom to be Jews, denying them the right to leave to fulfill these dreams.

As you know, despite international human rights agreements—most notably the Helsinki accords—which guarantee an individual's rights to freedom of religion, cultural practices and emigration, the situation in the Soviet Union has worsened.

The closing of synagogues, the banning of Hebrew language instruction, the pervasive discrimination in education, employment and social life, and the confiscation of prayer books are all a part of a sinister state policy to destroy Jewish culture.

Yet, as the Kremlin denies antisemitism, it continues its harsh policy of keeping its exit gates shut and keeping these Jews caged within their own country. In 1985, fewer than 1,000 Soviet Jews were allowed to emigrate. This is the lowest level in over a decade.

One family in the Soviet Union, Natasha and Gennady Khassin, have attempted to practice Judaism for many years. They have been continuously harassed by the police, their home has been searched, and, in May of 1981, a fire was started deliberately at their apartment, followed by a burglary the next day. In October of the same year, the Khassins' apartment was searched and many Jewish items were confiscated, including Tefillin—phylacteries, Tallit—prayer shawl, records and cassettes of Jewish songs, letters from abroad, two mezuzot, Hebrew books, dictionaries, and Sabbath candles.

In 1984, the regular exit visa refusal of Natasha Khassin was changed to a final refusal. In March 1986, KGB officials visited Gennady Khassin at his workplace and suggested that Natasha publicly admit her crimes against the Soviet Union. The officials said that if she agreed to this, the family would receive exit visas, but if she refused, the Khassin family would not be allowed to leave Russia until the year 2000.

With emigration at an abyss, and with Soviet authorities accelerating their harassment of Jewish activists, congressional statements are extremely essential to the moral and cultural survival of the Jewish minority trapped within the Soviet Union. We must emphasize to the Soviets at every opportunity that we consider the issue of human rights—including the emigration of Soviet Jews—of great importance in evaluating our overall relations with them.

It is critical that each of us in our own way lets the citizens of the Soviet Union know that we care and that we have not abandoned, and will never abandon, their cause. We must continuously denounce the forced surrender of basic human rights to the arbitrary will of a repressive government. It is crucial that we do not lessen our efforts on their behalf, even if other momentous events temporarily overshadow the suffering of Soviet Jewry.

Let us band together to voice congressional concern about those who have repeatedly been denied the right to practice their religion freely and the right to emigrate. Unfortunately, there are thousands of refuseniks like Natasha and Gennady Khassin who so desperately yearn for freedom.

The political and social pressure of the free world have in many cases stopped the tyranny of Soviet authority. It is up to us to see that the pressure continues. And perhaps next year, Soviet Jews who wish to emigrate shall celebrate the Passover Seder in Israel.●

HEALTH RESEARCH

● Mr. SIMON. Mr. President, the other day I was given a copy of the newsletter written by Congressman DAVID OBEY of Wisconsin.

It is on the subject of health research, but it is as fine a condensation of where we are and what our needs are as anything I have seen.

Our House colleague has these words that we ought to heed more often than we do:

> Tomorrow at breakfast, take a look across the table and ask yourself whether the security of the person you see is going to be more enhanced over the next 10 years by better heart research, better cancer research, better arthritis research, or by an extra MX Missile.

The reality is, those are the kinds of tough decisions we have to make.

And if we make the right decisions, then we can move ahead.

I differ with Congressman OBEY in that he assumes Gramm-Rudman-Hollings will force huge cutbacks in health research. It will only force cutbacks in health research if we don't have the right priorities. I hope we construct the right priorities.

But, again, I am grateful to him for an exceptionally well-done newsletter that should reach more than the people of his district in Wisconsin. I ask that it be inserted in the RECORD.

The newsletter follows:

HEALTH RESEARCH: WHAT IS IT WORTH?

Is there anyone who has not seen friends or loved ones snatched away or turned into shadows of themselves by cancer, heart disease, Alzheimer's or one of the many other diseases that plague mankind?

The pattern is familiar. We go about our daily lives with their hourly pressures: to get ahead, to fix the car, to get to meetings on time, to buy things like cars or clothes that all seem so important. Then disease hits and suddenly none of that seems important anymore. All that matters is something we have taken for granted—our health, just feeling good and feeling whole.

Sickness and disease put things in perspective fast. Nothing so reminded us all of that fact of life as when President Reagan was stricken with cancer last year. We were all sharply reminded of our own vulnerability when even the most powerful man in America could be struck by the most dreaded of diseases and all of us, regardless of political belief, cheered him on during his recuperation and hoped for his recovery in the months afterwards.

That incident showed in a very dramatic way what can happen to any of us and why it's so important to continue with one of our highest priorities, the investment of the nation's resources in efforts to attack disease.

That is a responsibility I feel passionately. During the years I have served you in Congress, I have been a member of the Education and Health Appropriations Subcommittee which has as one of its major responsibilities overseeing the medical research efforts of the United States.

America has had its problems over the years but the effective use of our tax dollars by the National Institutes of Health and the medical research training and treatment center it has helped develop is one of the great success stories of our time. You have a right to feel proud of it because your tax dollars helped write the success story. You need to know about it because that success is now threatened by new budget plans in Washington.

Much of that research has been conducted at a place many Americans have never heard of—the National Institutes of Health (NIH). Most people know little or nothing about it, but NIH has been responsible for an astonishing share of the medical progress made in this country and around the world during our lifetimes.

WHAT IS NIH?

The National Institutes of Health began as a single laboratory in 1887. It has blossomed into 11 medical research institutes located on more than 300 acres of land in Bethesda, Maryland:

(1) The National Cancer Institute;

(2) The National Heart, Lung, and Blood Institute;

(3) The National Institute of Arthritis, Diabetes, and Digestive and Kidney Diseases;

(4) The National Institute Neurological and Communicative Disorders and Stroke;

(5) The National Institute of Dental Research,

(6) The National Institute of Allergy and Infectious Diseases;

(7) The National Institute of General Medicine;

(8) The National Institute of Child Health and Human Development;

(9) The National Eye Institute;

(10) The National Institute of Environmental Health Sciences;

(11) The National Institute of Aging, and separate but related institutes that do research on Alcohol, Drug Abuse, and Mental Illness.

Scientists come from around the world to these facilities to find new clues to and treatment for hundreds of ailments.

Each year our Subcommittee appropriates funds to NIH for its research.

Much of that scientific effort is carried out at the laboratories and patient clinics at NIH itself. In addition, NIH invites scientists from all over the country to submit research proposals in competition for scarce research support funds. Most of that research is done at medical schools throughout the country. This year, the University of Wisconsin will do about $70 million in studies with NIH money, including research on the promising new anti-cancer drug, Interluken-2.

We have made stunning advances in defeating or controlling infectious diseases which devastated families just a few years ago: TB, typhoid fever, polio, smallpox, diphtheria, etc. The toughest nuts to crack in the main have been diseases that are not necessarily caused by "bugs" but whose causes are related to things like basic genetics, life styles, environmental and workplace exposures. But we are making progress.

AIDS—FINDING THE CLUES

One infectious disease—a new one which burst onto the scene just a few years ago which has us stumped—is the recently discovered killer known as Acquired Immune Deficiency Syndrome or AIDS.

Since 1979 nearly 2 million Americans have been infected by the AIDS virus. More than 16,000 have fully developed cases of the disease. The public health implications of this new epidemic are alarming.

Last year, the Health Appropriations Subcommittee accepted my amendment to double the research effort on AIDS at the National Institutes of Health.

Increasing our basic understanding of the immune system and disease mechanisms in the body is vital to making progress on this and many other health problems we face in our every day lives.

THE RETURN ON OUR INVESTMENT

Studies have shown that the rate of return on every $1 invested in medical research is $13. Look at the progress!

Heart Attack: Death rates rose steadily from the late 1940's to the mid-1960's. We have brought that down by 25% because of what we have learned about life style, smoking and better blood pressure management and because of research advances in coronary care units, CPR techniques, better surgery, and a host of sophisticated new heart drugs.

Cancer: Fewer than 10% of childhood cancer patients survived in the 1960's. Today more than 50% do. That good news is directly attributed to National Cancer Institute supported studies which led to vast improvements in surgery, radiation treatment and chemotherapy. There have also been important improvements in survival rates for adult cancer patients, based on NCI research.

Stroke: During the 1970's we have cut the death rate from stroke by an amazing 40%. The National Heart, Blood, and Lung Institute and the Neurological Institute have led the way in physician and patient education about the "early warning signs" and risks factors associated with strokes.

Infant Mortality has declined by 31% since 1970 and is largely credited to the National Institute on Child's Health work aimed at managing premature and low birth weights. Ten years ago, 70% of infants weighing less than 3 pounds died; today, more than 70% survive.

Vaccine: Since 1960, NIH has developed vaccines now widely used to combat measles, mumps, rubella, meningitis, pneumonia, rabies, upper respiratory diseases, and hepatitis B.

NIH RESEARCH ON CHEMICALS AND DISEASE

Chemicals are an important part of our lives, but some of them can silently threaten our lives and our health. Workers, farmers and consumers have a right to make informed choices about what risks we will run in the workplace, on the farm, in our drinking water and elsewhere. Research is the key to providing each of us with enough facts to make an informed choice.

I, myself, used to work with asbestos. You can imagine my shock when I learned in the first few weeks I served on the Health Subcommittee that asbestos is a lethal, cancer-causing killer.

Since that time, much of my work on the Subcommittee has been focused on efforts to reduce health problems workers on the job may face because of exposure to hazardous substances. I am proud that amendments I offered have doubled the ability of the National Institute of Environmental Health Sciences to help identify the adverse health effects of chemicals like asbestos on shipbuilders and insulators, pesticides on grainworkers, and benzene on industrial workers.

The NIEHS has also greatly added to our understanding of the environmental health effects of metals like lead and mercury which can get into the food chain as a result of Acid Rain.

TOWARDS THE FUTURE

We have so much further to go but we have come a long way because our tax dollars have been put to work by people who knew what they were doing. That has made a significant difference in our lives and in our health.

Throwing money at a problem isn't the answer and I have not hesitated to resist spending money even at NIH if projects did not seem to be well conceived. But there are some national priorities which must remain priorities even in times of budget cutbacks, and health research is one of them.

Today our medical research programs are being threatened. The Administration has supported and Congress has passed the Gramm-Rudman approach to balancing the budget which could force huge cutbacks in health research.

The President, the Congress and the American people need to start asking themselves if we really need to double the military budget and exempt it from cuts if it means we are going to be required to take a double cut in cancer, heart, stroke and all other health research. A lot more is at stake than numbers.

Today the United States and Russia have enough nuclear weapons to kill each person in the world 12 times.

Before we decide that we should cut back on health research in order to add to the nuclear overkill, I would ask you to do one thing. Tomorrow at breakfast, take a look across the table and ask yourself whether the security of the person you see is going to be more enhanced over the next 10 years by better heart research, better cancer research, better arthritis research or by an extra MX missile.

I'm convinced that if people looked at the budget that way we would get a different set of priorities than we do when people just look at the numbers, without regard to what they really mean to human beings.

I hope that this newsletter finds you and your family in good health.

Until next time.

Sincerely,

DAVID R. OBEY,
Your Congressman.

STINGER SALES

● Mr. SIMON. Mr. President, our distinguished colleague, Senator DENNIS DECONCINI, has an article in today's New York Times questioning the wisdom of some of our sales of Stingers.

This is an easy-to-carry weapon, much easier to move around than the old bazooka that some of us knew in our Army service, and it is extremely sophisticated and effective.

It is heat sensitive and permits someone with a simple shoulder weapon to knock down a plane.

Senator DECONCINI has, once again, performed a public service by providing a thoughtful reaction to what is taking place.

I hope this Congress and this administration heed his advice.

I ask that Senator DECONCINI's article appear in the RECORD.

The article follows:

SELL MISSILES TO KILL AMERICANS?

(By Dennis DeConcini)

WASHINGTON.—Picture an American jetliner filled with summer travelers as it takes off from a European city. Perched on a hilltop more than three miles away is a terrorist aiming a shoulder-held Stinger anti-aircraft missile at the jet. Within seconds, the airliner with its hundreds of passengers disappears in a bright orange inferno.

The scenario is hypothetical, but it is increasingly possible as the United States supplies Stinger missiles to resistance forces around the world. As a safeguard, strong support should be given to legislation before the Senate that would require the President to insist on the same strict control over the missiles in rebel hands as we do for those we sell to our allies.

It is quite possible, given the loose structure of rebels' operations, that they could not satisfy the conditions, and in such cases the missiles should not be provided. We cannot afford to let these particular missiles, the ultimate terrorist weapon, slip into the wrong hands.

The American-made Stinger missile is the most sophisticated of its kind in the world. The portable surface-to-air missile weighs less than 35 pounds. It has a range of five miles, can reach a height of 4,500 feet and is equipped with a sensitive infrared guidance system that permits firing at a target from any angle. The Army acknowledges that the Stinger could easily down a civilian or military aircraft.

The United States Government has set strict guidelines for transportation and stor-

age of Stinger missiles. When we agreed to sell this weapon to our friendly allies, such as Saudi Arabia and members of the North Atlantic Treaty Organization, stringent safeguards were required as conditions of the sale. These safeguards included storage in steel vaults, 24-hour armed security and keeping the launcher and missile locked up separately. We also stipulated the right to conduct an inventory and inspection at any time.

But the Reagan Administration has recently begun covertly supplying rebels in Angola and Afghanistan with Stinger missiles without the same safety requirements. I do not believe we need to provide our most sophisticated weapons to the forces in Angola and Afghanistan for them to be successful. We can show our support for the rebel groups and provide for their defensive needs with weapons less lethal, mobile or destabilizing than the Stinger.

I have grave concern that the Stinger might fall into the hands of Col. Muammar el-Qaddafi, the Palestine Liberation Organization, Iran or even the Russians or Cubans, who maintain large numbers of advisers and troops in Angola and Afghanistan. A journalist who has covered the Afghan war described one rebel group there as being followers of the Ayatollah Ruhollah Khomeini: posters of the Ayatollah adorn the walls of their village.

The State Department has described some of the actions of Unita, the Angolan rebel force led by Jonas Savimbi, as bordering on terrorist activity. For example, Unita claims to have shot down at least three civilian Angolan aircraft.

The recent terrorist bombings of the West Berlin discothèque and the T.W.A. jetliner are evidence of an increased threat to American targets. Colonel Qaddafi says he will export terrorism and "pursue United States citizens in their country and streets." The P.L.O. faction leader Abu Nidal has also said that "America is our target." The United States must protect itself by being careful not to arm its enemies. President Reagan can help to insure the safety of Americans at home and abroad by enforcing strict safeguards on the sale and use of Stinger missiles.●

SIXTH ANNUAL MEETING OF THE SMALL BUSINESS COMMITTEE'S NATIONAL ADVISORY COUNCIL

● Mr. WEICKER. Mr. President, The sixth annual meeting of the Senate Small Business Committee's National Advisory Council was held on April 29 and 30, 1986. Twenty-one small business owners from across the country came to Washington, DC, at their own expense, to participate in this important event.

The council discussed and made recommendations to the committee on a wide range of issues including tax reform, budget deficit, liability insurance crisis to name a few.

Mr. President, the committee relies heavily on this grassroots input in establishing the agenda. I commend to my colleagues the various resolutions adopted by this group.

Mr. President, I ask that the full text of the eight resolutions adopted by the National Advisory Council, along with a list of all the small business owners who participated in this 2-day forum, be printed in the RECORD.

The material follows:

RESOLUTION OF THE NATIONAL ADVISORY COUNCIL IN SUPPORT OF THE U.S. SMALL BUSINESS ADMINISTRATION

Whereas, The United States Small Business Administration was established to address the unique needs and concerns of America's small businesses; and

Whereas, The United States Small Business Administration has provided counsel and assistance for millions of persons wanting to start their own enterprises, and also for those persons who have encountered problems while operating their existing businesses; and

Whereas, America's small businesses are in greater need today than ever before of the services of The United States Small Business Administration as a result of the fact that they are:

(a) experiencing severe economic problems caused by unaffordable or unavailable insurance coverage;

(b) bearing a disproportionate share of the tax burden;

(c) unduly burdened by excessive federal regulations and paperwork;

(d) being charged greater interest rates and loan fees for capital than competing larger businesses;

(e) not receiving their fair share of federal contracts for goods and services; and

(f) being adversely impacted by the accelerating number of anti-competitive or monopolistic mergers and acquisitions, as well as unreasonable vertical restraints; and

Whereas, the Congress has recently enacted and the President has signed the Combined Omnibus Budget Reconciliation Act reauthorizing the Small Business Administration through 1988, preserving the Small Business Administration's basic core of credit, management assistance and disaster loan programs while coming up with over $2.5 billion in budget outlay reductions over the next 3 years, and

Whereas, since April 1, 1986, the Acting Administrator of the Small Business Administration has embarked on radical personnel and management changes in the agency for the purpose of implementing the Administration's position to eliminate the SBA: Now, therefore, be it

Resolved, by the National Advisory Council to the United States Senate Committee on Small Business:

First, that the United States Small Business Administration be fully supported and effectively administered in accordance with the mandate of the Combined Omnibus Budget Reconciliation Act; and

Second, that the President of the United States promptly submit to the Senate the nomination of a permanent Administrator for the Small Business Administration who is committed to maintaining SBA as an independent agency and will vigorously implement its statutory programs.

RESOLUTION IN SUPPORT OF PRODUCT AND GENERAL LIABILITY INSURANCE REFORM

Whereas, The unavailability and unaffordability of liability insurance coverage for the small business community has reached crisis proportions; and

Whereas, This crisis has substantially affected the ability of small business in our nation to continue to grow, thrive, and provide new jobs for our nation's citizens; and

Whereas, The various states have passed or are passing legislation which results in confusion as to the liability of both insurers and the insured; and

Whereas, 70 percent of all manufactured products are sold outside of the state of manufacture; and

Whereas, Consumers in particular have been adversely affected by this growing liability burden on commerce through the withdrawal of products and producers from the national market, and from excessive liability costs passed on to them through higher prices; and

Whereas, The unpredictability of product liability awards and doctrines has added considerably to the high cost of product liability insurance by making the accurate prediction of risk virtually impossible; and

Whereas, The recent explosive growth in product liability lawsuits and awards is jeopardizing the financial well-being of many key industries and is a particular threat to the viability of many of the Nation's small businesses; and

Whereas, The extraordinary costs of the product liability system undermine the ability of American industry to compete internationally, and is causing the loss of jobs and productive capital; and

Whereas, The unacceptably high transaction costs of the product liability system, in which nearly twice as much money goes to lawyers as to compensate victims, is a burden on the consumer and American industry which can no longer be tolerated: Now, therefore, be it

Resolved, That this advisory board pause in its deliberations and memorialize the Congress of the United States to enact legislation embodying federal uniform product liability standards preempting states laws, retaining fault [not strict liability] as the standard of liability and specifically reforming tort doctrines in the area of joint and several liability; caps awards and strongly discourages frivolous lawsuits;

And further provides a comprehensive solution to the unafordability and unavailability of general liability insurance for small business.

RESOLUTION OF THE NATIONAL ADVISORY COUNCIL ON TAX REFORM

Whereas, small business is a critical segment of our economy, producing more than its proportionate share of net new jobs relative to the small business share of total employment;

Whereas, Congress is currently considering comprehensive reform of the income tax code;

Whereas, in the past five years, Congress has enacted three major tax revision bills;

Whereas, the small business community desires stability in the tax code in order to be able to make long-term economic decisions;

Whereas, small business does not have the financial resources to continually adjust its long-term commitments to frequently changing tax laws, nor can they financially deal with retroactive tax changes: Therefore, be it

Resolved, That, the National Advisory Council to the United States Senate Committee on Small Business does not feel that fundamental change in the tax code is warranted. Should Congress decide to enact tax reform, any such revision of the tax code must recognize pre-existing business commitments and that no tax law change should be retroactive.

RESOLUTION OF THE NATIONAL ADVISORY COUNCIL ON EXPORT LICENSING AND CONTROL

Whereas, the balance of trade between the U.S. and overseas markets has had severe impacts upon the United States economy and manufacturing capability; and

Whereas, it is recognized that the promotion of manufactured goods and services in the United States to international markets fosters economic growth and ameliorates the impact of foreign imports; and

Whereas, export sales are dependent upon licensing and review by the Department of Commerce and commonly results in lengthy delays in the supply of exported goods and services; and

Whereas, officials of the U.S. Customs Service do not always agree with the Department of Commerce classification of products which can lead to confiscation and further delays; and

Now, therefore, be it resolved, that the National Advisory Council to the Senate Committee on Small Business:

Urges the Committee on Small Business to hold hearings to study ways to minimize the licensing time and requirements necessary to export goods and services from the United States; and

Urges further that the Committee on Small Business support the formation of an International Trade Department dedicated to promoting, encouraging, and expediting the export of U.S. products and services.

RESOLUTION OF NATIONAL ADVISORY COUNCIL ON CORRECTIONS ABUSES IN RICO

Whereas, the Congress in 1970 passed the Racketeer Influenced and Corrupt Organizations Act (RICO), Public Law 91-452, Title IX, in order to expand the panoply of federal law enforcement remedies against organized crime;

Whereas, since the time, private civil actions brought under RICO have increasingly targeted legitimate business activities with no connection to organized criminal activity;

Whereas, small businesses bear an onerous burden in defending their legitimate activities against claims brought under RICO;

Whereas, a number of deficiences in the language of RICO permit the unintended misuse of RICO to initiate litigation against legitimate businesses;

Therefore, the National Advisory Council does hereby resolve:

1. That legislation introduced and pending before Congress to correct some of the numerous shortcomings in RICO should be adopted by the Congress, to wit, H.R. 2517, introduced by Mr. Conyers, S. 1521, introduced by Mr. Hatch, and H.R. 2943, introduced by Mr. Boucher; and

2. That a showing of a prior conviction of a racketeering activity as defined in RICO should be a predicate to any civil suit brought under RICO; and

3. That the provision allowing for treble damages and attorney fees should be eliminated from RICO except where a prior conviction of a racketeering activity is alleged and proved; and

4. The plaintiff shall carry a burden of proof of showing beyond a reasonable doubt that the defendant engaged in a pattern of racketeering activity; and

5. That the plaintiff must show that at least one of the alleged acts of racketeering be other than wire, mail or securities fraud.

RESOLUTION OF THE NATIONAL ADVISORY COUNCIL ON THE ANTITRUST LAWS

Whereas, the antitrust laws of the United States have been the strong underpinning of the American free enterprise system through insuring a free and open marketplace; and

Whereas, the antitrust laws of the United States are the first line of defense against anticompetitive activity, are critical to the health of the economy and are vital to the survival of small businesses in America; and

Whereas, the antitrust laws of the United States have insured the integrity and independence of the American small businessperson in being able to decide which products to handle, where and to whom to sell such products and the prices at which such products are sold; and

Whereas, since 1981, the present Administration has consistently cut back on antitrust enforcement and reinterpreted the law whenever possible to reduce its effectiveness, resulting in the most permissive antitrust climate in this century; and

Whereas, on February 19, 1986, the Administration announced five legislative proposals to amend the antitrust laws of the United States which would encourage monopolies, mergers, acquisitions, vertical price fixing and other forms of anti-competitive behavior plus reduce the incentive of injured private citizens and companies to bring civil suit against the perpetrators of antitrust violations for injuries suffered;

Now, therefore, be it resolved, that the National Advisory Council to the Senate Committee on Small Business resolves as follows:

First, that the Congress reject the proposed administration's antitrust law legislative package as being inimical to the free enterprise system, a direct threat to the ability of small business to compete fairly in the marketplace and a device to undercut both private and public enforcement of the antitrust laws;

Second, that the Federal Trade Commission and the Antitrust Division of the Department of Justice are urged to vigorously enforce the antitrust laws of the United States in the following areas where enforcement is now sorely lacking:

A. Anticompetitive mergers and acquisitions;

B. Resale price maintenance;

C. Tying arrangements; and

D. Unreasonable territorial and customer restrictions; and

Third, that Members of Congress are to be commended for their support of the legislation expressing the sense of Congress (H.R. 2965) that the Justice Department's Vertical Restraints Guidelines do not have the force of law, do not accurately state current antitrust law, should not be considered by the courts as binding or persuasive, and should be recalled by the Attorney General.

RESOLUTION OF THE NATIONAL ADVISORY COUNCIL ON FOREIGN LANGUAGE STUDIES

Whereas, small business is a critical segment of our national economy;

Whereas, in 1983 imports and exports made up nearly one-fourth of the gross national product of the United States;

Whereas, it is impossible to participate in fruitful trade negotiations without knowledge of the other side's language and culture;

Whereas, for the American business sector to become more successful globally, more attention must be directed toward a complete understanding of foreign languages and cultures;

Whereas, the United States is the only industrialized country in the world where a person can graduate from high school and college without having studied any foreign language;

Whereas, so little attention has been paid to the subject of business translation that the Library of Congress has not one single title in the field.

Therefore, be it resolved, that the Senate pass S. 1631, a bill directing the Secretary of Education to make grants to state educational agencies for the improvement of foreign language and culture study for children from age 5 to 17.

RESOLUTION ON LEGISLATION LIMITING THE USE OF POLYGRAPH TESTS BY PRIVATE-SECTOR EMPLOYERS

Whereas, many private-sector businesses, including service companies, retail stores and banks and savings institutions, use the polygraph as an effective management tool and as a means of company and customer security;

Whereas, polygraph tests have been shown to be up to 90% accurate and employers have few or no other effective means by which to examine employees' employment background and on-the-job activity;

Whereas, the polygraph has been used successfully for years by the military and several private sector businesses, and regulations governing the administration and use of such tests have been improved by state and federal legislation; and,

Whereas, the U.S. House of Representatives has passed legislation which would prohibit, with certain exceptions, the use of any type of lie-detector test by a non-government employer engaged in interstate commerce on any employee or prospective employee, and similar legislation has been introduced in the Senate and is presently under consideration by the Senate Labor Committee;

Therefore, be it resolved, that the National Advisory Council to the Senate Committee on Small Business calls upon the Congress to:

1. Withhold consideration of the Senate and House legislation on polygraph testing in the private sector, specifically H.R. 1524 and S. 1815, until the business that use the tests as an effective management tool have been given the chance to explain the severely adverse effect this legislation could have on their businesses; and,

2. Legislation improving the standards for the administration of polygraph tests be enacted rather than legislation which would completely prohibit the use of such tests by most private sector businesses.

NATIONAL ADVISORY COUNCIL PARTICIPANTS

Asta Ball, Newington, CT.
Herb R. Bowden, Sioux Falls, SD.
Frank Carroll, Worcester, MA.
Chuck Crawford, Wilton, NH.
John Duncan, Bozeman, MT.
Timothy Fine, San Francisco, CA.
Walter Floss, Amherst, NY.
R. Alan Fuentes, Virginia Beach, VA.
Odus Hennessee, Lawton, OK.
Gay Kruglick, Phoenix, AZ.
Michael Lefkiades, Bay City, MI.
Judy McCoy, Dubuque, IA.
Frederic E. Mohs, Madison, WI.
Shaw Mudge, Stamford, CT.
Bill Nourse, Nashville, TN.
James L. Simpson, Melbourne, FL.

Larry A. Stanley, Spokane, WA.
Thelma Stevenson Ablan, Chicago, IL.
Rufus Tindol, Atlanta, GA.
Edward Smith, Pine Bluff, AR.
Michael W. Zaloudek, Woodward, OK.

OBSERVER

Robert Baker, Peabody, MA.●

BOROUGH OF ROOSEVELT CELEBRATES 50TH ANNIVERSARY

● Mr. LAUTENBERG. Mr. President, I rise to pay tribute to the borough of Roosevelt in New Jersey on this its 50th anniversary.

The Borough of Roosevelt is a unique and extraordinary community. It represents an important slice of the American dream and spirit. It was founded in 1936, in the depth of the depression. That year 200 families, mostly immigrant garment workers from New York City, were invited to create new lives for themselves in a new community across the Hudson River. The Government built the homes, the factory, a public works system, and a school, and then the people came and filled up the buildings with their hopes and dreams for the future.

There was a culture, pride, and camaraderie among the citizens of the borough of Roosevelt. The town developed a thriving art community. Artists like Jacob Landau, David Stone Martin, Gregorio Prestopino, and Steven Market all relished the small-town lifestyle and the picturesque landscapes Roosevelt offered them.

Success touched many of its citizens, and businessmen like Charles Klatskin fondly recall the solid foundation growing up in Roosevelt gave them when they moved to new frontiers. Those who spent their youth in that small town nurture fond memories of their upbringing and attribute much of their later success in life to the strong sense of community that Roosevelt bred in them. This sense of identity with hometown certainly is not limited to this township, but because of its unique origin Roosevelt is special.

President Franklin Delano Roosevelt created this town as a Works Projects Administration community. The township itself is a historic monument, one of very few townships to be so honored. Originally, it was known as Jersey Homestead. After Roosevelt died, the people of the town decided to name the town after the President whose program had inspired the creation of their community.

Mr. President, this 50th celebration is a tribute to the citizens of Roosevelt who had the dedication, commitment, and courage to root their lives and their fortunes in a new town during a period of national crisis. It is also a tribute to Franklin Delano Roosevelt who shared the dreams of these homesteaders for a better life and had the foresight to know that a WPA community would succeed and prosper.

I offer the citizens of Roosevelt my hearty congratulations at this milestone in their history, and wish them continued growth and prosperity.●

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROSECUTION OF NAZI WAR CRIMINALS

Mr. DOLE. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of Senate Resolution 373 dealing with Nazi war criminals and I ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

□ 0120

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 373) expressing the sense of the Senate regarding the search for, and appropriate judgment and prosecution of Nazi War Criminals.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. WILSON. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. WILSON. Mr. President, I rise today to bring attention once again to the very sensitive and serious allegations regarding participation by former U.N. General Secretary Kurt Waldheim in Nazi atrocities in World War II. On March 27, I introduced a resolution which called for the Department of Justice to expedite its investigation of these allegations and review of documents brought forward by the World Jewish Congress. These materials, according to the World Jewish Congress, unequivocally document the involvement of Kurt Waldheim in Nazi war crimes during the Second World War. It is my intention and that of the cosponsors of the Senate Resolution 373 that justice be done.

From all available evidence, it appears that Kurt Waldheim, despite his vociferous public anti-Nazism, has concealed a past of direct involvement in particularly heinous war crimes. At the very least, it is clear that he has deliberately sought to deceive the world as to his whereabouts and activities during the period in question. Waldheim claimed in countless books, articles, and campaign literature that he was wounded in battle on the Eastern Front at the end of 1941 and that following his discharge returned to Vienna to study law through 1944. Documentation—some bearing Kurt Waldheim's own signature—including photographic evidence and other archival material show conclusively that in fact Waldheim was serving in the Balkans at this time on the staff of Gen. Alexander Loehr, who was convicted as a war criminal and hanged in 1947.

Waldheim not just an active participant with the forces of Nazi Germany in the Balkans—but served as an intelligence officer with the very military unit which conducted the most brutal antipartisan campaigns in Yugoslavia and which was linked to the deportation of tens of thousands of Greek Jews. And for his "exemplary service" in this inhuman and despicable campaign, Waldheim received a high award from the notorious Nazi puppet-government of Croatia.

A captured Nazi war document shows that Waldheim had in fact risen to become a senior intelligence officer of General Loehr's Army Group E. His listed responsibilities included: preparing and presenting morning and evening briefings for the general staff, prisoner interrogation, as well as "special tasks"—A euphemism often used by the Nazis to denote operations too distasteful to describe further, such as secret measures of mass terror or torture, kidnaping, and execution.

In 1947 the Yugoslav War Crimes Commission determined Waldheim to be a war criminal for putting hostages to death. In 1948 the U.N. War Crimes Commission gave him an "A" listing, meaning the evidence against him was so clear he should be brought to trial. That same year the U.S. Army placed him on their final consolidated wanted list as an accused Nazi war criminal wanted for "murder."

Documents now show irrefutably that Waldheim actually belonged to at least three Nazi organizations: the dreaded SA, Hitler's Brownshirted stormtroopers; the Nazi Student Union; and the NS Reiterkorps, a mounted affiliate of the Nazi party.

With the release of each bit of documentation Waldheim has revised his explanations, moving from one to the next, continuing the pattern of deception he has practiced for the past 40 years. It is long since time that the world learned the truth about the man in whom it has placed so great a trust.

The Justice Department's Office of Special Investigations has recommended that Kurt Waldheim be placed on the DOJ "watch list" and be barred

from entering the United States. Never has an Attorney General overturned a recommendation from this office on a "watch list" case. The Attorney General must give early attention to this recommendation consistent with a fair and thorough review.

It is imperative that America act upon the evidence. No special exemption from judgment or responsibility can be given because of past or future public offices.

This is a question which goes to the heart of all that this country stands for—the pursuit of justice and the rejection of the evil that was Hitler's Third Reich.

Mr. President, for these reasons, I join the majority leader in asking for immediate consideration of Senate Resolution 373.

I thank the distinguished majority leader.

Mr. DOLE. Mr President, I thank the distinguished Senator from California for pursuing this effort. I am pleased that we have been able to accommodate him. I know that he wanted to do this earlier, but at least we have it done. I thank the distinguished Senator.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the resolution.

The resolution was agreed to.

The peamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 373

Whereas the United States abhors the criminal behavior and atrocities of the Nazis during World War II;

Whereas it is the policy of the United States to vigorously pursue the search for and prosecution of Nazi War Criminals since World War II;

Whereas the United States strictly abides by the policy of extradition toward war criminals; and

Whereas the United States is committed to a policy of securing and enhancing human rights and individual dignity throughout the world: Now, therefore, be it

Resolved, That the Department of Justice carefully and expeditiously review the documents brought forward by the World Jewish Congress concerning former United Nations Secretary General Kurt Waldheim to ascertain his role, if any, in Nazi war crimes and treat appropriately.

ORDER FOR ADJOURNMENT UNTIL MONDAY, MAY 5, 1986

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stands in adjournment until 12 noon on Monday, May 5, 1986. There will be no session on Friday of this week.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION ON MONDAY OF NOMINATION OF JAMES FLETCHER

Mr. DOLE. Mr. President, as in executive session, I ask unanimous consent that at 1 p.m. on Monday, the Senate proceed to the consideration, in executive session, of the nomination of James Fletcher to be Administrator of NASA; that there be 2 hours of debate on the nomination, equally divided between the chairman of the Commerce Committee and the Senator from South Carolina [Mr. HOLLINGS] or their designees.

The PRESIDING OFFICER. Without objection, it is so ordered.

VOTES ON TUESDAY

Mr. DOLE. Mr. President, I ask unanimous consent that any rollcall votes ordered on Monday be postponed, to occur beginning at 2 p.m. on Tuesday, in the order in which the yeas and nays were ordered.

Mr. BYRD. Mr. President, will the distinguished majority leader withhold that request?

Mr. DOLE. Yes, I will withhold the last request.

Mr. President, I think we can work well on Monday without that last request being granted.

ORDERS FOR MONDAY

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate convenes on Monday, following the adjournment, the reading of the Journal be dispensed with; that no resolutions come over under the rule; that the call of the calendar be dispensed with; that following the recognition of the two leaders under the standing order, there be special orders in favor of Senator HAWKINS, Senator CRANSTON, Senator PROXMIRE for not to exceed 5 minutes each, to be followed by a period for the transaction of routine morning business, not to extend beyond 1 p.m., with Senators permitted to speak therein for not more than 5 minutes each; provided, further, that the morning hour be deemed to have expired.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

Mr. DOLE. Mr. President, I inquire of the distinguished minority leader if he is in a position to pass or indefinitely postpone any or all of the following calendar items: Calendar No. 594, S. 1625, to pass; Calendar No. 595, S. 2031, indefinitely postpone; Calendar No. 628, H.R. 4022, to pass.

Mr. BYRD. Mr. President, on this side of the aisle, we are ready to proceed as the distinguished majority leader has indicated.

Mr. DOLE. I ask unanimous consent for that action to be taken.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONVEYANCE OF CERTAIN LAND TO THE UNIVERSITY OF NEVADA

The Senate proceeded to consider the bill (S. 1625) to authorize the conveyance of 470 acres in Nevada to the University of Nevada for use as a research and development center, which had been reported from the Committee on Energy and Natural Resources with an amendment:

On page 1, strike line 3, through and including page 2, line 4, and insert the following:

That (a) notwithstanding the provisions of the Recreation and Public Purposes Act (43 U.S.C. 869 et seq.), the Secretary of the Interior shall permit the University of Nevada to use (either directly or by lease) the lands described in subsection (b) of this Act as a site for a research and development center.

(b) The lands referred to in subsection (a) are described as follows:

So as to make the bill read:

S. 1625

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding the provisions of the Recreation and Public Purposes Act (43 U.S.C. 869 et seq.), the Secretary of the Interior shall permit the University of Nevada to use (either directly or by lease) the lands described in subsection (b) of this Act as a site for a research and development center.

(b) The lands referred to in subsection (a) are described as follows:

(1) T. 20 N., R. 19E, Sec. 25: Lots 1, 2, 3, 4, 5, 11, SE ¼ NW ¼, NE ¼ SW ¼, Mount Diablo Meridian, Nevada, containing 309.11 acres; and

(2) T. 20 N., R. 19E, Sec. 25: Lots 6, 7, SW ¼ NE ¼, NW ¼ SE ¼, Mount Diablo Meridian, Nevada, containing 158.22 acres.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read "A bill to permit the use and leasing of certain public lands in Nevada by the University of Nevada."

RELEASE OF RESTRICTIONS ON CERTAIN PROPERTY

The Senate proceeded to consider the bill (H.R. 4022) to release restrictions on certain property located in Calcasieu Parish, LA, and for other purposes.

Mr. JOHNSTON. Mr. President, I rise in support of H.R. 4022, a bill I introduced to release conditions on certain lands in Calcasieu Parish, LA, for the purpose of developing these lands as an air industrial park. The Committee on Energy and Natural Resources held a hearing on this bill on March 4 and on March 27 ordered it reported unanimously.

Mr. President, this bill would remove restrictions on certain lands located in Calcasieu Parish, LA, comprising approximately 1,600 acres, for the purpose of permitting the leasing of these lands for use as an industrial air park. These restrictions were placed on the use of this property by the United States when the Chennault Air Force Base was disbanned and the property conveyed to the various public bodies. While these restrictions permit a number of diverse uses of the land, they prohibit the leasing of the property for development purposes.

In the mid-1950's Lake Charles and Calcasieu Parish began to put together a package of land and improvements in anticipation of the expansion and growth of Chennault Air Force Base. The city and the parish were told that in exchange for these lands and improvements, the Air Force would maintain a permanent air base in the area. The Air Force did designate the base as permanent in 1958 but in 1961 abruptly decided to close it.

The property has since been declared surplus by the Federal Government and divided between several local government agencies with certain deed restrictions limiting the development on these lands to either educational or recreational purposes. Portions of the property have been used under these conditions successfully for the past 13 years. The majority of the property, however, has remained essentially unused since the base was abandoned.

The local government entities and the citizens of the area are now looking to this abandoned facility as a potential site for a large scale air industrial park that would take advantage of the main runway and runway system already in place. A study undertaken a few years ago indicates the project is indeed feasible. However, before such a park can be developed, it will be necessary to remove the current use restrictions on the property. That is what my bill does; it simply releases these restrictions so that the property can be put to a more productive use.

Mr. President, I would like to make two additional brief points. First, it is important to remember that the local citizens have already paid for this land once—when the land was donated and the improvements made in exchange for a commitment that Chennault be made a permanent facility. This is in no way a giveaway of Federal lands, and I think it is important to keep that in mind. Second, Lake Charles' current unemployment rate of 14.1 percent is the highest of any major metropolitan area in Louisiana. The area is heavily dependent on the agricultural, petrochemical, and oil-related industries. As a result it has been devastated by job losses and business failures in recent months. This legislation provides us with an opportunity to do something very positive, at little or no cost, for a part of the country that has not had much good news lately.

During the consideration of S. 2031, the committee adopted an amendment in the nature of a substitute. The substitute makes three technical changes in the bill as introduced which do not change the effect of the bill.

First. The restrictions on the use of the property are released by the Congress as of the date of enactment of the act. The bill as introduced directed the Secretary of the Interior to release the restrictions. This extra step is unnecessary and has been deleted.

Second. In response to the Department of the Interior's testimony, a map has been prepared precisely identifying the lands involved rather than utilizing file numbers as proposed in the bill as introduced.

Third. Language has been included, also at the suggestion of the administration, making clear that the release of the use restrictions in no way affects the disposition or the ownership of any minerals associated with these lands.

Mr. President, I think these amendments strengthen and clarify the intent of H.R. 4022, and I urge my colleagues to join me in approving the legislation as reported from the Committee on Energy and Natural Resources.

The bill was ordered to a third reading, read the third time, and passed.

S. 2031, Senate companion measure, was indefinitely postponed.

□ 0120

Mr. DOLE. Mr. President, I move to reconsider the vote by which the various measures were agreed to or passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NAVAL AVIATION DAY

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate turn to the consideration of House Joint Resolution 569, Naval Aviation Day.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 569) to designate May 8, 1986 as Naval Aviation Day.

The PRESIDING OFFICER. Without objection, the joint resolution will be considered as having been read twice by title.

Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The joint resolution (H.J. Res. 569) was ordered to a third reading, read the third time, and passed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL BARRIER AWARENESS DAY

Mr. DOLE. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of House Joint Resolution 544, National Barrier Awareness Day, and I ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (H.J Res. 544) to designate May 7, 1986 as National Barrier Awareness Day.

The PRESIDING OFFICER. Without objection, the joint resolution will be considered as having been read twice by title.

Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. GORE. Mr. President, I ask that Senate Joint Resolution. 330, "National Barrier Awareness Day," be called up for immediate consideration. The Chairman of the Judiciary Committee, Senator THURMOND, has been most considerate to arrange the discharge of this measure from the committee so it can be taken up at this time.

Mr. President, I know we are often asked to commemorate various special events by resolutions of the Congress. But I can think of few activities more deserving of such special recognition than that of the hundreds of organizations and the millions of citizens they represent in the effort to break down the many, seemingly overwhelming physical and attitudinal barriers facing disabled Americans.

I will not take this time to read all the organizations that are officially part of the barrier awareness coalition, but submit them as part of my statement at this time. For the record, the following organizations are active participants in Barrier Awareness Day:

American Cancer Society.
American Foundation for the Blind.
Spina Bifida Foundation.
American Lung Assoc.
Multiple Sclerosis.
National Assoc. for the Deaf/Blind.
Little People.
Lupus Foundation.
Epilepsy Foundation.

National Assoc. for Deaf Children.
Tourette's Foundation.
National Kidney Foundation.
American Association for the Advancement of Science.
National Assoc. for Visually Handicapped.
American Heart Association.
Muscular Dystrophy Assoc.
United Cerebral Palsy.
Cystic Fibrosis Foundation.
American Diabetes Foundation.
Juvenile Diabetes.
The Arthritis Foundation.
Easter Seals.
National Amputation Foundation.
National Head Injury Foundation.
The United Foundation.

In addition, Mr. President, the following States are also officially supporting Barrier Awareness Day:

Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Illinois, Indiana, Iowa, Kansas, Louisiana, Maryland, Massachusetts, Minnesota, Mississippi, Missouri, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, Washington, D.C., Wisconsin.

Mr. President, because of their collective efforts, National Barrier Awareness Day will become a reality. Recently the coalition, through the hard work of Congresswoman VUCANOVICH and other House Members, passed a companion bill to Senate Joint Resolution 330. In the Senate the coalition has been invaluable in spreading the word about the resolution we are taking up today.

More important than the passage of this resolution, however, is the very real, hard work in our communities to actually remove these barriers. It is a goal worth commendation and our strongest possible support.

Before I ask my colleagues to vote on the resolution, I want to take this opportunity to add the following 31 Senators as cosponsors of, "National Barrier Awareness Day": Senator THURMOND, the distinguished chairman of the committee, Senators EAGLETON, PRYOR, ZORINSKY, BUMPERS, HOLLINGS, DODD, LEAHY, NUNN, LEVIN, SIMON, STENNIS, INOUYE, SASSER, MATSUNAGA, NICKLES, DOLE, WEICKER, DURENBERGER, WARNER, GRASSLEY, HECHT, KASSEBAUM, HATCH, DENTON, BOSCHWITZ, COCHRAN, CHAFEE, and PRESSLER.

I am pleased that this bill list is a strong, bipartisan statement of support for Senate Joint Resolution 330, and I ask my colleagues to pass the measure at this time.

The joint resolution (H.J. Res. 544) was ordered to a third reading, read the third time, and passed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE CALENDAR

Mr. DOLE. Mr. President, I would like to inquire of the minority leader if he is in a position to confirm any of the following nominations on the Executive Calendar:

Calendar No. 760, 761, 762, 763, under the Army; Calendar No. 764, under the Navy; Calendar No. 765, Frank H. Dunkle; and all nominations placed on the Secretary's desk with the exception of the nomination of Edwin Corr.

Mr. BYRD. Mr. President, there is no objection on this side.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I therefore ask unanimous consent that the Senate go into executive session to consider the nominations just identified.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nominations will be stated.

Mr. DOLE. Mr. President, I ask unanimous consent that the nominations be considered en bloc and confirmed en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered en bloc and confirmed en bloc are as follows:

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of Title 10. United States Code, Section 1370:

To be general

Gen. Robert W. Sennewald, 492-22-4165. (Age 56), U.S. Army.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be general

Lt. Gen. Joseph T. Palastra, Jr., 576-28-7763, U.S. Army.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. H. Norman Schwarzkopf, 144-26-7662, U.S. Army.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Gerald T. Bartlett, 549-40-1608, U.S. Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of Title 10, United States Code, Section 1370:

To be lieutenant general

Lt. Gen. John D. Bruen, 359-22-6681, (Age 55), U.S. Army.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Kenneth E. Lewi, 462-36-8977, U.S. Army.

IN THE NAVY

The following-named officer, under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be vice admiral

Vice Adm. Donald S. Jones, 391-22-4694/1310, U.S. Navy.

DEPARTMENT OF THE INTERIOR

Frank H. Dunkle, of Montana, to be Director of the United States Fish and Wildlife Service.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE AIR FORCE, ARMY, MARINE CORPS, NAVY

Air Force nomination of Stanley E. White, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of April 18, 1986.

Air Force nominations beginning Fredric L. Bauer, and ending Stanley E. White, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 18, 1986.

Air Force nominations beginning Loren G Aguillard, and ending Curtis W Winchester, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 18, 1986.

Air Force nominations beginning Glennis L Aavang, and ending John A N Yarwood, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 18, 1986.

Army nominations beginning Duane Austin, and ending Paul F Shorts, which nominations were received by the Senate on April 7, 1986, and appeared in the CONGRESSIONAL RECORD of April 8, 1986.

Army nominations beginning George C. Baxley, and ending Everett M. Urech, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 9, 1986.

Army nominations beginning Henry E Blechl, and ending Harold W Nase, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 9, 1986.

Army nominations beginning Robert H. Johns, and ending Ronald M. Rosenberg, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 18, 1986.

Army nominations beginning Brian S Abraham, and ending Linda B Zweizig, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 24, 1986.

Army nominations beginning Eric D Adams, and ending Bernard J Zoppa, Jr., which nominations were received by the Senate on April 23, 1986, and appeared in the CONGRESSIONAL RECORD of April 24, 1986.

Marine Corps nominations beginning John H Admire, and ending Robert E Yeend, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 18, 1986.

Navy nominations beginning Lori P. Anderson, and ending Richard P. White, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 9, 1986.

Navy nominations beginning Arthur P Abel, and ending Curtis Allan Collins, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 18, 1986.

Navy nominations beginning Elmer J. Aguigam, and ending Douglas A. Zaren, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of April 18, 1986.

Navy nominations beginning Mary Raftery Adams, and ending Neil Robert Wollam, which nominations were received by the Senate on April 23, 1986, and appeared in the CONGRESSIONAL RECORD of April 24, 1986.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

WAIVING OF THE RULES FOR TAKING PHOTOGRAPHS IN CHAMBER

Mr. DOLE. Mr. President, I ask unanimous consent that the Rules Committee regulations pertaining to taking photographs of the Senate Chamber, regulation No. 4, Senate wing of the Capitol, be waived on Friday, May 2, 1986, for the purpose of allowing James Atherton, of the Washington Post, to photograph the Senate Chamber.

Mr. BYRD. Mr. President, that request has been cleared on this side. There is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO HOLD HOUSE CONCURRENT RESOLUTION 329 AT THE DESK

Mr. BYRD. Mr. President, on behalf of Senator LAUTENBERG, I ask unanimous consent that House Concurrent Resolution 329 remain at the desk until further action is taken thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, to recap what will happen on Monday, May 5: We will convene at 12 noon, following an adjournment, and then the two leaders under the standing order have 10 minutes each. There will be special orders for 5 minutes for the following Senators: Senators HAWKINS, CRANSTON, and PROXMIRE, then routine morning business not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein for not more than 5 minutes each.

Following morning business, the Senate will turn to the following items: Executive nomination of James C. Fletcher, under a time agreement; possibly a resolution dealing with the nuclear accident in the Soviet Union; and any other items cleared for action.

As I previously indicated, no votes will occur during Monday's session. Any votes ordered—there could be voice votes—any rollcall votes ordered on Monday will be postponed until Tuesday, and that will be worked out with the agreement of the distinguished minority leader.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

ADJOURNMENT UNTIL MONDAY, MAY 5, 1986

Mr. DOLE. Mr. President, I move that the Senate now stand in adjournment until 12 noon on Monday, May 5, 1986.

The motion was agreed to; and, at 1:26 a.m., the Senate adjourned until Monday, May 5, 1986, at 12 noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 2, 1986:

DEPARTMENT OF THE INTERIOR

Frank H. Dunkle, of Montana, to be Director of the United States Fish and Wildlife Service.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of Title 10, United States Code, Section 1370:

To be general

Gen. Robert W. Sennewald, [redacted], (Age 56), U.S. Army.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be general

Lt. Gen. Joseph T. Palastra, Jr., [redacted]. U.S. Army.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. H. Norman Schwarzkopf, [redacted], U.S. Army.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Gerald T. Bartlett, [redacted], U.S. Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of Title 10, United States Code, Section 1370:

To be lieutenant general

Lt. Gen. John D. Bruen, [redacted], (Age 55), U.S. Army.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Kenneth E. Lewi, [redacted], U.S. Army.

IN THE NAVY

The following-named officer, under the provisions of Title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, Untied States Code, section 601:

To be vice admiral

Vice Adm. Donald S. Jones, [redacted] U.S. Navy.

IN THE AIR FORCE

Air Force nomination of Stanley E. White, which was received by the Senate and appeared in the Congressional Record of April 18, 1986.

Air Force nominations beginning Frederic L. Bauer, and ending Stanley E. White, which nominations were received by the Senate and appeared in the Congressional Record of April 18, 1986.

Air Force nominations beginning Loren G. Aguillard, and ending Curtis W. Winchester, which nominations were received by the Senate and appeared in the Congressional Record of April 18, 1986.

Air Force nominations beginning Glennis L. Aavang, and ending John A. N. Yarwood, which nominations were received by the Senate and appeared in the Congressional Record of April 18, 1986.

IN THE ARMY

Army nominations beginning Duane Austin, and ending Paul F. Shorts, which nominations were received by the Senate on April 7, 1986, and appeared in the Congressional Record of April 8, 1986.

Army nominations beginning George C. Baxley, and ending Everett M. Urech, which nominations were received by the Senate and appeared in the Congressional Record of April 9, 1986.

Army nominations beginning Henry E. Blechl, and ending Harold W. Nase, which nominations were received by the Senate and appeared in the Congressional Record of April 9, 1986.

Army nominations beginning Robert H. Johns, and ending Ronald M. Rosenberg, which nominations were received by the Senate and appeared in the Congressional Record of April 18, 1986.

Army nominations beginning Brian S. Abraham, and ending Linda B. Zweizig, which nominations were received by the Senate on April 23, 1986, and appeared in the Congressional Record of April 24, 1986.

Army nominations beginning Eric D. Adams, and ending Bernard J. Zoppa, Jr., which nominations were received by the Senate on April 23, 1986, and appeared in the Congressional Record of April 24, 1986.

IN THE MARINE CORPS

Marine Corps nominations beginning John H. Admire, and ending Robert E. Yeend, which nominations were received by the Senate and appeared in the Congressional Record of April 18, 1986.

IN THE NAVY

Navy nominations beginning Lori P. Anderson, and ending Richard P. White, which nominations were received by the Senate and appeared in the Congressional Record of April 9, 1986.

Navy nominations beginning Arthur P. Abel, and ending Curtis Allan Collins, which nominations were received by the Senate and appeared in the Congressional Record of April 18, 1986.

Navy nominations beginning Elmer J. Aguigam, and ending Douglas A. Zaren, which nominations were received by the Senate and appeared in the Congressional Record of April 18, 1986.

Navy nominations beginning Mary Raftery Adams, and ending Neil Robert Wollam, which nominations were received by the Senate on April 23, 1986, and appeared in the Congressional Record of April 24, 1986.

EXTENSIONS OF REMARKS

UNEMPLOYMENT IN SOUTHWEST WASHINGTON

HON. DON BONKER
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. BONKER. Mr. Speaker, the Third District of Washington State, which I represent, comprises much of the Pacific Northwest's wood products, aluminum, and fishing industries. For many years, the milltowns and fishing communities of southwest Washington enjoyed prosperous times as local economies grew and national economic conditions were relatively stable and generally positive.

Those good times quickly turned bad, however, in the early 1980's as high mortgage rates, subsidized foreign competition, and a devastating national recession battered the area's resource-based industries. Natural disasters such as the Mount St. Helens eruption and the El Nino phenomenon combined with poor economic conditions to drive southwest Washington into a depression rivaling the years of 1929–40.

For the past 5 years, I have seen the impact of this economic decline in the faces of my communities, and have worked with local groups and individuals to ease the burden and generate economic revitalization.

In an effort to get more specific information on the full dimensions of southwest Washington's unemployment problem—particularly the problem of plant closures—and the effectiveness of Federal assistance programs, I recently held field hearings in two of my most hard-hit counties.

The testimony offered at the hearings covered all aspects of unemployment including the human and social cost, the economic impact, and the success of Federal and State programs in helping the jobless. I was fortunate to have a broad variety of workers, State officials, and local labor leaders provide me with firsthand testimony on the problems facing my jobless constituents.

Although my district represents only a small corner of the country, I believe the concerns expressed reflect the experience of unemployed workers all across the Nation. I would like to share the results of these hearings with the Members of the House and the relevant committees, to help guide any future action on issues affecting the unemployed.

THE PRESIDENT'S ECONOMIC RECOVERY HAS IGNORED MANY REGIONS

If the unemployed of southwest Washington have a story to tell, it is one of enduring hardship and frustration. While the news clips and official statistics may tell a story of resurgent economic recovery, such news is more fiction than fact to the unemployed loggers and millworkers of my district who continue to suffer a maddening cycle of plant startups, layoffs, curtailments, and shutdowns. Many other areas in the Midwest, Northeast, and Southeast have been similarly bypassed by the so-called economic recovery.

Serious job losses in the wood products, aluminum, and fisheries industries have depressed both the economy and spirit of a region once proud of its great vitality. Employment has plummeted in union and nonunion trades alike. From 1980 to 1983 alone, the membership of the Washington State Labor Council fell from almost 170,000 members to 140,000 members—a loss of 30,000 jobs. In the lumber and logging industries alone, employment in my district has dropped by 8,000 jobs since 1978, a staggering 42-percent job loss in just 7 years.

At the hearings, witnesses told me that nearly all meaningful economic activity has ground to a halt in many of the hardest hit coastal communities. Businesses have been boarded up and homes shuttered as the bottom has fallen out of local property values. Many families who have lived for generations in the same community have been forced to sell their homes and personal articles in order to survive. Even worse, many are unable to sell their homes due to the regional depression, so they stand abandoned, transforming once-vital communities into ghost towns.

The social cost of unemployment in my district has been no less profound. Prolonged joblessness has torn at the social fabric that once-bound families and neighbors together. The incidence of violent crime has increased, including rape, robbery, assault, and domestic violence. With health insurance no longer affordable for many families, the incidence of malnutrition-related diseases and even deformed or premature babies have increased.

Put simply, the quality of life previously enjoyed in southwest Washington has been severely undermined by uncertainty, serious social problems, and economic desperation.

UNEMPLOYMENT STATISTICS DRAMATICALLY UNDERESTIMATE THE PROBLEM

Unemployment remains dramatically high in my wood products and fishing communities, even though many of my district's laidoff workers have left the area seeking other opportunities. The official unemployment rate now stands at 12.2 percent in the 6-county coastal area, compared to 16.4 percent recorded in 1982 and a current national jobless rate of around 7 percent.

There is every reason to believe, however, that even these harsh official statistics reflect only a part of the true unemployment picture in my area.

According to Mr. Isiah Turner, Washington State Employment Security Commissioner, the real unemployment rate may be as high as 26 percent, or more than double the 12.2 percent official unemployment rate. Federal Department of Labor figures do not consider ineligible workers such as fishermen or individuals who have exhausted their benefits.

Through either political calculation or economic misjudgment, the unemployment picture in our country appears to be badly understated. Obviously, this faulty statistical picture undermines public awareness of the unemployment situation, and congressional efforts to deal with this problem.

FEDERAL PROGRAMS ARE CRITICAL FOR COPING WITH UNEMPLOYMENT

At this moment, Washington State may be seeing the first glimmers of hope for an end to the regional recession that has plagued our communities and industries for the past 5 years. The falling dollar, lower fuel prices, and lower interest rates all mean good news for industry in my region. This good news does not, however, mean all is well for the unemployed in my district. The structural economic changes wrought by the recession of the last 5 years mean that many unemployed workers will never recover their jobs.

With new jobs and industries few in number and conventional unemployment benefits expired, many unemployed workers in my district have found Federal programs such as trade adjustment assistance, the Work Incentive Program, and the Job Training Partnership Act critical in meeting their most basic needs and preparing themselves for a new employment future.

Jobless workers and State officials alike testified that the importance of the Trade Adjustment Assistance Program in my district cannot be overstated. At the moment, 3,000 workers in my region are eligible for trade readjustment assistance, and another 5,000 workers may soon join their ranks. In milltowns with little economic activity, the income assistance and job training provided by the TAA Program has made the difference between hope and despair for many workers and their families. Based on my travels through my district and the testimony of workers in the program, I am convinced that the need for this program is as great as ever.

Much of the value of TAA and JTPA lie in the fact that they provide what the free market does not in a depressed community—opportunity. In the best of all worlds, the free market would be able to fill the gap and take care of the unemployed and retrain them for a better future. My hearings in the district revealed, however, that this is not reality and never has been.

In a depressed regional economy where major industries have been crippled by economic and natural forces, new businesses are few and employment options fewer. Trade adjustment assistance and JTPA help to fill the vacuum by providing the unemployed with the benefits and training necessary to reenter the work force.

Many unemployed in the coastal communities of my district know only a lifetime of millwork or logging. No one, not even a President, can become a computer operator over-

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

night. The time and funds provided by TAA allow needed job search and training time. Based on my experience and the expert testimony provided at my district hearings, it is time and money well spent.

REAGAN ADMINISTRATION MUST REORDER ITS PRIORITIES

While my hearings demonstrated the necessity and effectiveness of Federal unemployment compensation and retraining programs, many witnesses were very critical of the administration's lack of commitment to maintaining, using, and enhancing these programs.

Based on the administration's vigorous efforts to cripple or terminate key retraining programs such as TAA and WIN, such concerns are well-founded. While legislation to reinvigorate job training programs has languished as "too costly," corporate tax cuts have proliferated almost out of control and defense spending has doubled in just 5 years.

Although helping business compete in a global economy is a worthy cause, such efforts often sound hollow to workers who have lost their jobs due to foreign imports or offshore manufacturing, and may lose their retraining opportunities due to lack of administration support. Corporate tax subsidies and a relaxation of antitrust laws hold little significance to a worker who has no job but must somehow feed his or her family and pay a mortgage.

It is clear to me, based on the testimony I received, that we need to do more for the unemployed. Far from terminating programs that help the unemployed, it is time that this Congress and the administration reevaluated our Nation's budget priorities in this area.

It baffles me that a country as strong and healthy as ours can devote 30 percent of its entire Federal budget to costly weapons and military hardware, but only 3.5 percent for community development, economic development, job training, and employment assistance programs. Something is very wrong with our priorities when a single weapons system absorbs more Federal funds than the total available to help retrain and reemploy our citizens.

Workers enrolled in the program when funding ran out will have all benefits restored retroactively, and critical TAA income support and retraining programs are authorized for another 6 years.

Under the new authorization, workers would be eligible for adjustment assistance for 104 weeks following exhaustion of normal unemployment benefits, rather than the 52 weeks of current eligibility. The bill also links cash benefits to participation in a job search program, although this requirement does not apply to workers who had filed petitions or were enrolled prior to the bill's effective date. Finally, the reauthorization continues technical assistance to help firms become more competitive and clarifies the application of the TAA Program to workers in agricultural firms.

Reauthorization of TAA and these eligibility changes will be of great assistance to many in my district. I deeply regret, however, that once again we had to take such action in the face of President Reagan's constant veto threats.

I only wish that someday President Reagan could visit my district and see the severe human suffering and hardship that recent economic shifts and continued high unemployment have created. He would also see the tremendous contribution of training and hope that Federal programs provide. Perhaps then he would realize that dollars spent on people have the equivalent if not greater value than money spent on military hardware.

PRISON INDUSTRIES RELIEF

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. McCOLLUM. Mr. Speaker, I am today introducing legislation designed to allow our overburdened prison systems to use innovative methods to reduce the cost of operating prisons; reduce the cost to the taxpayer in maintaining prisons and inmates; and give prisoners a chance to pay their debt to society through constructive labor as well as learning job skills that will help to keep them from returning to crime when they leave prison.

As a member of Chief Justice Burger's Task Force on Prison Industries, it has become clear to me that new methods need to be employed to address the severe problems we face in our penal system.

At the beginning of this decade, our prison population had increased to over 350,000. That was an increase of 75 percent in just 10 years. The increase in inmate population is a small reflection of huge increase in crime in this Nation.

The cost to this Nation for the increase in crime is enormous. The loss of life and limb, the loss of earnings, the physical and mental suffering of the victims of crime and their families, is staggering. It was estimated that, in 1981, the direct and indirect costs of crime was in excess of $90 billion. There are many reasons for this increase in crime—but it is not my purpose today to dwell on that. Rather, I, and he cosponsors of this bill, feel that a crucial first step in dealing with this increase in crime is to make our prison systems more effective and efficient.

First, the bill I introduced today would allow the Justice Department to accept gifts of property made to, and for, Federal prisons. This bill also will remove obstacles to State prison industries selling prison-made products to the Federal Government. Last year, the State of Florida Prison Industries lost an $800,000 contract with the Federal Government because current law prohibits contracts in an amount greater than $10,000—an amount way out of line with today's realities. Under this bill, this archaic cap would be removed. This is just a first step in a process that, as Chief Justice Burger once said, will "Convert our warehouses into factories with fences. . ."

By converting our warehouses to factories with fences, we can give the inmates skills necessary to avoid a life of crime once they return to society, and we can have the inmate pay in part the cost to the taxpayer of keeping him in prison. Last year, it cost the taxpayers of this country over $523 million to warehouse prisoners in the Federal Prison System. That does not even take into account the millions more spent by each State for those prison systems.

By allowing State prison industries a chance to sell prison-made products to the Federal Government we will provide an important new market for prison-made goods and thus encourage the further development of modern prison industries in our State prisons. Also, we will give the inmates a marketable skill, and allow the inmate to pay society in part the cost of his prison sentence which relieves the taxpayer of a heavy burden.

I urge all of my colleagues to join me in this challenge issued by Chief Justice Burger by cosponsoring and working for the passage of this legislation.

AMVETS HAROLD PAUL SAKS POST NO. 118 40TH ANNIVERSARY

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. EDGAR. Mr. Speaker, this year marks the 40th anniversary of the AMVETS Harold Paul Saks Post No. 118 in Morton, PA. On May 10 of this year the membership of the post and the auxiliary will join together to celebrate 40 years of service to country and community and 40 years of achievement in building an organization that fully expresses the best America has to offer.

Since the first 27 members signed its original charter in July 1946 the post has grown in number and leadership within the AMVETS organization welcoming members from the Korean war and Vietnam war. Its membership along with the auxiliary has risen to high office with AMVETS to lead this great veterans service organization at the regional, State, and National level.

Mr. Speaker, as a member of the House Veterans' Affairs Committee for the past 12 years and chairman of its Subcommittee on Hospitals and Health Care, I would like to take this opportunity to commend the Harold Paul Saks Post on their 40th anniversary and wish its members every success in the future. In doing so, for the benefit of my colleagues. I would like to include for the record a summary of the history and achievements of the post.

FORTY YEARS OF DEDICATION AND PROGRESS

In a barracks at Indiantown Gap, PA, three local servicemen returning from serving their country, met and shared their dreams of the future. From these dreams came the existence of a strong responsible community institution, and the 40 year history of the Harold Paul Saks Amvets Post No. 118, American Veterans' of World War II, Korea, and Vietnam.

Shortly after our victorious servicemen began returning home, these three Morton men—Salvatore Albanese, Edward Chapman, and Quinton MacFayden—met and discussed their dream, and the need of a Veterans' Organization. Unlike many barracks resolutions, this one did not fail to materialize. Through their dedication and efforts, and the encouragement and moral support of the Reverend Joseph B. Gibson, assistant Rector of Our Lady of Perpetual Help

Roman Catholic Church of Morton, PA, this organization began to grow.

Nearly 100 former servicemen attended preliminary meetings held in the church hall, and representatives from various veterans' organizations came to discuss the aims and policies of their respective organizations, and the decision was made to join the American Veterans of World War II, better known as Amvets.

From this humble beginning we grew, and in 1950 we decided to build our own Post Home. Through the cooperation of Morton Borough who donated the land, and the skills of the members, our present Post was built, one of the finest Posts in Pennsylvania.

Of the original 27 members who signed the charter in July 1946, three are still active Post members and nine are deceased. Since Quinton MacFayden, our first elected Commander, we have had 28 past Commanders, and several have served as Commander on more than one occasion. Seven of these men are now deceased. We have more than 350 members, 90 of whom are life members, and our meetings are actively attended by an average of 40 members per meeting.

The Post was named in honor of Staff Sgt. Harold Paul Saks, a resident of Morton, PA, who was killed in action in Germany, and was awarded the Silver Star for gallantry in action. The citation reads as follows:

SILVER STAR

"For gallantry in action in **** on 12 November 1944, in connection with military operations against the enemy of the United States. On 12 November 1944, in a coordinated attack on the enemy, Staff Sergeant Saks assumed command of the platoon in which he served when the platoon leader and sergeant became casualties. Despite the intense enemy fire, he reorganized the squads, continuing the attack to successfully lead the men in seizing the objective of the platoon. His outstanding leadership, bravery, and loyal devotion to duty exemplify the finest traditions of the Armed Forces of the United States."

This decoration was awarded posthumously.

Following the tradition of Harold Paul Saks, we have had many dedicated members, some who have served at the State Department of Amvets in various offices.

Joseph C. Dougherty was elected to PA Department Commander in 1977-78, after serving the State Department as Inspector General 1976-77. In 1978-79 he served as Inspector General of the National Department of Amvets. In 1979-80 he was the State Department National Executive Committeeman, and in 1981-82 he was PA State Department Judge Advocate.

William F. Greco, a past and now present Post Commander, served as Commander of the Eastern Region of the Department of PA.

John Sheppard is currently holding the office of State Department Second Vice Commander.

James V. Gill, deceased, served as PA State Department Judge Advocate.

Christian Hartner served as the State Department Convention Chairman.

Post #118 has been honored in having awards presented to the following members:

Quinton MacFayden was the first recipient of the PA State Department "Amvet of the Year." This most prestigious award was also given to James V. Gill, and Joseph C. Dougherty.

Arthur J. Colwell, our third Vice Commander and Americanism Chairman, was voted the "Most Patriotic Amvet" in the Department of PA.

One of our Americanism contestants, Keri Lynn Dixon, went on to win the National Department of Amvets first place, and her essay, "What the American Flag Means to Me," made such an impression on Congressman Bob Edgar, that he saw fit to read it at a session of Congress, and it was entered into the Congressional Record.

Post #118 has been commended for its dedicated services to the Philadelphia Veterans Hospital, Scotland School, the U.S.O. facilities at Philadelphia International Airport, and for community services.

Thelma Neubert is the current President of our Ladies Auxiliary, which has done a remarkable job, not only in Post activites, but in the Veteran Hospital, U.S.O., child welfare, and community services. They also support Scotland School, Deborah Hospital, and the Chapel of Four Chaplains, into which many of our members have been inducted.

Ann Gill was elected to President of the State Department Auxiliary in 1977-78, and also served as Chairman of the V.A.V.S. for the Philadelphia Veterans' Hospital. Alice Sheppard currently holds the office of Auxiliary Eastern Region President, and Althea Hargrave serves as Secretary-Treasurer of the Auxiliary Eastern Region.

This spirit of dedication to their fellow man follows the fine tradition set by Harold Paul Saks, on that day in November when he made the Supreme Sacrifice. What greater love has man, than he lay down his life for his fellow man.

THE GENERATION-SKIPPING TRANSFER TAX

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. JONES of Oklahoma. Mr. Speaker, the Tax Reform Act of 1976—a measure I opposed—created a new generation—skipping transfer tax which was intended to join with the estate and gift taxes to provide a set of wealth transfer taxes which raise revenue in as uniform a manner as possible. Since 1976, the generation-skipping transfer tax has been a subject of intense controversy, because of both its basic policy and its complexities.

In H.R. 3838, the "Tax Reform Act of 1985," the Committee on Ways and Means proposed and this House adopted a revised version of the tax. The goal was to simplify the administration of the tax while ensuring that all transfers having a similar effect will be subjected to the tax in similar ways.

While the generation-skipping transfer tax has been controversial since its enactment, one policy decision has never been questioned—the tax was not to be applied to transfers from the corpus of a trust which was irrevocable at the time the tax was proposed in 1976. The effective date language of the 1976 act established this rule, and Treasury regulations, section 26.2601-1, provided explicit rules by which such "grandfathered" trusts were to be determined.

In H.R. 3838, it was necessary to repeal the original 1976 language in order to correctly implement the new provisions. By so doing, the bill repealed the statutory effective date language, thereby technically rendering regulation section 26.2601-1 and the specific rules therein as being without foundation.

Clearly, H.R. 3838 intends to continue the longstanding prohibition against applying the tax to transfers from preexisting irrevocable trusts. The effective date language for the new tax provisions in H.R. 3838 is identical in substance to the 1976 language, except that H.R. 3838 would expand the language to exempt transfers from trusts which were irrevocable as of September 25, 1985.

Absent the technical repeal of the 1976 statute, it would seem that the existing regulations would continue to apply to those trusts which were originally grandfathered. To clarify that this will be the result if the provisions of H.R. 3838 are enacted, I asked Secretary Baker to discuss Treasury's position on this matter. Assistant Secretary Roger Mentz has responded that those trusts which were originally grandfathered—as determined by regulations—would continue to be exempt from the new provisions.

The texts of my correspondence are presented below.

HOUSE OF REPRESENTATIVES,
Washington, DC, March 21, 1986.

Hon. JAMES A. BAKER III,
Secretary, Department of the Treasury, 15th and Pennsylvania Ave., NW., Washington, DC.

DEAR MR. SECRETARY: When the generation-skipping transfer tax was first enacted in the Tax Reform Act of 1976, certain preexisting irrevocable trusts were exempted from the new tax. Specifically, the effective date provisions in section 2006(c)(2)(A) of the Act provided that the tax was not to apply to any generation-skipping transfer:

". . . under a trust which was irrevocable on June 11, 1976, but only to the extent that the transfer is not made out of corpus added to the trust after June 11, 1976 . . ."

The generation-skipping transfer tax provisions of H.R. 3838, as drafted by the Committee on Ways and Means, include a substantially identical exception for irrevocable trusts; only the date was changed. Section 1223(b)(2)(A) of that bill provides that the tax will not apply to any generation-skipping transfer:

"Under a trust which was irrevocable on September 25, 1985, but only to the extent that such transfer is not made out of corpus added to the trust after September 15, 1985 . . ."

Proposed Treasury regulations were published in December 1978 concerning the generation-skipping transfer tax as enacted in 1976. In August 1980, a portion of those proposals, as revised, were published in final form as Treas. Reg. section 26.2601-1, which implemented effective date provisions from 1976.

The irrevocable trust exception in section 1223(b)(2)(A) of H.R. 3838 is substantially identical to the exception in the 1976 Act and would, under normal statutory construction, be implemented by existing Treas. Reg. section 26.2601-1, except for the change in dates. However, section 1223(c) of the bill would repeal the previously enacted generation-skipping tax. As a result, the enactment of this provision of H.R. 3838 technically would render the existing regulations as being without foundation, because

the statutory language would have been repealed.

Assuming enactment of sections 1223(b)(2)(A) and 1223(c), can it be presumed that the principles of current Treas. Reg. section 26.2601-1 will be applied in interpreting section 1223(b)(2)(A) so as to continue the exception for those pre-June 12, 1976 irrevocable trusts to which the current effective date exception applies?

I would appreciate a response at your earliest convenience.

With best wishes,

Sincerely yours,

JAMES R. JONES,
Member of Congress.

DEPARTMENT OF THE TREASURY,
Washington, April 11, 1986.

DEAR MR. JAMES JONES: Thank you for your letter of March 21, 1986, regarding the effective date provisions of the generation-skipping transfer tax. Your letter accurately sets out the legislative and regulatory history of the effective date provisions of this tax, beginning with its enactment in 1976.

While it is somewhat unusual for the Treasury Department or the Internal Revenue Service to state how it plans to interpret a provision of a bill that has not yet been signed into law, the answer to the question you pose seems sufficiently clear that I feel comfortable in responding affirmatively to your inquiry. Thus, it may be presumed that the principles of current Treas. Reg. § 26.2601-1 will be applied in interpreting § 1223(b)(2)(A) of H.R. 3838 so as to continue the exception for those pre-June 12, 1976 irrevocable trusts to which the current effective date exception applies.

Thank you for your interest in this matter.

Sincerely,

J. ROGER MENTZ,
Assistant Secretary-Designate (Tax Policy).

INA DEARMAN: SAN FRANCISCO'S LEADING VOLUNTEER

HON. SALA BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mrs. BURTON of California. Mr. Speaker, I want to pay tribute today to one of San Francisco's leading citizens, Ina Dearman.

Ina Dearman is truly a Good Samaritan—a person who has volunteered her time and energy to numerous projects helping people in the city. She was there to aid a friend in need. I know this because my office has been the recipient of many of her calls in her numerous attempts to help her fellow human beings.

Ina has been a wonderful wife, mother, daughter, and friend. I am proud to count her among my dearest friends and I am happy to have this opportunity to honor Ina in this way.

Recently, the Cross Cultural Family Center gave Ina a Special Achievement Award. Following is a brief description of her accomplishments:

Ina Dearman planned to become a career social worker and instead, she became a career volunteer for a better society.

Born in Chicago, Ina's family moved to San Francisco when she was a child. She's a graduate of the University of the Pacific (BA in Sociology) and earned a Masters degree in Social Welfare at the University of California at Berkeley. Long active in the YWCA, Ina served for three years on its National Board and was Delegate to the world YWCA meeting in 1976. In addition, she was a director of the San Francisco YWCA for nine years and president from 1981 to 1983. From 1976 to 1981, Ina was a member of the San Francisco Planning Commission. She has served on the Community Advisory Board of the Westside Mental Health Society, and was a board member of JACKIE and the San Francisco Youth Campus.

Last, but not least, Ina was a founding member of Cross Cultural Family Center. For over 16 years she has been a dedicated supporter and volunteer, giving freely of her time and effort in both professional and hands-on, time-consuming work activity that every volunteer knows.

We thank Ina and we honor her on behalf of the children, members and staff of CCFC.

FEDERAL PAY MANAGEMENT ACT OF 1986

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Ms. OAKAR. Mr. Speaker, on a number of occasions, many of my colleagues have joined me in the well of this Chamber to discuss the Federal work force. Many of us have sought to improve the working conditions for employees and to create a more equitable work environment. We also have attempted to protect the integrity of the Federal work force and the compensation program from unwarranted budgetary reductions.

Today, I return to the Chamber to inform my colleagues of a bill I am introducing, the "Federal Pay Management Act of 1986." My legislation provides for alternative systems of compensation for Federal employees; modifications in the pay comparability process; and expedited authority for Federal agencies to increase rates of pay for certain occupations, particularly those involved in national security which are experiencing difficulties in recruitment and retention.

In 1970, Congress enacted the Pay Comparability Act in an effort to assure objectivity and predictability in the Federal wage-setting process. It was designed to bring Federal employees' pay in line with their counterparts in the private sector. Yet, through constant changes in the pay-setting mechanisms and the President's repeated use of alternative pay plans, the 1970 Comparability Act has failed to achieve its goals.

It has been almost 10 years since Federal employees received a full comparability increase. Pay raises for Federal workers are being granted on an ad hoc basis based upon budgetary considerations rather than the principle of comparability set forth in the 1970 law. The system has completely broken down.

In a hearing conducted by my Subcommittee on Compensation and Employee Benefits earlier this year, there was unanimity among the witnesses that the current pay-setting process was in desparate need of repair. Everyone from the General Accounting Office to the Presidentially-appointed Advisory Committee on Federal Pay agreed that systemic change was necessary. The legislation I am introducing today incorporates many of the ideas suggested by witnesses at that hearing.

Over the past 16 years, military pay has grown by 226.51 percent and private sector wages have increased by 186.64 percent. Wages for white-collar Federal workers have risen by only 133.25 percent. During that same 16-year period, the Consumer Price Index has increased by 189.56 percent. Not only has Federal pay failed to keep pace with private industry and the military, Federal workers have suffered severe reductions in their standard of living because of unbridled inflation in the 1970's.

Despite the clear intention of the 1970 Comparability Act that pay for Federal workers remain comparable to wages in the private sector, Federal pay rates now trail those in private industry by 20 percent. Mid-level managers and senior executives in the Federal Government are even further behind their private sector counterparts, with their pay rates lagging by more than 50 percent.

The lack of competitiveness in pay, coupled with repeated attempts to dismantle the benefit package, have resulted in a demoralized Federal labor force, a reduction in service to the public, and a threat to our national defense. Today, the Federal Government, in many instances, is the employer of last resort for numerous professionals. Recruitment is difficult and retention is at an all-time low. Recent data indicate that the voluntary separation rates for many engineers, for example, employed by the Department of Defense have doubled from fiscal year 1975 to fiscal year 1985. The Federal Government cannot compete with the private sector in hiring quality graduates from our Nation's colleges and universities.

The inability to recruit and retain qualified technical and professional employees in the Federal Government has had serious effects on the efficiency and dependability of Government service. A 1984 General Accounting Office report cited a series of instances in the Departments of Defense, Commerce, Health and Human Services, and the Veterans' Administration in which the difficulties in recruiting and retaining employees have threatened important Government programs.

The Assistant Secretary of Commerce, for example, conceded that the lack of adequate pay for patent examiners seriously damaged the administration goal of "significantly reducing the patent pending rate." The inability to retain physical science technicians has jeopardized construction at Mare Island Shipyard and the failure to attract radiological technicians at the National Cancer Institute has caused highly technical equipment that should have been used to treat cancer patients to stand idle.

The bill I am introducing today seeks to address the inherent problems with the current Federal wage-setting process in an effort to regain competitiveness with the private sector and to improve Government service for all Americans.

The bill has three basic components. First, the bill establishes a Federal Compensation Board, comprised of 13 people representing the administration, the Advisory Committee on

Federal Pay and the Federal Employees Pay Council, to design and implement a variety of alternative pay systems. The alternative systems, which include total compensation comparability, pay-for-performance, collective bargaining, and regional pay would be implemented within a representative sample of agencies. Particular attention is paid in the bill to Federal laboratory and scientific personnel by allowing the employing agencies the flexibility of using the alternative pay systems.

Second, the bill amends the current special pay rate program which enables agencies with demonstrated recruitment and retention problems to hire and pay employees at higher levels. My legislation would provide agencies with more flexibility and expedite the approval process by the Office of Personnel Management.

Third, the legislation establishes a Commission on Federal Pay Management. The 3 member, nonpartisan, expert panel would be responsible for overseeing and evaluating all alternative pay systems. After a 5-year period, the Commission would report its findings and conclusions with regard to the alternative pay systems to the President and Congress.

It is important to note that the bill is cost neutral. It requires the agencies to test the pay alternatives within existing appropriations.

The urgency for legislative change cannot be underestimated. Federal agency heads, who are concerned with the detrimental impact of the compensation program on their ability to achieve their mission, are feeling hard-pressed to attack the recruitment and retention problems. I am mindful, of course, that the President has proposed a government-wide "Performance Pay System." While I am certainly interested in learning more of the details of the President's plan, I am not convinced that the "China Lake" experience provides a panacea for the problems that plague the Federal compensation process.

Our Government needs to hire and retain qualified, dedicated employees, and to be competitive in the marketplace for talented individuals. After all, it is Federal employees who develop and manage our national defense systems, who conduct essential research on fatal diseases, and who facilitate our space exploration. It is the Federal worker who is responsible for providing essential Government service to the citizens of this great Nation.

My legislation creates a vehicle for agencies to experiment with pay programs so that Federal employees will be compensated fairly. Congress and the President will ultimately determine which program or combination of programs is best suited for Federal agencies within 5 years after the bill's enactment. In the meantime, Federal pay adjustments will be more competitive with the private sector and agencies will be given the flexibility they have demanded.

I welcome my colleagues to cosponsor this bill. My Subcommittee on Compensation and Employee Benefits will conduct hearings on this and other pay reform proposals later this month. I am hopeful that we can conclude our journey toward enacting necessary changes in the Federal pay-setting process by the end of this session and that pay reform becomes a reality.

Thank you.

TERMINATING THE NEW GI BILL WOULD PREVENT MANY FROM BEING ALL THEY CAN BE

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. MONTGOMERY. Mr. Speaker, "Be all you can be." "A great way of life." "It's not just a job, it's an adventure." "The few, the proud . . ." "It's a great place to start."

Mr. Speaker, these are representative of the current advertising enticements to attract new recruits to branches of our Armed Forces. Each promises a large measure of fulfillment.

No matter how you consider these slogans, either collectively or separately, one word comprising the strongest incentive of all shines through: Education. The best way to be all you can be: Education. The greatest way of life comes through education. The most challenging adventure we face is improving the human condition, which can certainly be achieved through education. Pride is a wonderful thing, and the greatest place to start building it is on an education.

Young recruits know this. Military recruiters know this. The Congress knows this. The administration, however, needs a reminder.

Our Armed Forces' ability to recruit high quality young men and women has been impressively strengthened by the implementation of the new GI bill.

Deputy Secretary of Defense William H. Taft IV, in a memorandum to the Secretaries of the military departments, had the following to say about the program after only 3 months of operation: "With enactment of the new GI bill, the Congress, has not only provided the Department of Defense with an excellent recruiting incentive, but has also provided the Nation's youth with an exceptional educational opportunity."

Yet, the administration is proposing that the program be terminated. The results of such a move could be devastating: Thousands of young people would see their dreams of obtaining a college education shattered; military recruiters would have to scratch for recruits from a declining pool of eligibles who now face better prospects for employment in the civilian sector; and our military force levels would no doubt be adversely affected.

If it's cost the administration is concerned about, it shouldn't be concerned. The statistical range shows that participants pay back 3 to 6 times the cost of their educational benefits due to increased taxes on higher income.

The new GI bill. It may not be the only incentive to join the military, but it is the best. We must not, we cannot terminate it. The administration is dead wrong on this issue, Mr. Speaker.

GOV. RICHARD J. HUGHES—MAN OF COMPASSION

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. RODINO. Mr. Speaker, in April, the Rutgers School of Law paid tribute to one of New Jersey's finest public servants, and a great friend of many years, the Honorable Richard J. Hughes, former Governor and chief justice of the New Jersey Supreme Court. I can think of no one more deserving of this tribute than Dick Hughes, a man known for his big heart and unwavering sense of fairness.

Throughout his long, distinguished career, Dick Hughes has served the people of New Jersey in many capacities. After graduating from the New Jersey School of Law (which later became Rutgers) in 1931, Dick went on to become a U.S. attorney for New Jersey, a judge of the county court and superior court, and in the appellate division. From 1962 to 1970, he served as Governor, and from 1973 to 1979, as chief justice of the New Jersey Supreme Court.

Always an aggressive champion of the people, Dick worked hard for the passage of pollution control laws and a minimum wage for employees. He was instrumental in establishing a public defender system and statewide sentencing guidelines.

As I said, Mr. Speaker, I can think of no one more deserving of this tribute and the love and respect of the people of New Jersey than Dick Hughes. I cherish our friendship and the memories of our long association.

Mr. Speaker, I commend to you the following articles about Governor Hughes, which were published in the Newark Star-Ledger last month.

[From the Newark (NJ) Star-Ledger, Apr. 3, 1986]

HUGHES RATES A CUT ABOVE ON TESTIMONIAL TRAIL

(By Herb Jaffe)

Testimonial dinners are traditionally a bore, a painful experience in which one speaker after another spends hours discovering new ways to lull an assemblage that has paid a handsome ticket price for a bad meal and the indigestion that often accompanies a lot of bad verbiage disguised as oratory.

Some of the dullest testimonial dinners have, by tradition, been keyed to buoy the reputations and financial fortunes of prominent political figures.

Several years ago, a not-so-prominent political figure in New Jersey could find no one to sponsor a testimonial dinner in his behalf. So he made his own. He rented a hotel ballroom, sold dinner tickets and an advertising journal, and raised enough money to buy himself a new business.

Richard J. Hughes, former two-term governor, retired chief justice and one of the most affable figures ever to grace the state, has never had such a problem.

In fact, as former Gov. Brendan Byrne said during the parade of after-dinner testimonials for Hughes last week, "this is my 58th dinner tribute for Dick Hughes."

Whether in fact Hughes has had anything near that many testimonial dinners is imma-

terial. The point is that this well-loved man, a Democrat who has been honored and respected by just as many Republicans, also has been one of the most popular recipients ever to travel the state's testimonial circuit.

It was no bore as Rutgers Law School of Newark honored this statesman who graduated 55 years ago from the New Jersey School of Law, which was an ancestor of Rutgers Law School.

In fact, on the testimonial dinners scale, Dean Peter Simmons and Newark Rutgers Provost Norman Samuels can proudly boast that the Hughes affair was a 10-plus, a rousing four-star success that sent the guests home with smiles on their faces rather than yawns.

The Speaker, far from the traditional bores, were witty and brief, starting with Federal Magistrate Serena Perretti, the master of ceremonies, and ending with the guest of honor who noted that this old political adversary, Sen. Wayne Dumont Jr. (R-Sussex), "apologized that he couldn't come to my dinner."

"He said he had to be in court, or something, tonight," Hughes said with his usual broad smile and good humor.

In between, there were many light lines and some good laughter. After all, as Attorney General W. Cary Edwards said, "you can't get serious on a night like this. Everybody knows the life of Dick Hughes. It has been repeated at 57 other testimonials."

So instead, Edwards got into some tongue-in-cheek discussion about his relations with Senate President John R. Russo (D-Ocean), who was on the dais in his role as acting governor.

Earlier, Russo offered the same kinds of political jabs in between hailing Hughes. "No one has been more of a help to me in my years of public life than Dick Hughes," he said, a tribute that was repeated by several other speakers.

Robert B. Meyner preceded Hughes for two terms in the governor's office, so he chose to reminisce about the political scene of almost half a century ago, all the way back to the nomination of Wendell Willkie, the Republican condidate for President in 1940.

But then Bryne rose to awaken those who weren't born yet when Willkie was the victim of a blitz in the third-term re-election of Franklin D. Roosevelt. The immediate past governor was at his comical best. In fact, Hughes later states:

"When Brendan Byrne first became governor, he used to put people to sleep. Now, he's a standup comic."

Byrne had some fast one-liners.

"It's nice to be here," he said. "If you're a former governor, I guess it's nice to be anywhere," he added.

He referred to the testimonial program, which pictured Hughes at the time of his law school graduation on the cover, and again on the inside cover at the time of his retirement as chief justice in 1979.

"Those are pictures of Dick Hughes before and after Robinson vs. Cahill," Byrne said.

His reference was to the heated battles in both the Supreme Court and the Legislature over the "thorough and efficient" education provisions in the state's constitution, which ultimately required passage of the New Jersey state income tax.

"I really don't know anything funny about Dick Hughes," said Byrne. "But I know some funny things about Bob Meyner. I once asked Meyner if he had ever been to Pittsburgh, and he said he would go home and check his towels."

Referring to the fortunes of Atlantic City, which turned 180 degrees during Byrne's gubernatorial years, he stated:

"They tell me crime is up in Atlantic City. Ten years ago there was nothing there to steal."

Public Advocate Alfred A. Slocum, who served as a member of the Rutgers Law School faculty before joining state government, noted of Hughes, "I work in a building in Trenton that bears his name. The building leans on one side a little, and the elevators don't work all the time," Slocum said.

And so it went that evening, whether or not it was the 58th testimonial for this very popular and gentle man.

[From the Newark (NJ) Star-Ledger, Apr. 4, 1986]

"TWIN" TRIBUTE: HUGHES HONORED FOR POLITICAL, LEGAL DEEDS

(By Anne-Marie Cottone)

Representatives of the political and legal spheres paid tribute last night to a man who has served in both arenas for 55 years, rising to the posts of both the chief executive and chief justice of New Jersey.

Richard J. Hughes, who was governor from 1962-70 and chief justice of the state Supreme Court from 1973-79 was the guest of honor at a testimonial dinner in the Parsippany Hilton. The dinner was sponsored by the Rutgers School of Law-Newark, from which Hughes obtained his law degree in 1931.

The dinner speakers included former Govs. Robert B. Meyner and Brendan Byrne, Attorney General W. Cary Edwards and Public Advocate Alfred A. Slocum. U.S. Magistrate Serena Perretti, who sits in Newark, presided over the dais.

There were 215 guests at the affair, which benefitted the Rutgers Law School endowment fund. Sen. John Russo (D. Ocean), serving as acting Governor, attended in place of Gov. Thomas Kean, while congratulatory telegrams were read from Sen. Bill Bradley (D.-N.J.) and Rep. Peter Rodino (D-10th Dist.).

The speakers all referred to Hughes' compassion and his loyalty to others. Most of them also made jokes about the former governor and chief justice.

Byrne commented that Hughes' appearance "is actually a great tribute to you because I can't remember Dick Hughes ever staying through a whole dinner. This is my 58th tribute dinner for Dick Hughes," he quipped.

Taking a more serious turn, Byrne said, "We are here because we love Dick Hughes, because he is entitled to any honors Rutgers or anyone else wants to bestow on him. Every commitment that's been made to the poor or underprivileged or those who wish to help their fellow citizens has the imprint of Richard Hughes on it."

Meyner spoke of Hughes' loyalty, saying that Hughes always helped his friends and those in need.

Slocum spoke of Hughes' enthusiasm, while Edwards referred to Hughes as "one of our most outstanding citizens in this state."

Edwards recalled a campaign slogan from the 1965 gubernatorial campaign: "Dick Hughes-He Cares." He is still doing all the good things for all the same reasons, because he cares as much as he always did."

Following their remarks, Hughes was introduced to a round of applause. "I am very touched by those of you who've come out for this dinner," Hughes said.

He spoke briefly of his wife, Betty, who died in 1983. "As the years have gone on, I've had such joy in remembering her bottom lines. She was a very funny gal. I used to say, 'I hate these testimonials. I'm a humble man." She said, 'You have a lot to be humble about'."

Admitting that he had protested at the idea of the testimonial, Hughes added, "As much as I protested, it's been a very happy night for me. I deeply appreciate the compliment, the idea, the friendship."

Hughes was an assistant U.S. Attorney for New Jersey from 1939 to 1945. He served as a judge of the county court and Superior Court, and in the Appellate Division.

Among the milestones of his administration as governor were the enactment of water and air pollution control laws that were the strongest in the nation at the time, and the establishment of a public defender system and a state minimum wage.

As chief justice, Hughes was responsible for implementing statewide sentencing guidelines and for the Mt. Laurel housing decision.

Hughes, who maintains residences in New Jersey and Florida, has served as counsel to the Trenton firm of Sterns, Herbert & Weinroth since his retirement from the bench.

The Rutgers School of Law-Newark holds an annual spring dinner in support of its endowment fund. Guests of honor have included Rep. Peter Rodino (D-10th Dist.) and U.S. Supreme Court Justice William Brennan, according to Alice Olick, a Rutgers spokeswoman.

FOREIGN TRADE ZONES AND USER FEES

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. BONKER. Mr. Speaker, I rise today for the purpose of introducting the Foreign Trade Zone Fee Structure Act of 1986 which will prohibit the U.S. Customs Service from implementing the proposed user fee structure published in 51 FR 5040-5067 (Feb. 1, 1986) and any other fees that would demonstrably negate the operational and competitive advantages presently enjoyed by foreign trade zone users and operators.

As a Congressman from the coastal region with many ports, and chairman of the Foreign Affairs Subcommittee on International Economic Policy, I have witnessed first-hand the very negative economic consequences of our record trade deficits. Thus I have become very concerned with the efforts of the U.S. Customs Service under Director Von Raab to slash manpower and levy substantial user fees on U.S. shipping lines and exporters. Frankly, it is my impression that Customs' efforts to impose fees go well beyond seeking compensation for overtime, special audit, inspection, or other legitimate reimbursable activities. Rather, Customs appears intent upon compelling ports, shippers, and the U.S. merchant marine industry to bear virtually all of the costs for all of the services it provides. Such a policy can only operate to place U.S. shippers at an unnecessary and unreasonable disadvantage relative to our training partners.

A particularly disturbing illustration of this policy is the U.S. Customs Service plan to charge foreign trade zone operators excessively large annual fees for services performed. Under present regulations,

The cost of providing the additional Customs services required under the (Foreign Trade Zone) Act * * * shall be reimbursed to the Government by the grantee, payment to be made monthly to the district director.

Instead of maintaining this reimbursement system, Customs now proposes to charge FTZ operators annual fees ranging from $1,400 to $33,800.

Although it is an established and appropriate right of Customs to recover expenses incurred from serving FTZ's, I share the concern of the Foreign Trade Zone Association that Customs' proposed fee schedule will not only inhibit FTZ operations, but effectively negate the competitive cost advantage enjoyed by many FTZ manufacturers, assemblers, and operators.

The fee schedule proposed by Customs would create three tiers, based upon the annual number of admissions and transfers that occur in a zone. In general, FTZ operators with less than 300 admissions would pay $1,400 a year, those zones with less than 3,000 admissions $15,500, and zones with over 3,000 admissions would pay $33,800. This structure may well cause serious problems for small- to moderate-size zones with entries or transactions surpassing 300 a year. These zones would witness their annual fee increase from $1,400 to $15,000 a year. While some well-financed zones with high value entries may be able to absorb this increase, many zones have indicated that the new fee will cause them to terminate operations or lose potential users.

The closure of FTZ's due to excessive customs fee would not only be unfortunate, but contrary to Congress' intent when it passed the Foreign Trade Zone Act in 1934. Foreign Trade Zones were designed to make U.S. products more competitive oversees, retain U.S. manufacturing operations and to stimulate greater export activity. With record trade deficits hanging over our heads, FTZ operations are more important than ever. Far from crippling our Nation's export promotion programs, the Federal Government and Customs should be doing its utmost to encourage FTZ activities.

Aside from my belief that the Customs' FTZ proposals are very poor trade policy, I am very troubled by the fact that these specific fees were not authorized by Congress and are based on the number of merchandise entries. As my colleagues may recall, Congress last year rejected Customs' proposal to charge fees based on incoming merchandise. The Customs user fee proposal strikes me as nothing less than an attempt to accomplish this same end by administrative fiat.

I would hope that my colleagues who are supportive of foreign trade zones and concerned with our balance of trade deficits, would explore this issue and lend their support to my legislation. The role of the U.S. Customs Service should be to facilitate our international trading system, not to impede it and inhibit our ability to compete effectively overseas.

A copy of the legislation follows:

H.R.—

A bill to prohibit the imposition of excessive customs fees for foreign trade zone services and the implementation of the currently proposed Customs Service annual fee structure for such services

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Foreign Trade Zone Fee Structure Act of 1986".

SEC. 2. FINDINGS AND PURPOSE.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) foreign trade zones established under the Act of June 18, 1934 (commonly known as the Foreign Trade Zones Act (19 U.S.C. 81a et seq.)) represent an important export promotion and economic development tool for industries, ports, and communities in the United States by—

(A) strengthening the competitive position of United States exports overseas, preserving manufacturing jobs, and stimulating economic growth; and

(B) providing valuable competitive benefits, including simplified customs procedures, deferred payment of duties, duty reductions, and duty avoidance;

(2) although foreign trade zones have experienced dramatic growth over the last 5 years in number and trade volume, foreign trade zones have yet to be utilized and developed to full advantage; and

(3) efforts by Congress and the Department of Commerce—

(A) to promote the fuller utilization of foreign trade zones,

(B) to increase United States exports, and

(C) to encourage United States manufacturers to preserve domestic operations,

may be threatened by proposals of the United States Customs Service to levy excessive fees in connection with foreign trade zone operations.

(b) STATEMENT OF PURPOSE.—It is the purpose of Congress, in establishing foreign trade zones and the Foreign Trade Zone Board, to provide for the creation and maintenance of operations in the United States which, for reasons of customs costs, would otherwise be carried out abroad. The Congress declares that it is contrary to this purpose for the Customs Service, or any other Federal agency, to impose fees in connection with foreign trade zone operations that—

(1) offset the competitive cost advantage enjoyed by foreign trade zone operators because the zones are not considered to be within the customs territory of the United States;

(2) offset the operational advantages and benefits that accrue with respect to merchandise entries into foreign trade zones; or

(3) demonstrably negate the tariff benefits afforded foreign trade zone users, inhibit the activation and utilization of new and existing foreign trade zones, or lessen the competitive advantages of exports from foreign trade zones.

SEC. 3. PROHIBITION OF EXCESSIVE CUSTOMS FEES.

(a) IN GENERAL.—The Commission of Customs may not implement—

(1) the fee structure proposed to be implemented under the final rules (relating to Customs Service supervision of foreign trade zones) published in 51 F.R. 5040-5067 (February 1, 1986); and

(2) any fee structure in connection with Customs Service supervision of foreign trade zones that conflicts with the congressional declaration stated in section 2(b) (1), (2), or (3).

(b) RETROACTIVE EFFECT.—If the fee structure referred to in subsection (a)(1) is implemented before the date of the enactment of this Act—

(1) that fee structure shall cease to have force and effect on and after such date of enactment; and

(2) any foreign trade zone operator whose customs fees, for foreign trade zone operations engaged in during the period from the date such fee structure took effect and such date of enactment, were by reason of such structure higher than they would be had such structure not been implemented is entitled, upon application to the customs officer concerned within 90 days after such date of enactment, to a refund of the amount of such excess.

MIKE DEWINE MAKES A CASE FOR COVERT ACTION

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. HYDE. Mr. Speaker, the recent Libyan bombing episode demonstrates that the President must have a foreign policy option that lies somewhere between no action and sending the Marines or American bombers. In an op-ed that appeared in the April 23, 1986, edition of the New York Times, our colleague, MIKE DEWINE, persuasively makes the case that covert action may be that option while pointing out why such an alternative is so difficult to implement these days.

Mr. Speaker, I request that Mr. DEWINE's article be inserted at this point in the RECORD and I recommend it to all Members as most timely reading.

[From the New York Times, April 23, 1986]

INSTEAD, BE COVERT

(By Michael DeWine)

WASHINGTON.—Now that we've seen overt military action in Libya, is covert action still such an unpalatable alternative?

President Reagan has fewer workable options today than President Dwight D. Eisenhower would have had in the 1950's in the face of an international menace. The single biggest reason for this is Congress's steady effort, in the 1970's, to restrict American covert activities.

If this were the 1950's, we might have awakened one morning to find that Col. Musmmar el-Qaddafi had been deposed in a coup or otherwise removed. Now, by contrast, he is still in a position to direct terrorism.

The most common argument against covert activities is the moral argument—that it is unethical for America to intervene secretly in another country. But if Congressional restrictions on covert action effectively leave the President no choice but military action like the air strike against Libya, then the moral argument collapses. Given that no other tactic has worked, is it not morally better to help depose Colonel Qaddafi than to kill an innocent Libyan child with an American bomb? Would it not have been morally justified to assassinate Hitler, if we had had an opportunity to do so?

This is what I thought as the reports of our raid flashed across the television screen. While many Americans might initially cheer our show of force, I wondered how they would feel when they saw the sun rise over Libya, revealing children's bodies and twisted civilian buildings.

That is not to say that the execution of the operation was lacking. The plan was carefully crafted and executed, with every effort made to avoid hurting civilians. Nor do I criticize the President's decision to take this step. My quarrel is with those who have limited the choices available to President dealing with fanatics like Colonel Qaddafi.

Covert action is not the only possibility. Tough economic sanctions might have put enormous pressure on Libya—if our allies had cooperated. But four and a half years of unilateral American sanctions had little impact.

So what about covert action? Congress has required the President to honor a host of reporting requirements before mounting any such operation. All members of the House and Senate intelligence committees must be informed—31 people plus their committee staffs, which adds another 92 people. And any one of these people who does not believe in the operation can appoint him or herself to stop it: All they need to do is pick up the phone and call a reporter.

This might have happened in the case of Libya. There may or may not have been a plan in this case, but a report of one appeared on the front page of The Washington Post. The story, on Nov. 3, cited "informed Government sources" and alleged that President Reagan has authorized a covert operation—it was to be run by the Central Intelligence Agency and include another country or countries in North Africa—to undermine the Qaddafi regime. The story also noted, rather revealingly, that the plan had met some resistance from the House and Senate Select Committees on Intelligence. Whether or not a plan existed, it should never have been disclosed in the media.

No one yet knows how the confrontation with Colonel Qaddafi will play out, and I am not advocating any particular action. But I do believe that careful consideration of the reasons for the first major American bombing raid since those in Laos in 1973 suggests that we reassess our restrictions on covert action. My point is not that every secret scheme should be indulged but that Congress has imposed such high procedural hurdles that effective covert action has become virtually impossible.

Covert action, judiciously used, can be an important tool of foreign policy. It can help us avoid more costly and destabilizing operations that involve the loss of innocent life. It can also enhance cooperation with other countries that for various reasons require the option of "plausible denial."

Foreign policy rarely involves good choices; usually, the task is choosing the best of several bad choices. Limiting the options may only compel us to take more drastic action than we need to take.

CHILE: MOVING TOWARD DEMOCRACY

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. CRANE. Mr. Speaker, recent reports from Chile indicate that violence and terror by leftist and Communist groups has increased dramatically in recent months. This should come as no surprise to anyone who has kept abreast of the situation there. As the Government takes additional steps toward a peaceful transition from a military government to democracy, radical elements in the society see their hopes for violent revolution slipping away. They seek to push the Government into tightening its grip on the country and cracking down on terrorism and dissent. If they can force the Government to do this, they hope to be able to polarize the society and perhaps foment the type of domestic unrest which might lead to widespread violence and demonstrations. This, in turn, makes a peaceful and orderly transition almost impossible.

It is my sincere hope that the Chilean Government will not be daunted by these recent terrorist attacks and bombings, and that peaceful dissent will be able to continue. Only in this way can Chile complete its remarkable voyage from democracy to socialist state to military government and back again to democracy. If all goes as planned, this voyage will finally be completed with congressional elections in 1989 and Presidential elections in 1990. Chile will then join the growing number of Latin American countries that have successfully made a peaceful transition back to democracy. This is the last thing that the radical leftists in Chile want, however, because it will force them to win support with ballots instead of bullets, something which they know they will be unable to do.

Many in the United States sought to speed up the process of democratization in Chile; while a return to democracy should indeed be our goal, the Chileans already have set a timetable for this. We should support them as they progress toward this goal, rather than demanding immediate changes which might only exacerbate their problems. In this light, the following article from the May issue of National Review should prove very interesting to my colleagues. I hope they will take a few moments to read it.

CHILE REVISITED

The picture Chile offers to the visitor is quite different from the image conveyed by the American and European mass media. I recently made a trip there, for the seventh time over a period of 25 years. The day before I arrived, there was a big demonstration organized by the Christian Democrats. The opposition press claimed 900,000 participants, the government spoke of 100,000. Photos taken from helicopters rather supported the government's guess. By the way, the pro-government press informed its readers of the demonstration in advance, giving time, place, public transportation and parking facilities. Chile is far from being a totalitarian state.

Public violence is a fact of life in Chile today, and the Chilean Left stages it very well. The representatives of the foreign mass media are tipped off (and so are the police) that in this or that sector of a demonstration, windows will be smashed, cars set on fire, or shops looted. The police arrive, act with the brutality we are accustomed to seeing on our television screens, and the cameramen have a field day. Besides this political street theater, there is also real terrorism from the Marxist Left. Bombs explode, arson is practiced. Just before our arrival a bomb was thrown into an orphanage, but a courageous lad picked it up and threw it into the courtyard, where its explosion caused only minor damage. However, the level of violence in Chile is probably no worse than in Western Europe. Between January 1 and November 20, 1985, West Germany experienced 296 acts of terrorism. (French, Italian, and Belgian statistics are even more alarming).

The crisis in Chile today dates back to the Allende era and its aftermath. When the armed forces took matters into their own hands in 1973, the majority of Chileans were overjoyed. They may have been able to tolerate the intellectually Marxist side of Allende's regime (*vide* the hymns to Stalin by his court poet, Pablo Neruda), but they could no longer live with the near paralysis of economic life his policies were causing. Shortly before his fall, Allende admitted that there was food only for another two or three weeks. At that point—as in Brazil before the fall of Goulart—the women went into the streets and clamored for a radical change of government. Sporadic strikes by truck-drivers, white-collar workers, and others finally coalesced into a General Strike, and the army did not allow itself to be put to shame by its civilian compatriots.

The junta installed by the military did a tremendous job of restoring the economy mainly because it had the good sense to listen to the advice of "the Chicago boys," a group of University of Chicago-trained Chilean free-market economists. However, by 1981 the worldwide economic crisis had hit Chile, and the situation has become steadily graver since then, with only recently a slight turn for the better. The Chilean debt is very high, and I fear that a leftist government would run into even worse debts, as such governments historically tend to do, creating the false euphoria of a life of plenty under Socialism, until the hard awakening comes.

Now, modern man is a thoroughly state-centered creature, who automatically makes the state responsible for his economic well-being. Hence the preferred solution to any economic problem is political, and the battle cry is inevitably "Democracy!" Unfortunately, historians know that in the last 170 years, whenever Latin Americans have attempted to institute U.S.-style democracy, they have wound up perverting it almost immediately. They looked at the United States and got the impression that majority rule creates wealth for everybody. What the Latin Americans ignore is the impact of what Max Weber called the "Protestant work ethic," which does not exist south of the Rio Grande.

The bishops of Chile have declared that democracy is *the* Christian form of government. As in almost all other parts of the world, the bishops are devoid of any economic knowledge. In their hearts most of them are still Christian Democrats, who, in many ways, were economically more radical than Allende. (In 1970, having lost the election themselves, they threw their support to Allende, convinced that he would extend "social justice.") Also, many of the Chilean

bishops were, as young men, under the influence of Jacques Maritain, who taught for years at the Catholic University of Santiago, and who, though theologically sound, was politically Left. They became bishops under Paul VI, a close friend of Maritain. In 1981 Cardinal Archbishop Raúl Silva Henríquez was asked by journalists what Pope John Paul II thinks of liberation theology. "He has blessed it," was the cardinal's totally inaccurate reply.

By contrast, the Reformation churches in Chile are largely pro-government, as is the Jewish community. (The chief of the Council of State is a Jew.) The various evangelical sects are growing by leaps and bounds, because so many Catholics are sick and tired of hearing sermons about politics, sociology, and economics, while the sects largely preach the Bible.

Military dictatorships certainly have their flaws, but at least General Pinochet is an honest man. To hurry up a return to democracy before 1989 (when it was promised for, after the plebiscite of 1980) might be a major calamity. The Marxists remember the dictum of Engels that the democratic republic is the ideal framework for a Marxist victory.

A TRIBUTE TO ALMA JOHN OF HARLEM

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. RANGEL. Mr. Speaker, I rise to pay tribute to Mrs. Alma John, who recently passed away in Harlem Hospital.

Alma John was a true leader, a symbol of commitment and pride. Her dedication to the people of our community was appreciated by all Harlemites, particularly those touched by her generosity.

Mrs. John was best known for her radio programs. One of them, "Alma John Talks to Teens," was an inspiration for teenagers. Young people knew her as a role model who would lend advice and guidance to those who needed direction. Another, "At Home With Alma John," was broadcast nationwide. Her word of hope and progress was carried into the homes of millions of Americans.

Her legacy is a remarkable one, Mr. Speaker, as is evidenced by the many New York broadcasters who credit her with inspiring them to use all of their resources to achieve success in the broadcast industry. In addition, those whose causes she championed will remember her as the one person who stood up for what was right when others seemed to turn away.

Mr. Speaker, Mrs Alma John's message was a good one. We would all do well to carry on in her footsteps. I would like to submit the following article for inclusion in the CONGRESSIONAL RECORD.

[From the Carib News, Apr. 22, 1986]

ALMA JOHN—THE GRAND LADY OF HARLEM DIES

Alma John, a notable personality in the Harlem community, who spent her lifetime being an inspiration to young and old, died in Harlem Hospital last Tuesday. Cause of death was a stroke she suffered in her home the previous Saturday.

Although she was a registered nurse, having received her training at Harlem Hospital, Mrs. John is remembered more for her radio programs. She was a pioneer in radio and television broadcasting and her program "What's Right With Teenagers" on WWRL-AM won her McCall's Golden Mike Award.

Other programs such as "Alma John Talks to Teens" and "At Home With Alma John" were carried by hundreds of stations across the country. She was the inspiration to many young Blacks who wanted to enter the broadcasting business.

She encouraged Blacks to continue in school and many successful Blacks in the communication business today credit her with making it easier for them. As Gil Noble, host of ABC's "Like It Is" said, "I will always thank Mrs. John for making the hills that I now face a little flatter." Carib News Fashion Editor, Walter Greene, also credits Mrs. John with encouraging him to return to school and pursue the career he had chosen.

Mrs. John always talked of love, truth and unity. She was not afraid to champion causes that were not popular as evidenced in her early attempt to unionize employees at the Harlem Hospital.

In commenting on Mrs. John's death Charles E. Windsor, Executive Director of Harlem Hospital said that the hospital will continue her good work. "Mrs. John was one who helped to provide Harlem youngsters with a foundation of self respect for their history and a belief that they can achieve anything if they try."

Mrs. John, whose husband died several years ago, will be cremated and a memorial service in her memory will be planned later. Although death has claimed the life of this 79 year-old community leader, her spirit lives on in the lives of all those she came in contact with.

OF FALSE PROPHECY

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. LEWIS of California. Mr. Speaker, I would like to call my colleagues' attention to an article written by a member of my staff, Dr. John J. Pitney, Jr. This article describes a 1975 interview with a Pulitzer Prize author who predicted that Communists would bring democracy and peace to Southeast Asia. That forecast was one of a long series of cases in which well-intentioned Americans misjudged Communist aims.

We would do well to remember such cases in current debates on foreign policy. Aleksandr Solzhenitsyn quotes a Russian proverb: "Dwell on the past and you'll lose an eye. Forget the past and you'll lose both eyes."

The article follows:

[From the Washington Times, Apr. 29, 1986]

HISTORY BELIES HER PROPHECY

(By John Pitney, Jr.)

On April 28, 1975, Frances FitzGerald came to Schenectady, N.Y., to lecture Union College students about Vietnam. In her Pulitzer Prize book, *Fire in the Lake*, she had referred to the Viet Cong as "liberation forces," blamed the war's ferocity on the "latent sadism" of American troops, and longed for the day when "the narrow flame of revolution" would "cleanse the lake of Vietnamese society from the corruption and disorder of the American war."

It was fitting that she made her appearance on this day. Within hours, Communist troops would take Saigon.

A Union College sophomore, I interviewed Ms. FitzGerald for the student newspaper. Recently I played the tape of that conversation to learn how her remarks would sound 11 years later.

If the Communist are liberators, I ask, why are Vietnamese civilians trying to escape?

They are running from the Communists because they still fear the American, she explains. "Every single time the North Vietnamese or the PRG [Viet Cong] have come into a city, that place has been bombed." Others flee out of shame. "Of course there were a lot of people who were benefiting from the regime and the American presence. A lot of them now feel guilty."

Communist brutality does not create refugees, she suggests. "There have been no confirmed atrocity stories." In fact, any bloodbath would be America's fault. "I really think that American policy has been directed toward creating a massacre. Not only militarily, but by making a political settlement so difficult as to create as much bloodshed as possible."

What happens when the North Vietnamese take over the South?

"It's precisely what they're trying not to do. What they don't want to do is create their own government in the South. What they see is the creation of an indigenous sovereign government which will negotiate with Hanoi before an eventual reunification of the country.

"This will be an interim government. It will be in charge of carrying out elections."

This statement is surprising. "What kind of elections?" I ask.

"National elections for a new government."

"Multiparty?"

"Probably."

So there it was. The Communists had fought for decades in order to bring democracy to Southeast Asia, and only the Americans stood in their way.

History has belied Ms. FitzGerald's ghastly delusions. Thousands of boat people tried to flee the country; though some reached freedom, many died at sea. Those who stayed behind were often sent to "reeducation camps," where they remain. The North Vietnamese not only dominated the South, but Cambodia and Laos as well. Now they threaten Thailand. And there have been no free elections.

Eleven years later her comments are memorable not because they are so unusual, but because they are so typical. Time and again for nearly 70 years, Communist crimes have escaped many liberal eyes:

In 1919, American journalist Lincoln Steffens returned from Lenin's Russia and said, "I have been over into the future—and it works!"

Joseph Davies, the U.S. ambassador to the Soviet Union, reported Josef Stalin as having "insisted on the liberalization of the constitution" and "projecting actual secret and universal suffrage." Mr. Davies also endorsed Stalin's infamous show trials.

In the late 1950s, New York Times reporter Herbert Matthews presented Fidel Castro as the T.E. Lawrence of the Caribbean.

Mr. Steffens, Mr. Davies, and Mr. Matthews were not bad Americans, just bad prophets.

And now the sequel. Although many administration critics have finally conceded that the Central American Communists are not just agrarian reformers, the critics still think that the Communists can be brought to the table by good intentions alone.

Ms. FitzGerald herself discussed Central America in a 1985 issue of Harper's: "The problem in El Salvador is not the guerrillas but the government—the military-dominated government that actually created the guerrillas and now can't get rid of them without American help."

So it's America's fault again. Cuba and the Soviet Union apparently have nothing to do with it. I hope she will not go on to claim that the Salvadoran guerrillas and the Sandinistas are aiming for free multiparty elections. Or that refugees are fleeing to America because they fear Americans.

SPECIAL RECONCILIATION RULE

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. LOTT. Mr. Speaker, today I am introducing a special House rule that would bar extraneous matters in reconciliation bills.

Specifically, the rule proposes that, on a trial basis this session, we prohibit the inclusion in a reconciliation bill, or in any amendment thereto, of matters which are not related to the reconciliation directives given committees in the finally agreed to budget resolution for fiscal 1987. The purpose of this rule is to restore the original intent of reconciliation which was to bring our fiscal actions in line with the fiscal goals we set for ourselves in the budget resolution.

Too often in recent years reconciliation bills have been used as convenient vehicles for spending add-ons or authorizations which are unrelated to committees' reconciliation directives. The time has come to bring a halt to such practices and focus, as we must, on the important buisness of deficit reduction.

The other body has adopted two new rules in recent months to eliminate this practice: one with respect to reconciliation bills and amendments, and the other with respect to reconciliation conference reports. The time for action by this House is overdue.

At this point I include the text of the resolution:

H. RES. 444

Resolution providing a special House rule for the remainder of the second session of the Ninety-ninth Congress prohibiting the inclusion of extraneous matters in reconciliation bills and amendments in connection with the most recently agreed to concurrent resolution on the budget for fiscal year 1987

Resolved, That the following special rule shall apply in the House of Representatives for the remainder of the second session of the Ninety-ninth Congress to any reconciliation bill considered pursuant to the most recently agreed to concurrent resolution on the budget for fiscal year 1987:

(a) No provision shall be reported in the House in any reconciliation bill pursuant to the most recently agreed to concurrent resolution on the budget for fiscal year 1987, or be in order as an amendment thereto in the House or Committee of the Whole, which is not related to achieving the purposes of the directives to House committees contained in the such concurrent resolution.

(b) Nothing in this resolution shall be construed to prevent the consideration of any provision in a reconciliation bill, or any amendment thereto, which achieves savings greater than those directed of a committee and which conforms to paragraph (c) of this resolution, or to prevent the consideration of motions to strike made in order by the Committee on Rules to achieve the purposes of the directives.

(c) For the purposes of this resolution, a provision shall be considered related to achieving the purposes of directives contained in the most recently agreed to concurrent resolution on the budget if it is estimated by the House Committee on the Budget, in consultation with the Congressional Budget Office, to effectuate or implement a reduction in budget authority or in new spending authority described in section 401(c)(2)(C) of the Congressional Budget Act, or to raise revenues, or both, and, in the case of an amendment, if it is within (in whole or in part) the jurisdiction of any committee instructed in the concurrent resolution.

(d) The point of order in this rule shall not apply to Senate amendments or to conference reports.

HOME OWNERSHIP ASSISTANCE

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Ms. OAKAR. Mr. Speaker, today I am introducing legislation to express the sense of the House that proposals to increase or assess new kinds of user fees or impose restrictions on the accessability of program services from the Federal credit agencies, particularly the Federal housing credit agencies, should be rejected.

Home ownership is a universal dream among Americans. Our people work and save in hope that someday the dream will be realized so that they too can experience the pride and joy of moving to a residential community, establishing roots, raising a family, and building life-long friendships and memories that will carry them through difficult times. Each day we struggle so that someday we might have a place to call our own.

Buying a home, as we know, is often the most important and expensive investment made during a lifetime. Without help, the dream would be unfulfilled for most of us. The national interest demands that Federal credit assistance at the very least be maintained and definitely not curtailed.

The mortgage credit programs of the federal Housing Administration and the Veterans' Administration form the twin pillars that make housing affordable for millions of Americans. Through its very successful guaranteed loan programs, FHA and VA helped 500,000 people last year embark on the road to fulfilling their dreams. Today, young couples, veterans, and moderate income families are on their way to building the future that will shape their memories of tomorrow.

Realizing the dream of home ownership is not only important to the stability of the family and community, it is perhaps most important to the stability of the national economy.

Housing related production now accounts for 8 percent of our gross national product. Last year alone, new housing construction contributed $133 billion in output, provided 2.5 million man hours of labor, and resulted in $3 billion in State and local tax collections and $17 billion in Federal tax receipts.

Proposals now before Congress would impose new taxes on FHA and VA mortgage programs, on the activities of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, and on the Government National Mortgage Association, in addition to restricting the accessability of program services resulting in a reduction in housing construction, sales, and financing. The House of Representatives should and must take a strong bipartisan stand against these ill-advised proposals.

Specifically, the proposal now before Congress would increase the mortgage insurance premium charged by FHA to 5 percent from 3.8 percent, increase the loan guarantee fee of the Veterans' Administration to 3.8 percent from 1 percent, increase the fee charged by the Government National Mortgage Association for guarantee of mortgaged backed securities, impose higher fees on the debt of the Federal National Mortgage Association, impose a fee on the pass through securities of the Federal Home Loan Mortgage Corporation, and impose new fees on the borrowings of the Federal home loan banks.

Recent studies by the prestigious chase econometrics estimated that these proposals would result in the loss of 100,000 housing starts annually, eliminate approximately 175,000 jobs and $3.25 billion in wages, and cost $1.5 billion in lost tax revenues to Federal, State, and local governments.

In my own State of Ohio, an estimated 31-percent fewer families will qualify for an FHA insured loan because of the proposed $40,000 income ceiling. For those who still qualify, they would have to pay a whopping increase in the up-front closing costs. The increase would double what an average home buyer would have to pay at closing.

The greatest increase, however, would be on loans to veterans. In Ohio, the proposals would mean that a veteran with an average VA loan of $46,837 would have to pay about $1,780 up front as opposed to $468 under the current program. The impact of these proposals is reflected in every State to similar but varying degrees.

Additionally, substantial fees would be imposed on the credit activities of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, referred to as Fannie Mae, Mac respectively. Both agencies buy mortgages, thereby increasing the pool of available mortgage funds in addition to providing liquidity to the Nation's savings and loans.

Generally speaking, these combined proposals would increase mortgage interest rates, double the amount of cash required for

a downpayment on an average FHA and VA loan, decrease housing starts and home sales, increase unemployment in construction and related industries, and restrict program opportunities—particularly for first time home buyers.

The home ownership programs of the Federal Housing Administration, the Veterans' Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Government National Mortgage Association, make possible mortgage funds at affordable rates for hundreds of thousands of people annually. To impose new taxes on the operation of their activities will stiffle the housing market and have disasterous effects on our economy. These proposals are ill-advised and the House of Representatives should take a strong bipartisan stand in opposition to them.

Before I conclude, I want to thank the chairman and ranking minority member of the Committee on Banking, Finance and Urban Affairs and its Subcommittee on Housing and Community Development for their support as original cosponsors of this resolution. I urge each of my colleagues to join us in opposing these anti-home-ownership proposals.

DEATH IN THE HEARTLAND

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. WEBER. Mr. Speaker, Death in the Heartland. This is the title of a resolution adopted by a number of churches in my district that I believe describes precisely the state of affairs in southwestern Minnesota, indeed, of much of rural America.

Since I so wholeheartedly agree with the sentiments of this resolution, Mr. Speaker, I submit it for the CONGRESSIONAL RECORD. Members of the 266 congregations which comprise the American Lutheran Church in southwestern Minnesota should be proud of their church's concern and involvement on behalf of farmers.

DEATH IN THE HEARTLAND

It must be understood that our small rural communities in America are dying. The money for our businesses, our schools and even our churches are disappearing. Long established, family owned and operated businesses are closing all around us on our main streets. Farmers of all ages, and their families, many with no other employable skills, are losing their homes and farms.

One expert quoted by the Mpls. Star & Tribune said "only 30%" of our farm families will go under within the next few years, but it is already clear that far fewer failures will create many ghost towns. The money received by farmers for food is the economic lifeblood of our rural communities. Terribly depressed commodity prices allow no return above production costs; indeed has created killing losses. The farmers surviving are doing so on their equity, and that is rapidly dwindling.

Within a decade or less, you will have a heartland controlled by a few powerful corporations or individuals. Do the human beings in power in our state and federal governments, and in the corporate board rooms, have any concern? Do you our fellow Americans, especially those in metropolitan areas, care enough to take action?

We request immediate creation of laws that will establish for American farmers a fair return on equity, which is consistent with the return on equity for other American commerce. This can be done without any cost to American taxpayers, and there are already legislative proposals to accomplish it. We need action now.

SALUTE TO THE MAY DAY CENTENNIAL

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. OWENS. Mr. Speaker, I rise to salute the May Day centennial, a labor holiday recognized by governments and peoples around the world to commemorate the courageous struggle of working people for an 8-hour day.

Exactly 100 years ago today, over 400,000 working men, women, and children joined together to heed the call of the Federation of Organized Trades & Labor Unions for a national general strike in support of an 8-hour workday, walking out of and shutting down factories and mills all across America. For two decades American workers had been battling for the 8-hour day but they had achieved but limited and frequently only temporary success. During the 1860's, they had won the enactment of 8-hour day laws in six States, as well as a national law for Federal employees, but these victories did not survive through the next decade, done in by a deadly combination of scheming corporate aristocrats, hostile judges, and the desperate economic conditions of the panic of 1873. Moving into the breach in the early 1880's, the newly founded Federation of Organized Trades & Labor Unions sought to restore the flagging 8-hour day movement with bolder, more direct action than ever before. Soon workers from coast to coast were caught up in a new and intense wave of enthusiasm for the 8-hour day, with the excitement reaching a fever pitch on May Day. Hundreds of thousands of workers, male and female, native and immigrant, black and white, poured into America's streets for peaceful parades and demonstrations, defiantly singing the refrains of the popular "Eight-Hour Day Song":

We mean to make things over,
We are tired of toil for naught,
But bare enough to live upon,
And never an hour for thought.
We want to feel the sunshine,
And we want to smell the flowers,
We are sure God has will'd it,
And we mean to have eight hours.

We are summoning our forces from the shipyard, shop, and mill.

Eight hours for work,
Eight hours for rest,
And eight hours for what we will!

In the city of Chicago, tragically, these peaceful May Day demonstrations turned ugly when angry industrialists sought to crush the workers' newfound determination with brute force. On May 3, a squad of Chicago policemen and Pinkerton detectives attacked a group of striking workers as they picketed the union-busting McCormick Harvester Machine Co., killing several workers and wounding dozens more. Stunned and outraged by this savagery, Chicago workers hastily organized a demonstration for the following day at Haymarket Square, securing the permission and sanction of the mayor for their peaceful protest. Due to heavy rain that day, turnout for the rally was disappointing, with the protestors dwindling to less than 200 by the time the final speaker rose to deliver his remarks. At that moment, 176 Chicago policemen suddenly burst on the scene, storming the horrified band of workers. In the ensuing confusion, a dynamite bomb was hurled into the melee and the police began firing randomly into the crowd. When it was all over, one policeman and four workers were dead and hundreds lay wounded and bleeding in the streets.

Even before the last shot had been fired at Haymarket Square, labor's enemies in Chicago and across the Nation were moving to exploit the tragedy to foment antiunion hysteria among the populace. The yellow press screamed out for vengeance, affixing blame for the bloodshed on the "foreign hyenas," "godless fiends," and "rabid dogs" in the labor movement. Civil liberties were suspended as the police swept through Chicago's working class neighborhoods in search of "seditious rabble," staging raids and break-ins at union meeting halls, newspaper offices, and the private homes of workers who had been active in the labor movement. Hundreds of individuals were rounded up and detained by police and many were tortured or bribed to extract "confessions" and other information for the authorities.

In the end, eight members of the Chicago-based International Working People's Association were singled out and put on trial for the bomb-throwing at Haymarket Square. There never was any evidence to connect any of these men either directly or indirectly with the bombing; several of them, in fact, were not even present at the demonstration. Evidence of their complicity in the violence, however, was beside the point. As the prosecutor himself admitted, the Haymarket defendants were on trial not for their actions but for their ideas. "These men have been selected, picked out * * * because they were leaders," State's Attorney Grinnell explained to the jury, "They are no more guilty than the thousands who follow them. Gentlemen of the jury: convict these men, make examples, hang them, and you save our institutions, our society."

The jury, which Grinnell himself had proudly described as being openly prejudiced against the defendants, decided to do just that, voting to convict all eight men and sentence seven of them to death.

Antilabor forces boisterously cheered the verdict, with one Chicago businessman gloating, "This is the end of the 8-hour day movement! We'll be hearing nothing more from the unions on that score!"

Despite the best hopes of their persecutors, however, the deaths of the Haymarket Martyrs did not still the struggle for an 8-hour day. "If you think that by hanging us you can stamp out the labor movement * * * the movement from which the downtrodden millions,

the millions who toil in want and misery expect salvation—if this is your opinion, then hang us," defendant August Spies told the court after the conviction. "Here you will tread upon a spark, but there and there, behind you—and in front of you, and everywhere, flames blaze up. It is subterranean fire. You cannot put it out." August Spies was absolutely right. The Federation of Organized Trades & Labor Unions, reorganized as the American Federation of Labor, continued its bold campaign for the 8-hour day and a better life for American workers. In the ensuing years, hundreds of thousands of workers won 9- or 8-hour days through private agreements with their employers and on June 25, 1938, all American workers were finally given this right when the Fair Labor Standards Act was signed into law. It was a momentous victory, a battle that American workers had sweat and fought for and even died to win.

Today, 100 years after the dramatic May Day strikes and demonstrations, the labor movement is once again being counted out, judged obsolete and even declared dead by its corporate enemies. They should know better. Regardless of how powerful the opposition may grow or how brutal its tactics may become, the American labor movement is here to stay. Today, tomorrow, and for however long the battle for justice in the workplace needs to be fought, the flames will still blaze up and they will not be put out.

FLORISSANT—A COLORFUL BLEND OF THE OLD WITH THE NEW

HON. ROBERT A. YOUNG

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. YOUNG of Missouri. Mr. Speaker, I would like to pay special tribute to one of the most outstanding communities in the State of Missouri—Florissant County—as they begin festivities to commemorate their 20th anniversary.

This year's theme in the annual Valley of the Flowers Festival is "Florissant—a colorful blend of the old with the new," a phrase which I believe epitiomizes the progress and prosperity of this outstanding city.

In keeping with the tradition of the people of Florissant to celebrate their community, a yearly festival with parades and exhibits is held. These celebrations involve virtually every aspect of life in the Florissant community. What once was a small display consisting of only a few booths and exhibits has blossomed into a full-scale event, replete with ice cream socials, arts and crafts, a historic house tour and the coronation of the Florissant queen and her court.

It is no surprise that this festival has grown in popularity to the point where it encompasses the entire St. Louis metropolitan area.

No description of the community of Florissant as we know it today is complete without a brief look at the city's historical background.

Early French farmers and trappers settled in the Florissant area because of the rich, fertile soil which enabled them to grow abundant crops. In fact, the French originally referred to this town as Valle Fleurissant, meaning valley of flourishment. Living up to its name, Florissant once provided most of the produce for neighboring St. Louis County.

As an early village, Florissant was laid out in 10 square blocks and streets bore the names of Catholic saints. Today this section is known as "Old Town." Our present mayor, James Eagan, refers to "Old Town" as "the hub of the wheel" and has retained the French word for street—rue—to all of the street signs in Old Town.

Naturally, most of Florissant's historical buildings are located in Old Town. And it is no surprise to find the original street design in place. The streets are narrow, straight and take on a criss-cross pattern which resembles a window screen.

It is often said that early Florissant planners had their priorities straight. One lot was put aside for a church building, an essential element for the Creole French settlers. For them the church was the heartbeat of the community. And for many it still remains so today. The churches in Florissant serve as the heartbeat of the community. It is the scene of elaborate religious festivals and both the celebration of the beginning and ending of human life is held here.

The center of most of the religious acitivty in the early days was St. Ferdinand Parish, founded in 1789. The parish has the distinction of being the oldest Catholic church in the upper Louisianna Territory. The first church, a log building, was erected on the southeast quarter of a block set off by Rue St. Charles, Rue St. Denis, Rue St. Louis and Rue St. Ferdinand. The cornerstone of the church was a gift from Mother Philippine Rose Duchesne, who founded and taught at the parish school. Father Pierre Jean Desmet S.J., the famed gentile blackrobe missionary of the Indians was ordained there in 1827.

Other persons of historical signficance who visited the church were Lewis and Clark, Antoine Desherters, Washington Irving's tonish in "Tour of the Prairies" and philanthropist John Mullanphy.

By order of Joseph E. Ritter, Archbishop of St. Louis, St. Ferdinand Church ceased to be an active parish in 1955. In 1966 a fire nearly destroyed the church. However, through the efforts of "Friends of Old St. Ferdinand," a nonsectarian organization, over $100,000 was raised to restore the church and is known today as the Shrine of Old St. Ferdinand. The new parish of St. Ferdinand was dedicated in 1961.

As the 1986 Florissant bicentennial celebration commemorates the history of a city that is known for its stability, peace and solitude, I believe it is only befitting that the 99th Congress should recognize the heritage and strength of this exceptionally fine community.

MILLER INTRODUCES PLAN TO REFORM ONSHORE LEASING

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. MILLER of California. Mr. Speaker, I am joining my colleague from Ohio, Congressman JOHN F. SEIBERLING, in introducing legislation today to achieve the long overdue reform of our system of leasing onshore oil and gas resources.

It has been nearly 20 years since the Department of the Interior questioned whether the noncompetitive oil and gas lottery "is sufficiently in tune with the real world." In fact, the long history of illegalities, improprieties and ripoffs associated with this lottery make the worst welfare chiseler look like a member of the Grace Commission.

Since 1979, I have proposed legislation to replace the anachronistic "simultaneous oil leasing" system, or Sog or Simol, with a rational plan that will eliminate the illegalities which have become the hallmark of this program.

The Simol system is nothing short of a glorified church raffle. Energy resources worth hundreds of millions of dollars are disbursed willy-nilly without benefit of competitive bidding. The U.S. Government is picking the pockets of thousands of unsuspecting men and women who, lured by the siren call, "You could become a millionaire," send in their entry fees for the chance to become leaseholders of lands which they cannot hope to explore or develop. Instead, lucky winners often turn around and re-lease, or "assign," their newly won lands to oil companies for hundreds of thousands of dollars, with the taxpayer receiving nothing.

Five years ago, I secured congressional approval for an increase in the entry fee from $10—which had been set in the early 1950s—to $75. Opponents of my proposal warned revenues would drop precipitously because fewer entries would be submitted. In fact, the revenues earned by the Government tripled in the first year.

But that reform, welcome and lucrative as it was, does not address the fundamental fallacies of the lottery system: Resources are distributed without any relationship to their value; royalties are capped at 12.5 percent, which is the minimum royalty in the offshore program; rents are $1 or $2 an acre.

But there is more than inefficiency and the shortchanging of the taxpayer, who owns these resources and who deserves a fair return. The lottery is a veritable breeding ground of crime, fraud, and deception, and many innocent victims are caught in its web.

The Simol system has been suspended several times in recent years because of fraudulent "boiler room" operations which market and transfer the leases offered through the lottery. The Justice Department estimated several years ago that these boiler room operations might cost unsuspecting taxpayers $100 million a year.

In an investigation 3 years ago, hundreds of thousands of dollars in fines, charitable contri-

butions and tax settlements were levied against violaters. Five corporations and one individual pleaded to felony counts, and 1 corporation and 12 individuals to misdemeanors. Over 260 leases were forfeited. Little wonder that the National Association of Attorneys General has joined us in calling for reform of this scandal-laden system.

It is obvious that our earlier reform efforts, like those of Senator BUMPERS in the other body, have failed. There has been vigorous opposition, especially from the independent oil and gas industry, and from leasing companies which make a profit from the marketing of these leases.

I, for one, am sympathetic to the concerns of the independents, who fear they will not be able to compete with major companies were the system to become totally competitive. However, there must be a better system for assuring the independents a fair place in the leasing program than by perpetuating a lottery plan which, if fair to independents, is profoundly unfair to taxpayers.

I am aware of those who argue that wholesale reform is unneeded. I vigorously disagree. Efforts at incremental change have been tried over the last 6 or 7 years. They have repeatedly failed to prevent the steady appearance of new scandals.

The last major reform proposed by the Interior Department in 1984 was roundly condemned by the Office of Management and Budget, which concluded that "a straightforward competitive offer leasing system would be by far the best cure for the deficiencies of the existing Sog program."

Let us not delay any longer in enacting legislation that will end the scandalous Simol system. The legislation we introduce today, the Federal Oil and Gas Leasing Amendments of 1986, will replace the lottery with a fully competitive system.

Under our plan, the lease will go to the highest responsible bidder, not to the person whose name is pulled out of a hat. The bidder will not just pay a $75 filing fee, but a bonus bid by which he competes for the lease. Rents will be doubled, to $2 or $4 per acre, and the minimum royalty will be set at 16⅔ percent, as in the case of offshore tracts.

In a time of budgetary deficits, we must correct a system which is regularly shortchanging the American taxpayer out of hundreds of millions of dollars a year.

This legislation contains innovations developed by my colleague, Mr. SEIBERLING, which establish reasonable standards to assure that leasing decisions, in the future, are consistent with land use and management practices. We do not propose these requirements for the purpose of delaying or obstructing oil and gas development. Rather, our goal is to ensure that that development occurs consistent with other sound purposes, including wilderness protections.

We have had all too much evidence of decisions which have been made which disregard the impact of leasing and development on adjacent areas and resources. We made a serious effort in the 1978 Outer Continental Shelf Lands Act amendments to establish workable procedures to protect potentially affected resources. Unfortunately, the administration has not been very scrupulous about enforcing that law with respect to adequate consideration of the impact of leasing decisions and the necessity of consulting with appropriate State and local officials.

We must have adequate safeguards when we lease public resources to private interests, either offshore or onshore. The absence of sound, land management regulations as a basic feature of the current onshore leasing system is one more indication of the archaic manner in which this program is being conducted.

Mr. Speaker, the evidence of mismanagement and financial shortchanging of the taxpayers associated with the onshore leasing system compels this House to enact the Seiberling-Miller reform bill. Those who are concerned about our deficit, those who are committed to rooting lawlessness and inefficiency out of government, those who support rational development of our energy resources consistent with other land use needs will support this legislation and vote for its enactment without further delay.

DRUNK AND DRUGGED DRIVING AWARENESS

HON. HAROLD L. VOLKMER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. VOLKMER. Mr. Speaker, it is indeed an honor for me to publicly commend and congratulate a television station covering my district for its commitment to drunk and drugged driving awareness. Station KHQA of Hannibal, MO and Quincy, IL under the able leadership of General Manager Gary Schmedding deserves a round of applause for its efforts.

KHQA is instrumental in the dissemination of news and entertainment in the tri-State area of Illinois, Missouri, and Iowa. Much of its coverage area encompasses my ninth congressional district in Missouri. And much of my district has benefited from KHQA's efforts.

Let me cite some very impressive figures. In December last year KHQA aired a total of 84 30-second announcements, along with 147 station I.D.'s devoted to the issue of drinking and driving. These announcements were a part of the overall public service effort of KHQA-TV during December when nearly 1,500 announcements were aired. The commercial value of these airings exceeded $61,000.

Was this effort successful? A survey of law enforcement agencies in the tri-State area indicated that the incidence of drinking and driving during the holiday season lessened considerably. In fact, there were no accidents and no arrests for drinking and driving New Year's eve in the area served by KHQA.

I thank KHQA for its commitment and service. I also thank General Manager Gary Schmedding for striving to make KHQA a leader in the nationwide effort to stop drunk driving. Voluntary efforts such as this speak well for the industry as a whole.

A TRIBUTE TO GEORGE AND RUTH WINGES ON THE 50TH ANNIVERSARY OF THEIR MARRIAGE

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. LEHMAN of California. Mr. Speaker, today I rise to honor and congratulate two special friends on the occasion of their 50th wedding anniversary. On May 2, 1986, George and Ruth Winges will celebrate the rare milestone of five decades of marriage together.

In an era when more than half of our Nation's marriages end in divorce, it is inspiring to know such a couple. George and Ruth were married in New York in 1936 and in the years since have displayed a rare and exemplary dedication to one another, to family, and in service to friends and country.

The Community of Stockton, CA, welcomed the Winges' arrival in 1945, where they have resided ever since. During the 35 years to follow, George served in the military at Sharpe Army Depot. He retired on July 1, 1977 and was honored for his dedicated service. Likewise, Ruth gave 20 years of dedicated, caring service in the Stockton school system and also retired in 1977.

The hard work and devotion that both invested in their careers was by no means dimmed when they retired. Their days since that time have been filled with continual giving and personal sacrifice for the betterment of the community of Stockton. Many individuals, including myself, have greatly benefited from their dedication.

Since 1977 George has volunteered his services for the senior community, the Department of Aging of the San Joaquin Valley, and for former Member of Congress, John McFall. In 1983, George willingly left retirement to professionally serve for a year at Sharpe Army Depot as senior civilian adviser to the commander. For this sacrifice, George received the Commander's Award for Civilian Service.

Since 1983, I have been the fortunate beneficiary of George's energy, reliability, hard work, and devotion. For nearly 3 years he has put in 5 hours a day, 5 days a week as a volunteer in my Stockton district office. During this time Ruth has also volunteered many hours each week with St. Joseph's Hospital Auxiliary as well as other organizations and groups throughout the area.

The energy and zest of George and Ruth by no means is depleted on community service activities. A high priority for the couple is the enjoyment of simple pleasures * * * family, friends, fine dining, traveling, hobbies. Frequently they entertain, or host a barbeque after a day of golf, or escape for a romantic picnic for two. One of their greatest pleasures is derived from time spent with family—two sons and their wives, and three young grandchildren.

I am proud to know George and Ruth and call them my friends. Mr. Speaker, I extend to them my heartiest congratulations on this special day. Together they have contributed much to the world around them and serve as an ex-

ample of the many things that make this country great. I hope that this 50-year milestone marks only the beginning of a long and continually content life together.

LET'S RESOLVE THE TAX PROBLEM FOR FUTURE RURAL LETTER CARRIERS

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. GUNDERSON. Mr. Speaker, I am pleased to join Mr. FLIPPO of Alabama and many of our other distinguished colleagues in cosponsoring H.R. 4715, to provide equitable and fair tax treatment of rural letter carriers. I am an original cosponsor of this legislation simply because it corrects a potential inequity facing future rural letter carriers in the taxation of equipment maintenance allowances [EMA], a situation which was recently resolved for current rural letter carriers.

Representing western Wisconsin, which is roughly 70-percent rural, this legislation will provide future rural letter carriers relief from the potentially unfair application of an Internal Revenue Service [IRS] tax law pertaining to the use of their personal vehicles in the delivery of mail. In urban areas of our country this is not a problem as the U.S. Postal Service [USPS] maintains effective vehicle maintenance facilities for their own vehicles used in the delivery of mail in more densely populated area. However, this would not be the most efficient and cost-effective way to operate in rural areas, hence the need for this legislative remedy.

Mr. Speaker, since 1956 rural letter carriers filed their tax returns with the option of using an IRS form to calculate the operating costs of driving and maintaining their vehicles in the execution of USPS duties. An EMA contract between the USPS and rural letter carriers established the mileage amounts for the use of carrier vehicles for the delivery of mail. This calculation does not provide a profit for the rural letter carrier.

Of the 744,490 USPS employees in 1985, 63,698 served as rural delivery carriers, substitutes, or reliefs. For this 8.5 percent of USPS employees serving rural regions of our country, traveling an average route of 62 miles with 450 post boxholders, fairness was restored last year after a 1984 retroactive IRS rule was reversed.

In 1984, concern was raised after the IRS reversed the rule affecting the 1956–83 tax status of rural letter carriers. The result of this reversal is that recently rural letter carriers have been subject to IRS audits for tax years prior to and including 1983. Even though rural letters carriers complied with IRS laws when filing their EMA, they have faced IRS interest and penalty charges on alleged deficiencies. Unfortunately, this caused a great deal of unnecessary confusion, auditing and financial hardships for rural letter carriers; and, as a result of legislation introduced last year, hearings and negotiations held to resolve the tax problems faced by rural letter carriers, the IRS implemented fair changes resolving the immediate tax problems.

In an effort to head off problems in the future for both rural letter carriers and the IRS, H.R. 4715 has been introduced to provide equitable and fair tax treatment in the future. As sound legislation, I urge my colleagues to support this bill providing greater certainty to our tax laws as it relates to future rural letter carriers.

UNITED STATES-ROMANIA RELATIONS

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. YATRON. Mr. Speaker, today I am introducing a resolution which addresses relations between the United States and Romania. Senators PRESSLER and LUGAR authored and introduced a similar measure, Senate Resolution 372, in the Senate on March 27. I would like to commend my distinguished colleagues in the Senate for their leadership on this vital issue.

There is growing concern among Members of Congress, as well as the international human rights community, over the severe repression characteristic of the Romanian Government's domestic policy. According to the Department of State's country reports on human rights practices, and reports submitted to Congress by major human rights organizations, our concern is warranted.

Despite Romania's being a signatory to the Helsinki and Madrid agreements, and its guarantee of an impressive range of freedoms in its own constitution, human rights violations continue unabated. Severe restrictions on freedom of speech, the denial of the right of peaceful association, and the limitations placed upon the freedom of religion cannot be overlooked by any person who values individual liberties. Further evidence of the psychological and physical intimidation leveled at Romanian citizenry is demonstrated by thousands of arbitrary searches and detentions, denial of fair public trials, and deplorable prison conditions.

Those of us who try to help Romanians seeking to emigrate are aware of the serious procedural problems in Romania's emigrations system. Romanians who dare to apply for exit visas are often subjected to Government harassment, as well as economic and social deprivation.

This bill strives to encourage the continued improvement of relations between the United States and Romania. In light of congressional concerns, it asks this Eastern bloc government to release political prisoners, ensure religious believers have access to Bibles, improve relations between the Government and practitioners of religions, improve relations with ethnic minorities, continue progress on emigration cases, permit scholars to travel abroad, and pay attention to the primary needs of families. This resolution directs the Secretary of State to vigorously pursue human rights concerns at every opportunity, including the Berne meeting of Helsinki signatory states. It further instructs the Secretary of State to convey a sense of urgency to the Romanian Government so that Congress may consider any progress when considering measures relating to Romania during 1986.

As chairman of the subcommittee on Human Rights and International Organizations, I am dedicated to maintaining a harmonious relationship between the United States and Romania. I am equally committed to preserving the human rights of individuals throughout the world. It is my hope that my colleagues will join me in calling upon the Romanian Government to give its people the fundamental freedoms they deserve.

NEVADA WILDERNESS PROTECTION ACT OF 1985

HON. ROBERT A. YOUNG

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. YOUNG of Missouri. Mr. Speaker, I am pleased to express my strong support for the action the House took yesterday when it voted to pass the Reid substitute to H.R. 3302, the Nevada Wilderness Act.

The bill as passed designates 592,000 acres of wilderness in 11 separate national forest areas in Nevada. In addition, the bill establishes a 129,000-acre Great Basin National Park with an adjacent 45,000-acre national wildlife preserve where hunting will be permitted.

Mr. Speaker, at present the State of Nevada has only 65,000 acres of wilderness. It is the only Western State in which a national park has never been designated, in spite of the recommendations of the U.S. Senate and the National Park Service, who advised that the area east of Ely, NV, should be granted that designation in 1961 and 1979, respectively. In addition, Nevada is the only Western State in which the Congress has not made wilderness designations based on the U.S. Forest Service's 1979 roadless area review and evaluation [RARE II].

In that review, the Forest Service recommended that 512,000 acres of the 3.2 million acres of roadless areas in Nevada be designated as wilderness. They also recommended 246,000 acres for further study.

Mr. Speaker, the 592,000 acres of wilderness and the 129,000-acre park established by this act will preserve a uniquely gifted area. The South Snake Range, east of Ely, is a remnant of wild continent, a reminder of the days before civilization, and the days before the taint of man. The area is a microcosm of the Rockies as a whole, containing many different zones of various plant and animal life within a relatively small area.

Usually one must travel thousands of miles to see the same variety of environments and species. From arid desert to glistening glaciers, from bristlecone pines 2,000 years old to new stands of aspen, from Lehman Caves—already listed as a national monument—to soaring Wheeler Peak at 13,063 feet—this pristine land should be set aside to preserve and showcase wildlife and outstanding geologic features found nowhere else.

Yet, this bill is a modest proposal, responsive to the needs of multiple-purpose recrea-

tion, cultivation of naturally occurring minerals and materials, and hunting. Less than 1 percent of Nevada will be set aside under this bill, less than any other Western State. In addition, the bill enjoys the support of the national environmental groups, the Governor of the State of Nevada, the State legislature, the local chamber of commerce and the House Committee on the Interior.

This is a compromise bill, one which is a careful reflection of the concerns of lawmakers and various interests represented in the debate. The bill is also a careful reflection of public comments made during a Parks Subcommittee field hearing last November and a series of five Senate energy field hearings held in February.

In conclusion, Mr. Speaker, I would like to commend the gentleman from Nevada [Mr. REID], the gentleman from Ohio [Mr. SEIBERLING], and the gentleman from Arizona [Mr. UDALL] for their homework and their diplomacy. I am confident that these lands will greatly contribute to the network of wilderness areas across this country and that our new national park will be an appropriate addition to the finest collection of scenic wonders in the world.

H.R. 4728

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. HAWKINS. Mr. Speaker, I have today introduced H.R. 4728 the Education and Training for American Competitiveness Act of 1986. This bill, which is intended to be a component of the Omnibus Trade Act that the House will shortly consider, is cosponsored by the following members of the Education and Labor Committee: Mr. JEFFORDS, Mr. FORD of Michigan, Mr. GAYDOS, Mr. CLAY, Mr. BIAGGI, Mr. MURPHY, Mr. KILDEE, Mr. WILLIAMS, Mr. MARTINEZ, Mr. OWENS, Mr. HAYES, Mr. PERKINS, Mr. BRUCE, Mr. SOLARZ, Mr. DYMALLY, Mr. ECKART of Ohio, and Mr. ATKINS.

This bill is intended to address several major problems facing the Nation today. First, it is all too clear that, if we are to continue to compete effectively in the international arena, we must improve the educational level of our work force. Second, as a result of trade imbalances and rapid pace of technological change and its costs, more and more businesses are closing, laying off large numbers of workers, or moving their productive facilities abroad. So-called dislocated workers are becoming a permanent feature in the American economy.

Current programs cannot meet these crises. Over the last 5 years, education and training programs have been drastically slashed in a misguided effort to reduce the deficit at the expense of needed investments in people. Also, some existing programs are not sufficiently targeted to address these problems. Present governmental efforts cannot realistically be expected to address problems they were never intended to solve.

In short, this bill would authorize two new programs under the Job Training Partnership Act and create new programs in elementary and secondary and higher education to respond to the trade crisis. It would establish a "training for industrial competitiveness" component of JTPA which would create a competitive grant program, at the Secretary's discretion, to provide training assistance on an industrywide basis to workers adversely affected by trade. It would also create a program in which the Secretary of Labor could award grants for up to 50 percent of the cost of upgrading, retraining, and educating workers whose jobs are at risk because of skill obsolecence or production adjustments which employers undertake to enhance their competitiveness in world markets. To be eligible to compete for this grant, employers and employees must have in place a labor-management cooperation council.

The bill also authorizes the development and implementation of computerized job bank systems in each State. There is no excuse for the Employment Service to be using 19th century technology as we prepare to enter the 21st century. Automated job listings could be disseminated quickly and updated frequently to increase job matching efficiency. In addition, compatible job bank data could be shared interestate or regionally to increase information available to both employers and workers.

In the education area, the bill authorizes a formula grant program in which State educational agencies would receive funds for literacy training, vocational education, and education in mathematics, science, or foreign languages, after determining their own needs and priorities. These grants are intended to provide basic skills to those who need them to enhance their employability. They can also be used for workers who need additional skills to remain employed or expeditiously find new jobs or need new skills to enter, or advance in, high-technology occupations or to keep up with technological change in other industries or businesses. Finally, the grants can provide instruction in math, science, or foreign language to ensure that business, industry, and school systems have a pool from which to recruit well-trained employees and teachers.

In addition, the bill authorizes competitive grants to institutions of higher education to establish and operate summer institutes and workshops that provide intensive training in foreign languages and cultures critical to the national economy. These institutes are intended to serve secondary and postsecondary students, language teachers, and faculty to improve their proficiency and educational skills, and business persons who need to do business abroad. Institutions are also encouraged to provide training abroad in conjunction with host countries.

The bill also provides for intensive workshops for preservice and inservice math and science teachers and faculty to demonstrate the most recent developments in these fields and their application to improve economic development and competitiveness.

Finally, the bill authorizes grants for the purchase of laboratory, and other equipment, for use in providing undergraduate classroom instruction in math and science and for use in workshops for teachers to learn how to use that equipment.

I believe that these programs are absolutely essential to ensure that this Nation's economy continues to grow and prosper so that our citizens can look forward to a higher standard of living instead of a declining one. To do less would be committing ourselves to permanent second-class status among the industrialized countries of the world community.

OIL AND GAS LEASING AMENDMENTS ACT OF 1986

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. SEIBERLING. Mr. Speaker, today I am introducing comprehensive legislation to reform the present system for the leasing and management of oil and gas reserves on America's public lands.

During the years in which I have served as the chairman of the Public Lands Subcommittee, we have seen mounting evidence that the planning and leasing systems currently in use are outmoded and inefficient. There have been repeated instances of fraud and abuse. The environmental effects of oil and gas leasing do not get considered until after the leases are issued, resulting in growing instances of public controversy and legal conflict. The current system shortchanges the public, unnecessarily threatens the environment, has created a web of legal catch-22's and public controversy that threatens to hobble the industry. There must be a better way.

The bill I am introducing today, with the cosponsorship of Mr. MILLER of California, Mr. VENTO, Mr. MARKEY, Mr. KILDEE, Mr. MOODY, Mr. GEJDENSON, and Mr. WEAVER, would represent a thorough overhaul of the onshore oil and gas leasing system. Its key provisions would:

Abolish the lease lottery and replace it with a system that puts every lease up for competitive bidding.

Increase the existing rental fee, which has been set at $1 per acre since 1920.

Increase the minimum royalty to 16⅔ percent, as recommended by the Linowes Commission on the Fiscal Accountability of the Nation's Energy Resources.

Give the Forest Service statutory consent authority over key leasing decisions on forest lands.

Require full integration of oil and gas planning with the multiple—use planning for other public lands resources, and confirm the present administrative discretion under the Mineral Leasing Act to reject leasing on lands which are not considered to be suitable for development.

Require public notice and participation in leasing and permitting decisions.

Permanently prohibits new leasing in wilderness study areas and unreleased rare II lands.

Establish a permitting system for oil and gas exploration; and

Require adequate bonds to assure reclamation of drill sites.

These changes are necessary in order to bring the planning and management of oil and

gas activities into full integration with the planning for other resources and uses of the public lands.

Recent investigations by the Public Funds Subcommittee, as well as by the Mining and Natural Resources Subcommittee, made it clear that planning for oil and gas development has not been effectively integrated with the planning of other resources and uses the Congress required for all public lands in the Federal Land Policy Management Act of 1976. The results has been continually escalating controversy over oil and gas development, and over the conflicts between the development of oil and gas leases and maintenance of other resources and uses of the public lands.

Under present policy, the Interior Department regards leasing as a mere "paper transaction" which involves no environmental consequences. At the same time, the Department's current policy apparently precludes it from preventing development once a lease has been issued, even if unacceptable environmental damage will result.

The Department has used this fiction—that leasing has no impact—to justify leasing virtually every acre it could. They have totally forgotten the discretion the Mineral Leasing Act of 1924 gave them not to lease lands.

In my view, this policy of indiscriminate leasing of oil and gas properties confers little benefit on anyone, including the oil and gas industry. By refusing to make the hard decision as to where and when to allow oil and gas development prior to leasing, the Department has embroiled itself and the industry in legal predicaments in which the lessee's right to develop may be threatened because of the the inadequacy of the Department's prelease planning process. At the same time, the Department puts itself in the unenviable position of one who, having given away the right to develop tracts of public land, can no longer prevent unacceptable environmental consequences which may be revealed during later environmental review.

As a result of this short-sighted planning policy, leasing controversies and allegations of indiscriminate commitments to oil and gas development have arisen across the West, from California's desert conservation area and Los Padres National Forest to the areas surrounding Yellowstone, Grand Teton, and Glacier National Parks.

I don't think it is too much to ask of our land managing agencies that they institute a planning system, so that legitimate resources conflicts can be resolved on the basis of foresight and rational thinking, rather than haphazardly and inconsistently.

We need to retool the system for oil and gas leasing on the public lands so that it will be characterized by a greater degree of certainty, rationality, and environmental sensitivity than the present system. That is what this legislation would do.

STATE DEPARTMENT SUBSIDIZES LUXURY APARTMENTS FOR STAFF

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. OWENS. Mr. Speaker, I want to bring to the attention of my colleagues a very interesting news item that was published in the New York Times yesterday (April 30, 1986). The headline read, "U.S. Pays $1.8 Million a Year to Cover Rent for U.N. Staff." The story goes on to tell us that this rent is for 45 members of the United States mission. One of the apartments rented is located at 420 East 54th Street which is an expensive location in Manhattan. It seems a bit excessive that a three-bedroom apartment in this luxury high-rise costs $10,961 per month. However, when one finds that a wine cellar, direct-dialing to the concierge, valet, housekeeper, florist, vintner, fine restaurants, and two-level underground parking are included, perhaps it sounds more reasonable. Even given all of those services, three-bedroom apartments start at $4,300 per month so it is not unreasonable to question why Deputy Chief Delegate Herbert S. Okun requires such accommodations.

Now, no one can seriously question the potential need for the U.S. delegation in New York to have someplace to live and someplace to entertain on official business. However, it makes far more sense to have a single official residence for entertainment and to allow the staff to seek housing like everyone else who lives in New York. The housing market is tight there and the vacancy rate is generally around 1 percent. Still, the rest of us manage somehow and the bulk of New Yorkers have to pay far more out of pocket than Mr. Okun who is only required to pay $300 per month toward housing for himself.

Furthermore, in a climate of fiscal restraint where the administration waves the deficit like a club over every housing program for the poor, one cannot help but conclude that housing subsidies should serve our people and not highly paid employees of executive agencies. We might also like to consider this in light of executive agency personnel who get passages on luxury liners for official travel. One cannot help but wonder what sort of official business is being carried on during the prolonged travel time associated with ocean travel versus the more rapid travel available in planes.

Mr. Speaker, I bring this item to the attention of my colleagues because I believe that one must practice what one preaches. If the deficit is the rationale for failing to provide housing assistance for the poor, it cannot be proper for the more affluent to be subsidized to the tune of $10,661 per month. If an official residence is needed in New York City for the United Nations delegation, then it only makes sense to purchase one for that purpose. Providing plush living quarters for highly paid executive employees cannot be tolerated.

A CONGRESSIONAL SALUTE TO JOHN MENDEZ

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. ANDERSON. Mr. Speaker, I rise to pay tribute to John Mendez, a community leader in my district, who will be honored at a dinner in recognition of his retirement on May 9, 1986.

A native of Los Angeles, and a graduate of Phineas Banning High School in Wilmington, CA, and the U.S. Jaycees Leadership School, Mr. Mendez entered the U.S. Army in 1948. He served in the Army for 4 years as a squad leader and forward observer with the rank of sergeant first class and field first sergeant. Following his discharge from the Army in 1952, Mr. Mendez returned to the Los Angeles Harbor area and held several jobs before accepting a position as the director of the Wilmington Teen Post No. 108, a multiservice community teen center, in 1966.

Mr. Mendez continued as director of the Wilmington Teen Post until 1973 when he joined the staff of Los Angeles City Councilman John S. Gibson, Jr. As a field deputy to Councilman Gibson, Mr. Mendez had complete responsibility for the operation of the councilman's district office. Following the retirement of Councilman Gibson, Mr. Mendez went to work for his successor, Councilwoman Joan Milke Flores. Mr. Mendez is retiring from his position as field deputy to Councilwoman Flores.

In addition to his fine work in government and community service, Mr. Mendez is well noted for his plethora of volunteer activities. He is responsible for founding at least 13 community organizations and programs, he has attained grants for at least 24 different programs and he serves on the board of directors of at least eight organizations. In addition, John Mendez serves as the cochairman of the Wilmington Parade and the Fiesta Del Grito. Clearly, it would take far too much time to cite all of the tremendous contributions of time, energy and careful attention that John Mendez has devoted to Wilmington and other communities in the South Bay area of Los Angeles. I am sure that, even though he is retiring, the people in my district will continue to look to John Mendez for leadership in community activities.

It is with great pride that my wife, Lee, joins me in wishing John Mendez, his wife Juanita, his daughters, Jeannie and June, and his grandchildren—Janine, Jennifer, Albert and Anthony, all the best in the years ahead.

SALUTE TO IRVINGTON CHAMBER OF COMMERCE

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. RODINO. Mr. Speaker, on March 26, it was my great pleasure to attend the Irvington Chamber of Commerce 48th annual dinner

and award ceremonies. The chamber, with its numerous civic activities and charity programs, performs a great public service for the people of Irvington.

This year, the chamber presented the scholarship award to a very special young lady, Ms. Casaundra Smith, in recognition of her academic achievement and dedication. The civic award was given to my great, longtime friend, Mr. Michael A. Blasi, in recognition of his distinguished public career, including service on the Irvington Municipal Council—1962–70; as president in 1964 and 1966, and the Irvington Board of Education, 1968 to present.

Mr. Speaker, I salute these very deserving award recipients and the chamber of commerce, especially the officers and directors listed below, for their fine contributions to our community.

The roster follows:

1986 ROSTER OF OFFICERS AND DIRECTORS

OFFICERS

James Ivers, President.
Arnold S. Blum, First Vice President.
Richard G. Genabith, Second Vice President.
Peter Midas, Treasurer.
Albert C. Babbitt, Vice President, Retail.
Jordan Baris, Vice President, Realtors.
Andrew J. Beifus, Vice President, Auto Dealer.
Christine Mc Closkey, Vice President, Civic Affairs.
Margaret Mahoney, Vice President, Banking.
Dr. Charles I. Nadel, Vice President, Professional.
Austin B. Sayre, Vice President, Industrial.
Harry Stevenson, Vice President, Accounting.
Walter Worrall, Vice President, Publishing.
Anthony W. Zappulla, Vice President, Governmental.
Arnold Raiss, Past President.
J. William Ekegren, Executive Director.
Edward Harris, Executive Director.
Seymour Goldrosen, Executive Director.
Alan Rubin, Executive Director.

DIRECTORS

Robert C. Ambush, Robert B. Bartow, Arthur W. Beck, Leo Bottari, Louis A. Ditzel, Jr., Isabel Fernandez, Arnold Geisler, Arthur S. Guida.
Wilbur Hartl, Donald L. Hendrickson, Fred I. Kaufman, William J. Peason, Fred A. Pratt, Michael A. Raimonde, R. Victor Scotese, Irving Tiss, and Dr. Allan S. Vargas.

LAW DAY AND LOYALTY DAY

HON. TIMOTHY J. PENNY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. PENNY. Mr. Speaker, today, May 1, is designated as Law Day and Loyalty Day. It is a day to honor our Nation's heritage as a people who respect and follow the law of the land. It is a special day for saying, "I'm proud to be an American," and for reaffirming our commitment to our country and its principles of liberty and justice for all.

America's young people share in that pride and devotion. So, I am especially pleased today to submit for the RECORD one young American's expression of loyalty. Following is the Veterans of Foreign Wars Voice of Democracy Contest speech delivered by Margaret Rose Donohue of Stewartville, MN. Meg is the 17-year-old daughter of Howard, Jr., and Margaret Donohue and is a junior at Lourdes High School, Rochester, MN, where she participates in speech, drama, track, and Spanish club. She is also an active volunteer in her church and community. Meg's speech, "New Horizons for America's Youth," won her third-place honors in the Minnesota Voice of Democracy Contest State Competition. The residents of Minnesota's First Congressional District and I are justifiably proud of this young woman.

The script follows:

NEW HORIZONS FOR AMERICA'S YOUTH

(By Margaret Rose Donohue)

Day dawns with a horizon, life begins with a horizon, and every society has reached for new horizons. I, as an American, am on the first step of what may be the greatest horizon ever. For that I can say, Thank God I am an American!

I, as just one youth in today's America, am on the threshold of Pandora's Box of new horizons. The changes may appear subtle, but when considering our country's past, these changes are exploding. Our state with its picturesque past . . . family farms, country stores, country lawyers and doctors has become the medical technical mecca of the world. Our fifty states no longer are the home of just the free and the brave, the industrial leaders and the highest standard of living, but we are the leaders beyond the earth, the mechanical wizards of technology and promotion—the country that serves the eyes of the world. Our horizons have reached an opening, now we must reach the sun and beyond.

As we, the youth of America, move into our horizon, the problems of today will become our goals for tomorrow. It was said years ago that health, wealth and happiness make and sound person. The horizon for health, though challenging years ago, and advanced today, still has miles to go before our world is safe. Be it old disease or new, health is as fickle as man and needs strong efforts to keep our country and world secure.

The many changes in business are giving to the youth a new horizon. Change has caused the family store that once lasted for fifty years now to survive only ten years. This will change because we are back to the dawning of the individual. We can take our current technology and apply our individuality. Therefore, it will give us a new business horizon.

Our environment is crying for help. What greater horizon for us, the youth of America, to change the Mississippi back to blue, to build up Niagara Falls again, to change our forests and plains back to green, and to change the lady of liberty back to gold! Yes, our environmental horizon is waiting for us to pick up the banner.

America, the melting pot of the world, has become America, the genius of change. The automobile industry is flourishing. We can now go 60 miles on one gallon of gas. Medicine is considering and including heart transplant, and artificial organs in their studies; solar energy is striving to new heights; computers, word processors and robots are advancing each minute; and farmers can produce more food than ever because of the improvement of mechanical equipment. But we can't stop there, we have star wars, nuclear arms, and conventional wars that need control and offer challenge to our new horizons.

I, as just one individual, need to learn all I can, see all I can, and tell all I can about the American way. The horizons open to all of us, the youth of America are not secluded or sectional—we are from the heart of the American tradition. We must move to our new horizons.

What is before us as youth, is not the impossible dream, but what our forefathers stood for . . . hard work, sacrifice, challenge, love of fellow man, and respect of America. Our horizons can be summed up with the words of Robert Kennedy: "Some men see things as the are, and say, Why? I dream things that never were, and say Why Not!" The new horizons are ours . . . Why Not!

TRIBUTE TO THE STERLING HEIGHTS POLICE DEPARTMENT

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. HERTEL of Michigan. Mr. Speaker, I rise today to pay tribute to the Sterling Heights Police Department.

Over the past 20 years, the Sterling Heights Police Department has distinguished itself as one of the finest, most progressive, most innovative police forces in the Nation. A force consisting of dedicated professionals holding one objective at the forefront of their responsibility, "to protect and serve the people of Sterling Heights."

In 1966, 12 officers served the entire community of Sterling Heights; nine of the original force remain in the city today. Moreover, today, the department has grown to 155 sworn officers and 54 civilian administrative personnel, collectively processing a unique spirit of dedication and commitment to the community and offering a tremendous level of experience and professionalism.

Following the department's inception, former Chief Maurice D. Foltz recognized the importance of combating organized crime and narcotics traffic within his jurisdiction and designed an intelligence division in May 1968. This led to the formulation of a syndicated crime bureau and an effective partnership with the Federal Government.

Sterling Heights Police Department has always worked diligently to protect its citizens. As pedestrian fatalities and other traffic-related accidents threatened their welfare, action was taken to promote traffic safety. In the early 1970's, the department implemented extensive traffic enforcement and safety activities. Several prestigious awards have been presented to the department in relation to traffic safety, most impressive being its receipt of four AAA Pedestrian Protection Program Awards of Merit.

The Sterling Heights Police Department has played a major role in the advancement of law enforcement in the State of Michigan. In 1971, the department organized a crime prevention division which has served as a model program

throughout the State. More impressive is the direct impact this program has had in reducing and controlling crime in Sterling Heights.

In 1981, Sterling Heights was named one of the Nation's safest cities. This coveted award is largely attributable to Chief Allan A. Nalepa and his direction of an outstanding police force. However, a signal of even greater accomplishment is the unique capacity of the police force to maintain the unqualified confidence and cooperation of the entire community in fighting crime.

Mr. Speaker, I urge my colleagues to join with me in recognizing one of America's most dedicated and professional police forces. Today, the challenge to combat crime has become extremely complex and the Sterling Heights police officers have met the challenge with tremendous vigor and have enabled their city to become one of the safest places to live in America. I salute the Sterling Heights Police Department and extend my congratulations and appreciation to the department for their 20 years of dedication to the people of Sterling Heights.

AMERICAN LATVIAN ASSOCIATION 35TH ANNUAL CONGRESS

HON. THOMAS N. KINDNESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. KINDNESS. Mr. Speaker, tomorrow, the American Latvian Association [ALA] will convene its 35th annual Congress. On the eve of this event, I want to share with my colleagues the letter of greeting and support I recently sent to those attending the ALA Congress. The text of the letter follows:

HOUSE OF REPRESENTATIVES,
April 29, 1986.

AMERICAN LATVIAN ASSOCIATION,
400 Hurley Avenue, Box 432, Rockville MD.

DEAR FRIENDS: On the occasion of the 35th annual Congress of the American Latvian Association, I would like to express to you my appreciation and continued support for your efforts to ensure that the rich culture and heritage of the Latvian people endures in the face of the Soviet occupation of Latvia.

The struggle for freedom and self determination in the Baltic States and Ukraine must continue in spite of Soviet efforts to break the independent spirit of the people of these nations. The work of ALA and similar groups devoted to the preservation and promotion of that spirit and culture provides assurance that it will continue.

I hope you will remember, as you set your course for another year, that harsh oppression and forced occupation cannot douse the flame of liberty which burns inside freedom loving people. History has shown us this repeatedly, and your efforts are an example to all others who seek to throw off the mantle of such oppressors.

With best regards, I am
Sincerely yours,

THOMAS N. KINDNESS,
Member of Congress.

JACKSON, MI, AN ALL-AMERICA CITY

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. PURSELL. Mr. Speaker, I would like to take a moment to compliment and congratulate the people of Jackson, MI.

Yesterday, in a ceremony in Jackson, several people—including Vice President BUSH—paid tribute to the leaders of this community for being named an All-America City.

From a field of 93, Jackson was selected as one of nine All-America cities in a contest sponsored by USA TODAY and the National Municipal Association.

Of course any community would like to have won such a contest and been named All-America. But for Jackson it was more than winning a contest.

This community—located in central Michigan—has been struggling to fight back from the grips of unemployment. Just a few short years ago, more than 15 percent of the workforce was left jobless.

Businesses closed, workers lost their livelihoods, and families moved away.

But instead of giving up the ship, the people of Jackson staid the course. They pulled together and raised their sails—hoping to catch the economic winds of better times ahead.

The leaders of this community sought ways to keep and attract businesses. They put together programs which increased community awareness and pride.

The ideas and work of the local leaders paid off—unemployment recently hit a 6-year record low—the community once again feels good about itself and, the local economy is bouncing back.

Jackson today is a growing community—rebounding and building for tomorrow. Sure there's more to be accomplished but a lot of work already has been done.

Winning this contest was more than an honor. It was national recognition for a job well done. It was the chance for the people of Jackson to pat each other on the back for their efforts.

Mr. Speaker, I ask my colleagues to join with me in saluting the leaders and people of Jackson for their hard work and dedication to the American spirit—because Jackson truly is an All-America City.

HATTIE COBB

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. DURBIN. Mr. Speaker, day after day we read and listen to tragic news stories about our impersonal and often emotionless world's response to individual calls for help and compassion. Occasionally we take the time to look beyond the story to the benevolence and grace of a single human who has reached out and touched the lives of people seeking help. One such individual is Hattie Cobb of Springfield, IL.

Hattie is a young 76-year-old woman of tireless energy who was honored on March 12 during a luncheon coordinated by the Illinois Association of Area Agencies. The luncheon was held during National Employ the Older Worker Week.

Hattie was honored in part because of her work as a Senior Citizen Advocate for Illinois Attorney General Neil Hartigan. This is a postition she has held since it was created by the attorney general in 1983. As an intake worker on the senior citizen hotline she shares her extensive knowledge of State and Federal programs with inquiring seniors. To the confused, misguided, bewildered, and frustrated caller, Hattie shares information, support, and direction. But most importantly, she shares compassion and understanding. As a deeply religious person she goes beyond the facts and touches the heart.

George Washington Carver stated, "How far you go in life depends on your being tender with the young, compassionate with the aged, sympathetic with the striving, and tolerant with the strong. Because someday in life you will have been all of these." Hattie Cobb is a shining example of tenderness, compassion, sympathy, and tolerance. I join the Illinois Association of Area Agencies and her friends in central Illinois in honoring my long-time friend Hattie Cobb. She is an example I am proud to follow.

A TRIBUTE TO MRS. MAGDALENE FRITTS

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. COBLE. Mr. Speaker, I would like to take this opportunity to congratulate one of my constituents, Mrs. Magdalene Fritts, who has been named as the 1985 Adult Volunteer of the Year by the North Carolina Health Care Facilities Association. Mrs. Fritts is truly someone who gives generously of her time and herself.

Mrs. Fritts has volunteered to Davidson Nursing Center 5 hours of service, 7 days a week, since January 1982. She travels from her home in Lexington to the center in Thomasville each day. Mrs. Fritts is affectionately called the "Juice Lady" because she goes to each of the 112 residents as they are able and serves juice and delivers personal mail; she even helps read it to them as needed.

Mrs. Fritts initiated an adult basic education class which helps the residents to realize their potential by relearning basic skills and learning new ones. Officials say one man even learned to write his name because of her help. In addition, Mrs. Fritts plays the piano for exercise classes, conducts a rhythm band, and leads a resident choir.

At the age of 64, Mrs. Fritts does her part to help those senior citizens who are not always able to help themselves. She brings a little warmth and caring into the lives of people who live at the center. All of us should be grateful to Mrs. Fritts and the countless

other volunteers who try to make our senior citizens' lives a little more pleasant.

It is my honor and privilege to represent Mrs. Fritts in Congress. I wish to add my voice to those who praise this outstanding volunteer.

THE 71ST ANNIVERSARY OF ARMENIAN MARTYRS' DAY

SPEECH OF

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Mr. WALGREN. Mr. Speaker, I want to recognize April 24, 1986, as the 71st anniversary of Armenian Martyrs' Day. This date marks a period of genocide in which 1.5 million Armenians lost their lives in the Ottoman Empire. We, in the United States, as the haven for oppressed people throughout recent history, should memorialize this event lest it be forgotten by those who would rewrite history. We should recognize that those Americans whose relatives fell victim to this atrocity have a special contribution to make in keeping the memory of these people alive.

This is not just a date representing moral significance which is to be commemorated only by the Armenian people; rather, it is an opportunity for us as mankind to look back on our history and think about our future. The extinction of 1.5 million Armenians was an intentional act by the Ottoman government to eliminate a Christian minority within the confines of a Moslem empire just as Adolph Hitler's quest was to eliminate Jewish men, women, and children in order to create an Aryan race. These were endeavors to create and control a master society.

Both of these tragedies were allowed to happen because people were silent in the face of intolerance. This remembrance provides examples of what can arise in extreme instances of man's intolerances of one another simply because of race, language, religion, or culture. In addition, the Armenian massacre was possible because of silence in the world community. Humanity looked the other way while mass destruction was perpetrated on this community.

There can be no compensation for such an event. We can take a few moments to remember what we, as humans, are capable of. Let us seek to rectify the historical injustice to the Armenian people by designating April 24 in commemoration of the Armenian Genocide.

LAKEVIEW JUNIOR HIGH SCHOOL CITED FOR EXCELLENCE

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. WOLPE. Mr. Speaker, I would like to take this opportunity to pay tribute to a junior high school located in my district—Lakeview Junior High School, Lakeview School District, Battle Creek, MI—which as been selected as one of Michigan's exemplary secondary schools for 1986.

Lakeview Junior High School—the result of a merger in 1983 of Highland and Woodrow Junior High Schools—has earned this award in recognition of its effective instructional training for staff, clear academic goals, high expectations of students, expanded elective offerings, and its consistently high scores on standardized achievement tests. Clearly, Lakeview Junior High School would not have achieved this accolade were it not for the commitment and dedication of the entire Lakeview School community—its student body, the parents, and the administrative and teaching staffs.

Mr. Speaker, Lakeview Junior High was established because the Lakeview School District faced the problems of declining enrollment and reduced financial State aid. The students, parents, and staff were up against a situation that would have left many too disheartened to continue. Instead, Lakeview Junior High School used the crisis as an opportunity to demonstrate its resolve to provide the best educational opportunities possible. The result is its well-deserved recognition as one of Michigan's outstanding secondary schools. I am honored to represent constituents who know the value of education and who, against seemingly insurmountable odds, have demonstrated that, working together, all things are possible.

THE 35TH ANNIVERSARY OF AMERICAN LATVIAN ASSOCIATION

HON. WILLIAM CARNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. CARNEY. Mr. Speaker, I rise today to note an important meeting taking place in the Washington, DC area this weekend.

The American Latvian Association will be convening its annual meeting from May 2 to May 4 in Pentagon City. This meeting is significant apart from the issues discussed because it marks the ALA's 35th anniversary of its founding.

Mr. Speaker, in its 35 years, the American Latvian Association has done important work in America, bringing us information on events in Soviet-occupied Latvia, providing us with details on political prisoners in Latvia whose only crime is seeking freedom for their homeland and human rights, and reminding all Americans that our Nation still does not recognize the illegal occupation of the Baltic States.

The ALA also has an important leading role among Americans of Latvian descent: As an organization devoted to preserving Latvian language and culture, the ALA has been responsible for helping to preserve a culture in the free world that the Soviets are trying to destroy behind the Iron Curtain.

Mr. Speaker, ALA is an important member of the community of organizations in the free world that are working for freedom and human rights in the Soviet-occupied nations of Eastern and Northern Europe. I know my colleagues join me in wishing the ALA well on its 35th anniversary, and for the years to come.

COMMENTS FOR THE CONGRESSIONAL RECORD

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. MURPHY. Mr. Speaker, fellow Members, I would like to recognize a member of my district who has distinguished himself in the field of journalism by winning the coveted Pulitzer Prize.

Andrew Schneider of North Straban Township, Washington County, PA a staff writer for the Pittsburgh Press newspaper, received the prestigious award for a series of articles detailing the ethics and issues surrounding the transplantation of kidneys.

Mr. Schneider got the idea for the news series when he learned that a Saudi Arabian princess was able to get a kidney transplant when there are 10,000 Americans on an organ transplant waiting list.

Although Pittsburgh is one of the leading centers for organ transplant surgery, Mr. Schneider's research took him to 23 countries including the Philippines, Japan, Tahiti, India, and England.

He interviewed hundreds of doctors, nurses, and organ procurement people in the process of preparing his news series.

Mr. Schneider, in the truest sense of fine journalism, believed something was wrong in the system and that the public deserved to know the truth.

The Pulitzer Prize is the highest award bestowed on a journalist and of the 150,000 working journalists in this country only a handful can ever claim they have won it.

Mr. Speaker, I think it only fitting that this body acknowledge the accomplishments of Andrew Schneider.

TAX FREEDOM DAY

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Mr. DENNY SMITH. Mr. Speaker, today is a red-letter day for Americans. May 1, 1986, is Tax Freedom Day. For the past 4 full months, the average American has worked to earn the money which will pay his or her Federal, State, and local tax bills.

Starting today, American workers are now working for themselves. Their paychecks can now finally be used to provide food and housing for their families; to pay bills; and to be used to build a savings account.

The good news is that under President Reagan, Tax Freedom Day as calculated by the Tax Foundation, is now earlier in the calendar than it was in 1981 when he took office. Due to the tax-cut bill of 1981, Tax Freedom Day has moved from May 4 to May 1. We can be proud of the fact that we have shortened

the time Americans must work to pay the piper.

The bad news is that it still takes 4 months—one-third of the year—until American workers are free of the tax burden. Unfortunately, the tax reform bill passed by this Chamber last December is certainly not reform and it will do nothing to reduce this staggering figure.

Over the past 35 years, Tax Freedom Day has changed from April 3 to May 1. Despite this additional 1-month period of working for the Government, our national deficit has skyrocketed. Clearly it is cutting spending—not increasing taxes—which is the answer to our deficit. As we reduce spending, we should also rededicate ourselves to returning Tax Freedom Day to a more reasonable and much earlier date.

A RECORD TRADE DEFICIT

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1986

Ms. KAPTUR. Mr. Speaker, another month has gone by and America's trade deficit with the rest of the world has jumped another $2 billion. To $14.5 billion. Our trade deficit with Japan hit a new monthly record—$5.5 billion. Japan, on the other hand, hit a record of quite another sort—a $62 billion trade surplus for the fiscal year ending March 31.

In the next few days, the President will be face to face with Prime Minister Nakasone. While there are a great many issues for the two to discuss, none should be higher on the priority list than this disastrous trade situation.

Mr. President, don't accept any more promises from Mr. Nakasone. We've heard them all before. And, they have all been empty. Demand immediate action now! Your fellow countrymen who work in America's auto plants, steel mills, textile, and footwear factories, shipbuilding yards and on our great farms are counting on you to use the awesome powers of your office to make Mr. Nakasone understand that we aren't going to take it anymore, that things must change and soon. Mr. President, we wish you success at the summit.

SENATE—*Monday, May 5, 1986*

The Senate met at 12 noon and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Make a joyful noise unto God, all ye lands; sing forth the honor of His name, make His praise glorious.—Psalms 66:1-2.

Father God, Creator of all that is, Giver of life and breath and all things, we celebrate Your gracious providence and love. Thank You for this wonderful day—for the profusion and beauty of the Earth. Thank You for the vaulted heavens—the light and warmth of the Sun—the lush green of trees and grass—the fragrance and beauty of flowers and blossoms—the bright and cheerful songs of the birds—the infinite variety and diversity of nature all around us. We thank You for life—for eyes and ears and nostrils and feelings—for the ability to experience and enjoy these incredible realities which abound in such prodigality which You have lavished upon us. Bless the Lord, all my soul. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, Senator THURMOND, under the standing order, the leaders have 10 minutes each followed by special orders in favor of Senators HAWKINS, CRANSTON, and PROXMIRE for not to exceed 5 minutes each. Senator GORTON will read Senator HAWKINS' speech.

Then there will be routine morning business for not to extend beyond the hour of 1 p.m. with Senators permitted to speak therein for not more than 5 minutes each.

Following morning business, the Senate will turn to the following items: Executive nomination of James Fletcher under a 2-hour time agreement. I am not certain whether there will be a request for a yea and nay rollcall vote. If so, that vote will occur tomorrow.

There possibly will be a resolution dealing with the nuclear accident in the Soviet Union and any other items cleared for action.

I indicated—I guess it was early Friday morning when we adjourned—that there would be no votes during today's session, and any rollcall votes ordered today would be postponed or put over until tomorrow. I would say generally there are a lot of items we hope to dispose of this week. I know Senator GOLDWATER would like very much to complete action on the military reorganization bill. We also would like to complete action on S. 49—the House message to accompany S. 49—the gun bill. There is the Saudi arms sale, Senate Joint Resolution 316, and the Federal Deposit Insurance Act, S. 2231, out of the Banking Committee.

There are a number of other items that we would like to dispose of. The drug export bill is another one we would like to complete prior to the Memorial Day recess.

I indicate to my colleagues that there are only two Fridays between now and the time we are scheduled to recess, which is the Memorial Day recess, which is scheduled to begin on the close of business, Wednesday, May 21.

So I hope that we will be able to work on Friday for the next 2 weeks if we are going to complete action on a number of items that we would like to do. There is a possibility that the last thing we would work on would be the supplemental appropriations. If, of course, we can do these, and complete action on these bills in a shorter time than I expect or than I now anticipate, we maybe will not have Friday sessions.

But we have S. 49, the gun bill, military reorganization, Federal Deposit Insurance Act, drug export bill, and the general supplemental appropriations bill. There are others we would like to move to, including the Saudi arms sale, daylight saving time, Malt Beverage Act, to name a few.

So there are a number that are not major pieces of legislation. But it would probably take some time in any event.

I hope now that the Senate has acted on the budget that we can have immediate action on the part of the House. It is my view that the House will act quickly. They indicated in our meeting which we had with the Speaker that within 72 hours after the Senate passed a budget there would be an effort to take action on the House side.

I am not certain they will do it quite that quickly. Hopefully the budget process begun in the Senate will be carried on in the House as quickly as possible so we can get back on schedule.

In the meantime, as a member of the Senate Finance Committee, I think it is accurate to report that there is a lot of progress being made in the Senate Finance Committee on a tax reform bill. Senator PACKWOOD, I believe, will be able to report out a tax reform bill—not just a tax bill, but a tax reform bill—maybe sometime this week. Perhaps as early as Tuesday or Wednesday.

So I certainly want to commend the chairman of the Senate Finance Committee, and other Republicans and Democrats who have been working with Senator PACKWOOD on that matter.

Mr. President, I reserve the balance of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The able Democratic leader is recognized.

SCHEDULE

Mr. BYRD. Mr. President, the distinguished majority leader has indicated that there may be Friday sessions, and from time to time I am sure it may be necessary to have such.

I hope that as we approach the middle of the week we might be able to take a closer look so that we can indicate to our colleagues, if the distinguished majority leader feels we can do so, in time, so that they may schedule their Fridays accordingly. But at least he is putting the Senate on notice at this point that there may be Friday sessions.

He has also said that the House may be taking up the budget. The leaders during our recent leadership meeting over there, indicated that they would report out a resolution within 72 hours after the Senate had passed a budget.

It is my understanding that the Budget Committee on the House side is scheduled to meet tomorrow.

It seems to me that it is a pretty good sign that the House leadership has the intention to follow through with its commitment to report out a resolution within 72 hours after Senate passage.

I congratulate the Senate again at this point. The Senate did its duty in passing the budget resolution that puts the deficits on a downward curve. The chairman and ranking member, Senators DOMENICI and CHILES, should be again complimented.

The Senate action was bipartisan, with a majority of the Republicans voting for the resolution and at least a

good strong vote by the Democrats in support of the resolution. I think it was the kind of vote that was needed to encourage the House that it was a good, bipartisan effort. The vote reporting the measure out of the Senate Budget Committee was a bipartisan vote—with seven Republicans and six Democrats joining to report out the resolution.

So the Senate has given a strong signal to the House and to the country that the Senate's decision is one that is intended to be and will be, if implemented, an avoidance of a Gramm-Rudman train wreck which would surely occur in early fall if sequestration under Gramm-Rudman were to come into play.

THE ECONOMIC SUMMIT

Mr. BYRD. Mr. President, I was pleased to note that the leaders at the economic summit have agreed on strong statements. I note in today's Wall Street Journal that the leaders of the seven industrial democracies agreed on joint policy statements on terrorism and nuclear safety, responding to a U.S. proposal that they address both issues at the annual economic summit conference.

The Wall Street Journal account says that details were not immediately available and that it was not clear whether the statement on terrorism calls for specific actions by the participating countries.

Mr. President, I was one of those who urged the President to put terrorism on the agenda at the summit. I am pleased, as I am sure others are, that that subject was indeed put on the agenda at the economic summit.

The statement that has been issued from Tokyo was a good, tough statement, and I think that is what is needed. But there has to be a practical followthrough, practical actions to implement the tough statement, to back it up, and to put backbone behind the statement.

I certainly hope that other countries will join with our country in following through on the tough statement, and I hope that our own leaders will continue to pursue this with our trading partners—the other Western countries and Japan.

As I have indicated, and as others have stated from time to time, there are numerous economic sanctions that could still be applied. The United States has provided leadership in applying economic sanctions. Some of our friends have been slow to do so. They have been hesitant. But I would hope that, as a result of the summit, they will see that the best and only way to combat state-supported terrorism is by using diplomacy and applying political and economic pressures.

There are such economic sanctions as stopping airline traffic out of other countries to Libya; stopping Libyan airlines from landing in Western countries; telecommunications actions that could be taken by countries if businesses wish to telex a communication to Tripoli. If countries would join with the United States in cutting off telecommunications traffic, it would increase the economic pressures on Libya.

If countries that are still buying oil from Libya would buy their oil elsewhere—and it seems to me that right at this time with oil prices down, it would be a good time to make the change—this would bring economic pressures on Qadhafi. He is already having problems with his economy. Perhaps military actions in the future might then be avoided.

It would be good, I would suggest, if terrorism could also be placed on the agenda at the next NATO ministerial conference. Whether it will be a foreign ministers' conference or a defense ministers' conference, I do not know. But it would seem to me that it would be quite appropriate for terrorism to be placed on the agenda of that conference.

Mr. President, if I have further time, I yield it to the distinguished senior Senator from California.

RECOGNITION OF SENATOR CRANSTON

The PRESIDENT pro tempore. Under the previous order, the Senator from California (Mr. CRANSTON) is recognized for not to exceed 5 minutes.

CHILE: CONTINUED UNREST

Mr. CRANSTON. Mr. President, according to recent reports, two Chilean physicians, Dr. Alvaro Reyes and Dr. Ramon Rojas were violently seized in their homes at 3:30 in the morning, Wednesday, April 29 by the "carabineros," the uniformed police. Both men are over age 45 and specialize in emergency trauma treatment.

The State Department has confirmed that Reyes and Rojas were taken into custody by the "carabineros". Now it is believed that they are in the custody of a military court.

On May 2, the State Department informed me that the doctors were suspected of treating people with gunshot wounds and not reporting their actions to the proper authorities.

Like in the United States, this a crime in Chile. But the doctors have not yet been charged—unlike the way things are done in the United States.

What is to become of them? Will they be granted due process under the law? Will their basic rights be respected?

These two men have joined the staggering number of political detentions in Chile each year. According to the vicariate of solidarity—the human rights office of the Santiago archdiocese—there were 5,314 political prisoners in 1985, compared to 5,291 in 1984 and 4,537 in 1983. The vicariate's figures show that 96.57 percent of those arrested were either not charged before any court or were charged with simple noncriminal infractions like disturbance of the peace.

□ 1220

Will doctors Reyes and Rojas be released after a short time, most detainees? Or are they going to suffer the fate of those who remained in prison, were tortured, killed or disappeared? What do their families know? What are they fearing?

If they were in the United States, we would have some certainty that, guilty or not, these men would be treated fairly under the law. From what we know about Chile in recent years, this is not always the case. The Chilean Government has been criticized for extreme repression and human rights abuses, and its use of force to govern naturally weakens its position as a legitimate governing force.

On Tuesday, April 29, bombs went off in about 20 locations in Santiago and Valparaiso, including one near the residence of our Ambassador. Politically motivated violence on the left and on the right is on the rise in Chile. Extremists on both sides have attempted to use violence to polarize the situation further.

I do not think it will work. Since the military coup in 1973, the Pinochet government has exercised a large array of repressive techniques; executions, torture, internal banishment, and censorship. Yet, after all this time, Chileans continue to look for ways to express their yearning for an end to tyranny and a return to a free, democratic society. The pressure is building. How much longer before Chile erupts?

Last summer, a majority of the opposition parties united to express their desire for a restoration of democracy in Chile by signing the national accord for the transition to full democracy.

What did they ask for? Fundamental human rights, including the right to political participation in their society. The government rejected this appeal and continues to refuse to open talks with the 21 parties that signed the accord.

How has the United States responded to events in Chile? Just last month, the U.S. Government introduced a resolution at the United Nations Human Rights Conference in Geneva urging a restoration of human rights in Chile. The resolution passed unanimously.

On another front, however, our Government supports multilateral loans to Chile. Each time the United States casts a vote in support of a multilateral loan to Chile, we violate section 701

of the International Financial Institutions Act. That law prohibits U.S. support for multilateral development bank loans to countries engaged in a pattern of gross violations of internationally recognized human rights.

Last year, the administration adopted a policy of voting against multilateral loans to Chile because Chile imposed a state of siege. Soon after the state of siege was lifted, however, the administration resumed its policy of supporting loans to Chile.

At the time, a number of my Senate colleagues and I expressed concern that the lifting of the state of siege might not lead to significant changes in the Chilean human rights situation. Most restrictions on freedom continued. A state of emergency and a state of disturbance and internal danger remained in effect. Reports on the human rights situation in Chile demonstrate that we had reason for concern.

Mr. President, I urge the administration to return to a policy of not supporting loans to Chile.

I urge the administration to send consistent, strong signals in support of a transition to democracy in Chile.

I often hear murmurings to the effect that we have to be wary of what could follow the present regime. There is great and justifiable concern about communism. But the best breeding ground for communism in Chile and in any other country is continued repression, and human rights violations. Communism breeds in the government's denial of the Chilean people's basic right to participate in a free and open society.

The recent wave of antigovernment demonstrations in Chile is surrounded by debates about how best to promote social mobilization to pressure General Pinochet to open talks with the opposition.

A New York Times article last week reported that frustration with Pinochet's intransigence has led Chile's largest opposition political front to express a willingness to seek a common strategy with some Marxist-Leninist groups.

There have been reports of increasing violence. In the last round of demonstrations on April 15 and 16, army troops were brought in to help the "Carabiñeros" restore public order.

What of the two doctors? And the students? What about their families? What about the families of the disappeared? How much longer can the Chilean people endure? What next?

I urge that we do all we can—we are not doing all we can now—to advance the cause of human rights in Chile.

Mr. DOLE addressed the Chair.

The PRESIDENT pro tempore. The distinguished and able majority leader is recognized.

Mr. DOLE. Mr. President, do I have some leadership time remaining?

The PRESIDENT pro tempore. There are 5 minutes remaining.

Mr. DOLE. Mr. President, I shall take just a few minutes.

SOVIETS SHOW TRUE COLORS

Mr. DOLE. Mr. President, the Chernobyl nuclear accident is another tragic reminder of the irresponsibility and cynicism of the Soviet leadership and its system.

Clearly, what happened at Chernobyl was a tragedy of major proportions—for the people of the Soviet Union, who have felt its immediate effects; for the people of neighboring Europe and Asia, who may suffer long-term health and environmental consequences; and for all the people of the world, who have a stake in the lessons of Chernobyl.

All of us have a need—and a right—to know what really happened at Chernobyl. We need to know what caused the accident; we need to know its magnitude, both in terms of immediate physical damage, and the threat of off-site radiation. We need to know what precautionary measures were taken and, probably more importantly, what measures were not taken to prevent and contain the accident. We need to know what the Soviets are doing at their other, similar facilities, to insure that such accidents not recur.

None of this information is Soviet "national security" information, by any legitimate standard. Its release would not compromise any military secrets or make the U.S.S.R. militarily vulnerable. The only thing the Soviets risk by release of this information is informed public discussion of the accident, which might reveal Soviet technological or administrative shortcomings.

Yet the Russians stonewall. They stonewall us; they stonewall the world. The information they do provide is meager or unbelievable. They want to pretend that Chernobyl did not happen, or—if it did—that it is really "no big deal."

Well, it is a big deal. A big, disastrous deal.

It is a big deal for those who died in the Chernobyl blast, and for their families. And those who have seen the photos of the facility—a concrete walled facility smashed by the force of the blow—will make their own judgments as to whether only two died in that blast.

It is a big deal for the hundreds of thousands almost certainly suffering from radiation poisoning; for the tens of thousands uprooted from their homes and wondering when they can return and how their lives will be changed; for the millions in surrounding areas, who wake up every morning, and tune in their televisions and radios, not for the weather report but to see if the radiation levels are low enough so they can safely leave their homes; and for the millions in Europe who live in fear of the milk they drink, and the meat they eat.

No matter how much Gorbachev and his cronies wish it, the Chernobyl disaster is not going to go away. The Soviets' callous disregard for the fear and concern of millions around the world—that is not going to be forgotten. The revulsion we all feel at the Russians' irresponsibility—that will be with us as long as the fallout from the Chernobyl reactor.

We have to deal with the Soviets. We live on the same planet and, as Chernobyl makes clear, they have the capability to cause all of us enormous, potentially deadly problems. They may ignore Chernobyl, but we cannot ignore them.

But we cannot afford to blindly trust them. Chernobyl—and their inhumane response to it—makes that clear, too.

The Soviet leadership really is different than we are. That is not propaganda, it is a fact, proven again by Chernobyl and its aftermath. They have different values. They have a different sense of priorities, in which the interests of the Soviet state predominate over the humanitarian interests of the world. And they have a totally different sense of what constitutes "responsible behavior."

As we proceed on the full range of our relations with Gorbachev, and his associates, let us not forget that. Let us not forget one of the real lessons of Chernobyl.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDENT pro tempore. The distinguished Senator from Wisconsin is recognized.

THE ADMINISTRATION IS KILLING ARMS CONTROL: HERE'S WHY

Mr. PROXMIRE. Mr. President, President Reagan has made one immensely important observation. He has been echoed by Soviet General Secretary Gorbachev. That critically important Reagan observation is that a nuclear war can never be won. It must never be fought. Let's think about that observation and then stop and think some more. We should base our military policy and our arms control policy squarely on this central fact of the nuclear age. So what policies should we follow to give us the maximum chance to prevent a nuclear war?

First we need a fully credible deterrent. What will that require? That requires a United States nuclear capability that can survive any conceivable Soviet preemptive attack with a sur-

viving arsenal sufficient to destroy the Soviet union utterly as an organized society.

PRIME PREREQUISITE: DETERRENCE

There is little argument between the Congress and the President on the necessity for this first prime prerequisite of preventing nuclear war. That deterrent has kept the superpower peace for the past 40 years. In recent years, the potency of nulcear deterrence has been growing. In spite of continuing hostility between the Soviet Union and the United States, in spite of aggressive military action by the Soviet Union in Afghanistan and elsewhere, the two major nuclear nations have not come close to a nuclear war since the Cuban missile crisis 23 years ago. For 40 years, both Russia and America have massively built up their nuclear capability. The two superpowers now face each other with some 10,000 strategic nuclear warheads each and an additional 15,000 tactical nuclear warheads in each arsenal. The National Academy of Science has told us that if either superpower reached cities in the adversary country with a bare 1 percent of their nuclear arsenal, there would instantly be between 35 and 55 million dead in the country that was hit. Tens of millions in addition would be dying. Little or no medical assistance would be available. The country that received the 1 percent hit would literally be finished.

Mr. President, it is clear that in any superpower war, far more than 1 percent of the nuclear arsenal of each adversary would find targets in the other country. It is also obvious that there is no conceivable star wars or other defense that would prevent anything like 99 percent of adversary nuclear warheads from striking their targets.

Since the heads of both superpower governments know this, and since the arms race itself continues to build up the nuclear capability of both sides, is it not true that the arms race, costly as it is, is building up a steadily more effective deterrent? Does not this make a superpower nuclear war less and less likely?

Why not simply go ahead with the present nuclear arms modernization and refinement? Why not concentrate on building constantly newer nuclear weapons that will give us increasingly greater assurance that we can deliver them on the adversary? Can we not make these weapons less and less vulnerable and surer than ever to survive any Soviet attack? Why not take advantage of the fact that, together with our NATO allies, we have far greater technological and economic capability, than the Warsaw Pact economies?

WHY ARMS CONTROL?

So why do we need arms control? Will arms control not constrain us from using our technology and economic advantage? Will not arms control require us to rely for compliance on the demonstrated bad faith of our Communist adversaries? Why not forget arms control and devote 7 or 8 percent of our economic strength to building a military force that can be head and shoulders above anything the Soviet Union and its Warsaw Pact allies can possibly build?

Mr. President, these are not academic questions. What I have posited here is the basis for the military and arms control policy the administration has in fact been pursuing.

This is the first administration since the dawn of the superpower nuclear age that has made no progress whatsoever in arms control. Do you doubt it, Mr. President? Let us take a look at the record. There are three basic arms control areas. In every one, the administration has pushed a strongly negative policy.

TEST BAN

First, there is the policy pursued by almost every previous administration since Eisenhower to press for negotiations with the Soviet Union to stop nuclear weapons testing. The Reagan administration has adamantly opposed this vital arms control initiative in spite of the fact that now, for the first time, the Soviet Union has not only indicated a willingness to negotiate such a ban, it appears ready to negotiate it strictly on the terms pressed by the United States that is with the fullest possible verification. But the administration continues to say no.

LIMITING NUCLEAR WEAPONS

Second, the administration has blown hot and cold on limiting strategic nuclear weapons. Twice it has been on the verge of permitting the SALT II treaty to expire. The President did at one point announce his support of negotiations to cut superpower nuclear arsenals in half. But now the Defense Department, speaking for the administration, has expressed its opposition to such an agreement. Again, a loud and emphatic administration no on arms control.

THE ABM TREATY

Finally, consider the one remaining area of arms control agreement, the Anti-Ballistic Missile Treaty signed by President Nixon and ratified by the U.S. Senate by an 89-to-2 vote. The administration has embarked on what promises to become the most costly military project in history to build an antiballistic missile system that would conspicuously and frontally violate the ABM Treaty whose sole purpose was to prevent precisely such a system.

THE ARMS CONTROL RECORD

Whatever the rhetoric might suggest on arms control, the record speaks loud and clear: This administration has no real interest in arms control. None. So what is wrong with that? Why do we need arms control if a continued military buildup can provide the deterrence that can assure the prevention of war between the superpowers? There are two answers. First, the cost of this military buildup promises to be immense for both superpowers, pushing American military spending ahead by literally trillions of dollars and necessitating massive tax increases and a burden that would certainly slow our economy. Second, and even more important, a continued arms race cannot guarantee a winner.

Our side has the obvious advantages that I have referred to. But throughout history, arms races have led ultimately to war. And in a superpower war, as President Reagan has said so clearly and rightly, there will be no winner. There will only be losers; tragic, pathetic total losers. Both countries will be dead.

LET'S USE SENATE TV FOR TIMELY DISCLOSURE ON PACS

Mr. PROXMIRE. Mr. President, why not use Senate TV in the Senate for a constructive public interest purpose? Here's how: What is the most popular anticorruption policy? Answer: Disclosure. But disclosure is usually too weak. But not now. Not if we use Senate TV, and use it right. TV gives us a chance to make disclosure of a corrupting force in the Senate come alive. In doing so, we can begin to solve the most serious long-term ethical problem that confronts this body: the corruption of big money in buying senatorial influence by campaign contributions. Here is a glorious opportunity.

When a Senator speaks, why not use television to identify the relevant contributions to the Senator's campaign fund by political action committees? Most Members of this body have taken heavy contributions from myriad political action committees. Why not show a brief subtitle projected on the television screen, the identity of the political action committee that has contributed to his campaign when the Senator speaks on a matter relating to the interest of that PAC?

This Senator is working on a bill that would require such identification on TV when we vote. Each Senator's vote would be reported in tandem with the contribution he received from an interested PAC. So when speaking or voting on a banking bill, for example, the screen might show the Senator's name plus a dollar amount like $130,000 as contributions, from, say, 30 or so bank PAC's to the Senator. Think of the benefits of this kind of rule. The viewing public would have instant identification, instant disclosure. They could see dramatically every day not only the role of money in politics, but what special interest was shovelling out money to the campaign of their Senator.

Would this interfere in any way with the right of special interests to form political action committees and advance their interests by contributing thousands of dollars to senatorial campaigns? Certainly not. We have repeatedly tried to cap or limit or even eliminate such contributions. We have not gotten to first base. PAC's are becoming bigger and more powerful every year. On the other hand, no one objects to disclosure. No one reasonably can oppose the policy of telling the public what political action committees have contributed heavily to the campaign of those of us in Congress who determine who gets what and who pays for it in our society. The trouble until this moment is that the reports are filed and forgotten. Seldom is any connection made between the contribution to Senators' campaigns and the speeches and votes of Senators on the floor of the Senate. And never is the connection made at the time of the debate and vote. Television in the Senate gives us a golden opportunity to make that connection.

The American public would have a timely, up-to-date, direct report on the campaign contributions that many experts feel determine the kind of policies the Congress adopts. They would see the immediate connection between campaign contributions and the position advanced in debate by the Senators receiving the contributions and the Senators' votes on the matter on the floor.

Would this sharply reduce political action committee contributions? It sure would. Would this reduce the influence of special interests in American Government? Yes, indeed. What is wrong with that?

□ 1250

MYTH OF THE DAY: OUR WELFARE PROGRAMS HAVE COMPLETELY FAILED

Mr. PROXMIRE. Mr. President, the myth of the day is that our welfare programs have completely failed.

That may seem like a surprising statement from me. I have been an outspoken critic of the shortcomings of our income support programs and a strong advocate of a workfare program for AFDC beneficiaries, long before it became popular in recent months.

But the simple, unalterable fact is that our income support programs have been essential in helping millions of Americans through a tough period in their lives.

Let us look at the facts for my own State of Wisconsin.

At the end of fiscal year 1984, 63 percent of the recipients of AFDC in Wisconsin were children. Most of the rest were mothers. In approximately 3 percent of the cases, one or both parents were incapacitated or dead.

And how long did they remain on the AFDC rolls? The latest data indicate that the average length of stay for mothers receiving AFDC benefits is 20 months; for intact, 2-percent AFDC-U families, the average length of welfare dependency is only 14 months.

Studies have demonstrated that 95 percent of those on the AFDC rolls eventually go on to become productive, tax-paying citizens. And the key point is that two-thirds of those who leave the AFDC rolls in Wisconsin stay off.

Despite these statistics, which have remained constant over a long period of time, the myth persists that all Americans on welfare have become permanently dependent upon taxpayers' handouts in a culture of poverty.

I was reminded of how strongly imbedded this myth has become when Nancy Amadei, a columnist specializing in health and social services issues, recently wrote a column for the Milwaukee Journal noting that there are, indeed, success stories:

Such as the pretty, young black graduate student at a recent Detroit conference who noted that she was the ninth of 10 children in a migrant farm family, who relied upon AFDC in the off-seasons but managed to instill a concept of hard work in their children. All of her brothers and sisters, working in the fields every summer, managed to escape their migrant status and complete college. Every one of them.

Or an elected county official in northern Wisconsin. Raised in a small but disaster-prone family, plagued by repeated accidents and sickness, he and his family were dependent upon income-support programs to see them through a constant repetition of bad luck and happenstance. But today, as an elected county official, he is trying to help others who need that temporary assistance without "breaking the budget or breaking their spirits in the process."

In Nevada a woman who had to raise her own children alone began a training program for other welfare recipients, teaching both by instruction and example. Each of her children has graduated from college; only the youngest is still in medical school.

Individual stories of success—beating the odds—help to put flesh and blood on the statistics, that most Americans who receive assistance leave the AFDC rolls and never return. In short, AFDC has not beome a way of life for the overwhelming majority of our citizens.

We need to keep that perspective in mind as we review the horror stories of AFDC or food stamp fraud and abuse. Those stories in many cases are true and deserve our firmest response. But they are not a fair portrayal of the importance that income support programs play in permitting Americans who are down on their luck or facing hardship to see their way clear to becoming useful and productive members of society.

GOLDEN FLEECE FOR MAY

Mr. PROXMIRE. Mr. President, my Golden Fleece award for May goes to the Department of Defense for spending $873,663 in 1985 to keep the fun, food, and good times rolling when foreign pooh-bahs came calling. The Gramm-Rudman grinch may have put a crimp into the rest of the Government, but it is always party time at the Pentagon, which spent an additional $205,107 in just the first quarter of 1986. To the Pentagon, life may seem like one long New Year's Eve, but the taxpayer suffers the fiscal hangover.

What sort of shenanigans go on when Uncle Sam puts on the ritz and plays host? Take a look at what happened in November of 1985 when a group of fun-loving Soviets showed up for the 13th Annual U.S.-U.S.S.R. Incidents at Sea Negotiations. It was anchors aweigh and full speed ahead to party time at the tony Washington spa—the Watergate Hotel—where expenses totaled a staggering $15,665.42. Here's the corker: when the high-living Soviets wobbled back to Moscow they had said skoal, prosit, and za vasha starovia to the tune of $1,228.23 in room bar charges. They ran up individual—per person—room bar service bills of $80.46, $143.37, $152.01, and $154.44, all on the last day, all paid for by us taxpayers.

Insult is sometimes added to fiscal injury. A group of Moroccans visited the United States from July 27-31, 1985, and stayed at the Watergate Hotel, evidently a popular stop. They then skipped town without paying $499.68 in long-distance telephone charges, which they had previously agreed to pay. The Moroccan Embassy told hotel officials—this is a quote from the voucher—"to go to Morocco to collect the payment." You and I ended up paying this bill—another quote—"to avoid further embarrassment." The total cost of this frolic came to $32,264.41.

Defense officials say these visits by foreign officials strengthen ties with important allies and establish rapport with others. Here are some other examples of rapport building:

That $6,266.87 for the visit of the Italian High Level Group, which spent the period from February 19-24, 1985 at the posh Caesars Palace Hotel in Las Vegas; $15,532.50 for a Columbian official who visited Florida and then Washington, DC. This sum included $435 for a rental yacht—to go to lunch—and $286 for an air boat tour of the Everglades; $51,724.52 lavished on the United States-Republic of Korea Security Consultative Meeting on May

6–8, 1985. This bill included a charge of $46.80 for spare ignition keys "in order to have spares should contingencies or misplacement occur." Even the Pentagon blanched at this one as "unnecessarily wasteful," possibly in contrast to the normal necessarily wasteful spending.

What do we get for this money? If more rapport is the goal, then evidence of it is hard to find, because many foreign governments seem to take special delight in insulting this country. It is high time that we took a long, hard look at how this money is being spent. Here is one Senator who thinks we are being taken to the cleaners.

ROUTINE MORNING BUSINESS

The PRESIDENT pro tempore. The Senate will now conduct morning business.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

□ 1240

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

UNFAIR TRADING PRACTICES

Mr. LEVIN. Mr. President, the rockets that unknown terrorists launched at the palace in Toyko, fortunately, missed their mark. But another kind of attack seems to have hit the mark.

This was not, however, an assault with weapons. No, this was an attempt to allow the economic summit to avoid focusing on economic concerns.

A report in Saturday's Washington Post explained that "the administration would not be concerned if the economic issues (which were supposed to be the focus of the summit) were overtaken by a discussion of the global issues raised by * * * international terrorism."

"If they are, so be it," Presidential spokesperson Larry Speakes was quoted as saying.

Mr. President, international terrorism is clearly a legitimate topic for discussion because it is a real threat. But unfair trading practices are also a legitimate topic for discussion because they too are a real threat. While there are no terrorists involved in the summit meetings, there are international traders.

International leaders can and should talk about Libya. But the President of the United States must and should talk to the leaders of the nations in attendance in Tokyo about some other threats we face. Threats from unfair trading practices are already devastating some sectors of our economy. While there seems to be some agreement about the need to deal with terrorism, trade is relegated to dinner table conversation.

That was not the intent of this summit. That is not the expectation that the people of this country had for it. We had hoped that this meeting of the leaders of the free world might result in some substantive progress on this issue. Instead, we are promised nothing more than a symbolic spectacle. The images that come out of Tokyo may be fine—but the balance sheet that seems to be emerging is unsatisfactory.

Speaking to reporters at the summit, the Secretary of the Treasury appears to be concerned because the U.S. trade deficit in 1987 will still be $100 billion—a level he finds "politically unacceptable."

Well, Mr. President, I find that level economically unacceptable. I find its continuation socially unacceptable, and I find the willingness of this administration to allow this summit meeting to be diverted to other topics intellectually unacceptable.

There is still time for some action in Tokyo. I trust that, unlike the terrorists, our leaders will not miss the target. And even if they do—especially if they do—I trust the Senate will hit the bullseye when it considers trade legislation later this week.

Mr. LEVIN. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

□ 1250

Mr. GORTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SENATOR HAWKINS' SPECIAL ORDER

The PRESIDENT pro tempore. Under the previous order, the Senator from Florida [Mrs. HAWKINS] is recognized for not to exceed 5 minutes.

Mr. GORTON. Mr. President, it is my privilege this morning to be able to make a statement on behalf of the distinguished Senator from Florida [Mrs. HAWKINS].

The statement relates to "Crime and Drugs: Sad Harvest of a Rich Farm Area."

CRIME AND DRUGS: SAD HARVEST OF A RICH FARM AREA

Mrs. HAWKINS. Mr. President, the relationship between drug use and crime has long been established. Addicts, driven by the craze for satisfaction of their misfortune, have to have money. When their access to legitimate money ends, they seek it by other means—burglary, robbery, fraud and confidence games.

Therefore, it comes as no great shock to law enforcement officials and sociologists that the area in California that has the highest burglary rate also has the highest per-capita heroin use. The Imperial Valley is generally regarded as one of the miracles of modern farming, a place where the combination of pesticides, technology and imported water have transformed hot, barren acreage into lush farmland with one of the highest productive yields in the world. But all is not well in the land of milk and honey.

Five percent of Imperial County's 100,000 population are hardcore heroin addicts and that could be a low estimate. The exact number of addicts is unknown; precise figures are hard to come by. But what is easier to measure is the burglary rate—2,241 per 100,000 population, considerably higher than California's big cities and metropolitan areas such as Los Angeles, San Francisco and San Diego.

Authorities told Los Angeles Times reporter H.G. Reza that a number of reasons contribute to the high incidence of heroin use in the Imperial Valley. The Valley's proximity to Mexico makes heroin readily available. Remember that Mexico supplies one-third of all the heroin consumed in the United States, and Mexico is the transit country for another third. Imperial County's population is 56 percent Latino. At one time heroin addiction was regarded as affecting mainly Latino families. However, more recently it seems to cut across all ethnic, cultural and economic lines. The climate and economic factors are also contributing elements to drug addiction. Temperatures in the summer climb to 100-degrees plus and drive people indoors where they easily become bored and seek ways to relieve their boredom. Unemployment during the summer soars to 40 percent. This fact contributes to the boredom/heroin abuse syndrome as well as boosts the crime rate when dollars are in short supply and money is needed to buy drugs. It is a vicious cycle.

There is nothing, literally nothing, that drug addicts will not do to meet the insatiable demands of their affliction—thievery, mayhem, prostitution. And no one is beyond the reach of drugs, nor any walk of life exempt from its harsh impact. Not even the families of law enforcement officials are immune. Daniel Wallace, the son of a federal Drug Enforcement Administration agent assigned to the Imperial Valley, was sentenced last fall to 11 years in prison for killing a woman in a dispute over heroin. And the brother of slain DEA agent Enrique Camarena Salazar is a heroin addict and underwent treatment at a methodone clinic.

In fact, that is one of the main reasons Camarena joined the fight against narcotics. "He hated drugs," Imperial Valley Sheriff Oren Fox told the los Angeles Times. "He saw what they had done to his family and friends."

As we know, Camarena was one of the noblest fighters in the war on drugs. If there is substance in the axiom that "you can judge a man by his enemies," Enrique Camarena Salazar stands tall. His enemies—the drug traffickers of Mexico—could not tolerate him, his dedication, his incorruptibility. He was kidnapped, tortured and killed. Fifteen months after Camarena died, Mexican authorities still have not brought his murderers to the bar of justice.

□ 1300

The PRESIDING OFFICER (Mr. MATTINGLY). The Senator from South Carolina is recognized.

CHERNOBYL NUCLEAR DISASTER

Mr. THURMOND. Mr. President, last fall it was my privilege to be a member of a bipartisan Senate delegation which traveled to the Soviet Union to seek better relations between our nations. On September 3, 1985, we met with General Secretary Gorbachev and discussed a variety of issues, including human rights and arms control. I believe it is fair to say that every member of that delegation, including this Senator, was impressed with General Secretary Gorbachev's personality and ability. He appeared to be more open to constructive dialog than any of his recent predecessors. In fact, last January, I told former Soviet Ambassador Dobrynin, during the course of a meeting in my office, that we presently had the opportunity and the leadership capability to substantially reduce the tensions which exist between our nations.

Unfortunately, recent events surrounding the Soviet nuclear disaster strongly indicate that expectations for increased candor by the Soviet leadership may be baseless. It would seem that fundamental civility would require the Soviet Government to advise the millions of individuals who may be affected by the Chernobyl meltdown of the extent of this tragedy and its health consequences. Nevertheless, it appears unrealistic to expect such full disclosure from a government which is concerned with the interest of the State, and not the individual.

This disregard for the rights of individuals to express views in opposition to the government is the reason Dr. Andrei Sakharov languishes under house arrest in Gorky.

Today, I announce my cosponsorship of Senate Joint Resolution 326, which would proclaim May 21, 1986, as Andrei Sakharov Honor and Freedom Day. It is appropriate to designate a day to honor this Nobel Peace Prize winner. His only crime is the advocacy of human rights, and particularly the right of Soviet Jews to emigrate from the Soviet Union.

Mr. President, I am also pleased to announce my cosponsorship of legislation which hopefully will substantially reduce revenues received by the Marxist Angolan Government. Senate Resolution 381, sponsored by my friend, Senator DECONCINI, requests that the President use his authority under the International Emergency Powers Act to block United States business transactions which conflict with our national security interests in Angola. Jonas Savimbi and his UNITA freedom fighters are sacrificing their lives to fight communism by Angola. The Marxist Angolan regime, known as the MPLA, is supported by more than 35,000 Cuban troops and Soviet advisers. Oil revenues from the Gulf-Chevron Co. provide nearly 75 percent of the foreign exchange of the MPLA Government. When these funds are used to clothe, feed, and arm Communist troops, I believe the President should use his broad powers and take appropriate action.

The lessons of history are often repeated. The Soviet Government has confirmed its disregard for human rights by virtue of its response to the Chernobyl nuclear disaster. The Communist goal of world domination continues. It is clearly illustrated by Soviet involvement in Afghanistan, Nicaragua, and Angola. Accordingly, we must strongly demonstrate our national support for freedom fighters like Dr. Andrei Sakharov and Jonas Savimbi.

STINGERS AND TERRORISM

Mr. CHAFEE. Mr. President, last week I joined as a cosponsor of Senator DECONCINI's legislation, S. 2286, regarding the sale of Stinger missiles to rebels in Afghanistan and Angola. This important legislation would require the same security measures for Stingers we send to Afghan and Angolan resistance forces as for the Stingers we have sold or transferred in the past to other countries.

The extremely accurate and dangerous Stinger is a terrorist's dream. It is fired from the shoulder and can destroy an airplane from several miles away. A terrorist who got his hands on a Stinger would not have to worry about sneaking bombs or machine guns on airplanes. With this in mind, until recently the United States has always required that any country receiving Stingers provide strong security for them. Requirements have included separate storage of the missile and launcher sections, fenced-in storage areas, around-the-clock guards, and protection of information about how the weapons are operated. These measures are the main reason that Stingers have not been available to terrorists.

Now, with the recent delivery of Stingers to rebel forces in Angola and Afghanistan, we face a new threat that terrorists will acquire these weapons. A significant number of U.S. weapons bound for these rebels never reach their destination, and are diverted to the black market, where terrorists can acquire them.

Since we are not demanding that the rebels meet the security requirements we have always set for Stingers, we are opening the door for terrorists interested in shopping for Stingers. Our legislation says simply that Stingers sent to Angola and Afghanistan must be protected in the same way as the Stingers we have sent to other countries, such as Pakistan, Japan and Saudi Arabia.

Mr. President, S. 2286 is an act designed to protect Americans and other potential targets of terrorism from a new, highly lethal weapon. Last week Senator DECONCINI, whom I commend again for his hard work on this issue, pointed out in the New York Times that without strict safeguards, the Stingers we manufacture and send to Angola and Afghanistan could easily be used to kill Americans. I ask unanimous consent that Senator DECONCINI's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Apr. 30, 1986]

SELL MISSILES TO KILL AMERICANS?

(By Dennis DeConcini)

WASHINGTON.—Picture an American jetliner filled with summer travelers as it takes off from a European city. Perched on a hilltop more than three miles away is a terrorist aiming a shoulder-held Stinger antiaircraft missile at the jet. Within seconds, the airliner with its hundreds of passengers disappears in a bright orange inferno.

The scenario is hypothetical, but it is increasingly possible as the United States supplies Stinger missiles to resistance forces around the world. As a safeguard, strong support should be given to legislation before the Senate that would require the President to insist on the same strict control over the missiles in rebel hands as we do for those we sell to our allies.

It is quite possible, given the loose structure of rebels' operations, that they could not satisfy the conditions, and in such cases the missiles should not be provided. We cannot afford to let these particular missiles, the ultimate terrorist weapon, slip into the wrong hands.

The American-made Stinger missile is the most sophisticated of its kind in the world. The portable surface-to-air missile weighs less than 35 pounds. It has a range of five miles, can reach a height of 4,500 feet and is equipped with a sensitive infrared guidance system that permits firing at a target from any angle. The Army acknowledges that the Stinger could easily down a civilian or military aircraft.

The United States Government has set strict guidelines for transportation and storage of Stinger missiles. When we agreed to sell this weapon to our friendly allies, such as Saudi Arabia and members of the North Atlantic Treaty Organization, stringent safeguards were required as conditions of the sale. These safeguards included storage in steel vaults, 24-hour armed security and keeping the launcher and missile locked up separately. We also stipulated the right to conduct an inventory and inspection at any time.

But the Reagan Administration has recently begun covertly supplying rebels in Angola and Afghanistan with Stinger missiles without the same safety requirements. I do not believe we need to provide our most sophisticated weapons to the forces in Angola and Afghanistan for them to be successful. We can show our support for the rebel groups and provide for their defense

needs with weapons less lethal, mobile or destabilizing than the Stinger.

I have grave concern that the Stinger might fall into the hands of Col. Muammer el-Qaddafi, the Palestine Liberation Organization, Iran or even the Russians or Cubans, who maintain large numbers of advisers and troops in Angola and Afghanistan. A journalist who has covered the Afghan war described one rebel group there as being followers of the Ayatollah Ruhollah Khomeini: posters of the Ayatollah adorn the walls of their village.

The State Department has described some of the actions of Unita, The Angolan rebel force led by Jonas Savimbi, as bordering on terrorist activity. For example, Unita claims to have shot down at least three civilian Angolan aircraft.

The recent terrorist bombings of the West Berlin discothèque and the T.W.A. jetliner are evidence of an increased threat to American targets. Colonel Qaddafi says he will export terrorism and "pursue United States citizens in their country and streets." The P.L.O. faction leader Abu Nidal has also said that "America is our target." The United States must protect itself by being careful not to arm its enemies. President Reagan can help to insure the safety of Americans at home and abroad by enforcing strict safeguards on the sale and use of Stinger missiles.

RHODE ISLANDERS CELEBRATE 350 YEARS OF INDEPENDENCE

Mr. PELL. Mr. President, Rhode Islanders are celebrating 350 years of independence. We have always jealously guarded our independence, including our rights to think and say what we choose, live as we choose and worship as we choose.

Roger Williams was banished from the Massachusetts Bay Colony and established the settlement he named Providence 350 years ago. Thirteen householders in the population of 32 in the first year formed the first genuine democracy—also the first church-divorced and conscience-free community—in modern history.

Rhode Islanders have always treasured independence. We are the smallest State with the largest name: "The State of Rhode Island and Providence Plantations." We were the first of the colonies to declare independence on May 4, 1776.

That spirit of independence prevails today. Rhode Islanders only need to look at the top of our State House to see a statue—named the "Independent Man"—that watches over us as a reminder of our heritage and our commitment to welcome different people, fresh ideas and new concepts.

Sunday was Rhode Island Independence Day and Rhode Islanders kicked off a continuing series of events to celebrate. I ask unanimous consent that an article about those celebrations from the Providence Journal of May 5, 1986, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

R.I. THROWS A BIG BASH TO CELEBRATE ITS FOURTH

(By Donald D. Breed)

PROVIDENCE.—Thousands of Rhode Islanders made the State House lawn their playground yesterday, as the 210th anniversary of Rhode Island Independence Day became the first big event of the state's 350th birthday celebration.

The bright blues and reds of militia uniforms stood out against the fresh green grass and the white stone of the State House in the late afternoon. Eight Rhode Island militia units marched, piped tunes and cracked off muskets and cannon. Six of the units date from the days of the Revolutionary War.

Fireworks capped the day's festivities, as Rhode Island's Fourth once again got a two-month jump on the rest of the nation. The display was by the Grucci family, which had put on the New Year's Eve fireworks show that ushered in 1986, the 350th anniversary of the founding of Rhode Island.

Unlike that opening fireworks show, yesterday's was geared for families with small children; it concluded at about 9:15 p.m. The State House steps were packed with onlookers, and the slopes of the lawn became an amphitheater for people who gaped at the bright colors sizzling overhead.

Despite the evening chill, exacerbated by the wind, many people lay flat on the grass to watch. A few farsighted people had brought chairs or blankets.

Those who would turn their back for an instant could see the multicolored glare of the fireworks reflecting off the Capital's dome, the grass and the spectators themselves.

Although there were some groans when the fireworks were delayed about 20 minutes, it still was finished by bedtime for many of the children in the audience.

Earlier, a lot of those children had been romping around, doing wheelies on bicycles, hanging from tree limbs and rolling down the hills. This last exercise they tackled cheerfully even though red marks on their hands showed they had been through the Trinity Repertory Company's ice cream social that offered people all they could eat in desserts from 25 restaurants and food suppliers.

And both adults and children got into the act when the lawn was wrapped with what the RI350 Committee confidently expects will be a world-record birthday card. The card, which is still being added to, is made up of small fabric billboards that an estimated 200,000 people have signed. It wound from Smith Street around the lawn and up the main walkway of the esplanade to the top of the State House steps.

Chief of Capital Police James H. Dodd estimated that 8,000 to 10,000 people had been at the State House as of 6 last night—and that was before the main events had started. Dodd said that, up to then at least, there had been "no problems at all." There was no evidence of alcoholic beverages (which were not permitted), and Dodd said guards had not found it necessary to warn anyone on that score.

Another index of attendance came from Trinity spokeswoman Simone Joyaux. She guessed that around 1,200 people had paid $5 apiece for adults, and $3 for children to enter the dessert tent, dubbed "Carbohydrate City" by a ticket-seller. (Joyaux said she wouldn't count the stubs and know the exact figure until today.)

The celebration was also marked by what may have been the shortest speech ever by a Rhode Island governor, Governor DiPrete, who knew that people were waiting for the fireworks, scrapped most of a prepared speech. He greeted the crowd, briefly thanked the sponsors, naming only WLKW radio, and remarked he'd been brushing up on his "civics" and had confirmed that "Rhode Island really was two months ahead of the other colonies" in renouncing allegiance to Britain.

"Rhode Islanders even then were brave and looking to the future," DiPrete said.

He came to the podium fresh from the new domed theater to the west of the State House, where he watched the multimedia show that promotes the state as an innovator in industry and other fields, both in the past and present.

The theater opened at 8 p.m., about three hours later than expected. It was explained that until black material for portions of the wall arrives from the manufacturer in Scotland, too much light will enter the dome for daylight performances.

But it was the militia units, more than the multimedia show or the fireworks, that best linked Rhode Island's present with its past. Col. John Lauth of the Newport Artillery said that Rhode Island militia have fought in every American war from the French and Indian War, before the Revolution, to Vietnam.

Col. Elmer Palmer of the Kentish Guards narrated a presentation of flags of the Revolutionary War, using it as an occasion to list the major battles and, of course, the outcome.

Units that marched were Newport Artillery, founded 1741; Kentish Guards, Pawtuxet Rangers and Glocester Light Infantry, all founded in 1774; Bristol Train of Artillery, founded 1776; Federal Blues of Warren, founded in 1798; Varnum Continentals of East Greenwich, founded in 1908; and the Second Rhode Island Regiment, an early federal unit.

Lori Griffith of Cranston, there with her children, said she "feels a little better about" Rhode Island after seeing the militia.

After the militia, the Picadors and Matadors marching bands gave concerts. Although the confined space did not allow them to march, the music stirred one child, about 4 or 5 years old, to break-dance.

It was a long day for him. He showed up for the first event of the day, the Lap of America Road Rally, for which Providence was the eastern checkpoint. When the last car rolled through, 108 contestants were still in the running.

The driver in the final car was asked, "Having a good time?"

"Yeah, I guess so," he said. He didn't seem sure.

But he was only here on Rhode Island Independence Day for a couple of minutes.

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1987

(The text of the concurrent resolution on the budget, fiscal year 1987 (S. Con. Res. 120) agreed to by the Senate on Thursday, May 1, 1986, is as follows:)

S. CON. RES. 120

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby determines and declares that the concurrent resolution on the budget for fiscal year 1987 is established and the ap-

propriate budgetary levels for fiscal years 1988 and 1989 are set forth.

(a) The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1986, October 1, 1987, and October 1, 1988:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1987: $642,212,000,000.
Fiscal year 1988: $697,264,000,000.
Fiscal year 1989: $746,218,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1987: $13,212,000,000.
Fiscal year 1988: $20,164,000,000.
Fiscal year 1989: $20,528,000,000.

and the amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1987: $55,500,000,000.
Fiscal year 1988: $59,800,000,000.
Fiscal year 1989: $63,800,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1987: $886,789,156,000.
Fiscal year 1988: $927,241,725,000.
Fiscal year 1989: $956,380,985,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1987: $805,724,000,000.
Fiscal year 1988: $845,726,000,000.
Fiscal year 1989: $867,425,000,000.

(4) The amounts of the deficits in the budget which are appropriate in the light of economic conditions and all other relevant factors are as follows:

Fiscal year 1987: $163,582,000,000.
Fiscal year 1988: $148,730,000,000.
Fiscal year 1989: $121,694,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1987: $2,327,710,000,000.
Fiscal year 1988: $2,533,470,000,000.
Fiscal year 1989: $2,715,657,000,000.

and the amounts by which the statutory limits on such debt should be accordingly increased are as follows:

Fiscal year 1987: $219,682,000,000.
Fiscal year 1988: $205,760,000,000.
Fiscal year 1989: $182,187,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1986, October 1, 1987, and October 1, 1988, are as follows:

Fiscal year 1987:
(A) New direct loan obligations, $34,700,000,000.
(B) New primary loan guarantee commitments, $100,900,000,000.
(C) New secondary loan guarantee commitments, $67,600,000,000.

Fiscal year 1988:
(A) New direct loan obligations, $32,300,000,000.
(B) New primary loan guarantee commitments, $92,200,000,000.
(C) New secondary loan guarantee commitments, $59,800,000,000.

Fiscal year 1989:
(A) New direct loan obligations, $30,200,000,000.
(B) New primary loan guarantee commitments, $94,300,000,000.
(C) New secondary loan guarantee commitments, $62,200,000,000.

(b) The following levels and amounts are set forth for purposes of determining, in accordance with the Congressional Budget and Impoundment Control Act of 1974, as amended by the Balanced Budget and Emergency Deficit Control Act of 1985, whether the maximum deficit amount for a fiscal year has been exceeded, and as set forth in this concurrent resolution, as reported, shall be considered to be mathematically consistent with the other amounts and levels set forth in this concurrent resolution, as reported:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1987: $857,212,000,000.
Fiscal year 1988: $941,164,000,000.
Fiscal year 1989: $1,011,918,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1987: $1,101,259,156,000.
Fiscal year 1988: $1,170,009,725,000.
Fiscal year 1989: $1,220,867,985,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1987: $1,001,212,000,000.
Fiscal year 1988: $1,051,223,000,000.
Fiscal year 1989: $1,083,993,000,000.

(4) The amounts by which the levels of total budget outlays set forth in paragraph (3) exceed the corresponding levels of Federal revenues set forth in paragraph (1) are as follows:

Fiscal year 1987: $144,000,000,000.
Fiscal year 1988: $110,059,000,000.
Fiscal year 1989: $72,075,000,000.

(c) The Congress hereby determines and declares the appropriate levels of budget authority and budget outlays, and the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for fiscal years 1987 through 1989 for each major functional category are:

(1) National Defense (050):

Fiscal Year 1987:
(A) New budget authority, $300,952,840,000.
(B) Outlays, $281,962,273,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:
(A) New budget authority, $312,153,560,000.
(B) Outlays, $291,753,425,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:
(A) New budget authority, $327,153,380,000.
(B) Outlays $305,135,425,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

Fiscal year 1987:
(A) New budget authority, $17,856,313,000.
(B) Outlays, $14,205,448,000.
(C) New direct loan obligations, $7,400,000,000.
(D) New primary loan guarantee commitments, $11,700,000,000.
(E) New secondary loan guarantee commitments, $200,000,000.

Fiscal year 1988:
(A) New budget authority, $18,046,824,000.
(B) Outlays, $14,133,849,000.
(C) New direct loan obligations, $7,500,000,000.
(D) New primary loan guarantee commitments, $11,700,000,000.
(E) New secondary loan guarantee commitments, $200,000,000.

Fiscal year 1989:
(A) New budget authority, $17,296,851,000.
(B) Outlays $13,556,849,000.
(C) New direct loan obligations, $7,700,000,000.
(D) New primary loan guarantee commitments, $11,700,000,000.
(E) New secondary loan guarantee commitments, $200,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1987:
(A) New budget authority, $9,279,812,000.
(B) Outlays, $9,096,821,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:
(A) New budget authority, $9,384,778,000.
(B) Outlays, $9,167,779,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:
(A) New budget authority, $10,047,780,000.
(B) Outlays, $9,501,779,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(4) Energy (270):

Fiscal year 1987:
(A) New budget authority, $4,665,552,000.
(B) Outlays, $4,611,575,000.
(C) New direct loan obligations, $2,000,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:
(A) New budget authority, $5,971,471,000.
(B) Outlays, $5,647,475,000.
(C) New direct loan obligations, $2,000,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:
(A) New budget authority, $5,771,475,000.
(B) Outlays, $5,153,475,000.
(C) New direct loan obligations, $2,000,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):

Fiscal year 1987:
(A) New budget authority, $12,499,552,000.
(B) Outlays, $12,599,575,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:
(A) New budget authority, $12,599,471,000.
(B) Outlays, $12,599,475,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1989:

(A) New budget authority, $12,399,475,000.
(B) Outlays, $12,699,475,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1987:
(A) New budget authority, $23,799,767,000.
(B) Outlays, $23,499,779,000.
(C) New direct loan obligations, $14,300,000,000.
(D) New primary loan guarantee commitments, $8,000,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $26,099,725,000.
(B) Outlays, $24,899,727,000.
(C) New direct loan obligations, $12,100,000,000.
(D) New primary loan guarantee commitments, $8,500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $25,299,727,000.
(B) Outlays, $21,599,727,000.
(C) New direct loan obligations, $11,300,000,000.
(D) New primary loan guarantee commitments, $8,500,000,000.
(E) New secondary loan guarantee commitments, $0.
(7) Commerce and Housing Credit (370).
Fiscal year 1987:
(A) New budget authority, $10,003,798,000.
(B) Outlays, $3,546,809,000.
(C) New direct loan obligations, $4,500,000,000.
(D) New primary loan guarantee commitments, $53,900,000,000.
(E) New secondary loan guarantee commitments, $67,400,000,000.
Fiscal year 1988:
(A) New budget authority, $10,502,762,000.
(B) Outlays, $6,292,764,000.
(C) New direct loan obligations, $4,300,000,000.
(D) New primary loan guarantee commitments, $43,700,000,000.
(E) New secondary loan guarantee commitments, $59,600,000,000.
Fiscal year 1989:
(A) New budget authority, $7,507,764,000.
(B) Outlays, $1,393,764,000.
(C) New direct loan obligations, $4,500,000,000.
(D) New primary loan guarantee commitments, $44,800,000,000.
(E) New secondary loan guarantee commitments, $62,000,000,000.
(8) Transportation (400):
Fiscal year 1987:
(A) New budget authority, $26,794,767,000.
(B) Outlays, $27,794,779,000.
(C) New direct loan obligations, $500,000,000.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $26,492,725,000.
(B) Outlays, $26,692,727,000.
(C) New direct loan obligations, $400,000,000.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $26,591,727,000.
(B) Outlays, $26,791,727,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1987:
(A) New budget authority, $6,891,000,000.
(B) Outlays, $7,196,000,000.
(C) New direct loan obligations, $1,100,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $7,191,000,000.
(B) Outlays, $6,992,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $7,090,000,000.
(B) Outlays, $6,792,000,000.
(C) New direct loan obligations, $1,100,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1987:
(A) New budget authority, $33,228,821,000.
(B) Outlays, $30,557,830,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $10,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $30,277,788,000.
(B) Outlays, $31,246,790,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $10,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $30,176,790,000.
(B) Outlays, $30,644,790,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $11,000,000,000.
(E) New secondary loan guarantee commitments, $0.
(11) Health (550):
Fiscal year 1987:
(A) New budget authority, $38,598,350,000.
(B) Outlays, $38,324,521,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $40,523,100,000.
(B) Outlays, $40,556,100,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $42,523,350,000.
(B) Outlays, $42,379,350,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
(12) Medicare (570):
Fiscal year 1987:
(A) New budget authority, $82,900,000,000.
(B) Outlays, $72,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $90,900,000,000.
(B) Outlays, $80,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $100,800,000,000.
(B) Outlays, $88,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1987:
(A) New budget authority, $161,350,000,000.
(B) Outlays, $121,450,000,000.
(C) New direct loan obligations, $1,800,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $169,263,000,000.
(B) Outlays, $127,733,000,000.
(C) New direct loan obligations, $1,800,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $173,110,000,000.
(B) Outlays, $132,417,000,000.
(C) New direct loan obligations, $700,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(14) Social Security (650):
Fiscal year 1987:
(A) New budget authority, $5,500,000,000.
(B) Outlays, $5,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $6,100,000,000.
(B) Outlays, $6,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $6,900,000,000.
(B) Outlays, $6,900,000,000.

(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1987:
(A) New budget authority, $27,142,164,000.
(B) Outlays, $26,458,256,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $16,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $27,306,830,000.
(B) Outlays, $26,906,847,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $16,900,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $27,402,848,000.
(B) Outlays, $27,102,847,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $17,600,000,000.
(E) New secondary loan guarantee commitments, $0.
(16) Administration of Justice (750):
Fiscal year 1987:
(A) New budget authority, $7,199,060,000.
(B) Outlays, $7,167,107,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $7,098,888,000.
(B) Outlays, $7,098,897,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $6,998,898,000.
(B) Outlays, $7,098,897,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1987:
(A) New budget authority, $5,469,359,000.
(B) Outlays, $5,387,229,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $5,936,803,000.
(B) Outlays, $5,937,146,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $6,070,921,000.
(B) Outlays, $6,070,896,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(18) General Purpose Fiscal Assistance (850):
Fiscal year 1987:
(A) New budget authority, $2,000,000,000.
(B) Outlays, $2,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $2,000,000,000.
(B) Outlays, $2,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $2,100,000,000.
(B) Outlays, $2,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(19) Net Interest (900):
Fiscal year 1987:
(A) New budget authority, $148,536,000,000.
(B) Outlays, $148,536,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $158,353,000,000.
(B) Outlays, $158,353,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $158,963,000,000.
(B) Outlays, $158,963,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(20) Allowances (920):
Fiscal year 1987:
(A) New budget authority, $517,000,000.
(B) Outlays, $525,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $1,936,000,000.
(B) Outlays, $2,011,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, $2,087,000,000.
(B) Outlays, $2,234,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(21) Undistributed Offsetting Receipts (950):
Fiscal year 1987:
(A) New budget authority, −$38,295,000,000.
(B) Outlays, −$38,295,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, −$40,896,000,000.
(B) Outlays, −$40,896,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1989:
(A) New budget authority, −$39,910,000,000.
(B) Outlays, −$39,910,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

RECONCILIATION

SEC. 2. (a) Not later than May 30, 1986, the committees named in subsections (b) through (y) of this section shall submit their recommendations to the Committees on the Budget of their respective Houses. After receiving those recommendations, the Committees on the Budget shall report to the House and Senate a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

SENATE COMMITTEES

(b) The Senate Committee on Agriculture, Nutrition, and Forestry shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $565,000,000 in budget authority and $565,000,000 in outlays in fiscal year 1987, $61,000,000 in budget authority and $61,000,000 in outlays in fiscal year 1988, and $60,000,000 in budget authority and $60,000,000 in outlays in fiscal year 1989.

(c) The Senate Committee on Armed Services shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $0 in budget authority and $0 in outlays in fiscal year 1987, $1,639,000,000 in budget authority and $1,587,000,000 in outlays in fiscal year 1988, and $0 in budget authority and $0 in outlays in fiscal year 1989.

(d) The Senate Committee on Banking, Housing, and Urban Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $12,000,000

in budget authority and $646,000,000 in outlays in fiscal year 1987, $3,000,000 in budget authority and $431,000,000 in outlays in fiscal year 1988, and $150,000,000 in budget authority and $82,000,000 in outlays in fiscal year 1989.

(e) The Senate Committee on Commerce, Science, and Transportation shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $0 in budget authority and $0 in outlays in fiscal year 1987, $0 in budget authority and $0 in outlays in fiscal year 1988, and $0 in budget authority and $0 in outlays in fiscal year 1989.

(f) The Senate Committee on Energy and Natural Resources shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (3) any combination thereof, sufficient to increase contributions and reduce budget authority and outlays as follows: $943,000,000 in contributions, $1,933,000,000 in budget authority and $1,933,000,000 in outlays in fiscal year 1987, $858,000,000 in contributions, $65,000,000 in budget authority and $65,000,000 in outlays in fiscal year 1988, and $664,000,000 in contributions, $80,000,000 in budget authority and $80,000,000 in outlays in fiscal year 1989.

(g) The Senate Committee on Environment and Public Works shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $2,530,000,000 in budget authority and $150,000,000 in outlays in fiscal year 1987, $2,990,000,000 in budget authority and $925,000,000 in outlays in fiscal year 1988, and $3,470,000,000 in budget authority and $1,300,000,000 in outlays in fiscal year 1989.

(h)(1) The Senate Committee on Finance shall report (A) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (B) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (C) any combination thereof, as follows: $0 in budget authority and $1,550,000,000 in outlays in fiscal year 1987, $0 in budget authority and $2,471,000,000 in outlays in fiscal year 1988, and $0 in budget authority and $3,894,000,000 in outlays in fiscal year 1989.

(2) The Senate Committee on Finance shall report changes in laws within its jurisdiction sufficient to increase revenues as follows: $11,312,000,000 in fiscal year 1987; $18,164,000,000 in fiscal year 1988; and $18,718,000,000 in fiscal year 1989.

(i) The Senate Committee on Governmental Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $0 in budget authority and $2,925,000,000 in outlays in fiscal year 1987, $0 in budget authority and $5,037,000,000 in outlays in fiscal year 1988, and $0 in budget authority and $6,325,000,000 in outlays in fiscal year 1989.

(j)(1) The Senate Committee on Labor and Human Resources shall report (A) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (B) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (C) any combination thereof, as follows: $55,000,000 in budget authority and $324,000,000 in outlays in fiscal year 1987, $210,000,000 in budget authority and $449,000,000 in outlays in fiscal year 1988, and $430,000,000 in budget authority and $419,000,000 in outlays in fiscal year 1989.

(2) The Senate Committee on Labor and Human Resources shall report changes in the laws within its jurisdiction which provide spending authority as defined in section 3(10) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce direct loan obligations by $0 in fiscal year 1987, $18,000,000 in fiscal year 1988, and $97,000,000 in fiscal year 1989, and sufficient to reduce primary loan guarantee commitments by $235,000,000 in fiscal year 1987, $15,000,000 in fiscal year 1988, and $0 in fiscal year 1989.

(k)(1) The Senate Committee on Small Business shall report (A) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (B) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (C) any combination thereof, as follows: $91,000,000 in budget authority and $90,000,000 in outlays in fiscal year 1987, $118,000,000 in budget authority and $111,000,000 in outlays in fiscal year 1988, and $668,000,000 in budget authority and $655,000,000 in outlays in fiscal year 1989.

(2) The Senate Committee on Small Business shall report changes in the laws within its jurisdiction which provide credit authority as defined in section 3(10) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce direct loan obligations by $0 in fiscal year 1987, $412,000,000 in fiscal year 1988, and $430,000,000 in fiscal year 1989.

(l) The Senate Committee on Veterans' Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $0 in budget authority and $0 in outlays in fiscal year 1987, $0 in budget authority and $0 in outlays in fiscal year 1988, and $0 in budget authority and $0 in outlays in fiscal year 1989.

HOUSE COMMITTEES

(m) The House Committee on Agriculture shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $565,000,000 in budget authority and $565,000,000 in outlays in fiscal year 1987, $61,000,000 in budget authority and $61,000,000 in outlays in fiscal year 1988, and $60,000,000 in budget authority and $60,000,000 in outlays in fiscal year 1989.

(n) The House Committee on Armed Services shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient ot reduce budget authority and outlays, or (3) any combination thereof, as follows: $0, in budget authority and $0 in outlays in fiscal year 1987, $1,639,000,000 in budget authority and $1,587,000,000 in outlays in fiscal year 1988, and $0 in budget authority and $0 in outlays in fiscal year 1989.

(0) The House Committee on Banking, Finance and Urban Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $12,000,000 in budget authority and $646,000,000 in outlays in fiscal year 1987, $3,000,000 in budget authority and $431,000,000 in outlays in fiscal year 1988, and $150,000,000 in budget authority and $82,000,000 in outlays in fiscal year 1989.

(p)(1) The House Committee on Education and Labor shall report (A) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (B) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (C) any combination thereof, as follows: $55,000,000 in budget authority and $324,000,000 in outlays in fiscal year 1987, $210,000,000 in budget authority

and $449,000,000 in outlays in fiscal year 1988, and $430,000,000 in budget authority and $419,000,000 in outlays in fiscal year 1989.

(2) The House Committee on Education and Labor shall report changes in laws within its jurisdiction which provide credit authority as defined in section 3(10) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce direct loan obligations by $0 in fiscal year 1987, $18,000,000 in fiscal year 1988, and $97,000,000 in fiscal year 1989, and sufficient to reduce primary loan guarantee commitments by $235,000,000 in fiscal year 1987, $15,000,000 in fiscal year 1988, and $0 in fiscal year 1989.

(q) The House Committee on Energy and Commerce shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, or (3) any combination thereof, sufficient to increase contributions and reduce budget authority and outlays as follows: $943,000,000 in contributions, $0 in budget authority and $960,000,000 in outlays in fiscal year 1987, $858,000,000 in contributions, $0 in budget authority and $1,968,000,000 in outlays in fiscal year 1988, and $664,000,000 in contributions, $0 in budget authority and $3,378,000,000 in outlays in fiscal year 1989.

(r) The House Committee on Government Operations shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $0 in budget authority and $130,000,000 in outlays in fiscal year 1987, $0 in budget authority and $20,000,000 in outlays in fiscal year 1988, and $0 in budget authority and $190,000,000 in outlays in fiscal year 1989.

(s) The House Committee on Interior and Insular Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $1,933,000,000 in budget authority and $1,933,000,000 in outlays in fiscal year 1987, $65,000,000 in budget authority and $65,000,000 in outlays in fiscal year 1988, and $80,000,000 in budget authority and $80,000,000 in outlays in fiscal year 1989.

(t) The House Committee on Merchant Marine and Fisheries shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $0 in budget authority and $0 in outlays in fiscal year 1987, $0 in budget authority and $0 in outlays in fiscal year 1988, and $0 in budget authority and $0 in outlays in fiscal year 1989.

(u) The House Committee on Post Office and Civil Service shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $0 in budget authority and $2,795,000,000 in outlays in fiscal year 1987, $0 in budget authority and $4,917,000,000 in outlays in fiscal year 1988, and $0 in budget authority and $2,077,000,000 in outlays in fiscal year 1989.

(v) The House Committee on Public Works and Transportation shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined insection 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $2,530,000,000 in budget authority and $150,000,000 in outlays in fiscal year 1987, $3,006,000,000 in budget authority and $925,000,000 in outlays in fiscal year 1988, and $3,470,000,000 in budget authority and $1,018,000,000 in outlays in fiscal year 1989.

(w)(1) The House Committee on Small Business shall report (A) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (B) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (C) any combination thereof, as follows: $91,000,000 in budget authority and $90,000,000 in outlays in fiscal year 1987, $118,000,000 in budget authority and $111,000,000 in outlays in fiscal year 1988, and $668,000,000 in budget authority and $655,000,000 in outlays in fiscal year 1989.

(2) The House Committee on Small Business shall report changes in laws within its jurisdiction which provide credit authority as defined in section 3(10) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce direct loan obligations by $0 in fiscal year 1987, $412,000,000 in fiscal year 1988, and $430,000,000 in fiscal year 1989.

(x) The House Committee on Veterans' Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (3) any combination thereof, as follows: $0 in budget authority and $0 in outlays in fiscal year 1987, $0 in budget authority and $0 in outlays in fiscal year 1988, and $0 in budget authority and $0 in outlays in fiscal year 1989.

(y)(1) The House Committee on Ways and Means shall report (A) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, sufficient to reduce budget authority and outlays, (B) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce budget authority and outlays, or (C) any combination thereof, as follows: $0 in budget authority and $1,390,000,000 in outlays in fiscal year 1987, $0 in budget authority and $2,303,000,000 in outlays in fiscal year 1988, and $0 in budget authority and $3,716,000,000 in outlays in fiscal year 1989.

(2) The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to increase revenues as follows: $11,312,000,000 in fiscal year 1987, $18,164,000,000 in fiscal year 1988, and $18,718,000,000 in fiscal year 1989.

(z)(1) It is the sense of the Senate that each committee of the Senate or the House of Representatives which, pursuant to subsections (a) through (y) of this subsection, is required to report changes in law to reduce budget authority or outlays, or both, for one or more fiscal years shall submit, as feasible, to the Committee on the Budget of its respective House with such changes a statement specifying, with respect to each program for which such changes are reported—

(A) an estimate (utilizing the baseline upon which the levels and amounts set forth in this concurrent resolution are based) or the total amount of budget authority and outlays for such program for each such fiscal year after such changes are made; and

(B) an estimate (utilizing the current law baseline) of the total amount of budget authority and outlays for such program for each such fiscal year after such changes are made.

(2) For purposes of this subsection the term "current law baseline" means, with respect to budget authority and outlays for a program, the amount of budget authority which would be provided for such program for a fiscal year and the amount of outlays which would be made under such program for a fiscal year under the laws in effect on the date of adoption of this concurrent resolution, without any change in policy.

(3) It is further the sense of the Senate that the Committee on the Budget of the House and the Committee on the Budget of the Seante shall include as feasible, in the report accompanying a reconciliation bill or resolution reported to its respective House under subsection (a) of this section the statements received by such Committee under paragraph (1) of this subsection.

GENERAL REVENUE SHARING

SEC. 3. Upon the enactment of legislation authorizing up to $1,800,000,000 for the purpose of funding an extension for General Revenue Sharing in fiscal year 1987, and upon the enactment of legislation increasing revenues in an amount equal to the amount authorized and in addition to amounts of increased revenues required to be reported pursuant to section 2 of this concurrent resolution, the authorized

amount of budget authority and outlays shall be allocated to the Senate Committees on Appropriations and Finance, as appropriate, and that same amount will be added to the total amounts of budget authority and outlays provided for in this concurrent resolution.

BUDGET DEFERRALS

SEC. 4. It is the sense of the Congress that the Congress intends to disapprove the deferral proposed in D86-37 and D86-10A.

FEDERAL CREDIT PROGRAM REFORM

SEC. 5. (a) The Congress finds that—

(1) The Federal Government is a major lender and allocator of capital through direct loan and loan guarantee programs.

(2) The creation of the Federal Financing Bank was a major step in streamlining and reducing the cost of these programs.

(3) Despite the improvements in funding brought about by the Federal Financing Bank, however, serious shortcomings remain the allocation and management of Federal credit programs.

(e) Current allocation decisions for a loan and loan guarantee programs do not adequately reflect economic costs and, because cost calculations are not uniform across programs, they do not allow accurate comparisons among programs.

(5) Current Federal credit program controls provide little incentive for sound credit management practices or timely debt collection.

(b) It is therefor the sense of the Congress that the appropriate committees of the Congress should initiate a comprehensive reform of the Federal credit budget in order to—

(1) ensure uniform budget treatment of Federal credit programs based on their subsidy cost;

(2) permit accurate comparison of credit and spending programs based on their true economic cost;

(3) promote effective management of Federal credit programs, providing accurate and comprehensive data on Federal credit activity and encouraging timely debt collection; and

(4) undertake accounting and management reforms for Federal credit programs as approprate.

OIL AND GAS EMPLOYEES

SEC. 6. Since in the last six months the Government of Saudi Arabia has more than doubled its export of petroleum and petroleum products; and

Since these increased volumes have resulted in a surplus of the petroleum and petroleum products within the world marketplace; and

Since this surplus has directly resulted in a dramatic reduction of the weighted average price of international crude from $27.10 on January 7, 1986 to $13.08 on April 15, 1986; and

Since the United States has increased its importation of petroleum and petroleum products by 26 percent over the comparable period last year; and

Since this dramatic reduction in price and the increased level of imports has resulted in a corresponding reduction in domestic petroleum exploration activities, including a reduction in the number of active rotary drilling rigs in the United States from 4,797 in 1981, to 865 as of April 21, 1986; and

Since the increase in petroleum imports and the reduction in domestic exploration efforts have resulted in a loss of jobs for individuals who are employed by the oil and gas industry and oil and gas service industry; and

Since American firms and employees that are injured by increased imports are eligible for temporary assistance under the Trade Adjustment Assistance Act; and

Since the Administration is narrowly interpreting the Trade Adjustment Assistance Act so as to exclude employees of the oil and gas industry and oil and gas service industry from receiving the benefits of this act.

It is therefore the sense of the Senate that:

employees of the United States oil and gas industry and oil and gas service industry have been directly injured by a dramatic increase in imported petroleum and petroleum products and by the resulting decline in domestic oil exploration efforts; and

the Administration should immediately broaden its interpretation of the Trade Adjustment Assistance Act so as to allow employees of the United States oil and gas industry and oil and gas service industry to qualify for certification under the Act; and

if the Administration does not act immediately to resolve this matter, the Senate will address this issue on the first appropriate vehicle to be considered by the full Senate.

HIGHWAY ACCOUNT

SEC. 7. It is the sense of the Senate that over the next three fiscal years the cash balance in the Highway Account of the Highway Trust Fund should be reduced toward a minimum level of reserves, in a manner consistent with sound financial practices.

NASA SPACE SHUTTLE PROGRAM

SEC. 8. Upon the enactment of legislation authorizing up to $976,000,000 in fiscal year 1987, $915,000,000 in fiscal year 1988, and $752,000,000 in fiscal year 1989 for the NASA Space Shuttle program, and upon the enactment of legislation increasing revenues in an amount equal to the amount authorized and in addition to amounts of increased revenues required to be reported pursuant to section 2 of this concurrent resolution, the authorized amount of budget authority and outlays shall be allocated to the Senate Committee on Appropriations, and that same amount will be added to the total amounts of budget authority and outlays provided for in this concurrent resolution.

THE CONFIRMATION OF FRANK DUNKLE FOR THE POSITION OF DIRECTOR OF THE U.S. FISH AND WILDLIFE SERVICE

Mr. SIMPSON. Mr. President, I rise to speak in favor of the confirmation of the nomination of Frank Dunkle, as Director of the U.S. Fish and Wildlife Service.

Frank Dunkle possesses most impressive wealth of experience—including 20 years of service in the Montana Fish and Game Department—which makes him an excellent choice for this important position.

Frank Dunkle has a deep understanding of wildlife issues, and a proven appreciation of the political ramifications which so often surround them. In addition to his service in the Montana Game and Fish Department for 20 years, he has also served as a fellow legislator in the Montana State legislature and was a candidate for governor in Montana.

Frank Dunkle joined the U.S. Fish and Wildlife Service in 1983 and has since been working on critical water issues that so directly affect the lives of all of us in the West. Frank is a very level-headed guy who knows how to balance various considerations in coming up with policies that will ultimately benefit our valuable wildlife while meriting the general support of the public. This is not an easy task and he has shown that he can accomplish it well.

There is special significance and importance to the confirmation of a Westerner in the position of U.S. Fish and Wildlife Service Director. Most controversial issues involving endangered species occur in the West because the vast majority of our public land is located in that region. As a Westerner, Frank Dunkle will be bringing a valuable perspective with him to this important post and I wholeheartedly support his confirmation. He will do well.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

EXECUTIVE SESSION

The PRESIDING OFFICER. The Senate will now proceed to executive session.

NOMINATION OF JAMES C. FLETCHER, OF VIRGINIA, TO BE ADMINISTRATOR OF THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of the nomination of Mr. James C. Fletcher, to be Administrator of the National Aeronautics and Space Administration, which the clerk will report.

The legislative clerk read the nomination of James C. Fletcher, of Virginia, to be Administrator of the National Aeronautics and Space Administration.

The PRESIDING OFFICER. The time for debate on this nomination is limited to 2 hours, to be equally divided and controlled by the chairman of the Committee on Commerce, Science, and Transportation and the Senator from South Carolina, Mr. HOLLINGS, or their designees.

Mr. GORTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GORTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

□ 1310

Mr. GORTON. Mr. President, at the request of the distinguished chairman of the Committee on Commerce, Science, and Transportation, Senator DANFORTH, I will handle the time allocated to him under the previous order.

Mr. President, today we consider the nomination of Dr. James C. Fletcher as Administrator of the National Aeronautics and Space Administration [NASA], at a time when NASA and our Civil Space Program urgently need the kind of calming and decisive leadership that Dr. Fletcher would bring to that office.

It has been more than 3 months since the tragedy of the space shuttle *Challenger* and 5 months since NASA has had a permanent Administrator. Last Saturday both our Space Program and our Civil Meteorological Satellite Program suffered another setback with the loss of a Delta rocket and a weather satellite. Over this period of time, there has been an obvious void in leadership—decisions have been purposefully delayed, morale has suffered, and NASA has had to function under a microscope viewed by the whole world.

We have before us today the nomination of an individual whose personal and professional integrity are beyond reproach. Dr. Fletcher has distinguished himself on several fronts, having served for 7 years as the president of the University of Utah and having established a respectful record in the aerospace industry. Most significantly, however, Dr. Fletcher served as NASA's fourth Administrator, from 1971 to 1977, at a time when NASA was concluding its Apollo Program and initiating the Space Shuttle Program. Dr. Fletcher's previous stewardship at NASA will enhance his already-proven capabilities, and, if confirmed, Dr. Fletcher will be able to "hit the ground running," which, for NASA, is critical at this point in time.

Mr. President, I might add that when Dr. Fletcher was first approached for this second nomination, he publicly resisted this call. After further consideration, however, Dr. Fletcher accepted the nomination with full recognition of the fact that he would have to make a significant personal and financial sacrifice if confirmed. Dr. Fletcher is willing to make this sacrifice out of a sense of patriotism and devotion to our Nation's civil space program, which in and of itself, is an eloquent statement about Dr. James Fletcher.

Mr. President, on April 23, the Committee on Commerce, Science, and Transportation held a hearing on the nomination of Dr. Fletcher, and on April 30, the committee overwhelmingly approved the nomination of Dr. Fletcher by a vote of 15 to 1, a margin which should indicate the confidence that the committee has in Dr. Fletcher and in his judgment. NASA and the United States are indeed fortunate to have not only a nominee of Dr. Fletcher's stature, but also, most importantly, to have his willingness to accept this nomination.

Mr. President, on April 23 and 24, the New York Times printed articles which portrayed, over the course of some 15 years, ongoing practices of waste, fraud, and mismanagement at NASA. I should add that it was not coincidental that the first article appeared on the day that the Commerce Committee held its hearing on the nomination of Dr. Fletcher. The article left a disturbing impression that things have not gone as well at NASA as the public has been led to believe. The article cited Federal audits and documents that referred to problems of contract mismanagement, cost overruns, technical difficulties, and avoidance of safety concerns. There has been no categorical denial by NASA that such problems have ever existed. While the articles point out certain deficiencies that may have existed at NASA, some of which may still exist, it also underlines the possibility that Congress might not have performed its oversight responsibilities adequately. The point is that there is enough blame to spread around to all quarters.

The articles highlight audits by the General Accounting Office [GAO] of the Space Shuttle Program during Dr. Fletcher's previous tenure. More specifically, the articles compared projections of space shuttle costs made by Dr. Fletcher during the early years of shuttle development with current measurements of those same costs. Because there is a significant disparity between Dr. Fletcher's projections and the current measurements, the articles inferred that Dr. Fletcher misled Congress in his attempts to sell the shuttle.

Mr. President, nothing could be further from the truth. To begin with, any such allegations run counter to the essence of Dr. Fletcher's character. Also, as anyone familiar with the development of the shuttle knows, this program was unquestionably the most difficult and demanding research and development program ever undertaken by NASA. I want to emphasize that because this was an R&D program, there were questions and uncertainties which were bound to make it understandably difficult to match initial cost projections. We became painfully aware on January 28 that the Shuttle Program is still an R&D program, fraught with risks and uncertainties. Therefore, to hang around the neck of Dr. Fletcher the projections of a program of this nature and magnitude that are 10 to 15 years old is unfair and terribly misleading.

The staff of the Commerce Committee has met with the NASA Inspector General and the GAO regarding the allegations in the New York Times articles. Both the NASA Inspector General and the GAO indicated that the articles should in no way prejudice the consideration of Dr. Fletcher's nomination. Therefore, while the articles may point out that NASA and the Congress should discharge their responsibilities in a precise and responsible manner, they should not delay the prompt confirmation of Dr. Fletcher.

Mr. President, since NASA was created in 1958, it has been a source of inspiration and pride to the United States. NASA and our Civil Aeronautics and Space Program have helped pave the way to U.S. preeminence in science and technology, and it will be NASA that will lead the way in maintaining this preeminence well into the 21st century.

NASA is now in the midst of serious problems. But, Mr. President, I am convinced that, with the administrations of Dr. Fletcher and his skills, and by more careful, thorough, and dispassionate oversight on the part of the Congress of the United States, NASA will be returned to its position of preeminence.

NASA is at a crucial and pivotal point in its existence. Not since the Soviets launched Sputnik has our space program suffered as many setbacks. This affects not only NASA, but NOAA and other programs, and the American people, as well. The whole world anxiously awaits the response of NASA and the United States to the tragedy of the space shuttle *Challenger*. Our response will either reaffirm our leadership in aeronautics and space, or it will allow other nations to close the gap between our respective capabilities. Confirming the nomination of Dr. Fletcher will be the first step in a positive and dynamic national response.

Our national prestige is on the line, as is the future of the space program for generations to come. The President has nominated an individual whose character and professional abilities are impeccable. I urge my colleagues to approve the nomination of Dr. Jim Fletcher as Administrator of NASA so we can restore our civil space programs to its previous position of unchallenged superiority.

Mr. DANFORTH. Mr. President, we are privileged to have before us today the nomination of Dr. James C. Fletcher as Administrator of the National Aeronautics and Space Administration [NASA]. With the tragic accident of the space shuttle *Challenger* and a grounded shuttle fleet, our space program is in the painfully un-

comfortable position of being held, if you will, captive on Earth. Further exacerbating this situation is the fact that NASA has been without a permanent Administrator for 5 months.

Now, however, we have a nominee who has stellar qualifications, not only in the field of academia but also in the aerospace industry. But, most importantly, Dr. Fletcher has the experience of having served as NASA's Administrator from 1971 to 1977. It is this previous NASA experience that has made Dr. Fletcher the obvious choice to help NASA recover from the *Challenger* accident, to restore its space launch capability, and to put NASA back on track toward the 21st century.

We are also privileged to have a nominee whose character and professional integrity are beyond reproach. Moreover, Dr. Fletcher has decided to return to public service even though it will require a significant personal sacrifice on his part. This tells me, and it should indicate to my colleagues, that Dr. Fletcher has a deep and abiding devotion to his country and to our Nation's civil space program.

The Committee on Commerce, Science, and Transportation held a hearing on the nomination of Dr. Fletcher on April 23. This was followed on April 30 by the committee's consideration of his nomination, which resulted in a vote of 15 to 1 in favor of Dr. Fletcher's nomination to serve as NASA Administrator. This vote leaves no doubt about the committee's opinion of Dr. Fletcher's fitness for this position.

Mr. President, NASA's future and that of our Nation's civil space program is at stake, and today we can do something to help restore NASA's position of preeminence in the global arena of aeronautics and space. We can confirm the nomination of Dr. James Fletcher, who is well qualified to provide the steadying and solid leadership that NASA most needs. Once this leadership is in place, NASA will be able to do what is necessary to reaffirm its rightful place as the world leader in aeronautics and space.

Therefore, I urge my colleagues to support his nomination as Administrator of NASA.

Mr. RIEGLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. RIEGLE. Mr. President, I yield myself 15 minutes.

Mr. President, at least two Members on my side will be speaking in opposition to the Fletcher nomination, Senator GORE who will speak somewhat later, Senator PROXMIRE has indicated his opposition, and there will be other Members on my side who may wish to speak presumably in favor of the nomination.

I rise now to indicate my support for the Fletcher nomination. I do so after considerable thought and the time that we spent with Dr. Fletcher when he was a witness before the Commerce Committee and also in the discussion that we had in the Commerce Committee prior to the markup on his nomination.

I think it is essential that we get strong leadership in place in NASA, not only because of the *Challenger* disaster and the loss of those seven astronauts, and the most recent space disaster which occurred over the weekend, but also because I see a pattern of other difficulties that I think relate to these problems which have to be addressed in the most forceful and direct way.

The key part of doing that is to bring new leadership in at the top. I think there has been a real problem of drift in NASA with an inadequate management structure and team at the top of that agency.

I will shortly then address some of the issues related to Dr. Fletcher himself. But I want to also take this occasion to make some other observations about the Space Program generally and space policy particularly in light of the succession of very dramatic, expensive, and damaging accidents that have happened over the last 9 to 12 months.

I think today we do not have a clear direction in terms of American space policy. That has to be corrected, and it has to be corrected quickly. I think the current policy group operating at the highest level within the administration—the group called SIG, which stands for Senior Interagency Group—is not the proper structure to make these policy decisions, and make them on a timely basis.

I think we are drifting at that level. I think it is taking too long. I think we are caught up in jurisdictional arguments back and forth, and we are not getting clear policy decisions and signals from the administration, whether we in the Congress end up agreeing with them or not.

□ 1320

I think it is time to change that structure, and I think we would be well advised to go back to the structure we had in the past, which worked well at the time. That is to establish in its place a national space council, which might properly be under the direction of the Vice President of the United States, in this case Vice President BUSH, similar to the arrangement we had years ago when Lyndon Johnson was Vice President. There was a need at that time to focus and put some real energy behind the decisions and the actions of NASA to get things moving. I think we need a change of structure in the overall policy structure at the top of our Government.

Second, I think we need strong leadership within the agency. I touched on that earlier. I think Dr. Fletcher, whatever reservations others may have and I must say I have some myself, bring with him the capacity for leadership that has been demonstrated by his previous role in NASA and by his other activities throughout a lifetime of accomplishment as a man now of rather senior age.

So I think he has the capacity to come in and give the kind of forceful leadership that is needed in the agency at this time. That means being willing to make tough decisions.

If key people in certain jobs need to be removed, and I think some need to be removed, there has to be a leader who is willing to take that step.

If decision procedures have to be altered, then, again, there has to be a leader sufficiently strong, able and willing to take those kinds of steps. I think this particular man is quite capable of doing that. He has done it before and I think he is quite prepared to do it again now.

To come back to additional factors that I think bear at the moment on our Space Program, most people do not know it but today we have two space programs in the U.S. Government. The Defense Department is operating a Space Program that is twice as big as the one that NASA is operating. We spend roughly $15 billion a year on the Defense Department program and roughly $7 billion a year on the NASA Space Program. I must say as I stand here today I am not convinced that we need two space programs. I am concerned about the fact that the degree with which we have two separate entities of this kind may divide the use of scarce talent in terms of people with specific scientific and management type skills, but it also divides the dollars. I am not sure that this is sound in terms of the direction for us to be taking. I think probably the Defense Department growth has been taking and draining money and emphasis away from NASA. I think that may also be contributing in part to the difficulties we are seeing there.

I also want to say what I said in the markup session on the Fletcher nomination. That is I do not think congressional oversight has been adequate with respect to NASA. I do not think we have done a tough enough job. I do not think we have done a sufficiently arm's-length job over a period of time to really bring the kind of serious congressional scrutiny to the policy decisions and spending decisions within NASA. I think there are too many entangled relationships between key congressional committees and NASA.

I made a reference in the committee and I will make it again today that I do not think it is appropriate for Members of Congress to be taking rides in space. JAKE GARN, a very dear friend of mine and who is a fellow

Senator, a man I respect very much, whom I have a very close relationship with on a working level in the Senate Banking Committee, obviously was one who went, but when that was followed by a Member of the House going, I am just troubled about that. I do not think it is appropriate.

Last week, the announcement by the chairman of the House Committee on Space that at the end of this year he is going to be taking a top-level job representing an aerospace industry association in the private sector, presumably a very high-paying job, was also troubling to me, because it raises the question of whether we have sufficient detachment, a sufficient arm's-length relationship with NASA to be able to make the kinds of tough oversight decisions that are needed.

So I think there is a problem here.

Historically, I look back on the 10 years I served in the other body and I feel that the Space Committee there particularly is tied too closely to the industry. I think it is too much a special-interest committee. As a result, we have fallen short in the Congress ourselves in terms of the kind of tough but fair and aggressive oversight required in this area as in all other areas of Government.

I think in another area we obviously have manufacturing problems. We know that now with respect to the booster rockets on the *Challenger,* which have now been identified as the cause of the disaster and the explosion and the loss of the seven astronauts. This problem was known about. It was not fixed properly. That raises questions about internal procedures within NASA. But is also raises questions about our manufacturing capability, that we were not taking the time or making the effort to design and build a rocket that was sufficient to meet our contingencies. I worry about that with respect to other components.

We have now had a series of spectacular launch failures and I think this calls into question, is the manufacturing quality high enough? Are we doing it right? Are we trying to do too much too fast? Are there too many pressures on launch? Are there too many pressures on multiple missions from star wars to commercial ventures to research and development that we are overloading the system with this capacity? All of these are critical issues that I think have to be raised and dealt with at this particular time.

That brings me back to Dr. Fletcher.

The New York Times, as is well known by now, ran a very long series of articles citing waste and cost misestimates in the early days of NASA under Dr. Fletcher's direction. Clearly, I think those accounts are troubling ones. Accounts of waste whether they have been found by GAO audits or others in that period of time are things that have to be taken seriously. They have to be addressed.

At the same time, we have to weigh against that the fact that over a long period of time, up to recent months, NASA has had an outstanding record of success. We have taken six manned trips to the Moon and back under very difficult conditions and have been so successful, one of the most extraordinary feats ever carried out by our Nation. It was, in fact, a national endeavor, when one looks at the complexity of that task.

We have done numerous other things that have been spectacular in the NASA program. I think the people in NASA and those out in the supplier agencies that have put this together deserve great credit for the accomplishments we have seen over the period of the program. In fact, we are marking the 25th anniversary today in terms of the flight of Alan Shepard some 2½ decades ago.

But changes have to be made. When I asked Dr. Fletcher the question of whether he would be prepared to move people out of jobs at NASA that they now hold, either in terms of the *Challenger* disaster, or decisions made preceding that which appeared to be unsound or improper, he was forceful in saying he was prepared to make the changes needed.

I asked if there would be an old-boy psychology working, him having been in the agency in years past, whether he would feel a need to go with the working arrangements of people; he said no, he would feel absolutely free to make the changes necessary and would do so.

I found it convincing to me that a man of his senior age, having been in NASA before and having gone out to the private sector, would at this stage of the game divest himself of all his private holdings, remove himself from the private endeavors he has been involved in, to come into NASA at perhaps the darkest hour to try to take the steps under intense scrutiny which should properly be there by both the Congress and the press, to come in and be the one to manage that effort under that kind of intense scrutiny to figure out what needs to be done and how to do it. The fact that he is willing to take those steps at this time under those conditions increases my sense of confidence that he is equal to this task, perhaps more equal to it than anybody else we might find at this time.

I do not know whether it might have posed a better solution for someone else to come in and run the agency, but few names have been suggested. His has been proposed and he is prepared to do the job and I think is capable of doing the job.

Another point concerning Dr. Fletcher had to do with his initial concern of the Rogers Commission when he made initial statements about it which I think were unsound, which were troublesome to me in terms of offhand negative comments he made in terms of the Rogers Commission.

When he came to testify before the Commerce Committee, he, on his own, chose, to speak about this and said he was there to make an apology about it, that he felt he had been mistaken in his early comments about the Rogers Commission. When asked, he made it clear that he is prepared to implement the recommendations of that Commission when they are forthcoming. I suspect they will be tough recommendations, as properly they should be, and he, if confirmed, will be in the position of responsibility to see that those recommendations are carried out and will be carried out.

□ 1300

I think he has to resist, as Director of NASA, any pressures from any quarter to launch under unsafe conditions, whether it is pressures coming out of Congress or pressures coming out of the administration or pressures coming out of a backed-up workload of different kinds of vehicles that need to be sent into space, or whether it is complaints from the press about launches being postponed time and time again because things are not quite right. Whatever the collective source of pressures on NASA, we need to have somebody in that directorship who is strong enough to say, "We are not going to launch until we are as certain as we are capable of being within human limits that it is a safe circumstance in which to launch." That means launch procedures, engineering design, all the other factors that go into it.

I think this man is strong enough to be able to exercise that kind of top leadership and to put a team together that gets it done.

Putting that team together, I think, is also critical. I do not know whether it is easy today to recruit the best scientists and people to come into NASA, particularly given all the difficulties that have taken place there, because of the skepticism as to whether the money is going to be available or whether other key personnel will have left the agency or its reputation has been damaged and so forth. We need somebody running the team there who can go out and reach into the professional community across the country and persuade other capable executives, many of them earning four or five times as much money in the private sector, to leave those jobs, divest themselves of their outside holdings, come into the Government system, go into NASA at a troubled time and do what needs to be done with regard to the work load and see that it is carried out.

I think Dr. Fletcher has the capacity to identify, to recruit, and to bring in the key other people that are needed at this time.

Our space program is way behind at the moment. We are shut down for all practical purposes. I do not see the shuttle flying for at least another year and perhaps longer. The earliest date we are talking about building and having the U.S. space station up in space is 1994, 8 years from today. Yet this very day, the Russians have a space station up in space. They have cosmonauts in that station today, performing very valuable research for their nation. We need to be moving as rapidly as we can to close that gap. At a minimum, we are looking at an 8-year gap.

I think changes do need to be made. I think Dr. Fletcher has the capacity to come in and call the shots that need to be called at the present time within the agency. In terms of the other issues I have raised, in terms of larger policy structure and decisionmaking, those decisions are going to have to be made elsewhere. And at the top level of the Reagan administration, there is going to have to be more attention to these issues.

Here in Congress, we are going to have to toughen up our own procedures and try to solve the problems that prevented us from doing the kind of serious oversight job that I think was required in the past and will be required in the present and certainly in the future.

At this time, Mr. President, I know the Senator from Tennessee wishes to speak.

Mr. GORTON. Mr. President, will the Senator from Michigan yield to me 3 minutes on my own time to respond to those comments?

Mr. RIEGLE. Of course, I will, Mr. President.

Mr. GORTON. Mr. President, I should like to say that as we pass through this extremely difficult time in connection with the fortunes and the management of the National Aeronautics and Space Administration, the cooperation and, for that matter, the guidance of the distinguished Senator from Michigan, as ranking minority member of the Subcommittee of Science, Technology, and Space, has been both constructive and inspiring, and extremely helpful to me. I think it presents an example of the kind of work that we can do together on a bipartisan basis to see to it that the space program is greatly strengthened. I simply want to take this public opportunity to thank him for his work and to say to him that the future successes of NASA will be done in large part to that work and to that constructive help.

Mr. RIEGLE. Mr. President, let me yield myself a moment to thank the Senator from Washington for his very generous comments. They mean a great deal to me and I think we have been able to establish the kind of bipartisan and nonpartisan cooperation that just has to be the case here. We have to figure out what to do and how best to do it.

I appreciate his kind comments and I see us as very much being able to sort through these questions together as we have been doing, and I look forward to continuing to do that. I think that moving on this in as timely a fashion as we can is really critical. I know the Senator from Washington shares that view and will be willing to move things ahead here at as rapid a pace as we are able to do.

For that, I am appreciative and I say to him that he can count on my continued support and cooperation to try to see to it that we are able to get these matters resolved and handled in the best fashion we can.

Mr. President, I yield 15 minutes to the distinguished Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. GORE. Mr. President, I thank my distinguished colleague, the Senator from Michigan [Mr. RIEGLE] for yielding me this time. Echoing the comments of the subcommittee chairman, I want also to commend Senator RIEGLE for his work and commend the chairman for his work.

Mr. President, I have greatly enjoyed serving on the Space Subcommittee for almost a year and a half now. It has been an eventful period of time for the subcommittee, frankly, for we have had our hands full. It has been very difficult work, but work that must be done.

Mr. President, I rise in opposition to this nomination. The vote in committee, as previously noted, was 15 to 1. I was the sole dissenter in the committee. I wish to inform my colleagues in the Senate of my reason for voting as I did. First, let me note that in spite of my strong opposition to Dr. Fletcher, I stated in the committee that I have no wish at all to delay the Senate's ability to vote on this nomination; I do not wish to be obstructionist or dilatory, I do not plan any kind of extended debate, and I was happy to agree to a unanimous-consent request to limit debate on this issue.

I do hope, however, that there will be a record vote, and I have been assured that there will be. I hope very much that my colleagues will consider this particular vote with unusual care.

NASA desperately needs new leadership. We must go forward with this nominee quickly, if that is the will of the Senate, for NASA has had a leadership vacuum for many months now, since well before the *Challenger* tragedy in January. But I sincerely believe that the country and NASA would be better served if the new Administrator were someone other than Dr. Fletcher.

Let me hasten to add that I have no question whatsoever about Dr. Fletcher's integrity or personal fitness. I bear no animosity toward him. I appreciate his willingness to meet with me and talk at length about the concerns I have raised. But I have very serious doubts about Dr. Fletcher's ability to provide the kind of leadership that NASA so desperately needs right now.

It is my impression, Mr. President, that Dr. Fletcher's nomination met with resounding approval when it was first announced, largely because most people believed all went well during Dr. Fletcher's previous tenure as NASA Administrator. Many Members of this body had the opportunity to work personally with Dr. Fletcher, and I deeply respect their assessment of his ability and character and judgment. For my own part, I can only go on the basis of the record that has been compiled. Based on that record, I cannot in good conscience support this nominee.

We will be forced to rely heavily on the judgment of the person who becomes the next Administrator of NASA. This year we will make some of the most difficult choices we have ever made with respect to the Space Program. It is unfortunate but true that in making choices of this kind, legislators have to rely on the technical advice, scientific judgment, and economic judgment of the leader of NASA.

□ 1340

I oppose Dr. Fletcher's nomination because I have lost confidence in his judgment. Let me explain why.

Recent analyses in the New York Times, the Orlando Sentinel, Miami Herald, and the Houston Chronicle have given us reason to question the perception that NASA was running just fine up until the *Challenger* accident.

Mr. President, the problems that have come to light in the immediate aftermath of the *Challenger* accident did not begin a few hours before liftoff when the thermometer started dropping and those who raised warnings about the solid rocket booster were ignored. We now know from these extensive newspaper accounts, triggered by the *Challenger* tragedy, that the problems began a long time ago. In my opinion, the record demonstrates that the problems began during Dr. Fletcher's prior tenure as Administrator.

It now seems apparent that after landing men on the Moon and returning them safely to Earth again, there was some confusion about where NASA should go next. The first choice was the trip to Mars. When that goal

was rejected partly because of budget constraints, the construction of the shuttle system became the premier mission for NASA.

It was Dr. Fletcher who essentially sold the shuttle system to the Congress on the basis of analyses and projections that he brought forward to Congress.

I want to come back to the projections he made at that time, but let me say that NASA began to drift with the shift from the Apollo Program to the Shuttle Program. Management problems began to appear. Mismanagement began to take place.

Just to mention a few of the charges that were made in newspaper accounts, particularly in the two articles in the New York Times, when you add up the amount of money allegedly wasted, documented in the GAO reports, it comes to about $3.5 billion. There are numerous examples of the kind of waste that the public has come to associate with defense contractors—selling a building for $300,000, for example, and then renting the same building for $3.6 million over a period of years. There is a very long list of similar examples which I will not read but which I will insert in the RECORD as part of the articles which I will ask permission to insert at the end of my remarks.

In 1977, the last year of Dr. Fletcher's prior tenure, the GAO noted that it was impossible to distinguish between cost overruns that resulted from technical changes and cost overruns that resulted from waste, fraud, and abuse.

There are many other similar charges contained in these recent reviews of NASA's performance over the last couple of decades.

I asked Dr. Fletcher a number of questions about these charges when he appeared before the committee. I asked him, for example, what happened when he projected for the Congress that it would cost $100 a pound to put payloads into orbit on the shuttle and yet it now costs more than $5,000 a pound. His response was, "Something must have happened on the way to the bank."

Afterward, I submitted a series of questions in writing, and Dr. Fletcher was kind and courteous enough to respond in writing.

Mr. President, I ask unanimous consent to insert that exchange of correspondence in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE

Washington, DC, April 25, 1986.

Dr. JAMES FLETCHER,
Old Executive Office Building, Washington, DC.

DEAR DR. FLETCHER: In accordance with our agreement made during your confirmation hearing on April 23, I am presenting the following questions to you that were raised by the article in the April 23, 1986 edition of the *New York Times.*

I would reiterate that I am willing to believe that there could be mis-statements of fact in the article, and that it is possible that a different perspective could alter the image created by the piece.

My questions are as follows:

1. The article states, "In 1972, Dr. Fletcher predicted in news releases and Congressional testimony, a cost of $10.45 million for each shuttle launching. The General Accounting Office said then that the figure was 'misleading', and 'overly optimistic' since it accounted for only operating, not construction, costs and did not reflect considerable technical uncertainties."

"Today the costs are $279 million for each launching, including construction and operations, and $151 million each time just for operations, according to Congressional Budget Office figures. Even after discounting for inflation, today's operations cost alone for each launching is five times the original projections. The original NASA projections said the shuttle would be uneconomical if launching costs rose more than 75 percent."

Did you represent those costs to Congress, and on what basis did you project those costs?

Do you disagree with the present costs as represented in the article?

Did you know of the General Accounting Office's disagreement with your cost projections? Did you disagree with them, and if so, why?

How do you account for the great disparity between your cost projections and the ultimate actual costs?

2. The article also states "Dr. Fletcher predicted, too, that the cost of lifting shuttle cargo into orbit would be $100 dollars a pound. The cost now is $5,264 a pound for the total program and $2,849 a pound for operations alone. Discounting for inflation the corresponding rise is 9 to 19 times, Congressional Budget Office figures showed."

Did you make such estimates of the cost of cargo charges at that time? On what basis?

Do you disagree with the figures quoted in the article?

How do you explain the disparity between your projections and the actual present costs?

3. The article states "In letters to Congressional auditors, Dr. Fletcher and his deputies consistently refused to correct many of the problems cited by the inspectors, including management errors, spending abuses, delays in hardware testing, lax monitoring of contractors and optimistic estimates of costs and technical problems."

Were such allegations and criticisms made of NASA during your tenure?

Did you take exception to those suggestions, and if so, why?

4. The article states that on April 6, 1977, Dr. Fletcher wrote to the General Accounting Office: "Cost effectiveness was a central feature in the initial approval for the shuttle, and remains so. On a payload cost basis, the shuttle is the most economical space transportation system." The previous year, he cited the "past excellent NASA record for on-time within cost program accomplishment on major manned missions".

Assuming you made such a statement, how do you resolve the disparity in your description of an "excellent" NASA record with one that was repeatedly criticized by the General Accounting Office. You were later quoted in the article that you were in a "running battle with the G.A.O.", and characterized the different evaluations as differences of judgment. Specifically, how did your judgment and approach to management differ with the GAO?

5. You were also quoted as saying "In retrospect, maybe we were optimistic. The cost per flight rose way beyond what we anticipated. We're all disappointed it didn't come out the way we calculated." Specifically, what costs rose, and precisely what were the errors in your calculations? Did you realize these errors while you were still at the agency, and if so, did you make those known to the Congress?

6. The article also paraphrases you as having said that the cause of the problems at the agency was that NASA was "under severe budget restraints and asserted that most of the problems with the shuttle occurred after he left the agency".

Please describe the budget constraints specifically. How much money do you believe was needed, and what was the shortfall? Specifically, how did those budget constraints lead to the aforementioned problems?

What problems occurred while you were at the agency, and what major problems occurred after your departure?

7. The article states "In 1977, the G.A.O. said NASA, unlike the Pentagon, had not determined for Congress what cost increased resulted from inflation, what came from changes in the size of a project or what came from technical problems."

Do you dispute this statement? Could NASA distinguish between varying contributing causes to cost overruns?

If NASA could not distinguish between contributing causes, why not?

8. The article also quoted a veteran GAO auditor whose experience in auditing NASA dates back to your previous tenure, stated that NASA was slow to provide material to auditors, citing a management philosophy wherein "they (NASA) want to provide a minimum of information, and it takes a great deal of effort to get the records we need".

Given that you also stated that there was a "running battle" with the General Accounting Office, was this a management philosophy of NASA's?

9. The article also states that "From 1975 until 1981, NASA, in violation of its own contract and Federal codes, allowed Rockwell to buy part on the open market when millions of dollars of identical parts were available much cheaper from Federal sources, the auditors said." This leads to outrageously high charges for relatively inexpensive parts.

Do you dispute the fact that Rockwell was not required to buy the parts from Federal sources? If not, do you dispute that this was a violation of NASA and Federal procurement regulations?

April 28, 1986.

Hon. ALBERT GORE, Jr.,
U.S. Senate,
Washington, DC

DEAR SENATOR GORE: This letter addresses the questions you raised during my confirmation hearing on April 23 and in your letter to me of April 25.

Question 1: The primary purpose of the Shuttle was to develop the capability required for routine and cost effective access of people and equipment to and from space to achieve the benefits of the scientific, civil and military uses that will be important in decades to come to maintain world leader-

ship. The figure of $10.45 million (in 1971 dollars) was only for our projection, at the start of the program, of the average operating costs over a twelve year operational period. It is my understanding that NASA completed development of the Shuttle generally along the lines originally prescribed, with some configuration changes; however, that the projected cost of operations, if calculated on the same basis as the original projection, have risen to about four times the original estimate (about $40 million per flight in 1971 dollars). The comparison in the New York Times article grossly overstates the increases because it compares costs for one year in the early part of the flight program with the original projected average for all missions to be flown over a twelve year period and because it includes amortization of development costs and imputed interest costs which were never intended to be included in the initial projections.

The Shuttle is at present the only means of transporting women, men and equipment to and from space; but even though justification of the Space Shuttle was not based on the details of Shuttle economics alone, all of us wish that it has been possible to meet the early operations cost goals. My understanding is that the increase has been attributable in about equal portions to the decrease in projected flight rates and to other factors. We did have some disagreements with the General Accounting Office (GAO) on NASA's cost projections and, as I remember it, no independent cost estimates were made by the GAO. These disagreements related primarily to the design uncertainties and the assumptions on flight rate. There never was an attempt to "mislead anyone on the cost aspect of the Shuttle" and NASA took the cost objectives seriously.

Question 2: Although the figure of $100 per pound was used as a goal in the early phases of the Shuttle definition activity, my memory is that the information I presented was primarily in terms of cost per mission. The projected cost of $10.45 million per mission would result in a cost of about $160 per pound if the Shuttle were fully loaded in terms of weight carrying capacity. The figures in the news article appear to be based on the cost per flight amounts cited in question #1 and are substantially overstated for the same reasons.

Question 3: It is my impression based on many discussions with GAO auditors and Mr. Elmer Staats, the then Comptroller General, that NASA did agree to correct most of the problems raised over the years 1971-1977. However, there remained some issues on which there was an honest difference in engineering or management judgment to which we responded to the GAO in writing. I am not aware of any such disagreements that could have led to charges that we "consistently refused" to correct problems.

Question 4: In reviewing the programs of NASA, or any other agency, the function of the General Accounting Office is to identify problem areas and to recommend improvements. The fact that the reports contain primarily crticisms of the agency's activities reflects the nature of the audit function, not an assessment of agency performance. The agency has responsibility for considering and responding to these recommendations. In many cases the agency will agree with the GAO recommendation and take the action recommended. In other cases for reasons of engineering or management judgment on specific issues, the agency may disagree. This should not be viewed as indicating disagreements on basic management philosophy, nor on the need for effective management direction and control, but rather a difference of judgment on specific issues. We generally were provided an opportunity to comment on the GAO studies and I used these occasions to express agreement or disagreement with their findings. One example which comes to mind involves the timing of production of orbiters. The GAO recommended that we delay start of production of the last three orbiters until after the initial flight tests of the first two orbiters. In our view such an approach might be appropriate for a program with a distinct design, development, test and evaluation phase followed by a large production run; however, for a program such as Shuttle involving only a small number of vehicles and a gradual evolution from the initial experimental flights toward an operational capability, we did not believe that approach to be appropriate. Our judgment on this matter was clearly explained in a letter to the GAO.

Question 5: The early projections of Shuttle flight costs, made at the beginning of the program before the Shuttle began flying depended on a number of assumptions. To the best of my knowledge there were no errors made in the calculations themselves regarding cost per flight. However, since apparently a number of the assumptions were not borne out in actual flight experience, actual experience did not correspond to the earlier projections. It should be noted that when I left the agency the estimated cost had risen about 20 percent and it is my impression that this increase was made known to the Congress.

Question 6: In the early years of the Shuttle program some reductions were made in our budget requests which caused delay of some of the early design and technology effort. These reductions were significant relative to the amount requested at that time, about 10-15 percent in FY 1974 and 1975 as I remember it. Our request was also reduced by $100 million in FY 1977. One result was that we were not able to move as rapidly as we had hoped into development effort on the main engine, which involved some of the most challenging technology in the entire Shuttle system. Budget restraints force judgments to be made between the desirability of specific proposed activities and the overall cost constraints. This situation can be disruptive to a complex technological development program with a large number of closely interrelated systems which must progress toward flight readiness in a carefully coordinated manner.

Question 7: I do not recall the GAO statement that NASA was unable to distinguish between increases caused by inflation or increases resulting from technical changes referred to in the question; it may have been made after I left. However, I disagree with it. During my tenure as Administrator, NASA could and did distinguish between cost increases caused by inflation and those related to other factors.

Question 8: My philosophy as Administrator was to utilize auditing as an important management tool. As I recall, we maintained an independent internal auditing staff of several dozen people. In addition, we cooperated with the GAO, which in fact had fairly sizeable numbers of GAO auditors in residence at NASA during my tenure. As I mentioned in my answer to question #4 I can remember at least one major disagreement with GAO regarding the size of the initial orbiter procurement. Apart from that, there were, of course, a number of smaller issues on which GAO and NASA disagreed. My general approach was to work constructively with GAO and its personnel.

Question 9: I was, and am, unaware of any Rockwell procurements made during my term as Administrator that were in violation of government procurement regulations. Had I been aware of such practices, I would not have permitted them to continue.

I look forward to meeting with you to discuss further areas of mutual concern.

Sincerely,

JAMES C. FLETCHER.

Mr. GORE. Following that exchange of correspondence, I had an opportunity to meet privately for the second time with Dr. Fletcher at some length. I asked him a number of questions about the allegations that were made in the articles, and although the conversation was extremely pleasant and courteous, Mr. President, I was troubled by some of the responses.

For example, I asked him about the violations of regulations by the principal contractor on the shuttle, Rockwell, and asked him about procurements that violated Government regulations. His response was, "I was, and am, unaware of any Rockwell procurements made during my term as Administrator that were in violation of Government procurement regulations."

Well, Mr. President, they are a matter of public record.

I asked him why the turnaround time for the shuttle had been extended so dramatically. He said it was probably due to competition from Ariane and from other competing launching systems.

Mr. President, that is simply not the case.

I asked him a number of other questions as well. I asked him, for example, about his recent service on the Fletcher Commission which, although not directly related to the shuttle project, is nevertheless in the same technical areas. I asked him what his prediction was about the chance of building a nearly perfect shield that would catch 99.9 percent of incoming Soviet missiles on a cost-effective basis and prove that idea feasible by the year 2000. He thought a minute and said "50-50."

□ 1350

Mr. President, as I told Dr. Fletcher, virtually every scientist in America who is familiar with this program now snickers at the prospect of a 99.9 percent perfect defense.

The President's own SDI managers are taking the program in a very different direction, toward a limited missile defense program, because they know it is completely unfeasible to do what Dr. Fletcher said at a 50-50 chance of success.

We spoke at some length about that, and at the end of that particular part of the conversation, he said, "Well, maybe I was a little too optimistic."

Mr. President, I think that not only was he too optimistic about the shuttle, but also, he provided Congress with information that was very harmful to our ability to assess the Shuttle Program.

On my own, I contacted the General Accounting Office auditors who were quoted at length in these newspaper stories, and I independently confirmed that, in their view, the articles are accurate in their depiction of the problems at NASA. For that reason, I do not think Dr. Fletcher is the man for the job.

In addition, the GAO auditors confirmed independently that they encountered tremendous resistance from NASA, under Dr. Fletcher, to any constructive criticism about the mistakes they felt NASA was making. They confirmed that, in their view, very serious cuts in testing and quality control were made by Dr. Fletcher, against the advice of the auditors and against the advice of numerous space policy and space science experts.

Dr. Fletcher himself referred to what he described as a running battle between NASA and the GAO during his prior tenure.

Mr. President, the nomination of Dr. Fletcher is going to be confirmed—I understand and recognize that fact—and I will do my best to work with him, as a member of this subcommittee. But I say to my colleagues who are considering whether or not to join the minority that will vote against his nomination, look at the record. The problems at NASA began under Dr. Fletcher. The drift, the loss of focus, the mismanagement, the waste—it all began in the period immediately after the Apollo Program, during the transition from Apollo to the shuttle. Now we are asked to go back and put him in charge of NASA again. It is a mistake. It is a mistake this body is in the process of making, I understand. But I hope my colleages will look carefully at the record and that those who wish the best for NASA will hold out the small chance that the President of the United States might search far and wide to find an administrator who fits the bill for NASA—one who can do the job NASA so desperately needs at this critical point in its history.

Mr. President, I ask unanimous consent to have printed in the RECORD articles from the New York Times, Orlando Sentinel, and Miami Herald.

The PRESIDING OFFICER. Without objection, it is so ordered.

NASA Wasted Billions, Federal Audits Disclose

(By Stuart Diamond)

The space agency and its contractors have wasted billions of dollars on the shuttle and other space programs despite warning after warning by Government inspectors that such heavy losses were occurring through bad management procedures, Federal audits show.

The problems that come to light now in the National Aeronautics and Space Administration reflect a far different picture from that widely held in the years before the Challenger catastrophe of an essentially smoothly running, trouble-free agency.

And the audits, many of which have been made available under the Freedom of Information Act, hold special significance not only in showing how NASA was operated in the years before the Challenger explosion of Jan. 28. The documents also take on added importance because the Government is facing key decisions about the future of the American space program, including who should direct it, and, some experts contend, about the future of NASA itself.

CRITICISM OF NASA CHIEF

Dr. James C. Fletcher, who headed the agency in the 1970's and whom President Reagan has nominated to lead it out of the post-accident era, is said by the Federal auditors to have misled Congress and the public in the 1970's about essential costs of the shuttle program. Dr. Fletcher's confirmation hearings open in Congress today.

In an interview that was one of a series with past and present NASA officials, Dr. Fletcher conceded that he was "over-optimistic," but denied that he attempted in any way to mislead Congress.

The overall pattern of management problems as well as broken promises on costs, schedules and performance emerges from a review by The New York Times of more than 500 audits, other Government documents and economic reports by outside experts and from a series of interviews with American space experts.

In the last 15 years, the bad administration and spending abuses have been found in virtually every aspect of the NASA operations, from running the shuttle to developing planetary probes, from satellites to construction of buildings, from space experiments to employee overtime, from headquarters to field centers, according to the documents.

In the opinion of experts inside and outside of Government, faulty administration procedures of the types complained of have severely hurt the American space program and are impossible to separate from safety problems that culminated in the Challenger explosion and death of its seven astronauts.

AUDITS DESCRIBED AS FAIR

The total waste amounts to at least $3.5 billion, according to dollar amounts cited in the audits. But in many cases the audits did not give dollar figures for instances of significant waste, and Francis P. LaRocca, the attorney for the NASA Inspector General's office, said, "We always assume we have only seen the tip of the iceberg—there is probably much more out there."

NASA officials say that, in general, the audits have been fair and accurate. They concede that their agency was slow to correct financial and management problems, taking several years in some cases to do so. But they insist that their flaws have been strictly administrative, not technical, and they deny that the flaws led to problems with shuttle safety.

Among other key findings, most of them new to the general public, reported in these documents and interviews are these:

The NASA Inspector General's office reported only last month in an internal document that the Marshall Space Flight Center at Huntsville, Ala., did not properly monitor what happened to defective equipment. Marshall was in charge of the booster rocket whose seal problems are considered the probable cause of the shuttle explosion. And last November, just two months before the disaster, Congressional auditors repeated previous findings that Marshall was weak in keeping track of and handling shuttle equipment.

Millions of dollars in NASA equipment has simply disappeared, either stolen or lost.

Hundreds of millions of dollars has been lost through failure to enforce contracts in a wide variety of projects. Contract failures included paying NASA or contractor employees for vastly inflated expenses.

NASA spent as much as $1 billion more than it needed to for the new Tracking and Data Relay Satellite System.

Hundreds of relatively small contracts resulted in the waste, overall, of hundreds of millions of dollars. In one, for example, the Government agreed to pay a total of $3.6 million in rent for a building that it had just sold for $300,000.

The audits, by the NASA's Inspector General's office, Congress's General Accounting Office and the Pentagon's Defense Contract Audit Agency, allege thousands of NASA or contractor violations of Federal law or regulation. And they portray an agency with a serene, always-in-control reputation as constantly arguing behind closed doors with Government inspectors, and often ignoring criticism.

PATTERNS OF MANAGEMENT

Typical of the kinds of problems the audits disclose is the case of the shuttle's external fuel tank, the huge vessel for hydrogen and oxygen that forms the backbone of the vehicle and, in the Challenger disaster, caused most of the destruction when it exploded. NASA officials have said they believe the tank was pierced by the booster rocket whose seal is believed to have failed.

The NASA Inspector General's office found in 1982 that the costs of developing and making the tank had more than tripled, to $502 million, from its original figure. Auditors attributed the rise to lack of competitive bidding, unrealistic schedules, design changes in the middle of construction, failure to set prices before work began and allowing parts to be built before their design and testing was finished.

The auditors documented 2,714 changes on the tank by 1980. NASA officials changed some key components as many as five successive times as parts were bought and work was done, stopped, ripped out and redone.

They said the "current external tank management is not cost effective and, in our opinion, is a microcosm of the overall shuttle program management difficulties." The tank project was managed by the Marshall Space Flight Center, which also managed the production of the booster rocket faulted in the shuttle explosion. Auditors said many of the problems resulted more from Marshall's management than from budget constraints.

DISAGREEMENT WITH FINDINGS

Marshall officials told auditors that they disagreed with many of the 1982 findings and declined to follow major recommendations, including one that Marshall do more equipment testing and better document its reasons for cost changes, as required by law.

The Federal inspectors replied that Marshall officials "do not have the arbitrary authority to act in contravention to the NASA procurement regulation."

Clearly, one of NASA's biggest mistakes was cited by its Inspector General's office in reports from 1981 to 1984 dealing with the Tracking and Data Relay Satellite System, an orbital communications system to replace ground stations that track space vehicles. The second unit of the system, a $100 million satellite, was aboard the Challenger when it exploded.

The Inspector General concluded in 1981 that the agency had wasted up to $1 billion, or nearly half of the $2.1 billion cost of the system, through a "questionable" leasing arrangement. Because NASA did not have the money to buy the satellites, it guaranteed a Government loan from the Federal Finance Bank to a contractor, Spacecom, a Western Union unit, to buy the system and lease it back.

But the auditors said NASA then failed to adequately monitor the contractor, letting it withdraw millions of dollars in advances for work not yet done, for expenses expressly disallowed and for payments on other contracts.

There were many delays and "excessive" cost increases, but auditors said NASA managers at the Goddard Space Flight Center in Greenbelt, Md., had agreed to pay for all delays, regardless of who caused them. And NASA agreed, "in direct contravention of law," to repay the Government bank all money that Spacecom withdrew, even if the contract were to be terminated in the future for any failure of Spacecom to furnish required services, auditors said. They called these agreements a kind of predetermined "confession of judgment against NASA."

The result, in part, has been a program that is still not operational now, that is more than six years late and is costing taxpayers $200 million a year instead of the $50 million anticipated, the auditors said.

AUDITOR RECOMMENDATIONS

As such, it has failed to fulfill the promise of being a cost-effective replacement for the $70 million-a-year ground-tracking stations. Auditors have urged NASA management to consider liquidating the contract and "take timely and effective management actions" to put the system "on a prudent business basis." The agency did not liquidate the contract and since then the project's total cost has risen to $2.8 billion.

James Elliot, a Goddard spokesman, declined to comment on the problems.

More broadly, in May 1984 the General Accounting Office said NASA's systems to track and correct financial, equipment, property and management problems were "generally ineffective." It said 10 of the 37 management problems that existed in 1981 still persisted.

Only last November, the G.A.O. auditors repeated those conclusions and said the failures to detect and correct problems were still widespread throughout the agency. Auditors wrote of "attitude" and "general leadership" problems that prevented correction of persistent abuses. The report especially singled out the Marshall center, the unit that just two months later gave the order to launch the ill-fated Challenger without informing higher management of problems that had existed with the booster rocket's joints for at least six months. The auditors made no specific mention of the booster rocket but repeated a 1984 criticism that there were "problems with the entire logistics spares program" for space shuttle engines at Marshall, including control over equipment both in purchasing and after it was bought.

ISSUE OF INTERNAL WEAKNESS

The report of last November went on to say that NASA was telling the President and Congress that it had no significant internal weakness at the same time that its own auditors were telling agency management of significant system weaknesses.

On March 27, two months after the explosion, officials at Marshall were cited by the agency's auditors for violating various NASA rules in the handling of hardware that did not meet specifications.

The audit said Marshall personnel "cannot determine the final disposition of nonconforming items." That is, if a part was broken or had some other manufacturing defect, Marshall people could not tell whether it was fixed or not before use.

It has not been disclosed whether or not the booster rocket seal faulted in the Challenger explosion was defective or installed improperly, but it is now generally acknowledged that the seal design itself was faulty.

Dr. William R. Lucas has been the Marshall director since 1974 and was its deputy director from 1971 to 1974. He joined the facility in 1952 when it was the Redstone rocket research unit. He testified before the Presidential commission on the Challenger explosion that he was aware the night before the launching of contractor engineers' concerns about the booster rocket seals but did not inform officials at Kennedy. He said he had been aware for some time of the problems but "never considered the seals as a safety-of-flight issue."

A spokesman for Marshall, told of the various audit findings on Marshall management in Dr. Lucas's reign, said Dr. Lucas would be unavailable for comment.

RESPONSE BY OFFICIALS

NASA officials contend that most of the problems have been corrected. But the audits show that many persisted for years, causing serious cost increases, schedule delays and ultimately damage to agency programs. And the same types of problems continue to crop up while agencywide weaknesses persist, the audits show.

NASA's general response is made by C. Robert Nysmith, Associate Administrator for Management. He said in an interview that the Government audits have been "relatively fair and relatively accurate" over time. Keeping track of equipment and keeping information flowing properly is "not a high priority" with NASA, he said, but one that needs "more attention."

"Getting the agency to identify weaknesses is not a natural culture," Mr. Nysmith added, but he insisted that "the system is improving every year" and he denied that the administrative failures had led to systematic failures in shuttle safety.

But a debate has been raging since the Challenger disaster on whether money and other pressures compromised safety, and the faulty practices disclosed in the audits seem sure to refuel the debate.

IMPLICATIONS EMERGE FROM AUDITS

One of the immediate consequences of the newly revealed audits may well be the additional spotlight they place on Dr. Fletcher as Mr. Reagan's nominee to head NASA.

Dr. Fletcher was the agency's Administrator from 1971 to 1977, the period when many of its major cost and management procedures and abuses originated, according to the audits. And it was essentially Dr. Fletcher who sold Congress on the shuttle by saying it would provide inexpensive and routine access to space through frequent commercial missions.

Government records now make clear that he and his aides were wrong by wide margins in virtually all their economic projections, projections on which Congressional approval of the shuttle was justified and voted.

In 1972, Dr. Fletcher predicted, in news releases and Congressional testimony, a cost of $10.45 million for each shuttle launching. The General Accounting Office said then that the figure was "misleading" and "overly optimistic," since it accounted only for operating, not construction, costs and did not reflect considerable technical uncertainties.

HOW COSTS HAVE MOUNTED

Today the costs are $279 million for each launching including construction and operations, and $151 million each time just for operations, according to Congressional Budget Office figures. Even after discounting for inflation, today's operations cost alone for each launching is five times the original projections. The original NASA projections said the shuttle would be uneconomical if launching costs rose more than 75 percent.

Dr. Fletcher predicted, too, that the cost of lifting shuttle cargo into orbit would be $100 a pound. The cost now is $5,264 a pound for the total program and $2,849 a pound for operations alone. Discounting for inflation the corresponding rise is 9 to 19 times, the Congressional Budget Office figures showed.

In letters to Congressional auditors, Dr. Fletcher and his deputies consistently refused to correct many of the problems cited by the inspectors, including management errors, spending abuses, delays in hardware testing, lax monitoring of contractors and optimistic estimates of costs and technical problems.

On April 6, 1977, Dr. Fletcher wrote to the General Accounting Office: "Cost effectiveness was a central feature in the initial approval for the shuttle, and remains so. On a payload cost basis, the shuttle is the most economical space transportation system." The previous year, he cited the "past excellent NASA record for on-time within cost program accomplishment on major manned missions."

RETROSPECTIVE VIEWPOINT

Dr. Fletcher, now a professor of engineering at the University of Pittsburgh, said in a recent interview: "In retrospect, maybe we were optimistic. The cost per flight rose way beyond what we anticipated. We're all disappointed it didn't come out the way we calculated."

But he said that "the running battle with G.A.O. was real," adding that in the mid-1970's there were 10 to 15 auditors scrutinizing the shuttle program full time at the NASA centers of Marshall in Alabama, Kennedy in Florida and Johnson in Texas. He said that what needed correction was a matter of judgment, his against the auditors. He also contended that the shuttle has still provided valuable scientific and military capabilities to the United States.

Dr. Fletcher said it was not possible to comment more specifically on what happened so many years ago. But he added that NASA was then under severe budget constraints and asserted that most of the problems with the shuttle occurred after he left the agency.

He agreed, however, that the agency now needed critical review, saying, "The structure of NASA should be examined."

NASA now has no Administrator. James M. Beggs, who was appointed in 1982 and recently resigned, is under indictment on fraud charges relating to his previous employment at the General Dynamics Corporation. Mr. Beggs said in an interview that he could not comment on the auditors' criticisms because "my lawyers have put strict restrictions on me."

OUTLOOK ON NEW DECISIONS

Even before the Challenger disaster and the re-examination it has brought, it was clear that key decisions for the 21st century must be made now: Should the United States begin building its next generation of spaceships now or simply remodel the present craft? Will it proceed with the construction of a space station? Will it begin interplanetary exploration with a manned trip to Mars in the 1990's, as many in the space community are urging?

The audits show a wide gap between past promise and future reality in space-related construction as well as shuttle operation.

NASA has proposed building a shuttle to replace the Challenger. The estimated cost of $2.2 billion is more than three times the 1972 projection, and 75 percent more than the 1982 figure, even taking inflation into account. In nearly all NASA's major projects since 1970, costs have significantly exceeded projections, so there is no guarantee the $2.2 billion estimate would be close to the final cost, some shuttle experts say.

Some space economic experts, noting that expendable rockets have been taking an increasing role in the plans of both NASA and private companies, say it may not make sense to build another shuttle. They also point out that the shuttle is now 10-year-old technology and that new reusable space vehicles are on the drawing boards.

DISPARITY ON FLIGHTS

NASA originally predicted that it could complete 48 flights a year with three shuttles, the number it now has left. The agency now projects a maximum of only 24 flights a year, with four orbiters. Some senior astronauts are now saying publicly what they warned privately, that anything more than nine is dangerous because of the time needed between flights for maintenance and preparation.

In fact, according to the audits, NASA takes almost eight times longer to prepare the manned vehicles for launching than it promised Congress when the shuttle program was proposed.

The management problems also raise the immediate question in some minds as to whether NASA should continue to exist in its present form. Should a separate organization manage the shuttle? Should NASA's decentralized space empire, with a Washington headquarters and 11 centers around the country, be consolidated? Almost all outside observers urge that the shuttle program not resume before systematic management improvement occurs.

"The management has simply been poor," one of these observers, Alex Roland, says. Mr. Roland, who was a historian and contract monitor for NASA from 1973 to 1981, is now a specialist in the history of technology at Duke University. "A handful of new people in key positions could turn the agency around," he says. "But the organization is going to have to start holding people more acountable for their actions."

THE MOST DIFFICULT AGENCY

Most of the management problems that are essentially new to the general public and are vast in scope show up in the audits of NASA's Office of Inspector General and a related agency that often works with it, the Defense Contract Audit Agency.

The NASA Inspector General's office, which has a staff of about 100, is chartered by Congress to examine the agency's management and its spending practices. In effect it is a separate entity not beholden to the Administrator, an arrangement similar to the one between the Pentagon and its Contract Audit Agency. Their recommendations to agency heads are not binding. Nor are they normally released to the public.

Figures are not available on NASA's cost management compared with that of other agencies. But some audits indicate that practices at NASA, so long regarded by outsiders as an extremely well-run organization, were on occasion worse than the Pentagon, considered by many the worst for cost overruns.

The General Accounting Office, "an investigative arm of Congress, has generally found the same kinds of management problems at the space agency as the NASA and Pentagon auditors have. In 1977, the G.A.O. said NASA, unlike the Pentagon, had not determined for Congress what cost increases resulted from inflation, what came from changes in the size of a project or what came from technical problems. And while the Air Force was able to reduce contractors' prices through negotiation an average of 15 percent, the Marshall center's average reduction was 3.4 percent, NASA auditors said in 1984.

G.A.O. AUDITS OF SPACE AGENCY

The G.A.O. inspectors say they have prepared more than 10,000 audits of Government Agencies since 1970, including 335 audits of NASA.

J. Klein Spencer, a G.A.O. official who has audited the space agency for 10 years, said NASA was slow to provide material needed for audits and sometimes never provided all the information required by law.

He said "NASA has been the most difficult agency" in terms of obtaining information. "We have problems with other agencies," he said, adding that NASA consistently posed problems on every job."

"It is just their management philosophy over there," he said. "They want to provide a minimum of information, and it takes a great deal of effort to get the records we need."

Mr. Nysmith of NASA says the agency's current policy is "to provide them with any information they need—we have a turnaround time in 30 days."

But Mr. Spencer said, "There has been no change."

MONITORING CONTRACTORS

Among the themes that run through the audits reviewed by The times is NASA's inability to manage or monitor the work of thousands of contractors paid billions of dollars for everything from manufacturing and maintaining the shuttles to painting buildings.

More than 85 percent of NASA's $7.5 billion annual budget is spent through contractors.

Often, NASA has allowed contractors to start and sometimes finish projects before costs were determined. This has left the contractor virtually free to determine how much a job would cost, a 1981 audit said. Yet NASA's own procurement regulations specify that pricing must be done before work starts.

On the shuttle, the Rockwell International Corporation, the main contractor spent $20 million on a propulsion system in the two years between receiving a work order and agreeing on a price settlement. NASA had expected a $3.2 million price but wound up paying Rockwell $19.2 million.

At times, more than $750 million in work was being done without price agreements, the auditors found, adding that "the budget and planning cost estimates prepared by Rockwell International Corporation are often inaccurate and unreliable." Some of Rockwell's payment claims were submitted five years after work was started, the audits show.

PAPERWORK AND SCHEDULES

George W. Jeffs, who has been president of Rockwell's North American Space Operations division since 1976, says it is difficult to submit the required paperwork because of the tight schedule. "When you have a change in the middle of a development program," he said, "often the teams don't have time to prepare the proposal that goes to the Government. Oftentimes they get the job done first." The dollars go up as time goes on, he said, because "changes are being made to the changes."

It seems clear that one of the problems may have been the close associations that have developed between NASA personnel and its contractors' employees over the years. Mr. Roland, the Duke historian, says the Rockwell shuttle history illustrates "the cozy relationship between agency officials and contractors."

"They live in the same area, their kids go to the same schools; they even sound the same," he said. "The only way you can tell the difference is by their badges."

Another instance of the mismanagement of NASA contractors, one of the few such cases that was well-publicized, occurred in 1979. It involved what the Defense Contract Audit Agency later called "unnecessary and unreasonable travel costs" amounting to $1.8 million. The billings included drives in rental or private cars by hundreds of workers from Rockwell's California headquarters to Florida to make major thermal tile repairs on a shuttle orbiter, as well as salaries during the cross-country trip and rental of beach quarters in Florida. The cross-country drives cost far more than airfare. Rockwell had also billed the Government for a trip abroad by four people to support publicity for the James Bond film "Moonraker," which featured the shuttle.

Ultimately, NASA managers disallowed $252,000 of the charges.

Mr. Jeffs of Rockwell asserted that "this was an emergency situation" and the company's actions were "extremely reasonable" under the circumstances.

THE PERPETUAL COSTLY CIRCLE

What has happened has in a sense been circular and self-perpetuating. NASA's inability to monitor contractors properly was attributed in part to cuts in staff, made necessary because of shortages in funds caused in many cases by excessive contract spending, the audits show.

In the Apollo program to put man on the moon, NASA has 28 contract monitors at the Johnson Space Center; in 1979 and 1980, it had two. There was one person to monitor the 44,700 purchase orders Rockwell issued in 1981, the auditors found.

At the Marshall center in Alabama, officials authorized Rockwell to purchase $1.6 million in spare parts that were not needed, a 1984 NASA audit said. At $730 million, procurement for more than 120,000 spare parts was the largest single Marshall con-

tract, but the auditors noted that the cost proposals are reviewed by one full-time analyst with some part-time help. The auditors said 78 percent of the reviews were "cursory," violating Marshall's own procurement requirements. Marshall approved fully 99 percent of the requests for spares submitted by Rockwell, the auditors said.

PAYMENTS TO SUBSIDIARIES

Whether because of inadequate staff monitoring or for other reasons, audits show that for years, instead of buying parts directly, NASA said Rockwell or its subsidiaries for parts that had been bought from vendors, contrary to NASA policy. Markups sometimes exceeded 1,000 percent. At one point, Rockwell sold an electronic cooling fan to NASA for $159,000. It had cost the Rockwell subcontractor $5,215.

As late as September 1984, the NASA Inspector General's office was saying that Marshall had "not adequately considered or evaluated the monetary advantages which could be realized" by buying spares directly from vendors. The auditors put the potential cost of this practice over five years at $10 million.

The shuttle contract for the extravehicular mobility unit, which enables astronauts to manuever around outside the shuttle, grew from $24.1 million to $71.8 million in part because NASA's "lack of timely review and consideration of significant changes," according to internal inspection reports.

INSTANCES OF FRAUD

Not all the extra cost to the shuttle and other space programs occured simply because of sloppy procedures or staffing problems. In many causes outright fraud occurred. The space agency, as one audit put it, "lacks essential internal controls to prevent fraud."

In February 1985, Dr. Herman E. Thomason, deputy director of science and engineering at Marshall, pleaded guilty in Federal Court to charges that he "directed, recommended and approved" the NASA puchase of millions of dollars in computer equipment from a company in which he had a substanital personal financial interest.

Dr. Thomason, who had been honored in 1979 for "exemplary leadership," left the agency, paid a $50,000 fine and spent 60 days in jail for violating NASA regulations and "knowingly making false and fraudulent statements" about his outside financial interest, court papers said. Dr. Thomason's department evaluates space data, including that from the shuttle.

Many other instances of fraud also involved NASA employees. One space scientist at agency headquarters in Washington got a $3,000 finder's fee for helping a company to gain an agency contract. The director of NASA's Lewis Research Center in Cleveland was convicted of fraud for submitting more than $6,800 in phony travel vouchers. In 1981, 21 NASA employees at Langley Research Center were found by auditors to have improperly overcharged on their time and attendance, and the auditors said "management had failed to correct the abuses."

Other instances of fraud involved private contractors. Two officials of the Mayfair Construction Company of Cocoa Beach, Fla., were sentenced to three years in prison each for mischarges and false statements pertaining to construction contracts worth more than $20 million at Kennedy Space Center.

But millions of dollars in wasted funds and lost time went virtually unrecovered, auditors said.

Other cases of fraud, generally detected not by NASA's administrators but by the agency's Inspector General and Defense Department auditors, included false claims for overtime submitted by contractors and their employees as well as contract overcharges. One contractor, for example, charged $12,000 each for parts he had agreed to supply for $5,000, parts that were available on the open market for $2,000. In 1980 the Boeing computer Services Company in Seattle paid $2.4 million to settle a $10 million overcharge it had made against the Government, the auditors said.

The audits cite numerous cases in which cost overruns on fixed-price contracts with such agencies as the Army Corps of Engineers, the Air Force and the Agriculture Department were charged to contracts with NASA. In 1985, for example, General Electric agreed to pay a $1.1 million settlement for improperly charging NASA and other agencies an estimated $3.1 million in cost overruns that the contractor could not collect on a fixed-price Air Force contract, auditors said.

Rockwell was discovered to have overcharged the agency for "massive numbers of labor hours" on a fixed-price contract with the Air Force for a satellite. The corporation agreed to pay $1.5 million in 1983. But two years later, on Oct. 31, 1985, auditors reported that Rockwell had tried to get back $541,000 from NASA in legal fees from the case through a general claim for legal expenses. The claim was disallowed.

REPEATED CODE VIOLATIONS CITED

Time and again the auditors cited violations of Federal cost and management regulations.

A significant category of these allegations, perhaps one of the most frustrating to the cost-conscious investigations, has been NASA's practice of buying large quantities of goods already owned by the Government.

In January 1984 Marshall said there were no "off the shelf," or standard, items for the shuttle's main engines. NASA auditors arranged an independent search, which found 1,587 matches from Government sources.

From 1975 to 1981, NASA, in violation of its own contract and Federal codes, allowed Rockwell to buy parts on the open market when millions of dollars of identical parts were available much cheaper from Federal sources, the auditors said. In a case reviewed in newspaper accounts shortly after the Challenger explosion, NASA was found to have paid Rockwell's Rocketdyne division $120 each for bolt assemblies available from Government sources for $3.28 and $315 each for 3-cent metal loops available in Government supplies. A $1 washer cost $80, a $2 clamp cost $86 and a $78 bolt cost $1,621, the audit found.

In another contract violation, a NASA official hired his son and other novices for a painting job at the Goddard center, according to a 1979 audit. The $106,000 bill was said to be more than twice the standard amount because the NASA official estimated 3.8 million square feet to paint when the actual figure was 472,500.

At Kennedy Space Center, executives of EG&G Florida, the base operations contractor, were allowed to take $51,000 in Government money, buy oak office furniture and retain ownership, in violation of Government codes, according to a March 1985 NASA audit.

LOST TIME IN OPERATIONS

NASA's poor control over contractors caused the agency to pay for large amounts of idle worker time, records show. Many of the losses are said to have occurred for years before the audits and in some cases continued afterward. Often they were documented by the Defense Contract Audit Agency.

Repeat audits of Rockwell in 1979 and 1980 found the company had a 34 percent rate of idle time, costing NASA $3.7 million annually. The Johnson Space Center had been asked for more than a year to "improve supervisory monitoring of employee work." In 1981 auditors found that $650,000 was being wasted because Rockwell employees at Kennedy Space Center were taking extended breaks, leaving work early and putting in excess overtime.

In 1983 auditors found NASA wasting $28 million a year because Rockwell engineers were idle more than 30 percent of the time. Auditors found NASA wasting $6.7 million a year because of a 20 percent rate of "excessive nonproductivity" at General-Dynamics in San Diego.

NASA auditors found that $1.7 million a year was being wasted at the Langley Research Center in Hampton, Va., because the center's management "had not sufficiently emphasized cost control" over a maintenance contractor. Workers took nearly two hours to do an hour's work, engaged in "cruising" around the center in vehicles "without an apparent reason" and were not properly equipped with tools and materials, the auditors said.

The audits also show that employees of both NASA and contractors were using narcotics, marijuana, cocaine and other illegal drugs, and marijuana was actually found growing at one NASA facility.

In April 1984, auditors of the Johnson Space Center, whose Mission Control directs space flights after launchings from Cape Canaveral, said management must improve its controls over the use of narcotics at the center.

The audits show that NASA had problems controlling its basic resource, more than $12 billion in property and equipment.

An audit by the General Accounting Office concluded that officials at the Johnson center consistently accepted the loss, presumably through theft, of tens of thousands of dollars of equipment each year in numerous small contracts. The officials told auditors that there was "a general attitude that small dollar-value contracts are not worthy of attention."

The audits document many specific instances of theft; copper cable, aluminum, tools, $26,000 of gold that had been salvaged from rocket engines, rare metal used in the shuttle's solid-fuel booster rockets were stolen. At least $100,000 of silver engine-ring seals were taken, as was $450,000 of gold used in making shuttle thermal tiles.

As early as 1970, the Congressional auditors noted that the Kennedy Space Center had not accounted for more than $320 million of equipment for as long as four years. Marshall officials had been asked to account for their equipment in 1970, but at least $250 million was still not tabulated by 1974. At Goddard, Johnson and Marshall, 3,779 items valued at $3.1 million were missing by 1974. Auditors said it was often unclear in these cases how much was stolen and how much simply lost because of poor accounting.

At the Ames Research Center in Mountain View, Calif., nearly $1 million in property was lost from 1977 to 1982 because required inventories were not done, losses were not investigated and center officials

declined to penalize responsible officials, NASA auditors said in September 1982.

Ames promised to correct its control procedures but the next year, the auditors found that another $2.4 million, in computer equipment, had disappeared.

At the Langley Research Center, there was said to be "no control" over gold, silver, platinum and other precious metals used in laboratory experiments in 1981. Platinum was found stored in a brown grocery bag, and some $71,000 in silver ran down drains each year for three years because a reclamation filter had not been changed. Two years later auditors found some procedures still unchanged.

The Marshall center allowed Morton Thiokol Inc., the prime contractor on the booster rockets, to rent a building for $3.6 million over 13 years and charge the Government for the rent, although the Government itself had recently owned the building but sold it for a total of $300,000, NASA auditors said.

Thiokol also rented three other buildings for rocket storage, assembly or manufacturing, although eight buildings already owned by the Government were nearby and could have been used, auditors said.

In 1976, an audit by the General Accounting Office found that the Marshall center had fully 14 warehouses of equipment that had been ordered by NASA employees who had since left the agency or "who had since died." Most of it was idly gathering dust.

And last year, two audits at Kennedy determined more than $25 million was being wasted because two contractors were each warehousing and managing 25,800 identical pieces of equipment. The Lockheed Space Operations Company, the contractor that prepares the shuttle for launching, was allowed to spend $5.9 million for new warehouse space to store another 44,600 other items that were not needed, the audits showed.

John D. Williams, a spokesman for Lockheed, which assumed its duties on Oct. 29, 1983, said, "We will continue to work on the problem areas cited in the audit."

On the other hand, contractors at Kennedy were not stocking enough spares and had failed to order $55 million in requested equipment, a 1985 audit found. Auditors said lack of spares had delayed a number of shuttle launchings.

One result was that parts needed to replace balky items on an orbiter waiting to take off were taken from other orbiters. "The cannibalizing just horrified me," said Albert J. Kelley, a vice president of Arthur D. Little Inc., a former NASA project manager who later was a management consultant in technical fields. "Every time you open a clamp, break a seal, damage a fitting to take out a part, you are looking for trouble."

[From the Miami Herald, Mar. 16, 1986]

NASA IS WASTING MILLIONS, AUDITS REVEAL

(By Susan Sachs and Peter Cary)

The National Aeronautics and Space Administration has wasted millions of dollars in its dealings with contractors that built the space shuttle, audits examined by The Herald reveal.

The agency paid $315 each for wire fasteners that should cost three cents, audits show. It spent $159,000 for a cooling fan that was built for $5,000. It is paying a contractor $6.3 million to lease warehouses next to similar government buildings that are vacant. It paid $256 to fly an executive's pet dogs from coast to coast.

The waste becomes significant in the light of recent disclosures by NASA that it cut back on its safety staff, slashed shuttle reliability programs, and abandoned backup safety features. NASA officials say they made the cuts because there wasn't enough money.

George Spanton, a former Defense Contract Audit Agency supervisor of contractor billings at Kennedy Space Center, estimates that one-third of NASA's budget is fat. The money wasted on loafing work crews, excessive markups on parts, and freeloading contractors rivals the worst of the military, he said.

"I would say it's in the same ballpark as the [Pentagon's], which is about one-third," he said.

"That's a ludicrous statement," responded Richard L. Bankowski, NASA's director of procurement policy. "Over the years, we've proved that we've done a very efficient job."

Bankowski said he "wouldn't even attempt" to estimate NASA's waste. "I don't have any feel for what the problem is," he said.

But dozens of NASA and DCAA audits obtained by The Herald under the Freedom of Information Act show what the problems are.

Because contractors are allowed to recover related business expenses and overhead, NASA gets billed for fancy oak furniture, beachfront condos, self-serving promotions and charity contributions. Often the agency pays.

The potential for abuse is great because NASA spends nearly 90 percent of its budget—or $8.3 billion last year—on contracts with private companies.

United Space Boosters Inc., which builds parts of the shuttle's rocket boosters, even wanted reimbursement for its $186,000 bidding costs on another NASA contract it didn't get.

NASA officials and the contractors they supervise worked side by side for years, making for a cozy relationship, according to auditors.

When Rockwell employees at Johnson Space Center were found playing cards on the job and wasting one-third of their workdays, auditors said they weren't sure if the problem was overstaffing or "excessive loafing." Yet NASA officials at the center ignored suggestions that the company's million-dollar bonuses be withheld until the "inefficiencies" were corrected.

Auditors can sample only some of the hundreds of thousands of items supplied to the shuttle, so excessive prices can go undetected. In one sample, though, they found a high-stress bolt that NASA could have bought through a central federal supply system for $126. The contractor was charging $3,166.

When Rockwell sent 448 employees from California to Kennedy Space Center in 1980, the travel bills submitted to NASA shocked even seasoned DCAA auditors.

Rockwell wanted reimbursement for $52,000 in travel costs for seven executives' families, including a $389 plane ticket so a company stepson could visit his natural father, $256 in airfare for an executive's pets, and the $1,000-a-month rent on a beachfront condo for a Rockwell vice-president and his "companion."

Nine out of 10 Rockwell workers had rental cars in Florida, all charged to NASA. Auditors said half the workers drove more than 2,000 miles a month and charged NASA for gasoline, although they were staying at hotels only 16 miles from work.

Rockwell spouses drove rental cars, even when the employee had a rental car too. Some employees drove their own cars to Florida, charging for mileage and per diem on the coast-to-coast trip, and then rented additional cars at Kennedy.

DCAA auditors icily described the charges as excessive, unnecessary and unreasonable. The company, they said, has "lived too long in an environment in which almost all costs have been passed on to the Federal Government."

Rockwell said its travel policies were good for morale and eased family tensions. "Laudable objectives," the DCAA said, but taxpayers shouldn't bear the cost. The auditors urged NASA to disallow $1.5 million of Rockwell's $1.8 million bill.

But shuttle contract supervisors at NASA's Johnson Space Center sided with Rockwell. They said the entire travel bill should be paid or, at the most, $72,000 should be disallowed.

Three years later, in 1983, the parties settled. Only $252,000—one-sixth the amount recommended by auditors—was disallowed.

OPEN-ENDED CONTRACTS

Aerospace companies get away with some of these charges because many NASA contracts are open-ended and permit contractors to recover overhead costs.

Those charges, auditors said, can be a fertile area for abuse.

Take Rockwell's $730 million contract to provide spare parts for the orbiter. The shuttle has been chronically short of new parts, sometimes forcing NASA to repair and reuse damaged equipment.

But auditors found NASA wasted money by paying huge markups on some parts bought from Rockwell, instead of buying the aircraft-quality nuts, bolts and washers at low prices through the Government's bulk supply system.

For some common parts, Rockwell's Rocketdyne Division paid its subcontractors up to 78 times the price offered by the government's supply system. Rocketdyne then sold the same parts to NASA for a price that was 3,000 times higher than the government's price.

A one-inch wire-end terminal could have been bought from the supply system for three cents. The terminal Rockwell bought from its subcontractor for 10 cents was sold to NASA for $315.

Rockwell told auditors that its parts prices include special tooling and setup charges and production costs.

In another example, auditors sold a space shuttle cooling fan at a cost of $5,215 in parts and labor to fabricate. The manufacturer added $68,785 in overhead and fees. A middleman contractor added $85,000 more when it sold it to Rockwell for NASA. The cost to NASA was $159,000.

NASA managers defended the cost, saying the fan was bought at the start of the shuttle program when every part needed rigorous testing. Auditors said the middleman "essentially provided no services" for its $85,000 fee.

From 1975 to 1981, NASA officials didn't force Rockwell to try to buy spares from the less expensive system, as required in its contract. From 1981 to 1984, NASA softened the contract requirement. Only after a critical audit did the agency begin to require Rockwell to seek the cheapest orbiter parts.

Saving money wasn't a consideration when contract monitors at NASA's Marshall Space Flight Center allowed booster rocket

manufacturer Morton Thiokol to rent privately owned buildings for $6.3 million.

NASA can be charged for $3.1 million of the rents and for $3 million in improvements to the Clearfield, Utah, buildings. One of the buildings had only recently been sold to Thiokol's landlord by the government. At that time, it had been valued at $300,000.

NASA officials approved the leases, even though Thiokol could have used empty, government surplus buildings in the same complex.

In 1982, auditors found that Marshall officials often failed to get required monthly progress reports from contractors.

In one instance, they also didn't hold a preliminary design review with Harris Corp. until 13 months into a 22-month contract to design and build a new computer system. When the review was finally held, the NASA officials realized they didn't need the design. But they had already paid out $1.2 million of the $1.7 million contract.

Historian Arnold Levine, who has written extensively about NASA, noted that for years, Congress and the White House "gave NASA as much of a blank check as any agency." NASA has returned the favor.

In the first two years of the shuttle program, for example, it spent $1.5 million to bring 2,228 guests to Florida to watch shuttle launches. Eighty-two percent were government employees and their spouses. One-fourth were members of Congress and their staffs.

RAMPANT COST OVERRUNS

While congressional criticism of NASA spending practices has been rare, cost overruns sometimes get too big to ignore.

Last summer the General Accounting Office said the $500 million Centaur project, to adapt a liquid-fueled rocket to ride in the shuttle, was $140 million over budget, $125 million more than the previous year's estimate.

"General Dynamics had swept [overruns] under the rug," then-NASA Administrator James Beggs told a Congressional subcommittee. "There were problems in their subcontracts that they had known about, but that they had not owned up to, and there were problems in their own shops."

One problem: the company built fuel tanks that cracked under pressure. A company executive admitted the tanks weren't built to specifications; Beggs admitted that NASA didn't watch the company.

Beggs came to NASA from General Dynamics, where he was an executive vice-president from 1974 to 1981. During his tenure at NASA, the company won contracts worth nearly $1 billion.

He resigned two weeks ago and is awaiting trial on federal charges that he and three other General Dynamic executives conspired to falsify billings to the Defense Department in the late 1970s. Beggs has denied the charges.

DATA RECORDERS COULD COMPLETE SHUTTLE PUZZLE

(By Stephen K. Doig)

Much like the pathologists examining the remains of Challenger's crew, a team of electronics experts has gathered at Kennedy Space Center to study the twisted, water-damaged remnants of the shattered orbiter's flight data and voice recorders for more clues to the disaster.

They hope to find crucial data about the pressure, temperature, vibration and strain that affected the shuttle, external tank and solid-fuel rocket boosters.

According to NASA sources, divers recovered Challenger's four principal flight recorders last week when mangled portions of the orbiter's crew compartment were found in 100 feet of water about 16 miles northeast of the launch pad.

NASA technicians already have pieced together most of the details of Challenger's doomed 73-second ascent by studying the normal stream of flight performance data that was radioed back to Mission Control until Challenger exploded.

However, they hope that a few seconds more information—including, perhaps, the crew's last words—can be recovered from the recorders to complete the grim picture of Challenger's demise.

The task of the recorder experts will be difficult. Unlike the so-called "black box" flight recorders on commercial airliners, the Challenger recorders aren't built to withstand damage from fire, explosion or high-speed impact.

Moreover, the Challenger recorders were located in the avionics storage bays near the nose of the crew compartment. Aircraft crash recorders typically are located in the tail, where they are more likely to survive impact.

However, NASA sources have indicated that the crew remains weren't affected by fire. If so, then perhaps the heat-sensitive magnetic tape in the recorders survived the 8.9-mile plunge into the ocean relatively intact.

Properly dried and treated, the tape may still contain magnetic signals that can be recovered with the right equipment.

The four recorders are designed to store a wide variety of information that isn't so critical that it must be seen immediately by shuttle ground controllers. The recorders include the following:

The two Operational Recorders, each of which holds 2,400 feet of half-inch magnetic tape. On 14 tracks each, the two recorders store digital information about flight performance from the orbiter's general-purpose computers.

Also, the crew members wear special helmets during ascent with built-in earphones and mikes to enable them to hear each other over the tremendous noise and vibration of the shuttle's rocket engines. Like the flight data, their words are stored on the two Operational Recorders for periodic playback to Mission Control.

The Payload Recorder, which is identical to the two Operational Recorders. This recorder stores information about such payload operations as launching satellites and using the shuttle's robot arm, so it is unlikely to contain any useful information about the Challenger accident.

The Modular Auxiliary Data System, a 641-pound instrument package built around a 28-track recorder. The MADS measures and records data on pressure, temperature, vibration and strain from as many as 246 points on the shuttle, external tank and solid rocket boosters.

[From The New York Times, Apr. 24, 1986]

NASA CUT OR DELAYED SAFETY SPENDING

(By Stuart Diamond)

The space agency cut or delayed half a billion dollars in spending on safety testing, design and development from the time the shuttle program began to when the Challenger exploded in January, Federal audits show.

The range of work included testing the shuttle and its main engines for vibration, developing the booster rocket that probably caused the explosion, and conducting a variety of communications and thermal tests.

For years Government auditors and aerospace experts implored the National Aeronautics and Space Administration not to cut testing and other development work. They said eliminating the spending or significantly delaying it—some of the money has still not been spent—would mean equipment would be assembled before components were fully tested. It would then be very difficult and costly to make changes. Ultimately, this would compromise reliability and make the machine less cost effective and less safe, they said.

But the agency, faced with ever-tightening budget restrictions, refused, saying the eliminated procedures were "not cost effective," said the General Accounting Office, a Congressional investigative agency.

The cutbacks came in the same general time in which Government inspectors repeatedly warned NASA that it was wasting large sums of money through faulty management practices. This money, more than $3.5 billion in all, in turn helped create the budget problems.

REVIEW OF 500 AUDITS

The reductions in safety testing, design and development and the patterns of excessive spending and mismanagement at NASA emerged in a review by The New York Times of more than 500 audits of the space agency by its own Office of Inspector General, the General Accounting Office and the Pentagon's Defense Contract Audit Agency. Interviews with space experts inside and outside of the Government generally confirm the audits, most of which have not previously been made public. They were obtained through the Freedom Of Information Act.

The agency issued a statement yesterday saying that some of the problems cited in the audits "are related to activities several years ago and have been corrected or are being corrected."

"Furthermore," the statement said, "during the existence of NASA it has used its own internal audits to uncover and correct deficiences and to strengthen internal controls."

NASA officials said in interviews that the audits had been fair and generally accurate. The officials also contended that the mismanagement was administrative, not technical, and insist that it did not result in safety compromises.

AUDITS' MAIN FINDINGS

Among the chief findings of the audits:

On the Challenger, faulty welds were done and then concealed through falsified Z-rays by a subcontractor to avoid the cost of repair. They went undetected and uncorrected until NASA auditors received tips from former employees of the subcontractor.

After a reduction in its inspector ranks, the Johnson Space Center, in direct charge of the shuttle fights that were to begin a year later, was failing to detect equipment flaws so critical that they could cause loss of life or destruction of the spaceship.

NASA misled Congress about costs and schedules for the shuttle and other programs, withheld critical documents and violated Federal codes in thousands of instances.

NASA was violating Federal policy by spending billions of dollars on shuttle equipment that had not been thoroughly tested.

By 1976 the shuttle had become "a higher risk program" in terms of economics and

performance than initially conceived, the General Accounting Office said.

THE TRANSITION FROM THE APOLLO ERA

Experts familiar with the history of NASA say problems at its headquarters in Washington and 16 other space centers began shortly after the agency reached its founding goal of landing men on the moon in 1969 and after the Administrator who led NASA there, James E. Webb, resigned after eight years in office.

"There was a distinct change after Mr. Webb left," said Elmer B. Staats, who from 1966 to 1981 was the United States Comptroller General, the top position at the General Accounting Office. "Mr. Webb was a good manager. He put together a good team. But afterwards, there was less openness, less willingness to listen to the kind of challenges we were making. It was an institutional thing; it was the whole system."

One of the major changes was the way the agency viewed the design, testing and development of new space systems.

On the Apollo moon program and others of that era, each component was designed, built as a prototype and then tested, space experts say. Thus when the final system was assembled for a test, scientists had a high degree of confidence that it would work.

But NASA decided that to save money it would cut back on the kind of testing done in earlier programs and instead build major components and systems before they were fully tested, according to auditors, space experts and NASA officials themselves, including C. Thomas Newman, the NASA comptroller, who has been with the agency since 1963.

"The shuttle set out with some different objectives," he said. "To produce a system of moderate costs, the program was not as thoroughly endowed with test hardware."

CUTTING OF COSTS BEGINS IN EARNEST

Most of NASA's money problems—overspending for equipment and personnel and shortages of funds for testing—coalesced on the shuttle program, the auditors conclude. The program started as a relatively modest project and eventually took up 60 percent of the agency's budget.

The shuttle was NASA's choice to succeed the Apollo program as the agency's major endeavor after NASA was rejected in its attempt to undertake a manned flight to Mars and build a space station. The Nixon Administration backed the shuttle to aid scientific and military goals and help shore up the aerospace industry, according to experts familiar with decisions then.

But space experts said the program was sold to Congress, essentially by Dr. James C. Fletcher, NASA's Administraotor at the time, based on the idea that it would pay for itself through commercial business, deploying and repairing private satellites and selling other space services. Dr. Fletcher has been nominated by President Reagan to head the agency again, and his confirmation hearings got under way in Congress yesterday.

The shuttle's economics, however, depended on relatively low operating costs to offset the high development costs.

To meet budget restrictions, NASA proposed a shuttle that would be reusable only in part. That kept down the development cost but made operating costs much higher, as fuel tanks and other components had to be replaced each time.

To further cuts costs, NASA projected 60 flights a year. "They were assuming a ridiculous number of flights," said John E. Pike, space policy expert at the Federation of American Scientists. Since the Challenger explosion, some astronauts have said that any more than nine flights a year can put dangerous pressure on those preparing each flight.

C. Robert Nysmith, the agency's Associate Administrator for Management, said NASA officials consistently believed that, despite the cuts, enough protections remained to keep the space programs safe even if some testing was delayed.

The risk of the reduced or delayed testing, however, was that if major problems developed, costs would rise greatly as they were fixed and, in reality, safety might well be compromised, said auditors and such space experts as Dr. Albert J. Kelly, a vice president of Arthur D. Little Inc., the management consulting concern, who was once a NASA project manager.

"It's not the optimum way," Dr. Kelley said, "and you take a risk. When you have pressures, you look for ways to cut corners, and you manage differently. What usually goes is design planning and hardware testing."

THE ISSUE OF SAFETY

Despite NASA's views to the contrary, the Government auditors argued that there was no clear distinction between technical and administrative management, particularly because it often involved the same people.

And if there is no real distinction, they argued, safety issues cannot be considered separately from administrative problems.

Dr. Kelley, who holds a doctorate in aeronautics and astronautics from the Massachusetts Institute of Technology and was dean of Boston College's School of Management, said: "Outside the laboratory, there are very few decisions that are only technical. The whole technical, management, procurement, schedule and cost issues are interrelated."

The cuts and delays in early shuttle spending included $147 million of testing for the main engines, the most advanced ever developed for use in space, audits by the General Accounting Office said. About $118 million for testing and developing the orbiter was cut, $10 million for developing the huge external tank for liquid fuel, $68 million for developing the solid fuel booster rockets, and $70 million for launching and landing development.

Vibration tests for the orbiter and for the entire shuttle assemblage were deleted. Tests of tires and landing gear were cut back. Testing and developmental procedures were eliminated or postponed for years on a wide variety of radar, communications links and other equipment, including that needed to operate shuttle systems once in orbit.

The audits give numbers for a total of about $500 million of cuts, but not all of the deletions have price tags attached.

Some of the development work was moved to the production phase of the program and some to the operations phase, but a substantial portion was deleted entirely: at least $110 million by 1976.

The cuts worried experts both inside and outside NASA. They warned that because the performance of much equipment could not be verified early in the program, the agency might wind up with unreliable and unsafe equipment. It also would not find out about major problems until an advanced stage of production, meaning that any changes could be very costly.

Some of those concerns were raised in 1974 in a study by 35 aeronautical and space experts, headed by Willis Hawkins of the Lockheed Aircraft Corporation. The team said it was worried that testing was being "highly compressed." Orbiter testing, for example, was cut from 16 months to three. Main engine testing was also greatly reduced, the report said. It said there was little backup equipment for use in tests, so that failures would delay the schedule.

The experts said that the likelihood of unforeseen technical problems was high because of the "difficult technical goals" but that there was little margin for error. Those concerns were echoed by three studies at NASA's Goddard Space Flight Center. And they were repeated by Congressional auditors in 1975 and 1976.

In 1977 the auditors said deletion of tests of tires, brakes and landing gear "may result in loss of vehicle and crew."

But NASA consistently disagreed with the auditors and experts. The agency rejected a plea by the Hawkins team to stop compressing the test schedule "as not being cost effective."

MAJOR TROUBLES BEGIN TO DEVELOP

NASA officials said they did not need all the tests because of experience gained from the Apollo program, though many experts argued that the shuttle was a new venture with its own set of potential problems. The General Accounting Office noted that some of the deleted tests had in the past turned up many problems that required changes in design and other areas. Yet they were deleted, the auditors said, because NASA thought them "too costly."

On Feb. 27, 1975, Dr. Fletcher wrote to the General Accounting Office that NASA had a "sound management process" for the shuttle, adding, "I have no reason to anticipate cost overruns" beyond the original commitments. Two years later Dr. Fletcher said, "The shuttle has encountered normal technical problems of a complex program."

But major problems were beginning to develop by the late 1970's with the shuttle's thermal protection system, about 30,000 lightweight tiles that cover 65 percent of the vehicle and protect it from the heat of re-entry. Tiles kept falling off.

Moreover, the main engine, when built, kept blowing up in full tests. Pumps, valves and other equipment failed when complete. Hundreds of millions of dollars more were expended for corrections.

Even since the shuttle started flying in 1981, flights have been delayed and problems have developed in flight as some of the equipment not fully tested failed.

In May 1982 NASA's inspector general said, "Technical difficulties and problems have occurred across the entire spectrum of the Space Transportation System development activity."

As recently as March 27, NASA's own Office of Inspector General reported that administrative practices at the Marshall Space Flight Center in Huntsville, Ala., were so lax before the *Challenger* explosion that the center could not properly determine whether defective equipment had been fixed. Marshall officials, who had responsibility for the booster rockets, have declined to comment on the findings.

DEFECTIVE WELDS FOUND ON "CHALLENGER"

The link between NASA's administrative and safety problems was apparent in various aspects of the shuttle program, the audits show.

In reports by NASA's Inspector General in 1979 and 1980, the Rockwell International Corporation, prime contractor for the

shuttle orbiter, was found to have failed to detect promptly and report defects in items whose malfunction could be threatening to a spaceship or its crew. And the NASA managers at the Johnson Space Center who supervised Rockwell did not correct the problems for at least 14 months, the inspectors said.

Three years later, the auditors reported that a Rockwell subcontractor had routinely submitted falsified X-rays to conceal safety defects in welds on the *Challenger* "to avoid the costs of rewelding." The auditors said the subcontractor, Jet Air Inc., of El Cajon, Calif., had given its welding work to unapproved machine shops and then falsely certified that it had done the work.

The problem was caught only after former workers of Jet Air informed NASA auditors.

Rockwell, at the auditors' request, reviewed more than 1,800 parts on the *Challenger* and found a number it could not certify as proper. But the company suggested that the *Challenger* "fly as is" because of the "high design margin" and "noncritical" function of the parts. It suggested repeated inspections and limits on use of the parts because of possible "crack growth." One part carried the warning, "May yield under load, but no catastrophic failure."

The documents of the three inspection agencies do not contain any specific references to administrative procedures or safety cutbacks related to the defective rocket joints suspected as the cause of the *Challenger's* explosion, in which the seven crew members died.

But the head of NASA's shuttle program, Arnold Aldrich, told the Presidential commission investigating the *Challenger* explosion that a serious management flaw had preceded the tragedy. He was never told, he said, that engineers had complained about troubles with the rocket seals. The complaints, made for several months in 1985, had reached lower-level officials, NASA said.

The Federal auditors warned that reducing tests of safety and design would lead to miscalculations about equipment performance. Indeed, one miscalculation occurred on a system that was designed to blow up the shuttle if it went out of control while within range of populated areas.

Air Force personnel, who monitor shuttle launchings, used the range-safety system to blow up the booster rockets that were flying wildly after the *Challenger* broke apart. Yet in 1974 NASA told the Air Force that such a system would not be needed after the first few flights. "Adequate safety would be attained through system design reliability" of the shuttle, NASA argued.

NASA did adopt a system by which the crew could terminate a malfuctioning flight, the Congressional auditors said but its choice still did not meet Air Force's requirement for a remote control. The Air Force imposed this requirement to protect people on the ground in case disabled astronauts were unable to control the flight.

NASA is said to have continued developing its crew-operated system for more than a year over Air Force objections, while deleting $10 million for testing a remote-controlled system.

Late in 1975 NASA decided to install an Air Force-approved system. It cost millions of dollars more than the agency initially anticipated.

Among the other development work that suffered was designing equipment for ease of maintenance. In 1975 NASA canceled a contract with American Airlines for a study of maintenance considerations. The agency's inspector general said years later that the lack of such considerations was a major reason for the greatly increased time it was taking for preparations between launchings, to 1,240 hours from 160. Increased time meant increased pressures on personnel, and that was an added threat to safety, auditors and space experts alike have said repeatedly since the *Challenger* exploded.

CONGRESS WAS MISLED, AUDITS ASSERT

Audits of space agency since 1971 allege that NASA consistently misled Congress on projects, whether on costs or feasibility, in violation of various Federal laws.

At one point NASA told Congress that the agency had $2.7 billion to work with when it actually had $4.3 billion, counting surpluses and other funds, the auditors said. The General Accounting Office said that "NASA's data is inaccurate and incomplete" and that Congress should not rely on the data. The auditors said NASA's actions violated its own guidelines for providing Congress details about projects. But the dispute continued all through the 1970's, as the General Accounting Office repeatedly said that NASA was misleading Congress.

The auditors said the agency's reports to Congress contained some direct misstatements, usually underestimating costs, but auditors and space experts say the reports were also misleading in what they failed to report: that budget cutbacks could not be separated from possible safety problems.

As auditors' criticisms intensified over the last decade, there were some expressions of concern in hearings by the five Congressional subcommittees with jurisdiction over NASA. But Congress kept approving budgets for the shuttle project and usualy accepted NASA's explanations or pledges to change.

The committees were too soft on NASA, according to the auditors, various Government experts and even some legislators. One of the auditors, Donald E. Day, senior associate director of the General Accounting Office's Division for National Security and International Affairs, observed, "The committees have been very supportive of the agency."

"They have gotten too close to the agency and have been less objective than they should have been," Mr. Day said. He singled out Representatives Don Fuqua and Bill Nelson of the House Science and Technology Committee, both Florida Democrats. And he pointed to Senator Jake Garn, whose Utah constituency includes Morton Thiokol Inc., maker of the suspect rocket boosters.

Those and others on their committees, Mr. Day said, "are NASA's biggest fans when you get right down to it." He said that was why auditors' warnings on cost and safety mismanagement had been so consistently ignored. "Even though we bring things to the Congress, there is this shield," he said. "They say, 'Thank you, G.A.O., for your work," and then ignore it.

Each of the lawmakers denied vigorously any support of NASA by virtue of their constituencies. They acknowledged certain shortcomings in the process and affirmed their support of NASA.

Auditors said other reasons for ignoring warnings included NASA's remarkable success with the moon landing as well as a public belief in the space program in general.

"The shuttle had a kind of special appeal in this country," said Mr. Staats, the former Comptroller General. "We had many meetings with NASA, but we couldn't convince them to make the changes. And there wasn't enough support for our position in the top levels of Congress or in the Administration."

Bill Green, Republican of Manhattan, ranking minority member of the House Appropriations Subcommittee on H.U.D. and Independent Agencies, said "there was an assumption of managerial efficiency" in NASA's case.

"Certainly the success of the programs helped the Congress give NASA" what it wanted, Mr. Green said. "But the shuttle program has very much eroded that. The oversight will be a lot tighter."

Walter F. Mondale, who was a vocal opponent of the shuttle when he was a Senator, agreed. "The information, the statistics, the facts simply didn't matter to NASA's sponsors in Congress," the former Democratic Presidential candidate said in an interview. "There was this whole empire of people left over from the Apollo program with nothing to do. And to sustain their efforts, they needed show business. And manned flight was the drama."

Mr. Fuqua, a Democrat who had headed the House Committee on Science and Technology since 1979, said he and others did raise questions about cost and testing, but generally let the agency have its way. "We raised questions. But we said, 'If it works, you look good. If it doesn't, we all are going to have egg on our face.'"

"We are strong proponents of the space program," he said. "I think we wanted NASA to do well. We had to trust their judgment. They have some very competent people."

Now, he said, the agency must make its management more centralized. "I don't think we have to legislate it," he said, "but there will be a lot closer scrutiny."

Mr. Garn, who heads the Senate's counterpart to Mr. Green's subcommittee, has been on Senate science committees since 1974 and flew aboard the shuttle *Discovery* in April 1985.

"Of course NASA has troubles in management," he said. "Of course there are things that could have been done better over the years. There were inefficiencies in the way money was spent. NASA has been wrong in its estimates."

But he argued that many Government agencies wasted money and that NASA had done a "remarkable" job, given the complexities of its projects. Like other legislators, he said it was very difficult to oversee the agency adequately because Congress' resources were relatively small.

"Someone has to stand up for this agency when everyone else looks for the negative," Mr. Garn said.

The space shuttle, it becomes clear from the audits, is far less re-usable than it was to have been. The main engines, which were supposed to last 55 flights without major overhaul, for one example, barely last five flights before major components have to be replaced. Vibration is causing premature wear of a main pump, including blades and bearings. The engines are operating at 5 percent less power than their design goal.

And some of the rocket boosters have lasted less than their predicted 20 uses due to various problems such as damage from impact with the ocean.

The result is far greater cost for replacements, lower safety margins and a nearly eightfold increase in turnaround time. Major multimillion-dollar development work for the program is still continuing

even as the orbiters are considered "operational."

The shuttle will cost at least $2.4 billion a year to operate and another $1.9 billion a year to amortize the investment, the budget office says. Those costs mean that the shuttle is now significantly more expensive than the expendable rockets it was to replace, according to shuttle economic experts, and is not even close to paying for itself.

Thus, nearly everyone interviewed, both inside and outside NASA, agreed that the original goal of commercial competitiveness for the shuttle should be abandoned. Mr. Newman, the NASA comptroller, said, "I doubt the shuttle itself is a commercial venture."

But most agreed, too, that the shuttle was an extremely valuable scientific and military asset. And they contended that if the commercial pressures for the frequent launchings were eliminated and the shuttle was used more selectively when needed, it would become a safer and more valuable national enterprise.

[From the New York Times, Apr. 24, 1986]

SENATORS UNEASY ON NASA BUT OPTIMISTIC ON NOMINEE

(By Philip M. Boffey)

WASHINGTON, April 23.—Key Senators said today that they were disturbed at reports of waste and mismanagement in the space agency when it was headed by James C. Fletcher, but they indicated they would still vote to confirm him as the next head of the agency.

Dr. Fletcher faced some penetrating questions when he appeared before the Senate Committee on Commerce, Science and Transportation for a confirmation hearing this afternoon, but most Republicans and Democrats generally supported his nomination.

Dr. Fletcher, who headed the National Aeronautics and Space Administration from 1971 to 1977, was asked by President Reagan in March to return to the agency to fill a leadership vacuum. The agency has been without a permanent head since James M. Beggs, the Administrator, took a leave of absence in December to fight an indictment on Federal fraud charges unconnected with his work at NASA. He later resigned. Meanwhile, the agency was left under an Acting Administrator, Dr. William R. Graham, when the shuttle *Challenger* exploded on Jan. 28, pushing NASA into perhaps the worst management crisis in its history.

ARTICLES ON AGENCY A TOPIC

Much of the hearing today was devoted to an article today in the New York Times that described reports by auditors and the space agency's inspector general's office that billions of dollars had been wasted over the years through bad management. Some of the problems, as well as misleading cost estimates for the shuttle program, were placed in the period when Dr. Fletcher was the Administrator.

Senator Slade Gorton, Republican of Washington, chairman of the hearing, called the article "disturbing" because it "described in frightening detail" practices that gave "the appearance of waste, fraud and mismanagement." Even worse, he said, were descriptions of "an arrogant disregard" by the agency once the problems were brought to its attention.

But Senator Gorton called Dr. Fletcher's nomination "long-awaited and sorely needed" and said the Senate "must proceed" as planned "for there is much work to be done and many decisions at NASA are pending this confirmation."

The sharpest questioning came from Senator Albert Gore Jr., Democrat of Tennessee, who said that Dr. Fletcher had been nominated because of "a general perception that during your previous tenure at NASA things were great" and public confidence in the space ageny was high. But the auditors' charges of waste, mismanagement, and an arrogant refusal to correct problems "challenge that perception," he said.

GORE 'QUITE CONCERNED'

"The cumulative impression is not a good one," Senator Gore said. "I'm quite concerned about it."

But Senator Gore also acknowledged "I don't know what to do about it" because the nomination was "on a fast track" with Congress and the Administration trying to instill new leadership.

Mr. Gore repeatedly asked Dr. Fletcher to respond to charges that the cost estimates he presented to Congress in the 1970's to justify the shuttle program were "wildly off," but Dr. Fletcher repeatedly said he did not have all the figures at his disposal and would have to submit responses later.

Dr. Fletcher testified that, "Needless to say, I was a little bit shocked" at the charges in the article. He acknowledged that the specific charges in audits by the General Accounting Office and the Inspector General's Office were generally "not inaccurate." But the overall impression created by listing the cumulative charges was misleading, he said. "I'm under the impression that NASA is still one of the best managed agencies in the Federal Government," he said. Dr. Fletcher noted that some of the problems described occurred after he left the agency nine years ago, and he added that he had not had a chance to review all the charges. But he said the NASA inspector general had told him that, despite the problems cited in audit reports, NASA was "perhaps the best run agency in the Federal Government."

The Senate's top space expert, Senator John Glenn, Democrat of Ohio, a former astronaut, introduced Dr. Fletcher by observing that "NASA is facing the worst crisis in its 28-year history" and that "it is vitally important we get leadership over there." His voice rising, he noted that it was already almost three months since the shuttle accident. "We can't go along with an agency in limbo," he said.

Senator Glenn suggested that the charges of mismanagement "may mean revamping the management structure at NASA so that we put a stop to the waste, fraud, and abuse, as reported in today's New York Times." But he suggested that Dr. Fletcher's "very bad predictions on the cost of the shuttle" were not sufficient reason to derail the nomination.

The ranking Democrat on the committee, Senator Ernest F. Hollings of South Carolina, noted that questions had been raised about whether Dr. Fletcher's board memberships and stock holdings in aerospace and other companies might constitute a conflict of interest. But he added that Dr. Fletcher had agreed to divest himself of his key holdings and avoid participating in decisions that might create conflicts of interest. He described Dr. Fletcher as "a person of known credibility, clean as a hound's tooth."

Senator Hollings, a frequent critic of the space agency, also denied charges that Dr. Fletcher was arrogant and disregarded auditors' suggestions, because "the record is overwhelming" that "the contrary" is the case. Although waste and mismanagement "does concern all of us," he said, NASA in general "has worked extremely well."

Senator John C. Danforth, Republican of Missouri, who heads the committee, told Dr. Fletcher "your reputation is excellent." He added that "there is no doubt in my mind" that what NASA "most needs now" is "strong leadership."

A committee staff member said that the committee could vote on confirming Dr. Fletcher as early as next week. The nomination, after action by the committee, must then go to the full Senate.

[From the Orlando Sentinel, Feb. 26, 1986]

ENGINEERS: NASA REWROTE RULES

(By Tim Smart)

WASHINGTON.—In launching the space shuttle over the objections of veteran engineers, NASA rewrote the rules that governed the 24 previous liftoffs, the Challenger commission was told Tuesday.

"The contractor always had to stand up and prove that his hardware was ready to fly," testified Allan McDonald, a top engineer for Morton Thiokol Inc., maker of the shuttle's twin booster rockets. "In this case, we had to prove it wasn't. That's a big difference."

In dramatic testimony, McDonald and other engineers for Morton Thiokol said they unanimously opposed the launch. They feared that predicted cold temperatures at liftoff would undermine the resiliency of critical O rings, synthetic rubber seals in booster joints. A failure of one of those seals is widely viewed as the cause of *Challenger's* explosion.

The engineers watched hopelessly as their recommendation not to launch, conveyed to NASA in a midevening telephone call, was case aside by senior Morton Thiokol managers who gave the green light after a 30-minute caucus late in the evening of Jan. 27.

"I left the room feeling badly defeated," said Robert Boisjoly, a company engineer who is a leading authority on the properties of O rings. "I did all I could to stop the launch."

It wasn't enough. At 11:38 a.m. Jan. 28, after a two-hour delay while crews checked for ice in the slowly warming weather, *Challenger* began a 73-second journey that ended in a televised explosion 8 miles above the Atlantic. The crew of seven perished.

Tuesday's testimony brought visible emotional reactions from the 13 commission members, who probed to learn why Morton Thiokol reversed its recommendation to delay the launch.

"We've heard the explanation you've given," panel chairman William Rogers said in seeming exasperation at the answer given by Morton Thiokol vice president Robert Lund. "The problem we're having is it's not convincing."

It was Lund who had communicated his engineers' vote to postpone the launch, only to be asked by boss Jerry Mason to "take off his engineer's hat" and view the debate through management's eyes.

Soon after, Lund reversed himself. He joined Morton Thiokol space program manager Cal Wiggins, division vice president Mason and shuttle project chief Joe Kilminster in voting for launch. Kilminster signed the final document that was sent by telecopier to Kennedy Space Center at 11:45 p.m.

Boisjoly said his cries of concern fell on deaf ears and he gave up "when I couldn't get anyone to listen."

"There never was one comment in favor of launching by an engineer or nonmanagement position either before or after the caucus," he testified.

Astronaut Sally Ride asked why Mason had accepted the rationale that secondary O rings would act as backups to suspect primary seals even though NASA had concluded this redundancy did not exist. In fact, NASA had classified the seals as a "Criticality One" item that would lead to catastrophe if they failed.

"It seems to me like you exercised some sort of engineering judgment," in reversing the engineers' vote not to launch, Ride said. "I'm not sure the system allows that."

Replied Mason: "We felt that we had substantial margin."

By far the most compelling testimony came from Boisjoly, a specialist in applied mechanics. As the company person responsible for examining boosters after they are picked up in the Atlantic, Boisjoly said he had seen firsthand how erosion of the O rings had plagued earlier flights.

The worst example, he said, came from the January 1985 flight of *Discovery*, when the booster seal temperature was calculated at 53 degrees. Actual launch temperature was 66 degrees, though temperatures had fallen to 19 degrees two days earlier and 34 on the morning of the launch.

In a July 31, 1985, memo to Lund, Boisjoly warned that evidence of erosion of a secondary O ring with the primary O ring never sealing properly should have "drastically changed" management's position of fixing problems while keeping the shuttle flying. If a similar scenario occurred again, as Boisjoly warned it could, "then it is a jump ball as to the success or failure of the key joints that hold the boosters together.

"The result would be a catastrophe of the highest order—loss of human life," he said.

McDonald said he was "absolutely positive" that his concerns about the cold's effect on the seals would be passed along to top NASA shuttle managers, After all, they had been expressed openly during a meeting which included Lawrence Mulloy, head of the booster projects office at Marshall Space Flight Center, and Mulloy's deputy, George Hardy.

But Jesse Moore, who was NASA shuttle chief until last week, has testified that he knew nothing of the intense debate over whether to launch and the presidential board has said "at least three" top NASA officials were kept in the dark about the prelaunch debate.

When Morton Thiokol first told Mulloy and Hardy of its recommendation that the launch be halted, Hardy said he was "appalled," McDonald said. Mulloy "made some comments about when we'll ever fly" and suggested McDonald was trying to establish new launch rules the night before a scheduled flight.

"I was absolutely surprised that NASA would accept any recommendation [to launch] below 40 degrees," McDonald said. He also noted that the overall shuttle specifications call for a launch within a temperature range of 31 to 99 degrees Farenheit.

Acknowledging that every launch is fraught with risk, panel member Maj. Gen. Donald Kutyna asked, "What was driving here? Why couldn't you wait another day?"

Replied Mason: "We wouldn't have gained any more information."

Kutyna shot back: "You would have gained temperature."

Many panel members asked whether NASA pressured Morton Thiokol to agree to the launch, which was only the second of 15 planned for the year, and already thrice-delayed.

"Definitely," said McDonald. "there's no doubt in my mind." The comments of Hardy and Mulloy were pressure, he said. "The conditions for justifying this launch were different than anything I've known before."

But Mason saw it differently. There was no pressure to change Morton Thiokol's mind, he said.

"I felt that the pressure that was put on us was to go back and look at the data," he said.

Today, NASA officials Mulloy and Hardy, among others, will tell their side of the story leading to the launch of Challenger.

SHUTTLE CHIEF: COLD READING WITHHELD—QUESTIONS GET SHARP AT HEARING

(By Tim Smart and Chris Reidy)

WASHINGTON.—NASA's top shuttle manager told a Senate subcommittee Tuesday that he was unaware the temperature of *Challenger's* right booster rocket had fallen below 10 degrees just 90 minutes before the ill-fated launch.

Had he known about the temperature readings from an ice team's infrared cameras, NASA associate administrator Jesse Moore said he would have "asked more questions."

However, he said, the technicans were looking for ice that might damage the shuttle during liftoff and did not relay the temperature findings to launch officials.

Disclosure that a critical piece of information was not given to those who decided to launch Challenger came as Congress got its first chance to question top NASA officials and members of the presidential commission investigating the tragedy.

At an often contentious hearing in a room bathed in spotlights set up for 34 television crews, members of the space subcommittee of the Senate Commerce, Science and Transportation Committee questioned commission chairman William Rogers and NASA's acting administrator William Graham.

Sen. Ernest Hollings, D-S.C., set the tone early when he declared, "At this particular juncture it looks like an avoidable accident rather than an unavoidable one."

Much of the questioning centered on the final "go or no-go" decision to launch Challenger, which had already been delayed one day and was pushed back an hour because of fear of ice on the launch pad at liftoff.

Did officials at rocket maker Morton Thiokol Inc. advise against the launch?

"That, unfortunately, is a question I cannot give a yes or no answer to," said Graham. "There is no simple answer that can be given to it."

Graham's reticence in answering such questions prompted even more vigorous questions from subcommittee member Sen. Albert Gore Jr., D-Tenn. In response, Graham said, "There was obvious concern by Thiokol, yes."

The Orlando Sentinel reported last week that workers at Morton Thiokol's Wasatch division in Brigham City, Utah, advised against the launch, knowing that synthetic rubber gaskets used to seal joints in booster segments were susceptible to failure in low temperatures.

But it had been unclear whether their concerns were overruled by supervisors or whether NASA disregarded the advice of Morton Thiokol in a series of cross-country telephone conferences in the hours leading up to the launch.

On Tuesday, Graham said, "At the end of that process the Morton Thiokol company provided a statement signed by a member of their senior management who normally signs for them recommending from their perspective that the launch proceed."

He said the communication had been sent via a telecopier.

Graham added, "I don't want to imply that that in any way characterizes the whole process."

Asked after the hearing to provide the name of the Morton Thiokol official who gave the okay, Graham said, "I don't know the name." He said it would be provided to the subcommittee.

A failure in the troublesome O ring seals is considered the most likely explanation for the plume of flame that spewed from near a joint low on the right booster 59 seconds after launch. This is the same area where a puff of black smoke was seen less than a second after the boosters ignited on the pad.

Moore told senators that "all aspects of the weather" from temperature to humidity to wind conditions are being analyzed to see what effect they might have had.

"We're looking at the upper atmospheric winds," Moore said. "Somewhere around 59 or 60 seconds it looks like we're getting a significant side force and that could be a wind shear."

At launch time, the air temperature was 38 degrees, by far the coldest ever recorded for a shuttle launch. The humidity was also extremely low, having fallen in the wake of a fast-moving front that saw launch-morning temperatures dip to 24 degrees.

Moore said in the early days of the shuttle program, NASA managers had set 26 degrees as the lowest air temperature they could allow for a launch. Later, that was increased to 31 degrees. Either way, Moore said, the launch was within the space agency's "launch commit criteria."

In opening testimony, Rogers told the senators that the right booster was the source of *Challenger's* troubles but that the commission was still looking at several scenarios for its demise. About the only component the panel is ready to exonerate, he said, is the orbiter itself.

Rogers disclosed that the strut that attaches the booster to the 15-story external fuel tank broke some time during the 73.6-second flight but he did not elaborate. He also said that the puff of black smoke visible in the first second after liftoff could have been caused by hydrogen leaking from the fuel tank coming into contact with grease used in a metal band that is on the outside of the booster.

Rogers, a former secretary of state and attorney general, sparred with Hollings, who advised Rogers to hire some "gumshoes" to snoop around.

"I was a DA [district attorney] for a long time," Rogers said. "I know how to conduct investigations."

On Saturday, Rogers asked Graham to disqualify any member of the "decision-making process" from NASA's own investigation, a request Graham said he would comply with immediately.

Graham was emphatic Tuesday in saying there was only "the investigation" headed by Rogers and that NASA's own studies were secondary to that effort.

Further clouding the issue was Graham's move Sunday to downgrade the responsibilities of NASA general manager Philip Culbertson, who had been running NASA day to day since former NASA administrator James Beggs took a leave of absence in De-

cember. Beggs stepped aside after he was indicted on charges of the government on a weapons contract while he was an executive at General Dynamics.

"Who's in charge at NASA?" demanded Gore at one point in a testy exchange with Graham over whether Beggs was still calling the shots at NASA.

Further sparring occurred between Rogers and Sens. Donald Riegle, D-Mich., and John Rockefeller, D-W.Va., over how much Congress would be told about the panel's investigation.

Rogers, citing "the separation of powers" between Congress and the White House, declined to provide the senators with full transcripts of the commission's private meetings.

Gore said after the hearing that he was disappointed with the lack of forthrightness from NASA. "I felt that Dr. Graham was too anxious to find ways not to respond to our questions."

Subcommittee chairman Sen. Slade Gorton, R-Wash., said Congress would have to address NASA's budget in the weeks to come "without benefit of the [presidential] commission's recommendations."

All of the senators declared their unwavering support for the space program but noted that the Gramm-Rudman-Hollings law, which requires a balanced budget, forces decisions to be made earlier than planned.

A focus of subcommittee hearings in both the House and Senate will be whether to provide money for a new shuttle, which some estimates say will take two to three years and $2 billion to build.

The balanced-budget law, if held to be constitutional by the Supreme Court, could cost 20 percent of NASA's 1987 budget request of $7.7 billion. This year, NASA received $7.6 billion from Congress.

Military salvage experts have scheduled a news conference today to discuss how the operation will proceed. Videotape and pictures of booster debris are expected to be released.

Among those coordinating the salvage effort is astronaut Robert Crippen, who is a member of NASA's internal investigative team. Crippen flew on *Columbia* when it made the first shuttle flight in April 1981 and was aboard *Challenger* for a shuttle mission in October 1984. He is one of several astronauts participating in the probe.

A four-man sub, the *Johnson-Sea-Link II*, continued Tuesday to photograph pieces of the booster that officials said are strewn across the ocean floor.

Two engineers dived to the sea bottom with the sub's two operators to identify key parts of the wreckage, Harris said. Two other engineers remained aboard the *Sea-Link's* support ship, the *Seaward Johnson*.

The engineers work for Morton Thiokol Inc., which makes the rocket motors for the boosters; United Space Boosters Inc., which makes the top and bottom parts of the boosters, and NASA's Marshall Space Flight Center.

The engineers also worked to positively identify several small components retrieved from the wreckage Monday, Harris said.

The right booster is considered the smoking gun in the investigation because it shot a plume of flame from a lower joint about 15 seconds before *Challenger* exploded.

While the NR-1 prepared to return to sea, another robot sub was loaded on a truck in Maryland for use in the salvage operation starting Thursday.

Called Gemini, the drone is equipped with three cameras and manipulator arms that can lift up to 1,500 pounds. It is owned by Ametek Straza Division of El Cajon, Calif.

Ametek spokesman Jerry Stenovec said Gemini was shipped last week to the Eastport International Co. in Upper Marlboro, Md., to be outfitted for booster salvage work.

Stenovec said robot subs operated by Eastport took part in the search for wreckage from Korean Airlines Flight 007, which was shot down by a Soviet jet fighter in 1983.

Booster Maker Asked Experts How to Improve Sealing System

(By Mike Thomas)

The maker of the space shuttle's booster rockets began asking aerospace companies in October for proposals on how to better seal joints in the rockets, officials of some of the companies said Tuesday.

An abnormal plume of flame that escaped from near a joint in *Challenger's* right booster is a suspect in the Jan. 28 shuttle explosion.

Morton Thiokol Inc., which makes the boosters, gave a presentation on its sealing system at an October meeting of aerospace sealing experts in San Diego. The group is a part of the Society of Automotive Engineers.

"They were looking to the industry for proposals to improve the sealing system in the booster," said John Lee, a vice president of Tetrafluor Inc. in El Segundo, Calif.

"There was some feeling it could be marginal if this or that happened," Lee said. He would not elaborate on conditions that could cause the seals not to work.

Lee said that shortly after the meeting his company began discussing ideas with Morton Thiokol.

"We made proposals to them that are still under study," Lee said in a telephone interview. "With the accident, all is on hold right now to see what the problem was."

Tom Russell, a Morton Thioko spokesman in Chicago, said the company had been in the initial stages of working on the O ring erosion problem last year. He said he did not know about the October meeting but said it would not be unusual for his company to look to other industry experts for advice.

"It was probably a problem we were working on and looked for added input," he said.

The solid-fuel booster rockets contain four main engine segments. The joints between the segments are sealed with two synthetic rubber rings and an asbestos-filled putty.

NASA documents show that these O rings have suffered partial erosion during 14 shuttle missions and that space agency officials knew failure of both rings in a joint could lead to catastrophe.

Engineers at Morton Thiokol believe freezing temperatures at Cape Canaveral on Jan. 28 might have stiffened the seals and allowed the plume of flame to escape from the side of the booster. They also suspect that cold might have damaged the putty.

The Orlando Sentinel reported Monday that Morton Thiokol engineers are conducting new cold tests on the O rings that show the seals lose flexibility below 40 degrees. The results confirm those that the company found in an April study.

Morton Thiokol had planned to check out a new sealing system Feb. 13 during a test firing of a booster made of new materials. NASA ordered the test canceled pending the outcome of the shuttle investigation.

The new system, one of 43 under consideration by the company, involves using a fatter O ring and Teflon spacer designed to wedge the seals tighter in their grooves.

The new system would not have been any more effective against the cold, said Lawrence Mulloy, NASA's booster program manager at Marshall Space Flight Center in Huntsville, Ala.

Mulloy said he isn't surprised that Morton Thiokol went outside to get help.

"I knew they had a general effort going," Mulloy said. "We asked them to come up with any ideas and look at the industry to see if it had any ideas to improve the safety margin."

Lee and Morton Tihiokol officials mentioned the seal erosion problems. There was no mention of problems caused by cold weather, said Lee and others who attended the October meeting.

"It wasn't 'Hey, we have a catastrophe here,' " Lee said.

An official from another aerospace sealing company, who did not want to be identified, said Morton Thiokol approached his company four or five months ago about design proposals.

"We weren't comfortable with it," the official said. "It's a high risk area, which it turned out to be. A failure of that seal would result in a catastrophe. You're always anxious when you work that close to disaster."

Another aerospace company official agreed.

"With something like that, one has to be cautious." said Steve Casey, a corporate vice president of W.S. Shamban in Santa Monica, Calif. "You have to be careful about applications you get involved in."

Booster Engineers Warned of Cold Danger to Shuttle

(By James Fisher)

WASHINGTON.—Engineers at the company that built *Challenger's* booster rockets warned before the Jan. 28 catastrophe that perhaps the shuttle should not be launched because it was too cold, but they were overruled, a NASA official testified Tuesday.

Lawrence Mulloy, booster project manager at Marshall Space Flight Center in Huntsville, Ala., told the presidential commission investigating the shuttle explosion that the concern of engineers at Morton Thiokol Inc. centered on synthetic rubber gaskets in the main joints of the solid-fuel boosters.

"There were data presented . . . by Thiokol engineering. There was a suggestion that possibly the seals shouldn't be operated below any temperature that had been operated on previous flights," said Mulloy:

"It was the judgment that under the conditions we could see on launch day, given the configuration we were in, that the seal would function at that temperature."

The temperature was 38 degrees Fahrenheit when *Challenger* lifted off at 11:38 a.m., after reaching a low of 24 degrees at 7 a.m. The next coldest launch temperature was 51 degrees when Columbia took off Jan. 12.

Mulloy did not say who overruled the company engineers, but a NASA official testifying before the commission last week said Morton Thiokol had given its approval for the launch.

Mulloy also did not say when the engineers made their warning or how it was communicated.

The Orlando Sentinel reported Friday that engineers were worried that freezing temperatures might have caused the gaskets, called O rings, to stiffen and allow hot

gases to leak through the joints. Leaking gases that might have caught fire are among the suspected causes of the shuttle explosion.

Internal rocket heat has damaged the O rings in the past. Engineers are studying changes in the joints to stop such damage. But NASA officials said Tuesday that they were confident the rings and the joint design were safe.

David Winterhalter, NASA's acting head of the shuttle propulsion division, said engineers still wanted to improve safety margins. "We weren't happy with the way it was," he said.

Much of the testimony Tuesday was in response to a memo written in July 1985 by NASA budget analyst Richard Cook, who warned that problems with the O rings threatened a "catastrophic failure" during launch.

Commission Chairman William Rogers repeatedly tried to discredit Cook's knowledge of booster safety during the analyst's testimony.

NASA photos show an unusual plume of fire at or near a joint on the lower part of the right booster, called a field joint. Two O rings are at each joint, one atop the other, the first is a primary and the second acts as a backup.

Mulloy testified that damage has been seen on six primary O rings in 171 field joints. There are three field joints on each booster, and 57 boosters have been studied after ground test firings and shuttle launches.

The primary O rings were eroded by superhot gases that had broken through protective asbestos putty to get to them, and in two cases soot from burning fuel made its way past the primary O ring to the area in between the two seals, Mulloy said.

When erosion occurs, "the material is totally removed and there is a divot in the surface. There is a bite in the O ring," Mulloy said.

Although problems with the cold will be the focus of upcoming commission hearings, the subject came up repeatedly Tuesday.

Commission member Richard Feynman, a Nobel laureate and physics professor at California Institute of Technology, did a casual experiment during a hearing recess that left him wondering about the performance of the O rings in the cold.

Feynman said he put some of the O ring material in a glass of ice water. "For a few seconds, there's no resilience in this particular material" when the temperatures is 32 degrees, Feynman said.

"I believe this has some significance for our problems," he said.

Engineers had been considering design changes to improve the joints "pretty much for the last year. It sort of intensified as the year went on," Winterhalter said.

However, he added, "At no time during that period did my people come to me . . . and indicate there was any safety problem in these areas."

Design changes selected in November were to be studied during a booster test firing in Utah this week, but that has been postponed. NASA officials wouldn't explain any of the potential changes, but the information is expected to be included in documents to be made available today.

Commissioners were given the information during a private meeting Monday.

Rogers opened the hearing Tuesday emphasizing that the commission intended to be as open with its investigation as possible.

Board members were reported to be irritated with NASA officials' lack of candor during the first open session last week, having read about booster seal problems and internal memos in newspapers over the weekend. However, both sides appeared cooperative and congenial Tuesday.

In his early questioning, Rogers appeared to be making a point for reporters not to overemphasize the booster seal problem as a potential cause, and not to read too much into internal NASA memos.

There may be all kinds of past memos that surface in the future, indicating problems with shuttle components or systems—isn't that right?—he asked William Graham, acting NASA administrator.

Yes, Graham said, NASA encourages internal self criticism and open discussion.

And just because the commission focused on the booster seals and joints Tuesday doesn't mean that area is the primary suspect in the cause of the explosion—does it?—he asked Graham.

Not at all, Graham said, "We are still looking across a broad range of issues."

The commission members will travel to Kennedy Space Center Thursday to learn about shuttle processing procedures and see how the booster seals and putty are installed, inspected and tested.

Commissioners also expect to get information from tests and simulations about how the cold weather might have affected *Challenger's* liftoff.

[From the Orlando Sentinel, Feb. 9, 1986]

NASA DIDN'T ANTICIPATE FREEZE: ROCKET TESTS NOT RUN IN SUCH COLD, SOURCE SAYS

(By Dan Tracy and John J. Clisch)

CAPE CANAVERAL.—Space shuttle booster rockets had been tested for their performance in cold weather but never under the extreme conditions experienced before *Challenger's* launch Jan. 28, a source close to NASA's investigation said.

The source said Morton Thiokol Inc., which manufactures the boosters and loads them with solid fuel near Brigham City, Utah, test-assembled the rockets in 20-degree temperatures and subjected them to internal pressure.

Morton Thiokol officials said the company cold-tested the boosters but would not give specific details.

But at Kennedy Space Center, *Challenger's* boosters were assembled in 50- to 60-degree weather weeks before the launch, then temperatures dropped to freezing or below for 10 hours before liftoff.

Morton Thiokol engineers said last week the cold could have caused seals called O rings to stiffen. This could have prevented a tight seal and let exhaust gases rupture the right booster, possibly igniting *Challenger's* adjacent liquid fuel tank.

The company is doing simulations and computer studies to investigate the possibility. It has asked the maker of the rings, Parker O-Seal in Culver City, Calif., to provide all information about the rings' ability to withstand cold.

The source said few NASA employees expected such cold temperatures before a launch.

The New York Times, quoting NASA files, said Saturday that the space agency was warned last year that O rings and other rocket booster seals may break and cause a catastrophic accident.

The documents show that engineers at NASA headquarters and its Marshall Space Flight Center in Huntsville, Ala., were concerned that leaks may happen where segments of the booster rockets are joined.

One NASA analyst warned in an internal memorandum last July that flight safety was "being compromised by potential failure of the seals. . . . Failure during launch would certainly be catastrophic."

A 1982 "critical items list" for the booster also warned that if the seals should fail the result could be "loss of vehicle, mission, and crew due to metal erosion, burnthrough, and probable case burst resulting in fire and deflagration," or rapid burning.

It is not clear what action, if any, NASA might have taken in response to the engineers' memorandums, but the issue was still listed as a concern in agency documents as recently as December.

Space agency officials declined Saturday to respond to questions about the concerns raised in the documents.

At 6 a.m. the day of the launch, when the temperature was 27 degrees, the orange external fuel tank was white with ice and frost, prompting NASA to convene a meeting of 60 space agency workers and contractors, said the source close to the investigation.

The source said NASA shuttle boss Jesse Moore questioned them about whether to proceed.

Officials of Rockwell International, prime shuttle contractor, were "wishy-washy" because of the absence of testing under such weather conditions, the source said. "They didn't say yes and they didn't say no."

The launch, originally scheduled for 9:38 a.m., was delayed two hours because of the cold. After the pad was checked and no ice was found, Moore decided to proceed and *Challenger* lifted off at 11:38 a.m. The temperature was 38 degrees—the coldest ever for a shuttle launch.

In Washington last week, Judson Lovingood, deputy director of shuttle projects at Marshall Space Flight Center, told the presidential commission investigating the explosion the "integrity of the O rings" in cold weather was discussed before the launch. Lovingood said Morton Thiokol officials recommended proceeding with launch. Another source close to NASA's investigation said cold temperatures could not have affected the O rings.

"It wouldn't have frozen it. . . . I wouldn't put my money on that," said the source, who defended the agency by saying, "You cannot simulate everything."

Gary Flandro, a former Morton Thiokol consultant and a rocket expert at Georgia Tech, said he assumes the company would have tested boosters at a uniform cold temperature.

"If you take a big lump of something that is warm and you put it in freezing cold it takes a long while for it to get cold," said Flandro. "If they did make cold tests they probably allowed the whole system to get cold. Then the thermal gradients are not there."

A thermal gradient is a difference in temperature within the structure of the booster.

"Whenever you have things that are glued together, it's dangerous to have temperature gradient, as they tend to be weakened at the bonding areas," he said.

NASA is trying to recover both booster rockets from the Atlantic as part of the investigation. They separated from *Challenger* when the tank exploded and were later intentionally detonated by radio command when they strayed from a safety zone.

Both have been reported found, but NASA gave no word Saturday on progress to retrieve them.

Sonar experts worked Saturday to pin down the location of the inertial upper stage booster of a $100 million Tracking and Data Relay Satellite that was a passenger in the shuttle's cargo bay.

Sonar readings indicated the stage booster appeared to be in 100 to 120 feet of water 18 miles northeast of the Cape, close to where *Challenger's* left solid rocket booster sank.

Severe thunderstorms hampered Navy salvage crews aboard the USS *Preserver* trying to identify the satellite booster.

PAST, PRESENT SPACE WORKERS ATTACK SAFETY, QUALITY CONTROL

(By Dan Tracy, Tim Smart and Jim Leusner)

The explosion of the space shuttle *Challenger* did not surprise some current and former NASA technicians and contract workers, many of whom privately contend the space agency's quality control system and safety record are poor.

NASA's official line is that safety comes first, especially in a business where risk is inescapable. They liken what happened to the *Challenger* and its seven crew members on the frosty morning of Jan. 28 to the crash of a commercial jetliner: sad, yet inevitable when there are so many flights.

Critics say the shuttle program is not nearly as safe as it could or should be. A review of NASA reports shows that the space program has been plagued by accidents large and small that caused costly delays.

Quality control is one of the major problems, half a dozen shuttle workers said. Some of them claim to have kept diaries or files documenting problems with quality and processing on the spaceplane.

"NASA is 20 years behind in quality control. They do not effectively control their contractors," said one former NASA quality assurance official. Like others interviewed for this story, he spoke only on the condition that he not be identified.

NASA's chief engineer, Dr. Milton Silveira, acknowledges the shuttle program has had some problems, most of them due to human error caused by workers not following proper procedures. But he contends that the agency's safety record is "pretty damn good."

NASA is so safe, he said, that it finished second to the U.S. Postal Service for a presidential safety award, largely because one of the key criterion is substantial improvement for safety.

"When you're good, you can't improve a whole lot.

"When we do have a problem, we examine it in detail and learn the lesson so it doesn't happen again," Silveira said.

Critics contend that many of the problems started—or got worse—in January 1984 when Lockheed Corp. won the $2 billion shuttle processing contract from Rockwell International.

Lockheed, they say, cut corners and costs too much to underbid Rockwell by up to 10 percent for the job of making sure the shuttle blasts off on schedule. Lockheed based its winning proposal on centralization of the program, which reduced the payroll from administrative levels to inspectors.

"Whole pages disappear from the countdown procedures alone," a Lockheed official bragged shortly after his company took over from Rockwell.

A mechanic who worked on the solid-fuel booster rockets for six years, said he quit in 1985 because the new management was not as adept at directing people as Rockwell.

"To me, I didn't feel they really knew what was going on . . . . Everything was rush, rush," he said.

A Rockwell technician said the demanding schedule to process the shuttles, long work hours to meet launch deadlines and a lack of manpower are putting increasing pressure on Lockheed employees and the company.

After nine shuttle flights in 1985, NASA had planned a record 15 missions this year.

"Everybody's starting to realize that's the problem," the technician said.

The former NASA official charged that many quality assurance supervisors, who monitor quality control inspections done by contractors, often discourage subordinates from reporting problems.

As a result, he said, many dissidents stay quiet. "They don't want to hear it," he said. "So you put blinders on or you leave. I left."

"Most of the people out there are dedicated," he said. "Most also are terribly disappointed with their management in the quality areas."

He said that when problems are noted by NASA, quality assurance inspectors often are not told if corrective action is taken.

A longtime space center engineer said he has no problems with the shuttle's design, but is upset with the work of people assembling and preparing the orbiter.

"The shuttle, by itself, is 100 percent," the engineer said. "I figure that by the time they get done with it, you are lucky if the shuttle is at 75 percent efficiency when it takes off."

Lockheed spokesman Stuart Shadbolt said his company has very strict standards that are rigidly enforced. He would not discuss criticisms made by employees.

Many NASA and Lockheed workers agree with Shadbolt.

"The biggest bitch I get," a NASA quality assurance supervisor said, "is that there is too much quality, too many people looking down their neck."

One veteran Lockheed engineer added, "My complaint is that too many petty things get written up and we get bogged down in that. The system is overly conscientious. Everything is checked by so many people."

He contends that quality control by Lockheed and quality assurance auditing by NASA is top notch. "That's why we're confident when we do launch," he said. "That's also why we're so shocked when something goes wrong."

NASA spokesmen Jim Mizell and George Diller said the shuttle program was designed so that fewer inspections would be needed as the spaceplane evolved into a more reliable vehicle.

"We cannot have a supervisor or a quality control manager overlooking every worker," Diller said. "We think the framework and concept is a good one."

Mizell, a former NASA engineer, also said that he has seen quality assurance officials—rebuffed initially but their supervisors—take their complaints and concerns all the way to the office of space center director Richard Smith.

"We have never taken this lightly," Mizell said.

Silveira, NASA's Chief engineer, said the agency is looking for ways to make each shuttle flight simpler, less costly and less bureaucratic. He said NASA has asked Lockheed to look into areas where they could reduce unusual red tape or unnecessary inspections.

Asked if workers are discouraged from reporting potential quality problems to supervisors, Silveira said: "I'm sure that happens. But our attitude is if things can't be done right then we won't fly."

"If they have something that's really bothering them, they owe it to the system to report it," Silveira said. "He becomes a party to the crime if he doesn't report it. We sure as hell want to hear about it. Lives come first."

A review of reports as NASA headquarters in Washington shows the space program has been plagued by accidents ranging from the sublime to the deadly serious.

One of the most gruesome accidents involved the death of a welder for Morton Thiokol Inc. On Aug. 10, 1983, at a company factory near Brigham City, Utah, the welder was 30 feet in the air in a cherry picker when a stray spark ignited his uniform. His clothes afire, the welder jumped but landed in a vat of hot methyl chloroform, a deadly colorless solvent.

A year to the day after the fatality, another death occurred in the shuttle program at Michoud, La., where Martin Marietta Corp. builds a giant external fuel tank that exploded in a fiery combination of liquid hydrogen and liquid oxygen after *Challenger* lifted off.

A quality inspector at the Michoud plant dropped his quality assurance stamp into an area under the floor. He stooped to retireve it but his obesity caused him to become wedged in the cramped space, which had only recently been degreased with trichloroethylene, a widely used industrial cleaner that is suspected of causing cancer. Overcome by cleaning agents that also included freon gas, the worker died.

Many accidents have revolved around the shuttle's booster rockets, which are one of the key suspects in causing *Challenger's* destruction.

The most serious and costly accident occurred Nov. 8, 1985, when workers who assemble the booster segments at Kennedy Space Center damaged the forward center segment of a booster while removing pins from an 11,000-pound shipping ring with an overhead crane. A NASA report blamed Morton Thiokol employees for shoddy workmanship and having poorly trained employees. There were no injuries but damage was estimated at $900,000.

There have been at least two spectacular fires at the Morton Thiokol rocket fuel complex in Utah. On Oct. 10, 1983, a casting segment for the booster rockets was being tested in a pit area when it unexpectedly burst at the relatively low pressure of 690 pounds per square inch. By comparison, the shuttle's boosters operate at a mean pressure of 600 to 800 pounds per square inch during the first 2 minutes of launch.

The burst released a large spill of oil that came into contact with a light or electric line broken by the blast, causing an immediate and widespread fire. Morton Thiokol estimated damage of $253,000.

On March 2, 1984, fire broke out in a propellant casting area, burning more than 500,000 pounds of solid fuel. Forty-seven workers were examined for smoke inhalation, and 14 were sent to the local hospital. There was no damage estimate.

The shuttle's main engines have also seen their share of accidents. During an Oct. 6, 1983, test at manufacturer Rocketdyne Corp.'s factory in Canoga Park, Calif., the liner of a combustion chamber was destroyed, with damage pegged at $300,000. Two days later a combustion chamber was being heat tested while resting on a wood

pallet inside a 300-degree oven. The pallet ignited, causing about $40,000 in damages.

CHALLENGER GOT COLDEST LIFTOFF TIME

(By Jim Leusner)

The temperature when *Challenger* lifted off last week was colder than during any of the previous 24 shuttle launches, a comparison of weather statistics shows.

Figures compiled by the National Climatic Data Center in Asheville, N.C. show that it was 38 degrees Fahrenheit at Kennedy Space Center when *Challenger's* flight began at 11:38 a.m. on Jan. 28. The low on the morning of the launch was 27, also the coldest overnight temperature before any shuttle launch.

NASA and the Air Force have refused repeated requests to release temperature information about all shuttle missions, saying it is part of the "impounded" data for the investigators of the explosion that destroyed *Challenger* and killed the seven crew members.

The climatic center, part of the National Weather Service, gave the temperatures to *The Orlando Sentinel* Tuesday. Center officials said the information was compiled from daily weather data supplied by Cape Canaveral Air Force Station.

The cold at the space center last week has raised questions among aerospace industry experts about whether solid fuel in the shuttle's twin boosters was exposed to temperatures below design specifications.

Information provided by Morton Thiokol Inc., the builder of the booster motors and other key parts, shows that the boosters are not to be operated if the temperature of the fuel drops below 40 degrees. The fuel is not to fall below 32 degrees while the boosters are being shipped to the Cape or are on the launch pad.

The high limit is 95 degrees for storage, 90 for operation.

It is not clear whether the temperature of the rubberlike fuel inside *Challenger's* boosters fell below the acceptable degree of cold.

Morton-Thiokol spokesman Gil Moore at the company's plant in Brigham City, Utah, and industry experts said the 1.1 million pounds of fuel in each rocket would require several days of continuing low temperatures to affect the fuel's temperature.

Company spokesman Rocky Raab and NASA spokesmen said the boosters are tested in cold temperatures, but they were unable to give specifics. NASA spokesman Mitch Varnes said he was certain that the space agency would neither launch in "anything other than optimum conditions" nor compromise safety.

Aerospace experts are divided over whether the accident was caused by mechanical failure, cold, human error or a combination of problems.

The space agency released photographs Saturday that show a flame coming out of the right booster casing seconds before the adjoining external fuel tank exploded 74 seconds after launch.

Moore said he did not know if the boosters had temperature sensors on them. Raab said information about whether the boosters have temperature sensors to monitor the fuel is "impounded."

Company officials had acknowledged before that some sensors and radio transmitters had been removed from the boosters to lighten them so the shuttle could carry heavier payloads.

Other information about the boosters has been available because it is "generic," Raab said. "We're having a hard time understanding what comes under the impoundment rule."

The climatic center's figures show the previous low launch temperature was 51 degrees on Jan. 12, 1986, when *Columbia* blasted off. The next lowest overnight temperature before a launch was 34 degrees during the final countdown for Discovery's mission in January 1985, according to the center.

Discovery was exposed to colder temperatures than *Challenger* while on the pad—19 degrees two days before liftoff—but had no major mechanical problems.

Some aerospace industry experts have suggested that the unusually cold weather in the hours before *Challenger's* launch may have caused a variety of problems with the boosters, including a "de-bonding" of the agent that binds the fuel to the steel casings.

The cold last week forced NASA to delay *Challenger's* launch by one hour to give technicians time to check for icing.

Purdue University professor John Osborn, an aeronautical engineer specializing in solid fuel behavior, said he believes the half-inch-thick steel skin of the boosters and welds on the rocket would not be damaged by 27-degree weather.

Osborn, who is a Morton-Thiokol consultant, also said the fuel itself would not be damaged by the cold temperatures.

He said the fuel acts like an insulator and would still operate in temperatures below ideal conditions. He said that it would burn slower and provide less than the 3.3 million pounds of thrust each booster normally provides.

There have been persistent rumors that officials from Rockwell International, the shuttle's prime contractor, asked NASA not to launch *Challenger* last week because of cold temperatures. Space agency officials said last week that they met with shuttle contractors and checked the pad for ice before clearing *Challenger* for launch.

Morton-Thiokol workers in Utah said there have been continuing rumors that their company officials also asked NASA to postpone the launch.

NASA spokesmen said they could not comment on the matter during the investigation.

LAUNCH WEATHER TEMPERATURES AT KENNEDY SPACE CENTER ON LAUNCH DATES

Date	Time	Launch temp.	Overnight low
Apr. 12, 1981	7 a.m.	58	55
Nov. 12, 1981	10:10 a.m.	73	60
Mar. 22, 1982	11 a.m.	81	65
June 27, 1982	11 a.m.	85	72
Nov. 11, 1982	7:19 a.m.	72	71
Apr. 4, 1983	1:30 p.m.	75	52
June 18, 1983	7:33 a.m.	75	69
Aug. 30, 1983	2:32 a.m.	74	74
Nov. 28, 1983	11 a.m.	78	67
Feb. 3, 1984	8 a.m.	57	56
Apr. 6, 1984	8:58 a.m.	60	51
Aug. 30, 1984	8:42 a.m.	81	70
Oct. 5, 1984	7:30 a.m.	68	64
Nov. 8, 1984	7:15 a.m.	67	54
Jan. 24, 1985	2:50 p.m.	66	34
Apr. 12, 1985	8:59 a.m.	70	67
Apr. 29, 1985	12:02 p.m.	84	68
June 17, 1985	7:33 a.m.	73	70
July 29, 1985	5 p.m.	86	73
Aug. 27, 1985	6:58 a.m.	74	73
Oct. 3, 1985	11:15 a.m.	86	75
Oct. 30, 1985	Noon	83	71
Nov. 26, 1985	7:29 p.m.	70	64
Jan. 12, 1986	6:55 a.m.	51	50
Jan. 28, 1986	11:38 a.m.	38	27

Sources: National Climatic Data Center, Sentinel research.

EXPERTS WARNED NASA OF FAST PACE

(By Tim Smart)

WASHINGTON.—A committee of aerospace experts has been warning NASA for years that the agency might be trading improvements in space shuttle weight and performance for safety as it strived to reach its goal of 24 launches a year.

Reports by the Aerospace Safety Advisory Panel paint a picture of a government bureaucracy trying to push the boundaries of science in the face of budgetary restraints and a not always sympathetic public.

However, the panel, whose members are mainly drawn from the ranks of the aerospace industry, never concludes that NASA compromised safety. The group was formed to advise Congress on space safety issues after the 1967 *Apollo* I fire that killed three astronauts.

There is particular concern in the reports over the question of reducing the shuttle's weight through the use of thinner materials. *Challenger* on its Jan. 28 launch day was 45,000 pounds lighter than during its first mission, but the spaceplane was carrying its heaviest payload ever.

In January 1983, the safety panel recommended that "extreme caution be used in decreasing structural factors of safety for weight purposes before all the pertinent flight variations are explored and all relevant data has been analyzed and taken into account."

Beginning in April 1983, though, NASA put the space shuttle on a diet, reducing the weight of the twin solid-fuel rocket boosters and the massive external fuel tank. The use of lighter, composite materials for key shuttle components is planned for future flights.

At a press conference just hours after *Challenger* exploded, killing the seven crew members, NASA officials stressed that safety was their paramount concern and denied they felt the pressure to adhere to rigid launch schedules. *Challenger* was making the second shuttle flight in a year in which 13 more were planned.

As it was, the launch had been delayed a day by weather on Jan. 27 and then an hour the next day after Rockwell International Corp., the shuttle's builder, reportedly asked NASA to postpone the flight because of icy conditions. Space agency officials have said they and contractor representatives reviewed conditions and decided they were acceptable for launch.

A source at Morton-Thiokol Inc., which made most of the booster that spewed an abnormal white flame seconds before the explosion, said engineers in Utah also were worried about the cold's effect on their booster motors.

The safety panel's January 1983 report noted that "the pressure of schedules seems to have relaxed the rigor of the certification process as applied to changes."

The question of quality control and adherence to maintenance practices is germane in the wake of *Challenger's* fiery fall from the skies. NASA itself has blamed Morton-Thiokol workers for shoddy workmanship and inattention to detail after an incident in Cape Canaveral last November in which a solid rocket booster was damaged.

Addressing the issue of safety in August 1984 testimony to the House subcommittee on space science, panel member John Stewart said the shuttle system will face greater safety-related questions as NASA increases the craft's flight rate and role.

"It would be a misconception and an unrealistic comparison to expect airline-type

routine operations of the shuttle," said Stewart, assistant general manager of the Tennessee Valley Authority.

The full panel's report for 1984 concludes with the sentence: "It appears that much needs to be done before the Space Transportation System can achieve the reliability necessary for safe, high rate, low cost operations."

A year later, in January 1985, the panel said it viewed the shuttle "as a program still in transition from the development stage to the operational stage."

The space shuttle program began in Congress in the early 1970s, at a point when the nation was reeling from its involvement in Vietnam and dealing with its first real battle with modern-day inflation. As such, the program's projected costs were viewed by some in the aerospace industry as unrealistically low.

"While this is not directly related to safety it may create an environment in which the best solutions to problems are not always pursued and may result in the acceptance of more risk than necessary," the safety panel concluded in its 1980 report.

That mentality was cited by Georgia Tech professors Gary Flandro and Ed Price as an underlying reason for NASA's lack of interest in pursuing the cause of vibrations in the solid-fuel rocket boosters.

Some industry experts have speculated that the abnormal flame from *Challenger's* right-side booster was a "burn through" of solid fuel.

After Flandro pressed, NASA decided to measure the effects of oscillations in the pressure inside the booster chambers during three shuttle missions in 1983 and 1984.

Research by H.B. Mathes of the Navy's weapons research center at China Lake, Calif., found that the pressures were below expectations except in the left booster motor of *Challenger* during the ninth shuttle mission in April 1984. On that flight, the pressure was more than three times higher than its mean level during the two minutes that the boosters burn.

[From the Orlando Sentinel, Feb. 4, 1986]

REAGAN APPOINTS CHALLENGER BOARD: PROBE EXPECTED TO TAKE 4 MONTHS—NO LAUNCHES LIKELY UNTIL IT ENDS

(By Anne Groer and John J. Glisch)

President Reagan created an independent commission Monday to investigate *Challenger's* explosion and recommend ways to prevent a recurrence of history's worst space tragedy.

A source close to the search for debris, meanwhile, said that beachcombers have found more bone fragments washed ashore and that the fragments were turned over to NASA and the Air Force for examination. It was not known whether they are human.

Reagan named former Secretary of State William Rogers and Apollo astronaut Neil Armstrong to head the blue-ribbon panel, which replaces NASA's interim investigation board.

The President named 12 of the panel's 20 members and gave them 120 days to finish their inquiry and make recommendations on how to avert another such disaster. He will name the other eight members later.

A week ago today *Challenger* exploded high above the Atlantic, killing its seven crew members.

Rogers said creation of the panel should not be construed as a lack of confidence in NASA's ability to investigate itself.

"We are going to work very closely with them," he said at the White House. "There isn't any point in trying to make it appear adversarial because it isn't going to be." He said the commission will use NASA's preliminary findings, staff and technical savvy.

Armstrong, however, seemed to think that NASA could have done the job.

"I don't have doubts about NASA being honestly able to conduct such an investigation," said Armstrong, the first man to walk on the moon.

White House spokesman Larry Speakes said Reagan formed the commission because its members have "no ax to grind either way," and therefore its findings will be more readily accepted by the public.

Reagan said in a brief appearance that the tragedy "will forever be a reminder of the new risks involved with space exploration."

"As we move away from that terrible day, we must devote our energies to finding out how it happened and how it can be prevented from happening again," he said.

In a related development, Rep. Don Fuqua, D-Altha, chairman of the House Science and Technology Committee, announced the creation of a six-member congressional panel to look into long-term space policy issues. The panel includes Rep. Bill Nelson, D-Melbourne, who flew on the shuttle Columbia last month.

The panel will study whether to let private citizens ride in the shuttle; whether the three remaining orbiters can meet commercial needs; and the future of the space station, said committee counsel Tom Tate.

Acting NASA administrator William Graham, Rogers and Armstrong told reporters shuttle launches are unlikely until the investigation ends.

Graham refused to answer questions about the significance of recovered debris and whether part of the crew cabin had been found. He said it is NASA's policy not to comment until the debris has been examined.

As for human remains, he said, "We are sensitive to the issue of personal effects and to the remains of the astronauts and we have plans in place to treat them with great dignity and privacy. We are not going to release any information."

NASA officials at Kennedy Space Center continued to refuse to comment on whether human remains or *Challenger's* cabin had been found.

NASA officials said camera-carrying robot subs are prowling shallow waters 15 miles off the Cape, where radar indicated large objects fell

Seventeen new objects have been detected, and Lockheed technicians were ferried to the site to help sonar crews identify them.

NASA said two underwater objects previously thought to be shuttle wreckage have been identified as a helicopter and a light plane.

The space agency remained silent on whether wreckage examined by robot submarines on the seafloor last week was the crew compartment.

A gold-colored tank 3 feet in diameter—possibly one of *Challenger's* helium tanks—was recovered 48 miles off Charleston, S.C. Another section of wing also was plucked from the sea.

The combined air and sea search Monday took in 20,000 square miles of ocean from Cape Canaveral north to Charleston and 150 miles out to sea.

NASA has given no indication how long the search will continue, but Coast Guard Lt. Cmdr. James Simpson said time just about has run out. "As each day goes past, the stuff drifts away and sinks."

[From the Orlando Sentinel, Feb. 4, 1986]

BOOSTERS NOT MADE FOR LIFTOFF IN COLD

(By Tim Smart and Jim Leusner)

Challenger's twin booster rockets were exposed to colder temperatures on launch morning than called for in fuel specifications.

It is not clear, however, whether the temperature of the rubber-like solid fuel inside the boosters actually fell below the acceptable level.

"There's about 1 million pounds of fuel in there and it takes a long time to change temperatures," said Gil Moore, a spokesman for Morton-Thiokol Inc. in Brigham City, Utah, which makes the booster motor and other key parts.

The boosters, one of which spewed an abnormal flame seconds before *Challenger* exploded, were not designed to be exposed to temperatures that would cause the fuel inside to drop below freezing, company documents show. The boosters are not to be operated if the temperature of the fuel drops below 40 degrees Fahrenheit. The maximum limits for storage and operation are 95 and 90 degrees, respectively.

When *Challenger* was still on the launch pad at Kennedy Space Center on Jan. 28, NASA reported that the early morning low was 27 degrees.

NASA officials refused Monday to disclose how cold it was when *Challenger* lifted off at 11:38 a.m. or to give any other temperature information about previous shuttle missions. Spokesman Mitch Varnes said the data has been impounded as part of the investigation into the explosion.

Space agency officials won't discuss the possible causes of the abnormal flame and subsequent explosion, and aerospace experts are divided over whether mechanical malfunctions, cold or human error may be to blame.

Morton-Thiokol spokesman Rocky Raab said, "I know we have test-fired some when it was cold out here [in Utah]." He would not say whether company officials were concerned about the weather in advance of the launch.

"I'm sure that's part of the impounded information," he said, referring to NASA's policy of withholding all flight-related data during the investigation.

Last week, NASA spokesman Joe Green said boosters get a "cold soak" test before they are used, but said he did not know at what temperatures.

Varnes said Monday that he was not aware of the temperature specifications, but added: "I have the greatest faith in our management that we wouldn't launch in anything other than optimum conditions. We would never compromise safety for a launch."

NASA films show an abnormal plume of flame spewing from the lower section of *Challenger's* right-side booster about 15 seconds before the shuttle exploded. William Graham, acting space agency administrator, said Sunday the flame erupted at or near a steam joining two segments of the rocket.

Some aerospace industry experts have suggested that the unusually cold weather in the hours before launch may have caused any number of problems with the boosters, including a "de-bonding" of the agent that binds the fuel to the motors' steel casings.

Ed Price, an aeronautical engineering professor at Georgia Institute of Technology

and an expert in the way solid rocket fuels behave, said, "I was concerned about the temperature conditions.

"That morning, I just said to myself 'They're not going to launch,' because of the cold," Price said.

Extreme cold temperatures could have caused deterioration in the layer of insulation between the rocket fuel itself and the casing of the motors, Price suggested. Another possibility, Price said, was that different levels of expansion and contraction of materials might have damaged the areas where the four segments of the boosters are attached to one another.

The cold weather forced NASA to delay *Challenger's* launch by one hour last Tuesday to give technicians time to check for icing. Although space agency officials wouldn't say how cold it was when the shuttle blasted off, the high temperature for the day in Titusville was 46. It is usually a few degrees warmer at the space center because it is surrounded by water.

In January 1985 the shuttle Discovery was exposed to colder temperatures than *Challenger* and experienced no major mechanical problems. The launch was delayed two days on Jan. 22 when the temperature dropped to 19, NASA said at the time. It was 33 when Discovery was launched on Jan. 24.

Purdue University professor John Osborn, an aeronautical engineer who also specializes in solid-fuel propellant behavior, said Price's theories are "plausible."

But Osborn, who also is a consultant to Morton-Thiokol, said he believes the half-inch-thick steel skin of the boosters and welds would not be damaged by 27 degree temperatures.

He disputed reports that the chilling temperatures may have affected the solid fuel, which is made by Morton-Thiokol.

Osborn said the 1.1 million pounds of propellant in each booster, a substance with aluminum particles as the main ingredient, would not be affected by a temporary drop in temperature. He said the propellant acts like insulation and still would operate in temperatures below ideal conditions. But it would burn slower and provide less than the 3.3 million pounds of thrust each booster normally provides, he said.

Osborn also took issue with a report in the New York Times, which quoted an unidentified source as saying that the right booster on the shuttle experienced a sudden drop in pressure 10 seconds before last Tuesday's explosion.

He said the flame leak from the rightside booster actually would cause a temporary increase in pressure because propellant would be burning from the inside out, as designed, but also in the opposite direction.

"It's not like a balloon you puncture and it deflates," Osborn said.

Although he believes the booster flame was a factor in the explosion, Osborn said the intensity of the blast indicates there had to be a failure in the external fuel tank that was not caused by heat from the booster leak. He said such intensity could only be caused by the thorough mixing of liquid hydrogen and liquid oxygen inside the fuel tank. They are not supposed to mix until they reach the orbiter's three main engines.

"I'm suspicious," Osborn said. "I think NASA is holding back some information from us."

A Morton-Thiokol worker in Utah who was involved in the booster motor design said different bonding and insulation materials might have been used had it been known the boosters would be exposed to subfreezing temperatures.

The worker, who asked not be identified, said he doesn't believe the boosters have ever been "static-tested"—fired while strapped to the ground in temperatures below 40 degrees.

Mr. GORE. I urge opposition to the nominee.

I appreciate the ranking minority member yielding me time.

Mr. RIEGLE. I thank the Senator from Tennessee.

Mr. President, I yield 6 minutes to the Senator from Wisconsin.

JAMES FLETCHER—THE WRONG MAN FOR THE JOB

Mr. PROXMIRE. Mr. President, I rise in opposition to the nomination of Mr. Fletcher.

The Senate faces a difficult decision today. The nominee being considered for the all-important job of heading the National Aeronautics and Space Administration, James C. Fletcher, is an honorable and dedicated public servant. His prior tour of duty as Administrator of NASA clearly shows that to be the case. However, that prior record also shows an unwillingness to face up to the serious difficulties the space shuttle was encountering even then, in its design, development, test, evaluation phase. On what basis do I make that statement? For 8 years, I chaired the Appropriations Subcommittee that funded NASA, and for many of those years Dr. Fletcher headed the agency. Each spring, he would tell us that all was well with the shuttle. Each year, NASA would ignore critical reports made by the General Accounting Office. Let me give an example or two of what I mean.

Here is what NASA Administrator Fletcher had to say back in 1976 about the shuttle:

> The fact is that we can go ahead with the space shuttle and can launch all of the known payloads in the future, and we can launch them more cheaply than we can with our current expendable launch vehicles. * * * Once people begin to recognize the economic advantages of the shuttle, we think it is quite reasonable to assume, and we took specific cases, that the flight rate would go up to 60 per year.

Mr. President, one could argue that this was not a consciously misleading snow job. But during those years the General Accounting Office was issuing a series of staff reports pointing out certain inadequacies in the Shuttle Program, and these reports were, to put it politely, ignored by NASA.

Back in 1975, GAO had this to say about the Shuttle Program:

> Adjustments had been made to delete, defer, or reprogram work to align the development program within the predetermined cost ceilings. However, some adjustments increased the risks to overall program cost schedule, and performance targets. Other adjustments moved funding problems into the future or out of the D.D.T.&E., budget into other budgets where potential cost growth will not be readily identifiable. This situation suggested that, if cost overruns are encountered they will either not be recognized and/or not be identified until the latter stages of the program.

How did Dr. Fletcher's NASA respond to the GAO staff study? Here is how:

> There are adequate funds available * * * to carry out Space Shuttle development—

And—

> The staff study could be seriously misleading on the development status of the Space Shuttle and NASA's cost commitment to the Congress to develop the Space Shuttle for $5.2 billion in 1971 dollars.

Dr. Fletcher was also in charge at NASA when the agency made an absolutely disastrous decision that has cost the taxpayer dearly. That decision was to proceed with the Tracking and Data Relay Satellite System and to lease rather than buy that system. When I gave NASA a Golden Fleece for this miscalculation back in May 1981, it got scant attention. However, the NASA inspector general's report that I cited 5 years ago was recently resurrected by a New York Times reporter who wrote two marvelous articles on the cost problems plaguing the Shuttle Program. The IG's report made it clear that NASA had incurred excessive costs of from $500 million to $1 billion by leasing rather than buying the system.

Mr. President, these were honest mistakes by an Administrator who was perhaps too zealous in pushing the party line that the shuttle was the greatest thing since corporate political action committees. However, what NASA emphatically does not need at this critical point in its existence is an Administrator who pushes the party line, who finds it difficult to accept honest criticism, who feels NASA can do no wrong. Dr. Fletcher, for all his sterling qualities, is, quite simply, a NASA retread who presided over a shuttle development with serious but unacknowledged problems. He is not the man for this job. That is why I must vote against his nomination.

Mr. President, this is an unusual opportunity. I have been in the Senate almost 30 years, and rarely do we get a chance to act on a nominee who has served in the capacity before. This time, we do. We know his record; we know his weaknesses and his strengths. Now we have a chance to decide whether that kind of Administrator should be back in this kind of job. I think that anybody who studies the record Dr. Fletcher has already made will have an easy time agreeing with the junior Senator from Tennessee [Mr. GORE] in voting "no."

Mr. RIEGLE. Mr. President, how much time does the Senator from Missouri wish?

Mr. EAGLETON. Seven minutes.

Mr. RIEGLE. I yield 7 minutes to the Senator from Missouri.

Mr. EAGLETON. I thank the Senator from Michigan.

FLETCHER WRONG STUFF FOR SPACE JOB

Mr. President, during my 18 years in the Senate, I've seen Federal agencies treated with varying attitudes by the Congress.

Some agencies like Legal Services, the Environmental Protection Agency, the Agency for International Development, and OSHA are the contempt agencies. Some partisans in Congress hate their guts and, thus, they are in for a tough way to go whenever its budget or an issue pertaining to the agency is before Congress.

Then there are the swoon agencies. We swoon before these. These are the agencies that can do no wrong and in whose presence Congress does its little acts of obsequiousness.

The FBI under J. Edgar Hoover was one of these. When it was time for old J. Edgar to appear before the Senate Appropriations Committee, one floor down, he would drive up to the Capitol steps with his entourage and enter the hearing room on the first floor of the Capitol. Senators would fall all over themselves to get a photo with J. Edgar. Only after the Director sat down, would the committee members sit down.

Then, the committee would get into some real, hard-ball questioning such as:

"Mr. Hoover, how do you continue to do such a superb job year in and year out?"

"Mr. Hoover, you have asked for $X million in your budget. Couldn't you usefully absorb even more money than that?"

So it went with a swoon agency.

NASA was another swooner. It represented every aspiration, every hope, every dream, every challenge, every opportunity for a new technological age. It was the embodiment of our future.

The theory was to "turn 'em loose," "let 'em do what they want" and dreams beyond even those of John Kennedy would become reality.

Government, like an individual, has the right to dream great dreams; but Government pays a price when it converts dreams into a fawning exercise. That is what we did with Hoover's FBI; that is what we did with NASA.

Now NASA is beset with calamity upon calamity—*Challenger* and now Delta. In a matter of a little more than 3 months, what was our Nation's best has turned to failure.

To chart a new course, we seek out a dead hand from the past to run the agency, Dr. James C. Fletcher. To cure the problems for the future, we seek out someone from the problem-filled past.

The New York Times and other newspapers have revealed numerous instances where NASA made overly optimistic predictions about the cost of the shuttle, was involved in price gouging, poor equipment testing, sacrificed safety measures in an effort to save money, and rebuffed suggestions by Federal Government auditors to correct deficiencies.

Much of this took place when Dr. Fletcher was Administrator of NASA from 1971 to 1977.

Let me quote just a few excerpts from the New York Times about events which included the Fletcher era, 1971 to 1977.

On the subject of costs and safety:

Audits of the space agency since 1971 allege that NASA consistently misled Congress on projects, whether on costs or feasibility, in violation of various Federal laws. . . .

The Times went on to note that:

Dr. Fletcher predicted that the cost of lifting shuttle cargo into orbit would be $100 a pound. The cost now is $5,264 a pound for the total program and $2,849 a pound for operations alone. Discounting for inflation the corresponding rise is 9 to 19 times, the Congressional Budget Office figures showed. . . .

Then concerns about the cuts

Were raised in 1974 in a study by 35 aeronautical and space experts. . . . The team said it was worried that testing was being highly compressed. Orbiter testing, for example, was cut from 16 months to 3 . . .

Another quote:

In 1977 the auditors said deletion of tests of tires, brakes, and landing gear "may result in loss of vehicle and crew."

On the subject of management:

In the last 15 years, the bad administration and spending abuses have been found in virtually every aspect of the NASA operations, from running the shuttle to developing planetary probes, from satellites to construction of buildings, from space experiments, to employee overtime, from headquarters to field centers, according to the documents.

Then the Times went on to quote Elmer B. Staats, a great Comptroller General from 1966——

The PRESIDING OFFICER. The time yielded to the Senator has expired.

Mr. RIEGLE. Do I have 5 additional minutes?

The PRESIDING OFFICER. The Senator does.

Mr. RIEGLE. I yield 5 additional minutes to the Senator.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. EAGLETON. I thank the Senator.

The New York Times also quoted Elmer B. Staats, Comptroller General from 1966 to 1981. Here is what Elmer Staats had to say:

There was a distinct change after Mr. Webb left [NASA in 1969]. Mr. Webb was a good manager. He put together a good team. But afterwards, there was less openness, less willingness to listen to the kind of challenges we were making. It was an institutional thing; it was the whole system.

And finally, the New York Times said:

Audits, by the NASA's Inspector General's office, Congress' General Accounting Office and the Pentagon's Defense Contract Audit Agency, allege thousands of NASA or contractor violations of Federal law or regulation. And they portray an agency with a serene, always-in-control reputation as constantly arguing behind closed doors with Government inspectors and often ignoring criticism.

To be sure, Dr. Fletcher will not need "on the job training." For sure, he will take on this job as though it were "business as usual." He thinks the Rodgers Commission is a "witch hunt"—so he will learn nothing from its investigation.

Dr. Fletcher, it is said, "will get NASA back on course." The trouble is it will be the same old Fletcher course of 1971–77.

Yes, Dr. Fletcher, it is said, "knows the ropes." The trouble is it is the same old ropes of the Fletcher era.

My friend Senator HOLLINGS says Dr. Fletcher "is really just exactly what the doctor ordered."

I disagree. Dr. Fletcher isn't what any doctor ordered to cure a very sick patient. However, if we want to continue the malpractices of the past, then Dr. Fletcher is our man. His nostrums and his pills will mean more of the same—and more trouble in the future for NASA.

We do not need a friendly old insider who was part of the problem. We need a tough new outsider who will have the guts to resolve the problems.

Putting James Fletcher back as head of NASA would be the equivalent of putting Anne McGill Burford back as head of the Environmental Protection Agency. Mr. President, James Fletcher is the wrong stuff for NASA.

Mr. President, I ask that an editorial on the Fletcher nomination from the New York Times be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ESCAPE THE NASA NIGHTMARE

The loss of NASA's Challenger shuttle was no accident, striking a well-run agency like a bolt from the blue. It sprang directly from 15 years of hidden mismanagement, waste and fraud that have become routine in NASA operations.

The agency's Congressional overseers who should have detected the rot preferred to curry favor and, like Senator Jake Garn and Representative Bill Nelson, even to cadge junkets on the shuttle. And now Congress is about to compound the error by reinstating as head of NASA James Fletcher, a man who for seven years presided over its slide into decay.

The startling new portrait of NASA emerges from articles by Stuart Diamond in the Times Wednesday and yesterday. He examined more than 500 Federal audits of NASA that map out a swamp of critical management compromises of testing, reliability and safety. These in turn raised the costs and turnaround time of the shuttle, destroying any chance that it could deliver

payloads more cheaply than expendable rockets.

After the resignation of James Webb in 1968, the NASA chief who oversaw the successful moon flights, NASA chose the shuttle as a follow-up project, and the Nixon Administration approved it, in part to shore up the aerospace industry. Dr. Fletcher, NASA's head from 1971 to 1977, sold the shuttle to Congress on the premise it would pay for itself.

But after Mr. Webb, NASA's management deteriorated. The 16 centers in NASA's far flung empire purchased enormous amounts of equipment, but neglected to keep track of inventory or prevent widespread pilferage. Agency officials developed cozy relations with contractors, stifling competition and paying Pentagon prices for equipment. NASA was gouged $130 for $3 bolts, $159,000 for a $5,000 fan. The auditors have docomented at least $3.5 billion of waste.

Short of cash, NASA meanwhile started cutting down on testing. The audits document $500 million of tests eliminated or delayed, including $68 million for testing the shuttle's booster rockets. The corners cut on testing led to malfunctions, delays and cost overruns. Dr. Flecher promised Congress in 1972 the shuttle would cost $10 million per launch. The actual figure was five times higher. The cost of lifing cargo into orbit is $5,264 a pound; Dr Fletcher's projection was $100.

Dr. Flectcher's goal of making the shuttle a commercial success is a patent failure. Congress and the Administration do not yet show they understand how big a policy change that requires. Since the shuttle fleet is both imperfectly safe and a commercial bust, the shuttles should be reserved for military and scientific payloads deliverable free of commercial launch pressures. Expendable rockets should take over other payloads.

That means there is no need to build a replacement orbiter, as NASA has been lobbied to do by a company named General Space, of which Dr. Fletcher is vice chairman, NASA needs a new policy, a new direction, and renewed dedication and competence. Dr Fletcher is part of the nightmare from which NASA is trying to escape. If Congress is serious about restoring excellence to this once-superb agency, let it say no to the Fletcher nomination and insist on an administrator interested in improving the future, not justifying the past.

The PESIDING OFFICER. Who yields time?

(By request of Mr. GORTON, the following statement was ordered to be printed in the RECORD:)

● Mr. GARN. Mr. President, the Senate has before it today one of the most important nominations of the Reagan administration today, that is, the nomination of Dr. James C. Fletcher to be the Administrator of the National Aeronautics and Space Administration.

Under normal circumstances, I might not characterize this position in quite the same manner. But these are not normal circumstances for our Nation's space program, as all of us know.

We have had a tragic accident that has prompted a comprehensive review of the way we have gone about the exploration of the frontier of space, not only in the shuttle program but throughout NASA.

Much of that examination has been healthy. It will leave us with an even better space program than we had before. On the other hand, some of it has been unhealthy and has been the result of premature speculation or incomplete, inaccurate, or bias reporting by certain members of the press, as in a recent two-part series in the New York Times. That particular series was especially distressing, because it was an attempt to rewrite the history of NASA from a one-sided narrow and negativist point of view by someone with little or no knowledge about the actual nature of a program that has as its very purpose the challenge of expanding the leading edge of technology into the unknown through research, development and exploration.

Unfortunately, some, even in this body, have taken the purported facts of that sort of journalism to be gospel and have used it as the basis for their criticism of this nomination. It disappoints me to see that, but it certainly does not deter me in the least for giving my enthusiastic support for Dr. Fletcher. Nor, as we shall see, has it deterred the vast majority of the Members of the body, or of the administration, the employees of NASA, and the general public.

I said earlier that these were not ordinary times for NASA and the space program and the President has made an extraordinary selection in asking Dr. Fletcher to resume the helm of NASA. I have known Jim Fletcher personally for many years. I don't know that I've ever seen a better example of scientific professional competence, or someone with a better combination of scientific technical expertise and superb management ability.

The very announcement of the President's intentions to nominate Dr. Fletcher was a shot in the arm for the employees of NASA. He was someone they know and in whom they could immediately have confidence. Let me give you an example of that. Two weeks ago, during the committee hearing on this nomination, the proceedings were broadcast over the internal NASA television network. My administrative assistant happened to be at Johnson Space Center in Houston, and he reported to me an observation that I am sure was duplicated throughout NASA: a television monitor was in the main lobby of the administration building there at JSC. As employees passed by, they would pause and listen to the hearing for a few moments. As they watched the conduct and responses of their soon-to-be new Administrator, they would turn to each other, nod, give the thumbs-up signal, and then go on about their tasks with an almost palpable air of renewed confidence and commitment.

That confidence is justified, Mr. President, and Dr. Fletcher's performance of his responsibilities at NASA will be a source of pride for all of us.

Shortly after the *Challenger* tragedy, President Reagan spoke at a memorial service at the Johnson Space Center, for the crew members who lost their lives that terrible January day. Among the many moving things he said that day was the following:

> Dick Scobee knew that every launching of a space shuttle is a technological miracle. And he said, "If something ever does go wrong, I hope that doesn't mean the end to the space shuttle program." Every family member I talked to asked specifically that we continue the program; that that is what their departed loved one would want, above all else. We will not disappoint them.
>
> Today, we promise Dick Scobee and his crew, that their dream lives on; that the future they worked so hard to build, will become reality.

Mr. President, the nomination before us today is one of the first steps in the fulfillment of that promise made by President Reagan to seven heroes and heroines who gave their lives in the advancement of mankind's reach for the stars. It is both that promise and the incalculable benefits and improvements to life on Earth that come from the continuing exploration of space that make this nomination so important. We are not simply confirming the head of an agency today; we are also confirming a commitment to possibly the greatest human endeavor in the history of mankind; one that will improve our opportunities on this planet, and one that will expand those opportunities beyond the limits of Earth.

I urge my colleagues to give this nomination their enthusiastic support.●

Mr. GORTON. Mr. President, I ask for the yeas and nays on the nomination.

The PRESIDING OFFICER (Mr. COCHRAN). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. GORTON. Mr. President, I ask unanimous consent that the vote on the nomination take place at 2 p.m. tomorrow.

The PRESIDING OFFICER. Is there objection to the request?

Mr. GORTON. Excuse me. I will withhold that request until the minority leader is on the floor.

Mr. RIEGLE. I thank the Senator.

Mr. President, we have heard three very strong statements in opposition to the nominee from three distinguished colleagues on this side of the aisle. I think what they say deserves very careful thought, which I know it will receive from all the Members of the Senate.

Senator HOLLINGS, who serves as the ranking member on the full Commerce and Space Committee, I know has

thoughts that he wants to share. And while he has had to speak in another forum here just moments ago, I know he intends to arrive here and make his views known and will do so, I expect, in due course.

While we wait for his arrival, I might add one other thought to my own earlier remarks. When we were having Dr. Fletcher as a witness before the Commerce Committee, Senator JOHN GLENN who, of course, we all remember as a distinguished astronaut prior to his equally distinguished service here in the Senate, came before the committee to support Dr. Fletcher's nomination.

JOHN GLENN, I think, is probably as independent-minded a thinker in this body as we have. He makes his own judgments, whether one agrees with them or not. He has a great reverence, I think, if we want to use that term, for what NASA stands for, what NASA has accomplished, the sacrifices that have been made over the years by astronauts whose lives were lost, and others, and I think he is probably as much a guardian, if you will, of NASA and its ability to perform properly as anyone we might look to.

And JOHN GLENN, while I am paraphrasing what he said, said thoughts along these lines: that while he, too, was concerned, as am I and as are other colleagues, about some of the disclosures about cost overruns and past management practices in NASA in years past, that he felt, based on his personal knowledge of Dr. Fletcher, his record in the past and his record since leaving NASA, that he felt strongly that Dr. Fletcher was a man who possessed the qualities that NASA needed at this time to put a team back together and to get the agency out of this dark valley in which it now finds itself.

He particularly stressed, JOHN GLENN did, his concern that the agency at the present time is drifting and has been drifting in his view in terms of the lack of top-notched, focused centralized leadership could take and give the agency the kind of direction and management thrust that it needs. And he stressed in the most urgent terms the fact that that problem had to be resolved and be resolved now, in his view. And so, with the sense of the greatest urgency, he urged us to do this.

And I recall one other observation, if I may. This was not made in a public session, but I do not think I intrude on our relationship to relate this. But JOHN GLENN and I and a group of others went down to the funeral service, the memorial service for the astronauts that were killed in the *Challenger* explosion that was held shortly after that explosion down in Houston. And it was a very wrenching and emotional day in every respect. And the Senator from Washington recalls, because he was there as well.

I remember, as we were leaving the ceremony—and JOHN GLENN and I happened to be seated next to one another on the bus that was taking us away from the memorial service—he was looking out at the grounds of the space flight center there. His eyes were misty, as all of our eyes were, and he said: "You know, we all dreaded the fact that we knew that some day this day might come," namely, a day in which there was a catastrophic accident in which astronauts lost their lives and so forth. But he then went on to talk in terms of the risks, if you will, that go with the kind of extraordinary daring that is associated with the Space Program. There is nothing that we do in our society that is probably more dangerous on an organized basis in terms of the complexity, pushing the science out to its outer limits, trying to do things, go beyond spheres where we have never gone before. I think in some respects we tend to think of it as a routine kind of activity because we have had such a remarkable record of success in the past.

But JOHN'S reflections were along the lines of fact that it is incredibly dangerous, and that something that is challenging the outer limits of our capacities as much as the Space Program does is something that leaves us right on the edge of these kinds of great risks and dangers all the time, whether we chose to recognize them or not.

So I think he was saying then and now that it is very important that the people in NASA who undertake to do this work in behalf of the Nation, in behalf of national goals that we set out for ourselves, be given enough of a sense of confidence by us. Obviously, it has to be deserved and has to be maintained and has to be handled properly when that confidence is invested by the people or by the Congress in an agency. And I know he felt very strongly that there is a need to get capable, strong leadership in place that can attract the other talents that are needed, the critical mass of management talent, to let the agency restore itself.

Now, I do not think anybody has to imagine very hard to imagine that spirits are very low in NASA these days, in the astronaut corps and with others, because of the terrible sense of personal loss of the deaths of the astronauts who were the closest friends and colleagues and the associations of the families back and forth and the tremendous sadness and blow that that entailed by itself. And then the loss of all of the very expensive equipment now in the succession of accidents and the lambasting, if you will, that NASA has taken in the public arena for these mishaps, failures, if you will. Clearly some very obvious mistakes have been made by NASA, I think in the *Challenger* case, which the Rogers Commission has already identified and I think will speak to in their final report. So spirits are low in NASA right now.

There are an awful lot of good people there, awful lot of people working as hard as they can work to try to do good work, to do it to carry out the mission, if you will, in behalf of our country that we have decided as a nation we need to do.

So they are being asked to perform at an extraordinary level of effort at a time when things are as difficult as they have ever been. I think we owe them something. We owe them a chance to get that agency back together.

I wonder in my own mind: Is there a better nominee out there? Maybe there is. I do not know who it is. Whoever it might be has not been nominated. We have been presented with the nomination of Dr. Fletcher. With all the strengths and the weaknesses that may go with that nomination, that has been the nomination we have been offered. That is the one the administration, after its own search and deliberation, thought was the most suitable at this particular time. So they brought that nomination forward.

It seems to me that whatever reservations we may have—and I must say to the Senator from Tennessee that I share his concerns about what was disclosed in the New York Times' summary story of the GAO audits and other audits. I think there has been waste. I think there have been places where the wrong decisions were made; I think even more manifestly so in the *Challenger* situation. I am convinced that was an avoidable accident. I think the Roger Commission has reached that conclusion as well. That was an accident that did not have to happen.

So things are wrong in NASA and they have to be fixed. But when it comes down to the question of what our practical choices are and who do we turn to or where do we turn at this point to get some kind of resolution of this dilemma, it seems to me that we are faced with an up or down vote on this matter on the nomination of James Fletcher.

I will just conclude with saying again a point I made earlier but perhaps not quite as fully as I should have, and that is this: I think NASA today is under intense and proper scrutiny from all directions. I think the Congress is now providing a more active kind of oversight, as properly we should be.

□ 1420

I think the press has been outstanding in terms of the work that it has done following the *Challenger* accident, digging into that, digging out the facts, getting the facts out into the

public record, helping to move things along in terms of a full disclosure, and being able to draw important conclusions from that information.

I think top strategists in the administrative branches of our Government also now are probably paying more attention to NASA—although I do not think in the right organizational framework, and I made some suggestions earlier as to how that can be changed. But I think the strategic implications of this interruption in shutdown of the space program are profound, ranging from surveillance satellites of the Soviet Union which we are finding we need for the nuclear plant explosion, to the weather satellites that would help identify hurricanes building up, to providing for the public safety in our own country, and monitoring for other nuclear test ban violations. We have an enormous strategic set of reasons for wanting to get this space program going again, going properly, and going safely.

So I think the top people of our country who have policy positions in that area also are going to be spending an increased degree of time and attention trying to understand what is going on in NASA. And is it being done right? So I think we are going to have a fish-bowl environment here which I think needs to be that way until we see we have made the changes that need to be made.

And in a sense, I think if Dr. Fletcher is willing to come in at this stage of the game and serve in that capacity under that kind of intense scrutiny, which should be and will be unrelenting—and I have said to him, as the Senators know, in the hearing, that if I detect that we are veering off course under his leadership, I will be among the first to speak out and to move for a change in leadership because we cannot afford to have that situation take place, or if it should take place, continue.

But the fact that he understands himself the conditions on which he comes in at this point, I think, provides some measure of confidence that we are going to get the best management and judgment that he is capable of.

To the extent that there is a feeling of a short-fall in that area, that the judgment is not what it should be, then I think reasonable men and women can disagree on the outcome as to whether or not we want to vest in him that authority at this point.

But in any event, I gather, if I may say to my colleague, the chairman of the subcommittee, my understanding is that a vote tomorrow at 2 o'clock would be acceptable on this side if that is acceptable on that side, and perhaps we can make that arrangement so Senators can plan accordingly.

Mr. GORTON. It would be acceptable. Mr. President, is the Senator prepared for a unanimous consent agreement?

Mr. RIEGLE. I am.

Mr. GORTON. Mr. President, I ask unanimous consent that the vote on the nomination of James Fletcher occur at 2 p.m. tomorrow.

The PRESIDING OFFICER. Is there objection?

Mr. GORE. Reserving the right to object, I understand the yeas and nays have been ordered?

Mr. GORTON. The yeas and nays have been ordered.

The PRESIDING OFFICER. The Senator is correct. The yeas and nays have been ordered.

Is there objection to the request? Without objection, it is so ordered.

Mr. RIEGLE. Mr. President, I am told that the Senator from South Carolina will either arrive shortly or will send a statement to the floor. I wonder if the Senator from Tennessee wishes to speak for an additional 2 minutes.

Mr. GORE. Yes.

Mr. RIEGLE. Mr. President, I ask unanimous consent that the Senator be allowed 2 minutes.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 2 minutes.

Mr. GORE. Mr. President, I have listened to the debate here today, and have found it illuminating and helpful. I wish to reiterate my deep respect for the judgment of my colleagues who feel that Dr. Fletcher is the right person to become Administrator of NASA during this critical period.

I remain deeply concerned for reasons that I outlined in my prior remarks. What's happening today is a curious turn of events, for the very reason for Dr. Fletcher's nomination was his prior service. There was a general perception that he did very well. The very reason for my opposition to Dr. Fletcher is his prior service, and my perception that he did not do well before.

I think that for the country as a whole, there is a time lag. On the one hand, the great pride we have for NASA continues to this day, and will continue. It's a wonderful agency. But that pride has prevented searching questions from being asked. It has led us in the past to gloss over some very serious problems.

Now in the aftermath of the terrible tragedy of the *Challenger* explosion, tough questions have been asked, and it has become all too apparent that for a period dating back 10 to 15 years——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GORTON. Mr. President, because much more time is remaining on this side, I will yield 2 minutes of my time to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. GORE. Mr. President, I thank the Chair. I appreciate the courtesy of the subcommittee chairman.

It is now becoming apparent after the scrutiny applied to NASA during the aftermath of the *Challenger* tragedy that the problems in NASA began 10 to 15 years ago—management problems, problems keeping track of contracts and funds, problems that stemmed from the agency's resistance to constructive criticism, problems such as the Senator from Michigan has eloquently described that resulted from failures on our part to adequately oversee NASA decisions.

The Congress, after all, reflected the country's perception of NASA. We were—and are—proud of what NASA has accomplished. But what troubles me more than anything else, Mr. President, is that this body is about to make what I regard as a very serious mistake. Because most believe Dr. Fletcher ran NASA ably years ago, we are turning to him to take charge again. We have not yet absorbed the lesson from the searching examinations of NASA which began only in the aftermath of the January 28 tragedy.

If we look carefully at what occurred during Dr. Fletcher's prior management, we would see a man of good will, of high integrity, but a man who did not run NASA well. In my judgment, the problems began during his prior tenure.

As I said before, that is the reason I intend to vote against this nomination. I hope that my colleagues will join me in that judgment, realizing full well that the momentum is the other way. I hope they will vote no.

The PRESIDING OFFICER. The time of the Senator his expired. Who yields time?

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, I note the presence on the floor of the distinguished chairman, the Senator from South Carolina.

I have additional time remaining, and my colleagues do not. I would like to ask how much time he would like.

Mr. HOLLINGS. I thank my distinguished colleague from Washington. Five or ten minutes.

Mr. GORTON. I yield 10 minutes to the distinguished Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 10 minutes.

Mr. HOLLINGS. I thank the chairman of our subcommittee.

Mr. President, I strongly endorse the nomination of Dr. James C. Fletcher as the new Administrator of the National Aeronautics and Space Adminis-

tration. I think Dr. Fletcher is just what the doctor ordered for NASA and I want to join forces with Dr. Fletcher to get the Civilian Space Program back on track as quickly and as safely as possible.

I realize that some concerns have been surfaced about Dr. Fletcher's past performance as Administrator of NASA from 1971-77. And I want the Members to know that my staff pursued each and every concern that was raised in these recent news articles with both the Inspector General of NASA and with the General Accounting Office. In neither case did my staff find any information that would prejudice the consideration of Dr. Fletcher's nomination.

I might also note that I have known Dr. Fletcher for some time and I can say without hesitation that he is a man of distinction, a man of integrity. I feel confident that he will be an able Administrator of NASA during this most difficult period in the agency's history.

Let me say that too often we are all quick to blame but not as quick to share the blame. Based on my review of the events that led to the shuttle disaster and my review of the recent criticisms of Dr. Fletcher for presenting misleading information on the shuttle program, I have become convinced that the Congress is as much to blame for what has happened as is NASA or any former Administrator of NASA. If this body properly conducts its oversight responsibilities and asks the hard questions, perhaps then projections of cost, performance, and schedule will start to resemble the final products. However, if the Congress is remiss in fulfilling its oversight responsibilities, waste, fraud, abuse, and cost overruns will continue to plague Federal programs.

Over the course of the last few weeks, I have talked to Dr. Fletcher on several occasions. During these discussions, I was frank and candid about the space program, as was he. I also told Dr. Fletcher that I was going to be looking over his shoulder to make sure that the errors of the past do not plague the programs of the future. I can say that Dr. Fletcher is aware of the problems and concerns and that he is committed to putting NASA back on track and to making sure the New York Times and Miami Herald articles are the last in the series to appear.

Mr. President, I strongly endorse the nomination of Dr. James C. Fletcher as Administrator of NASA and I ask that my colleagues give him their strong endorsement. This is a critical period in the history of NASA and I want Dr. Fletcher to assume the position of Administrator with the full confidence of the U.S. Senate.

In addition, Mr. President, in the Senate today, as we debate the Dr. Fletcher nomination, which I strongly support, one must recognize exactly where we find ourselves at this particular moment. First, there was the tragic disaster of January 28 with the *Challenger,* next the Titan rocket blowup at Vandenburg Air Force Base. And now after careful, very careful checks, on May 3, we have the failure of a tried and proven Delta rocket. All of these events are cause for great concern.

□ 1430

We find ourselves a lot like the ball team that after taking the first half goes flat in the third quarter. There is no doubt in my mind, Mr. President, that we will make a comeback here in the last quarter and win the game because our Space Program has been a tremendous success.

We should realize that exactly that, that the Space Program has been a leading and successful program of this Government. The Space Program bands together the educational, scientific, and the private sectors, the industrial community with the National Government, into a working team. This team has put a man on the Moon and now is under taking a variety of space science, space applications, and space commercialization endeavors.

It is necessarily, in my opinion, still a research and development program. Therein is where some of us differ.

Earlier today I happened to be on TV with our distinguished colleague over on the House side, BILL NELSON, chairman of the Space Science and Applications Subcommittee, who is quite an accomplished Congressman. He has been in space. He is a strong supporter of the program. Probably where BILL and I would differ is he would look upon it as a tremendous commercial venture, look upon it in the sense of cost-benefit, and would look upon it is competition with Ariane and the other competitive programs.

I look upon it as a program still in the research stage. I feel very strongly about this. We should never launch except on the basis of safety. Safety concerns should be the priority, not commercial opportunities. I think either by way of pressure or enthusiasm, which we have yet to learn, the shuttle was imprudently launched in January. We will look at this issue in depth this summer through our investigative hearings. However, based on my preliminary view, through either pressure or through commercial interests of cost-benefit, I believe we were rushing the program somewhat in the *Challenger* launch.

The record will show that NASA has never launched over the objections of a contractor. On the particular morning of January 28, we launched over the objections of two contractors.

What we need at the moment, then, is a win. It is the typical case of a ball team needing a win to regain confidence. I believe in Dr. Fletcher we will get that win. Jim Fletcher has led the program successfully. He has done an outstanding job and has gone on to even greater successes in the scientific and business world.

He comes back, Mr. President, at the request of the President and more particularly of many Members here in the Congress who have worked in this particular discipline. I should indicate that I was not involved in the Fletcher selection and I do not want to try to mislead my colleagues that here is my man; however, I do strongly support his nomination.

I am askance, like some of the other Senators here today, about cost. There is no question about that. We have the GAO report, which the distinguished Senator from Tennessee has brought out. I would admonish, in the same breath, that cost of research and development programs are always difficult to estimate and the shuttle is no exception.

I could go into many, many successful research endeavors by Government and go back to the original cost estimate and find there were cost overruns. However, in many instances I would find the Government program was successful. And that is what we find here in the national space transportation endeavor.

What you have, in essence, then, is the Administrator making certain projections of his costs and there being substantial overruns.

I hope they will not measure us as Senators on that basis or Congressmen on that basis or we will all get thrown out. We will all get thrown out of office. Not a one would get reelected. I can tell you that. And nobody could be confirmed. We have been projecting, to start with the President, a balanced budget since 1984. Here it is 1986 and we are going up, up and away with our deficits.

So starting with the President and all our colleagues who have talked about deficits, about what they have done to control the cost of Government, please do not give us that kind of measurement.

Similarly, in a research program where we are in a more difficult fix to actually determine the cost, compared with economic growth and unemployment rate predictions, we often find the estimated cost of different space endeavors differs from the final cost.

Dr. Fletcher's record is complete. I have a full statement with respect to his record which has been put into the CONGRESSIONAL RECORD.

I reiterate not only the cost overruns but the priorities in Dr. Fletcher's mind.

Dr. Fletcher made the statement prior to this appointment that he had great concern. I understood it right

away. He is an enthusiast for the particular program. He said the Rogers Commission is only a witch hunt. I reminded him that there are some witches but we have not caught them yet. We will before we get through this year. There are some witches in the Space Program, unfortunately, where they could have avoided. In my judgment, the shuttle disaster is evidence of such witches. I only hope we can latch onto them before this year is out.

Similarly with respect to the matter of priorities and his attitude and approach. I think the Senator from Michigan, the ranking member, Senator RIEGLE, and myself were both impressed by Dr. Fletcher's candidness and humility. He did not say that everything was all right. On the contrary, he said that there were many things that had to be checked into. He was going to put safety first, and he was not going to launch on the basis of cost-benefit. He was anxious to have commercial contracts, for commercial ventures into space, but under the circumstances the priorities now shifted to the intelligence needs of the country, the defense needs of the country, the communications needs of the country, the weather needs of the country. I think he will be very cautious and careful with respect to all of the PR aspects of the Space Program, having to get Senators, Congressmen, journalists, and teachers up in space in order to come and solicit the membership to even greater budgets.

The program ought to sell itself. Dr. Fletcher is very careful about that particular part of it.

I think there was a humility with respect to the matter of responsibility. When questioned very closely by the distinguished ranking member relative to the attitude that everything went according to the book on the morning of January 28, that the accident was one of those technical things, one of those "You know how these things happened," events, Dr. Fletcher contradicted that immediately and said there has to be responsibility "and the responsibility is mine."

That kind of attitude is an approach I appreciate. I hate it when Government programs go awry, and as in Vietnam, we cannot find anybody responsible. I hate it when lives are lost and somehow no one is responsible. I hate it where there is a national tragedy, like the shuttle accident, and no one can be found responsible.

In fact, the witnesses coming from NASA all said they would do the same thing over in the very same fashion. Hopefully, they would not be allowed by this Congress and us who have the oversight responsibility to do it the same way.

So I join in the endorsement of the Fletcher nomination and hope we can get on with this particular program. I stated at the hearings that he was just what the doctor ordered. I have heard of others interested in taking on this particular role, but I do not know of any who can do better than Dr. Fletcher.

I thank my distinguished colleague for yielding.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GORTON. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Washington has 33 minutes and 22 seconds.

Mr. GORTON. And the Senator from Michigan?

The PRESIDING OFFICER. The Senator from Michigan has 53 seconds.

Mr. GORTON. Mr. President, I yield myself such time as I may require.

The PRESIDING OFFICER. The Senator from Washington.

□ 1440

Mr. GORTON. Mr. President, this debate has been an interesting and thoughtful one.

The points made by the distinguished Senators who oppose the nomination are certainly made in a constructive fashion and with the strength and mission of NASA well in mind. I do particularly want to thank the distinguished Senator from South Carolina [Mr. HOLLINGS], whose eloquence is always in point and who is never without a colorful means of expressing his views about what should be done in the immediate future. I do, however, in spite of my appreciation for the quality of the debate, want to make a couple of remarks about NASA in the 1970's, about the previous stewardship of Dr. Fletcher as Administrator of the National Aeronautics and Space Administration.

The development of the present space vehicles was, of course, managed then, and many the decisions were made during that period of 6 years. Many of them, of course, resulted from decisions which had been made earlier—not simply by Administrators of NASA, Mr. President, but by the President of the United States and by the influence of Members of both the Senate and the House of Representatives who played major roles in NASA in what I consider to have been its successes.

There has been a great deal of attention paid in the course of the last week or so to critical audits of NASA during the course of the 1970's. While they are important and while they are relevant to this debate and while they certainly are of importance to those of us who serve on the relevant committees in the Senate in examining not just the past of NASA but how we should deal with our oversight functions with respect to its future, they also are, in and of themselves, incomplete in one connection. Mr. President, I should like to illustrate that remark by a quote from an article which appeared in Discover magazine, written by Alex Roland, which appeared in November of 1985, 2 months before the *Challenger* disaster.

It is only fair to state that the article is relatively critical of the shuttle program on a number of grounds, but in an article which is otherwise fairly critical, the following statements appear with respect to both the cost of the shuttle and its original construction and its operations. The author says:

> The shuttle cost something like $14 billion (in 1985 dollars) to develop, well within the budget and the 20 percent fudge factor predicted by NASA in 1972.

As an aside, Mr. President, in 1972, Dr. Fletcher was the Administrator of NASA.

Returning to my quote:

> But NASA also promised then to amortize the shuttle's development costs, whatever the total. That notion was abandoned years ago, and with it went the shuttle's main initial selling point. By the time NASA went back to Congress for more money in 1978—

Again, after Dr. Fletcher had left office—it had ceased—

> to claim that the investment in the shuttle's development would ever pay off. The shuttle simply can't fly cheaply enough to turn a profit. No one knows exactly how much a flight costs, but it's nothing like the $10 million that Fletcher predicted in 1972. Nor does payload fly at $100 per pound. In 1985 dollars, these predictions convert into $25.8 million per launch and $258 per pound. Earlier this year the Congressional Budget Office suggested five ways to compute the costs of a shuttle flight, and they ranged from one and a half to six times these predictions.

Those predictions are from a low which is based on short-run marginal costs of $646 to $893 per pound, to an average full cost, including the amortization of the development of the shuttle, of $2,308 to $3,191 per pound—certainly costs which are seriously and, in the case of the higher costs, vastly in excess of those estimated in 1972, but not, Mr. President, of the order of those included in some, at least, of the audit reports which have here been mentioned.

More importantly, Mr. President, it seems to me appropriate at this stage to point out that the 1970's were not a time of failure for NASA. They were a time of some of NASA's most significant successes. Those successes may very well be related to what is described from time to time as the arrogant attitude of the managers of NASA toward some of the outside auditors who examined the way in which that agency does business.

In any event, that arrogance has now been tested in the fire of the disaster to the space shuttle *Challenger* and it clearly, Mr. President, will not

be present in the immediately foreseeable future.

I do wish to reemphasize, however, Mr. President, that from the point of view of meeting the missions assigned to NASA and from the point of view of acceptance on the part of Congress of the way in which NASA met those goals, the 1970's were a time of success and not a time of failure. It is my firm and fervent hope, as I suspect it is the hope even of those who oppose this nomination, that the late 1980's and the 1990's will be a time of similar success but better oversight.

The experience of NASA in connection with the construction of the shuttle and in connection with the costs of its operations are relevant to us now—not so much, Mr. President, in connection with the future of the shuttle itself as they are in the beginnings of our consideration of the President's request for the next generation of space travel, the aerospace plane, which was mentioned in his State of the Union Address.

It is the goal of that research to create a space vehicle which truly is a successor to the *Challenger* and which truly reduces the costs of delivering cargoes into space by a factor of 10 or more. This does, to a certain extent, sound like some of the predictions which were made in the late 1960's and the early 1970's and it will clearly behoove our subcommittee, the distinguished Senators from Michigan and from South Carolina and from Tennessee and myself and my colleagues, to do the best we can in connection with our judgments—judgments we are now making in a way quite analogous to those made by our predecessors in the late 1960's with respect to the shuttle. It will behoove us to look very, very carefully at these estimates, recognizing that the lion's share of the cost of the aerospace plane will not be borne by NASA but by the Department of Defense. Nevertheless, our role in it will be important and we will want very, very careful attention paid to it by the Administrator of NASA itself.

The issue before us this afternoon, Mr. President, the issue on which we shall vote tomorrow afternoon, is, however, somewhat more narrow. It is on whether or not we in the Senate should confirm the nomination by the President of the United States of James Fletcher to be Administrator of NASA. Will that agency be better off if this nomination is rejected and the process starts over again? Mr. President, I think not.

Is there an obviously better candidate? Mr. President, I think not.

I played a minor and supportive role in the process by which the administration selected this candidate. I was not informed of any other candidate for the position whose competency rated more highly or who I thought could take charge of NASA more effectively or more rapidly.

□ 1450

Dr. Fletcher—and he is after all the focus of our discussion this afternoon—is a man of both experience and dedication and also, it seems to me, a man who has been successful in this mission once before. I would hope the fact that he has had that experience, I would hope the fact that he has been subject to a certain degree of criticism, not all of it unmerited, will not only assure that he will do the job well but that he will do the job better a second time around than he did the first time around. We have had at least one experience with this type of appointment in recent years. That was the reappointment, or the appointment for the second term, of William Ruckleshaus to be Administator of the Environmental Protection Agency. He took over that position at a time at which the agency was justifiably under fire, at which time its morale was low and its public acceptability low. I believe that he did an outstanding job in restoring that agency under difficult circumstances.

I am convinced that Dr. Fletcher will do the same kind of job at the National Aeronautics and Space Administration.

Mr. President, I at this point will suggest the absence of a quorum, and I will ask unanimous consent if the Senator from Michigan will agree that it be charged to this side of the aisle until the time is even with the Senator from Michigan and then equally to both sides of the aisle. I will be happy to yield time to anyone who comes to the floor seeking to speak on the nomination.

Mr. RIEGLE. Will the Senator yield?

Mr. GORTON. I will.

Mr. RIEGLE. I have no further requests for time on this side. I am wondering if we might not indicate, now that we have time remaining, if there is any colleague on either side who would like to speak, now would be the time; that maybe we could enter a quorum for a short period of time and if we do not have an indication of anybody else wishing to speak, then yield back the remainder of the time.

Mr. GORTON. The suggestion of the Senator from Michigan is a very good one. I withdraw my unanimous-consent request. I will announce that he and I both would like to hear from any Senator who wishes to speak between now and exactly 3 o'clock. If we have not so heard by that time, it will be our intention to yield back the remainder of our time. With that I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

□ 1500

Mr. GORTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. EAST). Without objection, it is so ordered.

Mr. DOLE. Mr. President, I rise to support the President's nomination of James C. Fletcher to head the National Aeronautics and Space Administration. His credentials are outstanding; and by a 15-to-1 vote, the Senate Commerce, Science, and Transportation Committee agrees.

I have listened to today's debate, and it is clear that an overwhelming majority in this Chamber also recognizes the talents of Dr. Fletcher. Let the record show that he served as the Administrator for NASA during some of the agency's greatest achievements: Putting men on the Moon and developing and launching the Space Shuttle Program.

As we all know, Dr. Fletcher will be facing some monumental pressures when he returns to NASA. But that is exactly why President Reagan picked him to serve during this exceedingly difficult time for our Space Program. This program has long been the country's pride and joy, and we do not like what we have witnessed lately. At the same time, I just suggest that we have been here before. In our push to probe the heavens, America has never shied away from doing what it takes to be the world leader in space exploration: Billions of dollars have been invested and scores of astronauts have not hesitated to risk their lives in pursuit of the unknown.

There have been setbacks. There have been tragedies. But in the face of disappointment and heartbreak, the program has pushed ahead, always learning from the lessons of the past. That is why Dr. Fletcher will be the right man for the right time. His experience will be invaluable as NASA goes about the challenge of putting its pieces back together again.

Mr, President, 25 years ago today, America got back in the space race with the suborbital launch of Comdr. Alan Shepard. In celebrating that anniversary, let us remember that we have come a long, long, way in 2½ decades. We have turned fear and failure into triumph before, and we will do it again. Under the stewardship of Dr. Fletcher, I believe this Nation's Space Program will begin yet one more long journey to success.

Mr. THURMOND. Mr. President, I rise in support of the nomination of Dr. James C. Fletcher, who has been selected by President Reagan to serve as the Administrator of the National Aeronautics and Space Administration [NASA].

The practical experience and academic credentials possessed by Dr.

Fletcher make him eminently qualified for this position. Dr. Fletcher received his undergraduate degree from Columbia University and his doctorate degree in physics from the California Institute of Technology. He has conducted research at both Princeton and Harvard. His extensive writings attest to his knowledge of science and space. He is an active member of the American Astronautical Society, the National Space Society, the Space Studies Institute, and is an honorary fellow at the American Institute of Aeronautics and Astronautics. His involvement in these organizations exemplifies his interest in and dedication to the exploration and development of space.

Dr. Fletcher previously served as Administrator for NASA, from 1971 to 1977, and supervised the transition from the Apollo Program to the Space Shuttle Program.

Mr. President, all citizens of this Nation are saddened by the loss of the space shuttle *Challenger*. However, this tragedy should not slow our efforts in space exploration or make us forget what NASA has accomplished in a relatively short period of time. Let us not forget that landing Americans on the Moon, and sending satellites beyond our solar system were, at one time, goals that seemed impossible to obtain. NASA has made these goals a reality.

Today, NASA is going through a difficult period. It needs the strong support of our Nation, and leadership to guide it successfully into the future. Dr. Fletcher can provide the type of leadership which NASA needs during this period. His attributes combine experience, administrative ability, strength of character, and academic knowledge.

Mr. President, Dr. Fletcher is an excellent choice for Administrator of NASA. I commend President Reagan on his selection, and I urge my colleagues to support his nomination.

Mr. GORTON. Mr. President, having announced that we would hold the opportunity open until 3 o'clock for further debate on the nomination of Dr. Fletcher, and having heard from no one, I am now prepared to yield back the remainder of my time.

I ask unanimous consent that the statement of any Member on this nomination which is brought to the floor before the recess at the end of the day be included in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIEGLE. Mr. President, I thank the Senator from Washington for his great courtesy. We have been working very well together, and there is a lot of work yet to do. I look forward to working with the Senator as we go down the road here.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. I thank the distinguished Senator from Michigan.

Mr. President, all time has been yielded back, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

□ 1530

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

Mr. DOLE. Mr. President, I would like to inquire of the distinguished minority leader if he is in a position to pass any of the following items: Calendar No. 639, Calendar No. 640, Calendar No. 641, and Calendar No. 642.

Mr. BYRD. Mr. President, those items have been cleared on this side of the aisle. We are ready to proceed.

Mr. DOLE. Mr. President, I thank the distinguished minority leader.

Mr. President, I ask unanimous consent that the calendar items just identified be considered en bloc, and passed en bloc, and that all committee-reported amendments and the preambles be considered and agreed to en bloc.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

ACHIEVEMENTS OF THE IRELAND FUND

The Senate proceeded to consider the concurrent resolution (H. Con. Res. 281) recognizing the achievements of the Ireland Fund and its founder, Dr. Anthony J.F. O'Reilly, which had been reported from the Committee on the Judiciary, with amendments.

The amendments were agreed to.

The concurrent resolution (H. Con. Res. 281), as amended, was agreed to.

The amendments to the preamble were agreed to.

The preamble, as amended, was agreed to.

The concurrent resolution, as amended, and the preamble, as amended, are as follows:

H. CON. RES. 281

Whereas the Ireland Fund characterizes the friendship between the United States and Ireland and the goodwill which the American and Irish people have for each other;

Whereas the Ireland Fund is a nonpolitical, nonsectarian organization which raises funds in the United States to promote peace, culture, and charity in Ireland;

Whereas the goal of the Ireland Fund is to realize the highest in human potential, regardless of creed or economic background;

Whereas donations to the Ireland Fund reflect the warm feelings of Americans for the people of Ireland and for the unique heritage which has contributed so much to America's growth and diversity;

Whereas the Ireland Fund has provided an opportunity for concerned Americans to support projects aimed at establishing peace and harmony in Ireland, preserving the Irish culture, and fostering charitable giving to the less fortunate;

Whereas over the centuries the Irish have created one of the world's great bodies of literature, poetry, drama, art, and music and the Ireland Fund has fostered Irish culture by supporting libraries, visual arts, drama, dance, opera, classical and choral music programs as well as historic, cultural, and wildlife preservation;

Whereas the Ireland Fund supports economic and social programs in the Catholic and Protestant areas of Northern and Southern Ireland in an effort to develop the economy of both communities through programs for employment, job training, youth sports, and educational opportunities for children;

Whereas the Ireland Fund has supported many hospitals, health care facilities, and programs for the sick, the handicapped, the deaf, the blind, the abused, the homeless, the rural poor, and the elderly: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress recognizes the laudable charitable achievements of the Ireland Fund for its humane work it has inspired on behalf of the people of Ireland.

The title was amended so as to read "A concurrent resolution recognizing the achievements of the Ireland Fund."

NATIONAL ASTHMA AND ALLERGY AWARENESS WEEK

The joint resolution (S.J. Res. 241) designating the week beginning on May 11, 1986, as "National Asthma and Allergy Awareness Week," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 241

Whereas asthma and allergic diseases result in physical, emotional, and economic hardship for more than thirty-five million Americans and their families;

Whereas thousands of Americans, many of them young, die each year from asthma even though sufficient medical knowledge and resources exist to prevent many asthma-related deaths;

Whereas student absenteeism is due in significant part to asthma and allergic diseases;

Whereas environmental conditions in the workplace often cause or exacerbate asthma and allergic diseases among employees;

Whereas many hospital patients suffer allergic reactions to prescribed medications;

Whereas it is estimated that the American public pays $4,000,000,000 per year in medical bills directly attributable to the treatment and diagnosis of asthma and allergic diseases and pays another $2,000,000,000 per year as a result of the indirect social cost of such illnesses;

Whereas, because of recent developments in the study of immunology, health care providers are better equipped to diagnose and treat asthma and allergic diseases; and

Whereas increased public awareness of recent scientific advancements in the study of immunology will help dispel many of the common misconceptions concerning asthma, allergic diseases, and the victims of those illnesses: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on May 11, 1986, is hereby designated as "National Asthma and Allergy Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

NATIONAL EPIDERMOLYSIS BULLOSA AWARENESS WEEK

The joint resolution (S.J. Res. 245) designating "National Epidermolysis Bullosa Awareness Week," was considered, ordered to be engrossed for a third reading, and read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 245

Whereas the incidence and prevalence of epidermolysis bullosa presents a significant health problem in the United States;

Whereas epidermolysis bullosa is an inherited disorder showing widespread blistering and skin erosions which result in pain, scarring, deformity, contractures, malnutrition, anemia, gastrointestinal problems, dental problems, and carcinoma;

Whereas an estimated ten to fifteen thousand Americans of both sexes are afflicted with the disease, and another twenty to thirty thousand Americans may be carriers of this disease,

Whereas the Nation faces a continuing need to support innovative research into the causes, treatment, and cure of epidermolysis bullosa; and

Whereas it is appropriate to focus the Nation's attention upon the plight of epidermolysis bullosa sufferers and upon the continuing peril epidermolysis bullosa poses to humanity; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of December 1, 1986, through December 7, 1986, is designated "National Epidermolysis Bullosa Awareness Week", and the President of the United States is authorized and requested to issue a proclamation calling upon the citizens of the United States to observe the week with appropriate programs, ceremonies, and activities.

JUST SAY NO TO DRUGS WEEK

The Senate proceeded to consider the joint resolution (S.J. Res. 337) designating May 18-24, 1986, as "Just Say No To Drugs Week."

JUST SAY NO TO DRUGS WEEK

By request of Mr. DOLE, the following statement was ordered to be printed in the RECORD.

● Mrs. HAWKINS. Mr. President, today the Senate is considering my resolution, Senate Joint Resolution 337 designating the week of May 18-24 as "National Just Say No To Drugs Week".

We all remember what it was like to be a teenager, try though we might to forget. We recall an awkward time—a time of high on stress and low on self-esteem. It was a time of mental and physical growth. A scary time when fitting in seemed to take precedence over everything else. There was nothing our parents could say or do that did not strike us as inappropriate, embarrassing or an infringement on our freedom.

Those of us who are parents of grown children, and to a greater extent, those of us with younger children know that today's children are not much different. Though they may dress and talk with shocking sophistication, they are still children, just as we were. But unlike us, the young people of today are growing up in a vastly more complicated era. In addition to those doubts and temptations we struggled with, today's teens must cope with a host of frightening, modern realities.

The most distressing of these is the temptation to get involved with illegal drugs.

The latest figures from the Alcohol, Drug Abuse and Mental Health Administration are shocking.

Approximately 6.2 million young Americans between the ages of 12-17 have used marijuana at some time during their lives.

Nearly two-thirds—61 percent—of all American high school seniors use an illicit drug at least once before they finish high school.

Cocaine has been tried by at least 17 percent of seniors in the class of 1985—the highest rate so observed so far in the National High School Senior Survey.

One out of every 20 high school seniors smokes marijuana on a daily basis.

And most disturbingly, motor vehicle accidents involving chemical impairment are the leading cause of death for Americans aged 15 to 19.

What will become of the minds—the leaders of tomorrow?

Well, Mr. President, there is good news.

Later this month, millions of young people—primarily elementary school children—all over America will send the message that this situation is not hopeless. On May 22 the drug-free youth of America will take a stand. They will declare that they are publicly and privately resisting peer pressure to take drugs by forming clubs which help them to just-say-no. That day they will also participate in a series of "Walk Against Drugs" events nationwide.

I am offering this resolution, designating the week of May 18-24 as "Just-Say-No-To-Drugs Month" to honor these brave children. To let them know that we support and applaud those young people who are tired of having drugs considered a part of growing up—who are tired of having drugs sold in their schools and communities, and who are finding the inner strength and courage to say no to drugs.

Mr. President, it seems to be the case in this country that we never put a stop light on the corner until after someone has been hurt. For years, this has been our approach to drug abuse. We always seem to be offering too little, too late. It is tough to sell prevention. It is difficult to convince people that early detection of drug use works. But this is what we must do.

The children who will join together for the "Walk Against Drugs" know this to be true and they are taking positive action to make their world and all our lives better and richer by keeping them drug-free.●

The joint resolution (S.J. Res. 337), was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 337

Whereas America's youth are our Nation's most precious resource;

Whereas young people are contributing to drug abuse prevention by starting "Just Say No" clubs and saying "no" to drugs;

Whereas children across America will participate in a Walk Against Drugs on May 22;

Whereas America's youth should be recognized and encouraged for their efforts in the fight against drug abuse: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That in recognition of this Nation's young people to publically fight drug abuse by just saying "no" to drugs and thereby contributing to the end of drug abuse in America, the President is directed to issue a proclamation designating the week of May 18-24, 1986 as "Just Say No to Drugs Week," and calling on the people of the United States to observe this week with appropriate programs, ceremonies, and activities.

Mr. DOLE. Mr. President, I move to reconsider the votes by which the resolutions were passed or agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE HOUSE

At 12:03 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendments of the Senate to the bill (H.R. 739) relating to the documentation of the vessel *Marilyn* to be employed in the coastwide trade.

The message also announced that the Speaker appoints as additional conferees in the conference on the disagreeing votes of the two Houses on the amendments of the House to the amendments of the Senate to the bill (H.R. 2005) entitled "An act to amend title II of the Social Security Act and related provisions of law to make minor improvements and necessary technical changes," the following Members on the part of the House, for consideration of section 127 of the House amendments and modifications thereof committed to conference: Mr. JONES of North Carolina, Mr. BIAGGI, Mr. STUDDS, Mr. YOUNG of Alaska, and Mr. DAVIS.

At 1:48 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 720. An act to establish a permanent boundary for the Acadia National Park in the State of Maine, and for other purposes.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4409. An act to authorize appropriations for fiscal year 1987 for the operation and maintenance of the Panama Canal, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 288. Concurrent resolution authorizing the printing of additional copies of the committee print entitled "U.N. Conference to Review and Appraise the U.N. Decade for Women: Report of Congressional Staff Advisors to the Nairobi Conference"; and

H. Con. Res. 301. Concurrent resolution authorizing printing of additional copies of a message from the President, transmitting certain rescissions, deferrals, and revised deferrals of budget authority.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 4409. An act to authorize appropriations for fiscal year 1987 for the operation and maintenance of the Panama Canal, and for other purposes; to the Committee on Armed Services.

H. Con. Res. 301. Concurrent resolution authorizing printing of additional copies of a message from the President, transmitting certain rescissions, deferrals, and revised deferrals of budget authority; to the Committee on Rules and Administration.

The following concurrent resolutions were read, and referred as indicated:

H. Con. Res. 288. Concurrent resolution authorizing the printing of additional copies of the committee print entitled "U.N. Conference to Review and Appraise the U.N. Decade for Women: Report of Congressional Staff Advisors to the Nairobi Conference"; to the Committee on Rules and Administration.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. LUGAR, from the Committee on Foreign Relations:

Evan Griffin Galbraith, of Connecticut, to be a Member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1987.

(The above nomination was reported from the Committee on Foreign Relations with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BRADLEY (for himself and Mr. LONG):

S. 2404. A bill to amend part D of title IV of the Social Security Act to prohibit the retroactive modification of child support arrearages; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. SIMON (for himself, Mr. DIXON, Mr. DOLE, and Mr. BYRD):

S. Res. 394. Resolution expressing the sense of the Senate regarding the shipment to Poland of dried milk to replace milk contaminated as a result of the nuclear disaster in the Soviet Union; ordered held at the desk.

By Mr. GRASSLEY (for himself and Mr. DECONCINI):

S. Con. Res. 136. Concurrent resolution entitled "Volunteers are the Importance of Volunteerism"; to the Committee on Labor and Human Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BRADLEY (for himself and Mr. LONG):

S. 2404. A bill to amend part D of title IV of the Social Security Act to prohibit the retroactive modification of child support arrearages; to the Committee on Finance.

COLLECTION OF CHILD SUPPORT

Mr. BRADLEY. Mr. President, on behalf of myself and my distinguished colleague from Louisiana [Mr. LONG], I send a bill to the desk and ask that it be referred to the appropriate committee.

Mr. President, in 1984 Congress enacted major changes to significantly improve the collection of child support. I was pleased to sponsor those changes to break the shocking spiral of poverty for women and children who were not receiving support to which they were legally entitled. Since passage of the Child Support Enforcement Amendments of 1984, we have monitored those changes and found that despite considerable progress there are still loopholes that need to be closed. That is why we are introducing the Interstate Child Support Enforcement Act.

Parenthood cannot be taken lightly. It brings with it serious responsibilities. Yet, despite child support orders, some parents fall far behind in their obligations to their children.

Child poverty in this country has reached alarming proportions. One in four children under the age of 5 is living in poverty. In single parent families, the figure is more staggering, with approximately one-half living below the poverty line. In my home State of New Jersey, 22 percent of households with children under 18 are headed by a single parent. In New Jersey, $44 million is paid monthly in AFDC payments, with only about 10 percent recouped through child support payments.

There has been considerable progress in child support enforcement following the enactment of the 1984 amendments. Nevertheless, significant problems remain. Retroactive modification of interstate child support orders poses serious problems in many States. In New Jersey, interstate child support cases are only 30 percent of the caseload. However, these interstate cases comprise 70 percent of the complaints about child support enforcement.

What often happens is that the noncustodial parent, for a variety of reasons, moves to another State. At that point, child support enforcement efforts too frequently confront serious problems. The noncustodial parent frequently ceases to pay child support and a large debt accrues. Soon the debt is out of hand and the noncustodial parent seeks relief from this debt. Under current law, a number of States permit this debt to be retroactively modified. The custodial parent may know nothing about the modification until notified that the children will not be receiving the child support moneys that were expected and legally due.

This bill recognizes that circumstances change. The noncustodial parent may lose his or her job and not be able to afford the original child support award. This bill is not intended to prevent changes in future child support orders if circumstances change for the parents. What we are seeking to prevent is the practice of a noncustodial parent moving to another State, allowing a substantial debt to his or her child to pile up, and assuming that there will be a retroactive modification of the original order that substantially reduces or totally dismisses the debt. In New Jersey, child support debts of over $4,000, for example, have been reduced to $400 by other States. This legislation bars the retroactive modification of child support debts. If a parent's circumstances change, if he or she becomes unemployed, if the child changes residence, or if other conditions change, this legislation will require that the noncustodial parent officially notify the custodial parent and the court or other entity which issued the child support order. No modifications would be permitted prior to the date of this notification.

Strengthening interstate child support enforcement legislation is not an attempt to punish noncustodial parents. It is meant to address the real victims of marital dissolution, the children. It should not be possible for the noncustodial parent to move from State to State in order to evade financial responsibilities to the children.

Debts that accumulate to children must be treated with the highest regard. It should not be possible to evade a debt to one's child simply by moving from State to State. We must send the message loud and clear that responsibilities to one's children are to be taken seriously. This bill sends that message.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2404

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 466(a) of the Social Security Act (42 U.S.C. 666(a)) is amended by adding between paragraph (8) and the matter following paragraph (8), the following:

"(9) Procedures which insure that each obligation under any child support order, whether such order was issued in such State or in another State, is fully enforceable and entitled to full faith and credit on and after the date such obligation becomes due and is not subject to retroactive modification except that such procedures may permit modification with respect to any period during which the obligor has pending an active application for modification but only from the date that notice of such application has been given to the obligee and to the court or other entity which issued such order."

The provisions of this Act shall be effective with respect to any State 90 days after the close of the first legislative session of such State which ends at least 60 days after the date of enactment of this Act.

ADDITIONAL COSPONSORS

S. 262

At the request of Mr. BYRD, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 262, a bill to provide for the preservation of the ferroalloy industry in the United States.

S. 477

At the request of Mr. ANDREWS, the names of the Senator from Montana [Mr. BAUCUS] and the Senator from Utah [Mr. HATCH] were added as cosponsors of S. 477, a bill to enhance rail competition and to ensure reasonable rail rates where there is an absence of effective competition.

S. 1019

At the request of Mr. PROXMIRE, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 1019, a bill to authorize the inclusion of certain additional lands within the Apostle Islands National Lakeshore.

S. 1562

At the request of Mr. GRASSLEY, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 1562, a bill to amend the False Claims Act, and title 18 of the United States Code regarding penalties for false claims, and for other purposes.

S. 1655

At the request of Mr. SPECTER, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 1655, a bill to amend the Unfair Competition Act of 1916 and Clayton Act to provide for private enforcement of the unfair competition statute in the event of unfair foreign competition, and to amend title 28 of the United States Code to provide for private enforcement of the customs fraud statute.

S. 1917

At the request of Mr. BRADLEY, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of S. 1917, a bill to amend the Foreign Assistance Act of 1961 to provide assistance to promote immunization and oral rehydration, and for other purposes.

S. 1941

At the request of Mr. DENTON, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 1941, a bill to protect the security of the United States by providing for sanctions against any country that provides support for perpetrators of acts of international terrorism.

S. 1942

At the request of Mr. DENTON, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 1942, a bill to amend title 10, United States Code, to improve the security of U.S. military installations.

S. 2152

At the request of Mr. DIXON, the names of the Senator from Vermont [Mr. LEAHY], the Senator from Massachusetts [Mr. KERRY], and the Senator from Oklahoma [Mr. BOREN] were added as cosponsors of S. 2152, a bill to amend title 10, United States Code, to require the Department of Defense to exclude from consideration for contracts those firms in which a hostile foreign government or a covered foreign national owns or controls a significant interest.

S. 2181

At the request of Mr. D'AMATO, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 2181, a bill entitled the "Construction Industry Labor Law Amendments of 1986."

S. 2281

At the request of Mr. TRIBLE, the name of the Senator from South Dakota [Mr. ABDNOR] was added as a cosponsor of S. 2281, a bill to amend title 18, United States Code, to provide additional penalties for fraud and related activities in connection with access devices and computers, and for other purposes.

S. 2286

At the request of Mr. DECONCINI, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 2286, a bill to prohibit the sale, donation, or other transfer of Stinger antiaircraft missiles to democratic resistance forces in Afghanistan and Angola unless certain conditions are met.

S. 2295

At the request of Mr. GOLDWATER, the names of the Senator from Arizona [Mr. DECONCINI], and the Senator from Maine [Mr. MITCHELL] were added as cosponsors of S. 2295, an original bill to amend title 10, United States Code, to reorganize and strengthen certain elements of the Department of Defense, to improve the military advice provided the President, the National Security Council, and the Secretary of Defense, to enhance the effectiveness of military operation, to increase attention to the formulation of strategy and to contingency planning, to provide for the more efficient use of resources, to strengthen civilian authority in the Department of Defense, and for other purposes.

S. 2301

At the request of Mr. D'AMATO, his name was added as a cosponsor of S. 2301, a bill to reform procedures for collateral review of criminal judgments, and for other purposes.

S. 2302

At the request of Mr. D'AMATO, his name was added as a cosponsor of S. 2302, a bill to amend title 18 to limit the application of the exclusionary rule.

S. 2306

At the request of Mr. D'AMATO, the name of the Senator from Wisconsin [Mr. PROXMIRE] was added as a cosponsor of S. 2306, a bill entitled the "Bank Secrecy Act Amendments of 1986."

S. 2333

At the request of Mr. HOLLINGS, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 2333, a bill to amend title XIX of the Social Security Act to strengthen and improve Medicaid services to low-income pregnant women and children.

S. 2392

At the request of Mr. HUMPHREY, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 2392, a bill to waive the application of certain laws to small purchases made under a test program of simplified small purchase procedures.

SENATE JOINT RESOLUTION 143

At the request of Mr. GORE, the name of the Senator from Colorado [Mr. HART] was added as a cosponsor of Senate Joint Resolution 143, joint resolution to authorize the Black Revolutionary War Patriots Foundation to establish a memorial in the District of Columbia at an appropriate site in Constitution Gardens.

SENATE JOINT RESOLUTION 274

At the request of Mr. GRASSLEY, the names of the Senator from South Carolina [Mr. HOLLINGS], and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of Senate Joint Resolution 274, joint resolution to designate the weekend of August 1, 1986, through August 3, 1986, as "National Family Reunion Weekend."

SENATE JOINT RESOLUTION 331

At the request of Mr. HELMS, the names of the Senator from Arizona [Mr. GOLDWATER], the Senator from Wyoming [Mr. WALLOP], the Senator from Idaho [Mr. SYMMS], and the Senator from North Carolina [Mr. EAST] were added as cosponsors of Senate Joint Resolution 331, joint resolution prohibiting the proposed sale of integrated avionics system kits to the People's Republic of China.

SENATE CONCURRENT RESOLUTION 130

At the request of Mr. HOLLINGS, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of Senate Concurrent Resolution 130, concurrent resolution to recognize the visit by the descendants of the original settlers of Purrysburg, SC, to Neufchatel, Switzerland, in October 1986 as an international gesture of goodwill.

SENATE RESOLUTION 381

At the request of Mr. DECONCINI, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of Senate Resolution 381, resolution expressing the sense of the Senate with respect to U.S. corporations doing business in Angola.

SENATE RESOLUTION 392

At the request of Mr. DECONCINI, the name of the Senator from Illinois [Mr. SIMON] was added as cosponsor of Senate Resolution 392, resolution expressing the sense of the Senate that the people of the Republic of Korea should be allowed to petition for a constitutional amendment to allow for the direct election of their President.

SENATE CONCURRENT RESOLUTION 136—RELATING TO VOLUNTARISM

Mr. GRASSLEY (for himself and Mr. DECONCINI) submitted the following concurrent resolution; which was referred to the Committee on Labor and Human Resources:

S. CON. RES. 136

Whereas individuals engaged in volunteer work are estimated to provide more than $65,000,000,000 in services to the people and communities of the United States each year, in addition to services provided in foreign countries through the activities of the Peace Corps and similar efforts;

Whereas volunteer work provides opportunities to every citizen for personal growth, career exploration, and civic contribution;

Whereas the Federal Government, State, and local governments, and charitable and service organizations increasingly recognize the value of individuals engaged in volunteer work in connection with the development and operation of programs to meet the needs of American citizens;

Whereas the number of individuals engaging in volunteer work and the variety of services provided through volunteer work increase each year; and

Whereas the United States Office of Personnel Management, together with a limited number of States and local governments, charitable and service organizations, and private employers, has provided for a listing and description of relevant volunteer work on employment application forms: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that experience in volunteer work should be taken into account by the Federal Government, State, and local governments, charitable and service organizations, and private employers in the consideration of applicants for employment, and that provision should be made for a listing and description of volunteer work on employment application forms.

Mr. GRASSLEY. Mr. President, Senator DECONCINI and I are submitting a concurrent resolution entitled "Volunteers are the Importance of Volunteerism." This concurrent resolution is identical to a resolution introduced in the House of Representatives by Representative HAWKINS.

The purpose of this concurrent resolution is to recognize the important contributions that volunteers make to our Nation, and to encourage employers in Government and the private sector to recognize the valuable experience gained through volunteer work in their hiring practices. The concurrent resolution expresses the sense of the Congress that experience in volunteer work should be taken into account by employers in the consideration of applications for employment, and that provision should be made for a listing and description of volunteer work on employment application forms.

Currently, more than 35 States and a number of local governments accept volunteer experience on applications for State jobs. The Office of Personnel Management considers the volunteer experience of applicants for Federal civil service jobs. About 100 major companies in the private sector, including Levi Strauss, Union Carbide, Kaiser Aluminum, Marriott, Coca Cola, United Airlines, Xerox, TRW, AT&T, Atlantic Richfield, Carnation, and Sears Roebuck, recognize volunteer experience when they hire people for jobs. Organizations that support this concept include the Chamber of Commerce, the National Association of Manufacturers, the Association of Junior Leagues, the Association for Volunteer Administration, Volunteer, the National School Volunteer Program and the American Association of University Women.

For those who have served as volunteers and gained valuable experience, consideration of their volunteer experience can be an important tool in landing a job. One of the main impediments to young people entering the labor force is lack of job experience. When employers take volunteer experience into account, this impediment is at least partially removed. A number of young people also use volunteer experience to try out a new career field. Volunteer experience is also a useful tool for mature women who would like to enter or reenter the work force and who have had community volunteer experience.

In the Domestic Volunteer Service Act Amendments of 1979, Congress directed the Director of ACTION to encourage State and local governments, charitable service organizations, and private employers to take volunteer experience into account in hiring and to make provisions for a listing and description of volunteer work on all employment application forms. The concurrent resolution I am submitting today would both reaffirm and broaden Congress' previous action in this

area. This concurrent resolution will not cost employers or the Government any money. It will not require businesses to hire anyone, or even to take volunteer experience into account. It does recognize the role that volunteer experience plays in our communities and in the job market.

I encourage my colleagues to support "Volunteers are the Importance of Voluntarism."

SENATE RESOLUTION 394—RELATING TO THE SHIPMENT OF DRIED MILK TO POLAND TO REPLACE MILK CONTAMINATED BY THE SOVIET NUCLEAR DISASTER

Mr. SIMON (for himself, Mr. DIXON, Mr. DOLE, and Mr. BYRD) submitted the following resolution; which was ordered held at the desk by unanimous consent:

S. RES. 394

Whereas the nuclear disaster beginning on April 26, 1986, at Chernobyl, Union of Soviet Socialist Repubics, is an international tragedy;

Whereas the accident already has resulted in loss of life and injury to those in the immediate area;

Whereas the Chernobyl accident could result in serious long-term environmental and medical problems;

Whereas the governments in neighboring countries have experienced elevated radiation levels in their environment, and their people face continued uncertainty about the possible health risks that may be associated with this contamination;

Whereas some of these neighboring governments are taking health and safety precautions on behalf of their citizens;

Whereas the Government of Poland already has removed all milk from its stores and will withhold milk from the market until the danger of radiation exposure recedes;

Whereas the people of the United States are deeply concerned about European citizens who might be facing health risks from the accident at Chernobyl;

Whereas the United States Government owns vast quantities of dried milk;

Whereas the American people have a long and enduring feeling of kinship and friendship with the Polish people; and

Whereas in the past the United States Government has provided humanitarian assistance to the Polish people: Now, therefore, be it

Resolved, That (a) the Senate calls upon the President and the Secretary of Agriculture to immediately authorize the shipment of United States surplus dried milk, under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431), to the Government of Poland. Such shipments should not exceed 50,000 tons during the coming six months.

(b) The Senate requests the President to assure the milk producing allies of the United States that the delivery of such milk will not undermine existing sales contracts with the Government of Poland inasmuch as such milk will replace milk produced in Poland but destroyed as a safety precaution against possible adverse reaction to the consumption of contaminated milk.

(c) The Secretary of the Senate shall transmit a copy of this resolution to the President and the Secretary of Agriculture.

Mr. SIMON. Mr. President, Saturday, May 3, was Polish Constitution Day, a day when millions of Poles throughout America and the world commemorate the signing of the Polish Constitution in 1791. This was the first constitution signed in Europe and was modeled after our own Constitution.

Constitution Day symbolizes freedom for the Poles. It is a day for celebration. In my home State of Illinois, we are proud and fortunate to have many citizens of Polish heritage. The Polish National Alliance and other organizations celebrated this anniversary with a number of events, including a parade in downtown Chicago. I was honored to be able to participate in several of these activities, including in the town of Cicero which has declared the first week of May as Polish-American Week in Cicero.

This year, in particular, Polish Americans in Illinois are concerned about their families and friends in Poland. The recent nuclear accident in the Soviet Union is having far-reaching effects in Europe. The Polish Government, last week, ordered all milk taken off the shelves of Polish stores and has announced its intention to withhold milk from the market until the danger of radiation exposure has passed.

We have a history of kinship and friendship with the Polish people, even during times when our two Governments have not agreed. We also have a long history of reaching out to countries during times of crisis, particularly when the crisis has a direct effect on the health and well-being of children. We have provided such humanitarian assistance to Poland in recent years, and I hope we will do so again during this crisis.

To this end, I am submitting today a resolution calling upon the President and the Secretary of Agriculture to authorize immediately the shipment of U.S. surplus dried milk to Poland. The resolution urges the administration immediately to take the necessary steps to begin shipping our surplus dried milk to Poland under section 416 of the 1949 Agriculture Act. This could be done quickly and efficiently, without undercutting existing milk contracts between Poland and other governments.

I hope the Senate, and the administration, will act favorably on this resolution within the next few days. The United States has the chance to provide assistance and leadership, and I hope we will do just that.

Polish Americans across the country have contributed a great deal to our society. On this, a very special anniversary for Poles throughout the world, I hope the United States will make this small, but compassionate, contribution.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. THURMOND. Mr. President, I ask unanimous consent that the Subcommittee on Energy Research and Development of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Monday, May 5, to hold an oversight hearing on the Department of Energy's Nuclear Research and Development Program policy.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE CONTINUING TRAGEDY IN LEBANON

● Mr. KENNEDY. Mr. President, for 11 years, Lebanon has been immersed in a bloody civil war that threatens to destroy the country and its pluralistic tradition as a home for religious minorities and a refuge for persecuted people.

With active support from Syria, Iran, and Libya, extremist groups have been waging a "holy war" on Lebanese society with the intention of destroying Lebanon's democratic tradition. The war has taken its toll: Hundreds of thousands of innocent people have been killed or wounded; countless more have become refugees.

The toll has been especially heavy on the Lebanese Christian community. In recent testimony before the Subcommittee on Foreign Operations of the Senate Appropriations Committee, Robert Basil, policy chairman of the American Lebanese League, said:

> Over 450,000 Christian men, women and children have been displaced from their homes, villages and farms, many living under the most difficult circumstances in Lebanon, many others dispersed throughout the US, France, Belgium, Cyprus, Brazil, Australia, all waiting to return. Over 106 churches and convents have been destroyed, * * * priests and nuns murdered, mutilated or violated, over 110 Christian villages overrun. Of the 1.2 million Christians, almost 40% have been killed, wounded, orphaned or displaced.

Mr. Basil's testimony provides an excellent summary of the tragedy that has been unfolding in Lebanon for the past 11 years, I ask that the full text of his statement may be placed in the RECORD.

The text follows:

STATEMENT BY ROBERT A. BASIL, VICE PRESIDENT—POLICY AMERICAN LEBANESE LEAGUE BEFORE THE SUBCOMMITTEE ON FOREIGN OPERATIONS OF SENATE APPROPRIATIONS COMMITTEE, APRIL 17, 1986

Mr. Chairman, my name is Robert Basil, Policy Chairman of the American Lebanese League, a nationwide non-profit organization founded by American citizens in 1976 to promote United States-Lebanon relationships and to foster the sovereignty, security, democracy and independence of Lebanon within the bounds of the U.S. national interest.

We are not a lobbying organization but an educational, humanitarian and social organization with the broad national membership base representing the philosophy and ideals of the two million and one-half Americans of Lebanese descent. . .

I would like to discuss briefly the importance of Lebanon to the U.S., and the major U.S. policy and foreign aid actions that should be considered to achieve U.S. strategic and regional objectives, and freedom for the suffering Lebanese nation and people. Policy action and foreign aid must go together; otherwise foreign aid will not be effective.

Lebanon today is important far beyond its size and natural resources because it represents a unique and intense concentration of problems and opportunities facing the U.S. regionally and strategically. The four major problem areas the U.S. hoped to solve by the removal of all foreign forces from Lebanon in 1982 have grown worse: Soviet penetration of the Mid-East region, international terrorism, weakening of the peace progress, regional instability affecting access to oil.

Today I would like to focus on terrorism, both the terrorism daily ravaging the suffering, silent majority in Lebanon who daily bear the burden of foreign occupation, and by the civilized world who suffer from terrorism funded, trained and exported from cesspools of terrorism that flourish within Lebanon.

Lebanon and its suffering silent majority have been held hostage for eleven long years. On April 13, 1975, almost eleven years to the day, a war was started in Lebanon by radical forces determined to bring down the Lebanese nation. Since that day, the Lebanon the world had come to know and admire as the center of culture, civility, commerce, free press, education, a safe haven for all religious and ethnic minorities, the only working democracy in the entire Arab World, the only free, secure Christian community in the entire Islamic world, has been ravaged by fanatic forces who despise, and are determined to eradicate, every single one of these noble facets of the Lebanese national character.

No more grim example can be given than the campaign by these radical groups to force a massive, permanent demographic change in Lebanon by systematically uprooting and dispersing its ancient Christian community. During these eleven years, over 450,000 Christian men, women and children have been displaced from their homes, villages and farms, many living under the most difficult circumstances in Lebanon, many others dispersed throughout the US, France, Belgium, Cyprus, Brazil, Australia, all waiting to return. Over 106 churches and convents have been destroyed or desecrated, priests and nuns murdered, mutilated or violated, over 110 Christian villages overrun. Of the 1.2 million Christians, almost 40% have been killed, wounded, orphaned or displaced.

The Libyan-Syrian-Iranian-PLO axis comprise these radical forces: Libya, who massively funds radical groups in Lebanon; Syria, Iran and the PLO, who have major military presence both with armed aliens and armed surrogate nationals, loyal to Kadafi, Assad, Khomeini and Arafat, making a mockery of loyalty to the Lebanese nation.

Not surprisingly, the identical Libya-Syria-Iran-PLO axis leads the international terrorist assault against the Free World, particularly the U.S. A partial list of atrocities include assassination of Ambassador Melloy in Beirut, blowing up the U.S. Embassy twice, slaughtering our fine young men in the Marine Barracks disaster, the TWA hijacking last year, the recent killing of four innocent passengers, including a lovely 10-month-old child, on the TWA flight to Athens. The terrorist camps in Lebanon, sponsored and supported by the Libya-Syria-Iran-PLO axis, plans, trains and executes its terrorist acts against US interests and targets, only to return untouched into the dark sanctuary of Lebanon.

Mrs. Mai Mansour, a prime suspect in the most recent TWA tragedy, admits that she and her political party work actively against US interests, but denies that she or her party would commit any violent act such as murdering innocent civilians. Mrs. Mansour's husband was killed as a driver in a suicide bomb attack. Her political party (Popular Syrian Party) demands that Lebanon give up its sovereignty and join a Greater Syria, and her political party is the main apparatus used by Syria to perform its terrorism in Lebanon, including randomly shelling with heavy artillery large civilian areas of innocent, defenseless men, women and children, car bombing, and other terrorist acts. If tomorrow there is proof that Mrs. Mansour is guilty, will it be possible to apprehend her and bring her to trial?

Mr. Hobeika, one of the prime suspects in the assassination of President elect Bachir Gemayel, and who subsequently launched the vicious attacks against civilians in Sabra and Chatilla, tried to sign away Lebanon's sovereignty to Syria last December. He is now in Syrian-controlled territory, and is the prime suspect in masterminding and executing the savage car-bomb attacks that haunt and decimate the innocent Christian population, whose sin is to be the major focus of resistance and refusal against Syrian hegemony over Lebanon. Just day before yesterday, civilians, including innocent mothers with children shopping in a fish market in Jounieh were deliberately attacked by a car bomb, designed to kill not only innocent people but especially the spirit of the population. If firm evidence confirms Mr. Hobeika's guilt, will it be possible to bring him to trial?

A.L.L. fully endorses President Reagan's decision to retaliate against Libyan targets in order to pre-empt further terrorism. Effective retaliation not only frees democratic nations from terrorism, but also helps the population of the terrorist state who themselves are hostages of their own regimes. Kadafi's systematic liquidation of large numbers of people who oppose his regime has not stilled political opposition, whom U.S. action heartens to continue efforts to overthrow Kadafi and moderate their national policy. This holds true for Syria and Iran also.

The policy of appeasement always holds a certain attraction, albeit fatal and flawed. History has inevitably shown that we must sacrifice a little now, or much more later. Unfortunately, many U.S. allies and all moderate Arab states will not applaud U.S. retaliatory actions unless this action guarantees either the collapse of the regime or the total cessation of its terrorist activities. Short of that, they will continue to express concern or even opposition because of fear of terrorism against themselves. However, when we succeed, these same nations will be among the first to note the wisdom and courage of our policy. As for the government of Lebanon, its official position on the U.S. action is of no consequence, since the nation is held hostage by the Libyan-Syrian-Iranian-PLO axis. But the Lebanese people quietly applaud and fully support President Reagan's action.

The courage of Lebanon's silent majority remains. They will keep their country free, regardless of the cost in lives and hardship. However, the U.S. needs to help, not only in a humanitarian way, but also to try to blunt terrorist groups and states from completing the total, long-term take-over and control of Lebanon.

A.L.L. strongly recommends that the U.S. implement the following actions:

1. Major humanitarian aid to Lebanon.
2. Major economic aid to Lebanon.
3. Extend UNIFIL mandate in South Lebanon, and also expand its mandate to other areas of Lebanon controlled by the Libyan-Syrian-Iran-PLO axis.
4. Consider policy actions against the states sponsoring terrorist activity.

The late President-Elect Bachir Gemayel summed up the feelings of the suffering silent majority of the Lebanese people in a personal letter he wrote to President Reagan, in which he quoted General George Washington addressing the Continental Army in the darkest days of the Revolutionary War:

"Our cruel and unrelenting enemy leaves us only the choice of brave resistance, or the most object submission. We have, therefore, to resolve to conquer or die."

Thank you, Mr. Chairman.●

LISA TURNER'S ESSAY ON CONSUMER CREDIT

● Mr. DANFORTH. Mr. President, today a record number of Americans use consumer credit to finance their purchases. Therefore, it has never been more important for consumers to understand how to make effective use of the types of credit that are available. The Missouri Consumer Credit Association-Education Foundation has been involved in educating high school seniors on the use of consumer credit since 1975. An annual essay contest is an important part of the foundation's program.

This year, an essay by Lisa Turner, a student at El Dorado Springs R-2 High School in El Dorado Springs, has been awarded first place in the contest. Miss Turner's family, friends, and school can be proud of her efforts. I am pleased to join in offering my most sincere congratulations.

Mr. President, the essay by Miss Turner reflects serious thought and effort. Her insights into the wise use of consumer credit are deserving of our attention. I ask that her essay be included in the RECORD.

The essay follows:

THE WISE USE OF CONSUMER CREDIT

(By Lisa Turner)

Fred Fool went into the credit bureau when he wanted to buy a car. He walked up to the counter and said, "I want some bucks for a new jalopy!" Buddy Bucks asked Fred into his office to arrange credit for Fred's car. Fred Fool was dreadful. He didn't know what type of credit he needed, how to pay for the credit issued, or when the amount of payment was due. Buddy Bucks tried to explain to Fred Fool the tactics used to establish the type of credit he needed. Buddy did some checking and decided to give Fred a chance. He gave Fred a payment book and the papers to sign. Fred signed the papers without reading them and ran out the door to buy his jalopy. He got into his jalopy, threw the payment book into the glove box, and forgot all about the payments. Buddy Bucks sent him a warning statement for the payment, but he never heard from Fred Fool. Buddy Bucks was forced to repossess the car as Fred Fool whined his pleas for a second chance. It was too late for Fred Fool. His credibility had been lost, and he was proven untrustworthy.

To use consumer credit wisely, the consumer must understand the four main types of credit, establishing credit, and maintaining credit.

The four main types of credit are charge account credit, installment credit, personal loan credit, and service credit. These types must be understood before the consumer can use credit to his best advantage.

The first type of consumer credit is charge account credit. Charge account credit concerns the use of credit cards. By using credit cards, the consumer is capable of purchasing items and paying for the items later. He may pay for the items on a partial payment plan, or he may pay the full amount due. The main setback with this type of credit is the easy possibility of overloading the charge account. The consumer must be careful to keep accurate records of the amount he has charged so that he can be positive that he will be able to pay it.

The second type of consumer credit is installment credit. Installment credit allows the consumer to purchase an expensive item and have an extended period of time to pay for the item. The items purchased with this type of credit would be difficult to attain without installment credit. The consumer will be charged an annual percentage of interest on the total funds credited. Once again, the consumer must be cautious; however, most creditors will not encourage a purchase if they see that there is a chance of overloading the consumer.

The third type of consumer credit is personal loan credit. Personal loans allow the consumer to pay for unexpected expenses easily. This is the second most common type of credit used in the United States. A percentage of interest will be charged to the consumer for the sum credited. This type of credit is paid back in a short duration of time and is for minimal amounts.

The final type of consumer credit is service credit. Service credit is the most common type of credit used in the United States. Every time a doctor, dentist, or any other agency sends the consumer a bill, service credit is being used. There is no percentage of interest charged on the sum that is owed. The agency expects to receive payment as soon as the consumer receives the bill. By readily paying service credit, the consumer helps himself establish credit for future use.

Now that the consumer knows the four types of credit, he can begin the process of establishing the type of credit he needs.

The wise use of consumer credit revolves around establishing and maintaining credit. The task of establishing credit undertakes the consumer's past record of trustworthiness. The task of maintaining credit connects the consumer's trustworthiness with his dependability and money management. The two tasks are difficult to accomplish but once the tasks are completed, the consumer is capable of attaining the items he wants and needs.

The beginning step in establishing credit is filing the consumer's worthiness with his agent. After the paperwork is completed, the papers will go through a credit check. The consumer's credibility will be evaluated, and he will be notified of acceptance or rejection.

There are six factors which help with the establishment of credit: character, capital, capacity, conditions, collateral, and common sense. The higher the consumer rates in these factors, the better the consumer's chances are of obtaining credit. If the consumer rates low in these factors, it is difficult to establish credit.

It is difficult to establish credit for the first time as the agency has no past records for references. This is one reason why the consumer should maintain an excellent credit record from the first establishment of credit.

Maintaining credit involves responsible management and caution. The consumer must be positive that he can afford to pay for his luxuries before he attains them. The consumer must keep accurate records of payments and be positive that the payments are paid before their deadlines. Awareness of total expenses is vital. The consumer can maintain credit by using common sense, wise management, and thoughtful tactics with payments.

Once the consumer's credit is lost, it is extremely difficult to secure again. Poor management will show on the consumer's record, and it will prove the consumer to be untrustworthy. No one wants to lend money to someone who is untrustworthy.

Therefore, to get the maximum benefits of consumer credit, the consumer must first understand the four types of credit. The consumer can then go through the channels of establishing his credit. Through wise management and common sense, the consumer is capable of maintaining his credit. When the types of credit, establishing credit, and maintaining credit are brought together, the consumer is capable of purchasing the items he wants and needs with the knowledge of how to pay for the items in a confortable way. Consumer credit can then be used wisely.●

BUDGET SCOREKEEPING REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate the budget scorekeeping report for this week, prepared by the Congressional Budget Office in response to section 5 of the first budget resolution for fiscal year 1986. This report also serves as the scorekeeping report for the purposes of section 311 of the Congressional Budget Act, as amended.

I ask that the report be printed in the RECORD.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, May 5, 1986.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of congressional action on the budget for fiscal year 1986. The estimated totals of budget authority, outlays, and revenues are compared to the appropriate or recommended levels contained in the most recent budget resolution, Senate Concurrent Resolution 32. This report meets the requirements for Senate scorekeeping of section 5 of Senate Concurrent Resolution 32 and is current through May 2, 1986. The report is submitted under section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended.

Since my last report Congress had completed action on and the President has signed H.R. 4602, increasing FHA and GNMA credit levels. As a result of this action, outlay estimates have changed.

With best wishes.

Sincerely,

EDWARD GRAMLICH
(For Rudolph G. Penner).

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 99TH CONGRESS, 2D SESSION, AS OF MAY 2, 1986

[Fiscal Year 1986—in billions of dollars]

	Budget authority	Outlays	Revenues	Debt subject to limit
Current Level [1]	1,057.1	980.3	778.6	2,007.2
Budget resolution, Senate Concurrent Resolution 32	1,069.7	967.6	795.7	[2] 2,078.7
Current level is:				
Over resolution by		12.7		
Under resolution by	12.6		17.1	71.5

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval. In addition, estimates are included of the direct spending effects for all entitlement or other programs requiring annual appropriations under current law even though the appropriations have not been made. The current level excludes the revenue and direct spending effects of legislation that is in earlier stages of completion, such as reported from a Senate committee or passed by the Senate. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] The current statutory debt limit is $2,078.7 billion.

FISCAL YEAR 1986, SUPPORTING DETAIL FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 99TH CONGRESS, 2D SESSION, AS OF MAY 2, 1986

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			777,794
Permanent appropriations and trust funds.	723,461	629,772	
Other appropriations	525,778	544,947	
Offsetting receipts	−188,561	−188,561	
Total enacted in previous sessions.	1,060,679	986,159	777,794
II. Enacted this session:			
Commodity Credit Corporation urgent supplemental appropriation, 1986 (Public Law 99–243).			
Federal Employees Benefits Improvement Act of 1986 (Public Law 99–251).		4	

FISCAL YEAR 1986, SUPPORTING DETAIL FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 99TH CONGRESS, 2D SESSION, AS OF MAY 2, 1986—Continued

[In millions of dollars]

	Budget authority	Outlays	Revenues
VA home loan guarantee amendments (Public Law 99–255).		−51	
Omnibus Budget Reconciliation Act of 1985 (Public Law 99–272).	−4,259	−6,001	765
Department of Agriculture urgent supplemental, 1986 (Public Law 99–263).			
Advance to Hazardous Substance Response Trust Fund (Public Law 99–270).			
Total	−4,259	−6,048	765
III. Continuing resolution authority.			
IV. Conference agreements ratified by both Houses: FHA and GNMA Credit Commitment Assistance Act (H.R. 4602).		−380	
Total		−380	
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Veterans compensation.	272	185	
Veterans readjustment benefits.	91	91	
Compact of free association.	205	205	
Special benefits (Federal employees).	14	14	
Family social services	100	75	
Guaranteed student loans.	6		
Payment to civil service retirement [1].	(37)	(37)	
Total entitlements	688	570	
Total current level as of May 2, 1986.	1,057,108	980,302	778,559
1986 budget resolution (S. Con. Res. 32).	1,069,700	967,600	795,700
Amount remaining: Over budget resolution.		12,702	
Under budget resolution.	12,592		17,141

[1] Interfund transactions do not add to budget totals.

Note.—Numbers may not add due to rounding.●

FUNCTION 500 OF THE BUDGET RESOLUTION

● Mr. KERRY. Mr. President, I want to commend the managers of Senate Concurrent Resolution 120 and the U.S. Senate as a whole for passing a 1987 budget resolution. In particular, I would like to applaud the Senate's successful eff rts to include additional funding in function 500 of the budget resolution for educating America's handicapped infants and children. The budget resolution invests $265 million in budget authority and approximately $13 million in budget outlays in function 500 for fiscal year 1987; $200 million of these funds will be utilized to pay for early childhood intervention educational programs serving the Nation's disabled preschoolers, and the additional $65 million will fund part B of the State grant programs under the Education of the Handicapped Act.

Recently, Senator WEICKER and I introduced S. 2294, a bill to reauthorize programs under the Education of the Handicapped Act. Included in this legislation is an initiative to serve and reach out to handicapped preschoolers so that they can achieve their maximum potential. Function 500 of the budget resolution pays for this initiative. Mr. President, our country was founded on the basic principles of individualized freedom, opportunity, and achievement. The budget resolution recently passed by the Senate is based on the same set of values, values which give our Nation's handicapped babies and young children the opportunity to fulfill their greatest potential.

Early childhood intervention has proven highly effective. Recent research has indicated that this timely assistance makes a critical difference in the education progress of at risk children. During our reauthorization hearings we heard testimony from expert witnesses who stated that events in any child's early years are the ones that are vital in shaping an infant's future. Similarly, the earlier a child's disability is recognized and worked with, the greater the chances are that the child will need fewer services in the future. In order to understand the overwhelming need for early childhood intervention, one only has to point to the fact that in the past decade the number of handicapped preschoolers has increased by 30 percent. Just last year over 250,000 preschoolers received educational services and this is but a fraction of the overall number of children who need these services. Let me briefly tell you about Will, a Down's syndrome baby from Maryland.

Will received special education services from the time of birth and now at age 2½, Will has achieved close to normal development and his parents have tremendous hope for his future intellectual development. Mr. President, 10 years ago a story like Will's, a Down syndrome baby achieving close to normal development would have been something short of a miracle. But today because of the gains made in educating America's disabled youth, Will's story and others like his are becoming less a miracle and more a reality. Mr. President, Senator's who voted for the budget resolution made an impressive commitment to continue to strive toward that reality.

Moreover, early childhood intervention is not only an investment into the future lives of America's disabled babies but it is a fiscal investment as well. Children who benefit from early childhood intervention need fewer special services upon reaching school age and frequently by the time they reach school age, they do not need any special educational services. According to a recent House report, for every dollar spent on handicapped preschooler programs, $3 are saved down the road in special educational costs. This, Mr. President, is an obvious investment and savings.

Furthermore, Mr. President, the additional $65 million represents a 1-percent increase in the Federal share of funds for the Education of the Handicapped Act. Ten years ago the drafters of this fine act envisioned that to date the Federal Government's share in educating our handicapped children would equal roughly 40 percent. But in reality, today that Federal share represents a mere 9 percent and the Reagan administration, in their recent budget, attempted to lower the Federal share even more, to a minimal 8 percent.

The Senate budget resolution increases the Federal responsibility to 10 percent, an amount which, quite frankly, is still insufficient to assist all those in need of services. Nevertheless, although just a fraction of the overall moneys spent, the 1-percent increase included in the budget resolution shows both a renewed effort by Congress in helping to educate disabled children, as well as demonstrates to the States our appreciation for all that their educational systems have offered both in resources and time to improving the education of our Nation's physically and emotionally challenged youth.

Mr. President, I want to take this time to praise each Senator who voted for the budget resolution, because they made an investment into the lives and well-being of our most vulnerable citizens—an investment of only $265 million, or merely $1 for every man, woman, and child in the United States—in comparison with the more than $100 billion in revenues lost to tax evasion each year. The Internal Revenue Service itself acknowledges that each year it fails to collect taxes on almost 18 percent of the legally earned income in this country, and that the total revenues lost to the Treasury exceed $100 billion. This sum is close to 500 times larger than the amount included in the budget resolution devoted to the well-being of our handicapped children. Under Gramm-Rudman-Hollings we have a mutual commitment to address additions in the budget as a zero sum matter. As I have just outlined, there are additional resources available to raise revenues such as tax compliance, which makes funding possible for programs that can benefit our handicapped population without raising taxes.

Mr. President, the foresight and spirit embodied in function 500 of the budget resolution is the same noble spirit that allowed Congress to pass Public Law 94-142, The Education for All Handicapped Children's Act, 10 years ago. It seems only too fitting that as the Nation as a whole continues to celebrate the 10th anniversary of Public Law 94-142, that we as legislators were able to successfully show our unbending commitment to enhancing the lives of handicapped infants and children throughout society.

I want to applaud every Senator in this body who voted for the budget resolution and consequently, was party to a cause which continues to integrate disabled youth into their schools and communities despite their handicap. And I feel equally proud to point out that the U.S. Senate chose to pass a budget resolution that demonstrates their willingness to further strengthen their commitment to improving the lives of handicapped children across America.●

RED CHINESE WANT ARMS BUT CALL UNITED STATES AND ISRAEL STATE TERRORISTS

● Mr. WALLOP. Mr. President, I wish to commend the Senator from Alabama [Mr. DENTON] for his statement in the RECORD of April 29, 1986, regarding insulting remarks made by the mainland Chinese Ambassador, Mr. Han Xu, in Houston about the United States and Israel in the wake of the United States defensive action against terrorism in Libya. Mr. Han, a veteran diplomat, who is the Ambassador of the People's Republic of China—Red China—accredited to the United States, launched his vicious attack on the United States and Israel at the very time when the Red Chinese Government is lobbying us in the United States Senate to approve sales of advanced avionic and naval equipment to the mainland Communist Chinese.

Mr. President, Mr. Han made a deplorable assertion that the United States defensive action in Libya is state terrorism and he accused Israel and the United States of being responsible for terrorism in the world today. The Ambassador's statements are a gross distortion of reality and a reprehensible abuse of his diplomatic privileges in our country. This Red Chinese Ambassador used his diplomatic position to gain access to an American audience to make despicable propaganda against the United States, his host country, and to criticize Israel in the Middle East.

Mr. President, such conduct by a foreign ambassador is repugnant. If an American Ambassador were to engage in such conduct in the People's Republic of China, the Communist Chinese would quickly threaten to declare him persona non grata, and would likely do so. But we do nothing. We do not even think to call this Chinese Ambassador down to the State Department and tell him what we think of his behavior. Mr. President, the United States should do that and the day must come soon when our Government will have the courage and fiber to exercise that right.

The PRC Ambassador's gross distortions of fact and venomous accusations that the United States and Israel are responsible for terrorism in the world are reflections of worse accusations made by the PRC Communist Government in Beijing about who bears responsibility for state-sponsored terrorism. Mr. President, the attitude of Beijing toward the United States and its true allies is clear enough. It is plainly expressed in an article in the Beijing newspaper, Xinhua, of April 22, 1986. I shall not dignify that article by having it reprinted in the RECORD, but it clearly indicates Beijing's policy with such statements as "terrorism in the Middle East has originated from none other than Israel backed by the United States and some other Western nations."

Mr. President, there are those in the administration who tell us that the PRC Chinese do not really mean what they are saying and that their blame of the United States and Israel for terrorism is only rhetoric. How does that explain away their spread of vicious lies to U.S. domestic audiences and to the world press? And why should we believe that they do not mean it? Of course they do, or they would not be saying it officially.

These very same Red Chinese now want us to sell sophisticated arms to them. Is there any guarantee that they really mean it when they tell us they will not use them against Taiwan? Or will this become another example of their two-faced policy? Will our Asia experts who are urging this sale come around again to the Senate and expect us to believe that there is a Chinese mind we do not understand? I find it perfectly clear and easy enough to understand that these very Chinese cannot be trusted to behave as our ally if they rail against us in the terms their Ambassador and their Government used concerning our actions to stop terrorism. So, why sell the PRC these advanced arms?

I urge my Senate colleagues to proceed cautiously on selling arms to mainland China. That country is no friend of ours when it publicly and officially accuses us and our allies falsely of state terrorism and rages against our actions to defend ourselves from true state-sponsored terrorsim by Qadafi's Libya.

And today, Mr. President, a PRC general, Yang Dezhi, who was none other than the commander in chief of the Communist Chinese forces which fought against us in the Korean war, is arriving in the United States to meet with top U.S. military leaders about these arms transfers and to visit our military installations. I urge the Senate to make no promises to him on sophisticated arms transfers to his Communist country, and I ask that an article on this visit be printed in the RECORD.

The article follows:

[From the Washington Post, Apr. 30, 1986]

CHINA'S TOP OFFICER DUE HERE—SENIOR VICE MINISTER ALSO PLANS U.S. TRIP

(By Daniel Southerland)

PEKING, April 29—China is sending its ranking military officer and a leading government official on separate trips to the United States.

The official New China News Agency announced tonight the departure of Yang Dezhi, chief of the general staff of the People's Liberation Army. His trip is seen as the latest evidence of strenghtening military ties between the two countries. No previous holder of the post has made a U.S. visit.

Gen. Yang was a deputy commander of the Chinese forces fighting the Americans in the 1950-53 Korean War.

The civilian, senior Vice Premier Yao Yilin, also will be making his first trip to the United States, diplomats said today. Both are to stay about two weeks. Yao plans to leave here in mid-May.

U.S. officials are expected to use Yao's visit to try to resolve problems that have slowed American business investment in China.

Yao is to meet in Washington with Commerce Secretary Malcolm Baldridge and to head China's degelation to the fourth annual session of a joint commission on trade.

An American dealing with projects here said Baldridge is likely to raise the concerns of American businessmen working in China over the shortage of foreign exchange, difficulty of repatriating profits, and rising costs of doing business.

Secretary of the Treasury James Baker III is expected to discuss the same issues on a visit here following the Tokyo economic summit.

Neither Yao nor Yang has been associated until recently with moves to strengthen U.S.-Chinese relations. Yao is considered "conservative" by many foreign specialists. He once worked closely with Chen Yun, the senior economic planner who has criticized some of the side effects of the policy of opening China to more foreign trade and investment.

Last July, Yao signed a five-year, $14 billion trade agreement with the Soviet Union, thus significantly expanding trade with that country.

But Yao, who is a specialist in trade, economics and finance, has shown repeatedly that he can listen to the criticism of foreigners without taking offense. A European who has met with him twice said that Yao is open to new ideas when it comes to reforming China's aging state-run industries.

Yao will have a chance to brief U.S. officials on China's renewed ties with the Soviet Union in the fields of trade, culture, and education. A diplomat said Yao may also want to raise objections to U.S. policy on Taiwan.

Yang is expected to meet with top U.S. military leaders and visit Army installations.

In an interview with the China Daily newspaper published yesterday, Yang said his visit was "not directed against a third country." He was taken to mean the Soviet Union.●

THE REVOLUTION IN UNITED STATES-ISRAEL RELATIONS

● Mr. BOSCHWITZ. Mr. President, I have recently read the statement given by Tom Dine, executive director of the American Israel Public Affairs Committee, to AIPAC's annual policy conference held in early April. The title of the address, "The Revolution in U.S.-Israel Relations," accurately reflects the tremendous advances over the past several years in our bilateral ties with Israel.

Mr. Dine notes that:

To put it simply, the relationship today between the United States and Israel is excellent. This relationship has entered a revolutionary era. We are no longer talking about the transformation in the relationship, we are talking about a revolution. The old order in which Israel was regarded as a liability, a hindrance to America's relationship with the Arab world, a loud and naughty child—that order has crumbled. In its place, a new relaitonship is being built, one in which Israel is treated as—and acts as—an ally, not just a friend, an asset rather than a liability, a mature and capable partner, not some vassal state.

This administration, this Congress, and this community—together with Israel—are engaged in changing the entire basis of U.S.-Israel relations. And I submit to you, these changes in the strategic, economic and diplomatic spheres will be felt for decades to come.

I commend Mr. Dine's entire statement to my colleagues. I ask to insert his remarks, along with a related article from the Washington Post in the RECORD

The material follows.

THE REVOLUTION IN U.S.-ISRAEL RELATIONS

(By Thomas A. Dine)

My congratulations to Bob Asher in his re-election as AIPAC's president. I have been looking forward to saying something about Bob to all of you. Over the last two years, I have worked extremely closely with him. He is farsighted, he is demanding, he is a leader of whom the pro-Israel community should be proud. AIPAC is a stronger organization because of him. And I look forward to working with him, together, side-by-side, for the next two years, solidifying and energizing the U.S.-Israel relationship as it ascends to ever greater heights.

Let me join Bob in praise and enthusiasm for AIPAC's new slate of elected officers, our Executive Committee, and National Council members. Homegrown from the grassroots, you set the agenda. Of the entire pro-Israel community, you are the pre-eminent political activists in this country. By your community and national efforts, you are the ones who make such a decided difference in the very positive position Jerusalem has in America's foreign policy and among the American public.

This is—again—a tremendous turn-out for AIPAC's annual Policy Conference. What a thrill it is to see so many in attendance—of all generations. From around the country have come our top chieftains: state chairpersons, congressional caucus leaders, key contacts, leaders on so many local fronts, on so many issues of concern to us as American citizens.

And if you want to get a glimpse into the 21st century, look around you. The more than 500 students are high schoolers and collegiates.

They have come from a variety of places like Utah and Iowa, Kansas and Alabama, Vermont and Arizona—and New York. This is the largest number of students ever assembled at an AIPAC policy conference!

As we march into the 1990s and beyond, these young people will be marching with us! They are the vanguard, the vanguard of a new generation that appreciate the imperative for political involvement, and for political activism. AIPAC students match their passion with their political acumen. They are literally transforming their campus environments. And, in time, they will transform the political landscape of this nation. On the college campuses of America, AIPAC has seen the future—and it works!

Jews and Christians, young and old, white and black, liberals and conservatives, Democrats and Republicans, energetic and enthusiastic and responsible citizens, we are here on behalf of our common cause—to expand, to deepen, to enhance the partnership between Washington and Jerusalem.

The theme of this conference is "People made the difference in policy and politics."

Each of you gives our cause strength. You are the heart of AIPAC. Together we are strong. Each one of us needs each other.

And nowhere is this more clearly expressed than in the Congress of the United States.

Congress functions both as a forum through which public opinion is brought to bear upon the whole federal government and as a medium for gathering and disseminating information for the enlightenment of the people. Capitol Hill is the repository of our democratic principles. It is in Congress that laws are made and national policy codified. No one appreciates these facts more than those of us in this room tonight—AIPAC's members and staff.

The barometer by which one measures Israel's standing among the people of America is by what takes place on Capitol Hill. Here U.S. support for Israel is built, maintained, and advanced. Congress is the bedrock of the U.S.-Israel relationship.

Just a year ago I stood before you and laid out a legislative agenda that some said was too ambitious. I am here tonight to report that we have met or exceeded every one of our goals.

Congress in 1985 passed—and the President signed into law—the first foreign aid bill since 1981. Despite the budget-cutting mood here in Washington, the legislataion contained the most generous Israel aid package ever: $3 billion in regular aid plus an additional $1.5 billion in emergency economic aid. All the funds are grants. The $3 billion in aid represents an increase of $400 million above the previous fiscal year and a doubling of grant assistance since 1983.

When Senator Richard Lugar (R-IN) took the aid authorization bill to the Senate floor as the new chairman of the Committee on Foreign Relations—and he is there thanks to the defeat of Charles Percy—he wanted to plant the bill firmly into the most solid political foundation possible. He began with something easy for his colleagues to vote on—one and a half billion dollars in emergency economic aid money for Israel. The amendment passed unanimously! There could be no better indicator of support for Israel than that.

Senator Lugar's tactic of starting with Israel acknowledges that aid to Israel is the locomotive that powers the whole foreign aid train through the legislative process. It was a signal also to the Administration that foreign aid passes largely because of support for aid to Israel, and that Israel is a Congressional priority.

But there was more, much more, in that landmark legislation by the time it reached the President's desk.

Funding was assured for Israel's Lavi aircraft project, Israel's fighter for the 1990s.

The United States will no longer pay the bills for United Nations programs which benefit the PLO.

And funding was increased for a unique cooperative program that combines American aid with Israeli know-how to help developing nations.

Four strong messages for the peace process were contained in that legislation as well.

First, the Egyptians were put on notice that America's generous aid to that country is linked to its performance in sustaining its peace treaty with Israel.

To Jordan, Congress said it wanted to see a tangible commitment to a peace process, not just more rhetoric, before a major arms transfer would even be considered.

For the Saudis, Congress has now legislated that they must contribute substantially to the peace process before the AWACS sold in 1981 can be delivered later this year. We will be taking a much closer look at that issue in the weeks ahead as the Congress begins probing it in depth.

And to those in the State Department who were anxious to bring Yassir Arafat to the peace table (instead of the docket where he belongs), Congress barred all US officials from direct contact with the PLO unless it publicly accepts UN Resolutions 242 and 338, recognizes Israel's right to exist, and renounces terrorism.

This year we will be lobbying for another grant of $3 billion in aid for Israel, as recommended by the Reagan Administration in the Gramm-Rudman environment.

The generous scope and consistently supportive provisions of U.S. aid for Israel, especially during this period of deficit reduction, reflect the widely-held belief, both in Congress and in the Administration, that a strong, economically stable Israel is in the highest interest of the United States.

That is also why the Congress approved the final Free Trade Area agreement and implementing legislation by an overwhelming 422 to 0 vote in the House and by unanimous voice vote in the Senate.

And just a few weeks ago, after 37 years of delay, the Senate finally gave its advice and consent to the Genocide Convention, a treaty the Government of Israel ratified in 1950.

But the real story of last year was one that each of you was personally involved in. I want to pay special tribute tonight to you, to Congress, and to our guest speakers tomorrow night and Tuesday morning, Senators Ted Kennedy (D-MA) and John Heinz (R-PA) and Congressman Larry Smith (D-FL). Together, you blocked the Jordan arms sale! Together, you set the pursuit of peace above the sale of arms as this nation's priority.

The message was loud and clear: First send in the peace makers, not the arms merchants. As Senator Heinz put it, "selling advanced weapons prior to direct negotiations

between Israel and Jordan is premature and unwarranted."

Our strategy, frankly, was to convince the Administration not to push for the arms sale until King Hussein had taken an irrevocable step toward peace. Our goal was to see him seated accross the negotiating table from the Prime Minister of Israel. If we have learned anything it is that arms sales to Israel's enemies are no incentive for peace. On the contrary, when we have withheld weapons, as we did with Egypt in the mid-1970s, we witnessed progress toward reconciliation. This was clearly the view of overwhelming majorities in both parties and both houses of the Congress.

Nonetheless, despite all the warnings, the Administration sent its $2 billion jets-and-missiles package for Jordan to Capitol Hill on October 21. Twenty-four hours later nearly three-quarters of the U.S. Senate introduced a resolution to disapprove that arms sale. This was followed a few days afterward by a 97-to-1 vote in the Senate (and later unanimously in the House) shelving the sale for another 100 days or until "direct and meaningful peace negotiations between Israel and Jordan are underway." As the March 1, 1986, deadline for action approached, as Congressional opposition continued to grow and was strong enough to override the President's veto, with still no sign of progress in getting King Hussein to the table, the Administration reluctantly announced it was indefinitely postponing its arms proposal.

This did not happen by accident. It came about because you and thousands more like you all around this country worked very hard. You spoke, and wrote, and phoned, and visited your Representatives and Senators. You let them know clearly how you felt about selling advanced fighter jets and missiles to a country still at war with Israel which shares her longest hostile border. Your message, in the words of one Congressman was "no peace, no planes"!

By withdrawing the arms package, even the Administration conceded that there had been no progress on the peace front. Even King Hussein acknowledged this when he finally blamed the breakdown of his peace initiative on Yassir Arafat.

You shaped the debate by demanding that major arms sales be predicated on a viable peace process. You articulated your views in an effective manner to your elected officials. That is the essence of the democratic process, and it is the essence of AIPAC. It is the essence of America. That is what we are all about. You make the decided difference. I salute you.

In reviewing this record, it is clear that we have grounds for great satisfaction. We have succeeded in building extraordinary support for Israel in Congress.

But I want to use this annual occasion to do more than just list our achievements. As Executive Director, I want to take the opportunity to delve more deeply into the issues before us as an organization.

This year, we meet at a time when the community is seized with a controversial issue concerning the Executive branch. The question is, when Israel is increasingly dependent upon the United States, how do we strike the right balance in our policy toward the Executive branch? Our goals depend very much on the decisions that the President and his top officials make toward Israel specifically and the Middle East generally. In these areas, a close and consultative relationship between our community and the Administration is a mainstay of U.S.-Israel relations.

Yet there are, inevitably, other policy issues on which we are destined to disagree with this or any other administration. In some cases, once in a while, administrations are just plain wrong! Or, to be a little more charitable about it, in some cases they are trying to solve a different problem with another country, but their actions, while not intended to harm Israel, have the effect of eroding Israel's narrow margin of security.

We are the watchdogs of one key issue, the U.S.-Israel partnership. In some cases, we oppose Administration policy, particularly if it threatens Israel, even if this opposition strains our relations with the President.

But we know there is a tension between these two aspects of our work, and there is a dilemma of when to work with and when to work against this or any administration. We also know that every choice has a price. If we are working with an administration to achieve vital goals, we pay a price in not facing down some policies which are adverse but are in areas of lesser importance.

In the past, when we have been forced to mobilize opposition because an administration has embarked on a course that threatens damage to the Jewish state and to the higher interests of the United States, we have done so with the realization that, inevitably, we are also thereby damaging our other goals.

There is no painless, cost-free way to make the policy choices we at AIPAC must make. What we have to do is weigh carefully the costs and benefits of the alternatives before us. We try to make choices on the basis of a clear vision of our immediate and ultimate goals, and a clear strategy for achieving them.

When we make these decisions we must always be aware of the responsibilities we bear for the future of the bilateral relationship, and the future of the Jewish people. Israel, may be strong today. But its enemies are also stronger than they have ever been. The enormous investment in arms that the Arabs undertook in the 1970s is now reaching maturity. Arab radicalism and Islamic fundamentalism are on the loose. Those few in the Arab world who advocated peace are either cowering in fear or dead.

We sense, deep in our hearts, that a very dark hour may visit us again, that an extreme threat may rush, perhaps with little warning, to Israel's door. When this storm does come, what we in this room have done and not done will be judged, not by the passing standards of the moment, but by the unforgiving measure of how choices made today affect the ability of the Jewish state to survive that future danger.

With this ultimate criterion in mind, let me review where we are, and explain to you the choices we have made and are making.

To put it simply, the relationship today between the United States and Israel is excellent. This relationship has entered a revolutionary era. We are no longer talking about a transformation in the relationship, we are talking about a revolution. The old order in which Israel was regarded as a liability, a hindrance to America's relationship with the Arab world, a loud and naughty child—that order has crumbled. In its place, a new relationship is being built, one in which Israel is treated as—and acts as—an ally, not just a friend, an asset rather than a liability, a mature and capable partner, not some vassal state.

This Administration, this Congress, and this community—together with Israel—are engaged in changing the entire basis of U.S.-Israel relations. And, I submit to you, these changes in the strategic, economic and diplomatic spheres will be felt for decades to come.

Many of these changes are occurring slowly and undramatically, in ways that hardly appear in the press, so let me give you a few signposts.

Let us begin with strategic cooperation. It is hard to believe that barely two years have passed since the American President and the Israeli Prime Minister announced that the two countries would embark on joint military planning, joint exercises, and prepositioning of military equipment in Israel. But, at President Reagan's initiative and in pursuit of his vision, Israel is now being treated as an ally. What were mere words at the outset of Ronald Reagan's presidency, have now been translated into tangible actions undertaken by both countries in pursuit of their common interests as fighting democracies. Meetings of the U.S.-Israel Joint Political Military Group are now a matter of routine; joint military maneuvers and medical training exercises occur on a regular basis; U.S. Navy fighter pilots of our Sixth Fleet now train at Israeli bombing ranges in the Negev desert; visits by the Sixth Fleet to Haifa have quietly taken on the dimensions of a minor invasion, including the visit to Israel last year of some 30,000 American sailors.

This relationship is vital to the future of Israel, for several reasons. First, to have the United States standing beside Israel in this way sends a stronger deterrent signal to radical forces in the Arab world, and to the Soviet Union. It tells them that any thought they might have had about driving a wedge between the U.S. and Israel, about isolating the Jewish state in order to destroy it, is foreclosed.

Second, strategic cooperation is improving Israel's access to the most advanced American technologies, and these will contribute significantly to Israel's defense. When "the few" fight against "the many", the small band must rely on qualitative advantages to offset the enemy's enormous quantitative superiority. Advanced technologies therefore are the very heart of Israel's security requirements. Here, as elsewhere, Israel is afforded the same treatment as America's other allies in Europe, Japan, Canada, and Australia. And this is being done not merely as some favor to Israel, but because Israel's brain-power has much to contribute to the development of technological breakthroughs in the area of defense.

Third, the President has declared that the U.S. will consider the use of Israeli facilities to stockpile U.S. defense items for joint use in preparation for a possible emergency in the region. Prepositioning will strengthen the ability of U.S. forces to maintain security there, while also providing Israel with an additional stockpile to draw upon in a crisis.

Fourth, the U.S. is stepping up dramatically its own purchases of defense goods and services from Israeli firms. This, too, helps to reduce the burden of Israel's defense, by increasing production runs and reducing unit costs of defense items. And, of course, it strengthens America's defense by providing it with effective weapons at lower cost.

The whole story of this revolution in strategic cooperation cannot yet be told, because many of the most important steps are in an embryonic stage and both countries feel that greater progress can be achieved without an undue burden of publicity. Let me, however, share with you what Secretary of State George Shultz recently explained.

He said the point of strategic cooperation is, and I quote, "To build institutional arrangements so that eight years from now, if there is a Secretary of State who is not positive about Israel, he will not be able to overcome the bureaucratic relationship between Israel and the U.S. that we have established." Think about that. For a Secretary of State to feel that way—think about how far we have come.

And on the question of defending Israel, the Secretary of State forecasted, "Eight years from now, discussions about Israel's security will be different. They will be about the highest, state-of-the-art weapons technology and how Israel is taking advantage of that technology. That is how we are going to secure Israel."

So I can only re-emphasize: we are in the middle of a revolution in the area of strategic cooperation, and this President and this Secretary of State are going to leave a legacy that will be important to Israel's security for decades to come.

A similar process is taking place in the economic arena. With the Free Trade Area as a permanent basis for future trade relations between the two countries, Israel is the only country in the world to have across-the-board, two-way duty free trade relations with the United States of America, the world's largest market. Since Israel is also an Associate in the European Common Market, it is in the unique position of being the one place on the entire globe where you can locate a factory to export freely to both the United States *and* Europe without tariffs. The benefits of this revolutionary change will take some years to materialize fully. This treaty will have an enormous effect on Israel's export opportunities for the rest of our lives.

But this is only one of the revolutionary changes in the economic sphere that the Reagan Administration has wrought. In 1983, as you know, the President ended the practice of giving Israel a mixture of grants and loans, and shifted instead to an all-grant basis for aid. If you were following the alarming rate at which Israel's debt burden was increasing, you can understand that this decision to cap the debt burden and end its growth is vital to the process of Israeli economic recovery.

This President, and especially this Secretary of State, have also played an important role in helping Israel to stop the galloping inflation that was raging at 800% per year, an achievement that no other democracy has ever scored in so short a period. At the same time, they helped Israel survive a foreign exchange crisis, by recommending to the Congress a multi-billion dollar special appropriation over the past few years. And, beyond this, Secretary of State George Shultz is playing a unique role in providing excellent economic advice and personal support for renewed economic development in Israel. Israel was, very frankly, hemorrhaging economically the last time we met. Today, the painful cuts are being felt, but she is getting back on her feet. Credit goes to the Government and people of Israel. But it also must go to the U.S. Congress and the Administration, and particularly Secretary of State George Shultz, for helping the recovery, and for helping create a strong economic future for the Jewish state.

We also see the revolution in the diplomatic sphere. The State Department used to define success in the peace process in terms of how much pressure the U.S. was bringing to bear on Israel to make concessions. Now, Israel is treated as a partner in the peace process. Cooperation on the strategic level is complemented by coordination on the diplomatic level. The United States now only moves on the peace process after the closest consultation with the Government of Israel. Trust, the most crucial ingredient in any negotiation, has been established in the diplomatic discourse between the United States and Israel.

Moreover, in its public diplomacy, this Administration has demonstrated unprecedented support for the sometimes controversial actions Israel is forced to take. The understanding expressed by the White House of Israel's retaliation against PLO headquarters in Tunis is but the most recent example of this phenomenon. At the United Nations, the United States has now gone beyond defending Israel to actively opposing and undermining the anti-Israel efforts of the Arabs. On the other hand, only Israel supported President Reagan's actions in the Gulf of Sidra, while our Arab "friends" condemned American actions.

In the interest of time I will close this review here. We are in the midst of a revolution that is raising U.S.-Israel relations to new heights. In the process, a whole new constituency of support for Israel is being built in precisely the area where we are weakest—among government officials in the State, Defense, and Treasury Departments, in the CIA, in science, trade, agriculture, and other agencies. These are the people responsible for proposing policy and for implementing it. In a crisis these anonymous officials will play a vital role. And they are now learning, through personal experience, the value of Israel to the United States. In other words, we are talking not only about a revolution in the relationship between two states, but also in the attitudes of key people responsible for that relationship. That is what we mean when we talk about sinking down roots that will secure the tree of U.S.-Israel relations from future storms.

But we cannot afford to be complacent about these matters. The revolution has only just begun. The gains are not yet secure. We are still dependent on the continued commitment of the Reagan Administration to press ahead—at the urging of Congress and the public. But, despite our enormous respect for the Administration and its friendship toward Israel, that has not stopped us from opposing and challenging certain arms sales and, of course, so-called peace policies.

The Jordan arms sale of 1985 and 1986 is a case in point.

There was another case last spring. We were advised then by American and Israeli defense experts that a proposed package of F-15s and other highly sophisticated weapons to Saudi Arabia would materially erode Israel's security and add to its burden of defense. Even though there was a risk of tension with the Administration, we concluded that the danger to Israel from not challenging that sale was greater than the cost of actively opposing it, and therefore, we mobilized opposition and succeeded in having the package stopped.

Now over the past few weeks, there has been a third arms sale case in which we have made an opposite decision. We decided not to fight an arms sale because in our best judgment, the cost of a confrontation with the Administration would have been greater than the marginal benefit of stopping the arms sale. This package to Saudi Arabia involves a variety of missiles about which we are of course not particularly happy, and our very strong instinct was to fight it, especially because of Saudi Arabia's abominable record.

But it is also our function to examine and evaluate the facts of the case. And there we found that there was a consensus among defense experts associated with all factions and all schools of thought, that this particular package would have questionable impact on the security of Israel. The most authoritative study conducted found that this package would add little of consequence to the existing overall threat to Israel. We also found a remarkable consensus among the major Jewish organizations in our community, such as the Conference of Presidents, Council of Jewish Federations, the defense agencies, NJCRAC, and CRCs. They felt that we would not be justified in mounting a major campaign to confront the Administration's policy in this particular case.

We are an activist organization, and deciding not to fight does not come easily to us. But I believe we are obliged to act not out of impulse, but out of a careful assessment of all the factors in the situation. Indeed, making decisions in this way is a mark of our maturity and is in fact essential to our continued effectiveness. No army should allow itself to be drawn into battles that are outside its vital interests, and no army should fight when the costs of war are greater than any possible gains from victory.

When we were weak, we did not have the luxury of these problems. Being weak means being unable to fight successfully even when our vital interests are threatened. But when we are strong, we have the dilemma that comes with that situation, the responsibilities of when to unleash and when to restrain our use of power. We have had to learn that a wise, potent policy is not necessarily one based on endless contests of strength.

And we have always had to bear in mind that ultimate criterion that I stated earlier. If the enemies of Israel and America mass at the gate, will the young men and women who must defend the Jewish nation with their lives have at their disposal every means of defense and every advantage that we with all of our ingenuity and all our efforts could arrange? Will America be there as a true ally when Israel needs It?

I am confident that we made the right decision. In looking back, we can find things that we did in implementing the decision that could have been done better.

We are learning as we go. We are all discovering that the revolution in U.S.-Israel relations touches us at AIPAC as well. It affects our attitudes and our actions. And as the issues today are much wider than they were, so the scope of our responsibilities is much greater, and the stakes much higher.

In a word, we are, all of us in this room, giving birth to a new AIPAC, one which has all the character of the original but also one which has the qualities we need to prepare for the future. The times have changed, and we must change with them.

We know the Congress contains our most reliable and essential friends. But it is essential to work closely with Executive branch officials as well. Many of the foreign policy issues of greatest importance to us are decided and managed primarily by the Executive branch of government. For example, how the United States conducts itself in the peace process is decided primarily by the President and his advisers. Whether Israel is excluded or asked to be included in scientific arrangements such as Strategic Defense Initiative research and development

programs is, on the whole, decided by the Executive branch. How the United States will relate to moderate and radical Arab countries, and to Israel itself, is controlled by those who sit on the National Security Council. We must do in the Executive branch what we have done in the Congress—make new friends, and spread the message of how close relations with our one reliable, democratic ally in the Middle East serve the interests of the United States of America.

In this context, there are new requirements to our political action. We must expand our lobbying efforts beyond Washington to every Congressional District, and this is where you come in.

Accordingly, we have undertaken to establish a system of congressional caucuses throughout America. Pro-Israel citizens, Jews and Christians, are now meeting several times a year with their Congressmen and Senators to sensitize them to the issues we care about. We have established these caucuses in towns you have probably never heard of—McAllen, Texas; Monroe, Louisiana; Jonesboro, Arkansas; Seminole, Oklahoma; Roswell, New Mexico; Bellingham, Washington; Medford, Oregon.

The results of these organizing efforts are amazing. In the Southwest region alone—from Louisiana over to Arizona, Congressional voting patterns have changed dramatically. A few short years ago, we were fortunate to garner 35% of the votes for foreign aid by the 53 Congressmen there. By the summer of 1985, 70% voted in favor of foreign aid. In 1981, only four of the Southwest's 12 Senators voted with us on the AWACS. In 1985 nine of the 12 signed the Heinz-Kennedy Resolution of Disapproval for Jordan arms—and another Senator probably would have supported our position if it had come to a vote. A Congressman in Texas who had never opened the door to our Washington lobbyists, after meeting with his caucus back home, is today an ardent supporter. An Arkansas Congressman, whom our community did not even know early in his campaign and actually feared, began meeting with pro-Israel activists and has become a reliable pro-Israel friend, including visiting Israel to see for himself. The examples go on and on.

We have also begun creating coalitions state-by-state. In Texas, three state officials have begun one of the most exciting efforts at coalition building I have seen in my career. Tomorrow morning you will hear from Commissioners Mack Wallace, Gary Mauro, and Jim Hightower. The Agricultural Commissioner has begun the Texas Israel Exchange (TIE) which has involved hundreds of farmers in a program of agricultural technology exchange during a period that has witnessed anti-semitism in the farm belt. Imagine bringing farmers into our caucus system and other efforts at influencing Congress. Imagine the power of a letter from the Agricultural Commissioner of Texas stating to each member of his Congressional delegation that the Free Trade Area legislation was in the best interests of his state. Imagine coalitions in every state from farmers to blacks to oilmen to Hispanics. Imagine hundreds of caucuses meeting with their Congressmen. That is where we are going. That is where the strength and future of the U.S.-Israel relationship lies.

This sophisticated political action requires more reliance than ever on individual acts and individual discipline. Individual resilience in the face of an arbitrary universe, indeed in the face of heartbreak, is the test of the human spirit. This is what makes the difference in people. This is what makes the difference for us here at AIPAC.

We know the U.S.-Israel relationship is strong, but that Israel is not yet safe. But we also know that what we do today will help secure the Jewish state and the Jewish people tomorrow. And now, in this new era in which the United States and Israel are allies in the defense of freedom, we also know that we can pursue our mission, ourselves secure in the knowledge that what is good for America is good for Israel, and that what strengthens Israel equally strengthens America. These are the values which bring us together—love for America and love for Israel. I feel privileged to share in this work with you. Our task is far from over, but with each day we must and we will build on this truly grand beginning.

ISRAEL'S NEW SUPER-LOBBY IN WASHINGTON: REAGAN AND CO.

(By Richard B. Straus)

Over the next two weeks as Congress debates the sale of $350 million in military spare parts to Saudi Arabia, one voice will be stilled. The American Israel Public Affairs Committee, the pro-Israel lobby, the bane of all previous administrations' attempts to sell arms to the Arabs, is sitting this one out.

How can it be that members of Congress will be deprived of AIPAC's counsel? Quite simply, because a revolution has occurred. Not at AIPAC, but within the United States government. American Middle East policy has shifted so dramatically in favor of Israel that the pro-Israel lobby is, in effect, willing to "give this one" to the administration.

AIPAC's executive director, Tom Dine, describes the 1986 U.S.-Israeli relationship this way: "It is a deep, broad-based partnership progressing day-by-day toward a full-fledged diplomatic and military alliance." His hero is George Shultz, whom he calls the "architect of the special relationship." Citing Shultz's crucial role in providing $1.5 billion in emergency economic aid to Israel last year, Dine says, "George Shultz has made himself the U.S. project manager for Israel's economy."

Seen from the Arab perspective, Shultz is more like a villain. "Arab ambassadors can't do anything in Washington. Shultz doesn't want to get involved," argues one Arab diplomat. Complains another: "The Arab moderates are scared that the U.S. is undermining their position. But they are too weak to do anything about it."

State Department Arabists acknowledge that Arab interests hardly get a hearing today in Washington. "We used to have a two-track policy," says one former State Department official. "Now only Israel's interests are considered."

How did this revolution in American-Israeli relations happen? Was it the result of explicit Israeli efforts to change American policies, or of a less-deliberate combination of forces? How much credit—or blame—does AIPAC itself deserve for changing attitudes in Congress and the administration? And is the change in U.S. Mideast policy likely to be permanent?

The roots of the revolution date back at least to the 1980 election, and to three factors that shaped the Reagan presidency: the rise of terrorism against Americans, the declining power of the Arab oil weapon, and the strong pro-Israel feelings of Ronald Reagan himself. These factors combined to produce a change in attitudes—one that is as much anti-Arab as it is pro-Israeli.

Israel and AIPAC, to be sure, did their best to influence American policy. They pushed hard through the 1970s for more American aid, weapons and diplomatic support for Israel. Their basic orientation in those days was defensive, an effort to keep the U.S. from succumbing to Arab oil pressure. They had a simple theory about American support for Israel—more is better—but no detailed plan about where the relationship was heading.

Then one day, sometime in the mid-1980s, Israel and AIPAC realized that there had been a change. They were pushing against a door that was already open. Israel and AIPAC went running through that open door, but still with no long-range plan other than the old "more-is-better" philosophy. In fact, the change in American policy was probably as much of a surprise to the pro-Israel camp as it was to the Arabs.

The implications of this revolution in U.S.-Israel relations are, at this point, difficult to assess. Will it enhance Israeli security over the long run? Will it encourage Arab moderation and recognition of Israel? Or will it instead inflame radical sentiment in the Middle East? These questions, unanswerable for the moment, are likely to preoccupy thoughtful Israelis, Arabs and Americans in coming years.

Many Israelis, for now, seem unaware that the revolution has occurred. Take, for example, the growing military relationship between the two countries. Israelis remember the old days, when the U.S. military services kept the Israelis at arm's length, and regard their new access to the Pentagon as a perhaps-temporary opening, rather than the fruits of a fundamental shift in the relationship.

Israel's approach toward the U.S., contrary to mythology, has always tended to be ad-hoc and ill-planned. When it encountered problems with successive administrations, Israel adoped a diplomatic full-court press. Every arms sale to the Arabs was described in apocalyptic terms; every negotiation with the U.S. was a wrenching affair, with the Israelis arguing over every dotted "i" and crossed "t." Even today, with the Arab opposition dispersed and dispirited there still is no plan—other than more is better.

Even if the Israeli government had devised a precise plan to transform American Mideast policy, it couldn't have executed it. U.S. policy is not made in Jerusalem, nor at the Israeli Embassy in Washington. It is true the Israelis can threaten to undermine American policy if Washington is perceived to be endangering their basic interests. And Israel is effective in getting its views across on matters of interest to the Jewish state. But this is not the stuff of which revolutions are made.

AIPAC has considerably more power to influence American policy. It is a major Washington player, one with the skill and political clout of the American Jewish community behind it. But AIPAC, for all its evident lobbying and political skills, has its built-in limitations as well. It is a relatively small organization whose influence derives from the numerically small American Jewish population. Its clout is in the Congress, not the executive branch where, after all, U.S. Middle East policy is still devised and implemented. And it is there—in the executive branch—where the real transformation has taken place.

AIPAC's founder, I.L. Kenen, once defined his organization's role this way: "It is our job to lobby the Congress to tell the president to overrule the State Depart-

ment." But what happens when the State Department doesn't need to be overruled? This unforeseen problem arises with the new arms sale. AIPAC doesn't oppose the State Department this time; Congress does.

Pro-Israel sentiment on Capitol Hill seems to have taken on a life of its own, independent of the wishes of AIPAC or Israel itself. The Saudi arms sale is the most obvious example. Since AIPAC dropped out of the fight, 12 additional senators have lined up in opposition. All 11 leading House opponents have reaffirmed their intention to fight the sale.

What motivates the Congress in large part is undisguised hostility toward the Arabs in general and Saudi Arabia in particular. The leading Senate opponent, Sen. Alan Cranston (D-Calif.), argues that the Saudis have never supported the Israeli-Egyptian peace treaty nor the peace initiative of King Hussein. He also appeals to the public concern about terrorism by noting that the Saudis have provided subsidies to the Syrians and the PLO, both of which are linked to terrorist activities.

What's surprising is that Congressional rhetoric about the Arabs is echoed at the very highest levels of the Reagan administration. Said one senior White House official a few months ago, "I believe in strategic cooperation with both Israel and Saudi Arabia." We get it from Israel, but not Saudi Arabia." And despite the administration support for the Saudi sale, so far it has been mainly *pro forma*. The White House has yet to give the matter its top priority.

Administration officials often blame Congress for sabotaging U.S. Mideast policy, but the fact is that administration decisions have helped create the now-insurmountable Congressional opposition. These same administration officials have consistently downgraded the importance of the Arab world and boosted reliance on Israel.

The revolution really got under way in 1980. The first major factor was terrorism. Prior to the 1979-1980 Iranian hostage crisis, terrorism to most Americans was an Arab-Israeli affair. Occasionally U.S. citizens or diplomats got caught in the crossfire. But it was incidents like the massacre of Israeli athletes at the 1972 Munich Olympics and the 1976 Entebbe raid that dominated the headlines and epitomized the issue for most Americans.

Until Tehran. Suddenly America was "held hostage." One immediate by-product was that Jimmy Carter was discredited and Ronald Reagan catapulted into the presidency. And soon after the inauguration, the new secretary of state, Alexander Haig, declared that combatting terrorism would be to the Reagan Administration what human rights had been for its predecessor.

In this new war against terrorism, the battle-hardened Israelis could offer some practical advice. Even today Israelis insist that the Mossad—Israel's CIA—provides crucial assistance. That may be true. But so do a score of other intelligence services of friendly countries. And when the U.S. devotes its enormous resources to fighting terrorism—as we have seen in the recent effort to track Libyian-sponsored acts—it doesn't need much help from anyone.

More important than the limited resources the Israelis offered was the aura they projected—like at Entebbe—as men of action. This macho image not only appealed to the American public, but also influenced top U.S. officials like the president, the secretary of state and CIA Director William Casey. And if the Israelis were now the good guys, it only followed that their enemies—radical Moslems—were the bad guys.

If this wasn't bad enough for the Arabs, 1980 also marked the beginning of the end of their oil clout. Throughout the 1970s, the threat of the Arab oil weapon had offset the traditional ties between the U.S. and Israel. Once the oil weapon was unleashed in 1973, it served as a counterweight insuring that Arab needs and interests would be addressed in Washington. Even as late as December 1980, U.S. Ambassador to Saudi Arabia John West could attract attention by warning that if the Saudis did not receive bomb racks for their F-15s, they would cut their oil production in half.

Yet by 1981 Ronald Reagan, fresh from his historic tax cut and budget victories and twisting every arm in sight, could barely gain Senate approval for a follow-up sale of AWACS radar planes to the Saudis. In the House of Representatives, the administration was defeated by a nearly 3-1 margin. It was to be the last time the Reagan administration even attempted to wage a fight on behalf of a major Arab arms sale.

The waning influence of Arab oil power also allowed the emergence of a third powerful force—the personal views of Ronald Reagan. Even the president's harshest critics in the liberal Jewish community acknowledge he is the most viscerally pro-Israel president since the founding of the state.

And the Begin government in Israel gave him ample opportunity to prove his faith by undertaking a series of controversial actions soon after he assumed office. First, in June 1981, Begin ordered the destruction of Iraq's nuclear reactor. Six months later the Begin government extended Israeli law to the occupied Golan Heights, in effect, annexing it. Neither act undermined Reagan's belief in Israel as the one dependable ally in the region.

The ultimate provocation came in June 1982 when Begin and Defense Minister Ariel Sharon launched a full-scale invasion of Lebanon. Although the administration was prepared to acquiesce in a limited Israeli incursion, they were stunned and dismayed when Israeli forces continued all the way to the gates to Beirut.

For the first time the Israelis were beseiging an Arab capital. And Ronald Reagan was appalled by what he saw on the evening news. After a few nights of witnessing the Israelis bomb and shell Beirut, he had enough. Calling together his Middle East advisors in the Oval Office, he demanded an end to the Israeli attacks. "Do whatever is necessary," he said. Then the President reverted to form. "Because," he reminded the group, "Once we get this matter cleaned up we can get on with our natural relationship (whereby) Israel protects the oilfields and our interests throughout the region."

Among those witnessing this extraordinary scene was the new secretary of state, George Shultz. Shultz, unlike the President, believed U.S. interests in the region required Israel to come to terms with Palestinian nationalism and ultimately make major territorial concessions in the West Bank.

Shultz wasted little time putting a new imprint on U.S. Middle East policy. Appalled former Haig aides dutifully drafted his Senate confirmation testimony, complaining all the while that their new boss was "obsessed" with the Palestinian issue. But his was nothing compared to the shock the Begin government received when it was informed that under Shultz's leadership, the administration had crafted a major new peace initiative, which was announced Sept. 1, 1982.

The Reagan peace plan soon became entangled with continuing efforts to resolve the Lebanon War. The collapse of both efforts is a long and complicated story. But what was crucial in the context of U.S.-Israel relations was that George Shultz did not fault Israel. Instead he blamed the Arabs.

According to a number of State Department officials who worked closely with Shultz at the time, the Secretary emerged from the Lebanon and Reagan plan debacles feeling betrayed by the moderate Arabs, notably the Saudis, and humiliated by the radicals, namely Syria.

"Somewhere between January and May 1984 Shultz underwent a complete transformation," recalls one State Department official. "In so doing, Shultz became the first senior administration official while in office to shift away from the Arabs and toward Israel and not the other way around." The revolution was complete.

If the revolution is over, the one remaining question is whether it is irreversible. What will happen in a new Administration, say one headed by George Bush? Bush is known to share many of George Shultz's original Middle East views. According to the vice president's national security adviser, Donald Gregg, Bush does not have the same "gut feelings (toward Israel) as the president, not to mention Jack Kemp."

But "gut" feelings aside, by 1989 the revolution will be nine years old. By then, the Gulf War too will probably be in its ninth year. Israel will have occupied the West Bank for 23 years. The U.S. battle against terrorism, as the president suggested last week, may well have expanded to include Syria and Iran. And oil prices by all accounts will still be depressed.

By the AIPAC may have to be called upon to assist in arms sales to Arab moderates—if there are any left.●

COSPONSORING S. 2301 AND S. 2302

● Mr. D'AMATO. Mr. President, I am pleased today to add my name as a cosponsor of S. 2301 and S. 2302, legislation reforming the law of habeas corpus and the exclusionary rule. These bills were placed directly on the Senate Calendar on April 14, after the failure of repeated efforts to report the original versions, S. 237 and S. 238, from the Judiciary Committee.

S. 2301 and S. 2302 are almost identical to legislation debated and approved overwhelmingly by the Senate in February 1984. I am cosponsoring both bills today for the same reasons I expressed in my February 6, 1985, statement cosponsoring S. 237 and S. 238. My views have not changed, nor has the substance of these bills. The only things that have changed are the bill numbers, the parliamentary situation, and the procedure we will use in—hopefully—passing them.

Passage of these bills will go a long way toward restoring public confidence in the criminal justice system by closing many of the loopholes now used by criminals to escape justice. I

urge my colleagues to cosponsor S. 2301 and S. 2302, and to work for enactment of both bills.

Thank you, Mr. President.●

NAUM AND INNA MEIMAN: HUMAN RIGHTS ABUSED

● Mr. SIMON. Mr. President, Naum and Inna Meiman are good friends of mine in the Soviet Union who have been harassed for over 10 years simply because they have expressed their desire to emigrate from their country.

There are many differences between the United States of America and the Soviet Union. One of the most prominent is the way each government treats its citizens. The Soviet Union has abused the rights of the Meimans by not allowing them to leave, by impeding Inna's right to obtain proper medical treatment and by cutting the Meimans' telephone. With Inna critically ill with cancer, a telephone is a necessity.

I strongly urge the Soviets to allow the Meimans to emigrate to Israel.●

RESOLUTION HELD AT THE DESK

Mr. SIMON. Mr. President, I would like to introduce a resolution in behalf of myself and Senator DIXON, and I think most Senators would want to join in, which urges that 50,000 tons of dried milk be sent to Poland over the next 6 months for the very serious problem that they have. They had to take all milk off the shelves of that country because of the nuclear accident there.

I recognize that we do not want a rollcall. I do not think it would require a rollcall. It is whatever the leadership may want. We can either adopt it now, or hold it at the desk and bring it up tomorrow.

Mr. President, I ask unanimous consent that the resolution be held at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

[The text of the resolution (No. 394) is printed earlier under Resolutions Submitted.]

ORDERS FOR TUESDAY

RECESS UNTIL 10 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that once the Senate completes its business today, it stand in recess until the hour of 10 a.m., on Tuesday, May 6, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Mr. President, I further ask unanimous consent that following the recognition of the two leaders under the standing order, there be special orders in favor of the following Senators for not to exceed 5 minutes each: Senators HAWKINS, CRANSTON, SYMMS, PROXMIRE, and MURKOWSKI.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 11 a.m. with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, following routine morning business, the Senate could turn to either of the following items: The House message to accompany S. 49, the gun bill, or Senate Joint Resolution 316, the Saudi arms sale under statutory 10-hour time limitation.

At 2 p.m., by previous unanimous-consent agreement, a vote will occur on the nomination of James Fletcher to be Administrator of NASA.

I suggest there will be additional rollcall votes tomorrow afternoon.

ORDER FOR RECESS BETWEEN 12 NOON AND 2 P.M.

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate stand in recess between the hours of 12 noon and 2 p.m. tomorrow in order for the weekly party caucuses to meet.

The PRESIDING OFFICER. Without objection, it is so ordered.

□ 1540

RECESS UNTIL TOMORROW AT 10 A.M.

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move, in accordance with the previous order, that the Senate now stand in recess until Tuesday, May 6, at 10 a.m.

The motion was agreed to; and the Senate, at 3:39 p.m., recessed until Tuesday, May 6, 1986, at 10 a.m.

HOUSE OF REPRESENTATIVES—*Monday, May 5, 1986*

The House met at 12 noon and was called to order by the Speaker pro tempore [Mr. MOAKLEY].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC, *May 1, 1986.*

I hereby designate the Honorable JOE MOAKLEY to act as Speaker pro tempore on Monday, May 5, 1986.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

May Your good word of peace and solace, O gracious God, give encouragement to all who are needy or in want. May our good deeds give food to the hungry, shelter to the homeless, and security to those in turmoil. Enable us, O God, by Your loving spirit, to translate our faith into acts of righteousness that Your truth will be seen on Earth and we will be stewards of the gifts entrusted to us. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a bill and joint resolutions of the House of the following titles:

H.R. 4022. An act to release restrictions on certain property located in Calcasieu Parish, LA, and for other purposes;

H.J. Res. 544. Joint resolution to designate May 7, 1986, as National Barrier Awareness Day; and

H.J. Res. 569. Joint resolution to designate May 8, 1986, as "Naval Aviation Day."

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1625. An act to permit the use and leasing of certain public lands in Nevada by the University of Nevada.

CONSENT CALENDAR

The SPEAKER pro tempore. This is the day for the call of the Consent Calendar.

The Clerk will call the bill on the Consent Calendar.

RURAL WATER RIGHT-OF-WAY POLICY ACT OF 1985

The Clerk called the bill (H.R. 3617), to exempt rural water systems facilities assisted under the Consolidated Farm and Rural Development Act as amended from certain right-of-way rental payments under the Federal Land Policy and Management Act of 1976.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WORTLEY. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. This concludes the call of the Consent Calendar.

SOVIET REPRESENTATIVE'S TESTIMONY OF CHERNOBYL DISAPPOINTING TO MEMBERS

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, last Thursday the second secretary of the Soviet Embassy, Mr. Vitaly Churkin, appeared before members of the Energy and Commerce Committee, purportedly to enlighten the committee, the Congress, and the American people on the incident at the Chernobyl nuclear powerplant.

While the Soviets willingness to send a representative to appear before Congress was heartening, Mr. Churkin's appearance proved disappointing.

We asked Mr. Churkin:

Whether the reactor was still on fire;

What levels of radiation had been released from the plant;

Whether the Soviets had reported the incident to the International Atomic Energy Agency; and

What information the Soviets had provided on the accident to Scandinavian and European countries.

He professed to have no knowledge on any of these subjects.

Mr. Speaker, if anyone in this Chamber believes that this lack of knowledge was genuine, I would like to talk to them in private right away.

I have a great bridge for sale that spans the East River between Brooklyn and Manhattan and I can get it for you at a fantastic price if you act today.

FAIR WEIGHTS AND MEASURES

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, here is the word of God as handed down to us by the Prophets Ezekiel and Isaiah:

Enough, princes of Israel! Put an end to lawlessness and robbery; maintain law and justice; relieve my people and stop your evictions, says the Lord, your God. Your scales shall be honest; your bushel and your gallon shall be honest. There shall be one standard for each, taking each as a tenth of a homer, and the homer shall have its fixed standard. Your shekel shall contain twenty gerahs; your mina shall contain fifty shekels. (Ezekiel 45: 9-12.)

We have defied divine instructions about the maintenance of honest weight for the dollar long enough. This is the time to reflect upon our duties and responsibilities, and to fix the unit of value and standard of deferred payments. In doing so, we shall put an end to lawlessness and robbery; we shall go a long way to maintaining law and justice; we shall relieve the American farmers and stop their evictions from the land. But if we fail in this task, we may draw the curse of Isaiah upon our heads:

Shame on you! You who make unjust laws and burdensome decrees, depriving the poor of justice, robbing the weakest of my people of their rights, despoiling the widow and plundering the orphan. What will you do when called to account? To whom will you flee for help? And where will you leave your children, so that they do not cower before the gaoler or fall by the executioner's hand? (Isaiah 10: 1-4.)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro termpore. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Wednesday, May 7, 1986.

ADVISORY BOARD FOR SELECTION OF COMMEMORATIVE WORKS WITHIN THE NATIONAL CAPITAL REGION OF THE NATIONAL PARK SYSTEM

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4378) to govern the establishment of commemorative works within the National Capital Region of the National Park System, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4378

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PURPOSES.

The purposes of this Act are as follows:

(1) To preserve the grandeur of the comprehensive design of the L'Enfant and McMillan plans for the Nation's capital.

(2) To ensure the continued public use and enjoyment of national park land in the District of Columbia.

(3) To preserve, protect and maintain the limited amount of open space provided by national park land to residents of, and visitors to, the Nation's Capital.

(4) To ensure that future commemorative works on national park land in the District of Columbia (A) are appropriately designed, constructed, and located and (B) reflect a consensus of the lasting national significance of the subjects involved.

SEC. 2. AVAILABILITY OF MAP SHOWING AREA I AND AREA II OF NATIONAL PARK LAND IN THE DISTRICT OF COLUMBIA.

The Secretary of the Interior, acting through the National Park Service, shall make available, for public inspection at appropriate offices of the National Park Service, a map showing Area I and Area II of the lands administered by the National Park Service, within the District of Columbia.

SEC. 3. CONGRESSIONAL AUTHORIZATION OF COMMEMORATIVE WORKS ON NATIONAL PARK LAND IN THE DISTRICT OF COLUMBIA.

No commemorative work may be established at any site on Federal land in the District of Columbia except in accordance with this Act.

SEC. 4. SITE PROPOSAL, REVIEW, AND SELECTION.

Any person authorized by law to establish a commemorative work on Federal land in the District of Columbia shall comply with each of the following requirements before commencing construction of the commemorative work if any site which may be considered for the location of such commemorative work is located on lands administered by the National Park Service:

(1) Such person shall consult with the National Capital Memorial Commission regarding the commemorative work. Such consultation shall include the consideration of alternative sites, including sites administered by the National Park Service within the National Capital Region and sites located on other federal lands within the District of Columbia. Such person shall also consult with the National Park Service (or with the department or agency having primary authority over the lands under consideration as a site where such site is not located on lands administered by the National Park Service).

(2) Following consultation in accordance with paragraph (1), such person shall submit site and design proposals to the Commission of Fine Arts and the National Capital Planning Commission for their approval.

(3) Upon receipt of approval by the Commission of Fine Arts and the National Capital Planning Commission, drawings of the commemorative work, contracts for construction, and evidence indicating the availability of sufficient funds for construction (as provided in section 5) shall be submitted to the National Park Service (or to the department or agency having primary authority over the site where the site is not located on lands administered by the Secretary acting through the National Park Service) for certification.

(4) Following acceptance of approval of the site and design proposals in accordance with paragraph (2) and following certification of the drawings, contracts, and sufficiency of funds in accordance with paragraph (3), the Secretary of the Interior (or the head of the department or agency having primary authority over the site where the site is not located on land under the jurisdiction of the Secretary) shall issue a permit for construction of the commemorative work.

SEC. 5. SPECIFIC CONDITIONS APPLICABLE TO AREA I AND AREA II.

(a) IN GENERAL.—Establishment of commemorative works on lands in the District of Columbia which are administered by the National Park Service shall be subject to the conditions set forth in subsections (b), (c), and (d).

(b) AREA I.—In furtherance of the purposes of this Act, no commemorative work may be located at a site in Area I unless the Congress finds that the subject of the commemorative work is of such major historical and lasting significance to the nation as a whole that placement of the commemorative work in any other site would be inappropriate.

(c) AREA II.—The following conditions shall apply to construction of each commemorative work in Area II:

(1) A military commemorative work may be established in Area II only to commemorate a war or similar major military conflict or to commemorate any branch of the Armed Forces. No commemorative work commemorating a lesser conflict or a unit of an Armed Force shall be permitted in Area II.

(2) A commemorative work commemorating an individual or group of individuals shall not be permitted in Area II until at least 25 years after the death of the last surviving individual directly involved.

(3) A commemorative work other than a work referred to in paragraph (1) or (2) may be constructed in Area II only to commemorate a subject of lasting historical significance.

(d) CRITERIA APPLICABLE TO COMMEMORATIVE WORKS.—The following criteria shall be applicable to all commemorative works constructed on land administered by the National Park Service within the District of Columbia.

(1) Design of the commemorative work shall be subject to approval by the Secretary, the Commission of Fine Arts, and the National Capital Planning Commission.

(2) To the maximum extent possible, a commemorative work shall be located in surroundings that are relevant to the subject of the commemorative work.

(3) A commemorative work shall be so located as to prevent interference with, or encroachment upon, any existing commemorative work and to protect open space in a manner compatible with existing public use.

(4) A commemorative work shall be constructed of durable material suitable to the outdoor environment.

(5) Before approval by the Secretary and issuance of a construction permit to place a commemorative work at the selected site, such work shall be inspected by persons knowledgeable and qualified in the field of preservation and maintenance of such works to determine structural soundness and durability and to assure that the commemorative work meets the current high professional standards.

(6) Before approval by the Secretary and issuance of a construction permit to place a commemorative work at the selected site, the Secretary shall require each of the following conditions to be met, as determined by the Secretary—

(A) There is available the full amount of funds necessary to pay the cost of construction.

(B) To offset the costs of perpetual maintenance and preservation in the case of a commemorative work constructed by a person, such person has paid, for deposit in the general fund of the Treasury as miscellaneous receipts, an amount equal to 10 percent of the total estimated cost of construction.

To carry out this paragraph, the Secretary may require establishment of appropriate accounts and may conduct such audits as may be necessary.

SEC. 6. TEMPORARY COMMEMORATIVE WORKS IN AREA II.

The Secretary may permit, to the extent authorized by law, temporary location of a commemorative work in Area II for a single period of not more than one year. Not later than the end of that period, a commemorative work so located shall be removed from Area II to a place other than Area I or Area II. A commemorative work may not be temporarily located in Area II under this section, until (as determined by the Secretary) there are available sufficient funds for installation and removal of such commemorative work. To carry out the preceding sentence, the Secretary may require establishment of appropriate accounts and may conduct such audits as may be necessary.

SEC. 7. NATIONAL CAPITAL MEMORIAL COMMISSION.

The National Capital Memorial Advisory Committee as established by the Secretary, as in existence on January 1, 1986, is redesignated as the National Capital Memorial Commission. The Commission shall provide advice to the Secretary on policy and procedures for establishment of (and proposals to establish) commemorative works in the National Capital Region. The Commission shall meet at least twice annually for the purpose of advising the Secretary.

SEC. 8. MISCELLANEOUS PROVISIONS.

(a) DOCUMENTATION.—Complete documentation of design and construction of each commemorative work placed on lands administered by the National Park Service within the District of Columbia shall be provided to the National Park Service and permanently maintained.

(b) EXPIRATION OF AUTHORITY FOR A COMMEMORATIVE WORK.—Any legislative authority for a commemorative work under this Act shall expire at the end of the 5-year period beginning on the date of the enactment of such authority, unless construction

of the commemorative work begins during that period.

SEC. 9. REGULATIONS.

The Secretary shall promulgate appropriate regulations to carry out this Act. The regulations shall be published in the Federal Register within 90 days after the enactment of this Act.

SEC. 10. DEFINITIONS.

As used in this Act—

(1) The term "Secretary" means the Secretary of the Interior.

(2) The term "commemorative work" means any statue, monument, sculpture, memorial, or other structure or landscape feature, including a garden or memorial grove, designed to perpetuate in a permanent manner the memory of a person, group, event or other significant element of history. The term does not include any such item which is located within the interior of a structure which is primarily used for other purposes.

(3) The term "Area I" means those lands administered by the National Park Service within the District of Columbia which are designated as "Area I" on the map referred to in section 2.

(4) The term "Area II" means all lands administered by the National Park Service within the District of Columbia other than lands within Area I.

SEC. 11. EFFECTIVE DATE.

This Act shall not apply with respect to either of the following:

(1) A commemorative work authorized by a law enacted on or before the commencement of the 99th Congress.

(2) A commemorative work authorized by a bill or joint resolution passed by either House of the Congress on or before November 6, 1985, and enacted into law after that date.

The SPEAKER pro tempore. Is a second demanded?

Mr. STRANG. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from Colorado [Mr. STRANG] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as Americans, we are fortunate as a nation to have a capital city specifically planned and designed to embody our ideals, a city of both magnificence and practicality. The design we now have comes to us only because of the diligence and vigilance of our predecessors. Through their efforts we can still see the city that Pierre L'Enfant planned and that the 1902 U.S. Senate Park Commission with the McMillan plan restored, with its vistas, its orderly but grand street patterns and its open space. Many of the key elements of the planned city—the circles, squares, The Mall itself, have been under the jurisdiction of the National Park Service for the past 50 years.

Numerous and diverse activities occur here—national celebrations such as inaugurals and July 4, demonstrations for and against all manner of causes, exercising their constitutional rights and recreational use of all kinds. This diversity embodies many of our national ideals.

Another use of this land is the commemoration of crucial events and individuals in our Nation's history. The Washington Monument, the Lincoln and Jefferson Memorials, the Vietnam Veterans Memorial, and numerous less well known memorials also occupy National Park Service land, for a total of 108. Some 18 more commemorative works are currently proposed before this Congress.

The bill before us today, H.R. 4378, provides standards for the placement of commemorative works on Federal lands and in particular those lands administered by the National Park Service in the District of Columbia.

The legislation establishes a procedure for those persons or groups authorized by legislation to establish such commemorative works. The bill defines "commemorative works" in a comprehensive fashion to include the variety of statues, monuments, and memorial groves. It designates two areas with different criteria for siting commemorative works, provides for a temporary location for commemorative works, and seeks to ensure that future commemorative works be constructed in a durable and lasting manner.

Finally, it exempts those commemorative works authorized by a law enacted before the 99th Congress or those authorized by a bill or joint resolution passed by either House of the Congress on or before November 6, 1985, and enacted into law after that date.

In the subcommittee hearing on this bill, we heard from diverse witnesses—historic preservationists, sculpture experts, and users of this parkland including the cherry blossom parade, runners, and softball players. They supported the bill, emphasizing again the varied uses of this limited parkland.

I particularly wish to thank my good friend and colleague from Ohio, Ms. OAKAR, for her cooperation in fashioning this legislation. She showed great concern for ensuring that this legislation will serve our Nation's Capital well.

We have the opportunity and responsibility to preserve the design of our Nation's Capital and to encourage balance among all the activities that occur here. H.R. 4378 will help us do just that.

Mr. Speaker, I urge my colleagues to support H.R. 4378.

Mr. Speaker, I include in the RECORD a letter from Representative ANNUNZIO regarding this legislation, as follows:

COMMITTEE ON HOUSE ADMINISTRATION, TASK FORCE ON LIBRARIES AND MEMORIALS,
Washington, DC, May 1, 1986.

Hon. MORRIS K. UDALL,
Chairman, Committee on Interior and Insular Affairs, 1324 Longworth HOB, Washington, DC.

DEAR CHAIRMAN UDALL: H.R. 4378, a bill to govern the establishment of commemorative works within the National Capital Region of the National Park Service, was reported from your Committee on April 23, 1986. The Committee on House Administration, which has jurisdiction over elements of the proposed legislation, and would ordinarily seek sequestrial referral for review, recognizes the need for expeditious action by the House. Therefore, without waiving its jurisdiction regarding legislation containing similar matters, the Committee accedes to immediate consideration of H.R. 4378, under suspension, as reported from your Committee.

With every best wish, I am,
Sincerely,

FRANK ANNUNZIO,
Chairman.

Mr. Speaker, I reserve the balance of my time.

Mr. STRANG. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4378.

The primary purpose of this legislation is twofold: To limit the number of future commemorative works placed on Federal lands in the District of Columbia [D.C.] and to ensure that such works are appropriately designed, constructed, and located. In order to achieve this purpose, the legislation divides the National Park Service—administered lands within D.C. into two areas. Future commemorative works may only be located in area I if Congress determines that the subject of the work is of major historical and lasting significance and area I is the only appropriate site for the work. Other conditions are required for commemorative works to be located in area II. The legislation also addresses one of my concerns by exempting commemorative works authorized prior to the 99th Congress or approved by either House of Congress before November 6, 1985, such as the Navy Memorial and the Korean War Memorial.

In an effort to prevent the preservation and maintenance problems with statues, sculptures, et cetera, which have arisen over the years, the bill requires that future commemorative works demonstrate structural soundness, durability, and lasting quality. It also requires the establishment of a maintenance and preservation trust fund prior to construction of the work to assist with future associated costs.

I believe the major goal of this legislation—to limit the proliferation of insignificant works in D.C.—is certainly meritorious. As additional works are located in this area, the open space

which is used by numerous residents and visitors for a variety of activities, is lost forever. While I strongly support commemorating worthy individuals and events in our Nation's history, I also feel a balance of uses for the public lands in our Nation's Capital must be established shortly. H.R. 4378 is definitely a good starting point toward this goal.

I would like to commend Chairman Vento for his efforts to work out a reasonable compromise on several difficult issues associated with this legislation. I believe the bill has been significantly improved since the subcommittee began work on it, and I strongly support the amendment version before us today.

Therefore, I urge all of my colleagues to join me in supporting H.R. 4378.

Mr. Speaker, I reserve the balance of my time.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 4378, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to provide standards for placement of commemorative works on lands administered by the National Park Service in the District of Columbia, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

□ 1215

ESTABLISHING A PERMANENT BOUNDARY FOR ACADIA NATIONAL PARK

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 720) to establish a permanent boundary for the Acadia National Park in the State of Maine, and for other purposes, as amended.

The Clerk read as follows:

S. 720

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I

SEC. 101. BOUNDARIES OF ACADIA NATIONAL PARK.

In order to protect and conserve the land and water resources of Acadia National Park in the State of Maine (hereinafter in this title referred to as "the Park"), and to facilitate the administration of the Park, the boundary depicted on the map entitled "Acadia National Park Boundary Map", numbered 123-80010, and dated April 1986 (hereinafter in this title referred to as "the map") is hereby established as the permanent boundary for the Park. The map shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior, and it shall be made available to the Registry of Deeds for Hancock and Knox Counties, Maine.

SEC. 102. LANDS WITHIN BOUNDARIES.

(a) The Secretary of the Interior (hereinafter in this title referred to as "the Secretary") is authorized to acquire lands and interests therein within the boundaries of the Park by donation, exchange (in accordance with this section), or purchase with donated or appropriated funds, except that—

(1) any lands or interests therein owned by the State of Maine or any political subdivision thereof may be acquired only by donation or exchange; and

(2) privately owned lands or interests therein may be acquired only with the consent of the owner thereof unless the Secretary determines that the property is being developed or proposed to be developed in a manner which is detrimental to the scenic, historical, cultural, and other values for which the Park was established.

(b)(1) Not later than 6 months after the enactment of this Act, the Secretary shall publish specific guidelines under which determinations shall be made under subsection (a)(2). The Secretary shall provide adequate opportunity for public comment on such guidelines. The guidelines shall provide for notice to the Secretary prior to commencement of any proposed development within the boundaries of the Park. The Secretary shall provide written notice to the owner of the property of any determination proposed to be made under subsection (a)(2) and shall provide the owner a reasonable opportunity to comment on such proposal.

(2) For purposes of this section, except as provided in paragraph (3), development or proposed development of private property within the boundaries of the Park that is significantly different from, or a significant expansion of, development existing as of November 1, 1985, shall be considered by the Secretary as detrimental to the values for which the Park was established.

(3) Reconstruction or expansion of a private or commercial building shall not be treated as detrimental to the Park or as an incompatible development within the meaning of this section if such reconstruction or expansion is limited to one or more of the following:

(A) Reconstruction of an existing building.

(B) Construction of attached or accessory structural additions, which do not exceed 25 percent of the square footage of the principal structure.

(C) Construction of reasonable support development such as roads, parking facilities, water and sewage systems, and dock facilities.

(c)(1) The owner of any private property within the Park may, on the date of its acquisition by the Secretary and as a condition of such acquisition, retain for himself and his successors or assigns a right of use and occupancy for a definite term of not more than 25 years, or ending at the death of the owner, or his spouse, whichever is later. The owner shall elect the term to be reserved. The Secretary shall pay to the owner the fair market value of the property on the date of such acquisition, less the fair market value, of the right retained by the owner.

(2) Any such right retained pursuant to this subsection shall be subject to such terms and conditions as the Secretary may prescribe and may be terminated by the Secretary upon his determination and after reasonable notice to the owner thereof that such property is being used for any purpose which is incompatible with the administration of the Park or with the preservation of the resources therein. Such right shall terminate by operation of law upon notification to the owner by the Secretary and tendering to the owner the amount equal to the fair market value of that portion which remains unexpired.

(d)(1) In exercising his authority to acquire lands by exchange pursuant to this title, the Secretary may accept title to non-Federal property located within the boundary of the Park and may convey to the grantor of such property any federally owned property under the jurisdiction of the Secretary which lies outside said boundary and depicted on the map. Properties so exchanged shall be approximately equal in value, as determined by the Secretary, except that the Secretary may accept cash from or pay cash to the grantor in such an exchange in order to equalize the value of the properties exchanged.

(2) Federally owned property under jurisdiction of the Secretary referred to in paragraph (1) of this subsection which is not exchanged within 10 years after enactment of this Act, shall be conveyed to the towns in which the property is located without encumbrance and without monetary consideration, except that no town shall be eligible to receive such lands unless, within 10 years after enactment of this Act, lands within the Park boundary and owned by the town have been acquired by the Secretary.

(e) Notwithstanding any other provision of this section, lands depicted on the map referenced in section 101 and identified as 10DBH and 11DBH known as the "Bar Harbor Sewage Treatment Plant"; 14DBH known as the "New Park Street Ballfield"; and 15DBH known as the "Former Park Headquarters", shall be conveyed by the Secretary, without monetary consideration, to the town of Bar Harbor, Maine, within 180 days following the enactment of this Act. The real property conveyed pursuant to this subsection shall be used and retained by the town for municipal and public purposes. Title to the properties conveyed pursuant to this subsection shall revert to the United States if such property or any portion thereof is conveyed by the town to another party or used for purposes other than those specified in this subsection.

(f) Notwithstanding any other provison of this section, lands depicted on the map identified as 4DBH, located in the village of Town Hill, Maine, shall be conveyed by the Secretary without monetary consideration, to the town of Bar Harbor, Maine, as soon

as practicable following the enactment of this Act, subject to such terms and conditions, including appropriate reversionary provisions, as well in the judgment of the Secretary provide for the development and use of such property by any town which so desires as a solid waste transfer station in accordance with a plan that is satisfactory to the towns and the Secretary. The Secretary shall (subject to the availability of prior appropriations) contribute toward the cost of constructing such transfer station the lesser of—

(1) $350,000, or

(2) 50 per centum of the cost of such construction.

(g) Notwithstanding any other provision of this section, the Secretary is authorized to acquire by donation or exchange lands or interests therein in the area identified on the map as "Schooner Head". The Secretary is further authorized to acquire conservation easements on such lands by purchase with donated or appropriate funds if he determines after written notice to the owner and after providing a reasonable opportunity to comment on such notice, that the property is being developed or proposed to be developed in a manner which is significantly different from or a significant expansion of development existing as of November 1, 1985, as defined in subsection (b) of this section.

(h)(1) The Secretary is authorized to acquire conservation easements by purchase from a willing seller or by donation on parcels of land adjacent to the Park on Schoodic Peninsula, the islands of Hancock County, and the islands of Knox County east and south of the Penobscot Ship Channel, except such islands as lie within the town of Isle au Haut, Knox County. Parcels subject to conservation easements acquired or accepted by the Secretary under this subsection must possess one or more of the following characteristics:

(A) important scenic, ecological, historic, archeological, or cultural resources;

(B) shorefront property; or

(C) largely undeveloped entire islands.

(2) Conservation easements acquired pursuant to this subsection shall—

(A) protect the respective scenic, ecological, historic, archeological, or cultural resources existing on the parcels;

(B) preserve, through setback requirements or other appropriate restrictions, the open, natural, or traditional appearance of the shorefront when viewed from the water or from other public viewpoints; or

(C) limit year-round and seasonal residential and commercial development to activities consistent with the preservation of the islands' natural qualities and to traditional resource-based land use including, but not limited to, fishing, farming, silviculture, and grazing.

(3) In determining whether to accept or acquire conservation easements pursuant to this subsection, the Secretary shall consider the following factors:

(A) the resource protection benefits that would be provided by the conservation easement;

(B) the public benefit that would be provided by the conservation easement;

(C) the significance of the easement in relation to the land planning objectives of local government and regional and State agencies;

(D) the economic impact of the conservation easement on local livelihoods, activities, and government revenues; and

(E) the proximity of the parcel to the boundary of the Park and to other parcels on which the Secretary maintains conservation easements.

(4) For purposes of this subsection, the term "conservation easement" means a less-than-fee interest in land or a conservation restriction as defined in section 476 through 479-B inclusive, as amended, of title 33 of the Maine Revised Statutes of 1964, as in effect on the date of the enactment of this Act.

(5) No easement may be acquired by the Secretary under this subsection without first consulting with, and providing written notification to, the town in which the land is located and the Acadia National Park Advisory Commission established by section 103 of this title. In providing such notification, the Secretary shall indicate the manner and degree to which the easement meets the criteria provided in this subsection.

(i) Nothing in this section shall be construed to prohibit the use of condemnation as a means of acquiring a clear and marketable title, free of any and all encumbrances.

(j)(1) Notwithstanding any other provision of this section, the Secretary shall accept an offer of the following from the Jackson Laboratory (a not-for-profit corporation organized under the laws of Maine):

(A) Lands depicted on the map as 55 A ABH which are held in fee by the Jackson Laboratory.

(B) A conservation easement on lands depicted on the map identified as 55 ABH (developed property known as "Highseas"). The easement shall prohibit subdivision of such land or any further significant development on such lands, except as permitted by the guidelines published under section 102(b)(1).

(2) Upon receipt of the lands and easement described in paragraph (1), the Secretary shall transfer to the Jackson Laboratory the lands depicted on the map as 8 DBH and 9 DBH. Any disparity in the fair market value on the lands and easement referred to in paragraph (1) and the lands described in the preceding sentence shall be equalized as provided in section 102(d)(1).

(k) For purposes of subsection (a)(2), the construction of one single family residence on Burnt Porcupine Island by the owner of the Island shall not be treated as detrimental to the scenic, historic, cultural, or other values for which the park was established if, before such construction commences, the Secretary has reviewed and approved plans for the size, location and architectural design of the structure.

SEC. 103. ADVISORY COMMISSION.

(a) There is hereby established an Acadia National Park Advisory Commission (hereinafter referred to as "the Commission"). The Commission shall be composed of 16 members appointed by the Secretary as follows:

(1) 3 members at large.

(2) 3 members appointed from among individuals recommended by the Governor of Maine.

(3) 4 members, appointed from among individuals recommended by each of the four towns on the island of Mount Desert.

(4) 3 members appointed from among individuals recommended by each of the three Hancock County mainland communities of Gouldsboro, Winter Harbor, and Trenton.

(5) 3 members, appointed from among individuals recommended by each of the three island towns of Cranberry Isles, Swans Island, and Frenchboro.

(b) The terms of the Commission members shall be 3 years except that, for initial appointments under each paragraph, one member shall serve for a term of one year, and one member shall serve for a term of 2 years.

(c) The Commission shall elect its own chairman and adopt its own bylaws. Any vacancy on the Commission shall be filled in the same manner in which the original appointment was made.

(d) Members of the Commission shall serve without compensation as such, except that the Secretary is authorized to pay the expenses reasonably incurred by the Commission in carrying out its responsibilities under this title.

(e) The Secretary shall consult with the Commission on matters relating to the management and development of the Park, including but not limited to each of the following:

(1) The acquisition of lands and interests in lands (including conservation easements on islands).

(2) Termination of rights of use and occupancy.

(f) The Commission established under this section shall terminate 20 years after the enactment of this Act.

SEC. 104. BEAR ISLAND.

(a) Notwithstanding any other provision of law, Federal property located on Bear Island in the town of Cranberry Isle shall, with the concurrence of the agency having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary for use by him in carrying the provisions of the title. Such Federal property shall not be developed by the Secretary in a manner which would provide for or encourage intensive visitor use.

(b) The Secretary is authorized to make improvements to the Federal property on Bear Island as he deems appropriate for the protection of adjacent private property.

SEC. 105. TOWN OF ISLE AU HAUT.

The provisions of this title shall not apply to those portions of the Park lying within the Town of Isle au Haut, Maine, which lands shall continue to be governed by the provisions of Public Law 97-335.

SEC. 106. AUTHORIZATION OF APPROPRIATIONS.

(a) Effective October 1, 1986, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title, but not to exceed $9,100,000 for acquisition of lands and interests, therein.

(b) For the purposes of paragraph 7(a)(3) of the Land and Water Conservation Fund Act of 1965, as amended, (16 U.S.C. 460 1-9), the statutory ceiling provided in subsection (a) shall be deemed to have been enacted prior to the convening of the Ninety-fifth Congress.

SEC. 107. PAYMENTS TO LOCAL GOVERNMENTS.

(a) Notwithstanding the limitation in subsection 3(d) of the Act of October 20, 1976 (90 Stat. 2662) payments in the manner provided in section 3 of that Act shall be made to the appropriate units of local government having jurisdiction over lands with the boundary of the Park. Such payments shall be made only for a period of 12 years.

(b) Payments received by the units of local government pursuant to this section shall be used only for fire protection, police protection, solid waste management, and road maintenance and improvement.

(c) Payments pursuant to this section may be made only from funds appropriated therefor. Such payments shall be in addition to and not in place of any other funds or form of Federal assistance to which the units of local governments are entitled.

TITLE II

SEC. 201. CAPE COD NATIONAL SEASHORE ADVISORY COMMISSION.

Section 8(a) of the Act of August 7, 1961 (P.L. 87-126; 75 Stat. 292) is amended by striking out "ten years" and substituting "30 years".

The SPEAKER pro tempore. Is a second demanded?

Mr. STRANG. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from Colorado [Mr. STRANG] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on S. 720, the Senate bill now being considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to bring to the House S. 720, as reported by the Committee on Interior and Insular Affairs.

The purpose of the legislation is to establish, for the first time, a statutory boundary for Acadia National Park in the State of Maine. Additionally, the legislation sets out terms and conditions for the acquisition of lands within the park, and includes several provisions relating to the management of lands important to the park.

The measure before us also contains a new title II, authorizing the continued operation of the Cape Cod National Seashore Advisory Commission until 1996.

Acadia is one of several national park units with no statutory boundary, and one of the few park units where the National Park Service cannot purchase land. Legislation establishing the park specified that land may only be acquired by donation, but that the park may accept donations in all of Hancock County and most of Knox County, ME. This policy, while bringing many important additions into the park, has created a haphazard pattern of landholdings, hindering the effective utilization and management of important park resources. Both the National Park Service and the towns surrounding the park have expressed their strong desire for seeing this situation rectified.

During committee consideration of S. 720, an amendment in the nature of a substitute was adopted. The substitute amendment is a carefully crafted product to improve on the Senate measure. Changes were kept to an absolute minimum, recognizing the give and take that has existed with this legislation. The changes made by the substitute such as the Secretarial notification, the Park Advisory Committee and the permissible development allowed on already developed property within the park boundary bring S. 720 more in line with our standard policy for the use and administration of national park units.

I believe the substitute fairly recognizes the unique nature of some of the problems both the towns and the park face coexisting on what is basically a large island, in which both have limited room to grow. The substitute is a true compromise, borne out of hard negotiations between the affected parties.

I want to take this opportunity to commend the gentlewoman from Maine [Representative SNOWE], the sponsor of a similar House measure, for her diligence and hard work on this matter. Representative SNOWE was a strong advocate of her views on how this legislation should be crafted. I was pleased to be able to work with her and forge an agreement on many of our concerns. I might add that the participation and support of the other Members of the Maine delegation, especially Senator MITCHELL, the sponsor and architect of this measure, certainly has been the key in reaching a resolution of this matter.

Finally, Mr. Speaker, I would note that because of the jurisdictional concerns of the Committee on Ways and Means, I have removed section 102(h)(4)(B) from the bill. This provision, which was inserted by the other body, would stipulate that the donation of a conservation easement to the park would be deemed to further Federal conservation policy and yield a significant public benefit for purposes of qualifying as a Federal income tax charitable contribution deduction.

I would state to my colleagues that there can really be no question but that there is a significant public value for conservation easements donated to the Federal Government to protect the resources of Acadia National Park, as specified in the bill, surely they should qualify for the deduction. Unfortunately, there have been instances when the IRS has questioned the donation of such conservation easements.

Rather than impede the progress of this legislation, I am willing to accede to the wishes of the Committee on Ways and Means. I hope that the committee will be diligent in following through with the IRS to assure the proper implementation of the tax deductability provision for conservation easements, especially as it relates to this or other national park units.

Mr. Speaker, I believe S. 720 as amended is a measure that will further the purposes for which Acadia National Park was established, while providing a measure of certainty regarding the operation of the park for the local residents and the towns contiguous and surrounded by the park.

I urge adoption of the legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. STRANG. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the House version of S. 720 which is before us today.

As you know, this legislation attempts to resolve a longstanding controversy over the boundary lines of Acadia National Park by establishing a permanent boundary. Under the bill's provisions, approximately 2,000 acres of land would be added to the park with about 700 acres of land deleted from the park boundary. Acquisition of private holdings within the park is limited to willing sellers, except when incompatible development or changes in use occur or are proposed in which case condemnation authority is authorized. Finally, the bill authorizes additional pilt payments to the local towns who are concerned that future park acquisitions will erode their tax bases and prohibit future economic growth.

I want to commend Chairman VENTO and the sponsor of the original House bill (H.R. 1685), the gentlelady from Maine [Ms. SNOWE], for their diligent efforts to resolve the numerous differences on this issue. While I believe the bill before us includes some very significant compromises, such as the agreement developed with the landowners of Burnt Porcupine Island, I also feel some improvements could be made in the legislation. However, overall, I think the bill's provisions represent an equitable resolution of the numerous problems facing Acadia.

Mr. Speaker, I would also like to comment on title II of this legislation. This unrelated section of the bill provides for a 10-year extension of the Cape Code Seashore Advisory Commission for the Cape Cod National Seashore in Massachusetts. The commission has already been in existence for 20 years and has basically accomplished its duties set forth in the law establishing the seashore.

If there are local groups and individuals interested in providing input on future issues which may arise at the seashore, I feel a volunteer committee could be established. It could serve the same function as the current Federal Commission at no cost to the Federal Government. In Congressman LAGOMARSINO's own congressional district, one such group, the Friends of the

Channel Islands, assists the park superintendent at the Channel Islands National Park in a variety of ways. This group, and many others like it throughout the country, demonstrate that such volunteer committees can be helpful and effective. Therefore, I feel a lesser extension of the Cape Cod Seashore Advisory Commission, such as 4 years, is a preferable alternative to the current bill since it would allow the commission to continue its role until a volunteer committee could be formed.

In closing, Mr Speaker, while I do feel some improvements could be made to the legislation, I hope we can move it forward today and continue the congressional process on these important issues.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from Maine [Ms. SNOWE].

Ms. SNOWE. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I am pleased to be able to speak today in support of legislation to establish a permanent boundary for Acadia National Park.

I would like to commend the chairman of the Subcommittee on National Parks and Recreation, Mr. VENTO, and the ranking member on the subcommittee, Mr. LAGOMARSINO, for the interest the have shown in Acadia and this legislation, and in their dedication to maintaining the integrity of all of our national parks. I would also like to thank the ranking member of the committee, Mr. YOUNG, for his support and assistance as well.

Acadia is certainly one of this country's great national parks, as anyone who has been to this Maine park can attest. The park received over 4 million visitors last year, and we expect a very busy summer this year as well. The State of Maine is very proud of the fact that Acadia is the second most visited park in the United States.

Acadia's founding and growth is a fascinating story. Unique among our national parks, it began without a formal boundary and has grown only through donations of land. Today, the park consists of 35,000 acres, which is small by national standards.

The legislation before us today solidifies the boundary and the land holdings of the park, allowing for over 2,000 acres to be acquired by purchase, donation, or exchange by the park. Over 700 acres will also be deleted.

Having a defined, permanent boundary is important to the park and the surrounding communities. Acadia will finally be given the long-term protection it needs and, in turn, the 10 Maine communities which border Acadia will gain the necessary protection from further erosion of their tax base from additional donations of lands to the park.

In every respect, this legislation is the result of compromise. Many years of negotiations and settlements preceded the introduction of this legislation by Maine's congressional delegation in 1985. Even the legislation itself has been modified considerably, in the House and in the other body, to bring us closer to the completion of this process.

Over 50 years in the making, Acadia grew by these donations, and by the special efforts of the Rockefellers and others who recognized the extraordinary beauty of this land, situated on the coast of Maine.

Acadia's maturity, however, brought new forces together. On the one hand, the local communities became increasingly concerned about unabated park expansion and the shrinkage of their town lines and tax bases. On the other hand, the Park Service saw a wonderful era of magnanimous land donations come to a close, leaving the park as a patchwork of lands, and with the clear need to round out the holdings of the park to preserve its long term integrity.

With this legislation, lands can be either donated, exchanged or purchased by the Park Service on a willing seller basis. The Park Service, however, retains the right to acquire these lands immediately, if incompatible development is being undertaken or about to occur. Terms of incompatibility and the rights of landowners are carefully defined in this legislation. At the time a willing seller arrangement with the park is agreed to, landowners will receive fair market value for their property unless it is given through donation. This legislation also allows for enlargements on existing privately-held dwellings within the park of up to 25 percent.

An Acadia National Park Advisory Commission will be formed to oversee the many issues which pertain to maintenance of the park, and to work closely with the Park Service. Most notably, all conservation easements require submission of written notice to the Advisory Commission as well as the communities affected. Close consultation between the Park Service and the Advisory Commission on easements is also required.

I am particularly pleased that this legislation resolves a land exchange between the owners of the High Seas properties, the Jackson Laboratory, and the Park Service. In addition, the owners of Burnt Porcupine Island have come to an agreement permitting limited development and possession of the island in perpetuity, which meets the interests of this family and the Park Service.

In recognition of the financial burden the local communities face with maintaining roads and other support services, this legislation provides an enhanced payment-in-lieu of taxes [PILT] extending section III local government assistance from 5 years to 12 years. As one of the smallest, yet most visited national parks, Acadia's current maximum level of PILT compensation per visitor was only seventenths of a cent in 1984. For comparison, Yellowstone works out to 75 cents per visitor.

This compensation will assist these towns with fire and police protection, solid waste management and road maintenance, and while welcome, still only partially compensates for the services the towns provide to the 4 million visitors annually.

The Schooner Head properties are placed within the park boundaries, with identical restrictions as the legislation approved by the other body. Lands on Schooner Head can be acquired by donation or exchange from a willing seller, and conservation easements can be purchased or acquired through donation if property is undergoing incompatible development.

I remain in opposition, however, to extending the boundary line around the Schooner Head properties, which was a modification included in the substitute by the subcommittee. I believe the line will hang like a cloud over the heads of these landowners, indicating a continuing objective of the Park Service to move to take over these lands. Despite my strong objections, I am committed to moving forward on this legislation on behalf of the Maine communities' interest in bringing the legislative process to a conclusion with a strong compromise bill.

As the subcommittee chairman know, I do have additional concerns with several provisions in the substitute legislation approved by his committee. Despite these very real concerns, I have an overriding interest in moving forward with what I believe is a very important bill, and to bring to a conclusion the many years of effort that have gone into resolving Acadia's boundary.

I hope that the gentleman from Minnesota can work with me to resolve one more specific situation, the right of access to Otter Creek in the town of Mount Desert. This has been an ongoing issue between fishermen and other residents of the community of Otter Creek and the park officials at Acadia. I believe that we should be able to resolve this issue to the satisfaction of all parties.

Again, I believe it is essential that we move closer to providing Acadia and its neighboring communities a permanent boundary which they both need and deserve.

I support this legislation, and I urge its adoption.

□ 1225

Mr. VENTO. Mr. Speaker, will the gentlewoman yield?

Ms. SNOWE. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Speaker, I want to thank the gentlewoman and again publicly commend her on the floor of the House. The gentlewoman has done an outstanding job and has stuck with it. There were some tough decisions that had to be made in this. I think that the types of policies, because we do make some of those decisions in this, will provide and will be a meaningful decision and a lasting one which I think will favorably reflect on both the gentlewoman from Maine and the good work that she has done and our colleagues in the Senate, Senator MITCHELL and Senator COHEN.

I again commend the gentlewoman and commend her for her comments.

Ms. SNOWE. I thank the chairman.

Mr. Speaker, again I want to say I appreciate the cooperation of the gentleman. There were so many issues involved in this legislation, and it was difficult to reach a compromise; but I think it is one which serves the interests of all parties and groups involved.

Again, Mr. Speaker, I urge adoption of this legislation.

Mr. ROSTENKOWSKI. Mr. Speaker, the bill before the House of Representatives today would authorize the Secretary of the Interior to acquire conservation easements on land adjacent to the Acadia National Park in Maine. Donations to the Government of scenic easements around our Nation's second-most visited Federal parkland will greatly benefit all of us who enjoy visiting our Nation's 48 national parks. It is clearly in our National interest to encourage such donations.

Some concern has been expressed in the Senate that easements acquired by the Government through donations from owners of property adjacent to the park might not qualify for a charitable contribution under section 170 of the Internal Revenue Code. Because of this concern, the Senate-passed version of this bill, S. 720, contained a provision which would "deem" donations under the legislation automatically to qualify for a tax deduction. Such deemed qualification for a tax deduction could result in allowing deductions for transfers that do not meet the criteria established in the tax law as a condition for deductible conservation easements.

Since the Committee on the Interior wishes to move expeditiously to complete action on proposals that have been developed over a decade, and since this legislation has not been considered by the Committee on Ways and Means, the provisions of the bill pending before the House do not include any special provisions regarding the tax consequences of transfers of easements on this land. Rather, the availability of tax deductions will be determined under the general rules for deductions for conservation easements now contained in the Internal Revenue Code.

I have been informed that the reason for the special provision in the Senate version of this bill is that some Senators felt that the Treasury Department had been too slow in issuing regulations interpreting the provisions within code section 170 that allow deductions for gifts of qualified conservation easements. I understand that this problem has been overcome now because the Treasury Department issued final regulations in January of this year regarding these deductions.

Also, individuals who wish to be assured of the availability of a tax deduction before donating an easement may seek a private ruling from the IRS. Once an affirmative ruling is obtained, these individuals may proceed with the knowledge that a tax deduction for their gift will be available. Because taxpayers now have final Treasury Department regulations as well as the opportunity to have the IRS rule on their donations in advance, there should be no necessity to deem easements to satisfy the code requirements.

If the Treasury Department has in some way failed to provide guidance for individuals regarding gifts of conservation easements which may be deductible, I will work with Treasury officials and Members of the Congress to attempt to resolve those problems. I am not aware of any assertions that the Treasury has been unreasonably restrictive in finding that a conservation purpose is furthered in cases such as those involved with the Acadia National Park.

Rather, many of the reported disagreements on deductions for conservation easements of which I am aware involve questions of valuation. The value of an easement, or any other property interest, is inherently factual, and must be determined on a case-by-case basis. If taxpayers disagree with the IRS on such an issue, they have both administrative and judicial remedies available to them to examine any transfer based on its own unique characteristics. Such questions cannot be effectively addressed by general rules in legislation. Indeed, the Senate version of this legislation does not attempt to address questions of valuation.

I appreciate the sponsors' understanding that if this concern stems from lack of administrative action, it should be resolved through an appropriate administrative response. Similarly, if we find that the existing Internal Revenue Code provisions are inadequate to provide appropriate deductions, then the Committee on Ways and Means will want to review those provisions for possible amendment.

Let me briefly describe my understanding of the history and reasons for the present rules regarding the deductibility of conservation easements.

As a general rule, a deduction is not allowed for a charitable contribution of any interest in property that consists of less than the donor's entire interest, except in the case of certain transfers in trust. This restriction was enacted in the Tax Reform Act of 1969 to prevent certain tax-avoidance transactions in which taxpayers were claiming tax deductions for gifts of partial interest to charities when in fact the charities received little or no benefit from the transfer.

Present law includes exceptions from this general restriction for gifts of remainder interests in personal residences and farms and for qualified conservation easements. Public Law 96–541, enacted on December 17, 1980, expanded the types of conservation easement transfers that qualify for tax deductions. These special code rules reflect a careful weighing of the public benefit from conservation easements against the potential for tax abuse.

Thus, easements are deductible only if transferred to certain specified entities, including the Federal Government, that have the power to enforce compliance with the terms of the transfer. Additionally, one or more of several enumerated conservation purposes must be furthered and a significant public benefit must result from the transfer. Note that the public benefit may be realized even though the general public does not have physical access to the property that is subject to the conservation easement. This rule reflects Congress' determination that a scenic view might in some instances provide a public benefit even though physical access to the property was restricted.

The standards of determining whether a conservation purpose is present are fairly specific in the code. However, this determination as well as that of public benefit must be determined by viewing the restricted property in relation to surrounding property. Thus, the mere preservation of open space does not in all cases warrant a finding of a conservation purpose.

Senator WALLOP, who has worked tirelessly to expand the availability of the scenic property for Americans, was a principal sponsor of the 1980 expansion of the circumstances in which tax deductions are allowed for contributions of conservation easements. The Senate Finance Committee report on Public Law 96–541 stated that the committee believed that preservation of our country's natural resources and cultural heritage is important and that the committee recognized that conservation easements may play an important role in preservation efforts. That belief and recognition continue today.

Once again, the Committee on Ways and Means can be expected to continue to review developments in the conservation easement area to assure that these provisions are properly interpreted by the Treasury Department and work as they were intended.

Mr. MCKERNAN. Mr. Speaker, today the House will consider legislation to establish a permanent boundary for the Acadia National Park on Mount Desert Island in the State of Maine. I am pleased to speak in favor of this legislation and to commend the members of the Committee on the Interior for their unstinting efforts to move this legislation forward.

The Acadia National Park is truly unique in that it was created through the generosity of those who have donated lands and it is only through this mechanism that the park can be expanded. Not only does the park lack a permanent boundary, but the park lands in many instances completely surround private lands.

The patchwork of donated land which has become Acadia National Park is testimony to the value many have placed on the need to preserve the extraordinary beauty of this area for future generations to enjoy. However, the acquisition policy has, over the years, created problems for the Park Service and the communities that coexist with Acadia. Controversy over the park's boundaries has been a fact of life, preventing consolidation or park lands in a manner that best serves the interests of the

region's populations, the park's millions of visitors, and of future generations.

Mr. Speaker, this legislation represents the culmination of many years of discussions and negotiations between the National Park Service, the local communities and the private land owners in the area. It is a carefully crafted compromise worked out by all interested parties and I believe that passage of this legislation is extremely important. Therefore, I urge my colleagues to support this measure.

Mr. STRANG. Mr. Speaker, I have no further requests for time.

Mr. VENTO. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the Senate bill, S. 720, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

A motion to reconsider was laid on the table.

AWARDING A SPECIAL GOLD MEDAL TO THE FAMILY OF HARRY CHAPIN

Mr. ANNUNZIO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1207) to award a special gold medal to the family of Harry Chapin.

The Clerk read as follows:

H.R. 1207

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the President is authorized to present, on behalf of the Congress, to the family of Harry Chapin, a gold medal of appropriate design, in recognition of Harry Chapin's efforts to address issues of hunger around the world.

(b) For purposes of the presentation referred to in subsection (a), the Secretary of the Treasury shall cause to be struck a gold medal with suitable emblems, devices, and inscriptions to be determined by the Secretary.

(c) Effective October 1, 1985, there are authorized to be appropriated not to exceed $20,000 to carry out this section.

SEC. 2. (a) The Secretary of the Treasury may cause duplicates in bronze of the medal provided for in the first section to be coined and sold under such regulations as the Secretary may prescribe, at a price sufficient to cover the cost thereof, including labor, materials, dies, use of machinery, and overhead expenses, and the cost of the gold medal.

(b) The appropriation used to carry out the first section shall be reimbursed out of the proceeds of such sales.

SEC. 3. The medals provided for in this Act are national medals for the purpose of section 5111 of title 31, United States Code.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Illinois [Mr. ANNUNZIO] will be recognized for 20 minutes and the gentleman from Colorado [Mr. STRANG] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Illinois [Mr. ANNUNZIO].

Mr. ANNUNZIO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1207 would present a gold medal to the family of singer Harry Chapin, who died in a car accident in 1981.

Mr. Speaker, when I was first informed that a bill had been introduced to provide such a medal for Harry Chapin I must admit that I was skeptical. I had never met Harry Chapin and thought the medal was merely to recognize his accomplishments as a popular singer.

Nothing could be further from the truth. After hearing some 10 witnesses describe the great deeds of Harry Chapin, I am totally convinced that he deserves such a medal. Witness after witness, from Congressmen, to relatives, to charitable promotion organizers, described the work of Harry Chapin in his efforts to fight world hunger. He was a man who used his talent not to better his own life, but to better the lives of the less fortunate.

At the close of our hearings I told the witnesses that I had never met Harry Chapin, but I truly wished that I had.

H.R. 1207 is cosponsored by 232 Members of the House, more than a majority. That so many Members of this body join in recognizing Harry Chapin's efforts stands as testimony to his devotion to the cause of world hunger. He has been an inspiration to so many in the Congress and throughout the Government.

Harry Chapin was a singer, but more than that, he was an example to all he met. He was not content to do an occasional benefit performance. Half the concerts he gave each year, and he gave 200 concerts a year, were to help eradicate hunger on Earth.

He founded World Hunger Year. That is a nonprofit, educational group, not a one-shot event remembrance of starvation. In many parts of the world, every year is world hunger year.

The Presidential Commission on World Hunger, established in 1978, was established in large part because of Harry Chapin's tireless lobbying. After working to have the legislation passed, he then served on the Commission, and was its most active member.

Harry Chapin died in a tragic automobile accident in 1981. But his influence has lived on. His manager, Ken Kragen, has gone on to stage the massive and successful USA for Africa effort, including the record, "We Are the World," which featured 35 of the best known music stars. Testifying before the Consumer Affairs and Coinage Subcommittee last week, Mr. Kragen told how, while he was working on the USA for Africa project, he had the eerie feeling that Harry Chapin had somehow become part of him.

After hearing the testimony last week, I would be surprised if the spirit of Harry Chapin had not moved him. Indeed, I do not see how he could have resisted. I am sure that Harry Chapin's spirit was in the studio when "We Are the World" was recorded.

Harry Chapin started a grassroots movement to make America aware of the scope of hunger around the world. America's concern for the hungry through food banks and shelters for the homeless in our own country, and for relief for those starving in other countries, was generated and inspired in large part by Harry Chapin before he died. His life ended too suddenly. But his spirit and boundless energy live on in American's concern for the hungry.

Harry Chapin once said, "I've got nothing against selling out. But let me sell out for something that counts." He never did sell out, but he did the things that counted anyway. Let's honor his memory and award him a congressional gold medal.

Mr. STRANG. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1207 authorizes a congressional gold medal in honor of Harry Chapin. The name of Harry Chapin generally brings to mind the wonderful songs that this entertainer gave to the world. But Harry Chapin was much more than a troubadour singer, and he contributed much more to the world than songs during his all-too-brief life. He also gave considerable energy and money to fighting the problem of hunger that still plagues so much of the world. In fact, Harry Chapin laid the foundations and provided the inspiration for the very active U.S. hunger movement that exists today. It is in honor of these efforts and the inspiration he has provided to us all that we take up this bill today.

Mr. Speaker, I reserve the balance of my time.

Mr. ANNUNZIO. Mr. Speaker, I yield 2 minutes to the gentleman from North Dakota [Mr. DORGAN], the chief sponsor of H.R. 1207.

Mr. DORGAN of North Dakota. Mr. Speaker, I would like to describe why I introduced this piece of legislation and why it is cosponsored by 232 Members of the House.

Mr. Speaker, there are extraordinary people in this country who, because of their tireless and unbounding efforts to do good things, we will never forget. Harry Chapin is one of those persons. There are some people who I have had contact with in my life, who have touched me in ways that I will never forget and in ways that have left my life, and the lives of other people on this Earth, much better. Harry

Chapin was a singer, to be sure, a troubadour who traveled around this country, who sang popular songs. He was also a storyteller in his songs. But, much more than that, Harry was a fellow who could have been rich but who decided to donate one-half of his earnings every year to fight world hunger.

He used to say that if tomorrow morning you woke up and 40,000 people had died of hunger in New Jersey overnight, that would be headline news; the biggest story of the year. But 40,000 kids under the age of 6 will die between now and tomorrow morning of hunger, and it will not be headline news because the winds of hunger, Harry Chapin used to say, blow every second, every minute, every hour, every day, and they keep blowing. It is not headline news. So many people feel so helpless in dealing with hunger that they do not even begin to try. But Harry Chapin did try. He lobbied President Jimmy Carter to establish a Presidential Commission on Hunger. He founded World Hunger Year, a nonprofit foundation, as the chairman said. He went all over this country, to Illinois, North Dakota, Idaho, Washington, down South; he would hold concerts, the entire proceeds of which he would donate to fight world hunger. He was a very extraordinary person. The seeds that he planted in the 1970's, when he was waging a lonely fight against hunger, are now flowering into efforts in the U.S. House, with a Select Committee on Hunger, on which I am pleased to serve, into USA for Africa, into dozens of things to finally recognize that we have a very serious hunger problem in this world and that we have to do something about it, in our own enlightened self-interest, as Harry used to say.

If you find me a troubled spot around the world, I will show you a place where there is hunger. If we solve world hunger, and it can be solved—including immunization and all of the things that relate to hunger—with a fraction of the money we spend on arms in this world, we will also solve a major part of the unrest in this world and make this world a much better place for all of us to live.

That is what Harry Chapin's life was all about. It was a testimony to working on the right things. In a tireless way, this fellow made a big difference in all of our lives and made a difference in this world.

Mr. STRANG. Mr. Speaker, I have no further requests for time.

Mr. ANNUNZIO. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. CARR], who testified before the committee.

□ 1240

Mr. CARR. Mr. Speaker, Harry Chapin was a friend of mine. Not only was he a gifted songwriter and performer, but he was truly a compassionate and caring human being as well. He felt so deeply about his fellow human beings that in 1975, he and Bill Ayres began "World Hunger Year." Harry was also appointed a member and was really the founder of the Presidents Commission on World Hunger, which began in 1978. That same year, he opened the Food Policy Center which monitored the work of the Hunger Commission and helped draft legislation based on findings of the commission.

His interest and awareness of world hunger, combined with his knowledge of hunger issues, led millions of people to listen to his radiothons. These were conducted around the country long before it was popular to do benefits for the hungry.

Harry Chapin was not the first entertainer to walk these hallways here in Washington, but he was probably among the first to come here and roll up his sleeves and work at it like he was a real part of the process as he was. He personally got Members of Congress involved and aware of hunger issues.

This is how our friendship started.

We are now making headway in the fight against hunger, not only in the world, but within the borders of our country. We must not let this momentum die out.

That is why I strongly support and am joining 231 of my colleagues in supporting H.R. 1207, the bill that would authorize a gold medal for Harry Chapin. It can be the focal point for the continued fight against hunger.

Mr. GILMAN. Mr. Speaker, I want to commend Mr. DORGAN, the gentleman from North Dakota, for introducing this important legislation and I thank the distinguished chairman of the Subcommittee on Consumer Affairs and Coinage, Mr. ANNUNZIO, the gentleman from New Jersey, for expeditiously bringing this measure to the floor.

Harry Chapin was a great humanitarian, an inspiring coworker in the cause of hunger, an outstanding gifted singer/songwriter and a good friend. It is long overdue that he receive full recognition for what he achieved for our Nation and the world.

Harry Chapin was an inspiring leader in the issue of resolving world hunger and had dedicated his life to this problem, which kills so many millions of people every year. Harry's devotion to his fellow man is well known not only throughout the entertainment industry, but in voluntary hunger groups throughout the world.

Harry Chapin's devotion of time and energy and his personal resources to the hunger cause have been an inspiration to many of us in the Congress and throughout the Government.

Harry Chapin used his fame and fortune to start a nationwide grassroots movement to make Americans aware of the scope of hunger around the world, financing the organization with scores of benefit concerts.

In 1978, the concept of a Presidential Commission to study world hunger and to propose ways to fight it was nothing more, then, than the product of an musician's restless conscience.

However, now a full 5 years after the Commission has published its recommendations, the Congress and the world is still experiencing its reverberations. The Select Committee on Hunger, a brainchild of Harrys has had an enormous input on the way our Nation responds to the hunger problem.

The world grain reserve and many other far-reaching legislative initiatives were all outcomes of Harry's diligent and tireless work.

Harry was, as he would have put it, "an energy source," "a self-starter," "an engine."

People were often overwhelmed by his boundless energy merely by being in the same room with him for a brief meeting. Several Senators and Representatives were known to have agreed to his proposals primarily to avoid further confrontations with "the engine"—in this case a steam engine. Several other Senators and Representatives who knew and loved Harry were delighted with his no-nonsense manner of getting things done and some of them even suggested that he run for Congress.

Harry once said:

Being a rock star is pointless. It's garbage. It's the most self-indulgent thing I can think of. I've got nothing against selling out. But let me sell out for something that counts. Not so Harry Chapin can be No. 1 with a bullet, but so I can leave here thinking I mattered.

Mr. Speaker, Harry Chapin mattered—believe me, he mattered. Accordingly, I urge my colleagues to fully support H.R. 1207, authorizing the presentation of a gold medal to a truly deserving recipient.

Mr. HOWARD. Mr. Speaker, as a cosponsor of H.R. 1207, I rise in strong support of this legislation which awards a special gold medal to the family of Harry Chapin.

It has been almost 5 years since Harry lost his life in a tragic automobile accident on Long Island. At that time, this Nation lost a great American—someone who unselfishly devoted his life to a simple cause, the eradication of world hunger.

Harry Chapin began his crusade to end world hunger before it became fashionable. It is estimated that he personally donated over $5 million to various charities with most of the money going to World Hunger Year, an organization he co-founded in 1975. His proudest accomplishment was the creation of the Presidential Commission on World Hunger. Harry lobbied strenuously for the creation of this Commission and worked even harder as one of its Commissioners. He never missed a meeting in the 2 years of the Commission despite the fact that he continued to give concerts in all regions of the country.

Harry could have died a very wealthy man, but that wasn't important to him. He wanted to leave thinking that he had made a difference. It is clear that Harry Chapin made a difference. Kenny Rogers, Ken Kragen, and Harry Belafonte, the driving force behind USA for

Africa and today's antihunger crusades, all credit Harry for their inspiration.

Mr. Speaker, it is very appropriate that this Congress posthumously award its highest honor to Harry Chapin—a man who worked endlessly on behalf of those less fortunate. His life provides a good example for all of us to emulate. At this point in the RECORD, I wish to share with my colleagues an article Harry wrote in September of 1977 which recalls his involvement in the hunger issue. Not only will Members find his observations of relevance today, this article provides thoughtful insight into the compassion and determination he possessed.

ON THE FOOD LINE

(By Harry Chapin)

SEPTEMBER 1977.—Hunger—from our early years, we all heard about the starving people in China—"Eat your soup, there are people starving out there." Guilt, right from the beginning. And guilt is something we soon learn to lose behind a screen of unconsciousness.

Somehow, in the following years, the hunger question did indeed get lost among other concerns, things that we thought were more important or closer to home. Segregation down South—we didn't know then in our smugness up North that the race problem was in all of us who are white. Then the Draft—it coalesced a whole generation around what was happening in Vietnam and the Environment—it was the hot thing for an Earth Day or two.

Of course, there were moments when something specific on hunger would surface. Sometime around Woodstock summer I read a *New York Times* article on Calcutta. It talked about that troubled place as a metaphor for the End of the City and of our Civilization as a whole—people living in the streets, the water supply and the sewer system being one and the same, and finally the wagons that came every morning to collect bodies from the curbs. Hunger again, and the guilt reawakened. Especially since I was seeing in the mirror the first signs of what I would call in a poem, "Time's thickening collar slipping around my waist." This was a first salvo signaling the beginning of a war with calories that comes with Middle Class American Adulthood.

But as the 60s came to a close we started hearing about the Green Revolution. Technology once again to the rescue. We were off the hook. Time would surely bring the solution to the hunger problem. Oh yes, the Biafra situation got us worked up for a time, as did Bangladesh, but these were just temporary abberations. Then, in 1973, word of the sub-Sahara drought put hunger on a few front pages. Eventually it was "in" for about half a year. The Energy Crisis, the Great Russian Grain Robbery, and then the World Food Conference.

I myself plugged in about then through relatively unspectacular events. I had been doing a series of benefits, perhaps suffering more than the usual American "liberal guilt" because my career was going well. It was suddenly bringing in more money than I had ever conceived of making.

Despite being a musician, I had always been a relatively verbal sort. When asked to do interviews, I would always drop in at least a few "heavy" cocktail-type comments about the state of the world. One particular session, recording a public service program with Bill Ayres, a completely down-to-earth practitioner of the religious arts, brought about a subsequent get-together to discuss some common concerns.

Bill, who reaches over six million people a week with his various programs, is well-informed in many areas because of his varied interests and regular exposure to guests on his shows. He was already quite knowledgeable about the scope of the hunger problem in Africa and he concluded our talk with the suggestion that, "It is time for another Bangladesh concert, but for Africa this time." I responded with the obvious quibble that I was not even close to being George Harrison, but Bill, in his gently deadly way, zapped me for this too-glib response. So we resolved to see what one Catholic priest, with a background in media, and one third-class rock singer/songwriter could do to help an obviously tragic situation.

Thus commenced a learning process that has brought us up to this very day, and promises to continue for the rest of our lives. With our first thoughts about doing benefit concerts, we realized we had to learn much more about the problem and about the organizations that attempt to deal with it. We didn't know that we would eventually have to come to terms with great gaps in the overall effort.

We stated with an abortive attempt to do a series of benefit concerts for the United Nations across the country. At this early time we were thoroughly entrenched in what could be called "the charity phase" of the learning process. Besides all the immense logistical problems of setting up these kinds of benefits, we eventually came up against a depressing fact: even if we did manage to arrange one benefit concert for virtually every night of the year 1974, and fantasizing that each one would be successful enough to bring in the two million dollars that the orginal Bangladesh concert did, even after a year's time it would add up to 730 million dollars, or in cold, practical terms, only one dollar per year for each person on this planet who is severely hungry.

Disappointed but undaunted, Bill and I pressed on, convening a series of meetings at my house involving a wide range of people from every walk of life interested in discussing what we could do together. The only conclussion that we ruled out before we began was that, as individuals, we were helpless to have an effect. We essentially went through a cram course in development, having the first awareness of the political aspects of hunger. We heard serious questions raised as to whether the vast majority of the present hunger "solutions" were counter-productive. We also heard the inevitable "realists" propounding the "Triage-Lifeboat Thesis," claiming that natural selection was at work and that there were "Basketcase Countries" that should be allowed to perish for the ultimate health of the whole planet.

In the process of learning the fallacies of these arguments we realized that, once again, hunger had become the silent problem. Maximum visibility to the hunger issue was imperative. There needed to be free, wide-ranging and regular discussion of facts, causes, and potential solutions. We had seen the six-month "hot" period for hunger peter-out by the beginning of 1975. Here was a problem that in the best of years still afflicted one eighth of the world's population, and in terms of the major news media, it was again a non-issue.

I personally believe that the Vietnam War ended when American TV watchers each night saw on their seven o'clock news the faces of Americans who were fighting and dying in that distant country, when they heard mother after mother speak of her loss, and then listened to general after general go through the same ritualistic rationales of futility and come up with new lies to hide the indefensible.

Bill and I founded World Hunger Year (WHY) in March of 1975 when we came to the conclusion that the greatest need was to give constant and consistent exposure to the hunger problem. We saw the need to start the kind of organization whose express purpose was not to provide relief or development funds but to increase the visibility of what is, and should be, perceived as humankind's greatest crisis. As an important corollary to that goal, we wished to articulate a positive tone to combat the more usual "guilt - mixed - in - with - breast - beating - seasoned - with - hopelessness" that we so often pass off as our highly-developed social consciousness.

Late in 1975 we came into professional contact with people who embodied just that tone. With a fortuitousness that often does occur when one becomes truly committed, we met two Hunger Movement stalwarts who were changing people's perception of the problem. Frances Moore Lappé and Joe Collins had been on the front lines of the Food Movement for many years, despite their relatively young ages. Frances's book—*Diet for a Small Planet*—served as the consciousness-raising beginning to a viable Food Movement. Dr. Joe's research with Richard Barnet and Jacques Chonchol had brought much-needed documentation to the economic and political causes of hunger.

Together, they had founded the Institute for Food and Development Policy. In the painstaking process of preparing a major new work on hunger, they have come up with what to me is the key for all of us. Their insights will allow us at last to get beyond the guilt, to get beyond the myths and misconceptions that have built up around this all-pervasive issue. They had combined an uprecedented depth and quality of research to show in *Food First* that there are things that all of us can do, that by understanding the true causes of hunger we can indeed remove the fear and paralysis that lock us into inaction. Moreover, they show that the process itself of learning and coping with food questions can bring us into intimate contact with those factors that control our world.

It may be strange to be hearing from someone that he is excited about tackling a problem of such magnitude. But, all of us who are in the process of joining together in that human community of interest called the Hunger Movement are involved in a most exciting endeavor. The process is one of finding that we need not be a tiny, helpless speck awash in the tears of humanity. It is one of finding that we are human beings who need to, and can, have an effect on own destinies and the lives of others. At a time when so many of us are suffering from a malaise of hopelessness or ineffectuality this is indeed an exciting prospect.

Mr. FASCELL. Mr. Speaker, Harry Chapin was more than a songwriter. He was more than a performer whose music and lyrics made us reminisce about distant memories. Harry Chapin was a leader in the fight against world hunger. He took a stand against the horrible suffering of children and families throughout the world, and he dedicated his life and his work to their relief. He made us all re-

alize how very fortunate we were, indeed, and how big a difference one person can make in this world.

This week, as we in Congress consider legislation to commemorate his work and his memory, we celebrate Harry's crusade—we celebrate his dedication to a worthy and often frustrating cause and his untiring work on behalf of those less fortunate than himself and his family. His concerts and benefits became a familiar scene to many of us. He could often be found after such a performance, when most other artists retire to hotel rooms, signing autographs and selling books and tee-shirts, the proceeds from which would be dedicated to his crusade against hunger.

When Harry Chapin died in an automobile accident in August 1981, he left the world with a greater sensitivity to the plight of those less fortunate throughout the world. It is certainly fitting that we honor him by striking a gold medal in his memory as a tribute to the work which he did. This week we in Congress celebrate the contributions which were made by this great singer, songwriter, and, most importantly, a truly great humanitarian.

Mr. ANNUNZIO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. ANNUNZIO] that the House suspend the rules and pass the bill, H.R. 1207.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1207, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

CONFERENCE REPORT ON S. 124, SAFE DRINKING WATER ACT AMENDMENTS OF 1986

Mr. WAXMAN submitted the following conference report and statement on the Senate bill (S. 124) entitled the "Safe Drinking Water Amendments of 1986":

CONFERENCE REPORT (H. REPT. 99-575)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 124) entitled the "Safe Drinking Water Amendments of 1986", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Safe Drinking Water Act Amendments of 1986".

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TITLE I—PUBLIC WATER SYSTEMS

SEC. 101. NATIONAL PRIMARY DRINKING WATER REGULATIONS.

(a) SIMPLIFICATION OF STATUTORY SYSTEM.—Section 1412(a) of the Safe Drinking Water Act (title XIV of the Public Health Service Act; 42 U.S.C. 300f and following) is amended to read as follows:

"(a)(1) Effective on the enactment of the Safe Drinking Water Act Amendments of 1986, each national interim or revised primary drinking water regulation promulgated under this section before such enactment shall be deemed to be a national primary drinking water regulation under subsection (b). No such regulation shall be required to comply with the standards set forth in subsection (b)(4) unless such regulation is amended to establish a different maximum contaminant level after the enactment of such amendments.

"(2) After the enactment of the Safe Drinking Water Act Amendments of 1986 each recommended maximum contaminant level published before the enactment of such amendments shall be treated as a maximum contaminant level goal.

"(3) Whenever a national primary drinking water regulation is proposed under paragraph (1), (2), or (3) of subsection (b) for any contaminant, the maximum contaminant level goal for such contaminant shall be proposed simultaneously. Whenever a national primary drinking water regulation is promulgated under paragraph (1), (2), or (3) of subsection (b) for any contaminant, the maximum contaminant level goal for such contaminant shall be published simultaneously.

"(4) Paragraph (3) shall not apply to any recommended maximum contaminant level published before the enactment of the Safe Drinking Water Act Amendments of 1986.".

(b) STANDARD SETTING SCHEDULES AND DEADLINES.—Section 1412(b) of the Safe Drinking Water Act is amended by striking paragraphs (1), (2), and (3), and inserting in lieu thereof the following:

"(1) In the case of those contaminants listed in the Advance Notice of Proposed Rulemaking published in volume 47, Federal Register, page 9352, and in volume 48, Federal Register, page 45502, the Administrator shall publish maximum contaminant level goals and promulgate national primary drinking water regulations—

"(A) not later than 12 months after the enactment of the Safe Drinking Water Act Amendments of 1986 for not less than 9 of those listed contaminants;

"(B) not later than 24 months after such enactment for not less than 40 of those listed contaminants; and

"(C) not later than 36 months after such enactment for the remainder of such listed contaminants.

"(2)(A) If the Administrator identifies a drinking water contaminant the regulation of which, in the judgment of the Administrator, is more likely to be protective of public health (taking into account the schedule for regulation under paragraph (1)) than a contaminant referred to in paragraph (1), the Administrator may publish a maximum contaminant level goal and promulgate a national primary drinking water regulation for such identified contaminant in lieu of regulating the contaminant referred to in such paragraph. There may be no more than 7 contaminants in paragraph (1) for which substitutions may be made. Regulation of a contaminant identified under this paragraph shall be in accordance with the schedule applicable to the contaminant for which the substitution is made.

"(B) If the Administrator identifies one or more contaminants for substitution under this paragraph, the Administrator shall publish in the Federal Register not later than one year after the enactment of the Safe Drinking Water Act Amendments of 1986 a list of contaminants proposed for substitution, the contaminants referred to in paragraph (1) for which substitutions are to be made, and the basis for the judgment that regulation of such proposed substitute contaminants is more likely to be protective of public health (taking into account the schedule for regulation under such paragraph). Following a period of 60 days for public comment, the Administrator shall publish in the Federal Register a final list of contaminants to be substituted and contaminants referred to in paragraph (1) for which substitutions are to be made, together with responses to significant comments.

"(C) Any contaminant referred to in paragraph (1) for which a substitution is made, pursuant to subparagraph (A) of this paragraph, shall be included on the priority list to be published by the Administrator not later than January 1, 1988, pursuant to paragraph (3)(A).

"(D) The Administrator's decision to regulate a contaminant identified pursuant to this paragraph in lieu of a contaminant referred to in paragraph (1) shall not be subject to judicial review.

"(3)(A) The Administrator shall publish maximum contaminant level goals and promulgate national primary drinking water regulations for each contaminant (other than a contaminant referred to in paragraph (1) or (2) for which a national primary drinking water regulation was promulgated) which, in the judgment of the Administrator, may have any adverse effect on

the health of persons and which is known or anticipated to occur in public water systems. Not later than January 1, 1988, and at 3 year intervals thereafter, the Administrator shall publish a list of contaminants which are known or anticipated to occur in public water systems and which may require regulation under this Act.

"(B) For the purpose of establishing the list under subparagraph (A), the Administrator shall form an advisory working group including members from the National Toxicology Program and the Environmental Protection Agency's Offices of Drinking Water, Pesticides, Toxic Substances, Ground Water, Solid Waste and Emergency Response and any others the Administrator deems appropriate. The Administrator's consideration of priorities shall include, but not be limited to, substances referred to in section 101(14) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and substances registered as pesticides under the Federal Insecticide, Fungicide, and Rodenticide Act.

"(C) Not later than 24 months after the listing of contaminants under subparagraph (A), the Administrator shall publish proposed maximum contaminant level goals and national primary drinking water regulations for not less than 25 contaminants from the list established under subparagraph (A).

"(D) Not later than 36 months after the listing of contaminants under subparagraph (A), the Administrator shall publish a maximum contaminant goal and promulgate a national primary drinking water regulation for those contaminants for which proposed maximum contaminant level goals and proposed national primary drinking water regulations were published under subparagraph (C).

"(4) Each maximum contaminant level goal established under this subsection shall be set at the level at which no known or anticipated adverse effects on the health of persons occur and which allows an adequate margin of safety. Each national primary drinking water regulation for a contaminant for which a maximum contaminant level goal is established under this subsection shall specify a maximum level for such contaminant which is as close to the maximum contaminant level goal as is feasible.

"(5) For the purposes of this subsection, the term 'feasible' means feasible with the use of the best technology, treatment techniques and other means which the Administrator finds, after examination for efficacy under field conditions and not solely under laboratory conditions, are available (taking cost into consideration). For the purpose of paragraph (4), granular activated carbon is feasible for the control of synthetic organic chemicals, and any technology, treatment technique, or other means found to be the best available for the control of synthetic organic chemicals must be at least as effective in controlling synthetic organic chemicals as granular activated carbon.

"(6) Each national primary drinking water regulation which establishes a maximum contaminant level shall list the technology, treatment techniques, and other means which the Administrator finds to be feasible for purposes of meeting such maximum contaminant level, but a regulation under this paragraph shall not require that any specified technology, treatment technique, or other means be used for purposes of meeting such maximum contaminant level.

"(7)(A) The Administrator is authorized to promulgate a national primary drinking water regulation that requires the use of a treatment technique in lieu of establishing a maximum contaminant level, if the Administrator makes a finding that it is not economically or technologically feasible to ascertain the level of the contaminant. In such case, the Administrator shall identify those treatment techniques which, in the Administrator's judgment, would prevent known or anticipated adverse effects on the health of persons to the extent feasible. Such regulations shall specify each treatment technique known to the Administrator which meets the requirements of this paragraph, but the Administrator may grant a variance from any specified treatment technique in accordance with section 1415(a)(3).

"(B) Any schedule referred to in this subsection for the promulgation of a national primary drinking water regulation for any contaminant shall apply in the same manner if the regulation requires a treatment technique in lieu of establishing a maximum contaminant level.

"(C)(i) Not later than 18 months after the enactment of the Safe Drinking Water Act Amendments of 1986, the Administrator shall propose and promulgate national primary drinking water regulations specifying criteria under which filtration (including coagulation and sedimentation, as appropriate) is required as a treatment technique for public water systems supplied by surface water sources. In promulgating such rules, the Administrator shall consider the quality of source waters, protection afforded by watershed management, treatment practices (such as disinfection and length of water storage) and other factors relevant to protection of health.

"(ii) In lieu of the provisions of section 1415 the Administrator shall specify procedures by which the State determines which public water systems within its jurisdiction shall adopt filtration under the criteria of clause (i). The State may require the public water system to provide studies or other information to assist in this determination. The procedures shall provide notice and opportunity for public hearing on this determination. If the State determines that filtration is required, the State shall prescribe a schedule for compliance by the public water system with the filtration requirement. A schedule shall require compliance within 18 months of a determination made under clause (iii).

"(iii) Within 18 months from the time that the Administrator establishes the criteria and procedures under this subparagraph, a State with primary enforcement responsibility shall adopt any necessary regulations to implement this subparagraph. Within 12 months of adoption of such regulations the State shall make determinations regarding filtration for all the public water systems within its jurisdiction supplied by surface waters.

"(iv) If a State does not have primary enforcement responsibility for public water systems, the Administrator shall have the same authority to make the determination in clause (ii) in such State as the State would have under that clause. Any filtration requirement or schedule under this subparagraph shall be treated as if it were a requirement of a national primary drinking water regulation.

"(8) Not later than 36 months after the enactment of the Safe Drinking Water Act Amendments of 1986, the Administrator shall propose and promulgate national primary drinking water regulations requiring disinfection as a treatment technique for all public water systems. The Administrator shall simultaneously promulgate a rule specifying criteria that will be used by the Administrator (or delegated State authorities) to grant variances from this requirement according to the provisions of section 1451(a)(1)(B) and 1415(a)(3). In implementing section 1442(g) the Administrator or the delegated State authority shall, where appropriate, give special consideration to providing technical assistance to small public water systems in complying with the regulations promulgated under this paragraph.".

(c) CONFORMING CHANGES.—(1) Paragraphs (4), (5), and (6) of section 1412(b) of the Safe Drinking Water Act are redesignated as paragraphs (9), (10), and (11), respectively. Paragraphs (9) and (10) of such section 1412(b), as redesignated by this paragraph, are each amended by striking "Revised national" in each place where it appears and substituting "National".

(2) Paragraph (1) of section 1413(a) of such Act is amended by striking out subparagraphs (A) and (B) and substituting "are no less stringent than the national primary drinking water regulations in effect under sections 1412(a) and 1412(b);".

(3) Section 1444(d) of such Act is amended by striking out "(including interim regulations)".

(4) Section 1420(e) of the Safe Drinking Water Act is amended by striking out "1412(b)(3)" and substituting "1412(b)".

(d) REVIEW OF STANDARDS.—Paragraph (9) of section 1412(b) of the Safe Drinking Water Act, as redesignated by subsection (c) of this section, is amended by adding at the end thereof the following: "Such review shall include an analysis of innovations or changes in technology, treatment techniques or other activities that have occurred over the previous 3-year period and that may provide for greater protection of the health of persons. The findings of such review shall be published in the Federal Register. If, after opportunity for public comment, the Administrator concludes that the technology, treatment techniques, or other means resulting from such innovations or changes are not feasible within the meaning of paragraph (5), an explanation of such conclusion shall be published in the Federal Register."

(e) SCIENCE ADVISORY BOARD.—Section 1412(e) of the Safe Drinking Water Act is amended to read as follows:

"(e) The Administrator shall request comments from the Science Advisory Board (established under the Environmental Research, Development, and Demonstration Act of 1978) prior to proposal of a maximum contaminant level goal and national primary drinking water regulation. The Board shall respond, as it deems appropriate, within the time period applicable for promulgation of the national primary drinking water standard concerned. This subsection shall, under no circumstances, be used to delay final promulgation of any national primary drinking water standard.".

SEC. 102. ENFORCEMENT OF REGULATIONS.

(a) NOTICE TO SYSTEMS.—Section 1414(a)(1)(A) of the Safe Drinking Water Act is amended by inserting "and such public water system" after the words "notify the State".

(b) PROMPT FEDERAL ENFORCEMENT.—(1) Section 1414(a)(1)(B) of the Safe Drinking Water Act is amended to read as follows:

"(B) If, beyond the thirtieth day after the Administrator's notification under subparagraph (A), the State has not commenced appropriate enforcement action, the Adminis-

trator shall issue an order under subsection (g) requiring the public water system to comply with such regulation or requirement or the Administrator shall commence a civil action under subsection (b).".

(2) Section 1414(a)(2) of the Safe Drinking Water Act is amended by striking the words "he may commence a civil action under subsection (b)" and substituting the following: "the Administrator shall issue an order under subsection (g) requiring the public water system to comply with such regulation or requirement or the Administrator shall commence a civil action under subsection (b)".

(c) PENALTIES.—Section 1414(b) of the Safe Drinking Water Act is amended as follows:

(1) Add ", with an order issued under subsection (g)," after "drinking water regulation" in the first sentence.

(2) Delete "willful" immediately after "there has been a" in the second sentence.

(3) Strike out "$5,000" and substitute "$25,000".

(d) ADMINISTRATIVE ORDERS.—(1) Section 1414 of the Safe Drinking Water Act is amended by adding at the end thereof the following new subsection:

"(g)(1) In any case in which the Administrator is authorized to bring a civil action under this section or under section 1445 with respect to any regulation, schedule, or other requirement, the Administrator also may issue an order to require compliance with such regulation, schedule, or other requirement.

"(2) An order issued under this subsection shall not take effect until after notice and opportunity for public hearing and, in the case of a State having primary enforcement responsibility for public water systems in that State, until after the Administrator has provided the State with an opportunity to confer with the Administrator regarding the proposed order. A copy of any order proposed to be issued under this subsection shall be sent to the appropriate State agency of the State involved if the State has primary enforcement responsibility for public water systems in that State. Any order issued under this subsection shall state with reasonable specificity the nature of the violation. In any case in which an order under this subsection is issued to a corporation, a copy of such order shall be issued to appropriate corporate officers.

"(3)(A) Any person who violates, or fails or refuses to comply with, an order under this subsection shall be liable to the United States for a civil penalty of not more than $25,000 per day of violation.

"(B) Whenever any civil penalty sought by the Administrator under this paragraph does not exceed a total of $5,000, the penalty shall be assessed by the Administrator after notice and opportunity for a hearing on the record in accordance with section 554 of title 5 of the United States Code.

"(C) Whenever any civil penalty sought by the Administrator under this paragraph exceeds $5,000, the penalty shall be assessed by a civil action brought by the Administrator in the appropriate United States district court (as determined under the provisions of title 28 of the United States Code).

"(D) If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, or after the appropriate court of appeals has entered final judgment in favor of the Administrator, the Attorney General shall recover the amount for which such person is liable in any appropriate district court of the United States. In any such action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review.".

(2) Section 1414 of the Safe Drinking Water Act is amended by striking the words "FAILURE BY STATE TO ASSURE" from the section heading.

SEC. 103. PUBLIC NOTIFICATION.

Section 1414(c) of the Safe Drinking Water Act is amended by striking everything after the sentence "The Administrator shall by regulation prescribe the form, manner, and frequency for giving notice under this subsection." and inserting the following: "Within 15 months after the enactment of the Safe Drinking Water Act Amendments of 1986, the Administrator shall amend such regulations to provide for different types and frequencies of notice based on the differences between violations which are intermittent or infrequent and violations which are continuous or frequent. Such regulations shall also take into account the seriousness of any potential adverse health effects which may be involved. Notice of any violation of a maximum contaminant level or any other violation designated by the Administrator as posing a serious potential adverse health effect shall be given as soon as possible, but in no case later than 14 days after the violation. Notice of a continuous violation of a regulation other than a maximum contaminant level shall be given no less frequently than every 3 months. Notice of violations judged to be less serious shall be given no less frequently than annually. The Administrator shall specify the types of notice to be used to provide information as promptly and effectively as possible taking into account both the seriousness of any potential adverse health effects and the likelihood of reaching all affected persons. Notification of violations shall include notice by general circulation newspaper serving the area and, whenever appropriate, shall also include a press release to electronic media and individual mailings. Notice under this subsection shall provide a clear and readily understandable explanation of the violation, any potential adverse health effects, the steps that the system is taking to correct such violation, and the necessity for seeking alternative water supplies, if any, until the violation is corrected. Until such amended regulations are promulgated, the regulations in effect on the date of the enactment of the Safe Drinking Water Act Amendments of 1986 shall remain in effect. The Administrator may also require the owner or operator of a public water system to give notice to the persons served by it of contaminant levels of any unregulated contaminant required to be monitored under section 1445(a). Any person who violates this subsection or regulations issued under this subsection shall be subject to a civil penalty of not to exceed $25,000.".

SEC. 104. VARIANCES.

Section 1415(a)(1)(A) of the Safe Drinking Water Act is amended as follows:

(1) Strike the word "despite" and substitute a period and the following: "A variance may only be issued to a system after the system's".

(2) Strike the word "generally" before the word "available" and after "(taking costs into consideration)." insert the following: "The Administrator shall propose and promulgate his finding of the best available technology, treatment techniques or other means available for each contaminant for purposes of this subsection at the time he proposes and promulgates a maximum contaminant level for each such contaminant. The Administrator's finding of best available technology, treatment techniques or other means for purposes of this subsection may vary depending on the number of persons served by the system or for other physical conditions related to engineering feasibility and costs of compliance with maximum contaminant levels as considered appropriate by the Administrator.".

(3) Strike the words "within one year of the date" and adding "at the time".

(4) Add in clause (ii) after the words "water system of such" the word "additional".

SEC. 105. EXEMPTIONS.

(a) SCHEDULES.—Section 1416 of the Safe Drinking Water Act is amended as follows:

(1) In subsection (b)(1) strike out the words "within one year of the date" and substitute "at the time".

(2) In subsection (b)(2)(A)(i) strike the word "interim" and strike the words "not later than January 1, 1984" and substitute "not later than 12 months after enactment of the Safe Drinking Water Act Amendments of 1986".

(3) In subsection (b)(2)(A)(ii) strike "revised" and strike "not later than 7 years after the date such requirement takes effect" and substitute "other than a regulation referred to in section 1412(a), 12 months after the date of the issuance of the exemption".

(4) Subsection (b)(2)(B) is amended to read as follows:

"(B) The final date for compliance provided in any schedule in the case of any exemption may be extended by the State (in the case of a State which has primary enforcement responsibility) or by the Administrator (in any other case) for a period not to exceed 3 years after the date of the issuance of the exemption if the public water system establishes that—

"(i) the system cannot meet the standard without capital improvements which cannot be completed within the period of such exemption;

"(ii) in the case of a system which needs financial assistance for the necessary improvements, the system has entered into an agreement to obtain such financial assistance; or

"(iii) the system has entered into an enforceable agreement to become a part of a regional public water system; and

the system is taking all practicable steps to meet the standard.

"(C) In the case of a system which does not serve more than 500 service connections and which needs financial assistance for the necessary improvements, an exemption granted under clause (i) or (ii) of subparagraph (B) may be renewed for one or more additional 2-year periods if the system establishes that it is taking all practicable steps to meet the requirements of subparagraph (B).".

SEC. 106. MONITORING FOR UNREGULATED CONTAMINANTS.

(a) SIZE OF SYSTEM.—Section 1445(a) of the Safe Drinking Water Act is amended by adding at the end thereof the following: "In requiring a public water system to monitor under this subsection, the Administrator may take into consideration the system size and the contaminants likely to be found in the system's drinking water.".

(b) MONITORING REQUIREMENTS.—Section 1445(a) of the Safe Drinking Water Act is amended by adding "(1)" after "(a)" and by adding the following at the end thereof:

"(2) Not later than 18 months after enactment of the Safe Drinking Water Act Amend-

ments of 1986, the Administrator shall promulgate regulations requiring every public water system to conduct a monitoring program for unregulated contaminants. The regulations shall require monitoring of drinking water supplied by the system and shall vary the frequency and schedule of monitoring requirements for systems based on the number of persons served by the system, the source of supply, and the contaminants likely to be found. Each system shall be required to monitor at least once every 5 years after the effective date of the Administrator's regulations unless the Administrator requires more frequent monitoring.

"(3) Regulations under paragraph (2) shall list unregulated contaminants for which systems may be required to monitor, and shall include criteria by which the primary enforcement authority in each State could show cause for addition or deletion of contaminants from the designated list. The primary State enforcement authority may delete contaminants for an individual system, in accordance with these criteria, after obtaining approval of assessment of the contaminants potentially to be found in the system. The Administrator shall approve or disapprove such an assessment submitted by a State within 60 days. A State may add contaminants, in accordance with these criteria, without making an assessment, but in no event shall such additions increase Federal expenditures authorized by this section.

"(4) Public water systems conducting monitoring of unregulated contaminants pursuant to this section shall provide the results of such monitoring to the primary enforcement authority.

"(5) Notification of the availability of the results of the monitoring programs required under paragraph (2), and notification of the availability of the results of the monitoring program referred to in paragraph (6), shall be given to the persons served by the system and the Administrator.

"(6) The Administrator may waive the monitoring requirement under paragraph (2) for a system which has conducted a monitoring program after January 1, 1983, if the Administrator determines the program to have been consistent with the regulations promulgated under this section.

"(7) Any system supplying less than 150 service connections shall be treated as complying with this subsection if such system provides water samples or the opportunity for sampling according to rules established by the Administrator.".

(c) CIVIL PENALTY.—Section 1445(c) of the Safe Drinking Water Act is amended by striking "may be fined not more than $5,000" and inserting "shall be subject to a civil penalty of not to exceed $25,000".

SEC. 107. TECHNICAL ASSISTANCE FOR SMALL SYSTEMS.

Section 1442 of the Safe Drinking Water Act is amended by adding the following new subsection at the end thereof:

"(g) The Administrator is authorized to provide technical assistance to small public water systems to enable such systems to achieve and maintain compliance with national drinking water regulations. Such assistance may include 'circuit-rider' programs, training, and preliminary engineering studies.".

SEC. 108. TAMPERING WITH PUBLIC WATER SYSTEMS.

Part D of the Safe Drinking Water Act is amended by adding the following new section after section 1431:

"SEC. 1432. TAMPERING WITH PUBLIC WATER SYSTEMS.

"(a) TAMPERING.—Any person who tampers with a public water system shall be imprisoned for not more than 5 years, or fined in accordance with title 18 of the United States Code, or both.

"(b) ATTEMPT OR THREAT.—Any person who attempts to tamper, or makes a threat to tamper, with a public drinking water system be imprisoned for not more than 3 years, or fined in accordance with title 18 of the United States Code, or both.

"(c) CIVIL PENALTY.—The Administrator may bring a civil action in the appropriate United States district court (as determined under the provisions of title 28 of the United States Code) against any person who tampers, attempts to tamper, or makes a threat to tamper with a public water system. The court may impose on such person a civil penalty of not more than $50,000 for such tampering or not more than $20,000 for such attempt or threat.

"(d) DEFINITION OF 'TAMPER'.—For purposes of this section, the term 'tamper' means—

"(1) to introduce a contaminant into a public water system with the intention of harming persons; or

"(2) to otherwise interfere with the operation of a public water system with the intention of harming persons.".

SEC. 109. LEAD FREE DRINKING WATER.

(a) SAFE DRINKING WATER ACT AMENDMENTS.—

(1) IN GENERAL.—Part B of the Safe Drinking Water Act is amended by adding the following new section at the end thereof:

"SEC. 1417. PROHIBITION ON USE OF LEAD PIPES, SOLDER, AND FLUX.

"(a) IN GENERAL.—

"(1) PROHIBITION.—Any pipe, solder, or flux, which is used after the enactment of the Safe Drinking Water Act Amendments of 1986, in the installation or repair of—

"(A) any public water system, or

"(B) any plumbing in a residential or nonresidential facility providing water for human consumption which is connected to a public water system,

shall be lead free (within the meaning of subsection (d)). This paragraph shall not apply to leaded joints necessary for the repair of cast iron pipes.

"(2) PUBLIC NOTICE REQUIREMENTS.—

"(A) IN GENERAL.—Each public water system shall identify and provide notice to persons that may be affected by lead contamination of their drinking water where such contamination results from either or both of the following:

"(i) The lead content in the construction materials of the public water distribution system.

"(ii) Corrosivity of the water supply sufficient to cause leaching of lead.

The notice shall be provided in such manner and form as may be reasonably required by the Administrator. Notice under this paragraph shall be provided notwithstanding the absence of a violation of any national drinking water standard.

"(B) CONTENTS OF NOTICE.—Notice under this paragraph shall provide a clear and readily understandable explanation of—

"(i) the potential sources of lead in the drinking water,

"(ii) potential adverse health effects,

"(iii) reasonably available methods of mitigating known or potential lead content in drinking water,

"(iv) any steps the system is taking to mitigate lead content in drinking water, and

"(v) the necessity for seeking alternative water supplies, if any.

"(b) STATE ENFORCEMENT.—

"(1) ENFORCEMENT OF PROHIBITION.—The requirements of subsection (a)(1) shall be enforced in all States effective 24 months after the enactment of this section. States shall enforce such requirements through State or local plumbing codes, or such other means of enforcement as the State may determine to be appropriate.

"(2) ENFORCEMENT OF PUBLIC NOTICE REQUIREMENTS.—The requirements of subsection (a)(2) shall apply in all States effective 24 months after the enactment of this section.

"(c) PENALTIES.—If the Administrator determines that a State is not enforcing the requirements of subsection (a) as required pursuant to subsection (b), the Administrator may withhold up to 5 percent of Federal funds available to that State for State program grants under section 1443(a).

"(d) DEFINITION OF LEAD FREE.—For purposes of this section, the term 'lead free'—

"(1) when used with respect to solders and flux refers to solders and flux containing not more than 0.2 percent lead, and

"(2) when used with respect to pipes and pipe fittings refers to pipes and pipe fittings containing not more than 8.0 percent lead.".

(b) NOTIFICATION TO STATES.—The Administrator of the Environmental Protection Agency shall notify all States with respect to the requirements of section 1417 of the Public Health Service Act within 90 days after the enactment of this Act.

(c) BAN ON LEAD WATER PIPES, SOLDER, AND FLUX IN VA AND HUD INSURED OR ASSISTED PROPERTY.—

(1) PROHIBITION.—The Secretary of Housing and Urban Development and the Administrator of the Veterans' Administration may not insure or guarantee a mortgage or furnish assistance with respect to newly constructed residential property which contains a potable water system unless such system uses only lead free pipe, solder, and flux.

(2) DEFINITION OF LEAD FREE.—For purposes of paragraph (1) the term "lead free"—

(A) when used with respect to solders and flux refers to solders and flux containing not more than 0.2 percent lead, and

(B) when used with respect to pipes and pipe fittings refers to pipes and pipe fittings containing not more than 8.0 percent lead.

(3) EFFECTIVE DATE.—Paragraph (1) shall become effective 24 months after the enactment of this Act.

(d) LEAD SOLDER AS A HAZARDOUS SUBSTANCE.—

(1) IN GENERAL.—Section 2(f)(1) of the Federal Hazardous Substances Act is amended by adding at the end thereof:

"(E) Any solder which has a lead content in excess of 0.2 percent.".

(2) LABELING.—Section 4 of the Federal Hazardous Substances Act is amended by adding the following at the end thereof:

"(k) The introduction or delivery for introduction into interstate commerce of any lead solder which has a lead content in excess of 0.2 percent which does not prominently display a warning label stating the lead content of the solder and warning that the use of such solder in the making of joints or fittings in any private or public potable water supply system is prohibited.".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall become effective 24 months after the enactment of this Act.

TITLE II—PROTECTION OF UNDERGROUND SOURCES OF DRINKING WATER

SEC. 201. RESTRICTIONS ON UNDERGROUND INJECTION OF HAZARDOUS WASTE AND REGULATION OF STATE PROGRAMS.

(a) NATURAL GAS STORAGE.—Section 1421(b)(2)(A), section 1422(c)(1), and section 1425(a)(1) of the Safe Drinking Water Act are each amended by inserting "or natural gas storage operations" after "production".

(b) MONITORING OF INJECTION WELLS.—Part C of the Safe Drinking Water Act is amended by adding the following new section at the end thereof:

"SEC. 1426. REGULATION OF STATE PROGRAMS.

"(a) MONITORING METHODS.—Not later than 18 months after enactment of the Safe Drinking Water Act Amendments of 1986, the Administrator shall modify regulations issued under this Act for Class I injection wells to identify monitoring methods, in addition to those in effect on November 1, 1985, including groundwater monitoring. In accordance with such regulations, the Administrator, or delegated State authority, shall determine the applicability of such monitoring methods, wherever appropriate, at locations and in such a manner as to provide the earliest possible detection of fluid migration into, or in the direction of, underground sources of drinking water from such wells, based on its assessment of the potential for fluid migration from the injection zone that may be harmful to human health or the environment. For purposes of this subsection, a class I injection well is defined in accordance with 40 CFR 146.05 as in effect on November 1, 1985.

"(b) REPORT.—The Administrator shall submit a report to Congress, no later than September 1987, summarizing the results of State surveys required by the Administrator under this section. The report shall include each of the following items of information:

"(1) The numbers and categories of class V wells which discharge nonhazardous waste into or above an underground source of drinking water.

"(2) The primary contamination problems associated with different categories of these disposal wells.

"(3) Recommendations for minimum design, construction, installation, and siting requirements that should be applied to protect underground sources of drinking water from such contamination wherever necessary.".

(c) SECTION 7010.—(1) Section 7010(c) of the Solid Waste Disposal Act is amended by striking "sections 7002 and 7003 of this Act" and inserting in lieu thereof "the provisions of this Act".

(2) Section 7010 of the Solid Waste Disposal Act is renumbered as section 3020 and inserted after section 3019 of such Act. Section 7012 of such Act is renumbered as section 7010. The item relating to section 7010 in the table of contents for such Act is renumbered as section 3020 and inserted after the item relating to section 3019. The item relating to section 7012 in the table of contents for such Act is renumbered as section 7010. Such table of contents is further amended by inserting after section 3015 the following new item:

"Sec. 3016. Inventory of Federal Agency hazardous waste facilities.".

SEC. 202. ENFORCEMENT.

(a) MANDATORY ENFORCEMENT.—(1) Section 1423(a)(1) of the Safe Drinking Water Act is amended by striking out all after the first sentence and substituting the following: "If beyond the thirtieth day after the Administrator's notification the State has not commenced appropriate enforcement action, the Administrator shall issue an order under subsection (c) requiring the person to comply with such requirement or the Administrator shall commence a civil action under subsection (b).".

(2) Section 1423(a)(2) of the Safe Drinking Water Act is amended by striking the words "he may commence a civil action under subsection (b)(1)" and substituting the following: "the Administrator shall issue an order under subsection (c) requiring the person to comply with such requirement or the Administrator shall commence a civil action under subsection (b).".

(b) CIVIL AND CRIMINAL ACTIONS.—Section 1423(b) of the Safe Drinking Water Act is amended to read as follows:

"(b) CIVIL AND CRIMINAL ACTIONS.—Civil actions referred to in paragraphs (1) and (2) of subsection (a) shall be brought in the appropriate United States district court. Such court shall have jurisdiction to require compliance with any requirement of an applicable underground injection program or with an order issued under subsection (c). The court may enter such judgment as protection of public health may require. Any person who violates any requirement of an applicable underground injection control program or an order requiring compliance under subsection (c)—

"(1) shall be subject to a civil penalty of not more than $25,000 for each day of such violation, and

"(2) if such violation is willful, such person may, in addition to or in lieu of the civil penalty authorized by paragraph (1), be imprisoned for not more than 3 years, or fined in accordance with title 18 of the United States Code, or both.".

(c) ADMINISTRATIVE ORDERS.—Section 1423 of the Safe Drinking Water Act is amended by inserting the following new subsection immediately after subsection (b) and by redesignating the succeeding subsection as subsection (d):

"(c) ADMINISTRATIVE ORDERS.—(1) In any case in which the Administrator is authorized to bring a civil action under this section with respect to any regulation or other requirement of this part other than those relating to—

"(A) the underground injection of brine or other fluids which are brought to the surface in connection with oil or natural gas production, or

"(B) any underground injection for the secondary or tertiary recovery of oil or natural gas,

the Administrator may also issue an order under this subsection either assessing a civil penalty of not more than $10,000 for each day of violation for any past or current violation, up to a maximum administrative penalty of $125,000, or requiring compliance with such regulation or other requirement, or both.

"(2) In any case in which the Administrator is authorized to bring a civil action under this section with respect to any regulation, or other requirement of this part relating to—

"(A) the underground injection of brine or other fluids which are brought to the surface in connection with oil or natural gas production, or

"(B) any underground injection for the secondary or tertiary recovery of oil or natural gas,

the Administrator may also issue an order under this subsection either assessing a civil penalty of not more than $5,000 for each day of violation for any past or current violation, up to a maximum administrative penalty of $125,000, or requiring compliance with such regulation or other requirement, or both.

"(3)(A) An order under this subsection shall be issued by the Administrator after opportunity (provided in accordance with this subparagraph) for a hearing. Before issuing the order, the Administrator shall give to the person to whom it is directed written notice of the Administrator's proposal to issue such order and the opportunity to request, within 30 days of the date the notice is received by such person, a hearing on the order. Such hearing shall not be subject to section 554 or 556 of title 5, United States Code, but shall provide a reasonable opportunity to be heard and to present evidence.

"(B) The Administrator shall provide public notice of, and reasonable opportunity to comment on, any proposed order.

"(C) Any citizen who comments on any proposed order under subparagraph (B) shall be given notice of any hearing under this subsection and of any order. In any hearing held under subparagraph (A), such citizen shall have a reasonable opportunity to be heard and to present evidence.

"(D) Any order issued under this subsection shall become effective 30 days following its issuance unless an appeal is taken pursuant to paragraph (6).

"(4)(A) Any order issued under this subsection shall state with reasonable specificity the nature of the violation and may specify a reasonable time for compliance.

"(B) In assessing any civil penalty under this subsection, the Administrator shall take into account appropriate factors, including (i) the seriousness of the violation; (ii) the economic benefit (if any) resulting from the violation; (iii) any history of such violations; (iv) any good-faith efforts to comply with the applicable requirements; (v) the economic impact of the penalty on the violator; and (vi) such other matters as justice may require.

"(5) Any violation with respect to which the Administrator has commenced and is diligently prosecuting an action, or has issued an order under this subsection assessing a penalty, shall not be subject to an action under subsection (b) of this section or section 1424(c) or 1449, except that the foregoing limitation on civil actions under section 1449 of this Act shall not apply with respect to any violation for which—

"(A) a civil action under section 1449(a)(1) has been filed prior to commencement of an action under this subsection, or

"(B) a notice of violation under section 1449(b)(1) has been given before commencement of an action under this subsection and an action under section 1449(a)(1) of this Act is filed before 120 days after such notice is given.

"(6) Any person against whom an order is issued or who commented on a proposed order pursuant to paragraph (3) may file an appeal of such order with the United States District Court for the District of Columbia or the district in which the violation is alleged to have occurred. Such an appeal may only be filed within the 30-day period beginning on the date the order is issued. Appellant shall simultaneously send a copy of the appeal by certified mail to the Administrator and to the Attorney General. The Administrator shall promptly file in such court a certified copy of the record on which such order was imposed. The district court shall not set aside or remand such order unless

there is not substantial evidence on the record, taken as a whole, to support the finding of a violation or, unless the Administrator's assessment of penalty or requirement for compliance constitutes an abuse of discretion. The district court shall not impose additional civil penalties for the same violation unless the Administrator's assessment of a penalty constitutes an abuse of discretion. Notwithstanding section 1448(a)(2), any order issued under paragraph (3) shall be subject to judicial review exclusively under this paragraph.

"(7) If any person fails to pay an assessment of a civil penalty—

"(A) after the order becomes effective under paragraph (3), or

"(B) after a court, in an action brought under paragraph (6), has entered a final judgment in favor of the Administrator,

the Administrator may request the Attorney General to bring a civil action in an appropriate district court to recover the amount assessed (plus costs, attorneys' fees, and interest at currently prevailing rates from the date the order is effective or the date of such final judgment, as the case may be). In such an action, the validity, amount, and appropriateness of such penalty shall not be subject to review.

"(8) The Administrator may, in connection with administrative proceedings under this subsection, issue subpoenas compelling the attendance and testimony of witnesses and subpoenas duces tecum, and may request the Attorney General to bring an action to enforce any subpoena under this section. The district courts shall have jurisdiction to enforce such subpoenas and impose sanction.".

(d) CONFORMING AMENDMENT.—Section 1423 of the Safe Drinking Water Act is amended by striking the words "FAILURE OF STATE TO ASSURE" from the section heading.

SEC. 203. SOLE SOURCE AQUIFER DEMONSTRATION PROGRAM.

Part C of the Safe Drinking Water Act is amended by adding the following new section after section 1426:

"SEC. 1427. SOLE SOURCE AQUIFER DEMONSTRATION PROGRAM.

"(a) PURPOSE.—The purpose of this section is to establish procedures for development, implementation, and assessment of demonstration programs designed to protect critical aquifer protection areas located within areas designated as sole or principal source aquifers under section 1424(e) of this Act.

"(b) DEFINITION.—For purposes of this section, the term 'critical aquifer protection area' means either of the following:

"(1) All or part of an area located within an area for which an application or designation as a sole or principal source aquifer pursuant to section 1424(e), has been submitted and approved by the Administrator not later than 24 months after the enactment of the Safe Drinking Water Act Amendments of 1986 and which satisfies the criteria established by the Administrator under subsection (d).

"(2) All or part of an area which is within an aquifer designated as a sole source aquifer as of the enactment of the Safe Drinking Water Act Amendments of 1986 and for which an areawide ground water quality protection plan has been approved under section 208 of the Clean Water Act prior to such enactment.

"(c) APPLICATION.—Any State, municipal or local government or political subdivision thereof or any planning entity (including any interstate regional planning entity) that identifies a critical aquifer protection area over which it has authority or jurisdiction may apply to the Administrator for the selection of such area for a demonstration program under this section. Any applicant shall consult with other government or planning entities with authority or jurisdiction in such area prior to application. Applicants, other than the Governor, shall submit the application for a demonstration program jointly with the Governor.

"(d) CRITERIA.—Not later than 1 year after the enactment of the Safe Drinking Water Act Amendments of 1986, the Administrator shall, by rule, establish criteria for identifying critical aquifer protection areas under this section. In establishing such criteria, the Administrator shall consider each of the following:

"(1) The vulnerability of the aquifer to contamination due to hydrogeologic characteristics.

"(2) The number of persons or the proportion of population using the ground water as a drinking water source.

"(3) The economic, social and environmental benefits that would result to the area from maintenance of ground water of high quality.

"(4) The economic, social and environmental costs that would result from degradation of the quality of the ground water.

"(e) CONTENTS OF APPLICATION.—An application submitted to the Administrator by any applicant for a demonstration program under this section shall meet each of the following requirements:

"(1) The application shall propose boundaries for the critical aquifer protection area within its jurisdiction.

"(2) The application shall designate or, if necessary, establish a planning entity (which shall be a public agency and which shall include representation of elected local and State governmental officials) to develop a comprehensive management plan (hereinafter in this section referred to as the 'plan') for the critical protection area. Where a local government planning agency exists with adequate authority to carry out this section with respect to any proposed critical protection area, such agency shall be designated as the planning entity.

"(3) The application shall establish procedures for public participation in the development of the plan, for review, approval, and adoption of the plan, and for assistance to municipalities and other public agencies with authority under State law to implement the plan.

"(4) The application shall include a hydrogeologic assessment of surface and ground water resources within the critical protection area.

"(5) The application shall include a comprehensive management plan for the proposed protection area.

"(6) The application shall include the measures and schedule proposed for implementation of such plan.

"(f) COMPREHENSIVE PLAN.—

"(1) The objective of a comprehensive management plan submitted by an applicant under this section shall be to maintain the quality of the ground water in the critical protection area in a manner reasonably expected to protect human health, the environment and ground water resources. In order to achieve such objective, the plan may be designed to maintain, to the maximum extent possible, the natural vegetative and hydrogeological conditions. Each of the following elements shall be included in such a protection plan:

"(A) A map showing the detailed boundary of the critical protection area.

"(B) An identification of existing and potential point and nonpoint sources of ground water degradation.

"(C) An assessment of the relationship between activities on the land surface and ground water quality.

"(D) Specific actions and management practices to be implemented in the critical protection area to prevent adverse impacts on ground water quality.

"(E) Identification of authority adequate to implement the plan, estimates of program costs, and sources of State matching funds.

"(2) Such plan may also include the following:

"(A) A determination of the quality of the existing ground water recharged through the special protection area and the natural recharge capabilities of the special protection area watershed.

"(B) Requirements designed to maintain existing underground drinking water quality or improve underground drinking water quality if prevailing conditions fail to meet drinking water standards, pursuant to this Act and State law.

"(C) Limits on Federal, State, and local government, financially assisted activities and projects which may contribute to degradation of such ground water or any loss of natural surface and subsurface infiltration of purification capability of the special protection watershed.

"(D) A comprehensive statement of land use management including emergency contingency planning as it pertains to the maintenance of the quality of underground sources of drinking water or to the improvement of such sources if necessary to meet drinking water standards pursuant to this Act and State law.

"(E) Actions in the special protection area which would avoid adverse impacts on water quality, recharge capabilities, or both.

"(F) Consideration of specific techniques, which may include clustering, transfer of development rights, and other innovative measures sufficient to achieve the objectives of this section.

"(G) Consideration of the establishment of a State institution to facilitate and assist funding a development transfer credit system.

"(H) A program for State and local implementation of the plan described in this subsection in a manner that will insure the continued, uniform, consistent protection of the critical protection area in accord with the purposes of this section.

"(I) Pollution abatement measures, if appropriate.

"(g) PLANS UNDER SECTION 208 OF THE CLEAN WATER ACT.—A plan approved before the enactment of the Safe Drinking Water Act Amendments of 1986 under section 208 of the Clean Water Act to protect a sole source aquifer designated under section 1424(e) of this Act shall be considered a comprehensive management plan for the purposes of this section.

"(h) CONSULTATION AND HEARINGS.—During the development of a comprehensive management plan under this section, the planning entity shall consult with, and consider the comments of, appropriate officials of any municipality and State or Federal agency which has jurisdiction over lands and waters within the special protection area, other concerned organizations and technical and citizen advisory committees. The planning entity shall conduct public hearings at places within the special protection area for the purpose of providing the

opportunity to comment on any aspect of the plan.

"(i) APPROVAL OR DISAPPROVAL.—Within 120 days after receipt of an application under this section, the Administrator shall approve or disapprove the application. The approval or disapproval shall be based on a determination that the critical protection area satisfies the criteria established under subsection (d) and that a demonstration program for the area would provide protection for ground water quality consistent with the objectives stated in subsection (f). The Administrator shall provide to the Governor a written explanation of the reasons for the disapproval of any such application. Any petitioner may modify and resubmit any application which is not approved. Upon approval of an application, the Administrator may enter into a cooperative agreement with the applicant to establish a demonstration program under this section.

"(j) GRANTS AND REIMBURSEMENT.—Upon entering a cooperative agreement under subsection (i), the Administrator may provide to the applicant, on a matching basis, a grant of 50 per centum of the costs of implementing the plan established under this section. The Administrator may also reimburse the applicant of an approved plan up to 50 per centum of the costs of developing such plan, except for plans approved under section 208 of the Clean Water Act. The total amount of grants under this section for any one aquifer, designated under section 1424(e), shall not exceed $4,000,000 in any one fiscal year.

"(k) ACTIVITIES FUNDED UNDER OTHER LAW.—No funds authorized under this subsection may be used to fund activities funded under other sections of this Act or the Clean Water Act, the Solid Waste Disposal Act, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 or other environmental laws.

"(l) REPORT.—Not later than December 31, 1989, each State shall submit to the Administrator a report assessing the impact of the program on ground water quality and identifying those measures found to be effective in protecting ground water resources. No later than September 30, 1990, the Administrator shall submit to Congress a report summarizing the State reports, and assessing the accomplishments of the sole source aquifer demonstration program including an identification of protection methods found to be most effective and recommendations for their application to protect ground water resources from contamination whenever necessary.

"(m) SAVINGS PROVISION.—Nothing under this section shall be construed to amend, supersede or abrogate rights to quantities of water which have been established by interstate water compacts, Supreme Court decrees, or State water laws; or any requirement imposed or right provided under any Federal or State environmental or public health statute.".

SEC. 204. EMERGENCY POWERS.

Section 1431 of the Safe Drinking Water Act is amended as follows:

(1) In the first sentence of subsection (a) add the words "or an underground source of drinking water" after the words "to enter a public water system".

(2) In the last sentence of subsection (a) add "including orders requiring the provision of alternative water supplies by persons who caused or contributed to the endangerment," after the words "including travelers),".

(3) In subsection (b):

(A) Strike "willfully".

(B) Strike "fined not more than" and insert in lieu thereof "subject to a civil penalty of not to exceed".

SEC. 205. STATE PROGRAMS TO ESTABLISH WELLHEAD PROTECTION AREAS.

The Safe Drinking Water Act is amended by adding the following new section after section 1427, as added by section 203 of this Act:

"SEC. 1428. STATE PROGRAMS TO ESTABLISH WELLHEAD PROTECTION AREAS.

"(a) STATE PROGRAMS.—The Governor or Governor's designee of each State shall, within 3 years of the date of enactment of the Safe Drinking Water Act Amendments of 1986, adopt and submit to the Administrator a State program to protect wellhead areas within their jurisdiction from contaminants which may have any adverse affect on the health of persons. Each State program under this section shall, at a minimum—

"(1) specify the duties of State agencies, local governmental entities, and public water supply systems with respect to the development and implementation of programs required by this section;

"(2) for each wellhead, determine the wellhead protection area as defined in subsection (e) based on all reasonably available hydrogeologic information on ground water flow, recharge and discharge and other information the State deems necessary to adequately determine the wellhead protection area;

"(3) identify within each wellhead protection area all potential anthropogenic sources of contaminants which may have any adverse effect on the health of persons;

"(4) describe a program that contains, as appropriate, technical assistance, financial assistance, implementation of control measures, education, training, and demonstration projects to protect the water supply within wellhead protection areas from such contaminants;

"(5) include contingency plans for the location and provision of alternate drinking water supplies for each public water system in the event of well or wellfield contamination by such contaminants; and

"(6) include a requirement that consideration be given to all potential sources of such contaminants within the expected wellhead area of a new water well which serves a public water supply system.

"(b) PUBLIC PARTICIPATION.—To the maximum extent possible, each State shall establish procedures, including but not limited to the establishment of technical and citizens' advisory committees, to encourage the public to participate in developing the protection program for wellhead areas. Such procedures shall include notice and opportunity for public hearing on the State program before it is submitted to the Administrator.

"(c) DISAPPROVAL.—

"(1) IN GENERAL.—If, in the judgment of the Administrator, a State program (or portion thereof, including the definition of a wellhead protection area), is not adequate to protect public water systems as required by this section, the Administrator shall disapprove such program (or portion thereof). A State program developed pursuant to subsection (a) shall be deemed to be adequate unless the Administrator determines, within 9 months of the receipt of a State program, that such program (or portion thereof) is inadequate for the purpose of protecting public water systems as required by this section from contaminants that may have any adverse effect on the health of persons. If the Administrator determines that a proposed State program (or any portion thereof) is inadequate, the Administrator shall submit a written statement of the reasons for such determination to the Governor of the State.

"(2) MODIFICATION AND RESUBMISSION.—Within 6 months after receipt of the Administrator's written notice under paragraph (1) that any proposed State program (or portion thereof) is inadequate, the Governor or Governor's designee, shall modify the program based upon the recommendations of the Administrator and resubmit the modified program to the Administrator.

"(d) FEDERAL ASSISTANCE.—After the date 3 years after the enactment of this section, no State shall receive funds authorized to be appropriated under this section except for the purpose of implementing the program and requirements of paragraphs (4) and (6) of subsection (a).

"(e) DEFINITION OF WELLHEAD PROTECTION AREA.—As used in this section, the term 'wellhead protection area' means the surface and subsurface area surrounding a water well or wellfield, supplying a public water system, through which contaminants are reasonably likely to move toward and reach such water well or wellfield. The extent of a wellhead protection area, within a State, necessary to provide protection from contaminants which may have any adverse effect on the health of persons is to be determined by the State in the program submitted under subsection (a). Not later than one year after the enactment of the Safe Drinking Water Act Amendments of 1986, the Administrator shall issue technical guidance which States may use in making such determinations. Such guidance may reflect such factors as the radius of influence around a well or wellfield, the depth of drawdown of the water table by such well or wellfield at any given point, the time or rate of travel of various contaminants in various hydrologic conditions, distance from the well or wellfield, or other factors affecting the likelihood of contaminants reaching the well or wellfield, taking into account available engineering pump tests or comparable data, field reconnaissance, topographic information, and the geology of the formation in which the well or wellfield is located.

"(f) PROHIBITIONS.—

"(1) ACTIVITIES UNDER OTHER LAWS.—No funds authorized to be appropriated under this section may be used to support activities authorized by the Federal Water Pollution Control Act, the Solid Waste Disposal Act, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, or other sections of this Act.

"(2) INDIVIDUAL SOURCES.—No funds authorized to be appropriated under this section may be used to bring individual sources of contamination into compliance.

"(g) IMPLEMENTATION.—Each State shall make every reasonable effort to implement the State wellhead area protection program under this section within 2 years of submitting the program to the Administrator. Each State shall submit to the Administrator a biennial status report describing the State's progress in implementing the program. Such report shall include amendments to the State program for water wells sited during the biennial period.

"(h) FEDERAL AGENCIES.—Each department, agency, and instrumentality of the executive, legislative, and judicial branches of the Federal Government having jurisdiction over any potential source of contaminants identified by a State program pursuant to the provisions of subsection (a)(3) shall be subject to and comply with all requirements

of the State program developed according to subsection (a)(4) applicable to such potential source of contaminants, both substantive and procedural, in the same manner, and to the same extent, as any other person is subject to such requirements, including payment of reasonable charges and fees. The President may exempt any potential source under the jurisdiction of any department, agency, or instrumentality in the executive branch if the President determines it to be in the paramount interest of the United States to do so. No such exemption shall be granted due to the lack of an appropriation unless the President shall have specifically requested such appropriation as part of the budgetary process and the Congress shall have failed to make available such requested appropriations.

"(i) ADDITIONAL REQUIREMENT.—

"(1) IN GENERAL.—In addition to the provisions of subsection (a) of this section, States in which there are more than 2,500 active wells at which annular injection is used as of January 1, 1986, shall include in their State program a certification that a State program exists and is being adequately enforced that provides protection from contaminants which may have any adverse effect on the health of persons and which are associated with the annular injection or surface disposal of brines associated with oil and gas production.

"(2) DEFINITION.—For purposes of this subsection, the term 'annular injection' means the reinjection of brines associated with the production of oil or gas between the production and surface casings of a conventional oil or gas producing well.

"(3) REVIEW.—The Administrator shall conduct a review of each program certified under this subsection.

"(4) DISAPPROVAL.—If a State fails to include the certification required by this subsection or if in the judgment of the Administrator the State program certified under this subsection is not being adequately enforced, the Administrator shall disapprove the State program submitted under subsection (a) of this section.

"(j) COORDINATION WITH OTHER LAWS.—Nothing in this section shall authorize or require any department, agency, or other instrumentality of the Federal Government or State or local government to apportion, allocate or otherwise regulate the withdrawal or beneficial use of ground or surface waters, so as to abrogate or modify any existing rights to water established pursuant to State or Federal law, including interstate compacts.".

TITLE III—GENERAL PROVISIONS

SEC. 301. AUTHORIZATION OF APPROPRIATIONS.

(a) TECHNICAL ASSISTANCE AND EMERGENCY GRANTS.—Section 1442(f) of the Safe Drinking Water Act is amended by inserting the following at the end thereof: "There are authorized to be appropriated to carry out subsection (a)(2)(B) not more than the following amounts:

"Fiscal year:	Amount
1987	$7,650,000
1988	7,650,000
1989	8,050,000
1990	8,050,000
1991	8,050,000

There are authorized to be appropriated to carry out the provisions of this section (other than subsection (g), subsection (a)(2)(B), and provisions relating to research), not more than the following amounts:

"Fiscal year:	Amount
1987	$35,600,000
1988	35,600,000
1989	38,020,000
1990	38,020,000
1991	38,020,000".

(b) STATE SUPERVISION PROGRAMS.—Section 1443(a)(7) of the Safe Drinking Water Act is amended by adding at the end thereof: "For the purposes of making grants under paragraph (1) there are authorized to be appropriated not more than the following amounts:

"Fiscal year:	Amount
1987	$37,200,000
1988	37,200,000
1989	40,150,000
1990	40,150,000
1991	40,150,000".

(c) UNDERGROUND WATER SOURCE PROTECTION PROGRAM.—Section 1443(b)(5) of the Safe Drinking Water Act is amended by adding the following at the end thereof: "For the purpose of making grants under paragraph (1) there are authorized to be appropriated not more than the following amounts:

"Fiscal year:	Amount
1987	$19,700,000
1988	19,700,000
1989	20,850,000
1990	20,850,000
1991	20,850,000".

(d) EXTENSION OF AUTHORITY.—Section 1441(f) of the Safe Drinking Water Act is amended by striking out "in effect" and all that follows and substituting "in effect for more than one year".

(e) PROTECTION OF WELLHEAD AREAS.—Section 1428 of the Safe Drinking Water Act, as added by section 205 of this Act, is amended by adding the following new subsection at the end thereof:

"(k) AUTHORIZATION OF APPROPRIATIONS.—Unless the State program is disapproved under this section, the Administrator shall make grants to the State for not less than 50 or more than 90 percent of the costs incurred by a State (as determined by the Administrator) in developing and implementing each State program under this section. For purposes of making such grants there is authorized to be appropriated not more than the following amounts:

"Fiscal year:	Amount
1987	$20,000,000
1988	20,000,000
1989	35,000,000
1990	35,000,000
1991	35,000,000".

(f) PROTECTION OF SOLE OR PRINCIPAL SOURCE GROUND WATER RECHARGE AREAS.—Section 1427 of the Safe Drinking Water Act, as added by this Act, is amended by adding the following new subsection at the end thereof:

"(n) AUTHORIZATION.—There are authorized to be appropriated to carry out this section not more than the following amounts:

"Fiscal year:	Amount
1987	$10,000,000
1988	15,000,000
1989	17,500,000
1990	17,500,000
1991	17,500,000

Matching grants under this section may also be used to implement or update any water quality management plan for a sole or principal source aquifer approved (before the date of the enactment of this section) by the Administrator under section 208 of the Federal Water Pollution Control Act.".

(g) TECHNICAL ASSISTANCE FOR SMALL SYSTEMS.—Section 1442(g) of the Safe Drinking Water Act, as added by section 107 of this Act, is amended by adding the following at the end thereof: "There are authorized to be appropriated to carry out this subsection $10,000,000 for each of the fiscal years 1987 through 1991. Not less than the greater of—

"(1) 3 percent of the amounts appropriated under this subsection, or

"(2) $280,000 shall be utilized for technical assistance to public water systems owned or operated by Indian tribes.".

(h) MONITORING FOR UNREGULATED CONTAMINANTS.—Section 1445(a) of the Safe Drinking Water Act, as amended by section 6 of this Act, is further amended by adding the following new paragraph at the end thereof:

"(8) There are authorized to be appropriated $30,000,000 in the fiscal year ending September 30, 1987 to remain available until expended to carry out the provisions of this subsection.".

SEC. 302. INDIAN TRIBES.

(a) IN GENERAL.—Part E of the Safe Drinking Water Act is amended by adding the following new section after section 1450:

"SEC. 1451. INDIAN TRIBES.

"(a) IN GENERAL.—Subject to the provisions of subsection (b), the Administrator—

"(1) is authorized to treat Indian Tribes as States under this title,

"(2) may delegate to such Tribes primary enforcement responsibility for public water systems and for underground injection control, and

"(3) may provide such Tribes grant and contract assistance to carry out functions provided by this title.

"(b) EPA REGULATIONS.—

"(1) SPECIFIC PROVISIONS.—The Administrator shall, within 18 months after the enactment of the Safe Drinking Water Act Amendments of 1986, promulgate final regulations specifying those provisions of this title for which it is appropriate to treat Indian Tribes as States. Such treatment shall be authorized only if:

"(A) the Indian Tribe is recognized by the Secretary of the Interior and has a governing body carrying out substantial governmental duties and powers;

"(B) the functions to be exercised by the Indian Tribe are within the area of the Tribal Government's jurisdiction; and

"(C) the Indian Tribe is reasonably expected to be capable, in the Administrator's judgment, of carrying out the functions to be exercised in a manner consistent with the terms and purposes of this title and of all applicable regulations.

"(2) PROVISIONS WHERE TREATMENT AS STATE INAPPROPRIATE.—For any provision of this title where treatment of Indian Tribes as identical to States is inappropriate, administratively infeasible or otherwise inconsistent with the purposes of this title, the Administrator may include in the regulations promulgated under this section, other means for administering such provision in a manner that will achieve the purpose of the provision. Nothing in this section shall be construed to allow Indian Tribes to assume or maintain primary enforcement responsibility for public water systems or for underground injection control in a manner less protective of the health of persons than such responsibility may be assumed or maintained by a State. An Indian tribe shall not be required to exercise criminal enforcement jurisdiction for purposes of complying with the preceding sentence.".

(b) DEFINITIONS.—

(1) INDIAN TRIBE.—Section 1401 of such Act is amended by inserting the following at the end thereof:

"(14) The term 'Indian Tribe' means any Indian tribe having a Federally recognized governing body carrying out substantial governmental duties and powers over any area.".

(2) MUNICIPALITY.—Section 1401 of such Act is amended by striking out from paragraph (10) the words "Indian tribal organization authorized by law" and substituting "Indian Tribe."

(c) PRIMARY ENFORCEMENT RESPONSIBILITY.—Section 1422 of such Act is amended by adding the following new subsection at the end thereof:

"(e) An Indian Tribe may assume primary enforcement responsibility for underground injection control under this section consistent with such regulations as the Administrator has prescribed pursuant to Part C and section 1451 of this Act. The area over which such Indian Tribe exercises governmental jurisdiction need not have been listed under subsection (a) of this section, and such Tribe need not submit an application to assume primary enforcement responsibility within the 270-day deadline noted in subsection (b)(1)(A) of this section. Until an Indian Tribe assumes primary enforcement responsibility, the currently applicable underground injection control program shall continue to apply. If an applicable underground injection control program does not exist for an Indian Tribe, the Administrator shall prescribe such a program pursuant to subsection (c) of this section, and consistent with section 1421(b), within 270 days after the enactment of the Safe Drinking Water Act Amendments of 1986, unless an Indian Tribe first obtains approval to assume primary enforcement responsibility for underground injection control.".

(d) GRANTS.—(1) Section 1443(a)(2) of the Safe Drinking Water Act is amended by adding the following at the end thereof: "The prohibitions contained in the preceding two sentences shall not apply to such grants when made to Indian Tribes."

(2) Section 1443(b)(2) of such Act is amended by adding the following new sentence at the end thereof: "The prohibition contained in the preceding sentence shall not apply to such grants when made to Indian Tribes.".

(e) STUDY.—The Administrator of the Environmental Protection Agency, in cooperation with the Director of the Indian Health Service, shall, within 12 months after the enactment of this Act, conduct a survey of drinking water on Indian reservations, identifying drinking water problems and the need, if any, for alternative drinking water supplies.

SEC. 303. JUDICIAL REVIEW.

Section 1448(a) of the Safe Drinking Water Act is amended as follows:

(1) Amend paragraph (1) to read as follows:

"(1) actions pertaining to the establishment of national primary drinking water regulations (including maximum contaminant level goals) may be filed only in the United States Court of Appeals for the District of Columbia circuit; and".

(2) Amend paragraph (2) to read as follows:

"(2) any other action of the Administrator under this Act may be filed in the circuit in which the petitioner resides or transacts business which is directly affected by the action."

SEC. 304. MISCELLANEOUS PROVISIONS.

(a) REPEAL.—Section 1442(e) of the Safe Drinking Water Act is repealed.

(b) COMPARATIVE HEALTH EFFECTS ASSESSMENT.—The Administrator of the Environmental Protection Agency shall conduct a comparative health effects assessment, using available data, to compare the public health effects (both positive and negative) associated with water treatment chemicals and their byproducts to the public health effects associated with contaminants found in public water supplies. Not later than 18 months after the date of the enactment of this Act, the Administrator shall submit a report to the Congress setting forth the results of such assessment.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment to the title of the bill insert the following: "An Act to amend the Safe Drinking Water Act".

And the House agree to the same.

JOHN D. DINGELL,
HENRY A. WAXMAN,
JAMES H. SCHEUER,
JAMES T. BROYHILL,
EDWARD MADIGAN,
Managers on the Part of the House.

ROBERT T. STAFFORD,
DAVE DURENBERGER,
AL SIMPSON,
LLOYD BENTSEN,
MAX BAUCUS,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 124) entitled the "Safe Drinking Water Act Amendments of 1985", submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment to the text of the bill struck out all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House to the text of the bill with an amendment which is a substitute for the Senate bill and the House amendment. The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SECTION 1.—SHORT TITLE AND TABLE OF CONTENTS

TITLE I—PUBLIC WATER SYSTEMS

SECTION 101—NATIONAL PRIMARY DRINKING WATER REGULATIONS

Standard-setting terminology

Senate bill.—The Senate bill makes two changes in standard-setting terminology. The bill eliminates the distinction between "interim" and "revised" standards, removing both terms from the Act, and designates "interim" or "revised" regulations under existing law as national primary drinking water regulations. The bill also changes the term used to refer to the health effects level set before the promulgation of a drinking water standard from "recommended maximum contaminant level" to "maximum contaminant level goal."

House amendment.—The House amendment has the same provision.

Conference agreement.—The Conference agreement is to adopt the language from both bills.

Standard-setting schedules

Senate bill.—The Senate bill requires the Administrator to promulgate national primary drinking water regulations for the following list of contaminants, previously published by the Agency in advance notices of proposed rulemaking:

Volatile Organic Chemicals

Trichloroethylene	Chlorobenzene
Tetrachloroethylene	Dichlorobenzene(s)
Carbon tetrachloride	Trichlorobenzene(s)
1,1,1-Trichloroethane	1,1-Dichloroethylene
1,2-Dichloroethane	trans-1,2-Dichloroethylene
Vinyl chloride	cis-1,2-Dichloroethylene
Methylene chloride	
Benzene	

Microbiology and Turbidity

Total coliforms	Viruses
Turbidity	Standard plate count
Giardia lamblia	*Legionella*

Inorganics

Arsenic	Molybdenum
Barium	Asbestos
Cadmium	Sulfate
Chromium	Copper
Lead	Vanadium
Mercury	Sodium
Nitrate	Nickel
Selenium	Zinc
Silver	Thallium
Fluoride	Beryllium
Aluminum	Cyanide
Antimony	

Organics

Endrin	1,1,2-Trichloroethane
Lindane	Vydate
Methoxychlor	Simazine
Toxaphene	PAH's
2,4-D	PCB's Atrazine
2,4,5-TP	Phthalates
Aldicarb	Acrylamide
Chlordane	Dibromochloropropane (DBCP)
Dalapon	1,2-Dichloropropane
Diquat	Pentachlorophenol
Endothall	Pichloram
Glyphosate	Dinoseb
Carbofuran	Ethylene dibromide
Alachlor	Dibromomethane
Epichlorohydrin	Xylene
Toluene	Hexachlorocyclopentadiene
Adipates	
2,3,7,8-TCDD (Dioxin)	

Radionuclides

Radium 226 and 228	Uranium
Beta particle and photon radioactivity	Gross alpha particle activity
	Radon

The Administrator is required to establish standards for these contaminants according to the following schedule: at least nine contaminants within 12 months of enactment, at least 40 additional contaminants within 24 months of enactment, and the remainder of the list within 36 months of enactment.

On January 1, 1988 and at 3 year intervals thereafter, the Administrator is required to publish a list of additional contaminants that may have an adverse effect on the health of persons. The Administrator is to

establish a working group with representatives from the appropriate EPA offices and the National Toxicology Program to assist in the development of the list. Within 36 months of listing, EPA is required to publish maximum contaminant level goals and promulgate maximum contaminant levels for not less than 25 contaminants from the list.

House amendment.—The House amendment requires EPA to set standards for those contaminants on the list referenced above for which there is a rational basis, based on the weighing of all available health evidence, to believe that there may be any adverse effect on the health of persons.

The Administrator is required to publish a list, on January 1, 1988 and at annual intervals thereafter, establishing priorities for the review of drinking water contaminants which may require regulation. Not later than three years after listing, the Administrator is required to issue regulations for all those contaminants on the priority list for which there is a rational basis, based on the weighing of all available health evidence, to believe that the contaminant may have any adverse effect on the health of persons.

Conference agreement.—The conference agreement is to adopt the Senate bill as modified to permit the Administrator limited discretion to substitute contaminants for regulation that may pose a more significant health threat than other listed contaminants. If the Administrator identifies a drinking water contaminant, the regulation of which is judged to be more protective of public health than a listed contaminant (referred to in this subsection), the Administrator may publish a maximum contaminant level goal and promulgate a national primary drinking water regulation of such contaminant in lieu of regulating a listed contaminant. No more than seven such substitutions are permitted. Within one year from the date of enactment, the Administrator must publish a notice in the Federal Register containing the following information: a list of contaminants identified for substitution, the contaminants for which substitutions are to be made, and the basis for the judgment that regulation of such contaminants is more likely to be protective of public health (taking into account the schedule for regulation under this subsection). Such notice is not intended to be a rulemaking and the Administrator's judgment to substitute is not subject to judicial review so as not to delay the standard-setting process.

Following a sixty day comment period, the Administrator shall publish a final list of contaminants to be substituted in the Federal Register. Regulation of a substituted contaminant is required t accord with the schedule applicable to the contaminant for which the substitution is made.

Any listed contaminant which has been substituted shall be included on the priority list of contaminants which may require regulation (to be published by the Administrator not later than January 1, 1988) for future consideration.

Basis for standard-setting

Senate bill.—The Senate bill requires that maximum contaminant level goals established by EPA are to be set at the level at which no known or anticipated adverse effects on the health of persons occur and which allows an adequate margin of safety. Maximum contaminant levels (MCLs) in the national primary drinking water regulations are to be set at a level as close to the goal as is feasible with the use of the best technology, treatment techniques and other means which the Administrator finds are available (taking cost into consideration). The bill establishes that the use of granular activated carbon (GAC) technology is available for the control of synthetic organic chemicals. Any technology, treatment technique, or other means found to be the best available for the control of synthetic organic chemicals must be at least as effective as granular activated carbon.

Each regulation promulgated by EPA which sets a maximum contaminant level shall list the technology, techniques and other means which the Administrator finds to be feasible for meeting the maximum contaminant level but shall not require that a specific technology be used for the purposes of meeting a maximum contaminant level.

House amendment.—The House amendment is similar to the Senate bill except that it requires the Agency to include the use of adsorption techniques such as granular activated carbon in defining the best available technology which is feasible for the control of synthetic organic chemicals for purposes of establishing an MCL.

Conference agreement.—The conference agreement combines provisions from both bills. The conference language provides that granular activated carbon technology is feasible for the control of synthetic organic chemicals, and any technology, treatment technique, or other means found to be the best available for the control of synthetic organic chemicals must be at least as effective in controlling synthetic organic chemicals as granular activated carbon technology.

It has been determined that the use of granular activated carbon technology is feasible to control to safe levels many of the synthetic organic chemicals appearing in drinking water supplies across the country. There are different levels of removal of synthetic organic chemicals that can be accomplished with granular activated carbon technology. The effectiveness of contaminant removal depends upon the chemical characteristics of a particular contaminant, the number and concentration of contaminants in the influent and the treatment technology design parameters. Design variables would include the grade of carbon used, contact time and frequency of regeneration. In setting maximum contaminant levels, the Administrator should weigh these variables with respect to the effectiveness of granular activated carbon technology or other means found to be feasible and at least as effective as granular activated carbon technology. As a guide as to feasibility and effectiveness, the Administrator should consider a range of granular activated carbon systems comparable to those able to achieve 90 to 99 percent removal of trichloroethylene (as referenced in 47 Fed. Reg. 9354, 1982). The Administrator's paramount concern should be to prevent known or anticipated adverse effects on health.

Treatment technique requirements

Senate bill.—The Senate bill extends EPA's existing authority to issue treatment technique requirements to regulations promulgated after the enactment of these amendments. It requires the issuance of a treatment technique regulation, if the Administrator makes a finding that it is not economically or technologically feasible to ascertain the level of the contaminant. In such case, the Administrator is to identify those treatment techniques which would prevent known or anticipated effects on the health of persons to the extent feasible. Variances may be granted from a specific treatment technique in accordance with section 1415(a)(3).

House amendment.—The House bill requires EPA to establish a treatment technique requirement in lieu of an MCL in the case of any contaminant which cannot be accurately enough measured in drinking water to establish an MCL goal.

Conference agreement.—The conference agreement adopts the Senate bill.

Filtration regulation

Senate bill.—The Senate bill requires the Administrator, within 18 months of enactment, to propose and promulgate regulations specifying criteria under which filtration (including coagulation and sedimentation) is required as a treatment technique for public water systems supplied by surface water sources. Such criteria must protect the public from bacterial and viral contamination of these water supplies.

States with primary enforcement responsibility are given 18 months to adopt any regulations necessary to implement filtration requirements. Within 12 months of such adoption, EPA or the State enforcement authority is required to make determinations regarding the need for filtration for all surface water systems within their jurisdiction. Public water systems may be required to provide studies or information to assist such determinations. If filtration is required, EPA or the delegated State authority must prescribe a schedule requiring compliance within 18 months of such determinations.

House amendment.—The House amendment has the same provision.

Conference agreement.—The conference agreement adopts the language in both bills.

Disinfection requirement

Senate bill.—The Senate bill requires the Administrator, within 36 months, to simultaneously issue regulations requiring disinfection and a rule specifying criteria that will be used to grant variances from such requirement. The Administrator or delegated State authority is required (to the extent feasible) to provide technical assistance to small public water systems in complying with disinfection requirements.

House amendment.—The Administrator is required to propose and promulgate regulations requiring disinfection as a treatment technique for all public water systems and is authorized to grant variances from this requirement according to the provisions under sections 1415(a)(1)(B) and 1415(a)(3).

Conference agreement.—The conference agreement adopts the Senate bill with a modification of the technical assistance language to require EPA or the delegated State authority, where appropriate, to give special consideration to providing technical assistance to small public water systems in complying with disinfection regulations.

Conforming changes

Senate bill.—The Senate bill eliminates the use of the term "revised national primary drinking water regulations."

House amendment.—The House bill makes a number of conforming changes which eliminate references to "interim" and "revised" national primary drinking water regulations consistent with the exclusive use of the term "national primary drinking water regulations" in the amendments.

Conference agreement.—The conference agreement is to adopt the House language.

Review of standards

Senate bill.—The Senate bill modifies the Administrator's existing authority to amend and review national primary drinking water regulations to require that an analysis of innovations or changes in technology, treatment techniques or other activities, which may provide for greater protection of the health of persons, be included in such review. The Administrator is required to publish these findings in the Federal Register, including an explanation of any conclusion of the Administrator that changes in technology, treatment techniques, or other means are not available to permit greater protection of the health of persons than that afforded by the existing regulations.

House amendment.—The House amendment has no such provision.

Conference agreement.—The conference agreement adopts the Senate language with modification to indicate that if the Administrator concludes that a standard should not be revised due to an innovation or change in treatment technology, such conclusion should be based on the judgment that the technology, treatment technique or other means resulting from such innovation or change is not feasible within the meaning of paragraph (4). This Language establishes consistency between the establishment of drinking water regulations based on feasibility as defined in paragraph (4) and the subsequent review and revision of such regulations.

Science Advisory Board

Senate bill.—The Senate bill requires the Administrator to provide the Science Advisory Board an opportunity to comment prior to proposal or during the public comment period on a maximum contaminant level goal and national primary drinking water regulation.

House amendment.—The House bill requires the Administrator to request comments from the Science Advisory Board, prior to proposal of a maximum contaminant level goal and national primary drinking water regulation. The Board is required to respond, as it deems appropriate, within the time period applicable for promulgation of the national primary drinking water standard concerned. This subsection shall not be used to delay final promulgation of any national primary drinking water standard.

Conference agreement.—The conference agreement is to adopt the House language.

SECTION 102—ENFORCEMENT OF REGULATIONS

Senate bill.—The Senate bill amends section 1414 of the Act to: (1) provide the additional authority to the Administrator to take enforcement action against public water systems in violation of any regulation (including monitoring and notification under the Act); (2) require the Administrator either to issue an order or institute a judicial action against a public water system in violation when the delegated State authority does not take appropriate enforcement action within 30 days of notification; (3) increase the maximum civil penalty from $5,000 to $25,000 per day of violation; and (4) eliminate the requirement that a violation of the Act must be willful in order for civil penalties to be assessed.

House amendment.—The House provision is similar to the Senate bill without a change in penalties or the elimination of the requirement that violations of the Act must be willful in order for civil penalties to be assessed.

Conference agreement.—The Conference agreement is to adopt the Senate language.

SECTION 103—PUBLIC NOTIFICATION

Senate bill.—The Senate bill requires the Administrator, within 18 months of enactment, to amend existing regulations requiring public notification for violations of public water system requirements to provide for different types and frequencies of notice based on differences between intermittent or infrequent violations and those that are continuous or frequent, taking into account the seriousness of any potential health effects associated with such violations. Notice of any violation designated as posing a serious potential adverse health effect, including a violation of a maximum contaminant level, shall be given as soon as possible but not later than 14 days after the violation. Notice of continuous violations shall be given no less frequently than every three months. Notice of violations judged to be less serious shall be given no less frequently than annually. Notification of affected persons shall include notification by newspaper and, unless inappropriate, notice by radio, television, and individual mailings.

House amendment.—The House amendment requires the Administrator, within 12 months of enactment, to amend public notification regulations to provide for different types and frequencies of notice. No less frequent notice than annually is permitted. Notice of violation considered continuous or posing a serious potential adverse health effect is required no less frequently than every three months and shall include notice in a newspaper of general circulation.

Conference agreement.—The conference agreement is to adopt the Senate provision with modification. The Senate language requiring specific types of notice is modified to require the Administrator to specify the types of notice to be used to provide information as promptly and effectively as possible, taking into account both the seriousness of any potential adverse health effects and the likelihood of reaching all affected persons. Notification shall include notice by general circulation newspaper serving the area and, whenever appropriate, shall also include a press release to electronic media and individual mailings.

SECTION 104—VARIANCES

Senate bill.—The Senate bill clarifies and modifies the existing authority of EPA or a delegated State authority to grant a variance from national primary drinking water regulations if, because of the raw water quality of reasonably available sources, a system exceeds a MCL after application of best available technology. The Administrator is required to make a finding of what constitutes best available technology for purposes of this section at the time a maximum contaminant level is promulgated. In making such a determination so as to consider conditions at small systems, the Administrator may take into account the number of persons served by the system or other physical conditions related to engineering feasibility and costs of compliance with maximum contaminant levels.

EPA or the delegated State authority is required to establish a schedule for the implementation of any additional control measures and for compliance with the regulation at the time a variance is granted.

House amendment.—The House amendment is the same as the Senate bill with one minor difference in terminology.

Conference agreement.—The Conference agreement adopts the House provision with a technical change to clarify that the Administrator's determination of "best available technology" for purposes of implementing this section is distinct from the Administrator's determination of best available technology for purposes of establishing a maximum contaminant level.

SECTION 105—EXEMPTIONS

Senate bill.—The Senate bill amends Section 1416 of the Act to clarify and modify the conditions under which exemptions from drinking water regulations may be granted. The bill requires that the enforcement authority issuing the exemption establish a compliance and implementation schedule at the time an exemption is granted and that systems currently operating under exemptions from existing regulations must come into compliance within one year of enactment. Exemptions from regulations issued after enactment may be granted by the delegated State authority or EPA for not more than three years if a public water system demonstrates it cannot meet the applicable standard due to specified conditions and that the system is taking all practicable steps to meet the standard. Systems with less than 500 service connections needing financial assistance may receive additional two-year exemptions if they meet specified criteria, including the taking of all practicable steps to meet the standard.

House amendment.—The House amendment differs from the Senate bill only in that it does not require systems, which serve less than 500 service connections, that are applying for additional exemptions to meet specified criteria in addition to taking all practicable steps to meet the standards.

Conference agreement.—The conference agreement is to adopt the Senate language.

SECTION 106—MONITORING FOR UNREGULATED CONTAMINANTS

Senate bill..—The Senate bill requires the Administrator to establish a program of monitoring for unregulated contaminants at all public water systems. Within 18 months after the date of enactment, the Administrator shall promulgate regulations to establish this monitoring program, including the list of contaminants for which public water systems must monitor. Each public water system is to monitor for this list of contaminants within a five-year period. The Administrator's regulations may provide for more frequent monitoring at larger systems or at systems where contamination is more likely to occur.

The delegated State authority is authorized to delete contaminants from the list established by the Administrator for an individual public water system, but only after an assessment which demonstrates to the satisfaction of the Administrator that such deleted contaminants are not likely to be present in the water of that system.

A total of $30 million is authorized for assistance to such systems to assure adequate monitoring of all public water systems for a wide-range of contaminants at least once in the next five years. Systems with less than 150 connections can satisfy the requirements of this section by making a supply sample of their system available for monitoring and analysis by EPA (depending on the Administrator's rules) so as to assure the accurate testing of all such systems.

House amendment.—The House amendment contains a similar provision, except that each system would have to be monitored at least once every five years and States having primacy may also add con-

taminants to the list established by the Administrator.

Conference agreement.—The conference substitute adopts provisions from both the House and Senate bills. Monitoring for unregulated contaminants will be conducted at all public water systems at least once every five years. A delegated State authority may add contaminants to EPA's list, but only if such addition will not increase the cost of the monitoring program to the Federal government. The conference report provides a total of $30 million for assistance to small systems in the authorization section 301(h). No system is to be considered exempt from this program either because of its size or because of the lack of appropriations for this section.

SECTION 107—TECHNICAL ASSISTANCE FOR SMALL SYSTEMS

Senate bill.—The Senate bill authorizes the Administrator to provide technical assistance to small public water systems to enable such systems to achieve and maintain compliance with national drinking water regulations. Such assistance may include "circuit rider" programs, training and preliminary engineering studies. Ten million dollars per year for each of fiscal years 1987 through 1991 are authorized to be appropriated to implement this section. At least 5 per cent of these funds shall be used for such technical assistance to public water system owned or operated by Indian tribes.

House amendment.—The House amendment contains a similar provision without a set-aside of technical assistance funds for use by Indian tribes.

Conference agreement.—The conference agreement adopts the House language with modification to authorize at least 3 percent of technical assistance funds, provided in section 301(g), for public water systems owned or operated by Indian tribes but in no case less than $280,000 dollars per year.

SECTION 108—TAMPERING WITH PUBLIC WATER SYSTEMS

Senate bill.—The Senate bill provides for penalties for persons who attempt or threaten to tamper or actually tamper with a public water system. It provides EPA the authority to bring a civil action in United States district court against any such person. The court may impose a civil penalty of not more than $50,000 for tampering or not more than $20,000 for an attempt or threat to tamper. Criminal penalties consist of a fine of not more than $50,000 or imprisonment for not more than 5 years, or both, for tampering and a fine of not more than $20,000 or imprisonment for not more than 3 years, or both, for attempted or threatened tampering.

House amendment.—The House amendment contains the same provision.

Conference agreement.—The conference agreement is to adopt the language in both bills and to recognize applicable provisions of the United States Code.

SECTION 109—LEAD-FREE DRINKING WATER

Conference agreement.—The conference agreement adopts a provision similar to that passed with the Superfund bill with both technical and minor substantive changes. The purpose of the amendment is to eliminate the future use of lead in water supply distribution systems and to notify persons that may be at risk from lead in existing systems. The amendment establishes a Federal prohibition on the use of lead (defined as solders and flux containing more than 0.2 percent lead, and pipes and pipe fittings containing more than 8.0 percent lead) in any pipe, solder, or flux, which is used after the date of enactment in the installation or repair of any public water system or any plumbing in a residential or non-residential facility, providing water for human consumption, which is connected to a public water system.

The lead use prohibition is effective immediately. Because enforcement will require States to modify their State or local plumbing codes or apply other means, a period of 24 months is provided before States are required to enforce the prohibition.

If the Administrator determines that a State is not enforcing the prohibition, the Administrator may withhold up to 5 percent of Federal funds available to that State under section 1443(a) of the Act. The bill also provides that the Secretary of Housing and Urban Development and the Administrator of Veteran's Affairs may not insure or guarantee a mortgage or furnish assistance, with respect to newly constructed residential property, which contains a portable water system, unless it uses only lead-free pipe, solder, and flux. The bill also amends the Federal Hazardous Substances Act to require a warning on any lead solder in excess of 0.2 percent lead.

The bill requires the Administrator to promulgate regulations to require public water systems to identify and provide notice to persons that may be affected by lead contamination of their drinking water because of lead content in the construction materials of the public distribution system or because of corrosivity of the water supply sufficient to cause leaching of lead. Notice to such persons is to include specified types of information including a statement of the generic adverse effects of lead on human health as provided in EPA regulations.

TITLE II—PROTECTION OF UNDERGROUND SOURCES OF DRINKING WATER

SECTION 201—RESTRICTIONS ON UNDERGROUND INJECTION OF HAZARDOUS WASTE AND REGULATION OF STATE PROGRAMS

Senate bill.—The Senate bill contains provisions: (1) to clarify the applicabiliy of existing limits on Federal regulation of the underground injection of brine which is brought to the surface from natural gas storage operations; (2) to require the Administrator to revise underground injection control (UIC) regulations, within 18 months of enactment, to require ground water monitoring of Class I injection wells in such a way as to provide the earliest possible detection of fluid migration into or in the direction of drinking water unless the Administrator or delegated State authority concludes it is not necessary because no potential exists for migration from the injection zone; (3) to require the Administrator to submit a report to Congress, no later than September 1987, providing information on the numbers and categories of Class V wells, the primary contamination problems associated with these wells, and recommendations for minimum design, construction, installation, and siting requirements; and (4) to clarify the application of enforcement authorities, available under the Solid Waste Disposal Act, to enforcement of the Class IV ban enacted under that Act.

House amendment.—The House amendment contains provisions: (1) to enact a ban on all Class IV wells, (as defined currently in 40 CFR Section 144.6(d)) effective 6 months after enactment; (2) to require the Administrator, within 18 months of enactment, to revise regulations to require monitoring of underground injection wells in such a manner and in such locations as deemed appropriate by the Administrator so as to provide the earliest possible detection of fluid migration into or in the direction of an undergound source of drinking water; and (3) to require the Administrator to conduct an inventory of all wells which inject hazardous waste.

Conference agreement.—The Conference agreement adopts the Senate provision with modification of the ground water monitoring language to require the Administrator to modify regulations issued under this Act for Class I injection wells (as defined in accordance with 40 CFR 146.05 as of November 1, 1985), within 18 months of enactment, to identify monitoring methods in addition to those in effect on November 1, 1985, including ground water monitoring. In accordance with these regulations, the Administrator or delegated State authority shall determine the applicability of such monitoring methods, wherever appropriate, at locations and in such a manner as to provide the earliest possible detection of fluid migration into, or in the direction of; underground sources of drinking water from such wells based on its assessment of the potential for fluid migration from the injection zone that may be harmful to human health or the environment.

SECTION 202—ENFORCEMENT

Senate bill.—The Senate bill amends section 1423 of the Act, which deals with enforcement of underground injection control program requirements. The changes include: (1) streamlining EPA enforcement procedures in States that have primary enforcement responsibility; (2) requiring the Administrator to take enforcement action whenever a violation is found and a State has not commenced appropriate action; (3) raising maximum civil and criminal monetary penalties from $5,000 and $10,000 to $25,000, respectively, per day of violation, and adding authority to seek prison terms for criminal violations; (4) providing for imposition of penalties beginning on the first day that notice of violation is given to a violator, rather than waiting 60 days after notice as provided, as in existing law; and (5) providing for administrative orders to require compliance with or to assess civil penalties of up to $125,000 for violations of the underground injection control program requirements of both.

House amendment.—The House amendment amends section 1423 of the Act: (1) to require the Administrator to take enforcement action whenever a violation is found and a State has not commenced appropriate action; (2) to increase civil penalties from $5,000 to $25,000 per day of violation; and (3) to provide the Administrator authority to assess civil penalties that do not exceed $5,000 per day per violation.

Conference agreement.—The conference agreement adopts the Senate provision with the deletion of the requirement that the Administrator set aside an order to an injection well operator and provide a hearing if, within 30 days of issuance of such order, evidence is presented by a citizen that such order was inadequate or improper.

SECTION 203—SOLE SOURCE AQUIFER DEMONSTRATION PROGRAM

Senate bill.—The Senate bill establishes administrative procedures for the development, implementation, and assessment of demonstration programs designed to protect ground water resources within designated sole source aquifer areas.

The Administrator is required, within 16 months of enactment, to establish criteria

for identifying "critical aquifer protection areas" within sole source aquifer areas designated under Section 1424(e) of the Act by date of enactment.

Any government or any planning entity that identifies a "critical aquifer protection area" over which it has authority or jurisdiction may apply to the Administrator for the selection of such area for a demonstration program.

The provision establishes specific elements that are to be included in such application. The Administrator must approve or disapprove the application within 120 days of receipt. Upon approval of an application, the Administrator may enter into a cooperative agreement with the applicant to establish a demonstration program and may provide, on a matching basis, a grant of 50 per cent of the costs of developing and implementing the plan.

An annual authorization of $20,000,000 is provided for grants for fiscal years 1987-1990. The total amount of grants for any designated sole source aquifer in a fiscal year shall not exceed $4,000,000.

Each State participating in the program is required to submit a report to the Administrator no later than December 31, 1989, assessing the impact of the program. No later than September 30, 1990, the Administrator is required to submit a report to Congress summarizing State reports and assessing the accomplishments of the sole source aquifer demonstration program.

House amendment.—The House amendment establishes procedures for the development and implementation of a protection program for any aquifer designated as a sole or principal source aquifer under section 1424(e) of the Act. Upon designation of a sole or principal source aquifer, any municipality within the area may initiate proceedings for the designation of a "special protection area" within such area by petitioning the Governor to apply to the Administrator for such designation. A petition must contain hydrogeologic and other information specified in the provision.

If the Administrator approves the petition, the Administrator is authorized to provide to the State, on a matching basis, a grant of 50 percent of the costs incurred in preparing the petition and developing the plan. After such approval, the planning entity is directed to prepare a comprehensive management plan for the special protection area. Plans are required to include thirteen elements specified in the House bill. The Administrator is authorized to provide to the State a matching grant of 50 percent of the costs of implementing the plan (60 percent in the case of an aquifer serving a population of 10,000 or less).

The amendment also prohibits the disposal of solid waste over the unconsolidated Quarternary aquifer in the Rockaway River Basin, New Jersey, currently designated as a sole or principal source aquifer under section 1424(e) of the Act, or the recharge zone of streamflow source zone of that aquifer.

Conference agreement.—The Conference agreement adopts a provision combining the House and Senate language with modifications.

The provision establishes procedures for the development, implementation, and assessment of demonstration programs designed to protect critical aquifer protection areas located within areas designated as sole or principal source aquifers under section 1424(3) of the Act. A critical aquifer protection area is defined as: (1) all or part of an area located within an area for which an application or designation as a sole or principal source aquifer (pursuant to section 1424(e)) has been submitted and approved by the Administrator not later than 24 months after the date of enactment and which satisfies the criteria established by the Adminstrator; and (2) all or part of an area which is within an aquifer designated as a sole source aquifer, as of the date of enactment of these amendments, and for which an areawide ground water quality protection plan has been approved under section 208 of the Clean Water Act prior to such enactment.

Any State, municipal or local government or political subdivision thereof or any planning entity that identifies a critical aquifer protection area over which it has authority or jurisdiction may apply to the Administrator for the selection of such area for a demonstration program. Applicants, other than the Governor, shall submit an application jointly with the Governor.

The Administrator is required to establish criteria, not later than one year from the date of enactment, for identifying "critical aquifer protection areas." In establishing such criteria, the Administrator shall consider a number of specified hydrogeologic, economic, social and environmental factors.

An application submitted to the Administrator by any applicant is required to: (1) propose boundaries for the critical aquifer protection area within its jurisdiction; (2) to designate a planning entity to develop a comprehensive management plan for the critical protection area; (3) establish procedures for public participation; (4) include a hydrogeologic assessment of surface and ground water resources within the critical protection area; (5) include a comprehensive management plan for the proposed protection area; and (6) include the measures and schedule proposed for implementation of such plan.

The provision specifies elements to be included in a protection plan, the objective of which should be to maintain the quality of the ground water in the critical protection area in a manner reasonably expected to protect human health, the environment and ground water resources. There are a number of additional elements specified that states may choose to include in a plan to meet this objective.

Within 120 days after receipt of an application under this section, the Administrator must approve or disapprove the application based on a determination that the critical protection area satisfies the established criteria and that a demonstration program for the area would provide protection for ground water quality consistent with the stated objectives.

Upon approval of an application, the Administrator may enter into a cooperative agreement with the applicant to establish a demonstration program and provide to the applicant, on a matching basis, a grant of 50 per cent of the costs of implementing the plan. The Administrator may also reimburse the applicant of an approved plan up to 50 per cent of the costs of developing a plan, except for plans approved under section 208 of the Clean Water Act. The total amount of grants under this section for any one aquifer, designated under section 1424(e), shall not exceed $4,000,000 in any one fiscal year.

No funds authorized under this subsection may be used to fund activities funded under other sections of this Act or the Clean Water Act, the Solid Waste Disposal Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 or other Federal environmental statutes.

States are required, not later than December 31, 1989, to submit to the Administrator a report assessing the impact of the program on ground water quality and identifying those measures found to be effective in protecting ground water resources. No later than September 30, 1990, the Administrator is required to submit to Congress a report summarizing the State reports, and assessing the accomplishments of the sole source aquifer demonstration program.

The provision establishes that nothing under this section is to be construed to amend, supersede or abrogate rights to quantities of water which have been established by interstate water compacts, Supreme Court decress, or State water laws; or any requirement imposed or right provided under any Federal or State environmental or public health statute.

* * * * *

SECTION 204—EMERGENCY POWERS

Senate bill.—The Senate bill has no provision.

House amendment.—The House amendment provides that if the Administrator or the delegated State enforcement authority determines that any person has caused or contributed to the presence of any contaminant that may adversely effect the health of persons in any sole or principal source aquifer (designated under section 1424(e)), which supplies or can be expected to supply a public water system, then either authority may issue an order requiring such persons to provide adequate supplies of potable drinking water to the persons served by the public water system. Provisions for judicial review of such orders and civil penalties are also established.

Conference agreement.—The conference agreement changes the House language to clarify the Administrator's existing authority to take such action as deemed necessary upon receipt of information that a contaminant, which is present in or is likely to enter a public water system or underground source of drinking water, may present an imminent substantial endangerment to the health of persons and that appropriate State and local action have not been taken. Such action may include orders requiring the provision of alternative water supplies by persons who caused or contributed to the endangerment.

SECTION 205—STATE PROGRAMS TO ESTABLISH WELLHEAD PROTECTION AREAS

Senate bill.— The Senate bill has no provision.

House amendment.—The House bill requires States to submit to the Administrator a comprehensive plan to protect current and potential sources of drinking water within three years of the date of enactment.

Each plan must: (1) specify the agency responsible for implementing the plan; (2) identify each underground source of drinking water in the State and describe the characteristics of each source; (3) describe the location and types of human development which affect each source; (4) set out the regulations and other measures (including best management practices) for activities that may contaminate sources; and (5) guarantee or provide for an alternative drinking water supply when an underground drinking water source is contaminated.

Each State is to make every reasonable effort to implement the State plan under

this section within two years of its adoption. Within two years after the approval of each State plan under this section, each State is to submit to the Administrator a status report describing the State's progress in implementing the plan.

A State that has not complied with the requirements of this section may not receive assistance for its underground injection control program established under the Act.

Conference agreement.—In a new Section 205, the conference modifies the House provision and requires each State to submit a program within three years to protect wellhead areas within its jurisdiction from contaminants that may have any adverse effect on the health of persons. The purpose of such programs is to protect underground drinking water supplies from such contamination.

Each program must: (1) specify the duties of State and local agencies and public water systems with respect to the development and implementation of programs; (2) determine the wellhead projection area based on all reasonably available hydrogeologic information on flow, recharge and discharge and other information the State deems necessary to adequately determine the area; (3) identify within each protection area all potential anthropogenic sources of contaminants which may have any adverse effect on the health of persons; (4) describe a program that contains, as appropriate, technical or financial assistance, implementation of control measures, education, training and demonstration projects to protect the water supply within wellhead protection areas; (5) include contingency plans for locating and providing alternate drinking water supplies in the event of contamination of a water supply; and (6) require consideration of all potential anthropogenic sources of contaminants within the expected wellhead area of a new water well.

A wellhead protection area is defined as the surface or subsurface area, surrounding a water well or wellfield supplying a public water system, through which contaminants are likely to move toward and reach the well or wellfield. The State is to determine the extent of the wellhead protection area so as to provide protection from contaminants that may have any adverse effect on the health of persons.

Within one year of enactment, the Administrator is to provide technical guidance that the States may use to determine the protection area. The guidance is to reflect factors affecting the likelihood of contaminants reaching the well or wellfield.

Each State has the responsibility for defining the wellhead protection areas within that State as required by the definition in this section. This section does not, however, limit the existing authority of States to manage, regulate, protect, or identify groundwater resources. A State may, in its discretion, identify areas of significant recharge not contiguous to a well or wellfield in defining a wellhead protection area under this section.

With respect to identification of sources of contamination within the protection area, the term "anthropogenic sources" means those sources resulting directly or indirectly from human activities. Therefore, State inventories of potential sources of contamination should include those sources that are man-made and contribute primarily man-made contaminants and those sources created by human activities that result in the concentration and movement of naturally-occurring contaminants in or toward a well. Specifically, however, the mere drawing down of water in a well should not be considered an "anthropogenic source".

Each State has the responsibility of determining how best to describe a program to protect the water supply within each protection area in the State. The provision is structured to afford State maximum flexibility in formulating a protection strategy. A State is not required to develop a regulatory program unless it chooses to do so; a program incorporating one or more of the following elements—technical and financial assistance, education and training, and demonstration projects—could be determined by a State to achieve the required protection.

States can be expected to take a wide variety of approaches to protection of wellhead areas within their jurisdiction, and it is conceivable that each State could develop its own unique approach. Protection strategies may also vary for different protection areas within one State. The amendment recognizes that States are best able to assess specific problems within their jurisdictions, and to develop and implement necessary protection measures. As a result, no groundwater classification assigned by the Administrator is to lessen the level of protection assigned to an aquifer by the State in a wellhead protection area.

The Administrator is granted authority to disapprove a State's program if it does not include one or more of the required enumerated elements and is, therefore, not adequate to protect public water systems as required by this section. If after nine months, the Administrator has not disapproved a program, it will be deemed to be approved.

Because of the important State role in protecting groundwater, the Administrator's disapproval authority should be used judiciously. In the event a program is disapproved, the Administrator must submit to the Governor a written statement of the reasons for disapproval, and the State must modify and resubmit the program within six months.

The penalty for failure of a State to have an approved program is that the State will not be eligible for Federal funds to implement the program, beginning three years after enactment. This is the only penalty for failure to develop an adequate plan.

Federal agencies having jurisdiction over any potential source of contaminants identified by a State program must comply with all applicable requirements of the State program, including payment of reasonable charges and fees, in the same manner and to the same extent as any other person. The President may exempt individual sources after determining it to be in the paramount interest of the United States to do so, but no exemption can be made because of a lack of funds unless the President requested adequate funds and Congress failed to appropriate them. This provision is not intended to modify or alter obligations and responsibilities under other Federal or State laws. Moreover, it cannot operate to waive or limit more stringent requirements established under such other laws.

An additional requirement of this section applies to any State in which there are more than 2500 active wells at which annular injection of brines associated with oil or gas production, is used as of January 1, 1986. Any such State must include in its program a certification to the Administrator that a State program exists and is being adequately enforced that provides protection from contaminants which may have any adverse effect on the health of persons and which are associated with the annular injection or surface disposal of brines associated with oil and gas production. The Administrator's review under this provision is to assure that the required certification is submitted by the State and to assure, on the basis of existing information reasonably available to him, that the program is adequately enforced. Such review should be limited to the question of certification and enforcement and will not affect separate determinations under this Act, such as the granting of primacy to a State under the UIC program. Brine presents the most significant problem in the State of Ohio, which has older oil and gas-producing wells. As the product depletes, brine makes up a higher proportion of the fluid pumped and so creates a more pressing disposal problem. This provision, therefore, is particularly aimed at Ohio, which has proven to be remiss in its enforcement of brine-related problems.

The conference substitute clarifies that nothing in this Act authorizes or requires activity by any government entity which would alter existing water rights or priorities. While not authorizing or requiring any such government activity, neither does it limit the existing authority of States to manage, regulate, protect, or identify groundwater resources within their jurisdiction.

In order to assure that the monies authorized to be appropriated under this section are directed toward making state groundwater protection efforts as effective as possible, the conference substitute states that such funds cannot be used to support activities under other Federal Acts or other sections of this Act.

TITLE III—GENERAL PROVISIONS

SECTION 301—AUTHORIZATION OF APPROPRIATIONS

Senate bill.—The Senate bill authorizes appropriations of funds to carry out the responsibilities under the Safe Drinking Water Act during fiscal years 1986, 1987, 1988, 1989, and 1990.

House amendment.—The House amendment authorizes the appropriation of funds to carry out the responsibilities under the Safe Drinking Water Act during fiscal years 1986, 1987, 1988, and 1989.

Conference agreement.—The Conference agreement on authorization of appropriations for fiscal years 1987 through 1991 is set forth in the following table:

AUTHORIZATION LEVELS

[In millions of dollars]

Program	1987	1988	1989	1990	1991
Emergency grants (S. 1442(a)(2)(B))	7.65	7.65	8.02	8.02	8.02
Administration (S. 1442(f))	35.6	35.6	38.02	38.02	38.02
Technical assistance (S. 1442(g))	10.0	10.0	10.0	10.0	10.0
State program grants (S. 1443(a)(7))	37.2	37.2	40.15	40.15	40.15
UIC Program (S. 1443(b)(5))	19.7	19.7	20.85	20.85	20.85
Wellhead protection	20.0	20.0	35.0	35.0	35.0
Monitoring	30.0				
Sole source aquifer	10.0	15.0	17.5	17.5	17.5
Total	170.15	145.15	169.54	169.54	169.54

SECTION 302—INDIAN TRIBES

Senate bill.—The Senate bill adds a comprehensive definition of "Indian tribal organization", and permits the Administrator to make special provision for the treatment of

Indian tribes under the Act, including, if appropriate, the treatment of Indian tribes as States for the purposes of the Act and a reduction of the non-Federal share pursuant to section 1443 of the Act (grants for State programs). It also requires EPA to conduct a survey of drinking water problems on Indian reservations.

House amendment.—The House amendment adds a definition of Indian tribes, authorizes the Administrator to make special provision for the treatment of Indian tribes as States under this Act, and requires EPA to inventory the program needs of Indian tribes under the Safe Drinking Water Act.

Conference agreement.—The conference agreement adopts the House amendment as modified to replace the House's inventory language with the Senate's survey language.

SECTION 303—JUDICIAL REVIEW

Senate bill.—The Senate bill revises the provisions of section 1448(a) governing judicial review of Agency actions under the Safe Drinking Water Act.

It provides that an application for review of regulations issued under the Act may be filed in the U.S. Circuit Court for the District of Columbia or in the U.S. Court of Appeals for a circuit in which the applicant resides or transacts business which is directly affected by such regulation. Such petition must be filed within one hundred and twenty days after such regulation is promulgated. A random selection procedure is established for the filing of such petitions.

House amendment.—No similar provision.

Conference agreement.—The conference agreement modifies the Senate provision to require petitions for review of actions pertaining to the establishment of national primary drinking water regulations (including maximum contaminant level goals) to be filed only in the U.S. Court of Appeals for the District of Columbia. Petitions for review of other actions under this Act may be filed in the circuit in which the petitioner resides or transacts business which is directly affected by the action. No change is made in the petition filing procedures under the Act.

SECTION 304—MISCELLANEOUS PROVISIONS

Comparative health effects

Senate bill.—The Senate bill has no provision.

House amendment.—The House amendment requires the Administrator of the EPA to conduct a comparative health effects assessment, using available data, to compare the relative effects on public health associated with water treatment chemicals and their byproducts to the effects on public health associated with contaminants found in public water supplies. The Administrator is required to submit a report to Congress, within 18 months of the date of enactment, on the findings of the assessment.

Conference agreement.—The Conference agreement is to modify the House language to require the Administrator to compare the public health effects (both positive and negative) associated with water treatment chemicals and their byproducts to the public health effects associated with contaminants found in public water supplies.

TABLE OF SECTIONS OF SAFE DRINKING WATER ACT AFFECTED BY THE SAFE DRINKING WATER ACT AMENDMENTS OF 1986

Act	Conference report
Part A:	
1401 new (14)	302(b)
1401 (10)	302(b)
Part B:	
1412(a)	101(a)
1412(b)(1)(2)(3)(4)(5)(6)(7)(8)	101(b)
1412(b)(4)(5)(6)(9)(10)(11)	101(c)
1412(b)(9.)	101(d)
1412(e)	101(e)
1413(a)(1)	101(c)
1414(a)(1)(A)	102(a)
1414(a)(1)(B)	102(b)
1414(a)(2)	102(b)
1414(b)	102(c)
1414(c)	103
1414 new (g)	102(d)
1415(a)(1)(A)	104
1416(b)	105(a)
New 1417	109
Part C:	
1421(b)(2)(A)	201(a)
1420(e)	101(c)(4)
1422(c)(1)	201(a)
1422 new (e)	302(c)
1423	202
1425(a)(1)	201(a)
New 1426	201(b)
New 1427(a)–(m)	203
New 1427(n)	301(f)
New 1428	205
New 1428(k)	301(e)
Part D:	
1431	204
1432	108
Part E:	
1441(f)	301(d)
1442(e) Repeal	304
1442(f) new sentence	301(a)
New 1442(g)	107, 301(g)
1443(a)(2) new sentence	302(d)
1443(a)(7) new sentence	301(b)
1443(b)(2) new sentence	302(d)(2)
1443(b)(5) new sentence	301(c)
1444(d)	101(c)(3)
1445(a)	106(a)(b)
1445(a) new (2)–(7)	106
1445(a) new (8)	301(h)
1445(c)	106(c)
1448(a)	303
New 1451	302

JOHN D. DINGELL,
HENRY A. WAXMAN,
JAMES H. SCHEUER,
JAMES T. BROYHILL,
EDWARD MADIGAN,
Managers on the Part of the House.
ROBERT T. STAFFORD,
DAVE DURENBERGER,
AL SIMPSON,
LLOYD BENTSEN,
MAX BAUCUS,
Managers on the Part of the Senate.

REQUEST FOR PERMISSION FOR COMMITTEE ON ENERGY AND COMMERCE TO FILE REPORT ON H.R. 4055, PROTECTION AND ADVOCACY FOR MENTALLY ILL INDIVIDUALS ACT OF 1985

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that the Committee on Energy and Commerce have until midnight tonight to file the committee report on H.R. 4055, the Protection and Advocacy for Mentally Ill Individuals Act of 1985.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. BROOMFIELD. Mr. Speaker, reserving the right to object, I do so to ask the gentleman whether or not this has been cleared by the minority.

Mr. WAXMAN. Mr. Speaker, if the gentleman will yield, I do not know whether it has or not. We are expecting the report in another few minutes, and I thought that I would have it by the time I had entered the conference report. I do not see why they would have any objection.

Mr. BROOMFIELD. Mr. Speaker, we would like to make a phone call, and I temporarily reserve the right to object.

Mr. WAXMAN. Let me withdraw my request then, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from California [Mr. WAXMAN] withdraws his request.

EXPRESSING GRATITUDE OF THE AMERICAN PEOPLE FOR ASSISTANCE PROVIDED BY THE UNITED KINGDOM DURING ACTION AGAINST LIBYA

Mr. HAMILTON. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 424) to express the gratitude of the American people for the assistance provided by the Government and people of the United Kingdom during defensive operations carried out against Libya on April 14, 1986.

The Clerk read as follows:

H. RES. 424

Whereas the rising tide of state-sponsored international terrorism constitutes a direct threat to the security of the United States and its European allies;

Whereas American and European civilians and military personnel have recently been victims of terrorist acts directed by the Government of Libya;

Whereas the Government of the United States possessed incontrovertible evidence that further Libyan-planned and supported terrorist acts against American nationals and installations were imminent;

Whereas article 51 of the United Nations Charter unequivocally sanctions the use of military force in self-defense, collectively as well as by individual members;

Whereas on April 14, 1986, naval and air forces of the United States conducted defensive operations against Libyan military bases and terrorist training facilities in order to prevent those imminent terrorist attacks;

Whereas the Government of the United States sought the permission of the Government of the United Kingdom to allow United States Air Force F-111 bombers stationed in Great Britain to participate in those defensive operations;

Whereas the Prime Minister of the United Kingdom granted that permission;

Whereas the use of the F-111 bombers substantially reduced the risk to American servicemen and significantly contributed to the success of their mission; and

Whereas such exemplary cooperation as that extended by the Government of the United Kingdom in this instance is necessary to effectively combat terrorism: Now, therefore, be it

Resolved, That the House of Representatives—

(1) on behalf of the people of the United States expresses gratitude to the Government and people of the United Kingdom who resolutely assisted the United States in the legitimate exercise of self-defense and the fight against state-sponsored international terrorism; and

(2) directs the Clerk of the House to transmit a copy of this resolution to the United Kingdom's Ambassador to the United States.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Indiana [Mr. HAMILTON] will be recognized for 20 minutes and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Indiana [Mr. HAMILTON].

Mr. HAMILTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Resolution 424, expressing the gratitude of the American people for the assistance provided by the Government and people of the United Kingdom during the defensive operations carried out against Libya on April 14, 1986. The resolution was introduced on April 17, by Mr. SKELTON of Missouri and Mr. ROWLAND of Connecticut with 230 current cosponsors.

This resolution simply states that the House of Representatives, on behalf of the people of the United States, expresses gratitude to the Government and the people of the United Kingdom who resolutely assisted the United States in the legitimate exercise of self-defense and in the fight against state-sponsored international terrorism. The resolution also directs the Clerk of the House to transmit a copy of the resolution to the United Kingdom's Ambassador to the United States.

I believe that the resolution itself is self-explanatory and appropriate and I urge its adoption.

Mr. Speaker, I yield such time as he may consume to the chief sponsor of the amendment, the gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Speaker, I thank the gentleman from Indiana [Mr. HAMILTON] for his work and presentation today. As sponsor of this resolution, I wish to commend and thank the gentleman from Connecticut [Mr. ROWLAND] for his chief cosponsorship, and also to thank the some 245 other cosponsors that we have. Mr. ROWLAND's participation and work has truly made this a bipartisan effort.

The resolution before us expresses the gratitude of this body to the Government of the United Kingdom and the people of the United Kingdom for the assistance they provided to us during our defensive operations against Libya on April 14 of this year. Specifically, Prime Minister Thatcher responded affirmatively to the President's request that U.S. Air Force F-111 bombers stationed in Great Britain be allowed to participate in the raid against Libyan military and terrorist-training installations which served as bases for escalating attacks against American civilians and military personnel throughout Europe. This courageous decision enabled the use of high-technology weapons which, while contributing significantly to the success of the mission, reduced both the possibility of unintended civilian casualties and the risk to our pilots.

It is apparent that Mrs. Thatcher made her decision to allow the F-111's to be used against Libya with the knowledge that her action would spark intense domestic debate. That all of Mrs. Thatcher's countrymen do not agree with her decision is not surprising; it is to be expected that many would come forward and say that the United Kingdom should not become involved in America's battles. Mr. Speaker, after all, in 1940, 38 percent of the American public did not support President Franklin Roosevelt's Lend-Lease Act, even though it was clear that the United States ultimately would be the victim of Hitler's aggression if this Nation failed to provide the United Kingdom with the means to defend herself at that time.

But the struggle against terrorism currently being waged by this Nation no more involves solely American interests than the Battle of Britain of 1939 and 1940 involved solely British interests. The economies of the free nations of the world depend upon international commerce, and the interchange of people and ideas benefits all mankind. Thus, we cannot allow ourselves to be cowed into withdrawing into our own borders by the cowardly acts of state-sponsored terrorists.

At the same time, we do not undertake the use of force lightly. We naturally regret that any Libyan civilian casualties at all resulted from the April 14 operation, however they may have occurred. But the fact remains that the proximate cause of those casualties was the constant scheming by Colonel Qadhafi against innocent American lives.

The American people, Mr. Speaker, want to live in peace. Unlike Colonel Qadhafi, we do not call upon our friends to murder the children of our adversaries in front of their parents. Nonetheless, our adversaries must know that we have both the means and the will to do whatever it takes to prevent the slaughter of our own people wherever they may be found, either here or abroad.

The most effective way to deal with the epidemic of international terrorism, Mr. Speaker, is concerted action between the United States and its allies. By standing by us on April 14, the Government of the United Kingdom helped make the world more dangerous for terrorists and the sponsors of international terrorism. By standing by us, the Government of the United Kingdom made the world safer for the rest of us. For this, Mr. Speaker, the Government and the people of the United Kingdom have the profound gratitude of the Members of this body and of the American people.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

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Mr. Speaker, I rise in support of House Resolution 424. At the outset I want to pay tribute to the gentleman from Missouri, Mr. IKE SKELTON and the gentleman from Connecticut, Mr. ROWLAND, the principal sponsors of this legislation.

Mr. Speaker, I rise in support of the resolution before us which gives thanks to the Government and people of the United Kingdom for their assistance during the recent antiterrorist operations against Libya.

We all know that state-sponsored terrorism is an international problem which requires an international solution. The administration has been encouraging our allies to work with our Government in a cooperative spirit. When called upon to render assistance, the United Kingdom answered America's call for help.

While some of our allies talked a lot about the need to face up to Colonel Qadhafi, the British Prime Minister bit the bullet. Margaret Thatcher stood shoulder to shoulder with our President when push came to shove. Her government allowed United States bombers stationed in Britain to participate in those defensive operations against Libya.

I commend Margaret Thatcher and the British people for their determination in facing up to the Libyan menace. The battle against terrorism will not be won by faint hearts. Victory will go to those who refuse to be intimidated by that modern-day Barbary pirate. Mrs. Thatcher made a tough and brave decision.

This resolution commends her and the British people for their resolve.

I urge my colleagues to join me in supporting this resolution.

Mr. Speaker, I yield as much time as he may consume to the gentleman from Connecticut [Mr. ROWLAND], the principal sponsor of this resolution.

Mr. ROWLAND of Connecticut. Mr. Speaker, first I would like to thank the ranking member of the Foreign Affairs Committee for yielding this time and a special thanks to my friend, the gentleman from Missouri, Mr. IKE SKELTON, who worked in a truly bipartisan fashion to bring this resolution to the House and within 3

days of our sponsorship we had well over 230 cosponsors.

Mr. Speaker, the issue before Congress today is much greater than one resolution, one debate, or even one vote. Words, resolutions, and votes do not measure courage. They merely record it. No action we take in this body today, however noble, however eloquent, can equal the nobility and eloquence of Mrs. Thatcher on April 14, 1986. The Iron Lady of Britain cast a tall light across all of Europe and all of history.

It is our proud duty today to record that history. That is the simple purpose of this resolution. The praise we bestow must be more than empty words. It must be a lesson for every new generation of children who march to the drum beat of democracy or to the stench of dictatorship. Each succeeding generation must learn over and over again that compassion does not mean surrender, that freedom sometimes requires sacrifice and that no decent nation, and ours above all others, wants to use force; but our reluctance to use force cannot be an absolute in the face of tyranny. Our duty to defend our citizens must come first today, tomorrow, and forever.

Courage comes in many forms. Each of us sees examples of courage everyday in our districts; but these examples carry one thing in common—the brave person acts without knowledge or guarantees of success. When Mrs. Thatcher permitted our F-111's to leave Britain, she could not have known the outcome; but she did know the cost: Criticism from her opponents, terrorist strikes against her countrymen, condemnation by her neighbors. Many of those were excuses to say no. A lesser leader would have said no, but the Iron Lady said "Yes."

Fortunately for all of us, our President and his dependable friend, Margaret Thatcher, did not forget the price of appeasement. Their courage towered miles above others. If there is any doubt that the President and the Prime Minister did the right thing, that doubt is removed by the actions of other European nations since the defensive strike. Every day we have read reports of Libyans expelled from these nations as new terrorist plots are uncovered. In hindsight, Mrs. Thatcher's neighbors are taking action, but she acted with foresight and for that we praise her today.

Mr. Speaker, the action we are about to take today, approving a resolution of America's gratitude for the assistance provided by the Government and the people of Great Britain, has special significance as the Tokyo summit continues. As Mr. Reagan concludes his talks with our allies, Congress has the special opportunity to join the President's freedom journey. Our favorable action on this resolution today will send an unmistakable signal to the summit nations that this great body stands squarely behind our President and stands squarely behind Margaret Thatcher.

As the legislative body representing the will of the American people, we must not delay action on this resolution any longer. Our constituents and the American people demand no less.

I am reminded particularly of the words of one of my neighbors in my hometown when I told him of the offer of the resolution by the gentleman from Missouri [Mr. SKELTON] and myself. His reaction was right to the point. He said, "It's about time."

Mr. SKELTON. Mr. Speaker, will the gentleman yield?

Mr. ROWLAND of Connecticut. I am happy to yield.

Mr. SKELTON. Mr. Speaker, I again wish to commend the gentleman from Connecticut for the excellent work that he did in helping us getting the now 245 cosponsors that we have. This is a bipartisan effort and it does truly reflect I know from my district as well as from the remarks of the gentleman from Connecticut and others and the fact that this is a true reflection of the American people, that of gratitude to the Government and the people of the United Kingdom. We do appreciate their excellent efforts on our behalf.

Mr. ROWLAND of Connecticut. Mr. Speaker, I thank the gentleman.

Mr. BROOMFIELD. Mr. Speaker, I yield back the balance of my time.

Mr. HAMILTON. Mr. Speaker, I yield such time as he may consume to the gentleman from Washington [Mr. LOWRY].

Mr. LOWRY of Washington. Mr. Speaker, I thank the gentleman for yielding.

I have a couple of problems with this resolution as I heard it described, certainly not a problem in commending and thanking our friends in Great Britain and recognizing our relationship with them, but there are a couple of words in this resolution that if it comes to a recorded vote I am going to have to vote against, the words "defensive action."

We are carrying this a little far to say that a night strike against a populated area is a defensive action.

Antiterrorism? I am very fearful that we are going to see much more terrorism as a result of this and many more tragedies as a result of this action than we are going to see real action on terrorism.

I am concerned about how fast we as a body always run to jump on the big move.

I just cannot understand how Qadhafi is going to be an easier person to work with after his 15-month-old adopted daughter is killed by a U.S. air raid, and try to bring some rationality into this. I will be darned if I can understand that.

Now, every one of us is really against this terrible problem. I think every one of us is very concerned about what a problem Colonel Qadhafi is, but a night air raid on the people of Libya is not exactly what I consider a grand moment for the American people.

So I wish there were a couple of words out of this resolution, because they are just words that I do not think are correct; so like everybody else, I appreciate our friendship with Britain, but I hope that we will be responsible in our addressing this terrible problem in the world.

I thank the gentleman for giving me this time.

Mr. GILMAN. Mr. Speaker, I rise in support of House Resolution 424, which I have cosponsored, and which was introduced by the gentleman from Missouri [Mr. SKELTON] and the gentleman from Connecticut [Mr. ROWLAND] following the United States raid on Libya. It expresses the gratitude of the American people for Britain's assistance to our Government with respect to that raid.

Mr. Speaker, we did not have to have the use of British bases in our raid on Libya. We could have carried on the entire raid with our carrier-based aircraft. But there would have been a greater loss of civilian life—due to less accurate bombing systems—and probably greater military casualties as well.

The willingness of the British Government to cooperate with us—at a real risk to their own people—demonstrates their solidarity with us in the fight against international terrorism.

It is only fitting, Mr. Speaker, that we express our gratitude to the British Government, and its leader, Margaret Thatcher, in the form of this resolution. Accordingly, I urge my colleagues to support this resolution which appropriately expresses our Nation's gratitude.

Mr. HAMILTON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana [Mr. HAMILTON] that the House suspend the rules and agree to the resolution, House Resolution 424.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

CONFERENCE REPORT ON S. 974, PROTECTION AND ADVOCACY FOR MENTALLY ILL INDIVIDUALS ACT OF 1986

Mr. WAXMAN submitted the following conference report and statement on the Senate bill (S. 974) to provide for protection and advocacy for mentally ill persons:

CONFERENCE REPORT (H. REPT. 99-576)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 974), to provide for protection and advocacy for mentally ill persons, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

That this Act may be cited as the "Protection and Advocacy for Mentally Ill Individuals Act of 1986".

TITLE I—PROTECTION AND ADVOCACY SYSTEMS

PART A—ESTABLISHMENT OF SYSTEMS

FINDINGS AND PURPOSE

SEC. 101. (a) The Congress finds that—

(1) mentally ill individuals are vulnerable to abuse and serious injury;

(2) mentally ill individuals are subject to neglect, including lack of treatment, adequate nutrition, clothing, health care, and adequate discharge planning; and

(3) State systems for monitoring compliance with respect to the rights of mentally ill individuals vary widely and are frequently inadequate.

(b) The purposes of this Act are—

(1) to ensure that the rights of mentally ill individuals are protected; and

(2) to assist States to establish and operate a protection and advocacy system for mentally ill individuals which will—

(A) protect and advocate the rights of such individuals through activities to ensure the enforcement of the Constitution and Federal and State statutes; and

(B) investigate incidents of abuse and neglect of mentally ill individuals if the incidents are reported to the system or if there is probable cause to believe that the incidents occurred.

DEFINITIONS

SEC. 102. For purposes of this title:

(1) The term "abuse" means any act or failure to act by an employee of a facility rendering care or treatment which was performed, or which was failed to be performed, knowingly, recklessly, or intentionally, and which caused, or may have caused, injury to a mentally ill individual, and includes acts such as—

(A) the rape or sexual assault of a mentally ill individual;

(B) the striking of a mentally ill individual;

(C) the use of excessive force when placing a mentally ill individual in bodily restraints; and

(D) the use of bodily or chemical restraints on a mentally ill individual which is not in compliance with Federal and State laws and regulations.

(2) The term "eligible system" means the system established in a State to protect and advocate the rights of persons with developmental disabilities under part C of the Developmental Disabilities Assistance and Bill of Rights Act.

(3) The term "mentally ill individual" means an individual—

(A) who has a significant mental illness or emotional impairment, as determined by a mental health professional qualified under the laws and regulations of the State; and

(B) who is an inpatient or resident in a facility rendering care or treatment.

(4) The term "neglect" means a negligent act or omission by any individual responsible for providing services in a facility rendering care or treatment which caused or may have caused injury to a mentally ill individual or which placed a mentally ill individual at risk of injury, and includes an act or omission such as the failure to establish or carry out an appropriate individual program plan or treatment plan for a mentally ill individual, the failure to provide adequate nutrition, clothing, or health care to a mentally ill individual, or the failure to provide a safe environment for a mentally ill individual.

(5) The term "Secretary" means the Secretary of Health and Human Services.

(6) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

ALLOTMENTS

SEC. 103. The Secretary shall make allotments under this title to eligible systems to establish and administer systems—

(1) which meet the requirements of section 105; and

(2) which are designed to—

(A) protect and advocate the rights of mentally ill individuals; and

(B) investigate incidents of abuse and neglect of mentally ill individuals if the incidents are reported to the system or if there is probable cause to believe that the incidents occurred.

USE OF ALLOTMENTS

SEC. 104. (a)(1) An eligible system may use its allotment under this title to enter into contracts with State agencies and nonprofit organizations which operate throughout the State. In order to be eligible for a contract under this paragraph—

(A) such an agency shall be independent of any agency which provides treatment or services (other than advocacy services) to mentally ill individuals; and

(B) such an agency or organization shall have the capacity to protect and advocate the rights of mentally ill individuals.

(2) In carrying out paragraph (1), an eligible system should consider entering into contracts with organizations which, on the date of enactment of this Act, provide protection or advocacy services to mentally ill individuals.

(b)(1) If an eligible system is a public entity, the government of the State in which the system is located may not require the system to obligate more than 5 percent of its allotment under this title in any fiscal year for administrative expenses.

(2) An eligible system may not use more than 5 percent of any allotment under this title for any fiscal year for the costs of providing technical assistance and training to carry out this title.

SYSTEM REQUIREMENTS

SEC. 105. (a) A system established in a State under section 103 to protect and advocate the rights of mentally ill individuals shall—

(1) have the authority to—

(A) investigate incidents of abuse and neglect of mentally ill individuals if the incidents are reported to the system or if there is probable cause to believe that the incidents occurred;

(B) pursue administrative, legal, and other appropriate remedies to ensure the protection of mentally ill individuals who are receiving care or treatment in the State; and

(C) pursue administrative, legal, and other remedies on behalf of an individual who—

(i) was a mentally ill individual; and

(ii) is a resident of the State,

but only with respect to matters which occur within 90 days after the date of the discharge of such individual from a facility providing care or treatment;

(2) be independent of any agency in the State which provides treatment or services (other than advocacy services) to mentally ill individuals;

(3) have access to facilities in the State providing care or treatment;

(4) in accordance with section 106, have access to all records of—

(A) any individual who is a client of the system if such individual, or the legal guardian, conservator, or other legal representative of such individual, has authorized the system to have such access; and

(B) any individual—

(i) who by reason of the mental or physical condition of such individual is unable to authorize the system to have such access;

(ii) who does not have a legal guardian, conservator, or other legal representative, or for whom the legal guardian is the State; and

(iii) with respect to whom a complaint has been received by the system or with respect to whom there is probable cause to believe that such individual has been subject to abuse or neglect;

(5) have an arrangement with the Secretary and the agency of the State which administers the State plan under title XIX of the Social Security Act for the furnishing of the information required by subsection (b);

(6) establish a board—

(A) which will advise the system on policies and priorities to be carried out in protecting and advocating the rights of mentally ill individuals; and

(B) which shall include attorneys, mental health professionals, individuals from the public who are knowledgeable about mental illness, a provider of mental health services, individuals who have received or are receiving mental health services, and family members of such individuals, and at least one-half the membership of which shall be comprised of individuals who have received or are receiving mental health services or who are family members of such individuals; and

(7) on January 1, 1987, and January 1 of each succeeding year, prepare and transmit to the Secretary and the head of the State mental health agency of the State in which the system is located a report describing the activities, accomplishments, and expenditures of the system during the most recently completed fiscal year.

(b) The Secretary and the agency of a State which administers its State plan under title XIX of the Social Security Act shall provide the eligible system of the State with a copy of each annual survey report and plan of corrections for cited deficiencies made pursuant to titles XVIII and XIX of

the Social Security Act with respect to any facility rendering care or treatment to mentally ill individuals in the State in which such system is located. A report or plan shall be made available within 30 days after the completion of the report or plan.

ACCESS TO RECORDS

SEC. 106. (a) An eligible system which, pursuant to section 105(a)(4), has access to records which, under Federal or State law, are required to be maintained in a confidential manner by a provider of mental health services, shall, except as provided in subsection (b), maintain the confidentiality of such records to the same extent as is required of the provider of such services.

(b)(1) Except as provided in paragraph (2), an eligible system which has access to records pursuant to section 105(a)(4) may not disclose information from such records to the individual who is the subject of the information if the mental health professional responsible for supervising the provision of mental health services to such individual has provided the system with a written determination that disclosure of such information to such individual would be detrimental to such individual's health.

(2)(A) If disclosure of information has been denied under paragraph (1) to an individual—

(i) such individual;

(ii) the legal guardian, conservator, or other legal representative of such individual; or

(iii) an eligible system, acting on behalf of an individual described in subparagraph (B),

may select another mental health professional to review such information and to determine if disclosure of such information would be detrimental to such individual's health. If such mental health professional determines, based on professional judgment, that disclosure of such information would not be detrimental to the health of such individual, the system may disclose such information to such individual.

(B) An eligible system may select a mental health professional under subparagraph (A)(iii) on behalf of—

(i) an individual whose legal guardian is the State; or

(ii) an individual who has a legal guardian, conservator, or other legal representative other than the State if such guardian, conservator, or representative does not, within a reasonable time after such individual is denied access to information under paragraph (1), select a mental health professional under subparagraph (A) to review such information.

(C) If the laws of a State prohibit an eligible system from obtaining access to the records of mentally ill individuals in accordance with section 105(a)(4) and this section, section 105(a)(4) and this section shall not apply to such system before—

(i) the date such system is no longer subject to such a prohibition; or

(ii) the expiration of the 2-year period beginning on the date of the enactment of this Act,

whichever occurs first.

LEGAL ACTIONS

SEC. 107. (a) Prior to instituting any legal action in a Federal or State court on behalf of a mentally ill individual, an eligible system, or a State agency or nonprofit organization which entered into a contract with an eligible system under section 104(a), shall exhaust in a timely manner all administrative remedies where appropriate. If, in pursuing administrative remedies, the system, agency, or organization determines that any matter with respect to such individual will not be resolved within a reasonable time, the system, agency, or organization may pursue alternative remedies, including the initiation of a legal action.

(b) Subsection (a) does not apply to any legal action instituted to prevent or eliminate imminent serious harm to a mentally ill individual.

PART B—ADMINISTRATIVE PROVISIONS

APPLICATIONS

SEC. 111. No allotment may be made under this title to an eligible system unless an application therefor is submitted to the Secretary. Each such application shall contain—

(1) assurances that amounts paid to such system from an allotment under this title will be used to supplement and not to supplant the level of non-Federal funds available in the State in which such system is established to protect and advocate the rights of mentally ill individuals;

(2) assurances that such system will have a staff which is trained or being trained to provide advocacy services to mentally ill individuals;

(3) assurances that such system, and any State agency or nonprofit organization with which such system may enter into a contract under section 104(a), will not, in the case of any individual who has a legal guardian, conservator, or representative other than the State, take actions which are duplicative of actions taken on behalf of such individual by such guardian, conservator, or representative unless such guardian, conservator, or representative requests the assistance of such system; and

(4) such other information as the Secretary may by regulation prescribe.

ALLOTMENT FORMULA AND REALLOTMENTS

SEC. 112. (a)(1)(A) Except as provided in paragraph (2) and subject to the availability of appropriations under section 117, the Secretary shall make allotments under section 103 from amounts appropriated under section 117 for a fiscal year to eligible systems on the basis of a formula prescribed by the Secretary which is based equally—

(i) on the population of each State in which there is an eligible system; and

(ii) on the population of each such State weighted by its relative per capita income.

(B) For purposes of subparagraph (A)(ii), the term "relative per capita income" means the quotient of the per capita income of the United States and the per capita income of the State, except that if the State is Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, or the Virgin Islands, the quotient shall be considered to be one.

(2) Notwithstanding paragraph (1) and subject to the availability of appropriations under section 117—

(A) the amount of the allotment of the eligible system of each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico shall not be less than $125,000; and

(B) the amount of the allotment of the eligible system of Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and the Virgin Islands shall not be less than $67,000.

(b)(1) To the extent that all the amounts appropriated under section 117 for a fiscal year are not allotted to eligible systems because—

(A) one or more eligible systems have not submitted an application for an allotment for such fiscal year; or

(B) one or more eligible systems have notified the Secretary that they do not intend to use the full amount of their allotment,

the amount which is not so allotted shall be reallotted among the remaining eligible systems.

(2) The amount of an allotment to an eligible system for a fiscal year which the Secretary determines will not be required by the system during the period for which it is available shall be available for reallotment by the Secretary to other eligible systems with respect to which such a determination has not been made.

(3) The Secretary shall make reallotments under paragraphs (1) and (2) on such date or dates as the Secretary may fix (but not earlier than 30 days after the Secretary has published notice of the intention of the Secretary to make such reallotment in the Federal Register). A reallotment to an eligible system shall be made in proportion to the original allotment of such system for such fiscal year, but with such proportionate amount for such system being reduced to the extent it exceeds the sum the Secretary estimates such system needs and will be able to use during such period. The total of such reductions shall be similarly reallotted among eligible systems whose proportionate amounts were not so reduced. Any amount so reallotted to an eligible system for a fiscal year shall be deemed to be a part of its allotment under subsection (a) for such fiscal year.

PAYMENTS UNDER ALLOTMENTS

SEC. 113. For each fiscal year, the Secretary shall make payments to each eligible system from its allotment under this title. Any amount paid to an eligible system for a fiscal year and remaining unobligated at the end of such year shall remain available to such system for the next fiscal year for the purposes for which it was made.

REPORTS BY THE SECRETARY

SEC. 114. (a) The Secretary shall include in each report required under section 107(c) of the Developmental Disabilities Assistance and Bill of Rights Act a separate statement which contains—

(1) a description of the activities, accomplishments, and expenditures of systems to protect and advocate the rights of mentally ill individuals supported with payments from allotments under this title, including—

(A) a specification of the total number of mentally ill individuals served by such systems;

(B) a description of the types of activities undertaken by such systems;

(C) a description of the types of facilities providing care or treatment with respect to which such activities are undertaken;

(D) a description of the manner in which such activities are initiated; and

(E) a description of the accomplishments resulting from such activities;

(2) a description of—

(A) systems to protect and advocate the rights of mentally ill individuals supported with payments from allotments under this title;

(B) activities conducted by States to protect and advocate such rights;

(C) mechanisms established by residential facilities for mentally ill individuals to protect and advocate such rights; and

(D) the coordination among such systems, activities, and mechanisms;

(3) a specification of the number of systems established with allotments under this title and of whether each such system was established by a public or nonprofit private entity; and

(4) recommendations for activities and services to improve the protection and advocacy of the rights of mentally ill individuals and a description of needs for such activities and services which have not been met by systems established under this title.

(b) In preparing each statement required by subsection (a), the Secretary shall use and include information submitted to the Secretary in the reports required under section 105(a)(7).

TECHNICAL ASSISTANCE

SEC. 115. The Secretary shall provide technical assistance to eligible systems with respect to activities carried out under this title.

ADMINISTRATION

SEC. 116. The Secretary shall carry out this title through the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration.

AUTHORIZATION OF APPROPRIATIONS

SEC. 117. For allotments under this title, there are authorized to be appropriated $10,000,000 for fiscal year 1986, $10,500,000 for fiscal year 1987, and $11,025,000 for fiscal year 1988.

TITLE II—RESTATEMENT OF BILL OF RIGHTS FOR MENTAL HEALTH PATIENTS

RESTATEMENT OF BILL OF RIGHTS

SEC. 201. It is the sense of the Congress that, as previously stated in title V of the Mental Health Systems Act, each State should review and revise, if necessary, its laws to ensure that mental health patients receive the protection and services they require, and that in making such review and revision, States should take into account the recommendations of the President's Commission on Mental Health and the following:

(1) A person admitted to a program or facility for the purpose of receiving mental health services should be accorded the following:

(A) The right to appropriate treatment and related services in a setting and under conditions that—

(i) are the most supportive of such person's personal liberty; and

(ii) restrict such liberty only to the extent necessary consistent with such person's treatment needs, applicable requirements of law, and applicable judicial orders.

(B) The right to an individualized, written, treatment or service plan (such plan to be developed promptly after admission of such person), the right to treatment based on such plan, the right to periodic review and reassessment of treatment and related service needs, and the right to appropriate revision of such plan, including any revision necessary to provide a description of mental health services that may be needed after such person is discharged from such program or facility.

(C) The right to ongoing participation, in a manner appropriate to such person's capabilities, in the planning of mental health services to be provided such person (including the right to participate in the development and periodic revision of the plan described in subparagraph (B)), and, in connection with such participation, the right to be provided with a reasonable explanation, in terms and language appropriate to such person's condition and ability to understand, of—

(i) such person's general mental condition and, if such program or facility has provided a physical examination, such person's general physical condition;

(ii) the objectives of treatment;

(iii) the nature and significant possible adverse effects of recommended treatments;

(iv) the reasons why a particular treatment is considered appropriate;

(v) the reasons why access to certain visitors may not be appropriate; and

(vi) any appropriate and available alternative treatments, services, and types of providers of mental health services.

(D) The right not to receive a mode or course of treatment, established pursuant to the treatment plan, in the absence of such person's informed, voluntary, written consent to such mode or course of treatment, except treatment—

(i) during an emergency situation if such treatment is pursuant to or documented contemporaneously by the written order of a responsible mental health professional; or

(ii) as permitted under applicable law in the case of a person committed by a court to a treatment program or facility.

(E) The right not to participate in experimentation in the absence of such person's informed, voluntary, written consent, the right to appropriate protections in connection with such participation, including the right to a reasonable explanation of the procedure to be followed, the benefits to be expected, the relative advantages of alternative treatments, and the potential discomforts and risks, and the right and opportunity to revoke such consent.

(F) The right to freedom from restraint or seclusion, other than as a mode or course of treatment or restraint or seclusion during an emergency situation if such restraint or seclusion is pursuant to or documented contemporaneously by the written order of a responsible mental health professional.

(G) The right to a humane treatment environment that affords reasonable protection from harm and appropriate privacy to such person with regard to personal needs.

(H) The right to confidentiality of such person's records.

(I) The right to access, upon request, to such person's mental health care records, except such person may be refused access to—

(i) information in such records provided by a third party under assurance that such information shall remain confidential; and

(ii) specific material in such records if the health professional responsible for the mental health services concerned has made a determination in writing that such access would be detrimental to such person's health, except that such material may be made available to a similarly licensed health professional selected by such person and such health professional may, in the exercise of professional judgment, provide such person with access to any or all parts of such material or otherwise disclose the information contained in such material to such person.

(J) The right, in the case of a person admitted on a residential or inpatient care basis, to converse with others privately, to have convenient and reasonable access to the telephone and mails, and to see visitors during regularly scheduled hours, except that, if a mental health professional treating such person determines that denial of access to a particular visitor is necessary for treatment purposes, such mental health professional may, for a specific, limited, and reasonable period of time, deny such access if such mental health professional has ordered such denial in writing and such order has been incorporated in the treatment plan for such person. An order denying such access should include the reasons for such denial.

(K) The right to be informed promptly at the time of admission and periodically thereafter, in language and terms appropriate to such person's condition and ability to understand, of the rights described in this section.

(L) The right to assert grievances with respect to infringement of the rights described in this section, including the right to have such grievances considered in a fair, timely, and impartial grievance procedure provided for or by the program or facility.

(M) Notwithstanding subparagraph (J), the right of access to (including the opportunities and facilities for private communication with) any available—

(i) rights protection service within the program or facility;

(ii) rights protection service within the State mental health system designed to be available to such person;

(iii) system established under title I to protect and advocate the rights of mentally ill individuals; and

(iv) qualified advocate;

for the purpose of receiving assistance to understand, exercise, and protect the rights described in this section and in other provisions of law.

(N) The right to exercise the rights described in this section without reprisal, including reprisal in the form of denial of any appropriate, available treatment.

(O) The right to referral as appropriate to other providers of mental health services upon discharge.

(2)(A) The rights described in this section should be in addition to and not in derogation of any other statutory or constitutional rights.

(B) The rights to confidentiality of and access to records as provided in subparagraphs (H) and (I) of paragraph (1) should remain applicable to records pertaining to a person after such person's discharge from a program or facility.

(3)(A) No otherwise eligible person should be denied admission to a program or facility for mental health services as a reprisal for the exercise of the rights described in this section.

(B) Nothing in this section should—

(i) obligate an individual mental health or health professional to administer treatment contrary to such professional's clinical judgment;

(ii) prevent any program or facility from discharging any person for whom the provision of appropriate treatment, consistent with the clinical judgment of the mental health professional primarily responsible for such person's treatment, is or has become impossible as a result of such person's refusal to consent to such treatment;

(iii) require a program or facility to admit any person who, while admitted on prior occasions to such program or facility, has repeatedly frustrated the purposes of such admissions by withholding consent to proposed treatment; or

(iv) obligate a program or facility to provide treatment services to any person who is admitted to such program or facility solely for diagnostic or evaluative purposes.

(C) In order to assist a person admitted to a program or facility in the exercise or protection of such person's rights, such person's

attorney or legal representatives should have reasonable access to—

(i) such person;

(ii) the areas of the program or facility where such person has received treatment, resided, or had access; and

(iii) pursuant to the written authorization of such person, the records and information pertaining to such person's diagnosis, treatment, and related services described in paragraph (1)(I).

(D) Each program and facility should post a notice listing and describing, in language and terms appropriate to the ability of the persons to whom such notice is addressed to understand, the rights described in this section of all persons admitted to such program or facility. Each such notice should conform to the format and content for such notices, and should be posted in all appropriate locations.

(4)(A) In the case of a person adjudicated by a court of competent jurisdiction as being incompetent to exercise the right to consent to treatment or experimentation described in subparagraph (D) or (E) of paragraph (1), or the right to confidentiality of or access to records described in subparagraph (H) or (I) of such paragraph, or to provide authorization as described in paragraph (3)(C)(iii), such right may be exercised or such authorization may be provided by the individual appointed by such court as such person's guardian or representative for the purpose of exercising such right or such authorization.

(B) In the case of a person who lacks capacity to exercise the right to consent to treatment or experimentation under subparagraph (D) or (E) of paragraph (1), or the right to confidentiality of or access to records described in subparagraph (H) or (I) of such paragraph, or to provide authorization as described in paragraph (3)(C)(iii), because such person has not attained an age considered sufficiently advanced under State law to permit the exercise of such right or such authorization to be legally binding, such right may be exercised or such authorization may be provided on behalf of such person by a parent or legal guardian of such person.

(C) Notwithstanding subparagraphs (A) and (B), in the case of a person admitted to a program or facility for the purpose of receiving mental health services, no individual employed by or receiving any remuneration from such program or facility should act as such person's guardian or representative.

TITLE III—CONSTRUCTION

CONSTRUCTION

SEC. 301. (a) Titles I and II shall not be construed as establishing any new rights for mentally ill individuals.

(b) For purposes of this section, the term "mentally ill individual" has the same meaning as in section 102(3).

TITLE IV—OTHER PROGRAMS

ALZHEIMER'S DISEASE

SEC. 401. Part B of title III of the Public Health Service Act is amended by inserting before section 317 the following:

"FAMILY SUPPORT GROUPS FOR ALZHEIMER'S DISEASE PATIENTS

"SEC. 316. (a) Subject to available appropriations, the Secretary, acting through the National Institute of Mental Health, the National Institutes of Health, and the Administration on Aging, shall promote the establishment of family support groups to provide, without charge, educational, emotional, and practical support to assist individuals with Alzheimer's disease or a related memory disorder and members of the families of such individuals. In promoting the establishment of such groups, the Secretary shall give priority to—

"(1) university medical centers and other appropriate health care facilities which receive Federal funds from the Secretary and which conduct research on Alzheimer's disease or provide services to individuals with such disease; and

"(2) community-based programs which receive funds from the Secretary, acting through the Administration on Aging.

"(b) The Secretary shall promote the establishment of a national network to coordinate the family support groups described in subsection (a).

"(c) The Secretary shall report to Congress, not later than one year after the date of the enactment of this section, on family support groups and the network of such groups established pursuant to this section.".

BALANCED BUDGET PROVISION

SEC. 402. This Act shall not be construed as superseding any of the balanced budget provisions set forth in section 3(7) of the Congressional Budget and Impoundment Control Act of 1974.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the House to the title of the bill, insert the following: "An Act to provide for protection and advocacy for mentally ill individuals, and for other purposes.".

And the House agree to the same.

JOHN D. DINGELL,
HENRY A. WAXMAN,
JAMES H. SCHEUER,
NORMAN F. LENT,
Managers on the Part of the House

ORRIN G. HATCH,
LOWELL P. WEICKER, Jr.,
ROBERT T. STAFFORD,
EDWARD M. KENNEDY,
JOHN F. KERRY,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE ON CONFERENCE

The managers on the part of the House and Senate at the Conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 974) to provide for protection and advocacy for mentally ill persons, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report. The differences between the Senate bill and the House amendment and the substitute agreed to in conference, are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SHORT TITLE

1. The Senate Bill's short title is "Protection and Advocacy for Mentally Ill Persons Act of 1985."

The House amendment's short title is "Protection and Advocacy for Mentally Ill Individuals Act of 1986."

The Senate recedes with an amendment.

FINDINGS AND PURPOSE

2. Sec. 2 of the Senate Bill describes the findings and purpose.

The House Amendment contains no similar provision.

The House recedes.

GENERAL PROVISIONS

3. Sec. (3)(a)(1) of the Senate Bill defines the term "abuse" as any act or failure to act by an employee of a residential facility which was performed, or which was failed to be performed, knowingly, recklessly, or intentionally, and which caused, or may have caused, physical injury to a mentally ill person.

Sec. 102(1) of the House amendment defines the term "abuse" as any act or failure to act by an employee of a hospital, nursing home, board and care home, or community facility for mentally ill individuals which was performed, or was not performed, in a knowing, reckless, or intentional manner.

The Senate recedes with an amendment that substitutes "residential facility" for the listing of facilities enumerated in the House definition. The intent of the legislation is to focus on abuse and neglect of mentally ill individuals and not on the particular residential facility in which they reside. Accordingly, residential facility could include, but need not be limited to, hospitals, nursing homes, community facilities for mentally ill individuals, and board and care homes.

4. Sec. (3)(a)(2) of the Senate Bill defines "eligible system" as the "system established in a State to protect and advocate the rights of persons with developmental disabilities under part C of the Developmental Disabilities Assistance and Bill of Rights Act."

Sec. 102(2) of the House amendment defines "eligible system" as the "system established in a State under part C of the Developmental Disabilities Assistance and Bill of Rights Act to protect and advocate the rights of individuals with developmental disabilities."

The House recedes.

5(a). Sec. 3(a)(3)(A) of the Senate Bill defines "mentally ill person" as someone "for whom a primary diagnosis of mental illness has been made by a mental health professional qualified under the laws of the State;"

Sec. 102(3)(A) of the House amendment defines "mentally ill individual" as someone "for whom a diagnosis of mental illness has been made by a mental health professional qualified under the laws of a State;"

The Senate recedes with an amendment that substitutes the phrase "significant mental illness or emotional impairment" following "diagnosis of."

5(b). Sec. 3(a)(B) of the Senate Bill further defines "mentally ill person" as one "who is an inpatient or resident in, and who resides for 24 hours a day in a residential facility."

Sec. 102(3)(B) of the House amendment further defines "mentally ill individual" as one "who is an inpatient in a hospital or nursing home or a resident in a board and care home or a community facility for mentally ill individuals."

The Senate recedes with an amendment that removes the list of different types of residential facilities enumerated in the House definition. It is the intent of the Committee that this legislation focus on abuse and neglect of mentally ill individuals and not on the facility in which they reside. Accordingly, residential facility could include, but need not be limited to, hospitals, nursing homes, community facilities for mentally ill individuals, and board and care homes.

5(c). Sec. 102(3)(C) of the House amendment further defines "mentally ill individual" as someone "for whom a legal guardian, conservator or legal representative has not been appointed unless these individuals request the eligible system to treat the mentally ill individual."

The Senate Bill contains no similar provision.

The House recedes with an amendment (reflected in Sec. 111) which requires that the system assure as part of their receipt of funds that any activity undertaken on behalf of a mentally ill individual will not duplicate the efforts of the guardian, unless the guardian requests the system's services, or unless the guardian is the state, or unless after a reasonable time the guardian has not acted. It is the intent of the conferees that P&A agencies not needlessly repeat the activities of an active legal guardian exercising his or her responsibilities. It is not the intent of the conferees to prohibit agencies from working with persons whose legal guardians are the State or public agencies or whose guardians are not exercising their responsibilities, nor is it the intent of the conferees that agencies be prohibited from notifying guardians of possible abuse or neglect of mentally ill persons or notifying or advising guardians of possible remedies available to mentally ill persons.

6(a) Sec. 103(a)(4) of the Senate Bill defines "neglect" as a negligent act or omission by a person responsible for providing services in a residential facility.

Sec. 102(4) of the House amendment defines "neglect" as a negligent action or omission by any person responsible for providing services in a hospital, nursing home, board and care home or community facility for mentally ill individuals.

Sec. 102(4)(A)(i) of the House amendment further defines "neglect" as the failure to place individuals requiring inpatient mental health facilities in optimum therapeutic settings and provide appropriate services.

Sec. 102(4)(A)(ii) of the House amendment further defines "neglect" as the failure to discharge inappropriately placed residents and place them in optimum therapeutic settings and provide appropriate services.

Sec. 102(4)(A)(iii) of the House amendment further defines "neglect" as the failure to inform discharged individuals of available community-based facilities and to provide them access to a sufficient number of adequately staffed and funded community-based facilities and services.

Sec. 102(4)(A)(iv) of the House amendment further defines "neglect" as the failure to establish or carry out an appropriate program, treatment or discharge plan.

Sec. 102(4)(B) of the House amendment further defines "neglect" as the failure to provide adequate nutrition, clothing or health care.

Sec. 102(4)(C) of the House amendment further defines "neglect" as the failure to provide a safe environment.

Sec. 102(4) of the House amendment provides a definition of the term "optimum therapeutic setting" as the environment that is least restrictive of an individual's personal liberty.

The House recedes.

7. Sec. 104(7) of the House amendment defines "board and care home".

The Senate Bill has no comparable provision.

The House recedes. The Committee stresses that the purpose of this legislation is to provide for protection and advocacy of mentally ill individuals regardless of the facility in which they reside. Accordingly residential facilities could include but need not be limited to board and care homes as well as hospitals, nursing homes or community facilities for mentally ill individuals.

8. Sec. 103(b) of the Senate Bill does not allow the Secretary to promulgate regulations defining "mentally ill persons" and "residential facility."

The House amendment has no comparable provision.

The Senate recedes.

9. Sec. 4 of the Senate Bill reprints the Bill of Rights for the mentally ill, currently contained in title V of the Mental Health System Act.

The House amendment has no comparable provision.

The House recedes.

10. Sec. 5(a)(1)(2) of the Senate Bill provides that the eligible system may apply for an allotment each year to protect and advocate the established rights of mentally ill persons and to investigate reported incidents of abuse and neglect.

Sec. 103(1)(1) of the House amendment provides that the Secretary will make allotments to eligible systems to protect and advocate the rights of mentally ill individuals and investigate incidents of abuse and neglect.

The Senate recedes.

11. Sec. 5(a)(3) of the Senate Bill does not allow more than 5 percent of the allotment to be used for monitoring and administration of the eligible system.

Sec. 103(a)(3) of the House amendment does not allow more than 5 percent of the allotment to be used for administrative expenses.

The Senate recedes.

12. Sec. 5(a)(4) of the Senate Bill does not allow the eligible system to use more than 5 percent of the allotment for technical assistance and training.

The House amendment has no comparable provision.

The House recedes.

13. Sec. 5(a)5(A) of the Senate Bill provides that the eligible system may enter into contracts with State agencies and nonprofit organizations which operate throughout the State. Such agencies and organizations are to be independent of any agency that provides treatment or services except advocacy services to mentally ill persons.

Sec. 103(a)(2) of the House amendment allows the eligible systems to enter into contracts with entities but they may not contract with entities which provide treatment or services to mentally ill individuals and are not public or nonprofit private entities.

The House recedes.

14. Sec. 5(B) of the Senate Bill states that the eligible system is to consider contracting with organizations with, on the date of enactment, do provide such protection and advocacy services.

The House has no comparable provision.

The House recedes. It is the intent of the Conferees that eligible systems in States or localities with existing advocacy services for mentally ill persons consider the advantages of contractual arrangements for the provision of services under this Title. If public or private non-profit agencies are now providing advocacy services, the conferees recognize that sub-contracts or cooperative agreements with the eligible system may be more efficient and direct than the creation of new services within the eligible system. The conferees do not intend that this consideration of contractual arrangements delay the funding or implementation of advocacy services.

15. Sec. 5(b)(1)(A) of the Senate Bill gives authority to the systems to protect and advocate the established rights of mentally ill persons by allowing them to investigate reported abuse and neglect, and to pursue administrative, legal and other remedies.

Sec. 103(b)(1)(A) of the House amendment gives authority to the systems to protect and advocate the rights of mentally ill individuals by allowing them to investigate incidents of abuse and neglect, to pursue administrative, legal and other remedies on behalf of mentally ill individuals in hospitals, nursing homes, board and care homes or community facilities.

The Senate recedes with an amendment that removes the list of residential facilities. It is the intent of the conferees that this legislation focus on abuse and neglect of mentally ill individuals and not on the particular residential facility in which they reside. Accordingly, residential facilities could include, but need not be limited to, hospitals, nursing homes, community facilities for mentally ill individuals, and board and care homes.

16. Sec. 5(b)(1)(C) of the Senate Bill allows the eligible system to have access to residential facilities for mentally ill persons.

Sec. 103(b)(1)(C) of the House amendment allows the eligible system to have access to hospitals, nursing homes, board and care homes and community facilities for the mentally ill individuals.

The Senate recedes with an amendment which removes the listing of specific residential facilities. Accordingly, residential facilities can include, but need not be limited to, hospitals, nursing homes, community facilities for mentally ill individuals, and board and care homes.

17. Sec. 5(b)(1)(D) of the Senate Bill allows the system to have access to the records of a client of the system, if such client or his or her guardian has authorized the access. The system is also to have access to the records of a person if a complaint has been received by the system, even if the client, by reason of a mental or physical condition, is unable to authorize the access to his record, if such person has no legal guardian or if the State is the legal guardian.

Sec. 103(b)(1)(D) of the House amendment is identical except it uses the term "mentally ill individual" and also allows the system to have access to records when the system has reason to believe that such individual has been subject to abuse and neglect.

The Senate recedes with an amendment. It is the intent of the Conferees that the eligible system have access to records of an individual when a complaint has been received or when there is probable cause to believe that the individual has been subject to abuse or neglect. While the conferees do not intend to authorize open access to records when advocates merely suspect the possibility of misconduct, the conferees intend that agencies not be forced to refrain from activity on behalf of a client until a complaint is received.

18. Sec. 5(b)(1)(E) of the Senate Bill states that each system in each State be provided a copy of each annual survey report and plan of corrections for deficiencies made pursuant to titles XVIII and XIX of the Social Security Act.

Sec. 103(b)(1)(F) of the House amendment provides that the system will have an arrangement with the State agency which administers the State plan to receive a copy of each annual survey report and plan of cor-

rections for deficiencies under title XIX of the Social Security Act.

Sec. 103(c) of the House amendment states that each system in each State be provided a copy of each annual survey report and plan of corrections for deficiencies.

The Senate recedes.

19. Sec. 5(b)(1)(G) of the Senate Bill requires the system to submit an annual report to the Secretary and the head of the State mental health agency.

Sec. 103(b)(1)(G) of the House amendment is similar.

The House recedes.

20. Sec. 103(b)(2) of the House amendment provides that the system may pursue remedies on behalf of mentally ill individuals who have been discharged from a hospital, nursing home, board and care home or community facility with respect to matters which occur within 90 days.

The Senate has no comparable provision.

The Senate recedes with an amendment.

21. Sec. 5(b)(2)(A)(ii) of the Senate Bill restricts disclosure of records if the disclosure of the information to the client would be detrimental to the client if it is detrimental that disclosure of the information would be detrimental to the client.

Sec. 103(b)(4)(A) of the House amendment restricts disclosure of records if the disclosure of the information to the client would be detrimental.

The Senate recedes.

22. Sec. 5(b)(2)(A)(ii) of the Senate Bill provides that another mental health professional, chosen by the client or the guardian, may determine that the information may be disclosed to the client.

Sec. 103(b)(4)(B) of the House amendment provides that another mental health professional chosen by the client or the system, may determine that the information may be disclosed to the client.

The Senate recedes with an amendment providing that the mental health professional may also be chosen by the eligible system.

23. Sec. 5(2)(B) of the Senate Bill states that the system must maintain the same level of confidentiality as required of the provider.

Sec. 103(b)(3) of the House amendment is similar.

The Senate recedes.

24. Sec. 5(b)(3) of the Senate Bill specifies the composition of the advisory board to include attorneys, mental health professionals, individuals knowledgeable about mental illness, a provider of mental health services, current or previous consumers of mental health services, and family members of such consumers.

Sec. 103(b)(1)(E) of the House amendment is similar except that one-half of the board members are to be consumers or family members.

The Senate recedes.

25. Sec. 5(b)(4)(A) of the Senate Bill provides that the system shall exhaust, in a timely manner, administrative remedies, where appropriate, prior to alternative remedies.

The House amendment contains no similar provision.

The House recedes with an amendment. The conferees intend that administrative remedies be exhausted before legal action is initiated. The conferees recognize, however, that exhaustion of administrative remedies may delay action on behalf of mentally ill individuals and have authorized the system to proceed with legal action when unreasonable delays exist. If legal action is initiated, courts retain their prerogative to determine that the issues are not ripe and to remand the matter for further administrative consideration.

26. Sec. (b)(4)(B) of the Senate Bill provides that the system does not need to exhaust administrative remedies in order to institute legal action for the prevention of imminent serious harm.

The House amendment contains no similar provision.

The House recedes.

27. Sec. 5(b)(5) of the Senate Bill restricts the amount of attorneys' fees.

The House amendment contains no such provision.

The Senate recedes with the provision that this action be considered as ndependent of other legislation in which the issue of attorneys' fees is raised.

28. Sec. 5(c)(1) of the Senate Bill provides the formula for the distribution of the allotment and defines the term "relative per capita income."

Sec. 104(a) of the House amendment is similar except the allotment is subject to the availability of appropriations.

The Senate recedes.

29. Sec. 5(c)(2) of the Senate Bill provides a minimum allotment of $125,000 for each State, the District of Columbia and Puerto Rico and $67,000 for each territory.

Sec. 104(a) of the House amendment is similar except the allotment is subject to the availability of appropriations.

The Senate recedes.

30. Sec. 5(c)(3) of the Senate Bill provides for a reallotment of available funds to occur, with 30 days written prior notice and in a proportionate amount as determined by the Secretary.

Sec. 104(a)(3) of the House amendment is similar.

The Senate recedes with an amendment requiring 30 days notice by the Secretary of the intention to make such reallotment.

31. Sec. 5(d) of the Senate Bill details the information to be contained in the application.

Sec. 104(c) of the House amendment is similar except that it requires assurance that the system is staffed by trained individuals.

The Senate recedes.

32. Sec. 5(e) of the Senate Bill provides that funds awarded to an eligible system in a fiscal year that are unobligated at the end of that year are to remain available for the next fiscal year.

Sec. 104(d) of the House amendment is similar.

The Senate recedes.

33. Sec. 5(f) of the Senate Bill requires that the Secretary shall submit an annual report on this program as part of the Development Disabilities Assistance and Bill of Rights Act annual report.

Sec. 104(e) of the House amendment is similar except that it does not consistently refer to established rights and it refers to the coordination among such systems, activities and mechanisms.

The Senate recedes with an amendment.

34. Sec. 5(f)(2) of the Seante Bill directs the Secretary to use information in preparation of the annual report.

Sec. 104(e)(3) of the House amendment is similar.

The Senate recedes.

35. Sec. 5(g) of the Senate Bill allows the Secretary to provide technical assistance to systems.

Sec. 104(f) of the House amendment states that the Secretary shall provide training, technical assistance and evaluation and obligates 5 percent of the total appropriated for such purposes.

The House recedes with an amendment requiring the Secretary to provide technical assistance.

36. Sec. 5(h) of the Senate Bill directs the Secretary to administer the program through the Alcohol, Drug Abuse and Mental Health Administration.

Sec. 104(g) of the House amendment is similar.

The House recedes.

37. Sec. 5(i) of the Senate Bill and sec. 105 of the House amendment would authorize the following amounts.

	Senate	House
Fiscal year 1986	$10,000,000	$10,500,000
Fiscal year 1987	10,500,000	11,000,000
Fiscal year 1988	11,025,000	11,525,000

The House recedes.

38. Sec. 106 of the House amendment ties receipt of a State's Public Health Service Act funds to the establishment of a protection advocacy for mentally ill individuals system.

The Senate Bill contains no such provision.

The House recedes with the provision that the State's response to this legislation be reviewed in one year, at which time the issue of tying receipt of a States' Public Health Service Act funds to the establishment of a system will be reconsidered.

39. Sec. 6 of the Senate Bill repeals title V of the Mental Health System Act.

The House has no comparable provision.

The House recedes.

40. Title III of the House amendment provides that nothing in the Act shall be construed as superseding any of the balanced budget provisions set forth in section 201(a)(7) of P.L. 99-177.

The Senate has no comparable provision.

The Senate recedes.

41. Title II of the House amendment provides authority for the Secretary to promote the establishment of support groups to assist individuals with Alzheimer's disease or other neurological and organic brain disorders of the Alzheimers type and the families of such persons. In addition, the House amendment provides that a national network be established as a result of the Secretary's activities in promoting such support groups.

The Senate Bill contains no similar provision.

The Senate recedes with an amendment. The agreement authorizes the Secretary to promote family support groups under a new section 316 of the Public Health Service Act. To the extent such groups have already been organized in local settings, the conferees intend for health facilities and community based programs to work with representatives of these organizations in establishing and maintaining family support groups of their own. It is the intent of the conferees that the Secretary have the authority to promote Alzheimer's disease support groups in order to provide stimulus for the development of additional groups where necessary.

If, in implementing this authority, the Secretary elects to establish support groups, services should include information on the medical aspects of the disease in addition to reference material on appropriate care and treatment. Counseling and referral services should be offered as well.

If groups are established, the groups should be organized and directed by individuals with expertise in, and experience with, persons with Alzheimer's disease and other neurological and organic brain disorders of Alzheimer's type.

The agreement contains no authorization of appropriations for this provision, and therefore the conferees direct that no funds be made available for the purpose of carrying out this section, beyond those otherwise available to the Secretary under authorities for general purposes and administration of the Department. The conferees do not intend for medical and research facilities receiving federal funds under these authorities to divert such funds to the establishment of Alzheimer's disease family support groups. Rather, the conferees intend, if the Secretary elects to establish support groups, that these institutions organized the groups in conjunction with, and as part of, the medical and research programs for which such funds have already been provided.

JOHN D. DINGELL,
HENRY A. WAXMAN,
JAMES H. SCHEUER,
NORMAN F. LENT,
Managers on the Part of the House.

ORRIN G. HATCH,
LOWELL P. WEICKER, Jr.,
ROBERT T. STAFFORD,
EDWARD M. KENNEDY,
JOHN F. KERRY,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. JONES of North Carolina (at the request of Mr. WRIGHT), for the week of May 5, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. LOWRY of Washington) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. LANTOS, for 60 minutes, on May 13.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. COMBEST) and to include extraneous matter:)

Mr. SHUMWAY.

Mr. COURTER in three instances.

Mr. BEREUTER in three instances.

(The following Members (at the request of Mr. LOWRY of Washington) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. LLOYD in five instances.

Mr. HAMILTON in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. JONES of Tennessee in 10 instances.

Mr. BONER of Tennessee in five instances.

Mr. DE LA GARZA in 10 instances.

Mr. RANGEL.

Mr. MARTINEZ.

Mr. MONTGOMERY.

Mr. FROST.

Mr. SOLARZ.

Mr. LEVINE of California.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1625. An act to permit the use and leasing of certain public lands in Nevada by the University of Nevada; to the Committee on Interior and Insular Affairs.

ADJOURNMENT

Mr. LOWRY of Washington. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 p.m.) the House adjourned until tomorrow, Tuesday, May 6, 1986, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3419. A letter from the Secretary of Housing and Urban Development, transmitting the final report and executive summary of the evaluation of the Congregate Housing Services Program demonstration, which also takes the place of the program's seventh annual report, pursuant to 42 U.S.C. 8007(b); to the Committee on Banking, Finance and Urban Affairs.

3420. A letter from the Executive Director, D.C. Retirement Board, transmitting notification that the Board's annual report will be submitted on May 23, 1986, pursuant to Public Law 96-122, sections 162 and 164(a)(1)(A); to the Committee on the District of Columbia.

3421. A letter from the Executive Director, D.C. Retirement Board, transmitting the personal financial disclosure statements of each member of the D.C. Retirement Board, pursuant to Public Law 96-122, sections 162 and 164(a)(1)(A); to the Committee on the District of Columbia.

3422. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of the Department's intention to consent to transfers from the Government of the Netherlands to the Government of the Federal Republic of Germany and the NATO Maintenance and Supply Organization [NAMSO] of certain major defense articles and defense services potentially valued at $14 million or more (Transmittal No. MC-19-86), pursuant to 22 U.S.C. 2753(d)(3) (AECA section 3(d)(3), 94 Stat. 3131; 95 Stat. 1519); to the Committee on Foreign Affairs.

3423. A letter from the Executive Secretary, Federal Deposit Insurance Corporation, transmitting notification of a proposed new record system and a change to an existing record system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3424. A letter from the Clerk, U.S. House of Representatives, transmitting his quarterly report of receipts and expenditures of appropriations and other funds for the period January 1, 1986 through March 31, 1986, pursuant to 2 U.S.C. 104a (H. Doc. No. 99-213); to the Committee on House Administration and ordered to be printed.

3425. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3426. A letter from the Chief Immigration Judge, Executive Office for Immigration Review, Department of Justice, transmitting a copy of orders and applications concerning each alien whose deportation was suspended, pursuant to 8 U.S.C. 1254(c); to the Committee on the Judiciary.

3427. A letter from the Special Counsel, U.S. Merit Systems Protection Board, transmitting a report on the findings and conclusions of the Secretary of Health and Human Services' investigation into allegations of mismanagement, gross waste of funds and a substantial and specific danger to public health in the AIDS surveillance programs in the State of Florida as supervised by the grantor, the Centers for Disease Control, Atlanta, GA, pursuant to 5 U.S.C. 1206(b)(5)(A) (92 Stat. 1125); to the Committee on Post Office and Civil Service.

3428. A letter from the Administrator, General Services Administration, transmitting a prospectus for the design of a new Federal building in Oakland, CA, pursuant to Public Law 86-249, section 7(a) (86 Stat. 217); to the Committee on Public Works and Transportation.

3429. A letter from the Executive Secretary, Department of Defense, transmitting a report on DOD procurement from small and other business firms for October 1985 through February 1986, pursuant to 15 U.S.C. 639(d); to the Committee on Small Business.

3430. A letter from the Director, Office of Management and Budget, transmitting his determination and certification that, in order to maintain the budgeted level of operation for Radio Free Europe/Radio Liberty, Inc., $1,238,536 of amounts previously appropriated to offset exchange rate losses are now needed because of the lower value of the dollar in foreign currency exchange rates, pursuant to 22 U.S.C. 2877(a)(2); jointly, to the Committees on Appropriations and Foreign Affairs.

3431. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification that effective April 21, 1986, the Department designated Khartoum, as well as all other areas in Sudan, as danger pay locations, pursuant to 5 U.S.C. 5928 (97 Stat. 1028); jointly, to the Committees on Foreign Affairs and Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAWKINS: Committee on Education and Labor. H.R. 4021. A bill to extend and improve the Rehabilitation Act of 1973; with an amendment (Rept. 99-571). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. S. 720. A bill to establish a permanent boundary for the Acadia National Park in the State of Maine, and for other purposes; with an amendment (Rept. 99-572). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 3214. A bill to provide for the use and distribution of funds awarded to the Cow Creek Band of Umpqua Indians in U.S. Claims Court docket numbered 53-81L, and for other purposes; with amendments (Rept. 99-573). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4378. A bill to govern the establishment of commemorative works within the National Capital Region of the National Park System, and for other purposes; with amendments (Rept. 99-574). Referred to the Committee of the Whole House on the State of the Union.

Mr. WAXMAN: Committee of conference. Conference Report on S. 124 (Rept. 99-575). Ordered to be printed.

Mr. DINGELL: Committee of conference. Conference Report on S. 974 (Rept. 99-576). Ordered to be printed.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

[Submitted May 2, 1986]

Under clause 5 of Rule X the following action was taken by the Speaker:

The Committee on Agriculture discharged from further consideration of H.R. 2921; H.R. 2921 referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CONYERS (for himself, Mr. HOYER, Mr. CARR, Mr. GEKAS, Ms. FIEDLER, Mr. BOUCHER, Mr. COBLE, Mr. SMITH of Florida, Ms. MIKULSKI, and Mrs. BENTLEY):

H.R. 4745. A bill to amend title 18, United States Code, with respect to sexual abuse; to the Committee on the Judiciary.

By Mr. GONZALES (for himself and Mr. MCKINNEY):

H.R. 4746. A bill to amend and extend certain laws relating to housing, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. KASTENMEIER (for himself, Mr. MOORHEAD, Mr. FISH, Mr. BROOKS, Mr. MAZZOLI, Mr. SYNAR, Mrs. SCHROEDER, Mr. FRANK, Mr. MORRISON of Connecticut, Mr. BERMAN, Mr. BOUCHER, Mr. HYDE, Mr. KINDNESS, Mr. DEWINE, Mr. SWINDALL, and Mr. COBLE):

H.R. 4747. A bill to amend the patent and trademark laws of the United States, and for other purposes; jointly, to the Committees on Ways and Means and the Judiciary.

By Mr. BIAGGI:

H.J. Res. 621. Joint resolution to designate the week beginning September 14, 1986, as "National Correctional Officers Week"; to the Committee on Post Office and Civil Service.

By Mr. LIGHTFOOT:

H.J. Res. 622. Joint resolution to express the sense of Congress that the President should immediately suspend the importation of any article used for human food or drink produced in any country which may have been affected by radioactive contamination resulting from the nuclear accident at Chernobyl, U.S.S.R.; to the Committee on Ways and Means.

By Mr. WAXMAN (for himself, Mr. MADIGAN, Mr. ANDERSON, Mr. ANTHONY, Mr. BADHAM, Mr. BARNES, Mr. BARTLETT, Mr. BATEMAN, Mr. BEDELL, Mrs. BENTLEY, Mr. BERMAN, Mr. BEVILL, Mr. BILIRAKIS, Mr. BLILEY, Mr. BONER of Tennessee, Mr. BORSKI, Mr. BOUCHER, Mrs. BOXER, Mr. BREAUX, Mr. BROOKS, Mr. BROWN of California, Mr. BRYANT, Mr. BURTON, of Indiana, Mrs. BURTON of California, Mr. BUSTAMANTE, Mr. CALLAHAN, Mr. CAMPBELL, Mr. CARNEY, Mr. CARPER, Mr. CHANDLER, Mr. CHAPPIE, Mr. CHENEY, Mr. COATS, Mr. COELHO, Mrs. COLLINS, Mr. CONTE, Mr. CONYERS, Mr. COOPER, Mr. CROCKETT, Mr. DANIEL, Mr. DANNEMEYER, Mr. DAUB, Mr. DARDEN, Mr. DASCHLE, Mr. DE LA GARZA, Mr. DELLUMS, Mr. DERRICK, Mr. DICKINSON, Mr. DIXON, Mr. DUNCAN, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. EARLY, Mr. EDGAR, Mr. EMERSON, Mr. ERDREICH, Mr. EVANS of Iowa, Mr. FASCELL, Mr. FAZIO, Mr. FEIGHAN, Mr. FISH, Mr. FLIPPO, Mr. FRENZEL, Mr. GALLO, Mr. GARCIA, Mr. GEPHARDT, Mr. GINGRICH, Mr. GONZALEZ, Mr. GRADISON, Mr. GREGG, Mr. GUARINI, Mr. GUNDERSON, Mr. RALPH M. HALL, Mr. HAMILTON, Mr. HAMMERSCHMIDT, Mr. HANSEN, Mr. HAYES, Mr. HEFNER, Mrs. HOLT, Mr. HORTON, Mr. HOWARD, Mr. HOYER, Mr. HUBBARD, Mr. HUGHES, Mr. HUNTER, Mr. HYDE, Mr. JEFFORDS, Mr. JONES of Tennessee, Mr. KANJORSKI, Ms. KAPTUR, Mr. KOLTER, Mr. KRAMER, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LEACH of Iowa, Mr. LEHMAN of Florida, Mr. LEHMAN of California, Mr. LELAND, Mr. LENT, Mr. LEVINE of California, Mr. LEWIS of California, Mr. LEWIS of Florida, Mr. LIGHTFOOT, Mr. LIVINGSTON, Mrs. LLOYD, Mr. LOEFFLER, Mr. LOWERY of California, Mr. LOWRY of Washington, Mr. MANTON, Mr. MARKEY, Mrs. MARTIN of Illinois, Mr. MARTINEZ, Mr. MATSUI, Mr. MAVROULES, Mr. MAZZOLI, Mr. MCCLOSKEY, Mr. MCDADE, Mr. MCEWEN, Mr. MCGRATH, Mr. MCKERNAN, Mrs. MEYERS of Kanasas, Ms. MIKULSKI, Mr. MILLER of California, Mr. MOAKLEY, Mr. MOLLOHAN, Mr. MOODY, Mr. MOORE, Mr. MOORHEAD, Mr. MORRISON of Connecticut, Mr. MORRISON of Washington, Mr. MRAZEK, Mr. NATCHER, Mr. NICHOLS, Mr. NIELSON of Utah, Ms. OAKAR, Mr. OLIN, Mr. OWENS, Mr. PORTER, Mr. PRICE, Mr. PURSELL, Mr. RAHALL, Mr. RANGEL, Mr. REID, Mr. RICHARDSON, Mr. RITTER, Mr. ROBINSON, Mr. ROE, Mr. ROSE, Mr. ROWLAND of Georgia, Mr. ROWLAND of Connecticut, Mr. SABO, Mr. SAVAGE, Mr. SCHEUER, Mr. SHAW, Mr. SHELBY, Mr. SHUMWAY, Mr. SISISKY, Mr. SKEEN, Mr. SKELTON, Mr. SLAUGHTER, Mr. SMITH of Florida, Mr. SMITH of New Hampshire, Ms. SNOWE, Mr. SNYDER, Mr. SOLOMON, Mr. SPRATT, Mr. ST GERMAIN, Mr. STAGGERS, Mr. STARK, Mr. STRANG, Mr. STUMP, Mr. SUNIA, Mr. SWINDALL, Mr. SYNAR, Mr. TAUKE, Mr. TAUZIN, Mr. THOMAS of Georgia, Mr. TORRICELLI, Mr. TORRES, Mr. TOWNS, Mr. TRAFICANT, Mr. UDALL, Mr. VANDER JAGT, Mr. VENTO, Mr. WEBER, Mr. WEISS, Mr. WIRTH, Mr. WISE, Mr. WOLF, Mr. WORTLEY, Mr. WYDEN, Mr. WYLIE, Mr. YATRON, Mr. YOUNG of Florida, Mr. YOUNG of Alaska, and Mr. YOUNG of Missouri):

H.J. Res. 623. Joint resolution to authorize the designation of a calendar week in 1986 and each year thereafter as National Infection Control Week; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

357. By the SPEAKER: Memorial of the Senate of the State of Michigan, relative to "High Frontier" technology; to the Committee on Armed Services.

358. Also, memorial of the Legislature of the State of Maine, relative to South Africa; to the Committee on Foreign Affairs.

359. Also, memorial of the Legislature of State of Montana, relative to an excise tax on imported crude oil; to the Committee on Ways and Means.

360. Also, memorial of the Legislature of the State of Montana, relative to aid to agricultural borrowers and lenders; jointly, to the Committee on Agriculture and Small Business.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 77: Mr. LIPINSKI.

H.R. 585: Mr. DYMALLY, and Mr. FEIGHAN.

H.R. 1294: Mr. MCDADE.

H.R. 1453: Mr. RODINO.

H.R. 2320: Mr. GARCIA.

H.R. 3024: Mr. WEAVER, Mr. KOLBE, and Mr. SLATTERY.

H.R. 3032: Mr. HAWKINS.

H.R. 3263: Mr. ROSE, Mr. LELAND, and Mr. MONTGOMERY.

H.R. 3555: Mr. HAYES, Mr. GRAY of Pennsylvania, Mr. LEHMAN of California, Mr. FLORIO, Mr. WILSON, Mr. BUSTAMANTE, Mr. SHUMWAY, Mr. GEKAS, Mr. DOWDY of Mississippi, Mr. DORNAN of California, Mr. HUGHES, Mr. NOWAK, Mr. RAHALL, Mr. SEIBERLING, and Mr. STARK.

H.R. 3767: Mr. PURSELL and Mr. MYERS of Indiana.

H.R. 3817: Mr. SCHUMER, Mr. EMERSON, Mr. SWIFT, Mr. FASCELL, Mr. LENT, Mr. CONYERS, and Mr. GRAY of Pennsylvania.

H.R. 4223: Mrs. BENTLEY, Mr. WAXMAN, Mr. TOWNS, Mr. BEDELL, and Mr. RANGEL.

H.R. 4278: Mr. LUNGREN, Mr. HUGHES, and Mr. LAGOMARSINO.

H.R. 4402: Mr. MOORE, Mr. FROST, Mr. MINETA, Mr. BOULTER, Mr. SWEENEY, Mr. LIVINGSTON, Mr. NIELSON of Utah, and Mr. SCHAEFER.

H.R. 4460: Mr. RUDD.

H.R. 4473: Mr. FIELDS and Mr. DAUB.

H.R. 4546: Mr. HANSEN and Mr. LAFALCE.

H.R. 4617: Mrs. SMITH of Nebraska, Mr. BEREUTER, and Mr. HORTON.

H.R. 4655: Mrs. LLOYD, Mr. DERRICK, Mr. MAZZOLI, Mr. MORRISON of Connecticut, Mr. LIPINSKI, Mr. BARNES, Mr. DONNELLY, Mr. BONER of Tennessee, and Mr. HOWARD.

H.J. Res. 87: Mr. KOLTER.

H.J. Res. 127: Mr. YATES, Mr. HENRY, Mr. PRICE, Mr. FISH, Mr. ANDERSON, Mr. GILMAN, Mr. PANETTA, Mr. STOKES, and Mr. PORTER.

H.J. Res. 451: Mr. RUSSO, Mr. HOPKINS, Mr. ECKART of Ohio, and Mr. MORRISON of Connecticut.

H.J. Res. 498: Mr. LAGOMARSINO.

H.J. Res. 500: Mr. BARTLETT, Mr. BATES, Mr. BOEHLERT, Mr. BOUCHER, Mr. BREAUX, Mr. CRAIG, Mr. DICKINSON, Mr. ENGLISH, Mr. FIELDS, Mr. GAYDOS, Mr. HOPKINS, Mr. KEMP, Mr. LOTT, Mr. MCKERNAN, Mrs. MARTIN of Illinois, Mr. MOLINARI, Mr. PERKINS, Mr. SLAUGHTER, Mr. SPENCE, Mr. STRANG, Mr. STUMP, Mr. SUNDQUIST, Mr. TAUKE, Mr. WALKER, Mr. DE LA GARZA, and Mr. SABO.

H.J. Res. 529: Mr. BOEHLERT, Mr. BROYHILL, and Mr. ST GERMAIN.

H.J. Res. 584: Mr. UDALL, Mr. SMITH of Florida, Mr. BLILEY, Mr. MCDADE, Mr. ANDERSON, Mr. BONER of Tennessee, Mr. LUJAN, Mr. GARCIA, Mr. RINALDO, Mr. FUQUA, Mr. DAUB, Mr. REID, Mr. GEKAS, Mr. DORNAN of California, Mr. TOWNS, Mr. MACKAY, Mr. WORTLEY, Mr. CARPER, Mr. CARNEY, Mr. FAZIO, Mr. BUSTAMANTE, Mr. HOWARD, Ms. FIEDLER, Mr. SKEEN, Mr. FUSTER, Mr. YATRON, Mrs. BYRON, Mr. GRAY of Illinois, Mr. FASCELL, Mr. HOYER, Mr. LAGOMARSINO, Mr. DWYER of New Jersey, Mr. YOUNG of Florida, Mr. HORTON, Mr. EVANS of Illinois, Mr. OWENS, Mrs. LONG, Mr. MINETA, Mr. MCCAIN, Mr. O'BRIEN, Mr. GUNDERSON, Mr. BROYHILL, Mr. SHAW, Mr. NIELSON of Utah, Mrs. BOXER, and Mr. MRAZEK.

H. Con. Res. 121: Mr. MORRISON of Connecticut and Mr. KILDEE.

H. Con. Res. 315: Mr. LIGHTFOOT, Mr. SEIBERLING, and Mr. MORRISON of Connecticut.

H. Con. Res. 321: Mr. MCDADE, Mr. YATES, and Mr. ACKERMAN.

H. Res. 347: Mr. BILIRAKIS and Mr. RITTER.

H. Res. 417: Mr. PARRIS.

H. Res. 424: Mr. HAMMERSCHMIDT.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

335. By the SPEAKER: Petition of Mr. Peter J. Cojanis, relative to the Constitution of the United States; to the Committee on the Judiciary.

336. Also, petition of the City Council of Berea, OH, relative to "Save American Industry/Jobs" day; to the Committee on Post Office and Civil Service.

337. Also, petition of the National Council of the Federal Bar Association, Washington, DC, relative to the Federal income tax treatment of Federal retirement benefits; to the Committee on Ways and Means.

338. Also, petition of the School Committee on Watertown, MA, relative to portions of the tax reform bill; to the Committee on Ways and Means.

339. Also, petition of State Representative Peter Nystrom, Norwich, CT, relative to enterprise zone legislation; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

FINE TUNING NIH

HON. JIM COURTER
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Monday, May 5, 1986

Mr. COURTER. Mr. Speaker, in a recent Policy Review article, well-known syndicated columnist Donald Lambro makes an excellent case for greater discrimination in the subject matter of NIH research activities. He has drawn a worthwhile comparison between waste in the Defense Department and in the selection of topics for study at several of the institutes. In Federal health research, as in military procurement, higher quality and greater discretion in the expenditure of tax dollars will improve public support for medical studies.

Mr. Lambro is quick to point out that the vast majority of NIH programs are exemplary. Even some of the more dubious awards have at least a limited possible value. For example, a $215,450 study of adolescent eating habits to determine how they decide what to eat could foreseeably be put to use to improve nutrition. But when financial resources are so scarce and so many other health research projects have immediate life-saving potential, these studies seem frivolous at best.

"One for the Scalpel" makes a strong case for shielding NIH from the pork barrel spending impulses of Congress. I commend this excellent article to my colleagues' attention.

ONE FOR THE SCALPEL—BUDGETARY MALPRACTICE IN HEALTH RESEARCH

(By Donald Lambro)

You've heard about the $7,600 coffee pots and the $640 toilet seat covers purchased by the Defense Department. Even advocates of higher defense spending recognize that military procurement is unnecessarily wasteful, and that the United States could be better protected, at current budget levels, if fewer defense dollars were frittered away on pork barrel projects that advance the job security of congressmen and line the pockets of contractors—but do not help national defense.

But waste and pork barrel politics in government are hardly limited to the military. Domestic programs are often just as wasteful, if not more so, than defense programs. Take the case of medical research, frequently cited as an example of the noble work that government is capable of doing. The National Institutes of Health (N.I.H.) are charged with sponsoring research into the causes and cures of various diseases. Listed below is a sample of activities recently funded by the N.I.H.:

A five-year study of the psychological and social effects of braces on adolescents. Cost: $131,794.

A five-year Notre Dame study of interracial friendliness of children in grades four through seven at 10 northern California schools. During the school year, the children are periodically asked to run down a list of names of their classmates and circle the appropriate description ranging from "best friend" to "don't know." Cost: $325,581.

A two-year Columbia University study of the formation process of Haitian ethnic organizations. Cost: $260,401.

A three-year examination of the psychology of food-choice development among adolescents. The eating habits of 400 children, aged 11, 12, 15, and 16, are being observed to determine how they decide what they will and will not eat. Cost: $215,450.

A three-year study of how restaurant-goers of different ages interact in restaurants—the extent to which they sit together, and the habits of the elderly. The data will be used to analyze how different age groups can be brought together in restaurants and how, at the same time, each age group can be given a degree of privacy from the others while eating in restaurants. Estimated cost: $113,369.

A University of Michigan study examines silent films dealing with public health education in the early 20th century. This "filmography" hopes to reveal the problem of communication between physicians and the public. Cost: $37,026.

A $58,160 "small business" research grant is aimed at developing "non-sexist" toys for children. The researcher for Play-Fair, Inc. of Boulder, Colorado was seeking a $105,000 continuation grant to support further testing and development of such toys for another year.

A Rutgers University study focuses on the "masculinization" of female mouse fetuses. The idea is to find out how the masculinity of female mouse fetuses is affected by the presence of male mouse fetuses in the same uterus with them. Estimated cost: $204,000.

A University of Oregon study of toddlers questions the effectiveness and appropriateness of parental rearing techniques and their impact on the sex role development of children. Cost: $83,049.

A study into how personal computers can broaden the elderly's range of experience and enhance their psychological well-being. Personal computers with game software will be introduced at two senior citizens' centers. The N.I.H. review group approving this $9,946 grant admitted that it would have been "helpful" if the researchers had provided a "rationale" for the use of computer games, but concluded that the project may have "good commercial potential."

A University of Missouri study on age-related decline in typing skills among the elderly. Cost: $48,885.

A three-year study of unselfish behavior and helping the elderly. Cost: $173,812.

A three-year study into ethnic qualities continuity, and aging. Cost: $312,211.

A study of the lessons learned from older persons saving abandoned buildings. First year cost: $14,975.

A three-year study on comprehension and use of prose in people's middle and later years. A group of about 25 persons participated in experimental sessions in which they identified various writing techniques used in advertising. The study's finding: increased reading helps memory retention among older people. Cost: $107,460.

A study of anti-smoking media campaigns in southern Texas and northern Mexico to see how such campaigns work. Cost: $500,000.

Two smoking-cessation studies whose principal goal is to get nurses to stop smoking. Cost: $633,000.

A study to see if a smoker's telephone "hot line" works to help people resist the urge to light up. Cost: $200,000.

A three-year grant to find out the patterns of employment in a large bureaucracy by studying the personnel records of 40,000 insurance company employees. Cost: $85,397.

A study of workers nearing retirement age to determine whether workers with seniority are more likely to stay on the job, among other factors influencing retirement. Cost: $100,397.

A survey of 521 grandparents nationwide to see how the divorce and remarriage of their grown children affects their relationship with their grandchildren. Cost: $189,457.

Analysis of a 1972–1975 national crime survey to develop a way to measure the elderly's fear of crime, how this fear differs during the day and at night, and what causes their fear. Cost: $82,618.

A study of elderly Navajo Indians in Arizona to see how the Navajo's family structure affects their physical and psychological health. Cost: $553,499.

A study of the food-foraging habits of the Ache people in eastern Paraguay. Cost: $163,254.

A study of late marriage in a village in Spain from 1873 to 1983. Cost: $74,561.

A study of how children cope with the stress of having their tonsils removed. A group of 80 children will be studied before, during, and after the operation to compare different "coping styles." Cost: $85,780.

A study of several hundred Baltimore children through the first two years of school to see how they make the transition to full-time schooling, and why some are successful and some are not. Cost: $162,994.

A study of junior high, high school, and college students to test whether academic achievement is determined by a student's study habits, and if achievement and study habits change as a student gets older. Cost: $139,950.

A study of how children and adults find their way around their neighborhoods. One part of the research will test children's memory for direction after they are placed in a large, unfamiliar environment like the St. Louis Zoo. Cost: $83,828.

A $242,508 two-year study to track the development of political attitudes of women who graduated from Bennington College in the 1930s.

A study of the social and psychological effects that using computers has on children—whether using computers make children more gregarious or promotes social withdrawal and isolation. Cost: $228,084.

This is not a particularly outrageous selection of N.I.H. projects. Rather, it illustrates the kind of grant the organization too frequently makes. It is possible to envision useful results coming out of some of these research projects. For example, a study of the way the elderly use computers may

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

eventually provide insights into the process of aging. But even so, the question is whether such a highly experimental or risky project should be funded by the taxpayer.

Many grants are not as promising. A study of how old people who save abandoned buildings feel after the experience would seem to have limited application. Do scientists really need over $100,000 of public money to examine how adolescents feel when they have braces? (Answer: ugly and uncomfortable.) Clearly the above-mentioned N.I.H. projects represent fertile territory for Congress to cut back, especially in the current budget crunch.

The grants catalogued above are not typical of the N.I.H. in general. The N.I.H. is a collection of 11 separate institutes; the dubious awards are mainly taken from grants made by three: the National Institute on Aging, the National Institute of Child Health and Human Development, and the National Heart, Lung, and Blood Institute. There is much that these and other institutes do that is unimpeachable. The $800-million-a-year National Heart, Lung, and Blood Institute funds important research into cardiovascular and lung illness. The National Institute of Allergies and Infectious Diseases is spearheading research into the deadly acquired immune deficiency syndrome, or AIDS, to the tune of $167 million in outlays this year and a proposed $200 million next year. The National Cancer Institute continues its war against cancer, achieving a dramatic, though preliminary, breakthrough in an experimental treatment involving a growth factor called Interleukin-II, which activates specialized white blood cells to attack and kill cancer cells. All this is very good, but it is a serious mistake to assume that all money given to the N.I.H. goes directly to alleviate these and other dangerous maladies, and that higher appropriations ensure that cures for these diseases may be discovered faster.

SCRAMBLING FOR DOLLARS

One reason for the involvement of the N.I.H. in apparently frivolous projects is that the money has been pouring in—faster than it could be efficiently deployed. The N.I.H. was founded in the early 1930s, when it had a modest budget and focused on a few crucial biomedical research areas, primarily chronic diseases. In 1937, with the establishment of the National Cancer Institute within the N.I.H., the process of separating research projects began. Naturally it brought risks of duplication and lack of communication between the various institutes. But the money was there, so the problem was regarded as minor.

Now there are 11 institutes, all of which have prospered even when budgets for other government programs have been cut. "Few if any other federal agencies have enjoyed such a rapid and sustained rate of growth," concluded a 1984 study by the Institute of Medicine. From 1968 to 1984, N.I.H. appropriations grew at an annual rate of nine percent. The 1985 budget awarded a $650 million hike to the N.I.H., the highest in its history, raising its total budget to $5.15 billion that year. The latest congressional bidding for the 1986 N.I.H. budget is $5.5 billion. While the total civilian discretionary budget has gone down by seven percent from 1981 to the present, the result of Reaganomics, the N.I.H. budget has climbed 45 percent.

The result is a scramble for dollars by potential grantees, and congressmen are eager to oblige. There is also fierce competition among various institutes to gain funds, with the result that all tend to be hyperbolic about the risks posed by their disease to the general public. Funds are often allocated along pork barrel lines, not medical need. "The tendency among the current 11 institutes is to divide the pie among all the children," says Bernadine Healy, former deputy director of the White House Office of Science and Technology Policy. Dr. Healy suggests that perhaps fewer dollars would be needed, and could be more efficiently deployed, if research was focused into "targets of opportunity" where scientific knowledge is progressing fastest, such as the neurosciences and molecular biology. The National Institute of General Medical Sciences, which funds broad basic research, is "deeply underfunded," she says.

Yet the tendency is for Congress to set up more separate institutes. Now it has cleared funds for another—the National Institute for Arthritis. In recent years, members of the House and Senate have tried to set up a Population Institute, a Communications Institute, an Institute for Technology Research, and the National Trauma Institute. Many of these are only tangentially related to the founding purpose of the N.I.H. Moreover, where will it end? "Given the many unresolved disease entities, there is virtually no end to the possibilities for the creation of additional categorical institutes," warns Dr. Edward Brandt, assistant secretary for health at the Department of Health and Human Services (H.H.S.).

The increased availability of funds has spawned a vast industry of research parasites. Dr. Marcia Angell, deputy editor of the *New England Journal of Medicine*, notes that N.I.H. grants have generated "a huge and unwieldy literature that is difficult to evaluate because of its size and the clutter of repetitious and often trival reports." Virtually all grant applications are judged to have some utility, and no firm criteria are used to discriminate between worthwhile research projects and others that simply should not receive federal money. Moreover, according to Dr. John Bailar III, former editor of the *Journal of the National Cancer Institute*, "Blind alleys in biomedical research don't get closed off as quickly and efficiently as they could."

PORK BARREL MEDICINE

Each year several grants are handed out by the N.I.H. not because of medical research needs but as a result of pressure by congressmen who are in the grip of special interest lobbies. Last year for example, Congress earmarked $4.5 million for a cancer research center at West Virginia University as a tribute to former Senator Jennings Randolph, whose wife died of cancer, even though peer review by National Cancer Institute specialists gave the project low marks.

The National Arthritis Institute was recently okayed by Congress in response to fierce lobbying by interest groups and pressure from Republican Senators Barry Goldwater and Steve Symms, although biomedical research leaders and top N.I.H. officials opposed the new institute. As Pierre Renault, acting director of the N.I.H. branch that currently supervises arthritis research, put it, the new institute "makes no scientific sense," especially considering "such remarkable crosscutting of fundamental concepts, such as immune mechanisms and genetics."

But again and again the scientists are overruled by congressmen and their lobbies. Resignation has set in at the N.I.H. "Sometimes worthless research is called for by Congress," admits Richard Kusserow, inspector general for H.H.S. "We get the pork barrel problems."

All this suggests that the public should be more skeptical of even the most noble-sounding government programs. The attitude cannot be the one that Kusserow describes, namely, that the N.I.H. is "an area where people are willing to throw money out in the hope for some results to come back." Congress can cut back the N.I.H., as it can cut back virtually of its programs, without a significant loss of public service or harm to the public interest. Supporters of a strong and effective government role in medical research should agree.

INDIAN-AMERICANS: AN IMPORTANT PART OF AMERICA'S FUTURE

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 5, 1986

Mr. GARCIA. Mr. Speaker, Dr. Joy Cherian, outgoing president of the Indian-American Forum for Political Education [IAPFE], gave a very moving address at the forum's fourth annual dinner in Chicago this past weekend.

In that address, he spoke about the Indian-American community, its purpose and its role in the United States. I would like to share with my colleagues excerpts from Dr. Cherian's speech. It will be well worth their trouble to take a moment to read his remarks. Fortunately, Dr. Cherian is not retiring from public life altogether; he is, instead, becoming the chairman of the Asian-American Voters Coalition. It is good to know that he will remain a leader in the Asian-American community.

TO MY PEOPLE: A FEW THOUGHTS FROM MY HEART

(Actual text of Remarks made by Dr. Joy Cherian, outgoing President of the Indian American Forum for Political Education (IAFPE) during the Forum's Fourth Annual Meeting Banquet on May 3, 1986, in Chicago. Dr. Cherian is the Chairman-Elect of the Asian American Voters Coalition.)

We had a dream. All of us had a common dream to come to America. We crossed the Atlantic Ocean or the Pacific Ocean and made it possible to make our dreams come true—a dream to make a challenging, a rewarding, a satisfying life in the United States of America. Many of us studied hard and earned university degrees; many of us worked hard and learned our new jobs and acquired professional licenses; and many of us suffered a lot and finally made our homes in this great country.

Now, several questions arise: Are we becoming part and parcel of this nation? Are we becoming real Americans? Do we consider ourselves an integral part of this society? Let us ask one more question: Do we consider ourselves Indian-Americans?

For the last four years, I have traveled around the country, met our people, attended many meetings and learned about our emerging Indian-American Community. Most often I wondered why we behave in this country, when we deal with political life, as Malayali-Americans, Bengali-Americans, Punjabi-Americans, Gujarathi-Americans, Tamilian-Americans or as Christian-Americans, Hindu-Americans, Muslin-Americans and Sikh-Americans. We behave like

divided Indians on the narrow basis of back-home identity with hyphenated American status—instead of behaving like Indian Americans. I hope that I am wrong in this observation.

Let us nurture our ethnic traditions, but let us not be politically naive. We must be respectful of the past, for that is a large part of us. But we must be realists in recognizing that our reasonable expectations will be realized sooner if we unite as Indian Americans.

Who is an Indian American?

An individual of Asian Indian origin who has declared solemnly that he or she intends to abandon his or her residency back in India or any other country and has obtained a green card or an immigrant visa; a person who has acquired U.S. citizenship by birth or by the process of naturalization and who can trace his origins to India; or—I will go a step further—any U.S. inhabitant of Indian origin who honestly wants to live and die in this country who does not have, at present time, proper papers, but is qualified to be a legal American resident, is an "Indian American."

Any of us who belongs to any of these categories, who wants to enjoy all rights and privileges bestowed upon us through the Constitution of the United States and the statutes and regulations of this land has a duty to participate in the political process of this country. I don't have to tell you that it is our civic duty and it is our social responsibility. To help us to uphold these rights and privileges and to perform these duties well, the Indian American Forum functions like a catalyst. One of the major purposes of this august institution is to promote political awareness and develop civic consciousness among Indian Americans.

Before I conclude these remarks, I want to warn you, and please listen carefully, I repeat, I want to warn you—the present comfortable life resulting from our good professional practice, excellent jobs and nice homes may not be with us all the time. We don't have any eternal guarantee. The lessons from the past history of Indian immigrants around the world should guide us now and in the future. Sufferings and sacrifices and the troubles and tears of our brothers and sisters in many countries should open our minds to think seriously for a moment why they were victimized in many of those places. Did they assimilate into the society in which they lived or did they keep themselves isolated from the mainstream of their adopted countries? Who was there to help them when they were in trouble?

I will explain this point more specifically. Even a large population of any ethnic community which is not politically oriented and organized will not attain political clout at any time anywhere. Let us take the present experience in countries like Guyana, Suriname, Fiji and Mauritius where people of Indian origin are either the majority or close to being the majority, but are politically powerless. Do you think that financial strength will give us political power? Let us look back to see what happened to the Indian community which did not participate politically, but controlled financial power in certain East African countries such as Kenya, Tanzania and Uganda. The former group was politically subdued and the latter group was physically uprooted.

Do you want this to happen to us or to our future generations in this country? Let us not fool ourselves by thinking the torch in the right hand of Lady Liberty will guarantee a comfortable life for even—if we don't contribute the energy to that eternal flame of hope and prosperity. Don't think what happened in Asia or Africa will not happen to us here in America. If our people at present are facing problems in Bonn, London and Toronto, these problems can appear in Chicago, New York and San Francisco.

When unemployment among office workers and skilled laborers increases alarmingly, when competition and jealousy are evident in professional life, when our religious and cultural properties have to be protected and preserved, we need political connections—the connections which can deliver us visible political power.

Please come forward and participate in the political process. Come forward and brighten our future. Become U.S. citizens. Support good political candidates and vote without hestitation. Let us abandon our infightings and jealousies and let us recognize and respect each other. Together we will overcome at least some of our problems.

Thank you for your patience. You are kind and great. I bow before your good minds. You make me proud, because I am one of you. I am an Indian American.

May God bless the United States of America which adopted you and me as its children.

IMMIGRATION CONTROL AND LEGALIZATION AMENDMENTS ACT

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 5, 1986

Mr. MARTINEZ. Mr. Speaker, I was invited recently to serve as a panelist at a conference on immigration and refugee policy. I would like to share with my distinguished colleagues my remarks at that conference regarding H.R. 3810, the Immigration Control and Legalization Amendments Act, which is currently pending business before the Judiciary Committee.

REMARKS BY REPRESENTATIVE MATTHEW G. MARTINEZ BEFORE CENTER FOR MIGRATION STUDIES NINTH ANNUAL NATIONAL LEGAL CONFERENCE ON IMMIGRATION AND REFUGEE POLICY

I would like to thank the Center for Migration Studies for asking me to speak to you today on this extremely important subject. Once again, powerful forces are going to try to push through the House of Representatives an immigration bill that encourages America to turn against its Hispanic population. Once again, it is up to us to stand up to, and defeat, this dangerous and backsliding legislation.

Like the Simpson-Mazzoli bill before it, the Simpson-Rodino bill is fueled mainly by political pressure to "do something" about immigration policy. It is true that America's immigration policy needs a close re-examination and overhaul—and has needed it for 20 years. But the frenzy in Congress triggered by public demand is a momentum that has not had much rational guidance, as last session's House debate over Simpson-Mazzoli and this session's Senate debate over Simpson-Rodino will attest. Each has resulted in a bill that is insufficiently debated and not properly amended. Unless Members of Congress concentrate less this year on public posturing and more on the tough and intricate issues surrounding immigration policy, we are going to face another year without immigration policy, we are going to face another year without immigration reform.

The first thing we can do to make immigration reform work this year is to realize that it is not going to work with this bill as it stands. With a few cosmetic changes, this legislation is essentially the same as Simpson-Mazzoli, which proved unacceptable. Why are these bills unacceptable?

The first reason is that they seek to control illegal immigration using employer sanctions. This approach seeks to shift the burden of enforcing immigration laws from the Federal Government—where it belongs, to private citizens—where it does not. The obvious effect will be that employers who are afraid of hiring illegal immigrants will discriminate against "foreign looking" people, especially Hispanics. Either that, or businesses will take the risk of keeping illegal immigrants in their employment, but doing so in a clandestine way that makes working conditions for these people even worse than they already are.

My District community would be hard hit by this legislation. With over 284,000 people of Hispanic heritage—the second highest concentration of Hispanics within a single district in the State of California—and with an unemployment 3 to 4% higher than the national average, we do no need laws that make it even harder than it already is for Hispanics to find jobs and to receive equal and fair treatment by employers. The sanctions contained in the Simpson-Rodino bill would also put employers in a kind of double jeopardy. First, employers would be held responsible for the verification of employees' citizenship status, which places them in a position of having to obtain and validate the proper identification documents. And they would also be targets of discrimination charges and fines for perceived discriminatory hiring practices. There is better way to curtail the hiring of illegal aliens. It is already the law.

The point is that employer sanctions have failed on the state scale, and remain untested on a national scale. An authoritative study published in the Stanford Journal of International Law in the summer of 1983, along with numerous other documents, amply confirms this fact. At the same time, wide-scale discrimination against Hispanics is now a vivid reality in our society. The Los Angeles County Commission on Human Relations recently reported that "hostile attitudes toward immigrants and refugees . . . are widespread among the general public," that "numerous forms of employment discrimination and exploitations are a major problem for immigrants and refugees," and that "the Immigration and Naturalization Service has targeted Latinos and Asians in workplace raids, resulting in discriminatory treatment of Latino and Asian immigrants and refugees and numerous Latinos and Asians who are American citizens." If this is the current situation in Los Angeles County, what can we expect if employer sanctions are enacted?

Current law requires that anyone seeking employment in this country have a Social Security card. In the 98th Congress. I proposed an amendment to the immigration bill to require that the Social Security card be the only document used to verify employment eligibility. This simple but effective measure would keep employers from shying away from obtuse and complex verification

procedures, and would therefore keep them from discriminating against anyone who they think might be difficult to verify. The responsibility for stopping illegal hiring would be placed where it should be, with the agencies and their rules that already exist. If we are going to discourage employment of illegal immigrants as means for curbing their entry into this country, then we should do this without discrimination toward United States Citizens of Hispanic heritage.

Equally unacceptable in this bill is its version of the H-2, or "guestworker" provision. From the early days of the hideous "Bracero" program, guestworker programs have consistently provided the settings for cruel employment conditions, for overt discrimination, and for illegal immigration. On each of these three counts, the guestworker program in Simpson-Rodino fails miserably. The provisions in this bill go out of their way to make sure alien, not domestic workers, are recruited to harvest the crops. They do this by requiring that the search for domestic workers be limited to the time and place of need, rather than be nationwide; by allowing the Secretary of Agriculture a key role in the guestworker program; and by providing an expedited 72-hour review, instead of a standard 5-day review, of government denials when qualified domestic workers are claimed to be unavailable. Sadly, these provisions encourage the employers to provide poor conditions for their employees, because they know that alien guestworkers are a lot less likely to raise complaints.

But even more hypocritical about this program is that it fails to take into account an all too common occurrence—that guestworkers abandon the farms to seek permanent jobs in the city. By increasing the number of annual guestworkers 10 to 25 times, and simultaneously allowing poorer working conditions on the farms, this bill is going to unleash a new flood of illegal immigrants in our cities, where we will feel the crunch. If we are going to have an effective and humane immigration policy, the agricultural interests must be willing to make their farms tolerable places to work, so domestic and alien workers are able to work there without sacrificing wages or human dignity.

The third major part of the immigration bill is the legalization, or "amnesty" program. Now, I am all for amnesty, and I think it is essential. But leaving Attorney General Meese to decide who he wants to stay or to leave is not exactly my idea of amnesty. Last year, the Justice Department granted refugee status to only 3% of Salvadoran immigrants who applied, in spite of the fact that this country is in the midst of a full-scale war. The Administration has clearly transformed a humanitarian concern into a political one. This tragic record does not bode well for illegal immigrants in Los Angeles fleeing the extreme poverty, economic crises and/or wars in Mexico, and in Central and South America.

By dictionary definition, amnesty is "an act of forgiveness for past offenses, especially to a class of persons as a whole." According to Simpson-Rodino, it is anything but that. The bill proposes to allow only those illegal aliens who have resided continuously in the country since before January 1, 1982, to apply for legalization. Is this realistic? Residence might be very difficult to prove given that illegal aliens usually make every effort to leave no trace of their presence. And just applying for legalization does not guarantee it. An applicant could still be denied a visa if he falls within any one of some 34 "grounds for exclusion" under current immigration law. These grounds may be waived, but it is not clear under what circumstances that would happen. Would you apply for "amnesty" knowing that your application for it might lead to your deportation? Even if an illegal alien is eligible for legalization, he will be granted only temporary resident status. Temporary residents will be required to show knowledge of the English language, U.S. history and government, or be enrolled in English or civics courses. After one year temporary residents may apply for permanent status, but there are additional requirements for that status, and once again they risk deportation. If achieved, legalization (permanent status) would not make an alien eligible for most types of federal financial assistance for some years, though he would certainly be taxed as if he were. Are these acts of forgiveness?

And why choose this arbitrary date of January 1, 1982? To reward illegal immigrants for being cunning enough to avoid deportation since then? It is estimated that this date would only affect one-third of the undocumented population. What about the rest of these people? This is not the blanket amnesty many House members and some leaders think it is, and it certainly does not solve the illegal immigrant problem.

We must take a look at the real reasons immigrants are flooding our country. As long as the tremendous economic disparity exists between the United States and our Latin American neighbors, we cannot conceivably stabilize immigration. Legally or illegally, they will come. Wouldn't you? We must encourage more bilateral aid and joint economic development programs with our neighbors to the south, such as Mexico. This is happening now on the government level, but it must happen on the private level also. Mexico must also be encouraged to liberalize its foreign investment laws, and make the climate more hospitable to American business. We must demand more short- and long-term cooperation from the Mexican and Central and South American governments in solving our immigration problem.

The heart and soul of our nation's immigration policy has always shone on the Statue of Liberty:

Give me your tired, your poor,
Your huddled masses yearning to breathe free,
The wretched refuse of your teeming shore,
Send these, the homeless, tempest-tossed, to me:
I lift my lamp beside the golden door.

These are trying times, and many would respond by closing the golden door. We must guard it diligently and wisely, but never close it. For the day we do is the day we blow out the lamp of freedom, justice and opportunity that has made us a beacon to the world.

NATIONAL LOYALTY DAY

HON. ROBERT A. YOUNG

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, May 5, 1986

Mr. YOUNG of Missouri. Mr. Speaker, last weekend I was asked to speak before VFW Post 2866 in St. Charles, MO in honor of this country's annual celebration of National Loyalty Day. I would like to share my remarks with my fellow colleagues.

SPEECH OF CONGRESSMAN ROBERT A. YOUNG, VFW POST 2866, LOYALTY DAY, MAY 4, 1986

It is a great privilege and honor to be with you today to observe Loyalty Day. This year's chairpersons, Mr. Paul Jones and Ms. Charleen Bossman, should be commended for organizing this year's events in St. Charles.

As you know, the idea of a Loyalty Day was originated about 1928 or 1929 by local leaders of the Veterans of Foreign Wars in posts in Boston, New York, and New Jersey. These veterans believed that some gesture was necessary to counter the well-publicized May Day rallies in the Soviet Union.

Once initiated, the practice of holding Loyalty Day celebrations spread slowly, first over the eastern part of the country, then over the Nation.

By 1950, there were calls for a nationwide observance. But it was not until 1955 that Congress gave its blessing by passing a joint resolution establishing the first day of May as Loyalty Day.

As past commander of the St. Ann Memorial Post and a member of the VFW, this day means a lot to me. Two years ago, I was asked by the House Veterans Affairs Committee to be among the 18-member delegation representing the U.S. Congress at the 40th anniversary commemoration of the D-Day invasion in Normandy, France.

During World War II, I was a member of the 301st Military Police escort guard attached to the 1st Amphibious Engineers, and 87th Infantry Division. For me serving in the Armed Forces was my way of fulfilling my duties to my country as well as a means of preserving the democratic ideals that we enjoyed since the establishment of our country.

Freedom is so priceless a gift. To have the freedom to speak your will, or reach for your dreams, and to be who you want to be, is so distant to many countries around the world, yet in America it is a way of life.

As we celebrate Loyalty Day, it is my fervent hope that all Americans take this occasion to show their strong feelings for their country by displaying prominantly the American flag. I believe that such a show of patriotism is of special importance at this juncture in our history, a time when we are besieged by difficult challenges abroad.

Recently, our country responded to those challenges when President Reagan took strong measures against the state-supported terrorism of Muammar Qadhafi.

I supported the President's policy of swift and decisive action against the sponsors of international terrorism. No nation can buckle under the pressure of terrorism. As VFW Commander-in-Chief John Staum said in a letter to President Reagan, "Americans are tired of being the hunted victims of Mideast madmen. Americans are looking to your leadership to deal swiftly and firmly with terrorism." and the President has acted wisely in my opinion.

In keeping with the spirit of today, we must never forget that those Americans who served in our Armed Forces are very special people who, by virtue of that very special service, will always deserve very special consideration.

During the 99th Congress, your elected officials have recognized the sacrifices and hardships experienced by those who have served our Nation and have met those needs.

The Veterans Administration Health Care Amendments of 1985 makes a decided improvement in the delivery of health-care services by the Veterans Administration. As we all know, the demand on the VA to provide health care to our aging veteran population is going to reach unprecedented levels in the very near future. It is not too early and, as a matter of fact, we're many years too late in preparing for this moral obligation on behalf of a grateful Nation.

Last year, Congress passed a new G.I. bill that I believe was directly responsible for the dramatic improvements in military recruitment and retention. This has allowed us to improve active duty and reserve manpower levels and have precluded a return to the draft.

However, there are attempts to terminate this program in October. I am opposed to those efforts because I believe that such an idea would deprive thousands of young men and women who volunteer to serve their country an opportunity to get much needed educational assistance in return for their dedication and service.

Another issue that I am sure is dear to our hearts is the full accounting of our servicemen in Southeast Asia. The resolution of America's missing in action remains a matter of the highest national priority.

Congressional missions to Southeast Asia have turned up pieces of information about a few of our men. But I believe that we should get a full accounting of the nearly 2,500 U.S. servicemen still listed as missing-in-action. I can assure you that Congress will use its fullest resources at its maximum capability to obtain a full accounting.

In looking back over the past few years, I believe no one can say that veterans have not pulled their own weight in helping to reduce this Nation's deficit. As a result of the Gramm-Rudman deficit reduction law, certain veterans' benefits—education, rehabilitation, burial benefits, and others—were subject to the 4.3 percent reduction effective March 1.

However, it is important to note that, as a result of the House intervention, the three largest programs administered by the VA are protected from the automatic cuts. The House successfully argued that veterans' compensation and pension benefits should be fully excluded from the cuts. Additionally, the VA's medical care program received special protection from the Gramm-Rudman law.

One program that did not escape the new law was cost of living adjustments for military retirees. It's important to underscore that the issue is more fundamental than cost of living adjustments; COLA's affect the readiness of the Armed Forces. And I believe that these citizens, who devoted their careers to serving this Nation, must not be singled out for especially harsh treatment.

I am cosponsoring a bill which would remove all Federal civil service, military, and Tier II Railroad Retirement and Disability Programs from the automatic spending cuts and would also provide for a full reimbursement of the January 1985, COLA.

Currently, this bill is pending in the House Committee on Government Operations. You can be sure that I will be supporting this measure as it moves through the Congress.

The bottom line however is this: Government spending and the deficit must be brought under control. I'm sure we all, especially our veterans, recognize this fact and are willing to participate in this process.

For three decades, the VFW has led celebrations of Loyalty Day in every State of the Union. At each one of these celebrations, the American flag, symbol of our strong commitment to democratic institutions, will be raised high.

Loyalty Day is an occasion for us to reaffirm our allegiance to the flag and to remember those who fought to defend it. We may best thank our veterans for the sacrifices they have made to preserve freedom by pledging our allegiance to the flag one more time on Loyalty Day. Thank you.

VIVIAN PICCIARELLI—A REMARKABLE WOMAN WHO BEAT CANCER AND EMPLOYMENT DISCRIMINATION

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 5, 1986

Mr. BIAGGI. Mr. Speaker, for the past several years I have been engaged in the fight to eliminate employment discrimination against persons on the basis of cancer history. It is a grievous violation of civil and human rights that is slowly reaching crisis proportions in this Nation.

Throughout my work in this area, I have had the pleasure to meet many remarkable men and women who conquered cancer, only to face prejudice and discrimination in the workplace. Unfortunately, not many of these people encounter the same success fighting employment discrimination as they did when battling cancer. However, I am proud and honored to pay tribute to a woman in New York City who has fought both—and won. Her name is Vivian Picciarelli.

Vivian is an officer with the New York City Police Department. As a 23-year veteran of that department, I fully recognize the dangers and understand the obstacles she faces in performing the duties of her position. but of these obstacles, none was more difficult to overcome than her fight against cancer and subsequent battle against employment discrimination. It is a tragic and senseless injustice of which I am all too familiar.

An article about Vivian appeared in the New York Daily News on Monday, April 28. I wish to share her story with my colleagues:

COP BEATS BRASS AND CANCER

For three years, the Police Department tried to bounce Officer Vivian Picciarelli off the force. The fact she secretly wed her superior, Lt. Pat Picciarelli, after they met on patrol four years ago didn't make police brass happy. The brass in 'Queens ruled a husband and wife can't work together. They sent Lt. Picciarelli to Long Island City and left Vivian in her Elmhurst precinct. The story of the married cops didn't stop there. Vivian developed cancer three years ago. When Police Headquarters found out, she was asked to resign. Vivian said no. The medical board ordered her to retire. Vivian said no. And, with her husband's strong support, she fought the brass and, nine times, won on appeals that overturned the board's edicts. Vivian, 25, proved she can do police work even while undergoing treatment at Memorial Sloan-Kettering Cancer Center. She withstood the pain and sickening effects of chemotherapy and never took time off, even on treatment days. She beat cancer and the brass. Now, her courage will be rewarded. Vivan Picciarelli is still a cop. And next month, Police Commissioner Ben Ward will officially recognize her fight against cancer and her battle to keep her uniform. She'll get the top civilian award for courage, the Theodore Roosevelt medal, named for the police commissioner who became president. At her side will be her husband, who says: "Vivian is the most remarkable, courageous person I have ever met. She's a real hero. Only one of the many reasons I love this cop."

I am sure my colleagues will agree that Vivian is a woman of courage, spirit, and determination. She truly serves as an inspiration to all—especially the estimated 1 million people currently facing both cancer and employment discrimination.

Unfortunately, Vivian Picciarelli and her story of employment discrimination is not an isolated or hypothetical problem. It is, in fact, an outrage which victimizes one out of every five persons with a cancer history. We have spent fortunes on cancer research, and it is finally paying off. Today, one out of every two persons diagnosed as having cancer will be cured. This means we will have millions of new victims of employment discrimination. We must act now to eliminate this developing national scandal.

I recently introduced a resolution, House Concurrent Resolution 321, expressing the sense of Congress in opposition to this employment discrimination and urging that these Americans receive fair and equal treatment with respect to our Nation's workplace. I ask each of you to join me in cosponsoring this resolution. After all, this principle, equality for all, is at the very core of our Government, the very foundation upon which our Nation was founded. Last Friday, as Vivian Picciarelli received the Theodore Roosevelt Medal, New York City's top civilian award for courage, she should stand tall and be proud. In these troubled times that we live, Vivian is a shining example of what is good, what is right, with our Nation. She has won the battle against employment discrimination and helped to shatter the myths and misconceptions surrounding millions of persons with a cancer history. I am proud Vivian is a fellow New Yorker, a fellow police officer, and a friend.

JOHN NORTON MOORE ON NICARAGUA

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REFRESENTATIVES

Monday, May 5, 1986

Mr. COURTER. Mr. Speaker, John Norton Moore of the law faculty of the University of Virginia is one of the Nation's most astute commentators on national security issues. While he writes and lectures on a variety of subjects, the problem of Nicaragua is a special area of interest. Today I would like to submit for the RECORD his most recent essay on the Sandinistas' war of subversion against its neighbors in Central America. The evidence of the last 6 years is undeniable: Managua intents to respect treaties protecting sov-

ereign states against subversion about as much as has Havana, which was and is partly responsible for the arming and training, and therefore for the initial and continued success, of the Sandinistas.

[From the Wall Street Journal, Apr. 25, 1986]

THE NEW FACE OF WAR: COVERT CONFLICTS

(By John Norton Moore)

The powerful images of World War II have conditioned us to think of aggression as panzer divisions racing across an international frontier. With some exceptions, such as the Korean War and the last tragic phase of the Vietnam War, the core threat to contemporary world order has been state-sponsored terrorism, guerrilla warfare and other forms of covert attack. Our general failure to focus on these continuing secret wars—whether waged by Cuba, Nicaragua or Libya—has made people forget that while all policy options have warts, a policy of non-action against violence and terrorism may lead to a complete collapse of world order.

Today a variety of radical regimes and movements, sharing an antipathy for democratic values and a belief in the use of force to spread their ideologies, practice this covert aggression. Libya's Col. Qadhafi, for example, is a particularly blatant offender. By publicly denying their attacks and accompanying them with a drumbeat of propaganda, these radical true-believers seek to make their attacks indistinguishable from a global background noise of terrorist incidents and guerrilla activity. Sadly, this strategy is proving successful in avoiding the mobilization of world opinion against these violent attacks. It is also destroying the very fabric of world order by putting an action such as the U.S. bombing of Libya in the same moral light as the terrorist actions it was a response to. It is as though the immune system of international law had gone haywire and begun to attack defensive responses while ignoring the virus of aggression.

Nowhere is this phenomenon more evident than in the debate over Central American policy. Despite six detailed State Department white papers, repeated findings of the congressional intelligence committees, the findings of the Kissinger Commission, a plethora of refugee reports, statements of Salvadoran leaders, and media reports, the debate proceeds largely as though the Cuban-Nicaraguan secret war against El Salvador was nonexistent.

The Sandinistas have also fostered a less well-known campaign of armed subversion, terrorism and destabilization against neighboring Honduras and Costa Rica. In July 1983, 96 Nicaraguan- and Cuban-trained guerrillas were captured by the Hondurans. A year later, another group of 19 similarly trained recruits was captured. Trials of terrorists in Costa Rica have repeatedly implicated Nicaragua in terrorist activities. In February 1985, after nearly 100 terrorist incidents where Nicarguan involvement was present, Costa Rica ordered Nicaragua to reduce its embassy staff from 47 to 10 people.

The failure to view assistance to the contras as a defensive response to a large-scale and sustained secret war against neighboring states has strongly skewed the debate. As with the democratic response to other such attacks world-wide, it is the contra response rather than the Cuban-Nicaraguan secret war that is scrutinized.

Perceptions of U.S. and Latin American interests focus heavily on the national security threat of a Soviet base in this hemisphere. But the real, short-term issues are the continuing armed aggression of Nicaragua against neighboring states, the importance of maintaining Latin American self-determination against such attacks, and the expanding program of state-supported terrorism and subversion that is being used to destabilize other countries such as Colombia.

Cuban and Nicaraguan bases are a threat, since they might become a second battleground in a North Atlantic Treaty Organization emergency, but these countries' covert attacks against neighboring states are an immediate and continuing assault that is vitally important yet strangely politically invisible. The parade of U.S. visitors to Managua who discuss possible terms of settling the dispute fail to focus on the solemn treaty obligations already binding the Nicaraguan comandantes not to attack neighboring states and on their continuing failure to adhere to those obligations. Some creative commentators even defend the Sandinista incursions into Honduras as legitimate "hot pursuit" against contra "attacks" rather than as a significant escalation of the Sandinista secret war against neighboring states. Interestingly, House Speaker Tip O'Neill rightly invoked the RIO Treaty—which is the NATO Regional Defense Treaty of this hemisphere—in response to the recent open Sandinista incursion into Honduras. However, there seems to be only peripheral awareness that the continuing secret war against El Salvador and neighboring states should be the real occasion for invoking this hemispheric defense treaty.

President Kennedy—reflecting President Monroe—wisely established as a condition in negotiations during the Cuban Missile Crisis that Cuba not be used as a launching platform for secret warfare against its neighbors. Congress embodied this principle in the Cuban Resolution of Oct. 3, 1962, declaring that "the United States is determined . . . to prevent by whatever means may be necessary, including the use of arms, the Marxist-Leninist regime in Cuba from extending, by force or the threat of force, its aggressive or subversive activities to any part of this hemisphere. . . ." Three years later the House resolved that "any one or more of the high contracting parties to the . . . [Rio Treaty] may, in the exercise of individual or collective self-defense, which could go so far as resort to armed force . . . take steps to forestall or combat . . . [such subversion]." A central choice today for all Americans is whether we will accept as inevitable the secret Cuban and Nicaraguan assault on the integrity and independence of the Americas. Will we understand and act on the wisdom and importance of this Monroe-Kennedy condition or let it sink into an increasing background noise of terrorism and guerrilla attack?

AN HISTORIAN'S VIEW OF 6.7 MILLION LONG ISLANDERS

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 5, 1986

Mr. SOLARZ. Mr. Speaker, a good friend of mine, David Steinberg, is a talented historian who has that rare gift of looking at the commonplace, the accepted and seeing an entirely different and richer view. Recently he wrote an article for Long Island's largest newspaper, Newsday, in which he challenged the notion that somehow the people of Kings, Queens, Nassau, and Suffolk County are not united nor intimately linked together in a common density.

Mr. Steinberg now serves as the president of Long Island University. This is a large and multicampused learning center which serves the residents of all of the 4 counties that make up Long Island—a 121 mile long island with 6.7 million residents. Fourteen Congressmen represent the varied communities of Long Island which range from rural Montauk Point to suburban Garden City to densely populated Red Hook in Brooklyn and Ridgewood in Queens.

Many Members of this body might not be aware that two-fifths of New York City is actually located on this long thin sandy strip that Walt Whitman called Paumanok—and the city residents persist in calling "out on the island" even though almost half of them actually live there. Perhaps Mr. Steinberg and the large institution he now chairs can help us to overcome the many barriers that have existed between the residents of the city and Nassau and Suffolk so that together we can enjoy a richer and more rewarding life, in what is afterall, the nation's greatest "Empire State".

Mr. Speaker, I ask that David Steinberg's article "Who Are the Long Islanders?" be reprinted in today's CONGRESSIONAL RECORD.

WHO ARE THE LONG ISLANDERS?

(By David Steinberg)

The place has 6.7 million residents—more than all but nine of the 50 states—and no small amount of outstanding industrial, cultural, educational, political and technical resources. But the ability of its citizens to capitalize fully on such wealth is seriously impaired by an artified boundary that fragments their efforts to solve common problems and diminishes their ability to wield political and economic power.

I am not describing Germany or Korea. I am talking about Long Island.

Yes, our Long Island.

"The successive stages of my infancy, childhood, youth and manhood were all pass'd on Long Island, which I sometimes felt as if I had incorporated," Walt Whitman wrote 100 years ago. "I roam'd as boy and man, and have lived in nearly all parts, from Brooklyn to Montauk Point."

It has been nearly a century since most New Yorkers have conceived of Long Island as Whitman and his contemporaries did.

Yet, in an aerial view the geography is still clear: New York has within its boundaries three important islands—Manhattan, Staten and Long.

The last is by far the largest and the best endowed by nature, yet it has not been able properly to exploit that endowment because it suffers from what I consider to be a fundamental deficiency: its failure to develop and maintain a vision of itself as a meaningful political, economic and social unit.

The line that divides Queens and Brooklyn from what recent generations have come to call "Long Island" separates neither nationalities nor ideologies. There is no river between eastern Queens and western Nassau. Millions of people flow back and forth daily between one part of the Island

and another, noticing the Queens-Nassau border only by a change in the speed limit from 50 to 55, if they are able to achieve that on either side of the line.

The burgeoning suburbs and towns of central and eastern Long Island have been stocked in large part by the exodus from the borough at the west end, so that today's Levittowners and Smithtowners are the children and grandchildren of the emigrants of Flushing and Flatbush.

The flow of commerce, which can be traced to the days when ferryboats filled Brooklyn Harbor with agricultural products from the Suffolk hinterland, continues today even as the high-tech firms along Route 110—the Walt Whitman Highway—reach into the boroughs for a pool of skilled labor that can sustain their growth. On some mornings, in fact, the traditional east-to-west rush of traffic is nearly matched on the Island's major arteries by the numbers of vehicles heading the other way.

Despite these manifest ties, the 20th Century has hoed an ever-widening trench between the two halves of Long Island. Few people with a 718 area code consider themselves to be Long Islanders and if anyone proffered such a claim it would surely be challenged by someone with a 516 code.

As someone who awoke one morning last spring as the new president of a university whose campuses span the distance from the East River to Shinnecock Bay, an institution that bears the name "Long Island" but was founded and still thrives in Brooklyn, this poses a distressing linguistic dilemma. In trying to resolve that dilemma, I have found it necessary to reach back to the native American name for Long Island, Paumanok, used by Whitman in a poetic celebration if our Island. But a name, by itself, does not solve our problem. We need to start thinking of Long Island as the whole it must be, if we all are to prosper.

A couple of years ago, New York City Mayor Edward Koch startled many of his constituents by journeying to West Hempstead to meet with Nassau County Executive Francis Purcell and later declaring that the Chinese lunch they enjoyed there was every bit as genuine as the fare he usually enjoys along Mott Street. This fall, Koch dispatched municipal manpower to aid residents of Suffolk County in the wake of Hurricane Gloria, a gesture warmly acknowledged on the steps of New York's City Hall by Suffolk County Executive Peter Cohalan.

And, just recently, Sen. Alfonse D'Amato (R-New York) told a meeting of community, business and educational leaders on our C.W. Post campus that be believes a regional approach to such issues as transportation, housing, energy and economic development is crucial to the future of all of Long Island.

In some areas, the critical need for such coordination is self-evident: a short (if not necessarily brief ride on the Long Island Expressway should be enough to convince anyone that we have an Island-long transportation problem, especially if the motorist has chosen the notorious LIE as an alternative to a frantic scramble across trhe Jamaica platforms of the Long Island Rail Road.

Less visible areas of common and mutual concern include criminal justice, the environment and public health. Problems spill over from community to community and county to county. We can learn from each other, help each other and unite politically when the common weal commands us to do so.

In Washington, for example, a unified Long Island delegation would have 14 representatives from Guy Molinari (R-Staten Island, but including part of Brooklyn) on the west to William Carney (R-Hauppauge) on the east and including influential leaders like Joseph Addabbo (D-Ozone Park), Stephen Solarz (D-Brooklyn) and Thomas Downey (D-Amityville)—a powerful bloc in support of regional needs.

Closer to home, a marriage of the free trade and enterprise zones of Brooklyn with the capital and entrepreneurship of Nassau and Suffolk could be a major spur to economic expansion.

And culturally, the so-called "bedroom" communities, working together, can build their own "study" and "den" so that more opportunities in art, music and theater are within the reach (geographically as well as financially) of more citizens.

It is far easier to articulate the benefits of seeing ourselves as one island, of course, than it is to explain how we go about changing our current habit of mind. Let no one misinterpret my rhetoric as a call for one more layer of bureaucracy or for a realignment of existing entities. To the contrary, I believe we must begin with the present leadership—public and private, academics and communicators—to foster an Island consciousness and to promote Island solutions to common problems.

The idea is not to supplant the existing political forms and forums, but to supplement them with better planning and problem-solving, an effort to improve the quality of our lives by better understanding this Paumanok that all 6.7 million of us share.

The risk is not that in identifying common interests we will lose individual identity; it is that in ignoring our mutuality of interest we will continue to sap our own natural strength. Although there is no river between Queens and Nassau, we still need a bridge.

HONORING IUE LOCAL 463 OF QUEENS COUNTY, NY: THE LOCAL WITH A HEART

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 5, 1986

Mr. ACKERMAN. Mr. Speaker, I rise today in honor of local 463 of the International Union of Electronic, Electrical, Technical Salaried and Machine Workers, AFL-CIO, on the occasion of its 35th anniversary, which will be celebrated on May 9, 1986.

For 35 years, local 463 of the IUE has been proud champion of the working people of Queens County, NY. Ever since it was founded by James Trenz in response to Communist encroachment into other electronic unions, local 463 has set an outstanding example of how to fight for the interests of working Americans within American traditions.

Mr. Speaker, the history of local 463 is filled with a litany of impressive accomplishments. In 1955, the local established the first multi-employer pension plan in the entire IUE; the plan, which now has assets exceeding $32 million, has distributed millions of dollars over the past 30 years to help its members enjoy their retirements. In 1957, a similarly successful health insurance system was established to provide the best of medical care; in 1967, a senior citizens club was started. In 1970, the local established the William Grogan Scholarship Fund, named in honor of a founder of the Transport Workers Union, and dozens of children of union men and women have benefited from this valuable program. In addition, the 1960 International Convention of the IUE recognized local 463 with its Civil Rights Award, long before fighting for all Americans in the workplace was fashionable.

This list of dates and events, however impressive it may seem, can not do justice to the fine achievements of local 463. In particular, it omits the richly-deserved tradition of honesty and integrity for which this union has become famous. Indeed, every year without fail, the local 463 pension and health funds have an annual full disclosure meeting, at which shop committees have an opportunity to quiz the accountants, actuaries, lawyers, and investors who administer these funds. The local's belief in complete, above-the-board finances is so strong that even on the occasion of this 35th anniversary, a scheduled dinner dance will not begin until the annual full disclosure meeting is over.

The respect that local 463 has earned within the labor community is evident from the roster of national, State, and local leaders who will join in the May 9 celebration, led by the international president of the IUE, William H. Bywater.

One of the most significant reasons behind this outstanding success has been the leadership of local 463, including James Trenz, its founder and president. Trenz, who spearheaded the break with Communist-influenced unions and who carries much of the responsibility for local 463's exemplary honesty, was elected to the executive board of the New York City Central Labor Council AFL-CIO in 1972, and to the international executive board of IUE as chairman of its Amalgamated Locals Conference Board in 1977. Throughout his career in labor, Trenz has been supported by a wonderful family; his wife, Rita, their daughter, Patricia, and her husband, James McGuone; their daughter, Eileen, and her husband, Paul Roberti; their son, James W., and his daughter, Christine; their daughter, Kathleen Mary, and her husband, Giorio Maglia; and six grandchildren: Patricia's children, Jennifer, Peter, and John, Eileen's children, Matthew, Jessica, and Luke.

While James Trenz has been the guiding force behind the impressive success of this union, he has not been alone. Along with Trenz, the other fine officers who now guide local 463 include John Connolly, vice president; Lidia White, secretary treasurer; and Ken McCumiskey and Frank Kleess, business representatives. These excellent, hard-working men and woman have led this union to its position of prominence.

Mr. Speaker, I now call on all of my colleagues in the U.S. House of Representatives to join me in congratulating local 463 of the IUE, AFL-CIO, as it prepares to celebrate its 35th anniversary.

SAN JACINTO DAY

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 5, 1986

Mr. FROST. Mr. Speaker, on April 21, 1836, a small, poorly trained army of about 800 men taught the entire world an unforgettable lesson about courage and faith. They proved, beyond any doubt, the ability of ordinary men to rise above tyranny and, in doing so, they changed the course of our national history. I am proud to join with my colleagues from Texas in honoring those courageous men who fought in the Battle of San Jacinto.

Sam Houston's band of volunteers were certainly, by conventional standards, unlikely candidates for heroism. They were not seasoned military professionals; they were shopkeepers, farmers, and ranchers—untrained and inexperienced. A disparate group, they were hastily drawn not only from Texas and Mexico, but from several neighboring States and territories. All they shared in common was a love of freedom, and an unswerving commitment to protecting their homes and families. In less than 20 minutes on a Texas battlefield, however, this makeshift army changed the world forever, securing our freedom and their own immortality.

To say that the heroes of San Jacinto fought bravely is an understatement. Going into the battle, they knew that they were outnumbered by more than two to one, and that they faced adversaries who were better-trained, better-equipped, and led by a renowned military tactician. When the smoke cleared, though, something miraculous had happened. It must be true that, as a Greek philosopher once said, "Fortune aids the brave." Not only had the Mexican Army been soundly defeated, but their leader, Santa Ana had been captured. Texas was a free and independent republic and, most important, the west was opened up to the United States.

The spirit of San Jacinto lives on in Texas today. We still believe in the ability of ordinary men to accomplish extraordinary things. We see overwhelming odds not as a deterrent, but as a challenge. Perhaps that is why our State has produced so many giants in the fields of entertainment, sports, politics, and science. We are famous for the pride we take in our State, and for our independent spirit. Our heritage is noble and our history colorful. Like the heroes of San Jacinto, Texans today continue to prize their country, their families, and their freedom above all else. I am proud to be a Texan and I hope that Americans everywhere will join with us in celebrating 150 extraordinary years.

NATIONAL CORRECTIONAL OFFICERS WEEK

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 5, 1986

Mr. BIAGGI. Mr. Speaker, I am introducing a resolution today to designate the week beginning September 14, 1986, as "National Correctional Officers Week."

I have authored this important resolution at the request of the United Federation of Police, and their president, Ralph Purdy. The United Federation of Police, which is based in my home State of New York, made the request out of concern and appreciation for the more than 1,000 correctional officers who are members of their distinguished organization. I fully share this concern and appreciation and am proud to introduce this legislation in recognition of the outstanding service provided by the federation's correctional officers, as well as the nearly 300,000 correctional officers throughout the United States. As a 23-year veteran of the New York City Police Department, I fully realize the important role the correctional officer plays in the criminal justice process and this resolution acknowledges that fact.

This resolution is virtually identical to legislation that has been enacted into law during the previous 2 years. Above all, it provides a very special and well-deserved recognition for the important work they do to maintain an orderly and safe environment in our Nation's correctional facilities and in promoting the rehabilitation of more than 60,000 prisoners nationwide.

Mr. Speaker, this resolution also recognizes that the vital services these brave men and women provide are not without considerable stress, as well as a very real threat of injury and even death. In fact, statistics show that 70 correctional officers died in the line of duty between the years 1982 and 1984 at Federal correctional facilities, and 29 died at State correctional facilities during that same period of time. In addition, I have been informed by the U.S. Bureau of Prisons that 824 Federal correctional officers were assaulted while on duty during the last 3 years.

Without question, the correctional officers' job is an extremely difficult one, but it is also a particularly important one if we are to maintain a civil society. This resolution recognizes these facts and provides the opportunity for the appropriate show of public support that this profession deserves. I am hopeful that the Congress will act as it has in recent years to designate a special week in honor of our Nation's correctional officers.

At this time, Mr. Speaker, I wish to insert the text of my resolution:

H.J. RES. 621

Joint resolution to designate the week beginning September 14, 1986, as "National Correctional Officers Week"

Whereas American correctional officers who work in our jails and prisons are currently responsible for the containment and control of over six hundred thousand prisoners;

Whereas correctional officers must protect inmates from violence while encouraging them to develop skills and attitudes that can help them become productive members of society following their release;

Whereas the morale of correctional officers is affected by many factors, and the public perception of the role of correctional officers is more often based upon dramatization rather than factual review;

Whereas good job performance requires correctional officers to absorb the adverse attitudes present in confinement while maintaining themselves as professionals in order to have their actions appreciated and accepted by the public at large;

Whereas correctional officers had been similarly honored by many States and localities in 1984 and 1985;

Whereas correctional officers had been similarly honored by a joint resolution of the Senate and House of Representatives of the United States in Congress assembled in 1984 and 1985; and

Whereas the attitude and morale of correctional officers is a matter worthy of serious congressional attention: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning September 14, 1986 hereby is designated "National Correctional Officers Week" and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

ON THE AIRSTRIKE AT LIBYA

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 5, 1986

Mr. COURTER. Mr. Speaker, the recent airstrike against Libyan centers of the international terror network was as necessary as it was regrettable. Time will tell whether other strikes may be equally necessary to retaliate against or preempt actions by other murderers of tourists, businessmen, teachers, diplomats, librarians, and other innocent Americans.

Malcolm S. Forbes, editor-in-chief of Forbes magazine has written a trenchant editorial on failure of our allies to make a sufficient response to the Libyan regime's atrocities. And Mr. John Podhoretz, executive editor of Insight magazine has written a longer analysis of the moral and political necessities for the American action, and about the importance this precedent has for our future. Terrorism will persist, and we must be persistent in responding decisively to it. Both columns deserve the attention of my colleagues.

The articles follow:

[From Forbes magazine, May 5, 1986]

FACT AND COMMENT

(By Malcolm S. Forbes, editor-in-chief, Forbes magazine)

Our air strike against terrorism's leading breeder has far more to be said for it than against it. At one time or another our major European allies have tried playing secret footsie with Qaddafi to save their turfs from terrorist actions. In vain. They've tried souping up security and intensifying intelligence efforts, as have we. In vain.

Mainly, though, they seem to be relying on some alchemy that will transform their wish into a reality that Qaddafi just disappear. Equally in vain.

In fact, however—with the notable exception of the British—Western European governments *are* scared of the Qaddafi-trained and -financed terrorist. And they don't want to pay a money price to curb the menace by cutting their lucrative trade with Libya—Italy, $4 billion worth; West Germany, $3 billion; France, $1 billion.

Qaddafi spends much of his oil revenues financing his terrorists and other-motivated terrorists who are equally vicious.

Israel can and does react instantly, and eye-for-eyeing has very substantially curbed terrorism as an effective weapon in the unending efforts to wipe out the Israelis.

Sure, terrorism against Americans will continue. If we continue to strike back at Qaddafi on a similar scale, his capacity and will will lessen after each round. If there's more slaughtering of Americans in NATO countries next week or next month, and we react even quicker and with less fanfare, we'll improve our chances of achieving the object.

I think our governing friends in Western Europe will develop stiffer backbones. Maybe even to the point where they supply less funds to Libya. Libya's our direct target. But you can bet your boots the message is getting through to Syria, to Iran and to the Kremlin.

One has to marvel at how the Soviets keep a straight face expressing indignation at U.S. retaliation while they're in their fifth bloody year of trying to exterminate Afghanistan.

[From Insight magazine, Apr. 28, 1986]

ACTION TO MATCH THE TOUGH TALK

(By John Podhoretz)

It's a beginning.

The air attack last week on Libya was a ringing affirmation of the purposes of American power—a combination of idealism and practicality. The idealistic purpose was to express in the only language understandable our outrage at an outlaw regime that has contravened all standards of decency and our willingness to restrain it as we restrain mass murderers on our own soil.

The practical purpose was to retard the terrorist attacks on Americans and others by demonstrating that we regard terrorism as part of a war that can be combated with conventional arms—and in conventional wars, only the Soviets can match us.

We are therefore beginning to undercut the great motive force of state-sponsored terrorism; its low cost. Col. Muammar Qaddafi has until now sponsored and abetted small diabolical events that by their very nature seem to preclude proportionate response. After all, one attack on a plane would hardly seem to justify a conventional air attack, would it?

State-sponsored terrorism also affords its users (to adopt a particularly infelicitous neologism) deniability. It is often difficult to pinpoint definitely the actual criminal, though after the fact he may finally take credit for it. Qaddafi, host of many conferences of international terrorists, is a prime example.

But as President Reagan revealed in his disclosure of sensitive Libyan cable traffic, our ability to track and define our terrorist enemies is not very good. We knew very quickly that two Syrian officers were involved in the Lebanon Marine barracks bombing. The Israelis, whose infiltration of hostile organizations is legendary, almost never make a misstep when they go after a terrorist.

Responding has until now been the problem. Reagan, in a previous incarnation, said on the occasion of the TWA 847 hijacking last year that, were Americans to respond militarily in a way that might kill innocent bystanders, we would be terrorists like Qaddafi. That logic is one of the greatest means of defense for these monsters.

In any case, Reagan clearly had not been reading his Geneva Convention, which clearly states that the responsibility for the deaths of innocents behind whom combatants are hiding rests solely and irrevocably on the heads of the hidden combatants. The late Israeli leader Golda Meir put it most unforgettably: She said that the Israelis could forgive their enemies for attacks that murdered Israeli children but could never forgive them for the blood that was shed by Israeli bullets.

The terrorist assault on the Western world could have only two outcomes; War or capitulation by the West. We have seen both strategies. Israel is at war with terror, and its relentless military response to each assault on civilians—again and again and again, time after time after time—has succeeded in making the streets of Jerusalem safer than the streets of Chicago.

Countries like Italy have capitulated to state-sponsored terrorism (though, perversely, they have done rather well against native terrorists, like the Red Brigades). That means not only capitulating to blackmail but also forsaking some control over their foreign policy. It hasn't worked, not by a very long shot.

The U.S. strategy of talking tough—"Terrorists beware"—but refusing to act was intensifying the use of U.S. citizens as targets of terror. The capitulation could only be a wholesale change of U.S. policy toward the Middle East and Israel, which would be not only politically but morally impossible. And it wouldn't work either. Without action, therefore, Americans could only expect to become more and more attractive to terrorists. Given the craven manner in which most of our NATO allies greeted the Libyan strike, the prosecution of this insidious war seems to be solely the responsibility of the United States.

If, as Qaddafi avers, terrorism is the basis of a conventional World War III, this strike was the equivalent of the battle of Midway. But—but—but. Libya is an oddly convenient target, partially because, while Qaddafi is an adept slaughterer of children, he is rather incompetent by the high standards of, say, Syria's Hafez al-Assad.

The network of terror extends throughout the part of the world dominated by the Soviets, from Syria to Nicaragua, from Cuba to North Korea, from South Yemen to Bulgaria. When Reagan said that if necessary "we would do it again," he was speaking of Libya. But the object of the "it" in that sentence is not Libya: It is terrorism, state-sponsored and otherwise. Will we have the will to conduct this war when the target is a little less convenient? We'll find out. As for now: Not only was the Libya strike an act of necessary retribution, an idealistic howl against barbarism; it was a pragmatic effort to advance world peace. And that sometimes takes an act of war.

GOOD NEIGHBOR COUNCIL, INC., CONTINUES TRADITION OF COMMUNITY SERVICE

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 5, 1986

Mr. HAWKINS. Mr. Speaker, I am pleased to submit for inclusion in the official RECORD of the Congress the names of four outstanding citizens of the Los Angeles community who are honored by the Good Neighbor Council, Inc., for unusual and commendable public volunteer service.

We join in saluting these mothers and their wonderful dedication. Their names and a brief biographical sketch follows:

MRS. IDA L. TOLSON-CROSBY

Born in Beaumont, Texas, but has lived in California for 39 years. She obtained her formal education in the city schools and colleges of Texas. She is the wife of Irvin Crosby; the Mother of one son, Rev. Edward Hawthorne; a lovely daughter-in-law, Ogallah; one beautiful adopted daughter, Major; three grand-sons; Vincent, Charles and Marc.

Mrs. Crosby has been instrumental in helping to organize several Block Clubs in her neighborhood. She is a strong supporter of Bishop College, NAACP, Good Neighbor Council, Home and foreign missions. She is a member in good and regular standing of the Mount Moriah Baptist Church, under the leadership of Rev. M. V. Wade, Sr., and serves as the Financial Officer of Mt. Moriah.

She is a choir member; attends the Wednesday noon prayer band; and serves as a Counselor for the needy and bereaved families of her church. She is a retired employee of Los Angeles County Department of Public Social Services where she completed 28 years of service working in various departments. She is versatile, a people person, and is well-loved by the community.

Hobbies are singing, music, shopping and travel.

EVELYN P. CROWFORD

A dedicated Christian and community worker. Born in Arkansas, daughter of Rev. and Mrs. Cornelius Suggs, wife of Mr. Joe Crowford. Mother of seven lovely children, five boys and two lovely girls. Attended elementary, junior and high schools in Arkansas. Received a scholarship from C.M.E. Methodist Church. Attended Shorter College, North Little Rock, AM&N College in Pine Bluff, Arkansas, and TASW Community College.

She started a pre-school in her home under the Institute of Educational Development through Sesame Street. Moved to the New Congregational Missionary Baptist Church, and operated there for three years. She later became a full-time employee for Stach, and underwriter for the American General Life Insurance Company.

Other community involvements, are the Ant-Dale Cooperative, Land Owning by joint efforts, Cooperatives under the Housing Cooperative, and Vice President.

Member of the Eastern Star Affiliated (Hodosha), Greater Temple Missionary Baptist Church, and the Good Neighbor Council, Inc. and many other community organizations.

MINNIE OLA PLEASANT

A dedicated Christian and community worker. The wife of Mr. Everett Pleasant, Mother of three lovely children; Jessie, Glinda, and Walter Leroy. She has eleven grandchildren and a very lovely stepdaughter, Jackie Smith.

Member of the Union Missionary Baptist Church for some thirty-one years. Secretary of the Missionary Society, Treasurer and member of two choirs in the church, the Senior and Mass choirs. Past treasurer of the Pastor's aid. A member of the Good Neighbor Council, and a corresponding sec-

retary. Assistant Secretary of the Booker T. Washington and Slater Charity Club, Chairperson of the Planning Committee. Past President of one of the choirs, and Vice President of the Good Neighbor Council to feed the hungry.

Mrs. Pleasant loves sharing and caring for people with a smile, and has received many commendations for her dedicated services.

Hobbies are sewing, cooking and bowling.

MRS. MAYBELLE CLAUDIA CARSON WIGGINS

Native of Oklahama. Mother of four children, two boys and two girls. Grandmother of four; three boys and one girl, of which she reared three grandchildren of a deceased daughter.

Volunteer Nurse for the Red Cross (LVN). Nurse at Macedonia Baptist Church for twenty-seven years, Volunteer Nurse at the Martin Luther King Hospital, CUSD, LAUSD. Volunteers her nursing services in classroom day care center as well as Head Start.

Member of the NAACP. Member of the elementary, secondary and high school Parent Teacher Associations, as well as a Member of the Vanguard Junior High and the Centennial High School Parent Advisory Board, and a member of the DB&O Social Charity Club (extension of orphanage).

CHERNOBYL AND ARMS CONTROL

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 5, 1986

Mr. SHUMWAY. Mr. Speaker, last Friday's Washington Post presented in its lead editorial a sobering thought: If the Soviet Union cannot be trusted to be open and honest when its own citizens are endangered by an accident, how can we possibly expect them to be credible in arms control negotiations.

The U.S.S.R's incredible suppression of information concerning the Chernobyl meltdown was pointless and irresponsible. If Soviet leadership had been more forthright concerning the accident, the tragic effects of the fallout might have been mitigated to some degree, not only for Soviet citizens, but also those of neighboring countries.

I do not often find myself in agreement with the Post's editorial policy, but in this instance the publication is right on target. I commend the editorial to my colleagues' attention.

[From the Washington Post, May 2, 1986]

CHERNOBYL AND ARMS CONTROL

The Chernobyl meltdown affords the American public a somber glimpse into the Soviet approach to arms control. Here is a case where openness and candor were naturals: the events was bound to become known, no treaty violation or security secret was involved, and immediate full notice was imperative and would have brought great returns in health and diplomacy. Yet the Soviet Union suppressed the news altogether until foreigners queried them about the fallout. It has since supplied only the most terse and incomplete explanations, some of these so strained (they couldn't inform the Swedes because it was the weekend) as to be laughable if they were not tragic at the same time.

It is commonly said that the United States pursues arms control on the theory that it can rely on its own capacity to check compliance and to detect noncompliance, and not on "trust." It is plenty disturbing nonetheless to consider that the government with which Americans seek agreement cannot tell the simple truth in a timely fashion when it is obviously to its own immense advantage to do so. Perhaps this should be considered in the category of old knowledge confirmed, not new knowledge gained. It is significant all the same, and it cannot fail to affect the threshold readiness of Americans to engage in sensitive dealings with the Soviet Union.

Anyway, it is not exactly true that there is no consideration of trust or good faith at all in a properly negotiated arms control text. Nuclear circumstances are never without some degree of ambiguity. Not all contingencies can be fully anticipated. Questions of interpretation arise in the most heavily lawyered contract. In the end, the verification of arms control is not self-executing. There is at least a residual requirement for confidence. The openness of American society enforces a standard of probity-not a perfect standard but a high one—for which there is no match in the closed Soviet system. There it all hinges on how the authorities choose to play it.

It is Mikhail Gorbachev, supposedly a new, modern kind of Soviet leader, who has to be regarded as the man in charge of information policy. In some of his earlier approaches, he had hinted at a new standard of accountability, but in this crisis so far he has clung to the old standard of denial and secrecy. Had he deliberately set out to devise a scenario to undermine his own credibility as a suitable arms control partner, he would have proceeded exactly as he has at Chernobyl.

REALITY TIME ARRIVES FOR EUROPEANS

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 5, 1986

Mr. BEREUTER. Mr. Speaker, it may just be that we are beginning to see some light at the end of the European subsidy tunnel. According to a recent editorial in the Omaha World Herald, the European Parliament has broken with 30 years or more of tradition by calling for the Common Market to control the rising costs of agricultural policies and to adjust European farm prices to world levels.

There certainly will be strenuous resistance to any such moves, and it would be foolish in the extreme for use to begin to count our chickens, soybeans, grain, and other commodities too early. But this just could be the opening round of a battle which finally will bring the Europeans to their senses on this question. Those of us on this side of the Atlantic who have been prodding the European Community for years to reduce subsidies and incentives for overproduction cannot afford to let down our guard. The stakes for American agriculture are too high for us to do anything but continue reasonable and legitimate pressure until the Europeans see the light. Our pressure and their strapped finances may eventually cause them to do the right thing. I commend the following World Herald editorial to my colleagues.

REALITY TIME ARRIVES FOR EUROPEANS

An issue has been raised in the European Parliament that some Americans might consider several years overdue. It concerns the cost of the Common Market's agricultural policies.

American farmers and trade officials have been criticizing those policies for years. The subsidies paid to farmers in Common Market Nations are widely viewed in this country as an unfair barrier to free trade.

The European Parliament, which consists of elected representatives from the 12 Common Market nations, called the other day for the Common Market to control the rising costs of agricultural policies and to adjust European farm prices to world levels.

The 1985 U.S. farm bill has increased the pressure on the Common Market subsidy program. U.S. farm policy is aimed at lowering the price of American farm products to make them more competitive. The Common Market reacted by increasing farm subsidies to keep the price of European food below American products.

The Common Market annually fixes prices above the market levels for European farm products. The relatively high prices encourage European farmers to overproduce. The surplus grain is dumped on the international market at prices below the cost of production. This has undermined the ability of other countries, including the United States, to sell agricultural commodities on the world market.

Not surprisingly, the European Parliament's resolution wasn't well received by everyone. A statement by Christian Democrats in Germany and Italy called the resolution "a scandalous document which shows total disdain for the European farmer."

The resolution might have come as a shock to them and to European farmers who are used to the relatively risk-free life of subsidized farming. Reality, however, eventually must be taken into account. The European Parliament's resolution is a step in the right direction.

IN HONOR OF THOMAS JOSEPH KELLER

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 5, 1986

Mr. LEVINE of California. Mr. Speaker, I rise today in memory of Thomas Joseph Keller, a brave police officer in Torrance, CA, who tragically lost his life in the line of duty while responding to the scene of a crime.

Thomas was born in Rockville Center, NY, and moved to California when he was 2 years old. He was raised and educated in Santa Barbara and graduated from Dos Pueblos High School in 1978. He attended Santa Barbara Junior College and then joined the U.S. Marine Corps in January 1979, where he was trained as a rifleman. Thomas served in Washington, DC with the Corps where he was in charge of the Marine Corps Color Guard in Washington for 2 years. While he was in the service he received two meritorious promotions and also the Navy achievement medal for professionalism. In January 1982, he was

discharged honorably at the rank of E5. He joined the Torrance Police Department April 26, 1982, where he was assigned as a patrol officer and served with distinction until his death, April 17, 1986.

Thomas was a talented officer devoted to protecting the citizens of Torrance. At the age of 26, he had already established himself as an officer with great promise. On one occasion, Thomas chased a burglar for over three blocks, over backyards and alleys, sustained a broken hand until he successfully made an arrest. Last January, he observed a suspect in an area shopping center that had been involved in robberies and was responsible for his arrest.

Thomas is survived by his mother and father, Eleanor and Max Keller, his sisters, Anne and Patricia, his brother John, and his fiance Pattie Dahlen.

I ask that my colleagues in the U.S. House of Representatives join me in paying their respects to this fine young man. Our community has suffered a great loss and Thomas' sacrifice will never be forgotten.

MR. BURTON ON OUR CHOICE IN NICARAGUA

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 5, 1986

Mr. COURTER. Mr. Speaker, I want to place before my colleagues a very fine essay on the issue of American support for the Contras by Representative DAN BURTON. The Member from Indiana has been closely involved with this critical national security issue for a long time, and his article is a worthy response to those who would cease American assistance to the Contras, and so deliver the Nicaraguan people to an underserved and unchosen fate.

The example of Cuba stands before us, and the trend of Nicaraguan devolution into a new Cuba has been clear since 1979. There is no good reason for inaction by any of the neighbors of the Nicaraguan people, for they themselves will suffer if rulers of this new Cuba continue to banish some of their domestic opponents and to destroy others.

I am pleased to see that Mr. BURTON has continued to press for American support for the democratic resistance in Nicaragua. His essay follows:

[From the Los Angeles Times, Apr. 14, 1986]

THE CHOICE: CONTRA VICTORY OR PERMANENT DICTATORSHIP

(By Dan Burton)

When more than 1,500 Sandinista troops invaded Honduras within days of the House's defeat of aid to the contras, the Democrats seemed to take it personally.

Majority Leader Jim Wright fumed at the "marauding expansion of invaders," and called the Nicaraguan action "a clear violation of the Rio Treaty." House Speaker Thomas P. (Tip) O'Neill, Jr., mustering up the ultimate insult, called Nicaraguan dictator Daniel Ortega a "bumbling, incompetent, Marxist-Leninite Communist."

Other Democrats are puzzled over what the big fuss is about. After all, they point out, Nicaragua has made more than 300 incursions across the Honduran border (including more than 80 before the contras began fighting). Some have shown far more wrath toward the Administration for "hyping" the invasion than against the Sandinistas for carrying it out.

For those of us who have been saying for years that the Sandinistas are communists who are creating a Soviet/Cuban base in Nicaragua, all this would be amusing if it were not so pathetic. Could O'Neill be discovering only now that the Sandinistas are communists?

On the other hand, what is one to think of those comforted by the fact that this latest Nicaraguan aggression is nothing new, that it is just one of 300 violations of Honduran sovereignty? What does Nicaragua have to do to arouse their concern?

One of the Democratic point-men on Nicaragua, Rep. Michael D. Barnes (Md.), said on the House floor, "I must now say to the leaders of Nicaragua: What do we have to show for our efforts? What do we have to show for our forbearance? How much longer do you expect us to remain silent in the face of what seems to be the slow but inexorable destruction of the ideals of your revolution?" That plea was made not last week but in December, 1982. Since then the Sandinistas have stolen an election, "suspended" all civil liberties. wiped out entire Indian villages and driven tens of thousands of Nicaraguan peasants into exile or the armed resistance.

By now there is about as little mystery as to what the Nicaraguan communists are up to as there is about Cuba, Vietnam, Ethiopia or the Soviet Union. The question now is: How much longer will the Nicaraguan freedom fighters have to wait before the Democrats learn that being nice to communists doesn't work?

More disturbing, you won't hear any of the Democrats who are voting against aid to the contras talking about democracy in Nicaragua. Their goal is now "containment." That means negotiating a deal: We abandon the contras, the Sandinistas promise not to attack or subvert their neighbors.

History has shown that containment—the idea that if we would only give sanctuary to communists on their own territory, they can be militarily or diplomatically held to their borders—does not work.

But even if it did, the question remains: Why aren't liberals on the side of those who are desperately fighting to prevent their country from becoming another Cuba? All they want is what the Sandinistas themselves promised—free elections, respect for human rights, and non-alignment.

The tremendous smear campaign against the contras doesn't relate to the facts. If the contras are only remnants of the old regime of strongman Anastasio Somoza, why are more peasants fighting with them now than were fighting during the revolution? Why is Nicaragua's Cardinal Obando y Bravo urging the government to negotiate with the contras? Why has every political party and virtually every democratic leader, as well as many former Sandinistas, joined in support of the resistance?

The sad reality is that liberals don't really seem interested in how much popular support the contras have. They have decided that the contras cannot win, and therefore should not win. Yet look at the drubbing that the Sandinistas received in Honduras from a contra force of barely trained and poorly armed kids. The reason the contras won is the same reason Israel was able to turn back five Arab armies on the first day of its existence—the contras were fighting for their lives, for freedom and for their God, not because some Cuban told them to fight.

Once the Nicaraguan people see that the contras are winning, the resistance will easily double in size. With international pressure, the Sandinistas will become as isolated as South Africa or Ferdinand E. Marcos was before his fall in the Philippines. Time will be on the side of the freedom fighters. Victory for the contras will be as inevitable as the victory against Somoza.

International support can begin with a strong bipartisan vote from Congress. The alternative is permanent dictatorship in Nicaragua and the end to any hope for peace and stability in the fragile democracies of Central America.

DAVID R. MILLER

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 5, 1986

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to an outstanding member of the San Fernando Valley business community. On May 8, David R. Miller will be concluding his term as president of the United Chambers of Commerce of the San Fernando Valley.

In his year in office Mr. Miller served as spokesman for over 6,800 businesses in the San Fernando Valley who are members of the 21 chambers making up the United Chamber of Commerce.

Since college, with a post graduate legal background, Dave Miller has served in a wide variety of positions. He has served as an administrative assistant to a Congressman, as a White House staff member, a surrogate speaker for the White House, a national coordinator for a Presidential campaign, a project director for an eight State region, an executive with a theatrical production company, the director of economic development for a law firm and president of two economic development and management firms.

Even with his diverse and demanding career, Dave has still found time for civic responsibilities which have included being a patron for the YMCA, the Fernando Awards, and many other nonprofit and charitable organizations. Last year, he was named as one of the Outstanding Young Men in America and has received numerous awards and certificates of recognition both locally and nationally. He has also served as president of a number of community groups and associations.

I have no doubt his fine leadership as president of the United Chambers of Commerce will be missed. It is my pleasure and honor to join with my colleagues and the San Fernando Valley United Chambers of Commerce to pay tribute to David R. Miller, a talented and respected member of his community.

CONTRACTOR PRODUCTIVITY AWARD

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 5, 1986

Mr. LEVINE of California. Mr. Speaker, I am pleased to inform my colleagues that Northrop Corp. has received the prestigious Contractor Productivity Award from the Air Force for the third year in a row.

This year's award was in the category of material and subcontracts. It resulted from a plan to reduce the cost of subcontractor-supplied parts for the F/A-18. As a result of this program, Northrop achieved cost reductions of 22 percent over 2 years—a savings calculated to amount to $125 million.

This is particularly gratifying to me because a substantial amount of Northrop's work on the F/A-18 is done in my district.

During this time of fiscal restraint and concern about wasteful spending in the defense budget it is vitally important that defense contractors undertake efforts to reduce costs. We cannot afford to waste one dollar when the national security of our country is involved.

In 1985 the Northrop Aircraft Division won the Air Force award for reducing direct labor costs on the F/A-18. In 1984 it won the award for achieving substantial gains in the quality and reliability category of the same program.

I ask all of my colleagues to join with me on congratulating Northrop on a job well done.

SECTION 127 OF THE TAX CODE

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 5, 1986

Mr. ACKERMAN. Mr. Speaker, today I rise to bring to the attention of my colleagues the expiration of an important program which has a 7-year record of success, contributes to the upward mobility of lower and middle class citizens, and is pivotal to improving America's industrial competitiveness in the world marketplace.

I am referring to section 127 of the Tax Code, which allows employer provided educational assistance—such as employee's gross income.

A 1985 survey of 319 major companies by the American Society of Training and Development showed that, in my own State of New York, 79 percent of those receiving employee educational assistance earn under $30,000, and 25 percent of them make under $15,000. Moreover, the survey revealed that in New York, 58 percent of these employees are receiving training in basic skills like reading, writing, and math through this valuable aid program.

One New York firm volunteered that—

Lower paid employees benefit from this because they have less of an educational base to provide mobility in the workplace. That is, they need the training to be prepared for changing work situations, since they don't have a broad-based education upon which they can rely for applications to new job opportunity.

We all know, Mr. Speaker, that a well-trained work force is central to a productive economy. Section 127 is an investment in our Nation's most valuable resource—human capital. As such, it contributes to America's strength in the world marketplace. As U.S. workers raise their skill level, they make a more effective contribution to their industry.

We may well wonder—if this provision is so great, why has Congress allowed it to expire.

Mr. Speaker, it is unfortunate, but this provision is caught up in the larger issue of tax reform. Section 127 would be reauthorized for 2 years by the House-passed tax bill; the pending Senate package would extend it permanently, as would the President's own plan. But tax reform is moving slowly. While section 127 enjoys widespread support, it is caught up in the bigger picture.

My colleagues, Mr. MITCHELL from Maryland and Mr. ZSCHAU from California, have been circulating a Dear Colleague uring the Ways and Means Committee to right this wrong against hard working Americans by passing a temporary extension that would enable section 127 to be used until tax reform legislation is passed. I have signed the letter and I urge you all to do so.

Let's not discourage Americans' efforts to better their own skills.

EDITORIAL VIEWPOINT

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 5, 1986

Mr. BEREUTER. Mr. Speaker, few foreign policy developments in recent memory have been greeted with such support from the American people as the American bombing raid on Libya. No one here wants war; no one here was pleased to learn of the civilian victims of an otherwise surgically precise attack.

Now the President has taken decisive action, and he has pledged that he will retaliate again if Qadhafi does not mend his ways. The Beatrice Daily Sun believes this is the proper course of action, urging the President to "attack again and again" if Americans continue to be victims of Libyan terrorism. I believe my colleagues would benefit from reading the views expressed in the Sun's editorial, and I commend it to their attention.

[From the Beatrice (NE) Daily Sun, Apr. 16, 1986]

MESSAGE TO KHADAFY

(By Kent Thomas)

The madman Khadafy and his fellow terrorists got only a portion of what they deserved from the U.S. air attack on Libya.

As long as their reign of terror continues against Americans and other innocent persons, they deserve nothing short of annihilation, and the sooner the better.

While it would be nice for our so-called allies to support the U.S. strategy, that isn't the most important consideration. Libya must pay for its barbarism, and if the U.S. has to do it alone, then so be it.

After all, it's Americans who have been singled out by the terrorists as targets, and consequently, no other nation will be as interested or have as much at stake as we do.

President Reagan and the Administration have been patient for as long as they dare. They warned Khadafy repeatedly that terrorism would not be tolerated or go unpunished, but the words didn't work. Libya continued to take the lives of innocents with senseless terrorism, and there was sufficient evidence it was planning more deadly episodes, in the immediate future.

Khadafy and Libya have gotten away with murderous terrorism for years, without appropriate reprisals. The U.S. attack on Libyan military installations this week may not stop the terrorism, but it should have sent Khadafy the unmistakably-clear message that this heretofore cost-free torment has come to an end.

The best solution of all, at this point, would be for the people of Libya, Europe, and the Arab world to pressure Khadafy to call off this terrorist dogs.

If that doesn't happen, and Americans continue to be victims of Libyan terrorism, then President Reagan and the Pentagon will be obliged to attack again and again. Terrorism against Americans must be dealt with, even if the rest of the world decides to sit idly by and piously conjure up statements of condemnation against us.

JEWISH EDUCATORS SCHOLARSHIP AWARDS PRESENTED

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 5, 1986

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to the recipients of the 1986 Association of Jewish Educators Scholarship Award. The Association of Jewish Educators is affiliated with the community relations committee of the Jewish Federation Council, Los Angeles. It consists of teachers, administrators, and classified employees of the Los Angeles Unified School District and provides professional, social, and educational support to its members and the Los Angeles Jewish Community.

Each year the Association of Jewish Educators holds a scholarship fundraiser and award scholarships to outstanding Jewish students from Los Angeles' 49 senior high schools who have met requirements of outstanding academic performance, service to their school, service to the Jewish community, and to their community at large. The 1986 scholarship winners are: Mark Silverberg, senior, Birmingham High School; Scott Pauker, senior, Grant High School; Becky Adel-Pollack, senior, University High School; Jonathan Cohen, senior, Marshall High School; Courtnay Myrow, senior, Los Angeles Center for Enriched Studies; Marc Kirshbaum, senior, Cleveland Magnet High School; Erik Alson, senior, North Hollywood High School; and Orit Wiener, senior, El Camino Real High School.

It is my honor to join with my colleagues in congratulating these fine young ladies and gentlemen.

DISASTER IN THE UKRAINE

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 5, 1986

Mr. MANTON. Mr. Speaker, today all of us are concerned about the news of the disasterous fire at the Chernobyl nuclear powerplant near Kiev in the Soviet Union. However, we know very little about the cause of the accident or the present situation. I am gravely concerned by the lack of notification from Soviet authorities about the hazardous situation, and their continued refusal to provide important information concerning the circumstances of the accident.

The Soviet Union is one of world's five largest users of nuclear-generated electricity. As such, they have an obligation to share the details of an accident which effects the health and well-being of the citizens of other nations. This information is important to relatives of those living in the Ukraine. It is important for us to learn about the causes of the accident and will aid efforts to improve the safety standards at other nuclear reactors.

Mr. Speaker, it is ironic that the Ukrainian people, who have survived a forced famine and have lived under Soviet domination for over 65 years, are now the unwilling victims of the worst nuclear disaster in history. I have been contacted by many of my constituents who have relatives living in the Ukraine and nearby Poland which has also been seriously effected by the radioactive cloud. My constituents are very concerned about the well being of their relatives. Although the Soviet Union states that there have been few casualties, there have been numerous, credible reports to the contrary. The Soviet Union's refusal to provide detailed information has left my constituents in a state of anxiety.

Mr. Speaker, the American people have offered their aid and assistance to the Ukrainian people. I appeal to the Soviet Union to accept this offer, which will help prevent unnecessary casualties. I also strongly urge the leaders of the Soviet Union to provide a full disclosure regarding the circumstances surrounding the fire and to provide a complete list of casualties. My constituents have a right to know about the status of their relatives.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, May 6, 1982, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MAY 7

9:30 a.m.

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Supreme Court of the United States, U.S. District Courts/Courts of Appeals, and the Commission on the Bicentennial of the U.S. Constitution.

S-146, Capitol

Banking, Housing, and Urban Affairs

Financial Institutions and Consumer Affairs Subcommittee

To hold oversight hearings on the changing financial services environment.

SD-538

Judiciary

To resume hearings on S. 2162, to promote and improve efficient and effective enforcement of the antitrust laws.

SD-226

10:00 a.m.

Appropriations

Transportation and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Urban Mass Transportation Administration, Department of Transportation, and the Washington Metropolitan Area Transit Authority.

SD-138

Energy and Natural Resources

Business meeting, to resume markup of S. 372, S. 570, S. 913, and S. 946, bills to improve the administration of the Federal coal leasing program, and other pending calendar business.

SD-366

Foreign Relations

To resume hearings on S. 2015 and H.R. 4151, bills to provide for the security of United States diplomatic personnel, facilities, and operations, and to hold hearings on S. 1941, to provide for sanctions against any country that provides support for perpetrators of acts of international terrorism, and S. Res. 190, expressing the sense of the Senate that the President should call for international negotiations to make international terrorism a universal crime prosecutable in the United States.

SD-419

Labor and Human Resources

To hold oversight hearings on medical malpractice.

SD-430

11:00 a.m.

Veterans' Affairs

Business meeting, to mark up S. 2381, to raise the baseline level of credit extension authority for the Veterans' Administration loan guaranty program.

SR-418

2:00 p.m.

Appropriations

Agriculture, Rural Development and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, rural development, and related agencies.

SD-138

Judiciary

To hold hearings on pending nominations.

SD-226

Select on Indian Affairs

To hold hearings on S. 2260, to settle certain claims arising out of activities on the Pine Ridge Indian Reservation, and S. 2243, to improve the health status of Native Hawaiians.

SD-124

3:00 p.m.

Foreign Relations

Western Hemisphere Affairs Subcommittee

To resume hearings in closed session on the situation in Panama.

S-116, Capitol

MAY 8

9:30 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.

SD-116

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To resume hearings on proposed legislation authorizing funds for fiscal year 1987 for the National Aeronautics and Space Administration, focusing on the space transportation system.

SR-253

Foreign Relations

To hold hearings on nuclear testing issues.

SD-419

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for strategic systems.

SD-192

Appropriations

Transportation and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Aviation Administration, Department of Transportation.

SD-138

Armed Services

To hold a business meeting in open and closed sessions to consider the nominations of Michael P.W. Stone, of California, to be Assistant Secretary of the Army for Financial Management, Eugene R. Sullivan, of Maryland, to be a Judge to the United States Court of Military Appeals, Walter J. Shea, of Maryland, to be a Member of the Board of the Panama Canal Commis-

sion, and other pending committee business.
SR-222

Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To hold oversight hearings on the government approval of the release of genetically-engineered organisms.
SD-406

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold oversight hearings on international nuclear safety issues.
SD-342

Judiciary
Business meeting, to consider pending calendar business.
SD-226

2:00 p.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Agriculture, rural development, and related agencies.
SD-138

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Holocaust Memorial Council and the Smithsonian Institution.
SD-192

Judiciary
To resume hearings on white collar crime in the United States, focusing on the E.F. Hutton investigation.
SD-226

2:30 p.m.
Finance
International Trade Subcommittee
To hold hearings on miscellaneous tariff bills.
SD-215

MAY 9

9:00 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings to examine the Department of Justice handling of the Jackie Presser ghostworkers case.
SD-342

Labor and Human Resources
To hold hearings on the nomination of John A. Pendergrass, of Minnesota, to be an Assistant Secretary of Labor.
SD-430

9:30 a.m.
Energy and Natural Resources
To hold hearings on S.J. Res. 325, to approve the "Compact of Free Association" between the United States and the Government of Palau.
SD-366

Finance
Health Subcommittee
To hold hearings to examine the condition of rural hospitals under the Medicare program.
SD-215

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Strategic Defense Initiative.
SD-192

MAY 12

9:30 a.m.
Judiciary
To resume hearings on S. 2160, to clarify and improve the analysis of mergers under the antitrust laws.
SD-226

2:00 p.m.
Finance
International Trade Subcommittee
To hold hearings on proposed legislation authorizing funds for the International Trade Commission, U.S. Customs Service, and the Office of the United States Trade Representative.
SD-215

Labor and Human Resources
To hold hearings on the nomination of Lynne V. Cheney, of Wyoming, to be Chairperson of the National Endowment for the Humanities.
SD-430

3:00 p.m.
Foreign Relations
Western Hemisphere Affairs Subcommittee
To hold closed hearings on the situation in Mexico.
S-116, Capitol

MAY 13

9:00 a.m.
Office of Technology Assessment
The Board, to meet to consider pending business items.
EF-100, Capitol

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Select on Intelligence
Closed business meeting, to mark up proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

10:00 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on proposed legislation authorizing funds for the U.S. Coast Guard, and H.R. 1362, to revise, consolidate, and enact certain laws related to load lines and measurement of vessels as parts C and J of subtitle II of title 46, U.S. Code.
SR-253

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Nuclear Regulation Subcommittee
To resume hearings on S. 445, S. 1225, and S. 1761, bills to revise certain provisions of the Atomic Energy Act of 1954 regarding liability for nuclear incidents.
SD-406

Foreign Relations
Western Hemisphere Affairs Subcommittee
To continue hearings on the situation in Mexico.
SD-419

2:00 p.m.
Foreign Relations
East Asian and Pacific Affairs Subcommittee
To resume hearings to review the services trade between the United States and Japan.
SD-419

Judiciary
Administrative Practice and Procedure Subcommittee
To hold hearings on S. 673, to establish a specialized corps of judges necessary for certain Federal proceedings required to be conducted, and S. 580, to ensure the independence of certain administrative law judges.
SD-226

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Health Resources and Services Administration, Department of Health and Human Services.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Legal Services Corporation, and the Securities and Exchange Commission.
S-146, Capitol

Select on Intelligence
Closed business meeting, to continue markup of proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Transportation and certain related agencies.
SD-138

Environment and Public Works
To hold hearings on H.R. 2403, to require that public buildings constructed or altered under the Public Buildings Act shall be in compliance with nationally recognized building codes and State and local zoning laws, and proposed legislation authorizing funds for fiscal year 1987 for public buildings program of the General Services Administration.
SD-406

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on S. 525, to provide for the transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of radiation effects.
SD-342

Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To resume hearings on S. 1327, to establish higher minimum rates of basic pay in geographic areas where the Federal Government is experiencing significant recruitment and retention problems, S. 1727, to establish alterna-

tive personnel management systems for scientific and technical employees, and provisions of S. 2082, to improve the management of major defense acquisition programs, to establish a Defense Acquisition Service, and to limit employment contacts between senior officials of the Department of Defense and defense contractors.
SD-124

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

MAY 15

9:00 a.m.
Veterans' Affairs
To resume hearings on the reported sightings of live military personnel missing in action in Southeast Asia.
SD-628

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To hold hearings S. 2083, to promulgate regulations for asbestos hazard abatement in the nation's schools, and S. 2300, to set standards for identification and abatement of hazardous asbestos in Federal and other buildings.
SD-406

Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 2050, to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers.
SD-430

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on voluntary contributions to international organizations programs, and for the Office of the U.S. Representative to the United Nations.
SD-124

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for the National Science Foundation.
SR-253

Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold oversight hearings on prospects for exporting American coal.
SD-366

Foreign Relations
To hold hearings to examine oil spill protocol.
SD-419

1:00 p.m.
Judiciary
Security and Terrorism Subcommittee
To resume hearings in closed session to examine legal mechanisms to combat terrorism.
S-407, Capitol

2:00 p.m.
Judiciary
Administrative Practice and Procedure Subcommittee
To hold hearings on the prosecution of Soviet Embassy demonstrators.
SD-226

2:30 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for fossil energy and clean coal technology.
SD-192

4:00 p.m.
Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

MAY 16

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on the nominations of Vice Admiral Paul A. Yost, Jr., to be Commandant, U.S. Coast Guard, with the grade of admiral, and Rear Admiral James C. Irwin, to be Vice Commandant, U.S. Coast Guard, with the grade of vice admiral.
SR-253

10:15 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on proposed legislation authorizing funds for the Maritime Administration, Department of Transportation, and proposed legislation authorizing funds for the Federal Maritime Commission.
SR-253

MAY 20

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

Foreign Relations
To hold hearings to review the results of the Economic Summit and international debt issues.
SD-419

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Indian Health Service, Department of Health and Human Services.
SD-192

MAY 21

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Information Agency, and the National Endowment for Democracy.
S-146, Capitol

Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To hold oversight hearings on strategies to reduce hunger in America.
SD-430

MAY 29

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary and Office of the Solicitor, Department of the Interior.
SD-192

JUNE 3

9:30 a.m.
Energy and Natural Resources
To hold oversight hearings on the implementation of the Public Utility Regulatory Policies Act (P.L. 95-617).
SD-366

10:00 a.m.
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on statistical policy for an aging America.
SD-342

JUNE 4

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Commerce, Justice, State, the Judiciary, and certain related agencies.
S-146, Capitol

10:00 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on S. 1935, to provide for certain vessels to be documented under the laws of the United States to entitle them to engage in domestic coastwise trade.
SR-253

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To hold oversight hearings to review the imposition of user fees in FDA approval procedures for new drugs.
SD-430

JUNE 5

10:00 a.m.
Energy and Natural Resources
To resume oversight hearings on the implementation of the Public Utility Regulatory Policies Act (P.L. 95-617).
SD-366

JUNE 11

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To hold hearings on pending nominations to the National Advisory Council on Women's Educational Programs.
SD-430

JUNE 12

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume joint oversight hearings with the House Committee on Education and Labor's Subcommittee on Elementary, Secondary and Vocational Education on illiteracy in America.
2175 Rayburn Building

JUNE 17

9:30 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 2055, to establish the Columbia Gorge National Scenic Area.
SD-366

10:00 a.m.
Labor and Human Resources
To resume oversight hearings on medical malpractice.
SD-430

JUNE 18

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

JUNE 25

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To hold hearings on the administration of the Mine Safety and Health Review Commission.
SD-430

JULY 16

10:00 a.m.
Labor and Human Resources
To hold hearings on measures to improve the health of children.
SD-430

JULY 17

9:30 a.m.
Finance
Social Security and Income Maintenance Programs Subcommittee
To hold joint hearings with the Committee on Labor and Human Resources' Subcommittee on Employment and Productivity on work and welfare issues.
SD-430

Labor and Human Resources
Employment and Productivity Subcommittee
To hold joint hearings with the Committee on Finance's Subcommittee on Social Security and Income Maintenance Programs on work and welfare issues.
SD-430

JULY 22

9:30 a.m.
Finance
Social Security and Income Maintenance Programs Subcommittee
To resume joint hearings with the Committee on Labor and Human Resources' Subcommittee on Employment and Productivity on work and welfare issues.
SD-430

Labor and Human Resources
Employment and Productivity Subcommittee
To resume joint hearings with the Committee on Finance's Subcommittee on Social Security and Income Maintenance Programs on work and welfare issues.
SD-430

JULY 29

10:00 a.m.
Labor and Human Resources
Employment and Productivity Subcommittee
To hold hearings to review the response for home health care services.
SD-430

JULY 30

10:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

AUGUST 13

10:00 a.m.
Labor and Human Resources
To hold hearings to review the private sector initiatives in human services.
SD-430

SEPTEMBER 10

10:00 a.m.
Labor and Human Resources
To hold hearings to review the human resources impact on drug research and space technology.
SD-430

SEPTEMBER 16

10:00 a.m.
Labor and Human Resources
To hold hearings on pending nominations.
SD-430

SEPTEMBER 24

10:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

HOUSE OF REPRESENTATIVES—*Tuesday, May 6, 1986*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O God, give us ears to hear the voices about us that speak of the way of peace. May we hear the voices of history that remind of past injustices that we may labor so they will occur no more. May we hear the voices of today that call us to a better world where people live in respect and dignity. Keep our hearts open and free of prejudice that we will be receptive to that truth that makes us free. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

STEVEN McKENNA

The Clerk called the bill (H.R. 1598) for the relief of Steven McKenna.

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

EDWIN RIOS AND GEOVANNA RIOS

The Clerk called the bill (H.R. 483) for the relief of Edwin Rios and Geovanna Rios.

There being no objection, the Clerk read the bill as follows:

H.R. 483

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Edwin Rios and Geovanna Rios shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper officer to deduct two numbers from the total number of immigrant visas which are made available to natives of the country of the aliens' birth under section 203(a) of the Immigration and Nationality Act or, if applicable, from the total number of such visas which are made available to such natives under section 202(c) of such Act.

With the following committee amendment:

Strike all after the enacting clause and insert in lieu thereof the following:

That, in the administration of the Immigration and Nationality Act, Edwin Marcos Rios (also known as Marcos Edwin Rios) and Geovanna Rios may be classified as children within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition which shall be eligible to be filed in their behalf in the United States by Robert and Nelly Oliva, citizens of the United States, pursuant to section 204 of the Act, and thereafter the beneficiaries shall be eligible for processing under section 245 of the Act: *Provided,* That the immigration status authorized under this Act shall only be effective if Robert and Nelly Oliva file a petition within two years after the date of enactment of this Act.

Mr. BOUCHER (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended so as to read, "A bill for the relief of Edwin Marcos Rios (also known as Marcos Edwin Rios) and Geovanna Rios."

A motion to reconsider was laid on the table.

MS. CHANG AI BAE

The Clerk called the bill (H.R. 737) for the relief of Ms. Chang Ai Bae.

There being no objection, the Clerk read the bill as follows:

H.R. 737

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Ms. Chang Ai Bae shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to deduct one number from the total number of immigrant visas which are made available to natives of the country of the alien's birth under section 203(a) of the Immigration and Nationality Act or, if applicable, from the total number of such visas which are made available to such natives under section 203(e) of such Act.

With the following committee amendment:

Page 2, line 8, after the word "Act.", insert the following proviso:

Provided, That the immigration status authorized under this Act shall only be effective if Ms. Chang Ai Bae applies to the Attorney General for such relief within two years after the date of enactment of this Act."

Mr. BOUCHER (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ENRIQUE MONTANO UGARTE

The Clerk called the bill (H.R. 1693) for the relief of Enrique Montano Ugarte.

There being no objection, the Clerk read the bill as follows:

H.R. 1693

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Enrique Montano Ugarte may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Blanca Ugarte, citizen of the United States, pursuant to section 204 of the Act: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

With the following committee amendment:

Page 1, line 6, after the word "petition" strike all that follows and insert in lieu thereof the following: "which shall be eligible to be filed in his behalf in the United States by Blanca Ugarte, citizen of the Unites States, pursuant to section 204 of the Act, and thereafter the beneficiary shall be eligible for processing under section 245 of the Act: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege or status under

the Immigration and Nationality Act. *Provided further,* That the immigration status authorized under this Act shall only be effective if Blanca Ugarte files a petition within two years after the date of enactment of this Act.".

Mr. BOUCHER (during the reading). Mr Speaker, I ask unanimous consent that the committee amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HERBERT TICHAUER

The Clerk called the bill (H.R. 1756) to provide for the relief of Herbert Tichauer.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SENSENBRENNER. Mr. Speaker, I object.

Mr. BROWN of Colorado. Mr. Speaker, I object.

The SPEAKER. The Chair hears two objections.

The bill is recommitted to the Committee on the Judiciary.

LEONARD LESLIE GAMBIE

The Clerk called the bill (H.R. 1757) for the relief of Leonard Leslie Gambie.

There being no objection, the Clerk read the bill as follows:

H.R. 1757

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Leonard Leslie Gambie, the uncle of the wife of a citizen of the United States, shall be deemed to be an immediate relative within the meaning of section 201(b) of such Act, and the provisions of section 204 of that Act shall not be applicable in this case.

With the following committee amendment:

Page 2, line 1, delete the word "case.", and insert in lieu thereof the following: "case: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General be deposited as prescribed by section 213 of the said Act. *Provided further,* That a visa is issued on behalf of Mrs. Christine Ballard Denton in compliance with the Act.".

Mr. BOUCHER (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JUAN RICARDO McRAE

The Clerk called the bill (H.R. 3093) for the relief of Juan Ricardo McRae.

There being no objection, the Clerk read the bill as follows:

H.R. 3093

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Juan Ricardo McRae, may be classifed as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Barry McRae and Edilma McRae citizens of the United States, pursuant to section 204 of the Act: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN PATRICK BRADY, ANN M. BRADY, AND MARK P. BRADY

The Clerk called the bill (H.R. 3154) for the relief of John Patrick Brady, Ann M. Brady, and Mark P. Brady.

There being no objection, the Clerk read the bill as follows:

H.R. 3154

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in the administration of section 101(a)(15)(E)(i) of the Immigration and Nationality Act, John Patrick Brady, Ann M. Brady, and Mark P. Brady shall be treated as being aliens described in that section during any period in which John Patrick Brady is employed by Swiss Air Transport Company, Limited.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALEXANDER LOCKWOOD

The Clerk called the bill (H.R. 3323) for the relief of Alexander Lockwood.

There being no objection, the Clerk read the bill as follows:

H.R. 3323

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Alexander Lockwood may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Mr. and Mrs. Donald Lockwood, citizens of the United States, pursuant to section 204 of the Act: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

With the following committee amendment:

Page 1, line 6, after the word "petition" strike all that follows and insert in lieu thereof the following: "which shall be eligible to be filed in his behalf in the United States by Mr. and Mrs. Donald Lockwood, citizens of the United States, pursuant to section 204 of the Act, and thereafter the beneficiary shall be eligible for processing under section 245 of the Act: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act. *Provided further,* That the immigration status authorized under this Act shall only be effective if Mr. and Mrs. Donald Lockwood file a petition within two years after the date of enactment of this Act.".

Mr. BOUCHER (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MOUNTAHA BOU-ASSALI SAAD

The Clerk called the bill (H.R. 3365) for the relief of Mountaha Bou-Assali Saad.

There being no objection, the Clerk read the bill as follows:

H.R. 3365

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Mountaha Bou-Assali Saad shall be held and considered to have satisfied the requirements of section 312 of the Immigration and Nationality Act relating to knowledge and understanding of the English language and the history, principles, and form of government of the United States and, notwithstanding the provisions of section 310(d) of such Act, may be naturalized at any time after the date of the enactment of this Act if otherwise eligible for naturalization under the Immigration and Nationality Act.

With the following committee amendment:

Page 2, line 2, after the word "naturalized" strike all that follows and insert in lieu thereof: "within two years after the date of enactment of this Act. *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, in such amount and containing such conditions as he may prescribe, be deposited.".

Mr. BOUCHER (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MILANIE C. ESCOBAL NORMAN AND ANGELA DAWN NORMAN

The Clerk called the bill (H.R. 3577) for the relief of Milanie C. Escobal Norman and Angela Dawn Norman.

There being no objection, the Clerk read the bill as follows:

H.R. 3577

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Milanie C. Escobal Norman and Angela Dawn Norman shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper officer to deduct two numbers from the total number of immigrant visas which are made available to natives of the country of the aliens' birth under section 203(a) of the Immigration and Nationality Act or, if applicable, from the total number of such visas which are made available to such natives under section 202(e) of such Act.

With the following committee amendment:

Strike out all after the enacting clause and insert:

That, in administration of the Immigration and Nationality Act, Milanie C. Escobal Norman, the widow of a citizen of the United States, shall be deemed to be an immediate relative within the meaning of section 201(b) of such Act, and the provisions of section 204 of that Act shall not be applicable in this case. *Provided,* That the immigration status authorized under this Act shall only be effective if Milanie C. Escobal Norman applies to the Attorney General for such relief within two years after the date of enactment of this Act.

Mr. BOUCHER (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended so as to read as follows: "A bill for the relief of Milanie C. Escobal Norman."

A motion to reconsider was laid on the table.

MISHLEEN EARLE

The Clerk called the Senate bill (S. 381) for the relief of Mishleen Earle.

There being no objection, the Clerk read the Senate bill as follows:

S. 381

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Mishleen Earle shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by the proper number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas which are made available to natives of the country of the alien's birth under section 203(a) of the Immigration and Nationality Act or, if applicable, the total number of immigrant visas which are made available to natives of the country of the alien's birth under section 202(e) of such Act.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WHITEWORTH INC. OF GARDENA, CA

The Clerk called the bill (H.R. 2987) for the relief of Whiteworth Inc. of Gardena, CA.

There being no objection, the Clerk read the bill as follows:

H.R. 2987

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the last sentence of section 5134(b) of the Internal Revenue Code of 1954 (relating to claims for drawbacks of alcohol taxes in the case of distilled spirits which are unfit for beverage purposes), a claim for a drawback under such section of such Code with respect to the second quarter of 1982 by Whiteworth Incorporated of Gardena, California, shall be treated as timely filed for purposes of such section if such claim is filed before the end of the six-month period beginning on the date of the enactment of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BEULAH C. SHIFFLETT

The Clerk called the bill (H.R. 1389) for the relief of Beulah C. Shifflett.

There being no objection, the Clerk read the bill as follows:

H.R. 1389

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, the limitation set forth in section 3707 of title 31, United States Code, notwithstanding, the Secretary of the Treasury is authorized and directed to entertain, at any time during the period of sixty calendar days immediately following the enactment hereof, and to adjudicate as if timely presented, claims of Beulah C. Shifflett for replacement, by reason of nonreceipt, of Treasury checks numbered 5,254,109 dated September 27, 1963, in the amount of $800, and numbered 5,264,568, dated October 11, 1963, in the amount of $11.20, both of which checks were issued to Beulah C. Shifflett by authority of the United States Army Finance and Accounting Center in payment of lawful obligations of the United States.

With the following committee amendment:

Strike out all after the enacting clause and insert:

That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Beulah C. Shifflett of Albemarle County, Virginia, $811.20, in full settlement of all claims of Beulah C. Shifflett against the United States by reason of nonreceipt of two Treasury checks numbered 5,254,109 dated September 27, 1963, in the amount of $800; and numbered 5,264,568, dated October 11, 1963, in the amount of $11.20, both of which checks were issued to Beulah C. Shifflett by authority of the United States Army Finance and Accounting Center in payment of lawful obligations of the United States.

Mr. BOUCHER (during the reading). Mr Speaker, I ask unanimous consent that the committee amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOE HERRING

The Clerk called the bill (H.R. 1260) for the relief of Joe Herring.

There being no objection, the Clerk read the bill as follows:

H.R. 1260

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is directed to pay, out of any money in the Treasury not otherwise appropriated, to Joe Herring of Wellington, Texas, an amount, not to exceed $200,000, determined by the Secretary of Agriculture to be adequate to compensate Joe Herring for the loss he incurred, through no fault of his own, as a result of the improper activities of an employee of the Department of Agriculture in connection with the foreclosure sale in 1975 of Mr. Herring's farm that secured a loan made to him under the Consolidated Farm and Rural Development Act. Any amount paid to Joe Herring under this Act shall be in full and complete settlement of any and all claims against the United States by Joe Herring arising out of such loan.

SEC. 2. No part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or re-

ceived by an agent or attorney on account of services rendered in connection with this matter, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

On page 1, strike out line 3 and all that follows through line 8 on page 2 and insert in lieu thereof the following:

That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Joe Herring of Wellington, Texas, an amount equal to (1) the fair market value, on the date of the forceclosure sale, of the farm of Joe Herring (including the mineral rights therein) that secured a loan made to him by the Secretary of Agriculture under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921, et seq.) and that was sold, as a result of improper activities by an employee of the Department of Agriculture, at foreclosure sale in 1975, less (2) any outstanding indebtedness of Joe Herring secured by such farm on such date: *Provided*, That in no event shall the amount paid to Joe Herring under this Act exceed $200,000. For purposes of this Act, the fair market value of Joe Herring's farm on the date of said foreclosure sale shall be determined by an independent appraisal obtained by the Secretary of Agriculture.

Mr. BOUCHER (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was not objection.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HEIRS OF M. SGT. NATHANIEL SCOTT, U.S. ARMY, RETIRED, DECEASED

The Clerk called the bill (H.R. 529) for the relief of the heirs of M. Sgt. Nathaniel Scott, U.S. Army, retired, deceased.

There being no objection, the Clerk read the bill as follows:

H.R. 529

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the following-named heirs of the late Master Sergeant Nathaniel Scott, United States Army retired, the amounts shown opposite their names in full settlement of their claims against the United States for payment of the unpaid balance of the retired pay due their deceased father at the time of his death on March 26, 1981:

Mr. Virgil Neal Scott, $5,124.57;
Mr. Nathaniel Scott, Jr., $5,124.57;
Mr. Charles Henry Scott, $5,124.57;
Mrs. Sandra Scott Wade, $5,124.57;
Mr. James Milton Scott, $5,124.57;
Mrs. Kathy Scott Skipper, $5,124.57.

SEC. 2. No part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

On page 1, line 5, after "appropriated" insert: "the sum of $39,695.42, to be divided into equal parts and distributed.".

On page 2 line 3, strike "the amounts shown opposite their names".

Strike out "$5,124.57" wherever it appears.

Mr. BOUCHER (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the Private Calendar.

LIBYA AND SYRIA SHOULD HEED TERRORISM MESSAGE

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, I applaud the leadership of our President and our allies in issuing a stern warning to Libya and other purveyors of terrorism that such illegal violence will not be tolerated.

The joint statement issued at the Tokyo summit by seven major democracies is long overdue—and I hope the message to Libya that "terrorism must be fought relentlessly and without compromise" will not be lost on Syria and its President Hafez el-Assad.

President Assad of Syria should read closely the implications of the joint communique, the mood of our allies, as well as the United States action against Libya.

For too long, Assad has been able to operate with impunity as the godfather of terrorism in the Middle East.

Assad must understand that the United States will support Israel in taking the steps necessary to protect its borders and its citizens from terrorism.

He must be made to realize, in no uncertain terms, that the United States and our allies will not hesitate to go to the sources of terrorism and take appropriate actions against nations such as Syria, which harbor, train, equip, fund, and support terrorists.

THE TANTALIZING BALANCED BUDGET

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, according to Greek mythology Tantalus, the king of Troy, to whom the English language owes the word "tantalizing," was a braggart. He boasted that his cooking would delight the Olympian gods. He was punished for his temerity, as he was made to stand in water up to his neck, but could never quench his thirst, for whenever he bent down to drink, the water would recede. Overhead hung branches loaded with ripe fruits, but he could never soothe his hunger, for whenever he tried to pick one, the branch would bend out of his reach.

Uncle Sam appears to be in a similar predicament. Whenever he wants to quench his thirst for a balanced budget, and soothe his hunger for a balanced trade, his objectives appear to be receding and look infinitely remote.

Mr. Speaker, if Uncle Sam stopped boasting about his power to create wealth out of nothing, through the simple device of sprinkling some ink on little scraps of paper and calling them dollars, and if he defined a dollar as a fixed weight of gold which can no longer be printed, but can be acquired by work and saving, then the gods might take pity and remove the curse from him. Balanced budget and balanced trade may become a reality.

FUNDING FOR FEDERAL EDUCATION PROGRAMS HAS BEEN DRASTICALLY REDUCED WHILE DEFENSE PROGRAMS INCREASE

(Mr. BATES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BATES. Mr. Speaker, for the past 5 years under the Reagan administration funding for Federal education programs has been drastically reduced while defense programs have seen an unprecedented increase.

The cost to our Nation's school system has been great. In the past 6 years test scores have declined, the rate of functional illiteracy has increased, and needed programs for the poor and the handicapped have been reduced.

The President has proposed a 17.5-percent cut for Federal education programs in 1987. Wisely, the House defeated this proposal.

The educational system is of extreme importance to our Nation's security. In order to stay competitive in the international marketplace, meet the challenges of the future, and maintain our position as a world leader, we must continue to provide the best possible education for our Nation's youth.

I urge my colleagues to support our educational system.

THE "OTHER BODY" IS BEHAVING AS THE "FIRST BODY"

(Mrs. MARTIN of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MARTIN of Illinois. Mr. Speaker, in the early Constitutional Conventions, the other body was referred to as "the second body." But there is one area where they are indeed behaving as the first body, and I would like to compliment them.

They have made difficult budget decisions in a bipartisan way, and the Republican leadership and, yes, the Democratic leadership should be commended for their efforts to at least produce a document and to do it together with both the communication and comity.

□ 1215

Here I would just ask why the same could not occur? Why could not the Democrats involve Republicans in the budget process? And, indeed, what happened to the 72 hours when suddenly a magic budget was going to appear from the floor?

There are rumors flying that this week a budget will appear from the Democratic leadership. There has been not the input. There has not been that accommodation that could make a bipartisan budget, and for that I have much regret.

Again, my compliments to the other body who is not making that error.

TAXPAYERS ARE BEING FORCED TO SUBSIDIZE TERRORISM

(Mr. OBEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OBEY. Mr. Speaker, it is good news that the administration now seems to be saying that the temporary licenses permitting United States oil firms to do business with Libya will not be extended beyond June 30. But the American oil companies should never have been allowed to resume operations in Libya after the President's order banning United States commercial transactions.

The payments that have been made to Colonel Qadhafi just to resume business were enough to buy hundreds of the kinds of Soviet missiles that were aimed at United States jets as they carried out the retaliation against Libyan terrorism.

Mr. Speaker, I would like to thank the 35 bipartisan cosponsors in this House and Senator WILLIAM PROXMIRE in the Senate for helping to create pressure on the administration to prevent an extension for those oil companies by sponsoring legislation to end the United States tax breaks for American companies and individuals still operating in Libya. Those oil companies are being allowed to claim deductions on their U.S. tax return for the fees paid to Qadhafi's terrorist regime. This loss of revenue is a tax being levied on other American taxpayers who are unwittingly being forced to subsidize terrorism against themselves.

I am also pleased that the Senate Finance Committee in its newest tax reform draft has apparently agreed to end tax breaks for American individuals still working in Libya, as our bill also provides.

RUSHING THROUGH THE BUDGET

(Mr. BROWN of Colorado asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN of Colorado. Mr. Speaker, the history books indicate that Emperor Nero fiddled while Rome burned. That style of politics went out of style a long time ago.

But the reality is this body seems to want to emulate the emperor. Faced with a budget crisis, the House Budget Committee did not even hold hearings in January. As the deficit problems grew we did not hold hearings in February, except to beat up on the one part of the Government, the executive, that had come forward with a budget. I did not vote for that proposal, Mr. Speaker, but at least we had a budget from the President. Come March, the Budget Committee refused to hold hearings on marking up a bipartisan budget; and in April, they still continued to refuse to hold hearings, even though the deadline for our action was April 15. We are now into May.

The Budget chairman promised prompt action if the Senate would act before us. Presumably the Senate was to take the heat that we were unwilling to take as a body. But that 72-hour self-imposed deadline has not been honored either.

Mr. Speaker, we now are at a point where the House may act, and I am hearing rumors that after months and months of delay, we may have an attempt in the Budget Committee to rush through the budget without even allowing bipartisan input.

Mr. Speaker, the budget is too important a matter to close our minds to. It is worth considering, worth working on, and worthy of the input of the entire membership of this body.

PARENTAL LEAVE

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, we are in a week where we are going to hear lots and lots of tributes to mothers and motherhood as we approach Mother's Day.

I think there is a very important thing that not only mothers but all parents need, and that is parental leave. I have a bill that has been introduced that we have many cosponsors on talking about parental leave, and it is time this country caught up.

If I had a map of the world for you and we colored in all the countries that had parental leave policies, almost every country in the world except the United States and Antarctica would be colored in. Everyone else moved on this long ago. Everyone who studied it said that it is time to move on it.

The Economic Policy Council, which is made up of both business and labor, and from people to Gerald Ford to Katherine Graham, strongly endorse parental leave. They went even much further than my bill. They recommended that all women get 6 to 8 weeks of disability leave, partially paid, and that both parents get up to 6 months of unpaid leave with job protection. That goes much further than my bill, but it only shows how important it is to start working on this.

So I encourage many Members in the House, as we start talking about Mother's Day and soon to be Father's Day, let us start talking about what parents really need and the real world and the fact that the "Leave It to Beaver" family is now part of our past, and deal with the future and today.

DRUG TESTING

(Mr. SHAW asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHAW. Mr. Speaker, for those of us who have made a commitment to waging the "war on drugs," it has become increasingly apparent that actions speak louder than words.

Just as we created new, innovative interdiction programs when our Nation's borders began to be flooded by drug smugglers, we must create new,

innovative programs to combat the drug use that has become a drain on one of our Nation's most valuable resources—our workers.

When the President's Commisison on Organized Crime recommended "suitable" drug tests as another weapon in our arsenal against narcotics abuse, I was the only Member of this House who supported that idea.

I have introduced two bills, House Resolution 394 and H.R. 4636, which would translate the Commission's suggestions from theory into practice. I urge all my colleagues to support these measures.

This week, each of you will be receiving a "Dear Colleague" that carefully describes each of my drug-testing bills. Since the release of the Commission's controversial report, few of us seem to have taken the time to review its suggestions carefully.

I believe that responsible drug tests can help in our fight against drugs. I invite my colleagues to listen to my special order on drug testing at the end of today's legislative business when I will present the views of several of the members of the President's Commission on Organized Crime. If you listen to the facts, I believe that you will be as impressed as I was with their efforts to clarify their suggestions for suitable and appropriate drug testing programs for both our public and private workers.

ETHNIC REPRESENTATION AT STATUE OF LIBERTY CENTENNIAL CELEBRATION

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, today I introduce legislation expressing the sense of Congress in opposition to the Statue of Liberty Commission's omission of representatives from major American ethnic groups to receive special medals during the Statue of Liberty centennial celebration over the Fourth of July.

Legislation also calls for expansion of the list from the current 12 to guarantee full representation.

The Commission announced they would honor 12 foreign-born Americans for their contributions to the United States.

The 12 only represent 20 percent of American ethnic groups. This because representatives from such key groups as Italian, Irish, Polish, and Greek Americans as well as many others were omitted.

The omission is a tragic oversight and a grave injustice to these groups and their contributions to the United States.

On March 31, I wrote to the President urging that he intervene to expand the list. I said that I did not quarrel with those selected—but did take serious exception to those who were left out.

There is still time to rectify this unintended but grievous problem before the celebration.

The resolution puts us on record in support of full ethnic representation for these awards.

WE MUST FORGIVE AND FORGET

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker and Members of the House, it appears that France and the United States have now through the persons of their chiefs of state buried the hatchet as to the unfortunate incident preceding the attack on Libya.

At that time, of course, the French Government buried the hatchet right into the backs of the United States Government, but we, just as the President of the United States, must forgive and forget.

We must not forget, for instance, that the French people in polls taken, three separate polls, condemned their own government in their reluctance to aid the United States cause; and we must also remember that it was the French who, in another spirit of good will a long time ago, gave the Statue of Liberty to us as a gift and, as we approach July 4, we must indeed put bygones behind. When we celebrate that grand event for the United States, remember with good will that it was the French people who bestowed that grand gift on us.

DEPARTMENT OF ENERGY—THE FOX GUARDING THE HEN HOUSE

(Mr. WYDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYDEN. Mr. Speaker, yesterday the Department of Energy said it was beginning an investigation into the safety of the end reactor at Hanford with an open, independent mind.

But based on the agency's comments to the press, one gets the feeling that they have already reached a conclusion that everything is safe at Hanford. For example, Mary Walker, the Energy Department Assistant Secretary for Environment, Safety and Health, said that the reactor has "been successful from a safety standpoint."

Mr. Speaker and colleagues, the Department of Energy is the largest self-regulating agency in Government. They are the people who produced these dangerous wastes, and they are also the people who tell us whether everything is all right from an environmental and health standpoint. It is a classic case of the fox guarding the hen house.

Mr. Speaker, it seems to me it is critical that we pass legislation so we finally have an independent assessment of the health and safety conditions at Hanford.

THANK YOU, PAT TYSON

(Mr. CHANDLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHANDLER. Mr. Speaker, my purpose in rising today is to commend and thank Patrick R. Tyson, Acting Assistant Secretary of Labor for Occupational Safety and Health.

Pat has had a long and outstanding career in the Department of Labor. He began in the Solicitor's office directly out of law school in 1973. In 1978, he became assistant counsel of OSHA's Office of State Programs and Grants. Pat then moved up to become Director of the Office of Federal Compliance and State Programs in January 1982—a position that lasted only a year, however, for on February 2, 1983, Pat was appointed Deputy Assistant Secretary of OSHA. When Thorne Auchter resigned as Assistant Secretary in April 1984, Pat served as acting until Bob Rowland was appointed to the position in July of that year.

On April 21, 1986, Pat Tyson announced his resignation, effective May 16, to join the Atlanta law firm of Constangy, Brook Smith.

Pat has many friends in this town and is highly regarded in the occupational safety and health community. He'll be missed by many.

As the ranking Republican on the Safety and Health Subcommittee, I personally will miss seeing Pat sitting at the witness table trying to explain to the chairman and me what methyl isocyanate or methylenedianiline is and what harmful effects it has on workers.

OSHA employees will miss him. With the job of Assistant Secretary changing as often as it has in the recent past, Pat's presence in the agency gave the employees a sense of security. He was someone they had known over the years. Many of them had worked with him. He was a career civil servant himself. He was someone who had earned their trust and respect.

Organized labor and industry representatives knew that they could always meet with Pat and discuss OSHA matters. They also will miss him for his fairness and dedication to occupational safety and health.

Pat's intelligence, easy-going manner and quick wit will serve him well in his new job. Atlanta's gain is our loss. I

know my colleagues will want to join me in wishing Pat and his family the best of luck and in thanking Pat for his many years of outstanding service to the Federal Government and the workers of this country.

□ 1225

SDI

(Mr. BENNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BENNETT. Mr. Speaker, Congress has several key decisions to make regarding SDI in general, and the fiscal year 1987 SDI request in particular.

Last year Congress required the Defense Department to report in detail on probable Soviet responses to the deployment of an American SDI system. The law required that report to be submitted with the budget request. Of course the SDI budget request arrived on February 5, all $4.8 billion of it. The report, however, was nowhere in sight until last Friday, May 2. We have still not received an unclassified version of the report, which makes open discussion and debate of the issue difficult.

Serious questions and concerns have been raised about where we are heading with SDI, and the likely consequences of our actions. Congress needs timely information regarding those concerns if we are to make wise policy and funding decisions.

The Defense Department has to learn that reporting requirements are just that: requirements. Funding requests should not be considered until we receive the information we need, and have had time to carefully review it.

While the Pentagon has not reported in accordance with the law, a more timely SDI study has been issued by the staff of three of our colleagues in the other body. Their report indicates that many SDI scientists have a view quite different from that of the program's salesmen.

That study documents the serious doubts of SDI scientists regarding the progress made in the program, and the prospects for a survivable and effective SDI system in the face of likely Soviet countermeasures.

One conclusion of that study summed up my view of SDI fairly well:

> Congress should question why SDIO is rushing to arrive at a development decision by the early 1990's. Comprehensive ballistic missile defenses would not become fully operational until nearly two decades from now. Congress should be made fully aware of the serious risks involved in making a premature decision on whether to develop strategic defenses.

Given the actions we can expect the Soviets to take in response to our pursuit and/or deployment of a strategic defense system, three questions concern me greatly. First, what will be the ultimate survivability and effectiveness of a strategic defense system in the face of Soviet countermeasures? Second, will the Soviets break out of the ABM Treaty in a way advantageous to them if our SDI Program is interpreted as moving us inexorably toward deployment? Third, what are the potential dangers of embarking on a completely new stage of arms competition, one equal in consequence to the development of nuclear weapons themselves?

These concerns have led me to conclude that in fiscal year 1987 the SDI Program should be frozen at last year's funding level of $2.75 billion, and that some of the savings which result from that cut should be applied to other relevant defense programs. I intend to pursue both of these goals when the Research and Development Subcommittee marks up the fiscal year 1987 authorization bill.

The $2.75 billion is not an insignificant sum. It would provide funds for extensive basic research, so as to hedge against unexpected Soviet advances in their own SDI Program; $2.75 billion in SDI funding will allow us to conduct additional research and development of offensive countermeasures to potential Soviet defenses. Such offensive counter measures research would not only help deter the Soviets from breaking out of the ABM Treaty in the near term, but also provide us with more information regarding potential counters to our own SDI system.

A freeze at $2.75 billion would help us avoid pushing the limits of the ABM Treaty at a time when we are in no position to deploy even limited defenses of our own. This is important because, if we pursue SDI at the rapid pace desired by the administration, the Soviets will probably conclude that we have decided to deploy defenses prohibited by the ABM Treaty. They will take logical steps to counter such a deployment. They will begin to do so now.

Their most obvious step would be to refuse arms reductions, and expand their offensive capability significantly. A second possible response would be to break out of the ABM Treaty in the near term. The Soviets are better prepared than we are to take either action.

It seems to me we want them to do neither. We should deter the Soviets from breaking out of the ABM Treaty by pursuing basic SDI research as a hedge, while increasing our efforts to deploy offensive weapons which can survive a first strike and penetrate any near term Soviet defense.

In addition, we should do all we can to secure Soviet compliance with the ABM Treaty today, while actively seeking new ways to verify such compliance in the future. We should seriously consider reaffirming that treaty—thus abnegating strategic defense development and deployment for both sides—in exchange for significant offensive arms reductions and better verification provisions. In this way we can each avoid a defensive arms competition that could easily end up being an offensive arms race of unprecedented magnitude.

All these actions would be facilitated by freezing the fiscal year 1987 SDI budget at last year's level of $2.75 billion, and using the savings for other related purposes. I look forward to discussing these issues with my House colleagues as we draw closer to consideration of the fiscal year 1987 authorization bill.

RESOLUTION INTRODUCED TO BAN IMPORTS OF FOOD FROM COUNTRIES AFFECTED BY NUCLEAR ACCIDENT IN SOVIET UNION

(Mr. LIGHTFOOT asked and was given permission to address the House for 1 minute.)

Mr. LIGHTFOOT. Mr. Speaker, in view of the continuted reluctance of the Soviet Union to offer complete and factual information as it concerns the nuclear accident in their country, and also we import something in the neighborhood of $1 billion a year in food products from that part of the world, it seems only logical that we should put a ban on those food products coming into the United States until such time as we can determine they are safe for human consumption.

On that line, I offered a resolution yesterday, which I urge colleagues on both sides of the aisle to support, that will have the President use his authority under title XXI of the Food and Drug Administration to ban all imports of food into the United States out of countries that could be affected by that nuclear accident in the Soviet Union until such time as those exporters can prove beyond a shadow of a doubt that those food products are safe.

If we are to err, I think we should err on the side of safety rather than the other way.

I urge my colleagues to join in this joint resolution. I would like to see as many get on today as possible.

LESSONS OF CHERNOBYL

(Mr. MARKEY asked and was given permission to address the House for 1 minute.)

Mr. MARKEY. Mr. Speaker, as the first radioactive cloud from the Chernobyl nuclear powerplant accident drifts over the United States this morning, what are the lessons that can be learned from Chernobyl? Unfortu-

nately, because of the tiny trickle of information from the Soviet Union, it is premature to reach scientific judgments. That is why it is so imperative that the House pass House Resolution 445, my resolution calling for formation of an international early warning system and "SWAT team" for nuclear emergencies.

It is not too early, however, to draw more philosophical lessons. Hubris and high technology do not mix. Silence and secrecy are a deadly potion when it comes to nuclear power. Just as the Soviets have suffered the forseeable consequences of these combinations, we must be on guard to prevent the same mixture from threatening the safety of our own nuclear powerplants, especially Department of Energy nuclear facilities.

DOE nuclear facilities are self-regulated. They are not subject to the jurisdiction of the Nuclear Regulatory Commission. DOE does not involve the Federal Emergency Management Agency in emergency planning in the event of a severe accident with offsite consequences. Yet, a number of DOE facilities lack containment buildings which the NRC deems an important safety measure to mitigate a potentially serious accident.

Tomorrow, my subcommittee will hold a hearing on the implications of the Chernobyl accident for DOE facilities. I urge my colleagues to make sure that DOE is not imperiling public health and safety in its rush to make more nuclear weapons.

PUBLIC SERVICE RECOGNITION WEEK

Mrs. SCHROEDER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 609) to designate May 5 through 11, 1986, as "Public Service Recognition Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore (Mr. MONTGOMERY). Is there objection to the request of the gentlewoman from Colorado?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Ms. OAKAR. Mr. Speaker, I would first like to thank my chairman of the Committee on Post Office and Civil Service, WILLIAM FORD, and the chairman of the Subcommittee on Census and Population, ROBERT GARCIA, for their cooperation and assistance in bringing to the House floor today, House Joint Resolution 609, "Public Service Recognition Week."

Public employees have made immense contributions to this country in technological research, health care, education, crime prevention, fire protection, national defense, and conservation. Of the 54 American Nobel laureate recipients, 37 have been public employees. Public employees have invented the CAT scan, plastic wrap, Teflon, the laser, solid state technology, sonar radar, and dehydrated and frozen foods.

Public employees at the local, State, and Federal levels provide invaluable services to all Americans. Public employees at the Federal level protect our borders, ensure that our Social Security checks are processed on a timely basis, deliver our mail, conduct essential medical research, and expand the frontiers of space. At the local and State level, public employees teach our children, protect our neighborhoods, enforce building and safety codes, plan our roads and highways, and provide a clean and healthy environment. These men and women have risked, and in some instances given, their lives while serving the public.

Too often the importance of their public service and their contributions to the security and progress of our Nation is forgotten, taken for granted, or ignored. Rather than receiving the praise and appreciation they deserve, public workers are too often victims of unfair criticism.

House Joint Resolution 609 is a simple "thank you" to the workers whose jobs we depend on in every facet of our lives. Clearly, their dedication and skill have made our country a better place to live, and they deserve recognition. The resolution also encourages Governors and local officials to praise public workers in a special way.

For the past 5 years, the Public Employees Roundtable, a consortium of public employee groups, has presented merit awards at their annual "Breakfast of Champions." Rather than singling out individuals for their fine achievements, the roundtable has given out awards to government units, displaying the cooperation which marks the effective relationship between our local, State, and Federal Governments. This year, we would like to commemorate the celebration by recognizing the fine work public employees perform through this congressional resolution.

In closing, I would like to thank my chairman, WILLIAM FORD, the chairman of the Subcommittee on Census and Population, ROBERT GARCIA, and my colleagues who cosponsored this resolution for their assistance.

Mr. WOLF. I rise in support of House Joint Resolution 609 and urge its adoption today. I am a cosponsor of this legislation and commend Ms. OAKAR's leadership and initiative in introducing this measure to recognize the important jobs performed by our Nation's public servants.

I urge my colleagues to take a few moments this week to let the public servants you encounter each day know of your appreciation for the work they do. Whether it's the mailman, the police officer, a teacher, or a Federal employee here in the Nation's Capital, take a moment to recognize the contribution they make to the quality of life in our communities, cities, States, and Nation.

Again, I urge my colleagues to support this legislation, and I want to publicly thank the millions of individuals in the Nation's public work force for the important jobs they perform in keeping this country strong and free.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 609

Whereas public employees at all levels of government have made contributions deserving of national recognition and appreciation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That May 5 through 11, 1986, is designated "Public Service Recognition Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. SCHROEDER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on both motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Wednesday, May 7, 1986.

COW CREEK BAND OF UMPQUA INDIANS DISTRIBUTION OF JUDGMENT FUNDS ACT

Mr. WEAVER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3214) to provide for the use and distribution of funds awarded to the Cow Creek Band of Umpqua Indians in U.S. Claims Court docket numbered 53-81L, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3214

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Cow Creek Band of

Umpqua Indians Distribution of Judgment Funds Act".

SEC. 2. DEFINITIONS.

For the purpose of this Act—

(1) the term "Secretary" shall mean the United States Secretary of the Interior.

(2) the term "Tribe" shall mean the Cow Creek Band of Umpqua Tribe of Indians, which was extended Federal recognition by the Act of December 29, 1982, Public Law 97-391.

(3) the term "Tribal member" shall mean any individual named in the Tribal roll that was published in the Tribe's answer to the United States' Interrogatory numbered 14 in United States Claims Court docket numbered 53-81L, and descendants of any individual named in such roll after determination of enrollment eligibility by the Tribe.

(4) the term "tribe's governing body" shall mean the governing body as determined by the Tribe's governing documents.

(5) the term "Tribal Council" shall mean the general membership of the Cow Creek Band of Umpqua Tribe of Indians convened in a meeting open to all Tribal members.

(6) the term "elder" shall mean any Tribal member who reaches the age of fifty on or before December 31, 1985.

SEC. 3 JUDGMENT DISTRIBUTION PLAN.

Notwithstanding the Act entitled "An Act to provide for the use and distribution of funds appropriated in satisfaction of certain judgments of the Indian Claims Commission and the United States Court of Claims, and for other purposes." and approved October 19, 1973 (25 U.S.C. 1401 et seq. as amended), or any plan prepared or promulgated by the Secretary of the Interior pursuant to such Act, the judgment funds awarded in United States Claims Court docket numbered 53-81L shall be distributed and used in the manner provided in this Act.

SEC. 4. DISTRIBUTION AND USE OF FUNDS.

(a) PRINCIPAL PRESERVED; NO PER CAPITA PAYMENTS.—The total judgment fund of $1,500,000, less attorney's fees and loan with the Bureau of Indian Affairs for expert witness testimony during the land claims case, will be set aside as the principal from which programs under this Act will be funded and will be maintained by the Secretary in trust for the Tribe. Only the interest earned on this principal may be used to fund such programs. There will be no per capita distribution of any funds, other than as specified in this Act.

(b) ELDERLY ASSISTANCE PROGRAM.—

(1) From the principal, the sum of $500,000 will be set aside for an Elderly Assistance Program. A one-time-only payment of $5,000 will be made to each Tribal elder as soon after January 1, 1986, as the following conditions have been met:

(A) A mechanism exists whereby the Tribe can request the release of funds from the Secretary in order to begin payments.

(B) A list of all Tribal members who are 50 years of age or older has been compiled and reviewed for accuracy by the Tribe's governing body and a financial distribution system has been established.

(2) Payments to Tribal elders shall be made according to the following formula:

(A) Payments of $5,000 will be made to the elders by age in descending order, beginning with the oldest elder, until the interest accumulated for one year on the $500,000 has been depleted below the sum of $5,000. Any interest remaining shall carry over to the following year for distribution hereunder in the next $5,000 payment.

(B) On or before January 1 of succeeding years payments of $5,000 will continue to be made to elders in descending order by age until the interest earned in such year on the $500,000 has been depleted below the sum of $5,000. Any interest remaining shall carry over to the following year for distribution hereunder in the next $5,000 payment.

(C) The distribution process will continue each year until every individual eligible for payment under this section have received a one-time-only payment of $5,000. When all payments have been completed, the principal sum of $500,000 and any remaining interest will be distributed to other Tribal programs as provided in this Act.

(3) If any Tribal member eligible for an elderly assistance payment should die before receiving such payment, the money which would have been paid to that individual will be returned to the Elderly Assistance Program fund for distribution in accordance with this section.

(4) Any individual who feels he has been unfairly denied the right to take part in this program, and who has reached the age of fifty on or before December 31, 1985, may appeal to the Secretary.

(c) HIGHER EDUCATION AND VOCATIONAL TRAINING PROGRAM.—

(1) From the principal, the sum of $100,000 will be set aside. Interest earned on such sum will be utilized to provide scholarships to Tribal members pursuing college, university, or professional education or training. Tribal members seeking vocational training also will be funded from this program, although Adult Vocational Training funding available through a contract with the Bureau of Indian Affairs will be utilized first if an individual is eligible and there is sufficient funding in such program.

(2) When the Elderly Assistance Program under section 4(b) of this Act has been completed, the principal funding for the higher education and vocational training program shall be increased to $250,000.

(d) HOUSING ASSISTANCE PROGRAM.—

(1) From the principal, the sum of $100,000 will be set aside for a Housing Assistance Program for Tribal members. Such funding may be added to any existing tribal Housing Improvement Programs to supplement them or it may be used in a separate Housing Assistance Program to be established by the Tribe's governing body. Such funding may be used for any of the following purposes—

(A) rehabilitation of existing homes;

(B) emergency repairs to existing homes;

(C) down payments on new or previously occupied homes; or

(D) purchase or construction of new homes.

If sufficient funding is not available in a given year for purchase or construction of a new home, the governing body may direct the funding to any of the other authorized purposes.

(2) When the Elderly Assistance Program under section 4(b) of this Act has been completed, the principal funding for the housing assistance program shall be increased to $250,000.

(e) ECONOMIC DEVELOPMENT AND TRIBAL CENTER.—

(1) From the principal, the sum of $250,000 will be set aside for Economic Development and, if other funding is not available or not adequate, for the construction and maintenance of a Tribal Center. Economic development funds under this subsection may be used for the following purposes:

(A) Land acquisition for business or other activities which would benefit the Tribe economically or provide employment for Tribal members. At least 50 per centum of all individuals employed in a Tribally operated business acquired or operated under this subsection shall be Tribal members or the spouses of Tribal members as available and qualified. As new positions open or existing ones are vacated, preference will be given to Tribal members or their spouses. If insufficient numbers of qualified Tribal members or their spouses are available to fill at least 50 per centum of the positions offered, non-Tribal members may be considered for employment;

(B) Business development for the Tribe, including collateralization of loans for the purchase or operation of businesses, matching funds for economic development grants, joint venture partnerships, and other similar ventures which can be expected to produce profits for the Tribe or to employ Tribal members;

(C) Reservation activities, including forest management, wildlife management and enhancement of wildlife habitats, stream enhancement, and development of recreational areas. The Tribe's governing body shall determine what reservation activities will be funded from economic development funds under this clause; and

(D) Construction, support, or maintenance of a Tribal Center.

(2) When the Elderly Assistance Program under section 4(b) of this Act has been completed, the principal funding available for economic development and a tribal center shall be increased to $400,000.

(f) MISCELLANEOUS TRIBAL ACTIVITIES.—

(1) From the principal, the sum of $50,000 will be set aside for miscellaneous tribal activities as determined by the Tribe's governing body. Such funds shall be used to finance the following activities:

(A) Operating costs of the Tribe's governing body, including travel, telephone, and other expenses incurred in the conduct of the Tribe's affairs;

(B) Legal fees incurred in the conduct of tribal affairs, tribal businesses or other tribal activities, recommended by the Tribe's governing body and approved by the Tribal Council.

(2) When the Elderly Assistance Program under section 4(b) of this Act has been completed, the principal funding for miscellaneous tribal activities shall be increased to $100,000.

(g) EVERGREEN PROPERTY; COLLATERALIZATION OF LOAN WITH BUREAU OF INDIAN AFFAIRS.—

(1) From the principal the sum of $315,000 shall be set aside as collateral on the property known as Evergreen. The interest from such amount shall be utilized for payments on the loan property. If the Tribe's governing body determines that the interest and income together are sufficient to pay off the loan more quickly, it may commit the full interest from the $315,000 to repayment of the loan until such time as loan payments are completed or the income from the property is sufficient to complete the loan payments.

(2) When the loan has been paid or the income from the property is sufficient to pay the loan, the principal amount of $315,000 shall be redistributed to the Housing Assistance Program, Higher Education and Vocational Training Program, and Economic Development and Tribal Center Program in proportions to be determined by the Tribe's governing body.

(h) GENERAL CONDITIONS.—The following conditions will apply to the management and use of the judgment funds:

(1) The principal shall not be used. Only the interest from the funds will be used to finance tribal programs.

(2) In order to allocate principal amounts of $500,000 to the Elderly Assistance Program, $100,000 to the Housing Assistance Program, $100,000 to the Higher Education and Vocational Training Program, $250,000 to the Economic Development and Tribal Center Program, and $50,000 to the Miscellaneous Program, the required sum from the interest earned on the principal from the dates of investment will be added to the principal amount.

(3) The judgment funds will be maintained by the Secretary in interest-bearing accounts in trust for the Tribe.

(4) No amount greater than 10 per centum of the interest earned on the principal may be used for the administrative costs of any of the above programs, except as provided in section 4(h)(5) below.

(5) No Service Area is implied or imposed under any program under this Act. If the costs of administering any program under this Act for the benefit of a tribal member living outside the Tribe's Indian Health Service Area are greater than 10 per centum of the interest earned thereon, the Tribe's governing body may authorize the expenditure of such funds for that program, but in carrying out the program shall give priority to individuals within the Tribe's IHS Service Area.

(6) The Tribe's governing body may at any time after enactment of this Act declare a dividend to Tribal members from the profits from any business enterprise of the Tribe. Prior to declaring or distributing dividends, however, the Tribe's governing body must first take into consideration the effect of such declaration or distribution of dividends on future operating costs and proposed business expansions. Profits from business enterprises may also be distributed back into any of the programs established by section 4 of this Act, provided that future operating costs and proposed expansion costs are first set aside. Any such distribution back into the programs under this Act shall be proportional to the percentage of principal then being allocated hereunder.

SEC. 5. TRIBAL MEMBERSHIP.

Within seven days of the date of enactiment of this Act, the Secretary shall advise all appropriate officals and employees of the United States Department of the Interior and the Bureau of Indian Affairs of the definition of the membership of the Cow Creek Band of Umpqua Tribe of Indians as defined in this Act.

SEC. 5. (a) The members of the Cow Creek Band of Umpqua Indians shall consist of every individual named in the Tribal roll that was published in the Tribe's answer to the United States Interrogatory numbered 14 in the United States Claims Court docket numbered 53-81L, as supplemented through additional enrollments through December 29, 1982, and descendants of any individuals named in such roll born on or before the date of enactment of this Act. Thereafter, membership in the Tribe shall be determined as provided in the Tribal Constitution, By-laws, and Membership Ordinance.

(b) Membership in the Tribe pursuant to subsection (a) shall not entitle an individual who shared in the distribution of funds under the Act of August 13, 1954 (25 U.S.C. 564 et seq.) or the Act of August 13, 1954 (25 U.S.C. 691 et seq.) to participate in any distribution of funds pursuant to a judgment under the Act approved May 26, 1980 (94 Stat. 372).

SEC. 6. ELIGIBILITY OF NON-TRIBAL MEMBERS.

(a) Notwithstanding any provision of this Act, non-Tribal members shall be eligible to participate in the programs established pursuant to section 4(c) and (d) of this Act if they are within that group of persons described in section 4(a) of the Act of May 26, 1980 (P.L. 96-251) and satisfy the enrollment requirements of section 6 (b) of this Act.

(b) In order to qualify as an eligible non-Tribal member under section 6(a), non-Tribal members must submit an enrollment application to the Tribe within 180 days of the date of this Act in which they must establish that they satisfy the criteria of section 6(a). All decisions on such application shall be made by the Tribe, *Provided*, That any applicant who has been denied eligibility by the Tribe shall have the right to appeal to the Secretary of the Interior.

The SPEAKER pro tempore. Is a second demanded?

Mr. McCAIN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Oregon [Mr. WEAVER] will be recognized for 20 minutes and the gentleman from Arizona [Mr. MCCAIN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Oregon [Mr. WEAVER].

GENERAL LEAVE

Mr. WEAVER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3214, the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. WEAVER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in 1980 Congress enacted Public Law 96-251 enabling the Cow Creek Band of Umpqua Indians, a tribe whose ancestral homelands are in my congressional district in southwestern Oregon, to pursue a taking claim in the U.S. Claims Court. Pursuant to a settlement agreement between the parties, the court granted an award of $1,500,000 to the tribe on June 12, 1984. Funds to satisfy the award were appropriated by the Congress on August 21, 1984.

In the interim, Federal recognition was restored to the Cow Creeks through the enactment of Public Law 97-391 on December 29, 1982. The tribe subsequently developed a judgment fund distribution plan providing that the entire judgment fund, less costs of pursuing the claim, would be set aside as the principal from which specified tribal programs would be funded. The interest earned on this principal would be committed to elderly assistance, higher education and vocational training, housing assistance, economic development, and other tribal programs.

I strongly endorse this approach. The taking claim is a tribal one and, as a result, the judgment fund should be utilized in a way that benefits the tribe as a whole.

Mr. Speaker, the legacy of per capita distributions is a dismal one. Small one-time payments may provide a minimal short-term benefit to the individuals receiving them, but they do not further the long-term interests either of those persons or of the tribe. H.R. 3214 avoids that result by establishing a variety of programs that will assist all tribal members and promote tribal self-sufficiency.

Furthermore, this bill will add no costs to State or local governments, and will actually increase receipts to the Federal Government by an estimated $20,000 to $30,000 annually beginning in 1989.

Finally, the Interior Committee held a hearing on H.R. 3214 on December 10, 1985. I offered several amendments to the bill at the March 19, 1986, markup, to address concerns that had been raised by the administration and some witnesses at the hearing. I believe those concerns were valid and that our amendments strengthened the bill.

I thank the chairman and ranking member, as well as committee staff, majority, and minority, for their assistance in bringing this bill to the floor today. I urge my colleagues to support the passage of H.R. 3214 so that the Cow Creek Band of Umpqua Indians can move another step closer to self-sufficiency.

Mr. Speaker, I would conclude my remarks by saying that I want to thank my good friend, the distinguished gentleman from Arizona [Mr. MCCAIN], for all the concerns and the interest and help that he has offered in these matters affecting Oregon Indians, and I know his interest ranges nationwide, as well as for the people of his home State. I want to thank the gentleman very much for that.

Mr. Speaker, I reserve the balance of my time.

Mr. McCAIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 3214, a bill to provide for the use and distribution of funds for the Cow Creek Bank of Umpqua Indians. H.R. 3214 would require the Secretary of the Interior to set aside and hold in trust $1.5 million awarded to the band in 1984 by the U.S. Claims Court as principal from which tribal programs would be funded, including educational scholarships, housing assistance, elderly assistance payments, economic development, and repayment of a previous BIA loan.

Mr. Speaker, many judgment fund awards have been distributed pursuant

to congressional action on a per capita basis to members or descendants of members of the harmed tribe. Very few tribes can show how the tribe has benefited by the payments being distributed in that fashion. Unfortunately, within months most of the payments had been dissipated through spending. I commend tribes which seek to use the funds for the benefit of their members today and in the future, as the Cow Creek Band of Umpqua Indians are desiring to do with these funds.

I would like to also recognize the work of my colleague, the gentleman from Oregon [Mr. WEAVER], on behalf of this band of Indians. They are a small group of Indians. They have been neglected throughout the history of this Nation. I think it is extremely commendable that the gentleman from Oregon [Mr. WEAVER] has made this payment possible and made this law not only passable but without controversy. I think the great band of Umpqua Indians and Indians throughout our Nation deservedly praise the gentleman from Oregon [Mr. WEAVER] for this bill and his previous dedication as a member of the Committee on Interior and Insular Affairs on behalf of Indians throughout this Nation.

Mr. Speaker, H.R. 3214 was reported out of the Interior Committee without opposition, and the administration now has no objection to the bill, as amended.

I urge my colleagues to support H.R. 3214.

Mr. Speaker, I reserve the balance of my time.

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Mr. WEAVER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I simply want to again thank my friend, the gentleman from Arizona [Mr. MCCAIN], for his kind remarks and his good work.

I also would like to commend the tribe itself, and Sue Shaffer, a magnificent American, for putting this judgment fund together in this way, for fighting for this way of helping the whole tribe. I think the Cow Creeks deserve our commendation, and in particular, Sue Shaffer, for her great leadership.

Mr. Speaker, with that I yield back the balance of my time.

Mr. MCCAIN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oregon [Mr. WEAVER] that the House suspend the rules and pass the bill, H.R. 3214, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

REHABILITATION ACT AMENDMENTS OF 1986

Mr. WILLIAMS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4021) to extend and improve the Rehabilitation Act of 1973, as amended.

The Clerk read as follows:

H.R. 4021

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Rehabilitation Act Amendments of 1986".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

TABLE OF CONTENTS

TITLE I—AMENDMENTS TO THE GENERAL PROVISIONS

Sec. 101. Rehabilitation Services Administration.
Sec. 102. Definitions.
Sec. 103. Reports.
Sec. 104. Evaluation.
Sec. 105. State administration.
Sec. 106. Report of the Secretary.

TITLE II—VOCATIONAL REHABILITATION SERVICES

Sec. 201. Authorization of appropriations.
Sec. 202. State plans.
Sec. 203. Individualized written rehabilitation program.
Sec. 204. Scope of vocational rehabilitation services.
Sec. 205. Non-Federal share for construction.
Sec. 206. State allotments.
Sec. 207. Funds for American Indian vocational rehabilitation services.
Sec. 208. Payments to States; maintenance of effort.
Sec. 209. Client assistance program.
Sec. 210. Payments to States.
Sec. 211. American Indian vocational rehabilitation services grants.
Sec. 212. Evaluation.
Sec. 213. American Indian vocational rehabilitation services.

TITLE III—RESEARCH AND TRAINING

Sec. 301. Authorization of appropriations.
Sec. 302. National Institute of Handicapped Research.
Sec. 303. Interagency committee.
Sec. 304. Research.

TITLE IV—SUPPLEMENTARY SERVICES AND FACILITIES

Sec. 401. Grants for construction of rehabilitation facilities.
Sec. 402. Vocational training services for handicapped individuals.
Sec. 403. Training.
Sec. 404. Comprehensive rehabilitation centers.
Sec. 405. Special projects and supplementary services; authorization of appropriations.
Sec. 406. Special demonstration programs.
Sec. 407. Supported employment.
Sec. 408. Special recreational programs.
Sec. 409. Duties of National Council.

TITLE V—ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

Sec. 501. Architectural and Transportation Barriers Compliance Board.
Sec. 502. Interagency Coordinating Council.

TITLE VI—EMPLOYMENT OPPORTUNITIES FOR INDIVIDUALS WITH HANDICAPS

Sec. 601. Equitable distribution of assistance.
Sec. 602. Authorization of appropriations for part A of title VI.
Sec. 603. Projects with industry.
Sec. 604. Other authorizations of appropriations under title VI.

TITLE VII—COMPREHENSIVE SERVICES FOR INDEPENDENT LIVING

Sec. 701. Authorization of appropriations.

TITLE VIII—TECHNICAL AND CONFORMING AMENDMENTS TO THE ACT

Sec. 801. Use of gender neutral terminology in Act.
Sec. 802. Technical and conforming amendments.

TITLE IX—AMENDMENTS TO OTHER LAWS

Sec. 901. Reauthorization of Helen Keller National Center Act.
Sec. 902. President's Committee on Employment of the Handicapped.

TITLE X—EFFECTIVE DATES

Sec. 1001. General provision.

TITLE I—AMENDMENTS TO THE GENERAL PROVISIONS

SEC. 101. REHABILITATION SERVICES ADMINISTRATION.

(a) APPOINTMENT BY SECRETARY.—The Rehabilitation Act of 1973 (29 U.S.C. 701, et. seq.; hereinafter referred to as "the Act") is amended in section 3(a) by striking out "appointed" and all that follows through the first sentence and inserting in lieu thereof: "who shall be appointed by the Secretary and shall report directly to the Assistant Secretary for Special Education and Rehabilitative Services. The position of Commissioner shall be compensated at the rate provided for grade GS-18 of the General Schedule under section 5104 of title 5, United States Code, and shall be a Senior Executive Service position for the purposes of section 3132(a)(2) of such title. The Commissioner shall be an individual with substantial experience in rehabilitation and in rehabilitation program management.".

(b) APPLICATION.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply with respect to the first vacancy in the office of Commissioner which occurs after the date of the enactment of this Act.

SEC. 102. DEFINITIONS.

(a) FEDERAL SHARE.—

(1) Effective October 1, 1988, section 7(6) of the Act is amended to read as follows:

"(6)(A) Subject to subparagraphs (B) and (C), the term 'Federal share' means 80 percent.

"(B) For any fiscal year for which payments to a State under section 111(a)

exceed such payments for fiscal year 1988, the Federal share for those payments in excess of the fiscal year 1988 amount shall be 79 percent for fiscal year 1989, 78 percent for fiscal year 1990, 77 percent for fiscal year 1991, 76 percent for fiscal year 1992, and 75 percent for fiscal year 1993.

"(C) The term 'Federal share' means 90 percent for the purposes of part C of title I of this Act and as specifically set forth in section 301(b)(3), except that with respect to payments pursuant to part B of title I of this Act to any State which are used to meet the costs of construction of those rehabilitation facilities identified in section 103(b)(2) in such State, the Federal share shall be the percentages determined in accordance with the provisions of section 301(b)(3) applicable with respect to the State.

"(D) For the purpose of determining the non-Federal share with respect to a State, expenditures by a political subdivision thereof or by a local agency shall be regarded as expenditures by such State, subject to such limitations and conditions as the Secretary shall by regulation prescribe.".

(2) Effective October 1, 1988, section 110(b)(2) of the Act is amended by striking out "80 percent" both places it appears and inserting in lieu thereof "the applicable Federal share".

(b) HANDICAPPED INDIVIDUALS.—

(1) Section 7(7) of the Act is amended by striking out "handicapped individual" both places it appears and inserting in lieu thereof "individual with handicaps"; and

(2) The Act is amended—

(A) by striking out "a handicapped individual" each place it appears and inserting in lieu thereof "an individual with handicaps";

(B) by striking out "handicapped individual" each place it appears and inserting in lieu thereof "individual with handicaps"; and

(C) by striking out "handicapped individuals" each place it appears and inserting in lieu thereof "individuals with handicaps".

(c) LOCAL AGENCY.—Section 7(8) of the Act is amended—

(1) in the first sentence by striking out "tribal" and all that follows before the period and inserting in lieu thereof "tribe (or combination of such units or tribes)"; and

(2) in the second sentence by striking out the colon and all that follows before the period.

(d) SEVERE HANDICAP.—

(1) Section 7(13) of the Act is amended to read as follows:

"(13)(A) Except as provided in subparagraph (B), for purposes of this Act the term 'individual with severe handicaps' means an individual with handicaps (as defined in paragraph (7))—

"(i) who has a severe physical or mental disability which seriously limits one or more functional capacities (such as mobility, communication, self-care, self-direction, interpersonal skills, work tolerance, or work skills) in terms of employability;

"(ii) whose vocational rehabilitation can be expected to require multiple vocational rehabilitation services over an extended period of time; and

"(iii) who has one or more physical or mental disabilities resulting from amputation, arthritis, autism, blindness, burn injury, cancer, cerebral palsy, cystic fibrosis, deafness, head injury, heart disease, hemiplegia, hemophilia, respiratory or pulmonary dysfunction, mental retardation, mental illness, multiple sclerosis, muscular dystrophy, musculo-skeletal disorders, neurological disorders (including stroke and epilepsy), paraplegia, quadriplegia, and other spinal cord conditions, sickle cell anemia, specific learning disability, end-stage renal disease, or another disability or combination of disabilities determined on the basis of an evaluation of rehabilitation potential to cause comparable substantial functional limitation.

"(B) For purpooses of title VII of this Act the term 'individual with severe handicaps' means an individual whose ability to function independently in family or community or whose ability to engage or continue in employment is so limited by the severity of his or her physical or mental disability that independent living rehabilitation services are required in order to achieve a greater level of independence in functioning in family or community or engaging or continuing in employment.".

(2) The Act is amended by striking out "severely handicapped individuals" each place it appears and inserting in lieu thereof "individuals with severe handicaps".

(e) INDIAN.—Section 7 of the Act is further amended by inserting at the end thereof the following new paragraphs:

"(16) The term 'public or nonprofit agency or organization' shall include an Indian tribe.

"(17) The terms 'Indian', 'American Indian', and 'Indian American' mean an individual who is a member of an Indian tribe.

"(18) The term 'Indian tribe' means any Federal or State Indian tribe, band, rancheria, pueblo, colony, or community, including any Alaskan native village or regional village corporation (as defined in or established pursuant to the Alaska Native Claims Settlement Act).".

SEC. 103. REPORTS.

Section 13 of the Act is amended—

(1) in the first sentence by striking out "for transmittal" and inserting in lieu thereof "and";

(2) by striking out the period at the end of the first sentence and inserting in lieu thereof ", including the activities and staffing of the information clearinghouse under section 15."; and

(3) by inserting at the end thereof "The annual report shall include an evaluation of the status of individuals with severe handicaps participating in programs under this Act.".

SEC. 104. EVALUATION.

Section 14(c) of the Act is amended by inserting "including the standards used for such evaluations," after "effectiveness,".

SEC. 105. STATE ADMINISTRATION.

(a) STATE ADMINISTRATION.—The Act is amended by inserting after section 16 the following new section:

"STATE ADMINISTRATION

"SEC. 17. The application of any State rule or policy relating to the administration or operation of programs funded by this Act (including any rule or policy based on State interpretation of any Federal law, regulation, or guideline) shall be identified as a State imposed requirement.".

(b) CONFORMING AMENDMENT.—The table of contents of the Act is amended by inserting after the item relating to section 16 the following:

"Sec. 17. State administration.".

SEC. 106. REPORT OF THE SECRETARY.

(a) ASSESSMENT.—The Secretary of Education shall conduct an assessment of the indirect cost rates charged to State agencies designated to administer or supervise the administration of the State plan under the Rehabilitation Act of 1973 by other State agencies.

(b) REPORT.—Not later than February 1, 1987, the Secretary shall submit a report of such assessment to the Congress. Such report shall include recommendations regarding alternative methods for establishing indirect cost rates, including establishing pre-determined fixed rates by statute and prescribing standards for negotiating such rates.

TITLE II—VOCATIONAL REHABILITATION SERVICES

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Section 100 of the Act is amended—

(1) in subsection (b) by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(b)(1)(A) For the purpose of making grants to States under part B of this title (other than grants under section 112) to assist States in meeting the costs of vocational rehabilitation services provided in accordance with State plans under section 101, there is authorized to be appropriated $1,301,862,400 for fiscal year 1987 and the amount determined under subsection (c) for each of the fiscal years 1988, 1989, 1990, and 1991.

"(B) In addition, there are authorized to be appropriated for such purpose such additional sums as may be necessary for each of the fiscal years 1987 through 1991. Any such sums shall be allocated in accordance with section 110(a)(4).

"(2) For the purpose of allotments under section 120(a)(1), there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1987, 1988, 1989, 1990, and 1991.";

(2) in subsection (b)(3) by striking out "1984, 1985, and 1986," and inserting in lieu thereof "1987, 1988, 1989, 1990, and 1991,"; and

(3) by striking out all of subsection (d).

SEC. 202. STATE PLANS.

(a) ASSESSMENT OF REHABILITATION NEEDS.—Section 101(a)(5)(A) of the Act is amended—

(1) by inserting "the results of a comprehensive, State-wide assessment of the rehabilitation needs of all individuals with severe handicaps residing within the State and the State's response to the assessment," after "including"; and

(2)(A) by striking out "show (i)" and inserting in lieu thereof "(i) show and provide the justification for"; and

(B) by inserting "show" after "(ii)".

(b) REHABILITATION ENGINEERING SERVICES.—Section 101(a)(5)(B) is amended by inserting before the semicolon "and describe the manner in which rehabilitation engineering services will be utilized to provide assistance to such individuals".

(c) PERSONNEL.—Section 101(a)(7)(B) of the Act is amended by inserting "qualified" after "facilities and".

(d) PROVISION OF SERVICES.—Section 101 (a)(8) of the Act is amended to read as follows:

"(8) provide, at a minimum, for the provision of the vocational rehabilitation services specified in clauses (1) through (3) of section 103(a), and for the provision of such other services as are specified under such section after a determination that comparable services and benefits are not available under any other program, except that such determinations shall not be required where it would delay the provision of such services to any individual at extreme medical risk;".

(e) COOPERATIVE ARRANGEMENTS.—Section 101(a)(11) of the Act is amended by inserting "community mental health programs," after "veterans programs,".

(f) CONSULTATION WITH INDIAN TRIBES.—Section 101(a)(20) of the Act is amended by inserting "as appropriate, the State shall actively consult with Indian tribes and tribal organizations and native Hawaiian organizations in the development of the State plan, and that," after "Commissioner that,".

(g) PUBLIC MEETINGS; TRANSITION.—Section 101(a) of the Act is amended—

(1) in paragraph (21) by striking out "and" after "organizations;";

(2) in paragraph (22) by striking out the period and inserting in lieu thereof a semicolon; and

(3) by inserting at the end thereof the following new paragraphs:

"(23)(A) provide satisfactory assurances that in the formulation of the State plan, and any revisions, that the State agency conducts public meetings throughout the State, after appropriate and sufficient notice, to allow interested groups and organizations and all segments of the public an opportunity to comment on the State plan, and (B) include a summary of such comments and the State agency's response to such comments; and

"(24) contain the plans, policies, and methods to be followed to assist in the transition from education to employment related activities.".

SEC. 203. INDIVIDUALIZED WRITTEN REHABILITATION PROGRAM.

(a) GOALS.—Section 102(b)(1) of the Act is amended by striking out "goals," and inserting in lieu thereof "goals based on an assessment determined through an evaluation of rehabilitation potential under section 7(5),".

(b) REVIEW OF DETERMINATIONS.—Section 102(d)(1) of the Act is amended by striking out the second sentence and inserting in lieu thereof: "Such review procedures shall provide an opportunity for the submission of additional evidence and information relevant to a final decision. A final decision shall be made in writing by the Director and shall include a full report of the findings and the grounds for such decision. A copy of such decision shall be provided to the affected individuals.".

(c) FAIR HEARING BOARD.—

(1) The first sentence of section 102(d)(1) of the Act is amended by striking out "The" and inserting in lieu thereof "Except as provided in paragraph (3), the".

(2) Section 102(d) is amended by inserting after paragraph (2) the following paragraph:

"(3) A fair hearing board, established by a State before January 1, 1986, and authorized under State law to review determinations under this Act, is authorized to carry out the responsibilities of the Director under this subsection.".

SEC. 204. SCOPE OF VOCATIONAL REHABILITATION SERVICES.

(a) REHABILITATION TECHNOLOGY.—Section 103(a)(1) of the Act is amended by inserting "evaluation by personnel skilled in rehabilitation technology," after "appropriate,".

(b) POSTEMPLOYMENT SERVICES.—Section 103(a)(2) of the Act is amended by striking out "other postemployment services necessary to assist such individuals to maintain their employment and" and insert in lieu thereof "specific postemployment services necessary to assist such individuals maintain or regain employment, and other".

(c) REHABILITATION ENGINEERING SERVICES.—Section 103(a)(11) of the Act is amended by inserting before the period ", and rehabilitation engineering services designed to assist individuals with severe handicaps increase their functional abilities and potential for self-sufficiency".

SEC. 205. NON-FEDERAL SHARE FOR CONSTRUCTION.

Section 104 of the Act is amended by striking out "title," and inserting in lieu thereof "title (or to an Indian tribe under part D of this title),".

SEC. 206. STATE ALLOTMENTS.

(a) ADDITIONAL PAYMENTS.—Section 110(b)(2) of the Act is amended—

(1) by striking out ", as a result of the maintenance of effort provisions of such section,"; and

(2) by inserting "for fiscal year 1972" after "of such State".

(b) REALLOTMENT.—Section 110(c) of the Act is amended to read as follows:

"(c)(1) No later than forty-five days prior to the end of the fiscal year, the Commissioner shall determine, after reasonable opportunity for the submission to him of comments by the State agency administering or supervising the program established under this title, that any payment of an allotment to a State under section 111(a) for any fiscal year will not be utilized by such State in carrying out the purposes of this title.

"(2) As soon as practicable but no later than the end of the fiscal year, the Commissioner shall make such amount available for carrying out the purposes of this title to one or more other States to the extent the Commissioner determines that such other State will be able to use such additional amount during that fiscal year or to pay for initial expenditures during the subsequent fiscal year for carrying out such purposes.

"(3) For the purposes of this part, any amount made available to a State for any fiscal year pursuant to this subsection shall be regarded as an increase of such State's allotment (as determined under the preceding provisions of this section) for such year.".

SEC. 207. FUNDS FOR AMERICAN INDIAN VOCATIONAL REHABILITATION SERVICES.

Section 110 of the Act is amended—

(1) in subsection (a)(1) by striking out "For" and inserting in lieu thereof "Subject to the provisions of subsection (d), for"; and

(2) by inserting after subsection (c) the following subsection:

"(d)(1) For fiscal year 1987 and for each subsequent fiscal year, the Commissioner shall reserve from the amount authorized to be appropriated under section 100(b)(1) for allotment under this section a sum, determined under paragraph (2), to carry out the purposes of part D of this title.

"(2) For any fiscal year the sum shall be not less than one-quarter of one percent and not more than one percent of the amount under paragraph (1), as determined by the Secretary.".

SEC. 208. PAYMENTS TO STATES; MAINTENANCE OF EFFORT.

Section 111(a) of the Act is amended to read as follows:

"SEC. 111. (a)(1) Except as provided in paragraph (2), from each State's allotment under this part for any fiscal year (including any additional payment to it under section 110(b)), the Commissioner shall pay to a State an amount equal to the Federal share of the cost of vocational rehabilitation services under the plan for that State approved under section 101, including expenditures for the administration of the State plan.

"(2)(A) The total of payments under paragraph (1) to a State for a fiscal year may not exceed its allotment under subsection (a) (and any additional payment under subsection (b)), of section 110 for such year and such payments shall not be made in an amount which would result in a violation of the provisions of the State plan required by section 101(a)(17).

"(B) The amount otherwise payable to a State for a fiscal year under this section shall be reduced by any amount by which expenditures from non-Federal sources under the State plan during such year under this title are less than the average of the total of such expenditures for the three preceding fiscal years.

"(C) The Commissioner may waive or modify any requirement or limitation under paragraphs (A) and (B) if the Commissioner determines that a waiver or modification is an equitable response to exceptional or uncontrollable circumstances affecting the State.".

SEC. 209. CLIENT ASSISTANCE PROGRAM.

(a) DESIGNATED AGENCY.—Section 112(c)(1) of the Act is amended by inserting at the end thereof "After the date of enactment of the Rehabilitation Act Amendments of 1986, the Governor may remove an agency designated under this subsection only for good cause.".

(b) ADJUSTMENT IN MINIMUM ALLOTMENT.—Section 112(e)(1) of the Act is amended by inserting at the end thereof the following subparagraph:

"(D)(i) Subject to clause (ii), the Commissioner may increase the minimum allotment under subparagraph (A) for any fiscal year for which funds appropriated under this section for that fiscal year exceed sums appropriated under this section for the preceding fiscal year by more than the percentage increase in the Consumer Price Index for All Urban Consumers, published monthly by the Bureau of Labor Statistics.

"(ii) An increase in the minimum allotment for a State under clause (i) may not result in a decrease in an allotment to any other State.".

(c) PAYMENT OF ALLOTMENT.—Section 112(e)(3) of the Act is amended to read as follows:

"(3) Except as specifically prohibited by or as otherwise provided in State law, the Secretary shall pay to the agency designated under subsection (c) the amount specified in the application approved under subsection (f).".

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 112(i) of the Act is amended to read as follows:

"(i) There are authorized to be appropriated for the purposes of this section such sums as may be necessary for each of the fiscal years 1987 through 1991.".

SEC. 210. PAYMENTS TO STATES.

Section 121(b) of the Act is amended in the first sentence by striking out "the fiscal year ending September 30, 1986." and inserting in lieu thereof "fiscal year 1991.".

SEC. 211. AMERICAN INDIAN VOCATIONAL REHABILITATION SERVICES GRANTS.

(a) GRANTS.—Section 130(a) of the Act is amended to read as follows:

"SEC. 130. (a) The Commissioner, in accordance with the provisions of this part may make grants to the governing bodies of Indian tribes located on Federal and State reservations (and consortia of such governing bodies) to pay 90 percent of the costs of vocational rehabilitation services for handicapped American Indians residing on such

reservations. The non-Federal share of such costs may be in cash or in kind, fairly valued, and the Commissioner may waive such non-Federal share requirement in order to carry out the purposes of this Act.".

(b) APPLICATION.—Section 130(b) of the Act is amended—

(1) in paragraph (1)(B) by inserting immediately before the semicolon "and that, where appropriate, may include services traditionally used by Indian tribes";

(2) in paragraph (3) after "months" by inserting "or more than 36 months,"; and

(3) by inserting after paragraph (3) the following new paragraph:

"(4) In making grants under this part, the Secretary shall give priority consideration to applications for the continuation of programs which have been funded under this part.".

(c) ALLOTMENT.—Section 130 of the Act is amended by striking out all of subsection (d) and by redesignating subsection (e) as subsection (c).

SEC. 212. EVALUATION.

Section 131 of the Act is amended—

(1) in paragraph (1) by striking out "and";

(2) in paragraph (2) by striking out the period and inserting in lieu thereof "; and"; and

(3) by inserting after paragraph (2) the following new paragraph:

"(3) an evaluation of the nature and extent of cooperative efforts between programs conducted under this part and other vocational rehabilitation programs under this Act.".

SEC. 213. AMERICAN INDIAN VOCATIONAL REHABILITATION SERVICES.

(a) STUDY OF NEEDS OF AMERICAN INDIANS WITH HANDICAPS.—Part D of title I of the Act is amended by inserting after section 131 the following new section:

"STUDY OF NEEDS OF AMERICAN INDIANS WITH HANDICAPS

"SEC. 132. The Secretary shall conduct a study on the special problems and needs of Indians with handicaps both on and off the reservation, in consultation with the Director of the Office of Special Education and Rehabilitation Services, the Director of the National Institute of Handicapped Research, the Assistant Secretary of the Interior for Indian Affairs, the Director of Indian Health Services, representatives of affected Indian tribes and tribal groups, and other appropriate officials, organizations, and individuals. Not later than 12 months after the date of enactment of the Rehabilitation Act Amendments of 1986, the Secretary shall submit the resuts of such study, together with such recommendations as are appropriate, to the President and to the appropriate committees of the Congress.".

(b) CONFORMING AMENDMENT.—The table of contents of the Act is amended by inserting after the item relating to section 131 the following:

"Sec. 132. Study of needs of handicapped American Indians.".

TITLE III—RESEARCH AND TRAINING

SEC. 301. AUTHORIZATION OF APPROPRIATIONS.

Section 201(a) of the Act is amended—

(1) in paragraph (1) by striking out "fiscal year 1984, and for each of the two succeeding fiscal years; and" and inserting in lieu thereof "fiscal years 1987 through 1991; and"; and

(2) in paragraph (2) to read as follows:

"(2) for the purpose of carrying out section 204, such sums as may be necessary for each of the fiscal years 1987 through 1991.".

SEC. 302. NATIONAL INSTITUTE OF HANDICAPPED RESEARCH.

(a) NATIONAL RESEARCH INSTITUTE ON DISABILITY AND REHABILITATION.—

(1) REDESIGNATION.—Section 202 of the Act is amended by redesignating the "National Institute of Handicapped Research" as the "National Research Institute on Disability and Rehabilitation".

(2) REFERENCES.—The Act is amended by striking out "National Institute of Handicapped Research" each place it appears in the Act (including the table of contents) and inserting in lieu thereof "National Research Institute on Disability and Rehabilitation". Any reference in any other provision of law to the "National Institute of Handicapped Research" shall be considered to be a reference to the "National Research Institute on Disability and Rehabilitation".

(b) AMERICAN INDIAN SERVICES.—Section 202(b) of the Act is amended—

(1) in paragraph (2) by inserting "tribal," after "State,"; and

(2) in paragraph (8) by inserting "the Bureau of Indian Affairs, the Indian Health Service," after "Administration,".

(c) DIRECTOR OF INSTITUTE.—Section 202(c)(1) of the Act is amended to read as follows:

"(c)(1) The Director of the Institute shall be appointed by the Secretary and shall report directly to the Assistant Secretary for Special Education and Rehabilitative Services. The position of Director shall be compensated at the rate provided for grade GS-18 of the General Schedule under section 5104 of title 5, United States Code, and shall be a Senior Executive Service position for the purposes of section 3132(a)(2) of such title. The Director shall be an individual with substantial experience in rehabilitation and in research administration. In carrying out any of the functions of the office under this section the Director shall be guided by the general policies of the National Council on the Handicapped established in title IV. The Director may not delegate any functions of that office to any officer who is not directly responsible to the Director.".

(d) RURAL REHABILITATION CENTER.—Section 202(j) of the Act is amended by inserting at the end thereof the following new paragraph:

"(3) The Director shall establish, directly or by grant or contract, a center associated with an institution of higher education, for research and training concerning the delivery of rehabilitation services to rural areas.".

(e) GRANTS FOR TRAINING.—Section 202 of the Act is amended by inserting after subsection (j) the following subsection:

"(k) The Director shall make grants to institutions of higher education for the training of researchers in the field of rehabilitation of individuals with handicaps.".

(f) REPORT TO CONGRESS.—Section 202 of the Act is amended by inserting after subsection (k) the following new subsection:

"(1) The Director shall submit to the Congress, not later than one year after the date of the enactment of the Rehabilitation Act Amendments of 1986, policy recommendations for the establishment by the Congress of an agency designed to ensure (1) the development and cost-effective production and marketing of technological devices; and (2) the efficient distribution of such technology to individuals with handicaps. Such recommendations shall specifically evaluate the feasibility of the chartering by Congress of a private organization or the establishment of a joint public-private corporation to provide marketing and production-related services to the public and private sectors. The policy recommendation shall include suggested funding alternatives for an organization or agency and such other suggestions as the Director or the Committee on Handicapped Research may consider appropriate. Further such recommendations shall consider any potential conflicts of interest in the evaluation and marketing of new products for use by individuals with handicaps. In developing such policy recommendations, the Director shall solicit the views of the Interagency Committee on Handicapped Research and shall submit any dissenting views offered by any member of that Committee together with the submission of policy recommendations.".

(g) STUDY OF HEALTH INSURANCE PRACTICES.—Section 202 of the Act is amended by inserting after subsection (1) the following subsection:

"(m) The Director shall conduct a study of health insurance practices and policies which affect individuals with handicaps. Not later than February 1, 1990, the Director shall submit a report of the study to the appropriate committees of the Congress.".

SEC. 303. INTERAGENCY COMMITTEE.

Section 203 of the Act is amended by inserting "the Assistant Secretary of the Interior for Indian Affairs, the Director of the Indian Health Service," after "Transportation,".

SEC. 304. RESEARCH.

(a) RESEARCH ACTIVITIES.—Section 204(a) of the Act is amended in the first sentence by inserting "Indian tribes, and tribal organizations," after "education,".

(b) SPECIALIZED RESEARCH ACTIVITIES.—Section 204(b) of the Act is amended—

(1) in the second sentence of paragraph (1) by striking out "Center," and inserting in lieu thereof "Center (and as appropriate shall include consideration of rural issues),";

(2) in paragraph (1) by inserting at the end thereof: "Except Centers which have received a grant under this section before the date of enactment of the Rehabilitation Act Amendments of 1986, a Center shall receive a grant under this section of not less than $400,000 for each fiscal year. No grant exceeding $400,000 for any fiscal year may be awarded under this section unless the peer review of the grant includes consideration of past performance.";

(3) in paragraph (2)(A) by inserting "and disseminate" after "develop";

(4) in paragraph (2) by striking out "and to (B)" and inserting in lieu thereof "(B) demonstrate innovative models for the delivery to rural and urban areas of cost-effective rehabilitation engineering services that promote utilization of engineering and other scientific research to assist in meeting the employment and independent living needs of individuals with severe handicaps, and to (C)";

(5) in paragraph (3) by inserting at the end thereof: "In the award of grants under this paragraph the Director shall take into accounts the location of any proposed Center and the appropriate geographic and regional allocation of such Centers.";

(6) in paragraph (8) by inserting before the period ", except that research concerning handicapped Indian Americans shall include those 55 and older";

(7) in paragraph (11) by striking out all that follows "(B)" and inserting in lieu thereof "such physical therapy, language development, pediatric, nursing, psychological, and psychiatric services as are necessary

for such children; and (C) appropriate services for the parents of such children, including psychological and psychiatric services, parent counseling, and training."; and

(8) by inserting after paragraph (13) the following new paragraph:

"(14) Conduct of studies of the rehabilitation needs of American Indian populations and of effective mechanisms for the delivery of rehabilitation services to Indians residing on and off reservations.".

TITLE IV—SUPPLEMENTARY SERVICES AND FACILITIES

SEC. 401. GRANTS FOR CONSTRUCTION OF REHABILITATION FACILITIES.

Section 301(a) of the Act is amended—

(1) in the first sentence by striking out "fiscal year ending before October 1, 1986." and inserting in lieu thereof "of the fiscal years 1987, 1988, 1989, 1990, and 1991."; and

(2) in the second sentence by striking out "October 1, 1987." and inserting in lieu thereof "October 1, 1992.".

SEC. 402. VOCATIONAL TRAINING SERVICES FOR HANDICAPPED INDIVIDUALS.

Section 302(a) of the Act is amended by striking out "fiscal year ending before October 1, 1986." and inserting in lieu thereof "of the fiscal years 1987, 1988, 1989, 1990, and 1991.".

SEC. 403. TRAINING.

(a) TRAINING OF QUALIFIED PERSONNEL.—Section 304(a) of the Act is amended—

(1) in the first sentence—

(A) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(B) by inserting after paragraph (1)—"(2) personnel specifically trained to identify, assess, and meet the individual rehabilitation needs of individuals with severe handicaps,"; and

(2) by inserting after the first sentence—"Recipients of grants or contracts under this section shall give due regard to the training of individuals with handicaps as part of the effort to increase the number of qualified pesonnel available to provide rehabilitation services.".

(b) TECHNICAL ASSISTANCE.—Section 304 is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d) the following new subsection:

"(e)(1) The Commissioner is authorized to provide technical assistance to State rehabilitation agencies and rehabilitation facilities, directly or through contracts with State vocational rehabilitation agencies or nonprofit oganizations.

"(2) An expert or consultant appointed or serving under contract pursuant to this section shall be compensated at a rate subject to approval of the Commissioner which shall not exceed the daily rate payable for grade GS-18 of the Genral Schedule under section 5332 of title 5, United States Code. Such an expert or consultant may be allowed travel and transportation expenses in accordance with section 5703 of title 5, United States Code.".

(c) LENGTH OF GRANT.—Section 304(b) of the Act is amended—

(1) by designating the first sentence as paragraph (1); and

(2) by striking out the last sentence and inserting in lieu thereof the following:

"(2)(A) Except as provided in subparagraph (B), no grant under this section may be used to provide any one course of study to an individual for a period of more than 4 years.

"(B) If the grant recipient determines that an individual has a handicap which seriously affects the completion of training under this section, the grant recipient may modify the limitation under subparagraph (A).".

(d) SCHOLARSHIP REQUIREMENTS.—Section 304(b) of the Act is amended by inserting at the end thereof the following new paragraph:

"(3) A recipient of a grant of contract under this section shall provide assurances that each individual who receives a scholarship utilizing funds provided under such grant or contract shall enter into an agreement with the recipient under which the individual shall—

"(A) within the ten-year period after completing the training for which the scholarship was awarded, maintain employment in a nonprofit rehabilitation agency on a full-time basis for a period of not less than two years for each year for which assistance was received; and

"(B) repay all or part of any scholarship received, plus interest, if the individual does not fulfill the requirements of subparagraph (A), except as the Secretary may provide for repayment exceptions and deferrals in regulations.".

(e) REHABILITATION ENGINEERING.—Section 304(b) is amended by inserting "rehabilitation engineering," after "psychology,".

(f) AUTHORIZATION OF APPROPRIATIONS.—The first sentence of section 304(f) (as so redesignated in this section) is amended to read as follows: "There are authorized to be appropriated to carry out this section, such sums as may be necessary for each of the fiscal years 1987 through 1991.".

SEC. 404. COMPREHENSIVE REHABILITATION CENTERS.

Section 305(g) of the Act is amended to read as follows:

"(g) There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 1987, 1988, 1989, 1990, and 1991.".

SEC. 405. SPECIAL PROJECTS AND SUPPLEMENTARY SERVICES; AUTHORIZATION OF APPROPRIATIONS.

Section 310(a) of the Act is amended to read as follows:

"SEC. 310(a) For the purpose of carrying out this part (other than section 316), there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1987 through 1991.".

SEC. 406. SPECIAL DEMONSTRATION PROGRAMS.

Section 311(a) of the Act is amended—

(1) in paragraph (2) by striking out "and" after the semicolon;

(2) in paragraph (3) by striking out the period and inserting in lieu thereof "; and"; and

(3) by inserting after paragraph (3) the following new paragraph:

"(4) operating programs to meet the special needs of isolated populations of individuals with handicaps, particularly among American Indians residing on or outside of reservations.".

SEC. 407. SUPPORTED EMPLOYMENT.

(1) SUPPORTED EMPLOYMENT DEMONSTRATION GRANTS.—Section 311 of the Act is amended by inserting at the end thereof the following new subsection:

"(d)(1) The Commissioner may make grants to public and nonprofit rehabilitation facilities, designated State units, and other public and private agencies and organizations for the cost of developing special projects and demonstrations providing supported employment.

"(2) Not less than one such grant shall be nationwide in scope. Such grant shall (A) identify community-based models that can be replicated, (B) indentify impediments to the development of supported employment programs (including funding and cost considerations), and (3) develop a mechanism to utilize existing community-based facilities and programs.

"(3) On June 1, 1988, and on each subsequent June 1, the Commissioner shall submit a report to the Congress on activities funded under this subsection for the preceding fiscal year which includes: (A) a list of the grants awarded under this subsection, (B) the number of individuals with severe disabilities served by each grant recipient, the average cost to provide support services to each such individual, and the average paid to each such individual, and (C) the recommendations of the projects under paragraph (2).

"(4) for any fiscal year, a State may use funds under title I of this Act for training and traditional short-term postemployment services for supported employment for individuals with severe handicaps for whom competitive employment has not traditionally occurred. Supported employment may be paid for out of funds under this title, Federal funds from other programs, or non-Federal sources.

"(5) For purposes of this section, the term 'supported employment' means competitive work in integrated work settings for indivuduals with severe handicaps for whom competitive employment has not traditionally occurred and who, because of their handicap, need intensive, on-going support services to perform such work.".

(b) ACTIVITIES RELATED TO SUPPORTED EMPLOYMENT.—

(1) Section 204(a) of the Act is amended in the second sentence by inserting "studies, analyses, and other activities related to supported employment;" after "special needs of handicapped individuals;".

(2) Section 302(b)(3)(A) of the Act is amended by inserting before the semicolon ", including supported employment".

(3) Section 304(b) of the Act is amended by inserting "specialized personnel in providing employment training for supported employment," after "job placement services for handicapped individuals,".

SEC. 408. SPECIAL RECREATIONAL PROGRAMS.

Section 316(b) of the Act is amended to read as follows:

"(b) There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 1987 through 1991.".

SEC. 409. DUTIES OF NATIONAL COUNCIL.

Section 401(b) of the Act is amended to read as follows:

"(b)(1) The National Council, in consultation with appropriate organizations, and Federal, State, and local agencies, shall develop a system of national information and data collection on individuals with handicaps. Such information shall include data on health, housing, employment, insurance, transportation, recreation, and education. The system shall include information on the current status and trends in the status of individuals with handicaps. Such system shall use existing data sources when possible.

"(2) Not later than January 1, 1988, the Council shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate a plan for

the development and implementation of such system.

"(3) On February 1, 1989, and biennially thereafter, the Council shall submit a report to the President and the Congress on the status of individuals with handicaps and changes in their status from previous years.".

TITLE V—ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

SEC. 501. ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD.

(a) MEMBERSHIP AND QUORUM REQUIREMENTS.—Section 502(a) of the Act is amended—

(1) in paragraph (1)(B) by striking out "The President" and all that follows through the end of such paragraph and inserting in lieu thereof "The chairperson and vice-chairperson of the Board shall be elected by majority vote of the members of the Board to serve for terms of one year. When the chairperson is a member of the general public, the vice-chairperson shall be a Federal official; and when the chairperson is a Federal official, the vice-chairperson shall be a member of the general public. Upon the expiration of the term as chairperson of a member who is a Federal official, the subsequent chairperson shall be a member of the general public; and vice versa.";

(2) in paragraph (1)(A)—

(A) by striking out "Eleven" and inserting in lieu thereof "Twelve"; and

(B) by striking out "five" and inserting in lieu thereof "six";

(3) in paragraph (2) by striking out "and (ii)" and all that follows through the end of such paragraph and inserting in lieu thereof "(ii) a member whose term has expired may continue to serve until a successor has been appointed, and (iii) a member appointed to fill a vacancy shall serve for the remainder of the term to which that member's predecessor was appointed."; and

(4) by inserting after paragraph (5) the following paragraph:

"(6)(A) The Board shall establish such bylaws and other rules as may be appropriate to enable the Board to carry out its functions under this Act.

"(B) The bylaws shall include quorum requirements. The quorum requirements shall provide that (i) a proxy may not be counted for purposes of establishing a quorum, and (ii) not less than half the members required for a quorum shall be members of the general public appointed under paragraph (1)(A).".

(b) AUTHORIZATIONS.—Section 502(i) of the Act is amended by striking out "fiscal year ending before October 1, 1986," and inserting in lieu thereof "of the fiscal years 1987, 1988, 1989, 1990, and 1991,".

SEC. 502. INTERAGENCY COORDINATING COUNCIL.

Section 507 of the Act is amended in the first sentence by inserting "the Assistant Secretary of the Interior for Indian Affairs," after "Labor,".

TITLE VI—EMPLOYMENT OPPORTUNITIES FOR INDIVIDUALS WITH HANDICAPS

SEC. 601. EQUITABLE DISTRIBUTION OF ASSISTANCE.

(a) EQUITABLE DISTRIBUTION.—Section 615(a)(1) of the Act is amended in the second sentence by inserting before the period "and the needs of Indian tribes".

(b) APPORTIONMENT.—Section 615(c)(2) of the Act is amended by inserting before the period "(including individuals residing on Indian reservations)".

SEC. 602. AUTHORIZATION OF APPROPRIATIONS FOR PART A OF TITLE VI.

Section 617 of the Act is amended by striking out "1984, 1985, and 1986." and inserting in lieu thereof "1987, 1988, 1989, 1990, and 1991."

SEC. 603. PROJECTS WITH INDUSTRY.

Section 621 of the Act is amended—

(1) in subsection (a)(3) of the Act by striking out "each year of a funding cycle" and inserting in lieu thereof "each project year";

(2) in subsection (b) of the Act—

(A) by striking out "and" at the end of paragraph (2);

(B) By striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(C) by inserting after paragraph (3) the following paragraph:

"(4) provides assurance that an evaluation report containing data specified under subsection (a)(3) shall be submitted as determined by the Commissioner."; and

(3) by striking out subsection (e) and inserting in lieu thereof the following:

"(e)(1) Subject to the availability of appropriations, an agreement for a period not to exceed five years. Any subsequent agreement for financial assistance under this section may be effective for not more than five years. In making a determination concerning any subsequent agreement, the Commissioner shall consider performance under the previous agreement and evaluation reports submitted under subsection (b)(4)

"(2) The Commissioner shall annually review each evaluation report submitted under subsection (b)(4) and make a determination concerning the termination, modification, or renewal of each agreement for financial assistance under this section.".

SEC. 604. OTHER AUTHORIZATIONS OF APPROPRIATIONS UNDER TITLE VI.

Section 623 of the Act is amended by striking out "There" and all that follows through the end of such section and inserting in lieu thereof "There are authorized to be appropriated to carry out section 621 such sums as may be necessary for each of the fiscal years 1987 through 1991. There are authorized to be appropriated to carry out section 622 such sums as may be necessary for each of the fiscal years 1987 through 1991.".

TITLE VII.—COMPREHENSIVE SERVICES FOR INDEPENDENT LIVING

SEC. 701. AUTHORIZATION OF APPROPIRATIONS.

Section 741 of the Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 741. (a) There are authorized to be appropriated to carry out part A of this title such sums as may be necessary for each of the fiscal years 1987 through 1991.

"(b) There are authorized to be appropriated to carry out part B of this title such sums as may be necessary for each of the fiscal years 1987 through 1991.

"(c) There are authorized to be appropriated to carry out part C of this title such sums as may be necessary for each of the fiscal years 1987 through 1991.

"(d)(1) There are authorized to be appropriated to carry out part D of this title such sums as may be necessary for each of the fiscal years 1987 through 1991.

"(2) The provisions of section 1913 of title 18 of the United States Code shall be applicable to all sums authorized under the provisions of this subsection.".

TITLE VIII—TECHNICAL AND CONFORMING AMENDMENTS TO THE ACT

SEC. 801. USE OF GENDER NEUTRAL TERMINOLOGY IN ACT.

(a) AMENDMENTS TO THE GENERAL PROVISIONS.—

(1) Section 3(a) of the Act is amended—

(A) in the third sentence by striking out "his functions," and inserting in lieu thereof "the functions of the office,"; and

(B) in the sixth sentence by striking out "his functions" and inserting in lieu therof "the functions of the office".

(2) Section 6(b) of the Act is amended—

(A) by striking out "he" after "satisfied," and inserting in lieu thereof "the Secretary"; and

(B) by striking out "he" after "or".

(3) Section 7(4) of the Act is amended by striking out "he" and inserting in lieu thereof "the Secretary".

(4) Section 12 of the Act is amended—

(A) in subsection (b) by striking out "his" and inserting in lieu thereof "the"; and

(B) in subsection (c) by striking out "he considers" and inserting in lieu thereof "are considered".

(5) Section 14(e) of the Act is amended by striking out "to him, upon request" and inserting in lieu thereof "upon request of the Secretary".

(b) AMENDMENTS TO TITLE I.—Title I of the Act is amended as follows:

(1) Section 101(a)(10) of the Act is amended—

(A) by striking out "his functions" and inserting in lieu thereof "the functions of the Commissioner"; and

(B) by striking out "he may find" and inserting in lieu thereof "are".

(2) Section 101(b) of the Act is amended—

(A) in the first sentence by striking out "he" and inserting in lieu thereof "the Commissioner" and by striking out "he"; and

(B) in the second sentence by striking out "his" and inserting in lieu thereof "the" and by striking out "he".

(3) Section 101(c)(1) of the Act is amended—

(A) in the first sentence by striking out "his discretion" and inserting in lieu thereof "the discretion of the Commissioner" and by striking out "he" and inserting in lieu thereof "the Commissioner"; and

(B) in the second sentence by striking out "he" and inserting in lieu thereof "the Commissioner".

(4) Section 101(d)(1) of the Act is amended by striking out "him" and inserting in lieu thereof "the Commissioner" and by striking out "he" and inserting in lieu thereof "the Commissioner".

(5) Section 102 of the Act is amended—

(A) by striking out "his parents" each place it appears in such section and inserting in lieu thereof "such individual's parents";

(B) by striking out "his parent" and inserting in lieu thereof "such individual's parent";

(C) in subsection (d)(1) by striking out "his" and inserting in lieu thereof "the"; and

(D) in subsection (d)(2) by striking out "his responsibilities" and inserting in lieu thereof "any responsibility of the Secretary".

(6) Section 111(b) of the Act is amended—

(A) in paragraph (1) by striking out "him," and inserting in lieu thereof "the Commissioner,"; and

(B) in the first sentence of paragraph (2)—

(i) by striking out "him" and inserting in lieu thereof "the Commissioner"; and

(ii) by striking out "he finds that his" and inserting in lieu thereof "the Commissioner finds that the".

(7) Section 112(e)(2) of the Act is amended by striking out "from time to time on such dates he may fix" and inserting in lieu thereof "at appropriate times".

(8) Section 120(b) of the Act is amended by striking out "he" both places it appears and inserting in lieu thereof "the Commissioner".

(c) AMENDMENTS TO TITLE II.—Section 202 of the Act is amended—

(1) in the second sentence of subsection (a) by striking out "his functions," and inserting in lieu thereof "the functions of the office,";

(2) in subsection (e) by striking out "he" and inserting in lieu thereof "the Director";

(3) in subsection (g) by striking out "he considers" and

(4) in subsection (i)—

(A) by striking out "whatever actions he considers appropriate" and inserting in lieu thereof "appropriate actions"; and

(B) by striking out "in his role of Chairman" and inserting "as Chairperson".

(d) AMENDMENTS TO TITLE III.—Title III of the Act is amended as follows:

(1) Section 302(b)(3) of the Act is amended—

(A) by striking out "on his determination" and inserting in lieu thereof "if the Commissioner determines";

(B) in subparagraph (C) by striking out "his" and inserting in lieu thereof "that individual's"; and

(C) in subparagraph (D) by striking out "he" and inserting in lieu thereof "the Commissioner".

(2) Section 303 of the Act is amended—

(A) in subsection (e)(1) by striking out "he" and inserting in lieu thereof "the Commissioner";

(B) in subsection (e)(2)(B) by striking out "he considers" and inserting in lieu thereof "considered";

(C) in subsection (e)(2)(C) by striking out "his" both places it appears and inserting in lieu thereof "a";

(D) by amending subsection (f)(1)(A) to read as follows:

"(A) to enable the Commissioner to discharge the responsibilities under loan guarantees issued under this section; and";

(E) in the third sentence of subsection (f)(1) by striking out "him from his" and inserting in lieu thereof "the Commissioner from";

(F) in subsection (f)(2)(A) by striking out "he" and inserting in lieu thereof "the Commissioner"; and

(G) in subsection (f)(2)(C) by striking out "he" and by striking out "him" and inserting in lieu thereof "the Secretary".

(e) AMENDMENTS TO TITLE IV.—

(1) Section 400(b)(3) of the Act is amended by striking out "his" and inserting in lieu thereof "such member's".

(2) Section 400(c) of the Act is amended by striking out "Chairman" both places it appears and inserting in lieu thereof "Chairperson".

(f) AMENDMENTS TO TITLE V.—Title V of the Act is amended as follows:

(1) Section 501(e) of the Act is amended by striking out "his" and inserting in lieu thereof "a".

(2) Section 503(b) of the Act is amended by striking out "his" and inserting in lieu thereof "a'.

(3) Section 503(c) of the Act is amended by striking out "he" both places it appears and inserting in lieu thereof "The President", and by striking out "his" and inserting in lieu thereof "the".

(4) Section 507 of the Act is amended by striking out "Chairman" and inserting in lieu thereof "Chairperson".

(g) AMENDMENTS TO TITLE VII.—Title VII of the Act is amended as follows:

(1) Section 702 of the Act is amended by striking out "his" each place it appears and by inserting in lieu thereof "the".

(2) Section 703(c) of the Act is amended by striking out "he" both places it appears and inserting in lieu thereof "the Commissioner".

(3) Section 705(b) of the Act is amended by striking out "he" and inserting in lieu thereof "the Commissioner".

(4) Section 721(a) of the Act is amended—

(A) by striking out "his" both places it appears; and

(B) in paragraph (3) by striking out "able to care for himself;" and inserting in lieu thereof "self-sufficient;".

SEC. 802. TECHNICAL AND CONFORMING AMENDMENTS.

The Act is amended as follows:

(1) Section 7(3) of the act is amended by striking out "designated State units" and inserting in lieu thereof "designated State unit".

(2) Section 7(1) of the Act is amended—

(A) by striking out subparagraph (B) and inserting in lieu thereof "(B) testing, fitting, or training in the use of prosthetic and orthotic devices,"; and

(B) in subparagraph (F) by inserting "psychiatric," before "psychological".

(3) Section 304(a)(3) of the Act (as so redesignated in this Act) is amended by striking out "program,, and" and inserting in lieu thereof "program, and".

(4) Section 305(c) of the Act is amended by redesignating paragraph (3) as paragraph "(2)".

(5) Section 306 of the Act is amended by striking out "305(g)" and inserting in lieu thereof "305(f)".

(6) Section 501(d) of the Act is amended by striking out "of the the activities" and inserting in lieu thereof "of the activities".

(7) Section 502(d)(2)(A) of the Act is amended by striking out "any, final order" and inserting in lieu thereof "any final order".

(8) Section 702 of the Act is amended by designating the first paragraph as paragraph "(a)".

TITLE IX—AMENDMENTS TO OTHER LAWS

SEC. 901. REAUTHORIZATION OF HELEN KELLER NATIONAL CENTER ACT.

Section 205(a) of the Helen Keller National Center Act (29 U.S.C. 1904) is amended by striking out the first sentence and inserting in lieu thereof "There are authorized to be appropriated to carry out the provisions of this title such sums as may be necessary for each of the fiscal years 1987 through 1989.".

SEC. 902. PRESIDENT'S COMMITTEE ON EMPLOYMENT OF THE HANDICAPPED.

The joint resolution entitled "Joint resolution authorizing an appropriation for the work of the President's Committee on National Employ the Physically Handicapped Week", approved July 11, 1949, (63 Stat. 409) is amended—

(1) by striking out "annually, out of any money in the Treasury not otherwise appropriated, not to exceed the sum of $1,000,000" and inserting in lieu thereof "for each of the fiscal years 1987, 1988, 1989, 1990, and 1991, such sums as may be necessary"; and

(2) by inserting at the end thereof "The President's Committee on Employment of the Handicapped shall be guided by the general policies of the National Council on the Handicapped.".

TITLE X—EFFECTIVE DATES

SEC. 1001. GENERAL PROVISION.

Except as otherwise provided in this Act, this Act shall take effect October 1, 1986.

The SPEAKER pro tempore. Is a second demanded?

Mr. BARTLETT. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Montana [Mr. WILLIAMS] will be recognized for 20 minutes and the gentleman from Texas [Mr. BARTLETT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4021, as amended, the Rehabilitation Act Amendments of 1986, which reauthorizes the Rehabilitation Act of 1973 for 5 years and reauthorizes the Helen Keller National Center Act for 4 years.

The bill we are considering today is identical to the bill reported out of the Committee on Education and Labor with two agreed-upon changes. The bill is the culmination of a series of six hearings which the Subcommittee on Select Education held here in Washington, DC, and elsewhere. It is also the product of extensive comments by and negotiations with representatives of the disability community, rehabilitation agencies and facilities, and the administration.

The bill is a bipartisan effort. I would especially like to express my appreciation to Mr. BARTLETT, the ranking minority member of the Subcommittee on Select Education, and Mr. JEFFORDS, the ranking minority member of the full Education and Labor Committee. I would also like to thank GUS HAWKINS, the chairman of the Education and Labor Committee.

Vocational rehabilitation is the major Federal jobs-related program serving persons with disabilities and providing support services to assist people with disabilities. The vocational rehabilitation effort is of critical importance, making a major contribution to keeping people self-sufficient and independent.

Vocational rehabilitation is a tremendously cost-effective program. In 1980, the Rehabilitation Services Administration informed us that for every dollar spent on vocational rehabilitation, $10.80 was returned to the Treasury in taxes. Despite its cost ef-

fectiveness, in fiscal year 1983 this Federal and State program served only 938,923 people. Many others in need were unserved. The 1978 census has identified 20 million people who work with disabilities.

Consequently, despite our successes, we have a long way to go in developing the most comprehensive and effective program. For example, people with disabilities suffer on the average 50-to 80-percent unemployment.

We are poised at a critical threshold in determining Federal policy in this area. Our society is in the midst of a series of changes to which the rehabilitation system must respond. The technological revolution has the potential to completely redefine what is possible in terms of rehabilitation. Technology and improvements in health care are also changing the characteristics of the population of persons with disabilities in ways which provide new challenges for rehabilitation services.

Federal policy itself is reshaping the task facing rehabilitation agencies. We are now graduating the first generation of students who have benefited from the Education for All Handicapped Children Act. However, while we provide individualized comprehensive services for children, we have not yet come to terms with what will be needed after high school for further education and job training. As we design such services, we must also consider what is best provided by the unique focus of rehabilitation services, what is better provided by other programs, and how those services should be coordinated.

Today we spend $66 million on research and training under the Rehabilitation Act for the disabled. Research for other health care is $7.1 billion. More important, spending on transfer payments for the disabled is $35.6 billion. Thus, research and development in such areas as technology, which would ultimately produce revenue in taxes from employed disabled persons and a reduction in the need for transfer payments, represents only 0.02 of 1 percent of the budget for transfer payments. Our policies seem expensive and to some shortsighted. They do not meet the needs of disabled people to be independent and productive.

The reauthorization package which we are considering today is designed to continue to assist States in the efforts to operate an important employment initiative for citizens with disabilities.

One of the most important issues facing us today is adequate funding. The bill before you provides an authorization for the basic State grant of $1.3 billion for fiscal year 1987, representing an increase of $98.7 million above the fiscal year 1986 authorization. This figure represents a bipartisan compromise reducing the authorization level agreed to by the subcommittee by $77 million.

Another effort to ensure that State rehabilitation programs receive adequate funding is the change in the ratio of the Federal-State match. Since 1965, this ratio has been set at 80/20. For more than 20 years the Federal Government has been providing the major portion of the funds the States use to provide rehabilitation services. We propose to make a small change to this ratio.

Based on an agreement worked out with Mr. FORD of Michigan, Mr. PERKINS of Kentucky and others, the bill before the House today provides that effective October 1, 1988, a State will be required to continue to match at 80/20 with respect to allotments at or below the fiscal year 1988 level. With respect to the excess above the fiscal year 1988 level, the State's matching obligation will increase 1 percent each year beginning in fiscal year 1989 until fiscal year 1993 when the State match on the excess will be 25 percent. The second change concerns the "payor of last resort" provision. This change will be described by Mr. BARTLETT.

The bill also requires that in the formulation of the State plan and amendments thereto the State provides for public comment and the State include its responses to the comments in the plan.

The bill mandates a needs assessment of all groups of handicapped in the State an requires that the findings are included in the State plan. It requires that a State not only show but also justify its policy for selecting persons to receive rehabilitation services when the amount of funds available prevents a State from serving all persons eligible for such services.

The bill also includes several amendments pertaining to supported employment for persons with severe handicaps. For example, the bill permits but does not require that a State use basic State grant funds under title I for training and traditional short-term postemployment services for supported employment for individuals with severe handicaps for whom competitive employment has not traditionally occurred.

The bill also replaces the current definition of severely handicapped with an updated version of the definition in the regulations.

The bill also clarifies and strengthens the participation of Indian tribes in rehabilitation programs under the act. First, the bill ensures that a minimum of one-fourth of 1 percent will be available to Indian tribes. This is a change from current law under which up to 1 percent of the moneys appropriated may be earmarked for tribal programs. Under current law, each year tribes have to lobby with appropriations committees to provide funds. Since fiscal year 1981, Congress has specifically appropriated funds for Indian tribes, beginning with the Navajos. In fiscal year 1985, two additional tribes received grants to operate their own vocational rehabilitation program.

Second, the bill mandates a study of the rehabilitation needs of Native Americans. Estimates are that the needs of Native Americans are 1½ times those of the general public. Third, technical changes are made to assure that rehabilitation services are available for American Indians and Alaskan Natives.

The intent of these changes is not to establish separate Indian rehabilitation programs for all tribes. There are only 26 States with more than 10,000 Indians living within their borders. The bill provides for consultation between the State and tribes to ensure that duplication is avoided.

We make a number of other changes, all of which make positive and, we hope, significant improvements in the Federal-State rehabilitation partnership.

I urge my colleagues to support this bipartisan bill which reauthorizes the Rehabilitation Act of 1973.

Mr. Speaker, I reserve the balance of my time.

Mr. BARTLETT. Mr. Speaker, I yield 6 minutes to the ranking Republican on the Committee on Education and Labor, the gentleman from Vermont [Mr. JEFFORDS].

Mr. JEFFORDS. Mr. Speaker, I rise in support of H.R. 4021, the Vocational Rehabilitation Amendments of 1986. This is the third time that I have had the opportunity to participate in the authorization of this important law. First, I want to congratulate Mr. WILLIAMS, the chairman of the Select Education Subcommittee, and Mr. BARTLETT, the ranking Republican, for working through some difficult negotation to produce this commendable bill.

I know that the administration has a few concerns regarding this bill, but overall they support the efforts of this body to reauthorize these programs. The bill may appear to have a large authorization of appropriations, especially for a bill considered under suspension. When measured against the benefits to the participants, and to society as a whole, the cost appears small in comparison. The Republicans on the Education and Labor Committee worked to keep these figures realistic, yet reasonable in terms of the needs of the population to be served. As usual, the members of the committee had an opportunity to express their concerns, and every effort was made to resolve them.

The need for the programs that are contained in this bill cannot be overstated. According to a recent Harris poll, disabled Americans are much less

educated than nondisabled Americans. Further, their unemployment rate is higher than that for black youth, a group commonly perceived as the most underemployed. Forty percent of all disabled people 16 years of age and older have not finished high school, a proportion nearly three times as high as in the nondisabled population. Two-thirds of all disabled Americans between the ages of 16 and 64 are not working. Ninety-five percent of disabled people think the Government and the private sector should strengthen efforts to educate, train and rehabilitate disabled persons so that they can work. Further, two-thirds of the disabled believe that despite these statistics, the Federal laws passed since the late 1960's have helped them.

In Vermont, the rehabilitation services programs have an outstanding record of performance. Seventy-six percent of those who are served are severely handicapped. Of those rehabilitated in a given year, about three-quarters are severely handicapped. In February I had the opportunity to speak at an employer-employee recognition breakfast in Burlington. Four people with disabilities who are now in competitive employment positions, and four employers that employ disabled individuals were honored. To hear the experiences of these individuals and employers was quite moving. One young man, when asked why he works, appeared quite puzzled at the question. He then responded, as though it was obvious, "For the money, of course!" It was clear to all of us there, that not only was he able to maintain a job through his training, but that he had gained self-confidence and belief in himself as a productive, contributing member of society. Hard to measure in terms of only dollars.

H.R. 4021 clarifies our intent that persons with severe handicaps who are capable of supported employment are eligible for short-term traditional training and postemployment services under the State Grant Program. Those provisions in the bill which address this important issue maintain the vocational rehabilitation agency's traditional training role. I am particularly proud of the supported employment training programs in Vermont. These programs have trained persons with severe handicaps and placed them in good paying jobs allowing these hard working disabled persons to lead independent and fulfilling lives.

Further, Vermont was willing to go the extra mile regarding the Federal-State match, by supporting a 75-25 ratio. Although the bill before us does not contain this provision, and instead basically retains the current requirements of an 80-20 match, I agreed with those in my State who said that a change in the match to 75-25 would generate greater funds for the operation of rehabilitation programs.

Finally, through an amendment which I offered, Vermont is able to utilize a review process established for all human services programs, the fair hearing board process. Current law does not allow the State rehabilitation director to delegate the final review determination. Under my amendment, which is retained in this bill, Vermont will be able to continue its review determination procedures under a fair hearing board. Without a doubt, besides assurance that this act would be reauthorized, this concern was expressed most frequently to me throughout the committee's consideration of the bill. I am pleased that my colleagues supported me in my efforts.

The programs we are considering today are critical to the lives of thousands of handicapped individuals. Through its programs they can lead productive lives, contributing much more than the actual costs of the program. These are the kinds of programs we should be proud to continue. I urge all my colleagues to support this bill, and in so doing, give a vote of confidence in the abilities of our handicapped citizens.

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Mr. WILLIAMS. Mr. Speaker, will the gentleman yield?

Mr. JEFFORDS. I am happy to yield to the gentleman from Montana.

Mr. WILLIAMS. Mr. Speaker, I want to thank the ranking minority member, the gentleman from Vermont [Mr. JEFFORDS], ranking on the full committee, for his leadership in this work and want to tell the gentleman that those concerns that he had in the bill to be sure that the bill had as good an effect as possible on his own State were exemplary. We found that what was good for Vermont was good for America and we were glad to assist the gentleman in his efforts to make sure that rotation or rehabilitation not only works better in the gentleman's own State, but in the country as well.

Mr. JEFFORDS. Well, I thank the gentleman for those very kind words and certainly want to again express my appreciation for the gentleman's excellent leadership, as well as the gentleman from Texas here in this very critical area.

Mr. BARTLETT. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. HENRY].

Mr. Speaker, will the gentleman yield?

Mr. HENRY. I am pleased to yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Speaker, I just would like to thank the gentleman from his very constructive assistance in the preparation of this legislation. The gentleman displayed a very effective presentation on the committee and was quite helpful in working through some of the details of this legislation and I very much appreciate it.

Mr. HENRY. Well, Mr. Speaker, I thank the gentleman from Texas for his assistance as my ranking member in my first term. He has been most helpful to me.

Mr. Speaker, I particularly wanted first of all to express appreciation to the gentleman from Montana who worked so carefully with those of us from the State of Michigan who initially did have concerns relative to the increasing State requirements on the match, wanting to insure that the increasing State requirements were not used as an excuse for cost shifting, but rather to insure increased commitment by the States in return for what we believe will be increased commitment by the Federal Government in this area.

I gentleman has been most understanding and accommodating. I think that is one of the reasons I believe there is universal support for this bill.

Second, I would simply like to comment on one aspect of a section of the bill which has not received much discussion, that is the renewed authorized funding for the centers for independent living. These centers, because not many in number are not the major fiscal impact of this legislation, are providing a remarkable role and providing a very important bridge between the literally billions of dollars we spend on both public and private vocational rehabilitation services, special education programming for those with handicaps, community mental health programs, the efforts of private industry to engineer jobs around those with handicaps and disabilities. If the centers for independent living who are building those walkways, those bridges, in terms of transportation advocacy, personal attendant day care services, those missing links that prevent those who have not had educational training, who now have the ability to work in the marketplace, but who have been prohibited because of some very modest loopholes, bridges as it were, from becoming self-supporting citizens, and I call attention to that and once again for this reason, as well as for appreciation to the chairman, to support this legislation without hestitation.

Mr. BARTLETT. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, oftimes I come to the well complaining about the amount of spending that we are doing in one bill or another, because in my opinion one of the ways in which we debilitate our economy from being able to produce is by piling up too much spending at the Federal level.

I think it is also important to recognize when a job is done well. In this particular case, the committee has done a good job. I think they have provided the framework for helping our disabled citizens and our handicapped citizens.

I think that the reforms contained in the bill are excellent reforms. I think that the kinds of programs that this bill shows for the future are precisely what we need in order to create an opportunity economy in this country. You cannot create opportunities and then not have them able to take advantage of those opportunities. In this case, that is what is being done. We are providing programs that give new opportunities to our economy. I think that is a step in the right direction. I congratulate the committee for this bill and I intend to support it.

Mr. WILLIAMS. Mr. Speaker, will the gentleman from Pennsylvania yield?

Mr. WALKER. I am glad to yield to the gentleman.

Mr. WILLIAMS. Mr. Speaker, I appreciate the gentleman's generous remarks. There are many of us who believe that while we have held the line on the bill, the funding level might be a little questionable.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

MR. BARTLETT. Mr. Speaker, I yield 1 additional minute to the gentleman from Pennsylvania.

Mr. WALKER. I am glad to yield further to the gentleman.

Mr. WILLIAMS. Mr. Speaker, we have found, I will tell our friend, that vocational rehabilitation in this country today only serves 1 of 20 of those in need. A most recent cost-benefit analysis, and I like the gentleman in the well sometimes look at cost-benefit analyses and wonder how they are done, but this one seems to be done on a pretty reasonable basis, shows that for every dollar spent on vocational rehabilitation, there is a return of almost $11.

I say to the gentleman, I appreciate his remarks about how we have held the funding levels reasonable, given the Gramm-Rudman problems of today and the deficit problems; but I hope the time will come in this country before many months have passed when we can significantly increase the Federal effort which the gentleman and I agree is very important.

Mr. WALKER. Well, I thank the gentleman.

I would point out to the gentleman that I think there are areas like this where we ought to be able to expand the commitments that achieve more productive citizens, because that benefits us all in the long run. To do that, however, we are going to have to begin some prioritizing in this Congress. My great complaint about what we do around here is that too often we do not properly prioritize. This is a high a priority and should be for this Government.

Mr. BARTLETT. Mr. Speaker, I yield myself such time as I might consume.

Mr. Speaker, I rise in support of H.R. 4021, the Rehabilitation Act Amendments of 1986. I urge the passage of this reauthorization of the Vocational Rehabilitation Act and wish to express my strong support for this vitally important piece of Federal legislation which provides persons with disabilities with the training they need to work or to return to work. I particularly wish to commend the distinguished chairman of the Subcommittee on Select Education, Congressman WILLIAMS for the bipartisan and cooperative leadership he has provided in the development of this legislation. The Vocational Rehabilitation Act has always enjoyed bipartisan support, and Chairman WILLIAMS succeeded in continuing that fine tradition. I wish to thank him and recognize the efforts that he and his staff have made toward the goal of improving the employment status of millions of persons with disabilities in this country.

H.R. 4021 will contribute significantly to this goal. Provisions of H.R. 4021 will improve the participation of consumers and advocates in the development of the State plan as well as ensure that modern rehabilitation engineering techniques and equipment are utilized where appropriate.

This bill places a greater responsibility on our vocational rehabilitation agencies to assist our disabled high school students make the transition from school to employment. In the recent past, we have tended to focus our attention almost exclusively on our special education programs in regard to the critical period of transition students with disabilities undergo in the latter years of high school. I am confident that the increased activities of the vocational rehabilitation agencies in this area will result in more special education students moving directly from school to work.

I am particularly proud of those provisions in H.R. 4021 which will improve the status of persons with severe disabilities in the vocational rehabilitation program. The benefits of our Federal and State investments in special education and employment training and technology are paying off today in our ability to train persons with severe handicaps to work and live independently. It wasn't too long ago, that our assumptions concerning the employability of persons with severe handicaps were overwhelmingly pessimistic. Today, thanks to the dedication of a growing number of parents and professionals with a sincere belief in human potential, our assumptions about the employability and independence of persons with severe handicaps are thoroughly ground in optimism.

This optimism can be found in those provisions in H.R. 4021 which modernize the definition of severe handicaps and which clarify our intent that persons with severe handicaps who are capable of supported employment are eligible for training and traditional short-term post-employment services under the State grant program. The vocational rehabilitation program is intended to train persons with disabilities who possess employment potential. H.R. 4021 keeps step with developments in the field by recognizing supported employment as a rehabilitation outcome under the State grant program for persons with severe disabilities. It should be noted that H.R. 4021 does not authorize the use of State grant funds for ongoing funding of supported employment.

I have in part authored one of the provisions we are adding to H.R. 4021 today. This provision holds the vocational rehabilitation agency to a slightly higher standard in determining whether to provide a physical or medical restoration service, or financial maintenance service, which may be available from another agency. The result of this provision will be to provide more insurance that the vocational rehabilitation agency will be able to spend more of its funds for services which are not available from other agencies.

I would also comment in regard to changes we are making in H.R. 4021, that I am dissappointed that the change in the ratio of Federal to State matching requirement that was agreed upon at subcommittee and full committee is being significantly diluted.

I commend Chairman WILLIAMS for his efforts to retain this provision for I believe, as I think he does, that the time is long overdue for States to play a larger role in funding this program. When one compares the Federal and State funding roles in our two contiguous service programs for persons with disabilities, namely, special education and vocational rehabilitation, one sees that while the Federal effort in terms of dollars is roughly equal for the two programs, in terms of the percentage of the total cost of the program, State funding makes up somewhere between 90 and 95 percent of the cost of special education and only about 23 percent of the cost of vocational rehabilitation services. This level of State support results in a bottlenecking of services for students leaving our special education programs. If the Federal Government, with its $200-plus billion deficit is being asked to support increases in spending for vocational rehabilitation, it seems only fair to me that States should be asked to shoulder a greater burden toward the common goal of training persons with disabilities to

work or to return to work. The double standard that is being used to rationalize opposition to increased State spending only serves to decrease the amount of vocational rehabilitation funds available to persons with disabilities.

Mr. Speaker, in concluding my statement of strong support for H.R. 4021 and the vocational rehabilitation program it reauthorizes, I would like to point out on behalf of Congressman TOM COLEMAN an area of concern. Congressman COLEMAN has become aware of an issue involving questionable uses of title VII, part A and B funds to cover state administrative expenses. Mr. COLEMAN intends to work with the Senate to further pursue this issue to ensure that persons with disabilities participating in the title VII programs receive the full share of services they are entitled to under the law.

Mr. GILMAN. Mr. Speaker, I would like to join my fellow colleagues in strong support of H.R. 4021, the vocational rehabilitation amendments. I would also like to take this opportunity to thank the gentleman from Montana [Mr. WILLIAMS] for introducing this legislation and for his tireless efforts to ensure that educational, vocational, and rehabilitation services continue to be available to our handicapped population.

Since the institution of the Rehabilitation Act of 1973, handicapped individuals have been able to benefit from a variety of vocational and rehabilitation programs designed to improve their employment opportunities. The Rehabilitation Act gives the most severely disabled persons priority for rehabilitation services through a program of State-Federal assistance (20–80 percent) for handicapped research, training, rehabilitation facilities, and related special projects.

As reported by the Committee on Education and Labor, H.R. 4021 authorizes: First, $1.3 billion in fiscal year 1987 for basic State rehabilitation-service grants authorized under the Rehabilitation Act of 1973; second, such sums as may be necessary for fiscal years 1987 through 1989 for the Helen Keller Center for Deaf-Blind Youths and Adults in Sands Point, NY; and third, such sums as may be necessary for fiscal years 1987 through 1991 for a variety of smaller programs to assist disabled and handicapped individuals.

I am fortunate to be familiar with one of the many fine institutions funded by the Rehabilitation Act of 1973, through a constituent of mine, Mr. Martin Adler. Mr. Adler is the director of the Helen Keller Center for Deaf-Blind Adults and Youths in Sands Point, NY, leaders in the field of training for the handicapped. Through Mr. Adler I have learned of the many research, outreach, educational, vocational, and rehabilitation programs offered through the Helen Keller Center—programs which offer a future to handicapped youths and adults. The Helen Keller Center is dedicated to the belief that through education, training and job preparation, deaf-blind children and adults can become independent, productive and contributing members of our society in the community and in the workplace. I would like to take this opportunity to commend Mr. Adler and the other members of the Helen Keller Center's extended family, for their hard work, caring, and commitment to helping secure a productive, fulfilling future for any person, regardless of their handicap.

It is my understanding that this legislation is the culmination of several months of hard work on the part of both the House Committee on Education and Labor and the various agencies and programs, that provide services to the handicapped. Included in H.R. 4021 is an important provision gradually raising the State share for rehabilitation aid from 20 to 25 percent over fiscal years 1989 through 1993, provided that Federal payments increase beyond the fiscal year 1988 level. This change is vital if we in Congress want to ensure that these programs continue to receive Federal support in these times of budget restraints on even our most popular programs.

Accordingly, I urge my colleagues to support H.R. 4021, the vocational rehabilitation amendments of 1986.

Mr. BIAGGI. Mr. Speaker, I rise in strong support of H.R. 4021, legislation to reauthorize the Rehabilitation Act.

I wish to commend my friend and colleague, PAT WILLIAMS, for the work he performed in bringing this strong bipartisan package to the floor in such an expeditious manner. In addition, I wish to thank the ranking Republican member of the Select Education Subcommittee, STEVE BARTLETT, for the contributions he made to the final version of this bill.

H.R. 4021 will reauthorize all of the important handicapped rehabilitation programs for an additional 5 years. This bill provides an excellent framework for improving and enhancing services to persons with disabilities. It is a well-balanced, cost-efficient, and very effective statute that will enable millions of persons with disabilities to be rehabilitated from a life of dependency into a life of employment and productivity.

I believe and have worked throughout my years in Congress on the firm principle that the Federal Government has both a major role and a fundamental moral responsibility to develop and sustain the full participation of disabled Americans into our society. My longstanding concern and involvement with the rights of the disabled have spanned my entire 17-year career in Congress, for one of the first amendments I ever sponsored established accessibility in transportation for the handicapped, the disabled, and the elderly as a national policy. Adoption of this provision began an national education process which helped us open doors to those who have lived their entire lives behind them.

Today we are reauthorizing the centerpiece of our Federal commitment to equal opportunity for disabled citizens. The Rehabilitation Act of 1973, of which I am proud to have joined as an original cosponsor, is the most important step in this Nation's disability movement for it established the foundation for providing quality rehabilitation services to persons with mental and physical disabilities. This landmark civil rights legislation has enabled the disabled to enter the mainstream of society, and the workplace.

As with most other Americans, a major prerequisite to economic self-sufficiency for individuals with a disability is a job. Employment is an essential key to successful adult integration into community life. At the core of both the Rehabilitation Act and this reauthorization legislation are the many vocational rehabilitation services all with the same goal—to put unemployed handicapped persons to work. These services included such programs as the Client Assistance Program, to provide information and advice to clients and applicants regarding the benefits available under this act; projects with industry, to provide training and employment in a realistic work setting to prepare for competitive employment; and independent living centers, which assist the severely impaired with no chance of employment the opportunity to live and function independently within the family of community.

H.R. 4021 contains a number of changes designed to strengthen the activities and services provided at both the Federal and State level. One such change is the "payor of last resort" provision. This change is designed to ensure that rehabilitation agencies make an earnest attempt to determine if a particular service being sought by a client is properly the domain of another agency. Under this "determination", services would only be provided to those individuals where a delay would place them in extreme medical risk. The funding used by vocational rehabilitation agencies would be a "last resort." It is hoped that this change will result in a significant increase in savings of money allocated under the Rehabilitation Act reauthorization.

In addition, I fully support the compromise reached with respect to the Federal/State match ratio. It is one which will ensure the continued cooperation and collaboration of both the Federal and State governments in providing programs to disabled persons on a high-quality basis. It will also enable the number of persons receiving such services to continue to increase in the coming years.

And finally, I want to address one last issue with respect to section 504 of the Rehabiliation Act. Under this section, employment discrimination based on handicap in programs receiving Federal assistance is banned. Since its enactment, there has been much controversy regarding coverage of people with a cancer history as defined in the Rehabiliation Act. Unfortunately, the large majority of persons with a cancer history do not fit the definition of handicap or disabled as set forth in section 504. As a result, they receive no protection from employment discrimination based on their medical history—discrimination currently facing over 1 million Americans today. It is my hope that as we seek to further advance the rights of the disabled, we will also address the issue of those persons with a cancer history suffering from the tragic and senseless injustice of employment discrimination. To this end, I urge support for my bill H.R. 1294, to outlaw employment discrimination against persons on the basis of cancer history by amending title VII of the Civil Rights Act. This large, unique, and ever-growing constitutency also desperately needs their rights guaranteed under the law.

The Rehabiliation Act of 1973 and its reauthorization as outlined in this legislation reflects a social value commitment to ensuring

equal opportunity for all and provides individuals with disabilities the avenue for full participation within our society. This type of legislation is critical if we are to continue the vitally important work of training handicapped citizens for productive and useful lives in the world of work.

Over a decade has passed since this civil rights legislation was first passed by this august body. Since that time, we have witnessed dramatic gains for the handicapped in the world of work, the world of education, and the world of recreation. However, efforts must continue to expand and reinforce their civil rights. H.R. 4021 represents an important effort in our goal of furthering the rights and opportunities for the handicapped. It is legislation of which I am proud to give my unqualified support.

Mr. FORD of Michigan. Mr. Speaker, I rise today in support of H.R. 4021, the reauthorization of the Rehabilitation Act of 1973. The bill that is before us today maintains the basic programs in the Rehabilitation Act and fine tunes many provisions to both streamline and strengthen those programs. The value of vocational rehabilitation has been proven time and time again. It is estimated that for every dollar of Federal funds spent on the programs, $10 is returned to the Federal Government in the form of taxes and other forms of productivity. The Rehabilitation Act is the epitome of a human investment program that works.

I would like to compliment the chairman of the Subcommittee on Select Education for the bill that we are considering. It is well thought out and maintains the delicate balance of preserving programs without large increases in the Federal budget. I am particularly pleased with the compromise that we agreed to in terms of the State share of funding. Under the compromise, which would take effect in fiscal year 1989, the State would be responsible for 20 percent of the program costs unless the amount received from the Federal Government was greater than the State received in fiscal year 1988. In that case, the State share would be 20 percent for the fiscal year 1988 amount, but would be increased for the excess amount at a rate of 1 percent per year. In 1989 a State would be responsible for 21 percent of the excess amount; in fiscal year 1990, 22 percent; for fiscal year 1991, 23 percent; for fiscal year 1992, 24 percent; and for fiscal year 1993, 25 percent.

This compromise approaches the goal of increased State funding for rehabilitation but does so in a manner that will allow the State time for adequate financial planning to meet these new demands.

I urge my colleagues to join me in voting for H.R. 4021. It is a good bill that makes sense and increases the economic health of individual citizens and the Nation.

Mr. TRAFICANT. Mr. Speaker, I rise in strong support of H.R. 4021, the Vocational Rehabiliation Act Amendments. This is a fiscally responsible measure that provides for reasonable spending levels, and at the same time allows meaningful programs to continue to provide much needed training and opportunity for disabled and handicapped individuals.

The bill maintains the Federal-State share for funding of the programs authorized under this act. The bill requires States to increase their matching share for those Federal funds that exceed the fiscal year 1988 payment. Under the measure, the State matching share for the amount over the fiscal year 1988 payment increases by 1 percent each year until it reaches 25 percent of the amount over the fiscal year 1988 payment. For that part of the State payment that is below its fiscal year 1988 allocation, the State matching requirement remains 20 percent.

The measure also permits State rehabilitation agencies to use basic State grant funds for training prior to employment, and providing traditional short-term services for individuals once they become employed, in special cases of supported employment for individuals with severe handicaps.

What is most important about this measure is that it funds programs that have proven to be effective and productive. This measure allows handicapped and disabled individuals to help themselves in becoming productive community members. The programs authorized under this act provide even the severely handicapped with an opportunity to learn and grow as individuals. Most importantly, this measure takes a philosophy of nondiscrimination and equal opportunity and transcends that philosophy into real action. Since its original enactment in 1973, the Rehabilitation Act has allowed countless handicapped and disabled individuals to share in the enormous opportunity America has to offer.

This act provides for the continuance of a wide range of programs that are constantly expanding and innovating to better serve the mentally and physically handicapped and disabled. It starts from the premise that these individuals, given the proper training and opportunity, can become productive members of society. This act is a fiscally responsible measure, but one in which our dollars will be well spent and go a long way in providing opportunity and hope for this Nation's disabled and handicapped.

I am proud to support passage of this legislation and urge all of my colleagues to lend their support to this excellent measure.

Mr. PERKINS. Mr. Speaker, I am happy to voice today my strong support for H.R. 4021, the reauthorization of the Rehabilitation Act of 1973. This reauthorization provides the framework that is necessary to continue the fine work that is now occurring in the local and State programs across the country.

I want to take this opportunity to thank Congressman WILLIAMS for his excellent leadership during the reauthorization of this program in his subcommittee. I especially want to extend my gratitude for the cooperation that was shown when some of us on the committee expressed objections to the proposed change in the matching ratio amounts for the States. I understand the chairman's intentions and applaud him for his concern for the disabled and his efforts to increase the contributions from those States that are not continuing their previous commitments. I am satisfied with the agreed formula for the States and their required matching ratios. I feel that the needed services will be allowed to continue and those States who simply do not have the extra money will not be penalized.

The Vocational Rehabilitation Program has shown its value to society in many ways—by producing better trained and adjusted disabled people that have been looking for a chance to be contributors to society. These folks are not looking for handouts but only for a helping hand so that they, too, can be productive citizens. These people have the spirit and the will to make the sacrifices and the commitments that are needed to continue the success of the Vocational Rehabilitation Program.

This program is also a budget success story in these times of wasted Federal dollars and mismanaged programs. The figures bear out the fact that for every Federal dollar that is invested in this program, we see a return of $11. This is the kind of return we can only dream of in the majority of other Federal programs. I hope that we will be able to follow the example that is set forth by the success of the Vocational Rehabilitation Program and continue to support these worthy programs that allow us to help those in need and at the same time we are saving Federal dollars in the long run.

Again, I congratulate the chairman and the ranking minority member for a job well done. The bipartisan support that has been shown in the subcommittee, the committee, and in the House as a whole, is a great tribute to the program and those who manage it.

□ 1305

Mr. BARTLETT. Mr. Speaker, I yield back the balance of my time.

Mr. WILLIAMS. Mr. Speaker, I have no futher requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Montana [Mr. WILLIAMS] that the House suspend the rules and pass the bill, H.R. 4021, as amended.

The question was taken.

Mr. BARTLETT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4021, the Rehabilitation Act Amendments of 1986, the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

COAST GUARD AUTHORIZATION ACT OF 1956

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 437 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 437

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4208) to authorize appropriations for the Coast Guard for fiscal years 1987 and 1988, and for other purposes, and the first reading of the bill shall be dispensed with. All points of order against the bill for failure to comply with the provisions of clause 5(a) of rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill shall be considered for amendment under the five-minute rule, and each section shall be considered as having been read. All points of order against the committee amendment recommended by the Committee on Merchant Marine and Fisheries now printed on page 11, line 18 through page 12, line 7, for failure to comply with the provisions of clause 5(a) of rule XXI are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Mississippi [Mr. LOTT], and pending that I yield myself such time as I may use.

Mr. Speaker, House Resolution 437 is the rule providing for the consideration of the bill H.R. 4208, the Coast Guard authorization for fiscal year 1987.

Mr. Speaker, the rule provides for 1 hour of general debate, equally divided between the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries. The rule is an open rule that allows any germane amendments to be offered under the 5-minute rule. In addition, the rule provides for one motion to recommit.

Mr. Speaker, House Resolution 437 waives points of order against the bill for failure to comply with clause 5(a) of rule XXI, which prohibits the inclusion of appropriations in a legislative bill. This waiver is necessary because of two relatively minor provisions of the bill which constitute appropriations. Section 8 of H.R. 4208 would authorize the Coast Guard to reimburse members of the Coast Guard auxiliary for interest on valid claims, if the claims are not paid within 60 days. Section 13 of the bill provides that 2 percent of the funds in the boating safety account trust fund may be made available to cover the cost of State recreational boating safety programs.

Mr. Speaker, both of these provisions are appropriations in nature. Even though their budgetary impact is slight their inclusion in a legislative bill would technically be out of order.

In addition, Mr. Speaker, clause 5(a) of rule XXI is waived against a Merchant Marine Committee amendment now printed in the bill. This amendment deals with the reimbursement of funds from educational institutions, to Coast Guard personnel who travel to administer tests to applicants who wish to qualify for merchant marine licenses or documents. These reimbursed funds would then be credited to the operating expense of the Coast Guard.

Because these provisions have the bipartisan support from the Merchant Marine Committee, the Rules Committee willingly granted the waivers of clause 5(a) of rule 21.

Mr. Speaker, H.R. 4028 authorizes a total of $2.2 billion for the operation and programs administered by the U.S. Coast Guard. Included in that figure is $1.8 billion for operating expense, $300 million for procurement and construction, and $35 million for research and development. The bill also authorizes such sums as may be necessary for increases in salaries and benefits as otherwise provided by law.

Mr. Speaker, the Coast Guard operates as part of the Department of Transportation, with primary responsibilities for the promotion of safety of life and property at sea; the enforcement of Federal laws on and under U.S. waters; and the safety of vessels, ports and waterways and their related facilities. Also, the Coast Guard serves as a branch of the military service that maintains a readiness to operate as a specialized service in the Navy upon a declaration of war or by the direction of the President.

Mr. Speaker, the services that the U.S. Coast Guard provides return benefits many times greater than the cost to the Treasury. By approving this rule and H.R. 4028, Congress agrees that the Coast Guard should be given the resources it needs to continue in doing its many jobs at a level that the public expects and the national interest demands.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 437 provides for the consideration of H.R. 4208, the Coast Guard authorization for fiscal year 1987.

The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Merchant Marine and Fisheries. The bill would then be considered for amendment under the 5-minute rule.

It should be noted that the rule waives clause 5(a) of rule XXI, which prohibits appropriations in a legislative bill, against consideration of the bill. It also waives the same point of order against one of the committee amendments regarding travel and expense reimbursements since this is appropriation language. Finally, Mr. Speaker, the rule provides for one motion to recommit.

Mr. Speaker, the purpose of H.R. 4208 is to authorize appropriations of $2.2 billion for the U.S. Coast Guard for fiscal year 1987. It authorizes $1.86 billion for the operation of the Coast Guard; $300 million for acquisition, construction and improvement activities; $35 million for research development activities; and an estimated $373 million for retired pay to eligible personnel, and such sums as may be necessary for increases in salaries and benefits, which are estimated to be $36 million in 1987.

Mr. Speaker, H.R. 4208 also contains a number of other provisions, addressing items such as military strength and military training, contracting practices, maritime defense zone responsibilities, Coast Guard auxiliary policy, and licensing of commercial towing ships.

Mr. Speaker, we know that the Coast Guard is responsible for the performance of Federal functions which trace their beginnings back to the founding of the United States. Its primary responsibilities are for the promotion of saving life and property at sea; enforcing Federal laws on and under the high seas and U.S. waters; maintaining aids to navigation, polar ice-breaking operations and safety security of ports, vessels, waterways, and their related facilities. In addition, the Coast Guard maintains a readiness to operate as a specialized service in the Navy during national emergencies or declaration of war.

Mr. Speaker, this is not a complicated rule, and it is necessary to bring this bill to the floor for further action. Mr. Speaker, I urge adoption of this rule.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

□ 1315

The SPEAKER pro tempore. Pursuant to House Resolution 437 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4208.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4208) to authorize appropriations for the Coast Guard for fiscal years 1987 and 1988, and for other purposes, with Mr. MOAKLEY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Massachusetts [Mr. STUDDS] will be recognized for 30 minutes and the gentleman from Michigan [Mr. DAVIS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. STUDDS].

Mr. STUDDS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, 5 years ago, I was accorded the opportunity to serve as chairman of the Subcommittee on Coast Guard and Navigation. Since that time, I have come before the House each year to ask that Members lend their support and—more important—their votes so that the Coast Guard would have the resources it must have to do its many jobs in behalf of the health, safety, and security of this country.

This has been, in many ways, an easy task. The Coast Guard is one of the most popular components of the Federal Government. More than any agency except the Internal Revenue Service, the Coast Guard pays its own way. In an era in which both national defense and law enforcement have a high priority, the Coast Guard is the only institution that is both a law enforcement agency and a uniformed armed service of the United States.

My job as chairman has been simple, as well, because of the bipartisan support that exists for the Coast Guard. There is, after all, nothing partisan or ideological about a search and rescue mission, or the seizure of a foreign fishing vessel, or responding to an oil-spill, or making a drug bust, or breaking ice so that a community can receive essential shipments of heating oil during the winter months.

The Coast Guard has a proud tradition of service to the American people. That tradition should be preserved; it should be conserved. And it is as a conservative, in this sense, that I have sought to fulfill by responsibilities as subcommittee chairman. But because this will be my last year in this particular role, I want to supplement my explanation of the bill before us today with a gentle warning.

Mr. Chairman, the Coast Guard, like any institution, must change with the times, and it has changed, in its own way and in its own time, year by year. But there are those who are not satisfied with the pace of change; those who would seek immediately and dramatically to alter the structure and capabilities of the Coast Guard. These radical changes may be sought for budgetary reasons, or out of allegiance to the slogans of so-called privatization, or both. I do not quarrel with the intentions of those who would seek such change, but I do question whether they truly understand the Coast Guard, or whether they appreciate its value to our national security, and to the health and safety of our people.

I do not believe, and the American people do not believe, that today, after 200 years, under an administration that claims pride in its economic record, the time has finally arrived when we can no longer afford an effective U.S. Coast Guard. There are those who say the Coast Guard is too expensive, that our economy cannot afford it. But where is the economic benefit to this Nation in allowing our fisheries resources to be stolen, or the safety of maritime navigation to be eroded, or the incomes of drug smugglers to be enhanced, or imperiled human lives to be lost?

An effective Coast Guard is not a burden on our national budget; rather it is an essential element of what the Federal Government has a responsibility to provide to the American public. And the Coast Guard is a bargain. We will spend less this year to operate the Coast Guard, all 45,000 regulars, 33,000 auxiliarists, 12,000 reservists, 200 search and rescue stations, 12 air stations, 50 marine safety offices, 200 cutters, 100 aircraft, and 2 Aerostat balloons; we will spend less to operate all of these productive and tangible resources than the amount the President has proposed to increase the budget this year for research on star wars.

So to those who would deprive the Coast Guard of the resources it needs to operate, I say you are wrong.

To those who would change the nature of the Coast Guard as an institution, I say think again.

There are some who have come to believe, whether they view it this way precisely or not, that every transaction between the Coast Guard and the public ought to be either a drug search or a business transaction, an arrest or a payment for servies rendered. These individuals would privatize the Coast Guard through widespread contracting; and they would undermine the Coast Guard's ability to function through the open-ended assessment of user fees.

I want to emphasize that there are many cases in which it does make sense to contract for services provided by Coast Guard personnel; but this practice can easily extend too far. One must ask oneself whether our country will always or even often benefit when a Coast Guard officer, trained in a variety of wartime and peacetime skills, is replaced by a contractor paid to do one job and one job only; and one must ask, as well, whether the cause of private enterprise is really served when the national interest is harmed.

With respect to user fees, even if I were tempted to support them, I must point out that we have a President opposed to new taxes. I know that some claim that user fees are not taxes; that they are different. They would be paid only by those who benefit from the services provided. But who in this country does not benefit from the services provided by the U.S. Coast Guard? There may be a few isolated families deep in the Rocky Mountains who are allergic to seafood; who don't heat, eat, wear, or in any other way use products brought to the United States by maritime commerce; who have never owned a motorboat or sailed a sailboat; who have never flown in an airplane assisted by Coast Guard long-range navigational aids; who have never seen the coast and could care less if they are destroyed by pollution; who have never visited a port and would shed no tears if these were sabotaged by terrorists; and whose children do not use, and who could not be tempted to use, illegal drugs. There may be a few families who fit this description, and I want to go on record here, today, as saying that those citizens should be exempt from paying Coast Guard user fees. But, as for the rest of us, we benefit, we should pay, and we do pay, each year when we pay our taxes.

I do not object to the principle of user fees, as that term has historically been applied to certain Government services. But when the concept is transformed—as it has been by the administration—into simply another mechanism for imposing taxes without calling them taxes, I do object, not only in behalf of those upon whom such taxes might be imposed, but in behalf of the Coast Guard, as well.

The fact is that the Coast Guard's strength resides not only in the nature and character of the men and women who choose to join that service; it resides, as well, in the reservoir of goodwill and mutual support that exists between the Coast Guard and the rest of the maritime community—commercial fishermen, those involved in merchant shipping, recreational boaters, and the residents of coastal areas. For two centuries, the Coast Guard and the U.S. Lifesaving Service have occupied a very special place in the world of those who live and work at sea; the red stripe has been the sign of a friend always and, in times of emergency, it has for tens of thousands of our citizens meant the difference between life and death. The cooperation that is engendered by this respect is essential to the Coast Guard's ability to carry out its jobs in an effective manner.

Today, no individual has a right to demand Coast Guard services; he can request help, but he cannot demand it. To many, the imposition of user fees—especially for services provided indirectly—will mean that the Coast Guard can be bought and sold, and the relationship that has existed for two centuries between the Coast Guard and the maritime community will be seriously, irremediably, and radically undermined.

Turning now, finally, to the legislation we are considering today, this bill is consistent with the conservative principles and policies that have guided the Committee on Merchant Marine and Fisheries for at least the past 5 years with respect to the Coast Guard.

The bill was developed on a bipartisan basis;

It reflects our conviction that the Coast Guard should have the resources it needs to operate at a level the public expects and the national interest demands;

It responds, but in a measured and balanced way to suggestions that a greater portion of Coast Guard services should be transferred to the private sector; and

It seeks to give the executive branch the flexibility needed to obtain maximum value from Coast Guard funds.

As Members from coastal or inland waterways districts already know, the Coast Guard is not presently operating at the level it has been able to maintain in recent years; it has had to cut back on patrols, on training, on maintenance of equipment, and on small-scale construction projects. Because it has been forced this year to absorb reductions of approximately $140 million below a freeze budget, the Coast Guard has been operating since last October in first gear.

If H.R. 4208 is enacted, and implemented through appropriations, and if the appropriations process is not itself subverted by Gramm-Rudman, the Coast Guard will be able to shift gears, and begin once again to operate at full speed.

I should note, of course, that even if we are successful, full speed for the Coast Guard does not mean the service will have enough money to operate comfortably; or to perform all the patrols, conduct all the training, or do all the maintenance and repair work it should ideally be able to do; it will not put an end to 15-hour days and 90-hour workweeks for Coast Guard personnel; it will not close the vast chasm that has existed for more than a decade between Coast Guard resources and its responsibilities under Federal law. But the enactment and implementation of this bill would restore the Coast Guard's muscle; it will permit the full use of the people and equipment the Coast Guard now has on hand; and it will put an end, for one year, at least, to further erosion in the size or capabilities of the service.

In addition to the central question of funding, a number of important policy questions are addressed in our legislation, as well. In particular, we want to highlight provisions that will:

Bar the construction of Coast Guard vessels in foreign shipyards;

Reduce Coast Guard costs by making the administration of State boating safety programs entirely self-supporting; and

That will give the Secretary of Transportation the flexibility to transfer funds from one Coast Guard account to another in order to make the most efficient possible use of available resources.

In closing, I want to emphasize the central premise underlying all that our committee has said or done with respect to the U.S. Coast Guard in recent years. We believe that, whatever its faults, the Coast Guard is an institution whose health is tied inextricably to the well-being of all who live in or near the coasts of our country. The Coast Guard has a proud tradition; it has been for 200 years that most unique of governmental agencies, a military force whose primary mission is the saving of human lives. The Coast Guard is not a drain on the Federal Treasury; its service to our country can be measured in its contribution to maritime commerce; to public safety; to environmental health; to protection from illegal drugs and illegal fishing practices by foreign fishermen; its availability to the Navy as an armed force in time of war or national emergency; and it can be measured, above all, in the knowledge of every man and woman who enlists that they may be called upon to risk their lives in order to save others.

So I urge your support for this legislation and for the Coast Guard, and given the record of recent years in this House, I am confident that this support will be forthcoming.

□ 1325

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. STUDDS. I yield to the gentleman from New York.

Mr. BIAGGI. I want to commend the gentleman for an excellent statement, an absolutely excellent statement that clearly details the feelings of the members of the Coast Guard subcommittee, and I would like to associate myself with the gentleman's remarks.

Mr. STUDDS. I thank the gentleman, and I take this opportunity to pay tribute to his years as service in this chairmanship.

Mr. Chairman, I yield back the balance of my time.

Mr. DAVIS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to take this opportunity to commend the chairman of the Subcommittee on Coast Guard and Navigation, the gentleman from Massachusetts [Mr. STUDDS]. An excellent statement on the Coast Guard; commend him for all his years of service to the U.S. Coast Guard and to the people that it serves. We understand that he will perhaps be assuming a different role in the next session of Congress.

I have worked with him for 2 years now, Mr. Chairman, as the ranking member and find him very easy to work with; very supportive of the things that are necessary for the preservation and continuation of the U.S. Coast Guard and the people that they serve.

Mr. Chairman, I rise in support of H.R. 4208, the Coast Guard Authorization Act of 1986. This legislation has strong bipartisan support among members of the Merchant Marine and Fisheries Committee and is without controversy. The levels of funding we have provided the Coast Guard in fiscal year 1987 closely reflect the President's request. Further, my colleague, Mr. STUDDS, chairman of our Subcommittee on Coast Guard and Navigation, will offer a series of amendments en block which address comments made by the Coast Guard on the legislation, comments which were not available to the committee in time for our last markup of the legislation.

Besides authorizing funds for operating expenses, procurement, training, research, and retired pay, H.R. 4208 also contains provisions which will improve the flexibility of the Commandant of the Coast Guard to use funding from the Coast Guard's AC&I account for operating purposes if necessary. The reason this provision is necessary is that while Congress has made every effort to provide the equipment the Coast Guard needs to carry out its missions, we do not always provide the operating funds which are necessary to pay the people to operate the equipment. Because the Coast Guard's operating account pays not only for people but the operation of search and rescue stations, vessels and aircraft, it is important that we do not allow this account to drag behind our efforts to equip the Coast Guard.

H.R. 4208 also prohibits construction of Coast Guard vessels in foreign shipyards, provides interest payments to Coast Guard Auxiliary whenever the payment of a valid claim for reimbursement is not made within 60 days, clarifies congressional intent with regard to the Coast Guard's nonemergency assistance policy, and also mandates that people towing boaters be licensed by the Coast Guard to do so.

In conclusion, Mr. Chairman, I would like to emphasize that this leg-

islation will, if passed, authorize levels of funding that will allow the Coast Guard to continue to operate at current levels and I urge my colleagues to support it.

Mr. STUDDS. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, let me say to the gentleman from Michigan [Mr. DAVIS] that I appreciate his kind words and that the remarks that I made in my own statement with respect to the bipartisan nature of the work on this committee were heartfelt.

The gentleman, as the ranking member of this subcommittee, has made it possible for us to address the questions affecting the health of the U.S. Coast Guard and the other issues with which we deal in a uniquely bipartisan or nonpartisan fashion, I should say, and given some of the rhetoric and heat and partisan emotion which characterize debates on so many issues before the Congress, it has been not only an enormous pleasure, but a great relief.

Mr. DAVIS. Mr. Chairman, let me say I appreciate the comments of the chairman of the subcommittee, and it has been a pleasure to work with him.

Mr. Chairman, I yield as much time as he may consume to the distinguished ranking member of the full Committee on Appropriations, the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Chairman, I rise in strong support of H.R. 4208, a bill authorizing Coast Guard activities and appropriations for fiscal year 1987. The bill authorizes $1.9 billion for operations and maintenance, $300 million for the Coast Guard's capital needs, and $35 million for research and development. These amounts, although not lavish relative to the Coast Guard's duties and responsibilities, are a reasonable amount to invest in the protection of our coast and maritime users.

Mr. Chairman, as my colleagues know, I have often taken to this well to complain about our pennywise, pound-foolish approach to funding the Coast Guard. Over the years, the Congress has heaped more and more responsibilities upon the Coast Guard. From the original Coast Guard functions of protecting against smugglers and performing search and rescue operations, the Coast Guard's scope of activities has grown enormously. We now look to the Coast Guard for icebreaking services, for environmental response and enforcement, for fisheries enforcement, for navigational services, for vessel safety inspections and enforcement, and many others.

Coast Guard is one of the lead agencies in our effort to stop the influx of drugs to our shores. And most recently, the Coast Guard has assumed new national defense responsibilities as part of the maritime defense zone concept, involving important port security and coastal defense duties.

It was this increased national defense component that led me, on last year's defense appropriations measure, to offer an amendment providing $100 million from Navy operating expenses to reimburse the Coast Guard for the cost of national defense-related operations. In addition, last year we provided for some $375 million in capital spending, as part of our overall coastal defense augmentation effort, to come from the Defense Department, to help provide the Coast Guard with the planes, vessels, radars, communications, and other material needed to enable the Coast Guard to adequately fulfill its defense responsibilities.

These actions will help the Coast Guard, but perhaps the most important need of the Coast Guard at this time is personnel. As consequence of underfunding, compounded by the scourge of Gramm-Rudman, the Coast Guard is short of operating funds and personnel.

In recent months, much nonemergency search and rescue work has had to be curtailed. Training is at an all-time low. The enforcement of maritime safety regulations and fisheries enforcement efforts have slipped badly.

We have been trying to move a supplemental funding bill, providing $35.5 million for the Coast Guard, and will try to move that along later this week. Clearly the need is great. The Coast Guard is undermanned and overworked, and I have to pay tribute to the terrific men and women of the Coast Guard who keep on plugging under those conditions. It often seems as if lean times actually improve morale, for I have been constantly amazed and impressed at the extra duty and additional shifts worked by these "coasties" without complaint. But we owe it to these Coast Guard men and women who dedicate so much of their lives to our safety and protection to provide them with the resources they need to do the job. This authorization takes a good step in that direction, and I assure my colleagues that I will be following up behind this measure to see that the appropriations are forthcoming as well.

Mr. Chairman, I would like to take just a moment to comment on something which unfortunately is not in this bill. I am referring to Coast Guard user fees, and to the principle that those individuals who benefit from specialized government services should underwrite at least a portion of the cost of providing those services.

Legislation that I have introduced, H.R. 1936, would provide for the imposition of a minimal fee—$20 or less—on recreational boaters who use waterways under Coast Guard jurisdiction. I have often complained about the fat-cat yacht owners, and their selfishness in opposing the imposition of this fee. I know, and most of my colleagues know, that most boaters are not rich—they don't have yachts, they just have small boats that provide much needed recreation and a little escape from the cares of daily life.

But darn it all, I don't think there is any boater, whether he has a 12-foot fishing boat with an outboard that he takes out on Chesapeake Bay, or the most luxurious yacht harbored up on Cape Cod, who couldn't—and shouldn't—pay $20 a year as insurance for Coast Guard search and rescue services.

The Coast Guard—with all of its helicopters, C-130's, Falcons, and ships ranging from small surf boats to high endurance cutters—is always ready to provide assistance to a boater in need. The least—and I mean the absolute very least—that boaters can do is pay a $20 fee to help underwrite some of the cost of that readiness.

Mr. Chairman, I am sorry that my user fee proposal has not been included in this authorization. At a time when the Coast Guard budget is under extreme pressure from our general deficit problem, as well as from Gramm-Rudman, every dollar helps. I am not going to pursue the matter here, because I think it is more important that we get this authorization enacted and not let it be encumbered with an often controversial issue.

But I want to serve notice that you have not heard the last from me on user fees, and I will be looking to the budget resolution and the reconciliation process for further action on this issue.

I look forward to working with my colleagues on the Budget and Merchant Marine Committees on this, and again, urge the adoption of this authorization bill.

□ 1335

Mr. RUDD. Mr. Chairman, will the gentleman yield to me?

Mr. CONTE. Yes, I yield to my friend from the landlocked State of Arizona.

Mr. RUDD. I thank the gentleman for yielding.

Mr. Chairman, let me say I commend the gentleman from Massachusetts for his statement on user fees. They are desperately needed. Since the gentleman from Massachusetts has no cosponsors, would he honor me by including me as a cosponsor on his piece of legislation?

Mr. CONTE. Mr. Chairman, that is the most welcome news I have heard in a long time. It was pretty lonesome on that piece of paper.

Mr. RUDD. I thank the gentleman for yielding.

Mr. STUDDS. Mr. Chairman, will the gentleman yield to me?

Mr. CONTE. I yield to my good friend from Massachusetts.

Mr. STUDDS. I want to thank my colleague from Massachusetts for a number of things. I think on behalf of all of us, first of all, I should thank him for delivering his statement in prose rather than bursting into song as he frequently does when the subject comes and as he immobilized our subcommittee with his written and oral and sung testimony.

May I also say in all seriousness, in spite of his particular aberration with respect to his view on user fees, the U.S. Coast Guard and, as far as I know, never has had a greater friend and ally than the gentleman from Massachusetts and this notwithstanding the fact that his district is as far away as one can get in Massachusetts and still be in Massachusetts and not be on the ocean. It is about as landlocked as the gentleman from Arizona's district.

The gentleman also, however, has a fondness for things that swim in the sea and occasionally has been seen in other people's district in pursuit of them.

I just want to reflect what I know is the appreciation of all those who care about the Coast Guard for the work of the gentleman.

Mr. CONTE. I want to thank the gentleman from Massachusetts, Congressman STUDDS. It has been a pleasure working with him for this noble cause.

Mr. RUDD. Mr. Chairman, will the gentleman yield once again?

Mr. CONTE. Yes; I yield to my friend from Arizona.

Mr. RUDD. I thank the gentleman for yielding.

Mr. Chairman, there have been two references made to poor, land-locked Arizona. But let me tell you that we have more boats per capita in Arizona than in any other State in the Union.

Mr. CONTE. And the gentleman also has that great waterway up there now where he can get a canoe on it.

Mr. DAVIS. Mr. Chairman, how much time remains on this side?

The CHAIRMAN. The gentleman from Michigan [Mr. DAVIS] has 18 minutes remaining and the gentleman from Massachusetts [Mr. STUDDS] has 17 minutes remaining.

Mr. DAVIS. Mr. Chairman, I yield myself such time as I may consume.

Let me say that I appreciate some of the comments that the distinguished gentleman from Massachusetts has made on this bill. He has been such a strong supporter of the U.S. Coast Guard; time and time again on the Appropriations Committee we have had to go to him, many of us who supported the Coast Guard, and asked for his help, and he has always come through. We appreciate that very much.

Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Chairman, following the progress of this bill through subcommittee and committee, I was disappointed to see the direction taken by the Committee on Merchant Marine and Fisheries concerning section 5, dealing with the A-76, contracting-out provisions.

While there has been some movement toward loosening the previous language in the bill concerning section 5, the language currently in H.R. 4208 scales back the ability of the Coast Guard to contract out. If anything, we should be moving in the opposite direction: Toward increasing contracting-out flexibility. As Admiral Gracey has stated in testimony, the Coast Guard already has, and I quote, "An aggressive A-76 contracting-out program that has become a model in the Department of Transportation." Unfortunately, H.R. 4208 proposes to scale back this model, cost-saving program.

The major concerns of section 5 are already covered in OMB circular A-76, which requires the Secretary of Defense, or his designee, to exempt activities from A-76 review if they are considered essential for national defense reasons. The present language of section 5 would deprive the Coast Guard of needed flexibility in the allocation of resources to assure the most efficient and effective national defense. As Admiral Gracey put it:

> What my operational commanders need is the knowledge that they have our trust and confidence as on-scene professionals to use all available resources to get the job done and done the best and most cost-effective way possible, given the exigencies of the moment.

Far from increasing our readiness, limiting the flexibility of the Coast Guard by creating a broader scope of core logistic functions actually decreases readiness by robbing the Coast Guard of the ability to deal with unique situations on a case-by-case basis.

The language contained in section 5 is another thinly disguised attempt by Congress to micromanage defense matters. This congressional power-grab will replace the judgment of Coast Guard commanders and managers with congressional review of every activity and waiver. The language of section 5 moves in exactly the wrong direction.

The present language in section 5 would limit flexibility and increase congressional micromanagement, while increasing the costs of day-to-day operations of the Coast Guard. The Coast Guard is currently faced with a substantial reduction in funding due to Gramm-Rudman budget cuts. This is the very time in which we should be increasing cost-saving measures such as the A-76 contracting-out program. The lost savings to the Coast Guard due to the language in section 5 could be millions of dollars: Savings which could be used to meet Gramm-Rudman targets while maintaining and effective service.

In conclusion, I am both relieved and disappointed at the action taken by the Committee on Merchant Marine and Fisheries concerning section 5 of this reauthorization. I am relieved that they moderated the previous highly restrictive language which would have dramatically decreased the Coast Guard's ability to contract out.

However, I'm disappointed that the committee didn't throw out this more restrictive approach altogether and move to give the Coast Guard greater freedom to administer their duties as they see fit. Instead, the committee went beyond current law to impose further restrictions on the Coast Guard's model contracting-out program. These restrictions decrease the Coast Guard's flexibility, increase congressional micromanagement, and raise the costs of Coast Guard services at a time in which we should be doing just the opposite.

Mr. DAVIS. Mr. Chairman, I yield such time as he may consume to a distinguished member of the Committee on Merchant Marine and Fisheries, the gentleman from Alaska [Mr. YOUNG].

Mr. YOUNG of Alaska. Mr. Chairman, I shall not take much time. I would like to compliment the chairman of the subcommittee and the ranking member, both of them, on the work in this legislation and the recognition of the Coast Guard.

If any one of the agencies serves the American public every day, every hour, every month, and every year, year after year, it is the U.S. Coast Guard. They have done it usually underfunded. Frankly, they have never been recognized for the service they have given to the people of America. Each year I have sat on this committee and I have watched us add more burdens to their responsibilities; oil spill liability, drug interdiction, navigation aids. wreckage interdiction, the whole concept of additional burdens has been placed upon the Coast Guard.

□ 1350

The whole concept of new additional burdens has been placed upon the Coast Guard, and we have never, until the recent years under the leadership of the subcommittee chairman and the ranking member, really attempted to fund them correctly.

I have listened with great interest to the gentleman from Massachusetts [Mr. CONTE] comment about boat user fees. Frankly, I have deep reservations about the concept if we are just look-

ing at the boat owners, because the Coast Guard does a lot more than just search and rescue. They are charged with some very serious nationwide aspects, again as oil spill liability, cleaning up oil spills, directing tankers that feed all of the United States, not only looking for lost fishing vessels but protecting Americans as a whole.

The Coast Guard is doing it with modern equipment, yes. But let me remind you the equipment, I think, should be further upgraded by continued appropriations.

We also have charged them with a 200-mile limit, which is a very large responsibility to that agency.

So I say the legislation before the House today is good legislation. It is legislation that should be passed, will be passed, and shall be signed into law by the President.

Mr. STUDDS. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. Bosco].

Mr. BOSCO. Mr. Chairman, I rise in strong support of H.R. 4208, and wish to congratulate my colleagues Chairman WALTER JONES and Subcommittee Chairman GERRY STUDDS for fashioning a truly responsible bill that will allow the Coast Guard to continue to perform its many vital services.

As House members are well aware, last year the other badly approved cuts in Coast Guard appropriations approximately $230 million from the level initially proposed by the House. This proposed 11 percent reduction from the Coast Guard's operating budget would have rendered the Coast Guard a severely weakened institution. Nationwide, it is estimated that the Senate proposal would have resulted in the elimination of more than 6,000 military personnel, the grounding of over 40 aircraft, and the decommissioning of nearly 40 Coast Guard cutters.

Along the North Coast of California, these cuts would have had serious impacts on the Coast Guard's ability to perform valuable search and rescue operations and provide aid to navigation, fisheries, law enforcement, and marine safety. Specifically, it would have led to the closure of the Humboldt Bay Air Station—which is credited with saving eighteen lives last year alone—the decommissioning of a valuable Coast Guard cutter and patrol boat in Humboldt and Del Norte Counties, elimination of the west coast oil spill strike team, as well as serious reductions at the training center near Petaluma. Boating and fishing organizations, the business community and local governments all voiced considerable consternation at the prospect of these reductions.

Fortunately, Congress eventually approved only a minor reduction in the Coast Guard's $1.8 billion fiscal year 1986 budget that averted any serious cutbacks in services. Nevertheless, when coupled with the subsequent automatic Gramm-Rudman cut, the Coast Guard is presently operating at a relatively lower level than that in the early 1980's.

H.R. 4208 will allow the Coast Guard to not only sustain its present operating level but to rebuild its performance level back up to traditional levels. The measure authorizes over $170 million more for operating expenses than after the March sequestration. This should permit the Coast Guard to provide a high degree of effectiveness in its important missions of law enforcement, marine safety, and search and rescue. It will also preserve and strengthen operations along the north coast of California.

Mr. Chairman, I believe the massive public outcry over last year's proposed Senate cutbacks is indicative of the broad public consensus in support of a strong U.S. Coast Guard. H.R. 4208 is an important first step toward achieving this end, and I urge my colleagues to support this measure.

Mr. STUDDS. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. HERTEL].

Mr. HERTEL of Michigan. Mr. Chairman, I want to thank the gentleman for giving me this time and allowing me to speak at this point on the authorization, and commend the gentleman for all his hard work under difficult circumstances in protecting the Coast Guard as best as possible in these austere times and with this particular authorization.

I also want to thank the gentleman from New York [Mr. BIAGGI] for all of his work, and specifically with the chairman, protecting the Great Lakes bases that the gentleman has been very concerned about. It just shows that many Members are not parochial, but they are concerned realizing that Michigan has the longest shoreline of any State outside of Alaska in this country, that those bases are important. While it was pointed out that Arizona has possibly more per capita registered, we have a much bigger population, and we also have the greatest number of boats registered in the entire world in the State of Michigan.

Mr. Speaker, I want to thank the gentleman from Michigan [Mr. DAVIS] also, the ranking member of the subcommittee. The gentleman has done such an outstanding job for the Coast Guard needs overall, but especially for the Great Lakes.

It was just for the budget and authorization of 1985 that they were talking and trying to cut back, the Coast Guard, and to close nine bases on the Great Lakes and to curtail four more. We were able to make the case, Mr. DAVIS and I and others from Michigan, of how important these things are, not only for saving lives, which is the most important thing the Coast Guard does in all types of weather and under all types or circumstances, but also for protecting the environment of the Great Lakes year round. The Coast Guard is our first line of defense. There is no city or country or State that could take on these national responsibilities.

Mr. Chairman, I wanted to ask of the chairman and ranking member about the fact that in this authorization, those Great Lakes bases that now exist will be protected; is that true?

Mr. STUDDS. Mr. Chairman, will the gentleman yield?

Mr. HERTEL of Michigan. I yield to the gentleman.

Mr. STUDDS. Mr. Chairman, the funding levels in this bill are adequate to ensure that there will be no need to consider the closing of any existing Coast Guard facilities.

Mr. DAVIS. Mr. Chairman, will the gentleman yield?

Mr. HERTEL of Michigan. I yield to the gentleman.

Mr. DAVIS. Mr. Chairman, first of all, I thank the gentleman from Michigan [Mr. HERTEL] who has been a strong supporter of the U.S. Coast Guard.

As the chairman has indicated, this authorization bill, which authorizes $1.867 billion for the Coast Guard operation, if we can continue those figures in appropriations, there will be no concern. We will not have to close any stations.

I think that when we look at the support the Coast Guard has had, both on the authorization committee, the Appropriations Committee, and by the full Congress, I think that we are going to be in good shape.

I continue to thank the gentleman from Michigan. The gentleman has been very helpful in keeping these stations going.

Mr. HERTEL of Michigan. Mr. Chairman, I thank the gentleman. I am pleased to hear that.

In 1985, when we were trying to close these nine bases, the Great Lakes was the only area of the country it was aimed at as far as those kinds of reductions. They were unfair. That is why this entire House by a voice vote restored at that time those nine bases to continue.

Not only is the Michigan residence very concerned, but all the Great Lakes residents. Let me point out that we have seen recent figures that Michigan is fifth in tourism. Again, we have people from all over the country using our greatest resource, the largest amount of free water in the entire world, 25 percent, the Great Lakes.

Mr. JONES of North Carolina. Mr. Chairman, I rise in support of H.R. 4208, the Coast Guard Authorization Act for fiscal year 1987. I welcome this opportunity to speak on behalf of an organization whose existence is vital to the interests of our Nation.

Despite its obvious merits, the Coast Guard has always been asked to perform on the leanest of budgets. They have answered that challenge time and time again. The levels authorized in this bill will require the Coast Guard to continue functioning as an example of efficiency, once again operating within a budget just large enough to enable it to perform its missions. This would not have been possible if the levels put forth in the administration's budget had been adopted. The funding level authorized in H.R. 4208 is a responsible one; $187 million less than the presequestration appropriation for fiscal year 1986 and $83 million less than the postsequestration level.

In closing, I would like to bring to your attention the ever increasing duties being assigned to the Coast Guard. We are all mindful of duties such as: search and rescue, vessel inspection, fisheries enforcement, and protection of our Nation's coastline. Of late, we have clamored for increases, in: Drug enforcement, illegal immigrant interdiction, and assumption of responsibility for the military defense zone. Allow me to bring to your attention some instances when, once again, the Coast Guard has been, or will be called upon: The rescue of flood victims in Virginia and West Virginia this past winter, the over $2 million mission performed as a result of the shuttle tragedy, the attack last month by a Libyan patrol boat on a Coast Guard telecommunication facility in the Mediterranean and finally, the upcoming Statue of Liberty celebration with an unprecedented massing of vessels of all types in the New York Harbor. Never, I repeat never, has the Coast Guard answered our call with anything but a can do response. I ask your support in answering their call with fair, adequate, and equitable funding.

Mr. PORTER. Mr. Chairman, I want to express my strong support for H.R. 4208, the fiscal year 1987 Coast Guard authorization.

The Coast Guard plays an important role in Illinois' 10th District because of the district's proximity to Lake Michigan. With the passage of H.R. 4208, operating funds for the Coast Guard Air Station at Glenview will be preserved and this station will be able to continue providing necessary assistance to the commercial and recreational boaters on Lake Michigan.

Several times in the past few years, the Coast Guard Air Station at Glenview has performed heroic rescues. I wish to publicly commend them for these efforts. Back in December, the lives of three fishermen were saved by a Coast Guard helicopter when their fishing boat sank in the icy waters of Lake Michigan.

Another similar incident happened in February of 1985 with the same result. Five lives were saved because of the efforts of a Coast Guard rescue crew which removed these helpless fishermen from their vessel when it became trapped in a Lake Michigan ice pack.

Mr. Chairman, without the intervention of the Coast Guard, these incidents would not have had such happy endings. A price tag cannot be placed on human lives. Funding for the Coast Guard must be preserved.

The presence of the Coast Guard instills confidence in every fisherman, and boat owner who uses Lake Michigan. We should not deprive these people of the services performed by the Coast Guard. The Coast Guard is a life-saving institution which must continue.

Mr. YOUNG of Florida. Mr. Chairman, I rise in strong support of H.R. 4208, the Coast Guard Authorization Act of 1986.

The Coast Guard is one of our Nation's most efficient and cost-effective agencies, even though it has been asked to carry out an increasing number of missions without the proper allocation of resources. Since 1970, 14 Federal laws have been enacted to significantly broaden the scope of the Coast Guard's operations. In addition, Presidential directives have expanded the Coast Guard's role in drug and refugee interdiction efforts. Yet, the Coast Guard has been asked to perform these new tasks, as well as fulfill its existing responsibilities, with relatively small personnel levels and bare bones budgets. In fact, during this decade the number of Coast Guard personnel has actually decreased by more than 1,800 people.

To make matters worse, Gramm-Rudman-Hollings reduced Coast Guard funding this year by $106 million. As a result, Coast Guard ships and aircraft have been prevented from undertaking missions because of a lack of fuel. Coast Guard staff, which was already overworked, has had to put in even longer hours to offset manpower shortages. And important maintenance and repair work has had to be deferred because of a lack of funds and spare parts.

Instead of rewarding the Coast Guard for its years of efficient operation and lean budgeting, Gramm-Rudman-Hollings has indiscriminantly penalized this vital Federal agency. I opposed the Gramm-Rudman-Hollings legislation because it relys on a computer to make across the board budget cuts without regard to the effect these cuts will have on our Nation.

The consequences of underfunding the Coast Guard include a threat to the health and safety of the American people. Insufficient Coast Guard funding means fewer search and rescue missions, decreased drug and refugee interdiction patrols, and the inability to fully perform other basic missions which include servicing aids to navigation, ensuring marine safety and environmental protection, enforcing various laws and treaties, performing polar ice operations, and ensuring military readiness.

Many people fail to realize that in addition to its wide range of domestic responsibilities, the Coast Guard is also charged with providing our first line of defense against a potential enemy attack on our shoreline. The Coast Guard plays a strategic role in ensuring our national security and has been actively involved in critical operations such as those in Grenada and Vietnam.

Insufficient funding of the Coast Guard also undermines the morale of the dedicated men and women who serve long hours, encounter countless life-threatening situations, but receive little public recognition. They can only look on in dismay when they are rewarded for a job well done not with funding increases, but with funding reductions.

More than 600 Coast Guard personnel live and work in Pinellas County, FL, which I represent. From my discussions with the commanding officers at the Coast Guard stations in St. Petersburg and Clearwater, I know that this year's funding reductions have had a significant impact on morale. Ship crews operating out of St. Petersburg are working in excess of 80 hour weeks. Pilots and ground crews at the Clearwater Air Station are flying at 160 percent of their planned program hours.

The legislation we consider today acknowledges the important role of the Coast Guard and the need to fulfill our commitment to provide the proper resources to perform its mission. It would ensure, for example, that the Coast Guard is able to continue making tremendous strides in our Nation's battle against drug smugglers. Through increased cooperation with other Federal agencies, State and local law enforcement agencies, and the Department of Defense, the Coast Guard is making great progress in this area. The commander of the Coast Guard's St. Petersburg group reports that the men and women under his command seized more contraband in the first 6 months of this fiscal year than they did in all of fiscal year 1985.

Pinellas County and Florida Coast Guard personnel are one of the primary points of attack in this effort. Their work, however, has a significant impact throughout our Nation because their successful interdiction of drugs in the Atlantic, Caribbean, and Gulf of Mexico reduces the supply of drugs that will eventually make its way to our Nation's youth in the Northeast, Midwest, and west coast.

Mr. Chairman, let's not threaten the inroads the Coast Guard has made against drug smugglers. Let's not threaten the Coast Guard's ability to perform search and rescue missions. Let's instead send a message to the men and women of the Coast Guard that we recognize the outstanding job they're doing under sometimes difficult circumstances. Let's approve this legislation today as a first step toward ensuring that the proper level of resources are made available for Coast Guard operations throughout our Nation. The Coast Guard has served our country with pride and distinction for more than 200 years. Let's reward that history of service with a commitment to provide adequate resources so that the Coast Guard can continue to carry out its varied missions to ensure our Nation's safety and well-being.

Mr. LENT. Mr. Chairman, today we are considering the Coast Guard Authorization Act, H.R. 4208, a bill that addresses certain Coast Guard budget and policy issues. Congressman STUDDS of Massachusetts, chairman of the Coast Guard Subcommittee, and Congressman DAVIS of Michigan, the ranking minority member, are to be congratulated for developing an excellent piece of legislation.

As I view this bill, it is primarily concerned with three main issues: funding, maritime safety, and contracting activities. It is important that the Coast Guard receive an adequate and appropriate budget for fiscal year 1987. This bill provides funding that will ensure that they have the people and equipment to carry out their important missions of search and rescue, law enforcement, maritime safety, and military readiness. With regard to the latter, one section recognizes specifically the Coast Guard's responsibility for the coastal defense of the United States.

The bill also contains provisions that carefully balance the interests concerned with boating safety regarding the Coast Guard's towing policy and the funding allocation to carry out the Recreational Boating Safety Program. In addition, it includes a provision to transfer forfeited vessels for use in fishing vessel safety programs.

Finally, various contracting provisions have been included in the bill to ensure that the Coast Guard retains control of basic logistic capabilities and carries out various employment and U.S.-built objectives.

The Coast Guard is one of the most useful and cost-effective agencies that we have in our Government. I urge all my colleagues to support H.R. 4208 to provide budget authority for the Coast Guard in fiscal year 1987.

Mr. GILMAN. Mr. Chairman, I rise in support of H.R. 4208, the Coast Guard Authorization Act of 1986, which would authorize $2.2 billion for Coast Guard operations, procurement, and research programs for fiscal year 1987. This is $237.5 million below the President's fiscal year 1987 budget request and approximately $475.2 million less than the fiscal year 1986 authorization.

Under H.R. 4208, more than $1.8 billion would be authorized for operating expenses, which is more than $171 million if the effect of Public Law 99-177, the Gramm-Rudman-Hollings Balanced Budget and Emergency Control Act is considered; $300 million would underwrite Coast Guard acquisitions, construction, and improvements, which represents a decrease of $264 million that was appropriated in 1986; $35 million would be devoted to research, development, testing, and evaluation, which is approximately $14 million above the 1986 appropriation and the administration's 1987 request; and "such sums as may be necessary," which is estimated at $354 million for 1987, would be authorized to pay retired Coast Guard personnel.

According to the House Committee on Merchant Marine and Fisheries' report accompanying H.R. 4208, the impact of Gramm-Rudman-Hollings has "resulted in a cut of $106 million in the Coast Guard budget, including $76 million in the operating expenses account."

The report further states:

The effect of this change has been to reduce substantially the Coast Guard's operating capabilities throughout the country. In an effort to save non-essential expenses, the Coast Guard has reduced patrols, training, small-scale procurement, and equipment maintenance. This reduced level of operating is expected to continue through the end of the current fiscal year, but no one believes it to be an adequate long term approach for dealing with shortfalls in the Coast Guard's budget.

If it should become clear that full funding for the Coast Guard's operating account is not going to be forthcoming, the Coast Guard intends to reduce its level of personnel, close stations, and mothball equipment. Coast Guard officials believe it will make more sense for the Coast Guard to derive full value from a reduced quantity of people and equipment than it would to continue trying to support its full complement of people and equipment with insufficient funds.

Mr. Chairman, although I support H.R. 4208, I must say that these nogrowth budget restrictions will result in our Coast Guard treading water in its efforts to help interdict illicit drugs that are washing onto our shores by the boat load, penetrating our airspace by the plane load, and entering every city, town, and school district throughout all of our congressional districts.

The Coast Guard is doing more with less resources to combat the narcotic traffickers. Given its increased responsibilities that have been mandated by Congress over the past 20 years, we must find a way to provide the Coast Guard with urgently needed additional personnel, equipment, and vessels to replace its aging fleet. If we truly mean what we say about "waging war against narcotics trafficking," then we must elevate narcotics trafficking to a top priority in our agenda and provide our front line drug law enforcement agencies with the resources to do the dangerous and difficult task of interdicting the narcotics traffickers who are jeopardizing the health of our citizens and who are undermining our political, economic, and social institutions. The survival of our society is at stake.

Ms. MIKULSKI. Mr. Chairman, I rise in strong support of H.R. 4208, the Coast Guard authorization for fiscal year 1987.

As an original cosponsor of this legislation, I believe that it provides a mimimum guarantee in these tough fiscal times that the Coast Guard will have the resources it needs to carry out its basic mission: to assist in our defense readiness, guarantee marine safety and enforce our maritime laws.

The Coast Guard plays an important role in the protection and defense of our Nation's coastal waters. In my own State of Maryland it provides substantial protection and guidance to recreational and commercial boaters on the Chesapeake Bay. In addition, it serves the Port of Baltimore through enhancing its marine safety and port security. In other parts of the Nation, the Coast Guard is the cornerstone in the fight against drug tafficking.

H.R. 4208, while providing not nearly as much for the Coast Guard as I believe we ought to, will allow them to continue their work in these and other areas at existing levels.

I am also pleased that this legislation contains a section to protect the Coast Guard from contracting out its core logistic essential functions to the private sector which was included at my request. In these times when we are looking for ways to reduce the Federal deficit, it is absolutely crucial that we keep the most efficient and cost-effective portions of the Coast Guard intact.

As part of this section on contracting out, the Merchant Marine and Fisheries Committee unanimously adopted an amendment I offered which exempts all industrial work at the Coast Guard Yard in Curtis Bay, MD, and the Coast Guard Aircraft Repair and Supply Center in Elizabeth City, NC from contracting out.

These two facilities are the cornerstone of the Coast Guard's ability to maintain its naval and air fleets. I am particularly aware of this at the Coast Guard Yard because it is in my congressional district. Since 1899, the yard has performed valuable ship construction and repair for our Armed Forces in every major conflict since world War I. The yard is also regularly called upon to perform highly technical repair work on the Coast Guard fleet in a very short period of time.

The committee adopted my amendment for two reasons.

First, national defense. Since 1981, our Nation has lost 25 shipyards alone, including 16 the Navy has said were essential for national defense. If we would allow the contracting out of the yard's industrial capabilities, we would lose yet another yard we need in the event of a national emergency as part of our shipyard mobilization base.

Second, to help limit Federal spending. The yard and the Aircraft Supply Center are the Coast Guard's only two major industrial facilities. Because they employ Coast Guard military and civilian personnel, they operate more efficiently and less expensively than if their industrial work were contracted out to the private sector.

A prime example of this was the effort to contract out crane maintenance at the yard. Up until 1981, when this work was done with Coast Guard civilian employees, it cost the Coast Guard $165 an hour to maintain the yard's cranes. When the same work was contracted out from 1982-85, it cost the Coast Guard $255 an hour. The net result: contracting out cost the Coast Guard 36 percent more than if the work had been done in-house.

We all know that every Federal agency is being examined to achieve substantial budget savings wherever possible. As a result, it makes sense that if we really want to help keep the Coast Guard save money, it makes the most sense to keep its most efficient operations at Curtis Bay and Elizabeth City intact.

In closing, I want to commend the chairman of the full committee, Representative WALTER JONES, and the chairman of our Coast Guard Subcommittee, my friend and colleague GERRY STUDDS, for their strong support of the Coast Guard and its industrial base at Curtis Bay and Elizabeth City.

And I urge my colleagues to support this legislation so that we can make sure that the Coast Guard is given the resources it needs to protect and defend our coastal waters and its marine resources.

Mr. MACK. Mr. Chairman, I want to add my voice to those who have spoken of the excellent work of the U.S. Coast Guard as we consider reauthorization of Coast Guard funding for fiscal year 1987.

Throughout its history, the Coast Guard has had responsibility for enforcing the Nation's customs laws, providing navigational, rescue and life-saving operations, and defensive military service during wartime. In recent years, that role has been expanded by Congress and the executive branch to include water pollution and oil-spill control, marine sanctuaries enforcement, boat safety programs, vessel traffic, and enforcement of fishery laws. Perhaps the most important of these new responsibilities are the efforts at drug interdiction and against illegal immigration.

In cooperation with other Federal and State agencies, the Coast Guard has played an invaluable part in stemming the flow of dangerous drugs and illegal aliens into the United

States. These activities, which are of paramount importance in my State of Florida, are an important aspect of our crime fighting efforts, and should remain a high national priority. I fully support the continuation of these activities and recommend that Congress enhance these efforts during the appropriations process.

Americans value the commercial and recreational potential of our coastal resources. The Coast Guard allows us to enjoy and preserve those resources in a safe and secure manner, and protects the sanctity of our coastal borders. The people of Florida and the Nation are grateful for this role, and I therefore wholeheartedly support the reauthorization of Coast Guard programs for 1987.

Mr. DAVIS. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. STUDDS. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, each section of the bill is considered as having been read for amendment under the 5-minute rule.

The Clerk will designate section 1.

Mr. STUDDS (during the reading). Mr. Chairman, I ask unanimous consent that the bill be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The text of the bill is as follows:

H.R. 4208

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Coast Guard Authorization Act of 1986".

AUTHORIZATION OF FUNDS

SEC. 2. Funds are authorized to be appropriated for necessary expenses of the Coast Guard for fiscal years, 1987 and 1988 as follows:

(1) For the operation and maintenance of the Coast Guard, $1,862,800,000 for fiscal years 1987 and $1,950,000,000 for fiscal year 1988; and for increases in salary, pay, and other employee benefits authorized by law, such sums as may be necessary for each such fiscal year.

(2) For the acquisition, construction, rebuilding, and improvement of aids to navigation, shore facilities, vessels, and aircraft, including equipment related thereto, $300,000,000 for fiscal year 1987 and $350,000,000 for fiscal year 1988.

(3) For research, development, test, and evaluation, $35,000,000 for fiscal year 1987 and $40,000,000 for fiscal year 1988.

(4) For retired pay including the payment of obligations therefor otherwise chargeable to lapsed appropriations for this purpose, and payments under the Retired Serviceman's Family Protection and Survivor Benefit Plans, and for payments for medical care of retired personnel and their dependents under the Dependents' Medical Care Act, such sums as may be necessary for fiscal years 1987 and 1988.

MILITARY TRAINING

SEC. 3 For fiscal years 1987 and 1988, the Coast Guard is authorized average military training student loads as follows:

(1) For recruit and special training, 3,200 student-years.

(2) For flight training, 110 student-years.

(3) For professional training in military and civilian institutions, 441 student-years.

(4) For officer acquisition, 925 student-years.

TRANSFER OF FUNDS

SEC. 4. (a) Whenever the Secretary of the department in which the Coast Guard is operating determines it to be in the national interest, the Secretary may transfer not to exceed 10 percent of the funds appropriated for the purposes described in paragraph (1) or (2) of section 2 of this Act for use for any purpose described in any paragraph of section 2. If amounts are appropriated to any other officer of the United States for carrying out the purposes described in section 2, that officer may transfer to the Secretary the full amount of the funds so appropriated, and the funds transferred shall be allocated by the Secretary for the purposes described in paragraphs (1) and (2) of section 2.

(b) No transfer of funds may occur under subsection (a) of this section until 15 days after the Secretary has provided written notification to the Chairman of the Committee on Commerce, Science, and Transportation of the Senate and the Chairman of the Committee on Merchant Marine and Fisheries of the House of Representatives stating the reasons for the determination and a description of the purposes for which the funds proposed to be transferred will be used.

LIMITATIONS ON CONTRACTING PERFORMED BY THE COAST GUARD

SEC. 5. (a)(1) It is in the national interest for the Coast Guard to maintain a logistics capability (including personnel, equipment, and facilities) to provide a ready and controlled source of technical competence and resources necessary to ensure the effective and timely performance of Coast Guard missions in behalf of the security, safety, and economic and environmental well-being of the United States.

(2) The Secretary of the Department in which the Coast Guard is operating shall identify those Coast Guard activities that are necessary to maintain the logistics capability described in paragraph (1). The Secretary shall provide a list of such activities to the Committee on Merchant Marine and Fisheries of the House of Representatives and to the Committee on Commerce, Science, and Transportation of the Senate not later than January 31, 1987. If the Secretary does not provide such list by that date, no activity performed by Coast Guard personnel may be contracted for performance by non-Government personnel after that date until the list is provided to such committees.

(b)(1) Except as provided in paragraph (2), performance of an activity identified by the Secretary under subsection (a)(2) may not be contracted for performance by non-Government personnel.

(2) The Secretary may waive paragraph (1) with respect to any Coast Guard activity if the Secretary determines that the performance of that activity by Government personnel is no longer necessary to ensure the effective and timely performance of Coast Guard missions.

(3) A waiver under paragraph (2) may not take effect until a period of thirty days in which either the Senate or House of Representatives is in session has expired after the Secretary has submitted in writing to the Committee on Merchant Marine and Fisheries of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate, a full and complete statement concerning the waiver and the reasons therefor.

(c) Before the beginning of fiscal years 1987 and 1988, the Secretary shall submit to the Committee on Merchant Marine and Fisheries of the House and the Committee on Commerce, Science, and Transportation of the Senate a list of activities that are to be contracted for performance by non-Government personnel under the procedures of Office of Management and Budget Circular A-76 during that fiscal year.

MARITIME DEFENSE ZONE

SEC. 6. Secton 2 of title 14, United States Code, is amended by striking out the period at the end and inserting in lieu thereof the following: ", including the fulfillment of Maritime Defense Zone command responsibilities."

CONSTRUCTON IN UNITED STATES SHIPYARDS

SEC. 7. Chapter 17 of title 14, United States Code (relating to administration), is amended by adding at the end the following new section:

"§ 664. Restriction on construction of vessels in foreign shipyards

"(a) Except as provided in subsection (b), no Coast Guard vessel, and no major component of the hull or superstructure of a Coast Guard vessel, may be constructed in a foreign shipyard.

"(b) The President may authorize exceptions to the prohibition in subsection (a) when the President determines that it is in the national security interest of the United States to do so. The President shall transmit notice to Congres of any such determination, and no contract may be made pursuant to the exception authorized until the end of the 30-day period beginning on the date the notice of such determination is received by Congress.".

PAYMENT OF INTEREST TO COAST GUARD AUXILIARY

SEC. 8. Section 830 of title 14, United States Code, is amended by—

(1) inserting "(a)" before "Appropriations"; and

(2) adding at the end the following new subsection:

"(b) The Secretary may pay interest on a claim under this section in any case in which a payment authorized under this section is not made within 60 days after the submission of the claim in a manner prescribed by the Secretary. The rate of interest for purposes of this section shall be the annual rate established under section 6621 of the Internal Revenue Code of 1954.".

POLICY ON USE OF AUXILIARY

SEC. 9. (a) Chapter 23 of title 14, United States Code (relating to Coast Guard Auxiliary) is amended by adding at the end the following new section:

"§ 833. Policy on use of Auxiliary

"The Commandant shall make full use of available and qualified members of the Auxiliary in rendering aid to distressed persons, vessels, and aircraft in accordance with section 88 of this title.".

(b) The analysis of chapter 23 of title 14, United States Code, is amended by adding at the end the following:

"833. Policy on use of Auxiliary.".

TECHNICAL AMENDMENTS TO TITLE 14 AND TITLE-46

SEC. 10. (a)(1) The analysis of parts, before section 1 of title 14, United States Code, is amended by striking out—

"II. Coast Guard Reserve and Auxiliary ..... 751"

and inserting in lieu thereof

"II. Coast Guard Reserve and Auxiliary ..... 701".

(2) The analysis of chapters of part II of title 14, United States Code, is amended by striking out—

"21. Coast Guard Reserve ..... 751"

and inserting in lieu thereof

"21. Coast Guard Reserve ..... 701".

(3) Section 82 of title 14, United States Code, is amended by striking out "Federal Aviation Act of 1958, as amended (49 U.S.C. 1301 et seq.)" and inserting in lieu thereof "Federal Aviation Act of 1958 (49 App. U.S.C. 1301 et seq.)".

(4) Section 91 of title 14, United States Code, is amended by striking out the first sentence and inserting in lieu thereof the following: "The Secretary shall control the anchorage and movement of any vessel in the territorial waters of the United States to insure the safety or security of any United States naval vessel in those waters.".

(5) Section 146 of title 14, United States Code, is amended by striking out "Postmaster General" and inserting in lieu thereof "United States Postal Service".

(6)(A) Sections 431, 433, 434, and 438 of title 14, United States Code, are repealed, except that the repeal of such sections shall not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before the date of enactment of this Act.

(B) The analysis of chapter II of title 14, United States Code, is amended by striking out the items relating to sections 431, 433, 434, and 438.

(7) Section 432(g) of title 14, United States Code, is amended—

(A) by inserting "(1)" after "(g)"; and

(B) by striking out the last paragraph and inserting in lieu thereof the following:

"(2) The additional compensation authorized by this subsection shall be included in any computation of compensation under section 6 of the Act of June 20, 1918 (33 U.S.C. 763).".

(8) Section 829 of title 14, United States Code, is amended by striking out "Section" and inserting in lieu thereof "section".

(9) The first section of the Act entitled "An Act to require authorization for certain appropriations for the Coast Guard, and for other purposes", approved June 21, 1963 (77 Stat. 68; 14 U.S.C. 92 note), is repealed.

(b) Title 46, United States Code, is amended—

(1) in section 2101(11b), by inserting "freezing," after "icing,";

(2) in paragraphs (1) and (3) of section 10101, by striking out "owned by a citizen of the United States";

(3) in sections 10313(e) and (h), 10314(e), 10504(a), and 10505(d), by striking out the last sentence;

(4) in section 10504(d)(3), by striking out "(except a vessel taking oysters)".

TOWING LICENSE

SEC. 11. (a) Section 8904 of title 46, United States Code, is amended by—

(1) inserting "(a)" before "A towing"; and

(2) adding at the end the following:

"(b) A towing vessel that tows a disabled vessel shall be operated by an individual licensed by the Secretary to operate that type of vessel in the particular geographic area, under prescribed regulations."

(b) The amendments made by subsection (a) shall take effect on January 1, 1988.

ADMINISTRATIVE COSTS OF BOATING SAFETY PROGRAM

SEC. 12. Section 13103 of title 46, United States Code, is amended by adding at the end the following new subsection:

"(d) Before making any allocation under this section for a fiscal year, the Secretary shall retain not less than one percent nor more than two percent of the amount appropriated for such year for State recreational boating safety programs for the payment of costs of administration of this chapter.".

APPLICABILITY OF CERTAIN LAWS TO COAST GUARD CONTRACTS

SEC. 13. During fiscal years 1987 and 1988—

(1) the Act of March 3, 1931 (40 U.S.C. 276a-276a-5) shall not apply with respect to any contract of the Coast Guard of less than $25,000;

(2) section 2 of the Service Contract Act of 1965 (41 U.S.C. 351) shall not apply with respect to any contract (or any bid specification therefor) of the Coast Guard of less than $25,000; and

(3) section 8(c)(1)(A) of Small Business Act (15 U.S.C. 637(c)(1)(A)) shall not apply with respect to any contract or order of the Coast Guard expected to be less than $25,000.

FORFEITED VESSELS

SEC. 14. (a) Whenever, under a law of the United States, a vessel is forfeited to the United States, the vessel may be transferred, without consideration, to an educational institution with a commercial fishing program that includes courses in vessel safety and seamanship approved by the Secretary of the department in which the Coast Guard is operating.

(b) A transfer under this section shall be made on terms and conditions considered appropriate by the Federal officer making the transfer, including the following:

(1) The educational institution shall be responsible for maintaining the vessel.

(2) The educational institution shall not transfer the vessel except to the United States.

(c) The United States shall not be liable in an action arising out of the use of a vessel which has been transferred under this section.

LIMITATION ON TRAINING

SEC. 15. Notwithstanding any other provision of law, no training or course of instruction may be provided by the Coast Guard to employees of the government or to members of the armed services of the Republic of South Africa during fiscal years 1987 and 1988.

STATUS REPORTS ON POLAR ICEBREAKING VESSELS

SEC. 16. The Secretary of the Department in which the Coast Guard is operating shall provide detailed reports to Congress concerning the status of design and construction plans for the procurement of at least two new polar icebreaking vessels. These reports shall be included in the Cutter Plan required annually by section 663 of title 14, United States Code, and shall be submitted each year until at least two new polar icebreaking vessels have been delivered to the Coast Guard.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk proceeded to read the first committee amendment.

Mr. STUDDS (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendments be considered en bloc, and that they be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The text of the committee amendments is as follows:

Committee amendments: Page 2, lines 3 and 4, strike out "years 1987, and 1988" and insert in lieu thereof "year 1987".

Page 2, line 6, strike out "for" and all that follows through "1988" on line 7.

Page 2, lines 9 and 10, strike out "for each such fiscal year".

Page 2, line 14, strike out "for" and all that follows through line 15 and insert in lieu thereof the following: ", to remain available until expended.".

Page 2, line 18, strike out "for" and all that follows through line 19 and insert in lieu thereof the following: ", to remain available until expended.".

Page 3, line 3, strike out "for fiscal years 1987 and 1988".

Page 3, strike out line 4, and insert in lieu thereof the following:

AUTHORIZED LEVELS OF MILITARY STRENGTH AND MILITARY TRAINING

Page 3, after line 6, insert the following:

SEC. 3 (a) For fiscal year 1987, the Coast Guard is authorized an end-of-year strength for active duty personnel of 39,200. The authorized strength does not include members of the Ready Reserve called to active duty under the authority of section 712 of title 14, United States Code.

Page 3, line 12, strike out "SEC. 3." and insert in lieu thereof "(b)".

Page 3, line 12, strike out "years 1987 and 1988" and insert in lieu thereof "year 1987".

Page 4, line 25, insert "(A)" after "(2)":

Page 5, line 10, insert the following:

(B) The list submitteed by the Secretary under this section shall not include—

(1) any activity that is being performed under contract by non-government personnel on the date of enactment of this Act, or

(2) any activity for which Congress received, prior to April 1, 1986, a written notification pursuant to section 14(b)(2) of Public Law 98-557 (98 Stat. 2864), of intent to contract.

Page 5, line 25, after "activity" insert "(other than an activity described in subsection (d))".

Page 6, after line 20, insert the following:

(d) For purposes of this section, industrial activities carried out at the Coast Guard Yard, Curtis Bay, Maryland, and industrial activities carried out at the Coast Guard Aircraft Repair and Supply Center, Elizabeth City, North Carolina, shall be considered to be activities that are necessary to

maintain the logistics capability described in subsection (a)(1).

Page 7, after line 2, insert the following new subsection:

(e) Notwithstanding any other provision of law, each contract awarded by the Coast Guard in fiscal years 1987 and 1988 for construction or services to be performed in whole or in part in a State which has an unemployment rate in excess of the national average rate of unemployment as determined by the Secretary of Labor shall include a provision requiring the contractor to employ, for the purpose of performing that portion of the contract in that State, individuals who are local residents and who, in the case of any craft or trade, possess or would be able to acquire promptly the necessary skills. The Secretary of the department in which the Coast Guard is operating may waive the requirements of this subsection in the interest of national security or economic efficiency.

Page 7, line 23, insert "(a)" after "SEC. 7.".

Page 8, after line 14 insert:

(b) The analysis of Chapter 17 of title 14, United States Code, is amended by adding at the end the following.

"§664. Restriction on construction of vessels in foreign shipyards."

On page 11 after line 17, insert the following:

(2)(A) in chapter 75, be adding the following new section:

"§7504. Travel and expense reimbursement

"When a requirement to qualify for the issuance of, or endorsement on, a certificate, license, or document under this part is administered at a place at the request of an applicant or an applicant's representative, the applicant or representative may reimburse the Secretary for the travel and subsistence expenses incurred by the personnel assigned to perform the administration of the requirement. Amounts received as reimbursement under this section shall be credited to the appropriation for operating expenses of the Coast Guard.".

(B) in the analysis of chapter 75, by adding the following item:

"7504. Travel and expense reimbursement.";

Redesignate succeeding paragraphs accordingly. Page 12, after line 15, insert the following new section:

MANNING REQUIREMENTS OF MOBILE OFFSHORE DRILLING UNITS

SEC. 11. (a) Section 2101 of title 46, United States Code, is amended by inserting after paragraph (15) the following new paragraph:

"(15a) 'mobile offshore drilling unit' means a vessel, other than a public vessel of the United States, capable of engaging in drilling operations for the exploration or exploitation of subsea resources.'.

(b) Section 8101(a) of title 46, United States Code, is amended to read as follows:

"(a) The certificate of inspection issued to a vessel under part B of this subtitle shall state the complement of licensed individuals and crew (including lifeboatmen) considered by the Secretary to be necessary for safe operation. A manning requirement imposed on—

"(1) a sailing school vessel shall consider the participation of sailing school instructors and sailing school students in the operation of that vessel; and

"(2) a self-elevating mobile offshore drilling unit when engaged in drilling operations shall consider the specialized nature and economics of the unit.".

(c) Section 8701(a) of title 46, United States Code, is amended by—

(1) strike out "and" at the end or paragraph (6);

(2) striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and"; and

(3) adding the following new paragraph at the end:

"(8) a mobile offshore drilling unit with respect to individuals, other than passengers or crewmembers required by the certificate of inspection, carried on board the unit for the sole purpose of carrying out the industrial business or function of the unit.".

Redesignate succeeding sections accordingly.

On page 14, strike lines 22 through 24 and on page 15 strike line 1 through 11.

Redesignate succeeding sections accordingly.

Page 15, strike out line 13 and all that follows through line 3 on page 15 and insert in lieu thereof the following:

SEC. 14. (a) Whenever a vessel is forfeited to the United States the vessel may be donated, in acccordance with the procedures under the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.), to an educational institution with a commercial fishing vessel safety program approved by the Secretary of Transportation under subsection (b) that includes at a minimum the following courses in fishing vessel safety:

(1) vessel stability;

(2) firefighting;

(3) shipboard first aid;

(4) marine safety and survival; and

(5) seamanship rules of the road.

(b) An educational institution may apply to the Secretary of Transportation for approval of its fishing vessel safety program. In evaluating the program, the Secretary may consider the adequacy of the course of instruction, the competency of the instructors, and the suitability of the equipment used by or in connection with the school. The Secretary may prescribe regulations to carry out this section.

(c) The donation of a vessel under this section shall be made on terms and conditions considered appropriate by the Federal officer making the donation, including the following:

(1) The educational institution must accept the vessel as is, where it is, and without warranty of any kind and without any representation as to its condition or suitability for use.

(2) The educational institution shall be responsible for maintaining the vessel.

(3) The vessel shall be used only for instructing students in fishing vessel safety.

(4) If the vessel is eligible to be documented, it must be documented by the educational institution as a vessel of the United States under chapter 121 of title 46, United States Code, and the requirements of this subsection shall be stated on the vessel's certificate of documentation.

(5) The educational institution must obtain the prior approval of the Adminstrator of General Services before disposing of the vessel, and any proceeds from the disposal of the vessel shall be payable to the United States Government.

(d) The United States is not liable in an action arising out of the use of a vessel that has been transferred under this section.

Page 18, line 6, strike out "year 1987 and 1988" and insert in lieu thereof "year 1987".

The CHAIRMAN. Does the gentleman wish to debate the committee amendments?

Mr. STUDDS. Yes, Mr. Chairman, I do.

The CHAIRMAN. The gentleman from Massachusetts [Mr. STUDDS] is recognized for 5 minutes.

Mr. STUDDS. Mr. Chairman, let me just say that, as the gentleman from Michigan said earlier, these are the amendments adopted in the committee and they are without controversy.

The CHAIRMAN. The question is on the committee amendments.

The committee amendments were agreed to.

AMENDMENTS OFFERED BY MR. STUDDS

Mr. STUDDS. Mr. Chairman, I offer a series of amendments, and I ask unanimous consent that they be considered en bloc, notwithstanding the fact that they amend in part the committee amendments just agreed to.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. STUDDS: Page 7, line 16, strike "efficiency." and substitute the following: "efficiency. In this subsection, 'local resident' means an individual within daily commuting distance even if not a resident of the State which has an unemployment rate in excess of the national average rate of unemployment.".

Page 8, line 17, strike "§".

Page 10, strike lines 8 through 12 and insert the following:

"ed to read as follows:

"'**91. Safety of naval vessels**

"'(a) The Secretary may control the anchorage and movement of any vessel in the navigable waters of the United States to ensure the safety or security of any United States naval vessel in those waters.

"'(b) If the Secretary does not exercise the authority in subsection (a) of this section or immediate action is required, the senior naval officer present in command may control the anchorage or movement of any vessel in the navigable waters of the United States to ensure the safety and security of any United States naval vessel under the officer's command.'.".

Page 12, line 7, strike "§".

Page 12, strike line 22, and insert in lieu thereof "vessel".

Page 13, line 11, strike "and economics".

Page 13, strike lines 21 and 22, and substitute "individuals, other than crew members required by the certificate of inspection, engaged on board".

Page 14, strike line 6, and insert in lieu thereof "(b) A vessel that tows a disabled vessel for consideration shall be".

Page 14, line 19, strike "such" and substitute "that".

Page 16, strike lines 9 through 11, and insert "safety program certified by the institution to the Federal officer referred to in subsection (b) of this section that the program includes at a minimum the following courses in fishing vessel safety:".

Page 16, strike lines 17 through 23, and redesignate the following subsections accordingly.

Page 17, line 11, strike "safety vessel" and insert in lieu thereof "vessel".

Page 17, strike lines 15 through 17, and insert in lieu thereof "46, United States Code, and the requirements of paragraph (5) of this subsection shall be noted on the permanent record of the vessel.".

Page 17, after line 22, insert the following new paragraph:

"(6) The vessel shall be inspected or regulated in the same manner as a nautical school vessel under chapter 33 of title 46, United States Code.".

Page 18, line 2, strike "14" and insert "15".

Page 18, line 8, strike "15" and insert "16".

Mr. STUDDS. Mr. Chairman, the Department of Transportation's comments on this legislation included a series of proposed technical changes. The amendments I offer now include many of the comments and suggestions made by the Department, as well as additional technical and conforming changes. They have been developed and reviewed by the staff on both the majority and the minority side, and they are, as far as I know, wholly without controversy.

Mr. DAVIS. Mr. Chairman, if the gentleman will yield, I have no objections and agree with the amendments.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Massachusetts [Mr. STUDDS].

The amendments were agreed to.

AMENDMENT OFFERED BY MR. BIAGGI

Mr. BIAGGI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BIAGGI: Section 5 of H.R. 4208 is amended as follows:

On page 6, line 21, after "(d)" add the number "(1)"; and

On page 7, after line 2, insert the following new paragraph to read as follows:

"(2) For the purposes of this section, all firefighting functions at a United States Coast Guard installation or facility are considered activities that are necessary to maintain the logistics capability described in subsection (a)(1).".

Mr. BIAGGI (during the reading). Mr. Chairman, I ask unanimous consent the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BIAGGI. Mr. Chairman, I rise today in support of my amendment to the Coast Guard authorization bill.

My amendment would prohibit the contracting out of firefighter functions at U.S. Coast Guard installations and facilities. I do not oppose the contracting out of routine functions required by OMB Circular A-76, such as grounds maintenance and food services, although I wonder whether or not such efforts will in fact save the Government any money. The Coast Guard has already spent more money trying to comply with Circular A-76 than the savings they hope to realize through contracting out. I hope that there will be an evaluation of this proposal, showing the real costs of contracting out including the additional paperwork and personnel costs associated with this alleged cost savings effort.

I intend to prohibit the contracting out of these functions that I believe to be in the national interest. I oppose any contracting out that would inhibit the timely performance of Coast Guard missions in behalf of the security, safety, economic, and environmental well-being of the United States. Firefighting is an inherently governmental function, and should not be contracted out.

Frankly, I thought that this issue had been put to bed a long time ago. Beginning in the early 1980's Congress has consistently prohibited contracting out of Department of Defense firefighting functions. The prohibition was intially imposed for a limited period pending a report by the Federal Fire Administration on the advisability of contracting out these functions. The reports have never been received.

In any event, my amendment is consistent with prior congressional prohibitions on contracting out firefighting functions.

Note also that:

Federal firefighters are highly trained and meet stringent performance standards. Contract firefighters could pose a serious threat to safety and readiness.

Federal firefighters are not overpaid. In the New York area their income is considerably less than the New York City firefighter. Contract firefighters can be expected to push their wage scales and benefits to match the major prevailing rate in the area.

Federal firefighters are prohibited from striking. Contract firefighters could strike and pose a serious risk to safety and readiness. Could you imagine the risk we would have to assume if contract firefighters did not make their services available on this July Fourth weekend on Governors Island when we will have the largest fireworks display in the history of the United States? Now is not the time to save pennies when there are terrorist groups threatening U.S. interests and facilities. Let's leave well enough alone.

Firefighting is an extremely important responsibility of the base commander in assuring security, safety, economic, and environmental wellbeing of Coast Guard installations and facilities. We must continue to provide the Coast Guard with the required direct controls; they must not be handcuffed nor handicapped by the requirement to contract out.

With this in mind, I urge support of my amendment.

□ 1400

Mr. STUDDS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I sympathize with the concern that prompted this amendment. A similar prohibition on contracting the Federal firefighting functions has been in law with respect to the Department of Defense since 1984.

I do have some hesitation as to whether the amendment is necessary, however, since there is language in the bill that would require the Secretary to identify and not to contract certain activities essential to the performance of Coast Guard missions. To the extent that firefighting is essential to Coast Guard missions, as that concept is embodied in section 5 of our bill, firefighting would not be subject to contracting whether or not this amendment were approved.

Although I am reluctant to get into the business of writing specific activity by activity restrictions by Coast Guard contracting authority, I am inclined to accept this particular amendment. The reason for this is that the Coast Guard will be placed in time of war or national emergency under the authority of the Navy, and I think there is something to be said for coordinating Coast Guard policies on issues such as this with the policies that are currently in effect for the Navy and for the entire Department of Defense.

There is one point I would like to clarify with the gentleman from New York, if I may.

In the gentleman's amendment, he refers to "all firefighting functions at a U.S. Coast Guard installation or facility." I would interpret that language as referring to all firefighting functions at Coast Guard facilities that are presently being carried out by full-time civilian or military firefighting personnel. The gentleman's amendment would not prohibit the Coast Guard from initiating or maintaining agreements with local fire departments, or even with contractors, in locations where Coast Guard facilities are so small, so isolated, or where, for some other reason, the employment of full-time firefighting personnel is not warranted.

Is that interpretation correct?

Mr. BIAGGI. If the gentleman will yield, the gentleman is absolutely correct. That is the interpretation.

Mr. STUDDS. I thank the gentleman.

Mr. Chairman, as I say, we on this side are inclined to accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. BIAGGI].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. YOUNG OF ALASKA

Mr. YOUNG of Alaska. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YOUNG of Alaska: On page 18, after line 16 and before the amendment to the title, insert the following new section:

CONVEYANCE AGREEMENT PROVISIONS

"SEC. . (a) Under the Agreement dated December 9, 1977 between the Commandant of the Coast Guard and Koniag, Incorporated, a regional native corporation, pursuant to Public Law 92-203 (a copy of which is recorded beginning at Book 44, Page 179 of the Kodiak Recording District, Kodiak, Alaska) and any conveyance made under that agreement the rights or title conveyed to Koniag, Incorporated, include the following:

"(1) Under the Agreement, welding or other equipment or machinery may be operated or maintained on lands conveyed to Koniag, Incorporated, if the equipment or machinery does not cause harmful electromagnetic interference with the Coast Guard Holiday Beach receiver site or is operated or maintained under guidelines mutually agreeable to the Coast Guard and Koniag, Incorporated.

"(2) The conveyance of the 'old shipyard' includes the wharf and all lands of any nature beneath the wharf.

"(3) An access and utility easement is intended as part of the conveyance for Parcel 2, known as Cliff Point, which consists of—

"(A) a 100-foot wide access easement along the existing access road or a location that is mutually agreeable to the Coast Guard and Koniag, Incorporated, and includes the right to construct and operate an access road, bridges, guard rails, and other associated improvements; and

"(B) a 40-foot wide utility easement adjacent to the access easement in paragraph (3)(A) of this subsection or a location that is mutually agreeable to the Coast Guard and Koniag, Incorporated.

"(b) All rights or conveyances confirmed by this section are subject to the sanctions in the Agreement referred to in subsection (a).

"(c) The Commandant of the Coast Guard or other appropriate Federal officer shall issue the appropriate corrective conveyance and perform any other appropriate ministerial or official act necessary to carry out the purposes of this section within 60 days of the date of enactment of this section.".

Mr. YOUNG of Alaska (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. YOUNG of Alaska. Mr. Chairman, the purpose of this amendment is to clarify certain ambiguous terms and conditions in a 1977 agreement with the Coast Guard to transfer certain tracts of Coast Guard property to Koniag, Inc., pursuant to Public Law 92-203. First, it clarifies that welding activities at a proposed ship repair facility that do not produce harmful electromagnetic interference with Coast Guard communications facilities are permitted. Second, it confirms title in Koniag for the wharf known as the "old shipyard" on Women's Bay near Kodiak, AK. Finally, it confirms an easement over certain Coast Guard property to guarantee access to certain landlocked tracts of land conveyed to Koniag under the agreement.

This section is merely intended to carry out the purpose of the 1977 agreement and the intention of the parties to the agreement. If not clarified, the issues addressed in this amendment would be left to the courts to decide. That legal process would take years and Koniag, Inc., the regional native corporation taking title to these lands under the agreement, would be denied the full use and benefit of those lands as intended by Public Law 92-203.

It will not add any cost to the authorization and will not convey additional lands to the corporation unintended by the original agreement. The Coast Guard contracted out a study in 1983, when the repair facility project was proposed to determine welding interference with their communications. The study concluded that, if properly installed, this equipment would not produce harmful interference.

Mr. Chairman, I am attaching a more detailed explanation and respectfully urge my colleagues to support this amendment to clarify this agreement with the Coast Guard.

DETAILED EXPLANATION OF AMENDMENT TO H.R. 4208 OFFERED BY REP. DON YOUNG OF ALASKA

The purpose of this amendment is to confirm certain entitlements of Koniag, Incorporated, under a 1977 agreement with the Coast Guard to transfer certain tracts of Coast Guard property to Koniag, Incorporated, pursuant to Public Law 92-203. Subsection (a) clarifies that welding activities that do not produce harmful electromagnetic interference with Coast Guard communications facilities are permitted. Subsection (a) also confirms title in Koniag and their successors-in-interest in the wharf known as the "old shipyard" on Women's Bay near Kodiak, Alaska. Finally, subsection (a) confirms an easement over certain Coast Guard property to guarantee access to certain land-locked tracts of land conveyed to Koniag under the agreement.

This section is merely intended to carry out the purpose of the 1977 agreement and the intention of the parties to the agreement. Otherwise, the issues addressed in this amendment would be left to the courts to decide. That legal process would take years and Koniag, Incorporated, the regional native corporation taking title to these lands under the agreement, would be denied the full use and benefit of those lands as intended by Public Law 92-203.

In 1977, the Coast Guard, the Department of the Interior, and Koniag, Incorporated, entered into a land exchange agreement. Pursuant to the agreement, the Coast Guard agreed to relinquish its interest in part of the Coast Guard reservation of Kodiak Island to enable Koniag to select the lands under Public Law 92-203.

The agreement executed by the Coast Guard and Koniag, Incorporated, is ambiguous with regard to whether welding equipment is permitted at a commercial facility located near the Coast Guard communication facility in Kodiak, Alaska. Welding shops are prohibited, but welding incidental to vessel repair operations is in question. This amendment is intended to clarify the intent of the 1977 agreement with regard to incidental welding. Koniag, Incorporated, intends to construct a much needed vessel repair facility where welding will be done incidental to vessel repairs. The purpose of certain covenants in the 1977 agreement is to prevent harmful electromagnetic interference with the Coast Guard receiver site. The ambiguity arises because it is unclear whether the phrase "which causes any electromagnetic interference" further qualifies an otherwise flat prohibition on the use of electric welding equipment in the covenants. The amendment would apply this qualifying phrase and permit the use of welding equipment that does not interfere with the Coast Guard receiver site or permit the Coast Guard and Koniag, Incorporated, to agree upon mutually agreeable guidelines for the use of this equipment. This is consistent with conventional legal interpretation which would permit a landowner to make the highest and best use of the landowner's property. Further, since the landowner (Koniag, Incorporated) in this case is willing to fall completely under the noninterference restriction, the courts would not be inclined to enforce a more restrictive interpretation that serves no purpose. The welding equipment may be installed in a manner that the FCC under 47 CFR Part 18 could issue a certificate that it does not produce electromagnetic interference. The Coast Guard contracted out a study through the Department of Defense's Electromagnetic Compatibility Analysis Center in Annapolis, Maryland, which was concluded in September, 1983. This study entitled "Potential Noise Encroachment at U.S. Coast Guard COMMSTA, Kodiak" concluded that receiving system degradation can be minimized or eliminated by installing all welders in accordance with recommended guidelines. The amendment is flexible enough to allow an agreement to be reached for welding operations so that the Coast Guard may be continuously assured that these activities will not interfere with their important search and rescue communications.

Included in the land selected by Koniag, Incorporated, under the agreement was approximately 46 acres along the west shore of Women's Bay, known as Parcel 1. The wharf in question is attached to this land and has always been used in conjunction with it.

It is clear that the parties intended that title to the wharf would pass to Koniag, Incorporated, upon conveyance of Parcel 1. The exchange agreement and Public Land Order 5267 (42 Fed. Reg. 63170, Dec. 9, 1977) relinquishing the Coast Guard's interest in the land both state: "Note: At the northeastern end of Parcel 1 the old shipyard is intended to be relinquished; however, as much as possible of the gravel pit at the northeastern end of the shipyard is intended to remain under the jurisdiction of the Coast Guard." After P.L.O. 5627 withdrew the land for selection by Koniag, Incorporated, the Department of the Interior subsequently conveyed it to Koniag, Incorporated, pursuant to Interim Conveyance 175, dated April 13, 1979.

The legal descriptions of Parcel 1 in both P.L.O. 5627 and I.C. 175 did not specifically refer to the wharf and the submerged lands

underlying it. The legal descriptions did, however, convey lands upland of the line of mean high tide and "appurtenances" thereto. Appurtenances would include the wharf attached to Parcel 1, as well as the submerged lands.

This amendment is designed to confirm title to the wharf in Koniag, Incorporated, to reflect the original intent of the parties. Title to the wharf will also include title to those lands on which the wharf is located for the reason that they are necessary to the wharf's use and enjoyment. If title to the lands is separated from the wharf, the wharf would be in trespass and potentially unusable, contrary to the intent of the parties.

Confirmation of Koniag, Incorporated's interest in the wharf will remove any uncertainty regarding their entitlement and will allow Koniag, Incorporated, and its successors-in-interest to make the highest and best use of Parcel 1. It will benefit the public by helping to create jobs in the Kodiak area.

Public Land Order 5627 also transferred a second tract of land to the Department of the Interior for selection by Koniag, Incorporated. This tract, described as Parcel 2 in the P.L.O., is located at the end of the peninsula that terminates at Cliff Point. According to the 1977 agreement, the intent of the parties was that this parcel be developed and used for residential purposes.

The Cliff Point parcel is not developable at present for the reason that it is essentially landlocked. It is located at the end of a peninsula, and the only access to it is across the U.S. Coast Guard Reservation. Due to inadvertence, Public Land Order 5627 and the subsequent conveyance (I.C. 352) failed to grant Koniag, Incorporated, any easement across the Coast Guard lands to access this parcel. The intent to grant an access easement, known as an easement by necessity, is implied from the grant of a landlocked parcel for development purposes, however. The amendment therefore confirms access to the Cliff Point tract to assist Koniag, Incorporated, to develop the tract in conformity with the parties' original intent.

It is intended that the easement will allow Koniag, Incorporated, to provide unhampered public road and utility access between the Kodiak Island Highway and the Cliff Point tract. The access easement follows the existing, currently used access road that intersects with the Kodiak Island Highway in the northern portion of T. 29 S., R. 20 W., Sec. 4, S.M., extends 50 feet to either side of the centerline of the access road, and continues to the southern boundary of the Cliff Point tract. However, the access easement may be relocated if mutually agreeable to all the parties. The utility easement is 40 feet in width, and will run adjacent to the access easement along whatever route upon which the Coast Guard and Koniag, Incorporated, agree. The easement will allow Koniag, Incorporated, to install, maintain, operate, repair, and replace any and all utilities that may be needed for a long residential subdivision. The easements shall be sufficiently broad to allow the Cliff Point tract to be fully developed as a residential community, as envisioned in the 1977 agreement.

The purpose of confirming conveyances is to clarify Koniag, Incorporated's rightful and legal entitlements. The Coast Guard or appropriate Federal official is directed to take whatever actions are necessary to issue the necessary conveyance. The amended interim conveyance will contain the same restrictions contained in the original interim conveyance subject to the clarification in this section. The interests transferred in the original conveyances and being clarified here were those of the Coast Guard, and the Secretary of the Interior shall issue the confirming conveyances in his ministerial or official capacities under the public land laws and Public Law 92-203.

Mr. STUDDS. Mr. Chairman, if the gentleman will yield, as the gentleman well knows, from our own conversations, I would prefer and in fact do prefer that problems of this kind be worked out, short of attempting to write statutory language. I suspect the gentleman shares my hope that that will still be possible in this case.

The gentleman's amendment would help facilitate the construction, as I understand it, of a boatyard, including a welding facility, on Kodiak Island.

The Coast Guard is concerned, as the gentleman knows, that this facility might cause electronic interference with Coast Guard communications, including search and rescue communications. Obviously, that would be unacceptable to the gentleman, as well as to myself.

Can the gentleman assure me that the burden of showing that the operation of a welding facility will not interfere with the Coast Guard communications should rest, even under the gentleman's understanding of his own amendment, with the native corporation, and that the Coast Guard should have the authority to halt the operation of the facility if such interference should occur?

Mr. YOUNG of Alaska. That is correct. The responsibility will lie with the corporation, and if there is interference, the Coast Guard will have the ability to halt the operation.

Mr. STUDDS. I thank the gentleman. With that understanding, we are prepared to accept the amendment.

Mr. YOUNG of Alaska. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alaska [Mr. YOUNG].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments?

Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MURTHA] having assumed the chair, Mr. MOAKLEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4208) to authorize appropriations for the Coast Guard for fiscal years 1987 and 1988, and for other purposes, pursuant to House Resolution 437, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DELAY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 374, nays 0, not voting 59, as follows:

[Roll No. 110]

YEAS—374

Ackerman	Coble	Frank
Akaka	Coelho	Frenzel
Anderson	Coleman (MO)	Fuqua
Andrews	Coleman (TX)	Gallo
Annunzio	Collins	Gaydos
Anthony	Combest	Gejdenson
Applegate	Conte	Gekas
Archer	Conyers	Gephardt
Armey	Cooper	Gibbons
Aspin	Coughlin	Gilman
Atkins	Courter	Gingrich
AuCoin	Coyne	Glickman
Barnard	Craig	Gonzalez
Barnes	Crane	Goodling
Bartlett	Crockett	Gordon
Barton	Daniel	Gradison
Bateman	Dannemeyer	Gray (IL)
Bates	Darden	Gray (PA)
Beilenson	Daschle	Green
Bennett	Daub	Gregg
Bentley	Davis	Guarini
Bereuter	de la Garza	Gunderson
Berman	DeLay	Hall, Ralph
Bevill	Dellums	Hamilton
Biaggi	Derrick	Hammerschmidt
Bilirakis	DeWine	Hansen
Bliley	Dickinson	Hatcher
Boehlert	Dicks	Hawkins
Boggs	Dingell	Hayes
Boland	DioGuardi	Hefner
Bonior (MI)	Dixon	Heftel
Bonker	Dorgan (ND)	Hendon
Borski	Dornan (CA)	Henry
Bosco	Dowdy	Hertel
Boucher	Downey	Hiler
Boulter	Dreier	Hillis
Boxer	Duncan	Holt
Brooks	Durbin	Hopkins
Broomfield	Dwyer	Horton
Brown (CA)	Dymally	Howard
Brown (CO)	Early	Hoyer
Bruce	Eckart (OH)	Hubbard
Bryant	Eckert (NY)	Huckaby
Burton (CA)	Edwards (CA)	Hughes
Bustamante	Edwards (OK)	Hunter
Byron	Emerson	Hutto
Callahan	English	Hyde
Campbell	Erdreich	Ireland
Carney	Evans (IL)	Jacobs
Carper	Fascell	Jeffords
Carr	Fawell	Johnson
Chandler	Fazio	Jones (TN)
Chapman	Feighan	Kanjorski
Chappell	Fiedler	Kasich
Chappie	Fields	Kastenmeier
Cheney	Flippo	Kennelly
Clay	Florio	Kildee
Clinger	Foley	Kleczka
Coats	Ford (MI)	Kolbe

Kostmayer	Natcher	Smith (NJ)
LaFalce	Neal	Smith, Denny (OR)
Lagomarsino	Nelson	Smith, Robert (NH)
Lantos	Nielson	Smith, Robert (OR)
Latta	O'Brien	Snowe
Leach (IA)	Oberstar	Solarz
Leath (TX)	Obey	Solomon
Lehman (FL)	Olin	Spence
Leland	Owens	Spratt
Levin (MI)	Packard	St Germain
Levine (CA)	Panetta	Staggers
Lewis (CA)	Parris	Stallings
Lewis (FL)	Pashayan	Stangeland
Lightfoot	Pease	Stark
Lipinski	Penny	Stenholm
Livingston	Pepper	Stokes
Lloyd	Perkins	Strang
Long	Petri	Stratton
Lott	Pickle	Studds
Lowery (CA)	Porter	Stump
Lowry (WA)	Price	Sundquist
Lundine	Pursell	Swift
Lungren	Quillen	Swindall
Mack	Ray	Synar
MacKay	Regula	Tallon
Madigan	Reid	Tauke
Markey	Richardson	Tauzin
Marlenee	Ridge	Taylor
Martin (IL)	Rinaldo	Thomas (CA)
Martin (NY)	Roberts	Thomas (GA)
Martinez	Robinson	Torres
Matsui	Rodino	Torricelli
Mavroules	Roe	Traxler
Mazzoli	Roemer	Udall
McCain	Rogers	Valentine
McCandless	Rose	Vander Jagt
McCloskey	Rostenkowski	Vento
McCollum	Roth	Visclosky
McCurdy	Rowland (CT)	Volkmer
McEwen	Rowland (GA)	Walgren
McHugh	Rudd	Walker
McKernan	Russo	Waxman
McKinney	Sabo	Weaver
McMillan	Saxton	Weber
Meyers	Scheuer	Weiss
Mica	Schneider	Wheat
Michel	Schroeder	Whitehurst
Mikulski	Schuette	Whitley
Miller (CA)	Schulze	Whitten
Miller (OH)	Schumer	Williams
Miller (WA)	Seiberling	Wirth
Mineta	Sensenbrenner	Wise
Mitchell	Sharp	Wolf
Moakley	Shaw	Wolpe
Molinari	Shelby	Wortley
Mollohan	Shumway	Wright
Monson	Shuster	Wyden
Montgomery	Sikorski	Wylie
Moody	Siljander	Yates
Moore	Sisisky	Yatron
Moorhead	Skeen	Young (AK)
Morrison (CT)	Skelton	Young (FL)
Morrison (WA)	Slattery	Zschau
Mrazek	Slaughter	
Murphy	Smith (FL)	
Murtha	Smith (IA)	
Myers	Smith (NE)	

NOT VOTING—59

Alexander	Hall (OH)	Oakar
Badham	Hartnett	Ortiz
Bedell	Jenkins	Oxley
Boner (TN)	Jones (NC)	Rahall
Breaux	Jones (OK)	Rangel
Broyhill	Kaptur	Ritter
Burton (IN)	Kemp	Roukema
Cobey	Kindness	Roybal
Donnelly	Kolter	Savage
Dyson	Kramer	Schaefer
Edgar	Lehman (CA)	Snyder
Evans (IA)	Lent	Sweeney
Fish	Loeffler	Towns
Foglietta	Lujan	Traficant
Ford (TN)	Luken	Vucanovich
Fowler	Manton	Watkins
Franklin	McDade	Whittaker
Frost	McGrath	Wilson
Garcia	Nichols	Young (MO)
Grotberg	Nowak	

□ 1425

Mr. CRAIG changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to authorize appropriations for the Coast Guard for fiscal year 1987, and for other purposes."

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON WAYS AND MEANS TO FILE REPORT ON H.R. 4750, COMPREHENSIVE TRADE POLICY REFORM ACT OF 1986

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means have until midnight tonight, Tuesday, May 6, 1986, to file its report to accompany the bill, H.R. 4750, the Comprehensive Trade Policy Reform Act of 1986.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

MERITS OF THE MIDGETMAN

(Mr. SPRATT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SPRATT. Mr. Speaker, our colleague, the gentleman from Oklahoma [Mr. MCCURDY], has written an excellent article called "Merits of the Midgetman" which was published on January 8, 1986, in the Washington Times. In this article, our colleague, Mr. MCCURDY, argues that the Midgetman is a successful system. Not only that, it is a necessary system to provide for the survivability of a land-based leg of our strategic triad.

He argues further that this system should be kept configured as it was conceived, as a single warhead, truly mobile system, weighing in the range of 30,000 pounds.

This article is worthy of the attention of each Member of this House, and for that reason, Mr. Speaker, I include the article for printing in the CONGRESSIONAL RECORD.

The article is as follows:

MERITS OF THE MIDGETMAN

(By Dave McCurdy)

Critics are jeopardizing development of the small mobile intercontinental missile known as Midgetman and want to change the original design of the missile approved by the Scowcroft Commission and the Congress.

Oddly enough, the criticisms are not coming from the traditional antinuclear groups or from liberal politicians; rather, they are coming from pro-defense, conservative individuals and groups in the executive branch, Congress, and the defense industries. In my opinion, their criticisms are unwarranted and self-serving.

I believe these attacks on the design of the Midgetman are for the most part related to the disappointment in conservative defense ranks over the cutback of Congress in MX deployment. Nevertheless, for whatever reason, the critics are being very shortsighted, for they are putting at risk the very foundation upon which the security of this country is based, the nuclear triad.

As a cosponsor of the amendment that capped MX deployment at 50 missiles, I am confident that MX will not be resurrected; past 50 deployed missiles, it is dead. A majority in Congress realizes that technology has passed the MX by. All silo-based nuclear missiles now are vulnerable to the ever-improving accuracy of U.S. and Soviet missiles-guidance systems.

The most realistic and cost-effective way to ensure that our ICBMs can survive on land is to make them mobile. But to do so, the missiles must be small, as the abortive attempt to make the huge MX mobile demonstrated.

In 1983, at the urging of Congress and the Scowcroft Commission, the Defense Department began research and development on Midgetman. The design favored by Congress envisioned a lightweight, single-warhead, mobile missile weighing about 30,000 pounds, equipped with a highly accurate guidance system configured for low-cost mobile operations.

These features would ensure the missile's survivability from an initial nuclear strike and give it flexibility of use not to be found in silo-based missiles.

Conservative opponents of Midgetman's design want to give priority to the traditional method of costing missile development and production. That is, they want to judge cost-effectiveness by the number of warheads per deployed missile, rather than on the probability of warhead survival.

The critics are trying to drive development in the wrong direction by adding multiple warheads and missile defense penetration aids. These features are not necessary to the mission for which Midgetman was conceived, that of an enduring postattack selective response. More important, such additions would increase the missile's weight to the point of making it unsuitable for mobile deployment.

The paramount objective of our nuclear strategy is to deter nuclear war. All other considerations short of national survival are secondary. Thus the effort to compromise the concept of a new small, single-warhead ICBM—perhaps even to kill it, as the administration's call in Geneva for a ban on all mobile ICBMs would indicate—is disturbing to those of us who believe the Midgetman is needed to maintain the deterrent value of the strategic triad.

Aborting Midgetman simply does not make sense, unless you are one of the few who have made the great leap of faith required to support the president's Strategic Defense Initiative fully before we know if it is technologically feasible.

Our criteria for future nuclear weapons systems must include survivability from a first strike, endurance in a nuclear environment, and flexibility of use.

Multiwarhead silo-based missiles do not have these characteristics.

While submarine-launched missiles have survivability and endurance, because they are multiwarheaded they do not give the President the selective flexibility of an accurate single-warhead missile. Only a small, mobile ICBM offers all three advantages.

Furthermore; a study done by the Air Force ballistic missile office shows that the cost to the Soviets of attacking a 500 Midg-

etman missileforce would be prohibitive, because it would force them to expend virtually all their missiles in the effort.

Unless we develop a small, mobile, single-warhead ICBM to restore the land-based leg of our strategic triad, the effectiveness of the triad will continue to degenerate as missile accuracy continues to improve.

Another gold-plated, immobile, multiple-warhead missile is not in our national security interest; a plain vanilla Midgetman is. It's time for the critics to wise up.

DRUG TESTING AND THE PRESIDENT'S COMMISSION ON ORGANIZED CRIME

The SPEAKER pro tempore (Mr. DARDEN). Under a previous order of the House, the gentleman from Florida [Mr. SHAW] is recognized for 5 minutes.

Mr. SHAW. Mr. Speaker, there has been considerable controversy surrounding the recommendation of the President's Commission on Organized Crime for "suitable drug testing programs." I would categorize the negative publicity about the recommendation as a knee-jerk reaction. Some people reacted out of legitimate civil liberties concerns while others saw this as a classic issue with which to "demagogue" for anxious Federal employees and a media hungry for potential scandal.

Much of the reaction that I am talking about today seemed to be based on a belief that across-the-board mandatory drug testing for all Federal employees had been recommended. Nothing of the sort was intended. If Members of this body hope to advance the rational consideration of the drug testing issue they should carefully study the Commission's report, the supplemental views of the Commissioners which I am about to introduce into the RECORD, and my own mandatory drug testing bill for Federal employees with security clearances.

I got involved with this issue because of my belief that the private sector was right in testing its employees to prevent productivity losses due to drug abuse by employees. Drug tests have recently been administered on a voluntary basis to the members of my Washington office and I am extremely proud that they have agreed to join me in demonstrating that any use of illegal narcotics is wrong. I will be paying for these tests out of my own pocket because the rules of this House do not permit paying for them as an official expense. Incidentally, I have introduced House Resolution 394, to change those rules so that a responsible drug testing program for Congressmen and their staffs could be implemented on a voluntary basis.

My mandatory drug testing bill, H.R. 4636, is not an across-the-board drug testing bill. It will not lead to violations of civil liberties on a massive scale. We are all aware of the tremendous pace of events in the Capitol and the recent increase in espionage prosecutions involving current and former Federal employees. My bill is flexible. It gives employing authorities maximum discretion as to the procedures for implementing responsible drug testing. For example, the appropriate agency head or Member of Congress would determine whether a positive test would lead to retesting, drug counseling, employment termination, or some combination of those options.

A mandatory testing program for employees with security clearances represents my own interpretation of "suitable drug testing." I can understand that others may differ but I find it singularly reprehensible that the drug testing issue is being used to alarm Federal employee groups and to feed the press with stories about the potential for massive civil liberties violations.

I see the need to exercise some leadership. We are servants of the public and that gives us some very special privileges and responsibilities. One of those responsibilities should be to affirmatively demonstrate, by personal example, that any form of drug abuse, whether recreational or habitual, is not to be tolerated. More importantly, we owe it to the American people to take all necessary measures to protect this country's national security. A responsible drug testing program for Federal employees with security clearances is a clear step in a responsible direction.

I hope that others will not miss one of the central messages of the Commission's report—that there is a need to reevaluate our national drug policy and to consider strategies which address the demand side of the narcotics trafficking equation. I support the supply side interdiction efforts of law enforcement but I also support demand side drug education and testing programs when appropriate. I might add, Mr. Speaker, that a March USA Today poll showed that 62 percent of the American people support mandatory drug testing for Federal workers even though such an across-the-board concept is not what the Commission or my legislation had intended. The overwhelming majority—77 percent—have no objection to being tested in the workplace.

I would like to conclude by asking that the supplemental views of four of the Organized Crime Commissioner's be printed in the RECORD. They elevate the discussion by providing the context in which the original drug testing recommendations were made. I urge my colleagues to carefully consider the concept of "suitable drug testing." That is what the Commission recommended and that is what I am attempting to accomplish through H.R. 4636.

Mr. Speaker, I include the views I referred on the Organized Crime Commission, as follows:

[Report to the President and the Attorney General]

THE IMPACT: ORGANIZED CRIME TODAY

SUPPLEMENTAL VIEWS OF COMMISSIONERS BREWER, MANUEL, METHVIN, AND ROWAN

Two recommendations by this Commission in its report on drug abuse, drug trafficking and organized crime were widely misreported and misrepresented before the american public. The result has been monumental confusion about this Commission's intent on a crucial weapon in the nation's armory in the attack on domestic demand for illegal drugs.

Under the title of "Reducing the Demand for Drugs." the Commission's Recommendations 3 and 8 proposed "suitable drug testing programs" for federal employees and those of government contractors, and "appropriate" programs for private employees. The Commission used these general "consensus" words to raise the topic for debate without spelling out its members own policy preferences. The stage was thus set for a disaster in public communication—one of those "tempest in a teapot" controversies that provide front-page copy, colorful quotes by extreme antagonists in public debate, and great confusion on the part of the public, with very little advancement in the rational consideration of a very serious national problem.

At a press conference accompanying the drug report's release, Deputy executive Rodney Smith, its principal author, was pressed by reporters to define and explain the Commission's testing proposal. Some of the reporters took a partisan stance and immediately termed it "unconstitutional," and questioned whether the Commission was proposing to test some, a majority, or all federal employees, and what proportion of nongovernmental employees would be tested. Smith commented, "We are suggesting to every employer in the nation that he should consider the suitability of drug testing. . . In more cases than not, it is appropriate. . . If you take an honest look, in most all cases it would be suitable."

That response got translated into news stories that the Commission proposed testing "all federal employees" (New York Times); "all federal employees and government contractors" (Washington Post); "most working Americans" (New York Times); and "every American worker" (Christian Science Monitor). None of these newspapers actually quoted the Commission report's recommendations, even in paraphrase. By contrast, the Atlanta Constitution stated the Commission "suggested American employers consider testing their workers for drug abuse."

It would be a heedless waste of public resources to test all federal employees in a campaign against illegal drug use. We have no indication that drug use is so widespread as to warrant blanket testing. Yet certainly the federal government and its employees should set an example for the rest of the nation. Working for Uncle Sam is a high privilege, as is evident by the perpetual surfeit of federal job seekers. Congress and the President have declared drug trafficking illegal, and there can be little doubt that they are reflecting the strong conviction of the overwhelming majority of the American people. Federal employees should shun the use of illegal drugs and set an example of in-

tolerance of those who do use or traffic in them. Brave federal officers risk their lives daily trying to stop the criminals and terrorists who run this trade. The user is a part of the trafficking. The American people have a right to hold federal employees to the highest standards of conduct, and to fire those who contribute to this criminal threat to our national security, and the security of friendly governments with more fragile democratic institutions than our own.

Accordingly, where there is an objective reason to believe a federal employee is using illegal drugs, the American public has the right to ask him to undergo a test. If illegal drug use is detected, if the test is reliable and is confirmed by other evidence, including additional testing, and if the drug use persists on retesting during a probationary period, the employees should be fired.

Drug abuse in the workplace costs the American economy and people untold billions in lost productivity, unnecessary accidents, property damage, injury and deaths. Statistics measuring this social phenomenon are inevitably inaccurate and unreliable. Many of the figures come from commercial consultants on drug abuse who have firing-line experience, but whose vested interest makes them suspect in the eyes of the social science purist. Nevertheless, what they may lack in objectivity may be balanced by what they possess in real-world involvement.

Several survey groups have developed an alarming profile of the average drug abuser in the work force:

He is late to work three times more than other employees, asks to go home early 2.5 times more often, absent from work 16 times more, is seven times more likely to have wage garnishments, makes five times more compensation claims, files four times more grievances, receives three times more health benefits, is involved in four times the accidents. He is between ages 18 and 35 and buys an average of $1000 worth of illicit drugs yearly.[1]

Many companies have already adopted drug screening programs. A 1985 survey showed that 18 percent of the surveyed Fortune 500 companies now have drug testing and another 19 percent were seriously considering adopting programs soon. The Associated Builders and Contractors, Inc., a trade association embracing 18,000 member firms, has termed drug abuse "constructions' hidden epidemic" and developed a comprehensive plan to help contractors fight drug (and alcohol) abuse. The association estimates at least 20 percent of all construction workers nationwide has a drug or alcohol abuse problem. A spokesman reports that firms who have begun drug testing find that within three to six months accidents drop by more than 30 percent, absenteeism declines and quality control improves.[2] A physican consultant to auto industry unions estimates more than a third of all auto workers use drugs on the job, and lost productivity and increased injury claims due to drug and alcohol abuse combined add an estimated $175 to the price of each car sold to American consumers.

According to two leading authorities, "The most important drug abuse prevention action which can be taken in the work place is to educate and empower the nonusers who comprise the large majority of workers of all ages and all levels in the company act to stop drug and alcohol problems. Nonusers need to know how much the drug and alcohol use of their fellow workers is costing them, and they need to be encouraged to act to end drug-caused problems."[3]

Just as no employer would think of undergoing surgery on the basis of a single blood or urine test, no employer should fire an employee on the evidence of single test. Urine tests under the most careful and accurate conditions tell only that there was exposure in the past. They tell nothing about the time of the exposure, or the effects, or the source. LSD and the "designer" drugs escape the standard urine and blood tests. Certain herbal teas available legally over the counter in the last two or three years will yield positive tests for cocaine use because they contain coca. Some policemen exposed to PCP in drug raids have been showing traces in their urine as much as three years later. Just as a blood or urine test is only one measure to be considered in a decision for surgery, to be complemented by other medical diagnostic expertise, including interviews, a drug test should be only a part of an employer's decision-making process in a balanced and professional drug prevention program. We must guard against a panic reaction in which "test abuse" becomes a new and pernicious part of our national drug problem.[4]

Obviously, in those occupations and functions involving public safety, employers should be more alert, and more strict in setting their standard of probable cause of testing and their standard of evidence for corrective action, whether to resort to probation, mandatory treatment, or discharge. The standards for screening policemen and airline pilots, for example, would be different for those for production line workers or postal workers. Yet simple considerations of productivity and the right of every worker to a drug-free environment seem to justify testing and other investigation on the slightest objective indication of drug use. Certainly in the more critical jobs involving public safety, and possibly in other situations, random or blanket testing may be justifiable.

IV

A national drug abuse surveillance program in which police departments would test all persons arrested on serious criminal charges would give Americans a major new weapon against both organized crime and "ordinary" crime and violence. Such a program could be carried out at very small cost with a potentially vast payoff in crime prevention.

We often overlook the critical linkages among organized crime, drug trafficking, and street crime and violence. Heroin and probably cocaine are chemicals which bind individual street criminals to organized crime and convert them into predatory servants who forage and rob and steal from productive Americans for the mobsters. The organized crime operators catch the street criminal coming and going. He must deal with them for his drugs, and in order to sell the goods he steals he must turn to them for fencing. Thus, in a significant degree, organized crime profits handsomely from the seemingly unconnected burglaries and robberies whose frequency has soared in America in the last quarter century right along with drug use.

Recent research has demonstrated the close connection between drug usage and criminal predation. Researches at Temple University and the University of Maryland interviewed 243 randomly-selected Baltimore addicts about their crimes over an eleven-year period. The addicts were responsible for some 500,000 crimes, far exceeding their number of arrests. They averaged 2,058 crimes per addict, 187 per year. But their drug dependency was not constant, nor were their crimes. When they were off drugs their crime rate was 84 percent lower than when they were shooting regularly. The researches also discovered the addicts became "more vicious and violent" in the 1970s than in earlier years, and 40 percent carried weapons.[5] Another study found that less than one percent of the crimes committed by addicts resulted in arrests.[6] Still another study, this one in Miami, found that 365 heroin users committed 118,134 crimes during a single year, an average of 324 each, nearly, a crime a day.[7]

Consider the case of a trio of burglars who operated for several months in the Maryland and Virginia suburbs of Washington, D.C., before their apprehension. They became infamous among police and newspaper readers as "the silver burglars," because they carefully separated their victims' belongings, discarded plate and taking only sterling as they ransacked homes, and their selection was always highly accurate. They also took jewelry and small antique items. For about six months this trio burglarized three homes every night, in constantly shifting neighborhoods, with the exception of a single "night off" that perplexed investigators. Their total haul ran into the millions, and they sold it to fencing organizations for a fraction of its value. A diamond ring worth $5000, for instance, brought them $250; they could not afford to argue with their buyers. The team was broken up when one was arrested on a rape charge and another was caught doing a "solo" burglary; the third was eventually arrested on an unrelated charge. They turned out to be addicts, each with a $300 a day habit. Two steadfastly refused to talk, but one readily confessed to the "silver burglaries" and pointed out many of the victimized residences. Even he, however, refused to reveal their "fencing" connections because he was afraid of being murdered if he did so.

Drug abuse has been proven to be a telltale indicator for identifying the high-rate violent predators who comprise a relatively small fraction of criminal offenders but who are responsible for an inordinately large majority of the nation's violent and "fear" crimes of homicides, rape, robbery, burglary and assault. Ten years ago, virtually nothing was known about the rates at which individual criminals commit crimes or what

[1] Many of these indicators are drawn from a profile developed from thousands of drug assistance cases by Joseph Lodge, president of a Miami-based consulting firm, Corporate Security Advisors, Inc., which specializes in drug-abuse education for industry.

[2] Bruce Wilkinson, Associated Builders and Contractors, Inc., 729 15th Street, N.W., Washington, D.C. 20005.

[3] Dr. Robert L. DuPont, former director, National Institute of Drug Abuse; and George L. Aubach, a director of Straight, Inc., an Atlanta-based nonprofit treatment program for young drug users.

[4] These words of caution reflect the views of a participant in the Commission's symposium on drug abuse and countermeasures, one of the nation's leading medical researchers, Dr. Ron Siegel, Ph.D., who directs the Center on Drug Culture and Pathology, UCLA School of Medicine.

[5] Bell, John C., Rosen, Lawrence, and Flueck, John A., of Temple University, and Nurco, David N., of the University of Maryland School of Medicine, reported in New York Times, March 22, 1981.

[6] Inciardi, James A., University of Delaware.

[7] James K. Stewart, National Institute of Justice, personal interview.

proportions of the population were involved in crime. Since then a broad array of new research sponsored chiefly by the U.S. Justice Department reveals that a far larger share of crime is committed by a far smaller fraction of high-rate offenders than anyone dreamed.[8] Moreover, even the high-rate offenders are not homogenous. Though they comprise only about seven percent of the male population and account for two-thirds of all the violent crimes, these high-rate offenders contain an even smaller group of super criminals whose incarceration would have an inordinate crime-prevention effect. For example, locking up one high-rate burglar for a year will prevent as many crimes as locking up 40 of the intermittent burglars. Keeping one super-robber behind bars prevents as many robberies as imprisoning 17 of the less active majority.[9]

Installing a national drug abuse surveillance program would give the criminal justice system a major weapon for winnowing out these high-rate violent predators. Rand Corporation researchers conducted a series of pioneering interviews and scientific surveys among 2,190 imprisoned convicts in California, Michigan and Texas prisons and jails, carefully verifying their responses. Drug use proved to be a key indicator for distinguishing the high-rate offenders from the intermittents. "Offenders who have to support $50-a-day heroin addictions or who use both alcohol and barbiturates heavily and frequently are especially likely to be persistent, serious, high-rate criminals," the Rand researchers reported. And they warned: "Prosecutors and judges should be wary of leaning toward short sentences and offenders convicted of major, violent crimes who appear to have been acting uncharacteristically because they were "high" on drugs at the time. The drug use should, in fact, be viewed as possibly indicating that the behavior for which the offender was convicted is characteristic of his deviant life-style."[10]

Prolonged heroin addiction is readily visible to virtually any trained medical observer and even to many casual observers. Identifying high-quality barbiturate use and alcohol abuse requires a slightly more sophisticated physical examination, but the pathological effects are specific and detectable. These two factors are strong predictors of high robbery rates among robbery suspects. Police departments can vastly improve their ability to identify and incarcerate high-rate robbers and burglars by using urine tests and medical exams to pick them out for concentrated investigation and prosecutive attention. Probation officers can use surprise tests to help detect probationers' relapse into crime.

The National Institute of Drug Abuse has demonstrated the feasibility of routine drug tests for persons arrested for serious criminal offenders. Testimony before this commission shows that drug-specific urine tests can be run on criminal arrestees for heroin and other opiates, cocaine and PCP for about $5.50 apiece. An additional less sensitive test for 14 drugs can be administered for less than $2 per test. Thus the United States could have screened every one of the 317,744 young persons under 21 arrested in 1984 for murder, rape, assault, robbery and burglary, for well under $3 million.[11] If a young offender shows a pattern of drug use over two or more arrests, suggest the RAND researchers, police and prosecutors would be alerted to look carefully for multiple offenses.

[8] Wolfgang, Marvin E., Figlio, Robert M., and Sellin, Thorsten, "Delinquency in a Birth Cohort" (University of Chicago Press, 1972). This was the initial report on Wolfgang's analysis of the criminal records of some 10,000 18-year-olds born in Philadelphia in 1945. The Wolfgang project followed the 1945 birth cohort through their 30th birthdays. Then, at the request of Attorney General Edward Levi, Wolfgang replicated the study with the entire Philadelphia birth cohort of 1958. The results through the 30th year will of course not be available until sometime after 1988, but anlysis of the 1945 cohort through the 30th birthday and the 1958 cohort through the 18th birthday has been widely reported. See, e.g., Wolfgang, and Tracy, Paul E., Incidence, and Severity of Delinquent Behavior (Philadelphia Center for Studies in Criminology and Criminal Law, University of Pennsylvania), 1982.

[9] Chaiken and Chaiken, "Varieties of Criminal Behavior" (Santa Monica: The Rand Corporation, R-2814-NIJ, August 1982). See also Greenwood, Peter, with Allan Abrahamse, "Selective Incapacitation" (Santa Monica: The Rand Corporation, R-2815-NIJ, August 1982).

[10] Id. Chaiken and Chaiken, at 25-26.

[11] Federal Bureau of Investigation, 1984 "Uniform Crime Reports" (Washington: Government Printing Office, 1985), page 178.

DR. RALPH POTEET: MR. EDUCATION OF MESQUITE, TX

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BRYANT] is recognized for 5 minutes.

Mr. BRYANT. Mr Speaker, I am proud to represent the people of Mesquite, TX, in the U.S. Congress and to speak for them today as I reflect upon the imminent retirement of Dr. Ralph Poteet as the superintendent of the Mesquite Independent School District.

It is difficult to imagine what the Mesquite Independent School District and its system of 21 elementary schools, 4 junior high schools, and 4 senior high schools would be like without Dr. Ralph H. Poteet.

But, of course, the Mesquite schools will never be without Dr. Poteet—even in his well-deserved retirement, because his legacy of 31 years of service to the Mesquite community, its schools, and, most of all, generations of students is permanent and unequaled.

Few Americans have had the impact on their community and neighbors that Dr. Poteet has in the more than three decades he has helped shape and educate the youth of Mesquite as a teacher, coach, principal, business manager, assistant superintendent, and—for the past 22 years—superintendent of schools.

When Dr. Poteet, already a veteran of 6 years as a teacher, coach, and principal in Bartlett, TX, came to Mesquite in 1955, the city's three schools—with a total enrollment of 2,662—were housed in two buildings on a single campus and operated with an annual budget of $350,000.

Today, the Mesquite Independent School District, which Dr. Poteet richly deserves credit for building, consists of 29 regular schools, an instructional television system, a radio station, a vocational school, and numerous support facilities with an annual budget of $72.5 million serving a student population in excess of 22,000.

As Mesquite's Congressman, I am in a position to observe that there is not one citizen in the community who has not been favorably touched by Dr. Poteet and his commitment to quality education and the progress and prosperity of the city.

Born on July 12, 1926 in Desdemona, TX, Dr. Poteet has spent most of his life serving his country, his State, and his community. He is a veteran of World War II and a deacon in his church.

He received his bachelor's degree from Southwestern University in Georgetown, TX, and did graduate work at the University of Texas at Austin before earning his masters and Ph.D. degrees from East Texas State University in Commerce. And, for the past 11 years, while continuing his full-time superintendent duties in Mesquite, he found time to share his knowledge and experience by serving as an adjunct professor at East Texas State teaching graduate courses in school business, school finance, school administration, and public school law.

Dr. Poteet is a member of just about every professional and community organization one could imagine, has written for numerous professional publications, and has been honored as "Outstanding Alumnus" by both Southwestern and East Texas State Universities.

Married to the former Anne Thomas, Dr. Poteet has one daughter, Carol Anne, who is carrying on the family tradition by teaching in the Mesquite schools. It is a measure of his character that he counts as the outstanding event of his life the arrival of his first grandchild, Zach Tipton last November.

No one expects that Dr. Poteet's retirement from the Mesquite Independent School District on July 1, 1986, will mean less community involvement for him. It will simply offer him new opportunities for different kinds of service to his neighbors and the children he has devoted his life to educating, as well as more time to share with his lovely family.

Dr. Poteet has had a fantastically productive professional life that is now a permanent part of his community. Nothing could be more appropriate than the naming of Mesquite's newest high school the Ralph H. Poteet High School as a symbol of our enduring gratitude for his life of service to generations past, present, and future.

□ 1440

NATIONAL LEGION OF VALOR DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. RUDD] is recognized for 5 minutes.

Mr. RUDD. Mr. Speaker, it is my privilege to rise today to introduce a joint resolution to designate August 4, 1986, as "National Legion of Valor Day."

The Legion of Valor, originally founded as the Medal of Honor Legion back in 1890—almost a century ago—has brought together distinguished Americans from across the country who have received our Nation's highest decorations for valor in defense of liberty and freedom: The Medal of Honor of the Navy, the Air Force and the Army, and the Distinguished Service Cross, Navy Cross and Air Force Cross.

This August 4 marks the 31st anniversary of the granting of a congressional charter to the Legion of Valor. That recognition was well deserved. However, the men and women of the Legion of Valor have never been content to sit on their laurels and stop serving our country upon their discharge from the military services: True to form, they continue to serve honorably today, taking part in community activities and veterans' services.

I therefore invite my colleagues to join me in commemorating the 31st anniversary of the congressional charter and in thanking the men and women of the legion who have demonstrated extraordianry heroism in combat, risking their lives for others so that they might be free.

Mr. Speaker, I include the text of the resolution for the information of my colleagues.

The resolution follows:

H.J. RES. 625

Whereas August 4, 1985, marks the 30th anniversary of the granting of the Congressional charter to the Legion of Valor of the United States of America, Inc.;

Whereas membership in the Legion of Valor is reserved for the recipients of our nation's highest decorations for valor; the Medal of Honor of the Navy, the Army and the Air Force, and the Distinguished Service Cross, Navy Cross and Air Force Cross;

Whereas the Medal of Honor is awarded for conspicuous gallantry and intrepidity at the risk of life above and beyond the call of duty;

Whereas the Army, Navy, and Air Force Crosses are awarded for extraordinary heroism in connection with military operations against an armed enemy;

Whereas the efforts and sacrifices of the recipients of these decorations for valor inspire their comrades and all Americans to be a force for liberty and freedom: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That August 4, 1985, is hereby designated "National Legion of Valor Day." The President is requested to issue a proclamation calling upon all Federal, State and local government agencies and people of the United States to observe the day with appropriate programs, ceremonies, and activities.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. PEPPER] is recognized for 5 minutes.

Mr. PEPPER. Mr. Speaker, I was unavoidably absent on Tuesday, April 29, 1986, Wednesday, April 30, 1986 and Thursday, May 1, 1986. Had I been present, I would have voted "aye" for rollcall 98, to suspend the rules and pass H.R. 4600, a bill to reauthorize and amend the Indian Health Care Improvement Act. I would have voted "aye" as well for rollcall 99, House Resolution 428, an open rule providing for consideration of H.R. 4421, the Community Services Programs Amendments of 1986 and, of course, I would have responded to rollcall 100 had I been present. I would have voted "no" for rollcall 101, an amendment that endeavored to repeal the Follow Through Program authorization, and, again, I would have responded to the quorum call of rollcall 102 had I been present. I would have voted "no" for rollcall 103, the Walker amendment that sought to freeze the 1987 community block grant authorization. I would have voted "aye" for rollcall 104, H.R. 4421, reauthorizing appropriations for fiscal years 1987, 1988, 1989, and 1990 to continue Head Start, Follow Through, Dependent Care, Community Services Block Grants and Community Food and Nutrition Programs.

On Wednesday, April 30, 1986, I would have voted "aye" for rollcall 105, approving the Journal of Tuesday, April 29, 1986. I would have voted "aye" for House Resolution 429, the rule to consider H.R. 3302, the bill to designate certain national forest lands in the State of Nevada for inclusion in the National Wilderness Preservation System. I would have voted "no" for rollcall 107, the amendment that sought to reject the establishment of the Great Basin National Park and Preserve.

I would have voted "aye" for rollcall 108, House Resolution 436, agreeing to the resolution to consider H.R. 4409. I would have voted "aye" for rollcall 109, the passage of H.R. 4409, authorizing appropriations for 1987 for the operation and maintenance of the Panama Canal.

POLISH CONSTITUTION DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, on Saturday, May 3, the Polish National Alliance sponsored Chicago's 95th annual Constitution Day Parade to commemorate the 195th anniversary of the first democratic Constitution of Poland. Along with many other public officials, civic and community leaders, and officers of the Polish National Alliance, it was my pleasure and honor to join on the reviewing stand for this parade, my good friend, Aloysius A. Mazewski, the outstanding President of the Polish National Alliance and the Polish American Congress.

The theme of this year's parade was "A Salute to the Polish American Youth," and included 10,000 marchers, 45 colorful floats, and 30 bands and drum and bugle corps. The grand marshals were Stanley Kusper, Jr., the clerk of Cook County, and Dr. Richard Martwick, superintendent of the Chicago Public School System. Hundreds of thousands of Chicagoans viewed the parade in person and on television, and I would like to take this opportunity to congratulate Helen M. Szymanowicz, vice president of the Polish National Alliance, and chairman of the May 3 observances, for her hard work and diligent efforts which have helped again to make this annual Constitution Day Parade an overwhelming success.

Mr. Speaker, at this point in the RECORD, I would like to insert the 4-day program which took place in Chicago to celebrate Polish Constitution Day. The program follows:

THE NINETY-FIFTH ANNUAL PARADE COMMEMORATING POLAND'S CONSTITUTION OF MAY 3, 1791

WEDNESDAY, APRIL 30

5:00 p.m.—Reception hosted by Harold Washington, Mayor, City of Chicago.

FRIDAY, MAY 2

5:00 p.m.—U.S. Vice President George Bush meets with leaders of Polish American community at headquarters of Polish National Alliance.

SATURDAY, MAY 3

9:30 a.m.—Wreath laying ceremony at General Thaddeus Kosciuszko monument.

10:30 a.m.—Pre-parade breakfast sponsored by the Chicago Society, Polish National Alliance Lodge 1450, at Bismark Hotel.

12:15 a.m.—Parade of 45 floats, 30 bands and drum and bugle corps, 10,000 marchers, step off from Dearborn and Wacker Drive and proceed south on Dearborn to Adams.

12:30-2:00 p.m.—Parade televised on WLS-TV, Channel 7, ABC, co-hosts Mary Ann Childers and Allan Krasheski, assisted by Lucyna Migala.

7:00 p.m.—Banquet at House of the White Eagle, Niles, Illinois. Principal Speaker, Dr. Zbigniew Brzezinski, Assistant to former President Jimmy Carter for National Security Affairs.

SUNDAY, MAY 4

10:30 p.m.—Offering of Mass at Holy Trinity Church, 1118 North Noble Street. Principal Celebrant: Walter Szczypula. Associate Pastor, Five Holy Martyrs Church. Con-Celebrant: Rev. Casimar Tadla, C.R., Pastor, Holy Trinity Church.

Homilist: Rev. Konstanty Przybylski, C.R., Associate Pastor, St. Hyacinth Church.

The drafting and adoption of the Constitution of 1791 by patriotic Polish leaders marked a turning point in the history of Poland. By this significant document the Poles effected a peaceful change in the structure of their government, without resorting to the bloody and violent measures which characterized other revolutions during the time period. By adopting a progressive and popular constitution, they led their countrymen from the feudal ways of the Middle Ages to the concepts of individual

liberty and responsibility which characterized the American Constitution of 1787.

The Polish Constitution, adopted a few years after our own, contained many provisions which still retain their validity today. Under these provisions, the authority of the monarchy was sharply curtailed, and ministerial responsibility was established. The upper chamber of government lost some of its preponderant powers and the second chamber, the elected representative body of the nation, was vested with genuine legislative authority. Economic barriers between the nobility and the middle class were drastically lowered.

The townsmen recovered their judicial autonomy and gained a number of political rights, especially that of admission to many of the higher offices. The peasantry was taken under the protection of the law, and religious toleration was established. Through the abolition of the most pressing political evils of the old regime, and by granting increased freedom to the middle and lower classes, the Constitution of 1791 marked a great peaceful advance over the previous attempts at reform in Poland.

Unfortunately, because of continued oppression and the partitioning of Poland by its autocratic neighbors, these newly acquired freedoms for the people of Poland were short-lived. Nevertheless, the Constitution still maintains its vitality as a beacon of hope in the face of absolutism, tyranny, and repression.

Despite all of the outrages suffered by the heroic Polish people at the hands of their Communist oppressors, these dauntless individuals cling to the noble ideals and principles outlined in the Constitution of 1791. I am proud to join with Americans of Polish descent in the 11th Congressional District of Illinois which I am honored to represent, and Polish Americans in Chicago and throughout this Nation in expressing support for the strong and unwavering desire of the Polish people that their country once again may be free to decide its own national destiny by turning the ideals expressed in the May 3 Constitution into a reality.

UNITED STATES-MEXICO RELATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. COLEMAN] is recognized for 60 minutes.

GENERAL LEAVE

Mr. COLEMAN of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. COLEMAN of Texas. Mr. Speaker, I think that I should say to my colleagues that I do appreciate the time to talk today about the United States-Mexico relations. Although it is a long-ignored area, I would submit that much increased attention has been given recently to that relationship.

Since the border region and its particular problems escape the attention of Washington, many of us in the Congress, both Republicans and Democrats, have sought a mechanism to provide a forum by which border issues and information can be disseminated to our colleagues. Formed in 1983, the Border Caucus includes both Democrats and Republicans who represent districts either directly on the United States-Mexico border, or adjacent thereto.

Through meetings and educational seminars with experts on selected areas of concern to the border, the caucus has confronted many issues that are truly indigenous to the border and to the United States, such as trade, the environment, immigration, health, education and the coordination, really, of bilateral resource centers.

The Caucus has also sought to foster improved communications between both the Congress and the executive branch with respect to our counterparts in the Government of Mexico. In so doing, the Caucus has met with many officials in the Mexican Government, including Miguel de la Madried, their Ambassador to the United States, Jorge Espinosa, and members of that government's cabinet, to better gain an understanding of their perspectives on bilateral issues.

Mexico is our third largest trading partner and our primary source of imported petroleum. Its economy and its people are inextricably woven into the cultural as well as the economic fabric of a border comprising four States and some 2,000 miles. Indeed, our banking system and large segments of the economy found in these States are dependent upon Mexico's economic health.

Yet, as the leader of the Latin American community, a region of critical importance to our national security, Mexico is treated oftentimes with far less concern of respect, even, than other key allies such as Great Britain, for example, or West Germany. I think that the failure to develop and maintain health lines of communication with Mexico today manifests itself in a variety of ways which impact this country on a day-to-day basis. Problem areas such as the unprecedented levels of illegal immigration, a flood of illicit narcotics and, thanks to the collapse of world oil prices, the weight of a crushing foreign debt are really symptomatic of a reluctance to craft our foreign policy in a way all of us can understand and promulgate.

What makes these issues difficult to deal with, of course, are that they will require hard work on both sides of the border and do not lend themselves to immediate, short-term solutions. As such, their consideration is not welcomed in many quarters of our own Government. Yet, our various agencies develop and implement specific policies with regard to Mexico individually oftentimes on an ad hoc or a crisis-to-crisis basis, policies which frequently further disrupt bilateral relations and hurt segments of our own border economies.

Mr. Speaker, because of the overriding importance of Mexico to the national security interests of the United States, our policy toward our southern ally must be clear and consistent.

It is neither.

Curbing illegal immigration is alleged to be a top national priority, but earlier this month the administration removed the duty-free status of many Mexican agricultural products, which will further increase the economic pressure on the one sector of the Mexican economy that produces more illegal immigration northward than any other.

The twin-plant system, or maquiladoras, is a boon to the United States border economy and represents the second-largest source of Mexican export earnings. In 1984, however, the administration requested and the Congress passed a trucking law that not only threatens this system but was so convoluted that the Commerce Department today refuses to enforce it.

The much-heralded Caribbean Basin Initiative [CBI] was supposed to produce a surge of economic growth in that region. But by excluding Mexico—the largest Caribbean nation—the CBI could contribute to the deindustrialization of the United States-Mexico border region by draining capital and business opportunities.

Looming over all of this, of course, in the debt crisis that could threaten the international banking system and the domestic stability of our third-largest trading partner and ally who anchors our southern flank. While many observers see economic growth and diversification as a long-term solution, the major U.S. response—the Baker plan—ignores this possibility by overemphasizing the quarterly balance sheet and downplaying the role of trade and growth.

Despite Mexico's strategic importance, we conduct trade and diplomatic relations on a crisis-by-crisis basis. Each United States agency is allowed to have its own Mexico policy, with the prime example being the decision last year by two relatively minor agency heads to shut down the entire United States-Mexico border without consulting the President or the Secretary of State. As Treasury Secretary Baker reportedly told his Customs Commissioner, William Von Raab, "the next time you decide to declare war on a foreign country, let me know." Would we have permitted Great Britain, West Germany, or

Canada to have been treated so cavalierly?

This incoherent and fragmented approach threatens United States strategic interests and undermines our national interests in Central America and the Western Hemisphere. What can be done about this apparent disregard before our opportunity to influence stability disappears?

We must recognize that our relations with Mexico are necessarily different from those with the rest of the world. Our vital national security interests are at stake. Because they involve our immediate southern border, they are by definition unique and cannot be weighed by the traditional considerations of foreign and trade policy. Unlike virtually every other nation in the world, we have never had a hostile neighbor on our own border in modern times, a historical luxury at which nations such as the Soviet Union can only marvel.

Any shift in this equation, however, could have dramatic and unforeseen consequences. Instead of the policies of negligence, we need to adopt a comprehensive, coordinated approach to relations with Mexico. I propose a "United States-Mexico Economic Development Initiative," which I will introduce in legislative form, containing a series of innovative proposals that represent a radical departure from current United States policy toward Mexico.

First, the President and the National Security Council should develop and adopt a formal national security decision that recognizes United States-Mexico trade and diplomatic relations to be among the vital national interests of the United States, and, further, these relations shall be a top foreign policy priority of this country and are to be treated as such.

Second, the President and the administration should conduct an immediate policy review of all bilateral issues with Mexico, in light of the formal elevation of United States-Mexico relations to a top priority.

Third, this immediate policy review should take place in conjunction with preparations for the cornerstone of this initiative, which is the convening of an immediate United States-Mexico summit. All bilateral issues should be on the table and should be the subject of negotiation; not unilateral edicts.

Topics for discussion at the summit should include: Mexico's accession to the GATT; duty-free treatment of Mexican products; fishing rights; direct United States investment; trucking and transportation; bridges and border crossings; oil price stability and the debt situation; the pros and cons of a free trade zone; and ways to relieve the economic pressures that produce illegal immigration.

Fourth, Mexico should be designated as a beneficiary nation under the Caribbean Basin Initiative.

Fifth, both governments should adopt policies to shore up the infrastructure that supports international trade, such as bridges and border crossings, import lots, and full staffing for customs inspectors to improve the flow of international commerce and crack down on drug smuggling.

Finally, the continuity of summitry needs to be maintained through a Cabinet-level United States-Mexico Commission, which will be responsible to maintain our communication with Mexico and between agencies within our own Government that is essential to a consistent and comprehensive policy.

The uniqueness of this new approach is the emphasis on the urgent need for continuity in our relations with Mexico. Nothing less than a comprehensive effort that sheds forever the paternalistic attitudes of the past can achieve our national security and economic goals with Mexico. We cannot develop policies "for" Mexico; instead, we must develop them "with" Mexico. Up to now, each agency has been allowed to have its own Mexico policy. As a result, the sum total is less than the sum of the parts, and our national security is put at risk.

The political stability of Mexico requires economic stability. We can continue to drift toward an uncertain future marked by instability on our southern flank, or we can seize the opportunity to move into a new era of improved relations and economic growth.

Anything less, especially in the face of overwhelming evidence of dramatic action, will be judged by history as only one more march to folly.

□ 1450

Mr. BUSTAMANTE. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Texas. I am more than happy to yield to the distinguished gentleman from San Antonio, Mr. BUSTAMANTE.

Mr. BUSTAMANTE. Mr. Speaker, I would like to thank the chairman of the Congressional Border Caucus, Mr. COLEMAN, for scheduling these remarks. Our relations with Mexico are rarely addressed in a cogent manner. We tend to wait until something terrible happens to remember our neighbor, and even then, we talk only about one aspect of our relationship at a time. It shouldn't take a financial crisis, or an oil glut, or an earthquake, to make us aware of our unique relationship with Mexico.

We share a 2,000-mile border with Mexico. My district includes 200 miles of that common border. When Mexico has a problem, my constituents have problems. Beginning in 1982, the rapid depreciation of the peso has led to a loss of purchasing power in our border communities. I represent one city, Eagle Pass, which has an unemployment rate of 30 percent. With the peso at 520 to 1, our goods are simply too expensive for Mexican consumers. That is not simply the fault of a strong dollar, or of Mexicans looking elsewhere for their goods and services. It is a symptom of a broad-based depression in the Mexican economy.

The number of apprehensions of illegal aliens in my district is up 40 percent over a year ago. Much of that increase is attributable to a lack of jobs in Mexico. Recent statistics indicate that Mexicans working legally and illegally in the United States send home as much as $1 billion a year. That money does not go to the Central Bank's cash reserves—it goes to feed a population of 77 million.

Mexico's declaration that it will seek accession to the GATT gives our countries a great opportunity for working together on economic issues of mutual interest. We will be able to address bilateral concerns in a multilateral setting. We should seek tariff cuts in a number of product areas in the name of fair trade. In responding to the accession proposal, however, we should understand the overall significance of Mexico's initiative. The De La Madrid government is sending us a clear signal that it is moving away from a trade regime based on fearing the worst to one that seeks industrial diversification and a solid footing in the global economy.

Even before the sharp drop in oil prices, Mexicans referred to their economic situation as "the crisis." Estimates indicate that oil revenues will fall from $16 billion in 1985 to $7 billion this year. Capital flight will continue at its present rate of $4 billion a year until Mexican investors begin to choose Mexico City over New York and Acapulco over Aspen as places where they can profitably do business. I continue to believe that the maquiladora plants along the border offer great promise to investors from both countries.

There is $26 billion of Mexico's foreign debt which is owed to private U.S. banks. Mexico has not yet declared an intention to default—it has insisted on frank renegotiation and has sought out additional multilateral assistance. I urge those involved in the negotiations to remember that Mexico is not like Poland, nor Brazil, nor the Philippines. We have obligations all around the world, but we have only one southern neighbor.

In the area of trade policy, which is a particularly timely subject, we will also have to keep in mind the special characteristics of our unique relationship. In the absence of any coherent policy for coming to grips with our trade deficit, the Congress will have to

explore every means, including the imposition of countervailing duties, for increasing the competitiveness of U.S. goods on the world's markets. Stabilization of the dollar by the developed countries will help in that regard. But the natural resource subsidy provisions of the omnibus trade bill as they stand to affect Mexico are not a good idea. I still have questions regarding the comparability of the provisions with the general agreement on trade and tariffs. I have even greater reservations as to their potential for further damaging the Mexican economy.

This is not to suggest that Mexico does not need to pursue internal reform. I would certainly like to see a relaxation in the current foreign investment law, which insists on 51 percent ownership of any subsidiary of a U.S. firm. Other requirements involving currency restrictions and domestic content pose obstacles to joint ventures and to economic development in general. But we should continue to promote the good work done by President De La Madrid in endorsing privatization and decentralization of the Mexican economy as a whole. We should demonstrate our appreciation for Mexico's efforts at cracking down on drug trafficking. At the same time, we should recognize that the problem is also attributable to drug abuse on our own cities.

We are not in a position to dictate to the Mexican Government. That has been our habit for too long. We would do better to listen to our neighbors than to presume to put words in their mouths. In discussing hemispheric security and international economic policy, we need to consult with Mexico. Our neighbor is 11th in the world in population. Outside of Asia, it is the fifth most populous nation. You do not treat a large friend like a poor relation.

Mexico's crisis will not evaporate with a sudden injection of good will on our part. The ruling institutional revolutionary party will have to work hard at building consensus for the difficult policy choices that lie ahead. Government spending will have to be cut. The capital, Mexico City, will have to be made more livable. But we should appreciate the courage it will take to move forward with real domestic reform. Given the size of our own budget deficit, we would be foolish to say "I told you so." Instead, we should be prepared to meet the needed changes with a demonstration of real support.

□ 1500

Mr. COLEMAN of Texas. I want to thank the gentleman also for participating. We very much appreciate your full and complete participation in the border caucus. We think it is important.

I would like to now yield to another distinguished member of the caucus; one of the newer Members in the Congress, but certainly one of those who brings to the border caucus a true sense of issues along the border, the distinguished gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. I thank the gentleman from Texas [Mr. COLEMAN] for yielding and commend him for taking the time, as chairman of the House border caucus, to do this special order to consider the issue of United States-Mexico relations.

I think that this discussion for our colleagues, which hopefully many of them will have an opportunity to listen to or to read in the CONGRESSIONAL RECORD is something that is long overdue and perhaps we need to do more frequently and on some specific topics of United States-Mexico relations.

As the chairman has suggested, and as other Members from time to time have suggested, our relations with Mexico are of extreme importance and cannot be overlooked. Mexico is our third largest trading partner, and we in the United States need to understand that we have not only trade, but national security, immigration; all kinds of political, cultural, and social issues that bind our two nations together and which, from time to time, we have found also provide sources of friction between the two countries.

So I think it is important that we focus on this issue much more than we have done in the past in this country. We have traditionally looked toward Europe and even toward the Pacific Basin, but Mexico remains a major trading partner of the United States, and with its common border, a country for which the United States has a great deal of concern.

I think we can say that Mexico is a nation in transition today. As President Miguel de la Madrid attempts to liberalize the international and domestic economic policies of Mexico, as demonstrated by Mexico's imminent accession to the General Agreement on Trade and Tariffs, [GATT], its efforts to refinance its debt in order to help make their economy more self-sustaining, and their constantly expanding wonder child—the Maquiladora twin plant system—Mexico is now also facing fundamental and profound problems which threaten to dismantle this newfound progress.

It is clear that Mexico does not possess the capability to stand up to these problems all by itself. It is now that the United States and Mexico need to work together, in partnership, for regional solutions to the economic problems that continue to plague Mexico; not merely for the continued stability of the Mexican Government, but to address in a cooperative and basic way the primary problems of poverty and economic development in a country that has known too much of the former, and not nearly enough of the latter.

With a foreign debt that is now approaching $100 billion, Mexico has been a prime target of the so-called Baker plan—an effort to help developing countries, and particularly those in Latin America, to service their debt in a way that does not sap the innate strength of the domestic industries in those countries.

Too often lesser developed countries plan their domestic economic strategy with the main goal of meeting interest payments on their debt and little more. So it is painfully ironic that Mexico, which has made efforts to revitalize ailing industries, now faces the most significant crisis since the massive devaluation of the peso. I am referring, of course, to the collapse of world oil prices.

An article published not long ago in Lyceum magazine in December of last year, written by Richard Sinkin, warned of the possible consequences of even minor drops in crude oil prices. For every $1 drop in the price of a barrel of oil, Mexico loses approximately $500 million in foreign exchange earnings. In response, Mexico's finance minister, Jesus Silva Herzog, has suggested that the industrial countries channel their savings from lower world oil prices to help exporting countries like Mexico pay their debts. Presumably, these savings would somehow be transferred through favorably negotiated terms on further loans.

This problem of declining oil prices is not simply a Mexican issue. Approximately one-quarter of Mexico's debt is owed to banks in the United States; commercial banks in this country. This drain could potentially cause deep trouble for our own Nation's most established financial institutions. We as a Nation certainly cannot allow ourselves to stand idly by while our neighbor to the South becomes ever more mired in a sinkhole of debt.

This approach must be applied not only to the problems of oil and debt, but to all the issues on which our two nations have an unbreakable bond.

Members here today participating in this special order cannot help but be aware of the consequences of the current problems which confront Mexico. The members of the border caucus, of which I am a member and the gentleman from Texas [Mr. COLEMAN] is our distinguished chairman, represent the 25 counties in our States that share a border with Mexico.

Our constitutents have economic, social, cultural bonds with Mexico that cannot and will not be severed. We, perhaps more than others, are aware of the problems that exist in Mexico and of the special nature of

the relationship; and that is why we think it is important to call to the attention of our colleagues how important that relationship is even for them, although they may not sense it on a daily basis as we do.

To us Mexico is not just an international entity. It is neighbors, friends, partners and in many cases, relatives. We share divergent national heritages, but we share common goals, have similar needs, and even rely on each other as allies in a very uncertain world.

In a sense, the current oil crisis has both a dark and a light side. The dark side is obvious, as Mexico may lose as much as $6 billion in revenues from oil sales.

However, as Mexicans realize that they can no longer depend on oil for their economic stability, they will have to turn to other sources of foreign exchange; and that is the bright side of it. President de la Madrid has demonstrated, I think, a streak of practicality in this new environment, as he does seek new means of providing for foreign exchange earnings.

President de la Madrid has called for a new round of domestic austerity measures on Government spending. He has made efforts to unload domestic industries from the public payroll, in an effort to lessen the Government involvement in industry, down from current estimates of approximately 40 percent ownership.

Mexico has announced broad plans to stimulate their export markets and play a more active role in the world economy. All of these are vital, and difficult changes for a nation that has been conspicuously moving in the opposite direction until only a few years ago. These changes are especially difficult from a political point of view, as President de la Madrid wants to quell the criticism from the left by attempting to address the devastating poverty in his country, and from a newly politicized middle class for whom economic liberalization cannot come fast enough.

A prime source of economic strength, which we have already discussed here today, is the Maquiladora twin plant system. This economic godspend—at least for those of us that have this common border, recently replaced tourism as Mexico's No. 2 source of foreign exchange earnings. Only oil actually earns more dollars for Mexico than the Maquiladora, the twin plant concept.

Beyond that, the Maquiladora system represents, I think, the ideal situation for the United States and Mexico working together for mutual benefits. The number of Maquiladoras has grown by 27 percent in the last 2 years, with the number of manufacturing jobs in border towns increasing by 47 percent.

I think those figures are particularly important to keep in mind when we remember that Mexico has had an economy that has been barely moving along at a positive rate at all, to look at a 47-percent increase in manufacturing jobs from the Maquiladora plant concept, I think, is very, very significant.

Mr. COLEMAN of Texas. If I may interrupt the gentleman at that point, I think that is one of the things that ought not to be overlooked. First of all, tourism in Mexico, and petroleum were always ranked, the latter first and tourism second, in terms of their national economy as their true assets.

Today, as you pointed out in terms of the numbers, the twin plant industry has now become their second largest economic benefactor, replacing tourism as No. 2.

□ 1510

Mr. KOLBE. I thank the gentleman for those comments. Just last year the twin plant concept brought to the nation of Mexico $1.8 billion in foreign exchange earnings. As the gentleman pointed out, certainly tourism remains, though just now behind the Maquiladora twin plant system, it remains a very important part of Mexico's economy and foreign exchange earnings.

Certainly I think steps must be taken and are being taken to help shore up Mexico's ailing tourist industry. First, confidence in security has declined in recent months with many documented incidents of hostility. And certainly the tragic earthquake last year did not help anything. The shaky political environment in the northern part of Mexico also is a consideration.

All of that, I think, can be addressed as Mexico shows that it can develop economically as it provides stability in that country.

The main issue for the United States currently is the continued stability of Mexican society as it undergoes what is a very difficult and painful set of structural changes in order to meet its current crisis.

Initiatives under the Baker plan, as I mentioned earlier, are extremely valuable in this regard. Such proposals are necessary if we are going to see the kind of vital changes that Mexico needs to make in order to progress, changes which allow Mexican industries to grow and flourish, changes which bring Mexico into the international industrial world and changes which will open up their political system.

Our role is not that of the great father of the North but that of a privileged partner. In that regard, we can provide support in a very anxious time. So I think I will close by saying I again want to commend my colleague, the chairman of the border caucus, for taking time today and to urge those of us who are members of the border caucus to be here and discuss this issue.

I hope the rest of our colleagues will join with us and the rest of the House, itself, to seek regional solutions, solutions that are going to insure the security and prosperity not only of the nation of Mexico but also for ourselves.

I thank the gentleman for yielding.

Mr. COLEMAN of Texas. I thank the gentleman from Arizona for his contribution.

Mr. Speaker, I yield to the gentleman from Texas, another member of the border caucus and a man who has probably put together, oftentimes what have been considered some of the more thoughtful works on the subject.

Mr. BRYANT. I thank the gentleman for yielding.

Mr. Speaker, I want to thank my colleague RON COLEMAN chairman of the border caucus for his leadership in calling this special order today, to focus on the importance of our neighbor to the south.

The Republic of Mexico is an industrialized, oil-producing nation of 80 million people—larger in population than the divided Germanies are, larger geographically than France, Italy, Spain, Great Britain, and West Germany combined. Yet, although we share thousands of miles of common border, our foreign policy ignores Mexico and her problems. The point of this special order today is that Mexico's problems are more our problems as well.

Traditionally, we in the United States have in practice largely viewed ourselves in isolation from many of our neighbors. This perspective always was incorrect; today it is dangerously at odds with reality. The economies and futures of Mexico and the United States are inextricably connected, and the bond is particularly evident in our State of Texas.

In this Congress, I have had the opportunity to play a significant role in the consideration of the immigration reform legislation currently before the Judiciary Committee. Illegal immigration into our country is severely affecting our labor force, our economy, and our society. It is urgent that we bring immigration under control.

But a view of the immigration problem as simply a domestic labor problem in the United States is an incomplete view. We must also take into account the economic conditions in the countries whose citizens have come to the United States illegally by the millions for jobs they cannot find at home, if we are to find a real solution.

Nowhere is this more important than in Mexico. Although an increasing number of illegal immigrants are coming from other countries around

the world, Mexico remains the major sending country.

Because Mexico and the United States are so closely interrelated economically, there are tremendous opportunities to improve the Mexican economy through our trade, investment, and development policies. We should examine our current policies to see how they affect the Mexican economy and explore changes that would be mutually beneficial to both our economies. We should look particularly at sectors of the Mexican economy with the most potential to provide employment.

As we strive to solve the immigration problem by reforming and strengthening our laws to regain control of our borders, we cannot ignore—indeed we must attempt to respond to—the real needs of Mexico. We should explore every avenue to assist a proud nation in desperate need of economic development. Not only do I hope this issue will be addressed in the immigration reform bill now under consideration in the Judiciary Committee, but also in legislation such as my Foreign Investment Disclosure and Reciprocity Act through which I hope to encourage nations like Mexico to open their doors wider to investment and business development.

As San Antonio Mayor Henry Cisneros has noted:

One of the most controversial issues will be American investment in Mexcio. Foreign firms are limited to owning no more than 49 percent of a Mexican business. This restriction clearly discourages U.S. companies from helping Mexico create new jobs. Mexico is understandably wary of permitting foreign companies to control its industries, a wariness born of the nation's revolutionary heritage. However, a compromise that protects the interests of both Mexico and the United States is possible. But it will be found only after frank and thoughtful discussions. Trade restrictions on both sides of the border need to be reconsidered. Better foreign markets for Mexican products will help keep more of its population at home.

This approach will benefit us as it benefits the people of Mexico. It will expand trade and investment opportunities in both directions and relieve the poverty and hopelessness that has led people to leave their homes and country for a chance at a better future.

As we consider immigration reform, I urge my colleagues to consider also its international dimensions. We may not have the resources to share the American dream with everyone who wishes to come here, but we can help spread the American dream to our neighbors to the south.

An extremely thoughtful article by William Broyles, Jr., recently published in U.S. News & World Report is worth quoting here:

The wonder of our relations with Mexico is not that they are bad but that they are as good as they are. Only two other industrialized Western nations share land borders with Third World countries—South Africa and Israel. And they are isolated, besieged states on hostile terms with their neighbors. Mexico, in contrast, may stand apart from us when the rhetoric flies, but Mexicans know our futures are tied.

The issues that trouble our side of the relationship are definitely real. The stagnant Mexican economy is sending unprecedented waves of illegal immigrants across the border; Mexico is now our leading source of heroin and marijuana, and, thanks to the collapse of the world oil market, by the end of this month Mexico will be technically in default on the interest of its foreign debt. These are thorny, difficult matters: They require hard work on both sides of the border, and they don't have dramatic, headline-grabbing solutions. They are, in short, no-win issues—the sort that few politicians want anything to do with.

Then Broyles concludes:

We have to confront the real issues not simply for the good of *Mexico* but for the good of the *United States*. And we have to start today not *mañana*.

Mr. Speaker, again I commend Congressman COLEMAN, the chairman of the border caucus, for calling this special order and for helping us focus our attention on a matter of critical interest to the people of the United States as well as to the people of Mexico.

Mr. COLEMAN of Texas. Mr. Speaker, I thank the gentleman very much for his contribution.

I yield to the gentleman from Arizona.

Mr. KOLBE. I very much appreciate the gentleman from Texas' comments about the immigration problem. Listening to his discussion, it makes me realize that this is a good example of the kind of issue where, although a domestic issue in the United States, as we strive to control our own borders and enact appropriate immigration legislation; but that this is the kind of issue where we need to consider its impact on our neighbors. Too often I think that has characterized the relationship between the United States and Mexico, where we have taken an action on one side without considering its impact on the other side.

As one gentleman told us earlier today, our relationship has been one of surprises, each nation having pulled surprises on the other. In this case I suppose our consideration of the immigration legislation is not a surprise but certainly whatever we do with that legislation will have an enormous impact on Mexico. I think what this tells us is that we have to understand that underlying fundamentally the problem between the United States and Mexico on immigration is the labor issue. It is one of an economic differential; there are no two countries in the world who share a common border which have as great an economic differential as do the United States, and Mexico.

When you consider that, you begin to realize that trying to stem the tide of illegal immigration from Mexico, is kind of like putting your hand up against a waterfall; those people who are coming here are coming because they want a better life for themselves, for their children ultimately. What we can do best, it seems to me, in the long run about immigration and the problems we have with immigration is to help Mexico develop in such a way that it will provide jobs for this generation and for future generations within Mexico.

Mr. BRYANT. Mr. Speaker, I agree and endorse and associate myself with the comments of the gentleman. I think that we will be making a great mistake if we pass legislation dealing with immigration and then feel that the job is done. It will not have been done. I do not think there has been a more vigorous advocate in this House of strict sanctions prohibiting the employment of illegal aliens, people that are here without documentation, without permission in this country; but at the same time, I feel like that those of us who are strongly advocating employer sanctions, prohibiting employment of people who are not citizens or who are here illegally, have a responsibility to inform our colleagues and to try to engender action in this House that will deal with the fundamental problem which is the fact that Mexico needs to have our active assistance as it tries to grow economically, or we will never solve this problem. The characterization of the gentleman about immigration legislation ultimately as being about like putting our hands up against a waterfall is partly apt. I think our goal must be to stop the waterfall.

Mr. KOLBE. I thank the gentleman for yielding. And I thank the gentleman for his comments.

Mr. COLEMAN of Texas. At this time I recognize a distinguished member of the border caucus, the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. I thank my colleague. Like all my colleagues, I wish to commend Congressman COLEMAN for his leadership on United States-Mexico issues throughout the years, not just today. I think he has been a forceful exponent of better relations, of sounder relations. It has shown not only in the leadership he provides the border caucus but in the legislation that he introduces.

I think the problem that we are dealing with today is illustrated by the economic summit in Tokyo, where the President of the United States has spent over 8 or 9 days with our economic partners, the big Seven; and the best we can do in dealing with Mexico is maybe every 6 months 1 hour at a border town. That, I think, illustrates the problem, that we treat Mexico like a big developing country with a big

debt, not like an equal partner, not like somebody that we share very strong foreign and domestic problems with.

I believe that that is the key to the relations. There are psychological barriers which have to be overcome. We have a variety of problems that are not dealt with at the highest level. When the two presidents meet, they talk about Central America. They may talk a little bit about trade. They do not talk about pollution along the border. They do not talk about the immigration issue. My two colleagues here have talked about immigration. Passage of any immigration bill that we have in the Congress that includes very strong employer sanctions is going to very, very strongly and adversely hurt our relations with Mexico. But I think this is something that is national policy. But we have not talked to the Mexicans about immigration legislation, and it is probably because they do not want to deal with it. They see it as our problem, and they see no reason why they should.

There are other problems along the border such as those which my colleague from Arizona and I have with the Nacozari plant, pollution coming across into the Southewest, into New Mexico, into Texas, into Arizona, uncontrolled pollution coming out of some of the smelters there.

We are not approaching the problems jointly. I mentioned the sewage problem in San Diego, immigration, the trade differences we have, visitors going into Mexico. I think many Members of Congress have constituents who have been mistreated there or robbed. There have been kidnapings, thefts of airplanes, countless other incidents.

I think we can resolve these issues by mutually sitting down at the highest level.

I think earlier, through the leadership of the chairman of the border caucus, we discussed some legislation, some initiative where we would centralize policymaking at the higher levels of an interagency task force and where at the highest level we deal with all of these problems both in a foreign policy sense and a domestic sense. I think for this reason I would hope that the border caucus under the leadership of Mr. COLEMAN pursues this. We had Mr. Hormatz today, a former National Security staffer in several bipartisan administrations, mention the need to centralize policy at the highest level. So, I endorse what all of my colleagues have said today, and I would only add that I think it is critical that not just the administration but this Congress give more credence and more attention to the very difficult problems we have with our sleeping giant friend who is craving for attention, and not because we want to be charitable but because it is in our national security interest, political and economic interests.

□ 1525

And for that reason, I think calling this special order is critical. I hope we pursue it with other legislation. I have introduced a free trade zone 200 miles on both sides of the border. I am going to introduce it as an amendment to the immigration bill. I know my colleagues have several other pieces. Congressman BRYANT has a very good piece on foreign investment that the gentleman has just described.

I hope we pursue this and we continue in the Foreign Affairs Committee to give Mexico the attention it deserves. We are not doing that. So if this is a start in that direction, I wish to associate myself with my colleague from Arizona and the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN of Texas. Mr. Speaker, I want to thank the gentleman for his statement. I think it is extremely important for all of us to recognize in the final analysis that all of the complaining and all the bashing and all the speeches we make that indeed will make the headlines are not going to solve the real problem.

The gentleman from Arizona pointed out a minute ago it is not sufficient to talk about enforcement of our borders in the long term. In the short term, they provide some relief to this Nation. But the reality of it is that until we solve the long-range deep economic differences between the two nations, not for ours to recede but for theirs to progress, we are not going to solve the problem. Those of us who have lived all of our lives along the United States-Mexico border do understand that. It is not sufficient for the U.S. Government to have between agencies the lack of coordination that we have seen in recent years, and I would submit that they have probably gone on for many years with each agency having its own Mexico-United States policy.

I think that what I am going to attempt to do through the economic development initiative, what I know the gentleman from New Mexico and the gentleman from Arizona have sought to do, as well as my colleagues from Texas, in terms of legislation is to try to confront the issue on all sides. This is not going to be done by one piece of legislation nor one wave of the magic wand. We are going to have to work on it from every aspect, that does include trade, that does include the Judiciary Committee and that includes the efforts of so many of us in terms of commerce and transportation.

So I am particularly pleased that all of the colleagues who came here today to participate in this special order have the sense and recognition that, No. 1, we need to advise our colleagues. Oftentimes they are not as advised as I think they should be about these issues and how important and critical they are to the economy of, not just the border, but ultimately the economy of the United States.

If you think for just a minute and you say that Mexico is our third largest trading partner, well, what if Great Britain and West Germany and France and Italy and Japan and Canada, well Mexico is third. I think that that becomes extremely important for American citizens to know.

When our colleagues are better informed and are able to take the message back to their districts in Kansas or New York or Oregon, it matters not. It seems to me that if they are able to take the message that, yes, there is something important here, and you need not think of Mexico only in economic terms and their debt and the banks of the United States, but rather as their importance to the United States in every aspect of our lives and bring to those people the realization that all of us ultimately are destined to go down the same path economically and culturally and socially, then I think we can indeed make an influence.

Mr. LOWERY of California. Mr. Speaker, I am pleased to have an opportunity to join in this special order on United States-Mexico relations and commend the gentleman from Texas [Mr. COLEMAN] for sponsoring this forum.

As the previous speakers have indicated, the United States has vital economic and strategic ties to Mexico—so vital that United States-Mexico relations deserve to be a top foreign policy priority of this Nation. Important issues involving the two countries are drugs, immigration, and Mexico's ailing economy.

The illicit flow of drugs from Mexico to the United States is of paramount interest to San Diego because in the last 30 days, Customs officials have seized 8,000 pounds of cocaine along the California-Mexico border alone.

The Select Committee on Narcotics Abuse and Control held a series of hearings in January of this year to determine the extent of the problem along the Southwest border. The report states, and I quote:

Mexico is not only one of the major heroin and marijuana producing countries, contributing an estimated 42% of the heroin and 35 percent of the marijuana affecting the U.S., but is increasingly becoming a major transshipment point for narcotics from South America . . .

Indeed, intelligence reports confirm that Mexico is now the No. 1 source of marijuana and heroin entering the United States. This year, the amount of marijuana smuggled into the United States via Mexico is estimated to be twice the 1985 total. Moreover, 4,550 pounds of Mexican heroin will be transported to the United States in 1986 (a 30-percent increase over last year). Mexico also accounts for 30 percent of the cocaine smuggled into this country. It is evident, therefore, that a concerted and aggressive program must be established to combat this growing menace.

With the drugs come violence. The murders of DEA and Customs agents in recent months serves to underscore the gravity of the threat we face.

The time I have spent on the Treasury Appropriations Subcommittee with my friend Mr. COLEMAN has made it clear that increased funding for Customs agents and the Coast Guard is absolutely necessary.

Greater cooperation from Mexican authorities is also needed. Specifically, the right of "hot pursuit" to capture drug smugglers in Mexican territory would assist the Coast Guard in the war on narcotics. Other countries have granted the Coast Guard permission to apprehend drug traffickers in their waters. Unfortunately, Mexico has proved intransigent on this important matter.

Accordingly, I plan on sending a letter to President Reagan requesting that he attempt to secure Coast Guard "hot pursuit" rights and Customs Service intelligence-gathering overflights across the United States-Mexico border. I insert the letter at this point:

HOUSE OF REPRESENTATIVES,
May 6, 1986.

DEAR COLLEAGUE: Drug smuggling across the U.S.-Mexican border now has reached crisis proportions. In the last 30 days, over 8,000 pounds of cocaine has been seized along the California-Mexico border alone.

Mexico is now the number one source of illegally imported heroin and marijuana, and nearly thirty-five percent of illegally imported cocaine. The South Florida Task Force has done a remarkable job, but it appears we have become the victims of our own success. The drug smugglers have moved west.

What compounds our problem fighting the never-ending flow of drugs across our southwest border is Mexican failure to cooperate with the U.S. Customs Service and Coast Guard. Although the Coast Guard frequently has been granted "hot pursuit" rights in the territorial waters of several other southern neighbors (the Bahamas, Columbia & Panama), the Mexicans have repeatedly denied the Coast Guard the right to pursue smugglers into Mexican waters—effectively providing a safer haven.

Over the land border, the war against drugs is rapidly becoming an air war, In his testimony before the Appropriations Treasury Subcommittee, Customs Commissioner William von Rabb highlighted "the smuggling of narcotics and contraband by private aircraft, a threat that has dramatically increased over the past several years." In FY 1985, the Customs Air Program seized 15,539 pounds of cocaine, a 64 percent increase over FY 1984.

To respond to this growing threat from the air, the Customs Service has made numerous formal requests of the Mexican government for overflights of Mexican territory to locate drug supply depots and landing strips. Mexican officials have either delayed or refused outright each proposal. Mexican officials even refused proposals for overflights with joint Mexican-American crewing of the aircraft. If the air war against illegal narcotics is to be won, this type of intelligence is vital.

Because of the intransigence of Mexican officials, I am sending the letter on the reverse to President Reagan. This issue is of vital national importance and must be addressed at the highest national level.

If you would like to join me in writing the president, or if you have any questions, please feel free to contact me or Randy Broberg at 225-1705.

Sincerely,

BILL LOWERY,
Member of Congress.

I invite all of my colleagues to join me in writing the President.

However, these initiatives are only parts of an overall solution. A major reason for the increased drug traffic along the Southwest border has been the success of the South Florida Task Force which has done a remarkable job of reducing the amount of drugs smuggled through that portion of the country. Unfortunately, the drug smugglers have moved west to exploit the "soft underside" of our border with Mexico.

Accordingly, on April 2, I wrote the President urging him to establish a Southwest Border Task Force based on the proven South Florida Task Force. I insert the letter at this point.

HOUSE OF REPRESENTATIVES,
April 2, 1986.

President RONALD REAGAN,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: Drug smuggling across the U.S.-Mexican border now has reached *crisis* proportions. In fact, the situation along that border today is just as grave as the situation which existed in south Florida three years ago. At that time your creation of the South Florida Task Force was a bold and effective statement to drug smugglers.

Clearly the South Florida Task Force has done a remarkable job of reducing the amount of drugs smuggled through that portion of the country. I heartily applaud you, the Vice President and the law enforcement community for your successes.

Mr. President, it appears we have become the victims of our own success. The drug smugglers have moved west. Mexico is now the number one source of illegally imported heroin and marijuana, and nearly thirty-five percent of illegally imported cocaine.

I respectfully urge you to open a second front in the battle against illegal drug smugglers by creating a Southwest Border Task Force on Drugs. Let us show the criminals and the nation that we are prepared to win the battle against drugs wherever the war may take us. A coordinated, comprehensive law enforcement program for the southwest would be a clear and unmistakable signal that none of our borders are open to drugs.

In the war on drugs, as in our national defense, our efforts and expenditures must be what is necessary to counter the threat we face, beyond budgetary constraints. If it should be determined that new resources are required to counter the drug threat from the southwest, I pledge to work closely with your deputies and my colleagues on the Appropriations Committee to seek congressional support for adequate funding.

Thank you for your interest and concern in combating this growing threat to the families and businesses of the southwest. I look forward to your positive response and stand ready to assist you as soon as possible.

Sincerely,

BILL LOWERY,
Member of Congress.

Creating a Southwest Border Task Force on Drugs would show the criminals and the Nation that we are prepared to win the battle against drugs wherever the war may take us.

As the gentleman from Texas so ably pointed out, almost all of the bilateral issues, particularly immigration, have economic roots. Illegal immigration is also an issue of vital importance to San Diego. Illegal immigrants continue to pour into our country every day. Since 1970, the number of unauthorized persons in this country has risen dramatically—from about 600,000 to between 8 and 12 million in 1984. It is estimated that in California alone, by the year 2000, the State population will increase from 26 million to 32 million with half the growth directly attributable to immigration.

It is clear that most are coming to America for opportunities which don't exist or are difficult to obtain in their native lands. If we can help Mexico get back to a prosperous economy providing jobs and opportunity, we will have won half the battle against illegal immigration.

Mexico's economy is on the brink of disaster. The magnitude of the crisis is undeniable: A $97 billion debt, of which 26 percent is held by U.S. banks; $10 billion annual interest payments representing almost 60 percent of Mexico's total export earnings in 1985; and a precipitous drop in the price of oil that accounted for almost three-quarters of Mexico's export earnings last year.

It does not take an accounting genius to conclude that Mexico will have difficulty meeting the interest on their debt, let alone paying off the principal.

Make no mistake about it, if Mexico fails to meet its prior obligations, the financial ramifications will be felt right here in the United States. The burden is not Mexico's alone, nor is the solution. However, Mexico will have to make and implement some tough austerity measures if they are to make a serious drive at disarming the debt bomb which is ticking over their heads. Regrettably, this requires painful long-term sacrifice from a populace eager for short-term relief—particularly true as Mexico rebuilds its Capital City which was destroyed by the earthquake last September.

The solution most frequently cited to alleviate Mexican economic woes is a shift to more market-oriented policies. President de la Madrid and Finance Minister Herzog have charted a course of long term economic recovery that calls for a reduced public budget, lower trade barriers, and greater competition in key industries. In addition, Mexico has announced that it will try to negotiate Mexican entry into the General Agreement on Tariffs and Trade [GATT]. These are initial steps that the Mexican Government must implement on its own.

For its part, the United States can continue to press Mexico for free trade and adoption of the "Baker plan." Unveiled last October, the Baker plan has three components: First, the World Bank and other international development banks would provide $9 billion to Latin American debtors over the next 3 years; second, U.S. banks would extend an additional $20 billion in loans; and third, the debtors themselves would be required to implement free market policies.

Until and unless this third requirement is met by debtor nations, it is naive to believe that U.S. banks would throw good money after bad. The reluctance of banks to participate in

the Baker plan is matched only by the reluctance of debtor nations to participate in the plan. This is a stalemate which must be broken.

Mexico is our immediate southern neighbor.

Mexico is our third largest trading partner and we are Mexico's largest.

Mexico is our No. 1 supplier of oil.

Mexico is a leader in the Latin world and how it addresses its debt problems will provide an example for the rest of the hemisphere.

Mexico is the 13th largest country in size in the world and the 11th largest in terms of population.

All of these factors highlight the critical importance of a constructive and friendly relationship between the United States and Mexico. I will work for an improved relationship and wish to thank, once again, Mr. COLEMAN for sponsoring this special order.

Mr. COUGHLIN. Mr. Speaker, I rise today to call attention to the current state of United States-Mexican relations.

As we look south across our border today, we can be proud and pleased to observe our great neighbor, Mexico. Though in the distant past our nations have at times conflicted with each other, today we enjoy stable and friendly relations, characterized by a high level of economic, social, and political interaction. Presidents Reagan and de la Madrid have established a close working relationship. And while we sometimes differ in approaches to common problems—as in Central America, for example—we differ not as enemies, but as friends who are willing to talk to each other and work together to try to resolve outstanding questions.

As I noted, today Mexico and the United States enjoy a high degree of economic interaction. We are Mexico's largest trading partner, and Mexico is America's third-largest export market. In part responding to United States growth, Mexico's GDP grew 3.5 percent in 1984 and 4.3 percent in 1985. The Mexican Government authorized over $1.5 billion in United States investments last year, and total United States investment in Mexico now stands at some $5 billion. Mexico is now engaged in negotiations to enter into the General Agreement on Tariffs and Trade—a step long encouraged by the United States.

In considering these many positive developments, however, it is important not to lose sight of continuing problems in Mexico. The current Mexican foreign debt approaches $100 billion. Although Government austerity measures have sought, with some success, to trim public spending in recent years, the collapse of oil prices has brought new concerns to those viewing the Mexican economic scene—oil revenues reportedly represent some 40 percent of Government revenues. Coupled with the catastrophic earthquake that shook Mexico City in September 1985, Mexico's problems persist.

The continuing economic difficulties confronting Mexico cannot but have an effect on other aspects of the United States-Mexico relationship. Illegal immigration across our southern border will continue as long as Mexico's economic predicament exists. Some Mexicans will be tempted by the lure of the drug trade as long as participation in Mexico's economic expansion remains out of reach to them. Likewise, corruption, which seems to find a role wherever difficult economic circumstances are encountered, will continue until Mexico's economic house is fully in order.

What is the solution to Mexico's problems? This is a complicated, difficult, and above all simplistic question. What is clear, though, is that at times the United States has tended to take our southern neighbor for granted. As long as the challenges facing Mexico have not gotten completely out of hand, the United States has tended not to take note of them. This is a dangerous situation for both Mexico and the United States.

Mr. Speaker, I believe the 1980's represent a watershed decade for Mexico. Either our friends to the south will buckle under the pressure of a huge debt, declining revenues, and other difficulties, or they will conquer these challenges, consolidate their gains, and press forward toward joining the community of fully industrialized nations. The evidence indicates that Mexico is on its way to achieving the latter.

But it will not be enough for the United States to stay out of Mexico's way as Mexico moves ahead. Our Nation must take a more active role in assisting Mexico in its march forward. We must increase the dialog that exists between us and, with sensitivity and respect, help Mexico in overcoming the difficulties confronting it.

The result will be as much in our own interests as in the interests of our great neighbor to the south.

Mr. UDALL. Mr. Speaker, judging by administration rhetoric, the fate of the entire free world is somehow linked to the outcome of the struggles in El Salvador and Nicaragua. The same domino theory that was used to promote out involvement in Southeast Asia is now being used to justify intervention in Central America.

Maybe we are losing our sense of perspective in foreign policy. Few can argue that there are problems in Central America, but I think we make a grave mistake if we ignore an even greater concern that is closer to home. I refer to Mexico.

Mexico is not some distant trouble spot—it's right next door. If our neighbor gets into serious trouble, we can hardly expect to escape unharmed. Problems have a way of spilling over borders. We can see that in the ever-growing numbers of illegal immigrants crossing the borders. We can also see it in the business failures on the U.S. side of the border that followed in the wake of the peso devaluation. But still larger troubles may be in store for Mexico—and for us.

Over the last decade, a combination of rapidly increasing production and escalating world oil prices encouraged Mexico to embark on an ambitious industrialization plan financed by foreign capital, much of it loaned by American banks. These development plans, unfortunately, were based on overly optimistic assumptions about the price of oil and about world trade and domestic growth.

The collapse of these expectations has left Mexico with massive economic problems. Not only did public and private debt double in 4 years, but inflation skyrocketed to more than 100 percent by 1982. It was about 60 percent in 1985, and the combination of inflation and the Government's austerity measures has led to a 45-percent decline in real wages over the last 3 years.

The Government of Mexcio is, in other words, in very serious financial trouble. Mexico owes some $97 billion, about $25 billion of which is owed to American banks; only Brazil among developing countries carries a bigger debt. The banks with large outstanding loans to Mexico read like a "Who's Who" of United States banks: the Bank of America, Bankers Trust, Chase Manhattan, Chemical Bank, Citicorp, Manufacturer's Hanover, and Morgan Guaranty all sit on the advisory group of banks involved in negotiating Mexican debt.

The recent dramatic collapse in oil prices has greatly aggravated the situation, of course. Up to now oil revenues have provided about 75 percent of Mexico's foreign exchange and about half of its tax revenues, but Mexico stands to lose about $1 billion per year for each $2 decline in oil prices.

No one expects Mexico to completely repudiate its dept any time soon. It would be cutting itself off financially from the rest of the world; it would be economic suicide. But unless there is an economic recovery, the Government will be unable to continue meeting its existing payment obligations without sliding farther and farther into debt.

Depending on what form it took, a "default" could have some very serious consequences in this country. Some believe that an international banking crisis could result.

So what should be done? In the recent past, we have extended loans to Mexico to buy agricultural products from United States farmers, and new lines of credit have been opened through such institutions as the Export-Import Bank. We have bought more oil from Pemex for our strategic petroleum reserve. Cabinet members concerned with economic and trade matters confer regularly with their Mexican counterparts, and President Reagan and President de la Madrid have met several times, most recently in January of this year.

But is this enough to ward off future crises? Probably not. To date, our actions have been aimed primarily at the short term–trying to prevent the immediate collapse, but not preventing the future ones. The future of Mexico has been put on the back burner, while El Salvador and Nicaragua continue to occupy the front burner. What happens in Mexico over the next several years is of far greater importance than the outcomes in Nicaragua and El Salvador.

If Mexico should fall sometime in the next decade, it will not be due to any Communist insurgency in Central America. It will fall because it is economically weak and politically torn from within.

We can't be expected to bail Mexico out of its troubles. We should, however, take steps to prevent the need for a bailout. The following should be considered: long-term oil purchase agreements; joint economic development plans for the border areas; liberalization of United States trade restrictions on Mexican produce; expansion of the border industrialization plan, which permits duty-free twin plants within 12 miles of the border; and, as suggest-

ed by Alvin Toffler recently in the Washington Post, encouraging the Japanese and the Europeans to invest in Mexico.

Our stake in Mexico's future is too great to neglect. More than just our neighbor to the south, Mexico is a valued friend. We have long-standing cultural and historical ties to Mexico. In acting upon that friendship and those ties, we would be acting in our own best interests.

Mr. GARCIA. I want to thank my colleague from Texas for organizing this special order on U.S.-Mexican relations. There is probably no nation with which we are more intertwined than Mexico.

The basis for our relationship is primarily economic. But anyone who has spent time in the Southwest realizes that the cultural influence that both our nations share is pervasive. Yet, despite these ties, we spend too little time cultivating this relationship. Particularly when one considers that Mexico is our third largest trading partner, and that we are Mexico's largest trading partner.

While there are many facets to our complex relationship with Mexico, my primary concern is with United States immigration policy and its impact on that nation. The money that Mexican nationals earn working in the States, which they send back to their families, is a primary source of income for Mexico. To cut this source off, to unilaterally block the immigration safety valve, would be crippling to the Mexican economy. This, in turn, would severly impinge on United States-Mexican relations.

I am not advocating open borders or a lax immigration policy. Control of our borders is a reflection of our national sovereignty, but how we control our borders is an indication of national policy and priorities, as well as our collective values. We must, therefore, work more closely with Mexico as we decide our immigration policy, taking into account the special relationship our two nations have. We should not do so because Mexico is having a difficult time economically or because we don't want to offend the Mexican Government and people—although these are two valid reasons as to why we should consult them. No, we should do so because it is in our own interest. An unstable Mexico would have far-reaching political and economic consequences for the United States.

The White House has remarked on the projected increase of refugees from Latin America if Congress doesn't toe the mark on their Central American policy. This increase in Latin American immigrants is already occurring as a result of our present policy toward the region, but more importantly, as a result of the economic slump that has devastated Central America and Mexico. If we do not do something to alleviate the failing economies of these nations, we will never be able to humanely control our borders with or without a new immigration law.

As long as there is poverty south of our border, we will have an immigration problem. That is not to say that we should concentrate our efforts solely on development programs in Mexico and throughout Latin America and the Caribbean. We must also develop a just and realistic policy that will give us tighter control over our borders. Such a policy, however, cannot ignore the foreign policy aspect of our Nation's immigration problems, especially as it affects United States-Mexican affairs.

Mr. ORTIZ. Mr. Speaker, I would like to begin my statement on the floor today by commending the chairman of the Congressional Border Caucus and my colleague from Texas, the Honorable RON COLEMAN, for scheduling this special order on United States-Mexican relations. America and Mexico are intimately and intricately related, not only by our proximity to one another and our common histories, but also by our hopes and expectations for the future. As a Member of Congress who's district borders Mexico, I have the responsibility of reminding and emphasizing this friendship and goodwill to my colleagues and all the American people who may not readily appreciate the importance of a financial, politically, and culturally strong Mexico. I am very pleased to see so many of my colleagues participating in this special order and carrying out a similar message to their constituents and the entire Nation.

With so many crucial issues and questions that must be addressed within our own borders, it sometimes becomes difficult to focus on the needs of foreign nations, even one with which we share such an extensive border. Nevertheless, because the futures of our nations are so closely related, we should approach the domestic problems of Mexico with the vigor with which we research and develop solutions for the domestic priorities within our borders. The current debt service question faced by Mexico is an example of a problem that places an incredible burden on Mexican economic vitality, and has a similar effect on continuing American economic prosperity and assistance. Default by Mexico on loans negotiated through American banks would create an immediate loss of existing confidence, and would virtually guarantee that banks would cut back on all new loans and ensure a refusal for the rescheduling of current debts. We must take steps to provide Mexico with a serviceable debt repayment schedule, and give this nation a chance to acknowledge and honor its responsibility for past obligations. Naturally, the repayment of these obligations is foremost in the minds and efforts of bankers with outstanding loans, and I commend those bankers who choose to proceed with negotiations on rescheduled terms for Mexican debtors.

In order for Mexico to address its debt problems, they must expand their exports to new and existing markets. This effort comes at a time when all other nations are attempting to do the same thing. Given the proximity of our two nations, we have been and will continue to be viable trading partners. However, the precarious trade deficit that has been run up in recent years for our own Nation is not conducive to providing for unfettered trade regulations. The world-wide decline in the price of oil has further complicated Mexican efforts to improve its trade balance with the rest of the world. We must seek economic stabilization, not only in our own hemisphere, but around the globe, to ensure that favorable economic conditions provide for Mexican financial growth.

A number of economic incentives designed to encourage and speed the development of the Mexican economy have been instituted in recent years. These incentives for direct investment are needed to expand the export capacity of the Mexican economy and enable Mexico to develop an economy capable of functioning on its own. This will establish a self-perpetuating cycle where Mexican investors keep more of their money within their borders, and thereby provide the strong capital base required to provide long-term economic stability for Mexico. Although this goal may not be achievable in the immediate future, these inventives must be given enough time to have this "ripple effect" take hold in the Mexican economy.

Members of Congress with a special tie to Mexico must work hard to help develop policies that will enable the Mexican economy to prosper and evolve into a truly self-sufficient, energetic competitor in the world economy. Economic development and stabilization of Mexico is the key to making Mexico a sound and viable member of the democratic alliance in the Western Hemisphere. As Members of Congress, we realize that Mexico will need some assistance to emerge from this difficult period a stronger and more prosperous neighbor. The financial and security risks inherent in a failure to adopt these policies are not only readily apparent, but also categorically unacceptable.

Thank you, Mr. Speaker, for the opportunity to participate in this special order this afternoon.

Mr. BATES. Mr. Speaker, I rise to join my colleagues in this special order on United States-Mexico relations.

I am speaking today to urge my colleagues and the administration to reevaluate our relations with Mexico. Our foreign policy has been badly flawed in this respect. This administration is preoccupied with Europe and Asia. It spends billions in military and economic aid for these regions. The President meets repeatedly with their heads of state on important matters. It treats these nations as if they are somehow more important for United States interests than Mexico is, and that is not right. We can no longer afford to treat Mexico as a second-class, Third World nation. We must make it one of our top foreign policy priorities, and we must do so now.

It is time for us to develop a more constructive policy for dealing with Latin America, and especially for dealing with Mexico. We have no time to waste. Mexico, the second-most-indebted nation in the world with $96 billion in foreign debt, has just been hit by an enormous drop in the price of oil. For a nation that receives 70 percent of its export earnings from oil, this price drop is nothing short of disastrous. For every dollar drop in the price of oil, Mexico loses roughly $550 million a year. With prices falling from $27 a barrel to just over $10 earlier this year, Mexico stands to fall billions of dollars deeper in debt.

We cannot afford to sit idly by while Mexico goes into an economic tailspin. Our nations are inextricably linked by a mutual border 1,900 miles long and the 10 million citizens of Mexican origin who live in the United States. These realities, along with a long shared history, demand that the United States give more than lipservice to cooperation with Mexico.

I am calling for three major changes in United States policy with Mexico. First, we must accord Mexico and the rest of Latin America the same respect that we do Europe and Asia, and have an annual "Economic Summit of the Americas." A summit is important both for improving inter-American cooperation and for demonstrating our commitment to the Latin American nations. Our shared interests in a strong Mexico and Latin America make the summit a necessity.

Second, we must commit ourselves to renegotiating Mexico's debt and to bringing the problem under control. As former San Diego Congressman Lionel Van Deerlin said in his column in yesterday's San Diego Tribune, Mexico owes more now than it can hope to pay back at present, and we must do everything we can to assist it in paying off these debts. Full funding and support of the Baker Plan to solve the international debt problem is an important step in helping Mexico deal with this most recent oil shock. We must also be willing to give assistance consistently for many years to come. Only with our continued support will Mexico be able to develop fully and take advantage of its own resources.

Finally, we must change our attitude toward Mexico in particular and Latin America in general. We cannot afford to ignore these nations until we fear that there is a Communist threat. They should be now and always a top priority of our foreign policy. Only by changing our attitude toward Mexico and Latin America will we be able to adequately address the problems of this region.

Mr. COLEMAN of Texas. Mr. Speaker, I want to thank all of my colleagues who participated with me here today.

1986 DAYS OF REMEMBRANCE—YOM HASHOA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. LEHMAN] is recognized for 60 minutes.

GENERAL LEAVE

Mr. LEHMAN of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. LEHMAN of Florida. Mr. Speaker, today we took part in the annual national civic commemoration to remember the victims of the Holocaust. Sponsored by the U.S. Holocaust Memorial Council, this ceremony in the Capitol Rotunda, is one of many ceremonies held across the Nation during the 1986 Days of Remembrance.

I am very pleased that my colleagues have responded to this special order so that members will have an opportunity to speak and reflect on the meaning and relevance of the Holocaust.

We can certainly assert that nothing in history equals the Holocaust in terms of the rationally executed plan to eliminate a whole people, its religion and culture. It represents the nature of man at its worst.

And so as we remember those who suffered at the hands of the Nazis and of a mentality that, incredibly, still exists in our world today. We must do our part to keep this memory alive and to remind the world that we must dedicate ourselves to fight against the attitudes that give life to the seeds of hatred.

Mr. Speaker, at this time, I yield to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I rise today to join my colleague from Florida in the annual commemoration of "Days of Remembrance," sponsored by the U.S. Holocaust Memorial Council.

The Holocaust was frighteningly unique in all of history, Mr. Speaker. It overturned forever any notion that their are limits on evil by its bureaucratization of brutality and murder. The Holocaust was methodically planned and systematically executed by men of education, men of culture and background, but men who were consumed by a lust for power. A virulent antisemitism and a hatred that transformed them into moral monsters.

The mind is barely able to fathom their disregard for human life and dignity. The statistics defy comprehension.

Of the 4 million Jews in Eastern and Western Europe who were deported to concentration camps, only 2 percent remained alive to be liberated by the allied forces.

The Nazis destroyed one-third of world Jewry and most of the major Jewish cultural centers that had thrived for centuries. A total of 11 million innocent civilians were killed by the Nazis in the Holocaust—6 million of them Jews.

The memories of these crimes against humanity are very painful, Mr. Speaker, not just to those fortunate to escape with their lives but to all who respect the sanctity of human life. Nevertheless, I believe we have a moral obligation to remember. For the failure to remember the past makes repetition of past tragedies all the more possible.

Perhaps nothing more clearly illustrates this point than Hitler's response to those in his government who feared international outrage at their policies of genocide—"who remembers the Armenians?" He is reported to have asked. Indeed, for Hitler, the lesson of the slaughter of Armenians during World War I was that no one remembered, thus no one would remember a Holocaust against the Jewish race.

The lessons of the Nazi Holocaust are many, but certainly one must be the need for vigilant protection of basic freedoms. We know now to look for the danger signs of moral anarchy, economic chaos, and state-sponsored discrimination which preceded the Holocaust.

By remembering the shameful excesses of the Nazi era, we can learn again the importance of checks and balances in government, a free press and an independent judiciary. We know how important it is for men and women of faith—the clergymen and rabbis—to speak out against social injustices especially when perpetrated against the weak, the defenseless, the vulnerable. By remembering, we can remember the tremendous courage the Holocaust inspired in men such as Raoul Wallenberg who risked all to conceal or protect intended victims.

The bottom line of remembrance, and the bottom line of the U.S. Holocaust Memorial Museum slated to open in 1989, however, is very simple and can be summed up on two immortal words—never again.

Mrs. BOXER. Mr. Speaker, I thank the gentleman for this important special order on Days of Remembrance of the Victims of the Holocaust. It is important that we always take time to remember that dark chapter in history, so that we can honestly say, never again.

I would like to submit for the RECORD an article that was written after I returned from a trip to Israel in January 1985. The article covers many of my experiences on that trip, but in particular it captures my feelings upon visiting the Holocaust Museum in Jerusalem. More than anything, visiting this museum brought home to me the human tragedy that was the Holocaust.

BARBARA BOXER'S EXPERIENCES IN ISRAEL

(By Paul Peterzell)

The rapid rise of Rep. Barbara Boxer makes it hard to believe she has been in Congress little more than two years.

Last year, she authored the only bill to become law that dealt with the hot issue of wildly overpriced payments for spare military parts.

Last month, she was appointed to the Budget Committee seat formerly held by Geraldine Ferraro.

Boxer also turned to foreign affairs in January with an eight-day visit to Israel. Boxer, her husband, Stewart, and five other members of the House and their spouses went at the expense of the Anti-Defamation League.

The importance attached to the visit by the Israeli government was evident; the Americans met with Prime Minister Shimon Peres, Defense Minister Yitzhak Rabin and other ministers.

The government leaders "are very wise," she said. "They have gone through enormous struggles in the past 20 years, and they were all involved in that struggle; so they are very tough yet have a sense of fairness and justice—a quiet strength."

The top officials also are very informal, Boxer said. "They are just people, and that came across.

"It was an unforgettable experience," Boxer said. It also was an "unbelievably filled schedule" from early morning to evening with a full exposure of issues rang-

ing from economics and withdrawal from Lebanon to the borders of Syria and the West Bank.

"I had a couple of surprises. I found the Palestinian situation is not as hopeless as it sometimes is painted to be. We talked to Palestinians, from the far radical to moderate, and they all understand the realities and are very willing, as are the Israelis, to work toward a solution to the West Bank problem."

Even though the formal peace process has stalled, the day-to-day life of Palestinians "is pretty good," she found. "The new technologies Israelis are teaching Palestinians makes them prosper in farming and hi-tech. Having driven along the border with Jordan, and seeing how quiet it is, leaves me to think that peace, although not negotiated, is stable."

The group also spent a night in a northern settlement and saw the bunkers for children when there is a rocket attack.

Terming Israel "a strong democracy in an area where democracies don't flourish," Boxer said the visit was "a very moving, educational and most transforming experience.

"The impact hit me at the Holocaust Museum, an amazing place on a hill near Jerusalem, surrounded by the Forest of the Righteous Gentiles, each dedicated to a gentile who saved a Jew. You realized how one person can make a difference."

Boxer, who lost members of her family to the Holocaust, said the museum traces the Nazi era "most powerfully, with actual newspaper headlines, pictures, documents Jews had to carry, remnants of the Nazi regime.

"There was one picture of three women in their 30s or 40s—I could not get my eyes off it—they were huddled, stripped, walking to their deaths. They were so powerless, so vulnerable, trying to hide their bodies.

"I thought, 'That could be me.' It kept haunting me."

The museum visit concluded with a memorial service in a dark room illuminated by a burning flame. It was so moving, she said, that the normally gregarious members of Congress could not talk.

"We all understood why the state of Israel was founded."

The second most moving experience was a visit to the reception center for the Ethiopian Jews who had returned to the land of Jerusalem after 2,500 years. "They thought they were the last Jews," she said.

"They did not know of Israel, but when they were told they were being flown to Jerusalem, they cried," she said.

The delegation also met Jews who at long last had managed to get out of the Soviet Union, an experience that convinced the House members "to continue the struggle to get them out."

"Everything we did was dotted with emotion," Boxer said, adding the emotions "had to do with humanity, not Jew or gentile."

Mr. BARNES. In honor of today's Remembrance of the Holocaust, I would like to share with my colleagues the following speech that I delivered recently at the Holocaust Memorial Service at the Beth Shalom Synagogue in Frederick, MD:

We remember today the unspeakable horror of a time in our history that is almost too dark to be believed.

I struggle, as we all do, to try to understand the forces that made the Holocaust possible, how the silent accomplice of indifference could have allowed such pain and inhumanity, such cruelty and innocent death. How a tyrannical regime could have exploited, starved and deceived so many intelligent, articulate people.

Why was it that, for so many millions, the dignity of self, the joy of life, and the compassion of brotherhood was swept up and destroyed in a nightmare of human devastation?

I feel, quite frankly, unfit to speak to you about the Holocaust. For many of you, who lost members of your families in the Holocaust, this is the ultimate personal tragedy. I can only stand here and open my heart to you and tell you what I feel—as someone who was born and raised in a democratic society, who has been favored with a good life, as an elected official, and as a husband, a father and a son.

For me, remembering the Holocaust means gaining an insight into the possibilities of both the best and the worst of human nature.

It is frigthening to know that there is always the potential for others to fall victim to such unleashed hatred, bigotry and power mercilessly wielded. Thinking about the Holocaust in such a way makes one realize that it is not just a nightmare that occurred over forty years ago, not just an historical tragedy or a thing of the past. It is a living, haunting question about what human beings are capable of doing to one another. It is the shattering recognition of how the worst in us can be a powerful force for evil in the world.

In another sense, remembering the Holocaust forces me to concentrate more on trying to stop bigotry, hatred and intolerance—to be on guard for signs of evil, to try to encourage and nurture goodness in myself and in others.

Today, as violations of human rights continue the world over, it is more important than ever that those who love freedom, and particularly those of us who have the power of elected office, continue to fight for victims of human rights abuse in the Soviet Union, South Africa, Guatemala, Nicaragua, Poland, South Korea, Uganda, Zaire, El Salvador, Cuba, Haiti, and other countries.

It is unbelieveable that an innocent mother and child can be taken in the middle of the night in El Salvador, never to be seen again. It is unconscionable that a Polish Catholic priest, a humanitarian and poet—Jerzy Popieluszko—was brutally murdered for helping others. And it is an outrage that a three-year old black girl could be shot in the head and killed by South African police while playing in her parents' yard.

Personal vigilance is both the seed and the root of success in this endeavor. Human freedoms are fundamental to the way we live our lives, the contributions we make to the world around us, the kinds of goals we live for. This is why we can never give up on our friends behind the Iron Curtain, or give in to the frustrations brought about by disappointing results. We must go on fighting, with the tenacity of the human spirit and the power of freedom on our side.

But finally, what the Holocaust makes me think about is the power of survival.

There is a story about Jacob Edelstein, the former Elder of the Resienstate ghetto, who was murdered at Birkenau. An eyewitness later recalled that on the day he died Edelstein was saying his morning prayers when an SS officer burst in, called his name, and screamed for him to hurry up to his death. Edelstein turned to him very slowly and said quietly: "Of the last moments on this earth allotted to me by the Almighty, *I* am the master, not you." And then he turned back to finish his prayers.

In a more recent example of extraordinary personal courage, Anatoly Scharansky, in his statement to the judges who sentenced him to prison, said: "Now I'm further than ever from my dream. But . . . I am happy. I am happy that I lived honestly, in peace with my conscience. I never compromised my soul, even under the threat of death."

These two eloquent statements illustrate the triumph of the human spirit over evil. The State of Israel is built on such triumph. The Holocaust, monumental though it was, does not begin to equal the strength of the long, unbroken historical continuity of Jewish tradition which can never be dissolved or abolished by either man or circumstance.

Elie Wiesel said it much better than I ever could in his description of what it means to him to be Jewish:

"To have reasons to be angry, but not let your anger destroy the image you have of yourself or distort you. To have reasons to hate, but not to hate. To have reasons to despair, and not to despair."

We face the future with the horror of the Holocaust always with us. But though we must never forget, and though we must remain wary of the attitudes and thinking that led to the devastation, we must also assume freedom, assume the right of everyone to live in dignity, peace and strength. Assume that the grace and the vitality of Edelstein, Scharansky, Weisel and so many others will triumph.

As it was written on the walls of a cellar in Cologne, Germany, where Jews hid from the Nazis:

"I believe in the sun, even when it is not shining,

I believe in love when feeling it not.

I believe in God, even when He is silent."

In the end, a moral victory over the Holocaust was achieved through the combined strength of innumerable individual acts of courage and resistance, and by giving witness through personal testimony to the atrocities, as Simon Dubnof instructed in his dying words in the Riga ghetto in Russia when he said, "Write and record!"

I believe that the most overwhelming and inspiring element of the Holocaust was this desire of the Jews to record their fate, even as it was overtaking them, and to do so in a calm scientific, yet personal manner, in a manner that enabled their spirit to survive.

And it is also this desire that allows us today not just to view the Holocaust as a monumental human tragedy, but as a contest between the perpetrators, who were determined to erase the memory of an entire people from the collective consciousness of mankind, and the persecuted—the Jewish people—who were equally determined to foil their oppressors, not necessarily by escaping extinction, but by keeping historical records for future generations, through their writing and their art, even when individual survival had become impossible. In this sense, the oppressed were the victors.

I came across a message that Rabbi Nachum Yanchiker gave to his students in 1941 in which he told them:

"* * * do as our Holy Sages have done—pour forth your words and cast them into letters. This will be the greatest retribution which you can wreak on the wicked ones. Despite the raging wrath of our foes, the holy souls of your brothers and sisters will remain alive. These evil ones schemed to blot out their names from the face of the

earth, but a man cannot destroy letters. For words have wings: they mount heavenly heights and they endure for eternity."

If these words—these expressions of survival—had the power to ensure the historical judgment against the perpetrators of the Holocaust, then surely they must have the power today to move us toward greater understanding and brotherhood.

Mr. BOLAND. Mr. Speaker, I am pleased to join my colleagues in this special order for the "Days of Remembrance of the Victims of the Holocaust."

Today we honor the 6 million Jewish victims of the Nazi Holocaust and the survivors of that atrocity. By remembering them, we ensure that the world never forgets the attempted destruction of a people and culture. We must not ignore the fact that during the Nazi reign, two-thirds of all the Jews in Europe were killed, and with them died a cultural tradition of a thousand years. We remember those brave men, women, and children, whose precious lives were destroyed as part of a conscious and horrible government policy. But just as importantly, we force ourselves to think about those terrible times so that man will never again commit such heinous crimes against his fellow man.

The effects of the Holocaust have been felt throughout the world. The great exodus from Eastern Europe which was triggered by the Holocaust, has scattered Jewish families far from their ancestral homes. They have enriched many societies, including our own, and have become a powerful moral force. Their example reaffirms for each of us the capacity of the human spirit to survive even the most severe oppression. Their lives are truly an inspiration.

The world cannot afford to forget the unspeakable crimes systematically perpetrated against the Jewish people and against all humanity, and we must continue to keep the lessons of this tragedy alive for future generations. It is important for us to pause and reflect on the lessons and consequences of the Holocaust. Today we renew our personal and national commitment to preventing another such genocide from ever occurring again.

Mr. SAXTON. Mr. Speaker, I appreciate the efforts of my colleagues in holding this special order in commemoration of the Days of Remembrance of the Victims of the Holocaust.

Mr. Speaker, I recently read a very disturbing article by Barry Morrison, regional director of the Anti-Defamation League. The article appeared in the Jewish Exponent newspaper.

Mr. Morrison discusses how revisionists are still spreading the lie that the Holocaust did not exist, or has been exaggerated. Examples he mentioned include: the appearance by Arthur Butz, Northwestern University engineering professor and author of "The Hoax of the Twentieth Century" at the 1985 Nation of Islam convention; distribution by right wing extremists groups, such as the KKK, of revisionist tacts; and ads appearing in "Spotlight", the publication of the far-right Liberty Lobby, offering revisionist video cassettes such as "Tour of Auschwitz Fakes."

Just this morning, someone from the Institute for Historical Review, a revisionist organization, anonymously dropped off a statement at a subcommittee hearing on Congresswoman BURTON'S Holocaust curriculum bill.

It is unbelievable that such lies can continue to be spread, even on a day specifically set aside to remember the atrocity of the Holocaust and to honor its victims. Fortunately, revisionists are on the fringes of society, but the fact that they exist at all should be of concern to us all.

Mr. Speaker, I believe one antidote to the poison of revisionists is education about the Holocaust. For this reason, I introduced a resolution encouraging the states to establish a curriculum on the Holocaust.

I believe all states can look to New Jersey as a model. New Jersey, with the help of the New Jersey Advisory Council on Holocaust Education, is one of only a few States with Holocaust education programs.

Mr. Speaker, we cannot console the victims of the Holocaust. But, we can honor their memory by studying this dark period of the world's history, as well as the events leading up to it.

Therefore, I encourage my colleagues to cosponsor my bill (H. Con. Res. 133) or Congresswoman BURTON'S bill (H. Con. Res. 121). Both of these resolutions encourage States to develop a Holocaust curriculum. Both acknowledge that an awareness and understanding of history are vital to prevent a repetition of that history.

Again, I thank my colleagues for organizing this special order to commemorate the Days of Remembrance. Should any member desire further information on the New Jersey Advisory Council on Holocaust Education, I hope they will not hesitate to contact me.

Mr. GILMAN. Mr. Speaker, I would like to first thank our colleague, the gentleman from Illinois [Mr. YATES] for arranging today's special order on the Holocaust. This painful subject is one which calls for our sincere attention and consideration, as the tragic years it spanned have still yet to be fully understood. We take this time today to commemorate the Days of Remembrance of the Victims of the Holocaust, and to delve into a dark part of history that cannot ever bear repetition.

World War I was known as the war to end all wars. How naive we all were to think that future conflicts would not see any more hostility and devastation. Unfortunately, a few short decades later, the world was witness to the brutal decimation of European Jewry; and the greater tragedy was that almost no one cared.

Adolf Hitler was an obscure Austrian who found a small group of people willing to listen to his warped philosophies. That he was able to attain the chancellorship of Germany should serve as a reminder of our constant need to maintain vigilance in protecting our democratic form of government. For over a decade, Hitler ruled; in that time he engineered, through Adolf Eichmann, what was termed "the final solution" for the Jews.

Jews had already been prohibited from practicing their professions; they were stripped of their homes and possessions and forced to wear the infamous yellow star of David. Ghettos were established as neighborhoods were bricked up, and starvation was calculatingly enforced as policy. But the final solution was complete and total genocide. Concentration camps were erected throughout Europe, and the use of Zyklon B gas chambers became the norm.

In 5 short years, over 6 million Jews were exterminated. Among them were 1½ million children. When Allied forces liberated Buchenwald and Dachau, soldiers reported that the smell from the crematoria and the piles of unburied dead permeated the atmosphere for miles. The world knew, but it did not care. Either the pain or the apathy was too great.

There is hardly a Jewish family untouched by the Holocaust. Husbands and wives, children and parents, relatives were separated, never to be seen again. Many do not even know where their family perished, or how. It is for these reasons that we commemorate the victims of the Holocaust. They were innocent people, whose only crime was their Jewish heritage. According to the Nazis, if there was even a drop of Jewish blood in a family tree, one was at risk.

We also remember the many others who perished in the camps—Gypsies, religious leaders of all religions, Jehovah Witnesses, intellectuals and artists among them. Anyone who did not conform to Hitler's assessment of the Aryan race was subject to deportation to the east. Most were never heard from again. It is the burden of having survived, and understanding why, that continues to plague those still in our midst.

To honor the memory of those who died, we must tell their story. Man's inhumanity to man must not be allowed to repeat itself. By bearing witness to the Holocaust, succeeding generations can hopefully change the course of history. Otherwise, we may not have a world in which we wish to live.

Mr. Speaker, at this juncture I would like to take this opportunity to insert for the RECORD the remarks made by Vice President BUSH earlier today during the days of remembrance for victims of the Holocaust ceremony in the Capitol Rotunda. His words are a convincing echo of our responsibility.

EXCERPTS FROM REMARKS BY VICE PRESIDENT GEORGE BUSH, DAYS OF REMEMBRANCE CEREMONY

Mr. Wiesel, Senator DOLE, Secretary Hodel, General Wickham, General Collins, General Quinn, Rabbi Schneier, Father Pawlikowski, Members of the U.S. Holocaust Memorial Council, Ladies and Gentlemen:

It was an afternoon in early April forty one years ago when American troops—units of the 3rd Army—first entered a Nazi concentration camp.

We are here today to remember the fact of the immense evil they uncovered—an evil that was not abstract but specific—specific to the 6 million Jews, as well as Poles, Ukrainians and others who perished in Hitler's death factories and to those who survived—specific, also, to all of us as human beings.

Through General Collins and General Quinn we are honoring the soldiers who liberated those camps. Let me read to you the words of one of those soldiers, a sergeant who served under General Collins, describing the people he found. He wrote: "Rows upon rows of skin-covered skeletons met our eyes. Men lay as they had starved, discolored, and lying in indescribable human filth—[Downstairs] in beds of crude wood I saw men too weak to move dead comrades from their sides. . . . It was like stepping into the Dark Ages to walk into one of these

cellar-cells and seek out the living." These, the words of an American sergeant.

It has been said that liberating the camps changed forever the men who took part in it. They had seen those who had suffered an immense evil. They had seen the victims of evil in the most direct and specific way—specific men, specific woman, and children and specific acts of murder.

The Nazis always tried to obscure specificity. They didn't talk, for example, of murder. They used obscure terms like "special treatment", or "resettlement", or "sending East". They knew that tyranny could not survive in the sharp light of truth.

Our challenge today is to insist that time will not become the Nazis' friend—that time will not fade our sense of the specificity, of the uniqueness of the Holocaust—that time will not lead us to make the Holocaust into an abstraction.

Our challenge today is to remember, always to remember, the Holocaust. For if we remember, we will—as our soldiers did—look its evil in the face, and wherever and whenever such a horror happens again, we will know it for what it is—and we will not avoid facing the specific truth or the specific humanity and specific suffering of the victims.

Forty one years have passed since that April afternoon. The youngest of the liberators is in his 60s now. For four decades these men have served—as have the survivors of the camps—as the bearers of witness. They have testified to the full truth of the Holocaust. We must ensure that this memory survives them.

The importance of memory—this is the enduring importance of this Day of Remembrance—this is the enduring importance of the Holocaust Memorial that will be built on the Mall.

For memory is our duty to the past. And memory is our duty to the future.

Mr. YATES. Mr. Speaker, earlier today I, along with many of our colleagues, participated in an eloquent and solemn Days of Remembrance ceremony in the rotunda. This ceremony, which is part of the national civic observance to remember and honor the victims of the Holocaust, was sponsored by the United States Holocaust Memorial Council. In the next several days similar ceremonies will be held in many communities across the country and I am very pleased that we are having this special order so that members will have an opportunity to speak on the meaning and relevance of the Holocaust.

The words disaster, accident, catastrophe have been in frequent use since we began to learn about what happened at the Chernobyl nuclear facility. The world is now in the process of learning whether man has produced a disaster or a catastrophe. There is no similar ambiguity about the Holocaust.

The Holocaust was planned, organized, and carried out with a level of efficiency and dedication that, even after 40 years, is difficult to imagine or comprehend. It was a deliberate, planned catastrophe that murdered millions of innocent Jews and non-Jews all over Europe and it remains to this day a catastrophe for Western civilization. The Holocaust affects us all. In remembering the victims and the events that produced their murders, we are forced to reflect on the darkest side of human nature, and it evokes feelings of disgust and disillusionment. Our purpose in doing this is to remind ourselves and the people of the world that man has the capacity for great evil and that it is only through constant attention to the ideas of basic human rights and the rational elements of civilized behavior that we can avoid future holocausts. I am pleased to have this opportunity to add my voice to this effort.

Mr. LEVINE of California. Mr. Speaker' I am honored to participate in this special order marking the annual commemoration of the Days of Remembrance of the victims of the Holocaust.

In Israel, they mark this day—the day they call Yom Ha-Shoah, literally the Day of the Catastrophe—by setting off sirens for 2 minutes throughout the land. In Jerusalem, in Tel Aviv, in Haifa, and in towns large and small, Israelis come to a standstill in the streets, cars pull to the side of the road as their drivers stand at attention, as they remember the tragedy that befell their brethren in Europe. Mr. Speaker, it is an unforgettable sight, and it is made even more poignant by the fact that so many survivors of the Nazi death camps, stateless after the war, found refuge in what was then Palestine. Mr. Speaker, it is said that there is tragedy in triumph, and triumph in tragedy. I can think of no greater example of the latter than the State of Israel, for the rebirth of the Jewish State came in the aftermath of the attempt to annihilate the Jewish people. And these survivors of the Holocaust became the foundation of that historic rebirth. Clearly, Israel represents living proof that Hitler failed in his ambition to erase the Jews from the face of the Earth.

Mr. Speaker, today's Day of Remembrance in this country is also testament to the failure of the Nazi genocide. Yes, they were able to murder 6 million Jews, and 5 million non-Jews, in a slaughter unparalleled in human history. But as speaker after speaker at this morning's moving ceremony in the Capitol Rotunda reminded us, the Nazis felt that they would be able to kill all the Jews, that all traces would be removed, and that no one would be able to imagine evil on such a scale. The Jews would be forgotten, and Hitler would triumph. Yet here we are, in the Capitol of the United States, memorializing the victims of the Holocaust, remembering. Yesterday, there were ceremonies in all 50 States, remembering. This morning we heard from survivors of the Holocaust as well as from the American liberators of the death camps. They were and are the true witnesses to this horrendous evil. Their words moved us deeply as they described the Nazi hell, and their words help ensure that we will forever remember.

Elie Wiesel spoke eloquently at the Capitol ceremony on the importance of what he called memory. He said that to remember the dead is to remind the living of a lesson, that if we pledge to act on their memory, we will remain vigilant and will not repeat the unforgivable lapses that allowed millions to be destroyed. Mr. Speaker, people often ask "Why?" Why was the Holocaust permitted to happen? That is a question with many answers and yet, ultimately, with no real answer. As one survivor said this morning, the only answer, the only response to the evil, is memory. And so we remember the victims of the Holocaust. It is our duty, it is our obligation, and it is the only way to guarantee never again.

Mr. WEISS. I would like to express my gratitude to my colleagues Congressman YATES and Congressman LEHMAN for their role in arranging this important special order on the Holocaust, to give Members of Congress the opportunity to share their thoughts during the Days of Remembrance of the Victims of the Holocaust.

Today, over four decades after the Second World War came to an end, the international community still struggles to come to terms with the meaning of the Holocaust. Mountains of articles, books, dissertations, and films have tried to fathom the depths of the Holocaust—the sequence of events, the intricate details, the public response, and ultimately, the meaning of this horrific event that shattered and transformed the way both Jews and non-Jews view the world. Yet in many ways, the central fact of the Holocaust—the very fact that this could happen in what we like to think of as a civilized world—still eludes our comprehension.

Many have observed that the Holocaust was not a single tragedy, but two tragedies joined together: the tragedy that it happened, and the tragedy that the world let it happen. One was a catastrophe of unprecedented destruction and calculation. The other was a catastrophe of silence, inaction, and even indifference. Together, these tragedies have shown us the horrible cost of ignoring oppression and destruction.

During the Second World War, many Americans were horrified by what they had learned about Hitler's "final solution" for the Jews. But their ability to raise the matter of the Holocaust was rigidly circumscribed by the anti-Semitism and anti-immigrant sentiments in our own country at the time. If we want to prevent another Holocaust, we must redouble our efforts to eradicate anti-Semitism and all other forms of discrimination, both in this country and abroad. We must work to educate the public about the need for racial and religious tolerance, so that the pleas of minority groups will never again be discounted because of bigotry.

Memories of the Holocaust have once again been stirred in the last few months by the uncovering of former U.N. General Secretary Kurt Waldheim's activities with the Nazis during World War II. In light of his service at the United Nations, these revelations are profoundly disturbing. But more disturbing still is Waldheim's attitude that none of this matters, that what the Nazis did was no worse than what the allies did during the war, and that since this all happened over 40 years ago, no one should worry about it anymore. In short, Waldheim argues that the Holocaust should be forgotten—and in fact, that until recently, he himself had forgotten. This attempt to forget is the most dangerous attitude of all.

As a country founded by people who themselves fled from religious persecution, America has a special sensitivity to the meaning that the Holocaust has for the Jews, the Catholics, the gypsies, members of the homosexual community and others who were slaughtered by the Nazis. In remembering the victims of the Holocaust this week, we must rededicate ourselves to eradicating the racism

and intolerance that carries with it the germs of genocide.

Mr. ANDERSON. Mr Speaker, I want to congratulate my colleague from Florida [Mr. LEHMAN] for arranging this special order today to remember the victims of the Holocaust.

Mr Speaker, the Nazi reign of terror upon the peoples of Europe, and most directly upon those of Jewish descent, is undeniably one of history's most incredible and overwhelming examples of man's inhumanity to man. In the short time that the Nazi regime ruled Germany and subsequently spread its reaches of power throughout much of Europe, more than 6 million Jews and millions from various other ethnic, religious, and political groups were annihilated. Although it has been more than four decades since the Nazi atrocities and one of the darkest periods in the history of mankind, it is my distinct honor to rise in remembrance of the innocent victims of the Holocaust.

It is nearly impossible to imagine how a man raised and educated in a highly cultured society could ever devise such an abominable plan. It is even more impossible to imagine how the world could stand idly by, seemingly without knowledge of the torture and death carried out by the Nazis, until the Jewish people were nearly annihilated. In remembering the victims of the Holocaust, we must remind ourselves that it is our duty to ensure that another tragedy of this magnitude will never happen again.

Today, people throughout the world are being oppressed by cruel and heartless regimes, and these victims are the inheritors of the legacy of man's inhumanity to his fellow man. In this era of great economic, political, and social unrest, the possibility exists that a tragedy similar to the Holocaust could arise and leave its ugly mark upon our age. But, hopefully, we have learned our lesson, and we shall never permit the conditions which spawned the evil Nazi era to exist again. This is the vigil which we must keep for evermore, and it is our duty to those whose memory we honor.

Mr. McGRATH. Mr. Speaker, while the advent of spring reawakens us to the simple joys of life, there is one segment of our society for which this is especially true. Yet, it is a time for mixed emotions—reveling in life, but also somberly reflecting upon that part of human nature which inflicted a cruel and vile death upon victims of the Holocaust.

For survivors of the Holocaust, memories of the death camps never go away. The faces, the voices, the cries—the stench of death, never disappear. As Elie Wiesel has stated, "Only those who were there know what it was; the others will never know."

Throughout Yom Hashoa, the Days of Remembrance of the Holocaust, it is essential for all of us to recall the sordid deeds of nazism which have left their evil scars upon all humanity. We must take hold of a part of the responsibility all share to remember, and therein pledge, never again.

As members of the New York City Holocaust Memorial Commission have stated, the world has become too technologically advanced for selective annihilation. The victims of the next holocaust are not likely to be only Jews—but everyone.

Mr. MANTON. Mr. Speaker, I would like to commend my colleagues for organizing today's special order for the Days of Remembrance of the Victims of the Holocaust. Today's special order is a key element of what must be a commitment by the Congress and the Nation to ensure that such a tragedy, unparalleled in the history of humankind, will never be repeated.

We will never forget the 6 million men, women, and children who were murdered solely because they were Jewish. The Holocaust is a part of history for which all the people of the world share responsibility. Today, not only are we honoring the memory of the 6 million, but we are also reaffirming our unwaivering commitment to never let the world forget what the results of ignorance, prejudice, and apathy can be. Never again can the world stand silent in the face of evil.

The events during the Days of Remembrance are also a means to teach our children the tragic lesson of history. The lessons of the Holocaust must be taught from generation to generation. Only by teaching the mistakes of past generations can we be certain they will not be repeated by future generations.

Mr. Speaker, we in the United States are privileged to live in freedom. We must use that freedom to protest tyranny and evil everywhere and to be the voice for those who are allowed no voice. During the Days of Remembrance, we remember a time when that important lesson was forgotten. But today we must also promise: Never again.

Mr. ATKINS. Mr. Speaker, today we again take the opportunity to pay our respects to the victims of the Nazi Holocaust. We do not commemorate this event in order to rekindle the horrible memories of the torturous and barbaric methods of extermination used by Adolf Hitler and his Nazi followers to eliminate millions of individuals. Rather, we take time to remember the Holocaust and its victims today so that we and our children do not become victims of a similar inhumane act tomorrow.

Exhorting the virtues of Aryan supremacy and blaming the Jews for all the evils of the world, Hitler established a systematic and barbaric network of death to eliminate the entire European Jewish population. Jewish men, women, and children were abruptly taken from their homes and either immediately murdered by firing squads or poisonous gas, or sentenced to die a slow painful death in any one of a number of inhumane concentration camps. By the conclusion of World War II in 1945, 6 million Jews along with millions of other minorities had been brutally murdered by the Nazis.

The victims of the Holocaust were not arrested and sentenced to die because they had committed heinous crimes against society. No, Mr. Speaker, these individuals were the targets of the greatest case of racial prejudice and religious discrimination in the 20th century simply because they were different. These people either spoke a different language, had different facial features, or had different religious beliefs than Hitler and his Nazi followers.

There are many who wish to ignore or even to deny that the Holocaust occurred. No civilized person enjoys discussing the torturous methods used by the Nazis or reliving the horrifying accounts of the concentration camps. Yet, Mr. Speaker we must do so in order to prevent future generations from becoming the newest victims of genocide.

Many will argue that we do not need to discuss the Holocaust today because Adolf Hitler and the major architects of his "final solution" are dead. Yes, these men are dead, but intolerance for those who are different still lives today throughout the world. Since the conclusion of World War II, the world has witnessed two events, the senseless murder of Biafrans and Cambodians in the 1960's and 1970's, that have shown remarkable similarities to the Holocaust. The suffering and death that occurred in Nigeria and Cambodia reflect the need to continue to bring the Holocaust to the attention of the Nation and the world. As long as bigotry and discrimination remain, we can never be assured that another genocide will not occur.

No one has the power to alter what has occurred in the past, but collectively we have the opportunity to shape the future. However, in order to ensure that history does not repeat itself, we must never forget the lessons it has taught us. To rekindle the memories of the Holocaust is quite painful, bringing tears to the eyes of many. We, however, must overcome this pain and anguish to make our children aware of the Nazis' crimes of unspeakable brutality. The lesson may be painful, but the knowledge could be lifesaving.

Mr. HUGHES. Mr. Speaker, we honor the victims of the Holocaust this week and look forward to the opening of the Holocaust Memorial, but we must not let their suffering be for naught. Their suffering reminds us that we must never forget the lessons to be learned from the darkest time in our history. Lessons of a belief in God and self that survived the oppression and hatred of the Holocaust.

The victims of the Holocaust are symbols of strength and perseverance from which we must all learn. We must continue in their struggle to guarantee religious freedom and liberty for all those who seek it. We must guard our constitutional rights of equality, religious freedom, and liberty. We must continue to be alert to the dangers of those who want to snatch our liberty from us.

We must never forget the horrors of that time, so that we may prevent it from happening again. It is important to teach our children and grandchildren about the atrocities discovered by the world when Europe was liberated over 40 years ago. We, as a nation, must lead the fight to end oppression and we must begin at home. We need to look inward and work to feed the poor, house the homeless, and help the oppressed. Then we must encourage our neighbors to continue the struggle of the victims of the Holocaust by allowing their people to practice their religion, live without fear of political retribution, and to live with each other peacefully.

Mr. Speaker, I am honored to be a part of this tribute and I hope that we all will continue to draw strength and guidance from the experience of the victims of the Holocaust.

Mr. GREEN. Mr. Speaker, I address my colleagues today as a Member of Congress, a member of the U.S. Holocaust Memorial Council and as a member of the Jewish com-

munity committed to remembering those fellow Jews who perished in the Holocaust.

In those times,

Elie Wiesel has said,

there was darkness everywhere. In heaven and on earth, all the gates of compassion seemed to have been closed. The killers killed and the Jews died and the outside world adopted an attitude either of complicity or indifference. Only a few had the courage to care.

These few men and women were poor and weak and vulnerable and afraid and helpless—what made them different from their fellow citizens? What compelled them to disregard danger and torture and choose humanity? What moved them to put their own lives in jeopardy for the sake of saving one Jewish child, one Jewish mother?

The European countries reacted differently toward the Nazi policy of pillaging and destroying the Jews. The people of western, northern, and much of southern Europe were almost totally against it, and many individuals aided the Jews in their struggle for survival. In eastern and central Europe reactions varied. With the exception of Czechoslovakia and Hungary, much of the population of eastern Europe were indifferent to the fate of the Jews. In France, Belgium, the Netherlands, Italy, Finland, Denmark, Bulgaria, and Greece a vast majority of the people were in sympathy with the Jews. Even among the collaborators and traitors of these countries, the anti-Semitic program was not as popular as other parts of the Nazi plans.

We know of the strong compassion of the Swedes and Swiss. There were many people in these countries who participated directly or indirectly in rescue operations, such as Raoul Wallenberg and Charles Lutz—the Swiss consul—whose intervention and persistent efforts saved tens of thousands of Hungarian Jews.

In regard to the Christian churches, the attitude of the lower clergy paralleled that of the various ethnic groups. Where the local population was sympathetic to the persecuted Jews, almost all the priests participated in rescue activities; this was the case in Italy, Belgium, France, Czechoslovakia, and parts of Hungary as well as in the Protestant countries and in Greek Orthodox Bulgaria and Greece. Where the majority of the population was anti-Semitic, there were also anti-Semitic clergymen whose attitudes encouraged the enemies of the Jewish people.

We all know of the exodus from Denmark, a shining example in which the entire population stood behind the Jews and tried to save them. In October 1943, as soon as the Danish population learned of the German plan to deport the Danish Jews, several rescue committees were spontaneously set up. Risking their own lives, they transported the whole Jewish population—6,000 to 7,000 persons—across the sea to Sweden. A similar miraculous sea crossing was carried out by the Greeks, who transported several hundred Jews from the Greek islands to Turkey. On the Greek mainland, several thousand Jews were sheltered in the mountains and other hiding places thanks to the friendly attitude of the Greek population.

Peshev, the Vice President of the Sobranie Parliament of Bulgaria, stood up to the authorities and countermanded the deportation of the Jews of Bulgaria. He, and the Bulgarian Orthodox Church and the Bulgarian masses who croweded the railroad station, the depot for deportation, played a major role in saving the lives of 50,000 Bulgarian Jews. Bulgaria's sense that native Jews were also Bulgarians was so strong that the government insisted on protecting its own people.

In Italy, 80 percent of the Jewish population was saved. Even though Mussolini yielded to Hitler's request that Italy's Jews be deported, throughout the country Italians defied Mussolini's orders and protected thousands of Jews, both native Italians as well as Jewish refugees who sought shelter in Italy.

Records show that from the highest to lowest echelons of the bureaucracy, large numbers of Italians blocked orders to deport detained Jews, warned Jews of impending raids and cooperated with individuals who were protecting Jews. Yugoslavian Jews report that they were taken almost from the hands of approaching Germans onto Italian army trains, dressed in Italian military uniforms and brought to Italy where they were concealed.

Le Chambon-sur-Lignon is in south-central France. It was in that village that people fleeing from the Nazis were welcomed and given a place of refuge. Led by Protestant minister, André Trocmé, these villagers—both Catholic and Protestant—defied the Nazis and the policies of their own country, Vichy France to protest and save Jews.

Hanne Liebmann, a survivor sheltered in Le Chambon said,

Originally there were seven of us young people who came from the concentration camp in Gurs. We were received very wonderfully. We were placed in a home where there were about 20 or 25 boys and girls from outside France, some French-Jewish children, and some non-Jewish children—all sorts of children. We really found a haven there.

Then in 1942, things became more dangerous, and we had to be hidden. We were taken to farms, and the farmers took us without a question. They were happy to have us, and they shared their bread with us, though there was very little of that. I can say that I think my faith in humankind—perhaps this is true for all of us—was really reestablished by those gentle people.

From the thousands of files at Yad Vashem we have learned of many individuals who helped in circumstances that would deem it impossible to help people—and yet they did. For example, Dr. Adelaide Hautval, was sent to Auschwitz because she had protested so adamantly to the Gestapo in France about thier cruel treatment of the Jews.

While at Auschwitz Dr. Hautvel was sent to the experimental block 10, and later to Birkenau. Not only did she refuse to cooperate with the infamous Dr. Mengele in his experiments on Jewish women, but she cared for the Jewish prisoners. When an outbreak of typhoid broke out and all the patients would probably have been sent to the gas chambers, Dr. Hautval hid them in bunks and nursed them with maternal devotion.

In 1942-43 the residents of the Dutch village of Niuvelande decided that every household would take and hide one Jewish family or individual Jew—and they did! No one feared being informed on by his neighbor because all were implicated in the "crime" of concealing a Jew.

During this era of darkness, in the climate of incitement against all Jews and widespread inhumanity, the actions of these individuals are all the more outstanding. Anyone who extended a hand to aid a Jew could not expect help, either from the outside world or from the immediate environs. In fact, if such a deed became known, the rescuer stood to suffer the same fate at the hands of the Nazis as the Jew who had been taken under protection.

On this day of Yam Hashoa, let us remember that Jewish legend has it that the world respond upon 36 Just Men, who are indistinguishable from simple morals and whose identity is never revealed. During the Holocaust, they had helpers. Alongside acts of unprecedented cruelty were the deeds of a few thousand such righteous souls who for their time salvaged the honor of all humankind. It is regrettable that there were only a few thousand to save the millons of Jews whom the Nazis were destroying. While we remember the victims of the Holocaust today, let us also pay tribute to the Righteous Gentiles who, while surrounded by terror and oppressed by evil, opted for humanity and in so doing risked their lives for their fellow human beings.

Mr. GRADISON. Mr. Speaker, the annual commemoration of the Holocaust, "The Days of Remembrance of the Victims of the Holocaust," provides us with an opportunity to contemplate one of the most tragic events in modern history. The tales recounted by the survivors and liberators of the Nazi death camps transcend the boundaries of human experience and the realm of human imagination, shattering our faith in humanity.

It is only natural then that we tend to push aside thoughts of the atrocities committed during the Nazi regime and attempt to convince ourselves that the Holocaust was an anomaly. But this human tendency is one of the compelling reasons why the events of the Holocaust must never be forgotten.

The Nazi regime, during World War II, implemented a plan to systematically annihilate an entire people. While Jews had endured centuries of persecution in eastern and western Europe, Hitler's plan to completely wipe out the Jewish population was unprecedented in history in both its magnitude and scope. As Holocaust survivors and noted author Elie Wiesel once said, "Not all victims were Jews, but all Jews were victims destined for annihilation because they were born Jewish." Although the Nazis were prevented from reaching their final goal, they succeeded in brutally murdering 6 million Jews and millions of others—Poles, Gypsies, and Slavs, to name a few.

The events that led to the murder of millions occurred gradually. The bureaucratization of death, as it is aptly called, was an evolutionary process. Through legal and institutional means, the Nazi regime sought to dehumanize the Jews and deprive them of their individuality. Initially, the Jews were legally denied the right to own property and the right to work. Over time, the law became a tool to deprive the Jews of their right to life.

The Nazis' skillful use of the legal system to deny individuals of their basic human rights reveals clearly the ease with which laws can be corrupted and, thus, the importance of vigilance. It is evidence that moral and ethical considerations are essential ingredients for creating laws that protect and preserve individual human rights.

Just as important is the realization that the tragedy of the Holocaust could have been prevented. Despite the personal risks involved, there were people who rescued and provided aid to the Jews. Their stories indicate that every action, every deed, no matter how small, is significant. General indifference to the evil intentions of the Nazis and inaction in fighting their policies contributed to the Nazis' success.

The lessons of the Holocaust are many. But it is only through conscious effort that they can be learned. Though one of the most earth-shaking events of the 20th century, the Holocaust is often misunderstood and trivialized. Sadly many people are unaware of its significance.

Education can play an important role in increasing awareness of the Holocaust. Knowledge about the events which transpired under Hitler during World War II and the process through which they occurred is necessary to sensitize both young and old alike to the meaning of the Holocaust. By analyzing and trying to understand the causes of the Holocaust, it is possible to reaffirm our commitment to fundamental principles and our respect for an individual's basic human rights.

The stories of those who provided assistance to the Jews provide evidence that moral and ethical behavior can be taught. Study of the Holocaust is an appropriate vehicle for teaching our children the importance of taking responsibility for one's own actions.

The Holocaust affected every aspect of modern civilization, from the arts to politics to philosophy. It has shaped our perception of the world and had an impact on each and every one of us. If we can attain an understanding of why the Holocaust occurred, it may be possible to correct future incidents of injustice. An awareness of the causes of the Holocaust and the various manifestations of anti-Semitism that emerge in our own time is the surest way to prevent the reoccurrence of such a catastrophe.

In commemorating The Days of Remembrance, we pay tribute to the countless victims of the Holocaust, men, women, and children, Jews and non-Jews and reaffirm our belief in the sanctity of human life. The Days of Remembrance remind us that we have a moral obligation to bear witness to the unspeakable horrors of the Holocaust and to ensure that such a tragedy never happens again.

Mr. FRANK. Mr. Speaker, I would like to thank the gentlemen for taking out this special order; it is important that we in Congress take time during the Days of Remembrance to reflect on the significance of the Holocaust. I am pleased that the U.S. Holocaust Commission—an institution which itself is a symbol of the importance the Congress has assigned to the task of commemorating the Holocaust—has sponsored these Days of Remembrance as an annual event in which the Nation as a whole sets aside time for a conscious, communal act of memory. The Holocaust was a horror which contained a message for all mankind; we must keep the memory of it fresh, if we are to prevent any resurgence of the frame of mind which allowed such a nightmare to happen. The terrible knowledge that people are capable of these atrocities permeates our consciousness in this modern age, but it is important to sponsor a civic commemoration such as this one to crystalize that knowledge and reaffirm our own commitment to human dignity.

Mr. LEVIN of Michigan. Mr. Speaker, today is Yom HaShoah—Day of Remembrance. This special order is set aside to give Members of Congress time to recall and speak about the horror of the Holocaust and pay tribute to the millions who perished at the hands of the Nazi terror. It is fitting that we should do this, because only by continuing to remember and to study those events will we ensure that they are never repeated.

Among the millions who perished during those shameful years, was a 15-year-old Dutch girl who left a legacy of love and beauty for the world to come. She was Anne Frank, and the words in her diary have inspired all of us and will continue to do so for generations.

An important exhibit of photographs depicting the life and times of Anne Frank has just completed a very successful stay in Michigan. The exhibit was organized by the Anne Frank Center in Amsterdam and was brought to the United States by the American Friends of the Anne Frank Center. I am proud to say that my brother, Carl, and I had the privilege of serving as honorary chairman of that exhibit during its Michigan stay.

While in Michigan, the exhibit was viewed by over 75,000 people. As Anne's message is especially important to young people, we tried to encourage attendance by schools. And indeed, school groups came from all over southeast Michigan as well as Ohio and Ontario to share the message of the importance of human rights which is Anne's legacy. Those who viewed the exhibit pondered one overidding question: "Could Anne Frank and her family have counted on our help if she had been our neighbor?"

By extension, this question can be asked about each and every victim of the Holocaust. On these Days of Remembrance it is a question which we would all do well to consider. We must hope that our answer to that question would be a resounding "yes!" For if we have not learned at least this lesson, Anne and all the others will have died in vain.

For all the victims of the Holocaust, Anne Frank stands as a symbol of the power of the human spirit over evil. Her love of life and humanity survived even under the crushing pressures inflicted by the Nazi machine.

She said:

I see the world gradually being turned into a wilderness, I hear the ever approaching thunder which will destroy us too, I feel the sufferings of millions and yet, if I look deep into the heavens, I think that it will end and that peace and tranquillity will return again.

Anne's words make us ever more resolute in our efforts to combat all signs of racism and totalitarianism wherever they appear. For only by so doing, do we protect our children and generations to come from the cataclysm wrought by the Holocaust. On this Yom HaShoa, the optimism and hope for the future conveyed by her words continue to be an inspiration to us all.

Mr. GARCIA. Mr. Speaker, today we are once again commemorating the Days of Remembrance of Victims of the Holocaust.

We all talk about man's inhumanity to man, and we know about the horror and sadness that abounds in the world today. Unfortunately, the world is becoming blase; starving faces stare at us from our television sets, we hear about terrorism, we see it on the news, all of our senses are constantly assaulted by images of suffering, disease, starvation, lack of freedom, and now even nuclear disaster. It is almost a defense mechanism for modern man to close his mind to the chaos, the pain and the incredible need of our fellow man, whether here or abroad.

But the message of this day is that we cannot close our ears to the cries, to the shrieks of bombs; we cannot close our eyes to the arid vistas of starvation in Ethiopia, to the near hopeless imprisonment of Soviet Jews, to the agonies of the victims of terrorism.

We cannot ignore, we cannot forget the victims of the past—they are reflected in the faces of the victims of the present.

Mr. OXLEY. Mr. Speaker, I am honored to be a part of the 1986 Congressional Call to Conscience Vigil for Soviet Jews, which points out the plight of Prisoners of Conscience and refuseniks who wish to emigrate from the Soviet Union.

The current summit process between the United States and the Soviet Union marks the first direct talks between the heads of state in 6 years. In order for human rights issues to become a high priority during these talks, the current lack of emigration of refuseniks and prisoners of conscience must be brought to the attention of the respective heads of state.

"Refusenik" has become an international word. It describes a Soviet Jew who, having been consistently refused permission to emigrate to Israel, is harassed by the KGB, usually is dismissed from his or her place of work, and lives in fear of arrest and trumped-up charges which could, and often times do, result in imprisonment. One such refusenik is Leonid Kelbert.

Leonid, a film producer, is the only Jew to go through the Moscow Film Institute since the Six Day War in 1976. In 1975, he won at least three prizes at the Cuban Film Festival for "The Catastrophe Will Not Happen." At the Czech Film Festival of 1976, he won the grand prize, gold medal, and first place for "Ideas for Academician T. Selikov."

Leonid applied for an exit visa due to state control of the cinema. Screenwriters, he says, are a type of Mafia that control and censor the content of the various films. Leonid lost his job in the film industry because of his emigration application.

He is also an active participant in the group of young Leningrad Jews who are studying their religion and culture in weekly seminars, which have been under attack by the KGB. Leonid gave six such cultural lectures during 1981. Also during this period, Leonid pro-

duced a series of playlets based on episodes of Jewish history, culminating in several performances of "Masadah." More than 500 people saw this play.

On February 13, 1982, Leonid was arrested, accused of "hooliganism" and sentenced to 15 days detention. A week after his release, he helped to organize several "Purimspiels," plays based upon Bible stories.

The KGB told Leonid that the Purimspiels he had prepared were forbidden, and no more cultural activities would be permitted. He would in the future be charged with anti-Soviet activities and face long-term imprisonment if he continued. Since then, Leonid has been working in part-time positions unrelated to the film or theater industry.

On October 9, 1985, Leonid was severely beated by three assailants. Whether these ruffians were caught was and remains a matter of speculation. Leonid is still waiting for his exit visa.

Leonid is just one of thousands of refuseniks in the Soviet Union. It is the obligation of all of us in the free world to demand the U.S.S.R. release these refuseniks and end this tyranny.

Mr. ANNUNZIO. Mr. Speaker, I rise to join with my colleagues in the House of Representatives during these Days of Remembrance of the Victims of the Holocaust, in recalling the barbaric atrocities committed by the Nazis during one of the saddest periods in the history of mankind.

Our commemoration in the Congress may be a painful reminder of a dark past. However, it is essential that our Government take the time to remember these outrageous crimes against humanity, and to commemorate the victims of the Nazis. This commemoration serves to remind us that human rights violations around the world must not go unchallenged. We must continue to be vigilant, and the memory of the Holocaust should strengthen our commitment to resist the many forces around the world which are working to undermine the advances made by civilized nations living in freedom.

The world must never forget the unspeakable crimes systematically perpetrated against the Jewish people and against all humanity, and we must continue to keep the lessons of this tragedy alive for all generations to follow. Out of our efforts come hope and renewal culminating in an unwaivering determination to prevent future genocides.

Mr. Speaker, on these solemn Days of Remembrance, I join with the many Holocaust survivors living in the 11th Congressional District of Illinois which I am honored to represent, and all Jews throughout the world, as we remember the victims of the Holocaust, and as we vow to carry in our hearts and our minds and to pass on to our children, the words, "remember" and "never again," so that we insure another Holocaust will not be repeated.

Mr. BERMAN. Mr. Speaker, today we are here to remember the victims of the Holocaust. This is no easy or simple undertaking. How does one truly remember something so terrible, so inconceivable? We know it happened and yet it is almost impossible to comprehend the fact that 6 million people were murdered. It is almost impossible to have the capacity to realize that each one of those 6 million was an individual, a human life. Each one of those 6 million people has a life story of their own—a life story they were not allowed to complete.

Each one of us has plans for our future—things we want to accomplish, places and people we'd like to meet, a world that we would like to see for our children, opportunities we want them to have. All of these treasures and challenges that life offers us were suddenly taken from these 6 million people.

How do we possibly do justice to such an overwhelming wrong? All the words and great thoughts that have been uttered cannot, in the end, adequately express the courage of these people and the indescribable tragedy of their loss. Despite our inability to fully comprehend we must continually try to learn and understand. To do less is to accept the Holocaust. To do less is to allow it to happen again. As the son of two survivors said, "We shall tell the world of the depths to which humanity can sink, and the heights which were attained in hell itself."

But what does it mean to remember? Is it enough to say yes, I know that 6 million died? Is it enough to say that yes, I have read and learned of the horrors of the Holocaust?

To truly begin to do justice to the enormity of this crime, to truly show that we have some inkling of what this hellish period in our history means, we must act as well as think about the Holocaust. Part of our remembrance must be to fight religious hatred, racism, fascism, ignorance and hatred wherever they spring up. We remember the victims of the Holocaust by teaching others, learning more about its history but also by fighting its evil offspring which are flourishing in places like Russia, Chile, and South Africa.

The suffering of the victims as well as the survivors of the Holocaust continues. The survivors of the Holocaust will always carry with them the horrible memories of this time. The 6 million who lost their lives have found peace but their loss left many families without beloved aunts and uncles, grandparents, brothers and sisters, fathers and mothers. There are children who will never know their grandparents except through stories of their love and courage passed down through the family. The suffering of the Holocaust continues to this day.

The losses of the Holocaust will not go away. But we can give that suffering meaning and purpose. We can say to those brave and loving spirits that their sacrifice did have meaning, that their call for justice does not fall on deaf ears. We give meaning to that suffering when we commit ourselves to fighting injustice in this world. If their loss teaches us nothing else it must be that there in nothing more sacred than life and that each one of us has a duty to uphold human freedom and dignity. May they rest in peace. Shalom.

Mr. MRAZEK. Mr. Speaker, 40 years ago the Nazi Reich of Germany managed to systematically exterminate 6 million Jews. The Jews were not a group of people caught in the crossfire of war. These 6 million people were singled out, uprooted from their homes, branded as subhuman, charged with contamination of the purity of the German race, herded into cattle cars, and then thrown into gas chambers and ovens to conceal their remains.

Over the years, we have begun to witness a campaign by certain hate groups claiming that the Holocaust never occurred, that it was just an invention of the Western powers to legitimize their support for Israel. Such claims, Mr. Speaker, must be confronted. And attempts to downplay what happened during those years only add credence to the malicious claims of these groups.

During the D-Day anniversary ceremonies, West German Chancellor Helmut Kohl made special efforts to recognize Germany's past and to instill a memory of those events into the generation which has never witnessed war. My purpose in being here today is to add my voice to those committed to making sure that people remember the enormity of the horror perpetrated only 40 years ago on this planet.

Mr. YOUNG of Missouri. Mr. Speaker, today a ceremony was held to commemorate the Days of Rememberance of the Victims of the Holocaust.

As the leader in the free world, the United States must never allow the lessons of World War II to escape us.

With regard to what Hitler and the German National Socialists had in mind for the Jews, the writing was on the wall long before the actual extermination began.

In 1933, boycotts were instituted against Jewish businesses. From this point, the policy of removing Jews from Germany accelerated through several stages until Hitler realized that Aryanization and emigration had not achieved the Jewish expulsion that he was seeking.

The extermination of European Jews was an outgrowth of these failed policies of the 1930's. In 1939, Hitler made the deadly prediction that a world war would cause "the annihilation of the Jewish race throughout Europe."

The indifference of the United States and the rest of the world toward these actions made it easy for Hitler to continue with his plan. Despite the fact that Germany was blatently discriminating against Jews, the 1936 American Olympic Committee could see no reason not to participate in the Berlin games.

In retrospect, we can never be sure that intervention would have altered history, but we must be sure that this type of behavior is never tolerated again.

As a memorial to the millions of Jews who perished at the hands of the Nazis, all nations should unite against violations of human rights that occur anywhere in the world.

Mr. MINETA. Mr. Speaker, I join with my colleagues today in remembrance of the Holocaust and its victims.

The Holocaust, tragedy of immeasurable sorrow and inconceivable dimensions, represents the depths to which inhumanity can descend. Words cannot convey these depths.

The Holocaust presents us with many stories of courage, strength, and heroism. As in all tragedies, heroes and martyrs rose from among the ordinary people enmeshed in that time of darkness.

We are here to honor those heroes and martyrs; they righly deserve our respect and recognition. We are also here to charge our-

selves with an all-important commitment. Though the Holocaust should be too painful to imagine, much less remember, remember we must.

If we do not confront the tragedies of our past, they will haunt not only the darkness of our dreams, but the days of our future.

Only by reawakening our sorrow, our shock, our horror at the Holocaust can we halt its reappearance. Today, next year, and every year after that, we must make a pledge, in memory of those innocent victims, that we will not forget.

So we are here to remember something we would rather forget, but which we dare not. Our responsibility is to the future, our children's future. The future we wish for them is a life of peace and security. A world which remembers and rejects the tragedy of the Holocaust is the only world which holds the hope for such a life.

The Holocaust came to life because of the abdication of personal responsibility. Every one of us should gladly shoulder our responsibility to assure that the unthinkable remain unthinkable for all time to come.

So, Mr. Speaker, I am proud to join my colleagues in respectfully marking these solemn days.

Mr. MARTINEZ. Mr. Speaker, today we have joined together to remember 6 million innocent people who, during our own lifetimes, became victims of the gravest crime the modern world has known: 6 million innocent people, murdered because one of the darkest forces in human nature was allowed to fester and grow until one mad dictator found the key to unleash it in a violent frenzy.

This force, racism, is not dead. Even in this ugliest of forms, nazism, it is alive and well, as Austria has assured us. But it lives in our country as well. Some of us live with it every day of our lives, some of us will until the day we die. But we will not submit. We will continue to battle the ignorance and the myths on which racism thrives. We will throw light on the myths which dehumanize, which make some people "other" something less than human. The longer we let these myths live on in the dark, the farther removed they become from reality, and the wider and more dangerous the gulfs among Jews, Arabs, blacks, whites, Hispanics, Asians, Armenians, et cetera.

The 6 million we remember today did not die in a bygone era. They are part of us, and we are part of them. The battle they fought, we must continue to fight. If we ignore this battle, we bring tragedy upon ourselves and upon them. If we fight, if we remain vigilant, if we seek out racism, call it by its name and expose it to the world—if we of all colors, all races, all religions, all ethnic backgrounds, join and cry out together, "never again! "—then we ensure that the 6 million Jews who perished in the Holocaust did not perish in vain.

□ 1535

IMMIGRATION REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. LUNGREN] is recognized for 60 minutes.

Mr. LUNGREN. Mr. Speaker, first of all, I must say that taking the time for a special order gives rise to a sense of deja vu. This is the third time around in three Congresses that some of us have sought action for a comprehensive reform of our immigration laws. As time is allowed to slip away once again, I have become increasingly fearful that this, the third time around, may prove to be no more charmed than our two previous attempts in the 97th and 98th Congresses.

This leads to the obvious question: How can this be?

It is certainly not the result of improving conditions along the borders. For rather than improvement, what we have witnessed is a further deterioration of any semblance of control over who may enter our country. In fact, it is projected by the INS that we will exceed last year's record, 1.2 million apprehensions, by a factor of at least 40 percent. It should be noted that, as a rule of thumb, for every apprehension, INS personnel estimate that there are 2 to 4 undetected entries. Even if one takes into account the fact that some individuals are apprehended more than once and even if we assume increased INS efficiency, these numbers are still astounding. Even on the low side, this amounts to around 2 million people or the equivalent of four new congressional districts.

Mr. Speaker, I think this issue was put forth very well in a letter to the editor of the New York Times on April 29, 1986. This letter was sent by the chief patrol agent of the San Diego sector of the U.S. Border Patrol, and he said:

While Congress struggles with the issue of immigration reform, the greatest surge of humanity ever seen along our southern border is now clamoring to enter through our "back door." Here in the San Diego Border Patrol sector, with 66 miles of border responsibility, our apprehensions over the last six months (October to March) have risen by an incredible 48 percent over the same period a year ago. More than 270,000 illegal entrants were arrested. Of those illegal aliens, 6,500 were not from Mexico, representing 55 other countries.

In the first 17 days of April, we are averaging 2,451 arrests a day, a rate that will lead to more than 70,000 arrests for the month. We're encountering an average of one illegal alien every 35 seconds here in San Diego County. We know that we're locating at best, about half the flow of illegal entrants. The rest are making it past us, soon to join their compatriots throughout California and the rest of the country.

How long is America willing to endure the insanity of a generous legal immigration process being totally negated by illegal immigration? Do we truly have to absorb the world's surplus populations until we become like the third-world countries from which they come: overpopulated, with our resources depleted and with massive unemployment?

Here in California, home to the highest number of illegal aliens in the country, our own Congressional delegation cannot agree either on the need for, or the measures to achieve, immigration reform. I look at the thousands of people massed along just 12 miles of our border each night, waiting for darkness to conceal their northward trek, and I ask, "Why?" Why, my fellow Americans, are we so apathetic? Don't we realize what's happening? How can we tolerate an unlimited buildup of an exploited population within our borders—a population living outside the law, a population not participating in our democratic process?

Mr. Speaker, as I have said on this floor many times, I wish every Member of Congress could come down with me to the southern border to see what is spoken of as the soccer field. This is a flat area on the American side of the border where people congregate in the last daylight hours; it is large enough that some actually engage in soccer games while they wait, where vendors will come down and sell food while they wait, knowing that those people are massing to come into the United States illegally.

I should correct myself. They are already in the United States illegally. The border patrol does not go down into the area of the soccer field because the illegal aliens can so easily get back to the Mexican side of the border before the border patrol can even be there. So the border patrol stands on high hillsides, looking down with binoculars, counting the people, trying to figure out what routes they are going to take.

Members of Congress should stand on the border and see the Border Patrol officers standing there, with certain types of night scopes, so that they can see people identified by the heat given off by their bodies as they come across in the night. Sometimes officers can look out through those scopes and it looks as though the whole area is heated up, there are so many people coming across.

Some Members should come down with me to the border in El Paso, standing next to the Rio Grande River, and see as people come up the river bank. Many of these people wait for the Border Patrol car to go by and proceed down the levee about a mile, and then they come across.

Members should see people who carry others across for a fee, across the Rio Grande at that point, where it is no more than thigh deep, and see that these people are making their entire living by carrying person after person after person across.

Indeed, things are not getting better. Things are getting worse.

Mr. SHAW. Mr. Speaker, will the gentleman yield?

Mr. LUNGRAN. I would be happy to yield to my friend, the gentleman from Florida.

Mr. SHAW. Mr. Speaker, I did have the opportunity within the last couple of months to go down to the places

that the gentleman from California is speaking about. I have always maintained that in south Florida we have a problem, we have been the recipient of many of the refugees out of south Central America and out of the Caribbean, and I thought we had a serious problem until I did go down to see the soccer field that the gentleman speaks of. That is right inside the State of California. And I did go over to El Paso and watch the morning traffic of Mexican workers coming into the United States, as if they were invisible. And this brought back to me the importance of what the gentleman is going to be talking about this afternoon, and that is the need for meaningful reform.

The flood of these poor human beings coming into this country at the rate of over 2 million people a year, does threaten the quality of life here in the United States.

If we want to take the Mexican type of economy and make that as a goal for the United States, then so be it, we should leave the borders open; but if we continue to allow all of these people to come into this country who are looking for jobs, with the effect that this is going to have upon the workers of the United States, then I say that we are trying to mirror the economies of those countries that do have economic problems, serious economic problems, and this will of course rub off on the United States and is going to have a very serious effect on the future of our own country.

It is a selfish attitude, but I think all of us representing the people of this country should very selfishly guard their future and their economic well being.

I thank the gentleman for yielding.

Mr. LUNGREN. I thank the gentleman for his comments.

Mr. Speaker, I would say that I do not agree that it is necessarily a selfish response. I believe every country has the right to determine their borders. That is recognized by international law. Every country does. No one has as porous a border as we have in the United States. We have tried to establish a procedure of law by which we allow peoples from all over the world to come here, and we have tried to figure out the fairest way of doing that. And now we have quotas that are basically worldwide quotas, attempting to give people, as close as possible, an equal opportunity to come to the country.

So I would say that as sympathetic as I am to the Mexican national worker, I do not know whether it is fair to say we are going to wink and allow people to come across our border merely because they live in the country closest to us, and yet know that someone from the Philippines must wait 8 or 10 or 12 years to come through the legal process. Someone from Ireland may have to wait that long. Someone from Mexico who follows the law may have to wait 10 or 12 years.

The other point I would make is that of those illegal aliens, while the largest number were Mexican nationals, we had nationals from 55 other countries. It is now an international scheme to get into the United States. In Hong Kong, in China, in other parts of Asia, in Western and Eastern Europe, in all parts of the world today there are folks working to trade in people. They will accept money to get the people in Mexico, and then once they are into Mexico, bring them across the border, smuggle them in.

So we are not just talking about folks from Central and South American. We are talking about people who have come from all over the world. We are talking even about the seven suspected Sikh terrorists from India who were recently stopped as they tried to cross our border. We are talking about folks from all over the world. And if we are going to be fair, if we are going to be humanitarian in a fair way, it seems to me that we have to get control of our borders so that people from all over the world have an equal opportunity to come here.

I will be happy to yield to the gentleman from Florida.

Mr. SHAW. I thank the gentleman for yielding.

Perhaps the word "selfish" was a poor choice of words. But what I meant by that is that we preserve the quality of life in the United States for U.S. citizens and that we preserve jobs in America for U.S. citizens.

Perhaps the word "selfish" was a bad one to use, but I think what we are talking about is for Americans first. This is the type of attitude that I think we must establish here in the Congress, and I think the gentleman is about ready to talk about some ways in which perhaps the U.S. Congress, if we can get something moving here, perhaps can improve the situation.

Mr. LUNGREN. I thank the gentleman.

Mr. Speaker, in light of all of these facts, in light of this overwhelming problem, the legislative response in this body is regrettably underwhelming. Unlike the other body, which once again has expeditiously done it job, passing a bill last year, as it did 2 years before that in the first session of that Congress and 22 years before that, immigration reform legislation lies dormant in what my colleague from Illinois (Mr. HYDE) once aptly described as the Bermuda triangle of serious legislation, that is, the House Judiciary Committee.

This is indeed most puzzling in that it was over 6 months ago that our own Immigration Subcommittee marked up the bill. In light of our previous problems with the clock—and I would argue that we did not get completed legislation on this issue in the last two Congresses because we ran out of time—it was my hope that we would soon proceed to a prompt markup of the legislation in the full committee.

In fact, we had suggestions made to us, messages that were sent out, indications that we would deal with this on a priority basis. Some of us thought that we were going to get it in February, and then March, and most certainly April. Then we were disappointed to find out it was going to be done in the first 2 weeks of May. And then to find out last Thursday that a majority of Members of the majority side of the Judiciary Committee had written the chairman of the Judiciary Committee saying, "Put it off." And to find out that it was put off, now, until June.

The immigration reform bill has been held hostage in our committee for reasons that have more to do with ideology than public policy. I believe a controversy has been invented concerning the temporary foreign worker provisions for agriculture. The reason I say "invented" is because, to the extent that this institution still operates on the basis of democratic principles, there is no way that a responsible observer could construe the agricultural worker issue as the source of any deadlock.

While every element of the bill is in its own unique way the source of some controversy, there are a number of issues that have evoked far more emotion in the debate. Whether it be employer sanctions, legalization, the establishment of an adjudicatory framework, which was even dropped from the bill this time around, money for the States or the discrimination issue, the question of immigration reform by its very nature produces a lot of heat.

It is somewhat instructive to go back to the conference where we attempted to work out the differences between the Senate and the House versions during the last Congress. There everything fell apart in the waning hours of the 98th Congress. The question of temporary workers for agriculture was not, by any stretch of the imagination, the issue on which everything became unhinged. Quite to the contrary. It was resolved with relative ease early in that conference. It was the discrimination issue and whether we would create an entirely new administrative framework and a new cause of action for "alienage" discrimination that brought about days of delay. In the closing hours of the conference, an attempt was made to craft a compromise that would have wrapped together this issue with reimbursement to the States in an effort to broaden support for a compromise. When this attempt

collapsed, the conference itself dissolved.

I want to make it clear: The demise of immigration reform legislation in the 98th Congress had absolutely nothing to do with the agricultural issue.

□ 1550

When the 99th Congress began, immigration reform legislation was once again introduced with provisions to reform the H-2 Program—a regulatory maze, which currently comprises that small part of the foreign agricultural work force that happens to be in our country legally. When the Senate finished work on the bill, it had even added a full-fledged Guestworker Program known as the Wilson amendment. I should add that this followed a similar program that had been adopted by this body in the prior Congress known as the Panetta-Morrison amendment, which passed by a vote of 228 to 172—a 56-vote margin—in this House.

The question is really whether we would get an opportunity to vote on this issue. In the last Congress, the House spoke on the issue when it was presented to the floor. In this Congress, the other body has spoken to the issue when it was presented on their floor. So, both Houses acted on the question of allowing foreign agricultural workers to enter the United States if domestic workers are unavailable. In both instances the majority of those elected to represent the American people have supported a Guestworker Program.

One might therefore ask, what could possibly have happened in the interim to establish this issue over any other as the source of the current legislative deadlock? In a case where both Houses of Congress have expressed themselves similarly on separate occasions, how could this issue now present itself as the stumbling block to immigration reform?

While I will expand on this question somewhat, for purposes of brevity one can probably best describe this dilemma in terms of the exercise of raw political power. The reason that the immigration bill has not come up, is that it has not been allowed to come up, because some with the authority to bring it up, did not like the likely outcome on the agricultural labor issue. In other words, what we have here is a process that is outcome determinative. If you do not like the probable outcome of legislation, simply sit on it in the hope that through backroom political maneuvering you may succeed in frustrating the will of the majority.

Now mind you, such a process can be obfuscated with Aesopian descriptions of what is actually taking place. In this instance we are told by many that immigration reform legislation has been held up in order to negotiate a compromise to break the deadlock over the temporary foreign worker issue. Yet as I mentioned before, the fact that the deadlock exists only in the minds of those with dispositions contrary to the majority is itself reason enough for skepticism. One might paraphrase Adam Smith's observation that when two or more come together to promote their own interests, seldom can the interests of the majority be enhanced.

While the premise for delay in my judgment is without foundation, the purported attempt to resolve this illusory deadlock ironically has given issue to more controversy than the deadlock itself. I just might add that I use the characterization "purported" attempt to resolve the illusory deadlock only because my observations have thus far been limited to rumors and what I read in the newspaper. The fact that I happen to be the ranking minority member on the Immigration Subcommittee evidently is not sufficient to make me privy to firsthand information. The fact that the distinguished gentleman from Kentucky [Mr. MAZZOLI] is the chairman of the subcommittee is evidently not enough to allow him to be privy to the firsthand negotiations currently ongoing. Let me make on thing clear, this is not partisan bitterness, for as I mentioned, the chairman of the subcommittee himself has been adamant in attempting to bring this issue to the floor of the House of Representatives. As a matter of fact, even though a majority of the members—a strong majority of the Democratic members of the Judiciary Committee signed the letter to the chairman of the Judiciary Committee to postpone this action, there were noticeable absences from that letter.

The effect of all of this has been to create a deadlock where one did not exist in the first place. This has occurred because the purported solutions offered are more controversial than the temporary agricultural worker provision itself. At first, proposals were floated concerning an exemption for agriculture from the provisions of the bill altogether. While I am not certain who this was intended to appease, I would venture to say in the end it would have the distinction of alienating just about everyone.

The fact of the matter is that the very premise of the immigration reform legislation has been to close an existing loophole in our law known as the Texas proviso, which exempts employment from the penalties for harboring illegal aliens. The purported exemption would carve out a special interest exception to the employer sanctions provisions of the bill for agriculture in a fashion that has even caused some in the industry to blush.

It is one thing, I would say, to oppose employer sanctions. While I support them, I feel that reasonable men and women can disagree on their effectiveness. But it is quite another thing to divorce the debate over sanctions from the public policy debate by excluding a major industry from their scope for parochial considerations.

Ironically, the transparency of such an idea is evident even to its supposedly intended beneficiaries. As a letter from the H-2 coalition, a coalition of agricultural interests who have been working to try to make some changes in the law, stated:

> Agricultural employers hire undocumented aliens, and thus contribute to the undocumented alien population the bill seeks to address. INS has indicated less than 20 percent of undocumented aliens work in agriculture. We are willing to accept our role in reducing that population. Historically, agriculture has totally opposed any immigration reform legislation, but now we are willing to work for a bill. But to support immigration reform legislation, as the H-2 coalition did in the Senate, we need to have a streamlined Temporary Worker Program to use when domestic workers are not willing and available to take agricultural jobs.

Thus, at the very time that attitudes in the agricultural community have begun to accept the inevitability of immigration legislation and have sought to work in the process, there are those who would like to carve out a totally new Draconian exemption for the entire industry. In addition, I suspect that many in the industry are smart enough to realize that although they might be exempt from the sanctions provision of the bill, you can bet where the Immigration and Naturalization Service would concentrate its resources to round up illegal aliens if an agricultural employer exemption were to become part of the law.

It makes no sense whatsoever for us to accept the proposition that to get some control in a real sense over illegal immigration, we have to cut through the nonsense of saying it is illegal to come here seeking a job, but it is perfectly legal to hire someone who is here illegally and yet carve out such an exception.

The Border Patrol folks have told us that they absolutely need an Employer Sanctions Program. To say that we would set up employer sanctions but would allow a total exemption of employers in one industry it seems to me would be fraught with peril. Yet even though the exemption would be for those employers, we would not exempt the employees. So, if the INS wanted to go and round up people who are here illegally, the easiest place they could go would be in the agricultural fields where they know the employers have an exception, but they could still find the illegal aliens as employees.

So what would happen? Havoc would rule as far as agriculture is concerned. The agricultural exemption idea does

not resolve a darned thing. It is in fact a nonsolution and worse.

A second and equally amazing idea goes something like this, as I understand it. Bringing in temporary foreign workers is a controversial idea. Therefore, we will see your bet, and we will raise you by several hundred thousand. Simply make them permanent residents of the United States! Forget about temporary status, we will make all of them permanent residents. However, since it is not at all clear, based on our current experience, that workers would continue to desire to work in the hot sun at jobs that are often irregular or of short duration after becoming permanent residents, some versions of this idea recognize that these folks would move off the farm once they had permanent status. So what do we do now? We have a replenishment program and those who would replenish the program would of course become permanent resident aliens. In other words, we would have kind of a revolving legalization program in the number of hundreds of thousands.

Now just based on the contentious level of debate on the legalization issue as it stands in the bill already, and as it stood in the bill in the last Congress, I am convinced that it does not have a prayer. People forget we only passed immigration reform on this floor by five votes last time. Having been intimately involved with it and spoken with Members on both sides of the aisle and of all sorts of political persuasions, I am absolutely convinced that that five-vote margin, that very small margin, was a manifestation of the concern Members had of passing any Legalization Program.

So what does anyone think the response will be in the House of Representatives if, on top of the Legalization Program we include in the bill, we then have a new one on a permanent basis, but dedicated solely to agricultural workers?

Nevertheless, the fact that it would doom the bill to almost certain defeat has evidently yet to defuse the enthusiasm of some of its proponents.

Realizing that a plan to invite everyone in the world to move to the United States might cause a spillover into other occupations, the newest formulation I have now heard of—and this came to me just a few days ago—would say that as they come in, even though they would get permanent-resident status, they would be tied to the agricultural employment for a number of years—someone told me, from 5 to 10 years.

Let us understand this. Someone would be able to come in, not as a temporary worker, but as a permanent resident alien. This, of course, would allow them in 5 years to become citizens. But as a condition of coming in, we could say, "You cannot work anywhere but in agriculture." I guess that means if you do not get a job, you go on welfare, because you are prohibited from working anywhere.

□ 1600

Now, this may possibly be one of the strangest ideas I have heard of. I heard recently of a proposal to take the mathematical number of "pi" and round it off to three, because it would be easier for people to remember, irrespective of what it would do then to all the calculations that it goes into. Maybe that is stranger than this. I am not sure. But I do believe such thinking might be a product of some kind of time warp.

I understand we had a 13th amendment to the Constitution. I understand we have a Bill of Rights. As far as I know, we do not allow involuntary servitude or servitude as a way of bondage. Yet how are we going to say that you can come into the United States, you are a permanent resident alien, you can move to citizenship—oh, but by the way, you can only work in one area and if you do not work there, you cannot work anywhere.

I am afraid there might be something that will cause trouble with it. It is called the U.S. Constitution and the Bill of Rights.

Can anyone really believe that at a time of budget austerity, at a time when we are actually reducing the number of political refugees—not regular legal immigrants, but political refugees, those people who have suffered persecution in their own country because of their ethnic backgrounds, their political beliefs, their religious beliefs, those sorts of things, at a time when we are actually reducing those numbers—that we would allow to enter our country such large numbers of people coming through a separate Legalization Program.

Let me just give you the figures that I got recently on what total immigration is in the United States for 1985. It is 532,306. That is total legal immigrants and refugees, the total.

Now, if we are talking about a green card concept for people coming in on our Guest Worker Program, it could very well be 350,000 to 500,000. If they are made permanent resident aliens as opposed to temporary workers, they then qualify to bring their families in. If you just assume that they would bring in a spouse and 2 children, which I think that is very, very conservative estimate, you will then say that we are talking upwards of 1 to 2 million people being added to the legalization program in another part of the bill and the annual yearly total of 532,306.

This year, we are only accepting something in the neighborhood of 65,000 or 67,000 refugees from all over the world, and yet we are going to sell this program here?

The further irony is that those who have come here to work in the United States in agriculture since the 1880's—this is not a recent phenomenon, but at least since the 1880's—are largely a migratory work force.

The nature of the work itself is such that permanent settlement here has not been characteristic of their behavior in general. The historical evidence is that many have their own small farms and families at home and travel back and forth across our border in order to supplement insufficient income with an annual northward trek. In other words, some would have us extend the benefits of permanent residency, which will ultimately culminate in citizenship, to a population that does not ask for it, does not want it, and that is transitory by nature.

While you can draw your own conclusions about the merits of specific proposals, their substance is not what I find most interesting.

Rather, I was brought up to believe that Solomon himself was the father of our understanding of the term compromise. However, in this case rather than suggesting that we cut the baby in half to find a middle ground, the rumors that are reaching me as the ranking minority member on the subcommittee appear to be more controversial than the alleged matter in controversy.

Also, my purpose here is not to debate the specifics of substantive proposals that might germinate out of the irregular legislative channels, which seem to have subsumed the immigration reform bill. Rather, my focus is on the legislative process itself.

Usually political institutions that deny the ability of the majority to work its will on issues of public policy are not associated with the United States, but rather are associated with banana republics or places like Eastern Europe. In democratic institutions, elected political leaders do not fear the decisions of the majority. In democratic institutions, issues of contention are resolved through free and open debate. The openness of the process itself is deemed to be more important that the outcome. In other words, the decision making process is not outcome determinative. When there is a disagreement over policy, it is resolved by putting it up to a vote.

But in contrast, look what has happened here. The only indications we have concerning the will of the majority indicate strong support for some kind of temporary foreign worker program.

We can pass a temporary worker bill on this floor. We did it last time. Anybody who has analyzed the membership of this House, knows we can do it again. It has passed in the other body overwhelmingly; yet this is not the outcome desired by a small group in

this body who seem to have the clout to hold up a reform bill until they get their way or until the bill is stillborn.

I do not wish to question anybody's motives. Yet, while it is clear that some of those who hold the immigration bill hostage would like to murder it, those who would talk it to death for their own reasons do a similar disservice to this body.

The problem of illegal immigration is not going to just disappear. As we mentioned before, the magnitude of the problem continues to mount. I fear that if we delay the action further, somewhere down the line the problem may reach such a magnitude that the legislative atmosphere is less conducive to a reasoned consideration of the issue.

U.S. immigration policy is replete with examples of ad hoc responses to intermittent crises as they have arisen throughout our history. As policymakers, we must avoid future reactive responses to the adoption of a prospective formulation of comprehensive reform.

I know several Members are here and would like to talk and I will be happy to yield to them any moment; in fact, two of them served with me on the Judiciary Committee.

Let me first just say I feel that what is happening with immigration is what happened with the gun bill. The Judiciary Committee kept it in the dark so long that we reached a boiling point and the bill that passed on the floor perhaps was not the bill that would have been created if there had been the opportunity to work on it for a long period of time. People got frustrated because they were denied their opportunity by the full committee and then they said, "We are not going to compromise and you are going to accept what we put on the floor."

The Judiciary Committee has been criticized for not allowing the omnibus crime bill, the Comprehensive Crime Control Act on the agenda. Those Members who are now here joined me in getting that vote on the floor. We had to go around the committee to get it done.

The Balanced Budget Constitutional Amendment has not seen its way out of that committee.

Time and time again things that are, yes, controversial, but nonetheless important to the Nation, are denied the opportunity to be presented, to be considered, to be voted on because some in power decide they are afraid of the outcome. I do not believe that John Kennedy would write his book on Profiles in Courage in describing that kind of action.

Mr. SHAW. Mr. Speaker, will the gentleman yield?

Mr. LUNGREN. I am happy to yield to my friend, the gentleman from Florida.

Mr. SHAW. Mr. Speaker, I thank the gentleman for yielding.

I want to speak just for a moment on the time track that we seen to be on and the similarity this has been in previous Congresses. As the gentleman will remember, the times when this bill does come to the floor it has always been given late night time, never time during the light of day for Members to really come in and accurately debate it. It has always been given a rule that can be rivaled only in the Senate, the other body, which has absolutely no rules in making any amendment at all in order.

Then when we get down to the last days of the Congress, as we did last time when we passed this bill, we did not leave enough time to go through the conference process with the other body to hammer out a good bill that we could come back and we could pass.

The other body has, as the gentleman from California pointed out, passed a bill very similar, if not identical, to the product of the last conference as it was developing when the 98th Congress died.

Now we find ourselves on the exact same track. I do not see any way that this bill under the present schedule can get to the floor until after the July 4 recess.

A close calculation of the time left in the 99th Congress will indicate that at most we could only be looking at 45 legislative days. That is days the Congress is actually working, and that has to assume that we are going to be in session on Fridays and Mondays, which literally does not happen. It assumes that we are going to be meeting on days when primaries are being held, which is not going to happen.

I cannot see there being even 30 legislative days left by the time this gets to the floor of the full House.

I think this shows exactly the process that is being used by the majority party here in scheduling, using the schedule to kill legislation, and this is the cruelest way to legislate of all.

At least, if the other party, the majority party, is going to continue to call themselves the Democratic Party, then they ought to apply democracy in the way they allow this House to be run and the way the rules are applied. The rules are to protect the minority. They have been consistently used to kill the rule of the minority and let the majority prevail, but in this sense they are not even letting the majority prevail, as I believe the majority of the American people as represented by this House does want good, meaningful immigration reform.

I compliment the gentleman in the well, as well as the chairman of the subcommittee, the gentleman from Kentucky, for the patience that the gentleman has exercised and the way that he has not allowed his frustration to destroy what the gentleman knows is best for the American people, and that is a meaningful immigration reform bill.

Mr. LUNGREN. Mr. Speaker, I thank the gentleman.

I might just say as far as timetables are concerned, two Congresses ago we acted very late on it in the full committee. We finally got it on the floor of the House during the lameduck session, and that is what the gentleman is referring to, when we were given time to debate at 10 o'clock at night until 1 in the morning. As interesting an issue as it might be, we did not keep a whole lot of people up watching us or participating here.

Several Members had in total something like 300 or more amendments. It was obvious that time ran out on us.

So we started in the next Congress, which is, of course, the last Congress. In that Congress, the Senate acted again. We acted again in the subcommittee and then we received word that there was not really any interest in it from the Speaker, that there was no national consensus.

A number of us tried to bring very quickly and firmly to the Speaker's attention that there was a need. We were promised 2 years ago in February to have it, and then March, and then April, and then May. We got an absolute commitment for the last week in May.

Then Vice President Mondale made a crucial phone call to the Speaker of the House saying:

> Please don't have that on the floor before the California primary. I'm running in the California primary. I have people in the Congress who are for me in the California primary. If they are required to vote before the California primary, the people of the State of California may know how they stand on the issue and that could affect their votes. So please don't do that.

And of course, he was right. It might have affected those votes. So it was held off so that people could vote in ignorance instead.

Once that was accomplished in California in the first week of June, we finally got the bill to the floor here in the House; but then we know what happened. The time closed on us. We went to conference. We did not have enough time. If we had enough time, we would have worked it out.

So many of us on both sides of the aisle this time said, "If we are going to get immigration reform through, we have got to do it in the first year."

The Senate acted right away.

In the subcommittee, we wanted to mark up earlier than we did, but we heard from this group that was out there promising to resolve the issue on the agricultural question that they just needed a little more time. So what did we do? We postponed and we postponed and we postponed.

Then they said, "Give us a little more time."

Finally, the gentleman from Kentucky [Mr. MAZZOLI] and I said, "We're going to vote on it in November. If you are that close, work it out before we get it to the committee."

That was in November. We came back in February. They said, "Give us a little more time."

In March, "Give us a little more time."

Then in April, "Give us a little more time."

Then we were told that we were going to deal with it specifically in May, starting today, and last Thursday what happens? A letter is signed to the chairman and it says, "Give us a little more time." You know what has happened. We are rapidly running out of time.

Mr. SHAW. May I ask the gentleman, has anything been settled because of a little more time?

Mr. LUNGREN. Nothing, except to come up with some proposal, which as I understand it, I have been told second- and thirdhand, is to allow a guest-worker program based on the green card, which sets up a whole system of problems we did not have before.

I will ask the gentleman, he has been on this floor, he has voted on this issue, he is very current with this issue. Does the gentleman think that the Members of Congress are panting to vote for two separate legalization programs—that they want to expand the legalization program we had last time and have a continuing ongoing legalization program in addition to the one we are going to have in the bill?

Mr. SHAW. Of course not, and I would also point out to the gentleman that what has happened since last November until today is that another 1 million illegal aliens have entered this country because of the lack of any affirmative action by this Congress in this regard.

Mr. LUNGREN. Well, as I read in a letter from the chief Border Patrol agent in San Diego, just a 66-mile segment of our border in 6 months has seen 270,000 apprehensions.

Then you multiply it by the number of successful illegal entries and you can see in a 66-mile segment of the United States what it means. It means that we have lost control at an ever-increasing rate of our borders; so things are not getting any better, they are getting worse.

Mr. PACKARD. Mr. Speaker, will the gentleman yield?

Mr. LUNGREN. I am happy to yield to the gentleman from California.

Mr. PACKARD. Mr. Speaker, I thank the gentleman and my colleague from California. I sincerely appreciate the leadership that the gentleman has shown on this issue.

Perhaps there are not many in the Congress who know that I represent the district that is perhaps the most impacted by our present illegal alien problem or our alien policy. I represent the agricultural part of San Diego County.

Let me just give you a brief picture of what is going on in my district, because it is I think very graphic as to the seriousness of the problem. In fact, with my constituents, this is the hottest, most crucial issue in my district.

□ 1615

I cannot go home without being confronted by literally hundreds of phone calls and literally hundreds of people who want to talk to me about what Congress is doing on immigration reform. It has reached a crisis in our neighborhood.

Mr. LUNGREN. If I might just interject, there is an easy but tragic response that you can give them—"nothing."

Mr. PACKARD. I do not have a response. The only response I can give them is that we are not doing anything with it. I have given them hope for the last 12 months. As with you, I sat on the conference committee 2 years ago trying to resolve this with the short time fuse that we had, only to go back to my district and say that we could not get it out because we ran out of time.

So I have been telling them for the last 12 months that I am convinced that we are going to have a bill and that we are going to be able to deal with it this year, in this Congress, and that we will have a solution to the problem. I have been telling them for months that the only way that we can stem the tide, that huge tide of immigrants coming in illegally across our borders just south of my district, is to remove the incentives for them to come, and the bill will do that. It will give disincentives for them to be hired illegally. It will allow them to be hired, at least appropriate numbers, legally, through legal processes. And it will allow those who have been here under circumstances for periods of time to have amnesty. It will solve most of the detailed problems.

So I have been telling my people, "We will have a solution. Just be patient." And all the while, the problem has been festering and smoldering and getting worse and worse, and now we have a crisis that is almost uncontrollable.

My law enforcement people, the sheriff's department, my local police departments, are coming to me in droves, meeting with me almost every time I go out, trying to find solutions. But they are powerless to do anything. They cannot apprehend unless there has been criminal activity.

And that brings me to another very important point. Two years ago when we were debating this issue, and the Congresses before where we were able to come to no solution, crime and drugs were not a major part of the debate, but now, this year, that has become the prime issue, at least to my constituents. Crime has risen by geometric proportons.

In fact, my sheriff met with me the other day and over a third of our jail cells in San Diego County are filled with illegal aliens, and we are in a crisis with jail room. A third of our hospital beds, those beds that are subsidized in my county, are filled with illegal aliens. The schools are required, as we know, by Supreme Court mandate to educate the children of illegal aliens. The law enforcement, the school, the government facilities, park and recreation facilities, those are big-ticket items that our local taxpayers are having to bear the burdern for. They simply are not willing to do it.

But worse than anything is the crime element. I have senior citizens living in mobile home parks who have come to me and said, "We have not left our home for 2 weeks for fear that we will be burglarized in the short time that we will be away." I had a man call me just the other day who said, "I have been cooped up in my home for 2 weeks and finally had to go to get groceries and to do some other things, and in that short time I was away, sure enough it happened. We were burglarized." They are just in mortal fear of their lives and their belongings simply because of the crime element.

Something has to be done. I think it is absolutely irresponsible and unconscionable that we have now reached this last day when we have not the time to deal with it, or barely the time to deal with it, only to find that we have come up with another delay, not just for a week or so, but for a month or two, and that will obviously put us to a point where we have done the same thing in the years past; we have simply allowed time to be the reason to kill the bill.

I cannot believe that that is happening. I know I am going to write a letter to the chairman telling him of my district's concern, and what is happening in San Diego County, where almost 200,000 of them are coming across the border every month—every month. In 2 months, that equals the population of my congressional district. We apprehend some of them; that is true. But we cannot possibly apprehend them all, and my immigration officers are actually beside themselves because they are buried by the scope of the problem, the size of the problem. They are even threatening now to consider putting a military barrier on our border. I do not believe that is what we want between the United States and our friendly southern neighbor, Mexico, to put an actual iron curtain and then line it with military people

to enforce it. Is that what we want in America? I think that is a very poor solution, but that is what they are crying for in my area. I resist it because I think there is a better solution.

We have a better solution right here in Congress if we will just allow this body to act. I call upon the committee, I call upon your colleagues on the Committee on the Judiciary, to let the Congress work its will on this issue. I believe we will responsibly deal with it. I honestly believe that we can work out the detailed problems. There are always going to be detailed problems on issue this important, but they can be worked out if we are just allowed the time and the will to do it. But they are simply stonewalling it and, in my judgment, it is a political matter where they are jeopardizing their own political futures because they have made it a political matter rather than a solution to a major, major problem.

Again, I compliment my colleague, the gentleman from California, for his leadership. I am just extremely saddened that last week when we were in a meeting together, last Wednesday, and we talked about this issue and the gentleman gave me assurance that it was moving on track and he was optimistic, only to find before we left Washington to go back to our districts this last weekend on Thursday that it seemed to have fallen apart and we found ourselves back in the district having to explain to the people that one more time it looks as though delay is imminent, and that means killing of the bill. You can imagine the effect it had on my constituents who are demanding action on this thing. It is unconscionable that we are not acting on it now.

Mr. LUNGREN. I thank the gentleman for his comments. I might say that if San Diego were the Capital of the United States instead of Washington, DC, I do not think we would have any difficulty passing this legislation. Then it would be crystal clear to the national media of the immediacy of the problem. You could not ignore 270,000 apprehensions in 6 months taking place on the border of Washington, DC. You could not ignore setting up the equivalent of four congressional districts of illegal aliens within just a year or two in Washington, DC.

So if we had that focus in San Diego, I think maybe we could solve it. But the problem is, it is too easy for others in this House to say, "Be gone. We would rather not deal with the issue. For political reasons, it is difficult for us to deal with it, so we would rather not deal with it."

Mr. PACKARD. If the gentleman would yield further, I was the mayor of one of the cities in north San Diego County where we have a little over 40,000 people. In that little city, there are now over 10,000 illegal aliens, within the borders of that little city. Almost a fourth of the population of that city is made up of illegal aliens. You can imagine the pressure that puts upon local government in their ability to serve their citizens, much less those who are not legal.

The gentleman said it very accurately: There are too many Members of this body who simply do not see the gravity of the problem because they do not see it in their own districts with their own constituency. There is not a day that goes by but what the major newspapers of San Diego County have blazing somewhere within their pages stories about the illegal alien problem we are struggling with. But we hardly see it in other places in the country. We simply have not been able to project to the rest of our colleagues the gravity of the problem.

Mr. LUNGREN. I am going to shout loud and clear, and I am going to keep shouting until we get it. I appreciate the gentleman joining me.

Mr. Speaker, I would now like to yield to a gentleman who does not fit the description of Members of Congress just given; rather, a Member from an area somewhat distant from California, Florida, which has had its experience with illegal immigration. He is a valued member of the Immigration Subcommittee of the Committee on the Judiciary, the gentleman from Florida, Mr. MCCOLLUM.

Mr. MCCOLLUM. I am very glad to have the gentleman yield to me, but especially glad to have the gentleman take this time today.

The gentleman from California and I have served for the last 6 years together on this Immigration Subcommittee, shared the frustrations we are talking about today, but I thought in light of the conversation just had that the gentleman would like to know something that I did experience this weekend.

I happened to be before a group of young people at one of the Hugh O'Brien Foundation meetings, a sophomore class group. There were about 200 of them in this group in Florida, and I had on a panel for unrelated purposes, not related to immigration, a college professor. Somehow the subject of immigration came up and he wanted to drag that thing out. He took a thesis and started to turn on me with these young people, taking the thesis that America's borders ought to be completely open; there should not be any objection to anyone coming in; let all the Mexicans come into the United States who want to come in; what is wrong with millions coming into the United States? He said if that happened, then we would not have any problem.

The point I want to make is that he got the most negative response out of that audience you would ever believe. I have not discussed the issue with them. They are sophomores in high school They know about the immigration bill. They know about the fact that we just cannot take in this many people without doing something to the quality of life in America and we have got to start resolving that issue.

We have gotten the point across is what I am saying. I think a lot of Americans understand it out there in the field. What we do not have is the point across to our own leadership that the gentleman and I are so frustrated with, not RON MAZZOLI, Congressman MAZZOLI has done such an outstanding job, but some of the others.

I do not even think that we really have a job of convincing the chairman of our full committee. I think he sincerely believes in immigration reform. But we have a problem in that there are a substantial number of members on his side of the aisle, on our committee, and in this Congress, not in any way as the majority, but a substantial number who simply want to kill this bill. They know if they bring it out here on the floor that they are going to lose.

The irony in that is, and you and I know this, too, despite the fact that we each have our own agricultural interests there, that a lot of people in agriculture, while they want to work out the problems of the bill if they are going to have a bill, would just as soon there were no bill, because it just is not in their best interest to see this whole issue legislated.

□ 1625

They would just as soon leave it alone.

So if you do not have a bill at all, they win, if you will, in that sense. On the other hand, here is a whole group of people who have always opposed employer sanctions, who, for whatever reason, have never believed in the legislation, who are a very, very tiny minority in this Congress, working together with those who might not want to see a bill for other reasons able to stop us from the opportunity to hear it.

I am not going to belabor you. The gentleman has only a limited amount of time left. You have said most of all that I could possibly say today and I do compliment the gentleman on it, but the thing I have pointed out time and again to people is the word "time." That has been the enemy of this legislation.

For a while, it was education in the early going 6 years ago, but it is not education any longer. The American public generally understands the importance of this issue. The American public will accept what we put out as a good work product here after all the debate is done. And this Congress, the majority of them, would gladly work their will on this issue. The issue is

not back in the corners again, as it once was, but the issue before us is time, time running out, as has been so ably pointed out.

It is unfortunate to see the handful who are manipulating those who are really sincere about wanting to bring this bill out and it is, indeed, being manipulated. Whether it is more sinister than that, the gentleman and I have no way of knowing, but presumably it is manipulation by a handful of some very honest people.

I hope that in the next few days America will concur in the sense that we do get the bill out and we do bring it up here and can accomplish it, but it sure does not look good, as you said.

Again, you have only got a limited amount of time. Thank you for yielding and I am with you on this, Mr. LUNGREN, and you know that. Good luck.

Mr. LUNGREN. I thank the gentleman for his comments. His support has always been there. The gentleman has tried to come up with several important amendments and has had a number adopted in the legislation that has moved through the process in the last couple of years.

As the gentleman says, the chairman of our House Committee on the Judiciary, PETER RODINO, recently gave a speech at Seton Hall University where he said this: "I am fearful that unless the problem of illegal immigration is addressed by Congress now," and in the copy of his speech I obtained it had "now" underscored and in capital letters, "in a courageous and straightforward fashion, the restrictionist sentiment in this country will continue to grow."

Mr. McCOLLUM. If the gentleman from California will yield on that, I was present for that speech. I sat beside the chairman before he gave it. He was enthusiastic about the bill, and that is why I said a minute ago, I do not doubt for a minute his own personal commitment and sincerity, but unfortunately, I think he yielded apparently to what, 17 of his colleagues on his side of aisle, to postpone this bill.

I think that he has missed the boat and he has been snookered on this issue.

Mr. LUNGREN. I appreciate that. The chairman has told me of his lack of enthusiasm for the guest worker proposal and suggested that he might fight very strenuously against that. I appreciate that. I appreciate he may have a difference of opinion. The only thing I am saying is whatever opinion he has, he should allow us to bring it to the floor and we will fight it out. Members on his side of the aisle have to realize they are in the majority. We are in the minority. Why should they fear allowing things to be brought to this floor. Allow us to vote on it.

On our side of the aisle, regrettably, we are used to losing. I do not like losing, but we certainly get a lot more of it than the other side does. I just think it is absolutely unfair to my constituents who are suffering under the lack of immigration reform to not have the opportunity for me and other Members who understand and appreciate and are concerned about their particular needs to project their concerns and have solutions presented and voted on.

Mr. McCOLLUM. If the gentleman will yield, you are absolutely right. Regardless of the chairman's own sincerity and own personal conviction and opinion here, he should not have been snookered; he should not have allowed himself to be if that is what happened. Whatever the reason was for his decision, it was the wrong decision. He has the leadership responsibility to bring that bill out here and to let us vote on it.

Unfortunately, he did not live up to that this time.

Mr. LUNGREN. I appreciate the gentleman's remarks.

Mr. Speaker, I include in the RECORD at this point a letter to the Speaker, THOMAS P. O'NEILL, from the Attorney General, Edwin Meese III, dated May 1, 1986, concerning this issue:

OFFICE OF THE ATTORNEY GENERAL,
Washington, DC, May 1, 1986.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, U.S. House of Representatives, Washington, DC

DEAR MR. SPEAKER: It has come to my attention that the full Judiciary Committee may mark-up the Rodino-Mazzoli Immigration Reform bill, H.R. 3810, on Tuesday and Wednesday of next week, May 6 and 7. As you know, a great deal of time already has passed since the bill was reported by the Judiciary Subcommittee on Immigration last November 19, and it is imperative that it be taken up on the House floor soon if immigration reform is to become a reality this year.

I am, of course, aware that other committees of the House, including the Agriculture Committee and the Education and Labor Committee, probably will seek a sequential referral of the bill as soon as it is acted upon by the Judiciary Committee. With this in mind, then, I urge you to limit any such referral to ten or fewer legislative days.

Questions surrounding immigration reform have been debated in each of the past two Congresses, and each of the Committees that might back referral have had ample time to conduct hearings and closely examine those portions of the reform package which affect their jurisdictional prerogatives. Twice, the Senate has acted first, only to see reform die because of delayed consideration in the House. Last September, the Senate acted a third time, and, while the Subcommittee on Immigration reported a bill before Thanksgiving, the full Judiciary Committee is only now marking it up.

The President has expressed his unqualified support for immigration reform. On March 11, 1986, he met personally with the Chairman of the House Judiciary Committee, Peter W. Rodino, Jr., and the sole topic of that meeting was Judiciary Committee action. Present, among others, were James C. Miller III, Director of the Office of Management and Budget, and myself. When I appeared before the full Judiciary Committee the next day, March 12, I reiterated the President's strong endorsement.

Time is running out, Mr. Speaker, and if we are to assert effective control of our borders, we must act this year. Our failure, as both Chairman Rodino and Father Theodore N. Hesburgh, former Chairman of the President's Select Commission on Immigration, have noted in recent public statements, could likely have an adverse effect on the nation's refugee and immigration policies for years to come.

Since it is within your authority to set both the time frame during which action on a referral must occur, as well as the date upon which House consideration is to take place, I hope that you will schedule H.R. 3810 in such a way as to assure that it will be taken up in time to allow a conference of the House and Senate to resolve the inevitable differences which will exist between the two bodies.

The Department stands prepared to do what it can to assist you in this matter. Thank you for your attention to this matter.

With best wishes.

Sincerely,

EDWIN MEESE III,
Attorney General.

I would just like to quote very briefly from that where the Attorney General says:

The President has expressed his unqualified support for immigration reform. On March 11, 1986, he met personally with the chairman of the House Judiciary Committee, Peter W. Rodino, Jr., and the sole topic of that meeting was Judiciary Committee action. Present, among others, were James C. Miller III, Director of the Office of Management and Budget, and myself. When I appeared before the full Judiciary Committee the next day, March 12, I reiterated the President's strong endorsement.

The reason I wanted this included in the RECORD, Mr. Speaker, is to show that no one can suggest any delays are the result of a lack of support of immigration reform on the part of the President of the United States.

I attended the meeting that was referred to in this letter. I was there with the Senator from Wyoming, Senator ALAN SIMPSON, with the ranking Republican of the full Judiciary Committee, HAM FISH. The Attorney General was there; Mr. Regan, Chief of Staff for the White House, was there. As mentioned, the head of the Office of Management and Budget was there. When the President said he was on board and that nothing, including costs, were going to get in his way, he looked at all of those people in his administration that work with him and they all nodded affirmatively.

There is no doubt the President is on board.

Mr. Speaker, please get on board. Mr. Chairman of our Judiciary Committee, please get on board because the American people need it and have a right to expect it.

Mr. Speaker, I yield back the balance of my time.

ADULT DAY CARE: A HUMANE AND SENSIBLE ALTERNATIVE

(Mr. PANETTA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PANETTA. Mr. Speaker, I would like to take this opportunity to focus the Members' attention on a nagging yet neglected national problem which simply will not disappear with time: the lack of a coherent national long-term health care policy.

By now, the parameters of the problem have become familiar to most policymakers. The aging of the population over the next few decades—due to both demographics and longer life expectancies—will impose increasingly greater strains on an already overburdened system. The present structure of health care delivery and financing does not make effective use of total health care dollars. Entire segments of the population receive second rate services. The United States is the only industrialized nation in the world without a national health care policy. Today, senior citizens spend exactly the same percentage of their personal incomes on health care as they did before the existence of Medicare.

Moreover, Medicare provides coverage only for acute care situations, and frowns upon preventive health care services. Those persons who require long term custodial care must either be wealthy enough to pay the exorbitant costs of such care out of pocket, or destitute enough to meet Medicaid eligibility requirements. The middle-income segment of the population follows the all-too-familiar spend down path, whereby they must deplete their lifelong savings before becoming eligible for any public assistance. Sadly, these savings are usually sufficient to cover only a short period of care; thereafter they become the responsibility of the State under whose jurisdiction they remain indefinitely. Those critics who abhor the thought of Medicare coverge for preventive care because of the expense should play the scenario out a little bit further: today's Medicare patient unable to afford the relatively inexpensive cost of preventive or custodial community care is tomorrow's broke nursing home patient financially dependent on Medicaid. In the long run, which costs the taxpayers more?

I believe that it is time we begin to look at alternative means of caring for our Nation's ill and elderly. We need to broaden our perspective on the healthcare issue. Over the past few years we have enacted significant reforms in the Medicare program which have resulted in more efficient delivery of currently covered services. These changes have been encouraging. Now we should be exploring ways redesigning our health care systems to meet the big picture human and fiscal needs of years ahead.

An oft-discussed and much lauded approach is to maximize the amount of time the individual spends in a community setting, either with their families or on their own. Aside from the obvious human benefits of avoiding institutionalization, such a strategy makes fiscal sense as well. Measures designed to maximize a senior's independence and self-sufficiency should not be viewed as unnecessary luxuries but as sound investments. We should not shy away from shifting Medicare's focus to encompass preventive care because in the long run we will realize savings.

Given the proper array of support services, countless senior citizens would be able to remain in the community for an extended period of time, reducing their dependence on publicly financed institutional care. The time has come to start putting into place the various components of a comprehensive system of long-term-care alternatives. Already communities across the Nation are responding to the need as families and specialists are working together to implement creative solutions to the problem of caring for the aged. One particularly encouraging alternative that has attracted widespread attention is the concept of adult day care.

Adult day care is a community-based group program designed to meet the needs of functionally impaired adults through individually tailored plans of care. It is a structured, comprehensive program that provides a variety of health, social, and related support services in a group setting on a less-than-24-hour care basis. A multidisciplinary group of professionals—including a physician, a registered nurse, a physical, occupational and/or speech therapist, and, if needed, a dietician—work together to deliver the optimal configuration of services to meet the individual's needs.

Adult day care offers a number of unique benefits. It is cost effective as compared to both institutionalization and home health care. The centers provide respite for primary care givers, reduce the incidence of acute illness through ongoing monitoring of health symptoms and preventive health care, and have been successful in avoiding or delaying institutionalization. In addition, clients receive the psychological benefits of mental and social stimulation not available to them when confined to the home.

A 1982 evaluation of adult day care centers in California found that 87 percent of seniors who participated in the programs maintained or improved their level of functioning. This statistic is especially significant given the fact that 63 percent of the participants were eligible for institutionalization according to the Medicaid field office criteria. Clearly it is possible to avoid both the costs and the trauma of institutionalization provided that the proper community-based services are available to those in need.

Adult day care centers are cost effective means of delivering those services. Because the care is provided in a group setting, day care centers can capitalize on the efficiency of providing care to more than one individual without having to act as a residential facility as well. Participants' needs are evaluated, a comprehensive care package is developed, and the necessary services are provided in a focused, efficient, and humane manner.

Adult day care has grown quickly at the grassroots level over the last decade from approximately 300 programs in 1977 to over 1,000 today. Despite the success of these programs, funding is difficult to come by. Some States have taken advantage of a Medicaid waiver program to provide coverage for certain low-income participants, but the Medicare-eligible population must pay out-of-pocket for these services. The result is that only the very poor or very rich can take advantage of this cost-effective alternative form of health care.

Clearly the need exists for some kind of adult day care coverage through the Medicare Program. Accordingly, last week I joined with 21 of my colleagues in introducing the Medicare Adult Day Care Amendments of 1986. This bill would allow certain part B beneficiaries to participate in adult day care programs through their supplementary Medicare insurance plans. In order to be covered for this new benefit, it must be certified that participants would otherwise require a level of care furnished in a hospital, skilled nursing facility, or intermediate care facility if the adult day care services were not provided. In addition, no more than 100 days per calendar year would be covered, and utilization would be subject to a $5 per day copayment.

Adult day care is a humane, cost-effective alternative form of health care, of the sort that we as policymakers should be encouraging. Amid recent talk of revising Medicare so that it can better meet the long-term health care needs of our Nation's seniors, I ask my colleagues to consider seriously the advantages of adult day care. We owe the American public the wisest and most efficient allocation of their hard earned tax dollars; we owe elderly Americans the respect to allow them to live out their later years in the least restrictive, most dignified environment available. The Medicare Adult Day Care Amendments achieves these dual purposes. I urge my colleagues to join me in supporting this important piece of legislation.

H.R. 4739

A bill to amend title XVIII of the Social Security Act to provide for coverage of adult day care under the medicare program

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES IN ACT.

(a) SHORT TITLE.—This Act may be cited as the "Medicare Adult Day Care Amendments of 1986".

(b) REFERENCES IN ACT.—Except as otherwise provided in this Act, whenever in this Act an amendment or repeal is expressed as an amendment to, or repeal of, a provision, the reference shall be deemed to be made to the Social Security Act.

SEC. 2. COVERAGE OF ADULT DAY CARE SERVICES.

(a) UNDER PART B.—Section 1832 (42 U.S.C. 1395k) is amended—

(1) in subsection (a)(2)—

(A) by striking out "and" at the end of subparagraph (E),

(B) by striking out the period at the end of subparagraph (F) and by inserting in lieu thereof "; and", and

(C) by adding at the end the following new subparagraph:

"(G) adult day care for up to 100 days during any calendar year.";

(2) by redesignating subsection (b) as subsection (c); and

(3) by inserting after subsection (a) the following new subsection:

"(b) For purposes of subsection (a)(2)(G), adult day care shall be taken into account only if payment under this part is or would be, except for the limitation described in subsection (a)(2)(G) and except for the failure to comply with the request and certifi-

cation requirements of section 1835(a), made with respect to such care.".

(b) DEFINITIONS RELATING TO COVERAGE.—Section 1861 (42 U.S.C. 1395x) is amended by adding at the end the following new subsection:

"Adult Day Care; Adult Day Care Program

"(ee)(1) The term 'adult day care' means the following items and services provided to a chronically-impaired adult by an adult day care program under a written plan (for providing such care to such individual) established and periodically reviewed by the program's multidisciplinary team described in paragraph (2)(B)—

"(A) nursing care provided by or under the supervision of a registered professional nurse,

"(B) physical or occupational therapy or speech-language pathology,

"(C) medical social services,

"(D) personal care services under the supervision of a registered professional nurse,

"(E) planned therapeutic, social, physical, and educational activities,

"(F) transportation services from the adult's home to and from the program, and

"(G) nutritional services, including at least one meal daily and nutritional counseling and education.

"(2) The term 'adult day care program' means a public agency or private organization (or a subdivision thereof) which—

"(A)(i) is primarily engaged in providing services described in paragraph (1) to chronically-impaired adults in a group setting outside their homes on a less than 24-hour basis,

"(ii) provides for such care and services directly or under arrangements made by the agency or organization, except that—

"(I) the agency or organization must routinely provide directly all of each of the services described in subparagraphs (A), (C), (D), and (E) of paragraph (1), and

"(II) in the case of other services described in paragraph (1) which are not provided directly by the agency or organization, the agency or organization must maintain professional management responsibility for all such services furnished to a chronically-impaired adult;

"(B) has a multidisciplinary group of personnel which—

"(i) includes at least—

"(I) one physician (as defined in subsection (r)(1)),

"(II) one registered professional nurse and one social worker employed by the agency or organization,

"(III) one consultant with skills respecting physical or occupational therapy or speech-language pathology, and

"(IV) as needed, a dietitian,

"(ii) conducts a written assessment of the health, social, and functional status of each chronically-impaired adult before the adult's admission to the program and periodically thereafter,

"(iii) develops, in consultation with chronically-impaired adult and the adult's family, a coordinated individualized treatment plan,

"(iv) provides (or supervises the provision of) the care and services described in paragraph (1), and

"(v) establishes the policies governing the provision of such care and services;

"(C) maintains health records on all chronically-impaired adults provided such care and services;

"(D) utilizes volunteers in its provision of care and services;

"(E) in the case of an agency or organization in any State in which State or applicable local law provides for the licensing of agencies or organizations of this nature, is licensed pursuant to such law;

"(F) has procedures for obtaining appropriate aid in medical emergencies; and

"(G) meets such other requirements as the Secretary may find necessary in the interest of the health and safety of the individuals who are provided care and services by such agency or organization.

"(3) The term 'chronically-impaired adult' means an individual—

"(A) who is 18 years of age or older, and

"(B) who has a physical, emotional, mental, or neurological impairment that, but for the provision of adult day care, makes the individual likely to require the level of care provided in a hospital or in a skilled or intermediate care facility.

"(4)(A) An entity which is certified as a provider of services other than as an adult day care program shall be considered for purposes of certification as an adult day care program, to have met any requirements under paragraph (2) which are also the same requirements for certification as such other type of provider. The Secretary shall coordinate surveys for determining certification under this title so as to provide, to the extent feasible, for simultaneous surveys of an entity which seeks to be certified as an adult day care program and as a provider of services of another type.

"(B) Any entity which is certified as an adult day care program and as a provider of services of another type shall have separate provider agreements under section 1866 and shall file separate cost reports (if applicable) with respect to costs incurred in providing adult day care and in providing other services and items under this title.".

SEC. 3. CERTIFICATION OF NEED.

(a) AS A CONDITION OF PAYMENT.—Section 1835(a)(2) (42 U.S.C. 1395n(a)(2)) is amended—

(1) by striking out "and" at the end of subparagraph (D),

(2) by striking out the period at the end of subparagraph (E) and inserting in lieu thereof "; and", and

(3) by inserting after subparagraph (E) the following new subparagraph:

"(F) in the case of adult day care, (i) such care is or was required because the individual needs or needed chronic care services involving skilled or custodial care, (ii) but for the provision of such services the individual is or was likely to require the level of care furnished in a hospital or in a skilled or intermediate care facility, (iii) a plan for such care has been established and is periodically reviewed by a multidisciplinary team (described in section 1861(ee)(2)(B)), and (iv) the care is or was furnished while the individual is or was under the care of a physician.".

(b) CONFORMING AMENDMENT TO EXCLUSIONARY PROVISIONS.—Section 1862(a) (42 U.S.C. 1395(a)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking out "or (D)" and inserting in lieu therof "(D), or (E)",

(B) by striking out "and" at the end of subparagraph (C),

(C) by striking out the semicolon at the end of subparagraph (D) and inserting in lieu thereof ", and", and

(D) by adding at the end the following new subparagraph:

"(E) in the case of adult day care, which are furnished to other than a chronically-impaired adult or which are not reasonable and necessary for the management of chronic illness;"; and

(2) in paragraph (9), by inserting "and, in the case of adult day care, as is otherwise permitted under paragraph (1)(E)" after "paragraph (1)(C)".

SEC. 4. PAYMENT AND COINSURANCE FOR ADULT DAY CARE.

(a) PAYMENT AMOUNTS.—Section 1833(a) (42 U.S.C. 13951(a)) is amended—

(1) in paragraph (2), by striking out "and (F)" and inserting in lieu thereof "(F), and (G)",

(2) by striking out "and" at the end of paragraph (3),

(3) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; and", and

(4) by adding at the end the following new paragraph:

"(5) in the case of services described in subparagraph (G) of section 1832(a)(2) (relating to adult day care), for each day of adult day care such a per diem amount as is based on the costs which are reasonable and related to the cost of furnishing such services or which are based on such other tests of reasonableness as the Secretary may prescribe in regulations, including those authorized under section 1861(v)(1)(A), less the coinsurance amount established under subsection (1).".

(b) DEDUCTIBLE DOES NOT APPLY.—Section 1833(b)(2) (42 U.S.C. 13951(b)(2)) is amended by inserting "or with respect to adult day care" after "home health services".

(c) COINSURANCE AMOUNT.—Section 1833 (42 U.S.C. 13951) is further amended by adding at the end the following new subsection:

"(1) With respect to expenses incurred for each day of adult day care, the coinsurance amount is equal to $5.".

(d) LIMITING CHARGES PERMITTED BY ADULT DAY CARE PROGRAMS.—Section 1866(a)(2)(A) (42 U.S.C. 1395cc(a)(2)(A)) is amended—

(1) in clause (i), by inserting "1833(1)," after "1833(b),", and

(2) in the last sentence, by inserting ", with respect to adult day care," after "1861(s)(10)(A)".

SEC. 5. CERTIFICATION OF ADULT DAY CARE PROGRAMS.

(a) CONSULTATION WITH STATE AGENCIES.—Section 1863 (42 U.S.C. 1395z) is amended by striking out "or (dd)(2)" and inserting in lieu thereof "(dd)(2), or (ee)(2)".

(b) USE OF STATE AGENCIES.—Section 1864(a) (42 U.S.C. 1395aa(a)) is amended—

(1) in the first sentence, by inserting "or an adult day care program," after "hospice program", and

(2) in the second sentence, by striking out "or hospice program" and inserting in lieu thereof "hospice program, or adult day care program,".

SEC. 6. MISCELLANEOUS CONFORMING AMENDMENTS.

(a) ADULT DAY CARE PROGRAM AS A PROVIDER OF SERVICES.—Section 1861(u) (42 U.S.C. 1395x(u)) is amended by inserting "adult day care program," after "hospice program,".

(b) TRANSFER ARRANGEMENTS.—Section 1861(w)(1) (42 U.S.C. 1395x(w)(1)) is amended by striking out "or hospice program" and inserting in lieu thereof "hospice program, or adult day care program".

SEC. 7. EFFECTIVE DATE AND REGULATIONS.

(a) EFFECTIVE DATE.—The amendments made by this Act shall apply to adult day care provided on or after the first day of the

seventh month that begins after the date of the enactment of this Act.

(b) REGULATIONS.—The Secretary of Health and Human Services, not later than 6 months after the date of the enactment of this Act, shall issue such regulations as may be necessary—

(1) to define the services included in adult day care (as defined in section 1861(ee) of the Social Security Act),

(2) to establish the standards for qualification of an adult day care program under such section, and

(3) to establish the per diem rates of payment for adult day care under section 1833(a)(5) of such Act.

(c) ADOPTION OF CERTAIN STANDARDS.—In issuing such regulations with respect to the standards for qualification of an adult day care program, the Secretary shall consult with the National Institute of Adult Daycare (which is associated with the National Council on Aging) and shall adopt the standards for adult day care established by that Institute as minimum standards.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. GROTBERG (at the request of Mr. MICHEL), for today and the balance of the week, on account of illness.

Mr. FRANKLIN (at the request of Mr. MICHEL), for today and the balance of the week, on account of illness.

Mr. LUJAN (at the request of Mr. MICHEL), for today and the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DELAY) to revise and extend their remarks and include extraneous material:)

Mr. LUNGREN, for 60 minutes, on May 7.

Mr. LUNGREN, for 60 minutes, on May 8.

Mr. LUNGREN, for 60 minutes, on May 12.

Mr. LUNGREN, for 60 minutes, on May 15.

Mr. LUNGREN, for 60 minutes, on May 19.

Mr. GILMAN, for 60 minutes, on May 7.

Mr. SHAW, for 5 minutes, today.

Mr. RUDD, for 5 minutes, today.

Mrs. BENTLEY, for 5 minutes, on May 7.

(The following Members (at the request of Mr. WEISS) to revise and extend their remarks and include extraneous material:)

Mr. BRYANT, for 5 minutes, today.

Mr. PEPPER, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. LEHMAN of Florida, for 60 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material):

Mr. LUNGREN, for 60 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. PANETTA and to include extraneous material notwithstanding the fact that it exceeds 2 pages of the RECORD and is estimated by the Public Printer to cost $1,230.

(The following Members (at the request of Mr. DELAY) and to include extraneous matter:)

Mr. COURTER.
Mr. KRAMER.
Mr. OXLEY.
Mr. FIELDS.
Mr. SCHNEIDER.
Mr. GILMAN in three instances.
Mr. SHUMWAY in two instances.
Mr. DANNEMEYER.
Mr. WHITEHURST.
Mr. GREEN.
Mr. GALLO.
Mr. SMITH of New Jersey.

(The following Members (at the request of Mr. WEISS) and to include extraneous matter:)

Mr. SOLARZ.
Mr. MONTGOMERY.
Mr. YATRON.
Mrs. BOXER.
Mr. ROE.
Mr. PEPPER.
Mr. RANGEL.
Mr. STARK in three instances.
Ms. MIKULSKI.
Mr. FLORIO.
Mr. BERMAN.
Mr. GRAY of Pennsylvania.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 739. An act, to make miscellaneous changes in laws affecting the U.S. Coast Guard, and for other purposes;

H.R. 4022. An act, to release restrictions on certain property located in Calcasieu Parish, LA, and for other purposes;

H.J. Res. 544. Joint resolution to designate May 7, 1986, as National Barrier Awareness Day; and

H.J. Res. 569. Joint resolution to designate May 8, 1986, as "Naval Aviation Day."

SENATE ENROLLED JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to enrolled joint resolutions of the Senate of the following titles:

S.J. Res. 284. Joint resolution to designate the month of May 1986 as "Better Hearing and Speech Month";

S.J. Res. 285. Joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "National Osteoporosis Awareness Week of 1986";

S.J. Res. 289. Joint resolution to designate 1988 as the "Year of New Sweden" and to recognize the New Sweden 1988 American Committee; and

S.J. Res. 293. Joint resolution to designate the month of May 1986 as "National Child Safety Month."

ADJOURNMENT

Mr. SILJANDER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 33 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, May 7, 1986, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3432. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a listing of supplemental contract award dates for the period May 1, 1986 to June 30, 1986, pursuant to 10 U.S.C. 139(b); to the Committee on Armed Services.

3433. A letter from the Deputy Under Secretary of the Army, transmitting notification of the Army's intention to initiate operations to drain chemical agent from 63 unserviceable munitions at Pueblo Army Depot Activity, CO, pursuant to 50 U.S.C. 1512(4); to the Committee on Armed Services.

3434. A letter from the Secretary of Defense, transmitting a report on the feasibility of converting Poseidon-class submarines into SSN-type or SSGN-type submarines, and the feasibility of using Poseidon-class submarines as training platforms, pursuant to Public Law 99-145, section 1435(a) (99 Stat. 756); to the Committee on Armed Services.

3435. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed lease of defense articles to the Coordination Council for North American Affairs (Transmittal No. 27-86), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

3436. A letter from the General Counsel and Congressional Liaison, U.S. Information Agency, transmitting notification of a delay in submitting the results of an independent evaluation of Cuba Service programming, pursuant to Public Law 98-111, section 9; to the Committee on Foreign Affairs.

3437. A letter from the Assistant Secretary of the Army (Civil Works), transmitting the 11th annual report recommending deauthorization of various water projects, pursuant to 33 U.S.C. 579 (H. Doc. No. 99-214); to the Committee on Public Works and Transportation and ordered to be printed.

3438. A letter from the Administrator, General Services Administration, transmitting a copy of the entire fiscal year 1987 Capital Improvement and Leasing Program, pursuant to Public Law 86-249, section 7(a)

(86 Stat. 217); to the Committee on Public Works and Transportation.

3439. A letter from the Secretary of Commerce and the Attorney General of the United States, transmitting a draft of proposed legislation to encourage innovation, promote research and development, and stimulate trade by strengthening the protection given intellectual property rights by making necessary and appropriate amendments to the intellectual property rights laws; jointly, to the Committees on the Judiciary, Ways and Means, and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ST GERMAIN: Committee on Banking, Finance and Urban Affairs. H.R. 4510. A bill to amend the Export-Import Bank Act of 1945, and for other purposes; with an amendment (Rept. 99-578). Referred to the Committee of the Whole House on the State of the Union.

Mr. ST GERMAIN: Committee on Banking, Finance and Urban Affairs. H.R. 2373. A bill to improve the industrial competitiveness of the United States; with an amendment (Rept. 99-579). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 4750. A bill to reform trade laws, and for other purposes. (Rept. 99-581, Pt. 1). Ordered to be printed.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. ST GERMAIN: Committee on Banking, Finance and Urban Affairs. H.R. 4574. A bill to alleviate the international debt crisis, expand world trade, and promote stability in the international financial system; with an amendment. Referred to the Committee on Foreign Affiars for a period ending not later than May 9, 1986 for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(i), rule X. (Rept. 99-577, Pt. 1). Ordered to be printed.

Mr. BONKER: Committee on Foreign Affairs. H.R. 4708. A bill to amend the Export Administration Act of 1979; with amendments. Referred to the Committees on Agriculture, Banking Finance and Urban Affairs, Energy and Commerce, and Judiciary for a period ending not later than May 9, 1986, for consideration of such provisions of the amendment as fall within the jurisdictions of those committees pursuant to clause 1 (a), (d), (h), and (m) of rule X, respectively (Rept. 99-580, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DANNEMEYER:

H.R. 4748. A bill to repeal the authorization for the minting of $10 gold bullion coins; to the Committee on Banking, Finance and Urban Affairs.

By Mr. DeLAY:

H.R. 4749. A bill entitled: The Mass Transit Improvement Act of 1986; to the Committee on Public Works and Transportation.

By Mr. ROSTENKOWSKI (for himself, Mr. GIBBONS, Mr. PICKLE, Mr. RANGEL, Mr. STARK, Mr. FORD of Tennessee, Mr. JENKINS, Mr. GEPHARDT, Mr. DOWNEY of New York, Mr. HEFTEL of Hawaii, Mr. FOWLER, Mr. GUARINI, Mr. RUSSO, Mr. PEASE, Mr. MATSUI, Mr. ANTHONY, Mr. FLIPPO, Mr. DORGAN of North Dakota, Mrs. KENNELLY, Mr. DONNELLY, and Mr. COYNE):

H.R. 4750. A bill to reform the trade laws; and for other purposes; to the Committee on Ways and Means.

By Mr. DUNCAN (by request):

H.R. 4751. A bill regarding the elimination, in certain section 337 cases, of requirement of injury to a U.S. industry; jointly, to the Committees on Ways and Means, and the Judiciary.

By Mr. SMITH of New Jersey:

H.R. 4752. A bill to amend title 38, United States Code, to increase the home loan amount applicable under certain provisions of chapter 37 of such title; to the Committee on Veterans' Affairs.

By Mr. TAUKE:

H.R. 4753. A bill to amend titles II and XVI of the Social Security Act to clarify the primary role of findings of medical severity in the disability determination process and to define the conditions on which claims may be denied solely on the basis of lack of medical serverity; to the Committee on Ways and Means.

By Mr. WAXMAN:

H.R. 4754. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the appointment of the Commissioner of Food and Drugs to be subject to Senate confirmation; to the Committee on Energy and Commerce.

By Mr. WHITEHURST:

H.R. 4755. A bill to amend the Immigration and Nationality Act to provide for the naturalization of alien servicemembers who enlist outside the United States and who have not been admitted for lawful permanent residence; to the Committee on the Judiciary.

By Mr. YATRON (for himself, Mr. LEACH of Iowa, and Mr. RODINO):

H.R. 4756. A bill to amend the United Nations Participation Act of 1945 to carry out obligations of the United States under the United Nations Charter and other international agreements pertaining to the protection of human rights by providing a civil action for recovery from persons engaging in torture, and for other purposes; jointly, to the Committees on Foreign Affairs, and the Judiciary.

By Mr. BOULTER (for himself, Mr. ARMEY, Mr. LEWIS of California, Mr. SHUMWAY, Mr. SILJANDER, Mr. LAGOMARSINO, Mr. BURTON of Indiana, Mr. GINGRICH, Mr. BLILEY, Mr. DANNEMEYER, Mr. RUDD, Mr. COBEY, Mr. HUNTER, and Mr. MACK):

H.J. Res. 624. Joint resolution to oppose participation of the Government of Poland in the International Monetary Fund until certain conditions are met; to the Committee on Banking, Finance and Urban Affairs.

By Mr. RUDD (for himself, Mr. BADHAM, Mr. BATEMAN, Mr. BENNETT, Mr. BEVILL, Mr. BONER of Tennessee, Mr. BUSTAMANTE, Mr. CARNEY, Mr. CHAPPIE, Mr. DANIEL, Mr. DARDEN, Mr. DAUB, Mr. DE LA GARZA, Mr. FAZIO, Mr. FRENZEL, Mr. FUSTER, Mr. GRAY of Illinois, Mrs. HOLT, Mr. HORTON, Mr. HUGHES, Mr. JONES of North Carolina, Ms. KAPTUR, Mr. LAGOMARSINO, Mr. MCGRATH, Mr. MARTINEZ, Mr. MINETA, Mr. MONTGOMERY, Mr. NEAL, Mr. ROE, Mr. ROSE, Mr. STUMP, Mr. SUNIA, Mr. UDALL, Mr. VOLKMER, Mr. WILSON, Mr. WOLF, Mr. WORTLEY, and Mr. YATRON):

H.J. Res. 625. Joint resolution designating August 4, 1986 as "National Legion of Valor Day"; to the Committee on Post Office and Civil Service.

By Mr. SEIBERLING (for himself, Mr. UDALL, Mr. FASCELL, Mr. SOLARZ, Mr. LAGOMARSINO, and Mr. BLAZ) (by request):

H.J. Res. 626. Joint resolution to approve the "Compact of Free Association" between the United States and the Government of Palau, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, and Foreign Affairs.

By Mr. BIAGGI:

H. Con. Res. 330. Concurrent resolution expressing the sense of Congress for full representation by American ethnic groups in the awarding of Statue of Liberty medals; to the Committee on Interior and Insular Affairs.

By Mr. GUNDERSON:

H. Con. Res. 331. Concurrent resolution expressing the sense of Congress in favor of more equitable and uniform treatment of federally funded and federally administered retirement programs, and their cost-of-living adjustments, under the deficit reduction process; to the Committee on Government Operations.

By Mr. YATRON (for himself and Mr. BROOMFIELD):

H. Con. Res. 332. Concurrent resolution concerning the Soviet Union's persecution of members of the Ukrainian and other public Helsinki monitoring groups; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

361. By the SPEAKER: Memorial of the House of Delegates, Second Olbiil Era Kelulau, Republic of Palau, relative to war claims awards to Micronesian claimants; to the Committee on Appropriations.

362. Also, memorial of the House of Delegates, Second Olbiil Era Kelulau, Republic of Palau, relative to the capital improvement project in the Republic of Palau; to the Committee on Interior and Insular Affairs.

363. Also, memorial of the House of Delegates, Second Olbiil Era Kelulau, Republic of Palau, relative to funding under the terms of the compact of free association between the United States and the Republic of Palau; jointly, to the Committees on Interior and Insular Affairs and Foreign Affairs.

364. Also, memorial of the House of Delegates, Second Olbiil Era Kelulau, Republic of Palau, relative to the cut off period for receiving postsecondary educational assistance from the U.S. Government; jointly, to

the Committees on Interior and Insular Affairs and Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 471: Mr. HANSEN, Mr. YOUNG of Florida, and Mr. BLILEY.

H.R. 822: Mr. COUGHLIN.

H.R. 1375: Mr. MARLENEE and Mr. VENTO.

H.R. 1946: Mr. HORTON and Mr. ROBERT F. SMITH.

H.R. 2185: Mr. ECKART of Ohio, and Mr. WEBER.

H.R. 2373: Mr. ST GERMAIN, Mr. FAUNTROY, Mr. LUNDINE, Ms. OAKAR, Mr. VENTO, Mr. FRANK, Mr. COOPER, Ms. KAPTUR, Mr. LEVIN of Michigan, Mr. TORRES, Mr. GORDON, Mr. GEPHARDT, Mr. BONKER, Mr. MARTINEZ, Mr. SCHEUER, Mr. HAMILTON, Mr. PEASE, and Mr. BONIOR of Michigan.

H.R. 2436: Mr. MARKEY, Mr. FRANK, Mr. STALLINGS, Mr. JONES of North Carolina, and Mr. MCCLOSKEY.

H.R. 2582: Mr. LUKEN, Mr. PURSELL, and Mr. FLORIO.

H.R. 2589: Mr. GEJDENSON.

H.R. 2741: Mr. WIRTH and Mr. STALLINGS.

H.R. 2798: Mr. EDWARDS of California.

H.R. 2952: Mr. ROYBAL, Mr. HORTON, Mr. RINALDO, Mr. HOWARD, and Mr. MARTINEZ.

H.R. 3006: Mr. LELAND.

H.R. 3041: Mr. ASPIN, Mr. BENNETT, Mr. CARPER, Mr. CHAPPELL, Mr. CONYERS, Mr. CHAPMAN, Mr. DICKS, Mr. EVANS of Illinois, Mr. FLORIO, Mr. FORD of Michigan, Mr. GUARINI, Mr. HUTTO, Mr. KILDEE, Mr. KLECZKA, Mr. LOWERY of California, Mr. MYERS of Indiana, Mr. OBEY, Mr. PENNY, Mr. SCHUMER, Mr. SHELBY, Mr. SISISKY, Mr. SOLARZ, Mr. STAGGERS, Mr. STALLINGS, Mr. STOKES, Mr. TORRICELLI, Mr. UDALL, Mr. WEBER, and Mr. WILLIAMS.

H.R. 3505: Mr. WEBER, Mr. KASICH, Mr. SMITH of New Hampshire, Mr. SCHUETTE, Mr. BADHAM, and Mrs. VUCANOVICH.

H.R. 3513: Mr. DYMALLY.

H.R. 3906: Mr. WOLPE.

H.R. 4003: Mr. GRAY of Illinois.

H.R. 4017: Mr. MARTINEZ, Mr. PANETTA, and Mr. FUSTER.

H.R. 4030: Ms. KAPTUR.

H.R. 4041: Mr. DELAY, Mr. DEWINE, Mr. ST GERMAIN, Mr. NIELSON of Utah, Mr. STUMP, Mr. GINGRICH, Mr. FIELDS, and Mr. HYDE.

H.R. 4075: Mrs. COLLINS, Mr. LEVIN of Michigan, Mr. HUBBARD, Mr. O'BRIEN, Mr. CARNEY, and Mr. MONTGOMERY.

H.R. 4145: Mr. KEMP, Mr. HOPKINS, Mr. GEKAS, Mr. HANSEN, Mr. MOORHEAD, Mr. NIELSON of Utah, Mr. SHAW, Mr. COATS, and Mr. DIOGUARDI.

H.R. 4194: Mr. WALGREN and Mr. GEJDENSON.

H.R. 4197: Ms. KAPTUR, Mr. DONNELLY, Mr. LEVIN of Michigan, Mr. GONZALEZ, Mr. KLECZKA, Mr. LEHMAN of California, Ms. OAKAR, Mr. COOPER, Mr. TORRES, Mr. VENTO, Mr. GORDON, Mr. HUBBARD, Mr. JONES of North Carolina, Mr. LUNDINE, Mrs. BOXER, and Mr. SEIBERLING.

H.R. 4204: Ms. FIEDLER.

H.R. 4275: Mr. BORSKI.

H.R. 4299: Mr. PURSELL, Mr. SCHUETTE, Mr. LOEFFLER, Mr. RAY, Mr. BADHAM, Mr. COLEMAN of Missouri, Mr. ROBINSON, and Mr. BARNARD.

H.R. 4300: Mr. EDGAR, Mr. RAHALL, Mr. VISCLOSKY, Mr. GONZALEZ, and Mr. ST GERMAIN.

H.R. 4301: Mr. LAGOMARSINO, Mr. MORRISON of Washington, Mr. OLIN, Mr. LEVINE of California, Mr. LEWIS of Florida, Mr. RICHARDSON, Mrs. BYRON, Mr. MCKINNEY, and Mr. MILLER of Washington.

H.R. 4303: Mr. COOPER.

H.R. 4304: Mr. SCHAEFER.

H.R. 4344: Mr. DENNY SMITH, Mr. BLILEY, and Mr. COBEY.

H.R. 4369: Mr. LIGHTFOOT.

H.R. 4370: Mr. FRANK, Mr. DARDEN, Mr. GLICKMAN, Mrs. MARTIN of Illinois, Mr. HUGHES, Mrs. ROUKEMA, Mr. MARTINEZ, and Mr. EDWARDS of Oklahoma.

H.R. 4382: Mr. PURSELL.

H.R. 4391: Mr. ROGERS, Mr. FRANK, Mr. STRANG, and Mr. MAVROULES.

H.R. 4406: Mr. FISH.

H.R. 4439: Mr. CHAPPIE and Mr. VANDER JAGT.

H.R. 4524: Mr. GEKAS, Mr. ROGERS, Mr. WOLF, Mr. ARMEY, Mr. MORRISON of Washington, and Mr. HORTON.

H.R. 4545: Mrs. BOGGS, Mr. JEFFORDS, Mr. LEVIN of Michigan, Mr. HORTON, and Mr. KOSTMAYER.

H.R. 4567: Mr. GRAY of Pennsylvania, Mr. TALLON, and Mr. ROBINSON.

H.R. 4589: Mr. MINETA.

H.R. 4601: Mr. LIGHTFOOT, Mr. STANGELAND, and Mr. BEDELL.

H.R. 4630: Mr. TOWNS, Mrs. BOGGS, Mr. WILLIAMS, and Mr. THOMAS of Georgia.

H.R. 4631: Mr. MARTINEZ.

H.R. 4639: Mr. OXLEY, Mr. TOWNS, Mr. DYSON, Mr. LENT, Mr. WORTLEY, Mr. BEILENSON, Mr. SMITH of Florida, Mr. EVANS of Illinois, Mr. PEPPER, Mr. DORNAN of California, Mr. BRYANT, Mr. WIRTH, Mr. DARDEN, Mr. DIOGUARDI, Mr. COBEY, Mr. FROST, Mr. RINALDO, and Mr. MRAZEK.

H.R. 4643: Mr. ROBERTS.

H.R. 4650: Mr. LEVINE of California, Mr. FUSTER, Mr. GRAY of Illinois, Mr. TOWNS, Mr. BENNETT, Mr. MITCHELL, Mr. FROST, Mrs. BOXER, Mr. HORTON, Mr. HAYES, Mr. RANGEL, Mr. MARTINEZ, and Mr. MRAZEK.

H.R. 4696: Mr. TORRICELLI, Mr. PERKINS, Ms. KAPTUR, Mr. MAVROULES, Mr. JACOBS, Mr. HALL of Ohio, Mr. EVANS of Illinois, Ms. MIKULSKI, and Mr. PORTER.

H.R. 4697: Mr. TOWNS, Mr. LIPINSKI, Mr. LEVIN of Michigan, Mr. FRANK, Mr. HAYES, Mr. FAZIO, Mr. WORTLEY, Mr. SMITH of Florida, and Mr. LOWRY of Washington.

H.R. 4698: Mr. FAUNTROY and Mr. STUDDS.

H.R. 4730: Ms. MIKULSKI, Mr. BIAGGI, Mr. PETRI, Mr. LENT, Mr. PORTER, and Mr. SOLARZ.

H.R. 4731: Mr. LENT.

H.R. 4745: Mr. RODINO, Mr. SYNAR, Mr. BRYANT, and Mr. MORRISON of Connecticut.

H.J. Res. 7: Mr. YATRON, Mr. CHAPPIE, and Mr. LEWIS of California.

H.J. Res. 10: Mr. FISH, Mr. HUTTO, Mr. MURPHY, Mr. SHUMWAY, and Mr. VALENTINE.

H.J. Res. 244: Mr. SCHUMER, Mr. BEVILL, Mr. PURSELL, and Mr. KASTENMEIER.

H.J. Res. 356: Mr. BIAGGI.

H.J. Res. 381: Mr. BEDELL, Mr. FOLEY, Mr. PEPPER, Mr. WHEAT, Mr. OBERSTAR, and Mr. DAVIS.

H.J. Res. 458: Mr. PURSELL.

H.J. Res. 526: Ms. MIKULSKI, Mr. LELAND, Mr. RINALDO, Mr. LEHMAN of Florida, Mr. COELHO, Mr. CHAPPIE, Mr. MCCLOSKEY, Mr. SABO, Mr. BARTLETT, Mr. GEKAS, Mrs. LLOYD, Mr. PANETTA, Mr. MATSUI, Mr. LEVINE of California, Mr. MOORHEAD, Mr. LUKEN, Mr. BROWN of Colorado, Mr. GOODLING, Mr. CRAIG, Mr. WALKER, Mr. COBEY, Mr. BARTON of Texas, Mr. DELAY, Mr. HAMMERSCHMIDT, Mr. HOPKINS, Mr. LIGHTFOOT, Mr. SCHUMER, Mr. GREEN, Mrs. COLLINS, Mr. DENNY SMITH, Mrs. ROUKEMA, Mr. SMITH of New Hampshire, Mr. MURPHY, Mr. DEWINE, Mr. SYNAR, Mr. ZSCHAU, Mr. KOLBE, Mr. WEAVER, Mr. SMITH of New Jersey, Mr. OBERSTAR, Mr. KASTENMEIER, Mr. EDWARDS of California, Mr. MAZZOLI, Mr. HUGHES, Mr. VANDER JAGT, Mrs. SCHROEDER, Mr. GLICKMAN, Mr. FEIGHAN, Mr. BERMAN, Mr. GINGRICH, Mr. COURTER, Mr. MONTGOMERY, Mr. PORTER, Mrs. MARTIN of Illinois, Mr. HYDE, Mr. SENSENBRENNER, Mr. MCCOLLUM, Mr. COBLE, and Mr. THOMAS of California.

H.J. Res. 532: Mr. MCKINNEY, Mr. YOUNG of Alaska, Mr. DOWDY of Mississippi, Mr. ROBERT F. SMITH, Mrs. ROUKEMA, Mr. NEAL, Mr. HEFNER, Mr. TALLON, Mr. SCHEUER, Mr. KEMP, Mr. RALPH M. HALL, Mr. FOLEY, Mr. CONTE, Mr. HANSEN, Mr. AKAKA, Mr. LOEFFLER, Mr. MCHUGH, Mr. DANIEL, Mr. SABO, Mr. ROBINSON, Mr. HYDE, Mr. ROWLAND of Connecticut, Mr. RAY, Mr. COURTER, Mr. GEJDENSON, Mr. GREGG, Mr. BARTLETT, Mr. YOUNG of Missouri, Mr. MORRISON of Washington, Mr. MORRISON of Connecticut, Mr. GALLO, Mr. MCCAIN, Mr. HENRY, Mr. CARR, Mr. COELHO, Mr. MACKAY, Mr. FOWLER, and Mr. BREAUX.

H.J. Res. 538: Mr. CLINGER, Mr. AKAKA, Mr. ANTHONY, Mr. STRANG, Mr. BOUCHER, Mrs. BYRON, Mr. LUKEN, Mr. CHAPPIE, Mrs. COLLINS, Mr. DIXON, Mr. DONNELLY, Mr. MANTON, Mr. ACKERMAN, Mr. FORD of Tennessee, Mr. HAMMERSCHMIDT, Mr. WRIGHT, Mrs. KENNELLY, Mr. KOLTER, Mr. FEIGHAN, Mr. TALLON, Mr. HOPKINS, Mr. HOYER, Mr. MCEWEN, Mr. MAVROULES, Mr. MORRISON of Connecticut, Mr. LEWIS of Florida, Mr. ENGLISH, Mr. FLORIO, Mr. MATSUI, Mr. TORRICELLI, Mr. ORTIZ, Mr. MACK, Mr. PASHAYAN, Mr. LELAND, Mr. MURPHY, Mr. RINALDO, Mr. RODINO, Mr. FROST, Mr. SMITH of New Jersey, Mr. STAGGERS, Mr. ROTH, Mr. FUQUA, Mr. LANTOS, Mr. ROSE, Mr. STALLINGS, Mr. WYLIE, Mr. WHITTAKER, Mr. EARLY, Mr. MICA, Mr. DIOGUARDI, Mr. MCCOLLUM, Mr. HUTTO, Mr. DERRICK, Mr. DORGAN of North Dakota, Mr. GEKAS, Mr. CALLAHAN, Mr. GILMAN, Mr. BLILEY, Mrs. LLOYD, Mr. FAZIO, Mrs. LONG, Mr. HORTON, Mr. BURTON of Indiana, Mr. VALENTINE, Mr. BROYHILL, Mr. FRENZEL, Mr. FRANKLIN, Mr. DOWDY of Mississippi, Mr. CARNEY, Mr. BORSKI, Mr. HEFNER, Mr. GREEN, Mr. LEHMAN of Flordia, Mr. SCHEUER, Mr. HERTEL of Michigan, Mr. FLIPPO, Mr. IRELAND, Mr. MONTGOMERY, Mr. DUNCAN, Mr. HARTNETT, Mrs. BURTON of California, Mr. JONES of North Carolina, Mr. HUBBARD, Mr. MCKERNAN, Mr. MCHUGH, Mr. ROBERT F. SMITH, Mr. TRAXLER, Mrs. VUCANOVICH, Mr. WOLPE, Mr. ROGERS, Mr. LEWIS of California, Mr. BROOMFIELD, Mr. FOGLIETTA, Mr. MOAKLEY, Mr. YOUNG of Missouri, Mr. STUDDS, Mr. GRAY of Illinois, Mr. ALEXANDER, Mr. SYNAR, Mr. COURTER, Mr. VANDER JAGT, Mr. GUNDERSON, Mr. PANETTA, Mr. HAYES, Mr. YATES, Mr. GONZALEZ, Mr. BILIRAKIS, Ms. SNOWE, and Mr. SHUMWAY.

H.J. Res. 546: Mr. SISISKY, Mr. FRANK, Mr. RICHARDSON, Mr. BOUCHER, Mr. STUDDS, Mr. SCHUETTE, Mr. ERDREICH, Mr. MOORHEAD, Mr. OBERSTAR, Mr. PASHAYAN, Mr. WIRTH, Mr. CROCKETT, Mr. LANTOS, Ms. OAKAR, Mr. DE LA GARZA, Mr. YATES, Mr. SHUMWAY, Mr. JONES of North Carolina, Mr. LEWIS of Florida, Mr. BURTON of Indiana, Mr. BONER of Tennessee, Mr. TOWNS, Mr. MORRISON of Connecticut, Mr. RODINO, Mr. MARTINEZ, Mr. LUJAN, Mr. TALLON, Mrs. BENTLEY, Mr. CAMPBELL, Mr. FAZIO, Mr. HUNTER, Mr. HANSEN, Mr. BARNARD, Mr. PERKINS, Mr. MACK, Mrs. JOHNSON, Mr. MILLER of Washington, Mr. CHANDLER, Mr. WALKER, Mr. PETRI, Mr. HORTON, Mr. LOTT, Mr. EMERSON, Mr. YOUNG of Missouri, Mr. GILMAN, Mr.

MILLER of Ohio, Mr. STRANG, Mr. CRANE, Mr. SYNAR, Mr. WEISS, Mr. BROYHILL, Mr. PARRIS, Mr. WOLF, Mr. HEFNER, Mr. HAMMERSCHMIDT, Mr. FIELDS, Mr. COBLE, Mr. KEMP, Mr. SMITH of New Hampshire, Mrs. MARTIN of Illinois, Mr. DANNEMEYER, Mr. COATS, Mr. BLILEY, Mr. MURPHY, Mr. RAHALL, Mr. MOODY, Mr. LOWERY of California, Mr. SHAW, Mr. DINGELL, Mr. BROOKS, Mr. NIELSON of Utah, Mr. BENNETT, Mr. MRAZEK, Mr. REID, Mr. CARPER, Mr. HENDON, Mrs. LLOYD, Mr. TAUZIN, Mr. ROBINSON, Mr. LAGOMARSINO, Mr. DAUB, Mr. MCCOLLUM, Mr. BUSTAMANTE, Mr. COBEY, Mr. MICHEL, Mr. ANDERSON, Mr. BARTLETT, Mr. YOUNG of Alaska, Mr. MONSON, Mr. HARTNETT, Mr. MARTIN of New York, Mr. LEWIS of California, Mr. GREEN, Mr. PURSELL, Mr. ROBERTS, Mr. SPENCE, Mr. BROOMFIELD, Mr. VOLKMER, Mrs. BOXER, Mr. GEJDENSON, Mr. ATKINS, Mr. DELLUMS, Mr. HATCHER, Mr. DORGAN of North Dakota, Mr. GIBBONS, Mr. STAGGERS, Mr. KOSTMAYER, Mr. STALLINGS, Mr. WILSON, Mr. THOMAS of California, Mr. LIGHTFOOT, Mr. DICKINSON, Mr. ROEMER, Mrs. HOLT, Mr. DYSON, Mr. STRATTON, Mr. LATTA, Mr. BOULTER, Mr. CHENEY, Mr. SNYDER, Mr. DEWINE, Mr. GEKAS, Mr. HUTTO, Mr. BROWN of Colorado, Mr. SLAUGHTER, Mr. GUNDERSON, Mr. COUGHLIN, Mr. PACKARD, Mr. FAWELL, Mr. HENRY, Mr. MORRISON of Washington, Mr. FUQUA, Mr. FOGLIETTA, Mr. AKAKA, Mr. IRELAND, Mr. Levin of Michigan, Mr. VENTO, Mr. SILJANDER, Mr. ACKERMAN, Mr. MOLLOHAN, Mr. HAYES, Mr. SAVAGE, Mr. DASCHLE, Mr. SCHAEFER, Mr. STENHOLM, Mr. BEDELL, Mr. GREGG, Mr. MYERS of Indiana, Mr. CHAPMAN, Mr. RALPH M. HALL, Mr. CLINGER, Mr. WHITTAKER, Mr. SUNDQUIST, Mr. GINGRICH, Mr. WEBER, Mr. WYLIE, Mr. MADIGAN, Mr. MOLINARI, Mrs. VUCANOVICH, Mr. NATCHER, Mr. HEFTEL of Hawaii, Mr. WRIGHT, Mr. KASICH, Mr. ROGERS, Mr. RINALDO, Mr. MCKINNEY, Mr. GALLO, Mrs. BURTON of California, Mr. CALLAHAN, Mr. MCCAIN, Mr. EDWARDS of Oklahoma, Mr. ROTH, Mr. TAUKE, Mr. HYDE, Mr. LOWRY of Washington, Mr. DENNY SMITH, Mr. FOLEY, Mr. COELHO, Mr. ORTIZ, Mr. ROE, Mr. VANDER JAGT, Mr. MCDADE, Mr. MACKAY, Mr. VALENTINE, Mr. SOLOMON, Mr. MILLER of California, Mr. SCHUMER, Mr. RUSSO, Mr. MCEWEN, Mr. MARKEY, Mr. MCCLOSKEY, Mr. SHARP, Mr. CARNEY, Mr. GRAY of Illinois, Mr. EDGAR, Mr. KOLTER, Mr. GAYDOS, Mr. UDALL, Mr. MINETA, Mr. MONTGOMERY, Mr. AUCOIN, Mr. CHAPPIE, Mr. BREAUX, Mr. DARDEN, Mr. GONZALEZ, Mr. BOEHLERT, Mr. DREIER of California, Mr. HOYER, Mr. ANTHONY, Mr. MOORE, Mr. LEHMAN of California, Mr. BEILENSON, Mr. DOWDY of Mississippi, Mr. DICKS, Mr. ECKART of Ohio, Mr. MATSUI, Mr. WORTLEY, and Mr. MCHUGH.

H.J. Res. 587: Mr. GILMAN, Mr. SMITH of New Jersey, Mr. FISH, Mr. FAZIO, Mr. PORTER, Mr. SCHUMER, Mrs. BENTLEY, Mr. ROBINSON, Mr. WORTLEY, Mr. LIVINGSTON, Mr. MACK, Mr. BRYANT, Mr. VOLKMER, and Mr. VALENTINE.

H.J. Res. 602: Mr. KLECZKA, Mr. MCDADE, Mr. ROEMER, Mr. SCHEUER, Mr. VALENTINE, Mr. COBLE, Mr. BORSKI, Mr. RICHARDSON, Mr. MARKEY, Mr. GREGG, Mr. CROCKETT, Mr. TOWNS, Mr. KINDNESS, Mr. ROE, Mr. GEKAS, Mr. PURSELL, Mrs. ROUKEMA, Mr. SMITH of Florida, Mr. SLAUGHTER, Mrs. HOLT, Mrs. BENTLEY, Mr. ROWLAND of Georgia, Mr. LEVIN of Michigan, Mr. LAGOMARSINO, Mr. EVANS of Illinois, Mr. HORTON, Mr. JONES of North Carolina, Mr. FUQUA, Mr. FUSTER, Mr. DWYER of New Jersey, Mr. WORTLEY, Mr. RALPH M. HALL, Mr. HATCHER, Mr. HAYES, Mr. SMITH of Iowa, Mrs. BURTON of California, Mr. WOLF, Mr. HUGHES, Mr. HOWARD, Mr. BONER of Tennessee, Mr. TRAXLER, and Mr. MARTINEZ.

H.J. Res. 609: Mrs. HOLT, Mr. ROE, Mr. LANTOS, Mr. DAUB, Mr. LAFALCE, Ms. KAPTUR, Mrs. BOXER, Mr. LEVIN of Michigan, Mr. HORTON, Mr. HUGHES, Mr. RANGEL, Mr. HAYES, Mr. GORDON, Ms. MIKULSKI, and Mr. WIRTH.

H.J. Res. 611: Mr. WYDEN, Mr. CONTE, Mr. PURSELL, Mr. HUGHES, Mr. MRAZEK, Mr. DAUB, Mr. WAXMAN, Mr. WORTLEY, and Mr. HORTON.

H.J. Res. 622: Mr. DAUB, Mr. GEJDENSON, and Mr. TOWNS.

H. Con. Res. 315: Mr. SIKORSKI and Mr. LIVINGSTON.

H. Con. Res. 325: Mr. BEILENSON, Mrs. BENTLEY, Mr. BLILEY, Mr. CROCKETT, Mr. DELLUMS, Mr. DE LUGO, Mr. EVANS of Illinois, Mr. FAUNTROY, Mr. FAZIO, Mr. FUSTER, Mr. HAYES, Mr. HORTON, Mr. HOWARD, Mr. KOSTMAYER, Mr. LAGOMARSINO, Mr. LEVIN of Michigan, Mr. LUNDINE, Mr. MARTINEZ, Ms. MIKULSKI, Mr. MITCHELL, Mr. MRAZEK, Ms. OAKAR, Mr. REID, Mr. RINALDO, Mr. SCHEUER, Mr. SMITH of Florida, Mr. TOWNS, and Mr. TRAXLER.

H. Con. Res. 326: Mrs. BENTLEY, Mr. BOLAND, Mr. BLILEY, Mr. CLINGER, Mr. FAUNTROY, Mr. FUQUA, Mr. HORTON, Mr. HUGHES, Mr. LAGOMARSINO, Mr. LEVIN of Michigan, Mr. PORTER, Mr. REID, Mr. RINALDO, Mr. ROBINSON, Mr. SCHEUER, Mr. SMITH of Florida, Mr. TRAXLER, Mr. WOLF, and Mr. WORTLEY.

H. Res. 377: Mr. SHAW, Mr. FRENZEL, Mr. ARMEY, and Mr. NIELSON of Utah.

H. Res. 404: Mr. ARMEY, Mr. FIELDS, Mrs. BOXER, Mr. CRAIG, Mr. FAZIO, Mr. FLIPPO, Mr. FORD of Michigan, Mr. GUNDERSON, Mr. JONES of Oklahoma, Mr. MARKEY, Mr. NELSON of Florida, Mrs. SCHROEDER, Mr. SPRATT, Mr. STAGGERS, Mr. SYNAR, Mr. WATKINS, and Mr. SEIBERLING.

H. Res. 409: Mr. SCHEUER, Mrs. BURTON of California, Mr. PEPPER, Mr. DIOGUARDI, Mr. FAUNTROY, Mrs. SCHROEDER, Mr. ACKERMAN, Mr. GARCIA, Mr. MCGRATH, Mr. MANTON, Mr. LANTOS, Mr. LUNDINE, Mr. TOWNS, Mr. KOSTMAYER, Mr. LENT, Mr. MCHUGH, and Mr. SHELBY.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

340. By the SPEAKER: Petition of Diana Armour, et al, of Ottawa, Canada, relative to the U.S. policy in Central America; to the Committee on Foreign Affairs.

341. Also, petition of the Township Committee of Bernards, Basking Ridge, NJ, relative to an amendment to the 16th amendment to the Constitution of the United States; to the Committee on the Judiciary.

342. Also, petition of the City Council of Worcester, MA, relative to H.R. 793; to the Committee on Ways and Means.

343. Also, petition of the Executive Committee, Federal Bar Association, Washington, DC, relative to the Federal income tax treatment of miscellaneous itemized deductions; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1

By Mrs. SMITH of Nebraska:

(Amendment in the nature of a substitute.)

—After section 301, insert the following new section (and redesignate the subsequent sections, and conform the table of contents, accordingly):

SEC. 302. DEFINITION OF VERY LOW-INCOME FAMILIES.

Section 501(b)(4) of the Housing Act of 1949 is amended by inserting before the period at the end the following: ", or, for very low-income families or persons, 50 percent of the statewide nonmetropolitan median income (as determined and adjusted by the Secretary of Housing and Urban Development in consultation with the Secretary of Agriculture), whichever amount is higher".

H.R. 4515

By Mr. FAUNTROY:

—Page 16, after line 11, insert the following:

ASSISTANCE FOR HAITI

Of the funds made available for the "Economic Support Fund" in Public Law 99-190, up to $21,700,000 shall be made available for assistance to Haiti. Of this amount, $1,700,000 shall be transferred to the Inter-American Foundation for use by the Foundation for programs for Haiti. The assistance made available pursuant to this paragraph shall be used to promote the transition to democracy by means such as generating local currency for use for literacy projects, rural development, and job creation. The assistance provided for Haiti pursuant to this paragraph shall be in addition to the assistance previously allocated for Haiti.

It is the sense of the Congress that the United States Government should cooperate with the Government of Haiti in recovering for the Haitian people the wealth that was illegally obtained by former president Jean-Claude Duvalier and his former government ministers and associates through diversions of funds and property, regardless of whether that wealth is located in the United States or abroad.

By Mr. GLICKMAN:

—Page 31, after line 19, insert the following new item:

FACILITIES AND EQUIPMENT (AIRPORT AND AIRWAY TRUST FUND)

For an additional amount for "Facilities and Equipment" for Terminal Doppler Weather Radar equipment, $54,500,000, to be derived from the Airport and Airway Trust Fund.

By Mr. WALKER:

—On page 28, strike line 20 and strike "$42,249,000: *Provided,*" on line 21.

—On page 16, on line 7, strike "$50,000,000" and insert in lieu thereof "$20,000,000".

SENATE—*Tuesday, May 6, 1986*

(Legislative day of Monday, May 5, 1986)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Almighty God, Lord of history and the nations, we are profoundly grateful for the political system envisioned and crafted by our Founding Fathers. Despite its many weaknesses, it has proved to be the best system in history in terms of freedom, human rights, and the public welfare. Increasing congressional activity, with longer legislative sessions, creates a dichotomy between normal business in Washington and elections at home, which imposes an inescapable ambivalence on an incumbent running for reelection. He must give attention to business as usual in the Senate and lengthening campaigns in the State. We pray that Thou will grant special wisdom and endurance to the Senators who must ride these two horses at once. Guide their campaign staff, provide the necessary funds, and enable them to conduct the very best campaign possible as they divide their time and energy between here and home. Be with their families who suffer the pressures in such a situation. In Your name we pray, O Lord, from Whom flows all authority and power. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader, Senator DOLE, is recognized.

Mr. DOLE. I thank the President pro tempore, Senator THURMOND.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order the leaders have 10 minutes each, to be followed by special orders in favor of Senators HAWKINS, CRANSTON, SYMMS, PROXMIRE, and MURKOWSKI. Senator MURKOWSKI will read Senator HAWKINS' special order.

Following the execution of the special orders, there will be a period for the transaction of routine morning business, not to extend beyond the hour of 11 a.m., with statements limited therein to 5 minutes each.

Following morning business, the Senate could be asked to turn to any of the following items: S. 49 or Senate Joint Resolution 316. Also, it is my understanding that another nomination may be cleared today. If that is the case, it is my understanding that will not require a rollcall vote and we can take care of that.

At 2 o'clock, the vote will occur on the confirmation of James Fletcher to be Administrator of NASA. I would guess that rollcall votes can be expected throughout the day.

TAX REFORM BILL

Mr. President, let me also indicate that the Senate Finance Committee will probably complete action today or tomorrow on a sweeping tax reform bill. I would again commend the distinguished chairman of the committee, Senator PACKWOOD, and the Republicans and Democrats on the committee. In my view, if certain matters are worked out, if the bill does not lose some of its appeal today with a lot of amendments that will raise the rates, the corporate rates and individual rates, it would be my hope that there could be a bill reported by the committee today, and, if not today, tomorrow. Completion today or tomorrow would then give the committee staff and the Joint Committee on Taxation a couple of weeks to put the bill together.

It is quite possible that with some luck we could have the tax reform bill before the Senate when we come back from the so-called Memorial Day recess. If that is the case, it will have a priority as far as moving it through the Senate so that we can get to conference and hopefully can get together on real tax reform.

Again, I underscore the fact that the bill now in the committee is tax reform. It certainly, I think, will be appealing to many, many Americans when they recognize there will be 2 rates instead of 14. One 15 percent rate will take care of about 80 percent of the taxpayers. The other rate, the 27 percent rate, is the top rate. In 1980, the top rate was dramatically higher. So that will be a big, big reduction in the top rate.

To pay for it, there are a lot of loopholes which have been closed and a lot of tax shelters in effect eliminated.

There are some other changes such as repealing the investment tax credit. I think overall it is essentially a step in the right direction. It does have strong bipartisan support in the committee. It is not a partisan measure at all. I think right now there is about an equal number of Republicans and Democrats who support it. It may be that before the day is out we will have nearly a unanimous agreement in the committee.

On the other hand, the tax bill could fall apart, but I think the odds are against that.

SAUDI ARABIA ARMS SALE

Mr. President, I have been trying to work out an agreement with Senator CRANSTON. I know he is very anxious to bring up the Saudi arms sale. I am prepared to continue those negotiations. I want to leave the floor, but I do not want the Senator from California to call it up. I am tempted to lay before the Senate a message from the House on S. 49, the gun control bill, unless we can have some agreement. We could continue to try to work out a time agreement on S. 49.

Does the Senator from California have any help to offer on that?

Mr. CRANSTON. I am not a principal in the matter of the gun control bill, as the majority leader knows. I do not believe it is possible, from what I hear from those who are involved in that, to work out a time agreement on that measure today. Senator METZENBAUM has indicated to the majority leader and to me that he does not plan to filibuster. Presumably, it could be handled in a reasonably short time, and I would presume could be finished during the course of this week.

Mr. DOLE. I guess it would be helpful to the leader if I could have some assurance from the Senator from California that we would continue to try to resolve this. We have a vote at 2 o'clock on the Fletcher nomination. If we have not resolved it by then, we will have to proceed one way or another.

Does the Senator have objection to that?

Mr. CRANSTON. Mr. President, I would be glad to wait until 2 o'clock before I make a motion to proceed, provided that at that time it is understood we would have an opportunity to deal with it until it is finished. We would not need the 10 hours. I could agree with the majority leader to a shorter time, like 3 hours. I think we could handle it in that time. It is important to finish the legislation because the clock is running on the time in which we should deal with it.

Mr. DOLE. I think we have until Thursday at midnight. There would still be time to dispose of S. 49, the gun control bill. If that were laid

before the Senate, I think we could finish that today and still take up the Saudi arms sale well before the Thursday midnight deadline.

I cannot agree that we should be permitted to proceed to that at 2 o'clock. Maybe it is just best to lay before the Senate S. 49, the gun control bill.

FIREARMS OWNERS' PROTECTION ACT

The PRESIDING OFFICER (Mr. GORTON) laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 49) entitled "An Act to protect firearms owners' constitutional rights, civil liberties, and rights to privacy", do pass with the following Amendments:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE AND CONGRESSIONAL FINDINGS.

(a) SHORT TITLE.—This Act may be cited as the "Firearms Owners' Protection Act".

(b) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the rights of citizens—

(A) to keep and bear arms under the second amendment to the United States Constitution;

(B) to security against illegal and unreasonable searches and seizures under the fourth amendment;

(C) against uncompensated taking of property, double jeopardy, and assurance of due process of law under the fifth amendment; and

(D) against unconstitutional exercise of authority under the ninth and tenth amendments;

require additional legislation to correct existing firearms statutes and enforcement policies; and

(2) additional legislation is required to reaffirm the intent of the Congress, as expressed in section 101 of the Gun Control Act of 1968, that "it is not the purpose of this title to place any undue or unnecessary Federal restrictions or burdens on law-abiding citizens with respect to the acquisition, possession, or use of firearms appropriate to the purpose of hunting, trapshooting, target shooting, personal protection, or any other lawful activity, and that this title is not intended to discourage or eliminate the private ownership or use of firearms by law-abiding citizens for lawful purposes.".

SEC. 101. AMENDMENTS TO SECTION 921.

Section 921 of title 18, United States Code, is amended—

(1) in subsection (a)(10), by striking out "manufacture of" and inserting in lieu thereof "business of manufacturing";

(2) in subsection (a)(11)(A), by striking out "or ammunition";

(3) in subsection (a)(12), by striking out "or ammunition";

(4) in subsection (a)(13), by striking out "or ammunition";

(5) by amending paragraph (20) of subsection (a) to read as follows:

"(20) The term 'crime punishable by imprisonment for a term exceeding one year' does not include—

"(A) any Federal or State offenses pertaining to antitrust violations, unfair trade practices, restraints of trade, or other similar offenses relating to the regulation of business practices, or

"(B) any State offense classified by the laws of the State as a misdemeanor and punishable by a term of imprisonment of two years or less.

What constitutes a conviction of such a crime shall be determined in accordance with the law of the jurisdiction in which the proceedings were held. Any conviction which has been expunged, or set aside or for which a person has been pardoned or has had civil rights restored shall not be considered a conviction for purposes of this chapter, unless such pardon, expungement, or restoration of civil rights expressly provides that the person may not ship, transport, possess, or receive firearms."; and

(6) in subsection (a), by inserting after paragraph (20) the following new paragraphs:

"(21) The term 'engaged in the business' means—

"(A) as applied to a manufacturer of firearms, a person who devotes time, attention, and labor to manufacturing firearms as a regular course of trade or business with the principal objective of livelihood and profit through the sale or distribution of the firearms manufactured;

"(B) as applied to a manufacturer of ammunition, a person who devotes time, attention, and labor to manufacturing ammunition as a regular course of trade or business with the principal objective of livelihood and profit through the sale or distribution of the ammunition manufactured;

"(C) as applied to a dealer in firearms, as defined in section 921(a)(11)(A), a person who devotes time, attention, and labor to dealing in firearms as a regular course of trade or business with the principal objective of livelihood and profit through the repetitive purchase and resale of firearms, but such term shall not include a person who makes occasional sales, exchanges, or purchases of firearms for the enhancement of a personal collection or for a hobby, or who sells all or part of his personal collection of firearms;

"(D) as applied to a dealer in firearms, as defined in section 921(a)(11)(B), a person who devotes time, attention, and labor to engaging in such activity as a regular course of trade or business with the principal objective of livelihood and profit, but such term shall not include a person who makes occasional repairs of firearms, or who occasionally fits special barrels, stocks, or trigger mechanisms to firearms;

"(E) as applied to an importer of firearms, a person who devotes time, attention, and labor to importing firearms as a regular course of trade or business with the principal objective of livelihood and profit through the sale or distribution of the firearms imported; and

"(F) as applied to an importer of ammunition, a person who devotes time, attention, and labor to importing ammunition as a regular course of trade or business with the principal objective of livelihood and profit through the sale or distribution of the ammunition imported.

"(22) The term 'with the principal objective of livelihood and profit' means that the intent underlying the sale or disposition of firearms is predominantly one of obtaining livelihood and pecuniary gain, as opposed to other intents, such as improving or liquidating a personal firearms collection.

"(23) The term 'machinegun' has the meaning given such term in section 5845(b) of the National Firearms Act (26 U.S.C. 5845(b)).

"(24) The terms 'firearm silencer' and 'firearm muffler' mean any device for silencing, muffling, or diminishing the report of a portable firearm, including any combination of parts, designed or redesigned, and intended for use in assembling or fabricating a firearm silencer or firearm muffler, and any part intended only for use in such assembly or fabrication.".

SEC. 102. AMENDMENTS TO SECTION 922.

Section 922 of title 18, United States Code, is amended—

(1) so that paragraph (1) of subsection (a) reads as follows:

"(1) for any person—

"(A) except a licensed importer, licensed manufacturer, or licensed dealer, to engage in the business of importing, manufacturing, or dealing in firearms, or in the course of such business to ship, transport, or receive any firearm in interstate or foreign commerce; or

"(B) except a licensed importer or licensed manufacturer, to engage in the business of importing or manufacturing ammunition, or in the course of such business, to ship, transport, or receive any ammunition in interstate or foreign commerce;";

(2) in subsection (a)(2)—

(A) by striking out "or ammunition"; and

(B) by striking out "or licensed dealer for the sole purpose of repair or customizing;" and inserting in lieu thereof "licensed dealer, or licensed collector;";

(3) in subsection (a)(3), by striking out "(B)" and all that follows through "(b)(3) of this section," and inserting in lieu thereof the following: "(B) shall not apply to the transportation or receipt of a firearm obtained in conformity with subsection (b)(3) of this section,";

(4) in subsection (b)—

(A) in paragraph (2), by striking out "or ammunition" each place it appears;

(B) in paragraph (3), by striking out "(A)" and all that follows through "intrastate transactions other than at the licensee's business premises," and inserting in lieu thereof "(A) shall not apply to the sale or delivery of any rifle or shotgun to a resident of a State other than a State in which the licensee's place of business is located if the transferee meets in person with the transferor to accomplish the transfer, and the sale, delivery, and receipt fully comply with the legal conditions of sale in both such States (and any licensed manufacturer, importer or dealer shall be presumed, for purposes of this subparagraph, in the absence of evidence to the contrary, to have had actual knowledge of the State laws and published ordinances of both States),";

(C) in paragraph (3), by inserting "and" before "(B)";

(D) in paragraph (3), by striking out ", and (C)" and all that follows through the end of such paragraph and inserting in lieu thereof a semicolon; and

(E) in paragraph (5), by striking out "or ammunition except .22 caliber rimfire ammunition" and inserting "or armor-piercing ammunition" in lieu thereof;

(5) in subsection (d)—

(A) by striking out "licensed importer, licensed manufacturer, licensed dealer, or licensed collector" the first place it appears and inserting in lieu thereof "person";

(B) by amending paragraph (3) to read as follows:

"(3) is an unlawful user of or addicted to any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));";

(C) in paragraph (4), by striking out the period and inserting in lieu thereof a semicolon; and

(D) by inserting after paragraph (4) the following:

"(5) who, being an alien, is illegally or unlawfully in the United States;

"(6) who has been discharged from the Armed Forces under dishonorable conditions; or

"(7) who, having been a citizen of the United States, has renounced his citizenship.";

(6) in subsection (g)—

(A) in paragraph (1), by striking out "is under indictment for, or who";

(B) by amending paragraph (3) to read as follows:

"(3) is an unlawful user of or addicted to any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));";

(C) by inserting after paragraph (4) the following new paragraphs:

"(5) who, being an alien, is illegally or unlawfully in the United States;

"(6) who has been discharged from the Armed Forces under dishonorable conditions; or

"(7) who, having been a citizen of the United States, has renounced his citizenship;"; and

(D) by striking out "to ship or transport any firearm or ammunition in interstate or foreign commerce." and inserting in lieu thereof "to ship or transport in interstate or foreign commerce, or possess in or affecting commerce, any firearm or ammunition; or to receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce.";

(7) so that subsection (h) reads as follows:

"(h) It shall be unlawful for any individual, who to that individual's knowledge and while being employed for any person described in any paragraph of subsection (g) of this section, in the course of such employment—

"(1) to receive, possess, or transport any firearm or ammunition in or affecting interstate or foreign commerce; or

"(2) to receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce.";

(8) by inserting after subsection (m) the following:

"(n) It shall be unlawful for any person who is under indictment for a crime punishable by imprisonment for a term exceeding one year to ship or transport in interstate or foreign commerce any firearm or ammunition or receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce."; and

(9) by inserting after the subsection added by paragraph (8) of this section the following:

"(o)(1) Except as provided in paragraph (2), it shall be unlawful for any person to transfer or possess a machinegun.

"(2) This subsection does not apply with respect to—

"(A) a transfer to or by, or possession by or under the authority of, the United States or any department or agency thereof or a State, or a department, agency, or political subdivision thereof; or

"(B) any lawful transfer or lawful possession of a machinegun that was lawfully possessed before the date this subsection takes effect.".

SEC. 103. AMENDMENTS TO SECTION 923.

Section 923 of title 18, United States Code, is amended—

(1) in subsection (a)—

(A) by striking out the first sentence and inserting in lieu thereof "No person shall engage in the business of importing, manufacturing, or dealing in firearms, or importing or manufacturing ammunition, until he has filed an application with and received a license to do so from the Secretary."; and

(B) by striking out "and contain such information", and inserting in lieu thereof "and contain only that information necessary to determine eligibility for licensing.";

(2) in subsection (a)(3)(B), by striking out "or ammunition for firearms other than destructive devices,";

(3) in subsection (b), by striking out "and contain such information" and inserting in lieu thereof "and contain only that information necessary to determine eligibility";

(4) in subsection (c), by adding at the end "Nothing in this chapter shall be construed to prohibit a licensed manufacturer, importer, or dealer from maintaining and disposing of a personal collection of firearms, subject only to such restrictions as apply in this chapter to dispositions by a person other than a licensed manufacturer, importer, or dealer. If any firearm is so disposed of by a licensee within one year after its transfer from his business inventory into such licensee's personal collection or if such disposition or any other acquisition is made for the purpose of willfully evading the restrictions placed upon licensees by this chapter, then such firearm shall be deemed part of such licensee's business inventory.";

(5) in subsection (e), by inserting "willfully" before "violated";

(6) in subsection (f)—

(A) in paragraph (3)—

(i) by inserting "de novo" before "judicial"; and

(ii) by inserting "whether or not such evidence was considered at the hearing held under paragraph (2)." after "to the proceeding"; and

(B) by adding at the end the following new paragraph:

"(4) If criminal proceedings are instituted against a licensee alleging any violation of this chapter or of rules or regulations prescribed under this chapter, and the licensee is acquitted of such charges, or such proceedings are terminated, other than upon motion of the Government before trial upon such charges, the Secretary shall be absolutely barred from denying or revoking any license granted under this chapter where such denial or revocation is based in whole or in part on the facts which form the basis of such criminal charges. No proceedings for the revocation of a license shall be instituted by the Secretary more than one year after the filing of the indictment or information.";

(7) so that subsection (g) reads as follows:

"(g)(1)(A) Each licensed importer, licensed manufacturer, and licensed dealer shall maintain such records of importation, production, shipment, receipt, sale, or other disposition of firearms at his place of business for such period, and in such form, as the Secretary may by regulations prescribe. Such importers, manufacturers, and dealers shall not be required to submit to the Secretary reports and information with respect to such records and the contents thereof, except as expressly required by this section. The Secretary, when he has reasonable cause to believe a violation of this chapter has occurred and that evidence thereof may be found on such premises, may, upon demonstrating such cause before a Federal magistrate and securing from such magistrate a warrant authorizing entry, enter during business hours the premises (including places of storage) of any licensed firearms importer, licensed manufacturer, licensed dealer, licensed collector, or any licensed importer or manufacturer of ammunition, for the purpose of inspecting or examining—

"(i) any records or documents required to be kept by such licensed importer, licensed manufacturer, licensed dealer, or licensed collector under this chapter or rules or regulations under this chapter, and

"(ii) any firearms or ammunition kept or stored by such licensed importer, licensed manufacturer, licensed dealer, or licensed collector, at such premises.

"(B) The Secretary may inspect or examine the inventory and records of a licensed importer, licensed manufacturer, or licensed dealer without such reasonable cause or warrant—

"(i) in the course of a reasonable inquiry during the course of a criminal investigation of a person or persons other than the licensee;

"(ii) for ensuring compliance with the record keeping requirements of this chapter not more than once during any twelvemonth period; or

"(iii) when such inspection or examination may be required for determining the disposition of one or more particular firearms in the course of a bona fide criminal investigation.

"(C) The Secretary may inspect the inventory and records of a licensed collector without such reasonable cause or warrant—

"(i) for ensuring compliance with the record keeping requirements of this chapter not more than once during any twelvemonth period; or

"(ii) when such inspection or examination may be required for determining the disposition of one or more particular firearms in the course of a bona fide criminal investigation.

"(D) At the election of a licensed collector, the annual inspection of records and inventory permitted under this paragraph shall be performed at the office of the Secretary designated for such inspections which is located in closest proximity to the premises where the inventory and records of such licensed collector are maintained. The inspection and examination authorized by this paragraph shall not be construed as authorizing the Secretary to seize any records or other documents other than those records or documents constituting material evidence of a violation of law. If the Secretary seizes such records or documents, copies shall be provided the licensee within a reasonable time. The Secretary may make available to any Federal, State, or local law enforcement agency any information which he may obtain by reason of this chapter with respect to the identification of persons prohibited from purchasing or receiving firearms or ammunition who have purchased or received firearms or ammunition, together with a description of such firearms or ammunition, and he may provide information to the extent such information may be contained in the records required to be maintained by this chapter, when so requested by any Federal, State, or local law enforcement agency.

"(2) Each licensed collector shall maintain in a bound volume the nature of which the Secretary may by regulations prescribe, records of the receipt, sale, or other disposition of firearms. Such records shall include the name and address of any person to whom the collector sells or otherwise dis-

poses of a firearm. Such collector shall not be required to submit to the Secretary reports and information with respect to such records and the contents thereof, except as expressly required by this section.

"(3) Each licensee shall prepare a report of multiple sales or other dispositions whenever the licensee sells or otherwise disposes of, at one time or during any five consecutive business days, two or more pistols, or revolvers, or any combination of pistols and revolvers totalling two or more, to an unlicensed person. The report shall be prepared on a form specified by the Secretary and forwarded to the office specified thereon not later than the close of business on the day that the multiple sale or other disposition occurs.

"(4) Where a firearms or ammunition business is discontinued and succeeded by a new licensee, the records required to be kept by this chapter shall appropriately reflect such facts and shall be delivered to the successor. Where discontinuance of the business is absolute, such records shall be delivered within 30 days after the business discontinuance to the Secretary. However, where State law or local ordinance requires the delivery of records to other responsible authority, the Secretary may arrange for the delivery of such records to such other responsible authority.

"(5)(A) Each licensee shall, when required by letter issued by the Secretary, and until notified to the contrary in writing by the Secretary, submit on a form specified by the Secretary, for periods and at the times specified in such letter, all record information required to be kept by this chapter or such lesser record information as the Secretary in such letter may specify.

"(B) The Secretary may authorize such record information to be submitted in a manner other than that prescribed in subparagraph (A) of this paragraph when it is shown by a licensee that an alternate method of reporting is reasonably necessary and will not unduly hinder the effective administration of this chapter. A licensee may use an alternate method of reporting if the licensee describes the proposed alternate method of reporting and the need therefor in a letter application submitted to the Secretary, and the Secretary approves such alternate method of reporting."; and

(8) so that subsection (j) reads as follows:

"(j) A licensed importer, licensed manufacturer, or licensed dealer may, under rules or regulations prescribed by the Secretary, conduct business temporarily at a location other than the location specified on the license if such temporary location is the location for a gun show or event sponsored by any national, State, or local organization, or any affiliate of any such organization devoted to the collection, competitive use, or other sporting use of firearms in the community, and such location is in the State which is specified on the license. Records of receipt and disposition of firearms transactions conducted at such temporary location shall include the location of the sale or other disposition and shall be entered in the permanent records of the licensee and retained on the location specified on the license. Nothing in this subsection shall authorize any licensee to conduct business in or from any motorized or towed vehicle. Notwithstanding the provisions of subsection (a) of this section, a separate fee shall not be required of a licensee with respect to business conducted under this subsection. Any inspection or examination of inventory or records under this chapter by the Secretary at such temporary location shall be limited to inventory consisting of, or records relating to, firearms held or disposed at such temporary location. Nothing in this subsection shall be construed to authorize the Secretary to inspect or examine the inventory or records of a licensed importer, licensed manufacturer, or licensed dealer at any location other than the location specified on the license. Nothing in this subsection shall be construed to diminish in any manner any right to display, sell, or otherwise dispose of firearms or ammunition, which is in effect before the date of the enactment of the Firearms Owners' Protection Act.".

SEC. 104. AMENDMENTS TO SECTION 924.

(a) IN GENERAL.—Section 924 of title 18, United States Code, is amended—

(1) so that subsection (a) reads as follows:

"(a)(1) Except as otherwise provided in paragraph (2) of this subsection, subsection (b) or (c) of this section, or in section 929, whoever—

"(A) knowingly makes any false statement or representation with respect to the information required by this chapter to be kept in the records of a person licensed under this chapter or in applying for any license or exemption or relief from disability under the provisions of this chapter;

"(B) knowingly violates subsection (a)(4), (a)(6), (f), (g), (i), (j), or (k) of section 922;

"(C) knowingly imports or brings into the United States or any possession thereof any firearm or ammunition in violation of section 922(1); or

"(D) willfully violates any other provision of this chapter,

shall be fined not more than $5,000, imprisoned not more than five years, or both, and shall become eligible for parole as the Parole Commission shall determine.

"(2) Any licensed dealer, licensed importer, licensed manufacturer, or licensed collector who knowingly—

"(A) makes any false statement or representation with respect to the information required by the provisions of this chapter to be kept in the records of a person licensed under this chapter, or

"(B) violates subsection (m) of section 922,

shall be fined not more than $1,000, imprisoned not more than one year, or both, and shall become eligible for parole as the Parole Commission shall determine.";

(2) in subsection (c)—

(A) by inserting "(1)" before "Whoever,";

(B) by striking out "violence" each place it appears and inserting in lieu thereof "violence or drug trafficking crime,";

(C) by inserting "or drug trafficking crime" before "in which the firearm was used or carried.";

(D) in the first sentence, by striking out the period at the end and inserting in lieu thereof ", and if the firearm is a machinegun, or is equipped with a firearm silencer or firearm muffler, to imprisonment for ten years.";

(E) in the second sentence, by striking out the period at the end and inserting in lieu thereof ", and if the firearm is a machinegun, or is equipped with a firearm silencer or firearm muffler, to imprisonment for twenty years."; and

(F) by adding at the end the following:

"(2) For purposes of this subsection, the term 'drug trafficking crime' means any felony violation of Federal law involving the distribution, manufacture, or importation of any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).

"(3) For purposes of this subsection the term 'crime of violence' means an offense that is a felony and—

"(A) has as an element the use, attempted use, or threatened use of physical force against the person or property of another, or

"(B) that by its nature, involves a substantial risk that physical force against the person or property of another may be used in the course of committing the offense.";

(3) by amending subsection (d) to read as follows:

"(d)(1) Any firearm or ammunition involved in or used in any knowing violation of subsection (a)(4), (a)(6), (f), (g), (h), (i), (j), or (k) of section 922, or knowing importation or bringing into the United States or any possession thereof any firearm or ammunition in violation of section 922(l), or knowing violation of section 924, or willful violation of any other provision of this chapter or any rule or regulation promulgated thereunder, or any violation of any other criminal law of the United States, or any firearm or ammunition intended to be used in any offense referred to in paragraph (3) of this subsection, where such intent is demonstrated by clear and convincing evidence, shall be subject to seizure and forfeiture, and all provisions of the Internal Revenue Code of 1954 relating to the seizure, forfeiture, and disposition of firearms, as defined in section 5845(a) of that Code, shall, so far as applicable, extend to seizures and forfeitures under the provisions of this chapter: Provided, That upon acquittal of the owner or possessor, or dismissal of the charges against him other than upon motion of the Government prior to trial, the seized firearms or ammunition shall be returned forthwith to the owner or possessor or to a person delegated by the owner or possessor unless the return of the firearms or ammunition would place the owner or possessor or his delegate in violation of law. Any action or proceeding for the forfeiture of firearms or ammunition shall be commenced within one hundred and twenty days of such seizure.

"(2)(A) In any action or proceeding for the return of firearms or ammunition seized under the provisions of this chapter, the court shall allow the prevailing party, other than the United States, a reasonable attorney's fee, and the United States shall be liable therefor.

"(B) In any other action or proceeding under the provisions of this chapter, the court, when it finds that such action was without foundation, or was initiated vexatiously, frivolously, or in bad faith, shall allow the prevailing party, other than the United States, a reasonable attorney's fee, and the United States shall be liable therefor.

"(C) Only those firearms or quantities of ammunition particularly named and individually identified as involved in or used in any violation of the provisions of this chapter or any rule or regulation issued thereunder, or any other criminal law of the United States or as intended to be used in any offense referred to in paragraph (3) of this subsection, where such intent is demonstrated by clear and convincing evidence, shall be subject to seizure, forfeiture, and disposition.

"(D) The United States shall be liable for attorneys' fees under this paragraph only to the extent provided in advance by appropriation Acts.

"(3) The offenses referred to in paragraphs (1) and (2)(C) of this subsection are—

"(A) any crime of violence, as that term is defined in section 924(c)(3) of this title;

"(B) any offense punishable under the Controlled Substances Act (21 U.S.C. 801 et seq.) or the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.);

"(C) any offense described in section 922(a)(1), 922(a)(3), 922(a)(5), or 922(b)(3) of this title, where the firearm or ammunition intended to be used in any such offense is involved in a pattern of activities which includes a violation of any offense described in section 922(a)(1), 922(a)(3), 922(a)(5), or 922(b)(3) of this title;

"(D) any offense described in section 922(d) of this title where the firearm or ammunition is intended to be used in such offense by the transferor of such firearm or ammunition;

"(E) any offense described in section 922(i), 922(j), 922(l), 922(n), or 924(b) of this title; and

"(F) any offense which may be prosecuted in a court of the United States which involves the exportation of firearms or ammunition."; and

(4) by adding at the end the following new subsection:

"(e)(1) In the case of a person who violates section 922(g) of this title and has three previous convictions by any court referred to in section 922(g)(1) of this title for robbery or burglary, or both, such person shall be fined not more than $25,000 and imprisoned not less than fifteen years, and, notwithstanding any other provision of law, the court shall not suspend the sentence of, or grant a probationary sentence to, such person with respect to the conviction under section 922(g), and such person shall not be eligible for parole with respect to the sentence imposed under this subsection.

"(2) As used in this subsection—

"(A) the term 'robbery' means any crime punishable by a term of imprisonment exceeding one year and consisting of the taking of the property of another from the person or presence of another by force or violence, or by threatening or placing another person in fear that any person will imminently be subjected to bodily harm; and

"(B) the term 'burglary' means any crime punishable by a term of imprisonment exceeding one year and consisting of entering or remaining surreptitiously within a building that is the property of another with intent to engage in conduct constituting a Federal or State offense.".

(b) CONFORMING REPEAL.—Title VII of the Omnibus Crime Control and Safe Streets Act of 1968 (18 U.S.C. App. 1201 et seq.) is repealed.

SEC. 105. AMENDMENTS TO SECTION 925.

Section 925 of title 18, United States Code, is amended—

(1) in subsection (c)—

(A) by striking out "has been convicted of a crime punishable by imprisonment for a term exceeding one year (other than a crime involving the use of a firearm or other weapon or a violation of this chapter or of the National Firearms Act)" and inserting in lieu thereof "is prohibited from possessing, shipping, transporting, or receiving firearms or ammunition";

(B) by inserting "transportation," after "shipment,";

(C) by striking out "and incurred by reason of such conviction"; and

(D) by inserting "Any person whose application for relief from disabilities is denied by the Secretary may file a petition with the United States district court for the district in which he resides for a judicial review of such denial. The court may in its discretion admit additional evidence where failure to do so would result in a miscarriage of justice." after "the public interest."; and

(2) in subsection (d)—

(A) by striking out "may authorize" and inserting in lieu thereof "shall authorize";

(B) by striking out "the person importing or bringing in the firearm or ammunition establishes to the satisfaction of the Secretary that";

(C) in paragraph (3), by inserting before the semicolon ", except in any case where the Secretary has not authorized the importation of the firearm pursuant to this paragraph, it shall be unlawful to import any frame, receiver, or barrel of such firearm which would be prohibited if assembled"; and

(D) by striking out "may permit" and inserting in lieu thereof "shall permit".

SEC. 106. AMENDMENTS TO SECTION 926.

Section 926 of title 18 of the United States Code is amended—

(1) by inserting "(a)" before "The Secretary" the first place it occurs;

(2) by inserting "only" after "prescribe";

(3) by striking out "as he deems reasonably" and inserting in lieu thereof "as are";

(4) by striking out the last sentence and inserting in lieu thereof "No such rule or regulation prescribed after the date of the enactment of the Firearms Owners' Protection Act may require that records required to be maintained under this chapter or any portion of the contents of such records, be recorded at or transferred to a facility owned, managed, or controlled by the United States or any State or any political subdivision thereof, nor that any system of registration of firearms, firearms owners, or firearms transactions or dispositions be established. Nothing in this section expands or restricts the Secretary's authority to inquire into the disposition of any firearm in the course of a criminal investigation."; and

(5) by adding at the end the following:

"(b) The Secretary shall give not less than ninety days public notice, and shall afford interested parties opportunity for hearing, before prescribing such rules and regulations.

"(c) The Secretary shall not prescribe rules or regulations that require purchasers of black powder under the exemption provided in section 845(a)(5) of this title to complete affidavits or forms attesting to that exemption.".

SEC. 107. TRANSPORTATION OF FIREARMS.

(a) IN GENERAL.—Chapter 44 of title 18, United States Code, is amended by inserting between section 926 and section 927 the following new section:

"§ 926A. Interstate transportation of firearms

"Any person not prohibited by this chapter from transporting, shipping, or receiving a firearm shall be entitled to transport an unloaded, not readily accessible firearm in interstate commerce notwithstanding any provision of any legislation enacted, or any rule or regulation prescribed by any State or political subdivision thereof.".

(b) CLERICAL AMENDMENT.—The table of sections for chapter 44 of title 18, United States Code, is amended by inserting between the item relating to section 926 and the item relating to section 927 the following new item:

"926A. Interstate transportation of firearms.".

SEC. 108. AMENDMENTS TO SECTION 929.

Section 929(a) of title 18, United States Code, is amended—

(1) by inserting "(1)" before "Whoever,";

(2) by striking out "violence" each place it appears and inserting in lieu thereof "violence or drug trafficking crime,"; and

(3) by adding at the end the following:

"(2) For purposes of this subsection, the term 'drug trafficking crime' means any felony violation of Federal law involving the distribution, manufacture, or importation of any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).".

SEC. 109. AMENDMENT OF NATIONAL FIREARMS ACT.

(a) Section 5845(b) of the National Firearms Act (26 U.S.C. 5845(b)) is amended by striking out "any combination of parts designed and intended for use in converting a weapon into a machinegun," and inserting in lieu thereof "any part designed and intended solely and exclusively, or combination of parts designed and intended, for use in converting a weapon into a machinegun,".

(b) CONFORMING AMENDMENT.—Section 5845(a)(7) of the National Firearms Act (26 U.S.C. 5845(a)(7)) is amended to read "(7) any silencer (as defined in section 921 of title 18, United States Code);".

SEC. 110. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by this Act shall become effective one hundred and eighty days after the date of the enactment of this Act. Upon their becoming effective, the Secretary shall publish and provide to all licensees a compilation of the State laws and published ordinances of which licensees are presumed to have knowledge pursuant to chapter 44 of title 18, United States Code, as amended by this Act. All amendments to such State laws and published ordinances as contained in the aforementioned compilation shall be published in the Federal Register, revised annually, and furnished to each person licensed under chapter 44 of title 18, United States Code, as amended by this Act.

(b) PENDING ACTIONS, PETITIONS, AND APPELLATE PROCEEDINGS.—The amendments made by sections 103(6)(B), 105, and 107 of this Act shall be applicable to any action, petition, or appellate proceeding pending on the date of the enactment of this Act.

(c) MACHINEGUN PROHIBITION.—Section 102(9) shall take effect on the date of the enactment of this Act.

Amend the title so as to read: "An Act to amend chapter 44 (relating to firearms) of title 18, United States Code, and for other purposes.".

□ 1010

Mr. DOLE. Mr. President, let me also indicate that it is still my hope that we can reach some time agreement on this bill. If that is the case, I am perfectly willing to set aside the matter now pending.

I also understand that the Senator from California could move to displace it, but that would present a dilemma for many of our colleagues who do not want to be displacing this particular piece of legislation. So I hope we can work out a time agreement. Since I cannot have any assurance of that. I am proceeding in this fashion.

Mr. CRANSTON. Mr. President, will the majority leader yield?

Mr. DOLE. Yes, Mr. President.

Mr. CRANSTON. Is there any particular time compulsion with regard to the gun bill, like the clock we have

running on the expedited procedures on the Saudi arms sale?

Mr. DOLE. Mr. President, I am not asking for an iron-tight agreement, only some assurance that we could complete it in a day or a day and a half and finish it this week. I think we can work it out—actually, it would be quite close—then set this aside.

Mr. CRANSTON. Mr. President, I would be delighted if we could work it out. The problem from my point of view is that it is desirable for the Senate to act first. The House is going to act tomorrow on the Saudi arms sale, as is scheduled. So I have a need to try to get action today.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. Under the previous order, the Democratic leader is recognized.

SAUDI ARABIA ARMS SALE

Mr. BYRD. Mr. President, the statutory provisions that have been enacted provide for a motion to be made by any Senator in respect to arms sales resolutions. That motion is not debatable. There is a 10-hour limitation on the resolution once it is before the Senate. It is not amendable; it cannot be recommitted. The motion to proceed cannot be reconsidered.

I hope that something can be worked out in this matter and I shall do everything I can to try to help the distinguished Senator from California and to work with the distinguished majority leader in trying to bring this matter before the Senate for a vote.

The Senator from California has discussed the matter with me. He has discussed the matter with the distinguished majority leader from time to time, and I think he is entitled to have the motion before the Senate and let the Senate work its will on the motion and we can go from there. I hope we can work this matter out, and I shall do everything I can to assist the distinguished minority whip and to work with the distinguished majority leader.

Mr. CRANSTON. Mr. President, if the Senator would yield for a moment——

Mr. BYRD. Certainly, Mr. President.

Mr. CRANSTON. I thank him for that statement and thank him for the help he has already rendered on this matter and hope that he can give just a wee bit more help so we can get to the measure as soon as possible.

I want to say to the majority leader that I am reluctant to impose upon the majority leader's will or seek to do so in terms of his general authority to proceed in the Senate in terms of what we will be dealing with. I have never, I think, in my entire time in the Senate, made a motion to act upon a measure since I have not been the majority leader. In this case, we have an unusual situation in that the clock is running. If the House and the Senate have not acted by Thursday midnight, the President could proceed to authorize the sale. With somewhere close to or exceeding two-thirds of the Senate opposing the arms sale, it seems appropriate to have the Senate go on record soon making plain its view of that Saudi arms sale.

Mr. BYRD. Mr. President, I hope the distinguished Senator from California will let me have some time from his order if I need it.

Mr. CRANSTON. Certainly, Mr. President.

MATCHING ACTION TO WORDS IN INTERNATIONAL TRADE

Mr. BYRD. Mr. President, yesterday the majority leader and I both complimented the seven industrial nations which, at the economic summit, have agreed on a strong statement with respect to terrorism. I shall not go further into that at this moment, but I also note that they have agreed, I believe, to have GATT negotiations on trade in September. In the meantime, they will try to work together to coordinate their trade policies so as to try to bring about a more even balance, one that is more fair to nations such as the United States.

I should take note, however, that in the case of the last five, I believe—the last five—economic summits, the Japanese Prime Minister, Mr. Nakasone, has, prior to each summit, made glowing statements about the actions that Japan will take to open up its markets to imports from the United States. The same was done in this instance, when he recently came to the United States and said that Japan would take actions to open up its markets. He has said and done things that are to be commended. But, Mr. President, the actions heretofore that have been taken following the public relations exercises have not supported the public relations statements. Here, in this instance, I fear we shall see the same thing.

So, in the past, while Mr. Nakasone has made these very warm and gracious and accommodative statements, the business people back home and the other political leaders in Japan have said, "Oh, it is too dicey; we do not want to do this, we do not want to do that." And the Japanese consumers have not, apparently, paid a great deal of attention to the public relations and to the exhortations of the Prime Minister.

I hope that in this instance, we shall see more than we have seen in the past with respect to a followup to the public relations and to the glowing statements, the nice statements, that have appealed to us and have been so warm and ingratiating. I hope the actions will follow through and that we shall see some real advances made in the importation of American goods into Japanese markets and the opening up of those markets.

AVIATION SAFETY AND THE DECLINE OF PILOT EXPERIENCE

Mr. BYRD. Mr. President, in the era of airline deregulation, competition has brought major changes to commercial aviation in the United States. There have been consumer benefits, such as cheaper air fares, but the benefits of deregulation cannot be adequately evaluated without an assessment of the costs as well.

In the competitive environment established by deregulation, the airline industry has been expanding rapidly. This, in turn, has resulted in record levels of pilot hiring. In 1985, airlines hired more than 8,000 pilots, putting a severe strain on the pool of available experienced pilots.

One important effect of this development is a decline in the level of experience among pilots employed by the commercial passenger airline industry. In this regard, the Saturday edition of the Washington Post included a story on the decline in the level of experience of airline pilots, particularly among pilots employed by the rapidly growing regional commuter airlines.

This decline in the experience level of airline pilots is attributed, in large measure, to high pilot turnover at commuter airlines. According to the Post report, commuter airlines have been experiencing this high pilot turnover as their pilots, trained at the expense of the commuter airline, are moving to jobs with the major carriers. For example, in 1984, Henson Airlines lost an average of one pilot per week to the major carriers. In 1985, Henson lost 70 of its 220 pilots.

In an effort to cope with high pilot turnover, the commuters have been lowering hiring standards. It would appear from comments attributed to James Burnette, chairman of the National Transportation Safety Board, that the Nation's commuter airlines have been "scraping the bottom of the barrel" in their search for pilots.

For example, according to the Post report, in 1983, pilots hired by commuter airlines were required to have a minimum of 1,200 hours of flight time. By 1985, commuter airlines were hiring pilots with 350 hours, only 100 hours more than the FAA requires for a commercial pilot's license. Commuter airlines are also, according to the Post report, relaxing hiring requirements for age, vision, education, and flight experience.

A key indicator of the declining level of pilot experience is the number of

hours a pilot or first officer has spent in the cockpit. In 1983, only 8 percent of the pilots flying for commuter airlines had fewer than 2,000 flight hours. By 1985, 23 percent of commuter pilots had fewer than 2,000 hours.

The National Transportation Safety Board is focusing attention on pilot experience as a factor in several recent commuter airline accidents. For example, on September 23, 1985, a Henson Airlines Beech 99 crashed near the Shenandoah Valley Airport, killing all 14 people on board. Although the pilot of that flight had more than 3,400 hours of flight time, he had never flown that type of aircraft prior to his employment at Henson.

However, Mr. President, it would appear that the problem is not confined to the commuter airlines. There has also been a steady decline in the experience of pilots hired by the major airlines as well. According to the Post story, the problem is related to the expected retirement, over the next 20 years, of approximately 70 percent of the pilots employed by major airlines whose initial training came out of flying experience in World War II and Korea.

In addition, the majors have depended heavily on the American military for pilots. At one time, almost 75 percent of the pilots employed by the major airlines were former Navy or Air Force pilots. Today, however, less than one-third of the pilots at major airlines are former military pilots, in part because the military is training fewer pilots.

The Post story indicates that pilot training must play an important role in any effort to address this problem, particularly for the commuter airlines. Indeed, one member of the NTSB comments that it may be time to reevaluate pilot certification requirements for commuter airlines. According to the Post, no thorough review of this issue has been conducted since 1978, the year of airline deregulation.

However, the Post story indicated that the FAA is, to its credit, conducting a review of FAA pilot training and experience standards. To ensure that such a review is conducted in a thorough and timely manner, I have written FAA Administrator Donald Engen requesting him to give such a review a high priority.

Mr. President, I ask unanimous consent that the article to which I have referred to in my remarks from the Washington Post, and my letter to Administrator Engen, be inserted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 3, 1986]

DECLINE IN PILOT EXPERIENCE RAISES CONCERNS ON AIR SAFETY

(By Michael Specter)

Federal aviation safety officials, citing three commuter airline crashes, are concerned about a sharp decline in the experience of the nation's pilots, especially those flying for the rapidly growing regional carriers.

"Commuter airlines are already scraping the bottom of the barrel in their attempt to provide pilots," National Transportation Safety Board Chairman James E. Burnett told a congressional subcommittee recently. "So we see levels of experience that are greatly reduced . . . and that is a disturbing situation."

The growth of regional and commuter airlines that has come with deregulation, coupled with the rapid expansion of many larger carriers, has opened the skies to thousands of new pilots. Many are being hired with fewer hours of flight time than most carriers would have accepted a few years ago.

Federal Aviation Administration officials, while worried that the rapid expansion of the major airlines will lead to a shortage of qualified pilots, say the system currently is safe. But they agree that the airlines require much less experience than in the past.

"Ten years ago the typical person in the cockpit far surpassed our minimum regulatory requirements," said John S. Kern, director of the office of flight operations for the FAA. "Nowadays, we see that level coming closer to the minimum standards. The problem is clearest with the smaller carriers, and in the next year we will take a very strong look at our pilot training and experience standards."

Experience requirements vary from airline to airline and from plane to plane, but one key indicator of the declining level of experience is the number of hours a pilot or first officer has spent in the cockpit. In 1983, 8 percent of the pilots working for regional airlines had fewer than 2,000 flight hours. By last year, according to the Future Aviation Professionals of America, which monitors pilot standards, that figure had grown to 23 percent.

Although federal officials have yet to pinpoint the cause of the three commuter airline crashes, the experience of the crews is being studied as a possible factor. In one, the Sept. 23 crash of a Henson Airlines flight into a mountain near Virginia's Shenandoah Valley Airport, the pilot was flying a plane he had never flown until he was hired by the Maryland-based company a year earlier.

The plane's captain, former corporate pilot Martin (Ed) Burns, had logged more than 3,400 hours of flying, according to the NTSB, but he had never flown the 15-passenger Beech 99 until he joined Henson.

That accident, which killed all 14 persons aboard, and at least two others being reviewed by the NTSB have galvanized concern among federal officials over the decline in experience among the nation's commercial pilots.

The NTSB, which is charged with investigating all aircraft accidents, is evaluating the same issue in the March 13 crash of a Simmons Airlines flight in Alpena, Mich., that killed three people, and in last year's Bar Harbor Airlines accident near Auburn, Maine, that killed six persons, including Samantha Smith, the teen-ager who had become a celebrity when the Soviet Union invited her for a visit.

"In the past, the federal minimums did not apply because nobody in the industry would hire somebody on that level," said John O'Brien, director of engineering and air safety at the Air Line Pilots Association. "But that's changing. It's just hard to find that individual with 3,000 hours these days."

In 1983, the minimum amount of flight time required to be hired by small carriers was 1,200 hours. By last year, after the biggest growth spurt in the history of aviation, some airlines were hiring pilots with as few as 350 hours, only 100 more than the FAA requires for a commercial license.

Airlines also are relaxing requirements for age, vision, education and flight experience in an effort to keep full staffs. More than 8,000 pilots were hired by American air carriers in 1985, the largest number ever, according to the Air Line Pilots Assocation.

Dramatic airline growth in the era of deregulation is not the only reason for the surge. The generation of commercial pilots that came out of World War II and the Korean War is retiring. During the next 20 years, America's major airlines will lose at least 70 percent of their pilots to retirement, according to the pilots group.

As the smaller airlines watch the pilots they trained at great expense head for jobs with the bigger carriers, they are struggling mightily to absorb the losses.

The problems of Henson Airlines, the eighth largest regional carrier in the nation, are typical.

In 1982, Henson lost an average of less than one pilot each month. By 1983, the average was slightly more than one a month, and the following year the trickle had turned into a flood with an average of more than one pilot leaving each week. Last year, Henson lost 70 of its 220 pilots, and 19 have departed in the first three months of 1986.

"We are now looking for those people who are not quite as attractive to the big airlines." said John Presburg, Henson's vice president of development and scheduling. "With the seniority system we have, when you lose a captain you have to train everybody to move up a notch. It's a ripple effect that is felt by everyone. But before we would lower our standards we would curtail the growth of this company."

For years the military was the main source of pilots for the major airlines, with almost 75 percent coming from the Air Force and the Navy, according to statistics from the pilots association. The proportion of former military pilots has dropped to less than a third, partly because the military is training fewer pilots. That has forced the major carriers to turn to the regionals, and these airlines are often so small that training is a major problem.

"Training is the key to this entire problem," said John Lauber, a former human affairs specialist with the National Aeronautics and Space Administration who recently became a board member of the NTSB. "It is really the only way you can compensate for lack of experience. Today, we are hiring people who have not been forced to exercise their skills, and we need to enhance training within some of the commuters."

Lauber and the FAA's Kerns have said that it is time to decide whether pilot certification requirements should be changed for the smaller carriers. No thorough review of the issue has been conducted since 1978, when deregulation began.

The biggest training problem facing most regional air carriers is economic. For years, major airlines have used highly sophisticat-

ed flight simulators to help train pilots. These machines can cost millions of dollars—as much as a plane in many cases—and they are beyond the means of many small carriers.

"We have good people out there at the entry level, but it costs a fortune to get them trained," said Tulinda Deegan, vice president of the Regional Airline Association, which represents most of the smaller carriers. "You can't expect a small airline to spend $6 million on a simulator."

The FAA recently issued guidelines that would allow regionals more use of less sophisticated simulators for training, a move the commuter airlines sought. But the industry is not united on their use.

"Nobody around here wants to lower standards," said O'Brien of the Air Line Pilots Association. "But the key question is, how sophisticated does a simulator need to be to get good training?"

To keep the pilots they have, small carriers are turning to methods they had not considered before. Av Air (formerly Air Virginia) recently advertised for pilots and first officers, noting that it was interested only in local people.

"You have to figure out what your strengths really are," said Michael Campbell, an attorney who represents regional and commuter airlines. "You don't hire somebody from the West Coast to fly a local New England circuit. You remind people they will be home almost every night. And you raise pay."

Today, senior pilots at many regionals make more than they would if they switched to bigger carriers. Top pay at Ransome Airlines, for instance, is just under $50,000 a year for senior pilots. A pilot with 10 years' experience at Trans World Airlines makes virtually the same salary.

"It doesn't even matter, they want to fly jets," said Deegan of the Regional Airline Association. "In the end it doesn't matter how much we pay them or the routes they fly. A bunch of Ransome Airlines pilots just took a 50 percent pay cut to take off to People Express. No training is going to stop that."

[From the Washington Post, Apr. 19, 1986]

FAA GROUNDS 59 COPILOTS

The Federal Aviation Administration yesterday grounded 59 copilots working for Britt Airways, one of the country's largest commuter airlines, because of concerns they may not be qualified to fly.

A spokeswoman for the Indiana-based airline, which services 26 communities in Indiana, Illinois, Kentucky, Missouri and Iowa, said the action would not affect scheduled flights.

FAA spokesman Stephen Hayes said the agency notified the airline that 59 copilots would have to stop flying immediately and be retrained. The action came after six of nine copilots failed a spot check.

The FAA has had Britt Airways under a special in-depth inspection for several weeks. "During the course of the inspection, our inspectors became uncomfortable with the initial training and training records for the commuter's copilots," Hayes said.

"The number of pilots not flying are a very small portion of our first officers," said Pam Law, manager of consumer affairs for the airline.

Although Hayes said Britt Airways had 90 copilots in all, Law said the figure was "between 110 and 130," with an equal number of pilots.

The airline had operated for 17 years under family ownership until it was bought earlier this year by People Express.

The grounding order covers all copilots trained in the last 12 months, Hayes said.

U.S. SENATE,
Washington, DC.

DONALD D. ENGEN,
Federal Aviation Administration, FOB-10A, 800 Independence Avenue SW., Washington, DC.

DEAR MR. ENGEN: On May 3, 1986, the Washington Post carried a story regarding the decline in the level of pilot experience, especially among pilots flying for commuter airlines. The article noted that pilots being hired by the major airlines and commuter airlines have less experience than most airlines would have considered acceptable a few years ago. Several years ago, the experience level of pilots was in excess of the minimum regulatory requirements. Today, however, the level of experience is closer to the minimum standards.

It is not yet clear whether pilot experience played any role in commuter airline accidents, although I understand the National Transportation Safety Board is looking into this issue. It would appear to me that the declining level of pilot experience should be an issue of considerable concern to the FAA. However, according to the Post, there has not been a thorough review of pilot certification requirements for commuter airlines since 1978. The story did indicate that the FAA is at least planning a review for next year of FAA pilot training and experience standards.

The serious implications for aviation safety of the declining levels of pilot experience suggest that a thorough review and assessment of pilot certification requirements should be given a high priority by the FAA, and be conducted in a timely manner.

As you may know, I have been concerned about the status of aviation safety in the era of deregulation, and I have been particularly concerned with issues relating to the safety of commuter airlines.

I would be most interested in the results of your review, and your recommendations for addressing this problem. I look forward to hearing from you.

Sincerely yours,

ROBERT C. BYRD.

AN INSIGHTFUL BIOGRAPHICAL SKETCH ON SENATOR GLENN

Mr. BYRD. Mr. President, Senator JOHN GLENN from Ohio has often been described as one of a handful of genuine living American heroes. Certainly, as the first American to orbit the Earth in space, Senator GLENN is known and admired by countless millions, here and abroad. Without question, Senator GLENN's name will be included in history books written about our century from now on.

In the March issue of Caring magazine, an interesting article appeared on the distinguished Senator from Ohio, entitled, "A Tribute to Senator John Glenn: Hero, Statesman, and Great Friend to the Elderly." I ask unanimous consent that that article on Senator GLENN be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A TRIBUTE TO SENATOR JOHN GLENN: HERO, STATESMAN, AND GREAT FRIEND TO THE ELDERLY

(By Val J. Halamandaris)

He is as unpretentious as they come. He likes Big Macs, ice cream sundaes, and going to church on Sunday.

He wears Brooks Brothers' suits and drives a modest Chrysler convertible.

His favorite movie is True Grit, which starred John Wayne; he likes to munch on chocolate and to drink Royal Crown Cola.

He is as clean cut as you can get. He is a personification of all the time-honored American values.

By his example, he has set a new standard of what it means to be all-American.

He is somehow larger than life. He is one American who can legitimately lay claim to the word "hero." He is that and more.

Some people have described him as the Democratic Eisenhower. It is intended as a compliment and the similarity goes beyond the physical resemblance.

Still others say that his virtues are so large that they have become vices. For example, he is criticized for being too honest and too moral—if such a thing could be possible.

He is a man millions of Americans think should be the next President of the United States. These Americans look at the United States as a ship of state and, based on his track record, they have good reason to feel comfortable if he is at the controls.

As a scientist and astronaut his place in world history is already assured. He has used his years in the Senate to work for peace and to control the proliferation of nuclear weapons.

He has also used his considerable energies to benefit the nation's 27 million older Americans. At the age of 64 he is still a comparative youngster. There are without doubt many achievements ahead of him in the days to come. He is fueled by the same insatiable drive to excel and is intent on making the same mark in the political world that he has made in the military, in business and in space.

His name is John Glenn, the senior senator from Ohio.

BACKGROUND

John H. Glenn was born on July 18, 1921 in Cambridge, Ohio. His father was a farmer who opened a plumbing business, moving his family to the neighboring town of New Concord.

John was educated in the New Concord public schools and went to New Concord High School. After graduation from high school, he enrolled in Muskingum College, also in his home town. His teachers and classmates describe him in his youth as "a nice kid, pleasant to be around." He played sports but was not a superstar. He was a good student but not a great student. But there is also universal agreement that he had a determined streak and that he tried harder than anybody else.

His college career was interrupted by World War II, when he enlisted shortly after Pearl Harbor in the Naval Aviation Cadet Program. John's love of airplanes came early. As a youngster he and his father attended the Cleveland Air Show every year. He was commissioned into the Marine Corps in 1943.

In 1943, just prior to his assignment overseas, he married his childhood sweetheart, Annie Castor Glenn. He saw plenty of action in World War II, serving in the Pacific theatre. Setting the pattern that was to become his trademark, Lt. Glenn volunteered for the most dangerous missions.

After the end of World War II, Lt. Glenn flew reconnaisance missions and became a flight instructor for advanced flight training. He had mastered the art of flying. He was the man to whom the best went to become better.

With the outbreak of the Korean War, he requested combat duty. He earned the sobriquet, "Old Magnet Tail" because of his death defying habit of flying his fighter-bomber low and slow over the target for maximum accuracy. His tactics, it is said, attracted enemy fire like a magnet. Seven times he had his airplane badly damaged by enemy fire, and on three occasions the plane was literally shot out from under him.

Through it all he survived. He looked death in the face and, with nerves of steel, he got the job done. By the time he was through he had flown 150 combat missions. He had shot down 20 enemy MIG fighters. He was awarded the Distinguished Flying Cross on five occassions and the Air Medal with 18 clusters.

After Korea, Captain Glenn became a test pilot. He made the news in July 1957 by setting the transcontinental speed record. He was the first to fly from the Los Angeles to New York at supersonic speed.

There was no doubt about it. He was by then a genuine national hero. His exploits brought him his sixth Distinguished Flying Cross, but greater glories were to come.

SPACE

In October of 1957, the Soviet Union Launched Sputnik, the shot that signalled the beginning of the race into space. America was shocked. It was a time of soul searching and evaluation. Out of it came a determination to focus the nation's energies on the goal of being first in space.

It was argued that America could not afford to allow the Soviets this kind of advantage. Even then it was observed that the control of space would afford the favored nation a significant military advantage. The debate raged about what to do and how to do it. Questions were raised as to whether unmanned flight should be planned or whether animals or man should try to make the journey.

It was a journey fraught with risks. All America watched in embarrassment as one test rocket after another exploded at liftoff or headed for South America instead of into outerspace.

It was at this time that NASA conducted a nationwide competition to select seven men, the best and the brightest, the strongest and mentally the toughest to be trained for what it was hoped would be manned flights to the moon and beyond. As everyone knows, John Glenn was one of the seven selected. At the age of 37, he was the oldest of those chosen.

In the book, "The Right Stuff" by Tom Wolfe, Glenn is portrayed as being the most gung-ho of the group: a man with unequalled self confidence based on moral uprightness; a man who carried the stiff upper lip notion to every muscle in his body. It is reported that the other astronauts sometimes found him hard to take because of his excessive zeal and enthusiasm. Much has been speculated about his popularity with the other astronauts and whether it was some dislike for him that caused the others, by a vote among themselves, to select Alan Shepherd to be the first man in space. From my reading, I understand that things were just a little different.

Astronaut Shepherd was to be the first man in space but in a sense his flight was less difficult. Shepherd was to make a sub-orbital flight; to be sent high into space and then fall back to earth. Leaving the earth's gravitation pull and orbiting the earth was an altogether more difficult and more risky affair. The problems of breaking out of orbit and surviving the intense heat upon the re-entry were awesome. Typical of Glenn, he had taken on the tougher assignment and he came through it with style.

Friendship 7 launched him into orbit on February 20, 1962. The rocket had 360,000 pounds of thrust and reached speeds of 18,000 miles per hour. After circling the earth three times, he fired his rockets to re-enter the earth's atmosphere. NASA was greatly worried because it appeared the capsule's heat shield was loose. The temperature outside of the capsule reached 3,000 degrees, and he lost radio contact with earth as temperatures inside the capsule reached 200 degrees. Still he made it, splashing down in the Atlantic after some five hours in orbit. It was a major breakthrough in man's conquest of space.

Glenn returned to a hero's welcome, including a ticker-tape parade in New York City. He met and became fast friends with President John F. Kennedy and his brother Robert. It was their encouragement that nudged him into the world of politics.

POLITICS

There are times when Glenn's integrity gets in his way. One example was illustrated in the book and movie, "The Right Stuff." That was the scene in which NASA exerts all kinds of pressure on Glenn to allow television cameras into his home, to interview his wife Annie, and to receive Vice President Lyndon B. Johnson.

Knowing that it could cost him everything he had worked for, the chance to be the first American to orbit the earth, Glenn sided with his wife who did not want to receive any visitors. Annie Glenn suffered with stuttering, an impairment she later conquered through years of laborious therapy. Out of respect for his wife's wishes Glenn told NASA, the television networks and the Vice President of the United States to go pound sand.

Few people have realized how this event connects with another, namely the assassination of President Kennedy and the consequences for Glenn.

President Kennedy and Attorney General Robert Kennedy developed a genuine affection for Colonel Glenn. They encouraged him to become involved in Democratic politics in Ohio in large part because they thought he would make an excellent representative of the people of that state. They thought it would be a good move for Glenn personally since he had reached his 20-year mark and was due to retire from the military in the near future. They also thought Glenn could help them in the President's 1964 reelection campaign. They were trying to field the strongest possible candidates on the ballot in every state in order to insure a wide democratic margin in the Presidential election.

The brothers Kennedy had arranged a deal with Ohio's 76-year-old Senator, Stephen Young. Young had been looking to step down if he could receive a certain appointment that he coveted. Robert Kennedy worked out the details. Senator Young would get his post leaving an open primary and open general election for John Glenn's run for the Senate

Then President Kennedy was assassinated and Lyndon Johnson became President. President Johnson had no inclination to help John Glenn and his fledging flight for the Senate feeling that he had been embrassed by Glenn the year before. In fact, LBJ was fond of Senator Stephen Young and talked him into running for re-election. Glenn went through with his plans announcing he would oppose Senator Young in the primary but he had to drop out because of a freak accident in which he fell and hit his head on a bathtub. The fall caused Glenn to suffer from inner ear problems that found him out of the race, but not out of the public eye. Americans were to hear from John Glenn again.

BUSINESS

Senator Glenn turned his attention to the world of business. He was 43 years of age. He had a small pension having just retired from the Marine Corps, but not much else in the way of income. He used the only cash that he had which came from an article about the astronauts which appeard in Life magazine to invest in real estate; specifically in the ownership of several Holiday Inn franchises.

He obtained a position as Vice President for Development with the Royal Crown Cola Company which paid him a fair salary plus stock options—options which became more valuable as Colonel Glenn's influence helped improve the company's standing. He worked himself up to the post of Chairman of RC International, heading the company overseas operations.

Over the next 15 years his business investments did extremely well. He went from being close to broke in 1965 to assets of more than $8 million and a yearly income in excess of $1 million. But politics had become intermingled with his blood and that siren beckoned to him again in 1970.

In 1970, Colonel Glenn ran for the democratic nomination for the US Senate. He was opposed by wealthy businessman, Howard Metzenbaum. The polls showed Glenn running well ahead. Some pundits said that Glenn was overconfident. Others said he did not make the right amount of effort to win over the party regulars. Others say that Metzenbaum, an articulate lawyer, beat him in debate. Regardless of the reason, Glenn lost his second attempt for the nomination. Metzenbaum himself lost to the Republican, Robert Taft, Jr.

Four years later there was a rematch. Glenn won the primary and handily won the general election by a margin of 1 million votes. Howard Metzenbaum also won a subsequent election to the US Senate, and the two Ohio senators now enjoy a cordial and cooperative relationship.

In 1980, Senator Glenn was reelected by the widest margin in Ohio history.

THE PRESIDENCY

Anyone who knows anything about Senator Glenn's dare-to-be-the-best style knows that a run for the Presidency was inevitable. He tossed his hat in the ring in 1984, losing the nomination to Walter Mondale. Through the rigorous primary season he remained high in the opinion polls but did less well than expected at the electoral polls. Before dropping out of the race, he saw his number two ranking taken by Senator Gary Hart. The reasons that he failed to do better have been examined by pundits all over the nation with very little agreement.

They said he looked stiff and wooden, that he was not a very exciting speaker, that he had failed to properly frame issues or offer solutions which captured the imagination of the American public and that he had failed to do the horse trading, wheeling and dealing which is necessary in order to gain the support of various powerful polls and special interest groups. There may be some truth to some of the above but the larger problem is that the press and the general public have underestimated the man. When I served as Counsel to the Senate Aging Committee, I had a chance to see him up close and there is a good deal more than meets the eye.

To be sure he is not a backslapper or a horse trader. He doesn't give his vote in exchange for anothers. He makes his case explaining the facts and then walks away, leaving Senators to do what is within their conscience. Little wonder that he found it hard to do deals on an even larger scale. Even in the face of strong opposition by the established party, he was elected, essentially without debt to special interests, leaving him free to do what he felt was in the best interest of the Republic. It was hard for him to change course then.

He carries himself ram-rod straight. He is alert and under control at all times which sometimes gives him a serious or upright appearance. However, he is very personable. He cares about people deeply. He has a great smile, a ready laugh, and a twinkle in his eye—it is just that that side of him doesn't have much of a chance to come out in the serious backwash of Washington. For all his still appearance he is actually very relaxed. Serving in the Senate, as strenuous as it is, does not compare, with flying 700 miles an hour in a hunk of metal with a bunch of guys in similar machines firing 50-calibre machine gun bullets at you.

And he can be a very good speaker. The content of whatever he has to say is first rate. He has a good head on his shoulders. When he chooses to let loose a little of that emotion, that enthusiasm that he has so tightly bundled within like barrels of TNT, he can pack a wallop. His speaking style can be explained by his background. In the military, he says, "We were trained not to make commitments until the last minute. In politics, I think people commit themselves too soon." He appears to believe in the principle of conservation of energy. He will use his when it counts. Finally, it should be remembered that he is a man of action, not of words. He has made a career of doing the impossible while other people merely talked about doing it.

Another key to his personality comes from something he said about flying. He said, "Flying in itself is not inherently dangerous but it is mercilessly unforgiving of human error." In the context of his adventure in space he said, "The key to survival is to reduce unnecessary risk." It appears to me that he approaches the game of life the same way. He is cautious. He does his best to limit mistakes. However, he is oblivious to risk once he has charted his course in which case he becomes tenacious, almost relentness, in the pursuit if his goals.

Those who say he is dull do not know him. A man who has been in succession a World War II ace, one of the most decorated pilots in Korea, a test pilot who sets world records, an astronaut, a businessman who started with nothing and became a millionaire, and now a US Senator, by definition cannot be dull.

I doubt very much if Americans would warm up to him if he were less moral. It is just that he is so good, so honest that it is hard to accept that he is for real. He embarrasses us and points up our own weaknesses by his example.

When asked why he wanted to be President he said:

"I think we all aspire to be the top of the heap in our own particular profession because it gives you the most control over a future which is unknown to you. If you have respect or have received eminence in a particular field, your future is more secure than it would be otherwise."

In an interview with *Political Profiles* a while ago, he put it this way:

"When I see the opportunities that we have in this country being reduced; when I see us building up a $207 billion a year deficit and passing it along to our grandchildren so that we can have whatever economic recovery we are getting right now, building up interest rates [until they are] far too high, making us less competitive internationally, less able to modernize here and be competitive; when I see foreign policy flip-flops I don't agree with; defense purchases I don't agree with; when I see cutbacks in the area of civil rights—twenty-nine years after *Brown* v. *Board of Education* we're cutting back on enforcement and trying to carry out the intent of that law; when I see cutbacks in enforcement in environmental areas, less concern for woman's rights, poverty on the increase in America—fifteen percent of our people now at or near the poverty level; when I see cutbacks in education and research—those two areas that are going to do more toward determining American competitiveness in the future than anything else—I know we are headed in the wrong direction. That is leadership to the past. If I can be an instrument in helping to change those policies and turn us around, set goals and objectives for the future, expand opportunities in this country—I can't think of a greater purpose I can serve."

SENATE CAREER

The previous quotation does a great deal to summarize the issues with which Senator Glenn has been most concerned during his tenure in the U.S. Senate. His primary concern is the control of nuclear weapons. "I have been in two wars, so no one is going to negotiate any harder for peace," he said. "The highest form of patriotism is the unrelenting pursuit of peace," he added.

The pursuit of racial justice is another issue that he has made a priority. Education ranks just as high as is the establishment of programs to retrain individuals who have retired or left one kind of employment. He believes the future will offer us an opportunity to be educated for one job, work at it for a time, receive retraining and then take on a second and perhaps a third career, to meet the needs of a changing technological marketplace.

He has pushed hard to expand monies spent on research and technology. He believes that they hold the key to the future—the key to unlocking future jobs, trade, and ultimately the military as well as the economic well-being of the nation. In this connection he has harsh words for the Reagan Administration which has been cutting back on such research. "The Reagan Administration says that if it is worth doing, private industry will do it. That's poppycock nonsense because they will not do it."

The Senator seems obsessed with the word opportunity. He believes that social mobility is fundamental to America's future. He believes in equality of opportunity—in giving everyone a chance to rise, as he did, from the farm to the US Senate.

Asked who he admires, he responds President Lincoln for idealism, President Truman for decisiveness, and President Roosevelt for innovativeness.

AGING

The one part of his Senate career which all too often is overlooked is his significant contribution to improving the quality of life for America's senior citizens. He has made an excellent record in this regard. He is the ranking Democrat on the Senate Committee on Aging where he has been an effective counterpart of the aggressive and intelligent Senator John Heinz.

During his tenure with the Aging Committee, he has worked long and hard to preserve social security, and civil service retirement incomes for the elderly. He approaches these as a contract with the prior generation, which cannot ethically be tampered with without breaking faith.

He has done his best to help senior citizens to keep on working if they so choose. He has fought mandatory retirement laws. He has also supported legislation which provides employment opportunities for older Americans.

He has played an important role in helping to stamp out various kinds of fraud perpetrated against the elderly. He was instrumental in enacting legislation to help end abuses perpetrated in the sale of insurance supplementary to Medicare.

He recently introduced legislation to increase the federal dollars available to fund geriatric research and education. He noted that only 15 of the 127 US medical schools require their students to study geriatric medicine. He notes that only one-tenth of one percent of US physicians now specialize in geriatrics. He argues this must change if we are to be prepared for the escalating number of Americans who will, on average, he living longer in the future.

The Senator has also had a strong interest in long-term care saying that it is important to have the services available and tailored to the needs of particular individuals:

"For those persons who need nursing home care, we must ensure the highest quality standards. But we must also work with the states and local communities in pursuing alternatives to institutionalization. We must encourage the development of supportive services, housing, and home-based care and strengthen the informal support being given to the elderly by family members. For these reasons I am supporting the Home Care Protection Act and will continue to sponsor measures that encourage the use of community-based resources."

No Senator in the Congress has been a stronger backer of home health care than Senator Glenn. He took the lead in blocking the implementation of the new methodology being promulgated by the Department of Health and Human Services which would have set cost limits by discipline. The net effect would have been a cut in benefits.

He has fought the imposition of coinsurance upon the Medicare home health program. He has fought efforts to place a freeze on reimbursement. He and Senator Heinz have held hearings which have brought out the fact there has been a 37% increase in the number of patients discharged to home health agencies since the enactment of the DRG system for hospitals. He has argued that this government-induced increase merits an increase in Medicare home health monies rather than the

reductions proposed by the Reagan Administration.

He has introduced legislation to clarify a key limiting term in the Medicare home health entitlement, the term "intermittent care," and he has been instrumental in blocking HHS's imposition of a new restrictive form known variously as HCFA Form 443 and 485. In sponsoring the resolution creating National Home Care Week last year he said:

"I am deeply aware of the importance of home health services in meeting the long-term care needs of older Americans. Since joining the Committee on Aging, I have worked to develop home health care as an available and cost effective option for those who prefer to be cared for at home rather than in a hospital or nursing home."

Last July the Senator presided at a hearing held in conjunction with the Thirteenth International Congress on Gerontology. The subject was "The Graying of Nations." The Senator was eloquent indeed in his opening statement which set the stage for the meeting.

He quoted the American Playwright Paul Green, who wrote that "the sun setting is no less beautiful than the sun rising." Senator Glenn added, "We all know that to grow old is our common destiny. Whether aging will in the future be a blessing or a curse depends on us." He said that perhaps the poet Henry Wadsworth Longfellow pointed the best way to the goal.

He noted that Longfellow was asked late in life how he was able to remain so vigorous and write so beautifully. Pointing to the blossoming apple tree nearby the poet replied:

"That apple tree is very old, but I never saw prettier blossoms on it than those it now bears. The tree grows a little new wood each year, and . . . it is out of that new wood that the blossoms come. Like the apple tree, I try to grow a little new wood each year."

CARING is proud to salute Senator John Glenn for his achievements. It is obvious that he will keep on blossoming for decades to come.

Mr. BYRD. I yield the floor.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. The Senator from Wisconsin [Mr. PROXMIRE] is recognized.

LATEST ADMINISTRATION ALIBI ON AVOIDING TEST BAN—OUTRAGEOUS

Mr. PROXMIRE. Mr. President, in a letter that appeared in the New York Times on May 5, Charles Van Doren has denounced the administration's latest alibi for refusing to negotiate a ban on nuclear weapons testing as "outrageous." Who is Charles Van Doren and does he speak with authority? Charles Van Doren has devoted most of his distinguished 19 years in the Federal Government to the critical job of heading off the spread of nuclear weapons. For 4 years, 1977 through 1980, Mr. Van Doren served as Assistant Director of the U.S. Arms Control and Disarmament Agency. Here is an expert who obviously knows exactly what he is talking about.

What is the latest reason given by the administration for their opposition to the comprehensive test ban treaty? This time they say the ending of the test ban would encourage other nations to develop their own nuclear arsenals? Van Doren does more than call this outrageous. He also says exactly the opposite is true. Is Van Doren right? Yes. Why? Because a test ban treaty would provide the basis for those nations now moving toward the development of their own nuclear arsenals to agree to stop. With a superpower test ban in place, these potential nuclear weapon states would be far more likely to negotiate an end to nuclear testing and eventually to accept international inspection to assure a compliance.

Van Doren does not theorize. He is specific. He considers each of the countries which, in the absence of a superpower comprehensive test ban treaty, have begun to move toward building their own nuclear arsenal: Pakistan, India, Israel, South Africa, Argentina, and Brazil. He points out that each of these countries have refused to join in the Nonproliferation Treaty. They have built sensitive nuclear facilities. They have refused international safeguards.

So first we have the hard evidence that in the absence of a superpower comprehensive test ban treaty, nuclear weapons proliferation is, in fact, proceeding. Second, a superpower test ban would provide both the example and the basis for these potentially proliferating countries to join in. Van Doren puts it this way:

> If India and Pakistan joined a test ban, India and Pakistan would not proceed to a test that could demonstrate a nuclear-explosive capability and give its leaders confidence that what they had developed would work: Pakistan would gain an assurance that India would not resume its nuclear testing program, and both would be precluded from developing more advanced nuclear explosives, such as the thermonuclear, boosted or miniaturized weapons, or explosives they could claim were for "peaceful" purposes.

A superpower comprehensive nuclear test ban would have similar advantages with respect to the other potential nuclear weapon states because in each case it would provide a far better basis than these countries have now to know that rival, neighboring states—their potential foes—were not developing their own nuclear arsenals. Without question the principal force driving nations toward developing their own nuclear arsenal is the fear and suspicion that their traditional military rivals are building up this massive, decisive nuclear weapon that gives the nation that has its own arsenal an intimidating deterrent advantage.

And there is more. What do the potential nuclear countries themselves say about the effect on their policies of a superpower test ban agreement? Israel, South Africa, India, and Brazil joined the Limited Test Ban Treaty and promised to participate in negotiations for a comprehensive test ban. It is also true that those nations which are parties to the Nonproliferation Treaty have consistently and vehemently urged that the superpowers agree to a comprehensive test ban. Are these nations all lying? Are they all deceiving their own people and world opinion by calling for a superpower comprehensive test ban treaty? Or don't they know what they are talking about?

Mr. President, the administration has given a sorry series of alibis for their refusal to negotiate a comprehensive test ban treaty. They have contended that we could not verify Soviet compliance, although seismologists overwhelmingly contend that the technology can do the job, and although the Soviets have made it clear they will agree both to the placement of monitoring stations throughout the Soviet Union, and unannounced, on-the-spot inspection of suspicious activity. The administration has said they need the tests to determine the reliability of our existing stockpile. Such reliability tests constitute less than 3 percent of our nuclear weapons tests. We could easily negotiate a strict exception for these tests. We could agree they could be conducted under the scrutiny of international inspection. And now the administration comes with the sorriest excuse for an alibi of all. It is the ridiculous argument that a test ban would spread nuclear proliferation when the precise opposite is the case.

Why then does the administration want to continue testing? Answer: The scientists are not content with the first two generations of nuclear weapons—the atomic bomb and the hydrogen bomb. Now they have a third generation coming on including laser, optics and others. These will require more complex tests, more expensive tests and far more tests for each new design. How will this testing benefit this country? The testing will give us evermore deadly and lethal weapons. Why do we need evermore deadly and lethal weapons? Is it because the Soviet Union might develop a more powerful arsenal of death? If so, what is the best way to meet such a threat? Should we race with the U.S.S.R. to see if we can build our bigger and bigger arsenal first? Or should we stop this insane and costly rush to death with a comprehensive test ban treaty?

Mr. President, I ask unanimous consent that the letter to which I referred by Charles Van Doren in the New

York Times edition of May 5, 1986, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TEST BAN WOULD HELP CONTAIN NUCLEAR PROLIFERATION

To the Editor:

Whatever one may think of the Administration's other arguments for continuing nuclear-weapons testing, trying to justify it on the ground that a comprehensive test ban treaty would increase the risk of proliferation is outrageous (news story, April 22). As one who dedicated his 19-year career in the U.S. Government primarily to heading off the spread of nuclear weapons to additional countries, I am convinced the very opposite is true.

Can the Administration seriously believe that if there were a comprehensive test ban our North Atlantic Treaty Organization and Asian allies would decide to abandon the nonproliferation treaty and develop their own nuclear weapons as a consequence? No one seriously versed in this field believes that they would respond in that way. The countries of real current proliferation concern are Pakistan and India, Israel, South Africa and—to a recently lessened degree—Argentina and Brazil. These countries have eschewed the nonproliferation treaty (which they say is discriminatory), built sensitive nuclear facilities that they have refused to submit to international safeguards and, in some cases, refused to renounce the option to conduct "peaceful" nuclear explosions that are indistinguishable from weapons tests.

A comprehensive test ban treaty, which would be nondiscriminatory, is one of the most promising vehicles for surmounting these problems. If India and Pakistan joined a test ban, India would gain an assurance that Pakistan would not proceed to a test that could demonstrate a nuclear-explosive capability and give its leaders confidence that what they had developed would work; Pakistan would gain an assurance that India would not resume its nuclear-testing program, and both would be effectively precluded from developing more advanced nuclear explosives, such as thermonuclear, boosted or miniaturized weapons, or explosives that they could claim were for "peaceful" purposes.

It would have even clearer advantages for Argentina and Brazil, where mutual reassurance is the key requirement. it could also help dampen concern about Israel and South Africa, if they joined it, and reduce pressure on their antagonists to go nuclear.

Israel, South Africa, India and Brazil did join the limited-test-ban treaty, in which they expressed their determination to achieve a comprehensive test ban (so did the United States), and in the last two years the heads of India and Argentina have joined in highly publicized declarations urging prompt conclusion of a comprehensive ban.

In addition to these possible direct benefits affecting holdouts from the nonproliferation treaty, a comprehensive ban would be of substantial help in preserving and extending the nonproliferation treaty. It is the measure most persistently demanded by nonnuclear states that are parties to the nonproliferation treaty as a demonstration that the superpowers are fulfilling their part of the bargain under that treaty. And, to the extent that a comprehensive ban was joined by nonproliferation treaty holdouts, it would reduce the risk of defections from that treaty by parties that feel threatened by the holdouts.

For these reasons, a comprehensive test ban could—as stated in the reports of panels from the United States and Western Europe published in early April by the Council on Foreign Relations—make a significant contribution to containing proliferation.

CHARLES N. VAN DOREN.

MYTH OF THE DAY: AMERICANS ARE CONSUMING LESS DAIRY PRODUCTS

Mr. PROXMIRE. Mr. President, the myth of the day is that Americans are consuming less dairy products. Nothing could be further from the truth. If ever there were a myth, this is it.

Here is what the facts reveal. For 2 straight years, the consumption of dairy products by Americans has shown a dramatic increase in almost every category.

In 1985, total milk consumption shot up 3.7 percent, which represents the largest year-to-year increase in the last 25 years.

Now, Mr. President, I have with me two great examples from Wisconsin of our dairy products. I hold them up so that the television audience can see them, and I recognize that sitting in the Chair is a remarkable example of the efficacy of eating dairy products. I am referring, of course, to the handsome, young Senator from Washington [Mr. GORTON], who is 57 years old, according to the records, but he looks about 27 years old. I am sure that the Senator from Washington is a consumer of cheese, although I imagine some of his cheese may come from the State of Washington and their great dairy herd.

In eight of the nine total milk product categories, the year 1985 saw impressive gains. These included the following:

Ice cream, up 0.1 percent; cottage chesse, up 0.7 percent; frozen dessert, up 1.2 percent; American cheese, up 1.5 percent; fluid milk, up 1.5 percent; butter, up 3.7 percent; total cheese, up 3.8 percent; and other cheese up 6 percent.

The only decrease in consumption in 1985 came in the case of nonfat dry milk, which was down 11.5 percent from the 1984 figure.

This change in the nonfat dry milk category is generally considered to stem primarily from an abundance of fluid milk, particularly in the South. As a result, fluid skim and condensed milk, not the customary nonfat dry milk, were utilized in making certain products like cottage cheese and ice cream.

The major gains in dairy product consumption in 1985 are part of a 2-year pattern. Since 1983, the total milk category has increased by a whopping 7 percent. Among the various product categories, the following recorded the largest consumption jumps during the 1983–85 period:

American cheese shot up 9.5 percent.

That is American cheese, and it has a map of Wisconsin on it and it should be because 40 percent of all the cheese in the country is produced in the great dairy State of Wisconsin, 40 percent. And now I hold up Colby cheese, which is particularly a Wisconsin product. In fact, we have a city named after Colby in Wisconsin. Total cheese consumption, a 12-percent increase in the last 2 years. And other cheese, up 14.5 percent.

The next highest increase in 1983–85 occurred in the following product areas:

Cottage cheese, up 0.7 percent; frozen dessert, up 1.5 percent; fluid milk, up 2.4 percent; and butter, up 5.7 percent.

So, Mr. President, I hope we can put to rest the myth that people are eating less. There used to be a song "50 million Frenchmen can't be wrong." Well, 230 million Americans cannot be wrong. They are eating more cheese, they are living longer, they are living fuller lives, and some of them may even look as good as the distinguished presiding officer from Washington [Mr. GORTON].

Mr. President, the data presented above makes it crystal clear that the notion Americans are consuming less dairy products is truly a myth.

RECOGNITION OF SENATOR CRANSTON

The PRESIDING OFFICER. The Senator from California [Mr. CRANSTON] is recognized.

□ 1030

S. 2408—THE ANTIDUMPING ACT OF 1986

Mr. CRANSTON. Mr. President, I rise today with my colleague Senator MAX BAUCUS to introduce legislation to deal with two increasingly serious trade problems: Foreign firms which repeatedly dump products in the U.S. market, and the inability of U.S. firms injured by illegal dumping to receive adequate compensation.

In most respects, the United States has the most open market in the world. I want to keep it that way. But we can only keep the protectionist sentiment at bay if we make our trade law remedies work. They are broken.

One of my constituents put the matter this way: The owner of a Rolls Royce, having difficulty in finding a parking place, spies a handicapped only slot. He pulls in, perfectly willing to pay the minimal parking ticket fee. The price of the parking ticket is insufficient to dissuade him from parking there again—the convenience of the parking space is worth the price of

the ticket. Well, Mr. President, we want to raise the price of the parking ticket by having the car towed away.

This is essentially what our bill proposes to do. We want to make it uneconomical for foreign firms to dump the same product in our market over and over again until our industries are battered, have lost significant market share, and their competitiveness jeopardized or seriously undermined. Make no mistake, Mr. President, this is not a bill for those who want to erect import barriers. This bill is not protectionist. It is for those who want free trade. It is for industries and companies who are not asking the Federal Government for protection. They want to compete—openly and fairly. They are prepared to fight the fair fight.

The lack of our ability to enforce our own trade laws jeopardizes free trade around the world. It is becoming increasingly difficult to be an advocate of free trade when foreign countries flagrantly and defiantly violate our own laws. And we let them get away with it time and time and time again.

The Baucus-Cranston bill would make it more costly for foreign firms to continue to dump their products in our market. In addition, for the first time, it would permit U.S. companies to seek compensation through the U.S. Court of International Trade for damages they suffered due to illegal dumping practices.

It remedies the first situation by progressively increasing penalties associated with repeat dumping offenders. For a first time offender, present law would apply. That is, if the Department of Commerce and the International Trade Commission find that dumping has occurred, countervailing duties are imposed against the dumped goods equal to the difference between their export price and their fair market value in the exporter's country. For a second time offender in the same product category, the foreign manufacturer would be assessed an additional penalty equal to 50 percent of the fair market value of the imported products. Normal antidumping duties would also be imposed. For a third or more offense, the penalty would be increased to 100 percent of the value of the dumped imports, in addition to routine countervailing duties.

Illegal dumping is a serious problem. For example, more than 64,000 jobs have been lost in the U.S. semiconductor industry in the past year and an estimated 10,000 in my home State of California. In 1985 alone, antidumping proceedings were initiated in three separate cases concerning different types of memory chips. Preliminary findings of dumping have been found against seven Japanese companies in each of these product categories. In other words, in 21 separate instances.

These are not isolated cases. In the early 1970's the United States color television industry proved that Japanese companies were dumping color television sets in the United States. As we now know, the United States was eventually driven from color television production. By the time duties were imposed to counter this predatory practice, the domestic industry had already suffered irreversible damage. The significance of this is that this happened despite the fact that the dumping duties were among the largest ever assessed by the Federal Government. We cannot continue to permit our industries to be cannibalized and destroyed. To permit these unfair trading practices to continue jeopardizes our future in the information industries—now projected to be a trillion dollar market for the 1990's and currently America's largest manufacturing sector.

Effective targeting strategies by foreign countries are the primary industrial development strategy of the postwar period. Efforts were first directed to steel, ships, and autos, and later to consumer electronics, machine tools, and semiconductor industries.

As we have seen, the penalties imposed by dumping rulings have repeatedly proven to be too little too late. In many cases, U.S. industry has been severely—and irreversibly—injured. We must impose a penalty great enough to deter this type of illegal behavior. We believe increasing penalties for repeat offenders of dumping will offset the harmful effects of foreign government targeting programs.

Second, the Baucus-Cranston bill proposal would permit a U.S. company which has been injured by the dumping practices of a foreign firm to pursue compensation through the U.S. Court of International Trade. To pursue this remedy, the Department of Commerce and the International Trade Commission must have made an affirmative finding of dumping. This is required because we do not intend that this procedure become a separate alternative for U.S. companies to bypass or to reverse findings they find unsatisfactory. We should revise our antidumping statutes if that is the problem. We do not intend to create a two-track system for companies to pursue. We simply want to ensure that U.S. companies that have been injured receive compensation for this injury. The exact amount of any award would be determined by the Court of International Trade, according to the merits of the individual case.

I believe there is an obvious anomaly in the workings of our antidumping process in that individual firms suffer the losses of unfair dumping practices and must demonstrate injury to the industry, but the damages, awarded in the form of increased duties, are retained by the Federal Government. Our bill would provide that upon imposition of antidumping duties as under current law, the affected firm(s) could either allow the imposition of antidumping duties as under current law or seek compensation from the dumping foreign producers through the U.S. Court of International Trade. If the second course is chosen, antidumping duties would be collected and accumulated in a separate fund in the U.S. Treasury to be used to help satisfy a subsequent court award against the defendant. Such duties would only be collected from the foreign producer, not the importer of record. This is to ensure that the remedy runs against the dumping foreign producers rather than the middlemen or U.S. consumers.

Effective trade remedies are essential if U.S. industry is to compete in the global marketplace. We cannot encourage more free trade unless our industries have effective remedies when faced with blatantly unfair trade practices. We must have procedures that bring relief to an industry before injury becomes irreversible. We need procedures that maximize equity and minimize judicial recourse. We need remedies that do not distort trade. We believe the Baucus-Cranston bill meets these objectives by dealing firmly with the problem of repeat offenders of dumping and providing an opportunity for U.S. firms injured by dumping practices to receive adequate compensation to regain their competitive position.

I urge my colleagues to join with me and Senator BAUCUS to cosponsor this initiative.

Mr. BAUCUS. Mr. President, Bob Dylan once wrote, "The times they are a-changing."

Mr. President, the times certainly are "a-changing."

When the GATT international trade code was written, the fastest computer made 5,000 computations per second. Now, we routinely calculate computations in nanoseconds—that is, in billionths of a second.

But our trade laws have not kept pace. Our trade competitors invent new loopholes faster than we can close them.

We saw one clever new form of unfair trade practice in the Hitachi case—the 64K RAM case.

The scheme is simple.

The Japanese dump high-technology products on the U.S. market. The U.S. industry eventually files a trade case. Many months later, the International Trade Administration grants relief.

But here is the catch: By the time relief is granted, the foreign company has introduced a new generation of technology that escapes the antidumping order.

In short, we are playing a frustrating and futile game of catchup.

And this problem is not insignificant. No fewer than eight major Japa-

nese companies are multiple dumping offenders.

MULTIPLE OFFENDERS

The bill I am introducing today would provide escalating offenses for foreign companies found guilty of multiple dumping within a 10-year period.

First-time offenders would be treated as under current law.

Second-time offenders would have fines imposed retroactively to 90 days prior to the preliminary dumping determination and, in addition to normal antidumping duties, fines would be imposed equal to 50 percent of the value of dumped imports entering the United States in the 12 months prior to the determination.

Third-time offenders would be treated the same as second-time offenders, except the fine would equal 100 percent of the value of the dumped imports.

These penalties sound tough, and they are.

But they are also reasonable.

Companies that keep dumping are not innocent babes. They are repeat offenders, and we should not let them off the hook just because fast-changing technology outpaces slow moving trade litigation.

COMPENSATION FOR INJURED PARTIES

That is not the only reason our antidumping laws are outdated.

Dumping actions also have become prohibitively expensive.

Private industries today are required to spend hundreds of thousands of dollars to prove injury through dumping, but the damages, awarded in the form of increased duties, are retained by the Federal Government.

As a result, many cases are never brought, and foreign dumping continues undeterred.

Our legislation would permit companies to bring an action in the Court of International Trade for compensation for injury sustained by foreign dumping in the United States or third-country markets.

Additional damages, up to three times the amount of the actual injury, could be awarded by the court when a foreign company is a multiple offender, or where the dumping eliminated U.S. companies, substantially deterred U.S. research and investment, or substantially injured or destroyed the U.S. industry or a significant portion of it.

Here is the way it would work.

If a company sought compensation, duties collected from the ITA and ITC determination would be collected in a separate Treasury fund.

These duties would only be collected from the foreign producer, not the importer of record, to ensure that the remedy runs against the foreign producers rather than middlemen or U.S. consumers.

The original dumping determination in the ITA and ITC would be deemed conclusive proof of dumping, and the court's inquiry would be limited to the scope of damages to be awarded.

Additional parties could later be joined and additional damages awarded, where appropriate.

CONCLUSION

This legislation provides American industries with a real chance to secure relief from foreign dumping practices.

But it provides another advantage.

For years now, we have been struggling to find a way to eliminate unfair trade practices without restricting imports.

Those of us involved in trade policy realize that—time and time again—restricting imports causes our consumers more harm than the foreign country.

In short, we cut off our nose to spite our face.

This legislation provides a creative opportunity to avoid that dilemma.

Under this legislation, we can deter the foreign producer from dumping products in the U.S. market without imposing trade restrictions.

Mr. President, I think this offers a new approach to trade policy, not only in the dumping area, but in other areas of trade law.

Mr. President, the times certainly are "a-changing." I am proud to offer this legislation to make our trade laws keep pace with the times.

ANTIDUMPING ACT OF 1986

Mr. BINGAMAN. Mr. President, I am pleased to support and to add my name as a cosponsor of the legislation introduced today by the distinguished senior Senator from California [Mr. CRANSTON] the Antidumping Act of 1986. He is to be commended. His leadership in helping the semiconductor industry and his work to keep America competitive in this important industry is welcomed.

This legislation is badly needed to deal with the damage to the U.S. semiconductor industry by illegal foreign trade practices. For some time we have known of the unfair dumping by certain Japanese semiconductor manufacturers, yet we have been unable to address these problems under current law. If such practices are left unchecked we may not have a semiconductor industry for much longer. Like many other American industries, it faces severe competition from foreign competitors, much of it unfair.

The semiconductor industry is vital to America. It is an industry we can all be proud of. It represents the best of American technology, know-how and ingenuity. However, not only has this industry and many other American industries been hurt by our declining ability to compete, but it has been hurt by unfair foreign trading practices.

The Japanese have been the most blatant violators of fair trade in the semiconductor industry. Not only have the Japanese had the most tightly closed markets relative to access to our goods, but it has allowed some of its semiconductor companies to practice deliberate unfair trade practices. During the past decade the United States share of the Japanese semiconductor market has been capped at about 10 percent, despite talk by the Japanese Government to open its markets.

More importantly, the Japanese firms have participated in a deliberate attempt to win a greater market share in the United States and other foreign markets by selling their huge excess inventories at prices below their manufacture cost, a practice that is known as dumping and is outlawed in the United States.

As a result, several unfair trade cases have been filed and are being pursued at this time. I have wholeheartedly supported the section 301 unfair trade case filed by the entire Semiconductor Industry Association and the various antidumping cases that have also been filed by a number of the individual semiconductor companies.

Unfortunately these trade cases, while they are the appropriate avenue for redress under existing law, have yet to provide any effective solution. I recently wrote to Ambassador Yeutter, along with a number of my colleagues asking for immediate, effective action on these administrative proceedings, however, no such action has been forthcoming, despite the strength of the arguments of the semiconductor industry.

Because of this inaction, it is now necessary for the Congress to consider legislative solutions that will bring effective relief. Several existing measures, including the bill I have introduced along with Senator MITCHELL, which modifies the 301 law. I am hopeful that this and other more comprehensive trade modernization, which I also support, will be acted upon and become law this year.

As we consider such legislation we need to also include the Antidumping Act being introduced today. It effectively deals with two of the problems that have been identified. First it increases the penalties associated with repeat offenders of the current antidumping statute. Second, it would compensate those firms injured by dumping practices. Combined, these provisions would act as effective deterrents to current unfair dumping actions.

These provisions are important remedies to injured semiconductor firms as well as other industries that have suffered similar damages, such as the mining industry in my State of New Mexico. Copper, potash, and uranium have all been severely injured by

unfair trade practices, some of it illegal dumping, yet have been thwarted by the current administrative remedy process. This legislation will help change this.

Both the mining industry and the semiconductor industries in my State have suffered severely. Last year was the worst in the history of the semiconductor industry. Semiconductor companies in Albuquerque—Intel and Signetics—were particularly hard hit. Sandia Labs, which has a major semiconductor research and development facility, has also suffered. Nationally, employment in the industry last year dropped 19 percent—by 54,000 workers. In that figure were an estimated 200 layoffs and, importantly, 2,200 jobs not created as a result of failed plant expansion in Albuquerque.

I hope my colleagues will join me in supportng this legislation.

Thank you, Mr. President.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2408

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ANTIDUMPING—RIGHT TO MONEY DAMAGES

(a) Any citizen of the United States who has been injured in his business or property by the dumping of a commodity by a foreign person or persons shall have a right to money damages as provided in this section.

ANTIDUMPING—ACTIONS BY INJURED PARTIES

(b) Any petitioner in an antidumping investigation brought pursuant to Title 19 of the United States Code, Subtitle IV, Part II, which is the subject of a final affirmative determination by the Department of Commerce and the International Trade Commission, may bring an action for damages in the United States Court of International Trade without respect to the amount in controversy, and shall recover an amount equal to the damages by him sustained, the cost of the suit, including a reasonable attorney's fee, and such additional damages as the Court may deem appropriate, excepting however, that no such additional damages shall exceed threefold the damages sustained by the petitioner. For purposes of enforcing the right of action created by this section, the Court shall have jurisdiction over any foreign person or persons who produce commodities to which this section applies which are offered for sale in the United States.

(1) Such an action will lie only against an entity which has produced some or all of the commodities which are the subject of the affirmative antidumping determination, and entities in which such entity holds the principal controlling interest.

(2) In an action brought pursuant to this paragraph, the final affirmative determinations by the Department of Commerce and the International Trade Commission shall be deemed conclusive proof of the fact that actionable sales at less than fair market value have occurred.

(3) In calculating damages assessed pursuant to this section, the Court shall give regard to the injury to the petitioner or petitioners as a result of sales at less than fair market value by the defendant or defendants—

(i) from the importation of commodities at less than fair market value; and

(ii) from the importation of commodities incorporating commodities sold at less than fair market value.

(4) In calculating damages assessed pursuant to this section, the Court may give such regard to the final affirmative determination of the International Trade Commission as it deems appropriate.

(5) In actions brought pursuant to this section, process may be served on a defendant corporation in any district wherein it may be found or transacts business.

(6) In calculating whether additional damages are appropriate under this section, the Court shall give regard to whether products produced by the defendant have been the subject of previous affirmative findings of dumping, or whether the effect of dumping of a product has been to

(i) eliminate one or more U.S. companies from participation in the production of that product;

(ii) substantially deter research, development, and investment by U.S. companies in future generations of the product;

(iii) substantially injure or destroy the U.S. industry or a significant portion thereof.

(7) Following the award of damages pursuant to this section, the Court shall take such steps as are necessary to ensure that the judgment is satisfied, including:

(i) directing the Secretary of the Treasury to disburse to petitioner or petitioners such moneys as may be maintained in the special account established pursuant to paragraph (j)(ii) of this section from the collection of antidumping duties, up to the full amount of the award granted pursuant to this paragraph, provided that such payments are made only from an account consisting of the proceeds of antidumping duties assessed on the products which are the subject of the petition brought under this paragraph;

(ii) issuing a writ of execution against property, including merchandise, of the defendant; or

(iii) taking any other appropriate action within the power of the Court necessary to ensure full satisfaction of the judgment.

STAY PENDING REVIEW

(c) The Court shall stay any action for damages filed under this section based on a final affirmative determination in an antidumping investigation which is the subject of a pending review by the Court pursuant to Chapter 95 of Title 28. Such stay shall remain in effect until

(1) Review by the Court has been completed, any subsequent review of the Court's decision by the United States Court of Appeals has been completed, and the final affirmative determination remains in effect following such review, in which case the stay shall be lifted;

(2) The final affirmative determination is remanded to the Department of Commerce or the International Trade Commission for further proceedings, and

(i) such proceedings result in another final affirmative determination, whether or not such final affirmative determination is identical to the original determination, and

(ii) any further review of the remanded proceeding by the United States Court of International Trade, and any subsequent review of that Court's decision by the United States Court of Appeals for the Federal Circuit has been completed; and

(iii) following such review the final affirmative determination remains in effect; in which case the stay shall be lifted;

(3) The final affirmative determination is remanded to the Department of Commerce and the International Trade Commission for further proceedings and

(i) such proceedings result in a negative determination, and

(ii) any further review of the remanded proceeding by the Court, and any subsequent review of that Court's decision by the United States Court of Appeals for the Federal Circuit has been completed, in which case Court shall dismiss the action.

ELECTION BY PETITIONERS

(d) Within thirty days of the issuance of a final affirmative determination of dumping by the Commission, petitioner shall make an election, in writing, to the Commission, that it chooses

(1) To allow the imposition of antidumping duties pursuant to 19 U.S.C. Section 1673e; or

(2) To preserve the right to seek damages from foreign producers of the commodity which is the subject of the affirmative determination of injury, and to allow the imposition of antidumping duties as provided in paragraph (j).

(e) In cases involving multiple petitioners, the election made by the petitioner or petitioners representing the largest portion of production of the commodity within the most recent twelve month period for which data is available, as determined by the Commission, shall govern.

(f) If petitioners making an election pursuant to paragraph (d) make the election provided in paragraph (d)(1), antidumping duties shall be imposed pursuant to 19 U.S.C. Section 1673e.

(g) If petitioners making an election pursuant to paragraph (d) make the election provided in paragraph (d)(2), antidumping duties shall be imposed pursuant to 19 U.S.C. Section 1673e, excepting however, that

(i) such duties shall only be assessed against the foreign producer of the article which is the subject of the affirmative determination, or its affiliates and subsidiaries;

(ii) the duties collected shall accrue to a separate account established by the Secretary of the Treasury, and payments from that account shall be made to the petitioner or petitioners to satisfy damages awarded in an action brought pursuant to paragraph (b) of this section in the manner directed by the Court;

(iii) in collecting the duties assessed against the foreign producer pursuant to part (i) of this paragraph, the appropriate customs officer shall take such measures as are necessary to ensure that such duties are collected, including, but not limited to,

(A) seizure and liquidation of merchandise owned by the foreign producer and

(B) commencement of an action in any district court in which the foreign producer or its affiliates or subsidiaries, reside or are found or have an agent, for the purpose of levying against the property of the foreign producer, or its affiliates or subsidiaries.

CONTINUING DUMPING—ADDITIONAL DAMAGES

(h) If petitioners make the election provided in paragraph (d)(2) of this section, in each periodic administrative review conducted pursuant to 19 U.S.C. Section 1675,

(1) The Department of Commerce shall make a determination whether sales of the commodity in question at less than fair

market value have occurred during the 12-month period which is the subject of such review, and shall publish such determination in the Federal Register; and

(2) pursuant to such procedures as it may establish for the purpose, the Commission shall, in conjunction with each periodic administrative review, provide an opportunity for interested persons who were not petitioners in the original antidumping investigation to join as petitioners. For purposes of this paragraph "an interested person" is any citizen of the United States who produces the commodity which is the subject of the investigation.

(i) Any petitioner in an antidumping investigation undergoing an administrative review pursuant to 19 U.S.C. Section 1675 in which an affirmative finding of sales at less than fair market value has been made pursuant to paragraph (h) of this section may bring an action for damages in the United States Court of International Trade, without respect to the amount in controversy, and shall recover the damages sustained by him, the cost of the suit, including a reasonable attorney's fee, and such additional damages as the district court shall deem appropriate, excepting however that no such additional damages shall exceed threefold the damages sustained by the petitioner.

(1) Such an action will lie notwithstanding any action which may have been brought by petitioner or petitioners pursuant to paragraph (b) of this section.

(2) In an action brought pursuant to this paragraph, an affirmative determination of continuing sales at less than fair market value by the Department of Commerce pursuant to paragraph (h)(1) shall be deemed conclusive proof of the fact that actionable dumping has occurred.

(3) In calculating damages assessed pursuant to this section, the district court shall give regard to the injury to petitioner or petitioners as a result of sales at less than fair market value;

(i) from the importation of commodities at less than fair market value; and

(ii) from the importation of commodities incorporating commodities sold at less than fair market value

during the twelve month period which is the subject of administrative review conducted pursuant to paragraph (h)(1).

(5) In calculating whether additional damages are appropriate under this section, the district court shall give regard to whether the defendant has been the subject of previous affirmative findings of dumping, or whether the effect of dumping of a product has been to

(i) eliminate one or more U.S. companies from participation in the production of that product;

(ii) deter research, development and investment by U.S. companies in future generations of the product; or

(iii) substantially injure or destroy the U.S. industry or a significant portion thereof.

(6) The Court shall ensure satisfaction of the amount of the judgment as provided in paragraph (b)(7) of this section.

ANTIDUMPING—MULTIPLE OFFENSES

(j) If merchandise produced by any person is the subject of more than one final affirmative antidumping determination pursuant to 19 U.S.C. Section 1673d, that person shall be subject to civil penalties as provided in this section, provided that

(1) such final affirmative determinations occurred within a ten-year period; and

(2) such final affirmative determinations applied to merchandise within the scope of the same four-digit industry category of the United States Standard Industrial Classification.

For purposes of this paragraph, persons whose merchandise has been the subject of one or more affirmative determinations pursuant to 19 U.S.C. § 1673 on the date of enactment of this legislation shall be deemed to have been subject to one such determination as of the date of enactment.

(k) If merchandise described in paragraph (j) has been the subject of two final affirmative antidumping determinations, the person producing such merchandise shall be liable, upon the second final affirmative determination, for a civil penalty equal to a minimum of 50 percent of the fair market value of the merchandise produced by that person imported into the United States in the twelve months preceding the second determination with respect to which such final affirmative determination has been made. Such penalty shall be paid into such Treasury account as may be established pursuant to paragraph (g)(ii) of this section, unless no such account is established, in which case the penalty shall become part of the general revenues of the United States.

(l) If merchandise described in paragraph (j) has been the subject of three final affirmative antidumping determinations, the person producing such merchandise shall be liable, upon the third final affirmative determination, for a civil penalty equal to a minimum of 100 percent of the fair market value of merchandise produced by that person imported into the United States in the twelve months preceding the third affirmative determination with respect to which such final affirmative determination has been made. If merchandise described in paragraph (j) has been the subject of four or more affirmative dumping determinations, the producer of such merchandise shall be liable for penalties identical to those prescribed for the third affirmative determination in this paragraph for each additional affirmative determination. Such penalties shall be paid into such Treasury accounts as may be established pursuant to paragraph (g)(ii) of this section, unless no such account is established, in which case the penalty shall become part of the general revenues of the United States.

(m) The Secretary of Commerce shall maintain a list of all persons producing commodities which have been the subject of a final affirmative determination pursuant to 19 U.S.C. Section 1673d. If the Secretary determines that any person has been the subject of two or more such determinations as provided in paragraph (j) of this section, the Secretary shall commence an action in the United States Court of International Trade for the collection of penalties pursuant to paragraphs (k) and (l0 of this section, as the case may be.

(n) If merchandise produced by any person is the subject of a final antidumping determination pursuant to 19 U.S.C. Section 1673d, and a subsequent antidumping investigation is initiated with respect to merchandise produced by the same person, the administering authority shall make an affirmative determination of critical circumstances pursuant to 19 U.S.C. Section 1673b(e), provided that

(1) such antidumping investigation is initiated no later than ten years after the final antidumping determination, and

(2) the merchandise which is the subject of the antidumping investigation and the merchandise which was the subject of the final antidumping investigation are within the scope of the same four-digit industry category of the United States Standard Industrial Classification.

(o) Noting in paragraphs (j), (k) or (l) shall prevent the imposition of antidumping duties, in addition to such penalties as may be assessed pursuant to those paragraphs, in cases in which an affirmative final determination has been made pursuant to 19 U.S.C. Section 1673d.

COURT OF INTERNATIONAL TRADE—JURISDICTIONAL AMENDMENTS

(p) 28 U.S.C. Section 1581 is amended as follows:

"(k) The Court of International Trade shall have exclusive jurisdiction over civil actions for damages commenced pursuant to the Antidumping Act of 1986."

(o) 28 U.S.C. Section 1582 is amended as follows:

"(4) to recover civil penalties as provided in paragraphs (j) through (m) of the Antidumping Act of 1986."

INTERNATIONAL OBLIGATIONS

(q) No award of damages or assessment of civil penalties shall be made under any portion of this Act which is found to violate United States legal obligations under international agreements, including the General Agreement on Tariffs and Trade.

(r) To the extent that any award of damages or assessment of civil penalty pursuant to an action brought under this Act is found to have violated United States legal obligations under international agreements, the President may enter into trade agreements with the foreign country concerned for the purpose of granting new concessions as compensation for such action in order to maintain the general level of reciprocal and mutually advantageous concessions.

(s) The President shall seek to negotiate such bilateral or multilateral agreements as may be necessary to harmonize the provisions of this Act with United States legal obligations under international agreements, including the General Agreement on Tariffs and Trade.

(t) Any trade agreement entered into under paragraph (s) shall be treated as a trade agreement entered into under Section 102 of the Trade Act of 1974.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the record be left open so that other Senators may cosponsor the bill through today.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR MURKOWSKI

The PRESIDING OFFICER. Under the previous order, the Senator from Alaska [Mr. MURKOWSKI] is recognized.

THE NUCLEAR DISASTER AT CHERNOBYL

Mr. MURKOWSKI. Mr. President, reports continue to reach us which suggest that the Soviet nuclear disaster at Chernobyl may have greater long-term consequences than the

Soviet leaders have so far been willing to acknowledge.

Chernobyl is located in the heart of the Soviet Union's breadbasket—the "black earth" region of the Ukraine which has traditionally provided the great majority of Russia's food. It now appears that in that area, the earth itself may have been contaminated by radioactive fallout from the accident. Dairy herds have also been affected. At this time of year, many Russian fields lie plowed and open, making it easier for contamination to sink deeper into the soil.

If these reports are correct, the Russians could be facing an enormous human tragedy. They already have difficulty raising enough food to feed their population. The fallout from this accident could make that problem worse, perhaps much worse, for years to come.

Mr. President, as Senators know, I am a frequent critic of the Soviet system. I have condemned its repression of freedom at home and its actions in Afghanistan and Poland. But there are times when we have to set our differences aside and respond to a human tragedy.

This accident is not a political issue, it is a humanitarian one. I strongly support the President's offer to the Soviets of all possible assistance—not only to cope with the immediate problem of the reactor meltdown, but to deal with the long-term problems—including food supply—which will be faced long after nuclear fallout has been brought under control.

This is more than altruism. Our own security and safety are involved. The cloud of radioactive dust from Chernobyl is being carried around the world, to Europe, Asia, and our own homes in America. Yesterday, increased levels of this radioactivity were detected over the west coast and my own State of Alaska. This accident reminds us in the most graphic and literal terms that, in the nuclear age, the fortunes of our two countries—indeed, the entire world—are ultimately bound up together.

This could prove an historic opportunity to work together with our Soviet adversaries on a problem which threatens us both. Accidents like Chernobyl are not simply an internal Soviet problem, but an international one. What is needed is an international effort to pool our knowledge about how we can deal with it.

To do so, Mr. President, we need the Soviets' cooperation. The world is ready to help the Russian people in this time of national disaster. But the secrecy with which the Soviet leadership surrounds such tragedies makes it hard to do so. Whether it is pride, a misplaced sensitivity about security, reluctance to admit mistakes—whatever it is, this attitude is making it very difficult to get accurate information on the accident.

Mr. Gorbachev has spoken of a new openness and frankness in Soviet society. I call on him to discharge Soviet responsibilities to the international community by providing full and frank information on the dangers posed by this accident. At the same time, I urge him to accept our offer of aid in the sincere and genuine spirit in which it is made. The Soviet people need to know that America takes no joy in this tragedy. Instead, we are ready to help—with technical assistance, food, or whatever is needed—as generously as possible.

SENATOR HAWKINS' SPECIAL ORDER

The PRESIDING OFFICER. Under the previous order, the Senator from Florida (Mrs. HAWKINS) is recognized for not to exceed 5 minutes.

Mr. MURKOWSKI. Mr. President, on behalf of the junior Senator from Florida [Mrs. HAWKINS), I should like to read a statement. The statement deals with the OAS specialized conference on drug trafficking.

O.A.S. SPECIALIZED CONFERENCE ON DRUG TRAFFICKING

Mrs. HAWKINS. Mr. President, several weeks ago, I discussed the then upcoming Specialized Conference on Drug Trafficking being conducted by the Organization of American States in Rio de Janeiro. On the eve of the Conference it appeared that the O.A.S. was poised to throw its endorsement behind the war on drugs. With the completion of the Conference on Friday, we are now in a position to make a sober assessment of its accomplishments.

First, it is important to note that this was the first Conference ever conducted by the O.A.S. on this vital issue, and in all likelihood such a conference could not have been conducted even 5 years ago. There has been a dramatic change in perceptions on the part of many Latin American and Caribbean countries. To a great extent this new perspective and dedication has resulted from the tragic assassination of Colombia's Minister of Justice Lara Bonilla.

Many of the South American and Caribbean nations are now using American equipment and intelligence to fight the narcotraffickers. In addition, for the first time 1985 saw bilaterial cooperation between Latin American nations without American assistance to deal with the traffickers. Colombia, Ecuador and Peru have in some cases laid aside traditional suspicion and hostility and conducted bilateral border operations to catch the traffickers and seize their assets.

Now in 1986 we see the 22 members of the O.A.S. gathered to discuss a hemispheric policy toward illegal drug use and drug trafficking. These are countries that have varying exposures to the consequences of drug trafficking as well as differing levels and contact with this sordid business. Some countries are major users of illegal drugs. Others are producers. Still others are transhipment countries or banking/laundering centers for drug money, or sources of the precursor chemicals and solvents that are necessary for the refining of cocaine. Each country has a different mix of these problems. Yet all of these countries came together and developed an action plan for hemispheric cooperation against the traffickers.

No longer is the question: Why should we care about drug trafficking? Now the question is: how can we best fight this evil business? Only a short time ago drug trafficking was considered an American problem. Now there is a growing recognition that the narco-traffickers threaten not only the United States, but like a highly-contagious disease it affects everything it touches.

One of the significant areas of agreement at the Conference was the degree to which the drug traffickers threaten the societies in which they operate. At the most fundamental level they pose a grave threat to democracy and the values of a free and open society. The drug traffickers encourage an atmosphere of corruption and violence. In a democracy the understanding between the people and their elected officials assumes that those officials will work on behalf of justice and the will of the people. Corruption eats away at this understanding. It sets up a double standard: people with enough money can violate the law and get away with it, eveyone else has to live within the law or face the penalties. This double standard corrodes the sense of justice and the social contract that the government officials have with the people.

In addition, the narcotraffickers promote violence within a society. Gangland-style murders, assassinations, and wars not only with the government but between traffickers flourish when illegal drug use and drug trafficking begin to afflict a society.

This is to say nothing of the effects on health, personal dignity and economic development. Clearly illegal drug use and drug trafficking is dangerous to the societies that permit these activities. As obvious as this has been to us here in the United States, the disasterous effects of the drug trade has only recently entered the awareness of the many in Latin America. This changed perception is one of the new factors in the war on drugs, and it is clearly reflected in the actions taken by the O.A.S.

Mr. President, it is my intention to take a closer look at the results of the O.A.S. Conference, and examine what the future may hold for hemispheric cooperation in the war on drugs.

Mr. MURKOWSKI. I yield the floor at this time.

□ 1040

RECOGNITION OF SENATOR SYMMS

The PRESIDING OFFICER. Under the previous order, the Senator from Idaho is recognized.

S. 2405—THE FEDERAL-AID HIGHWAY ACT OF 1986

Mr. SYMMS. Mr. President, today I am introducing the Federal-Aid Highway Act of 1986, which will provide authorizations for the Federal-Aid Highway Program for fiscal years 1987 through 1990. I am pleased that the chairman of the Environment and Public Works Committee, Senator STAFFORD, the ranking member of the committee, Senator BENTSEN, the

ranking member of the Subcommittee on Transportation, Senator BURDICK, and a distinguished member of the Subcommittee on Transportation, Senator ABDNOR, have joined as cosponsors of this bill.

The Federal-Aid Highway Program must be reauthorized by October 1, 1986, in order for any additional highway authorizations to be given to the States. It is vitally important that Congress meet the October 1 deadline and complete action on a highway reauthorization bill so that the Highway Program is not disrupted.

The bill which I am introducing today is the result of nine hearings both the Subcommittee on Transportation and the full Environment and Public Works Committee have held beginning in July of 1985, and it will be the basis for the Environment and Public Works Committee's consideration of highway reauthorization legislation.

Mr. President, the Federal-Aid Highway Act of 1986 provides $52,386,000,000 in new authorizations for the Highway Program during fiscal years 1987 through 1990. All 50 States, the District of Columbia, Puerto Rico and the Territories participates in the Highway Program.

Since 1956 and the creation of the highway trust fund, one of our country's highest transportation priorities has been the construction of the national system of interstate and defense highways. The interstate system has been one of our country's most noteworthy successes, and that major undertaking is now nearly complete. In order to provide the States with flexibility in determining whether the remaining interstate construction work should be completed, or whether reconstruction of the existing Interstate System and work on the primary system has a higher priority, this bill provides a combined interstate-primary category funded at $8.15 billion per year.

Funds in this combined category can be spent on any construction or reconstruction project, any interstate 4R project, or any construction or reconstruction project on the primary system. This restructuring of the program will enable those States which want to make a concerted effort to complete the Interstate System by 1990 to do so. There may be other States which believe further work on their Interstate System will not provide as many benefits as necessary reconstruction of existing Interstate segments or work on the primary system. These States may determine the Interstate System is complete and focus their resources on Interstate 4R work and the primary system.

One of the most important features of this bill is the elimination of the need for any future congressional approval of the interstate cost estimate [ICE] or interstate substitute cost estimate [ISCE]. The bill directs the Department of Transportation to administratively adjust the ICE and ISCE which was approved by the Congress last September and which was used to apportion interstate construction funds on October 1, 1986. The adjusted ICE and ISCE will then be used to apportion interstate construction and interstate substitute funds for fiscal years 1987 through 1990. This will assure a stable, reliable source on interstate funds for the States. States will know exactly how much interstate money they will receive over the next 4 years and will be able to plan accordingly, particularly if they want to use their ability to prefinance interstate projects with State funds.

According to the latest interstate cost estimate [ICE] approved by Congress, 25 States are now half percent States, which means that their Interstate System is nearly completed. Most of the remaining States have indicated that they can complete their remaining interstate construction work by 1990. This bill continues the commitment to complete the interstate by 1990. After 1990, however, I believe it is important to move on and address other pressing highway needs that have been neglected during the construction of the Interstate System.

This legislation also continues a strong Federal participation in the Bridge, Interstate Substitution, Secondary, Urban, Federal Lands, Minimum Allocation, and Safety Programs. Mr. President, I ask unanimous consent that a table showing the authorizations for each category be printed in the RECORD.

With increasing highway needs and limited revenues, it is important to provide the States with as much spending flexibility as possible. The bill provides additional flexibility in several areas including total transfer between interstate construction, interstate 4R and primary funds; a transfer of up to 50 percent between urban and secondary program funds; the use of interstate substitute highway funds on any public road; extension of availability of interstate construction funds to 4 years and interstate substitute funds to 2 years; permitting States to use a State only funded bridge program as matching funds for their Federal-Aid Bridge Program; and permitting up to 10 States to participate in a demonstration block grant program.

This bill provides for several new programs that I believe will significantly improve the effectiveness of the Federal-Aid Highway Program. First, the new interstate-primary category will provide the States with the ability to complete the Interstate System by 1990 or to transfer these funds to higher priority interstate 4R or primary system projects. Second, a major new research program, the Strategic Highway Research Program [SHRP], is authorized. This program is the largest undertaking of highway research since the AASHTO road test in the 1950's. With limited resources, it is extremely important to have the best information and technology available to make certain that our highway dollars are buying facilities that will serve us well and long.

The legislation also authorizes a new program which will provide us with information in determining the structure of the Federal-Aid Highway Program after 1990 and the completion of the Interstate System. It permits up to 10 States to participate in a demonstration modified block grant program including the Secondary, Urban and Off-System Bridge Programs. It will provide State and local officials with additional authority to allocate resources and assume responsibilities previously delegated to the Secretary of Transportation.

Finally, this bill provides that each State will receive at least 85 percent of its contribution to the mass transit trust fund. This applies the concept of equity that was recognized for the highway account of the trust fund in the STAA of 1982 to the mass transit account as well. The receipts into the mass transit account are derived from users of the highway. Since the gas tax was increased and the mass transit account was established in the STAA of 1982, only a few States have received the major benefits from these user fees. Highway users in a majority of the States have seen little, if any, benefit from their highway user fees which have gone into the mass transit account. The mass transit minimum allocation provision will assure all States, and the highway users in those States, a return of at least 85 percent of their contribution to the mass transit account for use on transit or highway projects.

Mr. President, I stated earlier that this bill will provide over $52 billion in new authorizations for the Federal-Aid Highway Program. This is a significant amount. However, the highway account of the trust fund has a current balance which exceeds $9 billion. According to the Congressional Budget Office [CBO], the highway account could support a highway program of approximately $13.8 billion per year over the next 4 years. The $13.8 billion amount assumes the continuation of all existing exemptions including gasohol and oil prices of over $28 per barrel. With lower oil prices and the resulting increased use of gasoline, CBO estimates that revenues into the highway trust fund will increase. If that happens, the trust fund could support even more than $13.8 billion per year.

I believe Members of Congress, the President, and the American people

supported the increased highway user fees in the STAA of 1982 because everyone believed that these user fees would all be spent on our roads and bridges. We read about and experienced first hand, the dramatic deterioration of the Nation's infrastructure, and we believed that increased gas and truck taxes would result in an improved and more efficient network of roads.

In fact, funding for the highway program has increased since 1982, and we have seen significant improvements in the condition of our highways. However, spending constraints, imposed by Congress as part of an overall deficit reduction effort, have limited the States ability to keep pace with construction and maintenance requirements in most program categories.

Significant highway needs remain unmet across the country: $12 to $15 billion is needed to complete the Interstate System; $48.3 billion is needed to repair and replace deficient bridges; $20 billion is needed to address existing interstate 4R needs; over 200,000 miles of the primary system will need capital investments during the next 15 years; and over $6 billion per year is needed to maintain existing conditions on the urban and secondary systems.

Total travel in 1983 was 1.65 trillion miles, a 6.4-percent increase over 1981. Highway travel is expected to keep growing at a 2.0 to 2.74-percent rate between now and the year 2000. By the year 2000, America's roads will have to carry 40- to 60-percent more travel than in 1984.

In light of the tremendous highway needs, coupled with the fact that the highway program is 100 percent user financed and cannot deficit spend because of the Byrd amendment, I believe that the spending constraints of prior years are no longer defensible. The annual funding level of $13 billion contained in this bill is a good starting point, but I believe it should be only a starting point. During our committee's consideration of this bill, I will propose an amendment to increase highway funding to a level which will spend trust fund receipts, including interest, and significantly reduce the cash balance in the account over the next 4 years.

There are several other areas of the highway program that I believe should be addressed further during the committee's consideration of this bill. The first area is the Disadvantaged Business Enterprise [DBE] Program. This bill continues the DBE Program with several modifications. I believe there is overwhelming support in Congress to open the door of opportunity to everyone. Any individual or group's effort to achieve greater economic status invigorates our national economy and strengthens our political institutions. There continues to be strong disagreement, however, on the proper means of achieving this worthy goal.

I believe the DBE Program in its current form violates constitutional guarantees of due process and equal protection under law because it grants disadvantaged status—and, thereby, preferential treatment—to individuals based solely on their race. Moreover, in practice, many States seem to have used this program to establish a quota system for the award of Federal-aid contracts. For both of these reasons, I will offer an amendment to eliminate the DBE Program during committee consideration of the bill.

I also believe changes should be made to the 55-mile per hour speed limit. I am a cosponsor of S. 329, a bill introduced by my distinguished colleague from Nevada, Senator HECHT. S. 329 would permit States to raise the speed limit on rural highways to 65 miles per hour. While a majority of Americans say they support 55, approximately three-quarters of the driving public exceeds the 55 miles per hour speed limit when traffic and highway conditions permit.

Our Interstate System was specifically built to be safe at speeds of 70 to 75 miles per hour, and there are many rural highways, particularly in the West, where traffic is minimal and the 55 miles per hour limit is unreasonably low. State transportation departments have become increasingly safety-conscious in recent years, and I believe State officials should be allowed to determine which rural highways can be driven safely at 65 miles per hour.

Finally, I believe the committee should review the costs and requirements of the Davis-Bacon Act as it applies to the Federal-Aid Highway Program. Last year, the Senate adopted a provision in the defense authorization bill to raise the Davis-Bacon threshold of application to $1 million on defense construction contracts. That same provision, applied to the Highway Program would save approximately $1.475 billion in budget authority and $835 million in outlays over the next 4 fiscal years, according to CBO. In the present budgetary climate, I believe the committee should consider Davis-Bacon reform as a means of achieving significant and justifiable savings in the highway program.

Mr. President, I am pleased to introduce this legislation today. I believe it is extremely important that we meet the goal of having a highway reauthorization measure signed into law by October 1. I urge my colleagues to help us reach that goal.

I ask unanimous consent that the text of the bill and a section-by-section analysis of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2404

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal-Aid Highway Act of 1986".

AUTHORIZATIONS

SEC. 102. The following sums are hereby authorized to be appropriated out of the Highway Trust Fund other than the Mass Transit Account:

(1) For the Federal-aid Interstate-Primary program $8,150,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990.

(2) For the Federal-aid urban system $750,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990.

(3) For the Federal-aid secondary system in rural areas $600,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990.

(4) For bridge replacement and rehabilitation under section 144 of title 23, United States Code, $1,500,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990. All but $200,000,000 per fiscal year of each such authorization shall be apportioned as provided in 23 U.S.C. 144(e). Such $200,000,000 shall be obligated as provided in 23 U.S.C. 144(g)(2). The minimum percentage off-system bridge provisions of 23 U.S.C. 144(g)(2) shall continue effective in fiscal years 1987, 1988, 1989, and 1990.

(5) For carrying out the Federal lands highway program under section 204 of title 23, United States Code—

(A) For forest highways, $50,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990.

(B) For public lands highways, $50,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990.

(C) For Indian reservation roads, $75,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990.

(D) For park roads and parkways $75,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990.

(6) For carrying out the territorial highway program under section 215(a) of title 23, United States Code—

(A) For the Virgin Islands, $5,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990.

(B) For Guam, $5,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990.

(C) For American Samoa, $1,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990.

(D) For Commonwealth of the Northern Mariana Islands, $1,000,000 per fiscal year for each of the fiscal years ending Septem-

ber 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990.

(7) For carrying out section 402 of title 23, United States Code (relating to highway safety construction programs), by the Federal Highway Administration, $10,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990.

(8) For carrying out sections 307(a) and 403 of title 23, United States Code (relating to highway safety research and development), by the Federal Highway Administration, $10,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990.

(9) For projects for the elimination of hazards under section 152 of title 23, United States Code $175,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990.

(10) For projects for the elimination of hazards of railway-highway crossings on any public road under under section 130 of title 23, United States Code, $175,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990.

INTERSTATE SUBSTITUTE PROGRAM

SEC. 103. Section 103(e)(4) of title 23, United States Code, is amended to read as follows:

"(4) INTERSTATE SUBSTITUTE PROGRAM.—

"(A) WITHDRAWAL OF APPROVAL.—Upon the joint request of a State Governor and the local governments concerned, the Secretary may withdraw approval of any route or portion thereof on the Interstate System which was selected and approved in accordance with this title, if the Secretary determines that such route or portion thereof is not essential to completion of a unified and connected Interstate System and if the Secretary receives assurances that the State does not intend to construct a toll road in the traffic corridor which would be served by the route or portion thereof.

"(B) SUBSTITUTE PROJECTS.—When the Secretary withdraws approval under this paragraph, a sum equal to the Federal share of the cost to complete the withdrawn route or portion thereof, as that cost is included in the latest Interstate System cost estimate approved by Congress, or up to and including the 1983 Interstate Cost Estimate, whichever is earlier, subject to increase or decrease, as determined by the Secretary based on changes in construction costs of the withdrawn route or portion thereof as of the date of approval of each substitute project under this paragraph, or the date of approval of the 1983 Interstate Cost Estimate, whichever is earlier, shall be available to the Secretary to incur obligations for the Federal share of either public mass transit projects involving the construction of fixed rail facilities or the purchase of passenger equipment including rolling stock, for any mode of mass transit, or both, or highway construction projects on any public road or both, which will serve the area or areas from which the Interstate route or portion thereof was withdrawn, which are selected by the responsible local officials of the area or areas to be served, and which are selected by the Governor or the Governors of the State or States in which the withdrawn route was located if the withdrawn route was not within an urbanized area or did not pass through and connect urbanized areas, and which are submitted by the Governors of the States in which the withdrawn route was located.

"(C) DEADLINE FOR WITHDRAWAL.—The Secretary shall not approve any withdrawal of a route under this paragraph after September 30, 1983, except that with respect to any route which on November 6, 1978, is under judicial injunction prohibiting its construction the Secretary may approve withdrawals until September 30, 1986, and except that with respect to any route which on May 12, 1982, is under judicial injunction prohibiting its construction, the Secretary may approve withdrawals on such route until September 30, 1985.

"(D) PROJECT APPROVAL; FEDERAL SHARE.—Approval by the Secretary of the plans, specifications, and estimates for a substitute project shall be deemed to be a contractual obligation of the Federal Government. The Federal share of each substitute project shall not exceed 85 percent of the cost thereof.

"(E) Availability of Funds for Substitute Projects.—

"(i) TIME PERIOD.—The sums apportioned and the sums allocated under this paragraph for public mass transit projects or for projects under any highway assistance program shall remain available in the State of apportionment or allocation for the fiscal year for which apportioned or allocated, as the case may be, and for the succeeding fiscal year.

"(ii) REAPPORTIONMENT OR REALLOCATION.—Any sums which are apportioned or allocated to a State and are unobligated (other than an amount which, by itself, is insufficient to pay the Federal share of the cost of a substitute project which has been submitted by the State to the Secretary for approval) at the end of the period of availability shall be apportioned or allocated, as the case may be, among those States which have obligated all sums (other than such an amount) apportioned or allocated, as the case may be, to them. Such reapportionments shall be in accordance with the latest adjusted estimate of the cost of completing substitute projects, and such reallocations shall be at the discretion of the Secretary.

"(F) ADMINISTRATION OF TRANSIT FUNDS.—The sums obligated for mass transit projects under this paragraph shall become part of, and be administered through, the Urban Mass Transportation Fund.

"(G) AUTHORIZATION OF APPROPRIATIONS FOR HIGHWAY PROJECTS.—For the fiscal year ending September 30, 1982, $257,000,000 shall be available out of the Highway Trust Fund for expenditure at the discretion of the Secretary for projects under highway assistance programs. There shall be available, out of the Highway Trust Fund (other than the Mass Transit Account), to the Secretary for expenditure under this paragraph for projects under highway assistance programs $700,000,000 per fiscal year for each of the fiscal years ending September 30, 1984, and September 30, 1985, and $725,000,000 for the fiscal year ending September 30, 1986, and $650,000,000 per fiscal year for each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990.

"(H) DISTRIBUTION OF SUBSTITUTE HIGHWAY FUNDS.—

"(i) BETWEEN DISCRETIONARY AND APPORTIONED PROGRAMS.—Twenty-five percent of the funds made available by subparagraph (G) for each of the fiscal years ending September 30, 1984, September 30, 1985, September 30, 1986, September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990, for substitute highway projects under this paragraph shall be distributed at the discretion of the Secretary. The remaining 75 percent of such funds shall be apportioned in accordance with cost estimates.

"(ii) 1984 APPORTIONMENT.—The Secretary shall make an estimate of the cost of completing substitute highway projects under this paragraph and transmit the same to the Senate and the House of Representatives as soon as practicable after the date of enactment of the Highway Improvement Act of 1982. Upon approval of such cost estimate by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for substitute highway projects for the fiscal year ending September 30, 1984.

"(iii) 1985 AND 1986 APPORTIONMENTS.—The Secretary shall make a revised estimate of the cost of completing substitute highway projects under this paragraph and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1984, and upon approval by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for substitute highway projects for the fiscal years ending September 30, 1985 and September 30, 1986.

"(iv) SUBSEQUENT APPORTIONMENTS.—In September of 1986 and every September thereafter, the Secretary shall adjust the Interstate substitute cost estimate established in revised Tables 3 and 4, Committee Print 99-69 of the Senate Committees on Environment and Public Works and on Banking, Housing, and Urban Affairs to reflect (1) changes in the amounts available to the Secretary, (2) changes in the State estimates in the division of funds between substitute highway and transit projects, (3) approval of substitute projects, and (4) the allocation and apportionment of substitute highway funds in prior fiscal years and shall use the Federal share of such adjusted estimates in making apportionments for substitute highway projects for fiscal years subsequent to the fiscal year ending September 30, 1986.

"(I) AUTHORIZATION OF APPROPRIATIONS FOR TRANSIT PROJECTS.—There are authorized to be appropriated for liquidation of obligations incurred for substitute transit projects under this paragraph the sums provided in section 4(g) of the Urban Mass Transportation Act of 1964.

"(J) DISTRIBUTION OF SUBSTITUTE TRANSIT FUNDS.—

"(i) BETWEEN DISCRETIONARY AND APPORTIONED PROGRAMS.—Fifty percent of the funds appropriated for each fiscal year beginning after September 30, 1983, for carrying out substitute transit projects under this paragraph shall be distributed at the discretion of the Secretary. The remaining 50 percent of such funds shall be apportioned in accordance with cost estimates approved by Congress.

"(ii) 1984 APPORTIONMENT.—The Secretary shall make an estimate of the cost of completing substitute transit projects under this paragraph and transmit the same to the Senate and the House of Representatives as soon as practicable after the date of the enactment of the Highway Improvement Act of 1982. Upon approval of such cost estimate by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for substitute transit projects for the fiscal year ending September 30, 1984.

"(iii) 1985 and 1986 APPORTIONMENTS.—The Secretary shall make a revised estimate of the cost of completing substitute transit projects under this paragraph and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1984, and upon approval by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for substitute transit projects for the fiscal years ending September 30, 1985, and September 30, 1986.

"(iv) SUBSEQUENT APPORTIONMENTS.—In September 1986 and every September thereafter, the Secretary shall adjust the Interstate substitute cost estimate established in revised Tables 3 and 4, Committee Print 99-69 of the Senate Committees on Environment and Public Works and on Banking, Housing, and Urban Affairs to reflect (1) changes in the amounts available to the Secretary under this paragraph, (2) changes in State estimates of the division of funds between substitute highway and transit projects, (3) approvals of substitute projects, and (4) the allocation and apportionment of substitute transit funds in prior fiscal years and shall use the Federal share of such adjusted estimate in making apportionments for substitute transit projects for fiscal years subsequent to the fiscal year ending September 30, 1986.

"(K) REDUCTION OF INTERSTATE APPORTIONMENT.—

"(i) IN GENERAL.—Unobligated apportionments for the Interstate System in any State where a withdrawal is approved under this paragraph shall, on the date of such approval, be reduced in the proportion that the Federal share of the cost of the withdrawn route or portion thereof bears to the Federal share of the total cost of all Interstate routes in that State as reflected in the latest cost estimate approved by the Congress.

"(ii) EXCEPTION.—In any State where the withdrawal of an Interstate route or portion thereof has been approved under this paragraph prior to the date of the enactment of the Federal-aid Highway Act of 1976, the unobligated apportionments for the Interstate System in that State on such date of enactment shall be reduced in the proportion that the Federal share of the cost to complete such route or portion thereof, as shown on the latest cost estimate approved by Congress prior to such approval of withdrawal, bears to the Federal share of the cost of all Interstate routes in the State, as shown on such cost estimate; except that the amount of such proportional reduction shall be credited with the amount of any reduction in such State's Interstate apportionment which was attributable to the Federal share of any substitute project approved under this paragraph prior to enactment of such Federal-Aid Highway Act.

"(L) APPLICABILITY OF URBAN MASS TRANSPORTATION ACT.—

"(i) SUPPLEMENTARY FUNDS.—Funds available for expenditure to carry out the purposes of this paragraph shall be supplementary to and not in substitution for funds authorized and available for obligation pursuant to the Urban Mass Transportation Act of 1964, as amended.

"(ii) LABOR PROTECTION.—The provisions of section 3(e)(4) of the Urban Mass Transportation Act of 1964, as amended, shall apply in carrying out this paragraph.

"(M) LIMITATION ON INTERSTATE DESIGNATIONS.—After the date of enactment of the Federal-Aid Highway Act of 1978, the Secretary may not designate any mileage as part of the Interstate System pursuant to this paragraph or under any other provisions of law. The preceding sentence shall not apply to a designation made under section 139 of this title.

"(N) OPEN TO TRAFFIC REQUIREMENT.—After September 30, 1979, the Secretary shall not withdraw approval under this paragraph of any route or portion thereof on the Interstate System open to traffic before the date of the proposed withdrawal. Any withdrawal of approval of any such route or portion thereof before September 30, 1979, is hereby determined to be authorized by this paragraph.

"(O) LIMITATION OF SUBSTITUTION FOR STATUTORILY DESIGNATED ROUTES.—Any route or segment which was statutorily designated after March 7, 1978, to be on the Interstate System shall not be eligible for withdrawal or substitution under this subsection.

"(P) RIGHT-OF-WAY PAYBACK.—Of sums made available to the Secretary under this paragraph for a State, an amount equal to the amount expended in Federal funds to purchase right-of-way for the withdrawn route or portion thereof in every case where right-of-way has not been disposed of by the State as of the date of enactment of this sentence shall not be available for release by the Secretary until the right-of-way disposition decision has been made in accordance with 103(e)(5)(B), (6)(B), or (e)(7) of this title. The amount apportioned to each eligible State pursuant to this paragraph shall be based on the full remaining value of the sums made available under this paragraph as determined by the Secretary but the total of such apportionments shall not exceed the remaining value of such sums less the amount unavailable for release by the Secretary. Sums retained by the Secretary shall be made available for apportionment upon partial or full repayment of funds in accordance with section 103(e)(7) of this title or upon determination by the Secretary that, under section 103(e)(5)(B) or (6)(B), repayment is not required.",

APPORTIONMENT

SEC. 104. Section 104 of title 23, United States Code, is amended by:

(a) Striking in paragraph (f)(1) ", except that in the case of funds authorized for apportionment on the Interstate System, the Secretary shall set aside that portion of such funds (subject to the overall limitation of one-half of 1 per centum) on October 1 of the year next preceding the fiscal year for which such funds are authorized for such System." and inserting in lieu thereof a period and by relettering subsection (f) as subsection (b).

(b) Adding a new subsection (c) as follows:

"(c) On October 1 of each of the fiscal years, ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990, the Secretary, after making deductions authorized by subsections (a) and (b) of this section, shall deduct one-quarter per centum of the remaining funds authorized to be appropriated for that fiscal year for the Federal-aid Interstate-Primary program, the urban system, the secondary system, bridge replacement and rehabilitation, Interstate Substitution highway projects, projects for the elimination of hazards of railway-highway crossings, and for the projects for the elimination of hazards under section 152 of this title for the purpose of carrying out the objectives of the Strategic Highway Research Project under section 133 of this title."

(c) Repealing existing subsections (c) and (d).

(d) Existing subsection (b) is amended to read as follows:

"(d) On October 1 of each fiscal year the Secretary, after making the deductions authorized by subsections (a), (b), and (c) of this section, shall apportion the remainder of the sums authorized to be appropriated for expenditure upon the Federal-aid systems for that fiscal year, among the several States in the following manner:

"(1) FOR THE FEDERAL-AID INTERSTATE-PRIMARY PROGRAM—

"(A) For each of the fiscal years 1987, 1988, 1989, and 1990 that portion of $3,000,000,000 remaining after making the deductions authorized by subsections (a), (b), and (c) of this section shall be apportioned in the ratio which the estimated cost of completing the Interstate System in each State bears to the sum of the estimated cost of completing the Interstate System in all of the States as established in revised Table 5, Committee Print 99-68 of the Senate Committee on Environment and Public Works *Provided* that the Secretary shall on October 1, 1986, before making the apportionment required by this paragraph, adjust such Interstate Cost Estimate to reflect (i) all previous credits, apportionments of Interstate construction funds and lapses of previous apportionments of Interstate construction funds, (ii) previous withdrawals of Interstate segments, (iii) previous allocations of Interstate discretionary funds, and (iv) transfers of Interstate construction funds and *Provided* that for each of the fiscal years 1987, 1988, 1989, and 1990, no State, including the State of Alaska, shall receive less than one-half per centum of the total apportionment under this paragraph (A). Whenever amounts made available under this proviso in any State exceed the estimated cost of completing that State's portion of the Interstate System, and exceed the estimated cost of necessary resurfacing, restoration, rehabilitation, and reconstruction of the Interstate System within such State, the excess amount shall be eligible for expenditure on the Primary System (other than the Interstate System), urban and secondary systems and for projects for the elimination of hazards under section 152 of this title.

"(B) For each of the fiscal years 1987, 1988, 1989, and 1990 that portion of $2,800,000,000 remaining after making the deduction authorized by subsections (a), (b), and (c) of this section shall be apportioned as follows: 55 per centum in the ratio that lane miles on the Interstate routes designated under sections 103 and 139(c) of this title (other than those on toll roads not subject to a Secretarial agreement provided for in section 129(k) of this title) in each State bears to the total of all such lane miles in all States; and 45 per centum in the ratio that vehicle miles traveled on lanes on the Interstate routes designated under sections 103 and 139(c) of this title (other than those on toll roads not subject to a Secretarial agreement provided for in section 129(k) of this title) in each State bears to the total of all such vehicle miles in all States. Notwithstanding the preceding sentence, no State excluding any State that has no Interstate lane miles shall receive less than one-half of one per centum of the total apportionment made by this subparagraph for any fiscal year.

"(C) Before making the apportionment under this paragraph (C), the Secretary shall set aside such sums as are necessary to carry out the provisions of subparagraph (C)(iv). For each of the fiscal years 1987,

1988, 1989, and 1990 that portion of $2,350,000,000 remaining after such set aside and after the deductions authorized by subsections (a), (b), and (c) of this section shall be apportioned as follows:

"(i) The Secretary shall determine for each State the higher of the amount which would be apportioned to such State under a formula where (I) two-thirds would be apportioned, one-third in the ratio which the area of each State bears to the total area of all the States, one-third in the ratio which the population of rural areas of each State bears to the total population of rural areas of all the States as shown by the latest available Federal census, and one-third in the ratio which the mileage of rural delivery routes and intercity mail routes where service is performed by motor vehicles in each State bears to the total mileage of rural delivery and intercity mail routes where service is performed by motor vehicles, as shown by a certificate of the Postmaster General, which he is directed to make and furnish annually to the Secretary; and one-third in the ratio which the population in urban areas in each State bears to the total population in urban areas in all the States as shown by the latest Federal census with no State (other than the District of Columbia) to receive less than one-half per centum of each year's apportionment and the amount which would be apportioned to such State under a formula where (II) each State would be apportioned one-half in the ratio which the population of rural areas of each State bears to the total population of rural areas of all the States as shown by the latest available Federal census and one-half in the ratio which the population in urban areas in each State bears to the total population in urban areas in all the States as shown by the latest Federal census.

"(ii) The Secretary shall total the amounts determined for each State under paragraph (i) and shall determine the ratio which the amounts apportioned under this paragraph (C) bears to such total.

"(iii) The amount which shall be apportioned to each State under this paragraph (C) shall be the amount determined for such State under paragraph (i) multiplied by the ratio determined under paragraph (ii).

"(iv) No State shall receive an apportionment under this paragraph (C) which is less than the lower of (I), the amount which the State would be apportioned under the formula in paragraph (i)(I), and (II), the amount which the State would be apportioned under the formula in paragraph (i)(II). No State shall receive less than one-half per centum of the total apportionment under this paragraph (C).

"(2) For the Federal-aid secondary system:

One-third in the ratio which the area of each State bears to the total area of all the States; one-third in the ratio which the population of rural areas of each State bears to the total population of rural areas of all of the States as shown by the latest available Federal census; and one-third in the ratio which the mileage of rural delivery and intercity mail routes where service is performed by motor vehicles, certified as above provided, in each State bears to the total mileage of rural delivery and intercity mail routes where service is performed by motor vehicles in all the States. No State (other than the District of Columbia) shall receive less than one-half of one per centum of each year's apportionment.

"(3) For the Federal-aid urban system:

In the ratio which the population in urban areas, or parts thereof, in each State bears to the total population in such urban areas, or parts thereof, in all the States as shown by the latest available Federal census. No State shall receive less than one-half of one per centum of each year's apportionment.".

(e) Subsection (e) is amended to read as follows:

"(e) on October 1 of each fiscal year the Secretary shall certify to each of the State highway departments the sums apportioned hereunder to each State for such fiscal year, and also the sums which have been deducted pursuant to subsections (a), (b), and (c) of this section. To permit the States to develop adequate plans for the utilization of apportioned sums, the Secretary shall advise each State of the amount that will be apportioned each year under this section not later than ninety days before the beginning of the fiscal year for which the sums to be apportioned are authorized.".

(f) Existing subsection (g) is amended to read as follows:

"(f) Not more than 40 per centum of the amount apportioned in any fiscal year to each State in accordance with sections 130, 144, and 152 of this title, may be transferred from the apportionment under one section to the apportionment under any other of such sections if such a transfer is requested by the State highway department and is approved by the Secretary as being in the public interest. The Secretary may approve the transfer of 100 per centum of the apportionment under one such section to the apportionment under any other of such sections if such transfer is requested by the State highway department, and is approved by the Secretary as being in the public interest, if the Secretary has received satisfactory assurances from such State highway department that the purposes of the program from which such funds are to be transferred have been met.".

(g) Existing subsection (h) is repealed.

(h) Subsection (h) is added as follows:

"(h)(1) The amount apportioned in any fiscal year to each State in accordance with paragraph (2) or (3) of subsection (d) of this section may be transferred from the apportionment under one paragraph to the apportionment under the other paragraph if such transfer is requested by the State highway department and is approved by the Governor of such State and the Secretary as being in the public interest. Funds apportioned in accordance with paragraph (3) of subsection (d) of this section shall not be transferred from their allocation to any urbanized area of two hundred thousand population or more under section 150 of this title without the approval of the local officials of such urbanized area.

"(2) In the case of transfers under paragraph (1), the total of all transfers during any fiscal year to any apportionment shall not increase the original amount of such apportionment for such fiscal year by more than 50 per centum. Not more than 50 per centum of the original amount of any apportionment for any fiscal year shall be transferred to other apportionments.".

LETTING OF CONTRACTS

SEC. 105. Section 112(b) of title 23, United States Code, is amended by inserting "or that an emergency situation exists" before the period at the end of the first sentence.

AVAILABILITY

SEC. 106. Section 118 of title 23, United States Code, is amended to read as follows:

"SEC. 118. AVAILABILITY—

"(a) On and after the date that the Secretary has certified to each State the sums apportioned or allocated pursuant to an authorization under this title such sums shall be available for obligation under the provisions of this title.

"(b)(1) Sums apportioned for the Federal-aid Interstate-primary program, for the Federal-aid secondary system and for the Federal-aid urban system in a State shall continue available for obligation in that State for the appropriate program and system for a period of three years after the close of the fiscal year for which such sums are authorized and any amounts so apportioned remaining unobligated at the end of such period shall lapse.

"(2)(A) Sums apportioned for bridge replacement and rehabilitation in a State shall remain available for obligation in that State for a period of three years after the close of the fiscal year for which the sums are authorized and any amounts apportioned remaining unobligated at the end of the period shall be allocated by the Secretary pursuant to section 144(g)(2) of this title.

"(B) Sums allocated for bridge replacement and rehabilitation in a State shall remain available for obligation in that State until the close of the fiscal year of allocation and any amount allocated remaining unobligated at the end of the period shall be reallocated by the Secretary pursuant to section 144(g)(2) of this title.

"(3) Sums apportioned or allocated for a particular purpose for any fiscal year shall be deemed to be obligated if a sum equal to the total of the sums apportioned or allocated to the State for such purpose for such fiscal year and previous fiscal years is obligated. Any funds released by the payment of the final voucher or by the modification of the formal project agreement shall be credited to the same class of funds previously apportioned or allocated to the State and be immediately available for obligation.".

INTERSTATE SYSTEM RESURFACING

SEC. 107. (a) Section 119(a) of title 23, United States Code, is amended by (1) striking "section 105 of the Federal-Aid Highway Act of 1978" and inserting in lieu thereof "section 129(k) of this title" and by (2) striking the next to the last sentence.

(b) Section 119(b) of title 23, United States Code, is amended by (1) striking "for the Interstate system shall" and inserting in lieu thereof "shall", by (2) striking "equal to 10 per centum" and inserting in lieu thereof "of not more than 10 per centum", and by (3) striking "104" and inserting in lieu thereof "104(d)(1)(A)".

(c) Section 119(d) is repealed.

FEDERAL SHARE PAYABLE

SEC. 108. (a) Subsection (a) of section 120, title 23, United States Code, is amended by striking "financed with primary" and inserting in lieu thereof "financed with Interstate-primary" and by inserting "(other than the Interstate System)" after "primary system".

(b) Subsection (b) of section 120, title 23, United States Code, is repealed.

(c) Subsection (c) of section 120, title 23, United States Code, is amended by striking "provided for by funds made available under the provisions of section 108(b) of the Federal-Aid Highway Act of 1956 shall be increased to" and inserting in lieu thereof ", as designated in section 103 of this title and as designated prior to March 9, 1984, in section 139(a) and (b) of this title financed with Interstate-primary funds shall not exceed".

(d) Subsection (f) of section 120 of title 23, United States Code, is amended by striking "shall not exceed 100 per centum of the cost thereof: *Provided*" and inserting in lieu thereof "on account of any project on a Federal-aid highway system, including the Interstate System, shall not exceed the Federal share payable of a project on a system as provided in subsections (a) and (c) of this section: *Provided*, That the Federal share payable for eligible emergency repairs to minimize damage, protect facilities or restore essential traffic accomplished within thirty days after the actual occurrence may amount to 100 per centum of the costs thereof: *And provided further*".

(e)(1) The second subsection (i), subsection (j), and subsection (k) of section 120 of title 23, United States Code, are relettered as subsection (j), (k), and (l), respectively.

(2) The second subsection (i) of section 120, title 23, United States Code, relettered as subsection (j), is amended by inserting "104(b) and" before "307(c)".

(f) Subsection (m) is added to section 120 of title 23, United States Code, as follows: "Notwithstanding other provisions of this title, a State may contribute an amount in excess of its normal share on a project constructed under this title so as to decrease the Federal share payable on such project: *Provided*, that the use of this provision shall be subject to criteria established by the Secretary.".

(g) Section 120(f) of title 23, United States Code, as amended by this section is effective for all natural disasters or catastrophic failures which occur subsequent to enactment of this Act.

RELOCATION OF UTILITY FACILITIES

SEC. 109. Section 123(a) of title 23, United States Code, is amended to read as follows:

"(a) When a State pays for the cost of relocation of utility facilities necessitated by the construction of a project on the Federal-aid primary system including the Interstate System, or under a Federal-aid program, or under the State's safety improvement program for the elimination of hazards to the traveling public resulting from the utility facilities on or near the right-of-way of highways on the Federal-aid primary system including the Interstate system, Federal funds may be used to reimburse the State for such cost in the same proportion as Federal funds are used on the project.".

EMERGENCY RELIEF

SEC. 110. Section 125 of title 23, United States Code, is amended by adding subsection (d) as follows:

"(d) For purposes of this section, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands shall be considered to be States and part of the United States, and the chief executive officer of each territory shall be considered to be a Governor of a State. The Secretary may expend funds from the sums authorized for this section for the repair or reconstruction of highways eligible for assistance under section 215 of this title: *Provided*, that obligations for projects under this subsection shall not exceed $5,000,000 in any fiscal year.".

VEHICLE WEIGHT LIMITATIONS—INTERSTATE SYSTEM

SEC. 111. Section 127(a) of title 23, United States Code, is amended by striking "authorized to be appropriated for any fiscal year under provisions of the Federal-Aid Highway Act of 1956 shall be apportioned" and inserting in lieu thereof "shall be apportioned under section 104(d)(1)(A) of this title" and by (b) adding after the word "lapse" the following: "if not released and obligated within the availability period specified in section 118(b)(1) of this title".

TOLL FACILITIES

SEC. 112. (a) Section 129 of title 23, United States Code, is amended by adding the following new subsections:

"(j)(1) Each operator of toll roads, toll tunnels, toll ferries, and toll bridges, other than an international toll facility or toll facility subject to an agreement under this section or section 105 of the Surface Transportation Assistance Act of 1978, on a Federal-aid system in a State shall biennially certify to the Governor of the State that such facilities are adequately maintained and that the operator of such toll facility has the ability to fund the replacement or repair of any such facilities that are not adequately maintained without using Federal-aid highway funds. Failure to certify shall preclude Federal funding out of the Highway Trust Fund of any facilities owned or operated by the operator of such toll facility.

"(2) The Governor shall report biennially to the Secretary the toll facilities subject to paragraph (1) of this subsection, that have so certified and those which have not certified in accordance with paragraph (1) of this subsection. If funds from the Highway Trust Fund are used to repair or replace such toll facilities, the State's apportionments for the following fiscal year under section 104 of this title shall be reduced by the amount of Highway Trust Fund moneys expended: *Provided*, That such reduction shall not be made if the State has executed an agreement covering such toll facilities under this section or section 105 of the Surface Transportation Assistance Act of 1978.".

"(k) Sums apportioned to a State for the Federal-aid Interstate Primary program or for Interstate System resurfacing may be obligated for projects for resurfacing, restoring, and rehabilitating lanes in use for more than five years on a toll road which has been designated as a part of the Interstate System if an agreement satisfactory to the Secretary of Transportation has been reached with the State highway department and any public authority with jurisdiction over such toll road prior to the approval of such project that the toll road will become free to the public upon the collection of tolls sufficient to liquidate the cost of the toll road or any bonds outstanding at the time constituting a valid lien against it, and the cost of maintenance and operation and debt service during the period of toll collections. The agreement referred to in the preceding sentence shall contain a provision requiring that if, for any reason, a toll road subject to an agreement does not become free to the public upon collection of sufficient tolls, as specified in the preceding sentence, Federal funds used for projects on such toll road pursuant to this subsection shall be repaid to the Federal Treasury and a provision requiring that if such repayment does not equal or exceed Federal funds apportioned to a State by reason of including toll road mileage in an apportionment formula, the State's apportionment shall be reduced by the amount needed to make the repayment equal such apportionment.

(b) Section 105 of the Federal-Aid Highway Act of 1978 is amended by striking the last two sentences.

RAILWAY-HIGHWAY CROSSINGS

SEC. 113. (a) Section 130 of title 23, United States Code, is amended by adding subsections (d), (e), (f), (g), and (h) as follows:

"(d) Each State shall conduct and systematically maintain a survey of all highways to identify those railroad crossings which may require separation, relocatioin, or protective devices, and establish and implement a schedule of projects for this purpose. At a minimum, such a schedule shall provide signs for all railroad-highway crossings.

"(e) At least half of the funds authorized for and expended under this section shall be available for the installation of protective devices at railway-highway crossings. Sums authorized to be appropriated for this section shall be available for obligation in the same manner as funds apportioned under section 104(d)(1) of title 23, United States Code.

"(f) 25 per centum of the funds authorized for this section shall be apportioned to the States in the same manner as sums apportioned under section 104(d)(2) of title 23, United States Code, 25 per centum of such funds shall be apportioned to the States in the same manner as apportioned under section 104(d)(3) of title 23, United States Code, and 50 per centum of such funds shall be apportioned to the States in the ratio that total rail-highway crossings in each State bears to the total of such crossings in all States. The Federal share payable on account of any project financed with funds authorized for this section shall be 90 per centum of the cost thereof.

"(g) Each State shall report to the Secretary of Transportation not later than December 30 of each year on the progress being made to implement the railroad-highway crossings program authorized by this section and the effectiveness of such improvements. Each State report shall contain an assessment of the costs of the various treatments employed and subsequent accident experience at improved locations. The Secretary of Transportation shall submit a report to the Senate Environment and Public Works Committee and the House Public Works and Transportation Committee of the Congress not later than April 1 of each year, on the progress being made by the State in implementing projects to improve railroad-highway crossings. The report shall include, but not be limited to, the number of projects undertaken, their distribution by cost range, road system, nature of treatment, and subsequent accident experience at improved locations. In addition, the Secretary's report shall analyze and evaluate each State program, identify any state found not to be in compliance with the schedule of improvements required by subsection (d) and include recommendations for future implementation of the railroad highway crossings program.

"(h) Funds authorized for this section may be used to provide local government with funds to be used on a matching basis when State funds are available which may only be spent when local government produces matching funds for the improvement of railroad crossings.".

(b) Section 203 of the Highway Safety Act of 1973 is repealed.

STRATEGIC HIGHWAY RESEARCH PROGRAM

SEC. 114. Title 23, United States Code, is amended by adding section 133 as follows:

"SEC. 133. (a) Strategic highway research program.

The sums provided by section 104(c) of this title shall be available for obligation

when deducted to implement the Strategic Highway Research Program (SHRP). The Secretary is authorized to carry out the SHRP in cooperation with the State highway departments, as represented by the American Association of State Highway and Transportation Officials (AASHTO). The Secretary shall set standards to use the funds under this paragraph to conduct research, development and technology transfer activities determined to be strategically important to the national highway transportation system. The Secretary may provide grants to, and enter into cooperative agreements with, AASHTO and/or the National Academy of Sciences to conduct appropriate portions of the SHRP. Advance payments may be made as necessary to facilitate such cooperative agreements. No State matching share is required for the sums made available under this section. The sums provided by this section shall be combined and administered by the Secretary as a single fund which shall be available for obligation for the same period as funds apportioned for the Federal-aid Interstate-primary program.

"(b) The Secretary shall transmit a report annually beginning on January 1, 1988, to the Senate Environment and Public Works Committee and the House Public Works and Transportation Committee of the Congress which provides information on the progress and research findings of the Strategic Highway Research Program.".

SECTION 139 ROUTES

SEC. 115. The last sentence of section 139(a), the fourth sentence of 139(b), and the last sentence of section 139(c) of title 23, United States Code, are each amended by striking "sections 104(b)(1) and 104(b)(5)(B)" and inserting in lieu thereof "section 104(d)(1)".

OFF-SYSTEM BRIDGE PROGRAM

SEC. 116. Section 144, title 23, United States Code, is amended by adding a new subsection as follows:

"(n) Notwithstanding any other provision of law, with respect to any project not on a Federal-aid highway system for the replacement of a bridge or rehabilitation of a bridge which is wholly funded from State and local sources, is eligible for Federal funds under section 144 of title 23, United States Code, is noncontroversial, is certified by the state to have been carried out in accordance with all standards applicable to such projects under section 144, and is determined by the Secretary upon completion to be no longer a deficient bridge, any amount expended after the effective date of this section, from such State and local sources for such project in excess of 20 per centum of the cost of construction thereof may be credited to the non-Federal share of the cost of the projects in such State which are eligible for Federal funds under section 144, in accordance with procedures established by the Secretary.".

ELIGIBILITY

SEC. 117. Title 23, United States Code, is amended by adding section 153 as follows:

"SEC. 153. Eligibility.

State or local taxes which are based upon the amount of a federally assisted contract or which are assessed upon construction materials to be incorporated into a federally assisted project are not items eligible for Federal reimbursement under this title."

MINIMUM ALLOCATION

SEC. 118. (a) Section 157(a) of title 23, United States Code, is amended to read as follows:

"(a) Beginning with fiscal year 1987, as soon as practicable after the date of enactment of the Federal-Aid Highway Act of 1986 and in each of the fiscal years thereafter, on October 1, the Secretary of Transportation shall allocate among the States, as defined in section 101 of this title, amounts sufficient to insure that a State's percentage of the total apportionments in each such fiscal year and allocations for the prior fiscal year for Federal-aid highway programs, except allocations for forest highways, Indian reservation roads, and parkways and park roads in accordance with section 202 of this title, highway related safety grants authorized by section 402 of this title, nonconstruction safety grants authorized by sections 402, 406, and 408 of this title, and Bureau of Motor Carrier Safety Grants authorized by section 404 of the Surface Transportation Assistance Act of 1982, shall not be less than 85 per centum of the percentage of estimated tax payments attributable to highway users in that State paid into the Highway Trust Fund, other than the Mass Transit Account, in the latest fiscal year for which data are available.".

(b) The amendment made by subsection (a) shall become effective on October 1, 1986.

(c) Title 23, United States Code, section 157(c) is amended by striking the "and" that precedes "September 30, 1986" and inserting after "1986" the following: ", September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990".

FEDERAL-AID INTERSTATE-PRIMARY PROGRAM

SEC. 119. Title 23, United States Code, is amended by adding section 159 as follows:

"SEC. 159

"SEC. 159. Federal-aid Interstate-primary program.

"(a) It is the national policy to bring all elements of the primary system up to standards established pursuant to section 109 of this title. To accomplish this policy the Federal-aid Interstate-primary program shall consist of projects for the construction, reconstruction, rehabilitation, restoration, and resurfacing or improvement of the primary system as designated in section 103(a) of this title and the Interstate System as designated in section 103(c)(1) and section 139 of this title.

"(b) In approving projects under this section, the Secretary shall give priority consideration to projects to complete essential gaps on the Interstate System and for the reconstruction, rehabilitation, restoration, and resurfacing of existing highway facilities. Reconstruction may include, but is not limited to, the addition of travel lanes and the construction and reconstruction of interchanges and overcrossings along existing completed Interstate routes, including the acquisition of right-of-way where necessary.".

INCOME FROM RIGHTS-OF-WAY

SEC. 120. Title 23, United States Code, is amended by adding section 160 as follows:

"SEC. 160. Income from rights-of-way.

"Net income that a State receives from the use, lease, or sale of right-of-way airspace acquired as a result of a project under this title shall be used by the State for projects eligible under this chapter."

TERRITORIAL HIGHWAY PROGRAM

SEC. 121. Subsection (f) of section 215 of title 23, United States Code, is amended to read as follows:

"(f) The provisions of chapter 1 of this title that are applicable to Federal-aid Interstate-primary program funds and to projects on the Federal-aid primary system other than the Interstate System shall apply to funds authorized to be appropriated to carry out this section, to funds obligated under this section and to projects carried out under this section except as determined by the Secretary to be inconsistent with this section. There shall be designated in each territory, a territorial Federal-aid highway system which will include all highways eligible for funding under this section. The system shall be designated by the highway department of the territory and be subject to the approval of the Secretary. Funding provided under this section shall only be available for highway construction projects on the territorial Federal-aid system.".

BICYCLE PROJECTS ELIGIBILITY

SEC. 122. The second sentence of section 217(b)(1) of title 23, United States Code, is amended by inserting "and sums apportioned or allocated for highway substitute projects in accordance with section 103(e)(4) of this title" after the word "title".

HIGHWAY PLANNING AND RESEARCH

SEC. 123. Section 307(c)(1) of title 23, United States Code, is amended by inserting after "section 104 of this title," the following: "and for highway projects, section 103(e)(4)."

NATIONAL HIGHWAY INSTITUTE

SEC. 124. Subsections (b) and (c) of section 321 of title 23, United States Code, are amended to read as follows:

"(b) Not to exceed one-quarter per centum of all Federal-aid Interstate-primary program funds, apportioned to a State under section 104 of this title shall be available for expenditure by the State highway department, subject to approval by the Secretary, for payment of not to exceed 75 per centum of the cost of tuition and direct educational expenses (but not travel, subsistence, or salaries) in connection with the education and training of State and local highway department employees as provided in this section.

"(c) Education and training of Federal, State, and local highway employees authorized by this section shall be provided by the Secretary at no cost to the States and local governments for those subject areas which are a Federal program responsibility, or, in the case where such education and training are to be paid for under subsection (b) of this section, by the State, subject to the approval of the Secretary, through grants and contract with public and private agencies, institutions, individuals and the Institute.".

RIGHT-OF-WAY DONATION

SEC. 125. (a) Notwithstanding any other provision of title 23, United States Code, the State matching share for a project under title 23, United States Code, my be credited by the fair market value of land incorporated into the project and lawfully donated to the State after the effective date of this subsection. For purposes of this subsection the fair market value of donated land shall be established after the date the donation becomes effective or when equitable title to the land vests in the State, whichever is earlier. This subsection shall not apply to donations made by an agency of a Federal, State or local government. The credit received by a State pursuant to this subection may not exceed the State's matching share for the project to which the donation is applied.

(b) Section 323 of title 23, United States Code, is amended by—

(1) inserting after "Donations." an "(a)"; and

(2) inserting the following new subsection:

"(b)(1) A gift or donation in accordance with subsection (a) may be made at any time during the development of a project: *Provided*, That any document executed as part of such donation clearly indicates that—

"(i) all alternatives to a proposed alignment will be studied and considered pursuant to the National Environmental Policy Act;

"(ii) acquisition of property under this subsection shall not influence the environmental assessment of a project including the decision relative to the need to construct the project or the selection of a specific location; and

"(iii) any property acquired by gift or donation shall be revested in the grantor or successors in interest if such property is not required for the alignment chosen after public hearings and completion of the environmental document.".

(c) Section 4651 of title 42, United States Code, is amended as follows:

(1) insert after "programs" in the first sentence the following "to promote joint projects between States and landowners and other entities in order to maximize Federal and State dollars";

(2) insert new paragraph (10) as follows:

"(10) Promotion of joint projects wherein private citizens and other governmental entities participate in the cost through land donations and/or financial contributions is consistent with Federal policy and should be encouraged by all Federal agencies. To this end donations of right-of-way and/or financial contributions by a State or other political subdivision, or any person is permissible.".

(d) Notwithstanding any other provision of law, the fair market value of any lands which have been or in the future are donated or dedicated to the State of California necessary for the right-of-way for relocation and construction of California State Route 73 in Orange County, California, from its interchange with Interstate Route I-405 to its interchange with Interstate Route I-5 shall be included as a part of the cost of such relocation and construction project and shall be credited first toward payment of the non-Federal share of the cost of such relocation and construction project. If the fair market value of such lands exceeds the non-Federal share of such relocation and construction project, then the excess amount, upon the request of the State of California, shall be credited toward the non-Federal share of the cost of any other project on the Federal-aid system in the State of California. To further the purposes of this section and section 323 of title 23, United States Code, any recorded irrevocable offer of dedication or donation of property within the right-of-way shall be considered as part of the State right-of-way acquisition for purposes of this section if such offer is irrevocable and effective no later than such time as the State of California requests final reimbursement for the Federal share. In no case shall the amount of Federal-aid reibursement to the State of California on account of such relocation and construction project exceed the actual cost to the State for such project.

PROHIBITION AGAINST DISCLOSURE AND ADMISSION AS EVIDENCE OF STATE REPORTS AND SURVEYS

SEC. 126. Chapter 4 of title 23, United States Code, is amended by adding section 409 as follows:

"SEC. 409. Reports, surveys; disclosures; admission as evidence.

Notwithstanding any other provision of law, reports, surveys, schedules, lists, or data compiled with the purpose of identifying, evaluating, or planning the safety enhancement of potential accident sites, hazardous roadway conditions, or rail-highway crossings, pursuant to sections 130, 144, and 152 of title 23, United States Code, or for the development of any highway safety construction improvement project which may be implemented utilizing Federal-aid highway funds shall not be admitted into evidence, or considered for other purposes, in any action for damages arising from any matter mentioned or addressed in such reports, surveys, schedules, lists or data.".

BUY AMERICA

SEC. 127. Section 165(a) of the Surface Transportation Assistance Act of 1982 is amended to read as follows:

"Notwithstanding any other provision of law, the Secretary of Transportation shall not obligate any funds authorized to be appropriated by this Act or by any Act amended by this Act or, after the date of enactment of this Act, any funds authorized to be appropriated to carry out this Act, title 23, United States Code, the Urban Mass Transportation Act of 1964, or the Surface Transportation Assistance Act of 1978 and administered by the Department of Transportation, for projects whose total cost exceed $500,000, unless steel and manufactured products used in such projects are produced in the United States.".

REGULATION OF TOLLS

SEC. 128. (a) Section 4 of the General Bridge Act of 1906 (34 Stat. 85, 33 U.S.C. 494), as amended, is further amended by deleting the last sentence thereof.

(b) Section 17 of the Act of June 10, 1930 (46 Stat. 552, 33 U.S.C. 498a), as amended, is repealed.

(c) Section 1 of the Act of June 27, 1930 (46 Stat. 821, 33 U.S.C. 498b), as amended, is repealed.

(d) Sections 1-5 of the Act of August 21, 1935 (49 Stat. 670, 33 U.S.C. 503-507), as amended, are repealed.

(e) Sections 503 and 506 of the General Bridge Act of 1946 (60 Stat. 847, 848, 33 U.S.C. 526, 529), as amended, are repealed.

(f) Section 133 of Public Law 93-87 (87 Stat. 267, 33 U.S.C. 526a) is repealed.

(g) Section 6 of the International Bridge Act of 1972 (86 Stat. 732, 33 U.S.C. 535d) is repealed.

(h) Section 6(g)(4) of the Department of Transportation Act (80 Stat. 937, 49 U.S.C. 1655(g)(4)) is repealed.

(i) Tolls for passage or transit over any bridge constructed under the authority of the Bridge Act of 1906, as amended, the General Bridge Act of 1946, as amended, and the International Bridge Act of 1972, shall be just and reasonable.

MASS TRANSIT ACCOUNT MINIMUM ALLOCATION

SEC. 129. (a) Notwithstanding any other provision of law, as soon as is practicable in each fiscal year, commencing with the fiscal year ending September 30, 1987, the Secretary shall allocate among the States from the appropriations made from the Mass Transit Account of the Highway Trust Fund for such fiscal year, amounts sufficient to insure that a State's percentage of total allocations from the Mass Transit Account for such fiscal year, shall not be less than 85 per centum of the percentage of estimated tax payments attributable to highway users in that State paid into the Mass Transit Account in the latest fiscal year for which data are available. For purposes of this section a State is any one of the 50 States and the District of Columbia.

(b) Notwithstanding any other provision of law, amounts allocated pursuant to subsection (a) of this section shall be available for obligation when allocated for the fiscal year in which allocated plus the three succeeding fiscal years, shall be subject to the appropriate provisions of title 23, United States Code, and the Urban Mass Transportation Act of 1964, as amended, as determined by the Secretary of Transportation, and shall be available for obligation for any projects authorized by the Urban Mass Transportation Act of 1964, as amended, and for highway construction projects on any public road.

DISADVANTAGED BUSINESS ENTERPRISE

SEC. 130. (a) CONTRACTING GOAL.—Except as the Secretary determined otherwise, not less than 10 per centum of the amounts authorized to be appropriated under this title or obligated under title 1 of Public Law 97-424 after the effective date of this Act shall be expended with small business concerns owned and controlled by socially and economically disadvantaged individuals.

(b) DEFINITIONS.—For the purposes of this section:

(1) "disadvantaged business enterprise" means a small business concern owned and controlled by socially and economically disadvantaged individuals;

(2) "small business concern" is defined by section 3 of the Small Business Act (15 U.S.C. 632), except that a small business concern shall not include any concern or group of concerns controlled by the same socially and economically disadvantaged individual or individuals which has annual average gross receipts in excess of $10 million, as adjusted by the Secretary for inflation; and

(3) "socially and eocnomically disadvantaged individuals" is defined by sections 8(d)(2)(C) of the Small Business Act (15 U.S.C. 637(d)(2)(C)), except that women shall be presumed to be socially and economically disadvantaged individuals.

(c) TECHNICAL ASSISTANCE.—Amounts expended for technical assistance to benefit disadvantaged business enterprises may be used to meet up to 10 per centum of the amounts required to be expended on a contract or subcontract with a disadvantaged business enterprise under the provisions of this section.

(d) UNIFORM CERTIFICATION.—The Secretary shall establish minimum uniform criteria for state governments to use in certifying whether a concern is a disadvantaged business enterprise for the purposes of this section. Such minimum uniform criteria shall include but not be limited to on-site visits, personal interviews, licenses, analysis of stock ownership, listing of equipment, analysis of bonding capacity, listing of work completed, resume of principal owners, financial capacity, and type of work preferred.

(e) LEVEL OF EFFORT BY SUBCONTRACTORS.—

(1) Amounts expended with a disadvantaged business enterprise for subcontracting work shall not be used to meet any part of the goal established by this section unless such enterprise performs with its own organization subcontract work amounting to not less than 30 per centum of the subcontract price not including materials and supplies.

(2) A State government may reduce the 30 per centum requirement of paragraph (1) for a particular contract if it determines that such a reduction would be in the public

interest and that the level of effort by the disadvantaged business enterprise is consistent with industry practice by subcontractors for the type of work involved.

(3) Except for contracting arrangements approved in advance by the State government, any payments from a disadvantaged business enterprise to the prime contractor or any affiliate shall not be used to meet any part of the goal established by this section.

(f) PRIME CONTRACTS.—Except as the Secretary determines otherwise, amounts equal to not less than 5 per centum in 1988, not less than 7 per centum in 1989 and not less than 10 per centum in 1990, of the goal established by this section for a State shall be expended on contracts directly between a State government and a disadvantaged business enterprise.

(g) APPLICABILITY.—Section 105(f) of Public Law 97-424 shall not apply to amounts authorized under title 1 of such Act and obligated after the effective date of this Act.

RELEASE OF CONDITION RELATING TO CONVEYANCE OF A CERTAIN HIGHWAY

SEC. 131. Notwithstanding paragraph (1) of subsection (b) of section 146 of the Federal-Aid Highway Act of 1970 (84 Stat. 1739) and any agreement entered into under such subsection, no conveyance of any road or portion thereof shall be required to be made under such paragraph or agreement to the State of Maryland and the State of Maryland shall not be required to accept conveyance of any such road or portion. Funds authorized by such section may be obligated and expended without regard to any requirement of such paragraph or agreement that such conveyance be made.

WASTE ISOLATION PILOT PROJECT

SEC. 132. For the fiscal year ending September 30, 1986, and thereafter, there is authorized to be appropriated $58,000,000 to remain available until expended for the upgrading of certain highways in the State of New Mexico for the transportation of nuclear waste generated during defense-related activities.

OBLIGATION LIMITATION

SEC. 133. (a) Notwithstanding any other provisions of law, the total of all obligations for Federal-aid highways and highway safety construction programs shall not exceed—

(1) $12,350,000,000 for fiscal year 1987;

(2) $12,350,000,000 for fiscal year 1988;

(3) $12,350,000,000 for fiscal year 1989; and

(4) $12,350,000,000 for fiscal year 1990.

These limitations shall not apply to obligations of emergency relief under section 125 of title 23, United States Code, and projects under section 157 of title 23, United States Code.

(b) For each of the fiscal years 1987, 1988, 1989 and 1990, the Secretary of Transportation shall distribute the limitation imposed by subsection (a) by allocation in the ratio which sums authorized to be apropriated for Federal-aid highways and highway safety construction which are apportioned or allocated to each State for such fiscal year bears to the total of the sums authorized to be appropriated for Federal-aid highways and highway safety construction which are apportioned or allocated to all the States for such fiscal year.

(c) During the period October 1 through December 31, 1986, no State shall obligate more than 35 per centum of the amount distributed to such State under subsection (b) for fiscal year 1987, and the total of all State obligations during such period shall not exceed 25 per centum of the total amount distributed to all States under such subsection for such fiscal year.

(d) Notwithstanding subsections (b) and (c), the Secretary shall—(1) provide all States with authority sufficient to prevent lapses of sums authorized to be appropriated for Federal-aid highways and highway safety construction which have been apportioned or allocated to a State;

(2) after August 1 of each of the fiscal years 1987, 1988, 1989, and 1990 revise a distribution of the funds made available under section (b) for such fiscal year if a State will not obligate the amount distributed during such fiscal year and redistribute sufficient amounts to those State able to obligate amounts in addition to those previously distributed during such fiscal year giving priority to those States having large unobligated balances of funds apportioned under section 104 of title 23, United States Code, and giving priority to these States which, because of statutory changes made by the Surface Transportation Assistance Act of 1982 and the Federal-Aid Highway Act of 1981, have experienced substantial proportional reductions in their apportionments and allocations; and

(3) not distribute amounts authorized for administrative expenses, Federal lands highways, and the Strategic Highway Research Program.

HISTORIC BRIDGES

SEC. 134. (a) Congress hereby finds and declares it to be in the national interest to encourage the rehabilitation, reuse and preservation of bridges significant in American history, architecture, engineering and culture. Historic bridges are important links to our past, serve as safe and vital transportation routes in the present, and can represent significant resources for the future.

(b) The Secretary shall, in cooperation with the State, implement the programs described in Section 144 of this title in a manner that encourages the inventory, retention, rehabilitation, adaptive reuse and future study of historic bridges.

(c) The Secretary shall require each State to complete an inventory of all bridges on and off the Federal-aid system to determine their historic significance.

(d) Reasonable costs associated with actions to preserve, or reduce the impact of the project on, the historic integrity of historic bridges which continue to be used for motorized vehicular traffic shall be eligible as reimbursable project costs, including projects authorized pursuant to Section 144 of this title, provided that the load capacity and safety features of the resulting bridge are adequate to serve the intended use for the life of the facility. Funding pursuant to Section 144 of this title for actions to preserve, or reduce the impact of the project on, the historic integrity of historic bridges which are no longer used for motorized vehicular traffic shall not exceed the estimated cost of demolition.

(e) Any State which proposes to demolish a historic bridge for a replacement project with funds made available pursuant to Section 144 of this title, shall make the bridge available for donation to a State, locality, or responsible private entity provided such State, locality, or responsible entity enters into an agreement to:

(1) maintain the bridge and the features that give it its historic significance and

(2) assume all future legal and financial responsibility for the bridge, which may include an agreement to hold the State highway agency harmless in any liability action. Costs incurred by the State to preserve the historic bridge, including funds made available to the State, locality, or private entity to enable it to accept the bridge, shall be eligible project costs under chapter 1 of this title up to an amount not to exceed the cost of demolition. Any bridge preserved pursuant to this subsection shall thereafter not be eligible for any other funds authorized pursuant to this title.

(f) For purposes of this section, "historic bridge" means any bridge that is listed on, or eligible for listing on, the National Register of Historic Places.

(g) The Secretary of Transportation shall make appropriate arrangements with the Transportation Research Board of the National Research Council to carry out a study of the section 144 bridge program's effect on the preservation and rehabilitation of historic bridges. The Transportation Research Board shall also develop recommendations of specific standards which shall apply only to the rehabilitation of historic bridges, and shall provide an analysis of any other factors which would serve to enhance the rehabilitation of historic bridges.

FOREST HIGHWAYS

SEC. 135. Notwithstanding section 202(a) of title 23, United States Code, the Secretary of Transportation shall, after making the transfer provided by section 204(g) of title 23, United States Code, on October 1, of each of the fiscal years ending September 30, 1987, September 30, 1988, September 30, 1989, and September 30, 1990, allocate 66 per centum of the remainder of the authorization for forest highways provided for that fiscal year by this Act in the same percentage as the amounts allocated for expenditure in each State and the Commonwealth of Puerto Rico from funds authorized for forest highways for the fiscal year ending June 30, 1958, adjusted to (1) eliminate the 0.003,243,547 per centum for the State of Iowa to the State by deed executed May 26, 1964, and (2) redistribute the above percentage formerly apportioned to the State of Iowa for other participating States on a proportional basis. The remaining funds authorized to be appropriated for forest highways for such fiscal years shall be allocated pursuant to section 202(a) of title 23, United States Code.

WILDFLOWERS

SEC. 136. Section 319 of title 23, United States Code, is amended by inserting an "(a)" after section 319 and inserting the following new subsection.

"(b) The Secretary shall require the planting of native wildflower seeds and/or seedlings as part of any landscaping project under this section. At least one-quarter per centum of the funds expended for landscaping projects shall be used for such plantings. The requirements of this subsection may be waived by the Secretary if the State certifies that such native wildflowers or seedlings cannot be grown satisfactorily or planting areas are limited or otherwise used for agricultural purposes. Nothing in this subsection shall be construed to prohibit the acceptance of native wildflower seeds or seedlings donated by civic organizations or other organizations and individuals to be used in landscaping projects.".

COMBINED ROAD PLAN DEMONSTRATION PROGRAM

SEC. 137. (a) The Secretary of Transportation, in cooperation with up to 10 States,

shall conduct a Combined Road Program Demonstration to test the feasibility of approaches for combining, streamlining and increasing the flexibility in the administration of the Federal-aid secondary, Federal-aid urban and off-system urban and secondary bridge programs. The demonstration shall place as much responsibility as feasible with State and local governments including, but not limited to, the granting of design exceptions and the conduct of final inspections.

(b) As soon as is practicable, upon completion of the demonstration project, the Secretary of Transportation shall submit a report to the Congress evaluating the effectiveness of the demonstration and making needed recommendations.

CALIFORNIA EMERGENCY RELIEF

SEC. 138. Section 125(b) of title 23, United States Code, is amended by inserting after $30,000,000" the following: "(or $100,000,000 with respect to natural disasters and catastropic failures occurring in calendar year 1986)".

INTERIM AMENDMENTS

SEC. 139. (a) Unobligated balances of Interstate construction funds apportioned or allocated to a State and available to a State on September 30, 1986, shall be available for obligation for Interstate construction projects or to convert Advance Construction Interstate projects until October 1, 1990. Federal Interstate construction funds shall not be used to reimburse the State under 23 U.S.C. 123(a) when the payment to the utility violates the law of the State or violates a legal contract between the utility and the State. Projects constructed under this subsection are eligible for the Federal share payable provided in 23 U.S.C. 120(b). Interstate discretionary funds unallocated on September 30, 1986, shall be available for allocation until October 1, 1990.

(b) Unobligated balances apportioned to a State under 23 U.S.C. 104(b)(1) and 23 U.S.C. 104(b)(5)(B) shall be available for obligation for projects under 23 U.S.C. 159.

(c) Unobligated balances apportioned to the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands under the provisions of section 108 of the Highway Improvement Act of 1982 shall be considered to have been authorized to be appropriated to carry out the provisions of section 215 of title 23, United States Code.

(d) Unobligated balances apportioned to a State under section 203 of the Highway Safety Act of 1973 shall be available for projects under section 130 of title 23, United States Code.

TECHNICAL AMENDMENTS

SEC. 140. (a) Title 23, United States Code, is amended as follows:

(1) The tables of sections for chapters 1, 3, and 4 are amended by (A) striking "118. Availability of sums apportioned." "127. Vehicle weight and width limitations—Interstate System." "133. Repealed." "146. Repealed." "148. Development of a national scenic and recretional highway." "151. Pavement marking demonstration program." "155. Access highways to public recreation areas on certain lakes." "156. Highways crossing Federal projects." "213. Rama Road." and "219. Safer off-system roads.", and by (B) inserting in lieu thereof, respectively, "118. Availability." 127 Vehicle weight limitations—Interstate System." "133. Strategic highway research program." "146. Carpool and vanpool projects." "148. Repealed." "151. Repealed." "155. Repealed." "156. Repealed." "213. Repealed." and "219. Repealed.", and by (C) adding "159. Federal-aid Interstate-primary program." "160. Income from right-of-way." and "409. Reports, surveys; disclosures; admission as evidence.".

(2) Section 101(a) is amended by striking the definition of "park road" and inserting in lieu thereof "The term 'park road' means a public road that is located within, or provides access to, an area in the national park system, with title and maintenance responsibilities vested in the United States.".

(3) Section 106(c) is amended by striking "10" and inserting in lieu thereof "15" and by striking the second sentence.

(4) Section 107(b) is amended by striking "under section 108(b) of the Federal-Aid Highway Act of 1956" and inserting in lieu thereof "for Interstate construction or for the Interstate-primary program".

(5) Section 113 is amended by striking out "August 30, 1935" and inserting in lieu thereof "March 3, 1931" and by striking out "267a" and inserting in lieu thereof "276a".

(6) Section 115(a)(1) is amended by striking "interstate funds," and inserting in lieu thereof "Interstate-primary program funds," and by striking "funded under section 104(b)(5) of this title".

(7) Section 121(d) is amended by striking out "10" and inserting in lieu thereof "15", and by striking out the third sentence.

(8) The first sentence of section 122 is amended by inserting "or for substitute highway projects" before "and the retirement".

(9)(A) Section 125(b) is amended by striking out "the Interstate System, the Primary System, and on any routes functionally classified as arterials or major collectors," each place it appears and inserting in lieu thereof "the Federal-aid highway systems, including the Interstate System".

(B) Section 125(c) is amended by striking out "routes functionally classified as arterials or major collectors" and inserting in lieu thereof "on any of the Federal-aid highway systems".

(10) Section 137(f)(1) is amended by striking "104(b)(5)(B)" and inserting in lieu thereof "104(d)(1)".

(11) Section 141(d) is amended by striking "104(b)(5)" and inserting in lieu thereof "104(d)(1)" the two places "104(b)(5) appears and by inserting "-primary" after the word "Interstate".

(12)(A) Section 142(a)(1) is amended by (iii) striking "104(b)" and inserting in lieu thereof "104(d).

(B) 142(a)(2) is amended by striking "104(b)(6)" the three places it appears and inserting in lieu thereof "104(d)(3)" in each place.

(C) Section 142(b) is amended by striking "paragraph (5) of subsection (b) of section 104" and inserting in lieu thereof "section 104(d)(1)".

(D) Section 142(c) is amended by striking "104(b)(6)" the two places it appears and inserting in lieu thereof in each place "104(d)(3)".

(13) Section 144(i) is amended by striking the period at the end and inserting in lieu thereof "to the Senate Committee on Environment and Public Works and the House Committee on Public Works and Transportation.".

(14) Section 146 is amended by striking "104(b)(1), 104(b)(2) and 104(b)(6)" and inserting in lieu thereof "104(d) (1), (2), and (3)".

(15) Sections 148, 151, 155, 156, 213 and 219 are repealed.

(16) Section 150 is amended by striking "(6) of subsection (b)" in two places and inserting in lieu thereof in each place "(3) of subsection (d)".

(17)(A) Section 152(e) is amended by striking "104(b)(1)" and inserting in lieu thereof "104(d)(1)".

(B) Section 152(g) is amended by striking "the Congress" and inserting in lieu thereof "the Senate Committee on Environment and Public Works and the House Committee on Public Works and Transportation".

(18)(A) Section 154(e) is amended—

(i) by striking out "criteria which takes" and inserting in lieu thereof "criteria which take";

(ii) by inserting after "posted" the following: "on January 1, 1983,"; and

(iii) by inserting before "in accordance with" the following: ", and on highways built after such date with speed limits posted at fifty-five miles per hour,".

(B) Section 154(f) is amended by striking "each of sections 104(b)(1), 104(b)(2), and 104(b)(6) of this title in an aggregate amount of up to 5 percent of the amount to be apportioned for the following fiscal years, in the case of fiscal years 1982 and 1983, and up to 10 percent, in the case of subsequent fiscal years." and inserting in lieu thereof "section 104(d)(1)(C), (2), and (3) of this title in an amount of up to 10 percent of the amount to be apportioned for the following fiscal year.".

(19)(A) Section 158(a)(1) is amended by striking "each of the sections 104(b)(1), 104(b)(2), 104(b)(5), and 104(b)(6) of this title on the first day of the fiscal year succeeding the fiscal year beginning after September 30, 1985" and inserting in lieu thereof "sections 104(d) (1), (2), and (3) of this title on October 1, 1986."

(B) Section 158(a)(2) is amended by striking "each of sections 104(b)(1), 104(b)(2), 104(b)(5) and 104(b)(6) of this title on the first day of the fiscal year succeeding the second fiscal year beginning after September 30, 1985" and inserting in lieu thereof "sections 104(d) (1), (2), and (3) of this title on October 1, 1987."

(20)(A) The second sentence of section 204(b) is amended by inserting "the Secretary or" before the "Secretary of the Interior."

(B) Section 204(e) is amended by striking "88 Stat. 2205" and inserting in lieu thereof "88 Stat. 2203".

(21) Section 210(g) is amended by striking "Commerce" and inserting in lieu thereof "Transportation".

(22) Subsection (a) of section 215 of title 23, United States Code, is amended by striking from the first sentence the words "and American Samoa" and inserting in lieu thereof "American Samoa, and the Commonwealth of the Northern Mariana Islands".

(23) Section 217 is amended by striking "paragraphs (1), (2), and (6) of section 104(b)" the two places it appears and inserting in lieu thereof "sections 104(d) (1), (2), and (3)".

(24)(A) Section 307(c)(3) is amended by striking "(1), (2), and (3) of section 104(b)" and inserting in lieu thereof "(1) and (2) of 104(d)".

(B) Section 307(c)(5) is amended by striking "104(b)(1)" and inserting in lieu thereof "104(d)(1)".

(C) Section 307(e) is amended by striking "the Congress" and inserting in lieu thereof "the Senate Environment and Public Works Committee and the House Committee on Public Works and Transportation".

(25) Section 311 is amended by striking "(b)" and inserting in lieu thereof "(d)".

(26) Section 315 is amended by striking "204(d), 205(a), 207(b) and 208(c)" and inserting in lieu thereof "204(f) and 205(a)".

(27) Section 401 is amended by striking "and American Samoa." and inserting in lieu thereof "American Samoa and the Commonwealth of the Northern Mariana Islands.".

(28)(A) Section 402(c) is amended by (i) striking "For the fiscal years ending June 30, 1967, June 30, 1968, and June 30, 1969, such funds shall be apportioned 75 per centum on the basis of population and 25 per centum as the Secretary in his administrative discretion may deem appropriate and thereafter such" and inserting in lieu thereof "Such", by (ii), striking "After December 31, 1969, the" and inserting in lieu thereof "The", and by (iii) striking "and American Samoa" and inserting in lieu thereof "American Samoa and the Commonwealth of the Northern Mariana Islands".

(B) The last sentence of section 402(j) is amended by striking out "chapter" and inserting in lieu thereof "section".

(b)(1) Section 108(b) of the Federal-Aid Highway Act of 1956 is amended by (A) inserting "and" before "the additional sum of $4,000,000,000 for the fiscal year ending September 30, 1987", by (B) inserting a period after "1987", and by (C) striking ", and the additional sum of $4,000,000,000 for the fiscal year ending September 30, 1988, the additional sum of $4,000,000,000 for the fiscal year ending September 30, 1989, and the additional sum of $4,000,000,000 for the fiscal year ending September 30, 1990.".

(2) Section 108(d) of the Surface Transportation Assistance Act of 1982 is amended by striking "this title," and inserting in inserting in lieu thereof "title 23, United States Code,".

(3) Section 163 of the Surface Transportation Assistance Act of 1982 is amended by striking "appropriated" and inserting in lieu thereof "apportioned".

(4) Section 163(o) of the Federal-Aid Highway Act of 1973 is amended to read as follows:

"(o) The Secretary of Transportation shall make biennial reports and a final report to the President, the Senate Committee on Environment and Public Works, and the House Committee on Public Works and Transportation with respect to activities pursuant to this section."

(5) Section 103(c) of the Federal-Aid Highway Act of 1978 is amended by striking "Congress" and inserting in lieu thereof "the Senate Committee on Environment and Public Works and the House Committee on Public Works and Transportation".

EFFECTIVE DATE

SEC. 141. Except as otherwise provided therein the effective date of the Federal-Aid Highway Act of 1986 is October 1, 1986.

FEDERAL-AID HIGHWAY ACT OF 1986 AUTHORIZATIONS

[Millions]

	Fiscal year—			
	1987	1988	1989	1990
Interstate primary	8,150	8,150	8,150	8,150
I–Construction	(3,000)	(3,000)	(3,000)	(3,000)
I–4R	(2,800)	(2,800)	(2,800)	(2,800)
Primary	(2,350)	(2,350)	(2,350)	(2,350)
Primary minimum				
Secondary	600	600	600	600
Urban	750	750	750	750
Bridge	1,500	1,500	1,500	1,500

FEDERAL-AID HIGHWAY ACT OF 1986 AUTHORIZATIONS—Continued

[Millions]

	Fiscal year—			
	1987	1988	1989	1990
Minimum allocation	700	700	700	700
I–Subhighways	650	650	650	650
Emergency relief	100	100	100	100
Forest Highways	50	50	50	50
Public lands highways	50	50	50	50
Parkways and park highways	75	75	75	75
Indian Reservation roads	75	75	75	75
Rail-Highway crossings	175	175	175	175
FHWA safety grants	10	10	10	10
FHWA R&D grants	10	10	10	10
Hazard elimination	175	175	175	175
Territorial highways	12	12	12	12
WIPP roads (general funds)	58			
Total authorizations	13,140.0	13,082.0	13,082.0	13,082.0
Obligation ceiling	12,350.0	12,350.0	12,350.0	12,350.0
Spending outside ceiling	858.0	800.0	800.0	800.0

SECTION-BY-SECTION ANALYSIS: FEDERAL-AID HIGHWAY ACT OF 1986

SECTION 102: AUTHORIZATIONS

This section authorizes the appropriation of sums from the Highway Trust Fund, other than the Mass Transit Account, for the Federal-aid programs for fiscal years 1987 through 1990.

Paragraph (a)(1) provides authorizations for the Interstate-primary program of $8.15 billion for each fiscal year 1987 through 1990.

Paragraph (a)(2) provides authorizations for the Federal-aid urban system of $750 million for each fiscal year 1987 through 1990.

Paragraph (a)(3) provides authorizations for the Federal-aid secondary system of $600 million for each fiscal year 1987 through 1990.

Paragraph (a)(4) provides authorizations for the bridge replacement and rehabilitation program of $1.5 billion for each fiscal year 1987 through 1990. A total of $200 million per year shall be set aside for the bridge discretionary funds.

Paragraph (a)(5) provides annual authorizations for each of the components of the Federal lands highway program for fiscal years 1987 through 1990 as follows: forest highways $50 million, public lands highways $50 million, Indian reservation roads $75 million, and park roads and parkways $75 million.

Paragraph (a)(6) provides each of the territories (the Virgin Islands, Guam, American Samoa, and the Northern Marianas) with an annual authorization under the Territorial Highway Program for fiscal years 1987 through 1990 of $5 million, $5 million, $1 million, and $1 million, respectively.

Paragraph (a)(7) provides annual authorizations for highway related safety construction grants by FHWA for the fiscal years 1987 through 1990 of $10 million.

Paragraph (a)(8) provides annual authorizations for highway construction safety research and development grants by FHWA for the fiscal years 1987 through 1990 of $10 million.

Paragraph (a)(9) provides annual authorizations for hazard elimination for fiscal years 1987 through 1990 of $175 million.

Paragraph (a)(10) provides annual authorizations for rail-highway crossings for fiscal years 1987 through 1990 of $175 million.

SECTION 103: INTERSTATE SUBSTITUTION PROGRAM

This section amends section 103(e)(4) of title 23, the Interstate Substitute Program. The amendments to section 103(e)(4) are a simple recodification except as follows:

Section 103(e)(4)(B) makes highway construction projects on any public road eligible, as highway substitution projects, expanding the current eligibility from projects authorized under any highway assistance program under section 103 of title 23.

Section 103(e)(4)(C) deletes the deadline for project approval.

Section 103(e)(4)(E) makes substitution funds available in a State for 2 years. Funds not obligated in the 2-year period shall be reallocated or reapportioned as the case may be.

Section 103(e)(4)(G) provides authorizations for highway substitution projects for the fiscal years 1987, 1988, 1989, and 1990 of $650 million per fiscal year.

Section 103(e)(4)(H)(iv) provides for the administraive adjustment of the last Interstate Substitute Cost Estimate (ISCE) approved to make substitution apportionments for highways after fiscal year 1986, beginning on October 1, 1986.

Section 103(e)(4)(J)(iv) provides for the administrative adjustment of the last ISCE approved to make transit substitution apportionments after fiscal year 1986, beginning on October 1, 1986.

Section 103(e)(4)(P) directs the Secretary to reserve in a State's account under Section 103(e)(4) of title 23, United States Code, an amount equal to that expended on right-of-way for a withdrawn route of the Interstate where the right-of-way has not been disposed of. Such sum shall be released to the State upon partial or full repayment of funds in accordance with Section 103(e)(7) of this title or upon the determination by the Secretary that under Section 103(e)(5)(B) or (6)(B) repayment is not required.

SECTION 104: APPORTIONMENT

This section amends Section 104 of title 23 as follows:

Subsection (a) makes technical and conforming amendments.

Subsection (b) adds a new subsection to set aside funds for the Strategic Highway Research Program (SHRP) from Federal-aid Interstate-Primary, Urban, Secondary, Bridge, Highway Substitution, Railway-Highway Crossings and Hazard Elimination authorizations.

Subsection (c) repeals transfer provisions which do not conform with the creation of a new Federal-aid Interstate-Primary program.

Subsection (d) provides apportionment formulas for the Federal-aid Interstate-Primary formula, the Secondary System and the Urban System. The Secondary and Urban formulas are unchanged. The Federal-aid Interstate-Primary formula replaces existing Interstate construction, Interstate 4R, and Primary programs are consolidated by this Act into one program.

Paragraph (A) provides a formula for the new Interstate-Primary program which apportions $3.0 billion based on an administratively adjusted Interstate Cost Estimate, $2.8 billion based on the existing Interstate 4R formula and $2.35 billion based on the existing primary formula.

Subsections (e), (f) and (g) make technical and conforming amendments.

Subsection (h) permits a State to transfer up to 50 percent of its apportionment be-

tween the Urban and Secondary Systems. Urban System funds allocated to an urbanized area under Section 150 of title 23 cannot be transferred without the approval of the local officials of the area.

SECTION 105: LETTING OF CONTRACTS

This section amends section 112(b) of title 23 to permit the Secretary to waive competitive bidding on a reconstruction contract where an emergency situation exists.

SECTION 106: AVAILABILITY

This section amends section 118 of title 23 to provide four-year availability for the Interstate-Primary program, with any unobligated funds lapsing at the end of the period.

The new paragraph (b)(2) clarifies the availability of bridge replacement and rehabilitation funds. Apportioned funds remain available for obligation in a State for four years with unobligated funds reallocated as bridge discretionary funds. Bridge discretionary funds remain available for obligation in a State during the year of allocation with unused authority available to the Secretary for further reallocation.

This section also makes technical and conforming amendments to eliminate the interstate and Interstate 4R discretionary funds.

SECTION 107: INTERSTATE SYSTEM RESURFACING

This section makes technical and conforming amendments to section 119 of title 23 and amends provisions that require a reduction of a State's Interstate System adequately to require a reduction of not more than 10 percent of a State's Interstate portion of the Interstate-Primary apportionment at the discretion of the Secretary.

SECTION 108: FEDERAL SHARE PAYABLE

This section amends section 120 of title 23 making technical and conforming changes and also provides a Federal share for Interstate-Primary funds used on the Primary System (other than the Interstate) of not to exceed 75 percent of the cost of construction. These percentages may be increased under the sliding scale provision of current law.

Interstate projects will have a Federal share of not to exceed 90 percent. Routes designated as Interstate under Section 139(a) and 139(b) of title 23 prior to March 9, 1984, and under Section 139(c) of title 23 will be able to be improved at a 90-percent Federal share. These percentages may be increased in certain circumstances under current law.

This section provides that the Federal share payable for a highway emergency relief project shall be the same as for a regular Federal-aid highway project on the system in question except that the Federal share payable may be 100 percent for emergency work done in the first 30 days after the occurrence of the event that triggers emergency relief. This section also provides that States may contribute amounts in excess of the normal State share on title 23 projects.

SECTION 109: RELOCATION OF UTILITY FACILITIES

This section amends Section 123(a) of title 23 to clarify that Federal-aid highway funds may participate in utility relocation payments legally made by a State for utility relocations necessitated by the actual construction of a highway project and for safety improvements under a State's safety improvement program.

This section also eliminates the requirement in the existing Section 123(a) that limits Federal reimbursement to only those utility relocation payments made by a State with its own funds. This would establish consistency with the overall Federal-aid program by allowing the State to obtain all or portions of its pro-rata share of the costs for the utility work from other parties, such as the utilities or political subdivisions, if it so desires.

SECTION 110: EMERGENCY RELIEF

This section amends section 125 of title 23 to make the territories eligible for emergency relief with a $5 million cap on obligations during any one fiscal year.

SECTION 111: VEHICLE WEIGHT LIMITATIONS—INTERSTATE SYSTEM

This section amends section 127(a) of title 23 provide for the withholding of the Interstate construction portion of Federal-aid Interstate-Primary funds, in lieu of withholding Interstate construction funds, for violations of Section 127. The change is needed as Interstate construction funds will be unavailable to withhold. The current penalty provision in section 127(a) is revised to provide that any withheld funds do not lapse if they are subsequently released and obligated within the normal four year availability period.

SECTION 112: TOLL FACILITIES

This section incorporates the toll provisions of section 105 of the Federal-Aid Highway Act of 1978 into section 129 of title 23 and clarifies a provision of section 105 concerning the repayment of Federal funds.

This section also requires toll authorities to certify to the Governor that sufficient reserves are available to cover the construction, operation, maintenance, and repair or replacement of the toll facilities. The Governor is to transmit this information to the Secretary of Transportation who will transmit it to Congress. If funds from the Highway Trust Fund are spent on these toll facilities, an equal amount will be deducted from the State's Federal-aid highway apportionments the following year. This section does not apply to international toll facilities and those toll facilities covered by a section 105 or section 129 agreement.

SECTION 113: RAILWAY—HIGHWAY CROSSINGS

This section incorporates the provision of section 203 of the Highway Safety Act of 1973 into section 130 of title 23 and makes technical and conforming amendments.

SECTION 114: STRATEGIC HIGHWAY RESEARCH PROGRAM (SHRP)

This section adds a provision for SHRP to title 23, United States Code. The SHRP will be funded by deducting one-quarter of one percent from funds authorized for the programs specified in subsection 104(c) of title 23, United States Code. The Secretary will carry out the SHRP in cooperation with State highway departments and will set standards for the use of the funds to conduct research, development and technology transfer activities determined to be strategically important to the national highway transportation system. The Secretary may provide grants to and enter into compensation agreements with the American Association of State Highway and Transportation Officials and/or the National Academy of Sciences to conduct appropriate portions of the SHRP. Advance payments may be made under such agreements. No State matching share is required for the SHRP and the funds will remain available for four years.

SECTION 115: SECTION 139 ROUTES

This section makes amendments to sections 139 (a), (b), and (c) of title 23 to conform with the new Interstate-Primary category. This section also provides that routes designated by section 139 are eligible for any of the funds provided by the Interstate-Primary program.

SECTION 116: OFF-SYSTEM BRIDGE PROGRAM

This section permits a State to credit State-only financed off-system bridge replacement and rehabilitation projects towards the State share of the cost of other Federal-aid bridge projects. Off-system bridges that are eligible for section 144 funds, are noncontroversial, and certified by the State to have been carried out in accordance with all standards applicable under section 144 of title 23 are eligible for this program.

SECTION 117: ELIGIBILITY

This section makes payments of State or local taxes which are levied on materials to be incorporated into a Federal-aid highway project or which are based upon the value of a Federal-aid highway construction contract ineligible for Federal-aid reimbursement.

SECTION 118: MINIMUM ALLOCATION

This section amends section 157 of title 23 to add total allocations as well as apportionments to the calculation of the 85 percent minimum funds and makes the provision permanent law. This will provide to donor States a return closer to 85 percent of the amount contributed to the Highway Trust Fund by these States. Currently, in calculating the return of 85 percent minimum to the States, only apportioned programs are considered. Two major categories are added which are bridge discretionary and emergency relief. Several smaller Highway Trust Fund categories shall also be included.

Subsection (b) makes the provisions of subsection (a) effective October 1, 1986.

Subsection (c) provides authorizations for the minimum allocation for fiscal year 1987, 1988, 1989, and 1990.

SECTION 119: FEDERAL-AID INTERSTATE-PRIMARY PROGRAM

This section amends title 23 to establish the Federal-Aid Interstate-Primary Program. The Interstate-Primary program will emphasize bringing all elements of the Primary System to acceptable standards of operation and safety. The program will consist of both new construction and 4R work on the Primary System and the Interstate System (including additions thereto under section 139). The Interstate-Primary program will include traditional primary program projects, Interstate construction projects, and Interstate resurfacing, restoration, rehabilitation and reconstruction projects.

The designated Interstate System in all the States will receive priority attention in maintaining its high level of serviceability. At the same time, there is sufficient flexibility to allow States to concentrate on neglected primary routes and other primary routes which have developed into significant interstate traffic carriers.

SECTION 120: INCOME FROM RIGHTS-OF-WAY

This section provides that the net income a State receives from the use, lease, or sale of right-of-way airspace acquired as a result of a project under title 23 shall be used for projects under chapter 1 of title 23. This section is effective October 1, 1986.

SECTION 121: TERRITORIAL HIGHWAY PROGRAM

This section amends subsection (f) of section 215 to clarify that the provisions of Chapter 1 of title 23 which are applicable to

Interstate-Primary program funds and the Primary System are applicable to the Territorial Highway Program. Subsection (f) also authorizes a Federal-aid system in each territory similar to the Primary System established by the provisions of the Surface Transportation Assistance Act (STAA) of 1982 and provides that the Secretary may determine the applicability of the provisions of Chapter 1.

SECTION 122: BICYCLE PROJECTS ELIGIBILITY

This section permits States to use Federal-aid highway funds apportioned or allocated for a highway substitute project for the purpose of designing and constructing bicycle facilities.

SECTION 123: HIGHWAY PLANNING AND RESEARCH

This section permits a State to use one and one-half percent of apportioned Interstate Highway Transfer funds for highway planning and research facilities. It would not include the 25 percent of transfer funds that are allocated.

SECTION 124: NATIONAL HIGHWAY INSTITUTE

This section modifies section 321 of title 23 to direct the Secretary to provide training at no cost to States and local governments for subject areas which are a Federal program responsibility and to allow the States to use Federal-aid funds to pay 75 percent of the cost of education and training purchased from any source including the National Highway Institute.

SECTION 125: RIGHT-OF-WAY DONATION

Subsection (a) allows 100 percent of a private contribution of right-of-way to be credited, according to its fair market value at the time of donation, to the State's matching share for the project if the donation is made to the State. A State would receive no credit for the excess of a donation which exceeded the State matching share for the project.

Subsection (b) amends title 23 to provide that land may be donated in advance of the environmental and planning process for a prospective highway project. The donation will in no way affect the required planning process for the location and environmental review of the decision with respect to alignment. If during the alignment study and environmental analysis the route for which the land was donated is determined not to be feasible, the donation of right-of-way would be cancelled and the land revested in the grantor or successors in interest.

Subsection (c) amends title 42 to permit donations of right-of-way and/or financial contributions to a State or other political subdivision. The provision also encourages the promotion of such joint projects wherein private citizens and governmental entities participate in the cost of projects as consistent with Federal policy.

Subsection (d) allows the fair market value of lands donated or dedicated to California for the relocation and construction of State Route 73 in Orange County from I-405 to I-5 to be credited to the State's matching share of the project and any excess value to be credited toward the State's share of the cost of any other Federal-aid project. Any recorded irrevocable offer of dedication or donation effective prior to the State's request for final reimbursement on the project shall be considered a part of the State right-of-way acquisition. The Federal-aid reimbursement may not exceed the actual cost to the State for the project.

SECTION 126: PROHIBITION AGAINST DISCLOSURE AND ADMISSION AS EVIDENCE OF STATE REPORTS AND SURVEYS

This section amends title 23 to provide that no report, survey, schedule, list, or data compiled for the purpose of complying with any requirement of sections 130, 144 and 152 of title 23, United States Code, or for developing any highway safety construction improvement project which may be implemented with Federal-aid highway funds shall be required to be admitted into evidence or used in any action for damages arising from matters mentioned or addressed in such documents.

SECTION 127: BUY AMERICA

This section restores the language establishing a threshold to exempt small projects under $500,000 from domestic content requirements.

SECTION 128: REGULATION OF TOLLS

This section removes Federal regulation and review of toll increases on certain toll bridges. Toll increases on these deregulated facilities must be just and reasonable.

SECTION 129: MASS TRANSIT ACCOUNT MINIMUM ALLOCATION

This section provides a Mass Transit Account minimum allocation similar to that provided in section 157 of title 23 for apportionments from the Highway Trust Fund other than the Mass Transit Account.

SECTION 130: DISADVANTAGED BUSINESS ENTERPRISE

This section authorizes a Disadvantaged Business Enterprise (DBE) program which establishes goals to encourage the participation of disadvantaged business enterprises.

Subsection (a) requires States to expend 10 percent of Federal-aid highway contracts with DBEs unless the Secretary determines otherwise.

Subsection (b) defines a disadvantaged business enterprise. The definition includes a small business owned and controlled by socially and economically disadvantaged individuals provided that annual average gross receipts do not exceed $10 million. Women are also included in the presumption of being disadvantaged.

Subsection (c) would allow costs incurred by State and local governments and prime contractors in assisting disadvantaged businesses in meeting the goal. These costs cannot be used to meet more than 10 percent of the DBE contract.

Subsection (d) would require the Secretary to establish minimum uniform criteria for State governments to use in certifying whether a concern is a disadvantaged business enterprise for the purpose of this section.

Subsection (e) requires that a DBE subcontractor perform at least 30 percent of the subcontract work with its own organization in order for the work to count towards a State's DBE goal. Certain exceptions can be made to the 30 percent requirement.

Subsection (f) provides that States must contract part of their DBE goal directly with DBE firms beginning in 1988.

SECTION 131: RELEASE OF CONDITION RELATING TO CONVEYANCE OF A CERTAIN HIGHWAY

This section relieves the State of Maryland from the obligation of accepting title to the Baltimore-Washington Parkway in return for Federal participation in improvements to the Parkway as required under section 146 of the Federal-aid Highway Act of 1970.

SECTION 132: WASTE ISOLATION PILOT PROJECT

This section authorizes $58 million out of general revenues to up-grade certain roads in the State of New Mexico. This authorization fulfills an agreement among the State of New Mexico, the Department of Energy and the Department of Transportation for the up-grading of roads in the vicinity of the Waste Isolation Pilot Project (WIPP). This facility is being built as a long-term repository for storage of low-level nuclear wastes from around the country.

SECTION 133: OBLIGATION LIMITATION

This section establishes an obligation limitation of $12.35 billion for fiscal year 1987, $12.35 billion for fiscal year 1988, $12.35 billion for fiscal year 1989 and $12.35 billion for fiscal year 1990.

SECTION 134: HISTORIC BRIDGES

This section clarifies that any reasonable costs associated with mitigating harm to a historic bridge would be eligible for Federal-aid bridge funds if the bridge remains part of the highway system. States are permitted to use bridge funds equal to the cost of demolition for preserving a historic bridge eligible for demolition if they, or any other responsible entity, sign an agreement taking future legal and financial responsibility for the bridge. Further, States are required to identify historic bridges on the National Bridge Inventory. This section also requires the Transportation Research Board to review the rehabilitation of historic bridges and develop recommendations for specific standards for the rehabilitation of historic bridges.

SECTION 135: FOREST HIGHWAYS

This section provides that two-thirds of the Forest Highway funds are allocated according to the formula used prior to the STAA of 1982 and one-third are allocated according to section 202(a) of title 23.

SECTION 136: WILDFLOWERS

This section requires that one-quarter percent of Federal-aid highway funds expended for landscaping on a project be for the planting of wildflowers or such seedlings. The requirement can be waived if a State certifies that the planting of such wildflowers is not feasible because of conditions with respect to the particular project on which landscaping funds are expended. Public donations of wildflowers or seedlings are allowed.

SECTION 137: COMBINED ROAD PLAN DEMONSTRATION PROGRAM

This section requires that the Secretary report to Congress on a combined road program demonstration which will permit a limited number of States to participate in a block grant program for Federal-aid secondary, Federal-aid urban, and off-system, urban and secondary bridge projects.

SECTION 138: CALIFORNIA EMERGENCY RELIEF

This section removes the Emergency Relief program cap of $30 million per year per disaster for calendar year 1986 so that California's 1986 flood disaster is eligible for Federal-aid funds for the total amount of the disaster.

SECTION 139: INTERIM AMENDMENTS

Subsection (a) provides that unobligated Interstate construction balances (apportioned or allocated) shall remain available until October 1, 1990, for Interstate construction projects. Unallocated Interstate discretionary funds are to be distributed using current procedures.

Subsection (b) makes the unobligated balances previously apportioned to a State under subsection 104(b)(1) (Primary System program) and 104(b)(5)(B) (Interstate-4R program) of title 23, United States Code, as they existed prior to enactment of this legislation available for obligation for projects under the Federal-aid Interstate-Primary program.

Subsection (c) makes the unobligated balances of funds apportioned to the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands under the provisions of section 108 of the Highway Improvement Act of 1982 available for obligation under the provisions of section 215 of title 23, United States Code.

Subsection (d) makes the unobligated balances of funds apportioned to a State under section 203 of the Highway Safety Act of 1972 available for projects under section 130 of title 23, United States Code.

SECTION 140: TECHNICAL AMENDMENTS

This section makes needed technical and conforming amendments.

SECTION 141: EFFECTIVE DATE

This section specifies that unless otherwise provided, the effective date of the Federal-Aid Highway Act of 1986 is October 1, 1986.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

REAUTHORIZATION OF THE FEDERAL-AID HIGHWAY PROGRAM

Mr. STAFFORD. Mr. President, I am pleased to join with the distinguished chairman of the Subcommittee on Transportation, Senator SYMMS, the distinguished ranking member of the committee, Senator BENTSEN, the distinguished ranking member of the Subcommittee on Transportation, Senator BURDICK, and a distinguished member of the Transportation Subcommittee, Senator ABDNOR, in introducing legislation today which will authorize the Federal-Aid Highway Program for fiscal years 1987 through 1990.

The Federal-Aid Highway Act of 1986 will provide $52.386 billion in new authorizations for the highway program over the next 4 years. The States will be able to spend approximately $13.2 billion per year. This level of authorization continues to be made possible in part by the increased gas tax revenues authorized by the Surface Transportation Assistance Act [STAA] of 1982. During the past 4 years the highways and bridges around the country have benefited from increased funding. The Department of Transportation's latest status report on the condition of the Nation's highways shows that the steady decline in the pavement quality of the highway system prior to 1982 has been stopped. The report attributes this turnaround to the increased funding levels of the STAA of 1982 and the gas tax increase. I believe the level of funding provided in the bill being introduced today will continue to improve the quality of our highways and bridges.

The most important goal to be accomplished in highway reauthorization legislation this year is the completion of the Interstate Construction Program by 1990. This program, begun in the 1950's, has changed transportation in this country more than any other single endeavor. When the Interstate System was first envisioned, they told us it would take 13 years and cost $27 billion. After 30 years and $112 billion, the Interstate System is now essentially complete and it is time to direct our attention and limited resources to other parts of the highway program which have been neglected.

The Federal-Aid Highway Act of 1986 provides a mechanism to achieve completion of the Interstate System by 1990. It combines the existing Interstate construction, Interstate 4R and Primary categories into a new Interstate-Primary category authorized at $8.150 billion per year. State and local officials will be able to determine what remaining Interstate construction work should be done. If this work has a high priority, States could decide to use a major portion of their Interstate-Primary funds on Interstate completion between now and 1990. If States believe the remaining Interstate construction work will not benefit the System, they could decide to spend all of their Interstate-Primary funds on Interstate 4R and Primary projects.

In view of the disruption the States have experienced in Interstate completion because Congress did not approve the Interstate Cost Estimate [ICE] and Interstate Substitute Cost Estimate [ISCE] on time, this bill provides that no future ICE or ISCE approvals will be necessary. The Secretary of Transportation is directed to make further administrative adjustments to the ICE which was used to apportion the Interstate construction funds on October 1, 1985. These apportionment factors will then be used to apportion $3 billion each October 1 through fiscal year 1990. The States will know exactly what their apportionment will be each year, and they can be certain that it will be available to them on October 1. This assurance of funds should be very helpful to States, particularly to those who wish to advance their Interstate construction projects with their own funds or with bond financing.

As long as funds are made available for Interstate construction, I will continue to support the one-half percent minimum for those States who have completed or nearly completed their Interstate construction program. There are now 25 States in that category and I do not believe it is fair to penalize them for finishing their Interstate System in a timely way. In many cases this was done at the expense of the rest of their highway program.

Until we have some assurance that the Interstate System will be essentially complete by 1990, I do not believe we can consider any major restructuring of the highway program. Major program changes or apportionment formula changes should not be made until the Interstate System is completed and we have determined what the future Federal responsibility will be for the highway program.

Even after the nickel gas tax increase in the STAA of 1982, highway needs continue to exceed available resources from all levels of government. And they probably always will. I do not believe that there will be an increase in the Federal highway user fees in the foreseeable future. During the hearing process, the committee received testimony on alternative methods of financing the highway program. One alternative the committee should continue to seriously consider is lifting certain Federal restrictions on combining toll revenues with Federal-aid funds to build new, non-Interstate roads. This would provide the States with a further option in addressing severe congestion problems primarily in urban areas.

Mr. President, the spending level of $13.2 billion per year provided by the Federal-Aid Highway Act of 1986 reflects the amount recommended by the Environment and Public Works Committee in its February 15 report to the Budget Committee. I am aware that the budget process has not been completed and that Congress may agree to reconciliation instructions which are different than the funding levels in this bill. If we are to meet the October 1 reauthorization deadline, however, I believe it is important to go forward with legislation at this time even though Congress has not completed action on the fiscal year 1987 budget resolution. The committee will pay close attention to the budget process during consideration of highway reauthorization legislation and make appropriate adjustments.

Mr. President, I want to emphasize again how important it is to complete action on the reauthorization of the highway program by October 1. This program provides highway money for each State, the District of Columbia, Puerto Rico and the territories. Projects undertaken by this program are the result of long years of planning. Highway construction and reconstruction is a seasonal activity in most States. Uncertainty and delays in funding can cost a State an entire construction season. I hope all my colleagues will join with me and the other Members of the Environment and Public Works Committee in assuring the reauthorization of the highway program by October 1.

Mr. BURDICK. Mr. President, I am pleased to join my colleagues on the

Senate Environment and Public Works Transportation Subcommittee in cosponsoring legislation extending the highway program another 4 years.

During the past year, the subcommittee held extensive hearings and staff discussions with interested parties on the direction of the program. Writing the reauthorization bill was difficult because of past budget constraints placed on the highway trust fund by Congress. Just 4 years ago, Congress agreed to a 5-cent gas tax increase and the highest program levels ever set for a national highway program.

However, it has created a program imbalance by placing the obligational limitation far below authorizations. This imbalance may trigger the Byrd amendment criterion of unfunded authorizations not exceeding 2 years' worth of revenues, even though the highway trust fund has a $9 to $10 billion cash balance.

According to CBO, there are two basic ways to redress this imbalance. First, future authorizations could be set below future obligation ceilings until the current backlog is reduced. A difference of about $800 million a year for the next 4 years would be necessary just to offset the gap that has developed over the past 4 years. Second, selected authorizations from previous years could be rescinded. This second option may not be popular with States because many might be forced to adjust construction plans made on the promise that such Federal funds would be made available.

The bill introduced today selects the first option of reducing authorization levels. On May 1, the Senate agreed to a resolution that a reasonable portion of the trust fund balance should be expended over fiscal years 1987, 1988, and 1989. By the end of fiscal year 1989, obligations from the trust fund would be required to equal revenues ($12.8 billion plus interest) deposited in the highway trust fund. The obligation ceiling set by the reauthorization bill would have to be increased by $650 million to $1 billion each year in order to implement the Senate resolution.

This bill creates a system of highways of national significance by combining the existing categories of interstate construction, 4R, and primary. The interstate-primary category retains existing formulas and matching requirements, but allows State highway agencies flexibility in using these funds.

Because the current Federal aid highway system serves 80 percent of the total national travels and contributes to our economic well-being and national defense, it is clearly within our interest to encourage States to protect and preserve these roads. Hopefully, an added benefit of this program structure would be higher levels of service and safety in handling heavy, large trucks. Federal highway and State engineers should concentrate their efforts on improving safety and local access, upgrading existing highway design and geometry, and repairing deficient pavement and bridges.

Uniform road and traffic conditions and eventual elimination of State size and weight grandfathering clauses would benefit commerce. Additional benefits might be the reduction of accident rates and State/local maintenance costs if more truck traffic could be shifted from lower level roadways to major roadways built to accommodate larger weights.

According to the Federal Highway Administration, the following amounts per annum would be required to keep our infrastructure needs current over the next 15 years:

Interstate—$3.4 billion.

Primary roads—$4 billion to $5 billion.

Urban-secondary roads—between $6 billion and $7 billion.

Bridges—$48.3 billion for repair and replacement of deficient structures.

The average State gas tax is 12.2 cents. At that rate, many State and local transportation programs are hard-pressed to meet immediate road maintenance needs, let alone catch up on the growing backlog of repairs. While the reauthorization bill cannot meet all of those needs, it should provide some relief. The measure of its success will depend upon Congress to provide State highway agencies with enough contracting authority to actually spend down the backlog of authorizations and provide new money without budgetary restrictions.

I would encourage my colleagues to support the major components of this bill. In addition, I am relying on your support to set the highest level feasible for an obligation ceiling over the next 4 years.

Mr. STAFFORD. Mr. President, whatever time remains I ask unanimous consent that I be allowed to yield to the distinguished Senator from South Carolina (Mr. THURMOND).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. I thank the able Senator.

The PRESIDING OFFICER. The Senator from South Carolina.

S. 2406—INTERSTATE TRANSPORTATION OF FIREARMS

Mr. THURMOND. Mr. President, last year on July 9, 1985, the Senate passed S. 49, the McClure-Volkmer bill, by a vote of 79 yeas to 15 nays.

Mr. BYRD. Mr. President, will the distinguished Senator yield?

Mr. THURMOND. I yield.

Mr. BYRD. Is the distinguished President pro tempore delivering an opening statement on the gun bill; the House message, that is?

Mr. THURMOND. This is not an opening statement. I am just going to introduce something.

Mr. BYRD. I beg the Senator's pardon. I have no objection.

Mr. THURMOND. On April 10, 1986, the House adopted the Volkmer substitute patterned after H.R. 945 with amendments and substituted the House language for the text of S. 49 and passed it overwhelmingly and returned it to the Senate.

The administration continues to support S. 49 in the form as passed by the House.

Mr. President, I send to the desk some amendments; I send to the desk a bill which I am introducing.

I shall vote for S. 49 as passed by the House and as passed by the Senate. When that bill comes here I am going to vote for it without amendments.

But a great many people feel that certain amendments are desirable. There are some I think that would be helpful. Therefore, I am introducing some of those amendments.

For instance, one is to clarify what is required of a firearms owner who transports a firearm between States by making it clear that during such transport the gun must be unloaded and in a secured compartment.

Another, clarify what is meant by the terms "engaged in the business" of dealing in firearms; in order to cover the situation where a person provides, rather than sells for a profit, guns to those who advocate violence.

Another mandates that a gun dealer keep records of all sales from the person who collects them.

Mr. President, these amendments are worthy of consideration and I am introducing a bill to contain them and ask that this bill be referred to the Judiciary Committee for hearings after the passage of S. 49 in the Senate.

Mr. President, I ask unanimous consent that this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2406

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 926A, Title 18, United States Code, is amended by striking the text in its entirety and inserting in lieu thereof the following:

"INTERSTATE TRANSPORTATION OF FIREARMS

"Any person not prohibited by this chapter from transporting, shipping, or receiving a firearm shall be entitled to transport as unloaded, not readily accessible firearm, enclosed in one or more locked compartments in interstate commerce notwithstanding any provision of any legislation enacted or any rule or regulation prescribed by any state or political subdivision thereof.

Section 921(a)(21)(c) of Title 18, United States Code, is amended by striking the ex-

isting language and inserting in lieu thereof the following: applied to a dealer in firearms, as defined in section 921(a)(11)(a), a person who devotes time, attention, and labor to dealing in firearms as a regular cause of trade or business with the objective of livelihood or profit, including disposition of firearms to an individual or individuals who advocate violence for ideological or political reasons whether for profit or not, through the repetitive purchase and resale or distribution of firearms. The term shall not include a person who makes occasional sales, exchanges, or purchase of firearms for the enhancement of a personal collection or hobby, or who sells all or part of his personal collection of firearms. Section 923(c) of Title 18, United States Code, is amended as follows:

By striking out all language after "Nothing in this chapter shall be construed" through "business inventory" at the end of this subsection.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 11 a.m., with statements therein limited to 5 minutes each.

The Senator from Utah.

INTERSTATE TRANSPORTATION OF FIREARMS

Mr. HATCH. Mr. President, I am going to compliment the distinguished Senator from South Carolina, the chairman of the Judiciary Committee, for putting in this bill today. There is much merit in what he is saying. I think he is doing the Senate a singular service in putting this bill into the RECORD and sponsoring it.

On these particular amendments there needs to be hearings, and I intend to fully cooperate with the distinguished chairman of the Judiciary Committee in holding those hearings and doing what has to be done.

There are a number of these amendments that I feel I can support right off the bat, and perhaps all of them, and I will certainly cooperate and work with the distinguished chairman of the Judiciary Committee, Senator THURMOND, in seeing that this bill is given expedited treatment in the Judiciary Committee.

I personally compliment him for his leadership in this area and especially in these particular amendments and this particular bill this day.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Will the distinguished Senator from South Carolina be good enough to bear with me for a minute?

Mr. THURMOND. I will be very pleased.

Mr. METZENBAUM. In regard to the amendments he just offered, I have not seen the amendments, but I only know what I have heard about them. But I understand that there is an effort made to correct some of the problems that many of us have found with respect to the McClure-Volkmer bill. Is the Senator from Ohio correct in that? I just walked on the floor.

Mr. THURMOND. Yes. I am introducing certain amendments here. I just stated what they were. I will be glad to quickly run over those with the Senator.

This bill clarifies what is required of a firearms owner who transports a firearm between States, by making it clear that during such transport the gun must be unloaded and in a secured compartment.

Another provision is to clarify what is meant by the term "engaged in the business" of dealing in firearms, in order to cover the situation where a person provides, rather than sells for a profit, guns to those who advocate violence.

Another provision is to mandate that a gun dealer keep records of all sales from his personal collection.

I am introducing a bill to cover those points. I intend to vote for S. 49 as it is. This bill has been worked on for a year or two and I am convinced that the strong majority of this body favor the bill as it is. I do not think that S. 49 could be defeated. I think it is going to be passed and I intend to vote for it like it is. But I am offering my bill, asking that it go to the Judiciary Committee. I hope we can have hearings on this bill soon so we can get something back to the Senate for consideration.

□ 1050

Mr. METZENBAUM. Am I correct that these are the amendments that are described in the letter dated April 21 to all Senators and signed by the Law Enforcement Steering Committee? That letter says that the "Law Enforcement Steering Committee Against S. 49, made up of the Nation's 12 principal law enforcement organizations, urges you to support amendments to the pending legislation," and goes on to describe it.

Mr. THURMOND. Senator, there are amendments similar to those. I do not know whether it is the exact wording or not, but it is similar to that.

Mr. METZENBAUM. First of all, let me commend the Senator from South Carolina for offering that package of amendments. To the best of my knowledge, the Senator from Ohio approves of them, although I obviously have not had a chance to read that.

I do not think there is any secret about the fact that if and when we get on to the McClure-Volkmer bill, there will be considerable debate in connection with that measure, as well as a number of amendments. By "considerable debate," I do not mean to suggest a filibuster. I do not mean to suggest that at all. But it will tie up the Senate for a number of days.

There have been many discussions going on with respect to trying to put together a package, which I believe is pretty much along the line of the proposal of the Senator from South Carolina.

I would just ask the Senator from South Carolina if it would be possible that he could work out getting these or very similar amendments attached to the present bill, which possibly then might provide a means by which we could move the gun bill forward without further debate on the subject. Would he look favorably on that procedure and, therefore, we would not have to go through the Judiciary Committee but we would achieve the ultimate objective?

Mr. THURMOND. Mr. President, I have thought about that, but I am convinced we should not offer these as amendments. It is my judgment that the only way we are going to get these amendments is to offer a separate bill.

As I have indicated, the majority of the Senate is strongly in favor of S. 49. The House has passed it. I do not think you can stop this bill. I really think the only hope of getting these provisions law enforcement wants is in a separate bill, and that is what I have introduced. I would be pleased for the Senator from Ohio to join me on this bill and help me get it through the Judiciary Committee and bring it back to the Senate as soon as possible.

Mr. METZENBAUM. I want to say to the Senator from South Carolina that I am not as despondent or discouraged about the possibility of getting the amendments on the bill before it leaves the Senate. I think that it does merit some further discussion. I think, as a matter of fact, those who were the strongest advocates, the National Rifle Association, had indicated that these amendments were acceptable to them, as I understand it. And I am not speaking for them, I am only speaking from hearsay. But they had one other amendment that they wanted which I think would provide some difficulty and would not be acceptable.

However, let me say that we are prepared to move on to the bill. We are prepared to do that.

But, it is my understanding that the Senator from California, with my support, I might say, will be shortly moving to move on to the resolution having to do with the Saudi Arabian arms sale. Maybe during that period, perhaps, in some way we can work together to negotiate a result that I am sure the Senator from South Carolina would like to see attained.

Mr. THURMOND. Mr. President, I want to say, in response, that I think the National Rifle Association, as I understand it, would not oppose these

amendments if contained in a separate bill, but they would strongly oppose them being attached to this bill. S. 49 has been under consideration so long, it has been fought over so long, and the Senate passed it 79 to 15 and the House overwhelmingly passed it. I am convinced you cannot stop this bill and the best hope is to follow this procedure. I think it is a waste of time to do anything else. So I now intend to vote for S. 49 as it has passed the House and to work hard on a separate bill to try to accomplish something which I think can be a reality. I think to do it now is futile, a waste of time, and will not become a reality.

Mr. CRANSTON. Will the Senator from Ohio yield?

Mr. METZENBAUM. I do, indeed.

Mr. CRANSTON. I would simply like to ask the Senator from Ohio how long he feels debate on the gun bill will take, in view of our concerns about getting the Saudi measure up sometime very soon.

Mr. METZENBAUM. If I had to guess—and I am not certain—but I would guess 3 or 4 days, maybe into the first of next week. But I would say 3 or 4 days anyhow. I know that there are a number of Senators who have indicated that they want to offer amendments. If they do, I am sure that each of those will involve a considerable amount of debate.

Mr. HATCH. Will the Senator yield on that point?

Mr. CRANSTON. In view of that—if I may just continue.

Mr. HATCH. Would the Senator yield on that point?

We only know of three amendments to the bill. As a matter of fact, we feel that the McClure-Volkmer bill will, at most, take only 2 hours today. We will accommodate Senators who want to bring up amendments, to offer those and have votes on each of those. So there is no reason for this bill to go on for 3 or 4 days, unless there is a filibuster. If there is, it seems to me the leader would have to consider filing a cloture motion today, which means there will be a vote on this come Thursday. Should cloture be invoked, since it has passed both Houses, it would be fruitless to delay the Senate just because certain Senators do not like the McClure-Volkmer bill.

But, literally, there is no reason for this bill to go more than 2 hours today. Therefore, there is no reason for any delay in going to the Saudi arms package. Also, I think there are some of us who are still on the fence with regard to that package. I have to admit, if we are going to displace that, which the majority leader has said we are to do it today, I think we will be in an awful traffic jam here and maybe in danger of losing some votes that you might otherwise have, which I think are very important on that issue. Literally, I do not know what the distinguished Senator from Ohio was talking about when he says it would take 3 or 4 days.

Mr. METZENBAUM. I am prepared to respond.

Mr. HATCH. Because we have had a number of days on this bill in the past. The House has had days on this bill. Both Houses have passed this bill by overwhelming majorities.

We only know of three amendments. If there are others, we will accommodate those, there is no question about it, and we will have appropriate debate on them. But there is no reason why we cannot get to both of these issues if we are willing to work together and not delay the Senate in its work.

But if there is going to be delay, and deliberate delay at that, then do not blame those of us who are supporting the rights of hunters and fishermen all over this country for wanting to get this bill diposed of, because we do.

Mr. METZENBAUM. I want to respond to the Senator from Utah and the Senator from California. There will be no deliberate delay, as far as this Senator knows. But, having said that, it is impossible—impossible—to hope for this bill to be disposed of today or within a couple of hours.

Mr. HATCH. Mr. President——

Mr. METZENBAUM. The Senator from Ohio has the floor, if you please. The Senator from Ohio has four separate amendments. The Senator from Illinois, Senator SIMON, has an amendment. The Senator from Illinois, Senator DIXON, has an amendment. I am not certain what amendments, if any, the Senator from Massachusetts, Senator KENNEDY, has. But, suffice it to say that we recognize that the bill passed by a large margin. We also recognize that there were some mistakes made, and that is one of the reasons why Senator THURMOND has offered his package of amendments to try to correct that situation. We want to correct the matter. We know that the pending bill is not nearly as good as an amendment to the bill and it becoming a part of the law.

So I can say categorically to the Senator from California, who posed the question, that you may anticipate 2, 3, 4, or 5 days of debate. I am in no position to determine that. But I would say that, regardless of whether there were cloture motions filed, which I believe would be highly inadvisable, it is my understanding that all of the amendments about which we are speaking would be in order post-cloture and that would not solve the problem.

As I understand the concern of the Senator from California, it is that the Senate must conclude its action with respect to the time provided in the law no later than tomorrow, and it was his inclination to be able to move this matter having to do with the Saudi arms sale through the Senate today in order that the House might act on it tomorrow.

□ 1100

The PRESIDING OFFICER. The 5 minutes in morning business of the Senator from Ohio has expired.

Mr. CRANSTON. I ask unanimous consent that 2 more minutes be extended.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Ohio is recognized for 2 additional minutes.

Mr. METZENBAUM. I do not think anybody is trying to play any games. We are trying to move the procedures of the Senate forward properly. The motion of the Senator from California, which I previously stated I join him in to get on with the resolution of disapproval having to do with the Saudi Arabian arms sale, is a privileged matter. I hope Members of this body will not be placed in the position of having to vote in some way that might be interpreted as being with or against the gun lobby, or with or against those concerned about the Saudi Arabian arms sale.

There is not anything under the Sun that requires the arms bill to be concluded within 24 or 48 or 72 hours, or whatever. There is something with respect to the Saudi Arabian arms sale that requires the matter to be disposed of by tomorrow night if it is to have any impact whatsoever.

Mr. HATCH. Will the Senator yield at that point?

Mr. METZENBAUM. I ask unanimous consent that I have an additional 5 minutes so that I may respond to the Senator from Utah.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HATCH. Let us just be honest about it. The Firearm Owners Protection Act passed the Senate, has gone to the House, has had extensive debate there, and both bodies have passed it overwhelmingly. There is no question that there are a small number of Senators in this body who are against the bill. The distinguished Senator from Ohio is one of the most notable of that small number.

There is also no question that the distinguished Senator from Ohio and his colleagues in the House who are against the bill are also members of a small minority who would like to amend the Firearm Owners Protection Act here, again delay it, throw it into conference, and hopefully in the interest of defeating it.

If I may make just a couple more points, the distinguished Senator from South Carolina, Senator THURMOND, chairman of the Judiciary Committee, filed a bill today to correct what he considers to be matters within the

Firearm Owners Protection Act that might make it a better bill. He thinks in the end, after hearings, after a thorough examination, which is what his committee should do, and we feel that the McClure-Volkmer bill has been thoroughly examined. But nevertheless, he has done that in the interest of those who have some concerns.

Everybody here knows the Senator mentioned six amendments plus whatever the distinguished Senator from Massachusetts wants to bring up, and I presume there will not be many beyond the six. We can dispose of all of those amendments today within a reasonable time, and I think everybody understands fully the nature of each amendment, and fully the nature of the bill, which I might add is a privileged matter itself before this Senate.

The majority leader has called up this bill. I think to now try to displace this privileged bill with any other bill when we can do that in 1 day really would be an attack on the leadership of the majority leader of the Senate.

I believe we can do both of these bills, and we can do them expeditiously this week. There is no reason for all of this delay. There should be no delay in trying to bring up the Saudi arrangement because frankly that is not going to happen.

Mr. METZENBAUM. Does the Senator from Utah seriously question the fact that the law provides that the action of the Senator from California and myself has to be completed by Wednesday in order to have efficacy?

Mr. HATCH. No. But I also understand literally we can get that done if we just dispose of this bill in 2 or 3 hours.

Mr. METZENBAUM. There is a very big "if."

Mr. HATCH. It is not. It is within the power of the Senator from Ohio to do that. But he would prefer to delay it for 4 or 5 days.

Mr. METZENBAUM. The Senator from Ohio is not attempting to delay.

Mr. HATCH. What else could it be?

Mr. METZENBAUM. When the Senator from Ohio is trying to delay a matter, I never hesitate to indicate publicly what my intentions are. I have said to the Senator from Utah unequivocally I do not intend to delay this bill for delay's purpose only.

Mr. HATCH. Beyond 4 or 5 days.

Mr. METZENBAUM. Just a moment. Now I have the floor.

Mr. HATCH. That is fine.

Mr. METZENBAUM. Now I have the floor. The Senator from Utah knows also that I have been engaged in negotiations indicating a willingness to try to work out these amendments about which we are speaking, very similar to the amendment the Senator from South Carolina has proposed, and have indicated a willingness that they be handled as technical amendments so that they would not have to go to conference. All of those agreements or representations have been already made.

So the Senator from Utah cannot in any way suggest there is any effort on the part of us who have concerns about the gun control bill, or S. 49, to have any ideas at all about trying to defeat it or anything of the kind. What we are talking about is whether or not we are going to be able to deal with the action on the Saudi Arabian arms sale within the time limits prescribed by law.

I yield to the Senator from California.

Mr. CRANSTON. I would like to say this. I have no interest in delaying the gun bill. I have an interest in getting timely action under expedited procedures on the Saudi arms package. It is quite clear from the discussion that has been going on between the Senator from Utah and the Senator from Ohio that we are not going to dispose of the gun bill in 1 day although there is not going to be a filibuster, according to the Senator from Ohio.

The matter that I wish to bring up, the Saudi arms sale resolution of disapproval, has a time necessary for coming up swiftly whereas there is no such time necessary on the gun control bill, as I understand it. This is not an attack on the leadership. It is simply seeking to bring up the bill in a timely fashion under the laws to provide for that action. It is not a partisan matter. I am joined in this effort, and will be joined in the effort when it is made, if we have to come to that, by Senator PACKWOOD, by Senator D'AMATO, and I know many other Republicans will be supporting the motion.

The PRESIDING OFFICER (Mr. RUDMAN). The time for the transaction of morning business has expired.

The clerk will report the pending business.

Mr. METZENBAUM addressed the Chair.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The clerk will suspend.

For what purpose does the Senator from Ohio seek recognition?

Mr. METZENBAUM. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

□ 1110

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. HATCH. I object.

The PRESIDING OFFICER. Objection is heard.

The legislative clerk resumed the call of the roll.

□ 1120

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Utah is recognized.

FIREARMS OWNERS' PROTECTION ACT

Mr. HATCH. Mr. President, there is a great desire on the part of all people on the floor at this time to try to resolve these difficulties. But let us be honest about it: The firearms owners' protection bill has had days on the floor of the U.S. Senate, days on the floor of the House. It has been thoroughly scrutinized. It has been 8 years in coming, at least as far as I know. These issues have been fought ever since the 1968 gun control bill. Sports people all over this country have been abused by interpretations of that gun control bill of 1968.

This is not some inconsequential bill, Mr. President; this is an important bill and it has preference on the calendar.

The majority leader has called it up. This is the reason for that preference. That is because an overwhelming number of Members of Congress in both the Senate and the House have approved this bill. It has come back here after House amendments which are acceptable to the managers of the bill in the Senate. We are trying to work out this other matter as well. There will be a good-faith effort to do so.

I shall be absolutely honest about it, Mr. President: We are going to fight any attempt to amend the Firearms Owners' Protection Act on the floor at this time. The reason we are going to fight is that we know that those who want to amend it at this time, though there is sincerity behind some of their amendments, want to do so to delay it further in the hope that they can kill it either in conference or through further amendments or through any other type of delay, filibuster or otherwise. We know this is a critical time. There has been a massive effort by everybody concerned on both sides of this issue and we are going to resolve it.

I also recognize that the other issue is extremely important as well and there is no reason why we cannot get to that if we spend a reasonable time on this firearms bill at this time. We are going to make an effort to see if we can resolve these matters. The distinguished Senator from South Carolina, the chairman of the Judiciary Committee, Mr. THURMOND, has filed another bill today that may resolve some of the problems in the minds of some of our colleagues with regard to gun control, gun ownership, interstate

transportation, and so forth. We are willing to work on that language, willing to see what can be done, but not before the Firearms Owners' Protection Act which is before the Senate at this time. There will be a good-faith effort made and let us understand it: There is no reason in this world for this particular bill at this time to take 4 or 5 days or even 2 days. This is a bill that can be disposed of in a matter of 2 hours, at the most 6 hours, if we take all amendments that the Senator from Ohio has mentioned.

It is tough to get these bills to the floor, tough to resolve these matters. This is the time to resolve this very, very important matter.

Mr. President, on July 9 of last year, the Senate approved, by the decisive margin of 79–15 the Federal Firearms Owners' Protection Act. This bill simultaneously strengthens Federal law against violent firearms crimes and strengthens protections for the rights of law-abiding gun owners. The chairman of the House Judiciary Committee greeted the bill with the prediction that it would be dead on arrival when it arrived in the House. These were the identical words used last Congress by another House leader to predict that the Comprehensive Crime Control Act of 1984 that we worked so hard on in the Senate would be buried. The 1984 Crime Act was resurrected to become Public Law 98–473 and is the most sweeping crime control bill of this century. That was because some of us just would not be bullied or pushed around with regard to passing that bill. It is already doing much to deter criminal activities throughout our country. It is my hope that my colleagues will acknowledge the House's approval of S. 49 by helping to make it a public law as well. This approval of S. 49 would send a signal that America has become more serious about fighting violent crime.

Reminiscent of the 1984 crime control bill, opponents have undertaken to manufacture objections to this gun crime control bill. S. 49 has been accused of making it easier for escaping criminals, felons, and even terrorists to get a gun. In fact, S. 49 strengthens the Federal law banning dangerous persons from getting firearms. This bill makes it a felony for any person, not just a licensed firearm dealer, to sell knowingly a firearm to a fugitive, felon, drug abuser, or mental incompetent.

Critics of this anticrime legislation have also accused S. 49 of encouraging circumvention of State restrictions on firearms by permitting interstate firearm sales. Once again, the accusation does not match the provisions of the bill. S. 49 expressly states that a licensed dealer may sell no firearm whatsoever to an out-of-State buyer unless the sale complies with the law of both the buyer's and seller's State. Moreover any sale must take place face-to-face at the dealers business premises and records must be kept to ensure that law enforcement officers can trace weapons. State restrictions on gun sales are expressly preserved by the Senate bill; a violation of this rule is a Federal felony. Moreover, an amendment adopted in the House has retained current law on interstate sales of handguns.

Finally, critics stoop to suggesting the bill will allow mail-order sales of firearms. At least three provisions of current law prohibit mail-order sales. None of these provisions is altered by the bill, which in fact reaffirms the bans on purchase of firearms through the mail.

What the bill establishes are strict additional penalties for felonious use of a firearm. S. 49 even rules out probation, suspended sentences, paroles, or furloughs for offenders who employ a firearm in the commission of a violent crime. The Senate bill also consolidates and clarifies conflicting provisions of Federal law prohibiting felons, fugitives, drug abusers, mental incompetents, and other potentially dangerous individuals from obtaining firearms. S. 49 bans the importation of handgun frames, receivers, and barrels that are not suitable for sporting purposes, which amounts to a limit on importation of handgun barrels of 3 inches or less. The Senate bill explicitly codifies regulations permitting tracing of firearms used in crimes.

A primary benefit of the Senate antigun crime bill focuses Federal law enforcement efforts on violent crime, rather than on minor technical violations or infractions of the regulatory aspects of Federal law. Unfortunately, Federal enforcement has become mired down in enforcing inadvertent recordkeeping mistakes, rather than significant violent crime. An occasional firearm sale from a dealer's private collection has given rise to major felony prosecutions. Warrantless searches have unnecessarily harassed law-abiding firearms owners and honest dealers. The absence of legal definitions for terms like engaging in the business has subjected casual hobbyists or collectors to Federal prosecutions for dealing in firearms without a license. The lack of any criminal state of mind requirements or scienter as we refer to it in the law, has resulted in severe penalties for unintentional missteps.

In short, Federal officers have spent more time checking confusing paperwork than chasing murderers, thugs, and gun runners. S. 49 corrects those problems and frees the Federal officer to go after the violent criminal, which explains why the Nation's leading law enforcement agencies—the Departments of Justice and Treasury—were joined by the American Federation of Police, the AFL-CIO Police union, and other law enforcement groups in endorsing the Senate bill.

Indeed S. 49 will ensure that the 1968 Gun Control Act better meets its two primary intents: "To provide support to . . . law enforcement officials in their fight against crime and violence" and to avoid "Any undue or unnecessary Federal restrictions or burdens on law-abiding citizens with respect to the acquisition, possession, or use of firearms." S. 49's success in reinforcing those principles is the reason for its resounding victory in the Senate of the United States. For this same reason, not only America's sportsmen, hobbyists, collectors, honest firearm dealers, and over 65 million firearm owners, but also every other American interested in furthering our fight against violent crime will welcome approval of S. 49.

At this particular point, Mr. President, I ask unanimous consent to include in the RECORD a comparison of the Senate and House versions of S. 49. We quote existing law. Then we cite the Senate version and then the House version.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMPARISON OF MAJOR PROVISIONS OF 99TH CONGRESS BILLS S. 49, AS PASSED BY THE SENATE, AND AS PASSED BY THE HOUSE, AND EXISTING LAW

Existing law	S. 49 (Senate version)	S. 49 (House version)
I. Interstate Sales:		
Unlawful for any person to sell or deliver a firearm to any person not residing in transferor's State of residence [18 U.S.C. 922(a)(5) and (b)(3)]. A nonlicensee may not receive in his State of residence a firearm obtained outside that State [18 U.S.C. 922(a)(3)]. Major exception: licensee sale of longguns to residents of contiguous States having enabling legislation.	Nonlicensees may acquire firearms outside their State of residence if obtained over-the-counter from a licensee and the transaction is lawful where the transferee resides and the transaction occurs. Interstate transactions between nonlicensees continue to be prohibited, as is interstate shipment by a licensee to a nonlicensee.	Same as Senate, except interstate sale by licensees to nonlicensees is limited to rifles and shotguns.
II. Waiting period:		
7-day waiting period for intrastate mail-order sale of any firearm or contiguous State sale of longgun [18 U.S.C. 922(c) and 922(b)(3)].	Retains 7-day period for intrastate mail-order sale of any firearm. No waiting period for interstate sale of firearms unless required by applicable State law.	Same as S. 49 (Senate).
III. Licensing:		
To qualify for license, applicant must be "engaged in the business" of manufacturing, importing, or dealing in firearms or ammunition. Term not defined by statute [18 U.S.C. 922(a)(1) and 923(a)].	Eliminates ammo dealers. Defines "engaged in the business" as those who regularly import, manufacture and deal with the "principal objective of livelihood and profit" through the "repetitive purchase and resale of firearms." The term "principal objective of livelihood and profit" means that ". . . the intent underlying the sale or disposition of firearms is predominantly one of obtaining livelihood and pecuniary gain, as opposed to other intentions such as improving or liquidating a personal firearms collection.".	Same of S. 49 (Senate).
IV. Place of doing business:		
A licensee may not engage in a firearms business on premises other than that specified on his license [18 U.S.C. 923]; however, regulations allow licensees to do business at gun shows located in the same State as that specified on the license as an extension of their licensed premises. Records of firearms transactions at the show and inventory of firearms subject to inspection.	Incorporates the language of the regulation into the statute, thus allows licensees to do business temporarily at a show or event sponsored by "any national, State, or local organization, or any affiliate of any such organization devoted to the collection, competitive use, or other sporting use of firearms, or an organization or association that sponsors events devoted to the collection, competitive use or other sporting use of firearms in the community." Records of firearms transactions at the show subject to inspection.	Same as Senate, except that both records and firearms inventory subject to inspection at the gun show.
V. Records of firearms transactions:		
Licensees are required to maintain records of all firearms and ammunition transactions, including records of the disposition of personal firearms.[1] Disposition records include the name, age and place of residence of the purchaser. Any record information identifying purchasers and obtained by the Secretary may be furnished to State and local officials [18 U.S.C. 922(b)(5) and 923(g)].	No regulation issued after effective date may require that records or their contents be transferred to a Government facility or that any system of firearms registration be established.	Same as S. 49 (Senate).
	No record of the disposition of personal firearms need be kept except where the firearm is disposed of within 1 year of its transfer from business inventory into the personal collection or the transfer is made for the purpose of evading the recordkeeping requirements.	Substantially the same as Senate, except that recordkeeping would be required if the firearm acquisition or disposition is made for the purpose of evading recordkeeping requirement.
	Licensed collectors need only keep a "bound book" record, i.e., Forms 4473, which establish purchaser's identity and eligibility to acquire firearms, are eliminated.	Same as S. 49 (Senate).
	Ammunition recordkeeping is eliminated	Licensed firearms importers, manufacturers and dealers must record information about the purchaser of armor-piercing ammunition.
	Secretary may only disclose to State, local and other Federal officials record information identifying purchasers prohibited from purchasing or receiving firearms.	Same as S. 49 (Senate).

COMPARISON OF MAJOR PROVISIONS OF 99TH CONGRESS BILLS S. 49, AS PASSED BY THE SENATE, AND AS PASSED BY THE HOUSE, AND EXISTING LAW—Continued

Existing law	S. 49 (Senate version)	S. 49 (House version)
VI. Inspection of licensee records: Secretary authorized to make unannounced, warrantless inspections of licensee records and inventory at all reasonable times [18 U.S.C. 923(g)].	Warrant required to inspect records and inventory of licensed importers, manufacturers and dealers, except (1) in the course of a criminal investigation of a person other than the licensee, (2) 1 annual inspection upon notice or (3) in firearms tracing. Without warrant, licensed collectors subject to 1 annual inspection upon notice and inspection to trace firearms. Secretary may not bring criminal charges against the licensee based upon annual inspection except for willful violations of the recordkeeping requirements or sales to prohibited persons.	Same as Senate, except that annual inspection may be made without prior notice and there is no restriction on the use of evidence of crime discovered.
Interstate Sales:		
	Out-of-business records may be used only to trace firearms and to make official certifications in court proceedings.	Same as existing law.
	Except for records of the manufacture and importation of firearms, records maintained by Treasury/GSA must be disposed of after 20 years.	Same as existing law.
	Neither a warrant nor criminal prosecution may be based solely on information from reports of specific firearms transactions.	Same as existing law.
	Out-of-business records and reports of specific firearms transactions may not be kept in a central location nor computerized for storage or retrieval.	Same as existing law.
VIII. Administrative sanctions against licensees: Application for a license, or for a renewal, may be denied for failure to meet statutory criteria [18 U.S.C. 923(d)]. License may be revoked for a willful violation of any provision of the Act or regulations promulgated thereunder [18 U.S.C. 923(e)]. Judicial review by Federal district courts is usually limited to the administrative record.	No license could be denied or revoked upon charges in a criminal case if the licensee is acquitted or the criminal case is terminated other than upon Government's motion prior to trial. No revocation action could commence more than 1 year after the filing of indictment or information. Judicial review would be de novo.	Same as S. 49 (Senate).
Application for a license, or for a renewal, may be denied for failure to meet statutory criteria [18 U.S.C. 923(d)]. License may be revoked for a willful violation of any provision of the Act or regulations promulgated thereunder [18 U.S.C., 923(e)]. Judicial review by Federal district courts is usually limited to the administrative record.	No license could be denied or revoked upon charges in a criminal case if the licensee is acquitted or the criminal case is terminated other than upon Government's motion prior to trial. No revocation action could commence more than 1 year after the filing of indictment or information. Judicial review would be de novo.	Same as S. 49 (Senate).
IX. Importation: The Secretary may authorize a firearm or ammunition to be imported if it is generally recognized as particularly suitable for or readily adaptable to sporting purposes, excluding military surplus firearms [18 U.S.C. 925(d)]. [2].	Alters language of existing statute to remove the Secretary's apparent discretion to deny permits to import firearms and ammunition meeting the statutory criteria for importation. Deletes the language "generally recognized as particularly." Prohibits the importation of barrels for nonimportable firearms.	Same as S. 49 (Senate).
X. Mandatory penalties for carrying or using firearms and ammunition in the commission of Federal Crimes: Prohibits the carrying or use of a firearm during and in relation to a Federal crime of violence. Imposes mandatory sentences of 5 years imprisonment for first offense and 10 years for subsequent offenses—no suspension of sentence, probation or parole [18 U.S.C. 924(c)]. Similar mandatory penalties for the use or carrying of a handgun loaded with armor-piercing ammunition [18 U.S.C. 929].	Adds a further element of proof to section 924(c) that the firearm was carried or used "in furtherance of" the violent Federal crime and allows the court to impose no sentence if the use of the firearm was in self-defense or defense of another person.	Amends both sections 924(c) and 929 to include Federal drug felonies, in addition to violent Federal crimes, as predicate offenses for the purpose of imposing mandatory penalties for the carrying or use of firearms and handguns loaded with armor-piercing ammunition.

COMPARISON OF MAJOR PROVISIONS OF 99TH CONGRESS BILLS S. 49, AS PASSED BY THE SENATE, AND AS PASSED BY THE HOUSE, AND EXISTING LAW—Continued

Existing law	S. 49 (Senate version)	S. 49 (House version)
	Amends section 924(c) to include Federal drug felonies, in addition to violent Federal crimes, as predicate offenses for the purpose of imposing mandatory penalties for the carrying or use of firearms.	Provides mandatory penalties of 10 years for first offenders and 20 years for subsequent offenders if the firearm carried or used in violation of section 924(c) is a machinegun. The penalty also applies if the firearm carried or used is equipped with a silencer. "Silencer" amended to include any combination of parts designed or redesigned and intended for use in assembling a silencer and any part intended only for use in such assembly.
XI. Firearms transactions involving prohibited categories:		
(a) Possession of firearms by prohibited persons:		
The Gun Control Act and Title VII of the Omnibus Crime Control and Safe Streets Act prohibit specified categories of persons, e.g., persons convicted of crimes punishable by imprisonment for a term exceeding 1 year, from shipping or transporting firearms in interstate or foreign commerce and from receiving or possessing firearms that previously moved in such commerce [18 U.S.C. 922(g) and (h) and 18 U.S.C. App. 1201-1203].	Same as existing law, except that Title VII would be substantially repealed and its provisions incorporated into the Gun Control Act.	Repeals Title VII and incorporates its provisions, including Armed Career Criminal Act, into the Gun Control Act.
(b) Sales to prohibited persons:		
Licensees may not lawfully sell or deliver firearms or ammunition to specified categories of prohibited persons [18 U.S.C. 922(d)].	Unlawful for any person, whether licensed or not, to make such sales or deliveries.	Same as S. 49 (Senate).
(c) Definition of crime punishable by imprisonment for more than one year:		
Conviction of such crime is deemed to have occurred upon a guilty plea or finding of guilt by the court, regardless of whether the person is considered to have been convicted under State law. Definition excludes State misdemeanors punishable by imprisonment for 2 years or less, unless the crime involved a firearm or explosive. State pardons and expunctions of the conviction do not erase the conviction for Federal purposes [18 U.S.C. 921(a)(20)].	A conviction is determined by the law of the jurisdiction in which the proceedings were held. State pardons and expunctions of the conviction would erase the conviction for Federal purposes, unless the person is expressly denied the right to possess or receive firearms. State misdemeanors punishable by imprisonment for 2 years or less, including those involving a firearm or explosive, excluded from the term.	Same as S. 49 (Senate).
(d) Relief from disabilities:		
Relief from disabilities of conviction of a crime punishable by imprisonment for a term exceeding 1 year may be granted by the Secretary if satisfied that relief would not be contrary to public interest and safety. A person is ineligible to apply if his crime involved the use of a firearm or other weapon or if convicted of a violation of the Gun Control Act or the National Firearms Act [18 U.S.C. 925(c)]. Judicial review is limited to the administrative record to determine if a reason existed for denial of relief.	Allows relief for all categories of persons having Federal firearms disabilities and removes the bar to relief for felons whose crimes involved the use of a firearm or other weapon or whose conviction was for a violation of GCA or NFA. Expressly provides for judicial review and the court may hold a trial de novo.	Same as S. 49 (Senate).
XII. Forfeiture of firearms and ammunition:		
Any firearm or ammunition involved in, or used or intended to be used in any violation of the act, any regulation thereunder, or any other Federal criminal law is subject to seizure and forfeiture [18 U.S.C. 924(d)].	Where seizure and forfeiture is based upon the involvement of the property in a violation of a provision of the Act, the intent element applicable to a criminal prosecution under that provision must be established.	Same as S. 49 (Senate).

COMPARISON OF MAJOR PROVISIONS OF 99TH CONGRESS BILLS S. 49, AS PASSED BY THE SENATE, AND AS PASSED BY THE HOUSE, AND EXISTING LAW—Continued

Existing law	S. 49 (Senate version)	S. 49 (House version)
	Where the grounds for seizure and forfeiture is that the property is "intended to be used" in a violation, "clear and convincing evidence" of such intent must be shown. Also, this ground would be limited to certain specified crimes, i.e., crimes of violence, drug-related offenses, illegal exportation and certain violations of the Gun Control Act. The GCA offenses include 18 U.S.C. 922(a)(1), (a)(3), (a)(5) and (b)(3) where the property is involved in a "pattern of activities" including an actual violation of the statute; 18 U.S.C. 922(d) where the intent is that of the seller making an illegal sale to a prohibited person; and any violation of 18 U.S.C. 922(i), (j), (l), (n), or 924(b).	
	If owner or possessor of the property is acquitted of criminal charges upon which the seizure was based, property must be returned unless he would be placed in violation of the law. Forfeiture proceeding must be commenced within 120 days of seizure.	
XIII. Criminal penalties:		
"Willingness" is not an element of proof of any GCA offense [18 U.S.C. 924(a)]. Offenses punishable by 5 years imprisonment or $5,000 fine, or both.	Requires proof of "willful" violation for certain prosecutions and proof of a "knowing" violation for remainder of prosecutions. Section 924 would provide that whoever knowingly violates subsections (a)(4), (a)(6), (f), (g), (h), (i), (j) or (k) of section 922, or knowingly imports or brings into the United States any firearm or ammunition in violation of section 922(l), or knowingly violates any provision of section 924, or willfully violates any other provision shall be fined not more than $5,000 or imprisoned not more than 5 years, or both. Note: section 929 would require "willful" element.	Same as Senate except violations of section 922(h) would require proof of willfulness and violations of section 929 would require "knowing" intent.
	Reduces to a misdemeanor any licensee recordkeeping violation.	Same as S. 49 (Senate).
XIV. Effect on State law (interstate transportation of firearms):		
No provision of the GCA excludes any State law on the same subject matter, unless there is a direct and positive conflict so that the two cannot be reconciled [18 U.S.C. 927], e.g., since the GCA does not convey any right to transport a firearm interstate, the States may prohibit such transportation.	A person is entitled to transport an unloaded, not readily accessible firearm interstate notwithstanding any provision of State or local law to the contrary; thus, any such provision is preempted.	Same as S. 49 (Senate).
XV. Provisions relating to National Firearms Act weapons:		
(a) Silencers:		
The NFA imposes making and transfer taxes on silencers and occupational taxes on those engaged in business in such items. It also requires the registration of silencers upon their making, manufacture and transfer [26 U.S.C. Chapter 53]. Silencer means any device for diminishing the report of a firearm or a combination of all the parts of an unassembled silencer.	No change in existing law	See X above on silencers.
The GCA defines firearm to include silencer (18 U.S.C. 921(a)(3)(C).		

COMPARISON OF MAJOR PROVISIONS OF 99TH CONGRESS BILLS S. 49, AS PASSED BY THE SENATE, AND AS PASSED BY THE HOUSE, AND EXISTING LAW—Continued

Existing law	S. 49 (Senate version)	S. 49 (House version)
(b) Machineguns: The NFA definition of machinegun includes, among other things, any combination of parts designed and intended for use in converting a weapon into a machinegun, i.e., conversion kits [26 U.S.C. 5845(b)].	No change in existing law	Prohibits the possession or transfer of machineguns, except (1) for a transfer to or by, or possession by or under the authority of Federal or State agencies, and (2) any lawful transfer or lawful possession of a machinegun lawfully possessed before the date the President signs the bill. This prohibition becomes effective when the bill is signed. Machinegun conversion kit definition is, for purposes of GCA and NFA amended to mean "any part designed and intended solely and exclusively, or combination of parts designed and intended for use in converting a weapon into a machinegun."
XVI. Attorneys fees: No provision for attorneys fees	Allows a court to award a reasonable attorneys fee to the prevailing party, other than the United States, in a forfeiture proceeding. In any other proceeding under the Act, the court may award such fee where the action is determined to be without foundation, frivolous or in bad faith.	Same as Senate, except that the Government is liable for attorneys fees only as appropriated.

[1] These requirements were nullified with regard to ammunition suitable for use only in shotguns and rifles by Public Law 91-128 (Nov. 26, 1969), amending 26 U.S.C. 4182. They were also nullified with regard to .22 caliber rimfire ammunition by Public Law 97-377 (Dec. 21, 1982), amending 18 U.S.C. 922(b)(5) and 923(g).

[2] To make the determination with respect to handguns, the Secretary relies on "factoring criteria" developed by a panel of experts. In addition to satisfying certain prerequisites, a handgun must be awarded a specified number of points for such features as weight, size, construction, and safety features. Furthermore, Public Law 98-573 (Oct. 30, 1984) added a new section 925(e) permitting licensed importers to import surplus military firearms classified as curios or relics, however, handguns must still be particularly suitable for sporting purposes and meet the "factoring criteria."

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, we will have an opportunity to speak at greater length on the gun control bill which is before us now, S. 49, but I for one cannot permit the general description of the legislation that has been made by my good friend from Utah to remain unresponded to here on the floor of the Senate.

I think all Americans are very much aware of the tragedies which have taken place, not only in this country but abroad, because of the acts of terrorism. All Americans are very aware that this phenomenon that has developed in recent times, and something that we have heard about from Tokyo the past several hours, may very well be focused on the United States in a very dramatic and important and significant way.

But, Mr. President, we already have terrorists in the cities of this country. The inner cities of this country are free fires zones, because of the massive proliferation of the small, concealable handguns which are used time and time again in crimes of violence.

There were important changes made in the House of Representatives to the legislation that passed here last July. They addressed some of the most egregious aspects of the bill that we passed. I was one of the 15 or so who voted against the Senate bill. Many of us applaud the work that was done by the House of Representatives.

The fact remains, Mr. President, that this legislation is still a retreat from necessary handgun control. It is not really going to help hunters. It is going to help dealers. What it is going to do is make it more complex, more difficult for law enforcement officials, who are attempting to deal with one of the great cancers of our society, and that is handgun violence in our country, perhaps even around the world. It is going to make their job more difficult. That is why the representatives of the 10 police associations, those men and women who are on the front line of violence every single day, in the inner cities, in rural communities—trying to ensure that our homes are going to be safe and secure—they believe this bill is seriously flawed and that some amendments ought to be accepted. They are not unreasonable amendments, and we shouldn't allow this bill to move forward without them. Evidently, we will have the opportunity to address those issues this afternoon.

Mr. President, it is tragic that at the very time when many are making statements and pronouncements and issuing press releases about violence in our society, about crime in our communities, about how we are going to face new threats of terrorism, we are seeing, by the various provisions of this bill, a pattern of weakening of legitimate law enforcement officials to deal with handgun violence and the proliferation of handguns in our society.

That is why virtually all the law enforcement organizations that, as I said, are doing such an outstanding job for the citizens of this Nation feel that several amendments are essential and why they basically oppose this bill.

I look forward to having an opportunity to talk about this at greater length and to review them in greater detail with our colleagues later in the afternoon. But I wanted to make these remarks at this time, and to ask unanimous consent that the text of the letter to all Senators from leaders of every major law enforcement and police group in this Nation be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LAW ENFORCEMENT STEERING COMMITTEE AGAINST S. 49,
April 21, 1986.

DEAR SENATOR: At a time when our nation is fighting terrorists overseas, Congress soon may greatly increase the opportunities at home for terrorists and other criminals to obtain untraceable firearms, including concealable handguns, and transport them across state lines.

But the Senate can prevent the potential escalation in gun violence and thus help to safeguard the lives of law enforcement officers and the citizens they are sworn to protect.

This is because you will be able to vote with law enforcement on several key amendments to S. 49, gun legislation that is pending in the Senate after having been modified and passed by the House of Representatives.

The Law Enforcement Steering Committee Against S. 49, made up of the nation's 12 principal law enforcement organizations, urges you to support amendments to the pending legislation that will:

Maintain the right of states to control the transport of firearms within their borders, without interfering with the ability of individuals to transport across state lines unloaded, inaccessible firearms for sporting purposes;

Close a loophole in House-passed legislation that would facilitate unrecorded distribution of weapons by and to terrorists and other criminals;

Retain current law that requires gun dealers to keep records on all firearms sales, thus preserving law enforcement's ability to trace firearms used in crime.

These amendments represent bottom-line needs of law enforcement in its fight to forestall gun crimes and deal with violent offenders.

I. The gun lobby says that current federal gun legislation needlessly obstructs the legitimate interests of sportsmen by keeping them from transporting firearms across state lines for hunting, shooting competitions, and other sporting events. The Law Enforcement Steering Committee proposes to respond to that problem while retaining the rights of the states to regulate the transport of firearms across their lines. The Steering Committee's amendment would permit a resident of a state who lawfully possesses and carries a firearm in his home state to transport that firearm to another state here he may lawfully possess and carry it if:

The transport of the firearm is for a lawful sporting purpose;

The firearm is consistently transported in a way that it is not readily accessible (handguns must be in locked containers); and

Ammunition being transported for the firearm is kept in locked compartment.

In sum, the Steering Committee's amendment would keep intact the states' ability to enforce concealed weapons laws with respect to their own residents and to control the flow of firearms within their borders, except when those firearms were transported interstate for clearly defined, legitimate sporting purposes.

II. The second LESC amendment would close a loophole in the Houe bill that would facilitate unrecorded distribution of weapons by terrorists. According to a February 10, 1986 memo prepared by the director of the Bureau of Alcohol, Tobacco and Firearms, S.49 contains too narrow a definition of persons "engaged in the business" of dealing in firearms. "Consequently," according to the BATF memo, "some criminal activity that may be prosecuted under existing law for engaging in firearms business without a license may not be prosecutable under S.49. For example, an individual who on several occasions disposed of firearms at cost to terrorists for the purpose of facilitating their crimes may not be held to be 'engaging in the business.' "

The Steering Committee amendment makes clarifying changes in the House bill's definition of a dealer to make certain that the definition of a dealer covers individuals who dispose of firearms to terrorist groups.

III. A final LESC amendment would retain current law that requires that dealers keep records of all sales. Without such requirements, law enforcement would face a flood of untraceable firearms used in crimes. The amendment simply assures that firearms dealers continue to be required to take a few minutes to record sales of firearms.

We urge your support for law enforcement's amendments and for public safety when S.49 comes up for a vote on the Senate floor.

Sincerley,

Robert E. Van Etten, President, Federal Law Enforcement Officers Association; Richard A. Boyd, National President, Grand Lodge, Fraternal Order of Police; Jerald R. Vaughn, Executive Director, International Association of Chiefs of Police; Kenneth T. Lyons, National President, International Brotherhood of Police Officers; William Kolender, President, Major Cities Police Chiefs; Robert T. Scully, President, National Association of Police Organizations; Marty M. Tapscott, President, National Organization of Black Law Enforcement Executives; L. Cary Bittick, Executive Director, National Sheriffs' Association; Thomas J. Iskrzycki, Chairman, National Troopers' Coalition; Cornelius J. Behan, President, Police Executive Research Forum; Hubert Williams, President, Police Foundation; E. Roberta Lesh, Executive Director, Police Management Association.

Mr. HATCH. Mr. President, I have heard the remarks of the distinguished Senator from Massachusetts, but let us be honest about it. All these matters have been discussed; all of them have been debated ad infinitum.

The purpose of this reconsideration by the Senate at this time is because the House has passed our bill, added amendments to it, and we intend to pass the House bill.

There is no question that there will always be some discontent with any bill passed here that has any controversy to it. This is a law and order bill. It protects sportsmen from the type of officious meddling that has come from overbureaucratization in our society, and it has been long overdue. It is almost 20 years overdue. I think it is time we start doing what is right for the sports people and at the same time tighten up our criminal laws.

THE NOMINATION OF DR. JAMES C. FLETCHER TO BE ADMINISTRATOR OF NASA

Mr. HEFLIN. Mr. President, I rise to express my support for the nomination of Dr. James Fletcher to be the Administrator of NASA. Dr. Fletcher has an outstanding reputation and his long experience in space issues makes him well qualified to head the space agency.

It is vitally important that we get strong leadership at NASA. It has been more than 5 months since NASA has had a permanent Administrator. Since that time the agency has suffered the tragic loss of the shuttle *Challenger*, and, most recently, the loss of a Delta rocket. Morale is lower at the agency than at any time in recent memory and the public has lost confidence in our Space Program. We must move with haste to fill the void in leadership at NASA and get the Space Program moving in a positive direction once again. I believe Dr. Fletcher would bring to NASA the integrity and decisive leadership ability the agency so sorely needs at this time.

Dr. Fletcher served as the Administrator of NASA on a previous occasion, from 1971–77. He came to NASA from the University of Utah where he had served as president since 1964. Prior to that he had a distinguished career in the aerospace industry.

Dr. Fletcher took over at NASA in 1971 when public enthusiasm for the Space Program was very high. Just 2 months prior to his swearing in ceremony, Apollo 14 had successfully completed the third manned lunar landing. Apollo 15, which carried the lunar roving vehicle, completed its spectacular success during this third month. This was followed by two more Apollo flights, completing the Apollo Program. Along with these came the unmanned visits to Mars in the Mariner series, the visits to Jupiter in the Pioneer series, the launching and triple visits to Skylab the last of which lasted 3 months.

Dr. Fletcher's administration was distinguished as the longest sustained period of manned and unmanned exploratory adventures in space. His administration was also significant in that the actual design and construction of the space shuttle began. Therefore Dr. Fletcher presided over the culmination of NASA's initial space effort, the era of expendable boosters, as well as the planning and start of the transition to a reusable space transportation system. When he resigned in May 1977 the first shuttle orbitor was completing the captive phase of its test flights, being carried on the back of a Boeing 747.

In recent weeks articles have appeared in the New York Times portraying waste and mismanagement at NASA over the last 15 years, a part of which was during Dr. Fletcher's term as Administrator. These articles cited Federal audits which referred to problems of cost overruns, contract mismanagement, and technical difficulties at NASA, particularly in the Shuttle Program. In my judgment, while these deficiencies point out the immense problems of running an agency the size and character of NASA, it also indicates that Congress has not exercised its oversight responsibilities to the degree it should. We must also remember that the development of the shuttle was one of the most difficult and technically demanding programs ever undertaken by the agency. In the future NASA and Congress should discharge their responsibilities more thoroughly, but we should not attempt to attribute all of NASA's prob-

lems over a 15-year period to Dr. Fletcher.

As NASA Administrator one of Dr. Fletcher's first goals should be to restore public confidence in our Space Program. At the same time he should get the Shuttle Program back on schedule and go forward with such important new initiatives as the manned space station. In accomplishing these goals, Dr. Fletcher must once again make safety in our Space Program a top priority. I believe Dr. Fletcher possesses the leadership and skills necessary to accomplish these goals and return NASA to its position as the preeminent Space Program in the world. He has a difficult and awesome task before him and deserves the support of the Senate.

Thank you, Mr. President.

Mr. KERRY. Mr. President, today's vote on Dr. James Fletcher as administrator of the National Aeronautics and Space Administration is a matter to which I have given serious consideration. Like most of my colleagues and indeed most Americans I have noted the outstanding accomplishments of the Agency over the last decades with great pride. America's leadership in space has been a tribute to the best in this Nation. Our vision and pioneering spirit as well as our competitive lead in science and engineering have kept us in the forefront of the exciting challenge of opening and exploring space. And we all know that we are only at the threshold of that enormous challenge. Unparalleled opportunities exist in the space program's future for developments in science, commerce and national security.

The recent tragedy of the *Challenger* accident and the subsequent losses of the Titan and Delta and their payloads, will not stop the forward movement of America's space program. But those incidents do raise new, critical issues about NASA and the direction our space program must take in the future. Basic choices face us, choices which have enormous significance for America and the world community. These choices will mean selection of priorities in everything from national fiscal resources to launch manifests. They will mean potentially irrevocable commitments to the militarization of space. They will mark the course of future space development for generations to come.

Mr. President, I believe that it is time for us to move into the future with new leadership at the head of NASA. Dr. Fletcher's distinguished career has indeed been a credit to him and to the agency. But, as we face the inevitably of necessary changes and adjustments in NASA and related programs, I believe it is imperative that fresh leadership take us there.

And finally, I have serious reservations regarding Dr. Fletcher's positions and judgments on the strategic defense initiative.

It is therefore impossible for me to support this nomination and I shall vote against it.

RECESS UNTIL 2 P.M.

Mr. HATCH. Mr. President, I move that the Senate stand in recess until 2 p.m.

The motion was agreed to; and at 11:42 a.m., the Senate recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. NICKLES].

EXECUTIVE SESSION

The PRESIDING OFFICER. The Senate will now proceed to executive session.

NOMINATION OF JAMES C. FLETCHER, OF VIRGINIA, TO BE ADMINISTRATOR OF THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

The PRESIDING OFFICER. Under the previous order, the hour of 2 p.m. having arrived, the Senate will now proceed to vote on the nomination of James C. Fletcher, of Virginia, to be Administrator of the National Aeronautics and Space Administration.

The question is, will the Senate advise and consent to the nomination of James C. Fletcher, of Virginia, to be Administrator of the National Aeronautics and Space Administration?

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Florida [Mrs. HAWKINS] and the Senator from Alaska [Mr. STEVENS] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 89, nays 9, as follows:

[Rollcall Vote No. 90 Ex.]

YEAS—89

Abdnor	Dole	Inouye
Andrews	Domenici	Johnston
Armstrong	Durenberger	Kassebaum
Baucus	East	Kasten
Bentsen	Evans	Kennedy
Biden	Exon	Lautenberg
Bingaman	Ford	Laxalt
Boren	Garn	Leahy
Boschwitz	Glenn	Levin
Bradley	Goldwater	Long
Bumpers	Gorton	Lugar
Burdick	Gramm	Mathias
Chafee	Grassley	Matsunaga
Chiles	Harkin	Mattingly
Cochran	Hatch	McClure
Cohen	Hatfield	McConnell
Cranston	Hecht	Melcher
D'Amato	Heflin	Metzenbaum
Danforth	Heinz	Mitchell
Denton	Helms	Moynihan
Dixon	Hollings	Murkowski
Dodd	Humphrey	Nickles
Nunn	Roth	Thurmond
Packwood	Rudman	Trible
Pell	Sarbanes	Wallop
Pressler	Simpson	Warner
Pryor	Specter	Weicker
Quayle	Stafford	Wilson
Riegle	Stennis	Zorinsky
Rockefeller	Symms	

NAYS—9

Byrd	Gore	Proxmire
DeConcini	Hart	Sasser
Eagleton	Kerry	Simon

NOT VOTING—2

Hawkins	Stevens

So the nomination was confirmed.

□ 1420

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate will be in order.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the President of the United States be immediately notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. SIMPSON. Mr. President, what is the pending business?

The PRESIDING OFFICER. The business pending before the Senate is a message from the House on S. 49.

Mr. SIMPSON. Mr. President, it is the intention of the majority leader to proceed with that measure to its conclusion. Then, of course, we shall go to the Saudi Arabian arms issue and on to the military reorganization bill. This is for the benefit of our colleagues on both sides of the aisle. I share that with the Democratic leader. I can indicate at this time that there will be votes on Friday. At least, that is the present intention. Without an attempt to lay out the full scenario of the week, I share those salient points which mean so much to us all.

Mr. BUMPERS. Mr. President, will the Senator yield for a moment?

Mr. SIMPSON. Yes, I yield.

Mr. BUMPERS. Will the Senator tell us without laying out the scenario for the rest of the week whether or not it is the leader's intention to stay in the rest of this evening?

Mr. SIMPSON. Mr. President, I cannot give a full response, but I do not believe it is the leader's intent to have a late evening session tonight. I

shall share that, but shall get more information to the Senator later.

Mr. BUMPERS. How much time is going to be required on S. 49, does the Senator know?

Mr. SIMPSON. Mr. President, the managers are not here so that I can confer on that. I am not aware of the number of amendments.

Mr. BUMPERS. I thank the Senator.

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

(Mr. GORTON and Mr. COCHRAN occupied the chair during the quorum call.)

□ 1640

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HATFIELD). The Chair, in his capacity as a Senator from Oregon, must object.

Mr. DOLE. I object.

The PRESIDING OFFICER. Objection is heard.

The clerk will continue the call of the roll.

The assistant legislative clerk continued the call of the roll.

□ 1720

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GARN). Is there objection? Without objection, it is so ordered.

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that I may proceed as if in morning business for 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

WELCOME TO RURAL ELECTRIFICATION DELEGATION

Mr. BOSCHWITZ. Mr. President, during these days, a number of delegations from various parts of the country are here in the Capital in behalf of the Rural Electrification Administration and the various co-ops that are part of that great system. They have come here for the purpose of furthering the cause of rural electrification and what it brings to the very troubled part of the United States that we find in rural America.

The Rural Electrification Administration has brought light and heart and hope to the rural parts of the United States for half a century, so it is with great pleasure that I speak in their behalf. I acknowledge their presence in Washington at this time and wish them well as they go about their chore of seeing that that important element of our Federal Government continues.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FIREARMS OWNERS' PROTECTION ACT

Mr. DOLE. Mr. President, I believe we are about ready to make things happen here. It may not appear that way from the previous 4 or 5 hours, but we believe we now have S. 49 and the accompanying legislation with reference to firearms protection worked out. We can do both of those matters by voice vote with very limited debate—and I underscore limited.

Then I shall move to the Calendar No. 633, Senate Joint Resolution 361, the Saudi arms sale. Hopefully, we will get an agreement of 1 hour on that matter and dispose of that yet this evening. I assume there will be a rollcall vote.

Mr. BYRD. Mr. President, will the distinguished majority leader yield?

Mr. DOLE. Yes, Mr. President.

Mr. BYRD. I did not hear his last statement. Would he repeat it, please?

Mr. DOLE. After we dispose of the two firearms bills—S. 49 and the accompanying gun bill—I shall ask unanimous consent to proceed to Calendar No. 633, Senate Joint Resolution 361, the Saudi arms sale resolution. If we can get consent, we will move to that and hopefully dispose of that with a time agreement of an hour equally divided and hope to dispose of that this evening.

Mr. BYRD. And that will be it?

Mr. DOLE. I hope it will be it.

Mr. CRANSTON. If the Senator can include in his motion that there be only 1 hour, that will be part of the motion. Then it does not need unanimous consent.

Mr. DOLE. I shall do that.

Mr. METZENBAUM. Mr. President, before the Senator makes the unanimous-consent request, I want first to express my appreciation for the cooperation of the majority leader and the chairman of the Energy and Natural Resources Committee [Mr. MCCLURE] and the chairman of the Committee on the Judiciary [Mr. THURMOND], as well as the chairman of the Labor and Human Relations Committee [Mr. HATCH]. We have had some very extensive negotiations this afternoon and we have been able finally to work out an understanding that the McClure-Volkmer bill that some of us continue to oppose—certainly the votes are here to pass it—will be passed on a voice vote.

Immediately thereafter, it is my understanding that the Senator from South Carolina will call up his bill, which will be modified with certain amendments having to do with the same bill, the McClure-Volkmer bill, or the same subject. That bill will also then be passed on a voice vote.

In doing that, I want to inquire of my colleague from Utah [Mr. HATCH] whether I am correct in my understanding that the Thurmond bill, when it goes over to the House, will not be opposed by the National Rifle Association and will not be opposed by the principal supporter of S. 49, Mr. VOLKMER; and that the best of his understanding and knowledge is that that bill will be able to move forward with dispatch over there, although it is fair to point out that the National Rifle Association is not supporting it, but they will not oppose it. Am I correct in my understanding?

□ 1730

Mr. HATCH. Let me reply to the distinguished Senator from Ohio, it is true that this agreement has been run by the representatives of all of the people he has talked about including the National Rifle Association representatives, and it is true that although they do not support the Thurmond bill that will be called up immediately following S. 49's passage by voice vote and will be passed by voice vote, the National Rifle Association will not oppose the Thurmond bill in the House. It is also equally true that the distinguished principal sponsor of the bill in the House, Mr. VOLKMER, will not oppose the bill. I personally talked with the distinguished Member of the House, Mr. DINGELL, who has been a very key player on this bill, and he has agreed to not oppose it. So I believe that the Senator is correct in his assertion here today, and I would like to just move as quickly as we can to resolve this.

Mr. METZENBAUM. I have no problem about moving as quickly as possible, but I think we ought to have the understanding that we all expect the end result will be that the McClure-Volkmer bill will be finalized and that the Thurmond bill will be not only passed by the Senate but that there is every absolute likelihood that it will be passed through the House without any impediments.

Mr. HATCH. The distinguished Senator from Ohio is correct. We expect there not to be opposition by the leading spokesmen for S. 49, which will pass there today by voice vote, and we expect the distinguished Senator from South Carolina to immediately call up his bill, which, as we view it, does not compromise the body of S. 49; it only clarifies several ambiguities in the

eyes of those who have worked on it. Indeed, this was the original intent of our provisions in S. 49 when we passed it the first time in the Senate, so we believe that it will resolve some problems. I personally thank the distinguished Senator from Ohio and others for their efforts in helping to bring about the clarification of some of these ambiguities.

Mr. METZENBAUM. I thank the Senator from Utah. I think that clarifies the situation.

Mr. HATCH. In bringing this to pass today there have been many players and many people who have worked very hard on this including law enforcement officials, Members of the House, and Members of the Senate, but I particularly pay special tribute to Senator DOLE, who has made it possible for S. 49 to come to the Senate floor. He has been a principal sponsor of the amendment, not only when he was on the Judiciary Committee but this year off the Judiciary Committee and of course as majority leader and without him there is no question we would not be at this point.

Mr. METZENBAUM. I now see the principal sponsor of the McClure-Volkmer bill on the floor. I want to point out to him that there has been a representation made by the Senator from Utah indicating that he expects and anticipates that both of these bills will be passed by voice vote this evening and that there will be no special impediment or any impediments put in the way of passing the Thurmond bill when it goes over to the House.

Mr. McCLURE. Will the Senator yield?

Mr. METZENBAUM. I certainly will.

Mr. McCLURE. I will be pleased to respond to the Senator. As the principal sponsor of the bill, I had authorized the Senator to make that representation on my behalf, but I am pleased to be able to be here and do it personally as well.

I have talked to the principal sponsor in the House, Congressman VOLKMER, and I think I am authorized by him to state that while he is less than enthusiastic, he will not object and will not oppose the Thurmond bill when it comes over to the House. And certainly it is my expectation that the Senate will pass it. I have talked to officials of the National Rifle Association, and again I think it is fair to say that they are less than enthusiastic but they are not going to mount any effort to destroy this opportunity for passage of both bills today in the Senate and the passage of the second bill in the House when it arrives there.

Now, I think in fairness we also ought to add one other thing, and that is if there is an attempt in the House of Representatives to amend the Thurmond bill to make it a much broader kind of a vehicle, that would be opposed.

Mr. METZENBAUM. I understand the Senator.

Mr. McCLURE. If it completely changed the Senate version of the bill.

Mr. METZENBAUM. We are discussing the bill as it passes the Senate.

Mr. McCLURE. The Senator is correct.

Mr. METZENBAUM. We understand. I understand if it becomes a different bill, that, of course, all understandings would be off.

Mr. KENNEDY. Will the floor manager yield?

Mr. HATCH. I yield to the Senator from Massachusetts.

Mr. KENNEDY. I wish to express my appreciation to the floor managers of the bill, the Senator from Utah [Mr. HATCH] and also Senator McCLURE and Senator THURMOND, for working out a satisfactory procedure, and of course, Senator METZENBAUM who worked so effectively in representing our side.

I think this is a very reasonable request. I think it has demonstrated the interest of all Members in learning the legitimate concerns of the law enforcement officers of this country. I think it is a tribute to them for their constancy in following this issue. I know, from my own conversations with them, they are interested in not interfering with the legitimate interests of the sportsmen but also in their very deep, continuing and abiding concern about violence in our society.

I believe that the procedures which have now been outlined demonstrate the sensitivity to those very deep concerns. I welcome the opportunity to join with the chairman of the Judiciary Committee, Senator THURMOND, and others in cosponsoring his compromise bill. It is a very constructive and positive outcome for the Senate on these issues. So I express my appreciation for the time and effort that has gone into permitting us to get to this point in the deliberations.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. I thank my good colleague from Massachusetts for his kind and gracious remarks. I would also like to state finally that the principal sponsor of this bill, Senator McCLURE, has worked long and hard for many, many years to bring this to this point and he has worked long and hard today. Without him this bill, frankly, would not be in the position that it is right now, so I personally express my deep regard and affection for him.

Mr. President, I ask unanimous consent that a colloquy between Senator DOLE and myself be placed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

MACHINEGUN COLLOQUY

Mr. DOLE. At the close of the debate on S. 49 in the House of Representatives, the House adopted an amendment dealing with automatic weapons. That amendment is quite brief. It states:

(o)(1) Except as provided in paragraph (2), it shall be unlawful for any person to transfer or possess a machinegun.

(2) This subsection does not apply with respect to—

(A) a transfer to or by, or possession by or under the authority of, the United States or any department or agency thereof or a State, or a department, agency, or political subdivision thereof; or

(B) any lawful transfer or lawful possession of a machinegun that was lawfully possessed before the date the subsection takes effect.

This language raises many questions which I would like to explore with my colleague, the Senator from Utah, who is also the floor manager of S. 49. In the first place, I would like to confirm my own understanding of the second exception to the general ban on possession and transfer of machineguns. This appears to be a grandfather clause which covers all machineguns that are lawfully possessed at the time of enactment of S. 49. Is that correct?

Mr. HATCH. The Senator is correct. This language means that any automatic weapon registered in compliance with the National Firearms Act prior to the date this bill is enacted would continue to be governed solely by the 1934 law. In other words, any machinegun or parts of a machinegun that constitute a machinegun which is currently in compliance with the national act may be transferred and possessed without regard to section 102 of this act.

Mr. DOLE. This raises a further question. What about weapons currently in the inventory of automatic weapons manufacturers?

Mr. HATCH. Automatic weapons currently in the inventory of manufacturers, or in the inventory of a manufacturer or licensed dealer anytime before the date of enactment, would clearly be covered by the section 102(o)(2)(B) exemption. These weapons would be "lawfully possessed before the date this subsection takes effect" and thus would be eligible for further lawful transfers to purchasers or others who comply with the requirements of the 1934 act.

Mr. DOLE. What about weapons for which an application to manufacture has been filed before the date of enactment?

Mr. HATCH. These weapons would also be "grandfathered," meaning that they would be covered solely by the requirements of the NFA. Let me explain why: Under title 26, the definition of "machineguns," which is not altered by this amendment, includes "parts" of machineguns. Thus, once a

manufacturing permit has been issued, the manufacturing process is officially underway. This means that the machinegun or its parts are at that time in the lawful possession of the manufacturer. It would be impossible to trace whether a particular set of parts was sufficiently assembled to constitute a machinegun and since the parts constitute a machinegun anyway, it only makes sense to consider a manufacturing application as sufficient to grandfather the entire weapon.

In other words, the parts or partly manufactured weapon is defined as a machinegun and because the application to BATF would occur before the date of enactment, this would constitute lawful possession of the machinegun in accord with section 102 (o)(2)(B). The manufacturer then could lawfully transfer the automatic weapon under this second exemption.

Mr. DOLE. I thank the Senator. This was my understanding as well. Another question on this issue: Would applications to register the frame or receiver as a machinegun be treated any differently than you have just described?

Mr. HATCH. No; applications to register the frame or receiver should be treated just as I have described. They would be "grandfathered" for the reasons I have just stated.

Mr. DOLE. I can foresee another problem. Would these applications need to be approved by BATF prior to the date of enactment or would it be sufficient for them to be postmarked prior to the date of enactment?

Mr. HATCH. The language of this amendment does not address this point, but simple fairness would dictate that applications postmarked prior to the date of enactment should be completed and approved in accord with existing law. It would be unfair to deny some applications simply because they were mailed from farther away or were ensnarled in BATF processes and not yet finally approved.

Mr. DOLE. May I suggest that we move next to the first exemption of this new section 102 dealing with "transfer * * * or possession * * * under the authority of the United States * * * or a State. * * *" This is somewhat ambiguous language. I would like to ask my colleague a few questions. Let us start with the easy questions. Would this section affect domestic machinegun manufacturers and dealers with respect to sales for military or police use?

Mr. HATCH. Clearly not. In the case of the military, the manufacturer would be transferring to the United States or a department—in this case the Defense Department—the machinegun would be possessed by the United States, and these sales and other transactions would clearly take place under the authority of the United States. Transactions involving the military would fit under section 102(o)(2)(A) in at least these three senses.

The same is true of States and their departments with respect to transactions involving State or local police. Any local police would be specifically covered by the language in this provision permitting the transactions and possession to or by or under the authority of a subdivision of a State.

Mr. DOLE. Would a manufacturer or dealer be allowed to inventory or stockpile machineguns for sale to military or police organizations?

Mr. HATCH. The language of section 102 should also be read to permit a manufacturer to possess or inventory machineguns for sale to military or police. Automatic weapons in this category would be possessed with the intent to "transfer to * * * the United States or any department or agency thereof or a State * * *" and so forth. A manufacturer or dealer may possess machineguns if the purpose of such possession is for transfer in accord with this provision.

Mr. DOLE. That leads to the next question. Can a manufacturer transfer to duly licensed dealers for resale to domestic and qualified military and law enforcement forces in accord with this provision?

Mr. HATCH. Yes; on the same principle just mentioned, a manufacturer should be permitted to transfer to a dealer as long as the purpose of the transfer is to supply the military or police forces or to make other qualified sales and transfers "to the United States * * * a State * * *" and so forth. The critical test to ascertain whether possession or transfers will fall under the existing national act requirements rather than this new section 102 should be the intent to retransfer only as authorized by this exemption in section 102.

On the basis of this test, it would seem logical that manufacturers could also issue sales samples to dealers as long as the objective of this marketing device is sales or transfers for military or police purposes.

Mr. DOLE. This brings us to my next hypothetical example. What about a defense contractor authorized by the Government to make weapons systems?

Mr. HATCH. This section should not be read to restrict or prohibit sales to defense contractors authorized to make weapons systems. For instance, a machinegun may be sold by a manufacturer to a defense contractor for installation on a tank. In that case the transfer would be taking place under the authority of the United States because the defense contractor is authorized to make tanks for the military. It would be a transfer under the authority of the United States and with intent to transfer to the United States as specified by the language of this provision. This provision certainly was not intended to disrupt in the slightest the current processes for supply of weaponry to our military or police forces. This amendment was designed to deal with crime guns, not weapons used to fight crime on a domestic or international scale.

Mr. DOLE. That states very well my own reading of this provision. How does this provision affect sales of weaponry to foreign allies, foreign police forces, or other exports permitted by the Department of State?

Mr. HATCH. Once again, these should be considered transfers under the authority of the United States. The United States itself, through a department or agency thereof—the State Department—would be authorizing this transfer. It would fit within the terms of section 102(o)(2)(A). It simply is not the intent of this language to disrupt the U.S. weapons industry or sensitive foreign sales and international arms arrangements. Because the State Department would issue an export license, these transactions would occur under the authority of the United States. These sales might also be construed to be "transfers by the United States" under export license which would be a further allowance of this type of transaction under the language of this provision.

Mr. DOLE. This means possession or transfer of machineguns for export would fall within the exemption and not be affected by the prohibition of section 102. Is that correct?

Mr. HATCH. That is correct.

Mr. DOLE. Let me ask a related question. Would private researchers, such as Carbine Williams, Gerrand and Stoner—all of whom made significant contributions to the development of modern military arms—be prohibited from engaging in research and from manufacturing prototypes?

Mr. HATCH. Once again, this type of activity would appear to fall within the exemption of section 102(o)(2)(A) because the intent of this possession would be for military or law enforcement purposes.

Mr. DOLE. At this point, I would just like to tie down a few odds and ends. I have been very satisfied with the floor manager's answers to these questions. They confirm my own understanding of this provision, but I think it is very important to make this understanding public in advance of a final vote on S. 49. Many Senators have had these same questions. They should be pleased with the answers offered by the Senator from Utah. To make it clear, there are no changes in the statutory requirements for individuals wishing to purchase, possess, or transfer national act weapons. Is that correct?

Mr. HATCH. That is correct. That is the meaning of section 102(O)(2)(B).

Mr. DOLE. Are there any changes in the requirements for obtaining a dealer's license?

Mr. HATCH. No. None whatsoever.

Mr. DOLE. Can an amnesty period be declared administratively by the Secretary of Treasury under current law?

Mr. HATCH. Absolutely. Moreover it would be in the interest of law enforcement to do so in light of this provision in section 102.

Mr. DOLE. The language of this new section intends that a machinegun may be transferred under the authority of a State or a subdivision thereof. The House purposely did not choose to use the language "on behalf of" such an agency or subdivision, which is language contained in other provisions of current gun law. Could this be read to permit a State or local police force to authorize its officers to purchase for themselves a machinegun which they might use in the line of their law enforcement work but which would be owned by the officer, not the police force itself?

Mr. HATCH. The Senator makes a good point. Some police forces with financial difficulties have authorized their officers to purchase and register automatic weapons to prevent themselves from being outgunned if they should ever confront well-armed drug dealers or organized criminals. This language appears to encompass that practice. It seems to me, however, that under these circumstances regulations would be necessary to govern disposition of those weapons in the event the officer leaves the police force. In other words, possession or transfer of those weapons would cease to enjoy the authorization of the State agency or subdivision when the officer was no longer on the police force. The police force would then have to exercise its authority to guarantee that the machinegun was transferred to another entity authorized by the State or the United States to possess such weaponry.

Mr. DOLE. During the 1968 amendments, Congress specifically authorized the transfer of "unservicable firearms" without payment of the transfer tax under the National Act. Nonetheless the Treasury Department refused to recognize many "deewats," or nonfunctioning war trophies with a steel plug welded into the barrel, as "incapable of being readily restored to a firing condition." Would it be appropriate in the Senator's mind for Treasury to take a fresh look at these unservicable firearms to allow such war trophies to be deactivated and registered?

Mr. HATCH. It certainly would be appropriate. Moreover because these unserviceable firearms are not readily restorable to shooting condition and because they constitute a separate category from the live machineguns on which the transfer tax must be paid, these may not even be machineguns and may be eligible for registration at anytime with the Treasury Department in accordance with regulations that they may promulgate.

Mr. DOLE. I thank the Senator for his clear legal reading of this provision. On behalf of many of his colleagues who have asked me similar questions, I should like to commend him for taking the time and making the effort to understand and explain in understandable terms these complex provisions.

Mr. HATCH. I thank my colleague and restate my appreciation for all he has done to make S. 49 a reality.

Mr. DOLE. I thank the Senator.

Mr. METZENBAUM. Will the Senator from Utah yield for just one moment?

Mr. HATCH. I am delighted to yield.

Mr. METZENBAUM. Since we have been very sensitive about the language of the legislation and since we oftentimes know that colloquys in some instances provide interpretations that were not originally intended, will the Senator from Utah be good enough to tell us whether there is anything in that colloquy that would in any way change the language of either the McClure-Volkmer bill or the Thurmond—I think it is Thurmond-Metzenbaum-Kennedy bill, as I understand it?

Mr. HATCH. It does not change the language of the bill.

Mr. METZENBAUM. Will the Senator tell us what the colloquy is about?

Mr. HATCH. The colloquy is with regard to the question of machineguns.

Mr. METZENBAUM. Of what?

Mr. HATCH. With regard to the question of machine-guns.

Mr. METZENBAUM. Machine guns? And what does the colloquy indicate, if I may ask, since we are now——

Mr. HATCH. It is a rather lengthy colloquy.

Mr. METZENBAUM. I am a little bit concerned about that. I want to make it very clear for the RECORD that this colloquy is between yourself and whom?

Mr. HATCH. Senator DOLE, the majority leader.

Mr. METZENBAUM. I want to make it very clear that this is a colloquy between two of the proponents, and I do not believe that it should be interpreted as speaking for the rest of us in the Senate since the rest of the Senate has not had a chance to hear it. I see that my colleague from Massachusetts is running through it at the moment, but I just want to make clear in the RECORD that that colloquy is not to serve any purpose as to changing the intent or the purpose or any aspect whatsoever of the legislation.

Mr. McCLURE. Will the Senator yield?

Mr. METZENBAUM. I certainly yield.

Mr. HATCH. I would be happy to yield. I have the floor.

Mr. McCLURE. I appreciate the Senator yielding. The reason I intervene at this point is there is a colloquy between myself and the distinguished floor manager of the bill, Mr. HATCH, that deals also with the question of machinegun parts.

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I have a colloquy between myself and my distinguished junior colleague from Idaho [Mr. SYMMS] with respect to the same subject. I ask unanimous consent that it appear at this point in the RECORD.

Mr. METZENBAUM. Mr. President, reserving the right to object, and I do not intend to object, I want to make it as clear as I can that we have not been dealing with machineguns or machinegun parts. We have not been negotiating or discussing that subject.

Certainly, I am not in a position to say to any two Senators that they cannot have a colloquy on the floor of the Senate—orally, or written and submitted for the RECORD.

However, having said that, I want to emphasize as strongly as I can that that colloquy represents the views of two Members of the Senate in one instance and two other Members of the Senate in another, but is not intended to reflect the intentions of the sponsors or the opponents or anyone other than those two Senators.

Mr. HATCH. Mr. President, I have to say that the colloquys that have been put in the RECORD as of now do reflect the intentions of the sponsors of the bill. There is no question about it. We think that they state basically what the bill is. Moreover many other Senators have asked the questions covered by this colloquy. They endorse these statements and are anxious to have their understanding made part of this RECORD.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. McCLURE. Mr. President, I know that the Senator from Ohio has interposed a reservation with respect to my request. I take this time only to say to the Senator from Ohio that this discussion is up at all because the other body injected some language at the very last minute, literally, of their debate, and there is no legislative history as to what that language means. There are a substantial number of House Members as well as other interested parties who have asked questions about what it means; and what we are trying to do is provide some legislative history as to our understanding of what the House provision means, since the House itself had no legislative history on that subject.

Mr. METZENBAUM. Mr. President, I yield to the Senator from Massachusetts in order that he may suggest——

Mr. HATCH. Mr. President, I have the floor, but I yield to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I will not object to the inclusion of the colloquy in the RECORD, so long as a colloquy can also be included in the RECORD between the Senator from Ohio and me related to the same subject matter.

Mr. HATCH. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

SYMMS-MCCLURE COLLOQUY

Mr. SYMMS. Mr. President, will the author of the bill yield for a question?

Mr. McCLURE. I am delighted to yield.

Mr. SYMMS. A question has arisen recently regarding what constitutes being "engaged in the business," regarding a person functioning as an agent or a broker. An example of the kind of activity in question would be a manufacturer's representative who has traditionally functioned without a Federal firearms license because he is not a dealer. Specifically a broker or an agent has no inventory, and firearms never pass through his possession during a transaction. Brokers and agents such as manufacturer's representatives find customers and put them in contact with sellers, but are not engaged in the actual dealer transfer during which time the BATF form 4473 is filled out by the seller and the buyer. Does the definition of dealer and being engaged in the business in this bill make it clear that brokers and agents do not need Federal firearms licenses?

Mr. McCLURE. The definition of dealer says that one is involved in "the repetitive purchase and resale of firearms." Clearly, the actual sale is the one made by the dealer. If the firearms actually pass into the possession of a third party, then the form 4473 would have to be filled out by the seller and such a middleman. The middleman would then fill out the form 4473 with the ultimate buyer. But as long as an agent or a broker is acting on behalf of a seller without ever having possession, the agent or broker would clearly not be a dealer, and would not need to have a Federal firearms license, nor has the definition of dealer ever been interpreted to include those persons who have been involved in firearms sales or transactions but who have not at any time been in physical possession of the firearms such as agents, brokers or consultants.

METZENBAUM-KENNEDY COLLOQUY

Mr. METZENBAUM. Mr. President, I thank the Senator from Massachusetts [Mr. KENNEDY] for his suggestion that we comment on some of the points raised by our colleagues here on some implications of S. 49, especially as they relate to the machinegun amendments adopted by the House.

We have heard it said that there was little debate on this issue in the House and therefore little legislative history. But I believe my friend from Massachusetts [Mr. KENNEDY] has been in touch with the sponsors of the provisions on machineguns, as I have, and I would like to see what your understanding is on a number of issues which have been raised.

First, the House version, which we are about to vote on here, has a very important improvement from the bill the Senate adopted last July, and that is to ban the transfer, possession of any machinegun not lawfully possessed on the date of enactment.

It has been suggested here that a manufacturer in possession of parts of machineguns could register and, therefore, grandfather those parts under the provisions of this bill. Is this the Senator's understanding?

Mr. KENNEDY. No, it certainly is not. From my conversations with the House committee, and with law enforcement officials tonight, it is clear that they consider the operative notice is filed subsequent to manufacture. Therefore, such parts—regardless of their intended use—not yet assembled, do not constitute a machinegun under the National Firearms Act unless the specific parts qualify as a machinegun as defined by that act.

I have been told by BATF officials that examples of such parts would include conversion kits and combinations of parts from which a machinegun can be assembled. Machinegun parts, in most instances, do not require registration, are not machineguns, and would not be covered by the act.

Mr. METZENBAUM. I thank the Senator, for that is my understanding from my discussions earlier in the day with the police groups.

Another question has been over granting amnesty to people who now possess machineguns outside of the law. As the Senator knows, this was one of the proposals offered this afternoon as part of this compromise package, but it was rejected by us, and strongly by the law enforcement agencies.

Do you believe that an amnesty period can be administratively declared by the Secretary of the Treasury by the enactment of this bill?

Mr. KENNEDY. Yes, I am aware of the discussions earlier today on the question of amnesty, and I joined the Senator in rejecting any such proposal.

There is nothing in this bill that gives such an authority, and there is clearly no valid law enforcement goal to be achieved by such an open-ended amnesty.

The only thing that has changed about the machinegun situation since the 1968 act, and the limited amnesty granted then, is that machineguns have become a far more serious law enforcement problem.

So, I see no new legislative authority or law enforcement purpose that would be served by such an amnesty—and that is the strongly held view of all the law enforcement groups, including the Federal Law Enforcement Officers Association.

Mr. METZENBAUM. Finally, I would like to discuss with the Senator another provision of the House bill—which I know that he and I support—and that is the amendment which maintained existing law on the interstate sale of handguns.

I know that was an issue the Senator from Massachusetts raised time and time again during the Judiciary Committee's consideration of this legislation during the last two Congresses, and when we considered it here on the Senate floor last July. Although we couldn't get support for it here, at least the NRA was not able to roll the House of Representatives. They listened to the police groups and followed their plea to keep existing laws on the interstate sale of handguns.

Mr. KENNEDY. Mr. President, I appreciate the Senator's comments, and he is correct that the House action represented a fundamental step in keeping this bill from completely gutting the intent of the 1968 act.

The House version also accomplishes what I tried to do here in the Senate—and that is to draw a distinction between how we deal with handguns versus rifles and long guns. In 1983 I offered the basic compromise that I would be willing to go along with steps to ease controls on long guns and other sporting weapons, if we would only maintain, if not strengthen, controls on handguns.

I am gratified that the House version of the bill—which will be the bill that reaches the President's desk—rejects the NRA's attempt to weaken existing controls on handgun sales. It makes the distinction we repeatedly tried to make here, that there is a great difference between easing paperwork and other controls on sporting weapons, but absolutely no legitimate sporting purpose to ease them on handguns—especially the "snubbies" and "Saturday Night Specials" which have now legitimate sporting purpose.

Mr. METZENBAUM. Mr. President, I thank the Senator, and join in his comments.

Mr. HATCH. Mr. President, before I cast my vote in favor of this bill, I have a further question which concerns the definition of parts for a machinegun. The language of the bill is clear, but a member of my staff has pointed out that the description of this provision on the floor of the other body could cause it to be misinterpreted, with potentially serious conse-

quence to those who own semiautomatic firearms which contain machinegun parts, or those who own legally registered machineguns and possesses parts for use in repair or maintenance.

Section 109 of the bill adds to the present definition of a machinegun, which includes as a registerable item "any combination of parts designated and intended for use in converting a weapon into a machinegun." The new language of the bill adds: "any part designed and intended solely and exclusively * * * for use in converting a weapon into a machinegun."

Clearly the operative words are "for use in converting." The only reason I mention this is that the maker of the motion in the other body described it somewhat ambiguously as including "a 'part' that is intended solely and exclusively for a machinegun." That is not what the bill says, and it is of great importance to many law abiding citizens that it be interpreted exactly and so clearly and unambiguously written.

Those citizens who own and shoot legal machineguns have complied with the most rigorous firearms laws imaginable. They have obtained permission of the Federal Government, and have undergone a thorough background check that usually requires a waiting period of several months. They have paid a $200 transfer tax to the Federal Government and they have registered both themselves and their firearms with the Federal Government and often the State government. In short, they comply with a set of laws and regulations as restrictive as any gun law in the world.

It is virtually unheard of for such a law abiding citizen to use his or her machinegun in any kind of violent criminal offense, and it is my understanding that there is not a single instance on record of a legally possessed machinegun having been used in a predatory street crime.

Persons who legally own and shoot machineguns normally possess a maintenance kit containing replacement parts, for machineguns are notorious for breaking or wearing out certain critical parts. While such parts are obviously machinegun parts, they are not parts "designed and intended solely and exclusively * * * for use in converting a weapon into a machinegun," as described by the bill. Am I correct in my understanding?

Mr. McCLURE. The Senator is correct. There is no ambiguity in the bill. Certainly it is not this Senator's intention that possessors of legal machineguns should be required to pay an additional registration tax upon replacement parts, nor would that be the effect of the statute.

Mr. HATCH. In other words, the mere fact of possession of a single part designed for a machinegun would not require registration and payment of the transfer tax unless that single part would of itself be capable of converting a weapon to a machinegun?

Mr. McCLURE. The Senator is correct. Only if an individual possessed a single part or combination of parts with which conversion could be accomplished with the part or parts would part or parts be subject to the transfer tax. The transfer tax would not apply even then to a maintenance parts kit for a legally owned machinegun since no conversion would be involved.

Mr. HATCH. I thank the Senator for confirming my understanding.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. McCLURE. Mr. President, make no mistake. I believe that the second amendment means exactly what it says. I believe that our forefathers intended for all honest citizens to be able to arm themselves. This is not a privilege meted out by the Government—it is a sovereign right, belonging to the people themselves.

I also believe that attempts to control violent crime by nibbling away at this right are doomed to fail.

The Gun Control Act of 1968 was more than a nibble—it was a big bite. This may come as a surprise to many, but I share the intention of Congress in passing that law. All of us want to wipe out violent crime. Unfortunately, the 1968 act did not achieve that goal. This is not surprising. Crime cannot be controlled by attacking an inanimate tool.

The Firearm Owners Protection Act is a complicated bill—it amends a complicated law. This is part of the problem. In an attempt to control the possession, transportation and sale of firearms, Congress and the enforcing agency developed a tangle of redtape. The end result has been the entrapment of otherwise honest people into violations that neither hurt anyone, nor contribute to violent crime. The aim of the Firearm Owners Protection Act is to redirect law enforcement toward the kind of transaction most likely to be a factor in violent firearms crime. In other words, we have to stop going after the guy who transposes a number in a zip code, and go after the dealer who is knowingly selling stolen guns, or knowingly selling to prohibited persons.

Briefly, the following are the main points of the bill.

Define "engaging in the business" to clarify when dealers, gunsmiths, makers of ammunition, and importers must have a license.

Permit out of State purchase of rifles and shotguns if the sale and possession are legal both in the State of purchase and in the purchaser's State of residence.

Mandate an element of criminal intention for prosecution and conviction of Federal firearms law violations.

Clarify procedures for dealer sales of firearms from his private collection.

Permit inspection of dealer's records for reasonable cause.

Require mandatory penalties for the use of a firearm during a Federal crime. Our colleagues in the House have added additional mandatory penalties for the use of a firearm in a drug trafficking crime, and for the use of a machinegun or a silencer in a violent Federal felony.

Limit seizure of firearms only to those specifically involved in a criminal transaction.

Provide for the return of seized firearms, and grant attorney's fees in spiteful or frivolous suits.

Allow the Secretary to grant relief from disability, and provide for judicial review of certain cases.

Remove requirement for affidavit for purchase of less than 50 pounds of black powder for sporting purposes.

Allow the interstate transportation of unloaded, inaccessible firearms.

Under present law, there is no legal way for a person to transport firearms through some States. For example, a hunter from South Carolina has no way of getting through the State of New York to go moose hunting in Maine. The Firearm Owners Protection Act would allow an individual to transport a firearm through the State if the firearm is unloaded and not easily accessible. The possession of the firearm must be legal both in the State of residence and in the State of final destination. Obviously, this right does not apply to individuals who are prohibited from owning firearms, or to stolen or otherwise illegal firearms. This right of transportation does not hinder a State from enacting laws concerning intrastate transportation.

It has been suggested that this transportation be limited to long guns. There is no point in imposing such a limitation. Each year thousands of law abiding citizens travel on interstate trips with firearms for hunting purposes, competitions, matches, moving residences, and personal protection upon arrival. There must be some way for law-abiding Americans to exercise their right to interstate travel with personally owned firearms. Criminals simply ignore the laws.

The Treasury Department touched on this issue in a June, 1984 letter to Senator HATCH:

> Limit preemption provision to long guns. Language in S. 49 would provide that persons transporting weapons unloaded and not readily accessible would be protected from restrictive local and State laws. The administration supports such a provision, since the transport of weapons to hunts, target matches and other legitimate activities are seldom involved in crime.

Section 104 of the McClure-Volkmer bill tightens the penalties for use of a firearm during and in relation to any crime of violence. Current law provides a mandatory minimum 5-year sentence for this type of activity. But the McClure-Volkmer bill goes further, prohibiting probation, parole, or concurrent sentencing for a criminal subject to the 5-year mandatory minimum sentence. The language of the bill does not apply to firearms owners whose possession of a firearm is unrelated to the commission of a crime of violence, because to do so would be to place a gratuitous penalty on gun ownership itself. But it does overturn the Simpson case, thereby allowing the imposition of the mandatory minimum penalty, even if the underlying crime itself contains enhanced penalties for the use of a firearm.

Mr. President, I can understand the desire to curb violent crime. I share that desire. Those who use firearms to rob and murder give the vast majority of honest, careful firearms owners a bad name. We need to see that criminals are punished for their crimes. We need to clarify existing law to ensure the punishment of the real villains. The Firearm Owners Protection Act would do that.

Mr. DOLE. Mr. President, after 7 long years of debate and deliberation, Congress is finally completing action on S. 49, the Firearms Owners Protection Act. Last summer, the Senate debated and passed this important legislation—this was the first time it had been considered by the full Senate since its original introduction in 1979. And as a long time supporter and cosponsor of the bill, I was pleased to be in a position to facilitate it being brought up and passed.

The Firearms Owners Protection Act would correct various abuses which have occurred under the Gun Control Act of 1968. The 1968 law was passed during an emotional period, when the Nation was reacting to two political assassinations. The national judgment at that time was to take away rights enjoyed by many in order to prevent a recurrence of the outrageous abuses of a few. Each year's experience under the law brought with it new evidence that Congress had gone too far. Hunters, Sportsmen, hobbyists, and collectors were being prosecuted for technical violations, diverting limited law enforcement resources from the pursuit of those guilty of truly criminal firearms use.

S. 49 is the culmination of 7 years of painstaking debate and analysis over the deficiencies in the 1968 law and how they can be best corrected. I believe the legislation represents a good effort to balance the rights of law abiding gun owners with the needs of law enforcement. Some law enforcement groups have raised additional concerns about the bill which were not at issue during the Senate's consideration of the bill last summer. I am glad that Senators MCCLURE and METZENBAUM, with the help and support of Senators THURMOND and HATCH, have been able to agree on a package of technical amendments which are designed to allay these concerns. Over the years, a number of refinements have been made to S. 49 in response to law enforcement concerns, consistent with the intent of the proponents not to undermine the 1968 act's provisions as they apply to criminal firearms use.

Mr. President, it has been suggested by some that this legislation has been steam rolled through the Congress with PAC contributions and political strong arm tactics. The fact of the matter is, bills do not pass by a margin of 79–15 in the Senate and 292–130 in the House without a strong base of popular support and strong arguments on the merits. The Firearms Owners Protection Act passed by such overwhelming margins because of its vast base of active constituent support.

In concluding, let me pay tribute to the Members of the Senate who have worked so long and hard on this bill to finally bring us to the point where we are today. Credit should go to JIM MCCLURE, the bill's principal sponsor and a tireless advocate for gun owners' rights. Credit should also go to Senator HATCH for his many excellent contributions to this legislation as the bill's chief proponent in the Senate Judiciary Committee and as the floor manager. Senator THURMOND should also be commended for his strong leadership as chairman of the Judiciary Committee on this issue.

I would also like to mention a number of staff members who have done an outstanding job on this bill: Randy Rader, with Senator HATCH; Mike Hammond with the steering committee; Nancy Norrell with Senator MCCLURE; and Terry Wooten and Diana Waterman with Senator THURMOND. On the Democratic side, I believe mention should also be made of Eddie Correia with Senator METZENBAUM; Jerry Tinker, with Senator KENNEDY; and Scott Green, with Senator BIDEN.

Mr. MOYNIHAN. Mr. President, I rise today to oppose the House message on S. 49, the Firearms Owners Protection Act, which would undermine significantly the Nation's ability to keep firearms out of the hands of criminals, and contribute to the dangers that members of the law enforcement community face every day in patrolling our streets and protecting us from violent crime.

I am also pleased to cosponsor legislation introduced today by the distinguished chairman of the Judiciary Committee, Senator THURMOND, to address several problems created by S. 49 as modified and passed by the House. Senator THURMOND's legislation is also cosponsored by the Senator from Ohio [Mr. METZENBAUM], the Senator from Massachusetts [Senator KENNEDY], and the Senator from Delaware [Mr. BIDEN].

S. 49 as amended by the House of Representatives contains several provisions that would pose particularly grave dangers to law enforcement officers around the country. For example, this legislation would exempt the transport of firearms in interstate commerce from any State or local laws that might otherwise make such transport illegal, thereby overriding States' rights to regulate gun carrying across their borders, and allowing criminals the opportunity to transport their weapons across State lines with impunity.

Another particularly disturbing provision restricts unannounced Federal inspections of gun dealers to one per year. Under current law, Federal inspectors are permitted an unlimited number of surprise inspections of gun dealerships, ensuring that the law is obeyed.

An internal memorandum prepared by the Bureau of Alcohol, Tobacco, and Firearms [BATF] provides hard evidence of the effectiveness and desirability of maintaining the current arrangement, noting that:

(a) The prohibition against unannounced inspections would enable unscrupulous licensees to conceal violations of the law; (b) limiting compliance inspections to a single, annual inspection would have the same result and would be too infrequent to ensure compliance . . ."

I am also concerned about a provision in the bill that would allow gun dealers to transfer guns from their business inventories to their personal collections, and later sell these guns without keeping records. The same BATF memorandum notes that this provision:

Would enable unscrupulous licensees to easily (sic) circumvent the recordkeeping requirements. Moreover, it would hamper law enforcement's ability to trace firearms and, hence, solve crimes . . ."

Clearly, this is a sufficiently compelling reason to object to this provision.

As amended by the House, S. 49 defines a gun dealer according to whether the individual sells firearms as a regular course of trade or business with the principal objective of livelihood or profit through repetitive purchase and resale of firearms.

According to the BATF, this language would allow an individual to procure and distribute weapons without keeping records of their distribution as long as the distribution was not profit-motivated. Thus, individuals who supplied terrorist groups—in other words, persons possibly motivated by ideology, not profit—would be excluded from the provision.

The problems posed by the legislation are clear. And so is the evidence why we must continue to make it difficult for criminals to obtain firearms while protecting the right of law-abiding individuals to bear arms. According to the Bureau of Justice Statistics, in 1984 handguns were used in 44 percent of all homicides. And, since 1980, on the average over 20,000 people are killed annually by firearms in the United States. These figures include 10,000 handgun murders, 1,200 accidental handgun deaths, and 10,000 suicides.

The figures for law enforcement officers are even more troubling. According to the FBI's preliminary statistics, in 1985 there were 79 police officers killed in the line of duty. Handguns were used in 70 of these murders; shotguns were used in 9; rifles, 3.

With this sort of slaughter of innocent and courageous Americans under our present gun laws it is not surprising that the Nation's 12 major law enforcement organizations have joined to oppose the measure before us. These groups include: the Federal Law Enforcement Officers Association, the Fraternal Order of Police, the International Association of Chiefs of Police, the International Brotherhood of Police Officers, the Major Cities Police Chiefs, the National Association of Police Organizations, the National Organization of Black Law Enforcement Executives, the National Sheriffs' Association, the National Troopers' Coalition, the Police Executive Research Forum, the Police Foundation, and the Police Management Association.

I know these organizations quite well. Indeed, since 1982 I have worked closely with many of them to enact a ban on the manufacture, sale, and importation of armor-piercing ammunition, legislation I first introduced in the 97th Congress, but that the Senate did not act favorably upon until this March, when it passed this measure by a vote of 97 to 1.

The legislation introduced by the distinguished chairman of the Judiciary Committee, Senator THURMOND, addresses three of our concerns. First, it would permit persons who lawfully possess and carry firearms to transport their firearms as long as they are unloaded, and neither the firearms nor any ammunition is accessible from the passenger compartment of the vehicle.

Second, this legislation would redefine the term "engaged in business" so that an individual who purchases and disposes of firearms for criminal or terrorist purposes would be covered under the provisions of S. 49 as passed by the House.

Finally, this measure would require gun dealers who sell guns from their personal collections to register their firearms in a bound volume, and include vital information, thereby preserving the integrity of the BATF's ability to trace illegal firearms.

I am pleased that the distinguished Senator from South Carolina [Mr. THURMOND] has introduced this legislation today. For the American people and for the law enforcement community, it is a piece of good news on a day when the Senate is considering a bill that would bring further violence to our streets.

● Mr. LAUTENBERG. Mr. President, I would like to take a moment to explain my position on the House-passed version of S. 49, the Firearms Owners Protection Act, and the Thurmond bill containing three amendments to S. 49. I oppose S. 49 and support the Thurmond bill.

Last summer, when S. 49 was before the Senate, I voted against final passage. I believed that the Senate version of the bill went too far in easing restriction on the sale of guns that have been in place since 1968. The availability of handguns must be restricted in our violence prone society. Too many people are killed each year through the use of handguns. S. 49 did nothing to curb that tide.

I weighed my concerns about the availability of handguns with the legitimate interests of sportsmen and hunters, who are troubled by unnecessary restrictions and regulations on the purchase of rifles and shotguns. The use of long guns for hunting and sporting purposes has a valid place in our society.

The House-passed version improves on the Senate bill in some respects. It retains the restriction on the interstate sale of handguns, although it permits such sale of rifles and shotguns under certain circumstances. It bars future sales and possession of machineguns by private citizens. But, the House version also contains provisions which are opposed by many leading law enforcement organizations. On balance, S. 49 remains a bill which will make it difficult for law enforcement agencies to respond to the use of handguns in violent crimes.

The amendments included in the Thurmond bill will redress some, but not all, of the deficiencies in S. 49. I particularly am pleased that the provisions dealing with the interstate transportation of guns is strengthened by the new bill. I support the package of amendments.

Mr. President, the adverse effect on law enforcement that will be caused by passage of S. 49 is very disturbing to me. I think it is important for Federal legislation to work toward the goal of preventing crime and facilitating the swift punishment of criminals. The bill before us today does not advance either goal. For these reasons, I must oppose S. 49. I do, however, support the Thurmond bill and hope that it can quickly pass both the Senate and House of Representatives.

● Mr. DURENBERGER. Mr. President, I am voting in favor of the Federal Firearms Owners Protection Act as passed by the House of Representatives on April 10, 1986. Although it is not perfect, the House version of S. 49 contains necessary, long overdue changes to Gun Control Act of 1968.

Through procedural reforms, this bill will advance a more even balance between the constitutional rights of law-abiding citizens, and the legitimate law enforcement practices of the Bureau of Alcohol, Tobacco, and Firearms [BATF] and individual States. It will protect the rights of dealers by specifically defining a manufacturer and his activities and by relaxing Federal regulations with regard to innocent errors in recordkeeping. Finally, S. 49 will enhance the freedom of the many sportsmen who enjoy traveling to Minnesota for recreational purposes by allowing them to transport unloaded, inaccessible long guns across State lines and by allowing the interstate purchase of long guns.

Despite my concern over two of the amendments adopted in the other body—one to ban the interstate sale of handguns—I urge my colleagues to pass S. 49 as it appears before us today. Congress had debated the matter at length. The bill has passed both Chambers by an overwhelming majority. And, I believe that further amendments to the legislation will only serve to jeopardize its enactment.

I am pleased that my colleagues, the distinguished Senator from Kansas [Mr. DOLE] and the distinguished Senator from Utah [Mr. HATCH] have clarified a very important issue surrounding the amendment to ban the future sale and possession of machineguns. I do not believe that this amendment is intended to disrupt the exportation of American manufactured machineguns. Rather, it is intended to regulate the ownership and use of machineguns within the United States.

Without a statement of clarification, however, those U.S. companies which currently purchase machine guns from licensed manufacturers for exportation would be severely harmed. The Bureau of Alcohol, Tobacco and Firearms when drafting implementing regulations must allow for the continuation of export sales which are licensed by the Office of Munitions Control in the Department of State. These transactions fall under the statutory authority of the Arms Export Control Act, and I do not believe that Congress should expand the jurisdiction of S. 49 into an area that is already sufficiently regulated by the Arms Export Control Act.

Mr. President, the Federal Firearms Owners Protection Act is necessary and long overdue. S. 49 will protect the rights of law-abiding citizens, strengthen penalties for those who

violate the law, and ensure fair, efficient enforcement of the 1968 Gun Control Act. As an original cosponsor, I would like to thank my distinguished colleague from Idaho [Mr. McCLURE] for his years of hard work and his dedication to the passage of this legislation.

I also rise today in support of the legislation offered by the distinguished chairman of the Judiciary Committee (Mr. THURMOND). S. 2414 makes important technical corrections to S. 49. These corrections are noncontroversial and will enhance the law enforcement efforts of those who risk their lives for our protection every day.●

Mr. MATHIAS. Mr. President, the issue of gun control involves strong, often conflicting interests that need to be considered and weighed carefully. On the one hand, I can well understand many of our citizens' concerns for self-defense at a time of unacceptably high crime rates, as well as the need to protect the legitimate rights of sportsmen. At the same time, I am aware of the obvious need for protection against the lawless use of easily obtainable and concealable handguns that all too often are used in the commission of violent crimes.

For the past 25 years, I have tried to help shape a coherent, fair, and effective Federal policy in this sensitive area to advance the effort to curb violent crime, without imposing unduly burdensome and bureaucratic procedures on law-abiding Americans.

The bill before the Senate today is not identical to the one passed by this body last summer. The House has made several improvements in the original Senate bill. It has deleted the provision included in the Senate package that would have permitted the interstate sale of pistols. The House also adopted a provision, similar to an amendment I offered when this legislation was before the Senate, to permit compliance inspections of gun dealers without advanced warning. However, despite these improvements, the bill remains flawed. S. 49 would unnecessarily tilt the balance against local law enforcement officials and local crime prevention efforts.

This legislation could create serious problems for local law enforcement personnel, thus increasing the hazards of an already too hazardous profession. At the same time, this bill offers very little benefit to the sportsman and no benefit whatever to the citizen who possesses a gun for personal defense in the home.

Since I was first elected to Congress, I have consistently opposed legislation to require the registration of firearms owners, or to ban the possession of handguns by law abiding citizens. I shall continue to oppose such proposals. But the major thrust of this bill is to make it easier for dealers to sell guns to nonresidents and to make it more difficult to bring the law to bear against dealers who violate it. These goals have no place in Federal firearms policy.

S. 49 does not, as some would assert, pit the sportsman or other lawful gun owners against those who would ban guns. It pits those few who are willing to sell guns for profit to anyone with the money to purchase, against law enforcement officers and agencies who are concerned with the safety of their own officers and the general public.

I would like to commend the distinguished chairman of the Judiciary Committee, Mr. THURMOND and the distinguished Senator from Ohio, Mr. METZENBAUM and other Members on both sides of the aisle for working to bring about some needed improvements in this legislation. As a result of negotiations among these and other Members, as well as representatives of the interest groups most concerned with this issue, the Senate will consider another bill today on this subject. S. 2414 introduced by Senator THURMOND, embodies three important amendments that were proposed to S. 49. These amendments limit the loopholes created by S. 49 with respect to the interstate transportation of weapons and sales from personal collections, and clarify the requirements imposed on gun dealers. Taken together these amendments significantly limit the difficulties that will be experienced by law-enforcement officers when S. 49 becomes law. I fully support S. 2414 and commend the Senator from South Carolina for introducing it. I hope the House of Representatives will give this legislation prompt and favorable consideration. Even though I remain opposed to the passage of S. 49, and would vote no on that bill if there were a rollcall vote, I commend my colleagues for their efforts to address the concerns of the law enforcement community by passage of the Thurmond bill.

Mr. HATCH. Mr. President, at this point, I would like to express my deep appreciation for those Senators and staff who have contributed so much to this historic achievement. I have already commended the majority leader, but I would be remiss to overlook the enormous contribution made by Sheila Bair of his staff. She has made the difference on numerous occasions. I have commended Senator McCLURE, but wish to not overlook Nancy Norell and Mike Hammond. Mike brought many legal skills and Nancy brought studied dedication to this effort.

Senator THURMOND, chairman of the Judiciary Committee, was as always an unparalleled leader in this effort. Diana Waterman and Terry Wooten deserve credit for their contributions to today's climactic negotiations.

On the other side of the aisle, I commend Senators METZENBAUM and KENNEDY whose untiring advocacy and diligence made this bill possible. On Senator METZENBAUM's staff, I would like to commend the efforts of Eddie Correia whose legal talents helped achieve our agreement. Jerry Tinker with Senator KENNEDY has dealt with this bill for over 6 years and deserves extraordinary commendation for his contribution.

In conclusion, I thank my own chief counsel, Randall Rader. I deeply appreciate the legal skill he brings to this and every other issue on our crowded judiciary agenda. Besides his lawyerly skills, I am grateful for his friendship and am grateful for his years of dedication to this and other issues.

Mr. ABDNOR. Mr. President, I rise in strong support of the Firearm Owners Protection Act, S. 49. It is indeed a memorable day when we can see final passage of this legislation that does so much to restore the rights of law-abiding citizens in their ownership and use of firearms for lawful purposes. It has not been an easy task as it has required more than 8 years of effort for those who have been committed to secure passage of the legislation. We must all be grateful for the great leadership of our good friends and colleagues, the senior Senator from Idaho, whose name is indelibly associated with the measure, the Senator from Utah, who stood fast in support of the legislation, and the chairman of the Judiciary Committee, who so capably held the package together.

It has been a long road but one most important for us to have been traveling on. We share the same desire to see enactment of this legislation that will guard the constitutional freedoms of honest American gunowners, and redirect Federal firearms law enforcement toward the type of criminal activity that is most likely to lead to violent firearms crime.

Mr. HATCH. Mr. President, I move that the Senate concur in the House amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATCH. Mr. President, I thank everybody concerned.

Mr. KENNEDY. Mr. President, I want the RECORD to show my vote in favor of the Thurmond proposal, but opposed to S. 49.

Mr. METZENBAUM. The same with respect to the Senator from Ohio.

AMENDMENTS TO TITLE 18, U.S. CODE—INSTERSTATE TRANSPORTATION OF FIREARMS

Mr. THURMOND. Mr. President, I send a bill to the desk and ask that it be reported.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 2414) to amend Title 18, United States Code.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I want to take this opportunity to thank the able majority leader for his outstanding leadership with respect to this legislation and for his fine cooperation and patience in helping to work out this important matter. I believe his efforts have enabled us to avoid several days of debate that would have been consumed otherwise. I also thank his staff member, Shelia Bair, for her work.

I also thank the able Senator from Idaho [Mr. McCLURE], one of the authors of the original gun control bill, and his staff member, Mr. Mike Hammond, for their cooperation in this matter.

I express my appreciation to Senator HATCH and his staff member, Randy Rader, for the work they did in this matter.

We have all been working in the Office of the President pro tempore for several hours. It is wonderful that we could come forward here with legislation in this matter.

I want to add the able Senator from Delaware [Mr. BIDEN] as a cosponsor of the bill I just sent to the desk.

The PRESIDING OFFICER. Without objection, so ordered.

Mr. THURMOND. Mr. President, there are others I wish to thank for their assistance. I want to commend the able Senator from Ohio [Mr. METZENBAUM] for his fine interest in this matter and all he has done to help bring it to a conclusion. I also thank Eddie Correia, his staff member, who assisted in this matter.

I also thank Terry Wooten and Diana Waterman of my staff.

I also want to commend the able Senator from West Virginia [Mr. BYRD] for his help in this matter.

Mr. President, this is one of the most pleasant moments I have had since I have been in the Senate. We worked on this bill for several hours. We have an agreement to pass S. 49, a bill on gun control which has come from the House, sponsored by Senator McCLURE and Representative VOLKMER.

We also have an agreement with respect to the bill I have just sent to the desk, with certain important amendments, that has taken several hours of time of the players earlier mentioned. We are very pleased that it has been worked out. The discussions have been had on the floor as to the representations on both sides of the issue. We feel now that this legislation can be disposed of in a proper way which will take care of all those interested in gun control matters and will take care of law enforcement. I think this bill has come to very fine fruition.

I now ask unanimous consent that the bill be brought up for consideration.

Mr. METZENBAUM. Mr. President, I have no objection to the unanimous-consent request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, earlier today it appeared that there would be a confrontation in connection with this measure, and the confrontation also rolled over into a matter that the distinguished Senator from California and I have been attempting to bring to the floor, having to do with the Saudi Arabia arms sale. We discussed the subject with the majority leader. He understood the problem and gave us adequate time in order to negotiate, which we have been doing all afternoon.

I do not think those negotiations would have resulted in the conclusion they did, had it not been for the fact that the President pro tempore of the Senate made it quite clear from the inception that he was intent upon bringing about a compromise and bringing the issue to the floor and having it resolved. I think that he and his staff and the staff of the Senator from Utah and the staff of the Senator from Idaho did superb work in the negotiations, which took about 5 hours.

However, I cannot sit down without expressing appreciation to my own staff member, Eddie Correia, who just last week was in the hospital and left the hospital to be here with us this week. I know this has been a very grueling and difficult task for him in his recuperative period, but I do not think there would have been an agreement if he had not been in those negotiations, and I want to publicly tell him how much I appreciate what he has done. I thank all the other staff members as well.

Mr. KENNEDY. Mr. President, I, too, want to commend the distinguished chairman of the Judiciary Committee [Mr. THURMOND], for working with Senator METZENBAUM and me and, most importantly, the police groups, in reaching this compromise.

I am delighted to join in cosponsoring this bill and hope the House will move expeditiously to enact it, so these technical, but strengthening amendments to S. 49 will also be signed into law.

Finally, Mr. President, I would just like to note that in the compromise reached on the interstate transportation provisions of the bill, it is the clear intent of the Senate that State and local laws governing the transportation of firearms are only affected if—first, an individual is transporting a firearm that is not directly accessible from the passenger compartment of a vehicle. That means it cannot be in the glove compartment, under the seat, or otherwise within reach. The only exception to this is when a vehicle does not have a trunk or other compartment separate from the passenger area. The weapon must be contained in a locked container other than the glove compartment or console.

Second, any ammunition being transported must be similarly secured.

In addition, Mr. President, the Senate language makes it clear that a State or locality's right to regulate the carrying of firearms by its residents is not affected in any way by the provisions of this bill.

Again, I thank the Senator.

Mr. DOLE. Mr. President, I wish to extend my appreciation to all Senators who have been working the last 2 or 3 days on this matter, particularly the distinguished chairman of the Judiciary Committee, who proposed the amendments early on today as a way to end this impasse, and that has been accomplished.

We are going to complete action very quickly on the bill, when things looked rather bleak as recently as 4 or 5 hours ago.

I want to thank all Senators: The distinguished author of this legislation, Senator McCLURE; the floor manager, Senator HATCH; and their staffs.

I also thank Sheila Bair of my staff for her tireless efforts, not just today and yesterday, but the last several months.

The distinguished chairman of the Judiciary Committee has pointed out that it has been a cooperative effort among those who opposed and those who supported the legislation. Once there was a determination made that we would work together, it really did not take that much time.

So, my thanks to the distinguished Senator from Ohio [Mr. METZENBAUM], the distinguished Senator from Massachusetts [Mr. KENNEDY], and the distinguished minority leader, Senator BYRD, who has been tolerant as we were trying to work out all these problems. I also thank the Senator from California [Mr. CRANSTON], who, while he had an interest in this matter, had an overriding interest in a matter we will dispose of this evening, the Saudi arms sale.

□ 1750

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2414

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Strike out section 926 A of title 18, United States Code, and insert in lieu thereof the following new section:

"§ 926A. Interstate transportation of firearms

"Notwithstanding any other provision of any law or any rule or regulation of a State or any political subdivision thereof, any person who is not otherwise prohibited by this chapter from transporting, shipping, or receiving a firearm shall be entitled to transport a firearm for any lawful purpose from any place where he may lawfully possess and carry such firearm to any other place where he may lawfully possess and carry such firearms if, during such transportation the firearm is unloaded, and neither the firearm nor any ammunition being transported is readily accessible or is directly accessible from the passenger compartment of such transporting vehicle, provided that in the case of a vehicle without a compartment separate from the driver's compartment the firearm or ammunition shall be contained in a locked container other than the glove compartment or console.

Section 921(a)(22) of Title 18, United States Code, is amended by inserting before the period at the end thereof the following:

", Provided that proof of profit shall not be required as to a person who engages in the regular and repetitive purchase and disposition of firearms for criminal purposes or terrorism. For purposes of this paragraph, the term "terrorism" means activity, directed against United States persons, which—

(A) is committed by an individual who is not a national or permanent resident alien of the United States;

(B) involves violent acts or acts dangerous to human life which would be a criminal violation if committed within the jurisdiction of the United States; and

(C) is intended—

(i) to intimidate or coerce a civilian population;

(ii) to influence the policy of a government by intimidation or coercion; or

(iii) to affect the conduct of a government by assassination or kidnapping;"

Section 923(c) of title 18, United States Code, is amended by adding before the period at the end thereof the following: ", except that any licensed manufacturer, importer, or dealer who has maintained a firearm as part of a personal collection for one year and who sells or otherwise disposes of such firearm shall record the description of the firearm in a bound volume, containing the name and place of residence and date of birth of the transferee if the transferee is an individual, or the identity and principal and local places of business of the transferee if the transferee is a corporation or other business entity provided that no other recordkeeping shall be required."

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HATCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who seeks recognition?

Mr. LUGAR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HONORING THE STEGER INTERNATIONAL POLAR EXPLORATION

Mr. DURENBERGER. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 396) honoring the Steger International Polar Exploration.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DURENBERGER. Mr. President, at the request of the leadership who have been very kind to give us special consideration for this resolution, particularly those who are waiting to handle the Saudi arms sale, I express my special gratitude to the leadership on both sides, Senator CRANSTON and Senator LUGAR.

Will Steger is a 40-year-old Minnesotan whom I have known for approximately 25 years. Along with some of his friends, particularly Paul Schurke of Minnesota and Ann Bancroft of the State of Minnesota, they just completed the first totally unassisted journey to the North Pole that has been accomplished by man or woman.

This resolution, Mr. President, celebrates the achievement of a handful of very special Americans. I feel particularly grateful that by some coincidence I suppose the Chair today is occupied by my colleague from Utah, who in a very special way for very special reasons is unique among us in his own achievements.

Mr. President, on Friday, May 2, I received official confirmation that the Steger International Polar Expedition reached their destination—the North Pole.

This was an exciting, bold, and historic expedition. Seventy-five years have passed since the last American-based dogsled expedition journeyed toward the pole. That one, Admiral Robert Peary's historic 1909 expedition, claimed a prize that had eluded the grasp of explorers for three centuries, and brought to a close the era of polar expeditions attempted solely by men and dogs—without the benefit of such modern technology as airplanes or radios.

The Steger Expedition revived that historic mode of polar travel—the dogsled—and in their quest for the pole utilized traditional navigational equipment such as sextants and chronometers, carrying only emergency radios. The goal of the Steger Expedition was to go one step further than the 1909 Peary Expedition, and that was to reach the pole without outside support? In accomplishing this the expedition tested the travel methods of Cook and Peary and sought to lay to rest two lingering historical questions. First, can the North Pole be reached without outside support? Second, were the efforts of the early explorers to reach the pole without the benefit of modern technology realistic?

In reaching the pole on May 2, the Steger Expedition accomplished this and much more. It is no small feat to cross the arctic ice to the North Pole on skis and by dogsled. Yet with sheer determination the members of the expedition conquered all the obstacles nature threw in their path.

Their success is the result of teamwork, and I would like to take a moment to give special notice to Ann Bancroft—the first woman to the North Pole. Ann's successful participation will be an inspiration and encouragement to many generations of women to come.

It is with great pride that I congratulate the Steger Expedition and celebrate with them their historical accomplishment.

Mr. President, I move the adoption of the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 396) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 396

Whereas, the Steger International Polar Expedition, headed by Will Steger of Ely, Minnesota; including Minnesotans Paul Schurke, Ann Bancroft, and Jim Gasperini as well as Geoff Carroll of Alaska, Robert Mantell of Vermont, Robert McKerrow of New Zealand, and Canadians Richard Weber and Brent Boddy reached the North Pole on May 2;

Whereas, the Steger International Polar Expedition reached the North Pole by skis and dog sled, becoming the first Polar dogsled expedition since Admiral Peary in 1909 and the first expedition in history to reach the Pole without outside support, proving that the elements can be conquered through human power and perseverance;

Whereas, in conquering the white unknown of the Arctic, the Steger International Polar Expedition embodied the rugged individualism and courage that enabled our forefathers to defy danger and death to explore and settle our frontiers;

Whereas, Ann Bancroft became the first woman ever to reach the North Pole, pro-

viding inspiration and encouragement to many generations of women to come.

Whereas, the Steger International Polar Expedition began with a dream and garnered the support of all the people of Minnesota and the Nation;

Therefore be it *resolved*, it is the Sense of the Senate that the Steger International Polar Expedition be commended as the first unsupported dogsled expedition to reach the North Pole, for sending the first woman to the Pole and for proving that with faith, hope and perseverance we can conquer any obstacle.

Mr. DURENBERGER. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DURENBERGER. I thank my colleagues.

Mr. President, I appreciate the leadership and assistance of the majority leader and the minority leader in passing this resolution today.

SHIPMENT TO POLAND OF DRIED MILK

Mr. SIMON. Mr. President, I ask unanimous consent to bring up the resolution offered yesterday that was kept on the table. It is Senate Resolution 394.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 394) expressing the sense of the Senate regarding the shipment to Poland of dried milk to replace milk contaminated as a result of the nuclear disaster in the Soviet Union.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. SIMON. Mr. President, this is simply an offer on the part of our Government to be of assistance to the people of Poland.

My distinguished colleague from North Carolina who chairs the Agriculture Committee has a couple of suggestions for amendments that I think are perfectly sound.

I yield to my colleague.

□ 1800

(Mr. GRAMM assumed the chair.)

Mr. HELMS. Mr. President, I thank the distinguished Senator. I believe all Senators support the use of some of our dairy surplus to help the people of Poland—and I stress those words, the people of Poland—in the aftermath of the recent Soviet nuclear disaster. Other Senators will have to speak for themselves, but I do not favor doing anything for the Government of Poland.

I do have a couple of concerns which I have discussed with the distinguished Senator from Illinois [Mr. SIMON]. In a moment, I will offer two amendments which he may wish to accept as modifications. That will be up to him.

For the record, Mr. President, the USDA already has authority to donate surplus dairy products to Poland under section 416 of the Agricultural Act of 1949. I understand that since 1958, Poland has fallen under the "friendly country" designation necessary for such donations.

In fact, Mr. President, the Reagan administration is already utilizing these authorities to provide assistance to the people of Poland. For fiscal years 1984 and 1985, our Government donated a total of 4,740 tons of surplus dairy products to the Polish people. For the current fiscal year, the administration is aiming to donate a total of 2,000 tons of surplus dairy products.

Americans can be proud of our record of providing assistance to the Polish people—a people who are subjected to an oppressive government which has trampled on their freedoms and stamped out opportunity.

The fact that our Government is already providing humanitarian assistance to the people of Poland should be duly noted in the preamble to this resolution.

In addition, the resolution as introduced calls for the donations to be made to the Government of Poland. However, we have avoided making section 416 donations in the past to the Government. Instead, we have utilized private relief organizations such as Catholic Relief Services and World Vision to deliver our assistance to the Polish people.

Mr. President, with the Polish Government being controlled by the Kremlin, I question whether food donated to the Government would be distributed fairly, and without regard to domestic political concerns.

In order to assure that our food does get to the Polish people, and is distributed without regard to the political agenda of the Government, we should utilize private organizations. In fact, the Solidarity movement would have been an appropriate and efficient means of delivering this assistance—had the movement not been outlawed, and forced to go underground.

In light of these concerns, Mr. President, I am offering two amendments to this resolution. The first would delete the reference to providing surplus dried milk to the Government of Poland, and instead call for shipments of surplus dried milk "for distribution to the people of Poland through appropriate private, nonprofit voluntary agencies." The second amendment would amend the preamble to the resolution to acknowledge our Government's recent and current humanitarian assistance to the people of Poland.

These amendments would strengthen the resolution, and I believe, help facilitate the donation of surplus dairy products to Poland during this time of need. I urge the sponsors of the resolution to accept these revisions.

Mr. President, I will offer two modifications which I believe the Senator from Illinois will accept. The first addresses the preamble. I would suggest that he amend the last paragraph of the preamble to read as follows:

Whereas the Administration has provided humanitarian assistance, in the form of surplus dairy products, to the people of Poland and is planning to continue to provide such assistance during the current fiscal year.

The second modification which I would suggest is on page 2, beginning on line 4, strike out the words "to the Government of Poland" and insert in lieu thereof "for distribution to the people of Poland through appropriate private, nonprofit voluntary agencies."

I inquire of my friend from Illinois if he would be willing to accept these modifications.

Mr. SIMON. Mr. President, I am pleased to accept the amendments offered by the Senator from North Carolina.

I am going to take just 1 extra minute to explain to my colleagues something a little unusual that happened to me today. I have explained it to the Senator from North Carolina.

I introduced this resolution yesterday because of the need of the people of Poland. We had checked Friday with the Polish Embassy and they seemed to be very enthusiastic about the idea.

This afternoon, the Charge d'Affaires from Poland came into my office—they do not have an ambassador here right now—and said that the intent of my resolution was to embarrass the Government of Poland and to embarrass the Government of the Soviet Union.

Well, that is not my intent. He said what they want is normal trade relations with the United States. I assured him that we can get normal trade relations as soon as they free their political prisoners in Poland.

But, clearly, we want to help the people of Poland, not the Government of Poland. That is what the Senator from North Carolina wants to do. That is what all of us want to do. So I am pleased to accept the amendment of the Senator from North Carolina and I hope we can adopt the resolution.

AMENDMENT NO. 1824

(Purpose: To specify that the surplus dried milk should be distributed to the people of Poland through private nonprofit voluntary agencies)

Mr. HELMS. Mr. President, I send the amendments or modifications, whichever, to the desk.

The PRESIDING OFFICER. The clerk will report the amendment to the resolution.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 1824.

On page 2, beginning on line 4, strike out "to the Government of Poland" and insert in lieu thereof "for distribution to the people of Poland through appropriate private, nonprofit voluntary agencies".

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina.

The amendment (No. 1824) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS. Mr. President, I ask that the next amendment be stated.

The PRESIDING OFFICER. Until the resolution is passed, the amendment to the preamble is not in order.

Mr. HELMS. The Chair is absolutely correct.

The PRESIDING OFFICER. The question now recurs on the resolution.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. Mr. President, if I may briefly be heard to say that I congratulate my friend and distinguished colleague from Illinois in connection with this resolution. I am delighted to be a principal cosponsor of the resolution.

I thank the chairman of the Agriculture Committee. I have talked to him on several occasions today about what could be done to facilitate this, as well as Senator ZORINSKY, our ranking member on this side.

I thank the majority leader and minority leader for their support of this resolution. I am delighted to support this resolution that will aid the people of Poland in connection with their needs in this very difficult time when such an important crisis faces the people of that country. I certainly support this resolution and urge the Senate to adopt it immediately.

OPEN OUR DOORS OF PLENTY TO THE POLISH PEOPLE

Mr. DOLE. Mr. President, I am pleased to be a cosponsor of Senate Resolution 394, a timely piece of legislation designed to help bring a desperately needed safe supply of milk to the people of Poland.

As the world now knows—no thanks to Soviet candor—there has been a disaster at the Chernobyl nuclear powerplant. Unfortunately the Soviet Union's neighbors have become innocent victims of this nuclear nightmare. An ominous cloud of radioactive fallout has spread from Chernobyl over Eastern Europe, the terrible effects of which may not be known for many years. What we do know, however, is that our friends in Poland need our help and they need it now.

That is why this bill is so vital. It will open our doors of plenty to millions of people who no longer can trust the very milk they drink. We have massive stocks of dried milk ready for delivery and we should not hesitate to come to the aid of the good people of Poland. Already, existing supplies of milk in this Iron Curtain country have been taken off the shelves due to radiation from the Soviet catastrophe.

Mr. President, we hold no brief for the oppressive Government of Poland. But we do feel a kinship for the beleaguered Polish people who now find themselves confronted by contaminated food. It is a sad picture, indeed. Let us move quickly to share our bounty with those who need it most.

Mr. SIMON. Mr. President, I wish to thank my colleague, who is an original cosponsor, as well as Senators DOLE and BYRD.

I ask unanimous consent that Senators LEVIN, PROXMIRE, HART, METZENBAUM, BENTSEN, and PELL be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, just for the record, the distinguished Senator from Illinois [Mr. DIXON] was on the phone the first thing this morning calling me about this. As he has indicated, he has talked to me several times, so he has been very, very diligent as a member of the Senate Agriculture Committee in pursuing this. It is my pleasure to work with both Senators from Illinois in connection with this legislation.

The PRESIDING OFFICER. The question is now on agreeing to the resolution.

The resolution (S. Res. 394) was agreed to.

AMENDMENT NO. 1825

(Purpose: To amend the preamble)

The PRESIDING OFFICER. The clerk will report the amendment to the preamble.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 1825.

Amend the last paragraph of the preamble to read as follows:

"Whereas the Administration has provided humanitarian assistance, in the form of surplus dairy products, to the people of Poland and is planning to continue to provide such assistance during the current fiscal year:".

The PRESIDING OFFICER. The question is on agreeing to the amendment to the preamble.

The amendment (No. 1825) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the preamble, as amended.

The preamble was agreed to.

The resolution, as amended, with its preamble, as amended, reads as follows:

S. RES. 394

Whereas the nuclear disaster beginning on April 26, 1986, at Chernobyl, Union of Soviet Socialist Republics, is an international tragedy;

Whereas the accident already has resulted in loss of life and injury to those in the immediate area;

Whereas the Chernobyl accident could result in serious longterm environmental and medical problems;

Whereas the governments in neighboring countries have experienced elevated radiation levels in their environment, and their people face continued uncertainty about the possible health risks that may be associated with this contamination;

Whereas some of these neighboring governments are taking health and safety precautions on behalf of their citizens;

Whereas the Government of Poland already has removed all milk from its stores and will withhold milk from the market until the danger of radiation exposure recedes;

Whereas the people of the United States are deeply concerned about European citizens who might be facing health risks from the accident at Chernobyl;

Whereas the United States Government owns vast quantities of dried milk;

Whereas the American people have a long and enduring feeling of kinship and friendship with the Polish people; and

Whereas the Administration has provided humanitarian assistance, in the form of surplus dairy products, to the people of Poland and is planning to continue to provide such assistance during the current fiscal year: Now, therefore, be it

Resolved, That (a) the Senate calls upon the President and the Secretary of Agriculture to immediately authorize the shipment of United States surplus dried milk, under section 416 of the Agriculture Act of 1949 (7 U.S.C. 1431), for distribution to the people of Poland through appropriate private, nonprofit organizations. Such shipments should not exceed 50,000 tons during the coming six months.

(b) The Senate requests the President to assure the milk producing allies of the United States that the delivery of such milk will not undermine existing sales contracts with the Government of Poland inasmuch as such milk will replace milk produced in Poland but destroyed as a safety precaution against possible adverse reaction to the consumption of contaminated milk.

(c) The Secretary of the Senate shall transmit a copy of this resolution to the President and the Secretary of Agriculture.

Mr. BYRD. Will the majority leader yield for a question?

Mr. DOLE. Yes.

Mr. BYRD. Has the motion to reconsider the motion on the resolution been made?

The PRESIDING OFFICER. It has been.

Mr. BYRD. It has been.

PROHIBITING SALE OF CERTAIN DEFENSE ARTICLES TO SAUDI ARABIA

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to Calendar Order No. 633, Senate Joint Resolution, 316, the Saudi arms sale, and that there be a time period of 1½ hours, equally divided, on Senate Joint Resolution 316.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will report.

The assistant legisltive clerk read as follows:

A joint resolution (S.J. Res. 316) prohibiting the sale to Saudi Arabia of certain defense articles and related defense services.

The Senate proceeded to consider the joint resolution.

Mr. BYRD. Mr. President, I believe, under the statute, the majority and minority leaders have control of the time, or their designees. I yield my time on this side to the distinguished ranking member of the Foreign Relations Committee, Mr. PELL.

Mr. CRANSTON. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DOLE. Mr. President, I yield my time to the distinguished chairman of the Senate Foreign Relations Committee, Senator LUGAR.

Mr. PELL. Mr. President, as ranking Democratic member of the Committee on Foreign Relations, I had the opportunity to weigh carefully the administration's proposal to sell more than 2,500 missiles to Saudi Arabia. I concluded that the sales proposal was not justified. Accordingly, I urge that the Senate approve the resolution of disapproval introduced by the Senator from California [Mr. CRANSTON] for himself and more than 60 cosponsors.

The Committee on Foreign Relations held a hearing on this sale on April 17 and discussed the sale at length on April 23. At the conclusion of that deliberation, the committee voted 11-6 to approve the resolution of disapproval.

I concur completely in the judgment of a strong majority of the committee members. I reach my conclusion for two primary reasons:

First, the Saudis do not have a demonstrated need for those missiles. They already have more than an adequate reserve of Sidewinder, Harpoon, and Stinger missiles. In the event of some unforeseen emergency in which it is in our interest to do so, the President would be free to act on an emergency basis. They simply are not needed.

Second, the Saudis have been, at best, only sometime partners in the peace process. While there have been contributions, these positive gestures have been offset by such activities as a major financial support of elements of the Palestine Liberation Organization and the continued shabby treatment of Egypt since that nation made peace with Israel.

Mr. President, I would like to draw the attention of my fellow Senators to a very pertinent section of the committee's report on the sale:

It is imperative that we as a nation pursue peace in the Middle East with renewed energy and that we insist that others in the Middle East who profess a commitment to bringing an end to conflict in that region do so with deeds, as well as private assurances. It is crucial that those who will take brave steps for peace not be left to stand alone.

In this context, the proper question is not whether an Arab state is radical or 'moderate', but whether it is a nation which foments or supports conflict and terrorism, or whether it is a nation which actively presses for an end to conflict and a just and lasting peace.

Mr. President, by those standards, it is clear that the Saudis have fallen shy of the mark. Accordingly, it is regrettable that the administration decided to press ahead with this sale with very little consultation with the Congress. The result is an unnecessary and unfortunate confrontation.

It has become standard executive-branch practice in recent years, under strong Pentagon prodding, to whet the Saudis' appetite for advanced arms and then to inform Congress that those arms the Saudis have been convinced to seek must be provided lest a relationship be jeopardized. Last year, when Congress became visibly fed up, the administration backed off a bit, and the Saudis turned to the British for aircraft. Unfortunately, too many will draw the conclusion that this episode demonstrates that either we sell or others will.

Mr. President, I know that rejection of this sale will displease the Saudis. But I believe our basic underlying relationship will endure. I fault the administration for paying so little attention to Congress and its views before pressing ahead with this sales proposal.

In closing, I would hope that the Saudis will take steps to join the United States in giving active support to those in the Middle East willing to work with Israel in bringing about a comprehensive peace. If the Saudis will do that, I think they will find us very supportive when they make requests consistent with their legitimate defense needs.

□ 1810

Mr. LUGAR addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I oppose Senate Joint Resolution 316, the resolution of disapproval prohibiting the sale of three types of missiles to the Kingdom of Saudi Arabia. In my judgment, the sale should be approved because it will help the United States retain viable relationships with friendly, pro-Western states in the region without adversely affecting military balance in the Arab-Israeli conflict. Our refusal to approve this sale would distance us from those regimes whose support we need to help resolve problems of mutual concern in the Middle East.

The proposed sale before us today is, in my view, one which should not be as controversial as it has become. It is a modest sale which adds no new capabilities to the Saudi Armed Forces. It represents a substantial scaling down of what the Saudis indicate they need and the requirements the Department of Defense believes are necessary to meet threats against them. Moreover, the Government of Israel and the American-Israeli Political Action Committee [AIPAC] have not openly opposed this sale. I do not want to minimize the importance of the sale but rather point out that we risk serious and possibly long lasting injury to our foreign policy interests in the Middle East if we deny a friendly pro-Western regime the basic tools it needs to defend itself. Ultimately, the damage could be more political than military, as friendly states question our reliability in addressing the multiple security problems in the area. Denial of this sale will also encourage our adversaries to take advantage of fractures in traditional U.S. relationships in the Middle East.

If the overriding basis for judging whether to go forward with this sale is the extent to which it will advance our foreign policy interests, then let me offer some important reasons for opposing this resolution of disapproval.

It is absolutely essential to our regional policy that we maintain viable relationships with friendly states in the Middle East. If we fail to do so, we risk not only losing whatever leverage we now have, but we also run the risk of weakening Israel's security as well. There is no country more concerned with Israel's security than the United States. Other countries which could easily provide the same types of missiles will not protect Israel's interests to the extent we can and will. Israel's interests are a lower priority for them. There are other countries which are potential suppliers of these arms. If the Saudis are turned down on this request, they will go elsewhere as they did when they purchased the Tornado

aircraft. The results of that sale are already a net reduction in Israel's security and denial of this sale would add a further cost to Israel in terms of its security.

Despite the frustrations we all feel about the slow progress toward Middle East peace, there have been positive changes in recent years in the relations between Israel and the Arab States. When compared to previous decades, these changes have been major ones. Instead of turning our back, we should nurture, encourage and facilitate these changes. We cannot do this by disengaging from the region or blocking a military sale which breaks no new ground.

Over the past several years, we have seen the Israeli-Egyptian Peace Treaty, the Sinai accord, and several conflict settlements in Lebanon involving Israel and Arab States. We have also seen sincere attempts by King Hussein to initiate peace negotiations with Israel. The King was able to do this in part because of Saudi assistance payments to Jordan. Earlier, King Fahd authored a peace plan for the region. The Saudis have been helpful in Lebanon. They have pushed for a settlement in the Iran-Iraq war. They have provided assistance to the Afghan freedom fighters and to Morocco whom we also assist. We should prod the Saudis at every opportunity to play an even more active and positive role. But, we cannot expect them to respond to our requests if they believe we have disengaged from their security concerns. We must also remember that even our close allies do not always agree with us on all issues.

Our paramount goals in the Middle East are to further our national security interests. Advancing the peace process, containing the Iraq-Iran war, limiting Soviet influence in the area and maintaining access to energy supplies are all ways of advancing our interests. Our military assistance can further these interests by helping friendly states protect themselves against external aggression. For 30 years, our security assistance and arms sales programs have been a primary instrument for achieving these objectives. They have helped to develop the trust and confidence among regional states in our actions and intentions. Because of our success, the Soviets have played only a peripheral role in the region. Therefore, we should not unilaterally forsake what has been a successful foreign policy vehicle. I am not sure how we would accomplish the same security and foreign policy goals absent credible military relationships in the area.

Although this sale is primarily proposed for security and political purposes, we cannot ignore the economic benefits to the United States. The proposed missile sale is a direct cash sale, involving no U.S. financing, credits, or subsidies. It would bring capital directly into the U.S. economy. We will lose up to $20 billion in U.S. revenues over the life of the Saudi Tornado purchase because we opted out that aircraft sale to Saudi Arabia. Because of our refusal to provide arms, the Saudis have moved to purchase more of their arms from European suppliers. The sales contracts, therefore, will go to our allies—they will obtain the revenues, the jobs and, more importantly, the right to exercise influence over Saudi deployment, over Saudi force structure and military modernization programs. Disapproval of this missile sale will result in the loss of more than $354 million in revenues to the United States. Together, these two cases would cost the United States hundreds of thousands of man-year jobs throughout our economy. The economic loss could be even greater as there could be spillover into civilian purchases from the region as well.

□ 1820

This sale, coming 5 years after the last major arms agreement to Saudi Arabia, is a concrete demonstration to moderate and radical states that the U.S. connection can make a difference. It will send a signal to Tehran that we are serious about assisting the Saudis and other pro-Western Arab states and that we are ready to honor our commitments to their security. This is particularly important as the Iran-Iraq war now appears to have shifted in favor of Iran—at least for the moment—and poses a more serious threat to Saudi Arabia and other reginal states. Finally, it will signal that, in the aftermath of the Libyan defensive strike, we will make the distinction between radical and friendly moderate Arab states. This distinction will be blurred if we fail to respond favorably to this sale and to other legitimate requests in the region.

Some will argue that we would be doing the Saudis a favor by selling them these missiles for their cash and that this would be interpreted as a reward for their current attitude toward terrorism or Middle East peace. This sale should not be viewed as a favor or reward to the Saudis. Rather, it is a sale based on the calculation of our best interests in the area. Providing these missiles is not a signal of approval to the Saudis, it is a way of maintaining our intermediary role in Middle East politics.

Our refusal to sell these weapons would be a diplomatic blow which would isolate us from those states in the area who play a role in resolving regional problems. We would be driving the Saudis, and probably other friendly Arab States, to purchase more military equipment from the Europeans, or even the Soviets, a decision they clearly do not want to make but may feel compelled to make as we isolate ourselves through our own volition, from the problem of the region. It would be an invitation to the Soviet Union to play a more active role in the area. This would not be in anyone's interests—ours, the Saudis or the Israelis. We are convinced that our refusal to provide these missiles would exacerbate the problems of the region by playing into the hands of terrorists and by driving a wedge between us and Arab States.

In sum, this sale may not provide all the security the Saudis need to deter Iran in the Persian Gulf, but refusal on our part to approve the sale will have enormous symbolic significance and lasting adverse effects on our interests—as well as those of the Saudis and the Israelis.

Mr. President, the distinguished Assistant Secretary of State, Mr. Richard W. Murphy, came before the Foreign Relations Committee on April 17, 1986. Mr. Murphy outlined eloquently our interests in the region and I have attempted to reiterate these same concerns in the opening statement today.

Let me summarize some of Secretary Murphy's important testimony, because it is so critical to the foreign policy of our country.

We have been engaged in a dialog with moderate Arab States now for the better part of 40 years.

I want to emphasize before the Senate today, that we are in real danger, through our own choices, of working our way out of any effective role in the Middle East.

We have had a very good conversation on this same subject this afternoon with the distinguished Minister of Defense of Israel, Yitzhak Rabin. He is a good friend of many Members of this body. Many of us have had the pleasure of visiting with him during his tenure as Prime Minister of Israel as well as in his current role of Defense Minister.

Mr. Rabin made the point that Israel does not favor the sale of arms to any state which is not at peace with Israel and that does not recognize Israel's borders.

We all understand that policy. When pressed, Mr. Rabin said:

> I will not get into details on particular weapons or countries or the ways in which Senators want to probe this situation. We simply have a policy. We are opposed to the sale or arms to a country that has not made peace with us, that has not recognized our borders.

I think we understand that.

I think we also understand, Mr. President, in this particular sale, that the request by the Saudis was an extraordinarily modest one. The request from the President of the United States, from our Secretary of State, and from many officials of the administration, including Mr. Murphy, whose testimony I have mentioned, is that this is a very important moment

in our political relationships with moderate states in the Middle East. This is a modest sale and represents a small incremental increase in terms of the weapons they have already agreed to buy but will not be delivered for years to come.

Some Senators have asked, if that is the case, how can the sale be effective in terms of Saudi defense now? The question is a valid one. As Secretary Murphy and others have stated, the specific missiles, in fact, will replace the missiles the Saudis already have, and that it amounts to a small incremental increase over the missiles the Saudis already have in stock. But the sale comes, Mr. President, at a time when, for various reasons, United States effectiveness in the Middle East has declined.

That is unfortunate, Mr. President, because we are in a position in which we have, in the recent defensive strike against the Libyan targets, demonstrated our intent to make certain nations know that terrorism has consequences. The Libyans have called the Arab states together. They have asked that the Arab states take certain actions against us. For various reasons, the Arab states have not responded to such a call.

They have assisted in isolating Libya, as have our own allies. In the recent summit conference, their position is demonstrated by the final communique.

□ 1830

If we look, Mr. President, at the present situation where, over the last decade, we will find that the reason people have paid some attention to us as an intermediary in the region is that we had the ear of moderate states in the Arab world, in addition to a strong alliance with Israel. Good relations with both sides are important if peace is to come in the region.

Let me say, Mr. President, that it is important to affirm, as each one of us will, the strong feeling we have for Israel and for our alliance with the State of Israel. That is not in dispute. What some of us will argue today is that Israel's situation is enhanced if the United States of America is still an active negotiator, an active mediator, an active player in the region. It is vital for us that we remain a strong ally of Israel.

There is no doubt about our willingness to assist Israel in maintaining its democracy. But it has been Israeli foreign policy to try to make peace, and this country has facilitated this objective in a very real way. President Carter played a key role at Camp David and many Members of this body celebrated when the peace treaty between Israel and Egypt was signed in front of the White House.

That did not happen by chance. It happened because we were involved in the Middle East. We were a factor; we were a player; we had credibility. We tried very hard, Mr. President, to facilitate peace between Jordan and Israel and to broaden the peace process, including the help of others, such as President Mubarak in Egypt. It included from time to time, our friend, King Hassan of Morocco, and others whose help we have sought to bring peace to that region.

There have been times, Mr. President, when there are persons in this body who have been concerned about oil shipments from the Middle East, the security of those shipments and the security of countries that were producing oil.

You will recall, Mr. President, many discussions we have had in our various committees and on the floor of the Senate about the need for U.S. preparedness in the region and for our ability to be physically present in the area. We have asked our allies in NATO to help and they have often been reluctant to do so. We have pressed the issue strongly on their behalf in terms of the economies of the Western world. These are good reasons why many Senators felt we ought to be engaged in the region and why we still ought to be there.

The question before us today comes down to this: are we going to unilaterally destroy our influence in the Middle East? Mr. President, the effect of this resolution of disapproval—that we cannot make the sale—is that the Saudis will have to go elsewhere. Let there be no doubt about that, Mr. President. We are not talking about a charitable gift today. We are not talking about concessions or subsidies to the Saudis. We are talking about a cash sale to a moderate Arab State with whom we want friendly relationships and with whom we believe we have a strong role to play.

This can be especially true when our military personnel who are there to help train and instruct the Saudis on ways a professional armed force ought to be run. There are many benefits in that presence, Mr. President.

Let me add this further thought. If we were discussing almost any other issue, and talking about the best interests of our country, Senators would rise on the floor and talk about the need for U.S. exports. They would talk about the balance of trade. They would talk about how this country is in great trouble, about $150 billion of deficit. They would talk about jobs. It's amazing that the subject of jobs disappears from this entire argument today. It's amazing that the balance of payments issue is cast away as if it were incidental.

Mr. President, it is not incidental. Mr. Murphy testified before the Foreign Relations Committee that the Tornado aircraft sale to the Saudis will cost the United States $20 billion in balance of payments revenues and all the thousands of jobs associated with that. That is a lot of money and that is a lot of jobs. I think this should be an important consideration today.

I must conclude by saying that Senators who vote for this motion of disapproval are voting against jobs, voting for a large balance-of-payments deficit, and they ought to know what they are doing. They will be called to responsibility about American jobs and about protecting American industry. This is an important aspect of this sale in my judgment.

Finally, Mr. President, let me say that this is a sale which the President of the United States feels is vital to our foreign policy—vital to our foreign policy. He has written to members of our Committee; he has made it known to the leadership in the Congress. The Secretary of State has made known his views to individual Members on how vital the President of the United States believes this sale is to the conduct of our foreign policy. Normally, Mr. President, that would have some weight in our decision of this sale. In my judgement, it should have a lot of weight.

Senators who vote for this motion of disapproval are voting in a headlong plunge in opposition to the President of the United States, in opposition to the Secretary of State, and to everybody vested in the administration with responsibility for our foreign policy.

This is a crucial issue for the President of the United States; so crucial, Mr. President, that he has indicated if the motion of disapproval passes the two Houses, he will veto it. He will veto a resolution of disapproval, and the question will return to this floor or to our sister body for another debate. At that time we will have before us the veto message of the President of the United States, who will indicate once again that he believes this sale is vital to our foreign policy for the resasons that I have suggested today.

This sale is important if we are to have any credibility as a player in the Middle East and if we are to maintain the intermediary role that has allowed us to achieve some very substantial successes in the region. Maintaining our credibility is, more over, an important step on behalf of the security of Israel. Without our role as a player with some degree of credibility in the Arab states, peace may be impossible. That would present us and the region with a very bleak road ahead.

For these reasons, Mr. President, I ask Senators to carefully consider their votes on this resolution of disapproval.

So that it will not be a complex situation for any Senator to understand, those who are in favor of the sale of these missiles to Saudi Arabia should

vote "nay" when we have the rollcall. Those who are in favor of the resolution of disapproval, who would deny this sale and would oppose the President of the United States, our Secretary of State, and our foreign policy, who would disengage us from the Middle East peace process, who would be in favor of job losses and export sales losses—those persons favoring those propositions will vote "aye," and I hope, take the responsibility for consequences which I predict will be substantial, which will be relatively immediate, and which I pray will not be lasting.

Mr. President, I yield the floor.

Mr. RUDMAN, Mr. DIXON, and Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Who yields time?

Mr. PELL. Mr. President, I believe the time is allocated to me.

Mr. RUDMAN. I am sorry, Mr. President. I thought I was recognized.

Mr. PELL. I intend to cede first to the Senator from Illinois [Mr. DIXON], then to the Senator from California. Actually, I should ask the Senator from California to speak now as the true architect of the whole resolution, but he has asked me to recognize the Senator from Illinois.

Mr. RUDMAN. It is my understanding that the rules of the Senate are that those seeking recognition may seek it on their own——

The PRESIDING OFFICER. The Senator should be advised that we are operating under a time limitation, with the time controlled by the Senator from Indiana and the Senator from Rhode Island.

Mr. RUDMAN. I understand that.

The PRESIDING OFFICER. Therefore, one can speak only if recognized as part of their time.

Mr. RUDMAN. I then ask the Senator from Rhode Island if, at the appropriate time, I may be yielded 5 minutes.

Mr. PELL. Mr. President, I yield at this point 3 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. Mr. President, I thank the distinguished Senator from Rhode Island for yielding me 3 minutes.

NO SALE, MR. PRESIDENT!

Mr. DIXON. Mr. President, I rise as an original cosponsor of this resolution of disapproval. As my colleagues know, this proposed sale has been a long time coming. However, now, after over a year, the administration has decided to proceed with the sale of Sidewinder, Stinger, and Harpoon missiles to Saudi Arabia. It is not, in my opinion, a wise course of action. It is my hope that the Congress will resoundingly overrule this course of action.

There has been a great deal of publicity about this sale, and whether or not it is in Israel's best interests. More importantly, it is not in the best interests of the United States or the entire Middle East region.

Although Saudi Arabia is perceived as a moderate Arab nation, there are very disturbing facts which lead me to believe that this sale is very ill-advised and that such a perception is inaccurate.

First, the administration maintains that this sale is necessary because of the escalation of the Iran-Iraq war. According to the administration, however, the sale is not scheduled for delivery until 1989 and would stretch to 1991. So, clearly, there is no emergency. Given the nature of the region, it would seem unwise to make such a long-term commitment to a nation which has repeatedly scorned both American and Israeli interests.

Second, a major part of the package consists of 200 portable Stinger ground-to-air missiles. This weapon would not enhance the Saudis' defenses against Iran, whose real threat to Saudi Arabia is terrorism and subversion. Further, in the hands of terrorists, this weapon could have disastrous consequences. It can be carried by one person and has enough destructive capability to obliterate civilian aircraft—an action which is all too possible in these times of international turmoil and tragedy.

Third, the Saudis have repeatedly acted against the interests of the United States in their support of Libya by condemning American efforts to constrain the outlaw agenda of Qadhafi and his cohorts in brutality. Saudi Arabia has publicly stated its allegiance to these international criminals, in direct opposition to American policy and interests.

Fourth, the Saudis continue to serve as a major contributor the the Palestine Liberation Organization. Last year alone, they provided Yasser Arafat and his followers with $28.5 million so that they could continue carrying out their agenda of terror and destruction long after other Arab States have abandoned financial support of these extremists.

Fifth, Saudi Arabia does not live up to its agreements and the administration apparently ignores this. The 1981 agreement to sell AWACS to them was based upon several conditions, one being that a peaceful resolution of disputes in the region was to have been successfully completed or significant progress toward that goal was to have been accomplished with substantial assistance from Saudi Arabia. This commitment was made by the Saudis to President Reagan nearly 5 years ago, and none of it has come to pass.

The situation in the region is, if possible, more unstable than ever, and there has been no positive action by the Saudis to bring peace to the area. In fact, the Saudis continue to lead the Arab boycott against Israel. They are seeking to gain additional allies in Africa to confront Israel. They continue to reinforce the isolation of Israel at every opportunity.

For these and many other reasons, this sale is not in the best interest of any nation which advocates peace in the Middle East and deplores terrorism against innocent civilians. Saudi Arabia is in a declared state of war with Israel. This sale would give her additional weapons which could be used against our closest ally in the Middle East. America has already sold more military equipment and services to Saudi Arabia than any other single country in the world. Our sales to the Saudi exceed $50 billion, including $20 billion remaining to be delivered. Total sales to all of our European allies amounted to just $50 billion.

What should we be getting from Saudi Arabia in return? If the administration's decision to go ahead with this sale, after postponing it for over a year, is based on a real military and strategic threat to our interests, now is the time to exact more cooperation from Saudi Arabia.

The Saudi defenses are strong, and the immediate need, other than "sending a message to Iran" does not seem to this Senator to be sufficient. Instead, we should send another message, which is that the United States should not provide additional arms to Saudi Arabia, a declared enemy of our closest ally in the Middle East, Israel, and a declared supporter of Qadhafi and Arafat, both of whom have perpetrated atrocious acts of violence against the United States and many innocent civilians traveling abroad.

Before we consider sending additional implements of war to Saudi Arabia, we need to elicit from them a commitment to work for peace with Israel, as well as their concurrence with policies which are in the best interests of responsible people everywhere.

□ 1840

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. I yield the remainder of my time to the Senator from California for use at his own discretion.

Mr. CRANSTON. I believe that the Senator from Maryland would like time yielded on that side of the aisle at this point.

Mr. LUGAR. I thank the Senator.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I yield 4 minutes to the Senator from Maryland.

The PRESIDING OFFICER. The distinguished Senator from Maryland is yielded 4 minutes.

Mr. MATHIAS. Mr. President, I oppose this resolution to disapprove

the administration's proposed arms sale to Saudi Arabia. I believe that such action will have a negative effect on United States interests in the Middle East, will move us away from a country with whom we have worked over two decades, and will diminish our influence in an area were it is sorely needed to bring about the kind of peaceful, comprehensive settlement we all desire.

Listening to the debate over these last months from proponents and opponents of the sale, I have been struck by how much the arguments hinge on cause and effect. United States goals in the Middle East are not questioned. We all want to assure the security of Israel, achieve a comprehensive peace settlement for Israel and her Arab neighbors, maintain good relations with all states of the area, ensure oil supplies to the West, and deny expanded Soviet influence. The question is how to achieve these goals. What action should the United States take that will have the effect of advancing us toward our objectives?

I believe that the effect of denying the sale will be a signal that we are less interested in maintaining our traditional ties with moderate Arabs and that we are less interested in pursuing the peace process. I think it will diminish our influence in the Middle East. Many, and perhaps it is the majority in the Senate, believe that the effect of denying the sale will be to make Saudi Arabia more amenable to working with us. I could say my experience in the Middle East leads me to the opposite conclusion, but to tell you the truth it is my experience with human nature that leads me to the opposite conclusion.

This proposed sale of three types of missiles, already in the Saudi Arabian inventory, will not change the balance of power toward Israel. It will not add to the aggressive capability of Saudi Arabia. It will be a signal to be read in Tripoli and Tehran. Some of the sale's opponents argue that the sale will diminish our credibility as we work to draw Saudi Arabia into the peace process. I say just the opposite is true. The continuation of our ongoing arms relationship is essential if Saudi Arabia is to count on us as we pursue our long-term objective of a peace settlement. Maintaining our ongoing arms relationship, I believe, will be a sign that we intend to stand by our traditional friends in a renewed quest for peace in the Middle East.

There are those who will cast a doubt on the value of that friendship. For them I would point to the recent experience of the American raid on Libya. In the aftermath of that event, Colonel Qadhafi issued a call for action by the Arab League, an immediate meeting of the members of the Arab League. The response was a resounding silence.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MATHIAS. I ask for 1 additional minute, Mr. President, if the Senator from Indiana will so yield.

Mr. LUGAR. One more minute.

The PRESIDING OFFICER. The Senator from Maryland is recognized for 1 additional minute.

Mr. MATHIAS. Colonel Qadhafi issued a call for action by OPEC. The response was resounding silence. Colonel Qadhafi called for financial support. Not a single Arab dollar moved in the money markets of the world.

It does not require a career diplomat or a foreign policy analyst to assess the impact of these movements. I believe very strongly that the proposed sale of arms to Saudi Arabia is in our interest, in the interest of the United States, that its effect will be positive, and that should be our criteria for judging the sale.

I urge Senators to join in supporting it.

Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. CRANSTON. Mr. President, I yield 5 minutes to the distinguished Senator from New Hampshire.

Mr. RUDMAN. I thank the distinguished Senator from California.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 5 minutes.

□ 1850

Mr. RUDMAN. Mr. President, I rise today in opposition to the proposed arms transfer to Saudi Arabia. I do so after thorough consideration of all aspects of the sale, and with due regard for the complexities of Middle East politics and the often painful choices which attend U.S. policy decisions in the region. Accordingly, nothing less is required in the present case than a sober account of inescapable realities and the exercise of prudential judgment.

If diplomacy can aptly be characterized as the "art of the possible," then it is equally certain that the terms used in diplomatic discourse may often obscure truths which, if officially conceded, could impede the attainment of political goals. Few examples better illustrate this verity than the language employed by the administration to describe the United States-Saudi relationship. Indeed, and despite the unsettling paradox which often separates rhetoric from reality, I fear that diplomatic niceities, as opposed to strategic imperatives, have become a sufficient basis for policy.

United States military assistance to Riyadh, including the transfer of some of our most sophisticated weapons systems, has been predicated on the notion that Saudi Arabia is a moderate Arab State with interests essentially paralleling our own in the Middle East. Foremost among these are the preservation of regional stability and the isolation of radical elements, a just resolution of the Arab-Israeli conflict, and achievement of a durable peace settlement. It is once again being argued that continuation of Saudi policies helpful to the United States can best be ensured through tangible "signals" of American military support, as well as deference to Saudi sensitivities when attitudes diverge.

To be sure, there is something curiously troubling about a relationship which requires recurrent and unilateral "litmus tests" of friendship and benevolent intent. It would appear to me that a relationship of supposedly mutual interests should properly embrace reciprocal policies, or at least a commitment to avoid jeopardizing "shared" objectives. To do otherwise is to rely on the hope of supportive efforts, and not on the expectation.

Yet even a cursory review of Saudi behavior, official United States pronouncements notwithstanding, belies the moderate image so carefully and persistently cultivated by Riyadh's apologists at the State Department. Consider, Mr. President, the following points:

No issue has more completely dominated the administration's recent agenda, including at the Tokyo summit conference, than that of international terrorism and the most effective means of countering it. Saudi Arabia provided approximately $29 million last year to the PLO in support of its political and paramilitary activities. Is it unfair to assume that, however indirectly, these funds helped finance terrorist acts against innocent civilians as part of the larger Middle East power struggle?

Saudi Arabia has likewise proffered continued financial and political support to Syria and Libya, nations whose regional designs hardly coincide with United States, and ostensibly Saudi, interests. Does such support, evinced most recently by Riyadh's condemnation—I repeat, condemnation—of the United States air strike against Libyan military and terrorist-related targets, befit a "moderate" state opposed to Arab extremism?

Despite administration claims that the Saudis have quietly advanced the aims of the tortuous Camp David peace process, Riyadh has yet to reestablish diplomatic relations with Egypt. Is it the product of constructive policy to abet the isolation of the only Arab nation to have formally concluded a peace agreement with Israel?

How helpful have the Saudis been in encouraging Jordan's King Hussein to undertake those initiatives which might substantially contribute to a broader regional coalition for peace?

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In the United Nations, the Saudis have conspicuously voted with those states most violently opposed to United States interests in the Middle East.

Mr. President, I could cite additional examples, but I believe the available evidence is sufficiently instructive. Past United States military assistance to Saudi Arabia has unfortunately failed to evoke the response upon which the offer of such aid was premised. In the present situation, it is alleged that the transfer of Stinger, Sidewinder, and Harpoon missiles has become an urgent priority because of the imminent threat to Saudi sovereignty posed by the intensified conflict between Iran and Iraq. I would remind my colleagues that such missiles, if approved, would not be delivered until 1989-90, hardly of a timely nature to thwart near-term incursions.

While the arms package under consideration may not of itself endanger Israeli security, the relevant issues are more comprehensive. We simply can no longer be content with the veneer, rhetorical and actual, of a balanced United States-Saudi relationship. Reality strongly suggests otherwise, and to overlook or minimize that reality is to dishonor the noble policy objectives we so boldly proclaim for the region. Substantial assistance to Saudi Arabia must exact substantial reciprocity in the pursuit of allegedly similar ends. Anything less amounts to converting military aid to ransom payments in the hope of moderate behavior.

Nor can the administration glibly assert that U.S. aid is required to bolster a fragile regime beset by multiple threats. If the Saudi Government is indeed so inherently unstable, how confident can we be that the weapons systems being offered won't eventually become the property of dedicated terrorists? The effects of such a possibility are chilling to contemplate.

For these reasons, Mr. President, I am compelled to support the resolution of disapproval before us today. Until such time as the Saudis concretely demonstrate their willingness to assist United States strategic aims in the Middle East, prudence demands a hard reassessment of our arms transfer policies. I therefore urge my colleagues to likewise support the pending resolution.

The PRESIDING OFFICER (Mr. HECHT). Who yields time?

Mr. LUGAR. Mr. President, I yield 5 minutes to the distinguished chairman of the Committee on Armed Services, the Senator from Arizona [Mr. GOLDWATER].

The PRESIDING OFFICER. The Senator from Arizona.

Mr. GOLDWATER. Mr. President, I rise to oppose Senate Resolution 316. I support the proposed missile sale to Saudi Arabia.

There are sound strategic reasons for the sale, but the point I wish to emphasize is that we must live up to past promises to support the defense capabilities of our friends.

Mr. President, only 4 months ago, I completed a trip that took me around the world for the purpose of visiting not only our own military bases, but the bases of friendly countries in locations where the United States has vital security interests. One common theme which I discovered was the disturbing repetition of the concern that the United States was unable or seemingly unable to keep its word once given. We are living up to our promises to supply defensive equipment even when Presidents of the United States have repeatedly made commitments to do so.

The proposed missile sale to Saudi Arabia is a follow through to earlier arms help we provided the kingdom in 1978 and 1981 and is responsive to Saudi Arabia's urgent request for adequate defense assistance. Our basic commitment to the security of Saudi Arabia dates back much further.

Saudi Arabia is a country with which the United States has had friendly relations since its emergence as a single kingdom in the early 1930's. The basis of a special friendship with the Saudis can be found as early as 1938 when Americans were the first to discover the oil other prospectors had spent several years looking for. But the true foundation of America's relationship with the kingdom rests not on sentimental proclivities but on geopolitical realities.

U.S. Presidents have publicly declared that the United States has a major interest in the security of the kingdom since Franklin Roosevelt announced in 1943 that "the defense of Saudi Arabia is vital to the defense of the United States."

The deterrence role served by a credible Saudi defense supports our strategic interests in what I would like to call the Islamic crescent. This area includes every country in the Middle East, all oil producers, some of them friendly to the United States, some of them not, but all of them potential targets of the Soviet Union.

The defense of Saudi Arabia supports the free flow of oil to U.S. allies and helps to keep the war between Iran and Iraq from spreading across the gulf and down the Arabian Peninsula. In effect, Saudi Arabia is a barrier shielding friendly Arab nations both from the pressures of Soviet expansionism and from radical Arab turbulence.

However, if Saudi Arabia is to play a constructive role in resisting radicalism and defending against the Russian threat, we must support her legitimate defense needs. The kingdom is incapable of achieving security through wealth alone. It needs defensive arms to protect its people and oil fields and to defend shipping in the gulf. And what is needed most is a strong demonstration of the ability of the United States to fulfill its commitments.

If the Congress of the United States turns down a major foreign policy decision designed and endorsed by the man primarily responsible for foreign policy in our country, then I see very dire results around this world.

If this disapproval comes about, then some of our friends who are not too strong in their friendship will, in all probability, pull back from this country. They will doubt our soundness and ultimate steadiness. And their reasoning, that probably every country in the world will share, will be that if the U.S. Congress cannot back the President in such an important decision, then how can we entrust the future of our country to an alliance or cooperation with the United States.

In fact, even forgetting the trust, the question will be how much faith can we put in the United States, its power, its determination to use what power it has, and its decisions? This, to me, far transcends every other consideration and should be the deciding factor in the mind of every Member of Congress who feels inclined to oppose the missile sale, unless that opposition is based firmly on the conviction that fulfillment of it would do damage to our foreign policy. And by that I mean the foreign policy interests of all Americans and not only the interests of a single bloc of voters.

Mr. President, this is not a particularly easy position for me to take. But I feel I must make my position known because of my strong feelings on American security and my belief that there comes a time when we must make a decision as to whether it is more important to consider the protection of the United States than it is to consider the tremendous influence of another country on the Congress. Now, I say that with the full realization that my country is committed to the total defense of Israel. I honor that commitment and I will abide by it if Israel comes under the threat of any other country.

There is no question here about our loyalty to Israel. These items do not introduce anything new into the Saudi inventory. But to say no to a commitment made by the President of the United States and to say no to a friendly Arab nation whose security is vital to our own defense would be a bad mistake.

We cannot expect our friends in that part of the world or elsewhere to stand up to a Soviet thrust or radical threats if they believe that the United States has lost the ability to make credible commitments. Our foreign policy cannot safely be tied to the volatility of American politics and the un-

predictable shifts of mood among 535 Members of Congress; nor can it be guided by an undue concern about what some political lobby may think who is not representative of the general interests of the whole American people.

We are a deliberative body of one nation, with one interest, that of the United States and the people at large and we are not a Congress of ambassadors from different nationalities, creeds, or other groups. I hope we will keep this principle in mind as we move to a vote on the pending resolution.

Mr. CRANSTON. I yield myself 5 minutes.

Mr. President, it is clear that a majority of the Senate will vote to block the Saudi arms sale and that, together with our colleagues in the House, we will thus adopt and send to the President for enactment a joint resolution barring a proposed arms sale.

□ 1900

This would be the first time that a Senate majority has ever voted against any arms sale. And it would be the first time that a joint resolution disapproving an arms sale was ever sent to the President.

These would be serious steps, to be sure. It is especially important, therefore, for the proponents of this resolution to lay out our case in some detail.

As the author of Senate Joint Resolution 316—which would, if enacted, bar the execution of the Saudi missile sale—I am proud to have as cosponsors some 64 of my colleagues. Clearly, we are a bipartisan group who represent the sentiment of a large majority of the Senate that this sale should not go forward at this time. I believe there are more Senators who will vote against the sale even though they are not cosponsors of the disapproval resolution.

For 16 months now, we have made special efforts to avoid this confrontation between the legislative and the executive branch. On January 29, 1985, I sent a letter to President Reagan cosigned by 64 Senators expressing our serious reservations over any new Saudi arms sale. Then again, last September, when proposal of such a sale appeared imminent, I circulated a resolution of disapproval which was promptly cosponsored by a majority of the Senate. The administration has been fully aware of these facts. And yet they have chosen to proceed and force tonight's confrontation.

At issue today is not the security and survival of Saudi Arabia. No, indeed. The administration readily concedes that the more than 2,500 missiles in the proposed arms package have no relevance whatsoever to Saudi security in the 1980's because they will not even be delivered until the 1989 through 1991 timeframe.

The fact is that we are engaged today in an exercise in signal-sending. And the debate between Congress and the executive branch over which signal to send to Saudi Arabia is, in my view, an appropriate and legitimate one. The signal which the administration seeks to send was best summarized by a State Department official in a recent interview, when he declared, "We want to get back to business as usual" in the sale of advanced American arms to Saudi Arabia. The signal which a majority of the Senate wants to send is the opposite one; we want to make clear that it is no longer in the national security interests of the United States to sell advanced weapons to a nation which consistently scorns American interests.

It is American interests—no more and no less—which are at issue here. And the fact that the Government of Israel or the American Israel Public Affairs Committee, while both on record in opposition to this proposal, have not chosen to fight this particular sale all out is beside the point when American interests are threatened.

The United States has many interests in the turbulent Middle East region beyond simply checking Communist advances and keeping the oil flowing. These include broadening the Camp David peace process, combating terrorism while denying terrorists any base of support, and helping our key allies Egypt and Israel to maintain their military and economic security.

The Saudi Kingdom has not only failed to support the administration in each of these crucial areas, they have actively opposed us—undermining King Hussein's efforts to involve Jordan in the peace process, isolating Egypt for its willingness to pursue peace, bankrolling the terrorist PLO and Syria, boycotting American businesses trading with Israel, and repeatedly siding with Mu'ammar Qadhafi in the Libyan dictator's earlier and recent showdowns with America.

The administration claims that the proposal is a crucial test of our friendship.

I say it's time we ask the questions about the friendship of others. We have amply demonstrated our friendship for the Saudis. We have sold Saudi Arabia 50 billion dollars' worth of arms and defense services in the past 30 years, more than we have sold to any other nation on Earth. We have maintained this relationship even when the Saudis embargoed our oil, quadrupled its price, and made war on our crucial ally Israel. When do we pass the test and earn the right to ask about Saudi friendship for the United States?

Recently, the administration has advanced a second reason—the so-called Iran threat to the Saudi Kingdom. But these missiles would not even be delivered to the Saudis until another 3 to 5 years have passed. And the Saudis already have more than enough missiles to overwhelm any threat posed by Iran; Riyadh's arsenal is teeming. Besides, the fighting between Iran and Iraq has been reduced to World War I style ground combat where the type of antiaircraft missiles which we propose to sell the Saudis would be of no utility.

For nearly two decades, the United States has granted virtually all Saudi arms requests. Originally part of the so-called twin pillar policy—which held that our interests on the Persian Gulf could best be secured by arming the Shah of Iran and the Saudi monarchs to the teeth—this principle is no longer a sound basis for American policy. Past readiness to meet Saudi desires for our most advanced armaments has not yielded Saudi support for key United States initiatives.

Now is not the time to send more weapons to an uncertain friend in the Middle East, a friend that has aligned itself with the terrorists of Tripoli. And now is not the time to send such a nation a weapon like the Stinger, a shoulder-fired antiaircraft missile—a weapon so easily adapted to terrorist acts that it has been "the terrorist's delight."

The pending missile sale—which meets no legitimate, urgent Saudi need—is an appropriate place to draw the line. We should reject the sale and thereby send the Saudis a signal that our friendship entails certain minimal obligations as well.

Mr. President, while I have had a number of differences with the Reagan administration in the realm of foreign policy, there have been important principles which I have worked closely with administration officials to advance.

For example, we are all united in this body, Republicans and Democrats, in our determination to give terrorists no safe harbor and to deny them moral, economic, and diplomatic support. There is therefore no justification for funneling another 2,500 missiles—many of which are ideal for terrorist use—to a nation which has so consistently given financial aid and diplomatic support to nations and groups which back terrorism.

Similarly, I have joined in support of the administration's determination to reject a "blame-America-first line"—the idea that if our relationship with a particular nation has soured that somehow the United States is first to blame. And yet, running throughout the administration's efforts to justify the Saudi's latest request is the idea that we are being tested, that our credibility is at stake, that the United States has not demonstrated our sensitivity to Saudi Arabia's concerns.

This is nonsense. It's absurd for administration officials to keep berating the United States for not doing more for the so-called moderate Arab States. We have made very, very clear over the years that we make distinctions between the more relatively moderate states like Egypt and Jordan, and those—such as Syria and Libya—which routinely employ terrorism as a tactic for advancing national policy.

The American taxpayers have given over $10 billion to the people of Egypt in the past 5 years alone. Just last year, we voted $250 million in aid to Jordan, even though that nation still refuses to sit down in direct peace talks with Israel. And of course, we have sold the Saudis some $50 billion in defense goods and services over the past decades.

We have gone the extra mile.

We have made clear that we will reward greatly those who stand with us in the search for peace and the fight against terrorism.

But let us now stop berating ourselves. Let us make clear that we expect something modest in return, some minimal sensitivity to our fundamental national interests.

Mr. President, let me say in conclusion that President Reagan has won plaudits for his willingness to take strong action against Third World dictators and potentates who consistently scorn American interests. I believe now is the time for Congress to demonstrate similar resolve. Let us vote today to shelve the pending sale, and thereby make clear that we look to the Saudi monarchy to show a bit more sensitivity to our key national security needs before we will be prepared to entertain future requests.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. CRANSTON. Mr. President, I yield 3 minutes to the Senator from Connecticut.

Mr. DODD. Mr. President, I rise in support of Senate Joint Resolution 316 prohibiting the administration's proposed $354 million arms sales package to Saudi Arabia.

The strongest objections to this sale stem not from its components, but from the message it sends to the Saudis, the Middle East, and to the rest of the world.

Clearly the administration views this sale in terms of business-as-usual with the Saudis. It marks our President's 6th year of participation in what has been a superlative 13-year, $50 billion rearming of Saudi military forces. But with anti-American sentiments coursing through Arab streets, terrorism at its highest level in history, and a Middle East peace process which is barely breathing, the time has come to pursue a more constructive policy.

It is, in fact, precisely because this sale is so "routine" that it must not take place.

The administration believes this sale, like so many other "routine" sales, will be rewarded with a cooperative, responsive Saudi Government willing to advance important regional interests—including a solution to the Arab-Israeli conflict. This is simply naive. There is no historical basis for such a claim and there is no reason to believe that we will see such a legacy begin in 1986. In the aftermath of the Camp David accords—the most significant development in the Middle East since 1948—where was Saudi support? It was given to the chorus of condemnation and ostracism which Egypt received from the Arab community. Or where was Saudi support for President Reagan's 1982 Middle East peace effort? It was certainly not found in Riyadh's summary rejection of those efforts and renewed calls for a Jihad—holy war—against the State of Israel.

Perhaps the inclination to support this regime comes from its appearance of moderation against the backdrop of the Qadhifis, the Khomeinis, and the Abu Nidals who inhabit the region. But this ability of the Saudis to speak something of our language—a language that is rational and staunchly anti-Communist—obscures the fact that they speak out of both sides of their mouth. Do they speak the language of peaceful change? The language of honest diplomacy? The language of regional détenté or of a commitment to a stable global economy?

At best these are open questions—but the record is not reassuring. Rather, it is replete with unfulfilled pledges and only the gilmmer of hope for cooperation. and this administration either fails to consider that record, or is prepared to look the other way. The Saudis have made it clear through word and deed that they share few, if any, of our aspirations for the Middle East.

The Saudi Government opposes the Camp David peace process and persists in diplomatic and economic sanctions against Egypt.

The Saudi Government bankrolls the PLO and supplies substantial assistance to the Government of Syria. Funding of the PLO reaches at least $26 million a year, and probably much more than that.

Last year the Saudi Government royally welcomed Col. Mu'ammar Qadhafi and proceeded to resume diplomatic relations with his regime. Their condemnation of the President's recent attack on Libyan terrorism was unmistakable.

Mr. President, American interests in the Middle East depend on international stability, an ongoing peace-process, and a secure Israel. This sale would advance none of these interests, but only serve to pump more sophisticated and lethal weaponry into an already overarmed and unstable region. Moreover, there is an ever-present risk that some of these weapons will fall into the hands of terrorists, who are anxious to make grim use of a weapon like the shoulder fired Stinger antiaircraft missile.

This sale is no substitute for a constructive policy. Yet, supplying the Saudis with arms has been, for all practical purposes, the sum and substance of the Washington-Riyadh relationship. Not surprisingly, then, in the administration's view, continuing the arms sales pattern gives at least the appearance of progress. But what this administration must learn is that fighter aircraft and bomb racks and missiles do not constitute a meaningful policy. Rather, they constitute the illusion of policy.

Mr. President, 5 years ago I rose before this body to make a request of President Reagan. I asked him for a statement of policy—an unambiguous guide for Arabs, Israelis, and the rest of the world which would make clear how Americans would use their power and prestige to help resolve the tensions and conflicts in the Middle East. With the exception of a peace initiative that proved to be a flash in the pan, today's sale is all we have to show the world. It is discouraging that all this administration—now in its sixth year—has on the table is another arms sale to Saudi Arabia. Like so many of those before it, this sale does not serve the interests of peace, nor of stability, nor of the security of our allies in the region.

Mr. President, I urge my colleagues to support the resolution of disapproval.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. CRANSTON. I yield 3 minutes to Senator D'AMATO.

Mr. D'AMATO. Mr. President, I rise today to voice my strong support for S.J. Res. 316 which disapproves the proposed arms sale to Saudi Arabia. I commend my good friend, the senior Senator from California, for the introduction of this resolution, of which I am an original cosponsor. This legislation will prohibit the proposed $354 million sale of missiles to Saudi Arabia.

The administration has formally notified Congress that it intends to sell Saudi Arabia Stinger ground-to-air missiles, Sidewinder air-to-air missiles, and Harpoon antiship missiles. To justify the sale, the administration has cited Saudi Arabia's moderating influence in the Middle East, its close friendship with the United States, and the dangers it faces from the Iran-Iraq war.

I find fault with such reasoning.

Saudi Arabia has consistently worked to undermine the Arab-Israeli

peace process. Saudi Arabia supports two of America's main terrorist threats, Libya and Syria. Saudi Arabia has provided substantial monetary assistance to the PLO.

The United States has supplied Saudi Arabia with over $44 billion in arms since 1971, $22 billion during this administration alone. I do not believe that this additional sale is necessary to prove our friendship.

I also question whether Saudi Arabia truly needs the additional missiles. How is this sale urgent if the missiles are not going to be sent to Saudi Arabia until 1989? Mr. President this is just a preliminary sale. The administration, I expect, will come back in the near future and ask to sell even more sophisticated weaponry. It is important, therefore, that we stop this sale now.

Saudi Arabia has not even lived up to the AWACS agreements. Congress was assured at the time of that sale that future deliveries to Saudi Arabia of AWACS and other advanced arms would take place only if peace efforts in the region have the "substantial assistance" of Saudi Arabia. Such assistance has not been rendered.

Part of this proposed sale includes advanced, hand-held Stinger missiles. The Iranian Air Force has a limited number of planes capable of flying. Saudi Arabia, which already has Stinger missiles, has more than enough missiles to defend against this supposed threat.

Our total arms sales to Saudi Arabia since 1950 are larger than those to any other nation. No other nation has exceeded $12 billion in total arms purchases during this time period. In fact, total arms sales to all of our European allies combined amounted to just $50 billion during the last 3½ decades, barely more than Saudi Arabia's purchases alone. Last year, by purchasing $3.5 billion of American arms, Saudi Arabia purchased 25 percent of all United States arms exports.

These facts, coupled with the recent purchase of advanced fighters from Great Britain, make it difficult for me to believe that this sale is important to the security of Saudi Arabia. There are other, less lethal and less destabilizing goods we can sell to Saudi Arabia to show our friendship.

It is not in the best interest of the United States and our allies in the Middle East, particularly Israel, that this sale go through. Saudi Arabia still has to prove that it truly stands for peace in the Middle East before the United States provides billions more in military sales.

I simply ask this, Mr. President, when are we going to learn? We have made sale after sale of weapons based on the promises of Saudi cooperation in aiding the peace process only to see them conduct business as usual.

Not too long ago, we viewed Iran under the leadership of the Shah as a stable government and a bastion against communism. We delivered repeated sales of sophisticated weapons to the Iranians only to see that regime fall literally overnight.

What is to guarantee that the same sophisticated weapons we provide to Saudi Arabia will not fall into the hands of someone as extreme as Ayatollah Khomeini.

Mr. President, this sale is being put forth at the wrong time for the wrong purpose. I would hope that we would cease and desist from this sale. I would hope that the administration would take another position. I would far rather we not have to go forward with this resolution, but as we have no choice, I urge my colleagues in the Senate to pass S.J. Res. 316 overwhelmingly.

Mr. President, the fact that so many of my colleagues have cosponsored this resolution shows the true concern of this body over this proposed sale.

Thank you, Mr. President.

Mr. LUGAR. Mr. President, I yield 3 minutes to the distinguished majority leader.

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Mr. DOLE. Mr. President, this is a very sensitive issue. In fact, it has been the subject of some rather extended conversation, but we have worked it out. It is on the floor.

A VOTE WITH RESERVATIONS

Mr. President, I will vote today against S.J. Res. 316, but I cast that vote with some very significant reservations.

I share many of the concerns expressed by those who support this resolution. I am not at all sure that this is the right sale, to the right country, at the right time.

SAUDI RECORD TROUBLING

I am troubled by the spotty—and that is a mild term, in the circumstances—the spotty record of the Saudis in the Middle East peace process. I am deeply disturbed that, in the aftermath of our retaliatory air raids on Libya, the Saudis chose to condemn us and express support for Libya—whatever the delicacies and sensitivities of the Middle East Political situation, there is no excuse for that kind of action from a country that professes to be our friend.

So I cast my vote today not as any kind of sign of approbation for Saudi Arabia. I will vote against the resolution for three other reasons.

WILL NOT UPSET MILITARY BALANCE

First, I am convinced that this sale will not significantly alter the balance of military power in the Middle East. More specifically, it will not materially increase the military threat to Israel. If it did, I would vote against the sale.

The arms the administration plans to sell are of types the Saudis already possess and with which the Israelis can cope, in the very unlikely event they ever should have to. Our defense specialists are convinced of that. More to the point, the Israelis seem comfortable on that point, too.

I ask unanimous consent to have printed in the RECORD at this point an interview with with Tom Dine, the executive director of the American-Israeli Public Affairs Committee and one of the most knowledgeable and influential figures in Washington on Middle East affairs. Mr. Dine comments directly on the question of the military impact of this sale on Israel and the Middle East.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

[From the Washington Jewish Week, Apr. 9, 1986]

TOM DINE: CHARTING AIPAC'S COURSE

(Sitting in the eye of the storm over the American Jewish lobby's recent decision not to actively oppose the upcoming arms sale to Saudi Arabia. AIPAC executive director Tom Dine remains calm and collected. Below are excerpts from an interview with Dine in his Capitol Hill office, conducted by WJW staff writer Lisa Schneider.)

WJW: Please explain for our readers why AIPAC chose not to fight the Saudi Arabia arms sale now, after opposing the administration's proposed sale last year.

Dine: The first reason is because the original package of January 1985 contained 40 F-15s, M-1 tanks, armored personnel carriers—the new one, the Bradley infantry fighting vehicle—and Blackhawk helicopters. The F-15s particularly, carry the Sidewinders. We know that Saudi Arabia has a lot of Sidewinders already—getting more, and not more planes, does not make them more militarily capable. The same with the Harpoons.

Second point. Stingers obviously, should never be in the hands of terrorists. Of course, we're against them going out there, but again the administration had delivered 400 of them around Memorial Day . . . with 100 launchers. This package is 800 with 200 launchers.

I knew ahead of time that we were going to arm [Angolan rebel] Savimbi and the Afghan anti-Soviets with Stingers. Once the U.S. starts transferring this highly sophisticated weapon to organizations that cannot secure them, that argument dissipates. I think it's wrong to arm Savimbi [. . . and] the Afghans as well because they're going to fall into the hands of anybody who pays the bigger price. They're going to be bought on the black market.

Third point why not to fight: Every defense analyst that we have gone to—American and Israeli governmental and non-governmental—has analyzed this missile sale as not affecting significantly the balance of military power in the region. And you have to be honest about that.

Fourth, any organization must have priorities. No organization can be totally reflexive. Once having looked at the military content of the sale, and its effect on the military balance in the region, once having seen it become a different package, knowing that you can't fight everything—you must pick

your fights—we decided this was not the one to fight.

WJW: Does that undermine your credibility in future arms sale battles?

Dine: I don't think so. Each sale will be looked at individually. And we have done that.

We don't fight every sale. We oppose them, but we don't mount a challenge to every single sale to so-called "moderate" Arabs. We only mount challenges, we only call for a full-scale, wall to wall oppositional force on a select few arms sales to Arab countries still at war with Israel.

You cannot just be a fighting machine. You have to be beyond that, and that's the message I'm trying to give. Is it new? Yes. But I'm saying, though, that I'm not going to head just a reflexive organization.

We can fight, and the president of the United States and secretary of state know we can fight. . . . So I would argue that our credibility has increased, from that perspective. I also have to be honest with reality. There are several friends, good friends, on Capitol Hill who wish we had decided not to do what we decided to do.

WJW: Where does this leave staunch friends of Israel?

Dine: They're going to continue to fight it. [Sen. Alan] Cranston has said so, [Rep.] Mel Levine has said he will continue to fight it.

WJW: Do they feel out there by themselves now?

Dine: They think we've made a mistake. They wish that we had not decided what we decided, and that's reality.

Hopefully, they'll understand our side—and I certainly understand their side. Part of the anger is that I told Shultz before I told them. But I told Shultz, by the way, 22 minutes after the House of Representatives had voted down the $100 million for the contras, and I walked in and I said, "I have some good news for you." And it was good news.

So you win points and you lose points.

WJW: But these are key people you can't afford to lose down the stretch.

Dine: Absolutely. I don't think we've lost them.

WJW: Is this a major split between AIPAC and friends?

Dine: That's a good question. I don't think so.

WJW: Is it true that the Israelis put out the word that this was not a sale that they thought was particularly threatening?

Dine: Yes, but they've done that before. That has an effect, but doesn't have as great an effect sometimes as I think we think it does.

But I will say this—the opposition to the Jordan arms sale and the opposition to the Saudi missile sale are different. There was never the enthusiasm on the Hill to oppose the Saudi arm sale the way there was for Jordan. . . .

And this is the key: the missile sale is not linked to the peace process . . . and that [linkage] should be American foreign policy. If Jordan and Saudi Arabia would deal directly with Israel, then they're going to get arms the way Egypt does.

WJW: One of the reasons AIPAC is not actively fighting the sale is because of the excellent U.S.-Israel relations at the present.

Dine: That would be the fourth reason. People engaged in business of the diplomacy between two nations like each other. That's one level. Second, each nation is getting something from the other.

What is the U.S. getting? The idea of prepositioning materiel on Israeli soil. We've been unable to do it in Egypt, or Jordan or Saudi Arabia or Lebanon. The idea that Sixth-Fleet naval aviators, the same ones that bombed Libyan boats, can practice their bombings in the Negev on Shabbat, because the fields are open, is an advantage to the U.S.; and on and on it goes. And the institutional arrangement—then are real meaningful talks on a regular, ongoing basis between political and military people of each side.

WJW: What will AIPAC's role be in the movement afoot to reverse the scheduled delivery of AWACS?

Dine: Members of Congress are going to probe the administration during congressional hearings on the current missile sale. Several members have raised the question surrounding the fulfillment of the letter of Oct. 28, 1981. We will be raising those questions as well.

Second, we have to look into what are the other countries who can buy those AWACS? The Nimrod, which is the British so-called sequel, isn't being built now. We understand the British and maybe others want to buy AWACS. The key will be: are there other takers to the four or five that are being built by Boeing for Saudi Arabia?

We have to be very careful about this. . . .

WJW: Will aid to Israel ever increase again?

Dine: I don't see it. All the more reason for Israel to increase its export economy, to continue to cut its own budget, for pro-Israel supporters in this country to think about investing in Israel.

OTHER SOURCES FOR ARMS AVAILABLE

Mr. DOLE. Second, I will vote against the resolution because—even should we choose not to provide these armaments to the Saudis—they will get them, or arms much like them, elsewhere. That is a hard, practical fact, about which we can do nothing. And in that case we will have accomplished nothing except to have forfeited what leverage we may have over Saudi policy actions.

PRESIDENT NEEDS MAXIMUM FLEXIBILITY

Finally, and I think very importantly, as the distinguished chairman of the Foreign Relations Committee indicated earlier, I will vote against the resolution because I think we have to give the President, except in the most extraordinary circumstances, the flexibility he needs to conduct our foreign policy in the way he deems fit. That is his job under the constitution. That is his responsibility, under our political system.

The political situation in the Middle East is extraordinarily complex. There are no easy decisions. I am sure the President's decision to proceed with this sale was not an easy one. I know my own decision on this vote was not an easy one.

SENDING THE RIGHT SIGNALS

But I will vote with the President, in the hope this sale, if it finally goes forward, will send the right signals in the Middle East; in the hope it will encourage the Saudis to play a more constructive role; in the hope it will convince Middle East moderates that the United States stands by its friends and is willing to reward those who do play a constructive role; and in the hope it will reduce the chances of Iranian expansionism or adventurism.

I thank the distinguished chairman.

The PRESIDING OFFICER. Who yields time?

Mr. CRANSTON. Mr. President, I yield 3 minutes to the Senator from Minnesota.

Mr. BOSCHWITZ. Mr. President, I rise to support the position of my friend from California. I reject the premise that disapproval of this sale would mean that America doesn't keep its word. America does keep its word; we do fulfill our commitments. We certainly have as regards providing Saudi Arabia with a strong defensive capability.

We have, as the Senator from California has pointed out, sold an enormous amount of military equipment and other materiel to the Saudis. Since 1973. The figure is an astounding $44 billion; $22 billion since 1980. Indeed, the next largest purchaser of U.S. military equipment has bought only $12 billion. So let no one question whether we have indeed met commitments to the Saudis.

We are told the Saudis are supposed to be moderate, yet they oppose every peace effort aimed at resolving the Arab-Israeli conflict; and yet Egypt is ostracized by the Saudis because they made peace with Israel. For some reason, however, this, in the Middle East can still be labeled moderation.

The Saudis boycott American businessmen who would deal with the Israelis. They are not helpful to the Jordanians in their efforts to gain peace in the Middle East. They voted to condemn the United States when we captured the terrorists responsible for the hijacking of the *Achille Lauro*. Now they publicly sympathize with the Libyans after our retaliatory attack. In the United Nations, the Saudis voted with the United States only 13 percent of the time in recent years and never more than 20 percent in other years. They vote with all the radicals of the world—and yet, we are supposed to believe they are moderates.

We sold AWACS to the Saudis with the stipulation that they would aid U.S. interests in the region and move toward helping peace in the Middle East; but the very next day after the sale was approved here in the Senate—the very next day—they raised the price of oil. And then the very next day they said that their real enemy is Israel, not Iran as we were told; that Israel was their concern, not security in the Persian Gulf.

Mr. President, I hope one day that we are able to sell, with the full consent of this body, arms to the Saudis. What an ally they would be in making peace in the Middle East. With their

ability to help states in the Middle East, what an ally they could be in supporting the peace efforts that perhaps could finally end the travail of that troubled area.

Imagine, Mr. President, what a positive force for change the Saudis could be. We are told that is not their style. But why should that be, and why should we willingly accept that premise? The Saudis spend inordinate sums, giving money to all sorts of parties in the Middle East to keep them from meddling in Saudi Arabia's internal affairs. Imagine if they would use this money instead as a constructive force to solve problems instead of just trying to keep those problems beyond their doors. Imagine if that money had gone to better the lot of the refugees instead of the PLO. Imagine if that money had gone to economic development in the region instead of funding Syria.

So I hope one day, Mr. President, we indeed will be able to sell arms to the Saudis and do so because of their actions. But now there is hardly a justification. There is simply no justification from the actions that they have taken in the Middle East that would justify to us that now is the proper time to move in making this sale.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. LUGAR. Mr. President, I yield 2 minutes to the Senator from Alabama.

Mr. DENTON. Mr. President, the good news tonight is that I heard the majority leader, the chairman of the Armed Services Committee, and the chairman of the Foreign Relations Committee defend the President's initiative on this sale. The bad news is that Congress is apparently of the mind to continue showing reluctance to follow the lead of the man mandated to identify our interests and conduct policy in support thereof.

I am as in favor of our moral and strategic commitment to Israel as anyone in this room. I believe that we can support the interests of the United States with no prejudice to the moral and strategic commitment to Israel. I believe ATPAC is not particularly rabid or even strongly opposed to this sale.

I believe a fact that should be considered by us is that the Saudis are relatively low in self-defense capabilities. I, as an officer in the Navy, helped conduct a 3½-year project to build up that capability. I am afraid it is still weak, in spite of the figures given here, in light of what is happening with respect to Libya, Sudan, and Chad, endangering Egypt; in light of what is happening with the radical entente of Syria, Libya, Iran, North Korean, and Cuba and with their efforts to expel North Americans from areas of influence and strategic importance around the world.

That falls right in with Brezhnev's two objectives, one of which he stated to be denial to the West of oil in the Mideast. We are tampering with a vital interest of this country today, and I think we are tampering with it without thinking about it deeply enough.

I wish we could vote in favor of the President's proposal. The Saudis, in condemning our military action in Libya, are responding to the politics of fear. Are we doing that? Are we exacerbating the fear in Saudi Arabia? We are exacerbating the fear in Saudi Arabia, as elsewhere, deriving from their observation that the United States does not support its friends and the Soviet Union does.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. CRANSTON. Mr. President, I yield 2 minutes to the Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I rise in support of Senate Joint Resolution 316, the resolution to disapprove the proposed sale of advanced weapons to Saudi Arabia. I am one of the five original cosponsors of this resolution of disapproval, and I want to commend my colleague, Senator CRANSTON, for the outstanding leadership he has shown on this issue.

This sale is a bad idea. The Saudis do not need these weapons. They do not deserve them. I disagree with the administration that this sale will help advance our foreign policy in the Middle East. In fact, it is my view that the sale would more likely exacerbate terrorism than lessen it. The weapons proposed for sale to the Saudis could fall into the wrong hands, further threatening the security of innocent civilians from our country and others.

The military justification for this sale does not withstand close scrutiny. The delivery of sidewinders, harpoons, and stinger missiles proposed for sale to Saudi Arabia, as a buffer against the Iranian Air Force, will not even begin until 1989. Saudi Arabia already has over 3,000 sidewinder missiles to knock out less than 100 Iranian planes. This sale cannot help the Saudis deal with any near term threat from Iran. But, should it be approved, it would give them at least 36 missiles per aircraft, a ratio far higher than either the United States or Israel. I think that is excessive and unnecessary.

Mr. President, perhaps because the military rationale for this sale is weak, the administration has not emphasized it. Instead, it has emphasized the need to signal our determination to back the Saudis against the revolutionary fundamentalism of Iran. I share this goal. But, I do not believe that selling the Saudis weapons effectively serves this goal.

We have already signaled our determination to support Saudi Arabia in ways that will actually help her—by stationing 4 U.S. Air Force AWACS in Saudi Arabia to assist the Saudi Air Force in the Persian Gulf, and by sending combat units to Saudi Arabia, including F-15 fighters, when they were needed. We have sold Saudi Arabia $50 billion worth of military goods and services, more than any other country in the world.

□ 1920

Mr. President, it has been argued that if we don't make this sale, our credibility with the gulf Arab States and Saudi Arabia will be undermined. But United States arms to Saudi Arabia equal our sales to all our European allies combined. Our Saudi sales are higher than to any other country. How often must we prove our credibility? How many sales must we make until each one stops being a litmus test of our friendship?

Mr. President, America should stop submitting to Saudi litmus tests and administer some of our own. Saudi Arabia would not pass. She has not supported our foreign policy interests in the Middle East, but supported our enemies. Saudi support for Muammar Qadhafi is the most recent example.

When the United States stood up to Libya following the terrorist attacks in Rome and Vienna's airports, Saudi Arabia took Libya's side. She supported an Islamic foreign ministers statement condemning United States economic sanctions, expressing solidarity with Libya. That statement also promised to make good on any Libyan economic losses caused by the United States boycott.

After Libya's attack on the United States in the Gulf of Sidra, Saudi Arabia supported an Arab League council statement expressing full solidarity with Libya. The statement labeled the United States a threat to the safety of Arab countries, denounced United States aggression, and called on the Arab countries to provide Libya with assistance to confront it.

The Saudis continued their support of Qadhafi further, calling President Reagan's retaliation against Libyan terrorism "counter to all international norms." Saudi support for Muammar Qadhafi is a direct slap at American foreign policy and our attempts to eradicate terrorism.

Saudi support for Muammar Qadhafi is consistent with the Saudis' past record. The Saudis have bankrolled PLO terrorists to the tune of $114 million a year since 1979. And their financial support for Syria, another United States enemy is reported to be $500 million annually.

Saudi Arabia is not only a supporter of terrorists but an opponent of peace with Israel, our most reliable and steadfast ally in the Middle East. Israel provides the United States with

valuable intelligence on the Middle East and Eastern Europe. And Israeli military experience tests the performance of American and Soviet equipment in battle. Our alliance enables America to count on the use of Israeli air bases and seaports in a regional or greater conflict. Her security contributes directly to our own.

Saudi Arabia has consistently worked against American efforts to make peace in the region. She has opposed the Camp David process, the Reagan plan, and the Lebanon-Israeli Accord of 1983. Recently, Saudi Arabia refused to support King Hussein in direct negotiations with Israel. Instead, the Saudis reportedly offered Jordan free oil as an inducement to repair relations with Syria. The Saudis have led the effort to impose sanctions on American companies doing business with Israel and have tried to bribe Oman to deny the United States access to its military facilities.

Saudi Arabia has voted for a series of U.N. resolutions which condemn Israel. These resolutions lay the groundwork for expelling Israel from the United Nations and making her into an international pariah. They also criticize the American alliance with Israel as encouraging Israel to pursue so-called aggressive and expansionist policies.

Saudi Arabia remains in a state of war with Israel, and shows no sign of changing that status. Saudi forces took part in the 1948, 1967, and 1973 wars with Israel. We should not reward such a record.

Mr. President, I also have a real concern about where the weapons we sell today may end up tomorrow. The Saudis allow Palestinians to train with their army. They support the PLO financially. They already have enough stingers for their own needs. With this history of Saudi-PLO cooperation, there is a real possibility that stingers could end up in the PLO's hands.

And Saudi Arabia's participation in past wars against Israel increase the chances that Saudi stockpiles will serve as an arsenal for other states attacking Israel. Since stingers can shoot down commercial as well as military airplanes, the sale of these weapons would pose a real threat to air travelers of all countries.

Mr. President, when the Saudi's lack of support for United States foreign policy interests is added to the lack of military justification for this sale, a strong case is made for the Senate, and then the Congress, to tell Saudi Arabia: No sale.

Mr. President, I urge the swift passage of this resolution.

The PRESIDING OFFICER. The Senator's time has expired. Who yields time?

Mr. LUGAR. Mr. President, I yield 2 minutes to the Senator from Washington.

Mr. EVANS addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. EVANS. Mr. President, I rise to oppose the resolution now before us. Mr. President, the majority leader has said it well. I do not believe, the President does not believe, and the Secretary of State does not believe, that this sale represents a threat to Israel. I do not think there is a Member in this Congress that would vote for this sale if they believed that.

Israel is a good friend and ally. The United States will and should do everything necessary to protect the integrity and independence of a strong Israel. Does this sale threaten Israel? No; this sale will not affect Israel's qualitative military edge, an edge that is increasing and expected to continue to increase. The weapons in this sale are defensive in nature. The United States can and will impose restrictions on the storage, deployment, and use of the weapons systems in this sale. In addition, the Government of Israel has publicly stated that it does not consider the sale a threat to its security. I do not believe we should second guess the Israeli Government.

Can this sale enhance Israel's security? Yes; to the extent that it provides a moderate, pro-western Arab nation the means to defend itself and the other nations in the Gulf Cooperation Council. The sale will promote security and stability in the Gulf region. Again, as I noted above, the United States retains influence over the deployment and use of these weapons systems, as well as control of the flow of spare parts. This will not be the case if we deny this sale and the Saudis go elsewhere to purchase comparable weapon systems.

Mr. President, I believe that the most dangerous move toward instability in the Middle East today is not the chaos terrorism in Lebanon. It is not a whole host of other crises of the Middle East. It is the Iran-Iraq war. This tragic war is now in its sixth year and it may be tilting away from stalemate and toward Iran. This war took a dramatic turn in February of this year when Iran drove into Iraq and established a beachhead 10 miles from the Kuwait border. Some argue that this war is not a threat to Saudi Arabia's security, but it seems difficult to ignore the shifting balance of power and force in the region. These changes could create enormous instability in the Middle East threatening all of us.

Some have questioned whether Saudi Arabia would benefit from this sale when the delivery of the weapon systems would not commence until 1989. Weapons that have not been delivered will not provide a direct military benefit to Saudi Arabia but the sale itself has significance: it will send a message to Iran that the United States will help moderate Arab States defend themselves; it will send a message to Iran that the United States will protect its own interests in the region; and, it will send a strong signal of U.S. support to other Arab States, encouraging them to resist intimidation from Iran.

The sale has additional significance with respect to the perception of the United States and our commitments in the region. We are rapidly losing influence among the moderate Arab States in the region and losing the ability to influence events there. Denial of the sale will have enormous significance, heightened by the loss of the arms sale to Jordan. Once again, the United States will be seen to be breaking its pattern of support. The stability of our commitment to the nations in the region is at stake.

The performance of the Saudi Government is not always as we might like, but then even our closest allies do not always act in the way we would like. We must not forget that Saudi Arabia is an Arab Nation operating in an Arab world. Saudi Arabia has contributed to peace in the region and to other United States foreign policy objectives. Saudi Arabia is the key element in the collective defense effort of the Gulf Cooperative Council, the first line of defense for the Gulf States. It has supported every mediation effort to end the tragic Iran-Iraq war and was instrumental in achieving ceasefires in Lebanon in 1982 and 1983.

Saudi Arabia played a key role in moving the Arab position of no peace with Israel to a position of questioning how peace could best be achieved. It maintained its financial and quiet political support for King Hussein of Jordan after he reestablished diplomatic relations with Egypt in 1984 and during his 1985 effort to develop an agreed formulation for initiating direct Jordanian-Palestinian talks with Israel. Saudi Arabia has been directly responsible for keeping demands for sanctions and economic boycotts out of Arab League resolutions supporting Libya against the United States. It provides financial support for the security and economic development needs of key United States friends in the Arab world—such as Morocco, Pakistan, Jordan, North Yemen, Sudan, and Tunisia. Saudi Arabia also provides substantial humanitarian and other support for the Afghan mujaheddin or freedom fighters. It is also a major contributor to international development organizations such as the International Monetary Fund, the World Bank, the World Food Program, UNRWA, and the African Development Bank.

We must also ask ourselves whether by denying this sale we can force Saudi Arabia to change its policies. This is an unrealistic tactic that will not work. The Saudis can and will go

elsewhere for the weapons they need, as they did in the case of the Tornados. Loss of that sale cost the United States between $12 to $20 billion in lost sales.

I think it is time to quit second-guessing the President and the Secretary of State, to quit assuming that we, all 535 of us, are Secretaries of State. By doing so we create an incoherent and inconsistent foreign policy. I think it is time to support this administration, which has clearly and consistently, for the almost 6 years of its existence, supported the independence, the strength, and the security of Israel. To deny this sale will not keep the weapons out. They will buy them elsewhere. To deny this sale will inevitably reduce the influence of the United States in the Middle East where it is so critically needed.

We can argue about the actions of the Saudis in the past, we might wish they were better, and we hope that they can be an ally for peace. But mark my words, Mr. President. If we deny this sale we will inevitably watch, actions which will be adverse to the United States interests in the Middle East, and ultimately actions which will be adverse to the security interests of Israel itself.

Mr. CRANSTON. Mr. President, I yield 3 minutes to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I speak today to support Senate Joint Resolution 316 which would prohibit the sale of $354 million worth of sophisticated missiles to Saudi Arabia. The proposed sale of 1,696 Sidewinders, 100 Harpoons, and 800 Stinger missiles is the latest installment in a massive multiyear military supply relationship unprecedented in our history. Since 1950, arms sales to Saudi Arabia have totalled approximately $50 billion.

Five years ago, the Reagan administration proposed a major arms sale to Saudi Arabia which includes five AWACS aircraft and enhancements for their F-15's.

During the debate over the AWACS sale, President Reagan sent then Senate Majority Leader Howard Baker a letter stating that:

> Transfer of the AWACS will take place only . . . after Congress has received in writing a Presidential certification . . . that the following conditions have been met . . . that initiatives toward the peaceful resolution of the dispute in the region have either been successfully completed or that significant progress toward that goal has been accomplished with the substantial assistance of Saudi Arabia.

Supporters of that sale predicted an upturn in relations with Saudi Arabia. However, immediately after the approval of that sale, Saudi Arabia raised the price of oil by $2 per barrel, gave the PLO $28 million in addition to their annual payment of $114 million, and participated in an effort to block Oman's agreement to cooperate militarily with the United States. Since then, they resumed diplomatic relations with Libya; undermined the United States negotiated Lebanon-Israel accord of 1983 by refusing to fulfill an explicit promise to use their financial leverage on Syria to persuade it to withdraw from Lebanon; pressured Jordan not to accept the 1982 Reagan peace initiative; and opposed the latest efforts by King Hussein to enter the peace process by threatening to impose economic sanctions on Jordan if King Hussein entered into direct negotiations with Israel.

The Saudis have opposed the Camp David accords and punished Egypt for signing a peace treaty with Israel by severing diplomatic ties with Egypt.

The administration claims that the sale is needed for Saudi defense. But, the administration has not explained how this sale would enhance Saudi security.

The administration claims that our willingness to support Saudi Arabia has served as a deterrent to Iran and that acting now will send a strong signal to Iran. However, the administration fails to indicate how this new sale would provide stronger signals than those previously given. The United States has provided the strongest possible signs of our concern by stationing military units in Saudi Arabia, including AWACS and F-15's. However, these new weapons will not be delivered in time to have any impact on the current Iranian offensive.

Saudi Arabia already has been provided more than enough missiles to deal with any Iranian threat. Iran has fewer than 100 combat aircraft. Past sales have provided the Saudis with more than 3,000 Sidewinder missiles. This gives the Saudi Air Force 30 Sidewinders for every Iranian aircraft. Sale of more than 1,600 Sidewinders would give them more than 46 missiles per Iranian aircraft. This calculation actually understates Saudi inventories of air-to-air missiles, including the American Sparrow and the French Magic.

The administration claims that it is essential to the overall United States-Saudi bilateral relationship and to our credibility with the rest of the gulf Arabs, that we make the sale. Time, and time again the administration has been told that American credibility depends entirely on a given arms sale. Yet, the United States has sold more military goods and services to Saudi Arabia than to any other country. Indeed, no other country even comes close. Sales to Saudi Arabia since the 1950's exceeded $50 billion, including $20 billion remaining in the pipeline. No other country has purchases amounting to even $12 billion. Indeed, total sales to all our European allies combined amount to approximately $50 billion. This trend has continued in recent years. Just last year total sales to Saudi Arabia amounted to $3.5 billion, or more than 25 percent of sales to all countries.

This sale does not further U.S. interests; it does not promote peace; it does not make sense. I urge my colleagues to oppose this sale by supporting this resolution of disapproval. This sale has been called a test of United States-Saudi relations. Maybe it is a test—a test to see if there is sufficient interest and support to reconsider the sale of AWACS to Saudi Arabia.

The essence of my objection to this sale is that the Saudis have not supported the United States' interests in the Mideast. The President in urging the sale of the AWACS in 1981 said that we could pull the plug at any time if the Saudis failed to participate in the Mideast peace process.

Mr. President, I think the facts are unequivocal that the Saudis have not participated or contributed to the Mideast peace process.

On March 26 of this year in hearings before the Foreign Operations Subcommittee, I asked that pointed question of Secretary of State Shultz.

I ask unanimous consent that the full exchange be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

> Senator SPECTER. Thank you very much, Mr. Chairman.
>
> Mr. Secretary, the Administration has submitted, for congressional approval, the sale of some $354 million in advanced arms to Saudi Arabia. The Administration has not yet delivered the AWACS, which was the subject of the hotly contested 1981 resolution of disapproval. I recall well when the President sought support for the sale of the AWACS to Saudi Arabia in 1981 that he articulated an approach that the sale was based on an interest in getting the Saudis involved in the Middle-East peace process. The President said that if the Saudis did not become involved in the Mid-Eastern peace process that the plug could be pulled on the delivery of the AWACS.
>
> In the intervening time between 1981, when the matter was acted on by the Congress in October, and delivery, which I understand is now set for October of this year, can you be specific in terms of what the Saudis have done to assist in the Mid-East peace process?
>
> Secretary SHULTZ. We will present, when it comes time for formal notification, a full statement on the Saudi arms package. The earlier sale and this one are not linked primarily to the peace process, they are linked to our strategic interest in the Gulf, and what happens in the Gulf. That has always been the prime resting place for it.
>
> I think the ability of Saudi Arabia, with its planes, to assert itself in the Gulf has stood us in good stead, particularly during the tanker war period in which the Saudis successfully challenged and brought down Iranian planes. I think that it sobered the

situation up and it served our interests to have that country, in that area, take that action.

As their capacities develop further, I think it will further contribute to stability, just as I think it has been helpful to have strength in Saudi Arabia as we tried to cope with the problems in the Yemens recently.

Insofar as the peace process is concerned, that is a related matter, and it was stated in the President's approach back in 1981. Obviously, we are all disappointed that more has not happened in the peace process. It is a very difficult and hard problem. There are pluses and minuses to pass around on all counts.

However, my conclusion is, from having struggled with this and having talked with the Saudis a lot about it, and having watched their way of trying to have some impact on key players, they have made an effort to be constructive and contribute to it.

Mr. SPECTER. Were there time to read it into the RECORD, I think that the conclusion would follow from everyone's objective point of view as mine follows that the Saudis have not contributed to the Mideast peace process. The Saudis have not supported the United States, and in fact have backed Libya, denouncing the recent action of the United States retaliating against terrorist raids.

Mr. President, I ask the distinguished chairman of the Foreign Relations Committee, Senator LUGAR, to respond to what I consider to be the essential question of support of this sale; that is, in what way specifically have the Saudis contributed to the Mideast peace process?

Mr. LUGAR. Mr. President, King Hussein of Jordan has been assisted by the Saudis with cash payments so that he was able to be a part of the peace process. King Fahd announced a peace plan for the region in 1981 that for the first time moved the Arab consensus toward recognition of Israel's right to exist. The Saudis were also helpful in supporting United States diplomacy in Lebanon. They have pushed repeatedly for a settlement to the Iran-Iraq war. They have also supported the Afghan freedom fighters whom we also support. These are all elements of the testimony of the Assistant Secretary of State, Mr. Murphy.

Mr. SPECTER. I thank the distinguished chairman.

That is more specificity than given by the Secretary of State. With all due respect I do not think that brief statement—and I know it is abbreviated necessarily—or any statement of the Saudis' activities since 1981 constitutes any real effort or real support in the Mideast peace process.

When they have sent some of their financial assistance, it has been minuscule, and it is de minimus especially considering their support of the PLO.

Mr. President, on the face of this record, I think that the interests of the United States are best served by not making this sale. The standards which this Senator applies are the standards which the President articulated himself in 1981, and those standards are whether the Saudis have contributed to that peace process. I say they have not.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. LUGAR. Mr. President, I yield 30 seconds to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I am opposed to the resolution of disapproval of the proposed arms sale to Saudi Arabia. The President's decision to meet the Saudis' request for more missiles is absolutely sound in my judgment. It passes every test that one might devise for such a sale. It is the best way to ensure that the United States will continue to have moderate friends in the Arab world, and that the United States will continue to have some influence in that area.

A United States rejection of the Saudi request may cause a serious breach in our 40-year relationship with the Saudis, will certainly convince them to look elsewhere for dependable arms sources, and will send a loud and clear message that we are not as good as our word.

When I see how quickly opposition to this sale has grown, I cannot help but wonder if it just a reflex. How many of the sale's opponents have taken a close look at exactly what this sale involves? We are considering the sale of Sidewinder, Harpoon, and Stinger missiles, none of which would be new additions to the Saudi arsenal. This would simply augment and upgrade what the Saudis have already bought from us. Until recently, we have given them every reason to believe that they could continue to depend on us for such followup sales, that we were committed to helping moderate Arab countries defend themselves. Yet for no good reason that I can see, there is now a movement to end that commitment. The resolution before use would throw into question an arms supply relationship which has stood for decades.

If this sale is disapproved by the Senate, it will not be the first signal we have sent to the Saudis that we are undependable. The original version of this package included F-15's and a number of other items. But when it became clear that, in the face of congressional opposition, the first proposal didn't stand a chance, the Saudis turned to the British, from whom they purchased 72 Tornado attack planes. This lost opportunity cost the United States at least $12 billion in arms sales. But more importantly, it was the beginning of what may be—if we reject this latest request from the Saudis—a weakening of our ties with Saudi Arabia, and therefore of our influence in the Middle East.

Influence is, after all, what we are debating today. It is not a question of whether or not the Saudis need these missiles. They say they need them, and they are willing to buy them in cash, for $34 million, without any U.S. credits or subsidies. It is not a question of whether or not the sale is a threat to Israeli security. The Israelis themselves concede that these missiles will not alter the current balance of power in the region, which is why they decided not to contest it. The question we are answering today is whether or not the Middle East interests of the United States are best served by a demonstration of continued United States commitment to assisting Saudi security. The President has determined that our broad policy goals in the region demand approval of this sale, and, for several reasons, I agree with him.

First, the Saudis face a clear threat from the radical, militaristic fundamentalism of Khomeini's Iran. I believe that we must back up Saudi Arabia, one of the region's strongest pro-Western countries, as it stands toe-to-toe with Iran's rabid anti-Americanism. Otherwise, we will have to look much more seriously at future, direct U.S. involvement in the Middle Eastern quagmire. I urge my colleagues to recall that 2 years ago Saudi pilots flying F-15's successfully defended an intrusion by Iranian aircraft. Would any of us here today prefer a scenario in which U.S. pilots in U.S. aircraft are forced to perform the same task?

Second, United States oil interests in the Persian Gulf call for continued United States-Saudi cooperation on defenses. For many years now the United States has pledged to defend the gulf against any attempts to cut off the flow of oil. Let us not forget in these days of low oil prices that the gulf, upon which we continue to depend for many of our petroleum needs, is hardly a secure place. Iran dominates the gulf geographically, with Saudi Arabia acting as the key counterbalance. To reject the Saudis when they seek our help in depending not only their own interests, but those of all countries dependent on gulf oil, is really to shoot ourselves in the foot.

Third, we must look at our role as a superpower attempting to influence events in the Middle East. I am not going to make the alarmist argument that disapproval of this sale will directly increase Soviet influence in the region. But there is no denying that our efforts to counter anti-American and Soviet-influenced states such as Syria rely heavily on our continued close ties with traditionally friendly states such as Saudi Arabia.

There are those who argue that we should disapprove this sale because the Saudis have ties to the Palestine Liberation Organization and to Syria, and because they condemned recent United States actions in Libya. My response is that the Saudis are Arabs, and that no United States policy will ever make them break their ties to the rest of the Arab world. But it is because of those ties between Saudi Arabia and other Arab states that the United States-Saudi relationship is so important. It allows us—unlike the Soviets—to work with both Arabs and Israelis, and to push for the elusive peace everyone so desires. The Saudis represent Arab moderation, and in such a fragile, volatile part of the world, that is nothing to throw away over one missile sale.

When we vote on this resolution I hope that all Senators will tally up the pros and cons of this arms sale. The arguments for the sale, which add up to continued, positive U.S. influence in the ever-shifting sands of Mideast politics, are compelling. I urge my colleagues to examine them closely and to give the President the support he needs.

Mr. LEAHY. Mr. President, I regret that, despite large majorities in the Senate and the House in opposition, the administration has chosen to go ahead and seek a vote on its proposal to sell advanced weapons to Saudi Arabia. The proposal is for over $350 million in advanced air-to-air missiles, air-to-sea missiles, and the highly sophisticated Stinger shoulder-fired ground-to-air missile. The administration's rationale for this transfer is to strengthen Saudi Arabia's defenses in the gulf region to deter Iranian aggression spilling over from the Iran-Iraq war. Unstated, but clearly a major—in fact, the real—reason is to send political signals to the parties in that vital strategic region that the United States remains firmly committed to Saudi security and will react against any attempt to attack or undermine that regime.

I do not dismiss this case lightly. Stability in the Persian Gulf is a vital interest to the United States, to NATO and to Japan. The oil flowing from Middle East wells fuels much of the industrial world, and the Saudi regime is an important guarantor of continued Western access to that oil. A strong, dependable Saudi Arabia is also a counterweight—at least in conjunction with other moderate Arab states—to a resurgent and aggressive Iran under the radical regime of the Ayatollah Khomeini. The administration hopes to strengthen this counterweight somewhat by this.

Part of the administrations's justification is also that the Saudis are a moderating factor in the Middle East equation concerning Israel. Allegedly, the Saudis counsel restraint and, presuming they have sufficient confidence in our backing, could help move forward the now moribund Middle East peace process for reconciliation between Israel, its Arab neighbors, and the Palestinian people.

Mr. President, as I said, I am prepared to consider the administration's arguments carefully. Let's look at them one by one. First, that these weapons will strengthen Saudi Arabia's military capabilities to defend itself, especially against Iran. So far, the United States has sold Saudi Arabia more than $50 billion in military equipment, with another $20 billion yet to be delivered. That is more than all our military sales to our NATO allies combined. Are we really to believe that some $350 million worth of additional missiles are going to represent a significant increment in Saudi capability? The fact is that the Saudis already have all these missile systems in their inventory, and this sale simply piles up more redundant, unusable weapons. For example, I understand the Saudis already have more than 30 Sidewinder air-to-air missiles for each advanced fighter aircraft in their Air Force. Compare that with the U.S. Air Force, which maintains only some 15 Sidewinders for each of its comparable aircraft.

The Stinger is an air defense weapon. Its function is to defend troops and ground facilities against air attack. The air threat these missiles are to defend against presumably comes from Iran, not Israel since we would not arm Saudi Arabia against Israel. Yet, Iran has less than 100 combat aircraft left after 5 years of war with Iraq, and it is questionable how many of these are still operational. To defend against this "threat" we have already sold the Saudis 400 Stingers. How many do they need? Frankly, the argument that this sale will actually bolster Saudi military capabilities just does not hold water.

What then of the argument that we need to send a strong political signal to the gulf states of continued commitment to Saudi security? If we have already sold $50 billion in military equipment, and have $20 billion more in the pipeline, just how important is another $350 million signal supposed to be? America's commitment to Saudi security arises from our vital national interest in stability and access to the Persian Gulf, not from the fact of some arms sales. If the Saudi regime needs these kinds of signals via arms sales from time to time, somehow our diplomats and leaders are not making sufficiently clear to them the facts of our parallel interests. I see no rational need to demonstrate these U.S. interests and commitment yet again through another token sale of military equipment which serves no meaningful defense requirement.

Finally, let us address perhaps the most significant administration argument—that we must keep arming the Saudis so they will contribute to reviving the Middle East peace process. Mr. President, in 1978 the suffering Middle East had an opportunity for peace with the Camp David peace accords and the Egypt-Israel Peace Treaty. What was "moderate" Saudi Arabia's contribution then? It was to denounce, attack, and undermine Camp David, to join with the Arab intransigents in destroying that fragile, fleeting opportunity for peace and some resolution of the plight of the Palestinian people.

Since that time, Saudi Arabia has continued to play the part of the so-called moderate Arab state, sending us quiet signals about restraining the Arab radicals, about working to promote movement back to the negotiating table. We kept sending them more arms so they would continue to show this "moderation." But, what has happened in practice? The Saudis have kept on financing the PLO, an organization dedicated to the destruction of Israel, and parts of which engage in terrorism against Israel, Western Europe, and the United States. The Saudis continue their relations with the radical Arab regimes, in some cases providing financing which keeps these states in the business of sponsoring terrorism and preventing the reemergence of a viable peace process which could lead to a settlement between Israel and its Arab neighbors.

Mr. President, I do not argue the Saudis do this out of malice or secret desire to support terrorism. I do say they do it out of a lack of courage. The Saudis are survivors in the Middle East cockpit. They strive for one goal . . . to keep the Saudi regime intact, and if that requires talking out of both sides of their mouths, they will do that without blinking an eye. Of course they would like to see real stability in the Middle East; the radical Arab regimes, the PLO, and the Islamic fundamentalists are, in the long run, a deadly threat to the conservative and feudalistic Saudi dynasty. But, they are not prepared to take any stand, any risk, to deflect that danger by joining the United States, Egypt, and Israel in sitting down at the negotiating table and finding a way to end 40 years of conflict. The true threat to the Saudis is the lack of peace and stability in the Middle East; yet they continue to play the game of wooing us one day, Syria the next, and then Yasir Arafat the following day.

Mr. President, I want to support a firm U.S. policy in the Middle East. Our interests really do coincide with those of Saudi Arabia, properly understood. We both need a peace settlement that removes the canker of Palestinian grievances, breeding ground of terrorism and radicalism. We both

need strong, moderate, pro-Western states, in the Middle East and the gulf, interested in economic development, political reform, and peaceful relations with their neighbors. However, I strongly believe we cannot buy this kind of policy with symbolic, token arms sales to a regime that will not act with the courage of its convictions.

This sale should not go through so long as Saudi Arabia is unwilling to work for peace in the Middle East. When I see real evidence—not backdoor diplomatic whispers of good intentions—that the Saudis are talking to the Jordanians, the Syrians, and the PLO, telling them they must sit down with Israel and negotiate, then and only then will I be prepared to vote for more arms for them. I urge all my colleagues to vote against the administration's proposal.

● Mr. BINGAMAN. Mr. President, I rise in support of Senate Joint Resolution 316, which is intended to prevent the administration from selling an additional $354 million in modern military equipment to the Government of Saudi Arabia. I am pleased to be a cosponsor of this resolution.

I am opposed to this sale for several reasons——

The sale will not make the Saudis any more sympathetic to our foreign policy goals.

The sale does not provide anything that will significantly add to the Saudis ability to protect themselves from any realistic military threats.

The sale will not provide any serious message to Iran, or anybody else, about our resolve to deal with military threats in the Persian Gulf region.

Instead, the sale will increase the threat to Israel, will increase the risk of terrorism, and will further erode any support for a Middle East peace process by showing our willingness to reward even the foes of the peace process.

During another arms sale debate in 1981, the President assured Congress that the Saudis would help to resolve the Arab-Israeli conflict. Unfortunately Saudi Arabia has done little or nothing in this direction. In fact, they have opposed the Camp David accords, opposed the 1982 Reagan peace initiatives, withheld their support from King Hussein's peace initiatives, helped to make Egypt the pariah of the Arab world and supported countries and groups, like the PLO and Syria, which sponsor terrorism worldwide. Saudi Arabia voted with the United States only 11.3 percent of the time in the United Nations during 1984. One doesn't need to be a student of foreign relations to predict the Saudi position on almost any international issue. If the United States is in favor of the issue, the Saudis are opposed to it—and vice versa.

Saudi Arabia is already the single largest recipient of United States defense goods in the world, and this administration is selling arms to them at a faster rate than ever before.

Since 1950, the United States Government has sold or transferred about $50 billion worth of military goods and services to the Saudis.

No other country has received over $12 billion during the same period.

More than $44 billion of arms have been sold to the Saudis since 1971, including nearly $22 billion sold or transferred since 1980.

Every time an arms sale to Saudi Arabia is proposed, it is publicized as the test of our friendship with the Saudi regime. But if $50 billion hasn't produced tangible Saudi support for Middle East peace efforts, why do we think we can buy it with another $354 million?

Mr. President, there is also no legitimate military rationale for this proposed arms sale. The Saudi Air Force already has 30 Sidewinder missiles for every one of their aircraft. If we allow this sale to go through, they will have 37 missiles for each aircraft. Compare this with Israel's stock of six missiles per plane, Greece's ratio of five and the Netherland's nine. In reality, the effect of this sale could be to stockpile antiaircraft missiles for the entire Arab world.

The only thing these Sidewinder missiles are good for is to shoot down other airplanes and the only threat to Saudi Arabia is Iran. The Iranians may now have less than 100 combat aircraft and the Saudis have 3,000 Sidewinders from previous United States sales. If the Saudis can't shoot down one Iranian aircraft with 30 missiles, I don't believe shipping more missiles to them will solve their problems.

In any case, all of the antiaircraft or antiship missiles in the world would not stop the kind of human wave ground attacks which Iran has practiced so diligently in their war against Iraq. Nor would the new shipment of missiles be useful against internal subversion, which is probably the second most likely threat to the Saudi Government.

I believe that we should also be concerned about the danger of having Stinger missiles fall into the hands of terrorists. The Stinger is a man-portable surface-to-air missile which, in addition to its military role, is perfectly suitable for shooting down civilian airliners. The proposed sale of 800 Stinger missiles and 200 launchers simply increases the chance that some of these missiles will fall into the wrong hands.

Mr. President, the most unconvincing argument in favor of the arms sale is that it demonstrates U.S. resolve to would-be aggressors in the region.

The kind of weapons the administration wants to sell does not deter ground attack or internal subversion, which are the real threats to Saudi security.

In any case, the new weapons would not be delivered to the Saudis until 1989—there's not much urgency or sense of commitment in that kind of schedule.

We have already sold the Saudis $50 billion worth of equipment. If that doesn't confirm our resolve, then we can't convince anybody by spending another $354 million.

Mr. President, all countries which are interested in achieving a lasting peace in the Middle East should carefully weigh the consequences of selling arms in the area. I certainly agree with the conclusion of the Senate Foreign Relations Committee report which says, "* * * the United States needs to consult and work with other arms suppliers lest all meaningful constraints of sales disappear." This theme exactly complements legislation (S. 1973) which I introduced last year, which would limit conventional arms sales to the Third World. That legislation would establish an international forum, modeled after the Coordinating Committee for Multilateral Security Export Controls and the Nuclear Suppliers Group. Such a commission could formulate guidelines to regulate international arms transfers. As I stated at the time I introduced that legislation, "* * * there is no greater real threat to world peace than the proliferation of massive quantities of highly sophisticated conventional weapons in regions of great instability. In an immediate sense, conventional arms sales may pose a greater danger than the more dramatic threat of nuclear proliferation." I still believe that statement.

In conclusion Mr. President, I do not think that the proposed sale to Saudi Arabia is necessary or useful in terms of United States foreign policy or national security objectives. I urge my colleagues to join me in opposing the sale and voting for the proposed resolution.●

PROPOSED SAUDI ARMS SALE DOES NOT PROMOTE MIDDLE EAST PEACE

Mr. BYRD. Mr. President, I oppose the proposed sale of $354 million in advanced missiles to Saudi Arabia because I am concerned that this arms transfer is not in the national security interests of the United States and will not make a meaningful contribution to promoting peace in the troubled Middle East.

It is for those reasons that I cosponsored Senate Joint Resolution 316, the resolution of disapproval for this sale.

The basic tests of any proposed arms sale to this unsettled region are: First whether it is in the overall best interests of the United States, and second, whether it will enhance the process of creating a lasting peace there in which

all Middle East nations might live within safe and secure borders.

The administration has failed to demonstrate convincingly that this proposed sale of high-technology weapons to such a violence-prone area meets these critical tests.

Furthermore, it is far from certain whether this sale is militarily justified, in terms of Saudi Arabia's legitimate security needs. One also must raise questions about the impact this sale could have on the security of the United States' strategic ally in the Middle East, Israel.

The administration contends that this sale is needed to encourage Saudi support for the Middle East peace process, to demonstrate the credibility of United States promises to support moderate Arab nations, and to help meet Saudi defense requirements in light of continuing instability in the Persian Gulf region due to the Iran-Iraq war.

However, Mr. President, there are no assurances that provision of these sophisticated and capable missiles somehow will embolden the kingdom to more aggressively promote a just and comprehensive peace settlement.

Other factors futher undermine the alleged legitimacy of the Saudi case for this sale.

First, the requested weapons would increase the potential military threat to Israel. That these missiles already are in the Saudi arsenal does not diminish the fact that provision of still more of them further complicates Israel's self-defense burdens.

Second, Saudi Arabia undercuts her claim as a leader of the moderate Arabs by continuing to bankroll the Palestine Liberation Organization and Syria, both chief promoters of Middle East terrorism against United States interests.

Third, since these missiles will not be delivered until 1989-91, they are of little help against the Iranian threat today.

The next few months should be a time when all who truly seek peace in the Middle East renew their efforts to resolve the regional stalemate and achieve a lasting solution that assures stability and fair resolutions of the outstanding issues. I am not unmindful of the security concerns of Saudi Arabia—concerns which the administration claims this arms package will address.

However, those concerns ultimately will be met more realistically and effectively through a negotiated framework of peace with Israel. Such a framework would be in the overall interests of the United States and of all the nations in the Middle East.

Rather than arms sales requests which do not contribute to achievement of a regional peace settlement, the United States now should redouble its efforts to create the conditions necessary for diplomatic progress toward such a negotiated outcome.

Instead of seeking simply to increase its military arsenal, Saudi Arabia also should increase its involvement in the difficult process to reach a durable, nonviolent resolution to the region's many disputes.

I particularly wish to express my admiration, Mr. President, for the persistence and leadership of the senior Senator from California, Mr. CRANSTON, on this matter. It is he, from virtually the moment that the administration announced its intention to pursue this sale of materiel to the Saudis, who has organized the opposition and brought us to this hour of decision on this issue.

He has been persuasive, committed, and stalwart in his actions, and is to be commended for the role he has played.

Mr. President, I urge passage of this resolution to disapprove the proposed arms sale to Saudi Arabia.

Mr. RIEGLE. Mr. President, as a cosponsor of Senate Joint Resolution 316, I rise in strong support of this resolution to disapprove the pending $354 million arms sale to Saudi Arabia.

I oppose this sale because I do not believe that our national security interests are well served by a Middle East policy which is driven by massive arms sales to Arab countries, and which is blind to other critically important policy considerations.

It is clear to me that this arms package will not advance the critically important U.S. foreign policy goal of achieving a Middle East peace settlement.

I am deeply concerned that what approval of this arms proposal will advance, however, is a follow-on request for a package of much more sophisticated armaments, which will be more destabilizing to the regional balance than the request we are considering today.

To avoid that chain of events, I believe it is vital that the Congress defeat this arms request, and defeat it soundly.

For the past 12 years, U.S. efforts have been focused on substantially upgrading and modernizing the entire Saudi Armed Forces. The most dramatic episode in this buildup occurred in 1978, when the sale of 65 F-15's was approved by a slim eight-vote margin.

At that time, Congress was given assurances that the sale of F-15's would not lead to the sale of AWACS airborne radar systems or equipment to increase the range of ground attack capabilities of the F-15's, and that the Saudi Air Force was not scheduled to get the advanced AIM-9L, all aspect Sidewinder missile.

That promise was quickly forgotten, and in 1981, the Reagan administration asked Congress to approve the sale of five AWACS aircraft and an F-15 enhancement package, comprised of conformal fuel tanks, to extend the range of the F-15's and AIM-9L missiles.

At the time of the 1981 sale, I came to this floor and argued that its approval would be a tragic mistake, and that it represented a massive escalation of the world's arms race, leading us away from negotiations and peace talks and toward armed conflict.

I think it is important to note that our biggest breakthroughs in the search for Middle East peace occurred during the 1970's, at a time when arms sales to the region were less than half of what they are today.

With respect to Saudi Arabia alone, sales of defense equipment, supplies, service, and construction have reached a total of $50 billion over the past 35 years. In contrast, no other country in the world has received more than $12 billion over that same period.

In fact, Saudi Arabia has become the single largest purchaser of United States defense goods and services in the world—receiving 25 percent of all United States arms sales.

Today, we are asked to approve a request for 2,600 additional missiles for the Saudi arsenal at a cost of $354 million.

Specifically, the package includes 995 AIM-9L Sidewinder missiles; 671 AIM-9P4 Sidewinder air-to-air missiles; 800 shoulder-launched Stinger air defense guided missiles; and 100 air-launched Harpoon antiship missiles.

The search for a military rationale for this sale is a difficult one.

First, the Saudis already have huge arsenals of missiles—3,000 Sidewinder missiles, 400 Stingers, and 100 Harpoon missiles—and this sale would give them far more than they could possibly need for defensive purposes.

With these additional missiles, the Saudi arsenal would contain a total of 4,600 Sidewinders, or about 80 for every Iranian jet fighter. In recent combat over Lebanon, the Israelis used an average of only 1.2 Sidewinders to down each Syrian fighter jet. Seen another way, the Saudis would have 37 Sidewinders for each of their F-15 aircraft, compared to a ratio of 9 to 1 among NATO nations.

Second, the claim that the Saudis need to counter a threat from Iran is highly exaggerated, given the fact that the 60 aircraft remaining in the Iranian Air Force are entirely occupied in fighting the war with Iraq. In terms of airpower, the Saudis face relatively weak neighbors. Currently, the Saudis have more than 30 Sidewinder missiles for every Iranian combat aircraft. This sale would increase that ratio from 30:1 to 47:1.

If there is any threat from Iran, it comes from their land forces which are also engaged in massive combat with Iraq. Selling the Saudis air de-

fense missiles will not improve their ability to counter an Iranian ground attack.

Third, any immediate threat from Iran or elsewhere will not be addressed by this package which is not scheduled for delivery until 1989.

Finally, the kind of internal subversion which might bring down the Saudi regime will not be prevented by larger arsenals of missiles.

There is, however, a real danger in providing Stinger shoulder-launched missiles to the Saudis. If the United States is serious about combating terrorism, it makes no sense to provide such state-of-the-art weapons as Stinger missiles to the Saudis, given Saudi support for Libya and terrorist groups such as the PLO.

The search for a political justification is equally mystifying. In fact, it is the absence of a sound political justification for this sale, rather than its composition, that prompted a majority of the Senate Foreign Relations Committee to conclude that further sales of weapons and military services to Saudi Arabia are unjustified.

As we consider this $354 billion arms package today, the Saudis await delivery of five of the AWACS planes approved in 1981.

It is therefore useful to review the record to determine whether the planes are being delivered under the conditions agreed to by the President and the Congress 5 years ago. Of particular concern is the extent to which the conditions cited by the President have been met with regard to Saudi assistance in achieving progress toward a comprehensive peace settlement.

At that time, President Reagan assured the Congress that if the five AWACS surveillance planes were provided, the Saudis would reciprocate by providing substantial assistance toward the peaceful resolution of the Arab-Israeli conflict.

Mr. President, that pledge has been left unfulfilled. In fact Saudi actions over the past 5 years tell quite a different story.

They have opposed the Camp David peace process and have refused to endorse key U.N. resolutions calling for negotiations between Arab States and Israel.

They have opposed the 1982 Reagan peace plan.

They have opposed the 1983 United States-backed Lebanon-Israel peace pact.

They have opposed United States action against Libya's Qadhafi, and have offered to make good any Libyan economic losses resulting from any United States economic embargo.

They have opposed the recent Peres-Hussein peace initiative.

Saudi intentions become even more clear when these actions are viewed together with other Saudi positions and undertakings which have not contributed to the cause of peace in the Middle East. These actions include:

Support for the PLO—both financially and diplomatically;

Support for Syrian domination of Lebanon;

Support for the Arab world's continuing ostracism of Egypt; and

Leadership in the Arab boycott of Israel and opposition to any Arab moves toward accommodation with Israel.

In its report, the Senate Foreign Relations Committee notes that:

> When measured by reasonable standards with regard to the peace efforts, most members concluded that the Saudis have fallen short of the mark.

Concerning Saudi Arabia's role in promoting the peace process, the committee report goes on to note:

> * * * Although the administration could point to Saudi involvement in various group efforts, the caveat was applied * * * that these efforts have been made "within the context of the Arab consensus." In effect, this represents an acknowledgment of extremely limited contribution to peace over the course of many difficult years in which decisive, vigorous leadership by the Saudis could have made a definite difference.

Mr. President, if it is security we seek for our friends in the Middle East, this arms sale will not secure it. neither will this sale bring closer the resolution of the long-festering antagonisms which continue to fuel the conflict which makes achievement of Middle East peace as illusive as ever.

As suggested in the committee's report, if the price of constructive involvement in the peace process is too high for the Saudis to pay, then our policies toward that country ought to move away from that of arms supplier, to a more constructive and constrained relationship.

Mr. President, the Senate should follow the advice of a majority of members of the Senate Foreign Relations Committee, abandon "a business-as-usual approach to our dealings with Middle East nations," and prevent this sale by approving the resolution of disapproval before us.

Mr. GLENN. Mr. President, I rise to join the majority of my colleagues who are opposing the sale of AIM-9L, Harpoon, and Stinger missiles to Saudi Arabia.

Once again the administration has made approval of this arms sale a litmus test of our friendship with Saudi Arabia. But I believe that friendship is a two-way street and that there is a principle at stake here that transcends the particulars of this sale. We expect, and rightly so, that our friends will be as concerned about our security as we are about theirs. There is no question that the explosive environment in the Middle East impinges directly on U.S. national security interests, not to mention those of our friend and ally, Israel. A peaceful settlement of the Arab-Israeli dispute is a paramount, long-standing and fundamental U.S. security objective. However, the Saudis have shown little, if any, interest in working in a constructive way with us or any others to settle this dispute.

Since the conclusion of the Camp David agreement the United States has sought to expand that Middle East peace process by encouraging other Arab nations to come forward, as Egypt did, to negotiate for peace. To date not one has done so. Most unfortunately, the Saudis have not proved particularly willing to use their considerable influence in support of the realization of this major U.S. objective. Very recently, for example, they elected not to use their leverage with Arafat to promote King Hussein's peace initiative; the initiative is now stalemated because the King apparently determined that he could not go forward without PLO concurrence. To approve this arms sale would suggest that we are satisfied with Saudi efforts to move the peace process forward. I am not.

My opposition to this sale does not mean that I am unconcerned about legitimate Saudi self-defense requirements. However, arms sales are a foreign policy tool and as such should be used to promote U.S. foreign policy interests. A mutually beneficial relationship is based on a commonality of interests which implies both benefits and obligations. To reward Saudi Arabia for refusing to help move the Middle East peace process forward is not in the U.S. national interest. And in my judgment, no arms sale should ever go forward to any Arab country unless we can be absolutely sure that those weapons will always be pointed in the right direction—and never against the State of Israel.

I urge my colleagues to approve this resolution of disapproval.

Mr. KENNEDY. Mr. President, today the Senate will vote on a resolution disapproving the sale of sophisticated missiles to Saudi Arabia. The resolution already has a total of 66 cosponsors—42 Democrats, 24 Republicans—and with such broad bipartisan support I think it is safe to say that for the first time in the history of the U.S. Senate, we will vote down a major arms sales request of the administration.

This historic vote will send a clear message to the administration—America wants a peace policy in the Middle East—not an arms policy. Congress will not permit arms sales to any enemy of Israel unless and until that nation accepts the existence of Israel and begins direct negotiations for a lasting peace with Israel.

Opponents of this sale do not seek another confrontation with the administration. But neither can we remain

silent while the administration pursues a reckless course that could endanger Israel and her people in a future confrontation in the Middle East.

Saudi Arabia has received $44 billion in arms and other military aid from the United States since 1971. Saudi Arabia already has adequate stockpiles of weapons for its own defense. This latest request for Sidewinders, Stingers, and Harpoons can only escalate the already dangerous arms race in the Middle East.

The addition of these Sidewinder missiles will bring the total to nearly 5,500—providing a far greater number of missiles per plane than that of any of our allies. These heat-seeking missiles are extremely effective—most of the 85 Syrian Mig's downed in Lebanon were destroyed by Sidewinders—with an accuracy rate of 80 percent. These missiles also enabled the British to destroy 19 Argentine aircraft in the Falklands War—using only 23 Sidewinders.

The Stinger missiles are portable weapons which can be carried and fired by individual soldiers, and which have a range of 5,000 meters and can hit planes at altitudes of up to 3,000 meters; a single missile could destroy a civilian aircraft. We need only remind ourselves of the tragic death of the Klug family in the skies over Greece last month to realize the havoc terrorists could cause should these weapons fall into their hands.

The air-launched Harpoon is an antiship missile with a range of up to 85 nautical miles; it is not yet in the Saudi inventory. These new weapons would be used on Saudi Arabian F-15 aircraft and possibly the newly acquired British Tornados and would enhance the Saudi capacity to control the sealanes around it.

Finally, Saudi Arabia has not lived up to the specific condition set down in writing by President Reagan in 1981 that no future advanced arms sales to Saudi Arabia would take place until significant progress toward peace in the region is not only accomplished—but accomplished with the "substantial assistance" of Saudi Arabia.

Yet the Saudis have consistently opposed American peace initiatives since the AWAC's sale including the Reagan plan in 1982, the May 17, 1983 Lebanon-Israel accord, and the Camp David peace process. And they continue to bankroll the PLO and Syria. Clearly, there has been no progress toward peace and no Saudi assistance—and the obvious question is whether the administration meant what it said in 1981.

It is time for this administration to direct its efforts to move the peace process forward between Israel and her neighbors, not to continue trying to move one arms deal after another through Congress. No further sophisticated weapons should be sold to the Saudis until that nation accepts the existence of Israel and begins direct negotiations for peace. Unless this fundamental condition is met, this latest arms deal should be rejected by Congress.

Mr. THURMOND, Mr. President, I rise in opposition to the resolution of disapproval. The proposed arms sale to Saudi Arabia is consistent with our national security objectives, the security of the State of Israel, and may help prevent a widening of the war between Iran and Iraq.

The arms are needed for Saudi defense and in no way pose a threat to Israel. Iran has crossed the Shatt al-Arab River and is now close to the border of Kuwait. Any widening of Iranian offensives could have disastrous consequences for Kuwait and all of the Peninsular Arabs. I need not remind anyone that this could in turn lead to a shutoff of Persian Gulf oil.

In the past, our support of Saudi self defense needs has served as a deterrent to the radical regime in Iran. A negative action at this time by the U.S. Congress could encourage Iran to widen its war with Iraq. A positive response by the Congress, however, will send a strong signal to Iran that the United States stands behind Saudi Arabia.

Mr. President, the Saudis also face a serious threat on their southern border. The recent Soviet engineered destabilization of the regime in South Yemen will prevent improvements in gulf state relations with that country and will ensure that the government of that country remains in the radical camp. These continued twin threats to our friends in the gulf cause them great concern which may be heightened by congressional opposition to this sale.

The arms contained in the President's notification are a modest and prudent investment in regional stability and security, and support the strategic interests of the United States and our European allies.

President Carter committed the United States to maintaining the free flow of oil from the gulf, and it is still in our best interests to support the security of moderate states in the region.

To their credit the Saudis have taken the lead in protecting the shipping and oil installations of the upper gulf. Evidence of this came in 1984 when the Saudis shot down an intruding Iranian fighter plane. This is an excellent example of the defensive use of the equipment we have supplied the Saudis and has helped deter further such attacks by Iran against gulf states.

The Sidewinder, Harpoon and Stinger missiles contained in this proposed sale will further strengthen Saudi defenses and pose no risk to Israel. The Israelis will continue to maintain a qualitative military edge in the region.

It does not serve our interests, nor those of Israel, to deny such sales and allow other nations to become the principal supplier of arms to Arab Gulf States. Other countries will pose none of the safeguards on their military sales that we do. This could seriously impair Israel's qualitative advantage.

The British Tornado sale to the Saudis cost the United States an estimated $12 billion in lost military sales and support. This cost us money and jobs and did absolutely nothing to advance the security interests of Israel.

Mr. President, I feel that the U.S. Government should be allowed to proceed with this sale because it is important to our security, and the security of the entire region. I urge all of my colleagues to oppose this resolution.

Mr. PACKWOOD. Mr. President, I rise today in support of Senate Joint Resolution 316, the joint resolution to block the sale of missiles to Saudi Arabia.

I am opposed to the proposed sale of $354 million worth of advanced missiles to Saudi Arabia. I do not believe the sale is in the best interest of the United States, nor in the interest of our allies and friends in the Middle East.

Mr. President, I am not alone in this belief. Senate Joint Resolution 316 was introduced on April 9, 1986, with 61 cosponsors. Currently, 66 Senators are cosponsors of this joint resolution. If passed and signed into law, this resolution would prohibit the sale of missiles to Saudi Arabia. The message is clear—Congress does not find adequate justification to proceed with the administration's proposed sale at this time.

Mr. President, the bottom line is that we should not sell additional arms to Saudi Arabia until they join the peace process and make peace with Israel. Since 1971, we have provided Saudi Arabia with over $44 billion of our most advanced weaponry, related defense services and supplies. What have we gained from Saudi Arabia in return?

To date, Saudi Arabia has not only failed to support American efforts to promote peace in the region, but they have worked actively against us. Saudi Arabia continues to fund the PLO and Syria, which are responsible for terrorist acts around the world. The Saudis have consistently resisted the efforts of other Arab countries to make peace with Israel—first Egypt and now Jordan. Most recently, the Saudis have expressed support, openly and through Saudi leadership in Pan-Arab conferences, for Libya in the wake of the U.S. antiterrorist efforts.

Mr. President, I find it astonishing that we should be asked to provide a

continual supply of arms to Saudi Arabia without asking anything in return. What is wrong with asking Saudi Arabia to participate in the peace process? What is wrong with making their participation a condition for receiving our most advanced weapons—weapons which in a time or war could be used against our allies and friends, or wind up in the hands of terrorists committed to fighting American interests in the region? Mr. President, I believe we've been sending the wrong signal—that there is no price for our arms—to Saudi Arabia and others in the region. The time has come to change this.

Our interests in the Middle East are best served by encouraging peace through negotiations rather than contributing further to instability in the region through another arms sale. I say let's wait to sell more arms to Saudi Arabia until they, like Egypt, make peace with Israel and support American efforts to reach a lasting peace in the region.

Mr. President, I urge my colleagues to support this resolution and oppose the sale of additional weapons to Saudi Arabia.

Mr. SASSER. Mr. President, I rise in support of Senate Joint Resolution 316, disapproving the proposed sale of advanced weaponry to Saudi Arabia. This package includes 995 AIM 9L Sidewinder missiles, 671 AIM 9P4 Sidewinders, 200 Stinger ground-to-air missiles with another 600 reloads, and 100 Harpoon air-to-sea missiles.

These armaments represent a major transfer of American military technology to a region and to a government that is not marked by the kind of stability that promises secure handling of that technology. There have been numerous cases in the past where U.S.-supplied weaponry has been found in the hands of third parties, whose interests are inimical to those of the United States. The magnitude of this sale, and the current escalation of regional tensions, simply invites further diversion of sensitive military equipment to our adversaries.

Beyond the practical problem of ensuring that these weapons would be distributed in a manner supportive of U.S. interests, there are significant economic considerations involved.

To force a major increase in defense spending in the region—which the Saudi sale inevitably would require—would threaten the struggling economies of Israel and of the Saudis' Arab neighbors, some of whom hold out a long-range hope of cooperation in future negotiations. The sale would thus mean the diversion of valuable resources away from the cooperative efforts that are so critical to all our countries.

As we have so often repeated in Congress, a fundamental element of national security is economic stability. It is no less true in the Middle East than in the United States.

Mr. President, I believe these arguments against such a weapons package are more than sufficient. The current climate would seem to indicate that there will never be anything but hatred and bloodshed in the Middle East. Moving forward with the Saudi arms sale at this time would only further this perception.

Yet, I believe there is a measure of hope for the future. It is hope based on the development of strong and effective bonds among the peoples of the Middle East. That would sound like an impossible, naive hope if it were not for the facts. The fact that those bonds are developing is frequently overlooked in an atmosphere like today's, when the headlines are filled with threats and counterthreats, bombs and the death of innocent civilians.

Just this past Sunday, the Middle East Regional Cooperation Program opened a 3-day conference, involving 50 Israeli and Egyptian scientists. This program, one of the many fruitful results of the Camp David accords, has brought forward more than 1,000 scientists from both countries since its inception. In today's climate of highly charged headlines decrying the violence of our times, it is profoundly encouraging to know that the cooperative efforts of this group have yielded substantial advances in combating infectious diseases and in developments in marine science and desert agriculture.

This is the kind of involvement the United States should have in promoting stability in the Middle East.

Mr. President, the road to the future need not be an accelerating exchange of barbarism, a never-ending spiral of more weapons. The United States can and must use whatever leverage we have in the Middle East to induce the development of a cooperative view of the future.

Mr. President, the proposal for a $354 million weapons package for Saudi Arabia could not be more poorly timed. I urge my colleagues to oppose this sale, and to support the resolution of disapproval.

Mr. McCONNELL. Mr. President, over the past weeks, I have listened to arguments presented by many of my colleagues and members of the administration both supporting and opposing this sale of arms to Saudi Arabia. I have weighed these points of view and would like to review the reasons why I shall vote to support the President's request.

I believe both Washington and Riyadh place considerable emphasis on regional stability and containing radical, violent influences in the Persian Gulf. The most obvious enemy to regional peace and stability is Iran. It is clear Ayatollah Khomeini is dedicated to extending his reach and branding his version of radical Islam on every nation in the gulf. Anyone who doubts this commitment only has to look at the consequences of the war Iran is waging to bring down the Iraqi government. Human life has no value in Iran's expansionist quest. The Ayatollah has sent children to the battlefield to serve as human minesweepers. He has glorified suicide bombing missions. And, he has lost over 40,000 Iranian lives.

While the tremendous toll of human lives in the war is staggering, I am equally concerned by the escalation in attacks against gulf shipping. Vessels of all nations have been indiscriminately struck. I wonder whether it is just a matter of time before a United States ship is bombed and Americans suffer at Iranian hands once again? I also wonder how long this campaign can continue without affecting the flow of oil? I think it is important to keep in mind over one-third the world's oil supply currently flows through the gulf. More importantly, Saudi Arabia has one-fourth the world's reserves which only increases its significance over time. The threat to our oil supply is both immediate and long term.

In recent months, Iran's blind resolve has been hardened by its success in taking and holding territory in southern Iraq. The success of this campaign, combined with the continuation of both Iranian and Iraqi air attacks against shipping vessels transiting the Gulf, raise obvious concerns about the possibility of the war widening and drawing in other states.

The question before Congress and the administration is what responsibility does the United States want to exercise given this threat? More specifically, we must ask ourselves whether this arms sale strengthens prospects for regional stability while serving our national interests?

I believe the arms the President intends to sell Saudi Arabia specifically target the threat posed by Iran and the prospect of the war expanding. The package primarily consists of *Sidewinder* missiles to defeat an Iranian air attack against Saudi oil or military installations. While some of my colleagues discount Iran's ability to launch such attack, I remind them that Saudi Arabia is 10 minutes' flying time from Iran. It would only take one suicide mission to inflict serious damage against a Saudi oil installation. In June 1984, the Saudis demonstrated both the capability and the need for this missile when they shot down an Iranian F-4 which had violated Saudi air space. The package also includes air-to-sea missiles critical for the defense of shipping and ground-to-air missiles which will be used to pro-

tect strategic economic and military installations.

The Saudi requirement for these weapons is not new. In fact, the Saudi inventory already includes these missiles. This sale will augment existing stockpiles in order to fortify Saudi Arabia as it faces an increasing threat. The sale will not add new military capabilities nor will it change the nature of the military mission Saudi Arabia can carry out. The package simply strengthens their current capability to protect Saudi Arabia, its neighbors, and free passage of commercial shipping vessels in the gulf.

Mr. President, I conclude my remarks by noting that I would not support this sale if I believed it threatened the interests we share with our ally and partner, Israel. I do not think Israel's military edge is eroded by this sale. Moreover, it is in our mutual interests to provide Saudi Arabia with the defensive capability it requires to withstand pressure from radical confrontation states. We do not need to fuel Qadhafi's anti-American fire using the Saudis as tinder. What purpose does it serve to put Saudi Arabia in the position of having to justify to Libya or Syria its relations with the United States? The failure to conclude this sale will reinforce the radical Arab States' belief that we do not seek an even-handed policy in the Middle East.

I believe Congress and the President are committed to peace and stability in the Middle East. The sale of these weapons to Saudi Arabia will strengthen the Persian Gulf states' defense capability, thus deterring the prospect of the war widening. I am not convinced peace in the Middle East is at hand, but I do believe Congress has it within its power to prevent an escalation in war.

Mr. HELMS. Mr. President, I shall not take the time of the Senate to explain my rationale for supporting Senate Joint Resolution 316. I amply stated opposition in my additional views, a copy of which is on the desk of each Senator.

I ask unanimous consent that my additional views be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ADDITIONAL VIEWS OF SENATOR JESSE HELMS

At the present time, I do not favor the sales to Saudi Arabia. During the hearing on April 23, I asked numerous questions of the representatives both of the State Department and the Defense Department about frequent reports of the continued support by Saudi Arabia for terrorists operations of the PLO. These reports are persistent and persuasive.

I voted against reporting the resolution to disallow sales because I was dissatisfied with having to deal with this complex issue on an expedited schedule. I was even more dissatisfied that the Administration failed to deal with the issues I raised during the hearing on a forthright basis. The examples I was able to present with the limited resources available to an individual Senator were necessarily fragmentary. I asked for a report, in writing, which would confirm or deny the total amounts of assistance provided by Saudi Arabia by the terrorist groups, so that Senators could exercise informed judgment.

The Administration did not provide these facts. I was convinced that the committee should not act without complete information, and I was not yet ready to vote to disallow the sale. Issues should be decided on principle, and not on the basis of pique against bureaucrats.

Nevertheless, the timetable will require us to act on this issue very shortly on the Senate floor. I leave open the possibility that the Administration may provide information that is persuasive for rejecting the resolution, but nothing I now know would suggest that it should be rejected. My present disposition is to vote in favor of disallowing the arms sale when the issue comes to the Senate floor.

I asked a number of questions relative to reports in the press of continued Saudi financial support to the PLO and the Palestine National Fund, even though the Palestine National Fund's own reports complained that Yassir Arafat had diverted the Saudi payments to the PLO military account. Yet even though Saudi Arabia knew the funds were being diverted to military purposes, the Saudis continued to send more money.

I asked about alleged diversion of U.S. weaponry to the PLO, particularly the issue of 75 mm shells found in the hands of the PLO in Lebanon, shells which had been manufactured in the U.S. Army Ordinance Plant and delivered to Saudi Arabia. I supplied the committee with photographs of crated 75 mm ammunition, as well as a shipping tag showing the shipment numbers. The State Department apparently did not feel that it was necessary to check out these numbers.

I am still waiting for detailed confirmation or denial of both categories of information. The reports I cited were from the press and from monitoring of foreign broadcasts, as well as some published documents of the PLO. But I want an official confirmation, in writing, from the U.S. Government. I want to know the total of actual Saudi support for the Palestine National Fund and the PLO, not just generalizations based on pledges of support. I want to know about the diversions of the 75 mm shells. I want to know of any other examples of diversion.

I also asked for information about Saudi arms purchases from other countries for delivery to the PLO.

We heard a lot of talk from the Administration about how the Saudis are proponents of peace in the Middle East. Well, perhaps they are, but the record apparently shows that they are also supporting terrorist activities.

On the other hand, I am also disturbed by reports in the news a few days ago of an attempted $2 billion diversion of U.S. arms to Iran, including allegations from unnamed Administration officials that the Israeli Government had some knowledge of the plot. Does the Administration really believe that the Israel Government has some complicity in shipping arms to Iran at the same time we are being asked to sell arms to the Saudis to counteract Iranian threats of aggression?

I think that U.S. policy still needs a lot of explanation, and it appears that the only way we will get it is to debate these issues on the Senate floor.

Mr. DURENBERGER. Mr. President, I rise to urge disapproval of the proposed arms sale to Saudi Arabia.

I do so because the administration has once again failed to explain how and why a sale of arms will further our foreign policy objectives in the Middle East. Without such an explanation, I simply do not understand why we repeat this contentious process of debate which divides our country, our Congress, and even our administration.

We are told that these air defense and air-to-surface missiles are absolutely necessary to protect Saudi Arabia from external threats—presumably, Iran and South Yemen. Analysis, however, does not support this argument. Iran is engaged in a full-scale war with Iraq and possesses only marginal air power. The ability of Iran to strike Saudi targets exists, of course; but they would gain nothing—and lose a great deal. Current Saudi air defense capability is sizable and modern. Very little effect on Saudi oil production capacity could be achieved by a surprise attack—and a sustained air campaign is not within Iran's capability. Yemen has virtually no capability whatever to threaten Saudi economic targets.

We are told that this sale is necessary as a sign of United States commitment to the Saudi Government. We hear that the real value of the sale is not military but psychological; that the sale represents necessary support to the ruling family at a time when internal pressures against the family may be growing. We are told failure to approve this sale would be abandonment of a staunch friend and will contribute to destabilization of this strategic area.

There is no serious doubt anywhere in the world about our commitment to and support of the Saudi Government, least of all in the minds of those who rule Saudi Arabia. It is not, by the way, the Saudis who make this argument. They do not see any destabilization or abandonment in this equation at all. It is the administration supporters who make this argument. The irony is that such linkage between overall Saudi-United States relations and sale of a few missiles trivializes what is fundamentally a strong relation built on mutual advantage. It is the enemies of the current Saudi Government, not their friends, who raise the subject of potential instability. As we do so often, it seems we are being asked to support a fig leaf for a policy rather than a genuine implement of policy. We cannot discharge our commitment to Saudi Arabia by selling them a few missiles. The administration cannot use this sale as an excuse

to ignore the greater issue of peace in the Middle East. We cannot approve this transfer, feel comfortable that we have done our duty, and then complacently dismiss the growing instability and the root economic and political reality behind it. Arms sales are not a policy in themselves. Approval of this proposal perpetuates the myth that they are. And we have no farther to search for proof than earlier administrations' arms sales policies in Iran.

Let us, therefore, signal by our vote of disapproval our conviction that the administration must put greater effort into its policy implementation if it wants the support of the American people.

Mr. TRIBLE. Mr. President, I rise in support of the resolution of disapproval. I am unpersuaded that either American interests or the cause of peace are served by the sale of additional advanced weaponry to Saudi Arabia. In my view, the sale is poorly timed and unnecessary.

The case for the sale of these arms has yet to be made. Neither the peace process nor the Saudis' security interests are enhanced by this proposal.

The benchmark of arms sales for the United States must be the concrete demonstration of a nation's commitment to peace in the region. Indeed, this criterion of being of "substantial assistance" in the peace process was enunciated by the President during debate on the AWACS sale and later embodied in the 1986-87 Foreign Assistance Authorization Act. Regrettably, the Saudis have, time and again, failed to advance the prospects for peace.

In fact, Saudi wealth and influence have merely contributed to the maintenance of the status quo.

The Saudis have contributed substantial financial support to both Syria and the PLO. The most militant opponents of peace in the region benefit from Saudi largess. Directly or indirectly, Saudi funds underwrite international terrorism and foster resistance to the peace process.

Moreover, Saudi Arabia has failed to lend visible support to the recent peace initiatives of King Hussein and it stands with radical Arab States in its unwillingness to extend diplomatic recognition to Egypt. Those nations who have taken risk receive cold comfort from Riyahd.

Some suggest that the sale is a test of our reliability and credibility. While I am skeptical of this, our reliability and credibility in the region depend, first and foremost, on our unswerving commitment to those nations which have the courage and wisdom to take risks for peace. Rewarding an unwillingness to support U.S. policy initiatives seems to me to call U.S. reliability and credibility into question.

Mr. President, I appreciate the value of a productive and mutually beneficial relationship with Saudi Arabia and I fully recognize the strategic importance of a free flow of oil from the Persian Gulf. However, I do not believe the introduction of additional arms will contribute to stability or to peace and I urge my colleagues to support this resolution.

Mr. BIDEN. Mr. President, United States policy toward Saudi Arabia is premised upon a myth. That myth holds that the Saudis can be relied upon to make any significant move toward peace in the Middle East.

The myth places a heavy—indeed an unwieldy—burden upon the Saudis. They cannot shoulder it. The regime is an anachronism, threatened by Islamic fundamentalism and Arab radicalism. We are asking too much of the Saudi rulers, and they cannot deliver, for fear that support for our efforts would bring down the House of Saud.

While this particular package will not drastically change the military balance in the region, there are two compelling reasons that I rise in opposition to the sale and in support of the resolution of disapproval.

First, the Saudis cannot realistically do any of the things that we wish they would do for us in the Middle East. Indeed, they actively thwart U.S. efforts to promote peace in the region.

Specifically, they publicly support Qadhafi and his terrorists, bankroll the Syrians and the PLO, and continue to oppose the vitally important Camp David process.

Second, arms sales cannot substitute for a Middle East policy. I oppose this sale because it is a reflection of the lack of a coherent strategy on the part of the administration for dealing with problems in the region.

The promotion of stability in the Persian Gulf—which is the ostensible rationale for this sale—should not take place at the expense of our major friend and ally in the region. Our preeminent commitment is and must remain the peaceful resolution of the Arab-Israeli conflict. That long-range goal must never be subordinated to short-term considerations. The negative fallout from the sale would far outweigh any plausible positive effect it might have on prospects for stability and peace in the troubled Middle East.

Mr. SIMPSON. Mr. President, I presently oppose Senate Joint Resolution 316, which disapproves of the proposed sale of missiles and other defense services to Saudi Arabia. This proposed sale is being made by the administration in light of the administration's commitment to ensure that any sale of arms contributes directly to the stability and security of the area and enhances the atmosphere and prospects for our progress toward peace.

The administration has requested a package of arms which includes 1,666 Sidewinder air-to-air missiles, 200 shoulder-held Stinger ground-to-air missiles, and 100 Harpoon air-to-sea missiles. These defensive weapons do not pose an additional threat to Israel because these items do not introduce new weapons systems or new capabilities in the Saudi arsenal. This package is designed to maintain the Saudi's defensive capabilities into the next decade by providing replacements for an aging arsenal of missiles. This package is considerably scaled down from the initial request sought by Saudi Arabia.

In this debate, it is vital to remember that the threat to Saudi Arabia has increased dramatically in recent months with Iranian forces positioned in Iraq and near strategic sea lanes in Kuwait. The recent Iranian incursion into Kurdistan is a strong indication that Iran is preparing additional attacks along the front, which would further endanger Kuwait. Saudi Arabia is pivital in protecting our strategic national interests in the region and it is vital that we show a sign of support to Saudi Arabia that we are concerned about their ability to defend themselves. We also need to send a signal to Iran that we will not idly sit by while Iran consolidates and strengthens its position in the region.

Saudi Arabia also faces instability along its southern border with Soviet interference in South Yemen. It is important that we respond to the high-level and increasingly urgent appeals by the Saudi Government and respond positively to their request. It is also important to our credibility with the other Arab nations that the United States show a balanced approach toward regional security.

If the United States fails to go ahead with the sale there are certainly plenty of other nations who are quite willing to step in with other types of armaments. Not only would the United States lose the $354 million on the sale, but, far more importantly, we would lose the ability to monitor the armaments if another nation closes the sale.

I am also well aware of the fact that Israel opposes the sale—as they would to any nation with which they are not at peace—but it has also been made very clear that the Government of Israel does not perceive it as posing a direct security threat to Israel and that they are aware of the Saudi's delicate position with regard to the Iran-Iraq war.

I am also well aware of the argument put forth by supporters of this resolution that Saudi Arabia has not done enough to further the peace process in that region. It is argued that Saudi Arabia has in fact been hostile to United States interests in the Middle East by supporting terrorists and by not supporting the Camp

David Accords. However, it must be noted that the Saudis have indeed been supportive of United States interests but that they must take a lower profile due to their strategic position in the Arab world. I believe that to deny Saudi Arabia the missiles would only increase resistance against the United States by other Arab nations at a time when we need to be building bridges in the region.

I urge my colleagues to oppose this resolution which would block the sale of this limited amount of missiles to Saudi Arabia.

(By request of Mr. DOLE, the following statement was ordered to be printed at this point in the RECORD:)

● Mrs. HAWKINS. Mr. President, I rise today to speak in favor of the measure before us to forbid the sale of missiles to the Kingdom of Saudi Arabia. As my colleagues know, this sale package proposed by the administration includes 995 AIM 9L Sidewinder air-to-air missiles, 671 AIM 9P4 Sidewinder air-to-air missiles, 200 Stinger ground-to-air missiles with 600 reloads, and 100 Harpoon air-to-sea missiles. The total value of the sale is $354 million. The administration has justified this sale proposal on the basis of several assertions. These assertions include the need to provide the Saudis the means to defend themselves against Iranian aggression, the need to give the Saudis the means to prevent the spread of instability from South Yemen, the need to protect the flow of oil from the Persian Gulf, and the need to maintain a good working relationship with so-called moderate Arab countries.

Mr. President, I must oppose this sale package on the basis of a very simple principle. I believe that it is inappropriate for the United States to sell arms to a country that is technically at war with Israel. Also, I believe that the administration is overstating the nature of the threats to Saudi Arabia and the value of a close Saudi-American relationship given current Saudi behavior. I believe that Saudi Arabia is fully capable of handling any spillover from the conflict between Iraq and Iran or from the instability in South Yemen. Saudi Arabia has stood against the interests of the United States in the Middle East on several important occasions. The Saudis oppose the Camp David accords and have provided funding to the PLO, Libya, and Syria. As a Senator who voted against the AWACS sale, I believe that the Saudis have failed to give substantial assistance toward the completion of a Middle East peace agreement. While the current price of oil is low, we may be forgetting how the Saudis profited at our expense during the oil crises of 1974 and 1979.

Saudi Arabia, under the current circumstances, faces a choice. Clearly, the Saudis believe that they need sophisticated weapons to defend their national interests against a number of threats. Obviously, the Saudis also feel that it is important to have the support and approval of the United States in facing those threats, that is why they have approached us for obtaining these weapons as opposed to other suppliers. While I believe that they are overstating the threats they face, if the Saudis are really concerned about these threats and believe that they need the United States to support their efforts, they must prove their commitment to a just Mideast peace. The choice is theirs to make. Egypt has already discovered that the United States is willing to provide both tangible and moral support to those who really stand for peace in the Middle East. Saudi Arabia has the opportunity to enjoy the strong support of the United States under circumstances similar to Egypt. I hope that Saudi Arabia will determine that their true national interest rests with a close relationship with the United States and the pursuit of peace in the Middle East. The Saudis, however, must demonstrate their dedication to peace through positive diplomatic action, such as recognition of the State of Israel. Until that time, I must continue to oppose such sales, including the one before us today. I urge my colleagues to support the resolution of disapproval.●

Mr. LEVIN. Mr. President, I intend to vote for the resolution disapproving the Saudi arms sale because our past experience shows that the arms sale will not achieve what its proponents say it will. This arms sale is, in fact, very likely to have the exact opposite effect from that promised by the administration, both in terms of our relations with Saudi Arabia and in terms of our efforts to promote peace in the Middle East.

The administration asserts that the sale is a crucial "test of our friendship." They also argue that the missiles involved in the sale—Sidewinder air-to-air, Harpoon air-to-sea, and Stinger ground-to-air missiles—are needed urgently to defend against the threat posed by Iran's advances into Iraq, and that the Saudis require these missiles to maintain minimum defense capabilities.

The argument that Saudi Arabia's security depends on selling that country additional advanced missiles cannot be supported. First, it is hard to see how these missiles can be used to counter the Iranian threat when under the terms of the sale they won't even be delivered to the Saudis until 1989. Second, the Saudi's arsenal of sophisticated weapons is already enormous. Just to give one example, if this sale goes through, the Saudis would have 37 advanced AIM 9L missiles per F-15 aircraft—NATO's ratio, by comparison, is 9 to 1.

The other argument made by the administration—that this sale is essential for maintaining good relations with Saudi Arabia, and, by extension, for our interests in the region—also falls apart when one examines the historical record. In 1981, despite significant congressional opposition in which I participated, Saudi Arabia won the right to purchase five AWACS from the United States. Although supporters of the sale predicted an upturn in relations, the reverse took place: the Saudis immediately undertook steps detrimental to United States interests. Just 1 day after the Senate vote, they charged $2 more per barrel of oil, forcing the price to an all time high of $34 a barrel. And within a month after the vote, they gave more than $28 million to the Palestine Liberation Organization and participated in an urgent campaign against Oman's agreement to cooperate militarily with the United States. These three policies—raising oil prices, aiding the PLO, and sabotaging Amercan defense efforts in the Persian Gulf—have been repeated many times since 1981.

The Saudis have seemingly gone out of their way to support countries who are actively working against the United States interests in the Middle East. They supported the Syrian occupation of Lebanon and called for the withdrawal of American forces. Diplomatic relations with Libya were resumed in January 1982. In addition, the Saudis obstructed the Reagan administration's two major peace initiatives in the region. They pressured Jordan not to accept the September 1982 Reagan plan, and they endorsed Syrian opposition to the Lebanese-Israeli agreement of May 1983.

To win congressional approval of the AWACS sale, President Reagan made assurances that the AWACS would be transferred only after he had certified that "initiatives toward the peaceful resolution of disputes in the region have * * * been accomplished with the substantial assistance of Saudi Arabia." The Saudis have not assisted in the effort to achieve peace. In fact, they have made the search for peace in the Middle East more difficult. The Saudis are not even meeting the standard set by the President for the delivery of arms already approved for sale by Congress. It is inconsistent to now turn around and offer them a brand-new weapons package.

If this arms sale is a test of our friendship, I think we need to reassess exactly what we expect of our friends in the world. We do not expect our friends to always do everything we want them to do. But we should expect them to be sensitive to our foreign policy interests, and not to actively work against those interests. The policies followed by Saudi Arabia in recent years have been distinctly un-

friendly, and I think we are stretching the definition of friendship beyond any reasonable standard if we accept the argument that our friendship with this country depends on approving an arms sale that is not even needed from a military point of view.

Approval of this arms sale would send the wrong signal to the Saudis and, based on past experience, is likely to work against our long-term interests in the region. I urge my colleagues to support the resolution of disapproval.

The PRESIDING OFFICER. Who yields time?

Mr. CRANSTON. Mr. President, I yield 2 minutes to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. Mr. President, I thank my colleague from California, and compliment him on this resolution. I support him.

Mr. President, last week I made a statement and I ask unanimous consent that statement appear here in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SAUDI ARMS SALE: UNITED STATES ALLY?

Mr. DECONCINI. Mr. President, in the wake of the attack on Libya an alleged friend and recipient of over $50 billion in United States arms sales issued the following statement:

"Saudi Arabia today expressed its deep regret and condemnation over the U.S. attack on Libya this morning. The Saudi Government, which followed up the news of the air raid, condemns such behavior, [they] reiterated the Kingdom's backing to the Libyan people and all other Arab nations facing such attacks."

The administration has formally proposed a sale of $354 million worth of advanced missiles to Saudi Arabia, including the dangerous Stinger ground-to-air missiles, Sidewinder air-to-air missiles, and Harpoon antiship missiles. The State Department asserts that we must make this sale to guarantee our credibility with the Gulf Arab States and Saudi Arabia. I want to ask my colleagues, in all sincerity, if the above statement condemning and deploring the U.S. action of self-defense sounds like that of a friend with which we must assure our credibility? Saudi support for Colonel Qadhafi is merely one instance of undermining United States foreign policy interests. Let me cite a few more. When President Reagan was encouraging our European allies to join together in December to implement economic sanctions against Libya terrorists who cut loose with bullets and grenades in air terminals in Rome and Vienna, killing 16 people, including Natasha Simpson, an 11-year-old American girl. Colonel Qadhafi applauded. Saudi Arabia firmly supported an Islamic Foreign Minister's statement expressing support for Libya and promising to compensate for Libyan economic losses caused by the United States boycott.

When the United States Navy and Air Force fighters crossed Qadhafi's "line of death" in the Gulf of Sidra, Saudi Arabia again signed on to an Arab Council statement articulating solidarity with Libya. This statement was not only counterproductive for United States policy but called on Arab countries to supply Libya with assistance to confront the United States.

The United States has attempted negotiations, diplomacy, and economic sanctions with Libya in order to combat terrorism. The President eventually exercised military action to eliminate terrorist bases in Libya. The Saudi's, on the other hand, have rolled out the red carpet for terrorist efforts. The Saudi's have supplied the PLO with over $85 million each year since 1979 and bankroll the Syrians, another bastion of terrorism, with over $500 million annually.

Mr. President, if the Saudi undermining of United States foreign policy and support of worldwide terrorism are not compelling enough reasons to vote for Senate Joint Resolution 316, a resolution of disapproval, I would like to list three more. The administration has cited Saudi Arabia's moderating influence in the Middle East. I disagree. The administration states the need for more military weapons in light of growing threats from the Iran-Iraq conflict. I disagree. The administration believes that still more Stinger missiles should go to an army that trains with the PLO. I disagree. The further stockpiling of this lethal weapon poses a legitimate threat to Middle East peace and air travelers everywhere.

The State Department adamantly argues that "the Saudi's within the context of the Arab consensus, have made constructive contributions to the search for peace." I must remind my colleagues, that given the above litany of Saudi statements and actions in direct opposition to United States foreign policy, I cannot endorse the State Department claim. Saudi Arabia has opposed the Camp David process, the Reagan plan, and most recently, has refused to support King Hussein in diplomatic efforts with Israel. In addition, the Saudi United Nations delegation continually votes for resolutions criticizing Israel and condemning American support for Israel.

The administration and State Department argue that we must display our friendship for Saudi Arabia with this $354 million arms sale. I have a difficult time, however, explaining why America's friends and allies in the Arab world—the so-called Arab moderates—have not made more of an effort to put distance between themselves and the Libyan dictator or contribute more ostensibly to Middle East peace.

I must add a caveat here, as I believe that moderates, such as President Hosni Mubarak of Egypt, can contribute toward long-term solutions in this volatile region. To suggest that the Arab world cannot make any such contribution is demeaning. Arab nations, particularly moderates, must begin to make a clear commitment to international sanity and civilized behavior in a world increasingly threatened by terrorists. Saudi Arabia must exhibit some of Egypt's stabilizing moderation, courage, and fortitude.

This administration argues that the Saudi's are threatened by the Iran-Iraq war. They fear a spillover into Saudi Arabia and heightened conflict. They say this is immediate and eminent. This is simply untrue. The sale would not even begin until 1989 and therefore cannot be justified by an impending military threat from Iran. In addition to this the United States has already sold the Saudi's over $50 billion in military sales and construction. Mr. President, this astronomical sum would pay for education for the handicapped in the United States for the next 50 years or guaranteed student loans for the next 15 years. We have displayed our friendship. It is time for the Saudi's to reciprocate.

The Saudi's already have stockpiles of Stinger missiles. Although we stipulate that stringent security controls were conditions for the previous sale of Stingers, we must be cautious about this ideal terrorist weapon. Senator HELMS, in the Foreign Relations hearing on the Saudi Arabia arms sale, cited 1982 photos of equipment sold to the Saudi's which ended up in the hands of the PLO in Lebanon. I have already articulated my concerns about the Saudi's allowing the PLO to train with their army and their annual war chest for the PLO. I do not want to read about civilian or military aircraft shot down by Stinger missiles fired by PLO members.

It is not in the best interests of the United States, Middle East peace, worldwide safeguards against terrorism, or increased security controls for Stinger missiles to allow this sale to go through. I firmly oppose this sale until the Saudi's actually practice some of the "moderate Arab action" that this administration purports. I am uncompromising on opposing more arms until the Saudi's desist funding terrorists and Colonel Qadhafi. I am unyielding until the Saudi's begin to make visible and tangible contributions to Middle East peace. I enthusiastically embrace my good friend, Senator CRANSTON, and his resolution of disapproval.

Mr. DECONCINI. Mr. President, I think it would be real folly for us to move ahead in this sale at this time. We have heard constantly every time an administration, whether it be the Reagan administration or the Carter administration, that if we just make this sale, if we just move ahead and approve this arms transfer to the Saudis that we are going to have ourselves an important partner for peace in the Middle East. That has not happened.

We have seen continous problems in the Middle East. This administration has failed miserably to produce any type of policy that has brought the Saudis into the peace process. To the credit of President Mubarak, last week he made a statement that if other Arab nations would have joined in the Camp David peace accord, there would not be the war and terror that is going on in the Middle East today. I would say I support that type of Arab leadership that is prepared to move ahead. What did we see? If someone does not stand up and say no to this administration, we see them putting 230 marines and more—but 230 marines have lost their lives in Beirut. We see them moving in, pressuring the Israelis not to move in on Beirut and stop the PLO—and actually take some of them prisoner, and put them out of commission. This we have failed to do as an administration, and as a foreign policy.

Now to think we are going to buy ourselves some type of friendship with the Saudis who are going to move into the peace process does not make sense, Mr. President.

I hope the Senate resoundly supports this particular resolution because it will send a clear message that we are not going to continue to try to suck in and sway the Saudi Arabians when they are not willing to join in a genuine peace accord.

The PRESIDING OFFICER. The Senator's time is up. Who yields time?

Mr. CRANSTON. Mr. President, I yield 3 minutes to the distinguished Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, the resolution before us would block the sale of some of America's most sophisticated and deadly missiles to Saudi Arabia. The sale endangers America's most reliable ally in the world and threatens the safety of millions of innocent American civilians.

Finally, rather than bring peace to the Middle East, the sale makes war more likely. Supporters portray this as just another routine arms deal. It is much more than that. It is an unnecessary sale to an unrealiable nation with an unenviable record of complicity in world terrorism.

Start by looking at what is involved in this sale: 800 Stinger antiaircraft missiles; the administration says the Saudis need these weapons to repel the "feared" Iranian Air Force. The only problem with this is that Iran has fewer than 100 aircraft. In short, there is virtually no Iranian Air Force to repel.

□ 1930

But the Stingers do pose a real and present threat to American citizens.

Stingers are so portable that one or two could easily be diverted for terrorist use.

The Saudis allow Palestinians to work in their army and many Saudis are sympathetic to the PLO.

It does not stretch the imagination to envision one or two Stingers landing in the hands of a crazed, Qadhafi-guided terrorist who will direct it with deadly effectiveness against an American civilian aircraft.

The sale package also includes nearly 1,700 Sidewinder missiles.

I urge my colleagues to examine this part of the sale in the context of what the Saudi's already have.

We are not talking about some arms-starved nation.

The United States has sold the Saudi's more than $13 billion worth of the most advanced weapons support equipment, ships, and aircraft in our arsenal.

Previous sales have given the Saudi's 3,000 Sidewinders.

Saudi's already have a staggering ratio of 37 AIM 9-L Sidewinders for each of their United States built F-15's.

Our NATO allies have only nine Sidewinders per aircraft; the Israeli's have but six per aircraft.

In short, this sale will provide the Saudi's with an arms bonanza far beyond that of any other United States ally and far beyond what is needed to meet any legitimate defensive needs; America should not stockpile a Saudi arms cache.

If the Saudi's do not need these weapons, why should we make this sale?

Sponsors say we must make the sale as a gesture of friendship to a trusted friend in a troubled region; they say that defeat of the deal would tarnish our image as a reliable ally in the Middle East.

We have heard for years now that the Saudis are our friends, that they are a moderate influence in the Middle East.

Indeed, we have heard this so often that many people actually believe it is true.

But the record is quite different on this score.

History has a lot to teach us; and this is a case where we would be wise to heed its lessons.

Want to review for a moment Saudi Arabia's "friendship" with the United States and Israel.

Go back a few months to the Rome and Vienna airport bombings. As Americans lay dying on the Tarmac, we heard the Saudis proclaim their "categorical solidarity" with Libya.

Last year, Saudi Arabia chipped in $28.5 million to the PLO, which continues to sponsor terrorist attacks against America and Israel.

In September 1984, Crown Prince Abdullah declared that "once Moslems achieve unity of will and action, Israel will be annihilated and disappear."

Late last year, the Saudis voted to "isolate Israel in all fields" and declare that the Jewish state "is not a peace loving nation."

Just 5 years ago, Saudi Arabia hosted an Islamic conference which opened with a prayer calling for divine assistance to "cleanse Jerusalem of Jews" and concluded with a call by the Saudi king for a "jihad" or, holy war, against Israel.

Clearly, the Saudis remain the sworn enemy of Israel and at the very least, a covert supporter of terrorism.

The Saudis have also done little to earn the right to be called America's friend.

The Saudi's have refused to provide written assurances that America will have access to Saudi bases in the event of a crisis.

They have subsidized massive Soviet arms purchases by Syria and Iraq.

They opposed the Camp David peace treaty and they worked to undermine the 1982 Reagan Middle East peace plan and the Lebanon-Israel accords of 1983.

Mr. President, this is not America's friend; this is not Israel's friend.

This is a nation that has supported America's enemies and sworn to destroy America's friend.

Ultimately, the test for this sale should not be whether it promotes friendship, but whether it promotes peace.

The cause of peace is not enhanced by selling weapons that could easily wind up in terrorist hands; or by ladening Saudi aircraft with enough missiles per plane to erase Israel as a nation. Finally, Mr. President, the cause of peace is not served by using weapons as a substitute for reason and negotiation.

Mr. CRANSTON. I yield 2 minutes to the Senator from Oregon.

Mr. HATFIELD. Mr. President, when I rose on this floor 3 weeks ago to condemn the bombing of Libya, I quoted Gandhi's assertion that "the means are the end in the making." As I oppose the proposed $354 million arms sale to Saudi Arabia, that assertion is again appropriate. The contention that peace and security will come to the Middle East through our continued reckless policy of arming the region to the teeth is nothing less than absurd. Instead, I suggest that this reckless policy will only fuel the fires flaming in the Middle East.

Take a look at this region today, Mr. President. The once beautiful city of Beirut has become a lawless and bloody wasteland. Iran and Iraq remain locked in a bitter struggle which has left thousands of young "soldiers" strewn across desolate battlefields. Misdirected religious fervor and the frustrations of millions of Palestinian refugees have turned children into terrorists. Last October, members of the Palestinian Liberation Front seized an Italian cruise ship and murdered an American tourist. A month later, an Israeli attack on Palestinian Liberation Organization headquarters in Tunisia killed more than 70 Palestinians and Tunisians. And in December, Palestinian terrorists killed 8 and injured more than 100 in simultaneous attacks in the Vienna and Rome airports.

I could go on for hours, but my point is this: The Middle East is a boiling cauldron of violence. Why introduce more arms into the region that can only beget more violence, more recrimination, and more arms requests? Mr. President, I wonder when we will learn that peace and security are not the products of sophisticated missile systems.

In the past 25 years, United States foreign military sales deliveries to the nations of the Middle East total over $44 billion. In 1985 alone, that number was $3.5 billion. The preponderance has been to Israel. Those numbers do not include military assistance, con-

struction, or training dollars, figures which would more than triple the totals.

Let me be clear on one point: I would oppose and have consistently voted against all arms sales, whether to Saudi Arabia, Egypt, Israel, Jordan, or any other nation in the region.

The security of these countries affirms the often-challenged truth that an absence of war does not necessarily mean peace. In the Middle East, an absence of war means only a "cease-fire".

The underlying cause of the regional conflict, unresolved Palestinian question, is not addressed by pouring more and more arms into the region's bottomless pit.

The violence which engulfs the Middle East, and our longtime reckless policy of arms sales to the region, dramatically illustrate my concern. As I said during my condemnation of the United States bombing of Libya, an end to the random regional violence cannot come until the underlying causes of terrorism and conflict are addressed. Rewarding our allies with arsenals of destructive weapons instead of addressing the needs and concerns of displaced people has never been anything but destabilizing and counterproductive.

Mr. President, let me again remind my colleagues of Gandhi's assertion: "The means are the end in the making." As we consider this and other arms sales which are proposed under the guise of peace and security, we would do well to remember those words.

Mr. CRANSTON. Mr. President, I yield 2 minutes to the distinguished Senator from Massachusetts.

Mr. KERRY. Mr. President, I will be brief in my remarks outlining my opposition to this arms sale to Saudi Arabia. As many of my colleagues already have pointed out, the President assured the Congress in 1981 that AWAC's then promised Saudi Arabia would not be turned over to their control unless:

> . . . initiatives toward the peaceful resolution of disputes in the region have either been successfully completed or that significant progress toward that goal has been accomplished with the substantial assistance of Saudi Arabia.

When the United States undertook major arms sales to Saudi Arabia, beginning with the sale of F–15's in 1978, our policymakers consistently assured us that these sales were necessary to enlist the support of the Royal Kingdom for the Middle East peace process. The record since 1978 has been pretty clear on this score. The Saudis either have been unwilling or unable to be a major force for peace in the Middle East. Actions always speak louder than words and this is particularly true in the Middle East. The simple fact of the matter is that we are confronted with the following reality:

The Saudis have not yet explicitly or publicly supported U.N. Resolutions 242 and 338 as the basis for a permanent peace in the region.

The Saudis still maintain that the so-called "Zionist entity" is their No. 1 enemy.

The Saudis continue to refrain from reestablishing diplomatic relations with Egypt, which they broke off after the signing of the Camp David accords.

The Saudis failed to support President Reagan's own peace proposal of 1982 and even went so far as to discourage King Hussein of Jordan from entering into negotiations.

The Saudis continued to fund and support Syria throughout the period of American involvement in Lebanon when United States military and diplomatic personnel were the targets of Syrian-sponsored terrorism.

As a major financial backer of Syria the Saudis refrained from exercising any influence to persuade President Assad to cease his opposition to the entrance of Jordan into the latest attempt to resume the peace process.

As yet, there is not any evidence that the Saudis have encouraged other Arab nations to enter into the peace process with Israel.

Perhaps it has been the fault of our policymakers that a sense of overexpectation has been built up regarding the role that Saudi Arabia could bring to a comprehensive Middle East peace process. What I find striking is the difference between President Reagan's assurance to the Congress in 1981, which was predicated upon the notion that a peaceful resolution of disputes in the region was of high priority for the United States, and the administration's justification for this particular sale today.

The fact of the matter is that this administration no longer justifies arms sales to Saudi Arabia on the basis of their role in seeking a permanent Middle East peace. As Assistant Secretary of State Richard Murphy stated during hearings before our committee last month, in response to a series of questions I posed:

> . . . your list of questions does illustrate the difficulties, or rather the approach to this sale, which I disagree with—that they are being judged purely and exclusively in relation to their support for the Arab-Israel peace process.
>
> Now, I never came up here to suggest that we were satisfied with the level of Saudi activity in the peace process. I would sit here today and tell you that they have done more than perhaps is generally recognized on the peace process.

Mr. President, nearly 5 years ago the President of the United States assured the Congress that AWAC's we were then proposing to sell to Saudi Arabia would not be turned over to complete Saudi control unless the peaceful resolution of disputes in the region had either been successfully completed, or that significant progress toward that goal has been accomplished with the substantial assistance of Saudi Arabia.

Today, we are no closer to a peaceful resolution of disputes in the region than we were in 1981.

Today, all the evidence demonstrates that significant progress toward that goal has not been accomplished, let alone with the substantial assistance of Saudi Arabia.

The criteria for the AWAC's sale have not been met. And rather than the Middle East peace process being of priority concern to this administration as it allegedly was in 1981, an entirely different rationale for additional sales of sophisticated weapons to Saudi Arabia is now being articulated by the administration. According to administration spokesmen, these sales are now necessary to protect U.S. security interests in the Persian Gulf. It was the same rationale that former Secretary of State Henry Kissinger used to justify massive arms sales to the Shah of Iran. The Shah was to have been the U.S. gendarme in the Persian Gulf.

That is why I am opposed to this sale. Our entire rationale for entering into an arms supply relationship with Saudi Arabia has changed significantly from what it was when the President provided the Congress with his written assurances. It seems as if the President is always providing the Congress written assurances on controversial foreign policy issues that are forgotten almost as quickly, it seems, as the ink from his signature has dried.

I raised a number of questions during our committee hearings in relation to this proposed sale. In many cases I did not receive satisfactory responses. For example on the issue as to why the Saudis have not supported U.N. Resolutions 242 and 338 explicity and publicly, I received the following response:

> The Saudis have strongly supported the concept of land for peace which is embodied in U.N. Resolutions 242 and 338. They do, however, have reservations about the treatment of Palestinians only as refugees in 242. The Fahd plan adopted formally by the Arab summit of Fez in 1982 explicitly stated that all states in the region should be able to live in peace, an implicit acceptance of Israel's right to a secure existence. The concept of land for peace was a direct reflection of U.N. Resolutions 242 and 338.

Mr. President, we would never enter into negotiations with the Soviet Union unless the issues we were to negotiate were explicitly defined. The acceptance of U.N. Resolutions 242 and 338 as the basis for a permanent peace in the Middle East has been the cornerstone of U.S. policy since 242 was enacted in the aftermath of the 1967 Middle East war. We have been very explicit as to what our policy has been. We have not tried to delude anyone or

imply that our policy was anything but an unequivocal support for the language contained in U.N. Resolutions 242 and 338.

We have criticized the Soviets for not being more explicit in proposals they have tabled at Geneva as reason enough not to pursue serious arms control negotiations with them. I do not see why we should praise the Saudis for not being more explicit than they have been in relations to the acceptance of U.N. Resolutions 242 and 338.

The administration also contradicted the President's written assurances to the Congress in 1981, in response to the following question I posed during our hearings. I asked that if, as appears to be the case, no real progress with Saudi assistance is being made toward peace in the Middle East, then why are we still planning to deliver the AWAC's to Saudi Arabia? The response was as follows:

Progress toward peace is slow, difficult, and often disappointing. Nevetheless, there has been progress and Saudi Arabia has helped substantially. Moreover, the primary reason for the AWAC's sale was to protect U.S. interests in the Persian Gulf. Those reasons are as valid today as they were in 1981. To support them we will deliver the AWAC's as planned.

During our presence in Lebanon, President Reagan denounced Syria as public enemy No. 2 after the Soviet Union. Since that time, Syria, along with Libya and Iran, has been characterized by Secretary of State George Shultz as being the primary supporters of terrorism in the world. Yet, in response to my question as to why Saudi Arabia continued to fund and support Syria throughout the period of American involvement in Lebanon, when American military and diplomatic personnel were the targets of Syrian supported terrorism, the response was as follows:

The Saudis believe that it is important to retain their access to and influence with the Syrians. That channel of communication has been useful to us as well. There is no question that Saudi Arabia has tried to use its influence with Syria to achieve both the ceasefire and a negotiated resolution of the Lebanese situation. Saudi Arabia has also been outspoken against terrorism, from which they too have suffered. We lack conclusive evidence that Syria directed the bombing attacks on our Embassy and the Marines.

I found that response a little disingenuous. The fact that the Syrians have allowed terrorists training bases to operate in the Bekaa Valley in Lebanon should be evidence enough of what this administration characterizes as state-sponsored terrorism. Just because a nation does not personnally direct terrorist activities, does not mean they do not support the terrorist activities launched from territories under their control.

Finally, in response to my question as to why the Saudis continually specifies "the Zionist entity" as their No. 1 enemy if they are trying to advance the cause of peace, I received this response:

Despite the Saudi public posture on Israel, there is little doubt that Saudi Arabia considers Iran, and perhaps other regional states, far more menacing than Israel. The term "Zionist entity" and Israel appear interchangeably in most Saudi publications, a practice not unlike the Western practice of referring to the "Communist bloc" or "Third World."

Mr. President, I find this response duplicitous and tenuous at best. Certainly this administration does not use such terms as "Communist bloc" as an endearing characterization. As a matter of fact, it is this administration's constantly asserted argument that the Soviet Union and its Communist bloc allies are the penultimate of evil and represent the greatest threat to peace and stability in the world since the beginning of history. Therefore, I would have to assume that the Saudi use of the "Zionist entity" to characterize Israel is similar to our use of the term "monolithic communism" or "communist bloc" as a characterization with similar dangerous connotations.

Be that as it may, Mr. President, I think the record is pretty clear regarding either the desire or the capability of Saudi Arabia to play a leadership role in finding a comprehensive solution to the Middle East crisis. And to argue that the absence of war between Israel and her Arab neighbors can be translated into something approaching stability is a mistaken delusion on our part.

Finally, I think it is important to be very cautious in heading down the path of another arms sale in the Middle East. It is obvious that the focus of our policy has changed since 1981. The administration has admitted that we are no closer to peace than we were in 1981 when the President provided written assurances on the AWAC's sale. The administration has also itself expressed they have not been satisfied with the level of Saudi activity on the peace process, despite assurances the royal family should play a significant role in this process.

Time will only tell whether or not the recent United States bombing raid on Libya will drive the so-called Arab moderates farther away from the United States. We may be entering into an era in which Arab States such as Saudi Arabia will view the United States as nothing more than a convenient source of sophisticated weaponry. And that is a very thin reed upon which we should be basing our arms transfer policy. I think it is time to put peace in the Middle East back into our policy considerations as they relate to that volatile region of the world.

The PRESIDING OFFICER. Who yields time?

Mr. CRANSTON. Mr. President, I yield 30 seconds to the Senator from Maryland.

Mr. MATHIAS. Mr. President, I received a letter recently, as did other Senators, from Emmauel de Margerie, the Ambassador of France to the United States. It represents a very clear and fair statement of the French position on Libya and relations between the United States and France, our oldest ally. The leadership of our countries held different positions on this action, but those differences should not be allowed to obscure or disturb the deep and enduring ties between us. There are, as the Ambassador states, many specific instances of French support of American policies and American support of French policies. But the most important point that the Ambassador makes is that this particular issue should not lead to a misunderstanding between us or to any strains in the alliance. Only those who do not share our goals would be pleased by such a development.

I ask unanimous consent that the letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMBASSADE DE FRANCE
AUX ETATS-UNIS,
April 17, 1986.

Senator CHARLES MCC. MATHIAS, Jr.,
Committee on Foreign Relations,
The U.S. Senate

DEAR SENATOR MATHIAS: The events that have transpired over the past few days in the context of the American military operation against Libya have unleashed in Congress and in public opinion a number of critical remarks concerning France.

I think it is necessary to bring to your attention certain facts that will give you a more accurate view of the situation.

One of the primary accusations concerns a supposed French tolerance—not to mention some of the other terms used—toward Libya. Such an accusation reflects a misunderstanding of France's attitude. You are surely aware of the direct threat that Colonel Qaddafi has been to Chad over the past few weeks. In response to this situation, the French government notified the Libyan authorities that it would not tolerate any threats to the sovereignty of that nation. When the Libyans continued to pursue their activities in Chad, French forces reponded. Just a few weeks ago French aircraft bombed a Libyan airport in the north of Chad and put an end to preparations for further Libyan actions. French troops are deployed in the capital of Chad and in its neighboring states. Our presence had dissuaded colonel Qaddafi from pursuing his attempts at destabilizing Chad and has served as a warning against carrying out that sort of activity elsewhere. The fact that our actions in this area were no loudly publicized does not detract from our determination to protect Chadian interests, which are African, and you will agree, western interests as well. The fact that we called for a response in the case where countries in southern Europe would be threatened by Libya stems from the same determination.

Allegations have been made concerning the existence of French "interests" in Libya that have lead French officials to appease Libyan leaders. I think a few facts will do these allegations the justice they deserve. France does not buy a single drop of oil from Libya, it has reduced its trade with Libya to one-fourth of what it was three years ago, and there are less than 800 French citizens in Libya. And it is certainly not French companies that keep the wheels of the Libyan oil industry turning.

The French government has been reproached for not being firm enough in the face of terrorism. To make such a reproach is to forget that France has been one of the principal victims of terrorist attacks over the past years and that French public opinion, every bit as much as American public opinion, is alert to these dangers. Need I remind you that at this very moment eight French hostages are being detained in Lebanon, and that France has paid a heavy tribute in human lives in an attempt to maintain the sovereignty and unity of that country. The French government has always adopted and will continue to adopt a firm attitude when confronted with terrorist threats, as is evident from the strengthening of police surveillance and judicial measures in our country. We wholly recognize the need for cooperation among our allies' competent services in order to fight against this threat. This fact, I believe, is not contested by any of the specialists that deal with this problem; the opinions voiced by officials in Congress offers ample confirmation of this. The French government has recently expelled two members of the Libyan Peoples Bureau. President Reagan mentioned the cooperation provided by French intelligence services that made it possible to prevent an attack against an American diplomatic mission. The fact that, for obvious reasons, we do not wish to publicize these and other patient, consistent and dangerous efforts does not in any way detract from the firmness of our actions against terrorism.

References to European reactions to the American operation in Libya have frequently evoked "condemnations" and anti-American sentiment on the part of public opinion. I feel that it is necessary on this point to remind you that the French government at no time either condemned or approved this operation. We expressed our concern regarding the risk of a spiral of events. I don't think this risk can be underestimated. Furthermore, you should know that no anti-American demonstrations have taken place in France. The fact is that we in France have our own analyses and concepts regarding the fight against terrorism. They take into account not only our own interests but also our conviction that the phenomenon of terrorism—one we have confronted for many years—stems from diverse causes and is of many origins, and that we consequently must combat it on many fronts and with varied and appropriate means. Informed opinion will not dispute this analysis. As concerns the request for American aircraft participating in the operation against Libya to fly over French territory, the response given by the French government—which should be understood in light of what has just been said—was the following: it is not possible for us to give such an authorization but we are ready, immediately, to consult with you on the best measures to take in the face of terrorism, those who support it, inspire it and encourage it. The American response was that there was not time for such consultations.

More generally, certain comments have gone as far as to question France's role as an American ally. Our position on this point is very old, well known and unchanging. France is not a member of NATO's integrated military command and has independent military, notably nuclear, forces. This does not detract from our commitment to the alliance of western democracies. Those officials who truly know the role of France in the Alliance have no doubts as to the daily and concrete reality of this commitment. And has it been forgotten that at a time crucial to relations within the Alliance, when a decision was being made on the deployment of American intermediate range missiles in Eurpoe, the French president expressed, in Germany, France's support for this deployment, thereby helping convince European opinion of the necessity of responding to the imbalance of forces in Europe.

Theses are the points, Senator, I wanted to make. I have spoken quite candidly with you because this issue is so important and because it distresses me to see a misunderstanding between our two countries. Any dissension within the Alliance would only give satisfaction to those who do not share our common goals.

I am, Senator,

Sincerely yours,

EMMANUEL DE MARGERIE.

The PRESIDING OFFICER. Who yields time?

Mr. CRANSTON. Mr. President, I yield 2 minutes to the Senator from Wisconsin.

Mr. KASTEN. Mr. President, when the Senate considered the AWACS sale to Saudi Arabia in 1981, we were told that approval of that sale was necessary and justified because of substantial assistance by that country to the United States in promoting peace in the Middle East.

In fact, what has happened since then is that Saudi Arabia has participated in undermining every American peace initiative, and continues to do so today.

Of recent note is the Saudi position, expressed on several different occasions, that they stand with Libya against American and other efforts to curb that terrorist regime. In addition, and ironically this was confirmed by the head of the Central Intelligence Agency on the very day the Saudi sale was sent to Congress, the Saudis continue to provide substantial support to the PLO. It also financially supports Syria and radical factions in Lebanon. We are being asked to approve the sale of Stinger missiles to Saudi Arabia. Even if we did approve these missiles, along with air-to-air Sidewinders and air-to-ship Harpoon missiles, they will not begin to be delivered until 1989. Saudi Arabia does not need this sale to deter Iran in the short run. They currently have 3,000 Sidewinders to defend themselves from Iran's 100 aircraft.

In short, Mr. President, the administration tells us that Saudi Arabia needs these weapons and is being responsive to U.S. concerns for peace in the Middle East. However, there is absolutely nothing that they can point to that supports these statements. In fact, the situation is to the contrary.

VETO STRATEGY OF THE ADMINISTRATION

Mr. President, of potentially more serious consequence is the strategy which has been adopted by this administration to pursue a successful completion of this sale by securing enough votes in the Senate to sustain a veto. All of the effort by the administration is aimed at picking up 34 votes after this measure comes back to us with the Presidential veto—notwithstanding that fact, it is certain that well over 60 percent, and perhaps as much as two-thirds of both bodies of Congress are opposed to the sale.

This raises serious questions of the U.S. Government's foreign policy and serious questions about the relationship between the executive and legislative branches.

Arms sales by the United States are an important aspect of defense and foreign policy and require assent by both branches of Government. Under the Arms Export Control Act, before the Chadha decision, we had a system which provided an adequate mechanism for congressional input. A veto strategy does not allow for adequate input by the legislative branch, and could well lead to legislation which would be an anathema not only to the executive branch, but also to Congress, whereby we would have to approve each and every arms sale proposed by the administration.

Mr. President, I strongly believe that if the Congress in fact rejects this particular sale—or any other sale for that matter—by the substantial margins which appear likely in this case, the administration, as a matter of sound foreign policy, should not proceed. To do so would theoretically mean that such sales could go forward with only the approval of 34 of the 535 elected Members of Congress. This is not an acceptable way to proceed on such matters.

Mr. CRANSTON. Mr. President, I yield 1 minute to the distinguished Senator from Oregon, Senator PACKWOOD.

Mr. PACKWOOD. Mr. President, let us remember that the standard we have tried to adhere to in the Senate involving these sales is that we would be reluctant and opposed to them unless we saw an indication in that country that these weapons would be used to help further the peace process.

In this case, there is no evidence that Saudi Arabia has been of any help in furthering the peace process. Until that standard is met, a standard we have had for a number of years, I think this sale should be turned down.

Mr. CRANSTON. Mr. President, I thank the Senator from Oregon for his continued bipartisan leadership.

Mr. President, I yield 1 minute to the Senator from New York.

Mr. MOYNIHAN. Mr. President, in association with the remarks of the Senator from Oregon, I think it is appropriate also at this time that the nations, including our own, which are meeting in Tokyo at the summit conference have resolved very explicitly and most importantly to make a concerted effort against the problems of terrorism in the world, speaking specifically of the nation of Libya.

We should not be selling arms to a nation that would do either of those things, and, indeed, which has too often associated themselves with just the opposite.

Mr. CRANSTON. Mr. President, let me say in conclusion that President Reagan has won plaudits for his willingness to take strong action against third world dictators and potentates who consistently scorn American interests. I believe now is the time for Congress to demonstrate similar resolve. Let us vote today to shelve the pending sale, and thereby make clear that we look to the Saudi monarchy to show a bit more sensitivity to our key national security needs before we will be prepared to entertain future requests.

Mr. HART. Mr. President, I support the proposed resolution to stop the sale of advanced missiles to Saudi Arabia. Those who argue that the sale of these missiles to the Saudis is in the security interests of the United States miss the mark. We cannot sit on both sides of the fence at the same time. The Saudis are closer to the PLO than they are to negotiating peace with Israel, and yet this administration proposes to arm them far beyond their defensive security needs.

Despite $44 billion in past arms sales and promises of increased cooperation, the Saudis remain intransigent and unwilling to take genuine steps toward the recognition of Israel and the establishment of peace in the Middle East. Yet the administration's presentation is the same every time Congress is confronted with an arms sale. Time and time again we are told that such an arms sale is necessary to demonstrate even-handedness in the Middle East, or to bring the Saudis into the peace process. Well it is not and it will not.

Mr. President, all of us understand how profound our historical and strategic ties with Israel are. That is why I am eternally puzzled why the force of history so often gives way to diplomatic expedience. Five years ago the administration fought relentlessly to sell advanced communications aircraft to the Saudis to induce their participation in the peace process. The Saudis and the administration won that battle—but they were the only winners.

Now, as if to reward the Saudis' intransigence, the administration wants to sell them $300 million in Sidewinder, Stinger, and Harpoon missiles. We cannot stand by and let this happen again. It is time we said "enough is enough." Let us see some positive movement toward peace in the Middle East before we continue arming those who refuse to cooperate in the search for that peace. If $44 billion in past sales was not enough of an enticement, we have no reason to believe that $300 million in additional missiles will.

Mr. President, there is another argument put forth by those advocating this sale to the Saudis. They claim that the fighting between Iran and Iraq endangers the security of the Saudi Arabian borders, and that the inclusion of the additional missiles in the Saudi air force will send a clear message to the Iranians that they had better not violate those borders.

But we all know that the Iranian air force is no match for the current stock of Saudi missiles. Sending more does not send any clearer message.

In 1981, President Reagan gave a written pledge to Congress, at the time of the AWACS sale, conditioning U.S. arms sales only if "initiatives toward the peaceful resolution of disputes in the region have either been successfully completed or that significant progress toward that goal has been accomplished with the substantial assistance of Saudi Arabia." Obviously, these conditions have not been met. The Saudis have done nothing to help fulfill this pledge even when they have had many opportunities to do so. They have not encouraged the Jordanians in their efforts to develop a dialog, and if anything have moved closer to the hard line of the Syrians.

Mr. President, Saudi Arabia is a friend and we have common security concerns. However, with no progress toward peace or any letup in terrorist-sponsored violence, further arms sales will only contribute to the atmosphere of violence and instability that permeates the Middle East. I cannot under these circumstancs support the administration's proposed sale of weapons to the Saudis.

The PRESIDING OFFICER. Who yields time?

Mr. LUGAR. Mr. President, I yield the remainder of our time to myself.

Mr. President, the debate today has concentrated on whether the Saudis have deserved our consideration. Since the 1940's, the United States has been a crucial factor in the Middle East, trying to establish and maintain peace and security. This fact has reflected the depths of our political, economic and strategic concerns in that region. Eight administrations, both Democratic and Republican, have consistently sought to protect the peace. We have had a fundamental and constant commitment to the security of Israel, but throughout the same period, since World War II, we have tried to promote links to moderate Arab states and to deny opportunities to the Soviet Union. We did so to protect the free world's access to oil, to check the growth of radical anti-Western movements, and, finally, to be a factor for peace.

It would be a tragedy, Mr. President, if we opted out of that position by denial of this sale.

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I encourage Members to vote "nay" on this resolution.

Mr. CRANSTON. Mr. President, I yield the final 1 minute and 35 seconds to the Senator from Colorado [Mr. HART].

Mr. HART. Mr. President, in the more than a decade of service in the Senate, repeatedly, the Senator from Colorado has heard arguments in favor of increased arms sales to various countries in the Middle East. The argument is that these sales are made to ensure evenhandedness of our Government in its foreign policies under both parties and all administrations, that somehow if we made one more arms sale, whether of AWACS or F-15's or some other sophisticated weapons system or whatever it was, this would advance the peace process, this would make nations more secure, and bring people to the negotiating table.

The Senator from Colorado has yet to see one of those sales move the peace process 1 inch closer or move any of these nations one step toward the negotiating table.

I hope this resolution passes and I hope it convinces this administration and others who believe we can buy peace by arms sales that it is not going to work. We have to use diplomacy and not the force of arms in order to achieve the peace that all of us want in that region.

The PRESIDING OFFICER. Who yields time?

All time has expired.

The question is on agreeing to the resolution. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Florida [Mrs. HAWKINS], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Kansas [Mrs. KASSEBAUM], and the Senator from Alaska [Mr. STEVENS] are necessarily absent.

I further announce that, if present and voting, the Senator from Florida [Mrs. HAWKINS] would vote yea.

Mr. CRANSTON. I announce that the Senator from Louisiana [Mr. LONG] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 73, nays 22, as follows:

[Rollcall Vote No. 91 Leg.]

YEAS—73

Abdnor	Exon	Metzenbaum
Andrews	Ford	Mitchell
Armstrong	Glenn	Moynihan
Baucus	Gore	Murkowski
Bentsen	Gorton	Nickles
Biden	Grassley	Nunn
Bingaman	Harkin	Packwood
Boren	Hart	Pell
Boschwitz	Hatfield	Pressler
Bradley	Hecht	Proxmire
Bumpers	Heflin	Pryor
Burdick	Heinz	Riegle
Byrd	Helms	Rockefeller
Chiles	Hollings	Roth
Cohen	Inouye	Rudman
Cranston	Johnston	Sarbanes
D'Amato	Kasten	Sasser
Danforth	Kennedy	Simon
DeConcini	Kerry	Specter
Dixon	Lautenberg	Symms
Dodd	Leahy	Trible
Domenici	Levin	Weicker
Durenberger	Matsunaga	Wilson
Eagleton	Mattingly	
East	Melcher	

NAYS—22

Chafee	Hatch	Stafford
Cochran	Laxalt	Stennis
Denton	Lugar	Thurmond
Dole	Mathias	Wallop
Evans	McClure	Warner
Garn	McConnell	Zorinsky
Goldwater	Quayle	
Gramm	Simpson	

NOT VOTING—5

Hawkins	Kassebaum	Stevens
Humphrey	Long	

So the joint resolution of disapproval (S.J. Res. 316) was passed.

□ 2000

Mr. HELMS. Mr. President, I move to reconsider the vote by which the resolution was passed.

Mr. CRANSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I commend again the Senator from Indiana [Mr. LUGAR], who chairs the Committee on Foreign Relations, for his excellent work, as well as Senator PELL, and the dogged persistence of Senator CRANSTON, for whom I have learned to have great respect and regard.

It is a serious issue, a serious vote. It discloses a situation which must be revisited at a future time, and I am sure it will be. It is one of those issues with which we do that with some regularity.

SEQUESTRATION OF NEW LOAN GUARANTEE COMMITMENTS

Mr. SIMPSON. Mr. President, after consulting with the Democratic leader, I send a bill to the desk, on behalf of Senators MURKOWSKI, CRANSTON, SIMPSON, THURMOND, SPECTER, DENTON, BOSCHWITZ, DECONCINI, ROCKEFELLER, WILSON, and ABDNOR, and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. BYRD. There is no objection.

There being no objection, the Senate proceeded to consider the bill (S. 2416) to revise further the limitation applicable to chapter 37 of title 38, United States Code, for fiscal year 1986, for the purpose of implementing any order issued by the President for such fiscal year under any law providing for the sequestration of new loan guarantee commitments, which was read twice by title.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2416) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2416

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Act entitled "An Act to establish, for the purpose of implementing any order issued by the President for fiscal year 1986 under any law providing for sequestration of new loan guarantee commitments, a guaranteed loan limitation amount applicable to chapter 37 of title 38, United States Code, for fiscal year 1986", approved March 7, 1986 (Public Law 99-255; 100 Stat. 39), is amended—

(1) by striking out "guaranteed loan limitation amount" and inserting in lieu thereof "limitation"; and

(2) by striking out "$18,200,000,000" and inserting in lieu thereof "$30,900,000,000".

(b) The title of such Act is amended by striking out "guaranteed loan limitation amount" and inserting in lieu thereof "limitation".

□ 2010

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PREVENTING SEXUAL MOLESTATION OF CHILDREN IN INDIAN COUNTRY

Mr. SIMPSON. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1818.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representative:

Resolved, That the bill from the Senate (S. 1818) entitled "An Act to prevent the sexual molestation of children in Indian country", do pass with the following amendments:

Strike out all after the enacting clause, and insert:

SECTION 1. CRIMINAL PENALTY FOR FELONIOUS SEXUAL MOLESTATION OF A MINOR IN INDIAN COUNTRY.

Section 1153 of title 18, United States Code, is amended by inserting "felonious sexual molestation of a minor," after "involuntary sodomy," in the first undesignated paragraph.

SEC. 2. TECHNICAL AMENDMENTS.

Section 1153 of title 18, United States Code, as amended by section 1, is further amended by—

(1) inserting at the beginning of the section the following heading:

"§ 1153. Offenses committed within Indian country";

(2) designating the first undesignated paragraph as subsection (a); and

(3) striking out the second and third undesignated paragraphs and inserting in lieu thereof the following new subsection:

"(b) Any offense referred to in subsection (a) of this section that is not defined and punished by Federal law in force within the exclusive jurisdiction of the United States shall be defined and punished in accordance with the laws of the State in which such offense was committed as are in force at the time of such offense.".

Amend the title so as to read: "An Act to amend section 1153 of title 18, United States Code, to make felonious sexual molestation of a minor an offense within Indian country.".

Mr. DENTON. Mr. President, on November 1, 1985, Senator DECONCINI and I introduced S. 1818, a bill to prevent the sexual molestation of children in Indian country. On December 5, the bill was passed by the Senate by voice vote. The bill is now back before the Senate, having been passed by the House of Representatives in an amended form.

Mr. President, S. 1818 is designed to fill a gap in the Major Crimes Act, 18 U.S.C. 1153, with regard to serious sexual conduct directed at children. Currently, section 1153 reaches the crimes of rape, involuntary sodomy, and carnal knowledge of a female under the age of 16, when those crimes are committed by an Indian in Indian country. Although recently amended by Public Law 98-473 to add the offense of involuntary sodomy, the statute still lacks adequate coverage of nonforcible sexual conduct committed by an adult on children.

Serious offenses that are not now covered include adult sexual contact with male or female children other than rape, involuntary sodomy and carnal knowledge. Many U.S. attorneys have reported a troubling increase in incidents on Indian reservations. Amendment of the Major Crimes Act is necessary to permit effective enforcement, since without the amendment these serious offenses, which nearly all States treat as felonies, are prosecutable only in a tribal court, which may administer a maximum punishment of up to only 6 months imprisonment and/or a fine of $500, according to 25 U.S.C. 1302(7).

Moreover, amendment of the Major Crimes Act is necessary to increase the protection of children of Indian reservations and to render more similar the punishment for such crimes between Indian and non-Indian offenders. A non-Indian who commits the crime of sexual molestation of a minor in Indian country is punishable under the far more stringent provisions of State law, either in State court when the victim is a non-Indian, or in Federal court by assimilation under 18 U.S.C. 1152 when the victim is an Indian.

The bill adds the offense of "felonious sexual molestation of a minor" to section 1153, thus permitting State law and the accompanying penalties to be used in Federal court to prosecute Indians as well as non-Indian sexual molesters of children in Indian country. The description of the offense as "sexual molestation of a minor" is, like the recent addition of "involuntary sodomy," meant to be generic in nature. Thus, it would not matter whether the particular State denominated its offense as "sexual molestation" or by some other title such as "indecent liberties" or "sexual contact" with children.

So long as the State has on its books a felony offense that proscribes the conduct of nonforcible sexual abuse of the person of a minor, also as defined by State law, that offense will be incorporated into section 1153. The offense must, however, be a felony. This qualification ensures that, as with all other offenses in section 1153, only the major varieties of the offense will be subject to Federal jurisdiction, maintaining exclusive tribal jurisdiction over the lesser offenses.

As the U.S. Supreme Court noted in the famous case of *New York* versus *Ferber*, "the prevention of sexual exploitation and abuse of children constitutes a government objective of surpassing importance." It was with that objective in mind that Senator DECONCINI and I introduced this bill to prevent the sexual molestation of children in Indian country.

The bill is endorsed by the Department of Justice, the Bureau of Indian Affairs of the Department of the Interior, and the National Congress of American Indians.

Mr. President, as to the amendments adopted by the House, I should state that they are technical in nature and include (1) restoring the section number and catchline, which were inadvertently repealed by the Comprehensive Crime Control Act of 1984 and (2) designating the first paragraph of section 1153 as subsection (A), combining the second and third paragraphs into a new paragraph and designating the new paragraph as subsection (B). None of these changes affect the substance of section 1153 or the substance of S. 1818. I should also state that the amendments are acceptable to Senator DECONCINI and myself.

I urge my colleagues to accept the House amendments and vote in favor of the bill.

Thank you, Mr. President.

Mr. SIMPSON. Mr. President, I move that the Senate concur in the House amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Wyoming.

The motion was agreed to.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE CALENDAR

Mr. SIMPSON. Mr. President, I inquire of the minority leader if he is in a position to pass any of the following calendar items: Calendar 629, S. 1750, and Calendar 635, S. 1874.

Mr. BYRD. Mr. President, there is no objection on this side and we are ready to proceed.

Mr. SIMPSON. Then, I ask unanimous consent that the calendar items just identified be considered en bloc, and passed en bloc, and all committee reported amendments be considered agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

CIVIL PENALTIES FOR UNSAFE OPERATION OF COMMERCIAL AIRCRAFT

The Senate proceeded to consider the bill (S. 1750) to amend the Federal Aviation Act of 1958, as amended, to increase civil penalty limits for safety violations by persons engaged in commercial aircraft operations, and for other purposes, which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment to strike out all after the enacting clause, and insert the following:

That section 901(a)(1)(A) of the Federal Aviation Act of 1958 (49 App. U.S.C. 1471(a)(1)(A)), is amended by inserting immediately after "section" where it first appears the following: "1101 or".

SEC. 2. Section 901(a)(1) of the Federal Aviation Act of 1958 (49 App. U.S.C. 1471(a)(1)), is amended by inserting immediately after "violation", where it first appears the following: "except that the amount of such civil penalty shall not exceed $10,000 for each such violation of title III, VI, or XII of this Act, or any rule, regulation, or order issued under any such title, by a person who operates aircraft for the carriage of persons or property for compensation or hire, and".

SEC. 3. Section 901(a)(2) of the Federal Aviation Act of 1958 (49 App. U.S.C. 1471(a)(2)), is amended by inserting immediately after "XII" the following; ", or of section 1101, 1114, or 1115(e)(2)(B)".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend the Federal Aviation Act of 1958 to increase civil penalty limits for safety violations by persons engaged in commercial aircraft operations, and for other purposes."

EDUCATION OF THE DEAF ACT

The Senate proceeded to consider the bill (S. 1874) to authorize quality education programs for deaf individuals, to foster improved educational programs for deaf individuals throughout the United States, to reenact and codify certain provisions of law relating to the education of the deaf, and for other purposes, which had been reported from the Committee on Labor and Human Resources, with an amendment to strike out all after the enacting clause, and insert the following:

That this Act may be cited as the "Education of the Deaf Act of 1985".

TITLE I—GALLAUDET UNIVERSITY

PART A—GALLAUDET UNIVERSITY GENERAL AUTHORITY

CONTINUATION OF GALLAUDET COLLEGE AS GALLAUDET UNIVERSITY

SEC. 101. (a) GALLAUDET UNIVERSITY CONTINUED.—The Gallaudet College created by an Act entitled "An Act to amend the charter of the Columbia Institution for the Deaf, change its name, define its corporate powers, and provide for its organization and administration, and for other purposes," approved June 18, 1954, is continued as a body corporate under the name of Gallaudet University. Hereafter Gallaudet College shall be known as Gallaudet University and have perpetual succession and shall have the powers and be subject to the limitations contained in this Act.

(b) PURPOSE.—The purpose of Gallaudet University shall be to provide education and training to deaf individuals and otherwise to further the education of the deaf.

PROPERTY RIGHTS

SEC. 102. (a) PROPERTY RIGHTS DESCRIBED.—Gallaudet University is invested with all the property and the rights of property, and shall have and be entitled to use all authority, privileges, and possessions and all legal rights which it has, or which it had or exercised under any former name, including the right to sue and be sued and to own, acquire, sell, mortgage, or otherwise dispose of property it may own now or hereafter acquire. Gallaudet University shall also be subject to all liabilities and obligations now outstanding against the corporation under any former name.

(b) DISPOSAL OF PROPERTY.—(1) With the approval of the Secretary of Education, the Board of Trustees of Gallaudet University may convey fee simple title by deed, convey by quitclaim deed, mortgage, or otherwise dispose of any or all real property title to which is vested in the United States, as trustee, for the sole use of Gallaudet University, Gallaudet College, the Columbia Insti-

tution for the Deaf, or any predecessor corporation.

(2) The proceeds of any such disposition shall be considered a part of the capital structure of the corporation, and may be used solely for the acquisition of real estate for the use of the corporation, for the construction, equipment, or improvement of buildings for such use, or for investment purposes, but if invested only the income from the investment may be used for current expenses of the corporation.

BOARD OF DIRECT TRUSTEES

SEC. 103. (a) COMPOSITION OF THE BOARD.—(1) Gallaudet University shall be under the direction and control of a Board of Trustees, composed of twenty-one members selected as follows:

(A) Three public members of whom: one shall be a United States Senator appointed by the President of the Senate; two shall be Representatives appointed by the Speaker of the House of Representatives; and

(B) Eighteen other members, all of whom shall be elected by the Board of Trustees, who on the effective date of this Act shall include those individuals serving as nonpublic members of the Board of Trustees of Gallaudet College immediately prior to such date, and of whom one shall be elected pursuant to regulations of the Board of Trustees on nomination by the Gallaudet University Alumni Association for a term of three years.

The members appointed from the Senate and House of Representatives shall be appointed for a term of two years at the beginning of each Congress, shall be eligible for reappointment, and shall serve until their successors are appointed.

(2) The Board of Trustees shall have the power to fill any vacancy in the membership of the Board except for public members. Nine trustees shall be a quorum to transact business. The Board of Trustees, by vote of a majority of its membership, is authorized to remove any member of their body (except the public members) who may refuse or neglect to discharge the duties of a trustee, or whose removal would, in the judgment of said majority, be to the interest and welfare of said corporation.

(b) POWERS OF THE BOARD.—The Board of Trustees is authorized to—

(1) make such rules, policies, regulations, and bylaws, not inconsistent with the Constitution and laws of the United States, as may be necessary for the good government of Gallaudet University, for the management of the property and funds of such corporation and for the admission, instruction, care, and discharge of students;

(2) provide for the adoption of a corporate seal and for its use;

(3) fix the date of holding their annual and other meetings;

(4) appoint a president, professors, instructors, and other necessary employees for Gallaudet University, delegate to them such duties as it may deem advisable, fix their compensation, and remove them when, in their judgment, the interest of Gallaudet University shall require it;

(5) elect a chairman and other officers and prescribe their duties and terms of office, and appoint an executive committee and vest the committee with such of its powers during periods between meetings of the Board as the Board deems necessary;

(6) establish such departments and other units, including a department of higher learning for the deaf, a department of elementary education for the instruction of deaf children, a graduate department, and a research department, as the board deems necessary to carry out the purpose of Gallaudet University;

(7) confer such degrees and marks of honor as are conferred by colleges and universities generally, and issue such diplomas and certificates of graduation as, in its opinion, may be deemed advisable, and consistent with academic standards;

(8) subject to the provisions of section 403, control expenditures of all moneys appropriated by Congress for the benefit of Gallaudet University; and

(9) control the expenditure and investment of any moneys or funds or property which Gallaudet University may have or may receive from sources other than appropriations by Congress.

PART B—KENDALL DEMONSTRATION ELEMENTARY SCHOOL

AUTHORITY OF GALLAUDET UNIVERSITY

SEC. 111. (a) GENERAL AUTHORITY.—For the purpose of providing day and residential facilities for elementary education for individuals who are deaf in order to prepare them for high school and other secondary study, and to provide an exemplary educational program to stimulate the development of similar excellent programs throughout the Nation, and for the purpose of providing national technical assistance and outreach to train parents of deaf infants and children in skills which will assist children to reach their learning potential, the Board of Trustees of Gallaudet University is authorized to maintain and operate Kendall Demonstration Elementary School as a demonstration elementary school for the deaf, to serve primarily residents of the National Capital region.

(b) APPLICABILITY OF LAW.—The provisions of part B of the Education of the Handicapped Act shall apply to the programs described in subsection (a).

PART C—MODEL SECONDARY SCHOOL FOR THE DEAF

AUTHORITY OF GALLAUDET UNIVERSITY

SEC. 121. (a) GENERAL AUTHORITY.—For the purpose of providing day and residential facilities for secondary education for individuals who are deaf in order to prepare them for college and other advanced study, and to provide an exemplary secondary school program to stimulate the development of similarly excellent programs throughout the Nation, the Board of Trustees of Gallaudet University is authorized, in accordance with the agreement under section 122, to maintain and operate a model secondary school for the deaf to serve primarily residents of the District of Columbia and of nearby States.

(b) APPLICABILITY OF LAW.—The provisions of part B of the Education of the Handicapped Act shall apply to the programs described in subsection (a).

AGREEMENT WITH GALLAUDET UNIVERSITY FOR THE MODEL SECONDARY SCHOOL

SEC. 122. (a) GENERAL AUTHORITY.—The Secretary is authorized to continue an agreement with Gallaudet University for the establishment and operation, including construction and equipment of a model secondary school for the deaf to serve primarily residents of the District of Columbia and of nearby States.

(b) PROVISIONS OF AGREEMENT.—The agreement shall—

(1) provide that Federal funds appropriated for the benefit of the model secondary school will be used only for the purposes for which paid and in accordance with the applicable provisions of this Act and the agreement made pursuant thereto;

(2) provide that the University will make an annual report to the Secretary;

(3) provide that in the design and construction of any facilities, maximum attention will be given to excellence of architecture and design, works of art, and innovative auditory and visual devices and installations appropriate for the educational functions of such facilities;

(4) include such other conditions as the Secretary deems necessary to carry out the purposes of this part; and

(5) provide that any laborer or mechanic employed by any contractor or subcontractor in the performance of work on any construction aided by Federal funds appropriated for the benefit of the model secondary school will be paid wages of rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a–5); and the Secretary of Labor shall have, with respect to the labor standards specified in this paragraph, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z–15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

(c) SUBMISSION OF REPORT.—The Secretary shall submit the annual report of the University (required by clause (3) of subsection (b)) to the Congress with such comments and recommendations as the Secretary may deem appropriate.

TITLE II—NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

AUTHORITY

SEC. 201. For the purpose of providing a residential facility for postsecondary technical training and education for individuals who are deaf in order to prepare them for successful employment, the institution of higher education with which the Secretary has an agreement under this title is authorized to operate and maintain a National Technical Institute for the Deaf.

AGREEMENT FOR THE INSTITUTE

SEC. 202. (a) GENERAL AUTHORITY.—The Secretary is authorized to continue an agreement with an institution of higher education for the establishment and operation, including construction and equipment, of a National Technical Institute for the Deaf. The Secretary, in considering proposals from institutions of higher education to enter into an agreement under this Act, shall give preference to institutions which are located in metropolitan industrial areas.

(b) PROVISIONS OF AGREEMENT.—The agreement shall—

(1) provide that Federal funds appropriated for the benefit of the Institute will be used only for the purposes for which paid and in accordance with the applicable provisions of this Act and the agreement made pursuant thereto;

(2) provide that the Board of Trustees or other governing body of the institution, subject to the approval of the Secretary, will appoint an advisory group to advise the Director of the Institute in formulating and carrying out the basic policies governing its establishment and operation, which group shall include individuals who are professionally concerned with education and technical training at the postsecondary school level, persons who are professionally concerned with activities relating to education and training of the deaf, and members of the public familiar with the need for services provided by the Institute;

(3) provide that the Board of Trustees or other governing body of the institution will make an annual report together with an accounting of all indirect costs paid to the institution of higher education under the agreement to the Secretary, which the Secretary shall transmit to the Congress with such comments and recommendations as the Secretary may deem appropriate;

(4) include such other conditions as the Secretary deems necessary to carry out the purposes of this part; and

(5) provide that any laborer or mechanic employed by any contractor or subcontractor in the performance of work on any construction aided by Federal funds appropriated for the benefit of the Institute will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a–5); and the Secretary of Labor shall have, with respect to the labor standards specified in this paragraph, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z–15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

(c) LIMITATION.—If within twenty years after the completion of any construction (except minor remodeling or alteration) for which such funds have been paid—

(1) the facility ceases to be used for the purposes for which it was constructed or the agreement is terminated, unless the Secretary determines that there is good cause for releasing the institution from its obligation, or

(2) the institution ceases to be the owner of the facility,

the United States shall be entitled to recover from the applicant or other owner of the facility an amount which bears to the then value of the facility the same ratio as the amount of such Federal funds bore to the cost of the facility financed with the aid of such funds. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which the facility is situated.

TITLE III—COMMISSION ON EDUCATION OF THE DEAF

COMMISSION ESTABLISHED

SEC. 301. (a) ESTABLISHMENT.—There is established a Commission on Education of the Deaf to make a study of the quality of infant and early childhood education programs and of elementary, secondary, and postsecondary education furnished to deaf individuals.

(b) COMPOSITION.—(1) The Commission shall be composed of 12 members as follows:

(A) Three members shall be appointed by the President.

(B) One member shall be appointed by the Comptroller General of the United States.

(C) Four of the members shall be appointed by the Speaker of the House of Representatives, with the approval of the Majority Leader and the Minority Leader of the House of Representatives.

(D) Four of the members shall be appointed by the President pro tempore of the Senate, with the approval of the Majority Leader and the Minority Leader of the Senate.

(2)(A) Members of the Commission shall be appointed from among individuals who have broad experience and expertise in program evaluation, deafness, education, or rehabilitation, which experience and expertise are directly relevant to the issues to be studied by the Commission.

(B) The Chairman shall be appointed jointly by the Speaker of the House of Representatives, with the approval of the Majority Leader and the Minority Leader of the House of Representatives, and the President pro tempore of the Senate, with the approval of the Majority Leader and the Minority Leader of the Senate.

(3) Members of the Commission may not be employed by or be a consultant to the National Technical Institute for the Deaf or Gallaudet University on the date the members of the Commission are appointed or for a period of one year prior to such date.

(4) Of the members appointed by the Speaker of the House of Representatives under paragraph (1)(C), at least one must be deaf and not more than two may be from the same political party. Of the members appointed by the President pro tempore of the Senate under paragraph (1)(D), at least one must be deaf and not more than two may be from the same political party.

(5) Any vacancy in the Commission shall be filled in the same manner as the original appointment.

(6) Members of the Commission shall be appointed not later than thirty days after the date of enactment of this Act.

DUTIES OF THE COMMISSION

SEC. 302. (a) STUDY DESCRIBED.—(1) The Commission shall make a study of—

(A) the degree to which appropriate postsecondary educational opportunities are available to deaf individuals;

(B) the advisability of expanding the number of federally supported postsecondary regional educational programs which serve the deaf;

(C) the training and technical assistance needs of infant and early childhood education programs and elementary, secondary, and postsecondary programs which serve the deaf;

(D) the degree to which appropriate elementary and secondary educational opportunities are available to deaf students including (i) the effects of part B of the Education of the Handicapped Act on elementary and secondary educational programs for the deaf and (ii) the role played by the Model Secondary School for the Deaf and the Kendall Demonstration Elementary School;

(E) the role of research, development, dissemination, and outreach activities conducted by Gallaudet University and the National Technical Institute of the Deaf in education of the deaf;

(F) any other issues which the Commission determines will improve the quality of elementary, secondary, and postsecondary education provided to the deaf; and

(G) any other recommendations to improve quality or increase cost effectiveness of providing the education of the deaf.

(2) The study of each field described in paragraph (1) shall include a description of the findings in each such field together with recommendations for actions designed to address identified needs.

(b) REPORTS.—The Commission shall submit to the President and to the Congress such interim reports as it deems advisable, and not later than eighteen months after the date of enactment of this Act, a final report of its study and investigation together with such recommendations, including specific proposals for legislation, as the Commission deems advisable.

(c) TERMINATION.—The Commission shall cease to exist ninety days following the submission of its final report.

ADMINISTRATIVE PROVISIONS

SEC. 303. (a) PERSONNEL.—(1) The Commission may appoint such personnel, including a Staff Director, as the Commission deems necessary without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and such personnel may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but no individual so appointed shall be paid in excess of the rate authorized for GS–18 of the General Schedule.

(2) The Commission is authorized to obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

(b) HEARINGS; QUORUM.—(1) The Commission or, with the authorization of the Commission, any committee thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings and sit and act at such times and such places within the United States as the Commission or such committee may deem advisable.

(2) Six members of the Commission shall constitute a quorum, but a lesser number of two or more may conduct hearings.

(c) CONSULTATION.—In carrying out its duties under the Act, the Commission shall consult with Gallaudet University, the National Technical Institute for the Deaf, other programs and agencies serving or representing the interests of deaf people, other Federal agencies, representatives of State and local governments, State and local educational agencies, and private organizations to the extent feasible.

(d) INFORMATION; STATISTICS.—(1) The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality (including the General Accounting Office), information, suggestions, estimates, and statistics for the provisions of this title. Each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed, to the extent permitted by law, to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman.

(2) For the purpose of securing necessary data and information the Commission may enter into contracts with universities, research institutions, foundations, and other competent public or private agencies.

(e) AGENCY COOPERATION.—(1) The heads of all Federal agencies are, to the extent not prohibited by law, directed to cooperate with the Commission in carrying out this title.

(2) The Commission is authorized to utilize, with their consent, the services, personnel, information, and facilities of other Federal, State, local and private agencies with or without reimbursement.

(f) GIFTS.—The Commission is authorized to accept in the name of the United States, grants, gifts, or bequests of money for immediate disbursement in furtherance of the functions of the Commission. Such grants, gifts, or bequests, after acceptance by the Commission shall be paid by the donor or the representative of the donor to the Treasurer of the United States whose receipts shall be their acquittance. The Treasurer of the United States shall enter the gifts in a special account to the credit of the Commission for the purposes in each case specified.

COMPENSATION OF MEMBERS

SEC. 304. (a) UNITED STATES OFFICER AND EMPLOYEE MEMBERS.—Members of the Commission who are officers or full-time employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States; but they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

(b) PUBLIC MEMBERS.—Members of the Commission who are not officers or full-time employees of the United States shall receive compensation at a rate equal to the daily equivalent of the pay rate specified for GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day (including traveltime) during which such members are engaged in the actual performance of duties vested in the Commission. In addition, such members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

TITLE IV—GENERAL PROVISIONS

DEFINITIONS

SEC. 401. As used in this Act—

(1) The term "Board of Trustees" means (unless the context requires otherwise) the Board of Trustees of Gallaudet University established under section 103.

(2) The term "construction" includes construction and initial equipment of new buildings, and expansion, remodeling, and alteration of existing buildings and equipment thereof, including architect's services, but excluding off-site improvements.

(3) The term "elementary school" means a school which provides education for deaf children from the age of onset of deafness to age fifteen, inclusive, but not beyond the eighth grade or its equivalent.

(4) The term "Institute" means the National Technical Institute of the Deaf.

(5) The term "institution of higher education" means an educational institution in any State or in the District of Columbia which (A) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, (B) is legally authorized within such State (or in the District of Columbia) to provide a program of education beyond secondary education, (C) provides an educational program for which it awards a bachelor's degree, (D) includes one or more professional or graduate schools, (E) is a public or nonprofit private institution, and (F) is accredited by a nationally recognized accrediting agency or association. For the purpose of this clause, the Secretary shall publish a list of nationally recognized accrediting agencies or associations which the Secretary determines to be reliable authority as to the quality of training offered.

(6) The term "secondary school" means a school which provides education in grades nine through twelve, inclusive.

(7) The term "Secretary" means the Secretary of Education.

GIFTS

SEC. 402. (a) GALLAUDET UNIVERSITY.—Gallaudet University is authorized to receive by gift, devise, bequest, purchase, or otherwise, property, both real and personal, for the use of said Gallaudet University, or for the use of any of its departments or other units as may be designated in the conveyance or will, and to hold, invest, use, or dispose of such property for the purpose stated in the conveyance or will.

(b) NATIONAL TECHNICAL INSTITUTE FOR THE DEAF.—The National Technical Institute for the Deaf is authorized to receive by gift, devise, bequest, purchase, or otherwise, property, both real and personal, for the use of said Institute, or for the use of any of its programs as may be designated in the conveyance or will, and to hold, invest, use, or dispose of such property for the purpose stated in the conveyance or will.

AUDIT

SEC. 403. (a) GENERAL ACCOUNTING OFFICE AUTHORITY.—All financial transactions and accounts of the corporation or institution of higher education, as the case may be, in connection with the expenditure of any moneys appropriated by any law of the United States—

(1) for the benefit of Gallaudet University or for the construction of facilities for its use; or

(2) for the benefit of the National Technical Institute for the Deaf or for the construction of facilities for its use,

shall be settled and adjusted in the General Accounting Office.

(b) INDEPENDENT AUDIT.—Gallaudet University and the institution of higher education operating the National Technical Institute for the Deaf shall have an independent audit made of the programs and activities of the University and of the Institute, as the case may be.

REPORTS

SEC. 404. (a) GALLAUDET UNIVERSITY.—The Board of Trustees of Gallaudet University shall annually prepare and submit a report to the Secretary as soon as practicable after the first day of October of each year the condition of the corporation, including—

(1) the number of students of each description received and discharged during the preceding school year and the number remaining;

(2) the branches and type of training and education taught and progress made therein;

(3) a statement showing the receipts of said corporation and from what sources; and

(4) its expenditures and for what objects.

(b) NATIONAL TECHNICAL INSTITUTE FOR THE DEAF.—The Board of Trustees or other governing body of the institution of higher education with which the Secretary has an agreement under section 202 shall prepare and transmit to the Secretary a report on the activities of the Institute, pursuant to the agreement under section 202(b)(3).

(c) MONITORING AND EVALUATION REPORT.—The Secretary, as part of the annual report required under section 426 of the Department of Education Organization Act, shall include a description of the monitoring and evaluation activities pursuant to section 405, together with such recommendations, including recommendations for legislation, as the Secretary deems necessary.

MONITORING AND EVALUATION ACTIVITIES

SEC. 405. The Secretary shall conduct monitoring and evaluation activities of the education programs and activities and the administrative operations of Gallaudet University and of the National Technical Institute for the Deaf. In carrying out the responsibilities described in this section, the Secretary is authorized to employ such consultants as may be necessary pursuant to the provisions of section 3109 of title 5, United States Code.

PROJECT OFFICER FOR EDUCATIONAL PROGRAMS FOR THE DEAF

SEC. 406. Not later than thirty days after the date of enactment of this Act, the Secretary shall appoint a project officer in the Office of Special Education and Rehabilitation Services of the Department of Education from among individuals who have experience and expertise in the education of the deaf to have responsibility for programs authorized by this Act. The project officer shall report directly to the Secretary. The project officer shall—

(1) coordinate the activities of Gallaudet University, the National Technical Institute for the Deaf, and other postsecondary educational programs for the deaf under the Education of the Handicapped Act and the Rehabilitation Act of 1973 to insure the provision of quality education to deaf individuals and avoid unnecessary duplication;

(2) review and comment on plans and other materials submitted by Gallaudet University and the National Technical Institute of the Deaf relating to research and demonstration activities, outreach activities, dissemination of information activities, technical assistance, and development of instructional materials; and

(3) assist in the preparation of budget requests with respect to programs authorized by this Act.

OVERSIGHT AND EFFECT OF AGREEMENTS

SEC. 407. (a) OVERSIGHT ACTIVITIES.—Nothing in this Act shall be construed to diminish the oversight activities of the Committee on Labor and Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives with respect to any agreement entered into between the Secretary of Education and Gallaudet University, and the institution of higher education with which the Secretary has an agreement under title II.

(b) CONSTRUCTION OF AGREEMENTS.—The agreements described in subsection (a) of this section shall continue in effect, insofar such agreements are not inconsistent with the provisions of this Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 408. (a) GALLAUDET UNIVERSITY.—There are authorized to be appropriated—

(1) $65,300,000 for the fiscal year 1987;

(2) $69,000,000 for the fiscal year 1988;

(3) $73,100,000 for the fiscal year 1989;

(4) $77,400,000 for the fiscal year 1990; and

(5) $82,000,000 for the fiscal year 1991,

to carry out the provisions of the Act, relating to—

(A) Gallaudet University,

(B) part B of title I, relating to Kendall Demonstration Elementary School, and

(C) part C of title I, relating to the model secondary school for the deaf.

(b) NATIONAL TECHNICAL INSTITUTE FOR THE DEAF.—There are authorized to be appropriated—

(1) $33,700,000 for the fiscal year 1987;

(2) $35,700,000 for the fiscal year 1988;

(3) $37,800,000 for the fiscal year 1989;

(4) $40,000,000 for the fiscal year 1990; and

(5) $42,400,000 for the fiscal year 1991,

to carry out the provisions of title II, relating to the National Institute for the Deaf.

(c) COMMISSION ON EDUCATION FOR THE DEAF.—There are authorized to be appropriated such sums as may be necessary, but not more than $1,000,000 to carry out the provisions of title III, relating to the Commission on Education of the Deaf. Sums appropriated pursuant to this subsection shall remain available until expended or until the

termination of the Commission, whichever first occurs.

REPEALS

SEC. 409. (a) GALLAUDET COLLEGE.—The Act entitled "To amend the charter of the Columbia Institution for the Deaf, change its name, define its corporate powers, and provide for its organization and administration, and for other purposes", approved June 18, 1954 (other than section 9) is repealed.

(b) KENDALL DEMONSTRATION ELEMENTARY SCHOOL.—The Act entitled "To modify and enlarge the authority of Gallaudet College to maintain and operate the Kendall School as a demonstration elementary school for the deaf to serve primarily the National Capital region, and for other purposes", approved December 24, 1970, is repealed.

(c) MODEL SECONDARY SCHOOL FOR THE DEAF.—The Model Secondary School for the Deaf Act is repealed.

(d) NATIONAL TECHNICAL INSTITUTE FOR THE DEAF.—The National Technical Institute for the Deaf Act is repealed.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the bills were passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

COMBINED FEDERAL CAMPAIGN EFFORT

Mr. SIMPSON. Mr. President, just very quickly let me recognize the efforts of my colleagues. Each year in the Senate we have a major fundraising drive to assist in the financial support of over 300 volunteer agencies operating locally, nationally, and around the world.

This year, thanks to the inspiration and energetic work of the Senate combined Federal Campaign "Keyworkers," and especially, Gigi Taggart of my staff who acted as coordinator of this effort on my behalf, the Senate surpassed its goal of $90,000.

As Senate Chairman of the Combined Federal Campaign, I made a personal promise to the National Chairperson of the Combined Federal Campaign, Secretary of Transportation Elizabeth Dole, that the Senate would make a determined effort to reach our goal. We exceeded our predetermined goal for the campaign by raising, to date, $96,000 for the Combined Federal Campaign—the most successful such effort in the history of the Senate. It was, indeed, a most stirring sight to observe the Senate achieve 106 percent of its target.

Mr. President, I pay my deep respects to our fine Majority Leader BOB DOLE, and to the able Minority Leader, Senator BYRD, for their fine efforts on behalf of the campaign. I do thank them for their assistance in reaching this remarkable goal.

Allow me to once again extend my sincerest appreciation to all those who gave of themselves in order to "Give Somebody a Chance," which was the theme of this year's effort. Indeed, all of my colleagues did give somebody a chance and this gives me a chance to thank them all deeply for their participation. It was the spirit of voluntarism in its finest form.

It is the kind of activity we all used to do in our other lives and to do it here now I think is most appropriate.

THE IMPORTANCE OF VOLUNTEER SERVICES

Mr. DECONCINI. Mr. President, I am pleased to be a cosponsor of Senate Concurrent Resolution 136 offered by my distinguished colleague, Senator GRASSLEY, to express the sense of Congress that experience in volunteer work should be taken into account by the Federal Government, State and local governments, charitable and service organizations, and private employers in the consideration of applicants for employment, and that provision should be made for a listing and description of volunteer work on employment application forms.

Americans have a long history of voluntarism providing services and assistance to our needy citizens. Voluntary organizations, made up of people from all walks of life, have fed the hungry, aided the elderly, read to the blind and made toys for children. Volunteers have filled in when a helping hand was needed by anyone of any race, color, or creed, both here and abroad.

At least one out of two American adults, in some individual or group way, volunteers a good part of his or her time to cope with a crisis or unmet need in the community where he or she lives. This is evidenced by such activities as the Peace Corps, ACTION, Vista, Farm Aid, Hands Across America and so on.

Mr. President, persons who engage in various volunteer work are estimated to provide over $65 billion in services to the people and communities of these United States. I, for one, think that this experience in volunteer service should be taken into account by the local, State and Federal governments, charitable and civic organizations, and private employers in the consideration of applications for employment, and that provisions should be made for the description of such work on the application forms.

Volunteer service is generally referred to as an contribution of time without monetary pay. Historically, it has been thought of as a regular commitment to schools, museums, churches, social service agencies, nursing homes, hospitals, and other civil organizations which provide needed services. More recently volunteer service has included assistance by informal self-help groups such as neighborhood "watches" to reduce crime, hot/line operations for drug abuse, activities for political change, cleaning a neighborhood park and other "grass roots" advocacy and community improvement activities. Volunteer service also may be a one-time action such as helping an elderly shut-in or selling items for a school fund raiser.

According to a survey by the Gallup Organization, an estimated 84 million Americans aged 13 and over volunteered in 1980 for many nonprofit organizations, groups, and individuals. This represents many "manpower-hours" and deserves to be reorganized as important, valuable work. This country would be a lot less well off if it were not for the millions of persons who donate their time and money to make life a little better for those who are in need.

Mr. President, the Gallup poll also reveals that most often the volunteer is an adult woman. Since an increasing number of women are now joining the job market, I feel that it is extremely important for them to translate their voluntary experiences into appropriate consideration by their prospective employers.

We must continue to find innovative ways to recruit volunteers and encourage employers to support and promote voluntary participation for meeting many of our public needs. I strongly feel that recognition of voluntary service, by males or females, on employee applications will stimulate initiative and involvement in our community social and cultural services and that is the purpose of this resolution. Volunteer-dependent nonprofit organizations often experience difficulty in recruiting volunteers as a result of the changing trends and economic conditions in our country today. Therefore, I urge my fellow colleagues to support this resolution to help sustain our voluntary manpower in America, and I commend Senator GRASSLEY for offering it.

CALL TO CONSCIENCE

Mr. BENTSEN. Mr. President, some human tragedies do not make headlines. Sometimes chronic problems fade into the background as we try to deal with acute crises.

I want to add my voice to the Congressional Call to Conscience on Soviet Jews so that we will not forget or neglect those long-suffering people, and so that they will know the depth and breadth of our concern.

Time and again in recent years, Congress has spoken with forceful unanimity on this matter. Last year, shortly before the Reagan-Gorbachev summit, we wrote to the President urging him to use "every available

means," including the arms control negotiations talks with the Soviets, to promote the cause of freedom for Soviet Jews. We also enacted legislation which calls upon the Soviet Union to "allow thousands of Jews who wish to emigrate, or to be repatriated to their homeland, and who have requested exit permits to leave the U.S.S.R. this year," and to pledge to deal expeditiously with future requests.

We have spoken, but our pleas have gone unheeded. Regrettably, the Soviet Union has continued its repressive policies. Jewish emigration remains only a trickle— a low of 47 in March and merely 1,140 during all of 1985. The new leadership seems firmly commited to the old policies of denying its citizens the basic human rights of religious practice and freedom of emigration.

The freeing of Anatoly Shcharansky proved to be a singular event. We have not yet been able to celebrate the long-sought release of Andrei Sakharov, Ida Nudel, and thousands of others who continue to suffer, their petitions to leave denied.

Until Soviet Jews can enjoy their fundamental freedoms, either in their native land or abroad, we must continue to speak out on their behalf. And so long as they suffer Soviet repression, we must reassure them that we remember * * * we care * * * and we hope.

CEREMONY COMMEMORATING VICTIMS OF THE HOLOCAUST

Mr. BYRD. Mr. President, I was privileged today to be asked to speak at a most moving ceremony commemorating the victims of the Holocaust.

I ask unanimous consent that my remarks delivered at the Holocaust memorial service be included in the RECORD at this point.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR ROBERT C. BYRD AT HOLOCAUST MEMORIAL SERVICE

Distinguished guests, today the Congress of the United States pauses in its deliberations to take part in "Days of Remembrance of Victims of the Holocaust," which this year occurs May 4-11.

As we briefly lay aside the problems and promises confronting our Nation today to memorialize the supreme tragedy of more than 40 years ago, there are no more appropriate locations in which to do this than here in the Capitol rotunda.

This rotunda is a symbol of all that the unspeakable crimes of the Holocaust tried to eliminate—human rights, individual liberties, the independence of nations living in freedom. Our holding of this ceremony here symbolizes the ultimate triumph of these values—which other democratic nations also cherish—over the unspeakable negation of those principles embodied by the Holocaust.

Today we gather here to remember those who died during this period of the greatest evil of modern history. We gather to give solace to those who survived and to those who lost loved ones.

We gather to honor those who resisted—by force of arms or by strength of will—and those who helped others to resist and escape mass extermination.

Finally, we gather to condemn those who stood by to permit these atrocities and those who committed them.

The memories of the Holocaust are painful, especially to those who suffered through it and to those whose family members did not survive. These memories are frightening to the generations which did not live at that time, and which are trying to understand how such horrible crimes against humanity could occur, and could be allowed to occur.

As painful as these memories are, however, they must be remembered, so that all who hear them might resolve that such evil never again will occur.

Today's ceremony is part of this process of mourning and remembrance, and of rededication by all of us—as individuals and as a nation—to respect and defend human rights and human liberties.

By this rededication, we pay the highest tribute to those victims of the Holocaust whom we remember today.

SOUTH CAROLINA GENERAL ASSEMBLY PASSAGE OF CONCURRENT RESOLUTION, ENDORSING PRESIDENT REAGAN'S ACTION AGAINST LIBYAN LEADER, MU'AMMAR QADHAFI

Mr. THURMOND, Mr. President, I would like to call the attention of my colleagues to a concurrent resolution recently passed by the South Carolina General Assembly commending President Reagan for his courageous and decisive action in response to Libyan terrorism sponsored by its infamous leader, Colonel Mu'ammar Qadhafi.

I am extremely proud that my State has responded in this manner, showing enthusiastic support for our President, as well as an understanding that terrorism is an evil to be challenged at every level of government.

These State legislators are to be commended for introducing this most timely and important resolution, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

A CONCURRENT RESOLUTION COMMENDING PRESIDENT RONALD REAGAN FOR HIS COURAGEOUS AND DECISIVE ACTION TO PREEMPT AND DISCOURAGE THE LIBYAN TERRORISM SPONSORED BY ITS INFAMOUS LEADER, COLONEL MU'AMMAR QADHAFI

Whereas, Colonel Mu'ammar Qadhafi has used his country of Libya to encourage, equip, direct, and train a despicable and contemptible network of terrorists; and

Whereas, from the supposed sanctity of his Libyan redoubt he has issued threats of impending worldwide terrorism, particularly singling out the United States of America and its citizens; and

Whereas, the President of the United States, sensing the danger to world peace, safety, security, and freedom, ordered a surgical strike against terrorist encampments and training areas in Libya; and

Whereas, The President's deliberative action to exorcise this cancer from the civilized world is endorsed by the thoughtful and concerned citizens of this State. Now, therefore, be is

Resolved by the House of Representatives, the Senate concurring, That the members of the General Assembly of the State of South Carolina commend President Ronald Reagan for his courageous and decisive action to preempt and discourage the Libyan terrorism sponsored by its infamous leader, Colonel Mu'ammar Qadhafi.

MFA LETTER AND MARCH 1986 IMPORTS

Mr. THURMOND. Mr. President, today 69 of my Senate colleagues joined me in sending a letter to President Reagan urging him to strengthen and more aggressively implement the Multi-Fiber Arrangement [MFA]. The MFA is an international agreement which regulates world trade in textiles and apparel. Negotiations are underway on a new MFA to replace the current agreement which expires on July 31, 1986. A stronger, more effective MFA is necessary to prevent further job losses, restore lost jobs, increase capital investment and stimulate production in the domestic textile and apparel industry.

In our letter, we urged the President to include in the new MFA a provision to limit the rate of import growth in the rate of domestic market growth. That policy is consistent with the commitment President Reagan made to me in 1980 and reaffirmed in 1982. Also we said in our letter that importing countries, such as the United States, should be able to reduce trade levels from major exporting countries. This is necessary to allow small countries increased world market access and to prevent the markets of our domestic producers from being constantly eroded. In addition, we stated that measures to combat quota fraud must be established which would allow importing countries to take unilateral action against those engaging in such practices. The unilateral action should allow countries to reduce imports to levels which would have existed but for such illegal activities.

Mr. President, 70 Members of the U.S. Senate signed the MFA letter to the President because we recognize the importance of a more efficient and effective textile trade policy. In the House, 302 Members have signed a similar letter as well.

Over 2 million hard-working Americans in all 50 States are employed by this vital industry and another 2 million are employed in related areas. One out of every 10 manufacturing jobs in our Nation are in this industry which the Defense Department ranks second only to steel in importance to national defense. Our status as a world

power hinges on a strong manufacturing base. Steps must be taken to ensure the survival of our textile and apparel production sector.

Mr. President, the Commerce Department recently released textile and apparel import figures for the month of March. I wish they indicated good news for our beleaguered domestic industry. Unfortunately, they constitute more bad news. In fact, the March level of textile and apparel represents the second highest monthly level ever recorded. Imports in March of this year were up 21.6 percent over March of last year. For the first quarter of 1986, textile and apparel imports are up 25.6 percent over the first quarter of 1985. Textile imports alone increased 33 percent in this same time period.

Mr. President, textile and apparel imports are absolutely out of control. Our domestic industry cannot survive if these import surges are allowed to continue. It is imperative that strong action be taken to preserve jobs in this vital industry. I urge the administration to work to strengthen the MFA by pushing for the elements we outlined in our letter to President Reagan.

Mr. President, I ask unanimous consent that the letter to President Reagan from myself and 69 other Senators be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, May 5, 1986.

The President,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: In recognition of the serious trade problem facing the textile, apparel and fiber industry, Congress passed last year the Textile and Apparel Trade Enforcement Act as a legislative solution. We are convinced that there must be decisive action in 1986 to solve this pressing domestic problem. It is in this context that Congress will consider your veto of H.R. 1562.

Our objective is the same as that which you stated in your repeated commitment: To relate import growth from all sources to domestic market growth. That can be done legislatively and through the forceful implementation of all provisions of a new Multi-Fiber Arrangement (MFA).

In your veto message you promised "to most aggressively renegotiate the Multi-Fiber Arrangement." The negotiation of a new MFA offers an important opportunity to address these concerns. Your Administration has already indicated that it will seek a new MFA with provisions to include all types of fibers, and to prevent damaging import surges. Notwithstanding these initiatives, and at a bare minimum, the following additional elements must be added to the current MFA:

The MFA should recognize the validity of a policy of preserving strong domestic fiber, textile and apparel industries by limiting import growth to domestic market growth and must permit importing countries to take measures necessary to accomplish that goal.

Importing countries should be provided the ability to impose measures that reduce trade levels from those countries predominant in exporting textiles and apparel so that new entrants and small countries will have increased market opportunities, and the markets of domestic producers will not be constantly eroded.

Measures to combat quota fraud must be established which allow importing countries to take unilateral action penalizing those engaging in such practices and reducing imports to levels which would have existed but for such practices.

Furthermore, we believe that the Administration's textile trade program can be improved immediately through enforcement of U.S. rights under the terms of the current MFA. The stated policy of your Administration is to relate import growth to domestic market growth, and to that end, the following actions are needed:

Renegotiate bilateral agreements with foreign countries to establish overall limits on fiber, textile and apparel imports, and to significantly reduce the market share held by major foreign suppliers.

Establishment of quotas under the MFA and bilateral agreements at minimum permitted levels as soon as the market disruption criteria established in your announcement of December 16, 1983 are met.

Forceful and timely use of the MFA, coupled with implementation of a new enforcement program to guarantee control by the United States Government.

All these steps are necessary to prevent further job losses, to restore lost jobs, to increase capital investment and to stimulate domestic production by the natural and man-made fiber, textile and apparel industries, and related industries dependent on this important manufacturing and agricultural complex.

Respectfully,

Ernest F. Hollings, Jesse Helms, George Mitchell, Sam Nunn, Howell Heflin, Strom Thurmond, Daniel P. Moynihan, John Warner, Mack Mattingly, Bill Cohen, John Heinz, Thomas Eagleton, Chris Dodd, Paula Hawkins, Warren B. Rudman, Albert Gore, John H. East, Al Simpson, Bill Armstrong, Chuck Grassley, Mitch McConnell, John Glenn, Arlen Specter, Edward M. Kennedy, Paul Trible, Thad Cochran, Paul Sarbanes, Claiborne Pell, Alfonse D'Amato, Bob Dole, Orrin Hatch, John Chafee, Jake Garn, Wendell Ford, Jim Sasser, Jay Rockefeller, Bill Roth, William Proxmire, Lowell Weicker, James A. McClure, Joe Biden, Carl Levin, Paul Laxalt, John Kerry, Robert Byrd, Robert Kasten, Jeremiah Denton, Charles McC. Mathias, Pete Domenici, Don Riegle, Howard Metzenbaum, Dale Bumpers, Frank Lautenberg, Lloyd Bentsen, John Stennis, Ted Stevens, Bennett Johnston, Paul Simon, Patrick Leahy, Dennis DeConcini, Larry Pressler, Quentin Burdick, Lawton Chiles, Alan Dixon, Jack Danforth, David Pryor, Tom Harkin, Russell Long, John Melcher and Max Baucus.

MOTHER'S DAY, 1986

Mr. PRESSLER. Mr. President, May 11 is Mother's Day and I believe it would be very appropriate to take notice in the U.S. Senate of this annual observance. Every one of us is a son or a daughter, and I am sure that many of my colleagues could testify on the way their careers were shaped by the support and guidance of their parents.

Many things have changed in recent decades, but the family is still the bulwark of American society. The early comfort and guidance we receive at home shapes our lives irrevocably. We like to think that on the family farms and in the small towns and cities of South Dakota, family values are especially well-preserved.

This Capitol is filled with statues of great men and paintings of heroic deeds. The contribution made by the millions of women who spent their lives raising and teaching their families is much harder to depict in a sculpture or fresco, yet it is no less important.

When we hear talk of the future, we tend to think of satellites or high technology. It is worth remembering that every mother literally creates and shapes the future. We should pay more attention to the people who nurtured us, and who are even now caring for the men and women who will be running the country when we have all retired.

Each year I make it my practice to send a Mother's Day note of recognition to the mothers of my staff members, both in Washington and in my South Dakota State offices. I do this because my constituents and I expect and obtain a high standard of performance from the people who work in the office of the senior Senator from South Dakota. The character and training that prepares people for demanding jobs on Capitol Hill must largely come from family and community influences.

This year I would like to offer a tribute to America's mothers here on the floor of the U.S. Senate. There may be no marble memorial in Washington for them, but the result of their work and sacrifice is all around us.

MESSAGES FROM THE HOUSE

At 2:23 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 381. An act for the relief of Mishleen Earle.

The message also announced that the House has passed the following bill and joint resolution, in which it requests the concurrence of the Senate:

H.R. 1207. An act to award a special gold medal to the family of Harry Chapin; and

H.J. Res. 609. Joint resolution to designate May 5 through 11, 1986, as "Public Service Recognition Week".

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

H.R. 739. An act to make miscellaneous changes in laws affecting the United States Coast Guard, and for other purposes;

H.R. 4022. An act to release restrictions on certain property located in Calcasieu Parish, Louisiana, and for other purposes;

S.J. Res. 284. Joint resolution to designate the month of May 1986 as "Better Hearing and Speech Month";

S.J. Res. 285. Joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "National Osteoporosis Awareness Week of 1986";

S.J. Res. 289. Joint resolution to designate 1988 as the "Year of New Sweden" and to recognize the New Sweden 1988 American Committee; and

S.J. Res. 293. Joint resolution to designate the month of May 1986 as "National Child Safety Month".

H.J. Res. 544. Joint resolution to designate May 7, 1986, as "National Barrier Awareness Day"; and

H.J. Res. 569. Joint resolution to designate May 8, 1986, as "Naval Aviation Day".

The enrolled bills and joint resolutions were subsequently signed by the President pro tempore [Mr. THURMOND].

MEASURES REFERRED

The following joint resolution was read the first and second times by unanimous consent, and referred as indicated:

H.J. Res. 609. Joint resolution to designate May 5 through 11, 1986, as "Public Service Recognition Week"; to the Committee on the Judiciary.

ENROLLED JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, May 6, 1986, she had presented to the President of the United States the following enrolled joint resolutions:

S.J. Res. 284. Joint resolution to designate the month of May 1986 as "Better Hearing and Speech Month";

S.J. Res. 285. Joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "National Osteoporosis Awareness Week of 1986";

S.J. Res. 289. Joint resolution to designate 1988 as the "Year of New Sweden" and to recognize the New Sweden 1988 American Committee; and

S.J. Res. 293. Joint resolution to designate the month of May 1986 as "National Child Safety Month".

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-654. Joint resolutions adopted by the Legislature of the State of Montana; to the Committee on Agriculture, Nutrition, and Forestry.

"HOUSE JOINT RESOLUTION NO. 2

"Whereas, the Montana agricultural economy is under severe financial stress due to low commodity prices, drought, reduced exports, continuing high interest rates, and declining land values; and

"Whereas, the number of farm foreclosures in Montana during 1985 reached a level not seen since the Great Depression; and

"Whereas, many agriculture-related businesses in Montana communities are going out of business, reflecting the financial problems of farmers and ranchers in this state; and

"Whereas, the current financial crisis in agriculture poses serious problems for Montana financial lenders; and

"Whereas, many of Montana's agricultural producers currently face a severe shortage of operating capital; and

"Whereas, Congress could improve the capacity of financial lenders to make agricultural credit available to farmers and ranchers by expanding the Farmers Home Administration loan guarantee and interest rate buydown programs; and

"Whereas, many small, rural community businesses depend upon low interest financing through the Small Business Administration; and

"Whereas, agricultural land values, which have declined as much as 50% in the last 5 years, could be stabilized by creation of a secondary market for farm real estate similar to the secondary markets established by Congress for the housing industry. Now, therefore, be it

"Resolved by the Senate and the House of Representatives of the State of Montana: That the Legislature of the State of Montana urge the United States Congress to enact temporary legislation to help agricultural borrowers and lenders survive the current financial crisis in Montana agriculture. Be it further

"Resolved, that Congress: (1) expand the Farmers Home Administration loan guarantee and interest rate buydown programs; (2) preserve the guaranteed loan program administered by the Small Business Administration to assist businesses in rural farm communities; and

"(3) create a secondary market for farm real estate to stabilize agricultural land values. Be it further

"Resolved, that the Secretary of State send a copy of this resolution to the President of the United States, the Speaker of the United States House of Representatives, the President of the United States Senate, and to each member of the Montana Congressional Delegation."

"HOUSE JOINT RESOLUTION NO. 3

"Whereas, legislation has been introduced in the United States Congress to impose an excise tax on imported oil; and

"Whereas, in hearing S. 1507, S. 1997, and H.R. 3838, the Congress is considering imposition of an excise tax between $5 and $10 per barrel on imported crude oil; and

"Whereas, it is estimated that a $10-per-barrel import oil tax would add 24 cents to the price of each gallon of petroleum fuel; and

"Whereas, a $10 import oil tax would result in approximately $36 million in increased costs for energy and petroleum products purchased by Montana farmers and ranchers; and

"Whereas, Montana farmers and ranchers cannot add production cost increases, such as an oil import tax, to the price of their products because individually they do not have sufficient market power to set prices; and

"Whereas, the increased costs of production resulting from an oil import tax would be borne by Montana farmers and ranchers; and

"Whereas, depressed commodity prices and increased production costs have reduced net farm income, threatening the financial survival of many Montana farmers and ranchers; and

"Whereas, an oil import tax would further reduce net farm income by raising production costs and thereby make an already critical financial situation in agriculture even worse. Now, therefore, be it

"Resolved by the Senate and the House of Representatives of the State of Montana: That the Legislature of the State of Montana urgently request the United States Congress not to enact legislation imposing an excise tax on imported crude oil. Be it further

"Resolved, that the Secretary of State send a copy of this resolution to the President of the United States, the Speaker of the United States House of Representatives, the President of the United States Senate, and the Montana Congressional Delegation."

POM-655. A resolution adopted by the Senate of the State of Michigan; to the Committee on Armed Services:

"Whereas, The people of Michigan share with citizens throughout the United States a strong commitment to peace in the world. The trend in stockpiling nuclear weapons by the United States and the Soviet Union is a very real and serious threat not only to peace, but to the future of humankind; and

"Whereas, Since the advent of the atomic age, the world's two principal powers have acted upon a policy of mutual assured destruction. The fear of nuclear conflagration has left its imprint on many aspects of our life and governmental policies; and

"Whereas, In recent years, however, tremendous technological advances have made it possible to turn to satellites and advanced systems as a means of neutralizing the threat which has imperiled our planet for more than a generation. This concept of mutual assured survival is often referred to as "High Frontier" technology, through which satellites would intercept and destroy nuclear missiles targeted at the United States or its allies. The "High Frontier" technology, where weapons would be used solely for defensive purposes against other weapons, is non-nuclear strategic defensive initiative which could also serve to deter the use of nuclear weapons. The implementation of such a system would not require our present retaliatory capabilities to be abandoned. Instead, it would reflect a commitment to the development of technology that would destroy weapons and not lives, using means other than nuclear devices; now, therefore, be it

"Resolved by the Senate, That the members of this legislative body hereby memorialize the Congress of the United States to endorse the concept of mutual assured survival and to pursue the "High Frontier" technology as a method of eliminating the threat to world peace caused by the proliferation of nuclear weapons; and be it further.

"Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United State House of Representatives, and to the members of the Michigan congressional delegation."

POM-656. A joint resolution adopted by the Legislature of the State of Minnesota; to the Committee on Energy and Natural Resources:

"RESOLUTION

"Whereas, the Mississippi River traverses ten states and has a profound impact on the commerce, tourism, and manufacturing in those states; and

"Whereas, the river's course is abundant in historical sites, natural areas, wildlife refuges, industrial sites, population centers, and other areas that are integral to our national heritage; and

"Whereas, it is appropriate that the federal government undertake significant efforts to retain, enhance, and interpret, for present and future generations, the cultural, historical, natural, recreational, and economic resources of the corridor that are consistent with industrial and economic growth; and

"Whereas, the Congress of the United States is considering the Mississippi River National Heritage Corridor Act of 1986 that, if adopted, will ensure that the above activities in the corridor will be instituted; Now, therefore, be it

"Resolved by the Legislature of the State of Minnesota that it urges the Congress of United States to immediately enact, and the President of the United States approve, the Mississippi River National Heritage Corridor Act of 1986. Be it further

"Resolved that the Secretary of State of the State of Minnesota is directed to prepare certified copies of this memorial and transmit them to the President of the United States, the President and Secretary of the United States Senate, the Speaker and Chief Clerk of the United States House of Representatives, and to Minnesota's Senators and Representatives in Congress."

POM-657. A resolution adopted by the Round Lake Area School Board of Education, Round Lake, Illinois, opposing certain provisions of H.R. 3838; to the Committee on Finance.

POM-658. A resolution adopted by the President and Board of Trustees of the Garden Homes Sanitary District, Cook County, Illinois, opposing certain provisions of H.R. 3838; to the Committee on Finance.

POM-659. A resolution adopted by the Common Council of the City of Gary, Indiana, opposing certain provisions of H.R. 3838; to the Committee on Finance.

POM-660. A resolution adopted by the Board of Education of School District No. 74, Lincolnwood, Illinois, opposing certain provisions of H.R. 3838; to the Committee on Finance.

POM-661. A resolution adopted by the City Council of Berea, Ohio, supporting the continued exemption of interest on municipal bonds from taxation; to the Committee on Finance.

POM-662. A resolution adopted by the Highland Park School District, Highland Park, Illinois, opposing certain provisions of H.R. 3838; to the Committee on Finance.

POM-663. A resolution adopted by the Township Committee on Bernards, New Jersey, opposing certain provisions of H.R. 3838; to the Committee on Finance.

POM-664. A joint resolution adopted by the Legislature of the State of Maine; to the Committee on Finance.

"JOINT RESOLUTION MEMORIALIZING THE UNITED STATES CONGRESS TO INTRODUCE AND SUPPORT CERTAIN SANCTION INITIATIVES AGAINST SOUTH AFRICA

"We, your Memorialists, the House of Representatives and Senate of the State of Maine of the One Hundred and Twelfth Legislature, now assembled in the Second Regular Session, most respectfully present and petition the Members of the United States Congress, as follows:

"Whereas, South Africa's apartheid is unjust and immoral and an affront to humanity; and

"Whereas, the State of Maine is outraged and affronted by the atrocities in South Africa; and

"Whereas, much can be accomplished by the United States Senate and House of Representatives; now, therefore, be it

"Resolved: That We, your Memorialists, do hereby respectfully urge our United States Senate and House of Representatives to introduce and support sanction initiatives against South Africa, including those which may be introduced in the new Congress to limit the landing rights of South African Airways in the United States and to limit the freedom from double taxation which permits United States corporations to operate in South Africa; and be it further

"Resolved: That a copy of this Joint Resolution, duly authenticated by the Secretary of State, be transmitted by the Secretary of State to the President of the Senate and the Speaker of the House of Representatives in the United States Congress and to each Member of the Maine Congressional Delegation."

POM-665. A resolution adopted by the American Association of University Women opposing any reduction in United States contributions to the United Nations; to the Committee on Foreign Relations.

POM-666. A resolution adopted by the City Council of Berea, OH, favoring the recognition of June 21, 1986 as "Save American Industry/Jobs Day"; to the Committee on the Judiciary.

POM-667. A concurrent resolution adopted by the Legislature of the Commonwealth of Pennsylvania; to the Committee on the Judiciary.

"RESOLUTION

"Whereas, The Pennsylvania Liquor Control Board is the largest single purchaser of wine and liquor in the United States; and

"Whereas, The Pennsylvania Liquor Control Board should be entitled to a price reduction from suppliers for its large-volume purchases; and

"Whereas, "Price affirmation" is a national policy that requires each supplier of wine and liquor to guarantee that its prices are no higher than the lowest price charged elsewhere in the state or nation; and

"Whereas, The Pennsylvania Liquor Control Board must participate in the affirmation process to protect its purchases against higher prices; and

"Whereas, The affirmation policy affords Pennsylvania no price reductions for volume sales; and

"Whereas, The Pennsylvania Liquor Control Board has tried to resolve the affirmation problem through court action; therefore be it

"Resolved (the House of Representatives concurring), That the General Assembly request that the United States Department of Justice Antitrust Division begin to investigate and develop a solution to the affirmation problem, and that the Congress of the United States enact legislation to end this policy; and be it further

"Resolved, That copies of this resolution be transmitted to the United States Department of Justice, to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania."

POM-668. A joint resolution adopted by the Legislature of the Commonwealth of Virginia; to the Committee on Agriculture, Nutrition, and Forestry:

"HOUSE JOINT RESOLUTION No. 108

"Whereas, current federal regulations for food stamp programs require a combination of prospective and retrospective budgeting methods to determine eligibility and grant amount; and

"Whereas, since irregular income is very common, the prospective method of anticipating income frequently results in an incorrect calculation of earnings that requires constant grant adjustments once income is known; and

"Whereas, this system is complex, prone to error and very difficult for clients to understand in order to provide the information needed for proper calculation; and

"Whereas, while budget calculation is a complex area of eligibility determination and no method is without problems, the operation could be simplified; and

"Whereas, federal regulations require that a food stamp recipient complete a monthly report of any changes in circumstances or be subject to loss of income disregards or program eligibility; and

"Whereas, providing the forms to all recipients and processing such is an expensive endeavor, but the Department of Social Services has sought and received a waiver which requires that only certain recipients report; and

"Whereas, this waiver was based on the states' quality control findings which substantiated that for certain recipients every ten cents saved cost ninety cents in administrative dollars; and

"Whereas, because monthly reporting becomes a condition of eligibility for only specified cases, states are required to adhere to massive federal control and regulation which result in program complexity and an inaccurate reflection of a state's actual performance level; and

"Whereas, in order to add or delete other groups from monthly reporting the states must seek additional waivers, which cost a great deal in terms of staff hours and money lost during the application process; and

"Whereas, the requirement addressed here is the structured monthly report, and any change would in no way affect the requirement of reporting changes in circumstances by recipients; now therefore, be it

"Resolved by the House of Delegates, the Senate concurring, That the General Assembly of the Commonwealth of Virginia does hereby memorialize the Congress of the United States to take whatever steps necessary to enable Virginia to develop a simpler, more appropriate budgeting method for determining food stamp eligibility; and, be it

"Resolved further, That the General Assembly of the Commonwealth of Virginia does also memorialize the United States Congress to take the necessary steps to remove monthly reporting as a condition of eligibility, thereby allowing states the administrative flexibility to use monthly reporting as a tool for error reduction based

on its quality control findings or other data sources and administrative cost information with no intervention from the federal level; and, be it

"Resolved finally, That the Clerk of the House of Delegates transmit copies of this resolution to the United States Department of Agriculture, the Speaker of the United States House of Representatives, the President of the United States Senate and to all members of the Virginia delegation to the United States Congress in order that they may be apprised of the sense of the General Assembly."

POM-669. A joint resolution adopted by the Legislature of the Commonwealth of Virginia; to the Committee on Finance:

"HOUSE JOINT RESOLUTION No. 23

"Whereas, each year fires are responsible for the loss of thousands of lives and millions of dollars in damage to valuable property; and

"Whereas, a large portion of these deaths will be caused by uncontrolled fires in commercial and residential properties; and

"Whereas, a majority of these deaths and most of the property damage might be prevented by technology which is now on the market; and

"Whereas, many property owners would utilize this technology if tax incentives existed for the installation of fire suppression systems; and

"Whereas, currently the Congress of the United States is revising the federal tax laws; now, therefore, be it

"Resolved by the House of Delegates, the Senate concurring, That the General Assembly of Virginia does hereby memorialize the Congress of the United States to provide in the revised federal tax laws an incentive to property owners who install fire suppression systems in accordance with Standards 13 and 13D of the National Fire Protection Association in their commercial and residential properties by allowing a ten percent tax credit on the cost of these systems or by designating these systems as short-life depreciable items; and, be it

"Resolved further, That the Clerk of the House of Delegates transmit copies of this resolution to each member of the Virginia Congressional Delegation, the Speaker of the House of Representatives, the President of the United States Senate, and the President of the United States."

POM-670. A joint resolution adopted by the Legislature of the Commonwealth of Virginia; to the Committee on Finance:

HOUSE JOINT RESOLUTION No. 91

"Whereas, current federal regulations for Aid to Dependent Children (ADC) require a combination of prospective and retrospective budgeting methods to determine eligibility and grant amount; and

"Whereas, since irregular income is very common, the prospective method of anticipating income frequently results in an incorrect calculation of earnings that requires constant grant adjustments once income is known; and

"Whereas, this system is complex, prone to error and very difficult for clients to understand in order to provide the information needed for proper calculation; and

"Whereas, while budget calculation is a complex area of eligibility determination and no method is without problems, the operation could be simplified; and

"Whereas, federal regulations require that certain Aid to Dependent Children (ADC) recipients complete a monthly report of any changes in circumstances or be subject to loss of income disregards or program eligibility; and

"Whereas, because monthly reporting becomes a condition of eligibility for only specified cases, states are required to adhere to massive federal control and regulation which result in program complexity and an inaccurate reflection of a state's actual performance level; and

"Whereas, in order to add to or delete groups from the monthly reporting process the states must first amend the federally approved state plan which then subjects states to extensive federal oversight to assure compliance of a procedure which states should be allowed to use as a simple management tool; and

"Whereas, the requirement addressed here is the structured monthly report, and any change would in no way affect the requirement of reporting changes in circumstances by recipients; now, therefore, be it

"Resolved by the House of Delegates, the Senate concurring, That the General Assembly of the Commonwealth of Virginia does hereby memorialize the Congress of the United States to take whatever steps necessary to enable Virginia to develop a simpler, more appropriate budgeting method for determining ADC eligibility and grant amounts; and, be it

"Resolved further, That the General Assembly of the Commonwealth of Virginia does also memorialize the United States Congress to take the necessary steps to remove monthly reporting as a condition of eligibility, thereby allowing states the administrative flexibility to use monthly reporting as a tool for error reduction based on its quality control findings or other data sources and administrative cost information with no intervention from the federal level; and, be it

"Resolved finally, That the Clerk of the House of Delegates transmit copies of this resolution to the United States Department of Health and Human Services, the Speaker of the United States House of Representatives, the President of the United States Senate and to all members of the Virginia delegation to the United States Congress in order that they may be apprised of the sense of the General Assembly."

POM-671. A resolution adopted by the Township Committee of Bernards, NJ, opposing certain provisions of H.R. 3838; to the Committee on Finance.

POM-672. A resolution adopted by the Executive Committee of the Federal Bar Association, opposing certain provisions of H.R. 3838; to the Committee on Finance.

POM-673. A resolution adopted by the Commission of the City of Coral Gables, FL, favoring the adoption of tax reform provisions contained in S. 2166; to the Committee on Finance.

POM-674. A resolution adopted by the Legislature of the State of Connecticut; to the Committee on Finance.

"SUBSTITUTE HOUSE JOINT RESOLUTION No. 40

"Whereas, Connecticut was the first state in the nation to begin operating an enterprise zone program; and

"Whereas, Connecticut's enterprise zone program has been very successful in promoting economic development, job creation and the revitalization of inner-city areas; and

"Whereas, Congress is currently considering federal enterprise zone legislation; and

"Whereas, state enterprise zones would be far more successful if such federal legislation were enacted, due to the greater impact of federal tax and regulatory incentives that would be available under such legislation; and

"Whereas, the two largest organizations of elected officials, the National League of Cities and the U.S. Conference of Mayors, as well as business and job training organizations, have endorsed proposed federal enterprise zone legislation; now, therefore, be it

"Resolved, That this general assembly calls upon the Congress of the United States to enact enterprise zone legislation;

"Be it further resolved, That copies of this resolution be sent to the Speaker and the Clerk of the United States House of Representatives, the President and the Secretary of the United States Senate, and to each member of the Connecticut Congressional delegation."

POM-675. A resolution adopted by the House of Representatives of the State of Oklahoma; to the Committee on Foreign Relations:

"RESOLUTION No. 1046

"Whereas, the occurrence of terrorist attacks throughout the world have been steadily increasing during recent times; and

"Whereas, such terrorist attacks are barbarous and cruel and result in the unjustifiable deaths and injuries of innocent people and the damage and destruction of property; and

"Whereas, such a terrorist attack occurred on April 5, 1986, by the explosion of a bomb in a West Berlin disco which was a popular meeting place for United States military personnel stationed in West Berlin; and

"Whereas, as a result of such terrorist attack, two people were killed, including United States Army Sergeant Kenneth Ford, and 230 others were wounded, of wnich 50 were United States military personnel; and

"Whereas, the United States Government has precise and irrefutable evidence linking Libyan leader Moammar Khadafy directly to the terrorist bombing in West Berlin; and

"Whereas, on the basis of such evidence, President Ronald Reagan ordered the military forces of the United States to attack the headquarters and terrorist facilities of Moammar Khadafy which are located in Libya on April 15, 1986, in order to defend and protect the citizens of the United States located throughout the world, now, therefore, be it

"Resolved by the House of Representatives of the 2nd session of the 40th Oklahoma Legislature That the Oklahoma House of Representatives supports and commends the decisions and actions of the President of the United States, Ronald Reagan and the Congress of the United States to defend the citizens of this country by initiating limited military actions against precise targets in Libya which comprise the infrastructure of the worldwide terrorist network of Moammar Khadafy.

"That copies of this resolution be dispatched to the President of the United States, the President Pro Tempore of the United States Senate, the Speaker of the United States House of Representatives and the members of the Oklahoma Congressional Delegation."

POM-676. A joint resolution adopted by the Legislature of the Commonwealth of Virginia; to the Committee on the Judiciary:

"HOUSE JOINT RESOLUTION No. 21

"Whereas, on September 28, 1781, the siege on the seaport of Yorktown, which was occupied by British General, Lord Charles Cornwallis, began; and

"Whereas, General George Washington, commanding the war-weary Continental Army, with the able assistance of the French Admiral, Count de Grasse, diligently began his advance upon the British troops; and

"Whereas, on the morning of October 17, 1781, the British asked for an armistice and later surrendered 7,247 British officers and soldiers and 840 seamen at Yorktown and Gloucester Point; and

"Whereas, following this historic surrender only sporadic fighting continued throughout the Colonies, and this decisive victory signaled to all that America had won her struggle for freedom; and

"Whereas, the Victory at Yorktown marks a significant historical event for this great nation in its struggle for independence; now therefore, be it

"Resolved by the House of Delegates, the Senate concurring, That the General Assembly of Virginia hereby memorializes the Congress of the United States to establish October 19th as a national day of observance known as Yorktown Day and as such commemorated appropriately, including the notation on calendars; and, be it

"Resolved further, That the Clerk of the House of Delegates transmit copies of this resolution to the Speaker of the United States House of Representatives, the President of the United States Senate and to the members of the Virginia Delegation to the Congress of the United States in order that they may be apprised of the sense of the General Assembly."

POM-677. A joint resolution adopted by the Legislature of the Commonwealth of Virginia; to the Committee on Labor and Human Resources:

"HOUSE JOINT RESOLUTION No. 44

"Whereas, significant portions of land within the Commonwealth are owned, leased, and controlled by the United States Government; and

"Whereas, this land cannot be taxed by the Commonwealth or by local governmental units; and

"Whereas, the activities on this land generate the need for state and federal mandated services; and

"Whereas, for the past thirty years the federal government has compensated local school districts for educational services provided to children of parents who work on federal lands; and

"Whereas, the timely and equitable payment for educational services is necessary if those services are to be provided without charging tuition; and

"Whereas, reauthorization of Public Law 874 will be considered in the current session of the Congress; now, therefore, be it

"Resolved by the House of Delegates, the Senate concurring, That the General Assembly hereby requests the Congress of the United States to reauthorize the Impact Aid law for a period not exceeding four years, to include fully funding "A" category pupils; fully funding only military "B" pupils who live in-county at fifty percent of the rate for "A" pupils; fully funding Section 3(d)2(B), which compensates districts with fifty percent or more federally connected pupils; and fully funding Section 2, which provides assistance to school divisions with large amounts of federal tax exempt property."

POM-678. A resolution adopted by the State Delgations to the White House Conference on Small Business in support of the U.S. Small Business Administration; to the Committee on Small Business.

POM-679. A resolution adopted by the House of Representatives of the Commonwealth of Pennsylvania; to the Committee on Veterans' Affairs.

HOUSE RESOLUTION No. 262

"Whereas, Nothing is as essential to a free society as the individuals who went to war to protect the rights and liberties of themselves as well as others; and

"Whereas, Many Americans became POW's and they represent a segment of our society which must never by neglected or forgotten; therefore be it

"Resolved, That the House of Representatives of the Commonwealth of Pennsylvania memorialize the President and the United States Congress to enact H.R. 864, which will increase veterans' benefits for former prisoners of war; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LUGAR, from the Committee on Foreign Relations, without amendment, and unfavorably:

S.J. Res. 331. Joint resolution prohibiting the proposed sale of integrated avionics systems kits to the People's Republic of China (with additional views) (Rept. No. 99-293).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PACKWOOD, from the Committee on Finance:

William L. Roper, of Alabama, to be Administrator of the Health Care Financing Administration;

J. Michael Hudson, of Texas, to be a Deputy Under Secretary of the Treasury.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SYMMS (for himself, Mr. STAFFORD, Mr. BENTSEN, Mr. BURDICK, and Mr. ABDNOR):

S. 2405. A bill to authorize appropriations for certain highways in accordance with title 23, United States Code, and for other purposes; to the Committee on Environment and Public Works.

By Mr. THURMOND:

S. 2406. A bill to amend Title 18, United States Code; to the Committee on the Judiciary.

By Mr. HATCH:

S. 2407. A bill entitled "The Animal Drug Amendments and Patent Term Restoration Act of 1986."; to the Committee on Labor and Human Resources.

By Mr. CRANSTON (for Mr. BAUCUS, (for himself, Mr. CRANSTON, and Mr. BINGAMAN)):

S. 2408. A bill entitled the "Antidumping Act of 1986"; to the Committee on Finance.

By Mr. HATCH (for himself, and Mr. RUDMAN):

S. 2409. A bill to amend the Legal Services Corporation Act to authorize appropriations for 3 fiscal years, to strengthen the provisions of that Act, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. BAUCUS (for himself, and Mr. GRASSLEY):

S. 2410. A bill to amend the Social Security Act to provide for improved treatment of small rural hospitals and sole community hospitals under title XVIII and XIX of such Act, and for other purposes; to the Committee on Finance.

By Mr. D'AMATO:

S. 2411. A bill to prohibit possession, manufacture, sale, importation, and mailing of ballistic knives; to the Committee on the Judiciary.

By Mr. McCLURE (for himself, Mr. WALLOP, Mr. GOLDWATER, Mr. HECHT, and Mr. LAXALT):

S. 2412. A bill to withdraw and reserve certain public lands; to the Committee on Energy and Natural Resources.

By Mr. BENTSEN:

S. 2413. A bill to provide that the judicial conferences of each circuit be convened at the discretion of the chief judge of such circuits; to the Committee on the Judiciary.

By Mr. THURMOND (for himself, Mr. METZENBAUM, Mr. KENNEDY, Mr. BIDEN, and Mr. MOYNIHAN):

S. 2414. A bill to amend title 18, United States Code; considered and passed.

By Mr. HART:

S. 2415. A bill to prohibit any Member of Congress from being closely associated with any charitable organization which does not publicly disclose certain information, to establish an advisory panel to recommend solutions concerning unregulated campaign expenditures by such organizations, and for other purposes; to the Committee on Rules and Administration.

By Mr. SIMPSON (for Mr. MURKOWSKI (for himself, Mr. CRANSTON, Mr. SIMPSON, Mr. THURMOND, Mr. SPECTER, Mr. DENTON, Mr. BOSCHWITZ, Mr. DECONCINI, Mr. ROCKEFELLER, Mr. WILSON, and Mr. ABDNOR)):

S. 2416. A bill to revise further the limitation applicable to chapter 37 of title 38, United States Code, for fiscal year 1986, for the purpose of implementing any order issued by the President for such fiscal year under any law providing for the sequestration of new loan guarantee commitments; considered and passed.

By Mr. HATCH:

S.J. Res. 339. A joint resolution to designate the week of November 30, 1986, through December 6, 1986, as "National Home Care Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. CHILES (for himself, Mr. MOYNIHAN, Mr. DURENBERGER, Mr. HECHT, Mr. ROCKEFELLER, Mr. WEICKER, Mr. PRESSLER, Mr. BINGAMAN, Mr. GORTON, Mr. INOUYE, and Mr. DODD):

S. Res. 395. A resolution expressing the sense of the Senate that the deduction for State and local taxes be retained; to the Committee on Finance.

By Mr. DURENBERGER:

S. Res. 396. A resolution honoring the Steger International Polar Expedition; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SYMMS (for himself, Mr. STAFFORD, Mr. BENTSEN, Mr. BURDICK, and Mr. ABDNOR):

S. 2405. A bill to authorize appropriations for certain highways in accordance with title 23, United States Code, and for other purposes; to the Committee on Environment and Public Works.

(The remarks of Mr. SYMMS and Mr. BURDICK and the text of the legislation appear earlier in today's RECORD.)

By Mr. THURMOND:

S. 2406. A bill to amend title 18, United States Code; to the Committee on the Judiciary.

(The remarks of Mr. THURMOND and the text of the legislation appear earlier in today's RECORD.)

By Mr. HATCH:

S. 2407. A bill entitled the "Animal Drug Amendments and Patent Term Restoration Act of 1986"; to the Committee on Labor and Human Resources.

ANIMAL DRUG AMENDMENTS AND PATENT TERM RESTORATION ACT

Mr. HATCH. Mr. President, I am pleased to introduce today the Animal Drug Amendments and Patent Term Restoration Act of 1986, S. 2407. This legislation holds great promise for both consumers and producers. It encourages the production of generic animal health products, lowers the cost of producing our food supply, and provides innovative patent holders with fair and equitable relief for time lost during the Government product approval process.

Two years ago, when we enacted the Drug Price Competition and Patent Term Restoration Act of 1984, we hoped to reduce health care costs by encouraging competition in the human pharmaceutical industry and providing an incentive for pioneer pharmaceutical companies to continue their efforts in research and development. The experience with that act to date more than justifies our hopes. That act has already resulted in a number of important—and less expensive—generic drugs being made available; it has heightened competition and investment; and it has provided patent term restoration for several pioneer products. I expect that the Animal Drug Amendments and Patent Term Restoration Act will have the same effect in the animal health industry. As we are well aware, the farmers and ranchers who produce our food have been experiencing hard economic times. By helping to stimulate competition in the animal health industry, the bill I introduce today should bring down their costs. It would do so at no cost to the U.S. Treasury and with evenhanded treatment of pioneer pharmaceutical companies who have taken great risks in improving the technology in this area.

I believe that this bill is needed at least as much as the bill we passed 2 years ago. In the sphere of human pharmaceuticals, legal constraints limited the FDA generally from being able to approve generic equivalents of drugs whose patents had expired unless very expensive and unnecessary repeat testing was performed. An identical if not greater problem exists for animal drugs. My bill will remedy that inequity without compromising the interests of the innovative sector.

We worked long and hard 2 years ago to produce a human generic drug law that provided great benefits to consumers, but also was fair to both sides—generic manufacturers and research-based companies. This bill simply extends to animal drugs and veterinary biological products the same balance that was struck in 1984. Pioneer manufacturers will enjoy patent restoration for time lost during product review, generic manufacturers will be able to seek FDA approval for drugs, they cannot now readily and inexpensively get approved, and farmers, ranchers, and the public will enjoy the benefits of enhanced competition and lower prices. Even pet owners will benefit from lower-priced veterinary products.

I urge my colleagues to join me in supporting this important legislation, and ask that the text of the bill be reprinted in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2407

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Animal Drug Amendments and Patent Term Restoration Act of 1986".

TITLE I— ANIMAL DRUG AMENDMENTS

SEC. 101. Section 512(b) of such Act (21 U.S.C. 360(b)) is amended by inserting "(1)" after "(b)", by designating clauses (1) through (8) as (A) through (H), respectively, and by adding at the end the following:

"The applicant shall also file with the application the patent number and the expiration date of any patent which claims the drug for which the applicant submitted the application or which claims a composition containing such drug, or which claims a method of using such drug, and with respect to which a claim of patent infringement could reasonably be asserted if a person not licensed by the owner engaged in the manufacture, use, or sale of the drug. If an application is submitted under this subsection for a drug and a patent which claims such drug, or a composition containing such drug, or a method of using such drug is issued after the date of submission but before approval of the application, the applicant shall amend the application to include the information required by the preceding sentence.

"(2) Any person may file with the Secretary an abbreviated application for the approval of a new animal drug. For purposes of this section, an "abbreviated application" means any application submitted under this subsection that does not contain the information required by subparagraphs (A), (G) and (H) of paragraph (1), or that contains such information relied on by the applicant for the approval of the application but such information was not information derived either from investigations, studies or tests conducted by or for the applicant or for which the applicant had obtained a right or reference or use (disclosed to the Secretary) from the person by or for whom the investigations, studies or tests were conducted.

"(3)(A) An abbreviated application for a new animal drug shall contain—

"(i) information to show that the conditions of use (including any withdrawal period, residue, tolerance, or similar limitation whether in labeling or published pursuant to section 512(i)) prescribed, recommended, or suggested in the labeling proposed for the new animal drug have been previously approved for a drug whose approval has been published pursuant to section 512(i) (hereafter in this subsection referred to as a "listed animal drug');

"(ii)(I) if the listed animal drug referred to in clause (i) has only one active ingredient, information to show that the active ingredient of the new animal drug is the same as that of the listed animal drug;

"(II) if the listed animal drug referred to in clause (i) has more than one active ingredient, or is permitted to be used with another animal drug or drugs in animal feed, information to show that the active ingredients of the new animal drug, or the permitted uses with other drugs, are the same as those of the listed animal drug, or

"(III) if the listed animal drug referred to in clause (i) has more than one active ingredient or permitted uses with other animal drugs, and if one of the active ingredients of the new animal drug, or proposed uses with other animal drugs, is different and the application is filed pursuant to the approval of a petition filed under subparagraph (C), information to show that the other active ingredients of the new animal drug are the same as the active ingredients of the listed animal drug, information to show that either the different active ingredient is an active ingredient of another approved animal drug or of an animal drug which does not meet the requirements of section 201(w), or the proposed new uses are with other listed animal drugs or drugs that do not meet the requirements of section 201(w), and such other information respecting the different active ingredient or combi-

nation with respect to which the petition was filed as the Secretary may require;

"(iii) information to show that the route of administration, the dosage form, and the strength of the new animal drug are the same as those of the listed animal drug referred to in clause (i) or, if the route of administration, the dosage form, or the strength of the new animal drug is different and the application is filed pursuant to the approval of a petition filed under subparagraph (C), such information respecting the route of administration, dosage form, or strength with respect to which the petition was filed as the Secretary may require;

"(iv) information to show that the new animal drug is bioequivalent to the listed animal drug referred to in clause (i) with respect to the conditions of use in one major species of animal as defined in 21 C.F.R. § 514.1(d)(a)(ii) in which that animal drug is approved and the new animal drug is proposed to be used, and meets any criteria established by the Secretary with respect to the approved animal drug referred to in clause (i) concerning the use of active ingredients that are part of an uncharacterized mixture, except that if the application is filed pursuant to the approval of a petition filed under subparagraph (C), information to show that the active ingredients of the new animal drug are of the same pharmacological or therapeutic class as those of the approved animal drug referred to in clause (i) and the new animal drug can be expected to have the same therapeutic effect as the approved animal drug when used in accordance with the labeling referred to in clause (i); A new animal drug shall be considered to be bioequivalent to a listed animal drug if—

"(I) the rate and extent of absorption of the drug do not show a significant difference from the rate and extent of absorption of the listed animal drug when administered at the same molar dose of the active ingredient under similar experimental conditions in either a single dose or multiple doses;

"(II) the extent of absorption of the new animal drug does not show a significant difference from the extent of absorption of the listed animal drug when administered at the same molar dose of the active ingredient under similar experimental conditions in either a single dose of multiple doses and the difference from the listed animal drug in the rate of absorption of the drug is intentional, is reflected in its proposed labeling, is not essential to the attainment of effective drug concentrations in use, and is considered scientifically insignificant for the drug in attaining the intended purposes of its use and preserving human food safety;" or "(III) where the Secretary finds that the measurement of the rate and extent of absorption or excretion of the new animal drug in biological or excretion of the new animal drug in biological fluids is inappropriate or impractical, an appropriate acute pharmacological effects test, or other test, of the new animal drug and the listed animal drug in the target species, or in the appropriate animal model, does not show a significant difference between the new animal drug and the listed animal drug when administered at the same molar dose under similar experimental conditions; in the event that bioequivalency data do not establish a withdrawal period, the Secretary can require a tissue residue study to establish the withdrawal period, and the assay methodology used is such a study need be no more rigorous than the methodology for the listed drug.

"(v) information to show that the labeling proposed for the new animal drug is the same as the labeling approved for the listed animal drug referred to in clause (i) except for changes required because of differences approved under a petition filed under subparagraph (C) or because the new animal drug and the listed animal drug are produced or distributed by different persons;

"(vi) the items specified in clauses (B) through (F) of subsection (b)(1); and

"(vii) a certification, that in the opinion of the applicant and to the best of his knowledge, with respect to each patent which claims the listed animal drug referred to in clause (i), or which claims a composition containing such listed animal drug, or which claims a use for such approved animal drug, for which the applicant is seeking approval under this subsection and for which information is required to be filed under subsection (b)(1) or (c)(2)—

"(I) that such patent information has not been filed,

"(II) that such patent has expired,

"(III) of the date on which such patent will expire, or

"(IV) that such patent is invalid or will not be infringed by the manufacture, use, or sale of the new animal drug for which the application is submitted.

The Secretary may not require that an abbreviated application contain information in addition to that required by clauses (i) through (vii).

"(B)(i) An applicant who makes a certification described in subparagraph (A)(vii)(IV) of this subsection shall include in the application a statement that the applicant will, not later than ten days after submission of the application, give the notice required by clause (ii) of this subsection to—

"(I) each owner of the patent which is the subject of the certification or the representative of such owner (*e.g.*, licensee) designated to receive such notice, and

"(II) the holder of the approved application under subsection (b)(1) for the drug which is claimed by the patent, or the composition containing such drug claimed by the patent, or the use of which is claimed by the patent, or the representative of such holder designated to receive such notice.

"(ii) The notice referred to in clause (i) of this subsection shall state that an application, which contains data from bioequivalence studies, has been submitted under this subsection for the drug with respect to which the certification is made to obtain approval to engage in the commercial manufacture, use, or sale of such drug before the expiration of the patent referred to in the certification. Such notice shall include a detailed statement of the factual and legal basis of the applicant's opinion that the patent is invalid or will not be infringed.

"(iii) If an application is amended to include a certification described in subparagraph (A)(vii)(IV), the notice required by clause (ii) shall be given when the amended application is submitted.

"(C)(i) If a person wants to submit an abbreviated application for a new animal drug which has a different active ingredient or whose route of administration, dosage form, strength, use with other animal drugs, tolerance, withdrawal period, or other use restriction differ from that of an approved animal drug referred to in clause (i), such person shall submit a petition to the Secretary seeking permission to file such an application. The Secretary shall approve or disapprove a petition submitted under this subparagraph within ninety days of the date the petition is submitted. The Secretary shall approve such a petition unless the Secretary finds—

"(I) that field investigations must be conducted to show the safety and effectiveness of the animal drug or of any of its active ingredients, the route of administration, the dosage form, strength, the use with other animal drugs, the tolerance, the withdrawal period, or any other use restrictions which differ from the approved animal drug; or

"(II) that any animal drug with a different active ingredient (including an active ingredient that is part of an uncharacterized mixture) or use with another animal drug may not be adequately evaluated for approval as safe and effective on the basis of the information required to be submitted in an abbreviated application."

AMENDMENTS TO SECTION 512(C)

SEC. 102. (a) Section 512(c) of such Act (21 U.S.C. 360b(c)) is amended by inserting "(1)" after "(c)", by redesignating clauses (1) and (2) as clauses (A) and (B), respectively, and by adding at the end the following:

"(2) If the patent information described in subsection (b)(1) could not be filed with the submission of an application under subsection (b)(1) because the application was filed before the patent information was required under subsection (b)(1) or a patent was issued after the application was filed under such subsection, the holder of an approved application shall file with the Secretary, prior to the approval of the application, the patent number and the expiration date of any patent which claims the drug for which the application was submitted, or which claims a composition containing such drug, or which claims a method of using such drug, and with respect to which a claim of patent infringement could reasonably be asserted if a person not licensed by the owner engaged in the manufacture, use, or sale of the drug. If the holder of an approved application could not file patent information under subsection (b)(1) because no patent had been issued when an application was approved, the holder shall file such information under this subsection no later than thirty days after the date the patent involved is issued."

(b) Section 512(c)(1)(A) of such Act, as redesignated, is amended by inserting "the applicable paragraph of" immediately following "for denying approval specified in."

(c) The following paragraph is added at the end of subsection (c):

"(3) An order issued pursuant to paragraph (1)(A) of this subsection (c), approving an application submitted under subsection (b)(2), shall be made effective on the last applicable date determined under the following:

"(A) If the applicant only made a certification described in subclause (I) or (II) of subsection (b)(3)(A)(vii) or in both such subclauses, the approval shall be made effective immediately.

"(B) If the applicant made a certification described in subclause (III) of subsection (b)(3)(A)(vii), the approval shall be made effective on the date certified under subclause (III).

"(C) If the applicant made a certification described in subclause (IV) of subsection (b)(3)(A)(vii), the approval shall be made effective immediately unless an action is brought for infringement of a patent which is the subject of the certification before the expiration of forty-five days from the date the notice provided under subsection (b)(3)(B)(i) is received. If such an action is brought before the expiration of such days,

the approval shall be made effective upon the expiration of the thirty-month period beginning on the date of the receipt of the notice provided under subsection (b)(3)(B)(i) or such shorter or longer period as the court may order because either party to the action failed to reasonably cooperate in expediting the action, except that

"(i) if before the expiration of such period the court decides that such patent is invalid or not infringed, the approval shall be made effective on the date of the court decision, or

"(ii) if before the expiration of such period the court decides that such patent has been infringed, the approval shall be made effective on such date as the court orders under section 271(e)(4)(A) of title 35, United States Code.

"In such an action, each of the parties shall reasonably cooperate in expediting the action. Until the expiration of forty-five days from the date the notice made under subsection (b)(3)(B)(i) is received, no action may be brought under section 2201 of title 28, United States Code, for a declaratory judgment with respect to the patent. Any action brought under section 2201 shall be brought in the judicial district where the defendant has its principal place of business or a regular and established place of business.

"(D) If the application contains a certification described in subclause (IV) of subsection (b)(3)(A)(vii) and is for an animal drug for which a previous application has been submitted under this section containing such a certification, the application shall be made effective not earlier than one hundred and eighty days after—

"(i) the date the Secretary receives notice from the applicant under the previous application of the first commercial marketing of the animal drug under the previous application, or

"(ii) the date of a decision of a court in an action described in subparagraph (C) holding the patent which is the subject of the certification to be invalid or not infringed, whichever is earlier.

"(E)(i) If an application submitted under subsection (b)(1) for an animal drug, no active ingredient (including any ester or salt of the active ingredient) of which has been approved in any other application under subsection (b)(1), is approved after the date of the enactment of this paragraph, no application may be submitted under subsection (b)(2) which refers to the drug for which the subsection (b)(1) application was submitted before the expiration of five years from the date of the approval of the application under subsection (b)(i), except that such an application may be submitted under subsection (b)(2) after the expiration of four years from the date of the approval of the subsection (b)(i) application if it contains a certification of patent invalidity or noninfringement described in subclause (IV) of subsection (b)(3)(A)(vii). The approval of such an application shall be made effective in accordance with subparagraph (C) of this subsection (c)(3) except that, if an action for patent infringement is commenced during the one-year period beginning forty-eight months after the date of the approval of the subsection (b)(1) application, the thirty-month period referred to in subparagraph (C) shall be extended by such amount of time (if any) which is required for seven and one-half years to have elapsed from the date of approval of the subsection (b)(1) application.

"(ii) If an application (which includes any supplement to such application) submitted under subsection (b)(1) for an animal drug, which includes an active ingredient (including any ester or salt of the active ingredient) for use in the same or a different species or class of animals, i.e., nonfood producing, ruminant, swine, or poultry, as has been approved in another application submitted under subsection (b)(1), is approved after the date of enactment of this paragraph and if the application contains reports of new investigations (other than bioequivalency studies) essential to the new approval of the application and conducted or sponsored by the applicant, the Secretary may not make the approval of an application (including any supplement to such application) submitted under subsection (b)(2) for the new conditions of approval of such drug in the subsection (b)(1) application effective before the expiration of three years from the date of the approval of the application under subsection (b)(1) for such drug.

"(iii) If an application (other than an abbreviated new animal drug application) submitted under subsection (b)(1), for a new animal drug, no active ingredient (including any ester or salt of the active ingredient) of which has been approved in any other application under subsection (b)(1), was approved during the period beginning on the date which is two years before the enactment date of this subsection and ending on the enactment date of this subection, the Secretary may not make the approval of an application which refers to the animal drug for which the subsection (b)(2) application was submitted effective before the expiration of five years from the date of approval of the application under subsection (b)(1).

AMENDMENTS TO SECTION 512(d)

SEC. 103. (a) Section 512(d)(1) of such Act (21 U.S.C. 360b(d)(1)) is amended by inserting after "finds" the words "with respect to an application filed under subsection (b)(1)"; by inserting "(1)" after "(b)" in subparagraph (A); and by redesignating subparagraphs (G) and (H) as subparagraphs (H) and (I) and inserting after subparagraph (F) the following: "(G) the application failed to contain the patent information prescribed by subsection (b)(1);".

(b) The last sentence of subsection 512(d)(1) of such Act is amended by striking "(H)" and inserting in lieu thereof "(I)".

(c) The following paragraph is added at the end of subsection (d):

"(4) If the Secretary finds with respect to an application filed under subsection (b)(2), after due notice to the applicant in accordance with subsection (c) and giving him an opportunity for a hearing, in accordance with said subsection, that—

"(A) the methods used in, or the facilities and controls used for, the manufacture, processing, and packing of the drug are inadequate to assure and preserve its identity, strength, quality, and purity;

"(B) information submitted with the application is insufficient to show that each of the proposed conditions of use has been previously approved for the listed animal drug referred to in the application;

"(C)(i) if the listed animal drug has only one active ingredient, information submitted with the application is insufficient to show that the active ingredient is the same as that of the listed drug;

"(ii) if the listed animal drug has more than one active ingredient, or permitted uses with other animal drugs, information submitted with the application is insufficient to show that the active ingredients or permitted uses with other animal drugs are the same as those for the listed animal drug, or

"(iii) if the listed animal drug has more than one active ingredient or permitted use with other approved animal drugs in animal feed and if the application is for a new animal drug which has an active ingredient or proposed permitted use different from the listed animal drug, information submitted with the application is insufficient to show—

"(I) that the other active ingredients or permitted uses are the same as for the listed animal drug, or

"(II) that the different active ingredient or proposed use is an active ingredient of, or a proposed use with, a listed animal drug or an animal drug which does not meet the requirements of section 201(w),

or no petition to file an application for the drug with the different ingredient or use was approved under subsection (b)(3)(C);

"(D)(i) if the application is for a drug whose route of administration, dosage form, or strength of the drug is the same as the route of administration, dosage form, or strength of the approved animal drug referred to in the application, information submitted in the application is insufficient to show that the route of administration, dosage form, or strength is the same as that of the approved animal drug, or

"(ii) if the application is for a drug whose route of administration, dosage form, or strength of the drug is different from that of the approved animal drug referred to in the application, no petition to file an application for the drug with the different route of administration, dosage form, or strength was approved under subsection (b)(3)(C);

"(E)(i) if the application is for a drug for which the methods of analysis for residues of such drug or substances formed in or on food from such drug, tolerances, withdrawal periods, or other use restrictions are the same as the methods of analysis, tolerances, withdrawal times and other use restrictions of the listed animal drug referred to in the application, information submitted in the application is insufficient to show that the drug is bioequivalent to the approved animal drug; or

"(ii) if the application is for a drug for which the methods of analysis, tolerances, withdrawal periods or other use restrictions are different from those of the listed animal drug referred to in the application, no petition to file an application for a drug with a different method of analysis, tolerance, withdrawal period or other use restriction was approved under subsection (b)(3)(C);

"(F) if the application was filed pursuant to the approval of a petition under subsection (b)(3)(C), the application did not contain the information required by the Secretary respecting the active ingredient, route of administration, dosage form, strength, method of analysis, tolerance, withdrawal period or other use restriction which is not the same;

"(G) information submitted in the application is insufficient to show that the (i) drug is bioequivalent to the listed animal drug referred to in the application or meets any criteria established by the Secretary for the listed drug concerning active ingredients that are part of an uncharacterized mixture, (ii) the withdrawal period and tolerance are not the same as the listed animal drug referred to in the application; or, (iii) if the application was filed pursuant to a petition approved under subsection (b)(3)(C), information submitted in the application is insuf-

ficient to show that the active ingredients of the new animal drug are of the same pharmacological or therapeutic class as those of the approved animal drug referred to in subsection (b)(3)(A)(i) and that the new animal drug can be expected to have the same therapeutic effect as the listed animal drug when administered to animals for a condition of use referred to in such subsection;

"(H) information submitted in the application is insufficent to show that the labeling proposed for the drug is the same as the labeling approved for the listed animal drug referred to in the application except for changes required because of differences approved under a petition filed under subsection (b)(3)(C) or because the new animal drug and the listed animal drug are produced or distributed by different persons;

"(I) information submitted in the application or any other information available to the Secretary shows that (i) the inactive ingredients of the new animal drug are unsafe for use under the conditions prescribed, recommended, or suggested in the labeling proposed for the drug, or (ii) the composition of the new animal drug is unsafe under such conditions because of the type or quantity of inactive ingredients included or the manner in which the inactive ingredients are included or the failure of components of an uncharacterized mixture to meet the critieria established by the Secretary for the approved animal drug;

"(J) the approval under subsection (c) of the listed animal drug referred to in the application under subsection (b)(2) has been wihdrawn or suspended for grounds described in subparagraphs (A) through (C) of subsection (e)(1); the Secretary has published a notice of opportunity for hearing to withdraw approval of the listed animal drug for grounds described in subparagraphs (A) through (C) of subsection (e)(1); the approval under this section of the listed animal drug referred to in the application under subsection (b)(2) has been withdrawn or suspended under subsection (e)(1) or (3); or the Secretary has determined that the listed animal drug has been withdrawn from sale for safety or effectiveness reasons;

"(K) the application does not meet any other requirement of subsection (b)(3)(A);

"(L) based on a fair evaluation of all material facts, the labeling of the new animal drug is false or misleading in any particular; or

"(M) the application contains an untrue statement of material fact;

he shall issue an order refusing to approve the application. If, after such notice and opportunity for a hearing, the Secretary finds that subparagraphs (A) through (M) do not apply, he shall issue an order approving the application, which shall be made effective on the last applicable date determined under subsection (c)(3)."

AMENDMENTS TO SECTION 512(e)

SEC. 104. (a) Section 512(e) of such act (21 U.S.C. 360b(e)) is amended by redesignating paragraphs (2) and (3) as (4) and (6).

(b) Paragraph (1) of such section is amended (1) by inserting "(1)" after "(b)"; (2) by deleting "(H)" in subparagraph (B) and inserting in lieu thereof "(I)"; (3) by inserting "or" after the semicolon at the end of subparagraph (C); (4) by redesignating subparagraphs (D) and (E) as (A) and (B); and (5) by inserting the following after subparagraph (C):

"(D) the patent information prescribed by subsection (c)(2) was not filed within thirty days after the receipt of written notice from the Secretary specifying the failure to file such information.

"(2) The Secretary shall also, after due notice and opportunity for hearing to the applicant, issue an order withdrawing the approval of an application with respect to any new animal drug under this section if the Secretary finds—

(c) The sentence following paragraph (2)(B) of such section (as redesignated) is designated as paragraph (3), and the words "such application" are deleted and the words "any application approved under subsection (c)" are inserted in lieu thereof in that sentence.

(d) The following paragraph is added following paragraph (4) (as redesignated):

"(5) If an animal drug approved under this section refers in its approved application to a new animal drug the approval of which was withdrawn or suspended for grounds described in subparagraphs (A) through (C) of subsection (e)(1) or which, as determined by the Secretary, has been withdrawn from sale for safety or effectiveness reasons, the approval of the animal drug under this section shall be withdrawn or suspended—

"(A) for the same period as the withdrawal or suspension under subsection (e)(1), or

"(B) if the listed animal drug has been withdrawn from sale, for the period of withdrawal from sale or, if earlier, the period ending on the date the Secretary determines that the withdrawal from sale is not for safety or effectiveness reasons."

AMENDMENTS TO SECTION 512(i)

SEC. 105. Section 512(i) of such Act (21 U.S.C. 360b(i)) is amended (1) by inserting "(1)" after "(b)"; (2) by deleting the words "by notice, which upon publication shall be effective as a regulation,"; (3) by inserting the words", established name of the approved new animal drug and any proprietary name, the patent information submitted under subsections (b)(1) and (c)(2), and any period during which abbreviated applications may not made effective pursuant to subsection (c)(3)(E)," after applicant"; and (4) by deleting the second sentence, and inserting in lieu thereof: "Upon withdrawal of approval of any new animal drug application filed pursuant to subsection (b)(1), or upon its suspension, the Secretary shall forthwith publish in the Federal Register the name and address of the applicant and the established and any proprietary name of the drug, and a brief statement of the statutory basis for the action (or that such withdrawal is at the request of the applicant)."

ADDITIONAL AMENDMENTS

SEC. 106. Section 512 of such Act (21 U.S.C. 360b) is further amended by inserting after subsection (n) the following:

"(o) For purposes of this section, the term 'patent' means a patent issued by the Patent and Trademark Office of the Department of Commerce."

SEC. 107. (a) The Secretary of Health and Human Services shall promulgate, in accordance with the notice and comment requirements of section 553 of title 5, United States Code, such regulations as may be necessary for the administration of section 512 of the Federal Food, Drug, and Cosmetic Act, as amended by sections 101 through 107 of this Act, within one year of the date of enactment of this Act.

(b) During the period beginning sixty days after the date of the enactment of this Act and ending on the date regulations promulgated under subsection (a) take effect, abbreviated new animal drug applications may be submitted in accordance with the provisions of section 314.2 of title 21 of the Code of Federal Regulations and shall be considered as suitable for any drug which has been approved for safety and effectiveness under section 512(c) of the Federal Food, Drug, and Cosmetic Act before the date of the enactment of this Act. If any such provision of section 314.2 is inconsistent with the requirements of section 512 of the Federal Food, Drug, and Cosmetic Act as amended or added by this Act, the Secretary shall consider the application under the applicable requirements of section 512 as amended or added.

SEC. 108. Section 2201(b) of title 28, United States Code, is amended by deleting "section 505" and inserting in lieu thereof "sections 505 and 512".

TITLE II—PATENT EXTENSION

SEC. 201. Section 156 of title 35 of the United States Code is amended as follows:

(a) subsection (c)(2) is amended by deleting the words "and (3)(B)(i)" and inserting in lieu thereof "(3)(B)(i), (4)(B)(i), and (5)(B)(i)."

(b) subsection (d)(1)(C) is amended by inserting after the words "the Secretary of Health and Human Services" the following words "or the Secretary of Agriculture, as appropriate,".

(c) subsection (d)(2)(A) is amended (1) by deleting the words "human drug" and inserting in lieu thereof the words "human or animal drug," (2) by inserting after the words "Federal Food, Drug, and Cosmetic Act," the following words "or the Secretary of Agriculture if the patent claims a veterinary biological product or a method of using or manufacturing such a product and if the product is subject to the Virus-Serum-Toxin Act,".

(d) subsection (d)(2)(B)(i) is amended by deleting the first word of the last sentence and by inserting in lieu thereof the following: "For a product, device or additive subject to the Federal Food, Drug and Cosmetic Act, the" and by adding the following sentence at the end of the subparagraph: "For a product subject to the Virus-Serum-Toxin Act, the Secretary of Agriculture may not delegate the authority to make the determination prescribed by this subparagraph to an office below the Office of the Assistant Secretary for Marketing and Inspection Services."

SEC. 202. Section 156 of title 35 of the United States code is amended as follows:

(a) subsection (f)(1)(A) is amended by deleting the word "human" therefrom.

(b) subsection (f)(1) is amended by adding a new subparagraph "(c)" as follows: "(C) A veterinary biological subject to regulation under the Virus-Serum-Toxin Act."

(c) subsection (f)(2) is amended by deleting the word "human" from the phrase "human drug product" and by inserting following the words "new drug," the words "new animal drug,".

(d) subsection (g) is amended by redesignating subparagraph (4) as subparagraph (6) and by inserting between subparagraph (3) and subparagraph (6), as renumbered, new subparagraphs (4) and (5), as follows:

"(4)(A) In the case of a product which is a new animal drug, the term means the period described in subparagraph (B) to which the limitation described in paragraph (6) applies.

"(B) The regulatory review period for a new animal drug product is the sum of—

"(i) the period beginning on the date an exemption under subsection (j) of section

512 became effective for the approved new animal drug product and ending on the date an application was initially submitted for such animal drug product under section 512, and

"(ii) the period beginning on the date the application was initially submitted for the approved animal drug product under subsection (b) of section 512 and ending on the date after enactment of this section such application was approved under such section."

"(5)(A) In the case of a product which is a veterinary biological, the term means the period described in subparagraph (B) to which the limitation described in paragraph (6) applies."

"(B) The regulatory period for a veterinary biological product is the sum of—

"(i) the period beginning on the date the authority to prepare an experimental biological product under the Virus-Serum Toxin Act became effective and ending on the date an application for a license was submitted under the Virus-Serum-Toxin Act, and

"(ii) the period beginning on the date an application for a license was submitted for approval under the Virus-Serum-Toxin Act and ending on the date after enactment of this section such license was issued."

SEC. 203. Section 271 of title 35, United States Code, is amended as follows:

(a) subsection (e)(1) is amended by deleting in its entirety the language in parentheses and by deleting the period at the end thereof and inserting in lieu thereof the following: "or veterinary biological products."

(b) subsection (e)(2) is amended by deleting the words "under section 505(j) of the Federal Food, Drug, and Cosmetic Act or described in section 505(b)(2) of such Act for a drug" and inserting in their place the words "under a Federal law which regulates the manufacture, use, or sale of drugs or veterinary biological products" and by inserting between the words "sale of a drug" and "claimed in a patent" the words "or veterinary biological products."

By Mr. CRANSTON (for Mr. BAUCUS, for himself, Mr. CRANSTON, and Mr. BINGAMAN):

S. 2408. A bill entitled the "Antidumping Act of 1986"; to the Committee on Finance.

(The remarks of Mr. CRANSTON and Mr. BAUCUS and the text of the legislation appear earlier in today's RECORD.)

By Mr. HATCH (for himself and Mr. RUDMAN):

S. 2409. A bill to amend the Legal Services Corporation Act to authorize appropriations for 3 fiscal years, to strengthen the provisions of that act, and for other purposes; to the Committee on the Labor and Human Resources.

LEGAL SERVICES CORPORATION AMENDMENTS

Mr. HATCH. Mr. President, today Senator RUDMAN and I are introducing a bill which will reauthorize the Legal Services Corporation and provide the statutory basis needed to resolve the troublesome issues which over the last 5 years have so beleaguered the operation of this important Federal program.

It is no secret to this body that the Federal provision of legal aid has not been without controversy. As I have remarked before, both proponents and opponents of the Corporation have been relentless in their attack of one another's opinions during the 1980's. The debate has been noteworthy for its passion if not its product, but too often we did not have before us the necessary factual information needed to discuss this issue accurately.

Since 1983, I have conducted a series of oversight hearings coupled with several GAO investigations on the Corporation. The testimony and the GAO inquiries revealed that while several local programs, such as Utah Legal Services, Inc., have provided a needed, and valuable service to ensure that the poor have access to our legal system:

Millions of dollars in cash and staff-time were spent on the organization of a grassroots political campaign to protect the Corporation and to fight the Reagan administration;

Grantee staff have been able to use Federal funds to pay for thousands of dollars worth of personal expenses;

Millions of dollars were diverted from legal services into real estate purchases and office renovations; and

Some local programs have accumulated huge cash balances at a time when other programs were unable to meet client needs.

Taken in its totality, the testimony revealed that the Federal Legal Aid Program has been and can be abused; that instead of being free of political pressures, the Corporation has been used to finance and implement partisan political objectives; and, that current law is an inadequate deterrent against those who wish to avoid congressional restrictions.

The bill we are introducing today addresses each of these concerns and others without undermining the integrity of the program or the purpose of the Legal Services Corporation Act, as amended. The bill draws heavily from previous congressional efforts to address the problems facing the Corporation. For example, the provisions concerning lobbying by the Corporation and its recipients, training programs authorized by the Corporation, the representation of aliens, the composition of local governing bodies, and the treatment of class actions have been approved by Congress in 1983, 1984, and 1985, as amendments to appropriations bills governing the Corporation. Similarly, language in the bill addressing defunding and refunding of program grantees was taken from the last Legal Services Corporation authorization bill to pass the House of Representatives, H.R. 3480. The bill also contains several new sections, each of which stems from the findings of the committee's inquiry.

Over a decade ago, Congress with great fanfare and acclaim pledged to provide legal assistance free of political pressure. The bill we are introducing today will enable Congress to make good on that promise not just in a few States but throughout the country. The following is a section-by-section explanation of the bill.

Section 1 of the bill establishes the name of the bill as "Legal Services Corporation Amendments of 1986."

Section 2 amends the definition of the term "recipient" in order to create a uniform term for all those receiving financial assistance from the Legal Services Corporation Act.

Section 3 of the bill amends the acts by adding two new subsections. The first subsection prohibits any recipient from hiring an officer or employee of the Corporation, if that officer or employee was personally and substantially involved in any matter dealing with that recipient during employment with the Corporation. In the past, Corporation officials have given large sums of money to organizations which subsequently hired them as employees or officers.

The second subsection defines the Legal Services Corporation and each recipient of funds as an agency of the United States for purposes of creating criminal liability for violations of sections of title 18 of the United States Code dealing with fraud, embezzlement, and conspiracy.

Section 4 of the bill grants the Corporation authority to issue regulations to provide for enforcement of the act, including instances where recipients misuse funds or refuse to take actions against employees who have committed serious violations. Specific enforcement measures include suspension, reduction or termination of financial assistance and the suspension or termination of any employee of the Corporation or a recipient. No suspension or termination of funds is allowed without prior reasonable notice and opportunity for a fair hearing. In addition, the clients of recipients affected by these measures are not to be adversely affected and the Corporation is to insure that their representation is completed in an orderly fashion. Recent problems with grantees, such as the National Clients Council, have highlighted the need for these provisions.

This section would eliminate the current problem of presumptive refunding and grant the Corporation power to move quickly in situations where it determines that a different recipient would provide more economical or effective legal services. The provisions will also encourage recipients to improve service and cooperate with the Corporation in monitoring and evaluation. Quality service is a better basis for awarding a legal aid grant than habit or tradition.

The section also provides that any application for refunding may not be denied without reasonable notice and

opportunity to show cause why such action should not be taken. As was mentioned earlier, this language on defunding and refunding is the same language found in H.R. 3480, the authorization bill passed by the House during the 97th Congress.

Section 5 of the bill amends the act by adding a new subparagraph which prohibits the bringing of class actions against Federal, State or local governments unless first, the project director of the recipient approves the action in accordance with policies established by the governing body of the recipient; second, the relief sought is for the primary benefit of individuals eligible for legal assistance under the act; and, third, prior to filing an action, the project director of the recipient determines that the Government is not likely to change the policy or practice in question, the policy or practice will continue to adversely affect eligible clients, the recipient has given notice of its intention to seek class relief, and the responsible efforts to resolve the matter without litigation have not been successful or would be adverse to the clients. This section also provides that the Corporation's board may supercede these requirements by regulations. This language has been adopted by Congress in the last three appropriations bills; Public Law 98-166, Public Law 98-411, and Public Law 99-180.

Section 6 of the bill prohibits the use of any Corporation funds, personnel or equipment in attempting to affect legislative redistricting or reapportionment at any level of government, as has occurred in the past.

Section 7 of the bill prohibits officers and employees of the Corporation and recipients from intentional indentification of the Corporation or its recipients with any political activity associated with a political party or association, or the campaign of any candidate for public or party office.

Section 8 specifies when a grantee is to pay costs and fees of filing a legal action or accept attorneys fees awarded by the courts. Currently, if a court finds a suit was brought as a form of harassment or was a malicious abuse of legal process the costs and fees are to be paid by the Corporation or the recipient that commenced the action. Under the bill the board of the Corporation would also be empowered to issue regulations dealing with the distribution of attorney's fees received by a recipient when such fees are awarded by the court in an action in which the recipient has participated. The bill provides that the fees will be transferred to the Corporation for distribution among its various grantees, with the primary consideration being made to the State from which fees were derived. There are three exception to this guideline. The recipient is not required to transfer the fees received as a result of a court mandated appointment, the recipient may retain reasonable costs customarily allowed in litigation against an unsuccessful party, and the recipient may retain the actual cost of bringing the action, including the proportion of the compensation of each attorney involved in the action. These regulations will ensure that individual recipients are not collecting twice for the same legal representation.

Section 9 of the bill contains prohibitions against using Corporation funds for lobbying. The section would prevent the use of Federal legal aid funds to be used to influence the outcome of legislation, or to influence the decision of any Member of Congress or other elected government official, unless a client's legal rights are involved and the matter is properly approved. This section contains language identical to that adopted by Congress in appropriation bills Public Law 98-166, Public Law 98-411, and Public Law 99-180.

Section 10 of the bill requires a recipient to devote a substantial amount of its funds to the involvement of private attorneys in the delivery of legal services to eligible clients. The section is necessary to induce compliance with the Corporation's regulations which already require 12½ percent of a recipient's annual field award to be used in private attorney involvement. The section does permit, however, a waiver of the requirement in instances where application would create a substantial burden contrary to the purposes of the act.

Section 11 amends the act to prohibit the use of funds for the dissemination of information advocating particular political activities, labor or anti-labor activities, boycotts, picketing, strikes, and demonstrations. The clause preserves the right of recipients to use the funds to train attorneys and paralegal personnel to provide adequate legal assistance to eligible clients, to advise client's as to the nature of the legislative process or to inform eligible clients of their rights under statute, order or regulation. The language is identical to that used in the last three appropriations bills, Public Law 98-166, Public Law 98-411, and Public Law 99-180.

Section 12 of the bill addresses the provision of legal assistance to aliens. The section requires that an alien be properly admitted as a resident before access to Corporation funds is allowed. Again, the language of this section is identical to that adopted by Congress in the last three appropriations bills, Public Law 98-166, Public Law 98-411, and Public Law 99-180.

Section 13 provides that Corporation funds are not to be used to purchase real estate unless such purchase is approved by a two-thirds vote of the board of the Corporation.

Section 14 of the bill amends the act with regard to the governing bodies of eligible recipients. This section adds the requirement that a majority of the governing body be appointed to terms of office by the governing bodies of the State, county, or municipal bar associations which represent a majority of the attorneys practicing law in the locality in which the recipient is to provide legal assistance. Attorneys on the governing body are not to receive compensation from any recipient. The 60-percent attorney and appointment requirements may be waived by the Corporation if necessary. In addition, no individual on the governing body may serve for more than 5 years. This section also contains language from the earlier appropriation bills, Public Law 98-166, Public Law 98-411, and Public Law 99-180.

Section 15 of the bill adds two new subsections to the act. The first subsection prohibits the commingling of Corporation funds with the resources of any other organization furnishing legal assistance if the purpose or effect of the commingling is to circumvent any requirement or prohibition in the act. The second subsection requires that all grants, subgrants, contracts, or subcontracts directly related to the provision of legal assistance or research, made by any recipient shall first be approved by the Corporation. Such approval or disapproval is to be made within 60 days of notice to the Corporation of the recipient's intent to take such action. These new subsections are necessary to promote accountability for Corporation funds and ensure observance of the provisions of the Legal Services Corporation Act and its accompanying regulations. The findings of the GAO in a report dated August 22, 1985, were the impetus for this provision.

Section 16 of the bill adds two new subsections dealing with reporting and auditing. The first subsection requires annual summary reports from all recipients of Corporation funds detailing the activities of the recipient and its subgrantees. The Corporation must review these reports to ensure compliance with the act and then issue a report itself on the compliance of recipients. The second subsection empowers the Corporation to take disciplinary action or deny refunding for failure to comply with audit requests. Some recipients have repeatedly refused to cooperate with legitimate requests by the Corporation concerning the substance and cost of grant activities.

Section 17 appropriates funds for the Corporation for the fiscal year 1986 and the 2 succeeding years and adds a clause which makes expenditure of the funds subject to the act or other statutes respecting the expenditure of funds. This section also adds a

new subsection which makes all unexpended funds, held by recipients on the date of enactment of this bill, subject to the provisions of the Legal Services Corporation Amendments of 1985. This new subsection is included to require the expenditure of funds from previous appropriations before a grantee may use current funds.

Section 18 of the bill adds a new section to the act which permits the Corporation to bring an action in the U.S. district courts to compel specific performance of agreements between the Corporation and any recipient or to compel compliance by recipients with the provisions of the act and any rule, regulation or guideline promulgated under the act. This new section also provides for uninterrupted provision of legal assistance to any eligible client affected by a court order or judgment under this section unless the court determines that interruption is necessary, in which case the court is to attempt to make equitable arrangements for that eligible client. Under this section, all directors, officers, and employees of the Corporation; members of the board, officers, and employees of all recipients, grantees, contractees, subgrantees, subcontractees; and all other persons who receive or are responsible for financial assistance under the act are defined as Federal employees for purposes of title 18 of the United States Code. These provisions make it possible for the Corporation to enforce compliance and govern misconduct among those members and recipients who are unwilling to follow the provisions of the act and the rules, regulations, and guidelines.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2409

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Legal Services Corporation Amendments of 1986".

DEFINITIONS

SEC. 2. Section 1002 of the Legal Services Corporation Act (hereafter in this Act referred to as the "Act") is amended to read as follows:

"(6) 'recipient' means any grantee, contractor, or person or entity receiving financial assistance under this title; and".

CONFLICT OF INTEREST; CRIMINAL LIABILITY

SEC. 3. Section 1005 of the Act is amended by adding at the end thereof the following new subsections:

"(h) No officer or employee of the Corporation who participated personally and substantially as an officer or employee, through decision, approval, disapproval, recommendation, the furnishing of advice, investigation, or otherwise, in a matter involving the application for, or approval of funding to, a recipient may be employed by such recipient for a period not to exceed one year after termination of service as an officer or employee of the Corporation.

"(i) The Legal Services Corporation and each recipient of funds under this Act shall be considered an agency of the United States for the purposes of sections 286, 287, 371, 641, and 1001 of title 18 of the United States Code.".

DEFUNDING; REFUNDING

SEC. 4. (a)(1) Section 1006(b)(5) of the Act is amended by striking out the second sentence.

(2) Section 1006(b) of the Act is amended by redesignating paragraph (6) as paragraph (7) and by inserting after paragraph (5) the following new paragraph:

"(6)(A) The Board, within 90 days after the date of the enactment of the Legal Services Corporation Amendments of 1985, shall issue regulations to provide for the enforcement of this title. The regulations shall include, among available remedies, provisions for the immediate suspension of financial assistance under this title, suspension of an employee of the Corporation or any employee of any recipient by such recipient, and the reduction or termination of such assistance or employment as deemed appropriate for the violation involved. Financial assistance under this title shall not be terminated or suspended unless the recipient has been afforded reasonable notice and an opportunity for a fair hearing pursuant to regulations promulgated by the Corporation. The Corporation shall insure that the eligible clients of a recipient, grantee, or contractor, whose financial assistance is terminated or suspended under this section, are not adversely affected by virtue of such termination or suspension.

"(B) An application for refunding shall not be denied unless the recipient has been afforded reasonable notice and an opportunity to show cause why such action should not be taken.

"(C) The Corporation shall provide for the orderly completion of representation of eligible clients of a recipient whose financial assistance is discontinued pursuant to subparagraph (A) or (B) of this paragraph.".

(b) Section 1011 of the Act is repealed.

(c)(1) Section 1006(b)(1)(A) of the Act is amended by striking out ", after a hearing in accordance with section 1011,".

(2) Section 1006(b)(2) of the Act is amended by striking out "in accordance with the types of procedures prescribed in the provisions of section 1011".

(3) Section 1007(a) of the Act is amended—

(A) by inserting "and" after clause (8),

(B) by striking out clause (9), and

(C) by redesignating clause (10) as clause (9).

(d) The amendments made by this section shall not affect any proceeding pending on the date of enactment of this Act under section 1011 of the Act.

CLASS ACTIONS

SEC. 5. Section 1006(d)(5) of the Act is amended by inserting "(A)" after the paragraph designation and by adding at the end thereof the following new subparagraph:

"(B) No class action shall be brought against the Federal Government or any State or local government unless—

"(i) the project director of a recipient has expressly approved the filing of such an action in accordance with policies established by the governing body of such recipient;

"(ii) the class relief which is the subject of such an action is sought for the primary benefit of individuals who are eligible for legal assistance; and

"(iii) that prior to filing such an action, the recipient project director has determined that the government entity is not likely to change the policy or practice in question, that the policy or practice will continue to adversely affect eligible clients, that the recipient has given notice of its intention to seek class relief and that responsible efforts to resolve without litigation the adverse effects of the policy or practice have not been successful or would be adverse to the interest of the clients;

except that the provisions of this subparagraph may be superseded by regulations governing the bringing of class action suits promulgated by a majority of the Board who have been confirmed in accordance with section 1004(a) of this title.".

REDISTRICTING LITIGATION PROHIBITED

SEC. 6. Section 1006(d) of the Act is amended by adding the following:

"(7) The Corporation or any recipient shall not contribute or make available corporate funds or program personnel or equipment for use in advocating or opposing any plan, proposal, or litigation intended to or having the effect of altering any legislative redistricting or reapportionment at any level of government.".

POLITICAL ACTIVITIES BY OFFICERS AND EMPLOYEES OF THE CORPORATION AND RECIPIENTS

SEC. 7. Section 1006(e)(1) of the Act is amended to read as follows:

"(1) An officer or employee of the Corporation or of a recipient shall not at any time intentionally identify the Corporation or its recipients with any partisan or nonpartisan political activity associated with a political party or association, or the campaign of any candidate for public or party office.".

ATTORNEY'S FEES

SEC. 8. (a) The last sentence of section 1006(f) of the Act is amended to read as follows: "Any such costs and fees shall be directly paid by the Corporation or the recipient that commenced the action, as the case may be.".

(b) Section 1006 of the Act is further amended by adding at the end thereof the following new subsection:

"(g)(1) The Board, within 90 days after the date of the enactment of the Legal Services Corporation Amendments of 1985, shall issue regulations to provide for the distribution of attorneys' fees received by a recipient, in accordance with the provisions of paragraph (2).

"(2) Such fees shall be transferred to the Corporation and the Corporation shall distribute such fees among its grantees for the direct delivery of legal assistance, with due consideration being given to the State from which the fees were derived, except that, subject to approval by the Corporation—

"(A) a recipient shall not be required to transfer fees or other compensation received as a result of a mandated court appointment;

"(B) a recipient may retain reasonable costs customarily allowed in litigation against an unsuccessful party; and

"(C) a recipient may retain the actual cost of bringing the action, including the proportion of the compensation of each attorney involved in the action.".

PROHIBITION ON LOBBYING

SEC. 9. (a) Section 1007(a)(5) of the Act is amended to read as follows:

"(5) insure that no funds made available by the Corporation may be used—

"(A) to pay for any publicity or propaganda intended or designed to support or defeat legislation pending before Congress or State or local legislative bodies or intended or designed to influence any decision by a Federal, State, or local agency;

"(B) to pay for any personal service, advertisement, telegram, telephone communication, letter, printed or written matter, or other device, intended or designed to influence any decision by a Federal, State, or local agency, except when legal assistance is provided by an employee of a recipient to an eligible client on a particular application, claim, or case, which directly involves the client's legal rights or responsibilities;

"(C) to pay for any personal service, advertisement, telegram, telephone communication, letter, printed or written matter, or any other device intended or designed to influence any Member of Congress or any other Federal, State, or local elected official—

"(i) to favor or oppose any referendum, initiative, appointment, constitutional amendment, or any similar procedure of the Congress, any State legislature, any local council, or any similar governing body acting in a legislative capacity,

"(ii) to favor or oppose an authorization or appropriation directly affecting the authority, function, or funding of the recipient or the Corporation, or

"(iii) to influence the conduct of oversight proceedings of the recipient or the Corporation;

"(D) to pay for any personal service, advertisement, telegram, telephone communication, letter, printed or written matter, or any other device intended or designed to influence any Member of Congress or any other Federal, State, or local elected official to favor or oppose any Act, bill, resolution, or similar legislation, except that this subclause shall not preclude funds from being used to provide communication directly to a Federal, State, or local elected official on a specific and distinct matter where the purpose of such communication is to bring the matter to the official's attention if—

"(i) the project director of a recipient has expressly approved in writing the undertaking of such communication to be made on behalf of a client or class of clients in accordance with policy established by the governing body of the recipient; and

"(ii) the project director of a recipient has determined prior to the undertaking of such communication, that—

"(I) the client, and each such client, is in need of relief which can be provided by the legislative body involved;

"(II) appropriate judicial and administrative relief have been exhausted; and

"(III) documentation has been secured from each eligible client that includes a statement of the specific legal interests of the client, except that such communication may not be the result of participation in a coordinated effort to provide such communications under this subclause; and

"(iii) the project director of a recipient maintains documentation of the expense and time spent under this subclause as part of the records of the recipient; or

"(iv) the project director of a recipient has approved the submission of a communication to a legislator requesting introduction of a private relief bill;

except that nothing in this clause (5) shall prohibit communications made in response to a request from a Federal, State, or local official;".

(b) Section 1007(a) of the Act is amended by redesignating clauses (6), (7), (8), (9), and (10), as clauses (7), (8), (9), (10), and (11), respectively, and by adding after clause (5) the following new clause:

"(6) insure that no funds made available by the Corporation may be used to pay for any administrative or related costs associated with any activity prohibited by subclause (A), (B), (C), or (D) of clause (5);".

PRIVATE BAR INVOLVEMENT

SEC. 10. Section 1007(a) of the Act is amended—

(1) in clause (10) (as redesignated by section 9(b)) by striking out "and" after the semicolon;

(2) in clause (11) (as redesignated by section 9(b)) by striking out the period and inserting in lieu thereof a semicolon and the word "and"; and

(3) by adding at the end thereof the following new clause:

"(12) in each fiscal year, to the extent feasible and consistent with clause (3) of this subsection, make available substantial amounts of funds to provide the opportunity for legal assistance to be furnished to eligible clients by private attorneys, except that—

"(A) in determining amounts for use under this clause no special grant shall be included; and

"(B) the Corporation shall issue regulations to permit a complete or partial waiver of this clause whenever the application of the requirement of this clause would cause a substantial burden on the recipient contrary to the purposes of this Act, and to provide that compensation to private attorneys for furnishing such legal assistance shall not exceed reasonable fees, costs, and expenses.".

PROHIBITION ON TRAINING

SEC. 11. Section 1007(b)(6) of the Act is amended to read as follows:

"(6) to support or conduct training programs for the purpose of advocating particular political activities, labor or antilabor activities, boycotts, picketing, strikes, and demonstrations, including the dissemination of information about such policies or activities, except that this clause shall not be construed to prohibit the training of attorneys or paralegal personnel necessary to prepare them to provide adequate legal assistance to eligible clients or to advise any eligible client as to the nature of the legislative process or inform any eligible client of the client's rights under statute, order, or regulation;".

ALIEN RESTRICTION

SEC. 12. (a) Section 1007(b) of the Act is amended—

(1) by striking out "or" at the end of clause (9);

(2) by striking out the period at the end of clause (10) and inserting in lieu thereof a semicolon and the word "or"; and

(3) by adding at the end thereof the following new clause:

"(11) to provide legal assistance for or on behalf of any alien unless the alien is a resident of the United States and is—

"(A) an alien lawfully admitted for permanent residence as an immigrant as defined by section 101(a)(15) and 101(a)(20) of the Immigration and Nationality Act;

"(B) an alien who is either married to a United States citizen or is a parent or an unmarried child under the age of twenty-one years of such a citizen and who has filed an application for adjustment of status to permanent resident under the Immigration and Nationality Act, and such application has not been rejected;

"(C) an alien who is lawfully present in the United States pursuant to an admission under section 207 of the Immigration and Nationality Act or who has been granted asylum by the Attorney General under such Act; or

"(D) an alien who is lawfully present in the United States as a result of the Attorney General's withholding of deportation pursuant to section 243(h) of the Immigration and Nationality Act.

No funds may be made available to provide legal assistance in determining whether or not an alien, within the terms of subclauses (A) through (D) of clause (11) of this subsection is lawfully within the United States.".

(b) Section 1007(h) of the Act is amended to read as follows:

"(h)(1) An alien who is lawfully present in the United States as a result of being granted conditional entry pursuant to section 203(a)(7) of the Immigration and Nationality Act before April 1, 1980, because of persecution or fear of persecution on account of race, religion, or political opinion or because of being uprooted by catastrophic natural calamity shall be deemed, for purposes of this section, to be an alien described in this paragraph.

"(2) Notwithstanding any other section of this Act, prospective clients may be required to produce proof of citizenship or of lawful resident-alien status required under subsection (b)(11).".

PURCHASE OF REAL ESTATE

SEC. 13. Section 1007(b) of the Act (as amended by section 10(a) of this Act) is amended—

(1) by striking out "or" at the end of clause (10),

(2) by striking out the period at the end of clause (11) and inserting in lieu thereof a semicolon and the word "or", and

(3) by adding at the end thereof the following new clause:

"(12) to permit recipients of such funds to purchase real estate unless the Board by a two-thirds vote of the members approves of such a purchase.".

ELIGIBLE RECIPIENTS

SEC. 14. Section 1007(c) of the Act is amended to read as follows:

"(c) In making grants or contracts for the provision of legal assistance, the Corporation shall insure that any recipient organized primarily for the purpose of providing legal assistance to eligible clients is governed by a body—

"(1) at least 60 percent of whose membership consists of attorneys who are admitted to practice in the State in which the legal assistance is to be provided; and

"(2) a majority of whose membership is appointed to terms of office on such governing body by the governing bodies of State, county, or municipal bar associations, the membership of which represents a majority of the attorneys practicing law in the locality in which the recipient is to provide legal assistance.

Any such attorney, while serving on such governing body, shall not receive compensation from any recipient. Pursuant to regulations issued by the Corporation, the Corporation may grant waivers to recipients which, because of the nature of the population they serve, are unable to comply with

the requirement of the first sentence of this subsection. The Corporation shall also insure that at least one-third of the members of such governing body shall consist of persons who are, when selected, eligible clients who may also be representative of associations or organizations of eligible clients. The Corporation shall insure that no individual may serve as a member of a governing body for a period in excess of 5 years.".

COMMINGLING OF FUNDS

SEC. 15. Section 1007 of the Act is amended by adding at the end thereof the following new subsections:

"(i) No funds made available by the Corporation under this Act either by grant or contract may be commingled with the resources of any other organization furnishing legal assistance or otherwise engaged in activities similar to the activities conducted by the grantee or contractee if the purpose or effect of the commingling of the funds is to circumvent any requirement or prohibition contained in this Act.

"(j) The Corporation shall approve all grants, subgrants, contracts, or subcontracts by any recipient if the grant, subgrant, contract, or subcontract directly relates to the provision of legal assistance or research, except that such approval or disapproval shall be made within 60 days from the date upon which the Corporation receives notice from a recipient of an intent to make such a grant, subgrant, contract, or subcontract.".

REPORTS AND AUDITS

SEC. 16. (a) Section 1008 of the Act is amended by adding at the end thereof the following new subsection:

"(f) The Board, within 90 days after the date of enactment of the Legal Services Corporation Amendments of 1985 shall issue regulations requiring each recipient to submit annually to the Corporation a summary of all of the activities of the recipient and each of its subgrantees to ensure compliance with this title. The Corporation shall periodically review such documentation in a manner that protects confidential client information to ensure compliance with this subsection and shall include in its annual report under subsection (c) of this section its findings with respect to compliance. Failure to submit such a report shall be grounds for commencement of the procedures established by the Corporation under section 1006(b)(5).

(b) Section 1009(c) of the Act is amended by redesignating paragraph (2) as paragraph (3) and by inserting after paragraph (1) the following new paragraph:

"(2) Failure of any recipient of funds paid under this title, either directly by the Corporation or through another recipient, to comply with the requests of the Corporation to conduct an audit in accordance with this section shall be grounds for a denial of refunding or a commencement of the procedures established by the Corporation under section 1006(b)(5).".

FINANCING

SEC. 17. (a) Section 1010(a) of the Act is amended by inserting immediately after the second sentence the following new sentence: "There are authorized to be appropriated for purposes of carrying out the activities of the Corporation $305,500,000 for fiscal year 1987, and such sums as may be necessary for each of the two succeeding fiscal years.".

(b) Section 1010(c) of the Act is amended by inserting before ", except" the following: "or other statute respecting the expenditure of funds".

(c) Section 1010 of the Act is amended by adding the following new subsection:

"(e) All unexpended funds held by recipients or by the Corporation held on the date of enactment of the Legal Services Corporation Amendments of 1985 shall be expended in accordance with the provisions of the amendments made by the Legal Services Corporation Amendments of 1985.".

ENFORCEMENT AND SANCTIONS

SEC. 18. The Act is amended by redesignating sections 1013 and 1014 as sections 1014 and 1015, respectively, and by inserting after section 1012 the following new section:

"ENFORCEMENT

"SEC. 1013. (a) The Corporation may bring an action in the appropriate district court of the United States to compel the specific performance of any agreement between the Board and any recipient for the provision of legal services under this title.

"(b) The Corporation may bring an action in the appropriate district court of the United States for a temporary or permanent injunction or other appropriate relief for the purposes of compelling compliance by a recipient with the provisions of this title or with any rule, regulation, or guideline promulgated pursuant to this title.

"(c) A judgment or order in an action brought under this section shall not require the interruption of the provision of legal services to any eligible client in any action pending on the date of such decision or order, unless the court explicitly so states in such decision or order. If the court does explicitly so state, it shall attempt to make equitable arrangements for the provision of legal services to any eligible client affected thereby.

"(d) For the purpose of the applicability of title 18, United States Code, the Directors, officers, and employees of the Corporation and the members of the board, officers, and employees of all recipients, grantees, contractees, subgrantees, subcontractees, or other persons who receive or are responsible for financial assistance described in subclause (A) of section 1006(a)(1) of this title shall be considered to be Federal employees.".

● Mr. RUDMAN. Mr. President, I am pleased to join with the Senator from Utah today in introducing legislation to reauthorize the Legal Services Corporation. The Legal Services Program is now in its 5th year without an authorization bill and it is high time that one be enacted so there can be some stability in the enabling statutes under which the Corporation operates. Speaking as chairman of the Commerce-Justice-State Appropriations Subcommittee, I can definitively state that those of us who serve on appropriations get no pleasure out of addressing legal services authorizing issues on an annual basis.

It is worth noting, Mr. President, that the subcommittee has been forced to spend more time on legal services authorizing questions over the last 5 years than almost any other issue. On at least one occasion in the last couple of years, I have threatened to include a multiyear reauthorization bill in an appropriations measure. Last year, I promoted the idea of including a simple LSC appropriation with no accompanying authorizing language, whatsoever. Unfortunately, the first course represents an abuse of the congressional process, while the latter is somewhat irresponsible and would probably not reflect the will of Congress. I believe it is important for Congress to consider an LSC authorizing measure through the normal legislative process.

The failure of Congress to adopt legal services authorizing legislation in the last 5 years is attributable to several factors, the major two being the high degree of controversy over a few substantive issues and the desire of the administration to kill the program outright. Neither of these factors should continue to stand in the way of a reauthorization. Compromises have been reached on most of the contentious issues; in fact, the LSC has been operating under essentially identical authorizing provisions which have been added to the appropriations bills each of the last 3 fiscal years. With regard to the latter, even the most ardent opponents of the Legal Services Program should, by now, have come to the realization that the program is here to stay.

The bill the Senator from Utah and I are introducing today is relatively simple. It includes the current appropriations riders with only one clarification relating to lobbying. There are some provisions which are intended to ensure that the Corporation can, in fact, ensure that its grantees comply with applicable provisions of law. Quite frankly, I am not sure that all these provisions are necessary, but I certainly have no difficulty with clarifying the situation. Finally, the bill would add one prohibition on the issues legal services attorneys may address when representing eligible clients—a prohibition on litigation relating to redistricting. I am not absolutely persuaded this provision is necessary but, notwithstanding the fact that it is a bad precedent, I understand the rationale for it. If, however, the inclusion of this provision becomes an excuse for proposing a number of other restrictions, I would be inclined to withdraw my support for it.

In conclusion, Mr. President, the reauthorization measure being introduced by the Senator from Utah and myself is a good bill. I look forward to its consideration by the Senate Committee on Labor and Human Resources and the full Senate, and am hopeful that it will be enacted into law this year.●

By Mr. BAUCUS (for himself and Mr. GRASSLEY):

S. 2410. A bill to amend the Social Security Act to provide for improved treatment of small rural hospitals and sole community hospitals under titles XVIII and XIX of such Act, and for

other purposes; to the Committee on Finance.

RURAL HEALTH CARE IMPROVEMENT ACT

Mr. BAUCUS. Mr. President, today I am introducing the Rural Health Care Improvement Act, a bill that reaffirms our national commitment to quality health care in rural America.

Joining me today as the original cosponsor of this legislation is my colleague from Iowa, Senator GRASSLEY. Identical legislation is being introduced in the House by Congressman JIM JONES of Oklahoma, along with a bipartisan group of cosponsors.

THE IMPORTANCE OF RURAL HOSPITALS

Small rural hospitals are the backbone of rural health care. In many towns across the Nation, the small hospital is not only the central provider of health care. It is often the largest employer. Small hospitals are essential to the quality of life in rural communities. They make their towns better places in which to live and work, better places for new businesses to locate, and better places for retirees to settle.

But small hospitals account for only a fraction of the health costs and patient admissions on which broad national health decisions are based. And, all too often, rural America is overlooked by those who base their decisions on national averages and trends.

RURAL HOSPITALS ARE UNDER PRESSURES TO SURVIVE

There is now growing evidence that rural health care is under severe strain. The margin of financial safety for most rural hospitals is extremely small. Small rural hospitals are simply not able to take advantage of the "law of large numbers." Sharp revenue declines often cannot be offset by the cost-saving measures that larger facilities can use. In addition, small hospitals have fewer outside investments or additional revenue sources when losses must be absorbed.

Still, the health care expenses of small rural hospitals remain relatively low compared with the industry as a whole. However, the recent sharp decline in patient admissions significantly increased the costs per admission in small hospitals last year. The per admission costs rose by 13 percent in small hospitals, while the same costs rose by just over 9 percent for all hospitals in the Nation. And, nearly 70 percent of the Nation's small rural hospitals failed to cover their costs with patient revenues in 1984.

THE RURAL HEALTH CARE IMPROVEMENT ACT

Our bill is a solid first step in addressing many of the unique concerns of small rural hospitals and in helping to preserve access to health care for rural Americans. We also hope this legislation will serve as a catalyst for a new debate on the health care concerns of those Americans who live outside of urban communities.

Our bill has six parts:

First, a rural impact test. The bill would require the Secretary of HHS to analyze all proposed Medicare and Medicaid regulations for their potential impact on small rural hospitals. HHS would be required to identify the costs, benefits, and possible alternatives of proposed rules so that small rural hospitals are not overlooked in the establishment of national standards.

Second, the bill would continue current law for Medicare payments to sole community provider hospitals for their capital-related expenses. It would maintain predictable reimbursement for the capital expenses of these small hospitals in remote communities while Congress considers comprehensive reform of Medicare payments for land, buildings, and medical technology.

Third, the bill would require the HHS Secretary to develop standards that ensure that Medicare payments to small rural hospitals for extremely high cost cases, known as outlier cases, are comparable to those made to all other hospitals. The current standards place small rural hospitals at tremendous financial risk even if they treat only a few patients with complicated conditions.

Fourth, this bill would set aside a small portion of existing HHS funds for research and demonstration projects to improve rural health care. No new funds would be needed. Ten percent of existing R&D funds of the health care financing administration (HCFA) would be used to explore rural health concerns.

Fifth, this bill would require the secretary to make timely payments of Medicare claims to small rural hospitals. Small rural hospitals have fewer sources of outside revenues to rely on. Therefore, it is critical that these institutions be paid on time.

And finally, the bill would establish an office on rural health policy to be located within the office of the administrator of HCFA. This office is needed to focus attention on rural health concerns when HHS develops its budget, legislative and regulatory initiatives. Again, no new funds are required. We believe that existing resources should be used for this purpose.

NEXT STEPS

Action is needed now to preserve the access of all Americans to quality health care.

This Friday, the Senate Finance Committee will hold hearings on the impact of Medicare's new payment policy on small rural hospitals. Medicare is a major source of income for small rural hospitals. Therefore, it is appropriate that reform begin within this essential program.

I will be working to help ensure that the Finance Committee includes the provisions of the Rural Health Care Improvement Act in any health legislation which we consider this year.

Access to health care in rural America cannot be guaranteed by well-meaning rhetoric. We need to act now before more small rural hospitals are forced to close their doors.

Maintaining quality health care in communities separated by vast distances and among sparse populations is a concern in almost every part of the Nation. I believe that enactment of this legislation will help to make sure that the health needs of rural Americans are no longer overlooked. It is high time that rural America is included in the health policy agenda of the Nation.

Mr. President, I ask unanimous consent that my full statement, the text of the bill, and a statement by the Montana Hospital Assocation be included at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2410

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Rural Health Care Improvement Act of 1986".

SEC. 2. IMPACT ANALYSES OF MEDICARE AND MEDICAID REGULATIONS ON SMALL RURAL HOSPITALS.

(a) REGULATORY IMPACT ANALYSES.—Section 1102 of the Social Security Act (42 U.S.C. 1302) is amended—

(1) by inserting "(a)" after the section designation; and

(2) by adding at the end thereof the following new subsection:

"(b)(1) Whenever the Secretary publishes general notice of proposed rulemaking for any regulation proposed under title XVIII, title XIX, or part B of this title that may have a significant impact on a substantial number of small rural hospitals, the Secretary shall prepare and make available for public comment an initial regulatory impact analysis. Such analysis shall describe the impact of the proposed regulation on such hospitals and shall set forth, with respect to small rural hospitals, the matters required under section 603 of title 5, United States Code, to be set forth with respect to small entities. The initial regulatory impact analysis or a summary shall be published in the Federal Register at the time of the publication of general notice of proposed rulemaking for the regulation.

"(2) Whenever the Secretary promulgates a final version of a regulation with respect to which an initial regulatory impact analysis is required by paragraph (1), the Secretary shall prepare a final regulatory impact analysis for such final rule. Such analysis shall set forth, with respect to small rural hospitals, the matters required under section 604 of title 5, United States Code, to be set forth with respect to small entities. The Secretary shall make copies of the final regulatory impact analysis available to the public and shall publish in the Federal Register at the time of publication of the final rule a statement describing how the public may obtain such copies.

"(3) If a regulatory flexibility analysis is required by chapter 6 of title 5, United States Code, for a regulation to which this

subsection applies, such analysis shall specifically address the impact of the regulation on small rural hospitals.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to regulations proposed after the date of the enactment of this Act.

SEC. 3. CAPITAL-RELATED COSTS OF SOLE COMMUNITY HOSPITALS.

(a) IN GENERAL.—Section 1886(a)(4) of the Social Security Act (42 U.S.C. 1395ww(a)(4)) is amended—

(1) by striking out "or,"; and

(2) by inserting ", or capital-related costs of a sole community hospital (as defined in subsection (d)(5)(C)(ii))" after "Secretary" the second place it appears.

(b) APPLICATION.—The amendments made by subsection (a) shall apply to costs incurred in cost reporting periods beginning after September 30, 1986.

SEC. 4. OUTLIER PAYMENTS FOR SMALL RURAL HOSPITALS AND SOLE COMMUNITY HOSPITALS.

(a) TOTAL OUTLIER PAYMENTS.—Section 1886(d)(5)(A) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(A)) is amended by adding at the end thereof the following new clause:

"(v)(I) The total amount of the additional payments made under this subparagraph for discharges from a hospital described in subclause (II) may not be less than 5 percent nor more than 6 percent of the total payments projected or estimated to be made to all such hospitals based on DRG prospective payment rates for discharges in that year.

"(II) For purposes of subclause (I), a hospital is described in this subclause if it is a sole community hospital (as defined in subparagraph (C)(ii)) with an average occupancy rate of less than 50 beds for the most recently completed 12-month period ending on September 30 or a small rural hospital (within the meaning of section 1883(b)(1)).".

(b) APPLICATION.—The amendments made by subsection (a) shall apply to discharges occurring after September 30, 1986, and before the first October 1 that is more than 270 days after the date on which the Secretary of Health and Human Services submits the report required under section 9113 of the Consolidated Omnibus Budget Reconciliation Act of 1985.

SEC. 5. SET ASIDE FOR RURAL HEALTH EXPERIMENTS AND DEMONSTRATION PROJECTS.

(a) SET ASIDE.—Not less than 10 percent of the total amounts expended by the Secretary with respect to experiments and demonstration projects authorized by section 402 of the Social Security Amendments of 1967 and the experiments and demonstration projects authorized by section 222(a) of the Social Security Amendments of 1972 shall be for experiments and demonstration projects relating exclusively to rural health issues, including (but not limited to) access to care, quality of care, financial viability of small rural hospitals, the ability of rural areas (and rural hospitals in particular) to attract and retain physicians and other health care personnel, and alternative staffing requirements for small rural hospitals.

(b) AGENDA.—The Secretary of Health and Human Services shall establish an agenda of experiments and demonstration projects which relate exclusively to rural health issues that are in progress or have been proposed, and shall include such agenda in the annual report submitted pursuant to section 1875(b) of the Social Security Act.

SEC. 6. PAYMENTS TO CERTAIN SMALL RURAL HOSPITALS.

(a) TIMELY PAYMENT OF CLAIMS.—Section 1816 of the Social Security Act (42 U.S.C. 1395h) is amended by adding at the end thereof the following new subsection:

"(i)(1) Any agreement entered into or renewed under this section shall provide that the agency or organization shall issue and mail (or otherwise transmit) any payment required to be made pursuant to this part to a qualified small rural hospital not later than—

"(A) thirty days after the date on which the agency or organization receives a request for such payment that is timely and conforms with the requirements established by the Secretary under section 1814(a)(1); or

"(B) the average number of days elapsing before such agency or organization issues and mails (or otherwise transmits) payment for claims submitted with respect to individuals other than individuals entitled to benefits under this part,

whichever is earlier.

"(2) For purposes of paragraph (1), a 'qualified small rural hospital' is a small rural hospital (within the meaning of section 1883(b)(1)—

"(A) for which the ratio of the total number of patient days for patients entitled to benefits under this part to the total number of patient days for all patients for the most recently completed 12-month period ending on September 30 is greater than the ratio of medicare patient days to all patient days for all subsection (d) hospitals for such 12-month period (as determined by the Secretary), and

"(B) which is not paid periodic interim payments under section 1815(a).".

"(b) APPLICATION.—The amendment made by subsection (a) shall apply to agreements entered into or renewed after the date of enactment of this Act.

SEC. 7. OFFICE OF RURAL HEALTH POLICY.

Title VII of the Social Security Act is amended by adding at the end thereof the following new section:

"OFFICE OF RURAL HEALTH POLICY

"SEC. 711. There shall be established in the Office of the Administrator of the Health Care Financing Administration (hereafter in this section referred to as the 'Administrator') an Office of Rural Health Policy (hereafter in this section referred to as the 'Office'). The Office shall be headed by a Director, who shall advise the Administrator on the effects of current policies and proposed statutory, regulatory, administrative, and budgetary changes in the programs established under titles XVIII and XIX on rural health, including access to care, quality of care, viability of small rural hospitals, and the ability of rural areas (and rural hospitals in particular) to attract and retain physicians and other health care personnel. The Director shall also oversee compliance with the requirements of section 1102(b) of this Act and section 5 of the Rural Health Care Improvement Act of 1986.".

STATEMENT OF THE MONTANA HOSPITAL ASSOCIATION ON THE IMPACT OF THE PROSPECTIVE PAYMENT SYSTEM ON SMALL AND RURAL HOSPITALS

America's small and rural hospitals are literally and figuratively at a crossroad. These hospitals stand in communities that serve rural America as local and regional trading and service centers. The hospital is the focal point of rural health services, created by the community it serves through the donation of money, energy and talent. After World War II the United States experienced a boom in new hospital construction, spurred on, in part, by the Hill-Burton program. Many small and rural hospitals were built during this period, bringing the benefits of modern medical technology closer to an underserved population. The boom is over. Small and rural hospitals, as a group, are beginning a cycle of decline. They stand today at a crossroad of another sort. Down one road, the pattern of decline will continue. Small and rural hospitals will close. According to the American Hospital Association, more than 70 percent of the 61 hospitals that closed in 1985 had fewer than 100 beds. Down the other road, there is hope. There is no guarantee against closure, but down the road is the promise that through thoughtful strategic planning and sound financial management chances of survival are enhanced.

On behalf of the sixty short stay non-federal, non-state owned hospitals in Montana, fifty of which are under one-hundred beds in size, the Montana Hospital Association welcomes the opportunity to present this statement. We would like to explain how small and rural hospitals came to this crossroad and the meaning and consequence of the two possible paths they can follow. To illustrate our discussion we will use the utilization and financial information of the thirty Montana hospitals that have fewer than thirty beds.

The adoption of the prospective payment system (PPS) in October 1983 was a landmark event in the history of American hospitals. Dramatic changes in utilization and finance can be marked from that date. For example, in 1981 the average length of stay at these sample hospitals was 4.54 days. There was no change in length of stay between 1981 and 1982. In 1983, the last year before PPS average length of stay declined to 4.48 days, a modest 1.4 percent decrease. In 1984, the first year of PPS, the average length of stay plummeted to 4.05 days, a one year drop of 9.7 percent. It was originally felt that this drop represented a medical practice adjustment to PPS. The primary incentive of PPS is for hospitals to treat patients more efficiently. With such a low length of stay after the first PPS year it was assumed that all of the practice inefficiency had been wrung out of hospital utilization. (The national average length of stay in 1984 was 7.3 days.) However, in 1985 length of stay fell again, this time below 4 days to 3.88 days. In two years, the average length of stay has dropped 13.4 percent. Although length of stay has exhibited a downward trend in recent years, it has been rapidly accelerated by PPS.

The other side of the utilization equation is admissions per year. In 1981 total admissions were 14,460; the following year, 1982, they climbed to 14,090. In 1983 they returned to approximately 1981 levels or 14,538. In the first year of PPS, 1984, they fell sharply to 13,716, a reduction of 5.7 percent. Once again it was believed that the decline represented a one-time practice adjustment to PPS and peer review organization criteria, but again that assumption was proved wrong. In 1985, admissions dropped to 11,687, a one-year decline of 14.8 percent. In the two years of the PPS system, admissions in the sample hospital have fallen by 19.6 percent. Certainly, outmigration of patients from rural hospitals to secondary and tertiary facilities is a trend that has been occurring in recent years, but the rapid de-

cline in the last two years in hospital admissions can largely be accounted for by the adoption of PPS.

A shorter length of stay and reduced admissions conspire to produce the third measure of utilization, inpatient days. Over the course of four years, the sample hospitals lost approximately one-third of their patient days! In 1982 they provided 67,749 days of care; in 1983, 65,130 days of care were provided, or 3.9 percent fewer than the previous year. In the first year of PPS, patient days declined by 14.8 percent to 55,497 days of care. In 1985, they dropped by another 18.2 percent to 45,375. The two year PPS effect of shortened lengths of stays and fewer admissions resulted in a reduction in patient days of 30.3 percent.

Declining utilization has its effect on hospital finance. Hospital expenses are unable to decline in direct proportion to reductions in utilization. Small hospitals must contend with fixed costs. A standard definition of fixed costs in difficult to obtain in the hospital industry. There is widespread agreement on expense elements such as depreciation, interest, insurance, and rentals. There is less agreement on the amount of expense in categories such as salaries, benefits, supplies and utilities that can be considered fixed. Some estimate that as much as 75 to 80 percent of all hospital expense exhibits a fixed cost behavior. Certainly in small hospitals the percentage is somewhat greater. When a hospital employs only one pharmacist, it is difficult to reduce his time; when only one night RN and her weekend coverage are on the payroll, it is difficult to implement creative staffing strategies. Smaller hospitals have less flexibility than larger hospitals. Many of their fixed expenses are the result of meeting licensure and Medicare participation regulations.

All expenses, whether fixed or variable, are increasing in terms of unit cost. In 1984, despite a decline of 14.8 percent in patient days, total expenses increased by 4.3 percent. In the face of an 18.2 percent patient day decline in 1985, total expenses dropped by only 1.6 percent. Because expense cannot decline in proportion to utilization, it necessarily follows that the cost per unit of service, cost per case, must rise. First there are fewer units over which to spread fixed costs and second the price of variable costs continues to rise as suppliers demand more for goods and services. Between 1984 and 1985 the average cost per case increased by 10.2 percent. This level of increase was made possible only by across the board cuts in all expense categories. There is very little left to cut.

The first PPS year, 1984, was a bad year for small and rural hospitals in Montana. The second PPS year was even worse. In 1985 total inpatient revenue fell for the second straight year to the lowest level since 1981. In 1984, the study hospitals posted a loss from operations of $2,209,183. In 1985, the loss increased to $2,232,758 on net patient revenue of $21,096,829.

Many of these small and rural hospitals benefit from non-operating revenue. Non-operating revenue comes from two major sources. First there is government appropriations from countries and taxing districts, then there is interest income on investments and donations. In 1984, tax-based non-operating revenue equaled $1,148,272. In 1985, reacting to the plight of small and rural hospitals, that figure increased a generous 53.8 percent to $1,765,949. In 1984, other non-operating revenue equaled $2,127,280. In 1985 it fell by 63 percent to $787,523. Non-operating revenue fell because interest rates were lower in 1985 than 1984. The sample hospitals also had less money to invest in 1985 as the permanent investment in larger accounts receivable took away the opportunity to invest in interest bearing accounts, as as hospitals spent their reserves on operations. In 1984, non-operating revenue offset the loss from operations to allow a $1,066,369 surplus for the thirty hospitals. In 1985, non-operating revenue also offset the loss from operations, but the loss was greater and the non-operating revenue was less than in 1984. In 1985, the sample hospitals showed a surplus of $320,714, or an average of less than $11,000 per hospital.

These hospitals are clearly on the edge. They have taken the steps that can be taken. They reduced staff; they eliminated waste; they deferred discretionary expenses. Slower payments from Medicare due to billing complexity and programmed slow-downs threatens solvency and credit worthiness. The sample hospitals had an average payment period of 86.75 days in 1985. This is an extremely long time, when one considers that over one-half of a hospital's expense is payroll and it is paid every two weeks. (The national median average payment period in 1984 was 53.25 days.) How long is it before suppliers refuse to sell goods to these hospitals because they do not pay promptly? Cash flow is a major problem.

Thirty communities across Montana depend on these hospitals. From Ekalaka to Libby, from Plentywood to Dillon these small hospitals provide needed services. Despite there number, in the aggregate they are still small. The total operating revenue of the thirty constitutes about fifty percent of the operating revenue of *one* of the state's larger hospitals (250 bed range).

PPS is a risk shifting experiment. Small and rural hospitals stand to lose greatly under the program. Despite flaws such as the rural/urban payment differential and the area wage index that can create a 30 percent or greater payment differential between hospitals for the same DRG, the major problem with PPS for small and rural hospitals is its basic premise. Prospective payment on a per-case system is an inappropriate payment mechanism for small and rural hospitals. It does not adequately address problems of declining admissions and case-mix changes. The Montana Hospital Association would instead favor a return to cost reimbursement for small and rural hospitals. Cost-based reimbursement recognizes changes in cost related to case mix, admission declines and modifications in community demand. These hospitals participated in the PPS experiment. For them, it did not succeed. The probable consequence of failure is closure. The result will be that many people in rural communities do not have access to needed health services.

Does a continuation of PPS save the Medicare system money? First, there is a question of materiality. These thirty sample hospitals in the aggregate not equal in cost or revenue one hospital of national average size. Second, if these hospitals close, much of the care will be transferred to rural referral centers and urban hospitals which are paid at a richer PPS rate. In other words, the same laundry list of DRGs will cost approximately 30 percent more. Third, due to travel problems nascent medical conditions will likely be postponed until they become acute, increasing the intensity and cost of medical intervention.

So here we stand at the crossroad. We can continue down the PPS road. If we can predict the future based upon the past, we will experience continued utilization declines, slowed claims processing and inadequate payments. Not too far down the road, we can predict many small and rural hospitals closing.

We, as a nation, have another choice. We can agree that PPS is not appropriate for small and rural facilities and return to cost-based reimbursement. This course guarantees nothing. Small and rural hospitals must still contend with the other problems of rural America—physician recruitment, economics and demographics. The return to cost-based reimbursement merely establishes a level playing field upon which small and rural hospitals can carry out their patient care missions.

Mr. GRASSLEY. Mr. President, today I rise to introduce legislation with my colleague from Montana, Senator BAUCUS, that will offer some relief for our small rural hospitals suffering from changes in the Medicare Program. Since the advent of the prospective payment system for reimbursing hospitals in 1983, many of the Nation's rural hospitals are facing operating deficits that threaten their continued existence.

Patient admissions have declined in our rural hospitals by 16 percent in 1984 and 1985, as compared to the national average of 6.2 percent. At the same time, cost per admission has increased for these same rural hospitals by 13 percent, as compared to the costs of their larger counterparts of 9 percent.

Small rural hospitals are far more vulnerable to declines or wide swings in patient volume and case mix. Rural areas in the Midwest have a high percentage of elderly residents and, therefore, rural hospitals have a greater proportion of Medicare admissions in their patient load. Almost 60 percent of admissions in Iowa rural hospitals are Medicare patients and consequently, our rural hospitals have less flexibility to respond to financing shortfalls through outside resources or private pay patients.

My colleagues are familiar with an earlier problem with the prospective payment system in which a flawed area wage index failed to take into consideration the greater use of part-time workers in rural hospitals when calculating labor costs among hospitals. After much delay, the Health Care Financing Administration finally produced a new area wage index which is a more accurate reflection of labor costs. Although offering some degree of parity, this adjustment has addressed just one of the inequities plaguing the system for rural hospitals. Nonlabor standardized reimbursement continues to be 54 percent higher for urban than for rural hospitals in the Midwest region.

Even the most recent April 1 report of the Prospective Payment Assessment Commission concludes that the prospective payment system has ad-

versely affected rural hospitals. Both the original PPS legislation in 1983 and the Deficit Reduction Act of 1985 required the Secretary to study a number of rural hospital issues, yet they remain undone. ProPAC urges the Secretary to complete and publish the congressionally mandated studies to determine what changes in payment policies are needed for rural hospitals. In the meantime, Senator BAUCUS and I are offering a package of legislative changes that we feel would address some of these issues.

First, our bill would require the Secretary of Health and Human Services to analyze the impact of all proposed Medicare and Medicaid regulations for their effect on rural hospitals. Current law does exist to require analysis of regulations on small economic entities, however, HHS rarely performs these studies. This provision would require a front-end analysis so that small, rural hospitals are not overlooked in the establishment of Federal regulations.

A second provision in this bill would ensure that our small hospitals receive their fair share of "outlier" payments for high-cost cases. Currently, rural hospitals only receive about 1 percent of their PPS payments in the form of outliers, as compared to all other hospitals that receive about 5 percent of their revenues in outlier payments.

A third provision in our bill continues current law for Medicare payments to sole community providers for their capital related expenses. Because of the uncertainty of congressional action on the capital cost issue this year, it is important to ensure that these hospitals will receive their share of Federal payments for capital costs.

This legislation also creates a 10 percent set-aside within existing HCFA funds for research and development to study rural health care concerns. It is our hope that such funds will examine such issues as maintaining access to care in rural settings, and attracting and maintaining health professionals in rural areas.

Another provision would ensure prompt payment of Medicare payments to small rural hospitals by setting a 30-day standard for payment. Because rural hospitals are more dependent on Medicare dollars than other hospitals which may have more outside revenue resources, it is critical that payment slowdowns do not adversely affect the ability of rural hospitals to pay their operating expenses.

Lastly, the final provision in the bill establishes an office on rural health care within the office of the Administrator of HCFA. This office would help focus attention on rural health concerns in the development of budget, legislative, and regulatory initiatives within HHS.

Although this package of legislative changes will not provide all the help that is needed to ensure the viability of our rural hospitals, we feel it is a good start in addressing many of the concerns that have too often been overlooked by the administration and the Congress. I hope that my colleagues will join us in cosponsoring this important legislation.

By Mr. D'AMATO:

S. 2411. A bill to prohibit possession, manufacture, sale, importation, and mailing of ballistic knives; to the Committee on the Judiciary.

BALLISTIC KNIFE PROHIBITION ACT

● Mr. D'AMATO. Mr. President, I rise today to introduce the Ballistic Knife Prohibition Act of 1986. This bill has been introduced in the House of Representatives as H.R. 4711 by my good friend, Congressman BIAGGI. Our legislation bans the manufacture, mailing, importation, sale, or possession of the so-called ballistic knife. This weapon has a detachable blade propelled by a spring-operated mechanism.

The need for this legislation was first called to my attention by the district attorney of Nassau County, NY, Denis Dillon. Although the ballistic knife looks like an ordinary knife, it can be propelled 30 feet with great force and velocity by the push of a button. Nassau County police confiscated one of these knives recently during a narcotics raid.

The danger to law enforcement officers is as serious as it is obvious. As Mr. Dillon has said, "An officer seeing the knife may not know that all the criminal has to do is press a button and the knife is shot into his body."

I urge my colleagues to cosponsor and support this bill, so that we may move as soon as possible to deprive criminals of a deadly weapon that has no legitimate sporting purpose, but that can maim and even kill our already all too vulnerable police officers. I ask unanimous consent that the text of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2411

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Ballistic Knife Prohibition Act of 1986".

SEC. 2. PROHIBITION OF POSSESSION, MANUFACTURE, SALE, AND IMPORTATION OF BALLISTIC KNIVES.

The Act entitled "An Act to prohibit the introduction, or manufacture for introduction, into interstate commerce of switchblade knives, and for other purposes" (15 U.S.C. 1232 et seq.) is amended by adding at the end the following:

"SEC. 7. (a) Whoever knowlingly possesses, manufactures, sells, or imports a ballistic knife shall be fined as provided in title 18, United States Code, or imprisoned not more than ten years, or both.

"(b) Whoever possesses or uses a ballistic knife in the commission of a Federal or State crime of violence shall be fined as provided in title 18, United States Code, or imprisoned not less than five years and not more than ten years, or both.

"(c) The exceptions provided in paragraphs (1), (2), and (3) of section 4 with respect to switchblade knives shall apply to ballistic knives under subsection (a) of this section.

"(d) As used in this section, the term 'ballistic knife' means a knife with a detachable blade that is propelled by a spring-operated mechanism.".

SEC. 3. NONMAILABILITY OF BALLISTIC KNIVES.

Section 1716 of title 18, United States Code, is amended by inserting after subsection (h) and before the first undesignated paragraph after such subsection the following:

"(i)(1) Any ballistic knife shall be subject to the same restrictions and penalties provided under subsection (g) for knives described in the first sentence of that subsection.

"(2) As used in this subsection, the term 'ballistic knife' means a knife with a detachable blade that is propelled by a spring-operated mechanism.".●

● By Mr. McCLURE (for himself, Mr. WALLOP, Mr. GOLDWATER, Mr. HECHT, and Mr. LAXALT):

S. 2412. A bill to withdraw and reserve certain public lands; to the Committee on Energy and Natural Resources.

WITHDRAWAL AND RESERVATION OF CERTAIN PUBLIC LANDS

● Mr. McCLURE. Mr. President, in the 98th Congress, the administration belatedly transmitted a number of bills that would have withdrawn approximately 7.5 million acres of public lands for use by the Department of Defense for military purposes. The Public Lands, Reserved Water and Resource Conservation Subcommittee held a hearing on the bills in August 1984. Neither the Senate nor the House moved the bills passed the hearing stage and they died at the end of the 98th Congress.

The lands involved were—with the exception of 90,000 acres at Nellis AFB—all withdrawn for military purposes at one time. However, all public laws, Executive orders, and public land orders creating their withdrawal have expired. Military use of the areas involved is continuing, but without the required statutory approval by Congress.

Congressional concern over executive withdrawals of public lands for military purposes led to enactment of the act of February 28, 1958 (72 Stat. 27), frequently referred to as the Engle Act. The basic purposes of the act were set out by the House Committee on Interior and Insular Affairs as follows:

H.R. 5538 deals with defense agency acquisition and use of the public lands and associated resources of the United States for defense purposes. The broad purpose and objective of the bill is to return from the executive branch to the Congress—to the

extent that such lands are involved—the responsibility imposed by the Constitution on the Congress for their management. H.R. 5538, in addition, would set out clear-cut statutory requirements for the utilization and disposition of certain of the resources found within existing and future military installations and facilities so as to assure highest and best management, conservation, utilization and development thereof on a continuing basis (H.R. Rep. No. 215 85th Congress, 1st Session, 1957).

The areas proposed for withdrawal are:

Name and State	*Acres*
Bravo-20 Bombing Range—Nevada	21,576
Nellis Air Force Range—Nevada	2,945,000
Luke Air Force Range—Arizona	2,664,423
McGregor Range—New Mexico	608,384
Ft. Greely Maneuver Area—Alaska	571,995
Ft. Wainwright Maneuver Area—Alaska	247,951
Chocolate Mountain Aerial Gunnery Range—California	132,928
China Lake Naval Weapon Center—California	1,100,000

Mr. President, since each of these measures involved, with a few exceptions, virtually identical provisions. We propose a single measure covering all areas. We believe this will expedite committee consideration. We do want to emphasize that this is only a vehicle for the purposes of introduction and initial committee consideration. Please note in the bill that the lands are withdrawn from 1872 mining laws and the mineral and geothermal leasing acts. No new, specific reservation of water is proposed in the bill.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2412

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, subject to valid existing rights, the following lands are hereby withdrawn from all forms of appropriation under the public land laws:

(a) approximately 21,576.40 acres of public land in Churchill County, Nevada, as generally depicted on a map entitled "Bravo-20 Bombing Range Withdrawal—Proposed" dated January 1985, and all other lands within the boundaries of the Bravo-20 Bombing Range that are now or may hereafter become subject to the operation of the public land laws for use of the Department of the Navy as a testing and training area for aerial bombing, missile firing, tactical maneuvering and air support, and for other defense related uses consistent therewith: *Provided,* That this Act does not affect the withdrawals of July 2, 1902, August 26, 1902, and August 4, 1904, under which the Bureau of Reclamation utilizes for flooding, overflow, and seepage purposes approximately 14,750 acres of the lands withdrawn reserved by this Act;

(b) approximately 2,945,000 acres of land in Clark, Nye and Lincoln Counties, Nevada, as generally depicted on a map entitled "Nellis Air Force Range Withdrawal—Proposed" dated January 1985, are hereby withdrawn from all forms of appropriation under the public land laws for use of the Department of the Air Force as an armament and high hazard testing area, a training area for aerial gunnery, rocketry, electronic warfare, tactical maneuvering and air support, and for other defense related uses consistent therewith: *Provided,* That except to the extent rendered necessary by national defense, this Act does not affect (1) the National Wildlife Refuge System Administration Act of 1966 (80 Stat. 929, as amended; 16 U.S.C. 668dd et seq.) as it applies to the Desert National Wildlife Range; (2) any executive order or public land order in effect on the date of enactment of this Act that affects the Desert National Wildlife Range; or (3) any memorandum of understanding between the Department of the Interior and the Department of the Air Force, regarding the administration and joint use of a portion of the Desert National Wildlife Range;

(c) approximately 2,664,423 acres of land in Maricopa, Pima and Yuma Counties, Arizona, as generally depicted on a map entitled "Luke Air Force Range Withdrawal—Proposed" dated January 1985, for use of the Department of the Air Force as an armament and high hazard testing area, a training area for aerial gunnery, rocketry, electronic warfare, tactical maneuvering and air support, and for other defense related uses consistent therewith: *Provided,* That except to the extent rendered necessary by national defense, this Act does not affect (1) the National Wildlife Refuge System Administration Act of 1966 (80 Stat. 929, as amended; 16 U.S.C. 668dd et seq.) as it applies to the Cabeza Prieta National Wildlife Refuge; (2) any executive order or public land order in effect on the date of enactment of this Act that affects the Cabeza Prieta National Wildlife Refuge; or (3) any memorandum of understanding between the Department of the Interior, the Department of the Air Force, and the Department of the Navy regarding the administration and joint use of a portion of the Cabeza Prieta National Wildlife Refuge;

(d) approximately 608,384.87 acres of public land in Otero County, New Mexico, as generally depicted on a map entitled, "McGregor Range Withdrawal—Proposed" dated January 1985, for use by the Department of the Army as a training and weapons testing area, and for other defense related uses consistent therewith;

(e) approximately 571,995 acres of public land in the Big Delta area, Alaska, as generally depicted on a map entitled "Fort Greely Maneuver Area Withdrawal—Proposed" dated January 1985, and approximately 51,590 acres of public land in the Granite Creek area, Alaska, as generally depicted on map entitled "Fort Greely Air Drop Zone Withdrawal—Proposed" dated January 1985, for use of the Department of the Army for military maneuvers, training, equipment development and testing, and other defense related uses consistent therewith;

(f) approximately 247,951.67 acres of public land in the Fourth Judicial District, Alaska, as generally depicted on a map entitled "Fort Wainwright Maneuver Area Withdrawal—Proposed" dated January 1985, for use of the Department of the Army as a military maneuver area, a training area for artillery firing, aerial gunnery, infantry tactics, and other defense related uses consistent therewith;

(g) approximately, 132,928 acres of public land in Imperial County, California, as generally depicted on map entitled "Chocolate Mountain Aerial Gunnery Range Withdrawal—Proposed" dated January 1985, and all other lands within the boundaries of the Chocolate Mountain Aerial Gunnery Range that are now or may become subject to the operation of the public land laws, for use of the Department of the Navy as a testing and training area for aerial bombing, missile firing, tactical maneuvering and air support, and for other defense related uses consistent therewith; and

(h) the Federal lands located within the boundaries of the Naval Weapons Center, within Inyo, Kern, and San Bernardino Counties, California, comprising approximately 1,100,000 acres, as generally depicted on a map entitled "China Lake Naval Weapons Center Withdrawal—Proposed" dated January 1985, for use of the Department of the Navy as a research, development, test and evaluation laboratory and range for air warfare weapon and weapon systems, a high hazard training area for aerial gunnery, rocketry, electronic warfare and countermeasures, tactical maneuvering and air support, and for other defense related uses consistent therewith.

SEC. 2. (a) As soon as practicable after the date of enactment of this Act, the Secretary of the Interior shall:

(1) publish in the Federal Register a notice containing the legal description of the lands withdrawn and reserved by this Act; and

(2) file maps and the legal description of the lands withdrawn and reserved by this Act with the Committee on Energy and Natural Resources of the United States Senate and with the Committee on Interior and Insular Affairs of the United States House of Representatives.

(b) Such maps and legal descriptions shall have the same force and effect as if they were included in this Act: *Provided,* That the Secretary of the Interior may correct clerical and typographical errors in such maps and legal descriptions.

(c) Copies of the maps and legal descriptions tha are filed with the Committees shall be available for public inspection in the office of the Director, Bureau of Land Management, Washington, DC, and, as appropriate, in the office of the Director, Nevada State office of the Bureau of Land Management, Reno, Nevada; the office of the Commander, Bravo-20 Bombing Range; the office of the Director, Fish and Wildlife Service, Washington, DC; the office of the Regional Director, Fish and Wildlife Service, Portland, Oregon; the office of the Commander, Nellis Air Force Base; the office of the Director, Arizona State office of the Bureau of Land Management, Phoenix, Arizona; the office of the Director, Fish and Wildlife Service, Washington, DC; the office of the Regional Director, Fish and Wildlife Service, Albuquerque, New Mexico; the office of the Commander, Luke Air Force Base; the office of the Director, New Mexico State office of the Bureau of Land Management, Sante Fe, New Mexico; the office of the Commander, McGregor Range; the office of the Director, Alaska State office of the Bureau of Land Management, Anchorage, Alaska; the office of the Installation Commander, Fort Richardson, Alaska; the office of the Director, California State office of the Bureau of Land Management, Sacramento, California; the office of the Commander, Marine Corps Air Station, Yuma, Arizona; and the office of the Commander, Naval Weapons Center, China Lake, California.

SEC. 3. The responsibilities of the Secretary of the Interior for management of the lands withdrawn and reserved by this Act are established as follows:

(a) The Secretary of the Interior shall manage the lands and their resources, to the extent possible in accordance with the provisions of the Federal Land Policy and Management Act of 1976 (90 Stat. 2743, as amended; 43 U.S.C. 1701 et seq.), and for other applicable laws, for uses which may include, but are not limited to, grazing, management of wildlife habitat, control of predatory animals, and the prevention and suppression of brush and range fires resulting from nonmilitary activities. Except as set forth in section 4(a) of this Act, the Secretary of the Interior shall also be responsible for the issuance of all easements and rights-of-way over the lands withdrawn and reserved by this Act. All such uses, and the issuance of all easements and rights-of-way, shall be secondary to the military use of the lands and shall be authorized only with the concurrence of, as appropriate, the Secretary of the Navy, the Secretary of the Army, or the Secretary of the Air Force.

(b)(1) Within 5 years after the date of the enactment of this Act, the Secretary of the Interior and the Secretary of the Navy, Army, or Air Force, as appropriate, shall develop a land use plan and management program for the use and management of the lands withdrawn and reserved by this Act.

(2) The lands within the Desert National Wildlife Range shall be managed by the Secretary of the Interior in accordance with the National Wildlife Refuge System Administration Act of 1966 (80 Stat. 929, as amended; 16 U.S.C. 668dd et seq.), except to the extent that other uses are required for purposes of national defense.

(3) The lands within the Cabeza Prieta National Wildlife Refuge shall be managed by the Secretary of Interior in accordance with the National Wildlife Refuge System Administration Act of 1966 (80 Stat. 929, as amended; 16 U.S.C. 668dd et seq.), except to the extent that other uses are required for purposes of national defense.

(4) Consistent with the provisions of the Act of September 15, 1960 (74 Stat. 1052, as amended; 16 U.S.C. 670a-670f), the Secretary of the Interior, the Secretary of the Army, and the State of Alaska shall develop, within one year after the date of enactment of this Act, an agreement for the management, conservation, and enhancement of fish and wildlife resources on the lands withdrawn and reserved by this Act within the State of Alaska.

(5) In developing the management plan under subsection (b) for the lands withdrawn under section 1(e) and 1(f), the Secretary of the Interior shall consult with other Federal agencies and the State of Alaska. Such plan shall include a fire management plan which considers habitat improvement and other resource values.

SEC. 4. The responsibilities of the Secretary of the Navy, Army, or Air Force, as appropriate (hereinafter referred to as the Secretary) for management of the lands withdrawn and reserved by this Act are established as follows:

(a) The Secretary shall have the authority to control the military use of the lands and may authorize use of the lands by the other military departments and agencies of the Department of Defense and the Department of Energy, as appropriate or by the public for recreation, hunting, fishing, and trapping to the extent the Secretary determines.

(b) When military operations, public safety or national security, as determined by the Secretary, require the closure of roads and trails commonly in public use, the Secretary is authorized to take such action: *Provided*, That such closures shall be limited to the minimum areas and periods required for the purposes specified in this subsection. Appropriate warning notices shall be kept posted during closures.

(c) The Secretary shall take necessary precautions to prevent and suppress brush and range fires occurring within and outside the lands as a result of military activities and may seek assistance from the Bureau of Land Management in the suppression of such fires. The memorandum of understanding required by section 5 of this Act shall provide for Bureau of Land Management assistance in the suppression of such fires, and for a transfer of funds from the Department of the Navy, Army, or Air Force, as appropriate, to the Bureau of Land Management as compensation for such assistance.

(d) The Secretary of the Navy shall have responsibility for the management of the wild horses and burros on the lands withdrawn under section 1(h) and is authorized to utilize helicopters and motorized vehicles for the management and control of such animals.

(e) The Secretary of the Navy may utilize sand, gravel or similar mineral or mineral material resources when the use of such resources is required for construction needs of the Naval Weapons Center, China Lake.

SEC. 5. The Secretary of the Interior and the appropriate Secretary shall enter into a memorandum of understanding to implement the program developed in accordance with section 3(b) of this Act, and shall continue in effect (1) any memorandum of understanding between the Department of the Interior and the Department of the Air Force covering the administration and joint use of a portion of the Desert National Wildlife Range, and (2) any memorandum of understanding between the Department of the Interior, the Department of the Air Force, and the Department of the Navy covering the administration and joint use of a portion of the Cabeza Prieta National Wildlife Refuge. The term of the memorandums of understanding shall be the same as the term of the withdrawal established by this Act; however, the provisions of the memorandum of understanding may be amended upon mutual consent of the Secretaries.

SEC. 6.(a) Except as provided otherwise in this section, the withdrawal and reservation established by this Act shall terminate 25 years from the effective date of this Act.

(b) At least 3 years prior to the termination of the withdrawal and reservation established by this Act, the appropriate Secretary shall advise the Secretary of the Interior as to whether or not the Department of the Navy, Army, or Air Force, as appropriate, will have a continuing military need for any of the lands after the termination date.

(1) If the Secretary concludes that there will be a continuing military need for any of the lands after the termination date, he shall file an application for extension of the withdrawal and reservation of such lands in accordance with the regulations and procedures of the Department of the Interior applicable to the extension of withdrawals. Upon the filing of an application for extension, the withdrawal and reservation established by this Act shall remain in full force and effect pending processing of the application and a decision and action on the proposed withdrawal and reservation by the Secretary of the Interior, and, if the application for extension is subject to the requirement of section 2 of the Act of February 28, 1958 (72 Stat. 27; 43 U.S.C. 156), by the Congress.

(2) If the Secretary concludes that, after the termination date established by subsection (a) of this section, there will be no military need for all or any of the lands withdrawn and reserved by this Act, or if, during the period of withdrawal and reservation, the Secretary decides to relinquish all or any of the lands withdrawn and reserved by this Act, the Secretary shall file a notice of intention to relinquish with the Secretary of the Interior.

(3) Prior to the filing of a notice of intention to relinquish pursuant to paragraph (2) of this subsection, the Secretary shall prepare a written determination as to whether and to what extent the lands are contaminated with explosive, toxic or other hazardous materials. A copy of the determination made by the Secretary shall be supplied with the notice of intention to relinquish.

Copies of both the notice of intention to relinquish and the determination concerning the contaminated state of the lands shall be published in the Federal Register by the Secretary of the Interior.

(A) If the lands are contaminated, and the Secretary, in coordination with the Secretary of the Interior, determines that decontamination is practicable and economically feasible, taking into consideration the potential future use and value of the lands, and that upon decontamination the lands could be opened to operation of the public land laws, including the mining laws, the Secretary shall decontaminate the lands, unless Congress declines to appropriate funds for the project.

(B) If the Secretary and the Secretary of the Interior conclude either that decontamination of any or all of the lands proposed for relinquishment is not practicable or economically feasible, or that the lands cannot be decontaminated sufficiently to allow them to be opened to operation of the public land laws, or if Congress declines to appropriate funds for the decontamination of the lands, the Secretary of the Interior shall not be required to accept the lands proposed for relinquishment.

(c) If, because of their contaminated state, the Secretary of the Interior declines to accept jurisdiction over the lands proposed for relinquishment, the withdrawal and reservation established by this Act shall continue indefinitely and the lands shall be retained and managed in accordance with the provisions of this Act. In such case, beginning with the fifth anniversary of the termination date of the withdrawal and reservation established by this Act, and every 5 years thereafter, the Secretary, in coordination with the Secretary of the Interior, shall determine whether decontamination of any or all of the lands is both practicable and economically feasible. If the Secretaries conclude that decontamination is both practicable and economically feasible, taking into consideration the potential future use and value of the lands, and that upon decontamination the lands could be opened to operation of the public land laws, including the mining laws, the Secretary shall decontaminate the lands, unless Congress declines to appropriate funds for the project. Following decontamination and upon certification by the Secretary that the lands are safe for all nonmilitary uses, the Secretary of the

Interior shall reconsider accepting jurisdiction over the lands.

(d) Notwithstanding any other provisions of law, the Secretary of the Interior, upon deciding that it is in the public interest to accept jurisdiction over the lands proposed for relinquishment, is authorized to revoke the withdrawal and reservation established by this Act, as it applies to the lands proposed for relinquishment. Should the decision be made to revoke the withdrawal, the Secretary of the Interior shall publish in the Federal Register an appropriate order which shall terminate the withdrawal and reservation; constitute official acceptance of full jurisdiction over the lands by the Secretary of the Interior; and state the date upon which the lands will be opened to the operation of the public land laws, including the mining laws.

SEC. 7. (a) The functions of the Secretary under this Act may be delegated.

(b) The functions of the Secretary of the Interior under this Act may be delegated, except that the order referred to in section 6(d) of this Act, may be approved and signed only by the Secretary of the Interior, the Under Secretary of the Interior, or an Assistant Secretary of the Department of the Interior.

SEC. 8. The following public land orders, as amended, are hereby revoked: Public Land Order 673, of October 6, 1950; Public Land Order 3450, of September 23, 1964; and Public Land Order 431, of December 19, 1947.

SEC. 9. Nothing in this Act shall be construed to establish a reservation to the United States with respect to any water or water right on the lands described in Section 1 of this Act. Nor shall any provision of this Act be construed as authorizing the appropriation of water on lands described in Section 1 of this Act by the United States except in accordance with the established law of the States in which the lands described in Section 1 are located.

SEC. 10. All hunting, fishing, and trapping on the lands withdrawn by this Act shall be conducted in accordance with the provisions of title 10, United States Code, section 2671, except that hunting, fishing, and trapping within the Desert National Wildlife Range and the Cabeza Prieta National Wildlife Refuge shall be conducted in accordance with the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.).●

By Mr. BENTSEN:

S. 2413. A bill to provide that the judicial conferences of each circuit be convened at the discretion of the chief judge of such circuit; to the Committee on the Judiciary.

MAKING PERMISSIVE AN ANNUAL JUDICIAL CONFERENCE OF ALL CIRCUIT, DISTRICT, AND BANKRUPTCY JUDGES

● Mr. BENTSEN. Mr. President, today I am pleased to introduce legislation which will amend section 333 of title 28 of the United States Code. Presently, this statute requires an annual judicial conference of all circuit, district, and bankruptcy judges within each circuit or district in the United States. My legislation would make that annual meeting permissive rather than mandatory.

I am introducing this legislation today at the request of U.S. District Judge James Nowlin—Austin—and U.S. District Judge Harry Lee Hudspeth—El Paso—who have recommended this change, in light of growing concerns over reducing budget deficits. Presently, the Federal Judiciary is required to cut some $42 million from its fiscal year 1986 budget—and probably more in fiscal year 1987. Judge Nowlin and Judge Hudspeth advise me that one way to eliminate costs, in the Federal Judiciary budget, is to allow each judicial circuit or district to determine, on an annual basis, whether a need exists to hold a judicial conference.

In addition to providing judges more time to fulfill responsibilities in their districts and divisions, the monetary returns which will accrue to the Federal judicial branch through the saving of travel, lodging, and meals expenses for judges, administrative offices, and judicial center personnel, who customarily attend these workshops will be significant.

Furthermore, in March of this year, the Judicial Conference and the Administrative Office of the U.S. Courts adopted a resolution recommending that the annual Judicial Conference be made optional rather than mandatory. I urge my colleagues to join me in cosponsoring this cost-saving bill.●

By Mr. HATCH:

S.J. Res. 339. Joint resolution to designate the week of November 30, 1986, through December 6, 1986, as "National Home Care Week," to the Committee on the Judiciary.

NATIONAL HOME CARE WEEK

Mr. HATCH. Mr. President, I solicit the support of my colleagues for a resolution I am reintroducing today, "National Home Care Week." This would be the sixth year that Americans would be devoting a week to this cause.

Our country is now facing a crisis of major proportions, due to the steadily growing population of older Americans in need of long-term health care. Back in 1900, 1 in every 25 Americans was 65 years or over. Today, the proportion is 1 in 10. By the turn of the century, in the year 2000, it promises to be 1 in 8.

Meanwhile, it is becoming more evident every day that our Nation cannot depend alone on nursing homes and institutionalized hospital care. To provide care for our elderly and infirm friends and family members, new and innovative arrangements are being devised. All of these are in one way or another based on the concept of home and community based health care.

Home health care organizations and programs—proprietary and nonprofit, freestanding, associated with nursing homes, and hospital-based have shown that they can provide quality, cost-effective care. Most important of all, they help older people remain in their own homes or apartments, where they often desperately wish to stay.

"National Home Care Week" will honor home health organizations and the professionals who provide this most vital service. It is especially appropriate during the months of November and December when we honor the family and its traditions, that we highlight the work of those who help our growing population of senior citizens preserve their home lives and independence.

I'd like to urge my distinguished colleagues to join me in sponsoring this bill, and expeditiously approving it when it comes before the Senate for consideration.

ADDITIONAL COSPONSORS

S. 951

At the request of Mr. GORTON, the names of the Senator from Ohio [Mr. GLENN], the Senator from Rhode Island [Mr. CHAFEE], and the Senator from Illinois [Mr. DIXON] were added as cosponsors of S. 951, a bill to amend the Fair Debt Collection Practices Act to provide that any attorney who collects debts on behalf of a client shall be subject to the provisions of such act.

S. 1090

At the request of Mr. HELMS, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 1090, a bill to amend section 1464 of title 18, United States Code, relating to broadcasting obscene language, and for other purposes.

S. 1121

At the request of Mr. ANDREWS, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 1121, a bill to amend the United States Grain Standards Act to encourage foreign agricultural trade by improving the quality of grain shipped from U.S. export elevator facilities.

S. 1654

At the request of Mr. STEVENS, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 1654, a bill to amend title 18, United States Code, to provide for criminal forfeiture of proceeds derived from espionage activities and rewards for informants providing information leading to arrests in espionage cases.

S. 1901

At the request of Mr. ROTH, the name of the Senator from New York [Mr. MOYNIHAN] was added as cosponsor of S. 1901, a bill to amend the Foreign Missions Act regarding the treatment of certain Communist countries, and for other purposes.

S. 1917

At the request of Mr. BRADLEY, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 1917, a bill to amend the Foreign Assistance Act of 1961 to provide assistance to promote immuni-

zation and oral rehydration, and for other purposes.

S. 1937

At the request of Mr. STEVENS, the names of the Senator from Minnesota [Mr. DURENBERGER], the Senator from Oregon [Mr. HATFIELD], the Senator from Arizona [Mr. GOLDWATER], the Senator from Wyoming [Mr. SIMPSON], the Senator from Pennsylvania [Mr. HEINZ], and the Senator from Indiana [Mr. LUGAR] were added as cosponsors of S. 1937, an original bill to restrict smoking to designated areas in all U.S. Government buildings.

S. 2081

At the request of Mr. STAFFORD, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 2081, a bill to reauthorize the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, the Community Services Block Grant Act, for deferred cost care programs, and for other purposes.

S. 2088

At the request of Mr. HELMS, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of S. 2088, a bill to amend the Internal Revenue Code of 1954 to deny a taxpayer's personal exemption deduction for a child who lives temporarily after an abortion, and for other purposes.

S. 2090

At the request of Mr. D'AMATO, his name was added as a cosponsor of S. 2090, a bill to provide that the Internal Revenue Service may not before July 1, 1987, enforce its regulations relating to the tax treatment of the personal use of vehicles, and for other purposes.

S. 2203

At the request of Mr. STAFFORD, the name of the Senator from Connecticut [Mr. WEICKER] was added as a cosponsor of S. 2203, a bill to establish a program to reduce acid deposition and for other purposes.

S. 2209

At the request of Mr. DOLE, the name of Senator from Mississippi [Mr. STENNIS] was added as a cosponsor of S. 2209, a bill to make permanent and improve the provisions of section 1619 of the Social Security Act, which authorizes the continued payment of SSI benefits to individuals who work despite severe medical impairment; to amend such act to require concurrent notification of eligibility for SSI and Medicaid benefits and notification to certain disabled SSI recipients of their potential eligibility for benefits under such section 1619; to provide for a GAO study of the effects of such section's work incentive provisions; and for other purposes.

S. 2253

At the request of Mr. HEINZ, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 2253, a bill to amend the Balanced Budget and Emergency Deficit Act of 1985 to exempt certain railroad retirement benefits from sequestration or reduction under an order issued by the President under section 252 of such act.

S. 2270

At the request of Mr. SIMON, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 2270, a bill to amend the Immigration and Nationality Act to deter immigration-related marriage fraud and other immigration fraud.

S. 2295

At the request of Mr. GOLDWATER, the names of the Senator from West Virginia [Mr. BYRD], the Senator from Texas [Mr. BENTSEN], and the Senator from Connecticut [Mr. DODD] were added as cosponsors of S. 2295, an original bill to amend title 10, United States Code, to reorganize and strengthen certain elements of the Department of Defense, to improve the military advice provided the President, the National Security Council, and the Secretary of Defense, to enhance the effectiveness of military operation, to increase attention to the formulation of strategy and to contingency planning, to provide for the more efficient use of resources, to strengthen civilian authority in the Department of Defense, and for other purposes.

S. 2303

At the request of Mr. HATCH, the names of the Senator from Arkansas [Mr. BUMPERS], the Senator from North Dakota [Mr. BURDICK], the Senator from Alabama [Mr. DENTON], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Utah [Mr. GARN], the Senator from Florida [Mrs. HAWKINS], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Massachusetts [Mr. KERRY], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Idaho [Mr. SYMMS], and the Senator from Virginia [Mr. TRIBLE] were added as cosponsors of S. 2303, a bill to designate September 17 of every year as "Constitution Day" and to establish such day as a legal holiday with certain limitations.

S. 2305

At the request of Mr. KENNEDY, the names of the Senator from Maryland [Mr. SARBANES] and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of S. 2305, a bill to amend title IV of the Public Health Service Act to require the Director of the National Cancer Institute to make grants and enter into contracts to support research on adoptive immunotherapy for cancer.

S. 2308

At the request of Mr. LAUTENBERG, the names of the Senator from Pennsylvania [Mr. SPECTER], the Senator from Tennessee [Mr. GORE], the Senator from Connecticut [Mr. DODD], the Senator from Maine [Mr. MITCHELL], the Senator from Ohio [Mr. METZENBAUM], the Senator from Massachusetts [Mr. KERRY], the Senator from California [Mr. WILSON], the Senator from Oklahoma [Mr. NICKLES], the Senator from Vermont [Mr. LEAHY], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 2308, a bill to authorize the President of the United States to award congressional gold medals to Anatoly and Avital Shcharansky in recognition of their dedication to human rights, and to authorize the Secretary of the Treasury to sell bronze duplicates of those medals.

S. 2333

At the request of Mr. DURENBERGER, the name of the Senator from Mississippi [Mr. STENNIS] was added as a cosponsor of S. 2333, a bill to amend title XIX of the Social Security Act to strengthen and improve Medicaid services to low income pregnant women and children.

S. 2343

At the request of Mr. DURENBERGER, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 2343, a bill to authorize the provision of foreign assistance for agricultural activities in Nicaragua.

S. 2345

At the request of Mr. KENNEDY, the names of the Senator from Hawaii [Mr. INOUYE], and the Senator from Maryland [Mr. SARBANES] were added as cosponsors of S. 2345, a bill to improve counseling, education, and services relating to acquired immune deficiency syndrome.

S. 2353

At the request of Mr. CHILES, the names of the Senator from Nebraska [Mr. ZORINSKY], the Senator from Pennsylvania [Mr. HEINZ], and the Senator from Oklahoma [Mr. NICKLES] were added as cosponsors of S. 2353, a bill to direct the Attorney General to develop a model statute for States to prohibit the establishment and use of free base houses.

S. 2359

At the request of Mr. PRESSLER, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 2359, a bill to amend title 38, United States Code, to establish a Veterans' Administration Readjustment Counseling Professional Fellowship Program.

S. 2398

At the request of Mr. ROTH, the name of the Senator from Florida [Mrs. HAWKINS] was added as a cosponsor of S. 2398, a bill to amend title 18 of the United States Code to ban the production and use of advertisements for child pornography or solicitations for child pornography, and for other purposes.

SENATE JOINT RESOLUTION 290

At the request of Mr. DECONCINI, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of Senate Joint Resolution 290, a joint resolution to designate July 4, 1986, as "National Immigrants Day."

SENATE JOINT RESOLUTION 305

At the request of Mr. SIMON, the names of the Senator from California [Mr. CRANSTON], the Senator from Oklahoma [Mr. BOREN], and the Senator from Massachusetts [Mr. KENNEDY] were added as cosponors of Senate Joint Resolution 305, a joint resolution to designate the week of April 27, 1986, through May 3, 1986, as "National Arts in the Schools Week."

SENATE JOINT RESOLUTION 306

At the request of Mr. HATCH, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of Senate Joint Resolution 306, a joint resolution to designate the week beginning November 23, 1986, as "National Adoption Week."

SENATE JOINT RESOLUTION 316

At the request of Mr. CRANSTON, the names of the Senator from Maine [Mr. COHEN] and the Senator from New Hampshire [Mr. RUDMAN] were added as cosponsors of Senate Joint Resolution 316, a joint resolution prohibiting the sale to Saudi Arabia of certain defense articles and related defense services.

SENATE JOINT RESOLUTION 335

At the request of Mr. CHILES, the names of the Senator from North Dakota [Mr. ANDREWS], the Senator from Texas [Mr. BENTSEN], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from California [Mr. WILSON], and the Senator from Nebraska [Mr. ZORINSKY] were added as cosponsors of Senate Joint Resolution 335, a joint resolution to designate May 8, 1986, as "Naval Aviation Day."

SENATE CONCURRENT RESOLUTION 117

At the request of Mr. SIMON, the names of the Senator from Massachusetts [Mr. KENNEDY] and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of Senate Concurrent Resolution 117, a concurrent resolution expressing the sense of the Congress in support of RIAS, the radio in the American Sector of Berlin.

SENATE RESOLUTION 381

At the request of Mr. DECONCINI, the names of the Senator from Idaho [Mr. SYMMS], the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of Senate Resolution 381, a resolution expressing the sense of the Senate with respect to United States corporations doing business in Angola.

SENATE RESOLUTION 394

At the request of Mr. SIMON, the names of the Senator from Michigan [Mr. LEVIN], the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Colorado [Mr. HART], the Senator from Ohio [Mr. METZENBAUM], the Senator from Texas [Mr. BENTSEN], the Senator from South Dakota [Mr. ABDNOR], the Senator from New Jersey [Mr. BRADLEY], the Senator from North Dakota [Mr. BURDICK], the Senator from Tennessee [Mr. GORE], the Senator from Michigan [Mr. RIEGLE], the Senator from Maryland [Mr. SARBANES], and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of Senate Resolution 394, a resolution expressing the sense of the Senate regarding the shipment to Poland of dried milk to replace milk contaminated as a result of the nuclear disaster in the Soviet Union.

AMENDMENT NO. 1729

At the request of Mr. DOMENICI, the names of the Senator from Utah [Mr. GARN] and the Senator from New Mexico [Mr. BINGAMAN] were added as cosponsors of amendment No. 1729 intended to be proposed to S. 1004, a bill to authorize and direct the Secretary of Energy to establish a program to provide for reclamation and other remedial actions with respect to mill tailings at active uranium and thorium processing sites.

SENATE RESOLUTION 395—WITH RESPECT TO THE RETENTION OF STATE AND LOCAL TAXES

Mr. CHILES (for himself, Mr. MOYNIHAN, Mr. DURENBERGER, Mr. HECHT, Mr. ROCKEFELLER, Mr. WEICKER, Mr. PRESSLER, Mr. BINGAMAN, Mr. GORTON, Mr. INOUYE, and Mr. DODD) submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 395

Whereas State and local taxes have been deductible in computing the Federal income tax since its inception in 1861;

Whereas State governments have in place tax structures to meet the particular economic needs of the people in those States;

Whereas eliminating the State and local tax deduction would impose an additional tax burden on millions, and, therefore, jeopardize the ability of States to raise revenues for traditional government functions;

Whereas there is no sound economic rationale for eliminating the preferential treatment of one type of State or local tax over another in the Federal tax code;

Whereas eliminating the deductibility for certain State taxes while retaining it for others cannot be explained in the context of tax reform;

Whereas the State in which an individual resides should not alter the impact of such individual's State tax deductions for Federal tax purposes;

Whereas eliminating certain State and local tax deductibility could prejudice the choice of revenue measures by State governments; and

Whereas sales and property taxes are used by some State governments as general purpose taxes, the same as income taxes are used in other States: Now, therefore, be it

Resolved, That it is the sense of the Senate that any Federal tax reform legislation should—

(1) treat all State and local income, sales, and property taxes equally, and

(2) not repeal their deductible status for Federal income taxes.

● Mr. CHILES. Mr. President, now that the Senate has adopted a budget that takes a major slice out of the Federal deficit, we can turn our attention to tax reform. But we will have to be careful that tax reform does not become revenue roulette with the barrel pointed at growth States like Florida.

I am submitting a resolution today opposing elimination of the deductibility of State sales taxes.

Florida is among the fastest growing States in the Nation. We are a magnet to tourists from all around the country, a haven for the retired, and the State of opportunity for the ambitious. Every year, Florida attracts roughly 300,000 new residents, and entertains some 40 million visitors.

To provide for both guests and residents, our State levies a sales tax. We use those funds to improve our educational system, strengthen law enforcement, and maintain and expand our public infrastructure network. Those funds also help provide the services and facilities demanded by our visitors. In fact, in Florida, more than 50 percent of our revenues are collected from the sales tax.

There are countless ways to achieve real tax reform. But a tax package that strikes at the economic heart of States like Florida would be a mistake.

Terminating the deductibility of the State sales tax would cost the average Floridian a tax deduction of more than $250 a year. That is a direct loss to each Florida taxpayer. But there would also be severe economic costs to the State, as it attempts to maintain its revenue base in the face of Federal tax policy that unfairly dictates State tax policy. Florida seeks no special advantage. The advantages we have are in large part the product of our own devices. We have instituted a sales tax. Other States have an income tax. In each case, those taxes are deductible now from the Federal income tax. This has been the policy of the Federal Government since the inception of the Federal income tax. And it is inappropriate for Congress now to decide the preferable tax structure for State governments.

Florida has worked hard to win its place in the forefront of State economic development. We make a sizable contribution to the overall wealth of the Nation. Each year, Florida citizens and Florida businesses invest billions of tax dollars in the American economy. We have weathered gasoline shortages, recessions, and weather disasters on our coastlines and farmlands. Perhaps our story is not unique. But it is the envy of much of the Nation.

To alter the work we have done with an eraser in Washington is not acceptable. So the resolution I submit today is done in the name of fairness. Florida is a State of competitors. All we ask is that the competition not be rigged by an unwitting change in the Federal Tax Code.●

● Mr. GORTON. Mr. President, I rise today in support of the resolution which has been submitted by my distinguished colleague, the senior Senator from Florida. This resolution expresses the sense of the Senate that State and local taxes should remain deductible in tax reform, and more importantly that one type of State and local tax should not be treated differently than another. This resolution is vital to all State and local governments in this country, and I would like to thank the Senator for offering it at this time.

One of the most controversial proposed tax reforms is the partial or total repeal of the deductibility of State and local taxes. In recent weeks we have seen recurrent reports indicating that the Finance Committee might consider a partial repeal of the deduction for State and local tax payments—preserving the deductibility of income taxes, while eliminating it for sales taxes.

This Senator, as a representative of a State that raises a substantial portion of its tax revenues through the sales tax, strongly opposes the notion of repealing the deductibility of one type of State tax while retaining it for another. The citizens of the State of Washington, along with those of a number of other States, have indicated their preferred means of taxation. They would be forced, for all practical purposes, to convert to a different type of tax structure because of arbitary and unjustifiable changes in the Federal Tax Code. This is unfair, and flies in the face of tax reform.

I support the resolution that my distinguished colleague has submitted, not because I wholeheartedly oppose the repeal of the deductibility of State and local taxes, but specifically because of the unfairness and capriciousness of repealing the deduction of one form of State and local tax and not another. I would as seriously consider the partial repeal as I would full repeal, if partial repeal was constructed so as to cut across all sorts of State and local taxation.

I would urge my colleagues to support this resolution, and hope that the tax bill that is finally passed by this body will, in fact, treat all types of State and local taxes fairly and similarly.●

SENATE RESOLUTION 396—HONORING THE STEGER INTERNATIONAL POLAR EXPEDITION

Mr. DURENBERGER submitted the following resolution; which was considered and agreed to:

S. RES. 396

Whereas the Steger International Polar Expedition, headed by Will Steger of Ely, Minnesota; including Minnesotans Paul Schurke, Ann Bancroft, and Jim Gasperini as well as Geoff Carroll of Alaska, Robert Mantell of Vermont, Robert McKerrow of New Zealand, and Canadians Richard Weber, and Brent Boddy, reached the North Pole on May 2;

Whereas the Steger International Polar Expedition reached the North Pole by skis and dogsled, becoming the first Polar dogsled expedition since Admiral Peary in 1909 and the first expedition in history to reach the Pole without outside support, proving that the elements can be conquered through human power and perseverance;

Whereas in conquering the white unknown of the Arctic, the Steger International Polar Expedition embodied the rugged individualism and courage that enabled our forefathers to defy danger and death to explore and settle our frontiers;

Whereas Ann Bancroft became the first woman ever to reach the North Pole, providing inspiration and encouragement to many generations of women to come;

Whereas the Steger International Polar Expedition began with a dream and garnered the support of all the people of Minnesota and the Nation; Therefore be it

Resolved, it is the Sense of the Senate that the Steger International Polar Expedition be commended as the first unsupported dogsled expedition to reach the North Pole, for sending the first woman to the Pole and for proving that with faith, hope, and perseverance we can conquer any obstacle.

AMENDMENTS SUBMITTED

UNIFORM PRODUCT LIABILITY LAW

KASSEBAUM AMENDMENT NO. 1823

(Ordered referred to the Committee on Commerce, Science, and Transportation.)

Mrs. KASSEBAUM submitted an amendment intended to be proposed by her to the bill (S. 100) to regulate interstate commerce by providing for a uniform product liability law, and for other purposes; as follows:

At the end of the bill, add the following:

TITLE II—GENERAL AVIATION ACCIDENTS

SHORT TITLE

SEC. 201. This title may be cited as the "General Aviation Accident Liability Standards Act of 1986".

FINDINGS AND PURPOSE

SEC. 202. (a) The Congress finds that—

(1) transportation by air of passengers continues to comprise an increasingly important component of the Nation's overall transportation system;

(2) although the incidence of injuries to passengers in general aviation accidents has decreased, the number of general aviation accident liability claims against general aviation aircraft manufacturers and the amount of damages sought in these claims is increasing at disproportionate rates, beyond any relationship to the quality of the aircraft manufactured and in use;

(3) the current system for determining liability and damages for compensating individuals injured in general aviation accidents is inadequate;

(4) competent general aviation manufacturers and component part manufacturers are ceasing or limiting production of general aviation aircraft or some models of these aircraft because of the increasing costs and unavailability of product liability insurance;

(5) the increase in the number of liability claims and the size of awards and settlements, and the excessive time and expense devoted to the resolution of such claims, impose a substantial economic burden on general aviation manufacturers and their dealers;

(6) the Federal Government has an interest in the general aviation accident liability system because the Federal Government has established a comprehensive system for regulating general aviation, including—

(A) establishing standards for design, construction, and certification of general aviation aircraft,

(B) establishing standards for maintenance of aircraft, licensing of repair facilities, and licensing of persons who may perform or approve maintenance, repairs, and inspection,

(C) establishing standards for training and licensing of pilots,

(D) establishing a comprehensive air control system,

(E) conducting investigations to determine the probable cause of aviation accidents and prevent future accidents, and

(F) conducting other activities necessary to assure a safe air transportation system,

and this Federal system is the exclusive legal authority for regulating aviation operations and safety;

(7) it is in the national interest to reduce unnecessary expenditures related to general aviation accident liability claims while providing more rapid and more efficient compensation for individuals harmed in general aviation accidents; and

(8) Federal action to reform the general aviation accident liability system will result in—

(A) the maintenance of airworthy general aviation aircraft; and

(B) a more rational general aviation accident liability system.

(b) It is the purpose of this title to establish standards for determining liability for harm arising out of general aviation accidents.

DEFINITIONS

SEC. 203. As used in this title, the term—

(1) "Administrator" means the Administrator of the Federal Aviation Administration;

(2) "claimant" means any person who brings a general aviation accident liability action subject to this title, and any person on whose behalf such an action is brought, including—

(A) the claimant's decedent; and

(B) the claimant's parent or guardian, if the action is brought through or on behalf of a minor or incompetent;

(3) "general aviation accident" means any accident which arises out of the operation of any general aviation aircraft and which results in harm;

(4) "general aviation aircraft" means any aircraft for which a type certificate and an airworthiness certificate have been issued by the Administrator under the Federal Aviation Act of 1958 (49 App. U.S.C. 1301 et seq.), which, at the time such certificates were originally issued, had—

(A) a maximum seating capacity of fewer than 20 passengers, and which is not engaged in scheduled passenger carrying operations as defined in regulations issued under the Federal Aviation Act of 1958 (49 U.S.C. 1301 et seq.); and

(B) a maximum seating capacity of fewer than 6 passengers;

(5) "general aviation manufacturer" means—

(A) the builder or manufacturer of the airframe of a general aviation aircraft;

(B) the manufacturer of the engine of a general aviation aircraft; and

(C) the manufacturer of any system, component, subassembly, or other part of a general aviation aircraft;

(6) "harm" means—

(A) property damage or bodily injury sustained by a person;

(B) death resulting from such bodily injury;

(C) pain and suffering which is caused by such bodily injury; and

(D) emotional harm (including bereavement and loss of affection, care, or society) which is caused by such bodily injury;

(7) "product" means a general aviation aircraft and any system, component, subassembly, or other part of a general aviation aircraft; and

(8) "property damage" means physical injury to tangible property, including loss of use of tangible property.

PREEMPTION

SEC. 204. (a) This title supersedes any State law regarding recovery, under any legal theory, for harm arising out of a general aviation accident, to the extent that this title establishes a rule of law or procedure applicable to the claim.

(b) Nothing in this title shall be construed to supersede or to waive or affect any defense of sovereign immunity asserted by the United States or any State.

(c) No right of action for harm exists under this title if that right would be inconsistent with the provisions of any applicable workers' compensation law.

UNIFORM STANDARDS OF LIABILITY FOR GENERAL AVIATION ACCIDENTS

SEC. 205. (a) Any person claiming damages for harm arising out of a general aviation accident may bring an action against a party and may recover damages from that party, if that party was negligent and such negligence is a proximate cause of the claimant's harm.

(b)(1) Any person claiming damages for harm arising out of a general aviation accident may bring an action against a general aviation manufacturer of a product and may recover damages from that general aviation manufacturer if—

(A) the product, when it left the control of the manufacturer, was in a defective condition unreasonably dangerous for its intended purpose, according to engineering and manufacturing practices which were reasonably feasible in light of existing technology—

(i) on the date on which the Administrator issued a type certificate, in the case of an alleged design defect; or

(ii) on the date of manufacture, in the case of an alleged manufacturing defect;

(B) the defective condition is a proximate cause of the claimant's harm;

(C) the defective condition would not have been corrected by action described in an airworthiness directive issued by the Administrator or a service bulletin issued by the manufacturer of the product, if such directive or service bulletin was issued at a reasonable time before the date of the accident; and

(D) the general aviation aircraft was being used at the time of the accident for a purpose and in a manner for which it was designed and manufactured.

(2) Any person claiming damages for harm arising out of a general aviation accident may bring an action against a general aviation manufacturer of a product and may recover damages from that general aviation manufacturer if—

(A) at the time the product left the control of the manufacturer, the manufacturer—

(i) knew, or in the exercise of reasonable care should have known, about a danger connected with the product that caused the claimant's harm; and

(ii) failed to provide the warnings or instructions that a person exercising reasonable care would have provided with respect to the danger which caused the harm alleged by the claimant, unless those warnings or instructions, if provided, would not have materially affected the conduct of the user of the product; or

(B) after the product left the control of the general aviation manufacturer, the manufacturer—

(i) knew, or in the exercise of reasonable care should have known, about the danger which caused the claimant's harm; and

(ii) failed to take reasonable steps to provide warnings or instructions, after the manufacture of the product, which would have been provided by a person exercising reasonable care, unless those warnings or instructions, if provided, would not have materially affected the conduct of the product user;

and the failure to provide warnings or instructions described in subparagraph (A) or (B) of this paragraph is a proximate cause of the claimant's harm.

(3) Any person claiming damages for harm arising out of a general aviation accident may bring an action against a general aviation manufacturer of a product and may recover damages from that general aviation manufacturer if—

(A) the manufacturer made an express warranty with respect to the product;

(B) the warranty relates to that aspect of the product which caused the harm;

(C) the product failed to conform to the warranty; and

(D) the failure of the product to conform to the warranty is a proximate cause of the claimant's harm.

(c) In an action governed by subsection (b) of this section, when that aspect of a general aviation aircraft which caused the harm involved was, at the time of its manufacture, in compliance in all material respects with standards, conditions, or specifications established, adopted, or approved by the Federal Aviation Administration, the general aviation manufacturer shall not be liable unless the claimant establishes by a preponderance of the evidence that a person exercising reasonable care could and would have taken additional steps to reduce the risk of harm resulting from that aspect of the aircraft, and that such manufacturer did not take such steps.

(d) A certification, regulation or any criteria made or established by the Federal Aviation Administration regarding whether a model of general aviation aircraft is airworthy under section 603 of the Federal Aviation Act of 1958 (49 App. U.S.C. 1423) is not subject to review *de novo* by the trier of fact in any action for harm arising out of a general aviation accident.

COMPARATIVE RESPONSIBILITY

SEC. 206. (a) All actions for harm arising out of a general aviation accident shall be governed by the principles of comparative responsibility. Comparative responsibility attributed to the claimant's conduct shall not bar recovery in an action under this title, but shall reduce any damages awarded to the claimant in an amount proportionate to the responsibility of the claimant. The trier of fact shall determine comparative responsibility by making findings indicating the percentage of total responsibility for the claimant's harm attributable to the claimant, each defendant, each third-party defendant, and any other person not a party to the action.

(b) Except as provided in subsection (c) of this section, a defendant is severally but not jointly liable in any action for harm arising out of a general aviation accident, and the liability of any defendant in any such action shall be determined on the basis of that defendant's proportionate share of responsibility for the claimant's harm.

(c) In any action for harm arising out of a general aviation accident—

(1) a general aviation manufacturer who is the builder or manufacturer of the airframe of the general aviation aircraft involved is jointly and severally liable for harm caused by a defective system, component, subassembly, or other part of that aircraft that the manufacturer installed or certified as part of the original type design for that aircraft; and

(2) a general aviation manufacturer who is the manufacturer of a system or component of the general aviation aircraft involved is jointly and severally liable for damages caused by a defective subassembly or other part of that system or component.

(d) A general aviation manufacturer and any other person jointly liable under subsection (c) of this section shall have the right to bring an action for indemnity or contribution against any person with whom they are jointly liable under subsection (c) of this section.

TIME LIMITATION ON LIABILITY

SEC. 207. Except as provided in subsection (b) of this section, no civil action for harm arising out of a general aviation accident which is brought against a general aviation manufacturer may be brought for harm which is alleged to have been caused by an aircraft or a system, component, subassembly, or other part of an aircraft and which occurs more than—

(1) 12 years from—

(A) the date of delivery of the aircraft to its first purchaser or lessee, if delivered directly from the manufacturer; or

(B) the date of first delivery of the aircraft to a person engaged in the business of selling or leasing such an aircraft; or

(2) with respect to any system, component, subassembly, or other part which replaced another product in, or which was

added to, the aircraft, and which is alleged to have caused the claimant's harm, 12 years from the date of the replacement or addition.

(b) Subsection (a) of this section does not apply in the case of harm to a claimant which occurs after the period set forth in subsection (a) of this section if the general aviation manufacturer or the seller of the product that caused the claimant's harm gave an express written warranty that the product would be suitable, for the purpose for which it was intended, for a longer period of time.

(c) Nothing in this section shall be construed to affect a person's duty to provide, after the sale or lease of an aircraft, to aircraft owners, and to repair facilities to which a license or certificate to perform repairs has been issued by the Administrator, additional or modified warnings or instructions regarding the use or maintenance of that aircraft or any system, component, or other part of that aircraft.

SUBSEQUENT REMEDIAL MEASURES

SEC. 208. In any general aviation accident liability action governed by this title, evidence of any measure taken after an event which, if taken previously, would have made the event less likely to occur is not admissible to prove liability. Such evidence is admissible to the extent permitted under Rule 407 of the Federal Rules of Evidence.

ADMISSIBILITY OF CERTAIN EVIDENCE

SEC. 209. In an action governed by this title, evidence of Federal, State, or local income tax liability or any social security or other payroll tax liability attributable to past or future earnings, support, or profits alleged to have been lost or diminished because of harm arising out of a general aviation accident is admissible regarding proof of the claimant's harm.

PUNITIVE DAMAGES

SEC. 210. (a) Punitive damages may be awarded in an action under this title for harm arising out of a general aviation accident only if the claimant establishes by clear and convincing evidence that the harm suffered was the direct result of conduct manifesting a conscious, flagrant indifference to the safety of those persons who might be harmed by use of the general aviation aircraft involved.

(b) Evidence regarding the financial worth of a defendant or the defendant's profits or any other evidence relating solely to a claim for punitive damages under this title is not admissible unless the claimant establishes, before any such evidence is offered, that the claimant can present evidence that will establish prima facie proof of conduct manifesting a conscious, flagrant indifference to the safety of those persons who might be harmed by use of the general aviation aircraft involved.

TIME LIMITATION ON BRINGING ACTIONS

SEC. 211. Any action for harm arising out of a general aviation accident shall be barred, notwithstanding any State law, unless—

(1) the complaint is filed within 2 years after the date on which the accident occurred which caused the claimant's harm; and

(2) the summons and complaint are properly served upon the defendant within 120 days after the filing of the complaint, unless the party on whose behalf such service is required can show good cause why such service was not made within such 120-day period. Paragraph (2) of this subsection shall not apply to service of process in a foreign country pursuant to Rule 4(i) of the Federal Rules of Civil Procedure or any similar State law.

JURISDICTION

SEC. 212. (a) The district courts, concurrently with the State courts, shall have original jurisdiction, without regard to the amount in controversy, in all civil actions for harm arising out of a general aviation accident and in all actions for indemnity or contribution described in section 206(d) of this title.

(b) A civil action which is brought in a State court may be removed to the district court for the district embracing the place where the action is pending, without the consent of any other party and without regard to the amount in controversy, by any defendant against whom a claim in the action is asserted for harm arising out of a general aviation accident.

(c) In any case commenced in or removed to a district court under subsection (a) or (b) of this section, the court shall have the jurisdiction to determine all claims under State law that arise out of the same general aviation accident, if a substantial question of fact is common to the claims under State law and to the Federal claim, defense, or counterclaim.

(d) (1) A civil action in which the district courts have jurisdiction under subsection (a) of this section may be brought only in a district in which—

(A) the accident giving rise to the claim occurred; or

(B) any plaintiff or defendant resides, if all reside in the same State.

(2) In an action pending in a district court under paragraph (1) of this subsection, a district court may, on motion of any party or its own motion, transfer the action to any other district for the convenience of parties and witnesses in the interest of justice.

(3) For purpose of this subsection, a corporation shall be considered to be a resident of any State in which it is incorporated or licensed to do business or is doing business.

SEVERABILITY

SEC. 213. If any provision of this title or the application of the provision to any person or circumstance is held invalid, the remainder of this title and the application of the provision to any other person or circumstance shall not be affected by that invalidation.

EFFECTIVE DATE

SEC. 214. (a) This title shall apply to any civil action for harm arising out of a general aviation accident and which is filed on or after the date which is 180 days before the date of enactment of this Act.

(b) If an action subject to the amendments made by this title is filed before the date of anactment of this Act, or within 180 days after such date of enactment, liberal leave shall be given to a party to amend any pleading, motion, statement of jurisdiction or venue, or other matter to conform to the provisions of this title.

Mrs. KASSEBAUM. Mr. President, I am today introducing legislation aimed at the general aviation product liability crisis.

While there are many areas of the economy today saddled with exorbitant liability costs, general aviation is an industry among those hardest hit.

In 1979, over 17,000 general aviation aircraft were sold in the United States. This year, deliveries will probably fall below 2,000. Airframe builders' product liability charges have increased an average of 500 percent, to $135 million, since 1981, and are continuing to rise sharply. Today's buyer is paying over $70,000 per airplane in insurance costs alone. Insurance premiums alone now exceed labor costs. Yet, only a small percentage of these vast sums ever reach those injured in an accident.

This situation threatens not only the manufacturers but their employees, customers, and our international competitiveness. The light single-engine market is almost nonexistent at this time. Employment over the past 3 years in the general aviation industry has been reduced 50 percent, and layoffs continue. Innovation has become in many cases economically impossible—the annual insurance and litigation expenses exceed the amounts available for product design and development. Many consumers have been priced out of the market at current costs.

Manufacturers are not trying to avoid liability for their products. However, uniform product liability standards are appropriate and needed in this industry.

This legislation gives the Federal courts jurisdiction of all general aviation cases on the basis that the industry is federally regulated at all levels. All such cases would be subject to Federal law, whether filed in a State or Federal court.

Manufacturers can be held liable for equipment which is in a defective condition "unreasonably dangerous for its intended purpose," as well as for negligence. They can also be held liable for failure to supply warnings against dangers which are known or should have been known to the manufacturers. Products will be judged in light of the existing technology at the time they were issued as type certificate, in the case of a design defect, and on the date of manufacture, in the case of a manufacturing defect.

Joint and several liability is eliminated except that manufacturers of airframes are still jointly and severally liable with manufacturers of defective systems, components, or subassemblies.

The bill adopts a comparative negligence test. It establishes a 12-year statute of repose and a 2-year statute of limitations.

Subsequent remedial measures undertaken by a manufacturer after an accident and in order to prevent future accidents cannot be admitted as evidence of the manufacturer's liability.

Punitive damages may be awarded if the claimant can show that the harm suffered was the direct result of conduct manifesting a conscious, flagrant indifference to the safety of others.

These are the main provisions of the legislation which I am introducing today as an amendment to S. 100. It is fair and balanced legislation designed with the interests of both those who use and those who sell aircraft in mind. I look forward to working with my colleagues on these reforms which will benefit all.

SHIPMENT OF DRIED MILK TO POLAND

HELMS AMENDMENT NO. 1824

Mr. HELMS proposed an amendment to the resolution (S. Res. 394) expressing the sense of the Senate regarding the shipment to Poland of dried milk to replace milk contaminated as a result of the nuclear disaster in the Soviet Union; as follows:

On page 2, beginning on line 4, strike out "to the Government of Poland" and insert in lieu thereof "for distribution to the people of Poland through appropriate private, nonprofit voluntary agencies".

HELMS AMENDMENT NO. 1825

Mr. HELMS proposed an amendment to the preamble of the resolution (S. Res. 394), supra; as follows:

Amend the last paragraph of the preamble to read as follows:

"Whereas the Administration has provided humanitarian assistance, in the form of surplus dairy products, to the people of Poland and is planning to continue to provide such assistance during the current fiscal year:".

NOTICES OF HEARINGS

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. ROTH. Mr. President, the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, will hold a hearing on the Department of Justice's handling of the Jackie Presser Ghost Workers Investigation.

The hearing will be held on Friday, May 9, 1986 at 9 a.m. in Senate Dirksen 342. For further information, please contact Daniel Rinzel or Howard Shapiro of the subcommittee staff at 224-3721.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MATHIAS. Mr. President, I wish to announce that the Committee on Rules and Administration will meet at 2:30 p.m., in SR-301, Russell Senate Office Building, on Thursday, May 8, 1986, to receive testimony on security for Capitol grounds and buildings, focusing on the Senate and House whips' Capitol-complex security enhancement proposal.

For further information regarding this hearing, please contact John Rixey of the Rules Committee staff at 224-6351.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. ANDREWS. Mr. President, I would like to announce for the information of the public that the Select Committee on Indian Affairs will be holding a markup on Tuesday, May 13, 1986, in Senate Russell 428, at 10 a.m., on the following bills:

S. 2095, to reauthorize the Tribally Controlled Community College Act;

S. 2118, to provide for the distribution of funds to pay a judgment awarded the Sisseton-Wahpeton Tribe of Sioux Indians;

S. 2260, to settle certain claims arising out of activities on the Pine Ridge Indian Reservation;

S. 2243, to improve the health status of Native Hawaiians;

S. 1988, to establish a program for the prevention and control of diabetes among Native Americans;

S. 1991, to extend programs under the Native American Programs Act; and

S. 1622, to promote the development of Native American culture and art; and for other purposes.

The committee will also be holding an oversight hearing on Wednesday, May 21, 1986, in Senate Dirksen 538, at 10 a.m., on certain issues arising as a result of a decision of the 10th Circuit Court of Appeals in the case of the *Ute Tribe* v. *the State of Utah.*

Those wishing additional information should contact the committee at 224-2251.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. ROTH. Mr. President, the Committee on Governmental Affairs will hold a hearing on two bills to upgrade financial management in the Federal Government, strengthen Federal management improvement leadership, and achieve substantial budgetary savings. These bills are: S. 2230, the Federal Management Reorganization Act of 1986; and S. 2142, the Loan Accounting Reform and Deficit Reduction Act.

S. 2230 outlines numerous reforms in financial management, strengthens the framework for making best use of computers in government, and establishes an Office of Federal Management to oversee needed improvements in Federal agencies.

S. 2142 requires any Federal agency which makes a direct loan after October 1, 1986, to submit to the Department of the Treasury the loan obligation and such information concerning the borrower as the Department needs in order to sell the obligation. The amount of any subsidy for such loan is to be treated in the budget as an outlay, thus reflecting the true cost of the direct loan programs.

The hearing will begin at 9:30 a.m. on Tuesday, May 13, 1986, in Senate Dirksen 342, and continue at 3 p.m. on Wednesday, May 14. For further information, please contact Robert Gilmour or Roger Sperry of the committee staff at 224-4751.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public that the Committee on Energy and Natural Resources has scheduled a hearing on Tuesday, May 20, 1986, at 9 a.m., in room SD-366 of the Dirksen Senate Office Building in Washington, DC, to receive testimony on the following natural gas legislation: S. 1302, S. 1251, S. 2205, S. 2285, and S. 834.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510.

For additional information regarding this hearing, you may contact Debbi Rice or Howard Useem at (202) 224-2236.

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER AND RESOURCE CONSERVATION

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a hearing before the Subcommittee on Public Lands, Reserved Water and Resource Conservation of the Committee on Energy and Natural Resources on Thursday, June 12, 1986, at 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building, Washington, DC 20510. Testimony will be received on S. 2204, to amend the Land and Water Conservation Fund Act of 1965, as amended, to permit the use of park entrance, admission and recreation use fees for the operation of the National Park System, and for other purposes.

Those wishing to testify should contact the Subcommittee on Public Lands, Reserved Water and Resource Conservation of the Committee on Energy and Natural Resources, room SD-308, Dirksen Senate Office Building, Washington, DC 20510. Oral testimony may be limited to 5 minutes per witness. Written statements may be longer. Witnesses may be placed in panels, and are requested to submit 25 copies of their testimony 24 hours in advance of the hearing, and 50 copies on the day of the hearing.

For further information, please contact Patty Kennedy or Tony Bevinetto of the subcommittee staff at (202) 224-0613.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCE

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Tuesday, May 6, 1986, in order to markup H.R. 3838, the tax bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, May 6, 1986, in order to receive testimony concerning the nomination of Jefferson Sessions to be U.S. district judge for the southern district of Alabama.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, May 6, to conduct an informal meeting, in executive session, on the security issue of mutual concern with the German Bundestag.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PREPAREDNESS

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Subcommittee on Preparedness of the Committee on Armed Services, be authorized to meet during the session of the Senate on Tuesday, May 6, 1986, in an open later to become closed session, in order to receive testimony on the national strategic stockpile, naval petroleum reserve, and to mark up S. 2102, the Strategic and Critical Materials Stockpiling Revision Act of 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

PENTAGON REORGANIZATION

● Mr. GOLDWATER. Mr. President, from time to time, I have inserted articles and short papers on defense organization into the CONGRESSIONAL RECORD. I hope this material will help Senators and their staffs prepare for the Senate's consideration of S. 2295, the Department of Defense Reorganization Act of 1986.

This historic legislation would change the organization and decisionmaking procedures of the Defense Department in order to better integrate the powerful capabilities of the four separate services. It was unanimously approved by the Armed Services Committee on March 6. I am pleased to report that, as of today, the following 24 Senators have joined Senator NUNN and me in sponsoring S. 2295: THURMOND, COHEN, QUAYLE, EAST, WILSON, GRAMM, ANDREWS, DURENBERGER, EVANS, HART, EXON, LEVIN, KENNEDY, BINGAMAN, DIXON, LEAHY, JOHNSTON, BOREN, ROCKEFELLER, EAGLETON, BUMPERS, CRANSTON, DECONCINI, and MITCHELL.

Mr. President, today I continue my practice of inserting defense organization material into the RECORD. The Heritage Foundation yesterday published an excellent analysis of the problems and proposals that have been addressed in the debate over defense reorganization. Entitled "A Solid Case for Pentagon Reorganization," the paper strongly supports the kinds of changes made by S. 2295. I should like to complement the author of the paper, Dr. Kim Holmes, and the Heritage Foundation for their contribution to a better understanding of this important issue.

Mr. President, I ask that the paper "A Solid Case for Pentagon Reorganization" be printed in the RECORD.

The paper follows:

A SOLID CASE FOR PENTAGON REORGANIZATION

(By Kim R. Holmes)

INTRODUCTION

When the Department of Defense was created in 1947, it had a budget of $56.6 billion and 2.4 million employees and military personnel. Since then, the budget has grown five-fold and personnel two-fold. Yet the Department's organization has remained fundamentally unaltered. A growing consensus of experts and policy makers now feel that the time for reorganizing the Pentagon at last has come. Taking the lead in calls for change is Ronald Reagan's Blue Ribbon Commission on Defesne Management, known as the Packard Commission after its chariman, David Packard. Its interim report this February stated: "There is a great need for improvement in the way we think through and tie together our security objectives, what we spend to achieve them, and what we decide to buy."[1] Legislation is pending in Congress to do just that. The task now is to decide how best to achieve effective military reform, or more precisely, how to reorganize the Pentagon in a manner consistent with the principles of good management and military effectiveness.[2]

The organization and structural weaknesses in the Department of Defense developed over a long period of time, and there are many of them. The Office of the Secretary of Defense (OSD), for example, lacks sufficient political authority to control the many divergent organizational forces inside the Pentagon. The Joint Chiefs of Staff (JCS) system, the nation's leading military committee, routinely seeks consensus of the three Services and thus is institutionally handicapped in offering the President objective and timely military advice. The so-called combatant commands, which cover forces dedicated to such diverse and broad military missions as the defense of the Pacific region or military airlift, are inadequately represented in the decision-making process. And the Defense Agencies, which were established to perform supply functions common to more than one military department, such as logistics, communications, and intelligence, are inadequately supervised, redundant, insufficiently responsive to their customers, including the combatant commands, and perform some functions that are only marginally important.

In view of this, Pentagon reorganization reforms should:

(1) Strengthen the political authority of the Secretary of Defense;

(2) Reduce excess personnel in the Defense Agencies and perhaps even the number of Agencies themselves;

(3) Enhance the role of the Chairman of the Joint Chiefs of Staff to reduce Service parochialism in strategic and operational planning and to make the JCS more accountable to the Secretary of Defense;

(4) Give the combatant commanders greater command authority and more influence on the structure of forces under their command;

(5) Minimize Service parochialism, streamline the Service staffs, and eliminate duplication in the bureaucratic functions of Military Departments;

(6) Improve the quality and management of joint officers.

These reforms will not eliminate all the Pentagon's organizational problems. But they will remove some obstacles to sound strategic planning and better coordinated military operations, and if the Pentagon's civilian and military leaders were willing, could pave the way for further reforms. The reforms will provide clearer policy guidance for the Services and will reduce the influence of Service parochialism on policy planning and allocation of resources without diminishing the invaluable technical and operational advice that only the Services can provide.

AN EVALUATION OF VARIOUS DEFENSE REORGANIZATION PROPOSALS

Office of the Secretary of Defense (OSD)

A serious obstacle to effective management of the Pentagon is the lack of power and influence in the Office of the Secretary of Defense.[3] While the Secretary has enormous legal power to manage and control the Pentagon bureaucracy, in reality he lacks sufficient political authority to control powerful internal and external organizational forces, such as the Joint Chiefs of Staff, the Military Departments (i.e., the Service Secretaries and Service Chief), and Congress, all of whom have agendas of their own.[4]

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[1] President's Blue Ribbon Commission on Defense Management, *An Interim Report to the President*, February 28, 1986, p. 5.

[2] The literature on defense organization reform is immense. The more prominent material includes Stuart M. Butler, Michael, Sanera, and W. Bruce Weinrod, eds., *Mandate for Leadership II: Continuing the Conservative Revolution* (Washington, D.C.: The Heritage Foundation, 1984), pp. 431-448; Theodore J. Crackel, *Reshaping the Joint Chiefs of Staff: A Roundtable of the Heritage Foundation Assessment Project* (Washington, D.C.: The Heritage Foundation, 1985); Archie D. Barrett, *Reappraising Defense Organization* (Washington, D.C.: National Defense University, 1983); Staff Report to the Committee on Armed Services United States Senate, *Defense Organization: The Need for Change*, (Washington, D.C.: Government Printing Office, October 16, 1985); Richard C. Steadman, *Report to the Secretary of Defense on the National Military Command Structure* (Washington, D.C.: Government Printing Office, 1978); William J. Lynn and Barry Blechman, *Toward a More Effective Defense: The Report of the CSIS Defense Organization Project* (Ballinger, 1985); William J. Lynn and Barry R. Posen, "The Case for JCS Reform," *International Security* Winter 1985/86, pp. 69-97; The Naval War College, *JCS Reform: Proceedings of the Conference*, Newport, Rhode Island, May 6-7, 1985; MacKubin Thomas Owens, "The Hollow Promise of JCS Reform," *International Security* Winter 1985-86, pp. 98-111.

[3] Barrett, *op. cit.*, 56-66, 191-238; Donald B. Rice, *Defense Resource Management Study, Final Report* (Washington, D.C.: Government Printing Office, 1979), pp. 5-34; and Senate Staff Report, *op. cit.*, pp. 49-137.

[4] *Mandate II, op. cit.*, pp. 433-34; Senate Staff Report, p. 629.

This weakness can be addressed in a number of ways.[5]

(1) *Reducing the number of officials reporting directly to the Secretary.*

At last count, 42 officials were reporting directly to Secretary of Defense Caspar Weinberger. Any student in Management 101 knows that this is far too many for him to oversee adequately. No chief executive, not even a super manager, can effectively supervise 42 principal assistants, who themselves oversee highly complex policy functions. Reducing the number of officials reporting directly to the Secretary would free the Secretary to concentrate primarily on major policy matters and would streamline the lines of authority inside OSD.

(2) *Eliminating statutory titles for most Assistant Secretaries.*

Proponents of this measure claim it will enhance the management flexibility of OSD by allowing the Secretary to organize OSD as he or she sees fit, to streamline OSD organization, and perhaps even to reduce the number of senior officials reporting directly to the Secretary. By and large these claims are valid. The law now requires that there be an Assistant Secretary for Health Affairs, another for Force Management and Personnel, and others for Reserves, command and control, and comptroller. The Secretary of Defense, however, should be permitted to assign the duties of his principal assistants as he wishes and as changing circumstances warrant.

(3) *Encouraging the Secretary of Defense to strengthen political control over OSD, the Joint Chiefs of Staff, and the Military Services.*

This proposal involves mainly a change in the way the Secretary of Defense relates to the Joint Chiefs of Staff and the Military Departments of the Services. Any measure to reduce the influence of the Services on the allocation of resources would enhance the real authority of OSD. By the same token, increasing the prestige and authority of the JCS Chairman could ameliorate Service parochialism. For this proposal to work would depend on whether the Secretary of Defense and the JCS Chairman cooperated closely. This can be guaranteed not by statutory reorganization, but by a tacit bureaucratic alliance between the Secretary and the Chairman to offset the influence of the Services in the Joint Chiefs of Staff and the Military Departments.

Some critics of military reform claim that strengthening the Office of the Secretary of Defense will centralize the OSD bureaucracy even more. But stronger authority is not the same as bureaucratic centralization. As defense organization expert Arch Barrett suggests, "The secretary/OSD must have unbounded power to give close scrutiny to areas of particular concern, but other activities should be delegated as much as possible."[6] Barrett believes it is possible, and indeed even desirable, for the Secretary to decentralize program management without diluting the central political authority of OSD.

Nor is it correct, as some critics suggest, to assume that strengthening the Secretary's authority inexorably leads to more micromanagement of the Services by OSD.[7] The Secretary can decide to reduce OSD's interference in the day-to-day military operations of the Services while simultaneously strengthening its hold over strategic planning and the allocation of resources.

(4) *Improving supervision and reducing personnel of Defense Agencies.*

At the Department of Defense, fifteen agencies perform the common supply or service functions required by the civilian and military leaders of the Pentagon. These include the Defense Contract Audit Agency, Defense Investigative Service, Defense Legal Services Agency, the Defense Security Assistance Agency, and many others.

Since 1958 thirteen Defense Agencies have been added to the Pentagon bureaucracy.[8] This proliferation has raised the question of whether all of them are needed. Is there really a pressing need, for example, for a separate Defense Legal Services Agency or a Defense Investigative Service?

There also is the problem of growing personnel. Since 1960 the Defense Agencies have added more than 65,000 employees.[9] Between 1980 and 1983 alone, the Defense Agencies added 5,075 new employees to the Pentagon's payroll.[10] At the very least, a cap should be put on the growth of Defense Agency personnel. In addition, the Pentagon should review its personnel requirements for the Defense Agencies, is very likely it will discover that significant reductions could be made without harming their basic functions.

Finally, because of their large number, the Defense Agencies are not adequately supervised or coordinated. Of the Secretary's 42 direct subordinates, 24 are senior OSD and Defense Agency officials. Supervision of the Defense Agencies can be improved by reducing the number of Defense Agency officials who report directly to the Secretary.

(5) *Consolidating the acquisition authority in an Under Secretary of Defense.*

The Packard Commission recommends creating a new Under Secretary of Defense for Acquisitions. This is to streamline the procurement process by consolidating responsibility in one authority, a new and powerful Under Secretary only one level below the Defense Secretary. A secondary aim is to reduce the influence of the individual Services on the weapons procurement process.

An Under Secretary of Defense for Acquisitions would give OSD greater leverage in forcing the Services to adopt budget priorities. This could, in turn, strengthen the hand of the Secretary of Defense in the entire programming and budgeting process.

Joints Chiefs of Staff

The Joint Chiefs of Staff system is the weak link in the chain of military planning and command. Because the Joint Chiefs wear two hats—serving not only as "joint" Chief but as the Chief of a parent Service—they lack the independent institutional basis for offering truly objective and timely "joint" military advice.[11] The JCS is in effect a committee of Service Chiefs representing relatively equal, independent and powerful bureaucratic interests—the Army, the Air Force, the Navy, and the Marines. There is no firm institutional basis for making "joint" or all-service decisions. In fact, the very institutional nature of the JCS requires that the Services reach the lowest common denominator of agreement between them.[12] The result is often a forced unanimity between the Services that glosses over disagreements and dilutes the quality of military advice.[13]

While the JCS system allows the Services to funnel their substantial technical expertise into the programming and budgeting process, it has the disadvantage, some critics charge, of allowing the Services too much influence on the outcome of that process. The consequence is patchwork strategic planning and programming for U.S. military forces. Because the JCS is essentially a captive of the Services, it lacks the requisite objectivity for providing unbiased military advice. Thus, instead of a coherent strategic framework governing the allocation of scarce resources, the Pentagon's civilian policy makers get JCS planning documents that are confused and even contradictory.

The lack of a strong civilian-military alliance between the Secretary of Defense and an independent JCS Chairman dilutes the authority of the President over defense policy. The JCS system deprives the Secretary of Defense, the President's principal defense executive, of the objective advice and information needed to maintain sufficient policy control over the Services. It hinders the capability of the Secretary and his principal military advisors to bring a comprehensive strategic military viewpoint to bear on the formulation of strategic planning and weapons development.

One reason the JCS system is weak is that the joint aspects of serving on the Joint Staff or on some other unified command staff are held in relatively low regard by the Services. Since promotions are controlled by the Services, joint officers typically feel that it is in their interest to reflect the views of their parent Service. The incentive structure of the promotion system thus reinforces Service parochialism.

The Joint Chiefs of Staff system can be improved by:

(1) *Making the Chairman of the Joint Chiefs of Staff the principal military advisor to the President.*

Under the current JCS system, all three Joint Chiefs as a unit serve as the principal military advisory body to the President and

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[5] The Senate Armed Services Committee has approved legislation containing a number of OSD and other organization reform provisions discussed in this paper; see United States Senate Committee on Armed Services, Press Release: "Goldwater and Nunn Announce Committee Approval of Defense Reorganization Bill," March 6, 1986. The House passed a JCS reform bill (H.R. 2265) in 1985. A new House bill (H.R. 4370) contains provisions reorganizing the combatant commands, the Defense Agencies, the joint officer corps, and the Military Departments.

[6] Barrett, *op. cit.*, p. 222.

[7] Barrett, *op. cit.*, pp. 59, 61-2; see other OSD analyses in Paul R. Ignatius, Department of Defense Reorganization Study Project, *Department Headquarters Study. A Report to the Secretary of Defense.* 1 June 1978, pp. 5-72; and in Rice, *op. cit.*, pp. 5-94.

[8] Senate Staff Report, p. 56.

[9] *Ibid.*

[10] *Ibid.*, Table 3-2, p. 58.

[11] Senate Staff Report, pp. 166-171; Steadman, *Op. cit.*, p. 53.

[12] Senate Staff Report, pp. 173-74; Steadman, *Op. cit.*, p. 52.

[13] For example, President John F. Kennedy was "appalled" at the sketchy nature of the advice he received from the Joint Chiefs on military operations in Laos. And General Bruce Palmer, a former Army Vice Chief of Staff, observed that during the Vietnam War the Joint Chiefs consistently told the president they supported the air war, even though they disagreed privately among themselves. In both instances the Commander-in-Chief, the President, lacked crucial military advice that could have made a critical difference in the way the U.S. fought the war in Southest Asia. Speech by Senator Barry Goldwater, U.S. Senate, *Congressional Record—Senate,* October 3, 1985, S 12533. *Ibid.*, S 12534.

the Secretary of Defense. A proposal approved by the House of Representatives would make the Chairman alone the principal military advisor to the President. This would provide the President with more robust and objective military advice than he has been receiving.

The military Services predictably oppose this proposal, arguing that it would reduce the diversity of military advice the President receives. This concern is exaggerated. The law making the Chairman principal military advisor could include measures ensuring independent access of the individual Service Chiefs to the President, thus preserving the diversity of military advice. Civilian control over the military, meanwhile, would be strengthened because the Secretary of Defense would have less interference from the Services. Planning would be centralized in the more powerful Chairman, but this is precisely what is needed. The specialized military advice of the three Services, on the other hand, would be preserved.

It is irresponsible to suggest, as some critics of JCS reform do, that a stronger JCS Chairman will breed an "American Caesar" or American warload capable of overriding civilian control of the military.[14] Nor will a strengthened JCS Chairman lead to a Prussian-style general staff.[15] This would require giving the Chairman and joint officers far more authority and prestige than anyone has suggested.

It also is incorrect to suggest that the advantages of competition between the Services will be lost as a result of a strengthened Chairman. For one thing, the putative competition between the Services is submerged in the depths of JCS unanimity. For another, Service competition is most effective in developing new ideas at planning levels below the Joint Chiefs of Staff. And competition is best reserved for inputs not outputs. Once all the ideas have been collected by the Secretary of Defense and the JCS Chairman, clear choices can be made based on policy objectives and established priorities. The President, in any event, will receive competing views from other advisors, the National Security Council, member of Congress, and the Secretary of Defense.

Strengthening the Chairman will not overcentralize military planning or add new layers of bureaucracy.[16] The Service Chiefs could have independent access to the President, while the staff of the JCS could be transferred from the corporate JCS to the Chairman without adding new personnel. In any event, the major bureaucratic problem in the Pentagon is not centralization but competition between decentralized bureaucracies—the Office of the Secretary of Defense, JCS, the Services, and the Defense Agencies—which degrades the central authority of the Secretary of Defense.

(2) *Creating a subspecialty in the U.S. officer corps of service on joint staffs:*

Under the current system military officers from the individual Services are assigned temporarily to such joint duties as the Joint Staff of the Joint Chiefs of Staff or to the staff of the combatant commanders. They correctly view this as temporary duty so their primary loyalty remains with their Services. To create a new all-Service mentality among the officer corps, reformers propose establishing a joint subspecialty within the Services. An Army officer whose main specialty is in land warfare communications, for example, could acquire such a subspecialty in the communications requirements of the joint Army-Air Force AirLand Battle doctrine. To ensure that the careers of joint officers in their parent Service did not suffer, the military would have to give greater weight to joint service as a prerequisite for promotion. This need not lead automatically to a Prussion-style general staff. So long as individual joint subspecialists are not promoted faster than regular Service officers, the dangers of General Staff elitism can be avoided.

The JCS reform proposals are not perfect. There is no assurance, for instance, that a strengthened Chairman will be more energetic or take a broader view just because he is more independent of the Services and has his own staff. Nor is there a guarantee that the creation of joint subspecialties will not be circumvented by the Services. Moreover, unless the Secretary of Defense takes more control of the actual outputs of the programming and budgeting process, the strengthened JCS Chairman will not have the proper guidance to centralize military planning.

Unified and Specified Commands

Unified and specified commands (or combatant commands) control forces dedicated to broad military missions. The forces at such unified commands as the U.S. Atlantic Command at Norfolk, Virginia, or the U.S. Pacific Command at Camp H.M. Smith, Hawaii, are forces assigned from two or more Services. By contrast, specified commands, such as the Strategic Air Command headquartered at Offutt Air Force Base in Nebraska, consist of forces from a single Service dedicated to some highly specialized military mission such as strategic nuclear deterrence.

Six broad criticisms of the current combatant commands contend that:[17] (1) the chain of command from the Commander-in-Chief or "CINC" to the operational commanders below him is confused; (2) the command authority of the unified commanders over the Service component commands is too weak; (3) the unified commanders have practically no organizational authority over the allocation of resources to the forces under their command; (4) the command structure below the level of the unified commander and his staff is fragmented along Service lines; (5) operation plans for the unified commanders do not receive adequate review by the JCS and the Secretary of Defense; and (6) civilian leaders unnecessarily micromanage tactical operations of the unified commanders during crises.

The critical weakness of the combatant commands, however, may be their meager influence over the forces and weapons directly under them. For example, combatant commanders are dependent on the Service component commands of their Services for resources. Moreover, they must exercise operational command through the Service component commanders. As the Chairman's Special Study Group concluded in 1982: "Today, the CINCs are at best only superficially involved in many things critical to their commands." They play almost no role in the programming and budgeting process (though they recently were invited by the Secretary to participate occasionally in meetings of the Defense Resources Board) and have little influence in the JCS force allocation process.

Proposals to remedy combatant commands' weaknesses include:

(1) *Strengthening and expanding the authority of the combatant commanders to exercise full operational command over the forces assigned to their command.*

Under the present system the Service Chiefs interfere with the CINCs' command over military operations and dominate the process of resource allocation for forces assigned to the unified and specified commands.[18] Proponents of this proposal believe that strengthening and expanding the authority of combatant commanders over military operations, joint training, and administrative and support functions of the combatant commands would give the CINCs, who, after all, are held responsible for the successful conduct of military operations, greater control over the structure and operation of forces under their command.

Overall, this is an excellent idea. It makes no organizational sense to divorce authority from responsibility, which is precisely what the current unified command system does. The CINCs should have greater authority to structure and operate the forces under their command. It is they who will command the forces in the field in time of war. They thus should have sufficient authority to structure and prepare those forces in time of peace.

(2) *Giving the unified commanders a budget.*

Currently, the combatant commanders are invited to comment on the budget affecting the forces under their command, but they have no real authority to decide its outcome. This means the CINCs of the unified commands are held accountable for forces over which they have limited control.

To remedy this it is proposed that the CINCs have a separate budget to cover the expenses of combat forces under their command. Such a CINC budget would cover the cost of many functions now mainly controlled by the Services. Example: support and administrative functions; command, control, communications, and intelligence (C^3I); joint training; maintenance; military construction and training expenses for missions assigned to the CINCs' theater of operations.

The Services balk at this proposal. They charge that saddling the combatant commanders with administrative and budget duties would create new "mini Pentagons," which would duplicate the administrative and budgeting functions of the Secretary of Defense's office and the JCS.[19]

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[14] Letter from Air Force Secretary Russell A. Rourke to Senator Barry Goldwater, February 4, 1986. Rourke claims that making the JCS Chairman the principal military advisor to the President will ". . . move the operational military command and control apparatus towards a centralized general staff concept."

[15] See the remarks by Congress Ronald V. Dellums, *Joint Chiefs of Staff Reorganization Act of 1985: Report together with Dissenting Views*, House of Representatives, 99th Congress, 1st Session, Report 99-375, p. 33.

[16] "Testimony of the Honorable John Lehman, Secretary of the Navy, before the Subcommittee on Investigations of the House Armed Services Committee, 26 June 1985," unpublished manuscript, pp. 2-3, 28-29. Also see Rep. James Courter, "For Real, Effective Military Reform," *The Heritage Lectures*, No. 48, 1986.

[17] See Senate Staff Report, *op. cit.*, pp. 302-324; Barrett, *op. cit.*, pp. 52-54, 123-145, 259-262; Steadman, *op. cit.*, p. 33.

[18] See the testimonies of three unified commanders in the Conference Committee Report on the DOD Authorization Act, 1985, cited in Senate Staff Report, *op. cit.*, pp. 310-311.

[19] "Specific Comments on Certain Provisions of Locher Bill," *op. cit.*

It is true that giving the CINCs a separate budget would complicate the budgeting process. But it should be possible to increase the CINC's contribution to the budgeting process without giving them a separate budget. They could share, for example, with the JCS Chairman the responsibility for reviewing the program objectives and budget proposals of each Military Department. The direct participation of the CINCs could be guaranteed without actually requiring them to submit a separate operating force budget.

Military Departments

The most critical organizational problem in the Pentagon is the predominance of the three Services or Military Departments in the decision-making process.[20] The Department of Defense lacks the political authority to control the parochial interests of the Services. The Service Chiefs dominate the JCS system, while the Service Secretaries can steamroll OSD. Powerful Service components, such as Army or Navy forces under the command of the unified commanders, constrain the latter's authority and independence. And the limited influence of the CINCs in the programming and budgeting process gives the Services the upper hand in choosing the military's weapon systems.

To remedy the problems, some analysts suggest combining the staffs of the Service Chiefs and the Service Secretaries. Proponents of this argue that combining the staffs of the military Service Chiefs and the civilian Service Secretaries would reduce staff duplication. This raises objections from the Army and the Air Force, which fear that the changes would unduly restrict Service activities. Air Force Chief of Staff General Charles A. Gabriel charges that fusing the staffs would "result in the loss of institutional benefits of military leadership of the Service." [21] Army Chief of Staff General John A. Wickham, Jr. claims that these proposals would strengthen "the role of the Service Secretary at the expense of the Service Chief" and 'leave uncertain who within the Army would be responsible to give advice on operational matters such as warfighting doctrine or organization and missions of combatant commands." [22]

These complaints are revealing. It is true that many Service reform proposals would restrict the Services somewhat. But this is precisely what is needed in strategic planning and the allocation of resources. While it is necessary to retain the input of Service technical and operational expertise into the program and budget process, it is not necessary to retain the contradictory positions or conflicting signals that the Services give when called upon to provide a budget for their forces.

Excessive Service influence on U.S. military planning has resulted in the neglect of vital military missions. Example: (1) the failure of the Navy to acquire sufficient sealift and of the Air Force to acquire sufficient airlift; (2) the failure of the Air Force to provide adequate close air support for the Army; (3) the neglect of special operation forces, demonstrated so clearly in the failed Iranian hostage rescue attempt; and (4) the heavy reliance of the Army on the helicopter because of constraints on Army aviation.[23] In the sum, many military missions have fallen through the cracks because of the lack of strategic guidance from the top.

Nevertheless, although reducing the size of the headquarters staff of the Military Departments may cut down on wasted energies and duplication, it will not have any significant impact on the Pentagon's most important force-planning problem: the lack of a central policy-making authority willing to establish force-planning priorities according to a coherent and practical strategic plan. And fusing the civilian and military staffs will not solve this problem. Only a conscious effort on the part of the Office of the Secretary of Defense to force the Services to adopt priorities in the early phases of the budgeting process would ensure that vital military missions such as airlift and sealift were not neglected.

CONCLUSION

The Packard Commission has a number of very good ideas for changing the military organization and command structure of the U.S. armed forces. Four Packard Commission proposals are particularly noteworthy: 1) consolidating the acquisition authority in an Under Secretary of Defense; 2) designating the Chairman of the Joint Chiefs of Staff as the principal uniformed military advisor to the President; 3) placing the Joint Staff under the exclusive direction of the JCS Chairman; and 4) channeling the reports and commands of the combatant commanders through the Chairman of the JCS.[24]

In addition to these Packard Commission recommendations, it is imperative that the Pentagon, and whenever necessary, the Congress, take measures to reduce the number of subordinates reporting directly to the Secretary of Defense, provide the Secretary with more flexibility to organize his office as he sees fit, create a new joint subspecialty in the officer corps to improve the quality of the Joint Staffs, and strengthen the Secretary's and the JCS Chairman's control over the planning, programming, and budgeting process.

Service opposition to many of these proposals is unreasonable, but predictable. The current planning, programming, and budgeting process is the optimum bureaucratic environment for the Services because it enables them to exert enormous influence on its outcome. A combination of weak central authority in OSD and powerful Service staffs in the military departments practically guarantees that force-planning will not be made with priorities or a coherent strategic purpose in mind.

Reforms that strengthen the Secretary of Defense's authority over the planning and budgeting process are necessary to correct this problem. So are measures to improve the quality of military advice the President receives from the Joint Chiefs of Staff. The technical and military input of the Services is invaluable, but it should not be allowed to confuse coherent force-planning.

Military reform in general, however, is no green light to cut defense spending. Change for its own sake or attacks by anti-military critics on weapon systems are not genuine military reform. Rather, military reform should be made with the express purpose of improving combat effectiveness and cultivating a tradition of excellence in the ranks of U.S. combat forces. In short, it should focus on the very purpose of combat forces, which is to fight and win U.S. wars.●

[20] Senate Staff Study, *op. cit.*, pp. 414-450; Barrett, *op. cit.*, pp. 63-66.

[21] Letter from General Charles A. Gabriel, USAF, to Senator Barry Goldwater, 4 February 1986.

[22] Letter from General John A. Wickham, USA, to Senator Barry Goldwater, 4 February 1986.

[23] Senate Report, *op, cit.*, p. 445.

[24] Packard Commission Report, *op, cit.*, p. 11.

PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is available to the full Senate, I ask to have printed in the RECORD at this point the notification I have received.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, May 1, 1986.

In reply refer to: I-01817/86ct.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 86-31, concerning the Department of the Army's proposed Letter(s) of Offer to Korea for defense articles and services estimated to cost $155 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

GLENN A. RUDD,
Acting Director.

[Transmittal No. 86-31]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b)(1) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective purchaser: Korea.

(ii) Total estimated value:

	Millions
Major defense equipment [1]	$129
Other	26
Total	155

[1] As defined in section 47(6) of the Arms Export Control Act.

(iii) Description of articles or services offered: Fifty UH-1H helicopters, 60 turbine engines, special tools, test and support equipment, and concurrent spare parts.

(iv) Military department: Army (XWX).

(v) Sales commission, fee, etc., paid, offered, or agreed to be paid: None.

(vi) Sensitivity of technology contained in the defense articles or defense services proposed to be sold: None.

(vii) Section 28 report: Included in report for quarter ending 30 September 1985.

(viii) Date report delivered to Congress: May 1, 1986.

POLICY JUSTIFICATION

KOREA-UH-1H HELICOPTERS

The Government of Korea has requested the purchase of 50 UH-1H helicopters, 60 turbine engines, special tools, test and support equipment, and concurrent spare parts. The estimated cost is $155 million.

This sale will contribute to the foreign policy and national security of the United

States by helping to improve the security of a friendly country which has been and continues to be an important force for regional stability and economic progress in northeast Asia.

Korea needs these helicopters to provide increased airlift capability and to reduce dependence on U.S. Army assets deployed in that country. Korea will have no difficulty absorbing these helicopters into its armed forces.

The sale of this equipment and support will not affect the basic military balance in the region.

The principal contractors will be Bell Helicopter Textron of Fort Worth, Texas and AVCO-Lycoming Division of Stratford, Connecticut.

Implementation of this sale will require assignment in Korea of one contractor representative for six months and four visits of 14 days each by six U.S. Government personnel.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

ARMS FOR TAIWAN, NOT FOR RED CHINA

● Mr. GOLDWATER. Mr. President, last week an incisive editorial appeared in the Wall Street Journal with the heading "Arms for China, Alms for Taiwan." The editorial writer asks: "Why is the United States selling fighter technology to China when it won't sell new aircraft to its allies on Taiwan?" The answer usually given by apologists for Red China is that she is tying down Soviet forces in East Asia and serves as a military asset of the West. Both arguments are fallacious.

In the first place, the Soviet Union will not significantly reduce its forces in Asia whatever its relations with Communist China. For at least two decades, the Soviet Union has undertaken the systematic and long-term development of energy and other natural resources in its Asian provinces. This resource rich region is the most vulnerable as well as valuable land in the Soviet Union. Regardless of its relations with Communist China, the Soviet Union would have constructed a logistics infrastructure and deployed military forces adequate to defend the region east of the Urals to the Pacific coast. Soviet concern about the presence of American military forces in the west Pacific and its concern about Japan provide additional reasons why the Soviets will keep massive military forces in the Far East.

It should also be recognized that the Soviet military expansion in the eastern provinces was accomplished without any reduction of forces in Eastern Europe. In fact, the number of Soviet divisions facing the West have actually increased during the buildup in the East. Thus, the premise that Red China is tying down Soviet troops that otherwise would be elsewhere disappears under critical analysis.

The contention that Communist China is a military asset for the West is equally unconvincing. Soviet capabilities are little hampered by Communist Chinese foot soldiers arrayed in a defensive mode. Moreover, it is unrealistic to presume that Western inventory or productive capacity could provide the enormous mass of weaponry and supplies needed to make Red China a match for the Soviet Union. There is little that Red China can directly contribute to the military security of the West.

As Dr. James Gregor of the Pacific basin project at the University of California, Berkeley, has written:

In the immediate and perhaps ultimate future, the non-Communist states of littoral and insular Asia might very well be of more importance to the West and to the United States than (Red China) in terms of the provision of basing and support facilities—in any confrontation with the Soviet Union.

The fact brings us back to the argument adopted by the Wall Street Journal, that it is in the real interests of the United States to upgrade the aging aircraft of the Republic of China on Taiwan, an ally who is and always has been ready to support America in every way possible.

Mr. President, I hope that my colleagues will read and pay attention to the editorial and I ask that it be printed in the RECORD.

The editorial follows:

[From the Wall Street Journal, Apr. 28, 1986]

ARMS FOR CHINA, ALMS FOR TAIWAN

China joined with the Soviet Union and several other nations in a U.N. Security Council vote last Monday condemning the U.S. for its raid on Mu'ammar Qadhafi's terrorist bases in Libya. This unfriendly gesture, coupled with a condemnatory statement from Peking shortly after the raid, raises an interesting question about U.S. foreign policy. How did the U.S. ever get the idea that its tilt toward China and away from Taiwan would be generously rewarded by Peking?

That line of inquiry raises yet another, more immediate question: Why is the U.S. selling fighter technology to China when it won't sell new aircraft to its allies on Taiwan?

The Reagan administration told Congress earlier this month that, after two years of review, it plans to sell China some $550 million of aviation equipment to upgrade its F-8 jets. Very few people oppose the sale. China's F-8s are not much better than flying rust buckets, and even with U.S. high-tech they won't present much of a threat to U.S. friends in Asia. China wants the equipment so that, among other things, the F-8s can fly at night and be able to intercept any Soviet bombers going south for vacation. Although China's U.N. vote is not encouraging to hopes of improved U.S.-China relations, the sale will bring in some export dollars.

What does rankle, however, is the U.S. reluctance to upgrade Taiwan's air force in the same way. A group of 50 prominent conservatives recently sent a letter to the White House raising that issue, while a few folks in Congress have hinted they might oppose the sale unless something is done for Taiwan. Right now Taiwan's most advanced fighter is the F-5E, a small and obsolescent plane that is inferior to some advanced fighters China is developing. Taiwan retains air superiority over the Taiwan Strait, but unless it is able to buy U.S. advanced F-20 or F-16 jets, this superiority will eventually vanish. China refuses to renounce invasion as a way to unite the two Chinas.

American's Peking lobby doesn't like any weapons sales to Taiwan, of course, because it fears the communist Chinese will scream to high heaven. It also claims a fighter sale would violate the U.S. promise, made in the 1982 Shanghai-II communique, to gradually reduce arms sales to Taiwan.

But what else is new? The Chinese always complain, loudly and in public, a tactic that usually gets them what they want. The Shanghai-II document is a case in point, since it probably violates America's earlier promise (in the Taiwan Relations Act) that it would sell Taiwan enough weapons to adequately defend itself. Somehow we doubt China would be so affronted this time that it would realign itself with the Soviets, or deny itself the U.S. capital and technology it wants to promote its "open door" economic policy. The Chinese are already pursuing better relations with Moscow; they recently hosted in Peking the highest-ranking Kremlin visitor in 15 years. China defines its own interests as walking a line between the Soviets and the West.

The U.S. has it own interests to think about too. One is being seen around the world as a reliable ally. Taiwan is surely that, most recently, we're told, having quietly offered to host America's Pacific air and naval bases if they were thrown out of the Philippines. The sale of advanced fighters would reassure Taiwan that U.S. arms sales to China aren't going to undermine its security.●

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. DODD. Mr. President, as a participant in the Congressional Call to Conscience I would like to take a few minutes to discuss the plight of Soviet Jewry, the denial of their right to leave the Soviet Union as well as the Soviet Government's interference with their cultural and religious life. It is particularly fitting to raise this subject today, Holocaust Day, as we have to remember that the defeat of nazism in World War II did not end the persecution of all Jews around the world.

Another significance of this day is due to the fact that the Bern experts meeting on human contacts, a follow-up meeting on the implementation of the Helsinki Agreement, has arrived to its halfway point today. At this time it is difficult to discern if any progress is being made at that meeting. Indeed, the unresponsiveness of the Soviet Government to our human rights pleas and its consistent record of violating almost all provisions of the Helsinki Final Act caused many to question the wisdom of our continuing to adhere and demanding adherence to the Final Act.

I understand the frustration behind these sentiments as I feel frustrated myself. Still, I am convinced that to denounce any of the human rights agreements such as the one signed in Helsinki would be a misguided act. If

our adversaries are determined and stubborn in their violations, so much the more determined and stubborn must we become in demanding compliance to international obligations solemnly undertaken. Nowhere is this more important than in our fight to assist the Jewish population of the Soviet Union.

In a few days Anatoly Shcharansky will arrive for his first visit to the United States. This will provide us a splendid opportunity to learn patience, endurance, quiet determination from one who demonstrated these qualities under the most difficult circumstances. I predict he will not advise us to ease up on the pressure, to give up on the Helsinki Final Act or to compromise with the oppressors. He will call on us not to ease the pressure unless and until all Jews, who so desire, may leave the Soviet Union freely.

Anatoly Shcharansky's release itself, after all, is the result of a long and determined campaign. There are, however, masses of refuseniks left behind. Let me just briefly mention two cases here.

Emmanuel and Alla Smeliansky of Moscow, with their young son Misha, are waiting for an exit permit for over 15 years. Their application was refused under the excuse that Emmanuel possesses state secrets as a former metallurgical engineer. In fact, Emmanuel was fired from his job shortly after his first application and had to support his family as a night watchman ever since.

Aleksandr Paritsky and his family are waiting for their exit visa for 10 years. In recent years Aleksandr suffered 3 years imprisonment for organizing Jewish cultural activities. His health was so undermined in prison that a few months ago he suffered a heart attack. I was relieved to learn, though, that his health has improved since.

Mr. President, our commitment to human rights, if we are serious about it, cannot be subject to ups and downs as a result of temporary political winds. As long as we have the example of the Shcharanskys before us we can do no less but maintain the pressure by any reasonable means available to us. If we persist long enough the Soviet Government will relent and decide that to continue the denial of the fundamental right of emigration is simply not worth the price of the resulting international opprobrium. On this Holocaust Day I ask my colleagues' continuing attention to and support of this worthy cause.●

A SALUTE TO ASIAN-AMERICANS

● Mr. SIMON. Mr. President, May 5 marked the beginning of Asian/Pacific American Heritage Week, a time when we honor the achievements of Asian and Pacific citizens of the United States. There are now more than 4 million Asians living in the United States and their success here has been impressive. Historically, Asian immigrants have made tremendous contributions to the growth of this country—from Chinese-Americans who helped to build the transcontinental railroad to Japanese-Americans who helped to establish Hawaii's sugar industry.

In our time, Asians have become successful business owners, entrepreneurs, and are emerging as a powerful political voice. They have also excelled academically, taking full advantage of our greatest resource, our education system. The freedom to make one's own way is the foundation upon which our country is based and Asian-Americans, with their ethic of hard work and self-sufficiency, provide an example that we can all learn from.

I think of the Indochinese refugees who have come to our shores with little more than the shirts on their backs and proven themselves successful and industrious citizens of our country. I think of the Philippine- and Korean-Americans as well as the Asian- and Indian-Americans who make such an important contribution to the social, political, and economic life of the city of Chicago in my home State of Illinois. I think of Ellison Onizuka, the grandson of Japanese immigrants, who grew up on the island of Kona in Hawaii, where he worked in the coffee fields. He was a star athlete, an honor student, and an Eagle Scout, as well as an Air Force test pilot for 8 years. He always had the dream of being an astronaut, but until recently there were no Asian-American astronauts. Ellison Onizuka did not give up on his dream. He made it a reality. His story is an inspiration not only to Asians, but to all hard-working people.

Asians have been called a model minority, but I think the term "model Americans" is more appropriate. Through hard work and determination, they have contributed immeasurably to our country, and realized their own American dream.●

PBS DOCUMENTARY ON DRUNK DRIVING

● Mr. DANFORTH. Mr. President, on Wednesday night, May 7, a compelling documentary called "Drinking and Driving: the Toll, the Tears" will be shown nationally over public broadcasting television stations.

I call my colleagues' attention to it because I believe it effectively focuses attention on the need to continue the fight against driving while impaired by alcohol.

This documentary brings together an unlikely alliance of drivers and victims. It serves clearly to illustrate that drunk driving affects us all.

The area of highway safety is of great concern to me. I have sponsored or supported legislation, now signed into law, to reduce the death toll on our highways related to alcohol and drug abuse.

Hundreds of people—most of them young Americans in the 18 to 20 age group—owe their lives to changes in State drinking ages brought about by the Federal law that requires States to enact age 21 drinking laws in return for full allocation of Federal aid for highway construction. States without age 21 drinking on October 1 will lose 5 percent of their Federal highway construction funds. The amount withheld increases to 10 percent the next year.

In 1982, Congress passed legislation to increase Federal funding for States that require mandatory license suspension for driving while under the influence. The law expanded in 1984 to enable States to use laws against drugged driving in qualifying for the increased Federal funding.

In addition, the 1984 law will improve tracking of repeat drunk-driving offenders by providing funding to States that computerize their traffic records.

In 1984, Congress passed changes in the Federal bankruptcy code that prevent drunk drivers from escaping their debts from damage judgments under bankruptcy.

Recently, Senator PACKWOOD joined with me in introducing legislation to improve the safety of interstate truck and bus operations by providing, among other things, for a vigorous effort to detect impairment in professional drivers.

Both tough penalties and incentives have significantly decreased the deaths and injuries from driving while impaired by alcohol. But the loss of life and limb to alcohol continues to represent a terrible waste.

Every driver needs to know that one can be drunk enough to kill or injure someone before one reaches the legal intoxication level. We need to do everything possible to make sure that our friends and loved ones do not drive when their judgment and coordination are impaired.

Laws are working. But each of us needs to do our part in the fight to save lives and prevent injuries. I want to congratulate the Public Broadcasting Service for, once again, helping to raise our consciousness.●

WHAT PARENTS DON'T KNOW ABOUT CRACK

● Mr. CHILES. Mr. President, over the last year I have become disturbingly aware of the influence crack and rock cocaine have had on our youth. These purified cocaine nuggets have introduced many of our young to the

addictive drug of cocaine because this form is cheap and it produces an instant high. For as little as $4 to $5, one can buy a hit or puff of rock cocaine. This new drug form is spreading across the country and has introduced a whole new class to cocaine—long thought of as the drug of the upper and jet classes.

The Drug Enforcement Administration has met with State and local law enforcement to consider new methods of dealing with rock and crack cocaine. I have introduced legislation to direct the Attorney General to develop a model statute to help State and local officials in policing freebase houses where rock and crack cocaine are sold and smoked. Law enforcement must be prepared to curb the possible epidemic of rock and crack.

But law enforcement is not the only solution. We must also educate our youth and their parents about this lethal drug. Its highly addictive nature and health hazards should be known to any potential user. I was pleased to see that People magazine devoted several pages to an informative discussion of crack cocaine with the director of an adolescent treatment center. I would imagine that most kids read People and am pleased to see the magazine help in the education of our youth.

Mr. President, I ask that my letter to People and the article on crack cocaine be printed in the RECORD.

The material follows:

U.S. SENATE,
May 6, 1986.

PEOPLE,
Time and Life Building, Rockefeller Center, New York, NY.

DEAR EDITOR: I commend People for "What Parents Don't Know About 'Crack,' the New Cocaine Threat . . .," May 12 issue.

I noted that Ellen Morehouse referred to a 1985 study finding that cocaine use among teens is up in every region of the country "except the South." Unfortunately, that has changed, at least in Florida, thanks to cocaine "crack" or "rock." Veteran law enforcement people in Florida, deeply concerned, tell me the rock craze is the fastest-growing drug problem they've faced, especially for teens.

While I'm pushing some loophole-closing legislation, I know the real hope must lie in public information and education. Your piece should make Mom stop, when she gives Johnny $5 for the movie, and realize she just provided the price of a "rock hit." And the awful truth it provides about addiction and destruction will hopefully help discourage young people from trying it.

Thanks for this good work.

Sincerely,

LAWTON CHILES.
U.S. Senator.

WHAT PARENTS DON'T KNOW ABOUT "CRACK," THE NEW COCAINE THREAT, COULD BE HAZARDOUS TO THEIR KIDS

For years cocaine largely escaped the grim and sordid reputation reserved for other illicit drugs. While hardly anyone argued that coke was completely harmless, the social threats posed by 'the champagne of drugs" seemed sufficiently remote to most American families. Experts did warn that coke snorting could result in disorders ranging from inflamed sinuses to psychosis, but few thought it to be relentlessly addictive. Cocaine might be a problem for celebrities and fast-trackers, many parents reasoned, but not for neighborhood kids.

Such perceptions are changing with the appearance of cocaine in a more menacing, smokable "freebase" form. Called "crack" or "rock," it is potent, conveniently packaged and cheap enough to attract even teenagers on an allowance. From the big cities, it already has invaded the suburbs.

As director of adolescent treatment at Stony Lodge Hospital's Outpatient Recovery Center in Ossining, N.Y., Ellen Morehouse has seen the crack problem grow. A graduate of Cornell and New York Universities, she is also executive director of the Student Assistance Services, whose alcohol-and-drug use prevention program for New York's Westchester County is serving as a model for schools elsewhere in the U.S. and Canada. Morehouse, 36, who lives with her attorney husband and 2-year-old son in Westchester, spoke with reporter Jane Sudgen on the social roots of the new cocaine epidemic among teens.

How fast is cocaine use spreading among young people?

In a 1975 University of Michigan study, 9 percent of high school seniors surveyed said they had used it at some time in their lives. Ten years later that number was up to 17 percent. The survey in 1985 also found cocaine use up among all groups of teens—males and females, college bound or not, urban and rural—and in every region of the country except the South.

Isn't cocaine expensive?

The idea that cocaine is just for the rich is a myth. It's like pocket calculators—expensive when they first appeared, but now anyone can afford them. In New York City a gram of coke—enough for 10 good-size lines, or doses—goes for $80 to $120 on the streets. Most teens know where to get cocaine, and a group might pool their money on Friday night to get high. Our research in Westchester County found no difference in the pattern of cocaine use between those in the poorest and richest high schools. It is an equal-opportunity epidemic.

How did cocaine become a "drug of choice" with kids?

Adolescents by definition are trendy. In the late '60s it was "in" to look poor, to be earthy, natural, to wear worn-out jeans with patches. Marijuana became popular then; smoking pot made you mellow. But now materialism is back. Money is okay, success is great, the more designer labels the better. Cocaine fits the mood of the 1980s. It's a high-performance drug associated with movie stars, athletes, the rich and glamorous.

Is it easy to get hooked on cocaine?

Let's face it: Coke really works, at least at the start. When a person first uses it, he gets a feeling of well-being. He can stay up later, work longer. Sexual performance may be improved, initially. In the case of teenagers who may not be socially confident, coke gets them where they want to be. They become part of the group, and, unlike heroin, there's neither the stigma nor the dangers from the use of needles. Coke is a white powder, which makes it seem more socially acceptable.

What exactly is crack?

It's a kind of dealer-prepared cocaine freebase, in which powdered coke is mixed with baking soda and water to form a paste. After the concoction hardens, it looks like off-white granulated sugar; it is broken into chips or tiny lumps.

What is the advantage of crack?

Crack is easier to use. Lots of people find it distasteful to snort powdered cocaine. But crack is pure; it can be used in a cigarette or smoked in a pipe. It's cheap and convenient. A two-dose vial of crack costs about $10.

Is crack dangerous?

Smoking cocaine freebase is much more potent and very dangerous form of coke use. In snorting the powder, it takes up to five minutes for the user to feel the effects. But in smoking freebase, it taken only eight seconds. The high is almost immediate, the euphoria more intense. The heart starts beating at a very fast rate, blood pressure often rises, and heart-lung problems and seizures can occur. The terrifying thing about crack is that a youngster could become addicted in a matter of weeks.

What is the pattern of cocaine use?

Cocaine users develop a tolerance for the drug. The euphoria is never the same as it was at the beginning. They might use four times more cocaine and still never repeat the original high. But the addict so craves the ultimate rush that he lets everyting else go and assumes great risks to get cocaine.

How do addicted youngsters support their growing drug habits?

Many begin to steal—from parents, relatives, friends. They might rip off car radios, turn to prostitution—anything for the ultimate high. Some become drug dealers themselves.

Why are youngsters so reluctant to heed warnings about cocaine?

There's a natural tendency among kids to experiment. They tend to do dangerous things without considering the consequences. Kids often ignore adults' warnings. One youngster I know bought crack, got into his car, put one of the rocks in his pipe, lit up, inhaled, stepped on the accelerator and passed out. He hit a phone pole but miraculously survived.

Have parents contributed to this casual disregard of cocaine's dangers?

If an adolescent sees his parents as heavy drinkers or users of drugs—even such things as sleeping pills—he will think it is an acceptable way to get rid of problems, a way to feel better. And a lot of today's parents grew up in the Vietnam era and used drugs. They saw movies like *Reefer Madness,* but they believed that pot did not hurt a lot of them. So they don't believe cocaine is dangerous, either. They won't take it seriously. Parents say to me, "I know my child is going to experiment, and I don't mind. I just don't want him to use too much." this is tragic. Before they know it, their kids are hooked.

If parents suspect their child is on cocaine, what signs should they look for?

Dramatic weight loss over a relatively short time is one sign, especially with crack. Sometimes they cough up a black mucus. One kid lost 16 pounds in a month. It often takes parents a while to see the changes in a child's life patterns. He used to be interested in his girlfriend, sports, his homework; now he isn't interested in much of anything. His grades skid. After every high there is a crash, so another early sign is the youngster's staying in bed. Kids on cocaine sometimes sleep 14, 16 hours because they are so exhausted after the high.

How can youthful addicts be helped?

The first step is to stop the use of cocaine, or any mood-altering drug, immediately and completely. Sometimes this requires hospi-

talization to break accessibility to the drug. Even without that, there must be urine screening at least twice a week. Parents must get involved in the recovery; the family must be educated about the addictive process. The kids should understand that recovery is going to be hard, but it is easy to relapse. They must participate in the programs of such groups as Narcotics Anonymous or Cocaine Anonymous or even Alcoholics Anonymous. The schools can provide support through counselors. Exercise is important: It also is a stimulant, but a natural one. Our program of abstinence and lifestyle change lasts generally six to 12 months, but we look on cocaine addiction as a life-long illness.

Can the cocaine epidemic be stopped?

The cocaine-prevention battle really starts with cigarettes and alcohol. Not everyone who smokes or drinks turns to cocaine, but there are very few cocaine users who did not first use tobacco, marijuana or alcohol. More broadly there is the whole psychology of drugs. Our society must see that we are far too much a drug culture. Changing attitudes in any profound way won't come easily, but there's hope. Smoking, for example, is no longer the vogue. There has been some decrease in alcohol consumption, and marijuana use is down somewhat, too. We must make cocaine unchic. We must deglamorize it before it's too late.●

THE SEMI-LIBRARY OF CONGRESS

● Mr. SIMON. Mr. President, through my lifetime, I have seen people protesting all kinds of cases, frequently doing more harm through their protest.

I frankly find it kind of refreshing that people are protesting the fact that the Library of Congress is not open more hours of the week.

I would hope that, somehow, a practical compromise can be worked out that will open the Library of Congress a little more. A Nation that has one-third of the world's economy—by far, the richest nation on the face of the earth—ought to be able to keep its national library open to accommodate its students and scholars.

Recently, an interesting item appeared in the New York Times, written by Russell Mokhiber entitled, "The Semi-Library of Congress."

I ask that it be printed in the RECORD.

The item follows:

THE SEMI-LIBRARY OF CONGRESS

(By Russell Mokhiber)

Question: What do El Salvador, Guatemala, Peru, Cuba, China, the Soviet Union, the Dominican Republic, Honduras, East Germany, Japan, Brazil, Chile, Colombia, Spain, Belgium, Australia and Italy have in common?

Answer: Their national libraries are open more hours per week than the national library of the United States: the Library of Congress.

The reason is that the Library of Congress has cut its reading room hours by 30 percent. On March 10, the first weekday since 1897 that the Library was scheduled to be closed in the evening, more than 100 people gathered in the beautiful and peaceful main reading room and refused to leave at the new closing hour, 5:30 P.M. We stayed until 9:30 P.M., the old closing time. For the first hour or so, individuals stood and expressed their love for the Library of Congress and their outrage at the early closing.

The sit-in was organized by the "Books Not Bombs Campaign to Save the Library of Congress," a group of Library users. The reading room was transformed into a forum on President Reagan and how his policies have hurt the nation. Speakers made the point that this priorities are up-side-down and that it was ridiculous for the President to be spending billions on weapons of mass destruction while at the same time closing the Library's doors and foreclosing on farmers.

William Hirzy, who was one of the protestors, said; "Free access to information is a foundation of Democracy, and the closing of the greatest library in the world on most weekday evenings and Sundays, combined with the cut in Library services to blind and handicapped persons, the curtailment of acquisition of needed current material and the cuts in cataloging, rendering much material inaccessible, drastically restricts the flow of information and serves to undermine democracy."

The protest continued on March 11 and March 13, and on March 13, an organizer, Mary Maloney, received a telephone call from William J. Welsh, deputy librarian, who told her that if the protest continued that evening, the police would make arrests. "Why was the Library changing its policy?" she asked Mr. Welsh, who replied that the protest was "no longer serving a useful purpose" and had become "too political."

That evening, 14 people, including a 77-year-old woman, were arrested, many for the first time in their lives, because they refused to leave. Since then, four more people have been arrested, raising the total to 18. By now, many of the organizers have received stay-away orders prohibiting them from using any Library facilities through Oct. 1.

Rather than ordering arrests and issuing stay-away orders, the Librarian of Congress, Daniel J. Boorstin, should be joining with us in the main reading room to protest. It is not enough for him to give passionate testimony before Congressional committees, although it was just such testimony that informed and inspired many of the demonstrators.

On Feb. 20, Dr. Boorstin testified before members of Congress that "the situation of your, of our Library is serious, it is even dangerous, and could become tragic for our nation, the Congress and the whole world of learning." He said that the planned cutback in hours would make the Library's services and resources "inaccessible to any person who must hold down a regular job." He said that if current budgetary cuts were pursued, the Library would "quickly deteriorate." He said: "It can be disintegrated in a decade and destroyed in two decades." He argues that the Library would be transformed from "a monument to our Founders' faith in knowledge, a byproduct of our nation's faith in freedom of inquiry," into a "symbol of a nation's lack of faith in itself, a symptom of a nation in terror and decline."

Dr. Boorstin said: "Historians will not fail to note that a people who could spend $300 billion on their defense would not spend $18 million on their knowledge—and could not even keep their libraries open in the evenings." And he called the budget cuts "anti-democratic and anti-knowledge."

Our message exactly.●

NAUM AND INNA MEIMAN: PERSISTENT AND DEDICATED

● Mr. SIMON. Mr. President, Naum and Inna Meiman have endured harassment from Soviet officials because of their desire to emigrate to Israel. The Meimans' dogged determination to emigrate has resulted in worldwide support for their plight.

I have received letters from Paris, France, from Indiana, and from Illinois expressing deep concern for the Meimans and for Inna's health. Inna has had four cancer operations and the prognosis is not good while under Soviet medical care. Western medical authorities have suggested treatment that could provide a cure, but without permission to emigrate, such treatment is only a dream.

I implore Soviet officials to permit the Meimans to emigrate to Israel.●

CHILD SEXUAL ABUSE AND PORNOGRAPHY ACT

● Mr. CHILES. Mr. President, I am informed that I was inadvertently left off S. 2398 when it was introduced last Thursday, May 1, 1986. I support this legislation just as I supported S. 554 which the senior Senator from Delaware [Mr. ROTH] introduced last year.

Senator ROTH is to be commended for the time and effort he has devoted to the issue of child pornography. Both he and Senator SAM NUNN have demonstrated diligence and leadership in bringing this problem before the American people.

The Permanent Subcommittee on Investigations, chaired by Senator ROTH, conducted a year-long investigation into the sexual abuse and exploitation of children through the crass, dehumanizing experiences forced on them by pedophiles. Last year, the subcommittee, in emotionally filled hearings, heard from a young man who was fighting to overcome the personal scars he had suffered as a result of sexual exploitation. I would like to echo the remarks Senator ROTH made in his statement on May first when he introduced S. 2398.

For the sake of our children, we must do more to restrict the availability of child pornography to these individuals (pedophiles).

Last year when S. 554 was introduced, I cosponsored the act because I felt it was a good first step toward eliminating the loopholes that exist in the law. Right now, the law provides for penalties for both the production and distribution of child pornography but does little to restrict the advertisement of that illegal material.

This legislation is also important for it amends the Mann Act and makes the law applicable to males as well as

females. The PSI Subcommittee heard considerable testimony which pointed to the exploitation of young children of both sexes by pedophilies often by transporting them across State lines. Formerly, the Mann Act only applied if money changed hands and was designed to prohibit interstate prostitution. Under S. 2398, pedophiles who exchange young victims for their pleasure will also be covered by the Act.

Again, Mr. President, I am happy to join other Senators in supporting this bill and I am hopeful that the Senate will move quickly to enact this bill.●

A NEED TO DO MORE

● Mr. ABDNOR. Mr. President, I am pleased that the Office of Technology Assessment has completed its long-awaited study of Federal Indian health care programs.

As one who urged that such a report be compiled, I salute the work of the advisory panel headed by Dr. Rashi Fein of Harvard Medical School. I am also proud that Dr. Clark Marquart of Rosebud, SD, was a member of the Indian Health Care Advisory Panel which assisted in preparing this report. Dr. Marquart has long been active in Indian health programs and efforts to improve them both on a State and national level.

Mr. President, the good news is that the health of native Americans has improved dramatically since the Indian Health Service was founded in 1955. The bad news is that the mortality rate for Native Americans is still nearly 1.5 times that of the general American population.

This study will serve as the foundation of a long-needed review of Indian health care. The OTA study found that there exists confusion and lack of direction in Federal Indian health programs. In addition, the Federal role has never been determined beyond the year-to-year direction of Congress and the current Presidential administration.

As a member of the Senate Select Committee on Indian Affairs, I take great pride in the efforts of our committee to assist the Indian Health Service in strengthening current Indian health programs in Indian country. Since the founding of the Indian Health Service, there has come a greater awareness of the role that education and preventative medicine play in improving the health status of Native Americans. Pneumonia and influenza deaths have decreased by 50 percent. However, the incidence of diabetes and infant mortality continue to be higher than the general population.

Mr. President, I salute the efforts of the Indian Health Care Advisory Panel and the staff of OTA for this important report. I shall continue to do all I can to see that its recommendations and criticisms are acted upon.●

HOLOCAUST REMEMBRANCE DAY

● Mr. LAUTENBERG. Mr. President, today, communities all over the world will gather to commemorate the atrocities of the Holocaust. Millions of people will pause to reflect on the cold years from 1933–45 in which the world witnessed one of the darkest chapters in human history.

We in the Capitol gathered to light candles in memory of the 6 million victims of the Holocaust. Israel will observe 1 minute of silence in their memory. During these moments, buses will sit silently on the streets, teachers will interrupt lessons, and children will quietly cease activity. For 1 minute, the entire country will sit in suspended animation pondering the horrors of the Holocaust. The gas chambers. The starving children. The torture. The disease. The smell of death. The silence.

It is fitting that today has been designated by the Israeli Government as Holocaust Remembrance Day, or Yom Hashoah, for it falls between the date of the uprising of the Warsaw Ghetto against the Nazis and before Israel's War of Independence. It also falls during a traditional mourning period for the Jewish people.

Today not only Israel and the United States but people the world over mourn the senseless deaths of 6 million Jews together. We should also take a moment to praise the resolve of those who climbed back from the edge of annihilation to create a future in the Jewish State of Israel.

Mr. President, the tragedy of the Holocaust is a testimony to man's inhumanity to man. That Adolf Hitler and his Nazi forces set out to systematically exterminate a once vibrant and thriving community of Jews in Eastern Europe—simply because they were born Jews—is unfathomable. But that the world stood by in silence and witnessed these heinous crimes is almost beyond belief.

No one protested when S.S. General Heidrich and some of the most educated people in Germany sat down to determine the "Final Solution" to the Jewish question.

No one took seriously the words of German boys and girls marching through the streets singing "When Jewish blood spurts from the knife, then all goes twice as well". Or the night of broken glass, when Jewish shops and businesses throughout Germany were ordered smashed and burned by the Nazis.

The world was silent in 1938 when the Gestapo first ordered and hauled thousands of Jews to concentration camps. And, too few listened to the cries of 6 million Jews or protested as they were carted off to their deaths in Nazi gas chambers. Because the voices of outrage were not heard, the Nazis came to power and began their campaign to exterminate the Jews of Eastern Europe.

But the Jews of the Warsaw ghetto refused to keep silent. Under the leadership of Mordechai Anielewicz, Jews in the Warsaw ghetto organized resistance forces to fight Nazi liquidation. By smuggling in arms through the Polish underground, Anielewicz and his forces succeeded in holding off the German forces for 1 month. In the end, only a few crept their way to freedom through the pipes of the Warsaw sewer system. Although most of the resistance forces were killed by Germans, it was not without protest, struggle, and anger.

The world should have taken a page from Anielewicz and his resistance forces. It should have organized and interceded in that era of desperation on behalf of the Jews. But the world sat in silence as 6 million were consumed by Nazi flames.

It is our job to assure that this silence is broken, again and again. That the world is never allowed to forget what happened during the Holocaust. We know that those who forget the lessons of history are condemned to repeat its mistakes. We have the responsibility to ensure that these horrors will never again be repeated. For the sake of the future, we must not forget the past.

TAX TREATMENT OF PERSONAL USE OF EMPLOYER-PROVIDED VEHICLES

● Mr. D'AMATO. Mr. President, I rise today to cosponsor legislation introduced by my distinguished colleague from Arkansas which will impose a reasonable moratorium on the enforcement of Internal Revenue Service regulations relating to the tax treatment of the personal use of employer-provided vehicles. I speak of S. 2090, now pending in the Senate Committee on Finance.

Mr. President, our history on this issue is a tortured one. In 1984, Congress passed the Deficit Reduction Act, which included a requirement for "contemporaneous recordkeeping" to document all Federal tax deductions relating to the personal use of such vehicles. The IRS interpreted these regulations in such an onerous fashion that the resulting public outcry led to a 1985 repeal and restatement of the legislation. However, the IRS legislation that followed this restatement of congressional intent failed to make all the changes contemplated by Congress. Small businesses still are under the gun; they have to exercise caution to the point where they can see no practical difference between current

regulations and the repealed legislation. The questions asked on the 1985 tax forms leave many such taxpayers worried that any affirmative answer is the shortest way possible to a tax audit.

Frankly, it is time to revisit the issue. It is time to implement a more reasoned approach. We should use this moratorium period to review these regulations and to see if we can combine sound tax treatment for the personal use of employer-provided vehicles with a reasonable recordkeeping requirement on our constitutents. S. 2090 will give us the time for this review by delaying any enforcement of the regulations until at least July 1, 1987. It will also prevent the Secretary of the Treasury from issuing any regulations relating to the substantiation requirements for these deductions during the moratorium period.

Mr. President, I am pleased to cosponsor this excellent legislation, and I urge its speedy passage.●

TECHNOLOGY LITERACY

● Mr. HART. Mr. President, I wish to address an issue which is of enormous importance in maintaining our country's competitive edge in an increasingly complex world: The education of our youth in technology.

During the past few years, Congress has recognized the importance of training our future generations in mathematics and science. We have translated this concern into legislation that promotes these disciplines in our schools. We have not, however, made the same kind of effort with technology education.

My distinguished colleague for West Virginia recently addressed this problem by introducing the Technology Literacy Act in the Senate. Once again, Mr. ROCKEFELLER has demonstrated his commitment to progressive ideas and a strong belief in opportunity and excellence. I commend my colleague for his able and farsighted leadership.

Mr. President, I believe that the Technology Literacy Act will catalyze the national debate on technology education, and I am pleased to cosponsor it.

Mr. ROCKEFELLER and I share the belief that teaching students about technology, its impact on our culture, its place in our history and its promise for the future is critical to their education and our Nation's prosperity. We must instill in our younger generations the same spirit of innovation and creativity that made this country the leader of today's technological revolution.

Mr. President, I would like to include for the RECORD testimony by Mr. ROCKEFELLER before the House Subcommittee on Elementary, Secondary and Vocational Education. I am certain that Senators, like our colleagues in the House, will find his comments thoughtful and enlightening.

The testimony follows:

TESTIMONY BY SENATOR JOHN D. ROCKEFELLER IV, THE TECHNOLOGY EDUCATION ACT

Mr. Chairman and Members of the Committee, it is a great pleasure to be here today to testify on behalf of H.R. 3102, the "Technology Education Act". As chief sponsor of the companion bill, S. 1823, the "Technology Literacy Act", I am grateful for the opportunity to appear before you and present my views on this important issue.

Over the years, this distinguished Committee has shown time and again its commitment to improving and maintaining excellence in our country's educational system. This Committee can take pride in its many accomplishments and its foresight in identifying new educational challenges. During the last few years, for example, mathematics and science have become a key priority in the education of our children. Thanks to legislation which emphasized the need to strengthen our scientific base, we have developed new curricula, trained qualified teachers and increased the exposure of our children to mathematics and science at an early age.

Today, you have once again proven your concern and foresight by holding this hearing in recognition of the importance of training our youth in technology. As the Carnegie Foundation noted in a recent report, we are running the risk of jeopardizing this country's economic security by raising a "technologically illiterate" generation.

In my view, we are facing an unprecedented challenge to our economic prosperity. We have to build our future prosperity in an increasingly technological world where many talented nations compete effectively. Therefore, it is imperative that our country, which led the world into the age of technology, maintain its edge and provide its children with the skills they need to compete and prosper.

Experience has shown us that, although technology goes hand in hand with scientific and mathematical knowledge, it may develop from a practical need and an imaginative mind. It is this talent for innovation and the ability to find technological solutions that we need to instill in our students if we are to compete in the world market and enhance our own future. I believe that teaching students about technology, its impact on our culture, its place in our history and its promise for the future will go a long way in achieving this goal.

This is the purpose of the "Technology Education Act". This bill promotes the teaching of technology as part of the secondary curriculum, making students knowledgeable and comfortable with technology at an early age. Furthermore, the "Technology Education Act" provides for teacher training, development of new courses and emphasizes hands-on experience of technological principles.

In order to implement these ideas, this Act establishes a program of grants for the development of model demonstration projects in technology education in secondary schools.

For those of us who represent traditionally underserved areas, this bill provides a thoughtful solution by requiring an equitable geographic distribution of the demonstration projects. Just as importantly, it insures the commitment and interest of the local educational agencies by placing limitations on the amount of Federal assistance, thus requiring that the cost of the projects be supplemented using other non-Federal contributions.

One of the most appealing aspects of the "Technology Education Act" is that it promotes the national dissemination of all the research, coursework, development, training materials and practical knowledge acquired in the demonstration projects. New technology education programs will directly benefit from this information and the original investment will pay off very quickly.

Mr. Chairman, in these times of economic austerity and budget deficits, it would be irresponsible on my part not to acknowledge that H.R. 3102 and S. 1823 call for appropriations of $3 million in fiscal year 1987. Although this amount is minute compared to what we spend on other, perhaps less worthy programs, it is crucial that we carefully monitor where we spend money and why.

Every Member of Congress will have to make tough decisions establishing their spending priorities. Education—at the federal level, to supplement and enrich the efforts of the states—is fundamentally important. A world-class education system is central to our nation's economic destiny, and right now, our education system—once the envy of the world—has fallen behind Japan's and several Europeon nations at the primary and secondary level. Well-Designed expenditures for innovations in education are critical investments. If we sacrifice these critical investments, we will be shortchanging our children and endangering their economic future.

I recently ran across an article by Ernest Boyer called "A Perspective on Education". In it Mr. Boyer says: "The issue is not computers. The issue, rather, is the changing of our society, driven by a technology revolution that is an fully important as the industrial revolution over 100 years ago."

I agree with this assessment. We are living a technological revolution which our country helped to create. We cannot sit back and watch it go by. We must improve this country's innate ability to tackle new challenges by giving our children the tools they need: the technical skills to compete in the 21st century. The "Technology Education Act" is far from the whole answer, but I hope it will serve as the catalyst for a national debate on the critical need to enhance our children's grasp of technology.

Again, I am grateful for the opportunity to express my support for the "Technology Education Act" and to praise Congressman BOUCHER for the leadership on this issue. Thank you very much.●

ORDERS FOR WEDNESDAY

RECESS UNTIL 10 A.M.

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader, I then ask unanimous consent that once the Senate completes its business today it stand in recess until the hour of 10 a.m. on Wednesday, May 7, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. SIMPSON. I further ask unanimous consent that following the recognition of the two leaders under the standing order, there be special orders

in favor of the following Senators for not to exceed 5 minutes each: Senators HAWKINS, MCCONNELL, CRANSTON, and PROXMIRE.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. SIMPSON. Following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 10:30, with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. SIMPSON. Mr. President, at the conclusion of routine morning business, the Senate could also turn to S. 2295, the military reorganization bill, and possibly Senate Joint Resolution 331, prohibiting the sale of avionics to China. Votes can be expected throughout the day on Wednesday, May 7, 1986.

Mr. SIMPSON. Mr. President, does the Democratic leader have any further business?

Mr. BYRD. The distinguished assistant Republican leader is most gracious, as always. I do not have anything further.

Mr. SIMPSON. I thank the Senator from West Virginia for his continuing courtesies to me.

RECESS UNTIL 10 A.M. TOMORROW

Mr. SIMPSON. Mr. President, with that, and in accordance with the previous order of the Senate, I move that the Senate stand in recess until the hour of 10 a.m. on Wednesday, May 7, 1986.

The motion was agreed to; and, at 8:16 p.m., the Senate recessed until Wednesday, May 7, 1986, at 10 a.m.

CONFIRMATION

Executive nomination confirmed by the Senate May 6, 1986:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

James C. Fletcher, of Virginia, to be Administrator of the National Aeronautics and Space Administration.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

EXTENSIONS OF REMARKS

ASSESSING THE CIVIL JUSTICE SYSTEM

HON. JOHN EDWARD PORTER
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. PORTER. Mr. Speaker, last week the Fordham University Law School and the Insurance Information Institute hosted an excellent National Symposium on Civil Justice Issues. This symposium brought together 50 of the leading thinkers and practitioners within the legal, judicial, business, academic, consumer, journalism, and local government fields to discuss the full range of past experiences and future perspectives on civil justice reform, alternatives to litigation, and the relationship between the tort system and the liability issues which are so prominent on the national agenda today. I understand that the proceedings of this symposium will be published. I would encourage my colleagues to consult them for a comprehensive summary of all viewpoints on the current liability situation, cogently expressed by their leading advocates.

A distinguished constitutent of mine, Mr. Richard J. Haayen, president of the Allstate Insurance Group of Northbrook, IL, is currently serving as chairman of the board of the Insurance Information Institute, one of the host organizations for the symposium. It is my pleasure to bring to the attention of my colleagues the thoughtful historical and philosophical perspective on the civil justice system outlined in Mr. Haayen's remarks to the symposium on May 1, 1986.

ADDRESS BY RICHARD J. HAAYEN BEFORE THE INSTITUTE FOR CIVIL JUSTICE SYMPOSIUM

Good Afternoon.

As Chairman of the Insurance Information Institute, I would like to add my welcome to all of you to this symposium on our Nation's Civil Justice System. I applaud the Institute and its staff for all of the hard work that they have done to make this meeting an enlightening challenge to each of us; a challenge to play a meaningful role in the ongoing process of evaluating our Civil Justice System.

Evaluating the system is no easy task. If the issues were black and white instead of gray, if the problems were simple instead of so complex, if things were either good or bad, there would be no debate nor any controversy.

There is a lot of good in the Civil Justice System and, yet, there is also a great deal that seems to have gone wrong with it. That's why it's necessary for all of us, not just to talk, but to act, and act in ways that will enhance the best and cure the worst of this system.

Having said that, I must clarify that it's not my intent to speak with you about specific reform proposals. Instead, what I would hope to do today is share with you a slightly different perspective of the debate generally, and, also to share with you, specifically, the perspective of at least one insurance company—Allstate.

To understand the larger perspective of the Civil Justice controversy, we must first destroy one of the major myths which has emerged: the myth that the debate is little more than a fight between lawyers and insurance companies.

Now, if your major source of information about the controversy is television or even the press, it's easy to understand how such a myth could develop. But the myth is just that, and, since it tends to cloud the public's perception of the truly significant issues, it is important to begin by explaining what the controversy is not.

It's not a battle between lawyers and insurers. They are only intermediaries in the system, a system with tremendous influence in our Nation's overall social and economic performance. No two interest groups, however powerful, could totally control the destiny of this country's Civil Justice System.

There is another reason more deeply rooted in economics why the lawyer/insurer fight myth is false.

You must remember that the insurance industry and the lawyer industry are two of the principal industries that benefit from the performance of the system. And I have to believe that if the fight were exclusively between these two groups, we are each smart enough to extract concessions from the other. That way, we could both avoid the risk presented by the current level of public scrutiny into both our industries.

To those who argue that the behavior of the insurance industry drew public attention to the Civil Justice System, I would agree.

But to those who argue that the insurance industry caused the crisis, I can only say that at best, they reveal a fundamental lack of understanding of the problem. Or, at worst, they are trying to deflect public scrutiny away from the deficiencies of the system itself.

The fact is that the issues are larger than both the insurance industry and the legal industry. The issues that have stemmed from this Civil Justice controversy affect virtually all sectors of our society.

I will concede that this myth does bear a seed of truth. I agree that we do have a fight on our hands.

But that fight is not between lawyers and insurers, or, as some accounts would lead you to believe, between insurers and insurance buyers.

When the heart of the controversy is exposed, I believe what we find is a society that is fighting with itself.

A society struggling to rationalize the inherent conflict between the sought-after benefits of risk-taking behavior, on the one hand, and the adverse consequences such behavior will inevitably produce, on the other.

The conflict does not necessarily produce significant controversy until circumstances demand that we make choices between the two.

Such a time to make a choice is now. This certainly is not the first time society has had to confront such choices. It happens often in a dynamic society with a dynamic economy. To prove that the time is now right for a reevalution of the Civil Justice System and that the conflict may be more evolutionary than revolutionary, I'd like to take a brief detour into history.

The origins of our Civil Justice System are British, and that system itself is a product of literally centuries of evolution, dating back to the earliest forms of Anglo-Saxon civilization.

In its earliest and crudest forms, the Anglo-Saxon Civil Justice System was one characterized by concepts of absolute liability. In large measure, it was punitive in nature. For instance, if an individual's animal created harm, the animal was simply put to death.

As society advanced, certain exceptions to the strict liability concept emerged. Financial remuneration replaced the "eye for an eye" system of compensation, or revenge. But the concept of strict liability remained intact until the dawn of the industrial revolution.

It was at that time that British society concluded that the imposition of strict liability might discourage or prevent industrial development. So they changed the law to encourage the production of jobs and wealth. What they did was allow an individual to escape liability altogether, if he proved that he had exercised due care in his conduct.

American courts followed and ultimately developed what became known as the negligence action, which protected the defendant still further. First, it required that the plaintiff prove that the defendant had failed to meet the prevailing standard of care. Secondly, it required the plaintiff to prove further that he or she did not contribute to the injury.

American society's goal of economic growth drove those decisions. That goal continued to drive our legal system with no radical changes—except perhaps for the workers' compensation statutes, which reflect an economic growth strategy—until the economic fruits of the post-World War II boom began to be felt in this Country. This time the change was internally generated, and, not legislated.

Post-war prosperity in America produced a fundamental change in the values and beliefs of the American public. It was those new values that were reflected in the behavior of our judges and juries.

Think back for a moment. In the late '50s and early '60s, America was more prosperous than ever before. Our economy was booming, and the living standards of most of our population had improved dramatically. We dominated the global economy.

We viewed our resources as boundless and our economic potential as limitless. Limitless, too, was America's compassion. We stopped saying "no" to injured victims and started bending and breaking the rules of the liability system to find an available source of compensation.

Defenses previously available to defendants began to fall, immunities were destroyed and new theories devised to increase the odds of a recovery.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Obviously, increasing insurance protection fueled this phenomenon and perhaps created the now well-known theory of "deep pockets."

To this extent, we were a source of our own current complaints, because without the insurance mechanism, the Civil Justice System would bear little resemblance to what we know today.

Let me emphasize, however, that I point to this post-war phenomenon in our Nation's liability system not by way of criticism, but merely as further evidence of the fact that our Civil Justice System reflects choices made along the way by society. Choices that, when made, reflected the values and beliefs of society.

I believe we're at a similar crossroad today. Choices must now be made.

The Civil Justice System must change. And it will change, in my opinion, because our larger social and economic priorities continue to change and evolve, bringing with them underlying changes in the values and beliefs of American citizens.

I believe that the choices society must now make in the Civil Justice arena are similar to the choices now being grappled with in the fiscal-policy arena.

Both the tax reform and budget deficit debates, as well as the Civil Justice debate, reflect conflict between our post-war idealism and our contemporary realism. Neither are subject to simple solutions. Both require difficult choices.

Insurers and lawyers will participate in the Civil Justice debate. However, neither should be allowed to win. Society at large will win by seizing the opportunity to reevaluate its Civil Justice System, and to make the choices necessary to assure that the system achieves its larger social, economic and humanitarian goals.

I would now like to look to the future to share with you my personal view concerning the real insurance industry needs in the current debate and the rationale underlying them. In doing so, let me start by destroying one more myth. The one that says that the ultimate goal of the insurance industry, through its current reform efforts, is to deprive individuals of benefits to which they are rightfully entitled.

The myth is false. The insurance industry is in the business of providing benefits and not of depriving benefits. The larger the number of people entitled to benefits and the larger the size of the average award, the more substantial our market becomes, and the more attractive our profit potential.

In no uncertain terms, we have both an economic and a humanitarian incentive to see rights of recovery expanded for injured victims.

So what's the problem, you ask? Why is insurance availability in some areas threatened?

The problem is that the liability system appears to be capricious to the point where insurers' ability to predict the real probabilities of liability outcomes has been weakened substantially. There is a lack of certainty, because the standard of care, the base line for the analysis of liability risk in our legal system, is no longer firmly established.

Society's desire to expand compensation rights has produced a situation where, in many instances, it is essentially impossible to predict whether given levels of care undertaken today will be adequate to escape liability tomorrow. In fact, in some areas, the perception is beginning to emerge that no level of care, no matter how stringent, will ultimately prove adequate to escape liability.

Consequently, when a risk is presented to insurers today, we cannot form realistic expectations of the liability potential of that risk. We have essentially lost our confidence in the permanency of the established standards. And we have lost our confidence in the dedication of the Judicial Branch of Government to enforce these standards responsibily.

If the liability insurance mechanism needs one thing in order to function effectively, it is the need for certainty. For the system to work well, insurers must know what the standards to be applied in the future are, and they must know, now, that they will be applied evenly in all cases.

When we know the rules, we can deal with the kinds of uncertainty insurance was meant to handle, and thus, we can evaluate whatever risk is presented to us on the basis of the probability of its behavior violating the established standards. We can then establish a premium for the risk presented.

Without such certainty, risks presented to us are essentially unknowable. And if the risk is unknowable, then it is inherently uninsurable.

That brings me to the next issue: affordability.

It might surprise you to learn that, theoretically, the insurance industry does not care what these standards are because the insurance mechanism itself can function effectively as long as the necessary levels of certainty are provided through permanent and rigidly-enforced rules.

However, in practical terms, the insurance industry cares very much about what standards are established. And so must society, because it is the design of the specific rules which will detgermine whether or not the liability system is broadly affordable to society at large.

Affordability is a critical ingredient in assuring that the insurable risks of society can be spread efficiently throughout the economy. This is the arena for resolving the conflicting interests of our humanitarian goals and the ability of our economy to meet them.

Such resolution requires further reform. We must take bold steps to make the system a true "last resort" system, and to make it operate more efficiently.

We must eliminate incentives to litigate, and to prolong and complicate litigation. We must wipe out double recoveries.

Our society cannot afford to compensate all injury victims once, and we certainly must not endorse a social system which compensates some victims two or more times.

We also must determine how much of the resources of the system should be dedicated to intangible, rather than tangible, losses; losses which are real, but inherently not provable, such as pain and suffering, fear, shock, anguish and grief.

And finally, we must stop trying to use the Civil Justice System as a criminal justice system.

Simply stated, our society must develop the courage to understand that the tort liability system is not a Utopian scheme designed to provide benefits to all injured victims. We must understand, under our liability system, there is not a remedy for every wrong—if wrong is to be defined as the suffering of an injury or loss. We must acknowledge this critical ingredient in the system and must develop the fortitude to live with that result.

If our society is not willing to tolerate the inevitable disadvantages, then, ultimately, we will confront the potentially devastating prospect of eliminating all of the benefits that risk-taking behavior provides to our society. Advances of our society and of our economy would thus falter.

In the final analysis, the ultimate goal of all of us is to give ongoing life to the noble virtues of that lady who symbolizes our Nation's system of justice. Yes, the Statue of Justice, armed with the knowledge of the rules and standards, and dedicated to the ongoing enforcement of them, blinded, as she is, to the personal condition of the litigants before her, must, once again, become the ideal for which we all strive.

RCA'S AEGIS PROGRAM HAILED A SUCCESS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. FLORIO. Mr. Speaker, I would like to draw the attention of my colleagues to an article which appeared in the April edition of Government Executive magazine. The article describes one of the most successful defense programs which this country has—the Aegis fleet defense system produced by RCA.

RCA's Missile and Surface Radar Division at Moorestown, NJ, is the center for the RCA Aegis production system. Many hundreds of residents of the First Congresional District which I have the privilege of representing are employed in the RCA facilities at Moorestown. Those people are responsible for the excellence and success of the Aegis program.

The article describes in detail the success of the Aegis system and the pride which the Navy has in the system. I should add that I, too, am proud of the constituents of the First District who are the main reason for the success of Aegis.

AEGIS GUIDED MISSILE SYSTEM: HOW EMPHASIS ON QUALITY CUT NAVY'S COST

HIGHLIGHTS

When Navy started development of its Aegis fleet-defense system, it needed state-of-the-art technology that had to work every time at sea as reliably as the telephone.

To achieve those seemingly incompatible goals, Navy stressed hard on contractor product quality, not only in "hands on" labor but among the support management and workers.

One result: Spares utilizations on Aegis is on a ratio of three to one better than predicted simply because, "The sailors on Aegis ships are very proud to be there."

When the first *Aegis* guided missile cruiser, the *Ticonderoga*, was commissioned in 1983, Defense Secretary Caspar Weinberger said it "is probably the most sophisticated warship in the world . . . will serve as the eyes and ears of an entire carrier battle group . . . able to detect, sort out and engage hundreds of targets quickly and accurately." Even though she went through the most rigorous shakedown of any Navy ship ever, she went on operational deployment just nine months after commissioning, "A record," claimed Rear Admiral Donald Roane, the program manager at the time.

(He also had been deputy program manager once before during *Aegis* development.)

Another significant statistic: in spite of the fact that *Aegis* is a highly sophisticated air defense system with more than six million parts, the spares utilization ratio is three-to-one better than originally predicted. The primary reason, says John Rittenhouse, RCA Executive Vice President, Aerospace and Defense, is "morale; Sailors on *Aegis* ships are very proud to be there."

Rittenhouse has some other, equally informative numbers: On the first cruiser, hull number 47, "Trouble-Failure" reports totalled 1800; on hull number 54, less than 800; Defects per manhour on the AN/SPY-1A (radar signal processor) have dropped from .5 to nearly zero, reducing unit cost 25%; a change from hand soldering to laser soldering on the SPY-1B shot the yield rate up from 48% to 98%, saving $500,000 per ship.

The result of this and almost endless other examples of a strong program to put quality in at the outset is that the system cost $145 million in 1978 when the first production contract was let. Because of a program sag in 1979, requiring additional restart cost in 1980, the cost in 1980 was $153 million ($128 million in 1978 dollars). A stable program for the next three years dropped the price to $99 million in 1983. (Dual sourcing since on both *Aegis* and ship construction—with attendant learning costs—plus threatened spending stretchouts may shove the price back up again.)

QUALITY AT OUTSET

A major reason, indeed in his mind the major one, Rittenhouse told an ANSI (American National Standards Institute) audience is an "*Aegis* Excellence" quality program at RCA's Missile and Surface Radar Division in Moorestown, N.J. involving more than 50% of the division's workforce in 17 active "work centers." Says Rittenhouse, "Much as I'd like to, I can't lay claim to the program. It was inspired by the customer's program manager and the Navy has worked very closely with us in implementing it.

"It was designed with the idea that a total commitment to quality was needed to meet an engineering challenge as formidable as *Aegis*. (Besides the six million parts RCA has to integrate, the command unit runs on 400,000 lines of real-time computer code which, in the mid-60's, "experts" said couldn't be done.) And management leadership was recognized as the key to making that commitment successful." (See "Rittenhouse Rules" herewith.)

In 1979, when the rejection rate on material purchased from suppliers was over nine per cent, RCA MSRD contacted all its suppliers; conducted supplier-awareness seminars with participation by the Navy; established a "Quality Hotline;" and instituted a supplier-awards program. Those suppliers who continued to deliver poor quality were "counselled," says Rittenhouse, and if the reject rate still didn't go down, they were told they would be replaced. Between awards and tough talk, the reject rate is now down to less than four per cent, saving RCA about $1.5 million.

"This is more than just a ritual," says Roane. "A $1 million award is not unusual." In short, the commitment has been to "engineering excellence" by the Navy, the prime contractor, the major subcontractors. The *Aegis* program manager and his senior-level people sit down with senior people at the contractor's sites; review the program for several hours, listening to ideas from naval engineers; reporting the good spots and the hard ones by, as Roane puts it, "relatively mature, senior witnesses."

Then, on the award-fee question, the company senior official is excused when Navy people take a vote on what grade is to be given. One point up or down in the grading can mean $10,000. Says Roane, "The encouragement that buys is terrific. The project manager makes the final decision. There's not much complaint about the 'up's' but even when it goes down, that hasn't resulted in bad blood. We've dealt with some very superior people in the companies."

Sums up Rittenhouse, "I think the only quality standard that makes any sense today is the ultimate standard: perfection. That's difficult for many of us to swallow because we're accustomed to accepting levels of quality well short of that. We do 90% work in school and get an 'A.' Unfortunately, in processes involving hundreds, even thousands, of subprocesses, that 90% theory springs leaks."

LOWER REJECT RATES

As a simple example, he points out, if a manufacturing and assembly process has only ten subprocesses, and, for each, the probability of success is 90%, the *total* process has only a 35% probability of a defect-free output, "an 'F' in anybody's book. But if we can increase the probability of success in each subprocess by only five percent, our overall probability of success jumps to 60%. That's still not great but note that a mere five percent improvement in the subprocesses has nearly doubled our final yield. So, to meet the requirement for the total process, we must strive for perfection in each subprocess."

LOOKING FOR PERFECTION

Also, he notes, "In the past, too many people believed the only way to increase quality was to add inspectors and vigorously screen out rejects and defects. The real results of that have turned out to be higher costs and only minimal improvements in quality. A much more effective quality methodology is *prevention*. If we can find a way to *manage* more effectively and efficiently, we can prevent errors instead of trying to fix them."

That philosophy has been followed by the Navy's *Aegis* program office as well. In 1977, shipbuilding management was made part of the Aegis program office, the first time since the *Polaris* Fleet Ballistic Missile Submarine program Navy had gone that far in integrating management of shipbuilders and weapons builders. Further, another unique move, the *Aegis* office has a lifetime commitment to in-service support of the ships.

A PROVEN SYSTEM

Basically, Navy is building as complete a ship as possible when it's first being constructed, not—as often done in the past—launching the hull and then bolting things onto it. Further, design changes have been controlled through the budget, another program-management innovation. "You have to control changes," says Roane, "or they'll run away with you."

Another wrinkle that has produced both quality increase and cost reduction has been a rigorous testing program. For instance, the first *Aegis* operational system went through 100,000 hours of testing before it was even at sea on the *Ticonderoga*. "In the military world," says Roane, "that's the equivalent of three million miles of road testing a car in the automotive world." And, as the Navy's VLS (Vertical Launch System, see April, 1985 *Government Executive*, p. 24) would also do, much of that testing was on a real-world ship platform, not in a sterilized laboratory.

Thus, they learned both technical problems and producibility problems; and, just as importantly, they found them early.

FIX NOW—NOT LATER

"This is the largest, most complex tactical missile system in the world," notes Roane. "What you do is build a little, test a little, fix a little. We had to go to a certain level deliberately, ahead of time, and test. If that was satisfactory, you go on; if not, you fix it right now. It's a lot easier to fix the boards and nails in a house when you're building rather than tear it apart and fix it later."

One result of all that showed up in the operational test at sea. "The test rules were simple," says Roane, "Assume you are in a hostile environment so all targets were considered expendable. Engage and destroy. And the rule, 'if the fuze had worked we would have destroyed . . .' did not apply. We actually did the hits." Results: 10 out of 11 drones (simulating aircraft, cruise- and other missile targets) destroyed.

A proper definition on acceptable quality, says Rittenhouse, is a product that meets the customer's requirements, doesn't fall short, doesn't exceed them. "On duty off the coast of Lebonon in 1983. 'Tico' (*Ticonderoga*) spent 157 days at sea. Not once was the *Aegis* system called upon that it did not perform, and there were no contractor personnel on board." (Crew training, both at a Navy facility next door to RCA's Moorestown plant and on shipboard, starts several months before each new ship is to be commissioned.) Because we and the Navy made the quality commitment, the United States got a quality product, with each ship produced at successively lower cost to the taxpayer."

With the computer-controlled radar as heart of the system, *Aegis* can provide overall battle management and coordination for the entire carrier battle group; fire surface-to-air, surface-to-surface missiles, automatic anti-aircraft guns, five-inch deck guns, rocket-launched torpedoes and depth charges; fire more rapidly and control in-flight more missiles than any other shipboard system anywhere. The weapon systems are supplemented by sonar, electronic counter-measures, decoys and passive detection to help detect, classify and confuse enemy units and weapons.

About 7-8 years ago, says Roane, "You heard complaints that *Aegis* was demanding too much of Navy resources. What turned that attitude around is the product itself—coupled with the doggedness of my predecessor, specifically Rear Admiral Wayne Meyer." (What got *Government Executive* trailing this story was one of our editorial advisors, retired Navy Vice Admiral "Chick" Hayward telling us of a war game in which he as the Soviet navy task force admiral "went up against an *Aegis*-equipped battle group." Said he, "They were firing 18 missiles at a crack at me. I lost all my airplanes and they didn't lose nothin'. In fact the only problem I can see they might have is running out of bullets.")

Interestingly enough, how Navy handles multiple target identification, tracking and fire control is, they say, applicable to the SDI (Space Defense Initiative). And, as more *Aegis* ships move into the fleet with the ability to talk between ships as they can now, a single "command post" (either of say two ships) will be able to handle fire control for both indirectly.

THE BIGGEST ADVANTAGE

Which brings up the final advantage *Aegis* has had over many other military weapon-system developments: from the outset, both the program office and the contractors had a very well-defined set of requirements both of the operational capability needed and the operating environment. The "engineering" specification, paraphrased here: "Assume you will not have time to engage enemy targets one at a time; assume you can't afford to let just one radar find targets and transmit the data; detect, engage and fire at all targets while the ship may be in as much as a 30-degree roll and 10/degree pitch." Though classified, given the lethality of just one attacking cruise missile, the sought-after kill rate was probably very high. Though they can't say by how much, the smiles on *Aegis* ship captains' faces, when asked, and the morale of the *Aegis* sailors, suggests whatever above 90% the performance rate is supposed to be, they've exceeded by a considerable margin.

RITTENHOUSE RULES

Norm Augustine of Martin-Marietta has written three books so far of *Augustine's Laws*, a combination of humorous and biting observations on how businesses, especially government-oriented businesses, and governmental institutions should and should not be run. Another possible candidate for the book-writing business is John Rittenhouse, executive vice president of RCA's Aerospace and Defense group. Some sample Rittenhouse Rules-and-Notions:

"If my contracts guy came in to me and said he has just re-competed every one of our subcontractors and will do that again next year, I would ask him why on earth he did that—just before I fired him."

"If a commercial business is running in the red, usually the first things cut are overhead and indirect expense; new product development and manufacturing are the last things cut back. In Government, they cut back on products and increase the indirect support structure."

"Improving quality and productivity must be the first objective of industry, especially defense industry; and 80% of the problem, and the opportunity, must come from management. Yet, the Harvard Business School thesis is management should tell workers, 'If I have to tell you what to do, I'll fire you and get somebody else.' That's the worst thing to tell management about quality."

"The first step toward nationalization of defense industry will be when Government starts to tell us how much it will allow against contracts for travel and per diem expenses. I don't have any leverage on hotels except in Cherry Hill (New Jersey) and my people already live there."

"We can't come out publicly with a code of Business Ethics—though most of us have them—because it would imply, in today's oppressive environment, that we didn't have nay before."

"The way to kill off technology innovation and product quality is to increase the tempo of price competition."

"Don't set productivity-improvement goals too high on Government contracts or their auditors will make you guarantee that in your forward pricing agreement; that means you will not be allowed to fail."

"In industry, succession to the presidency can come from the operating ranks, the marketing ranks and, in some instances, the financial community. In Defense, it should not be taken for granted that a program or procurement manager can not advance to the Chief-of-Staff types of billets."

"Perhaps we have failed to educate our Congress in fundamental quality concepts. Setting work-measurement standards on individuals simply is not compatible with enlightened quality-conscious management, automation, cross training, work sharing. We learned long ago that we shouldn't delude ourselves into believing work-management standards are a significant factor in competing with Japan."

BALTIMORE TO BE THE SITE FOR NINTH NATIONAL WORKSHOP ON CHRISTIAN-JEWISH RELATIONS

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Ms. MIKULSKI. Mr. Speaker, for 3 days later this month, my home city of Baltimore will be the site of a very important ecumenical conference—the ninth workshop on Christian-Jewish relations.

This workshop will bring together many of the world's greatest religious scholars who will examine and discuss the history of Christian-Jewish relations.

I am pleased that this workshop is being planned, and I am especially pleased it is being held this year in Baltimore. Among the main organizers of the workshop are two men who I am proud to have as constituents and friends: P. Francis Murphy, auxiliary bishop of Baltimore, and Mark G. Loeb, senior rabbi of the Beth El congregation in Pikesville.

On April 27, Bishop Murphy and Rabbi Loeb had articles published in the Baltimore Sun offering their individual perspectives on this ecumenical workshop.

These two religious leaders are hopeful that the National Workshop on Christian-Jewish Relations will not be an end in itself, but will be another step in the path toward reconciliation between Christians and Jews.

It's a hope that I very much share with Bishop Murphy and Rabbi Loeb. I hope my colleagues will find their comments interesting and useful.

[From The Baltimore Sun, Apr. 27, 1986]

JEWS AND CHRISTIANS AND FAITH

(By Mark G. Loeb)

When Pope John Paul II made his historic visit to the synagogue on the Lungotevere Cenci by the Tiber River in Rome, he said that he had come to acknowledge "centuries of mutual misunderstanding" and to seek pathways of reconciliation between the Church and the Jewish people. This unprecedented visit to a Jewish sanctury by the leader of the Catholic community involved not only an admission of the historic enmity that has divided Jews and Christians, but also a recognition that the Christian faith had itself been scarred by the checkered relationship with Judaism.

Pope John Paul, II, more than any other modern pope, knew this from personal experience. For the future Cardinal of Cracow, Poland, had witnessed the Holocaust, literally smelling the fumes, from the crematoria of Auschwitz. Perhaps it was then that he realized the demonic power of anti-Semitism, and resolved to do his part to advance the cause of interfaith dialogue for the purpose of overcoming centuries of hatred and pain. It is clear that he knew that while the Holocaust was a Jewish tragedy, it was also a Christian crisis. The annihilation of 6,000,000 Jews happened to take place, after all, in Christian countries, and was perpetrated by members of Christian churches.

It is accordingly, no accident that the ecumenical dialogue movement has become an urgent religious imperative since World War II. And it is also no surprise that it is in America that it has reached its fullest development. For America is a land of religious pluralism and toleration. It is a nation where no formal religious orthodoxy of establishment has been allowed to take root. It is a nation in which many different groups and faiths have had to acknowledge each other's legitimacy. Here dialogue could take place—and here it does, as we in Baltimore shall see at the Ninth National Christain-Jewish Workshop.

But the dialogue movement has not only been prompted by the Holocaust. It has also been stimulated by religious scholars who, in our time, have begun to uncover the Jewish origins of the church, the true nature of the Jewish-Christian split in the time of Jesus, the proper contextualization of the Gospels, the Jewish dimensions of Jesus's life and thought, and the common threads of Judaism and Christianity before the two became fully separate. With such advances in knowledge in hand, a genuine movement of mutual seeeking for truth and reconciliation became possible.

What, then, should the ecumenical dialogue movement now seek to achieve? Through joint study and discussion by lay and religious people from both sides of the dialogue, those stories in Christian scripture which have been misused and misinterpreted for tendentious and polemical ends in the past can be recovered in their true meaning and context, thereby offering opportunities for the reduction of prejudice and for the enactment of Christian faith. In addition, both Jews and Christians can learn about Jesus's ministry and his place in the world in which he emerged. Both Jews and Christians can learn about the development of Judaism in the centuries subsequent to the rise of Christianity, as well as about the Jewish foundations of the Christian faith.

Such mutual understanding will, in the long run of time, serve to eliminate intergroup tension and will also eradicate even unconscious religious triumphalism. But it will take a very long time. The curse of centuries will not be washed away in a decade. And, yet, we must begin. But we must do so with a total respect for each other's integrity, with the understanding that we are in dialogue to learn to share but not to coerce or to proselytize, and with the belief that God's revelation to humankind is multi-faceted and authentic in many directions. The National Christian-Jewish Workshop here in Baltimore is an occasion of the spirit. Pope John Paul II said in Rome at the Tiber synagogue that we need to recall "that which most profoundly unites and gathers us together." Amen, and Amen.

[From The Baltimore Sun, Apr. 27, 1986

A RE-CONSIDERATION OF SOUL

(By P. Francis Murphy)

We've come a long way since June 13, 1960. On that day, Jules Isaac, a French historian and a Jew, presented Pope John XXIII with a lengthy memorandum on the sorry history of Catholic teaching about

and practices toward Jews. When a National Workshop of Christian-Jewish relations meets in Baltimore next month the official Catholic teaching toward our Jewish brothers and sisters will be far different than in 1960. For this, we can thank Mr. Isaac and, indeed, our own late Lawrence Cardinal Shehan.

Mr. Isaac was petitioning the Pope to create a papal committee to study the historical relationship between Catholics and Jews, an idea accepted by Pope John, who appointed Cardinal Shehan to the committee. The committee pressed for a change in church teaching at the Second Vatican Council. Resistance was enormous, but Cardinal Shehan, prompted by his own sense of justice and strengthened by the support of the Baltimore Jewish community, argued strenously for the changes. He—and Catholics and Jews everywhere—won.

The Council committed the church to an irrevocable action, a "re-consideration of soul"—a transformation in teaching that, among other things, said:

The Christian faith cannot separate itself from its Jewish ancestry without forfeiting its own identity. Christianity is rooted historically and theologically in the Jewish faith. The Hebrew scriptures are to be regarded as the Word of God along with the New Testament.

Christians have to learn more about Jesus as a Jew. Jesus saw hinself in continuity with the prophetic tradition of Israel and taught as a rabbi of his time. His teaching is only comprehensible in the context of 1st-century Judaism.

Jewish liturgy influenced Christian worship, especially the Eucharist. The first Christians were all Jews, and along with their new faith in Christ, continued to observe the practices of Jewish law. If the split with the synagogue was required by the radical faith in Jesus and by the Gentile mission, it was never as complete as people thought.

God's covenant with the Jewish people continues along with the covenant in Christ. The Jewish faith does not continue as an anachronism, but as a living fidelity to God's revelation in Moses and the prophets, which has never been revoked. By dialogue, both Christians and Jews are led further along their own paths by God's grace.

The church repudiated the charge that all Jewish people are guilty of the death of Jesus. "Neither all Jews indiscriminately at that time, nor Jews today, can be charged with the crimes committed during the passion of Jesus."

Christians must acknowledge the sinfulness of anti-Semitism and its evil effects in history, culminating in the obscene horror of the Holocaust under the Nazis.

In November of 1985, Cardinal Jan Willebrands, President of the Secretariat for Promoting Christian Unity, told the worldwide synod of bishops that "Vatican II introduced a real, almost miraculous conversion in the attitudes of the church and Catholics toward the Jewish people." When viewed from the perspective of the early 1960's, this "re-consideration of soul" represents a milestone on the path toward reconciliation between Christians and Jews. The National Workshops are an important part of the continuation of the journey.

I hope the "miracle" of reconciliation will continue. The Ninth National Workshop should inspire all of us in the Baltimore community to renew our commitment to the dialogue. My prayer is that, building on friendship and trust, Christians and Jews can face the future with courage, united in our belief in the same God and our ability to confront honestly our differences.

THE SEVENTH PILLAR OF SOUND MONEY

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. DANNEMEYER. Mr. Speaker, the seventh pillar of sound money and credit is the principle of liquidity, which relates to the money power of the people. Under our Constitution, the power to issue money is reserved to the people. Money can come into being in either one of two ways: First, people taking gold or silver to the mint and convert it into coins of the realm; Second, people producing useful goods and offering bills on these goods for discount. The money power reserved for the people by our Constitution has been taken away or otherwise undermined by the Government and the banks, and this is the root cause of our monetary and fiscal problems. Inflation and deflation take turn to devastate the economy.

The banks in this country have become illiquid; that is, they are unable to meet larger than usual cash withdrawal demands through asset liquidation, except at the price of inflicting heavy losses upon themselves. To help them out of their predicament, the Government should return to the principles of sound money and credit. The sooner the better.

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THE SEVENTH PILLAR OF SOUND MONEY AND CREDIT: THE PRINCIPLE OF LIQUIDITY

(By Antal E. Fekete)

A VENETIAN TALE

Once upon a time, a wealthy merchant died in Venice. He was survived by his widow and three sons. His will listed a fortune consisting of 1000 gold ducats; a wheat farm; a flour mill (both in Lombardy); and a bakery in Venice; each worth 1000 ducats. The old man's will ordered his whole fortune, worth 4000 ducats, to be divided equally between the four survivors. Another clause required that, in case of any disagreement between the survivors, the farm, the mill, and the bakery should be sold and the proceeds divided equally.

The eldest son wanted the farm, the middle son the mill, the youngest son the bakery, while the widow was satisfied to have the gold. The trouble was that no one knew where to find the gold mentioned in the will. Venice was full of the news that a spectacular lawsuit was in the offing, each survivor suing every other for embezzlement.

The Doge was a wise old man, who did not want to hear the survivors accuse each other. So when they appeared before him and sued for justice, he asked the eldest son what kind of crop he expected to bring in. "At least 2000 bushels", was the answer. The Doge turned to the middle son and asked how much flour would 2000 bushels of wheat grind into. "At least 80,000 pounds", answered the middle son. Then the Doge asked the youngest son how much bread he can sell out of 80,000 pounds of flour. "At least 1000 ducats' worth", the youngest son answered.

At this point the Doge turned to the widow and said to her: "There is your 1000 gold ducats. You just have to help each other until the wheat matures into flour, the flour matures into bread, and the bread matures into gold."

As the Doge dismissed them, he said to the three sons: "According to the proverb, not all that glitters is gold. Your late father has not shared with you the last measure of his wisdom, which is this: A lot of things don't glitter at all, yet they may be well on their way to ripening into gold in your busy hands."

SELF-LIQUIDATING PAPER

Just as wheat ripens into gold by the time the flour is baked into bread, so does every other merchandise, at the time it is offered for sale to the ultimate, cash-paying customer. We may express this ripening process by saying that, as the semifinished goods become finished goods, they also become "liquid".

When a commercial bank makes a loan to a producer or distributor, the commercial paper that arises becomes the bank's asset. Commercial paper is considered liquid, if the underlying merchandise is liquid. Such paper is also called "self-liquidating", because at the time the merchandise ripens into gold, the gold coin of the consumer will liquidate the loan. By contract, a loan to finance the construction of a building is not liquid, let alone self-liquidating, because it may take decades before the brick and mortar sunk into the building can amortize the construction costs. Further by contrast, a loan for carrying a speculative storage of goods is not liquid, because the goods are not moving, and they won't be sold before the bank loan matures. The financing of such slowly maturing projects should not be in the purview of the commercial banks; they should be left to the investment bank which uses actual savings for the purpose, as we shall see in the Eight Pillar.

PROPENSITY TO CONSUME

Commercial banks do not depend on saved funds for their operation, as do investment banks. They finance trade by relying on the liquidity of maturing merchandise. Commercial paper can and does circulate in the sense that a second bank will always be glad to acquire it as an earning asset if the first bank needs cash in a hurry.

Commercial paper is an earning asset because it is bought and sold at a discount below face value, the amount of discount being proportional with the number of days to maturity. The discount rate is inversely related to the "propensity to consume": the greater this propensity, the lower is the discount rate, and vice versa. The commercial bank derives its profits from the fact that, while it has earning assets, it usually pays no return to its creditors on the corresponding liabilities (called bank deposits).

To summarize, whereas investment banking relies on the propensity of the people to save, commercial banking relies for its operation on the propensity of the people to consume. It is the propensity to consume that puts consumer goods on the move and makes commercial paper representing them liquid.

The highest quality commercial paper matures in 91 days or less. 91 days is just the

length of the seasons, and consumer demand and consumption patterns do change with the seasons. If a certain type of merchandise cannot be sold in less than 91 days, then it cannot be sold for another 365 days, before the same season of the year comes around once again.

The Principle of Liquidity asserts that the earning assets of the commercial banks must consist of self-liquidating paper drawn on consumer goods moving from the producers to the market, which will be sold to the ultimate cash-paying consumer in 91 days' time or sooner. Commercial banks must keep away from finance paper, or commercial paper drawn on slowly moving merchandise, mortgages, stocks, bonds, etc. None of these has the liquidity that would make them eligible as assets in the portfolio of commercial banks.

THE REAL BILLS DOCTRINE

As long as the commercial banks respect the Principle of Liquidity, they can't get into trouble, nor can the banking system as a whole. Should an individual bank experience unusually heavy cash withdrawals, it would find a ready market for its earning assets because other banks with excess cash would be happy to buy liquid assets. If the banking system as a whole experiences unusually heavy cash withdrawals, this can also be met without difficulty, as the assets of the banking system get more liquid with the passing of every day, and at least one-ninetieth of those assets mature into gold on each and every business day. The only scenario which would embarrass the commercial banks is the one in which the people stopped consuming altogether—but this is too far-fetched for serious consideration. Trouble only comes if banks yield to temptation, and get involved with slow paper.

We owe the Principle of Liquidity to the great 18th century Scottish thinker, the father of classical economics, Adam Smith. He was the first who expounded the "real bills doctrine", as this principle is also known, in his book *The Wealth of Nations.* He noticed that before the Bank of England opened a branch office in Manchester, commercial paper drawn on the rapidly moving merchandise in Lanceshire circulated very much as banknotes would, under their own steam and on their own wings. They did circulate, because their liquidity was the highest, second only to that of the gold coin.

There is no way to make stocks, bonds, and mortgages to circulate on the pattern of the circulation of commercial paper, for lack of sufficient liquidity.

The banking system in the United States is not just illiquid, but is in an advanced state of petrification. Only a small part of bank assets could be liquidated on short notice without great losses. The commercial banks rely on the Federal Reserve to replenish their reserves daily, rain or shine. The assets of the Federal Reserve banks are not much better: they consist of government securities. In case of a run, the Federal Reserve would be in no position to meet the damand for cash through honest asset-liquidation, because it would break the bond market. The Fed would have to monetize the bad assets of the commercial banks, which would make its own position even less liquid. Therein lies a great danger.

We may have to pay a high price for our contemptuous disregard for the Principle of Liquidity.

THE NEED FOR H.R. 4287: THE CATASTROPHIC HEALTH INSURANCE ACT OF 1986: MEDICARE PART C

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. PEPPER. Mr. Speaker, you may know that on February 28, 1986, I introduced H.R. 4287, "Medicare Part C: The Catastophic Health Insurance Act of 1986," to provide for voluntary comprehensive and catastrophic health care coverage to our Nation's 31 million Medicare beneficiaries. I was most pleased to be joined by my distinguished colleagues the Honorable EDWARD ROYBAL, chairman of the House Select Committee on Aging, along with other members of the select committee, the Honorable MARILYN LLOYD, the Honorable BARNEY FRANK and the Honorable HARRY REID in introducing this important and timely measure.

For the last 4 years, the Subcommittee on Health and Long-Term Care, which I have the privilege to chair, has convened dozens of hearings and received thousands of pages of witness testimony in Washington, DC, and across the country regarding the need for a Federal response to ensure the solvency and to improve the benefit structure of our Medicare Program.

What is clear is that Medicare has been a Godsend to seniors and their families. While no one would suggest that this vital program be eliminated, all agree that major change is warranted. I am pleased to report that the Honorable Otis Bowen, the newly appointed Secretary of HHS made his first congressional appearance before my subcommittee on February 19, 1986—outlining the administration's recognition of growing dissatisfaction with Medicare shrinking benefit package. Unfortunately, many fear the administration may propose a minor reform at an increased cost to elders. I am hopeful this will not and need not be the case—and that the Congress will seize upon the growing bipartisan sentiment for comprehensive health care reform and bring about an improved Medicare Program with comprehensive benefits at no additional cost to the Government or consumer—simply by better management of our health care dollar.

I believe that H.R. 4287, "Medicare Part C: Catastrophic Health Insurance Act of 1986," can accomplish that noble objective.

WHAT WOULD THE NEW MEDICARE PART C OFFER SENIORS?

Participation in "Medicare part C" (hereinafter referred to as "part C") would be voluntary. Those eligible for part A of Medicare (hospital services) and part B of Medicare (doctor's services) would be eligible for enrollment under the new part C.

Part C would provide senior citizens with comprehensive catastrophic health care coverage currently unavailable under private or public insurance coverage. Services would include the elimination of current coinsurance and deductible requirements under parts A and B of Medicare. In addition, part C would provide: home and community-based services for the chronically ill; complete skilled nursing facility and intermediate care facility; eye care; hearing care, dental care; and biannual preventive physician visits.

HOW WOULD THESE SERVICES UNDER PART C, BE PROVIDED?

The new part "C" would be provided through an innovative approach to health care delivery and payment. Part C incorporates the best of the social health maintenance organization [SHMO] and preferred provider organization [PPO) models along with a strong Federal quality assurance system. "Eligible organizations" (doctor groups, hospitals, HMO's, PPO's, insurance companies and others) would be allowed to contract with Medicare to provide the comprehensive package of benefits outlined above as well as the standard covered services under parts A and B. To be eligible for a part C contract, organizations would have to meet stringent requirements related to access to care, quality of care, and financial viability.

In return for providing this full range of services, part C contract holders would receive a set capitated rate per beneficiary based on the cost of Medicare of providing care to the average beneficiary in a particular area (like that now paid to HMO's). In 1986, this capitated rate would be approximately $3,200 per beneficiary.

Direct health care providers (doctors, dentists, home health agencies. . .) would be paid set fees negotiated by the organization awarded the part C contract. This may be done either on a fee-for-service or capitated basis. Thus health care professionals would be guaranteed payment of set fees with the option of maintaining a fee-for-service payment system. These negotiated fees must be accepted as payment in full for services provided, eliminating all current Medicare copayments and deductibles for seniors participating in part C.

HOW WOULD SENIOR CITIZENS RECEIVE PART C SERVICES?

Any Medicare beneficiary eligible for part A and electing part B coverage will have the option of electing part C. Once the beneficiary has elected part C, he or she will select from the organizations in their area which hold part C contracts (as described above). The beneficiary then would receive all needed services from any direct care provider under contract with their selected organization. Once part "C" has been fully implemented, virtually all health care providers will have contracts with these organizations, and those seniors electing part C would be allowed full freedom of choice among doctors, hospitals, long-term care providers and others. There would be an "open enrollment" period annually at which time beneficiaries could change their selection of preferred providers.

HOW WOULD PART "C" BE FINANCED?

Part "C" would not be funded by new Federal expenditures, but by more sensible and efficient management of current payments from four major sources: (1) Current Medicare payments under parts A and B; (2) seniors' payments for private Medigap policies; (3) seniors' Medicare part B premiums; and, (4) the Federal share of Medicaid expenditures for long-term care for those States which choose to "buy in" to part "C".

Part "C" services would be tied to the services currently available under parts A and B of Medicare. Therefore, the first source of part C funding would be the amount Medicare pays now for services provided under parts A & B ($2,400 was spent on average in 1986 for each Medicare beneficiary).

Second, the vast majority of seniors now purchase private supplemental insurance to cover the costs of required Medicare copayments and deductibles. The average older American spends around $600 per year for a supplemental insurance policy. By electing the new part "C" of Medicare, seniors will eliminate the need to secure supplemental insurance. Seniors would instead remit $600, in the form of a monthly premium to the Federal Government to pay for part "C" coverage.

Third, Medicare beneficiaries now pay $15.50 a month in premiums for coverage under part B of Medicare (physicians' services). Part "C" would continue this premium which adjusts annually.

Medicare beneficiaries electing part "C" coverage would pay a total annual premium of around $800 for comprehensive health care—less than half of what they are now paying on average for health care annually. These premiums could not, however, exceed 20 percent of a beneficiary's annual gross income (earned and unearned). Payments to make up the difference in premium payments for these individuals for whom premiums would exceed 20 percent of gross income, would come from funds generated by delaying eligibility for part C covered services for 1 month after enrollment—a standard practice among private insurers.

Federal and State expenditures for nursing home care through the Medicaid Program total about $20 billion annually. States would be allowed to purchase part "C" coverge for Medicaid eligible beneficiaries at a rate equal to 90 percent of their projected average Medicaid payments for these individuals in the following year. Since State expenditures for elderly health care represent the largest and fastest growing segments of their Medicaid budgets, this should be a very attractive option for most States.

HOW WOULD SENIOR CITIZENS BE INVOLVED IN ASSURING HIGH QUALITY CARE?

H.R. 4287 gives seniors a strong role in reviewing the quality of care provided. It mandates the establishment of local part C community advisory and appeals councils. These councils would be strictly independent of those responsible for providing part C services and would be made up of senior citizens from the community as well as independent medical experts. Councils would hear all appeals directly and would have vested authority to reverse decisions made by the provider. Councils would also contribute to an annual Federal performance review to guarantee that contractees are providing high quality care to all part C beneficiaries.

HOW CAN WE BE SURE THAT PART C WOULD PAY FOR ITSELF—NOW AND IN THE FUTURE?

H.R. 4287 strictly prohibits new Federal payments to provide funding for the new Medicare part C—now and in the future. It prohibits payments for part C from exceeding a set percentage of the average costs for providing current part A and B services. It further specifies that the entirety of these addditional funds must come from beneficiary contributions ($12 billion, approximately), funds generated by imposing the 1 month waiting period for part C benefits (estimated at about $2 billion), and State and Federal payments for long-term care provided to Medicaid eligible elderly in those States which choose to "buy in" to part C ($16 billion if all States "buy in").

There is a pressing need for comprehensive Medicare reform. H.R. 4287, "Medicare Part C: The Catastrophic Health Insurance Act of 1986," provides for this reform, joining the best of public and private sector ideas and initiatives. I would therefore strongly urge my colleagues to join me in support of this timely and most important legislation.

NEW YORK POST EXPOSES SOVIET SUB ACCIDENTS

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. COURTER. Mr. Speaker, the following article from the New York Post is a fascinating and horrifying compilation of numerous Soviet nuclear submarine accidents which have been kept under wraps for years by both the United States and Soviet governments. This information is made even more chilling by the recent reactor accident at Chernobyl.

The Soviet naval nuclear reactor program dwarfs their civilian nuclear power program and, because of the cramped submarine quarters and the Soviet disregard for crew safety, it presents numerous opportunities for accidents involving both reactors and nuclear weapons.

According to the article, submarines have been disabled, reactors have melted down, nuclear weapons have ruptured and many unfortunate Soviet sailors may have lost their lives as a result. These dangers are apparently so commonplace that Soviet seamen reportedly receive special pay and medical benefits as compensation for serving on nuclear-powered vessels. What a grim and depressing revelation, coming so hard on the heels of the Chernobyl disaster.

The article follows:

[From the New York Post, May 1-2, 1986]

REPORTS BARE RED PLAGUE OF NUCLEAR ACCIDENTS

(By David E. Kaplan)

The radiation accident at the Chernobyl power plant near Kiev is not the Soviet Union's first nuclear meltdown.

U.S. Navy and CIA documents obtained under the Freedom of Information Act indicate there have been at least 12 serious radiation accidents in the Soviet Union's atomic-powered navy—including the first nuclear meltdown at sea.

Most nuclear reactors in the Soviet Union—as in the U.S.—are used as propulsion plants aboard nuclear submarines, not for civilian power stations.

The Soviets have an estimated 356 reactors aboard 188 ships and submarines, compared to some 50 civilian reactors.

Although the naval reactors may be as small as one-tenth the size of civilian plants, nuclear energy experts warn that they are potentially very dangerous.

Rumors of serious nuclear accidents and widespread radiation exposure in the Soviet navy have persisted for years, but only the area that was contaminated or where it occurred.

It is speculated that the Lenin, the Soviet Union's first nuclear icebreaker, was in Arctic waters at the time.

A second meltdown is reported to have occurred aboard a prototype "Alfa"-class submarine in the Barents Sea in the late 1970s.

That accident also is believed to have caused many casualties, although no documentation of the event is available.

The Alfa-class uses liquid sodium as a heat transfer agent in its reactors instead of pressurized water.

Pressurized water is used in most other Soviet nuclear subs and all those in the U.S. fleet.

The U.S. Navy abandoned its use of the highly-corrosive sodium more than 25 years ago when it experienced problems aboard the second American nuclear sub, the Seawolf.

Other serious radiation accidents in the Soviet navy have occurred, but virtually nothing is known about their environmental effects.

Most striking is a set of CIA intelligence briefs recently released to the Center for Investigative Reporting.

The documents, mostly cables and reports prepared under the CIA's Directorates of Intelligence and Operations, provide confirmation of the first reactor meltdown at sea.

The accident occurred in 1966 or 1967 aboard the icebreaker Lenin, and is believed to have rendered the ship too radioactive to use for several years.

According to one CIA report: "A nuclear reactor . . . melted in a sudden catastrophic accident. The exact number of casualties . . . was believed to be between 27 and 30 people."

A 1982 U.S. Navy report similarly referred to the Lenin as having "suffered a reactor casualty," and reported the ship's three reactors ultimately were replaced with two new ones.

Virtually nothing is known about the accident's environmental effects, how wide during the last few years have U.S. officials begun releasing information about them.

Secretary of the Navy John Lehman told reporters in 1982 that Soviet "standards of safety—and crew safety—are far lower than ours in nuclear-powered plants."

"We know there have been some catastrophic health-impairment incidents. We know there are hairless sailors in old soldiers' homes," he added.

Loss of hair is a common symptom of radiation sickness.

Since Lehman's statements, the Navy and the CIA have quietly released reports documenting a series of major nuclear accidents involving the Soviet navy.

Overall, the Soviet have had at least 12 major nuclear accidents at sea, including the loss of three submarines and several hundred men.

Among those accidents:

In late February 1982, a Soviet ballistic missile sub "was sighted surfaced in the North Atlantic off the coast of Newfoundland."

According to a U.S. Navy report: "This unit had apparently suffered a serious nuclear propulsion casualty, which resulted in the loss of all power . . . and she was towed

back to her home base. Indications are that several deaths occurred.

In early September 1981, a sudden series of powerful shocks jolted a Soviet sub in the Baltic Sea. A rupture apparently developed in the sub's nuclear reactor system, and leaking radiation began to contaminate crew members.

As an emergency measure, the irradiated sailors were locked in their compartments, where they remained for the two days it took to tow the crippled sub back to port.

Upon docking at Kalingrad in Lithuania, the victims were evacuated and flown to a hospital in the Latvian city of Riga.

Within 14 days, the sailors began to shed their hair and rapidly lose weight. Many of them soon died of "severe radiation poisoning," according to a CIA report.

In August 1980, in a widely reported accident, a Soviet nuclear attack submarine suffered a serious fire off the coast of Okinawa.

According to the U.S. Navy: "All power was apparently lost . . . British personnel observed several bodies on the submarine's deck and other personnel receiving artificial respiration. At least nine men are believed to have died from a probable fire in the propulsion spaces."

In August 1978, a Soviet guided-missile submarine "was observed dead in the water near Cockall Bank northwest of Scotland," according to a U.S. Navy report.

"The unit had apparently lost power due to a propulsion system casualty. The exact causes . . . and number of possible casualties is unknown," the report said.

In December 1972, a nuclear weapon ruptured aboard a Soviet submarine patrolling off the eastern coast of North America.

According to CIA sources: The accident . . . involved nuclear radiation leakage from a nuclear torpedo."

As a safety measure, the doors to the torpedo room were immediately sealed, trapping crew members inside.

On April 11, 1970, a Soviet nuclear attack sub near Spain was apparently lost at sea due "to a casualty in the nuclear propulsion system," according to one U.S. Navy report.

"The Soviets have never admitted that this submarine was lost. The number of personnel lost . . . is also unknown," the report said.

In 1966, a radiation leak occurred in the reactor shielding of a nuclear sub near the Arctic naval base of Polyarnyy. Crewmen reportedly panicked when the submarine docked.

According to one CIA report: "Part of the crew was sent to a special center on an island near Murmansk where naval personnel with radiation sickness were sent to be treated . . . Those sent to the island did not come back."

CIA reports also provide unusual details about the well-publicized sinking of a submarine off the Faroe Islands near Iceland in 1970.

The interior of the submarine caught fire. When it spread toward the nuclear reactor the captain "gave orders for part of the crew to escape to the submarine tender [a small ship accompanying the sub]," the CIA reported.

"The political officer, who had not been ordered to leave the submarine, went on board the tender for fear of his life. The . . . executive officer and several crew members . . . refused and instead assisted the captain in fighting the fire," the reported said.

The fire could not be controlled, and the ship was deliberately scuttled with "great loss of life," according to the CIA.

So great are the dangers that one U.S. Navy report noted crewmen from Soviet nuclear ships received what is called "childless pay" and special treatment for radiation-related diseases.

"It's well known the Soviets put less emphasis on reactor plant safety than does the United States, whether it's military or civilian afloat or ashore," observed defense analyst, Norman Polmar, author of the authoritiative "Guide to the Soviet Navy."

Soviet sailors reportedly even jest about their plight. "How do you tell a man is from the Northern Fleet?" goes one joke. Answer: "He glows in the dark."

FREEDOM OF THE PRESS IN NICARAGUA

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. SHUMWAY. Mr. Speaker, once again the Washington Post has published a guest editorial detailing the censorship imposed on the press in Nicaragua by the Sandinista government. Horacio Ruiz, managing editor of La Prensa, makes some very valid points: Only democratic governments can support freedom of the press. A free press would equal a death sentence for the repressive Sandinista regime. I commend the article to my colleagues' attention.

NICARAGUA: WHAT CENSORSHIP IS REALLY LIKE

(By Horacio Ruiz)

MANAGUA.—On the day in March 1982 that the Sandinista government declared a state of emergency in Nicargua, the official censor of the Sandinista government, Capt. Nelba Blandon, telephoned the editors of La Prensa and called them to an urgent meeting. When they arrived at her office, she informed them of the imposition of total censorship to protect the security of the state and to defend the popular Sandinista revolution against the aggression of "gringo imperialism." This meant, in effect, the censorship of ideology.

With these few words the censor announced that the intentions of the government were not just to suppress certain articles that could harm its image or that could represent a security threat to the Sandinista state, but to suppress the way of thinking of the editors who plan, produce and select the news content of the paper and who direct its orientation. This ideological censorship reverberates like a distant echo and at times is lost in forgetfulness, but today, after four years of this Kafkaesque censorship and the mental exasperation that it creates, Blandon's words have been turned into the most refined kind of tyranny. Orwell's prophecy of what 1984 would be like was on the mark.

Blandon could be accommodating and even jovial at times, but at other times she could be insulting and belligerent. She has an inflated ego, which makes her feel that she must completely control the way people express themselves, think and give their opinions in the Nicaraguan press. She often speaks in the first person with the authority of a little dictator, full of haughtiness. "I cannot permit you to put this in the paper," she says. Sometimes she suggests substituting an official government statement for something she has not allowed in the paper. She seems to be a fundamentally insecure person who depends on military-style orders of what should and should not be censored, how public figures should be referred to in stories and how headlines should be changed—to the point that the editor finds himself in such a state of mental confusion and exhaustion that he is forced to think like the censor.

Press censorship in Nicaragua undermines the whole reason for having newspapers in the first place. The day editor who puts out La Prensa must ignore the element of time or the urgency of informing the public or of printing the latest news. His principal concern must always be to arrive as early as possible at the censor's office, for the censor determines when the paper is ready to be published and distributed. If the editor has an important meeting with his staff, the process of censorship will start later and the paper will be delayed.

On days when nothing special happens and the articles that have been submitted to the censor are totally innocuous and merit no suppression, some articles are nevertheless rejected. This is to show that the paper must be censored every day to maintain the disciplinary measures imposed by the military.

Maintaining censorship is vital to the Sandinista regime. Only democratic governments endorsed by an ample popular base can support freedom of the press. This is the real reason, not the state of war, that there is censorship in Nicaragua.

Blandon abuses her responsibilities by persecuting and harming La Prensa in three ways: She hurts the paper financially by not letting it publish on time, which damages its sales on the streets. She deprives La Prensa of its own initiative and style and forces it to conform to that of the Sandinistas. And finally, by letting the Sandinistas print their own version of the news, little by little La Prensa is converted into a newspaper with little attraction.

None of these three things has been achieved to the government's satisfaction, because of the courage and determination of those who produce La Prensa. They continue to try to do their work as if the situation were normal. This is the only way they can keep themselves from falling under the total mental domination of the censor and the Ministry of the Interior.

The editor is constantly forced to insert the word "contra" in each place where the international wires use "rebels" or "anti-Sandinistas." The censor does not allow the use of these words because she considers them too respectable. The rebel commander Eden Pastora must be labeled "the traitor" or his name cannot appear in the paper. The name of the many-time world boxing champion Alexis Arguello has been forever forbidden to appear in La Prensa because of his known sympathy for the rebels. The picture and name of Cardinal Miguel Obando y Bravo, head of the Catholic Church in Nicaragua, have also been prohibited because he has denounced the presecution of the church by the Sandinista regime in the presence of the United Nations and the Organization of American States.

This obsession with the cardinal reached such a point that it led to the censoring of a story about last year's World Series, La Prensa took a poll to see which of the teams in the series—the St. Louis Cardinals or the Kansas City Royals—was more popular in Nicaragua. The result of the poll was titled, "Nicaraguans: The Cardinals Will Be the

Champions." The headline was censored: we were not allowed to print the words "cardinals" and "champions" together. We had to substitute "St. Louis" for "Cardinals."

After four years of censorship in Nicaragua, the daily life of La Prensa follows a suffocating routine in which all systems of logical thinking are stifled. Numerous employees must go to the office of the censor with photocopies of the pages. There they spend between 4½ and six hours while the officials review the articles line by line and letter by letter. They even review the classified ads, which are sometimes censored. After they finish they hand the editors a notice called the "Resolution." Stamped on it and pertaining to specific articles are the phrases; "DO NOT PUBLISH," or "CHANGE HEADLINE," or "SUPPRESS PARAGRAPHS 1, 2, 3 and 5."

To change a headline the editor must think of one that will not be censored. He is forced, therefore, to think like the censor. Orders to change headlines are frequent and usually affect articles that are not favorable to the regime but that would not be suitable to censor. An example would be a declaration by Contadora that affects the government or an announcement by the Ministry of Industry that productivity has declined. The censors know that most readers read all of the headlines, but read only those articles that interest them. The headlines therefore must not reflect the bad news that may be in the article.

The censor often cuts the first paragraph of the article, leaving the informational content incomprehensible and obliging the editor to kill the story entirely.

The censor leaves out declarations and statements made by President Daniel Ortega and other national leaders when they are speaking outside of Nicaragua and contradict what they do and say in Nicaragua. But what is most improbable is that the censor sometimes censors herself. On Jan. 21, 1986, we received an interview with Nelba Blandon on censorship, by an AP correspondent named Eloy A. Aguilar. We tried to publish it under the headline: "Blandon Comments on Censorship," but the censor's decision was: "DO NOT PUBLISH." On Aguilar's next visit he asked Blandon why the interview, which he considered accurate, was not published. The censor answered: "Because the statements I made were for publication abroad, not for publication in Nicaragua."

Blandon was also censored, according to her, in a long article on Nicaragua in National Geographic Magazine in December 1985. The article cited Jaime Chamorro, director of La Prensa, as well as Blandon on the subject of censorship in Nicaragua. When the two met after the article had appeared, Chamorro refuted her declarations. She responded by saying: "I was censored." Censored? asked Chamorro. She answered: "They did not publish everything I said." The censor protects the "cooperators" or foreign "internationalists" who commit crimes against the Nicaraguan people. She intervenes on behalf of those people who give their support to the Sandinista regime and does not permit any references to criminal activity or bad behavior—especially if they are Cubans.

Along with photocopies of every page of the paper we send the censor two pages of material that we call "stuffing"—articles that can be substituted for censored stories. La Prensa has been unable to publish on 40 occasions because the censor could not find adequate material to substitute for censored stories. It is prohibited to leave any blank space on a page or in any other way give the impression that the paper has been censored.

On other occasions La Prensa itself has decided not to publish in order to protest the censorship of important articles, such as Pope John Paul II's letter to the bishops of Nicaragua and the pastoral letter written by all of Nicaragua's bishops during Holy Week.

After all of the necessary changes have been made Blandon again must see photocopies before the paper goes to press. At that point she may still demand changes before the order is given to publish. Only then can the editors and writers breathe. The paper has finally been approved. But on many days we are not allowed to publish until the night. On those days, the papers cannot be sold until the following day.

The censor also prohibits the distribution of censored material to friends of the paper, foreign correspondents, embassies or anyone else who shows interest. Censorship must be a completely private matter between the "jailkeeper," the Department of Censorship, and the "criminal," the newspaper La Prensa (which has already been in jail for four years)—and the condemned, it appears, will be in prison forever.

Maintaining censorship is essential to the Sandinistas even though it damages the prestige they so badly want to maintain abroad. In response to international denunciations of censorship in Nicaragua, they maintain the lie that the exercise of censorship is limited strictly to matters of the military and state security.

The dilemma is clear: censorship is a poison that damages their image abroad. But they know that to lift it would result in an internal, deadly poison for which there can be no antidote. Freedom of the press would be the Sandinistas' death sentence.

PLEASANTON, CA, LEARNS HOW TO BEAT RUSH-HOUR TRAFFIC

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. STARK. Mr. Speaker, everywhere one travels, one sees cities and towns collapsing into traffic gridlock, paralyzed by masses of autos, particularly during rush hours.

But Pleasanton, CA, one of the fastest growing communities in America, has learned how to manage this traffic growth and to avoid many of the pains, frustrations, and wastes of traffic gridlock.

I would like to include in the RECORD at this point a brief newspaper article which describes how the city has used its brains and political courage to bring a degree of civilization to the daily chaos of rush hour. I hope other Members can share this idea and information with their communities. The Pleasanton lesson is one that should be copied widely!

PLEASANTON LEARNS HOW TO BEAT RUSH-HOUR TRAFFIC

(By Edward Iwata)

While many Bay Area suburbs are being overrun by growing hordes of commuters, Pleasanton is basking in the success of a model traffic plan.

The unusual program puts the burden of easing traffic on businesses that operate in the southern Alameda County town. Large companies and retail or office complexes with more than 100 workers are required to reduce their own single-passenger traffic during rush hours by 45 percent through 1968.

Each company is required to appoint or hire its own traffic coordinator to meet its goals with services for employees, which range from educational seminars to free shuttle buses.

"Everybody's been very supportive and cooperative," said Gail Gilpin, the transportation coordinator for Pleasanton. "One city can't do it all, but it's a good start."

Despite some early griping about the plan when it began a year ago, companies now embrace it.

All 35 companies covered under the traffic plan have complied with the program's goals. Workers increasingly use car and van pools or public transportation, or work staggered shifts to avoid peak commute hours.

"It works great," said Vera Sellers, an engineering clerk for American Telephone & Telegraph Co. who joined a car pool with three colleagues who live in Richmond and El Cerrito. "We read, talk about our kids, gossip. . . . If we've had a rough day, we can close our eyes for a few minutes."

The four rotate driving every day for their 80-mile round trip, and Sellers figures they save thousands of dollars a year on gas and wear on their cars.

At AT&T, the largest employer in Pleasanton, with 3,200 workers, company officials have persuaded half the work force to use car pools or public transportation or to bicycle to work. The company also helped set up a shuttle bus between its business park and the Bay Fair BART station in San Leandro.

"Initially, employees were suspicious and reluctant to get involved," said Dale Chesnutt, AT&T's head of security and transportation. "It took a major educational process to let them know we have to work hand-in-hand with the city to keep this a pleasant place to work. Now, employees are very supportive and excited."

Companies that ignore the program can be fined up to $250 a day, and employers who balk can face jail terms, but so far no one has been cited. A transportation task force made up of business representatives monitors the program.

Pleasanton, one of the fastest-growing cities in California, set up its program because it was on the verge of being overwhelmed by traffic congestion.

Sitting at the hub of Interstates 580 and 680 in southern Alameda County, the city and its several business parks draw 18,000 employees—most of them commuters—every day.

While the traffic plan is not a cure-all, Gilpin said, congestion in the city has been made "more tolerable."

In November 1984, for example, 37,235 vehicles a day passed through the city's busiest intersection at Hopyard Road and Interstate 580. A year later, the number of vehicles rose to only 38,947 trips a day, despite a continuing increase in employment.

"Traffic will continue to get worse in Pleasanton," said Gilpin, "but it will not be nearly as bad with this traffic systems management plan."

Gilpin said other local governments—including Contra Costa, Santa Clara and Marin counties and the cities of Walnut Creek, Palo Alto and San Rafel—are consid-

ering variations of Pleasanton's program. Concord has a law requiring medium-size and large businesses and developers to turn in transportation plans to the city within a year.

The program has attracted national attention. A network television crew was recently in town to include the Pleasanton plan in a news special on traffic. And the city is a contender for a Ford Foundation-Harvard University grant to local and state governments for innovative public planning.

The key to the program's success, said transportation coordinator Gilpin, was cooperation between the city and the business community. A review committee made up of city officials and business representatives had several heated sessions before agreeing on a fair ordinance.

"Pleasanton is working very hard to control its growth, yet remain committed to growth, and their traffic plan is a right idea," said Wendall Snider, president of Berkeley Glasslab, a company that makes equipment for the semiconductor industry.

"The Bay Area is heading toward gridlock if we don't do something about it," he said, "and Pleasanton is obviously trying to head that off."

AN AQUINO AGENDA

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. SOLARZ. Mr. Speaker, I would like to call to the attention of my colleagues an unusually perceptive analysis of the current situation in the Philippines, written by Richard Holbrooke.

In an article written for Newsweek, Mr. Holbrooke, who served as Assistant Secretary of State for East Asian and Pacific Affairs in the Carter administration, and who has recently returned from a trip to Manila, makes several important policy recommendations for both the Aquino government and the Reagan administration. In particular, he recommends that President Reagan make a greater effort to express public enthusiasm and support for the Aquino government.

Although Mr. Holbrooke's article was written before the submission of the administration's request for supplemental assistance for the Philippines and before President Reagan's meeting with Vice President Salvador Laurel in Bali, I feel that his observations are even more timely and relevant now.

The text of the article follows:

[From Newsweek, Apr. 14, 1986]

AN AQUINO AGENDA—THE PRESIDENT MUST EITHER USE HER POWER OR LOSE IT

(Richard Holbrooke, assistant secretary of state for East Asian and Pacific affairs in the Carter administration, has just returned from extensive talks with the new government in Manila. His observations on consolidating Aquino's "people power":)

If anyone still wonders how tough Corazon Aquino is, look at what she has done recently: abolished the National Assembly, created a mechanism for writing a new Constitution, rejected left-wing pressure to declare her government "revolutionary" and military resistance to important personnel changes in the Army. She has made her decisions—all of them the right ones—despite public splits among her closest advisers.

Yet in the frenzied, hothouse atmosphere that is post-Marcos Manila, there is still concern that President Aquino is not yet making sufficient use of her power—that she must either use it or gradually lose it. This may not be fair for someone in her unique circumstances. On a Saturday she was in hiding, on a Tuesday she was president of the Philippines.

But if life is not fair, neither are political expectations. Aquino is already a sort of Joan of Arc to her people, and now they—and the world—expect her to be Charles de Gaulle too, restoring the nation to economic and political health and dealing with two guerrilla movements as well.

So the inevitable next question is not only can she do it, but will everyone else, including the United States, go all out to help her? Based on discussions in Manila last month, I would suggest six areas for priority attention. In some cases there is movement; in others, cause for concern.

1. Too many of Corazon Aquino's supporters have decided to take their personal and political battles with each other public. They should remember that they are in power today because of her leadership and courage. On any given day in Manila, one can hear different versions of what she must do from her leftist "Jesuit group," various members of her cabinet, senior politicians of both Vice President Salvador Laurel's UNIDO and Aquino's Laban parties, the military, members of her own family and countless people presenting themselves as "Cory's closest friend."

Aquino remains outwardly unruffled by all the noise, rightly confident in her own power to resolve disputes. But over time, political bickering can erode the strength of even the strongest leadership, and the time has come to impose more discipline on her supporters, something she has been reluctant to do so far.

2. The nexus of economic issues that confronts the country is staggering. But in no area has the fall of Ferdinand Marcos made such an immediate impact; capital is beginning to flow back to Manila and investor confidence is within reach. Aquino has chosen Jaime Ongpin as minister of finance and indicated that he has overall coordinating responsibilities as a sort of superminister for economic affairs. Ongpin is an excellent choice for this critical role, but there are already signs that this will create problems with other ministers, some of whom have presidential aspirations. Given the immensity of Aquino's other tasks, the wisest course will be to stick to her guns and give Ongpin an unambiguous mandate in the economic sphere.

3. When it comes to dealing with the communist guerrillas, confusion still reigns. Some in the president's entourage still seem to believe that a unilateral cease-fire could entice most of the New People's Army "down from the hills." This is an unrealistic hope. It is matched on the other side by officers who will tell you that if the government will only unleash them now, they can deal with the problem militarily. I met one man who claimed that he had permission from the government to work out a separate peace with the communists in one region of the country—on his own. It sounded unlikely, but turned out to be true.

Only one person can choose among the various proposals for amnesty and counterinsurgency. It is a critical problem, not only because the dangers from the NPA guerrillas themselves, but also because it will ultimately have a great deal to do with how Aquino's relations with the military develop.

4. Those relations so far have been good. But underneath the surface, the Philippine military is no longer the professional Army that was once an American legacy. Marcos and his henchman, Gen. Fabian Ver, left behind a fractured, self-doubting service. The new chief of staff, Gen. Fidel Ramos, is clearly loyal to Aquino, and upon his ability to reorganize the Army and promote the right people, much depends.

But there are others in the armed forces who may misunderstand the true meaning of "people power." I heard more than one defense-establishment member say that because they helped overthrow Marcos they deserve "a share of the power." Those who flirt with such thoughts are playing a dangerous game. The Philippine military must not intrude into politics. The United States, which has real influence, must make clear that it will not tolerate political activity by anyone in the defense establishment of the Philippines.

5. Even in Washington, where presidents elect have 70 transitional days in which to organize their administrations, a shakedown period is almost always necessary. Small wonder, then, if the scene in the Office of the Presidency in Manila is still a bit disorganized, especially as Aquino and her staff operate out of cramped temporary quarters in a presidential guest house. Aquino's cabinet contains politicians of independent tendencies and, even with the best will, will need to be coordinated by a senior staff. Three ministerial-rank officials now operate out of the president's offices, arranging her schedule and statements. But in addition, a chief of staff for the entire government along the model of James A. Baker III, Ronald Reagan's former chief of staff, should be considered immediately.

8. Relations with the United States form the last of Aquino's priority areas. The United States, including President Reagan himself, played a well-publicized role in the fall of Marcos. America not only has a vital strategic stake in Aquino's success, it also has a moral obligation. One hopes that Reagan will find ways—perhaps including a personal phone call to Aquino, which he has surprisingly not yet made—to show greater public enthusiasm and support for the events he helped stimulate.

In the end, however, it will still come down to Corazon Aquino. Her first weeks have combined courageous decisions with understandable confusion. She still has time, but not an unlimited amount. If she uses her power to give the Philippines a viable democracy, if she adheres to a firm timetable for that process, she will have created an enduring legacy for her country and a proud memorial to her husband.

SANDINISTA REPRESSION OF CHURCHES

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. BEREUTER. Mr. Speaker, one of the most mystifying aspects of the debate about Central America for me is the support many clergymen and religious groups in this country

continue to give to the Sandinistas—even as that regime systematically harasses and persecutes organized religion in Nicaragua. As in any debate, there are two sides to the Nicaraguan issue.

Certainly I can understand the sincere motivation of church groups to work to eliminate poverty, economic exploitation of underprivileged groups, and social and racial injustice, and know that such motivation would certainly have led to sharp opposition to the Somoza regime. But neither opposition to the Contras nor to the former regime should automatically be translated into an embrace of the Sandinistas, as seems to be the case for some groups. Surely it is necessary to keep in mind the basic political freedoms—the right to speak out in public, to choose a government responsive and responsible to the people, to worship according to one's conscience, among others. These rights are no more in evidence now than they were under Somoza. For church groups to work with and aid a regime which at the same time seeks to eliminate other church groups is seriously wrong. It is wrong, it seems to me, because to do so is to violate the fundamental religious principles. More practically, one wonders why these groups cannot see that once the Sandinistas have achieved hegemony, the likely prospect is that they will turn on those churches which aided their cause. Thus, church aid to the Sandinistas is likely to be self-defeating. The Catholic Church in Nicaragua, which materially aided the Sandinistas during the revolutionary period but is now the target of regime harassment, is illustrative in this regard. For another example of what committed Marxists—which the Sandinistas surely are—have in mind for organized religion, one need look only at the Soviet Union. In a recent editorial on this subect, The Omaha World Herald, asked:

How in the name of God * * * could any clergyman be anything but outraged at what is being done by the Sandinistas in the name of God.

I commend the editorial to my colleagues.

[From the Omaha (NE) World-Hearld, Apr. 29, 1986]

THESE THINGS THEY DID IN THE NAME OF GOD . . .

The blending of Christianity and Marxism in Central America has produced a creature whose characteristics seem more Marxist than Christian.

Liberation theology is the name given to the unnatural union of Marxism and Christian doctrine to justify left-wing political movements such as the Sandinistas in Nicaragua. One characteristic of the movement is a religious intolerance that is dramatically out of step with the interdenominational understanding that has spread in the Christian world since the second Vatican Council of the Roman Catholic Church in the 1960s.

The Dallas Morning News, in a series of articles reprinted in The World-Herald, described how the Christian religion is being used to build popular support for the Sandinistas—often at the same time the Sandinistas are persecuting Christians with whom they have political disagreements.

The Morning News also described ways the Sandinistas manipulate information to gain support among liberal Christian groups in the United States. The stories quoted a defected Sandinista official who said Americans visiting Nicaragua are sometimes introduced to government officials posing as ordinary people who praise the Sandinistas and condemn the contra rebels.

Nicaraguan revolutionaries who draw some of their support from the "popular church" and its liberation theology harass such church leaders as Cardinal Miguel Obando Y Bravo, who refuses to become their pawn.

Members of conservative and evangelical religious groups have had their missionaries sent home from Nicaragua and their buildings and property confiscated. They include Jehovah's Witnesses, Mormons, Moravians and Seventh-day Adventists. Evangelicals constitute an estimated 20 percent of Central America's 22 million people.

How do the proponents of liberation theology justify such actions? The Rev. James Goff, a Presbyterian minister who works in a pro-Sandinista ecumenical center, told the Morning News that he doesn't consider it religious persecution when the government seizes buildings used as places of worship by the Jehovah's Witnesses. "These are right-wing sects," he said. "I don't call them Christian."

If the statement of the Rev. Goff is typical, liberation theology is neither liberating nor, in the Christian sense, theological. How in the name of God can any clergyman be anything but outraged at what is being done by the Sandinistas in the name of God?

HELP FOR THE ENERGY BELT

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mrs. SCHNEIDER. Mr. Speaker, the Washington Post last week ran an article on its op-ed page by my colleagues, Representatives HOWARD WOLPE and FRANK HORTON, who serve as cochairs of the Northeast-Midwest Congressional Coalition. The article was titled "Help for the Energy Belt," and offered valuable suggestions to the leaders and citizens of our energy-producing States who are confronting major problems due to the rapid drop in oil prices.

The past few months have been a confusing, disconcerting time for these States, which only recently were enjoying a robust economy. While declining energy prices have benefited the national economy as a whole—the recent news about the second consecutive drop in the Consumer Price Index is the latest example—States whose economies rely on energy production have suffered significant losses of jobs and revenue. The suggestions offered by Representatives WOLPE and HORTON provide an excellent set of guidelines as we debate what should be the appropriate response at the Federal and State levels.

I would like to commend my colleagues for their thoughtfulness and leadership at this time, and ask that their article be printed in the RECORD:

HELP FOR THE ENERGY BELT

Massive layoffs in the region's major industry; state and local governments on the verge of bankruptcy; drastic cutbacks in public services; declining property values and disrupted lives; and, perhaps worst of all, a loss of optimism and faith in the future.

The rust belt in 1981? No, the energy belt in 1986.

Michael Kinsley ("The Frost Belt's Revenge," April 2) articulates very well the temptation to gloat over this ironic turn of events. However, as leaders of the Northeast-Midwest Congressional Coalition, we take little pleasure in our neighbors' current miseries. After all, the strength of the national economy ultimately depends on the health of all regions; if one is sickly, it weakens the others.

Our own region's recovery from the recession is tenuous and incomplete, so we naturally feel sympathy for Texans, Louisianans and Oklahomans whose lives and dreams have been shattered by global economic forces beyond their control. Their problems are real. But it's not so clear what should be done about them.

Undoubtedly, lower energy prices are good for our region and for the nation. The recent price decreases have checked inflation, reduced interest rates, spurred economic growth and increased the competitiveness of American industry. In the Northeast and Midwest, we are paying less to heat our homes, run our factories and drive our cars and trucks.

Consumers in the energy belt derive many of the same benefits. And for some industries in that region—petrochemicals, for example—lower energy costs will improve productivity and profitability.

For the energy states, the time has come for difficult decisions. Will they act to broaden their economic base? Will they band together and sacrifice for the common good? Will they invest in their own future? Or will they bemoan their fate and ask the rest of the nation to subsidize their recovery?

We don't pretend to know all the answers. However, the following suggestions, based on hard experience, may be helpful as these states determine their future course.

Diversify the local economy

Much of the energy belt has relied almost exclusively on one industry—energy—to generate growth. That kind of dependence is dangerous. For too long in the 1970s and early 1980s, leaders in our region thought—and hoped—that the losses in basic industries such as steel, autos and textiles were cyclical, not structural. Only when we got over that notion could we begin to promote greater diversity and generate new jobs in growing industries.

Reexamine the state and local tax base.

Energy-state revenues from oil and gas severance taxes jumped from $850 million in 1973 to $7.4 billion in 1983. These increases, paid mainly by the citizens of energy-consuming states, allowed producing states to keep other taxes low or nonexistent. Texas, for example, has no personal or corporate income tax. With revenues falling drastically, energy-producing states will have to look to other sources if they want to provide necessary services and maintain their public infrastructure.

Raising taxes is not easy, especially when the economy is poor. But many Midwestern states raised taxes—and cut their budgets—in the midst of the 1981-'82 recession. Continued public services and investments helped their recovery.

Preserve federal programs that help build the local economy.

Federal funds for economic and community development, which our region relied on heavily, were slashed in 1981 and 1982 when we needed them most. Other forms of aid to state and local governments—general reve-

nue sharing, mass transit assistance, subsidized housing, education assistance—suffered the same fate. Now, in the era of Gramm-Rudman-Hollings deficit reduction, they are on the chopping block again. Such programs, when targeted to the areas that need them most, can facilitate the transition of local economies. Our friends from the energy belt need them now, and should help us keep them alive.

Oil import taxes hurt more than help.

Taxes on imported oil have been suggested as a way to boost prices and raise federal revenue. But this approach is inefficient and inequitable. Only one out of three barrels is imported, but the price of domestic oil is pegged to the price of imports. Thus, for every dollar collected by the federal government, domestic producers would receive a $2 windfall. A tax that raised $10 billion in federal revenues would cost consumers throughout the country $31 billion.

Higher oil prices would increase tax revenues for energy states. But they also would make American industries less competitive on the world market and undermine the ability of Mexico and other allies to repay the enormous loans they owe U.S. banks. Oil import taxes were a bad idea when first proposed. They're a bad idea now. Fortunately, the president has made clear his own opposition to such taxes.

Now is not the time for quick-fix responses we'll regret later. Rather, leaders of all regions should work together for balanced national growth and economic security.

TRIBUTE TO JUDGE LYNN C. BENNETT

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. HUBBARD. Mr. Speaker, I rise today to pay tribute to Judge Lynn C. Bennett of Mayfield, KY, who died Saturday, April 5, at the age of 43 years.

I am saddened at the loss of a long-time, personal friend who was indeed a dear friend to many in western Kentucky. An attorney, Lynn Bennett practiced law in my hometown of Mayfield beginning in 1982. In 1985, she became the first woman to ever be district judge for Graves County, KY, having been appointed by Kentucky Gov. Martha Layne Collins. Judge Lynn Bennett served two terms as president of the Graves County Bar Association, was a member of the local American Red Cross board of directors, had been elected to the Western Kentucky Regional Mental Health-Mental Retardation Board of Directors, and she served on serveral other associations and councils.

While Lynn was distinguished in her profession and in her service to her community, she will be remembered most for the type of person she was. A terrific personality and a very pretty lady, Lynn Bennett lived her life to the fullest and was respected and admired by all who knew her. Indeed, her life and good works were cut too short by cancer, which she fought to the end.

Actually, an editorial tribute to Lynn Bennett written by Dennis Hill, editorial page editor of the Mayfield Messenger, is the best I've read about her, and I share that newspaper tribute with my colleagues:

LYNN BENNETT'S LEGACY WILL CONTINUE

There were several things one discerned immediately about Lynn Bennett upon meeting her for the first time, like her charm and grace, and the ease with which she was able to engage in conversation and make you feel comfortable.

She was a listener, and seemed much more concerned about hearing anything you had to say than talking herself—a rare gift that made anyone she talked to feel very special. But it wasn't something she did on purpose. It was borne of her genuine concern for other people and her sensitivity to their needs.

Another of Lynn's qualities that was evident right away was her sense of humor, for which she will probably be remembered as much as for any of her other qualities. Few people loved or enjoyed life more than she did.

In spite of illness, personal disappointments and other problems, Lynn kept a positive outlook, at least publicly, and let us all know by her example that whatever difficulties one faces, the only way to deal with them is head-on, with energy, courage, confidence and determination.

The more you got to know her, the more evident these qualities became. She was indefatiguible as a judge. Her energy was boundless, and the results of her efforts were evident. As the first woman to ever be Graves District Judge, she established a work-release program to help relieve overcrowded jail conditions.

She was tremendously concerned about the treatment and disposition of juveniles in our county, and worked tirelessly to maintain the Court Services Office so juvenile offenders and juveniles with problems would have a fighting chance to eventually become productive, law-abiding adults.

She was also a loving wife and mother to whom, although her career was very important to her, her family was the most important thing in her life.

There are a great many good things that can be said about Lynn Bennett. Her family, her many friends, her University of Kentucky Law School class and many others with whom she came in contact during her life, have their own personal and private memories of her and stories about her.

One of her closest friends told me earlier in the week that although it became evident that Lynn was not going to make it, and there was a time for friends and family to reconcile themselves to the inevitable, that it had not made her passing any easier.

The reason, her friend said, was that Lynn was a larger-than-life individual, and regardless of the odds against her, those who knew her somehow expected Lynn to overcome them and emerge triumphant. So there was no way to cushion the blow of her death.

Perhaps it was that larger-than-life quality, coupled with undaunted courage, deep abiding faith, and zest for living that people will remember most. Those qualities helped her fight a long and arduous battle against a disease that eventually takes its toll. But she never gave up and she never let down. She fought it moment by moment, hour by hour, day by day.

If cancer was going to win, it wouldn't be by default or by a technical knock-out. It would have to be stronger, more determined and more tenacious than Lynn Bennett. And that was a tall order, even for a killer like cancer.

Her memory, her accomplishments and her legacy will live on.

Lynn Bennett is survived by her husband, Stites Bennett; her mother, Mrs. Theo Cook of Memphis, TN; one son, Will Jay Bennett of Mayfield; two daughters, Melinda Allen Bennett and Sally Boyd Bennett, both of Mayfield; one brother, David M. Cook of Memphis; and one sister, Gail C. McCabe of San Francisco. CA.

My wife Carol and I join with the many friends of this outstanding Kentuckian in extending our sympathy to the family of Lynn Bennett. She will be missed by all of us.

UNOCAL COMPUTER DONATION HELPS ALAMEDA, CA SCHOOLS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. STARK. Mr. Speaker, I would like to commend the Unocal Corp. for its donation of $100,000 in surplus computer equipment to the Alameda County Office of Education.

Donations of equipment that is often of no use to a large corporation can make an important difference to our Nation's hard pressed public schools.

I hope that this example can be copied by other companies throughout the Nation. Following is an article which describes the importance of this type of corporate donation policy.

The article follows:

CENTERS DONATION HELPS ALAMEDA SCHOOLS

When machinery at the credit card center becomes outdated, it is either sold to other businesses or traded in for a newer version. But last year, over $100,000 in surplus computer equipment served a different purpose—it was donated to the Alameda County Office of Education.

The county office, located about 30 miles east of the credit center, is recovering from funding cutbacks. As regional coordinator between Alameda's 22 school districts and the State Department of Education, the office is responsible for maintaining payroll, accounts payable and other financial data. Its ability to process this information, however, has been hampered by diminished funds. Today, the Alameda office has fewer employees to handle paperwork and less money for equipment repair and purchase.

Bill Lucchesi, manager of computer operations at the credit center, became aware of the county office's financial plight in late 1984. At that time, the center was seeking bids on the surplus computer equipment, which consisted of six disk and four tape drives used for data storage. Alameda officials needed the equipment but could not offer a competitive bid.

Although the credit center does not usually donate used equipment, Lucchesi recommended that an exception be made. "The company felt that assisting the Alameda office was in the community's best interest," he explains.

Carol Smith, Alameda office administrative assistant, agrees. "We serve school districts in Berkeley, Oakland, Fremont—on down to the San Joaquin Valley border. This donation will have widespread benefits."

Once installed in the office's data processing department, the tape and disk drives will improve operations. Data will be recorded and stored on the magnetic tapes at the end of each day. By using the disk drives with the computer, information can be stored more conveniently.

"Each of the disk drives can hold up to 200 megabytes of information," explains Gary Rose, Alameda's director of data processing. "Translated, that means that a whole year's worth of accounting data will be available on one disk. Before, the disk would have to be erased to make room for next month's figures."

Keeping vital information on disk instead of tape drives will also allow school districts direct access to their records via computer. That wasn't possible before, since data recorded on the disk was transferred to magnetic tape drives and filed away in storage.

"When a school official wanted information about the previous month's records, we'd have to go through the files. That would take at least a day," says Rose.

Last year's donation to the Alameda office wasn't the first made by Unocal's credit center. In 1984, the center provided the office with a surplus computer console keyboard for its data processing operations. The console is vital, controlling the entire computer system.

"When our own console gave us trouble before, the system would shut down. We'd lose half a day trying to fix it", explains Rose. "Now we use the Unocal console as a back-up, so when ours is in 'down time,' the system can still function."

The credit center's involvement with Alameda has prompted other local businesses to help with donations of their own. Smith cites a growing recognition of the importance of education to the business community. "There are lots of benefits in linking business with education," she says.

NUCLEAR RISK REDUCTION TALKS

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. DORGAN of North Dakota. Mr. Speaker, some good news out of Geneva highlights the beginning of high-level talks between American and Soviet officials on ways to reduce the risk of nuclear war.

Both sides seem ready to pursue these negotiations in a professional and business-like manner and to eschew the posturing that has often dogged other arms control talks. This worthy enterprise deserves such statesman-like attention.

I am sure that these nuclear risk reduction talks enjoy wide and enthusiastic support on both sides of the Capitol. Indeed, our bipartisan persistence has helped make these talks a reality.

The opening talks on risk reduction are chronicled in the following article by Michael Gordon in the New York Times.

PRIVATE TALK HELD BY U.S. AND SOVIET

(By Michael R. Gordon)

WASHINGTON, MAY 5.—A high-level United States delegation began two days of private discussions with Soviet officials in Geneva today on ways to reduce the risks of an accidental nuclear war.

The talks, which have not been publicized by the Reagan Administration, were called for in the communique signed Nov. 21 at the Geneva summit meeting by President Reagan and Mikhail S. Gorbachev, the Soviet leader.

The American delegation is headed by Richard N. Perle, an Assistant Secretary of Defense, and Robert B. Linhard of the National Security Council. The chief of the Soviet delegation is expected to be Aleksei A. Obukhov, the Soviet negotiator in Geneva on medium-range weapons.

Senators Sam Nunn of Georgia and John Warner of Virginia, two influential members of the Senate Armed Services Committee, have pressed interest in reducing the chances of an accidental nuclear war with their proposal for "nuclear risk reduction centers."

ADMINISTRATION IS SKEPTICAL

The Administration has tended to be skeptical of the proposal, but has agreed to explore a limited version of the centers. One Administration reason is to avoid alienating Mr. Nunn and Mr. Warner, who wield power on military budget issues, an Administration official said.

The Senators' plan calls for risk reduction centers in Washington and Moscow that could be used to exchange information about American and Soviet military operations and to discuss each side's military doctrine. The goal would be to reduce the chances of an unintended military confrontation.

The centers could also be used to coordinate American and Soviet responses to possible episodes of nuclear terrorism to lessen the chance that the detonation of a nuclear device by a terrorist would lead the United States to conclude that it was under attack by the Soviet Union, and vice versa.

Mr. Nunn and Mr. Warner suggested that at some point the centers could be jointly staffed by American and Soviet officials.

MC FARLANE NOT CONVINCED

Some Administration officials have argued that joint centers are not feasible and have questioned their value in coping with potential incidents of nuclear terrorism.

Last August, President Reagan's national security adviser, Robert C. McFarlane, wrote Mr. Nunn and Mr. Warner, noting that the Administration would look into opening risk reduction centers in Washington and Moscow that would be separately staffed and would trade information on some military activities, such as the launching of missiles in weapons tests. Mr. McFarlane did not endorse such centers for dealing with the possibility of nuclear terrorism.

"If it was not for the political sponsorship on Capitol Hill, the meeting with the Soviets would probably not be taking place," said one official, who added that the Administration generally favored an "exploratory go-slow approach."

But another official said discussion of risk reduction centers and other "confidence building" measures could be an increasingly important way for both sides to cope with the arms race, particularly if an accord on reducing arms continued to elude them.

TALKS WITH GORBACHEV

Mr. Nunn and Mr. Warner discussed the risk reduction centers, including the proposed role in combating nuclear terrorism, in a meeting on Sept. 3 with Mr. Gorbachev.

The Soviet Union has not indicated what it thinks of the concept.

Before the summit meeting in November, the Soviet Union said the issue of the centers should be taken up in the large Geneva arms talks. The United States proposed that the issue be dealt with in separate discussions.

The summit communique contained vague language about risk reduction centers, papering over the difference between the two sides.

Since then, the United States has won Soviet agreement to carry out a separate set of talks on reducing the risk of accidental nuclear war.

But the Soviet Union has stressed the link between the two sets of talks by selecting Mr. Obukhov to head its group of experts in the new discussion. Mr. Obukhov also serves as the chief Soviet negotiator on medium-range weapons in the Geneva arms talks.

Administration officials said a similar set of private, exploratory discussions between American and Soviet experts on limiting the spread of chemical weapons was business-like and constructive. Those talks, which were also called for by the summit communique, were held in March.

A CONGRESSIONAL SALUTE TO MRS. ALICE DEUKMEJIAN

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. ANDERSON. Mr. Speaker, it is indeed a privilege for me to rise and pay tribute to Mrs. Alice Deukmejian who is being honored on May 10 by the Long Beach YWCA for her many contributions to the community and the State of California. This coveted award, which is so richly deserved, will be presented in conjunction with the YWCA's 3rd annual special recognition of "International Mothers Day."

Mrs. Deukmejian is the mother of California Gov. George Deukmejian and Mrs. Anna Ashjian.

As you can appreciate, Mr Speaker, every mother gives birth to a child with great hopes that that child will live a long and happy life. When one, however, is given that rare opportunity to watch a son grow up and become Governor of their State, that in itself, must be a very satisfying experience. This is, no doubt, an even greater experience for a mother who immigrated to this country and was faced with one barrier after another.

A native of Armenia, Mrs. Deukmejian and her family moved to the United States over 75 years ago and settled in the Albany-Troy area of New York. She later married the late George Deukmejian and together, they became actively involved in many American-Armenian philanthropic organizations. Her contributions were not limited to those individuals of Armenian background, however. For many years, she participated in the parent and teachers organization and church-school activities and with her husband, she worked diligently with the Crippled Children's Hospital.

It was once written that:

The child, in the decisive first years of his life, has the experience of his mother, as an all-enveloping, protective, nourishing power. Mother is food; she is love; she is warmth; she is earth. To be loved by her means to be alive, to be rooted, to be at home.

And, in my view, there can be no substitute for a mother, for only to touch her makes a troubled child feel better.

My wife, Lee, joins me in congratulating Mrs. Alice Deukmejian on this special occasion. She has been a positive force in our community and we are, indeed, grateful for her countless contributions to the betterment of society.

EDITORIAL VIEWPOINT

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. BEREUTER. Mr. Speaker, much has been heard lately about the need for our allies to back us when we undertake military action in support of internationally recognized goals. But such obligations work both ways. At this moment Prime Minister Thatcher, who did not hesitate to allow us to use British air bases in the recent bombing raid on Libya, needs our help in the fight against terrorism. Specifically, she and this Member of Congress, urges the Senate ratification of a proposed extradition treaty which would make it harder for Irish Republican Army terrorists to escape justice by fleeing to the United States. This country should ratify the treaty, both because we owe it to one of our staunchest allies and because to do otherwise would be inconsistent with our strong antiterrorist stand. In a recent editorial which I believe my colleagues would find most enlightening, the Omaha World Herald made a strong case for ratification. The editorial follows:

[From the Omaha World Herald, Apr. 29, 1986]

ANTI-TERRORIST HELP FOR BRITAIN

British Prime Minister Margaret Thatcher deserves to be listened to when she urges the United States to show its commitment to the fight against terrorism by moving ahead with a proposed extradition treaty.

The treaty, which has been held up for months in the Senate Foreign Relations Committee, would make it harder for Irish Republican Army terrorists to escape justice by fleeing to the United States. President Reagan also has urged the Senate to act.

Mrs. Thatcher shouldn't have to remind the Senate of the recent favor she did for the United States: allowing the American bombers to use British bases for the bombing raid on Libya.

Nor do Americans, of course, have to remind Mrs. Thatcher of U.S. support of England's war against Argentina to relcaim the Falkland Islands. Allies as close as the United States and Great Britain don't need to keep score. Their common goals should keep them on parallel tracks.

Irish terrorism is a serious problem for the British. The United States should do what it can to help. Ratification of a treaty governing the extradition of terrorists who flee to America to avoid prosecution would be one way. Shutting off financial aid to the Irish Republican Army would be another way. The British say that Irish terrorist groups get more financial support from America than they do from Libya.

Mrs. Thatcher has personal experience with Irish terrorism. She nearly lost her life 1½ years ago when Irish terrorists blew up her quarters in a hotel at Brighton. The attack left no doubt about the seriousness of the threat from Irish terrorists.

Extradition treaties are consistent with the American idea of justice. Ratifying the proposed treaty would be a way of helping a troubled ally.

VAN NUYS CELEBRATES DIAMOND JUBILEE ANNIVERSARY

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. BERMAN. Mr. Speaker, today I rise to pay tribute to one of the Twenty-Sixth District's finest communities—Van Nuys. Van Nuys will be celebrating its Diamond Jubilee Anniversary.

It has been a growing and productive 75 years for Van Nuys. Van Nuys was one of the first planned communities in the country and had a full range of services for the residents. As the San Fernando Valley grew, so did Van Nuys. In the late 1920's the Van Nuys branch of Los Angeles City Hall opened. Because of its central location, Van Nuys was one of the first Valley communities to have its chicken ranches and orchards give way to houses, schools, parks, hospitals, and neighborhood shopping centers. But, as the San Fernando Valley grew around it, the heart of Van Nuys deteriorated. By the 1960's, shoppers who had patronized Van Nuys establishments went to regional shopping centers. As stores moved out, buildings were left vacant and deteriorating.

But the people in Van Nuys—in many cases, the families of the first town settlers—dug in their heels and fought back. Just as the 1911 Van Nuys was a first as a planned community, the Van Nuys of the late 1970's was on the leading edge of private sector commitment to the revitalization of its community and development of the public-private partnership concept. With the help of a Community Development Block Grant funded program, empty and deteriorated buildings were fixed up; exteriors took on a new look; and interiors were modernized. More than $13 million in private funds were injected into the community, a ratio of 13 private dollars for each public dollar invested in the community.

Historic old buildings were restored to their former glory and empty retail stores became offices, bringing more employees to patronize area stores and restaurants. A pedestrian mall was created within the San Fernando Valley Administrative Center and street trees were planted.

The change spread out from downtown. The economic base of Van Nuys became more diverse. The major employers represent the automobile industry, the electronics and computer industries, clothing manufacturers, breweries, and publishers. Van Nuys has become a medical and a financial center as well. The community has three major hospital centers plus specialized hospital outpatient and convalescent facilities. Van Nuys is home to 14 commercial banking offices and 10 savings and loan offices, employing thousands of individuals and bringing a wealth of economic resources into the community, Van Nuys Airport became the busiest general aviation field in the world, with more than 500,000 aircraft operations a year on its two runways, and creating primary and secondary employment for more than 2,300 individuals.

In the midst of all this growth, the quality of life was not forgotten. Community leaders worked to maintain a balance of jobs and housing, schools adapted to the demands of larger and more diverse student bodies and local agencies worked to respond to the needs of the residents and businesses.

The people of Van Nuys were and are still willing to fight for their community. The community has come a long way in its 75 years, and the pioneer spirit of the original settlers remains. "The Town That Started Right" is going strong and looking forward to its next 75 years. It is an honor and a pleasure to join with my colleagues in saluting the community of Van Nuys on its 75th birthday.

MIKE DEMEREE: NATIONAL TREE FARMER OF THE YEAR

HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. BOEHLERT. Mr. Speaker, it is with great pride that I stand before the House to recognize Mike Demeree of Bainbridge, NY, as the National Tree Farmer of the Year. Mike's accomplishments had previously gained him recognition at the State and regional levels—and now, thanks to his outstanding achievements as a tree farmer and his active participation in the community, Mike has been singled out of 55,000 other tree farmers across the United States.

This prestigious honor is based upon the individual's overall contribution to tree farming, not just a single accomplishment. Because Mike's activities over the years have been so numerous and varied, he was able to shine over many worthy farmers being considered for this award.

Presently Mike is running a 541-acre farm in New York. As he has in the past, Mike will skillfully work the land and leave it in good condition for future generations. For Mike, the motivation behind farming goes beyond mere profits. His forestry work displays a sincere care for the environment and his results have been beneficial to society as a whole. I especially appreciate his care for the environment, since it complements the need for acid rain regulation—a legislative area which demands a great deal of my attention.

In addition to his personal farming, Mike helped coauthor the New York State tax law regulating the practices of forest landowners. This important legislation calls for a fair tax exemption plan which allows reasonable profits for tree farmers. The bill also regulates the treatment of land in a manner which protects our environment. Following his initial work on this legislation, Mike proceeded to spend a year of his time voluntarily lobbying on the bill's behalf. It is this type of dedication which typifies Mike's commitment to the tree farming industry.

In the Book of Revelations, St. John said "Hurt not the earth, neither the sea, nor the trees." Mike Demeree is a tribute to these wise words and is a deserving recipient of this national honor. His accomplishments speak highly for himself, his profession, and the 25th district of New York.

AMERICAN INDIANS FOUND THREE TIMES MORE LIKELY TO DIE YOUNG

HON. DOUGLAS H. BOSCO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. BOSCO. Mr. Speaker, I would like to bring to my colleagues' attention the recent Office of Technology Assessment report on the health status of American Indians. This report, as described in the following May 1, 1986, Los Angeles Times article, underscores the need for reestablishing a strong Federal commitment to Indian health programs. I would hope that House Members have an opportunity to review this important OTA report.

AMERICAN INDIANS FOUND THREE TIMES MORE LIKELY TO DIE YOUNG

(By Lee May)

WASHINGTON.—American Indians are three times more likely to die young than are other Americans, a new congressional report said Wednesday in finding that Indian health status "still lags behind" the rest of the population.

The 377-page report by Congress' Office of Technology Assessment said that 37% of deaths among American Indians and Alaska natives occurred before age 45, compared to 12% of all U.S deaths in the same age group.

Listing causes of death among Indians, the report said that heart disease ranked No. 1, followed by accidents. Indians suffered three times as many accidental deaths as did the rest of the population, the report said. Also, it said, suicides—the ninth leading cause of Indian deaths—were three times greater among Indians aged 15 to 24 than in the rest of the population in that age group.

In all 15 causes of death studied in the report, including pneumonia, liver disease and tuberculosis, Indians died at a higher rate than did other U.S. residents. The report which covers the period from 1980 to 1982, said that the overall death rate for Indians was 1.4 times that of the general population.

Despite the relatively high death rate, Indians were hospitalized less often than other Americans for several leading causes of death, the report said. This, it added, implies that "access to health care for Indians has decreased."

Rep. Henry A. Waxman (D-Los Angeles), in a statement accompanying the report, said the study "describes a system that is failing a people to whom the federal government has a moral and legal trust responsibility."

Waxman, chairman of the House Energy and Commerce subcommittee on health and the environment, which requested the study, said the report will help Congress and the Reagan Administration "improve this sorry state of affairs."

According to the 1980 census, more than half of the nation's 1.4 million Indians lived in urban areas, and the report says that the Indian population of 48,000 in the Los Angeles-Long Beach region is the highest of any metropolitan area. California, with 216,000 Indians, is one of four states whose Indian populations exceed 100,000. The others are Oklahoma, Arizona and New Mexico.

Federal health programs, provided through the Indian Health Service of the Health and Human Services Department, were funded at $807 million in fiscal 1985, the report said. The programs are partly protected from the Gramm-Rudman deficit-cutting law, the study said, with cuts held to 1% this fiscal year and 2% in subsequent years.

The report said there is some concern over whether the federal health service will erode as more attention is paid to cutting the budget deficit. This concern is expected to increase as more people become eligible for care under the special program.

Federal officials are considering a plan to redefine who is an Indian and therefore eligible for the care. A person now qualifies for care if he is of Indian descent, but the report said the health service may propose a "one-quarter Indian blood requirement." Such a proposal would be controversial "not only because of the racial overtones" but also because "it would be seen as an encroachment on the authority of tribal governments."

KILPATRICK: THE ARGUMENTS AGAINST CONTRA AID DON'T HOLD

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. COURTER. Mr. Speaker, anticipating the revival of the debate on Nicaragua, the noted columnist James J. Kilpatrick has written a cogent summary and rebuttal of several of the leading arguments against aid to the democratic resistance. His essay deserves a readership in the Congress in addition to the influence it has already enjoyed outside Washington, and so I ask that it be included in today's RECORD.

[From the Times (Trenton, NJ), Apr. 10, 1986]

NICARAGUA: A SECOND CHANCE

(By James J. Kilpatrick)

WASHINGTON.—Congress came back to Capitol Hill this week, with the biggest question of the spring still awaiting decision: Will the United States send significant aid, promptly and effectively, to the "Contras" of Nicaragua?

On March 20, by a vote of 222-210, the House said no. On March 27, by a vote of 53-47, the Senate said yes. The issue returns to the House this month. A switch of seven votes would authorize the transfer of $100 million within the defense budget. The president would be able to act immediately on $25 million in non-military assistance; the other $75 million in military aid would follow over a period of three months.

The issue seems so clear to me that I am at a loss to understand the manifest coolness in Congress toward the Contras' cause. Granted, the administration's rhetoric has been on the purple side, but both sides of the debate got carried away. It would be useful if both Speaker Tip O'Neill and the White House would turn the volume down.

Those who oppose aid to the contras make five basic arguments. Let me attempt to reply to them.

The first argument lies in the residual legacy of Vietnam. "The Reagan approach," said Rep. Peter H. Kostmayer, D-Pa., "guarantees inevitably that American troops from Allentown and Bethlehem and all over the Lehigh Valley will be called upon to die in Nicaragua." But in his March 16 address, President Reagan made his position plain: "I am not talking about American troops. They are not needed; they have not been requested."

Second, it is said that other Latin American nations are opposed to our assisting the counter-revolutionaries, but this is not as clear as one might think. Daniel Ortega, the Nicaraguan dictator, has few friends in this hemisphere. Such neighbors as El Salvador, Honduras, Costa Rica, Panama and Guatemala are understandably nervous at the thought of full-blown warfare in their back yard. The Contadora group favors negotiations—but who doesn't favor negotiations?

That is the third objection—that the Reagan administration has not tried hard enough to achieve democratic reforms in Nicaragua at the negotiating table. On 10 separate occasions, the United States has sent envoys to the Sandinista regime, and 10 times they have been rebuffed. The Sandinista government flatly refuses to negotiate an armistice and a democratic government with the Contras. Managua's evident determination is to crush the rebels by military force. It takes two to tango, and it takes at least three to settle the perceived threat to U.S. security.

Fourth, it is charged that the Contras are not worthy of our help. Speaker O'Neill, in his moderate moments, has called them terrorists, fascists and murderers. Their forces, he has said, include many "thugs" from the old Somoza regime. Very well, the Contra forces are not composed of Eagle Scouts and choirboys, but these things are matters of degree. Daniel Ortega's Sandinistas have abolished civil liberties, censored the press, firebombed Managua's only synagogue, expelled Catholic priests, and committed brutal atrocities of their own.

Finally, and perhaps most persuasively, opponents deny that "little Nicaragua" is in any way a threat to the security of the United States. No view could be more in error. The Soviet Union has pumped an estimated $600 million in military aid to the Sandinista regime. The Soviets are financing thousands of Cuban mercenaries to fight against the Contras. If the Sandinistas are able finally to crush the rebels, and to consolidate a Communist dictatorship effectively controlled by the Soviet Union, a grave threat will indeed be posed to American interests—and to the security of all of Central America. There is the peril. It is not imaginary; it is real.

In the vote on March 20, the White House lost 16 Republican members. Over the Easter recess they have had time to reconsider. If seven would vote "aye" on the Senate's aid bill, the Contras would be given a fighting chance. That is all they have asked. It seems little enough to provide.

H.R. 4730 AND H.R. 4731, BILLS AFFECTING RECREATIONAL BOATING

HON. ROBERT W. DAVIS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. DAVIS. Mr. Speaker, on Thursday, May 1, I introduced two bills which I believe will make positive changes in laws affecting recreational boaters.

The first, H.R. 4730, is a bill which will require the display on gasoline pumps of the type and amount of alcohol used as an additive in that gasoline. The reason this has become necessary is one of safety. Alcohol in fuels used in inboard motors of boats can permeate fuel hoses causing dangerous fumes to collect and make explosion possible.

The U.S. Coast Guard recognizes this danger and, in cooperation with boating organizations and manufacturers, has tried to inform the boating public as well as encourage the design of a less permeable fuel hose.

Despite these efforts, the hazard remains and there is wide agreement among boating-related interest groups that pump labeling is the best answer to minimize danger to the boating public.

This bill does not in any way limit the use of alcohol as a fuel additive. From the boater's perspective, however, it can be of significant help to know how much alcohol is in the gasoline he or she buys—and the type alcohol—since, for instance, methanol permeates fuel hoses more than ethanol.

H.R. 4730 would require the Federal Trade Commission to promulgate rules to accomplish the pump labeling, and would also require periodic testing of alcohol content in gasoline by the Environmental Protection Agency.

The second bill that I introduced on May 1, H.R. 4731, does two things. It would require that all States participating in the Aquatic Resources Trust Fund Boating Safety Program have a boat titling system in place wthin 5 years. While 19 States currently have boat titling systems in place, we do not have a uniform system for all States with boating populations. This causes an interstate problem for both law enforcement officials and financial institutions. With a uniform titling system in place among all boating States, law enforcement officials would more easily be able to trace stolen boats; and the consumer would be able to know whether a boat is, in fact, the property of the seller.

Further, because the cost of even relatively small boats has increased over the years, boat purchasers are more often seeking financing for recreational vessels. Having uniform titling among the States would allow a financial institution to know whether the vessel being purchased is the property of the seller and, therefore, legitimate collateral.

The legislation would require the Secretary of Transportation to promulgate rules setting up a standard titling system which the States may then use for purposes of complying with this legislation. It is my intention that requiring titling among the States should not be administratively burdensome to either the States which already have titling or the States which must now comply. Because I believe uniform State titling can be accomplished within the 5-year time limit, I have also included in the legislation a provision which would reduce State recreational boating safety funds by 10 percent after 5 years if a State has not or does not have a titling system in place.

Both of these bills will be the subject of a hearing before the Subcommittee on Coast Guard and Navigation on May 20, 1986. Witnesses will include boat manufacturers, national boating organizations, State boating law administrators, and marine bankers. It is my hope that the information and support that the subcommittee receives with regard to this legislation will help to move this legislation closer toward passage.

TEXAS' BEST DAYS LIE AHEAD

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. FIELDS. Mr. Speaker, the great State of Texas recently celebrated San Jacinto Day—the day on which Texans triumphed over the Mexican General Santa Anna and won their independence from Mexico.

This year's celebration was special, because Texas this year observes its sesquicentennial—its 150th anniversary of independence.

This year's celebration was special, too, because of an outstanding commentary which appeared on the front page of the Houston Post on April 21. Written by Houston Post editor Lynn Ashby, the commentary puts to rest the notion that Texas is "going down the drain."

I commend Mr. Ashby for reminding his readers that Texas, and its people, have faced and overcome challenges before. And that we will do so in the months and years ahead as well. We Texans are after all, a strong, resourceful, proud, and independent group of people. And we are still convinced, most of us, that the future is what you make it.

Lynn Ashby ends his commentary by asking, and then answering, this question: "What are Sam Houston and Deaf Smith, Mirabeau B. Lamar, and Juan Seguin saying of those who despair that Texas has seen its peak and only help from outside will bring back past glories? They are saying that it's a good thing those people never came to Texas."

I commend Mr. Ashby's commentary to the attention of my colleagues.

Thank you, Mr. Speaker.

[From the Houston Post, Apr. 21, 1986]

BAD ODDS AREN'T NEW TO US—OUR FUTURE IS IN OUR HISTORY

It was on an April afternoon 150 years ago today that 738 Texians mustered on the muddy plains named for a Polish saint. What they did in a brief, bloody 19 minutes changed forever the face of North America and created the way we live today.

They had come from everywhere to join the home-grown heroes in hopes of making a better life. It wasn't easy. It wasn't supposed to be easy, which is exactly why many of them came. If you had it made in Boston, you stayed in Boston.

Looking back, within the safety of a civilized society, it is difficult for us to imagine the odds they faced. Texas had not won a battle. Indeed, its two largest fighting forces, with Fannin at Goliad and Travis in the Alamo, had been annihilated.

Almost every town in Texas save Galveston had been captured by Santa Anna's troops. To prevent them from being of any use to the Mexicans, the towns had been burned by their inhabitants. The stock had been killed or driven eastward. Most of the population was taking part in the Runaway Scrape—fleeing east as fast as possible. The government had fled as well, and was almost captured getting on a ship that would take them to Galveston.

The army Houston had assembled had taken part in a few scrapes, but mostly it, too, had retreated. Its condition was, shall we say, slightly seedy. Its prospects bleak. Pay? The check is in the mailpouch. Equipment? BYOR. Bring your own rifle. The cavalry was made up of those who could BYOH.

Most of those who had so gloriously sounded the bugles were nowhere around: Only 10 of the 59 signers of the Declaration of Independence were on hand. "The planters were taking care of their cattle and slaves and the merchants were minding their goods," one Texas officer sourly wrote.

The curious thing is that, for all these many woes, the Texians who gathered at San Jacinto were not dispirited. Not gloomy, not deserting. They were just mad—at Santa Anna for being one of the more despicable tyrants of history, and at Houston for not taking him on.

Not gloomy, but certainly interesting. A new recruit wrote, "A scene singularly wild and picturesque presented itself to our view. Around 20 or 30 campfires stood as many groups of men: English, Irish, Scots, Mexicans, French, Germans, Italians, Poles, Yankees, all unwashed and unshaved, their long hair and beards and mustaches matted, their clothes in tatters and plastered with mud. A more savage-looking group could scarcely have been assembled."

Funny how little things change.

But what must they be thinking today, as those solemn men who had gambled so much, who had already lost so much, look down on those who mournfully say Texas is going down the drain, its economy in ruins, its faith in the future shattered. What are Sam Houston and Deaf Smith, Mirabeau B. Lamar and Juan Seguin saying of those who despair that Texas has seen its peak and only help from outside will bring back past glories?

They are saying that it's a good thing those people never came to Texas.

GUESS WHO CAME TO THE LUNCHEON?

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mrs. BOXER. Mr. Speaker, I call to the attention of my colleagues this thoughtful commentary published by Stuart Strong in a weekly newsletter which circulates in my congressional district:

Guess who came to the regular luncheon meeting of Rotary International in Pacifica last week? Seven women, that's who, all brought as guests of one of the more forward-looking members who took seriously the implications of a recent California State Appeals court decision. The court said that the Duarte Rotary chapter, ousted by the International eight years ago for accepting female members, would have to be restored to full standing. Duarte's in southern California, but Pacifica, where this latest bold event took place, is only about 25 miles away, so the question is, how long before this inevitable development will be welcomed, into an enlightened area like Marin?

The Pacifica member who had the guts to bring what he described as "some of the leading women in the community," into the rigidly macho atmosphere of rotary did it, he explained, "to make you aware that there's all this talent out there in the community that's not being tapped."

How doubly true this is in Marin, where many a man has been shocked out of his smugness by asking for the president or manager of some potent organization in the country, only to be ushered into the offices of—heavens, what next???—a woman? There are already dozens in the area who fit this description, and more all the time, so what's the big deal?

It's true that there is still a vast amount of unused talent and ability out there, not only with women, but with various groups of minorities, and certainly with many of the intelligent high school and college teens whose minds are not being stretched enough by the public school curriculum. It's been over 200 years now, and we've proved that democracy, properly utilized, is the most workable system for all of us. Any reason we shouldn't keep extending it? Without exception, we'd all be better off.

SOIL CONSERVATION SERVICE FLOOD CONTROL PROGRAMS

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. GEJDENSON. Mr. Speaker, as you know, the Reagan administration has proposed cutting funding for the Soil Conservation Service [SCS] by 44 percent in its fiscal 1987 budget proposal. I believe that the administration's proposal is extremely irresponsible and would deal an irreparable blow to conservation efforts nationwide. SCS programs are crucial to reducing erosion, preserving farmland, and protecting our environment. In my home State of Connecticut SCS has many excellent programs, including an extremely innovative flood warning and audit program. I would hate to see the progress we have made preventing flood damage in Connecticut be lost because of massive cuts in the SCS budget.

The State of Connecticut has experienced serious flooding problems throughout its history. In August 1935, "a terrible flood washed away and buried the corn crops" in the lower Connecticut River Valley. Numerous times since then, floods have damaged crops, homes, businesses, and public property. The last floods in 1982 and 1984 caused over $300 million in damages. Flood control measures prevented nearly $1 billion more in damages from occurring.

Many of the remaining flooding problems in Connecticut cannot be solved by traditional flood control measures. Fortunately, the State of Connecticut, with the help of the Federal Government, has developed an innovative program to use flood warnings and flood audits to reduce flood damages. The USDA Soil Conservation Service [SCS] and the Connecticut Department of Environmental Protection [DEP] have purchased and installed automated precipitation gauges which send a radio signal to central computers at forecast centers after each millimeter of precipitation has fallen. Flood forecasters can use the information to predict flooding conditions well before flooding occurs so that people living in the floodplain can act quickly to minimize flood damage.

SCS also plans to conduct flood audits in many Connecticut towns which have experienced major flood damage in the past. These audits will include specific recommendations for land-use planning and other precautionary measures that will reduce flood damage. These audits, coupled with the flood warning system, will provide the mechanism to encourage voluntary behavior from citizens which will dramatically reduce flood damage in the future. These programs could save Connecticut up to $5 million annually when they are fully implemented.

I applaud SCS's excellent programs in Connecticut and the rest of the Nation. I will continue to do all I can to prevent irresponsible cuts in these excellent programs. In the long run the economic and environmental costs resulting from the elimination of SCS programs would be far higher than the immediate savings produced by the administration's proposed 44-percent budget cut.

REPRESENTATIVE KEMP REVEALS "A LEGAL ARSENAL TO FIGHT THE TERRORISTS"

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. GILMAN. Mr. Speaker, our colleague, the gentleman from New York [Mr. KEMP] has recently written an extremely interesting column entitled "A Legal Arsenal To Fight the Terrorists," published in the Washington Times on April 30. In this thought-provoking article, Congressman KEMP sets forth several peaceful, legal means which may be employed against one terrorist organization, the PLO. According to Yasser Arafat, "the Palestinian revolution carried out 62 heroic operations"—in designating armed attacks, mainly against civilian targets. The proposed Kemp "arsenal" includes convening a grand jury, prosecuting the PLO under the Racketeer Influenced and Corrupt Organizations Act, and denying Arafat entry into the United States if he attempts to visit the United Nations.

I commend Mr. KEMP's article to the attention of my colleagues, and ask that it be printed in full at this point in the RECORD.

A LEGAL ARSENAL TO FIGHT THE TERRORISTS

Americans have overwhelmingly supported the president's decision to strike out against Libya's infrastructure of terrorism. As a nation that loves liberty and freedom, we have come to realize that we are engaged in the moral equivalent of war; that international terrorism is in reality a war against the democracies; and that we must be willing to employ all appropriate means at our disposal in our defense.

But it it not Libya alone that employs cadres of terrorists. For now, Col. Muammar Qaddafi, featured on the cover of Time magazine, may be in the public limelight as a mastermind of international terror—and rightly so. But in the shadows, far from passive, others are also at work in this deadly and evil endeavor. High on this list is the Palestine Liberation Organization.

By Yasser Arafat's accounting, 1985 was a good year for the PLO. It was a year in which "the Palestine revolution carried out 62 heroic operations"—by which he means armed attacks against a variety of targets, principally civilian, and many American. Yet despite this heavy tool and loss of life, he has said, "It is not enough. We must have more acts of resistance," adding, "I don't simply want, I demand, more commando operations . . ."

And lest we in the United States misunderstand, Mr. Arafat explained in November last year, "We are on the threshold of a fierce battle—not an Israeli-Palestinian battle, but a Palestinian-U.S. battle."

I think the time has come to take Mr. Arafat at his word—and hold him accountable for his deeds. Among the means at our disposal, little utilized to date, are the instruments of legal process available against Mr. Arafat and his PLO. For among other things, terrorist acts are crimes, and there is no earthly reason why their perpetrators should be immune from justice.

There are at least six steps worth exploration.

The first is for the Justice Department to convene a grand jury to investigate the series of criminals acts that have been committed against the United States and its citizens by Yasser Arafat's PLO. A grand jury can receive evidence in secret, and it has wide powers of subpoena. If it finds violations of U.S. laws, indictments should be issued.

The second is for the Justice Department to explore the possible prosecution of the PLO under the Racketeer Influenced and Corrupt Organizations Act. This statute makes it unlawful for an organization to engage in a pattern of criminal activites, and imputes criminalliability to the leadership for the criminal acts of its functionaries. Those who train, equip, and direct terrorist organizations should be held accountable for terrorist acts. RICO may be one way of ensureing that accountability.

A third step would be to obtain a warrant for Mr. Arafat's arrest for the murder of U.S. Ambassador Cleo Noel. According to press accounts, the United States has a tape recording of a telephone conversation in which the PLO leader personally orders Mr. Noel and other diplomats killed. The Justice Department obtained a warrant for the arrest of Muhammed "Abu" Abbas on substantially similar evidence. If the evidence exists against Mr. Arafat and jursdiction obtains, then he, too, should be made to answer for his crimes.

A fourth step would be to take legal action against the PLO office in Washing-

ton, D.C. It is almost beyond belief that a group which the president has labeled a "terrorist organization" should be allowed to operate in the middle of our capital city as if it were just another diplomatic outpost. The United States could, as an act of policy, close it down. Moreover, the PLO office in Washington has failed to register under Section 2386 of the criminal code (requiring the registration of organizations under foreign control that are engaged in "civilian military activity") and should be subject to prosecution for that violation.

A fifth step would be legal action against the PLO mission in New York. It enjoys no diplomatic immunity under any agreement that the United States has signed. Again, the United States could as an act of policy close it down. The N.Y. mission would also be a target for criminal justice procedures aimed at its parent organization.

Finally, we could symbolize our abhorrence for all the reprehensible deeds that Mr. Arafat represents by making it clear that, if Mr. Arafat tries once again to come to New York to use the United Nations to wave his gun, we will not grant him an entry visa. The U.S. Congress reserved in 1947 (P.L. 357, Sec. 6) the right to deny visas to U.N. headquarters to anyone whose entrance might imperil U.S. security, and successive administrations have exercised that right on many occasions.

I suggest that Yasser Arafat has amply demonstrated his eligibility for exclusion. It is Mr. Arafat who controls the billion-dollar budget of the PLO and provides the salaries of the great majority of commandos and fedayeen. It is Mr. Arafat who controls the worldwide network of embassy-like PLO offices and missions, whose diplomatic immunity and pouches are used to move people, money, and equipment to carry out violent acts with impunity. It is Mr. Arafat who controls the assets that are used to make exchanges and alliances with the Sandinistas and the Red Brigades and the Baader Meinhof gang—indeed, as the White House reported in 1983, "with terrorist and guerrilla organizations around the world."

As we acknowledge Mr. Arafat's directorship of the PLO, so should we accord him the appropriate treatment under our laws.

Of course, action on these and other legal options will not, in itself, put an end to the threat of PLO terror. We must also consider what other actions may be necessary and be prepared to act. But these limited legal measures are eminently within the power of the United States. They can vastly complicate the operations of the PLO—particularly if supplemented by an active policy of asking our allies to surrender terrorists under indictment for extradition.

Our American tradition is grounded in the rule of law. We accept as an article of faith that no person is above the law. It is time that Yasser Arafat and other sponsors of international terror come to understand that crimes against the United States, our citizens, or our property, will not go unpunished.

25 YEARS OF SERVICE

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. GALLO. Mr. Speaker, on June 4, 1986, Father Denis McHugh, associate pastor of Sacred Heart Church, Dover, NJ, will celebrate his 25th anniversary as a priest in the service of God and His flock.

Father McHugh came to our Garden State from the Emerald Isle and he has been an ambassador for goodness, an emissary from the gates of the garden, during his quarter century among us.

He deserves our special attention on this special day for him because he is a symbol of hope and good will in a time when these qualities are so desparately required.

Father McHugh was born in Skeabeg, Headford, in County Galway, Ireland. He attended the Kilcoona Grammar School and St. Jarlath's College in Tuam and later St. Patrick's Seminary in Barlow. Following his ordination on June 10, 1961 by Bishop Thomas Keogh at St. Patrick's Church in Kilcoona, he was assigned to St. Paul's, Clifton, NJ on September 8, 1961. In 1968, he was reassigned to Sacred Heart, Dover.

During his tenure at Sacred Heart, Father McHugh has exemplified the priesthood through his dedicated work with the youth of the parish and his continued devotion to the care of the sick. He has served as spiritual advisor to the CYO since 1968 and to the Leisure Club since its inception in 1973. A man of quiet demeanor, Father McHugh is an avid sports fan and when away from the rigors of parish life, can generally be found as an aggressive participant at either tennis or golf.

We wish Father McHugh well in his future assignments and ask God to bless him with the spiritual and physical strength necessary to the fulfillment of even more rewarding years in the priesthood.

WE CAN DO IT

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. HAMMERSCHMIDT. Mr. Speaker, "We Can Do It" is the title of a superb new film produced by the International Association of Machinists and Aerospace Workers and introduced last week at the annual conference of the President's Committee on Employment of the Handicapped at the Washington Hilton Hotel (April 30–May 2). "We Can Do It" was also the message given by Chad Colley of Barling, AR, who received the President's Trophy as this year's Handicapped American of the Year.

Colley, a triple amputee, wounded in Vietnam in 1968, was selected by the President's Committee from candidates throughout the United States for his efforts in improving opportunities for all disabled Americans as well as for his "We Can Do It" attitude. The immediate past commander of the Disabled American Veterans, Colley represents the spirit of the 2,000 participants at the President's Committee's conference.

Despite tight budgets and Government cutbacks, the men and women who gathered for the conference are not letting anything get in their way. They are determined to bring about acceptance and opportunities for disabled Americans through the close cooperation of government, business, labor, professional organizations, and disabled people.

The "we can do it" attitude represented by Chad Colley and the participants in the conference are in the best of our traditions. The government, industry, and labor leaders who spoke to the conference participants caught this mood, and came away determined that this is one group of people who are not going to end up on the short end of the stick.

A recent Louis Harris poll found that disabled Americans attribute the gains they have made in the past 10 years to the role of the Federal Government. They see the Government's role as a promise of continuing support and encouragement, a compliment to their own efforts. "We Can Do It" was clearly the message of the exciting three-day President's Committee conference, a message that Chad Colley and other disabled Americans are carrying coast-to-coast, a message that no American can overlook.

KILDEE PAYS TRIBUTE TO MR. LEE FURSE

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. KILDEE. Mr. Speaker, I rise today to pay tribute to the long and distinguished career of Mr. Leland Furse. Mr. Furse, who is retiring from General Motors after 45 illustrious years of service, will be honored in a retirement ceremony May 16, 1986, in Flint, MI.

Mr. Furse began his extraordinary career in 1941, leaving General Motors temporarily to courageously serve his country as a fighter pilot in World War II. After faithfully serving in our Nation's defense, Mr. Furse returned to GM where he swiftly rose through the corporate ranks. The dynamic and effective leadership abilities of Mr. Furse lead to the inauguration of a new product line for Buick and ultimately lead to the restructuring of the Buick assembly plant into Buick City. His rich and rewarding career culminated with this promotion to general manager of the facility he created—Buick City.

The first of its kind in the country, Buick City is a high technology prototype for future automated production facilities. Buick City incorporates the integration of the very latest in computer technology, robotics, assembly procedures, and has revolutionized the concept of labor-management relations. As general manager of Buick City, Lee Furse has consistently demonstrated an uncanny ability to find simple solutions to complex problems. His brilliance in engineering and management have benefited not only General Motors, but the people of the Seventh Congressional District as well. As a result of Buick City and due to Mr. Furse's direct intervention and concern for this great community, thousands of jobs were retained in Flint. While continuing to serve the public in other capacities, Lee Furse will be sorely missed by both General Motors and the business community alike. With his unwavering dedication to quality and his intense desire to excel, I am confident Mr. Furse will enjoy great success in his future endeavors.

Mr. Speaker, during the last 45 years, Mr. Furse has demonstrated a sincere interest in the welfare of his community and in the human dignity of each person who has come in contact with him. Lee Furse epitomizes the highest standards and traditions of excellence and community service. It is indeed a great honor and privilege for me to pay tribute to this highly regarded and distinguished individual.

UNITED STATES-MEXICO INTERPARLIAMENTARY CONFERENCE

HON. KEN KRAMER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. KRAMER. Mr. Speaker, I am honored for the opportunity to address a key area of concern to America; Our relationship with Mexico.

As we look ahead to the 26th United States-Mexico Interparliamentary Conference, which will be held in my home of Colorado Springs, we must recognize the importance of maintaining a sound relationship with our neighbor, one based on reciprocity and understanding. As well, we must always remember the vital role that Mexico plays in the world arena and, in particular, the Western Hemisphere.

A peaceful and prosperous Mexico is, I would not hesitate to say, essential if stability in Central America and, indeed, the hemisphere, is desired.

Falling oil prices, so beneficial to most of the United States and the other industrialized countries, only exacerbates financial pressure on Mexico. Its revenue from oil already has dropped considerably. As prices continue to fall in the face of overproduction and a worldwide glut, Mexico's economic horizon may only darken.

That, in turn, is unwelcome news for the United States. Not only does economic misery fuel political turmoil in Mexico, it adds to immigration pressures. And that is bad news for both countries. The harmful effects of illegal immigration on the United States are obvious, but the effects are equally damaging to Mexico. A nation's people are its greatest resource, more than any bridges, roads, machines, more than any gold, oil, iron ore. If Mexico continues to lose many of its bright, ambitious, hard-working citizens because it is unable to offer them hope and opportunity, it becomes weaker.

Also, a Mexico weakened by economic ills becomes more susceptible to Communist-inspired subversion. The examples around the world are too numerous to mention. We have seen this example before, so we must be on guard so that Mexico can grow and prosper while retaining democratic principles.

Our relations over time with Mexico have sometimes been strained. We fought a war a century and a half ago, a war whose prosecution and outcome some call unjust. Episodes like the Pancho Villa affair, the Zimmerman note, and the Veracruz expedition have only contributed to suspicion and tension. Mexico wonders why America fails to understand it; Americans wonder why Mexico seems unable to help itself more. Given that legacy, we must exercise caution and display sensitivity in our approach to Mexico. We must treat our neighbor differently than we do, say, a country on the other side of the world. Proximity, history, and our common legacy demand as much.

With that in mind, I suggest we fellow a two-pronged strategy. On a general level, we must help Mexico address the economic problems confronting it and take steps to help Mexico meet its challenges. We must encourage economic growth, for that is the only way we solve problems of poverty, overpopulation, and lost opportunity. We should work with the Mexican people and encourage innovation and creativity on their part. And we must continue to aid Mexico as it meets its debt obligations.

On a more individual level, we should encourage Americans to travel to Mexico, one of the beautiful and inspiring countries in the world. What better place to visit than this historic land. And we should encourage more of our citizens to learn Spanish. If we can communicate with our neighbors next door, we can learn more about them as well as we might if we could speak with each other. Personal contact and language affinity can do much to cement the bonds of friendship our two peoples have developed over the ages.

The United States-Mexico Interparliamentary Conference, of which I am proud to attend as a delegate, offers us the opportunity to discuss with our Mexican friends and colleagues the vital issues and challenges that await us both. We can learn more about one another and about our common concerns. I urge people everywhere to attend the conference or to follow its progress. And I urge Americans everywhere to be every mindful of our special relationship with Mexico.

CARE ANNIVERSARY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. GILMAN. Mr. Speaker, for many years CARE has been working overtime taking care of the world's needy. Soon it will be its 40th anniversary. Permit me therefore to submit for the RECORD an eloquent statement by the President honoring CARE.

THE WHITE HOUSE,
Washington, April 8, 1986.

I congratulate all of the wonderful people who have dedicated their time, their efforts and, yes, their real care to the work of the Cooperative for American Relief Everywhere—CARE. This is an especially proud occasion for your organization, and I know that Nancy is particularly honored to serve as Honorary Chairman on this, the fortieth anniversary of the founding of your magnificent enterprise.

The "everywhere" that now lends a letter to your familiar acronym is no exaggeration. In four short decades, your organization has developed a worldwide reputation for timely and effective assistance to the victims of calamity and conflict. Only those who received them will ever fully appreciate what a "CARE package" meant—and continues to mean. After the devastation of World War II, it meant that families in Europe were receiving the food and other necessities to survive and rebuild. It meant comfort in the present and hope for the future. It told the people of Europe that America would not only fight beside them in war, but would work beside them in peace to clear away the ruins and help them resurrect their lives and their dreams.

As you celebrate this milestone in your history, the work of CARE has expanded to many other continents, and so has the package of assistance you offer. No longer is the aid you provide simply shipped in bundles. CARE is present today in 36 developing countries conducting people-to-people assistance programs in the fields of nutrition, health, education, small enterprise development, and agroforestry. But the ideals that guided the founders of CARE have not changed—nor has the impact your programs have on the people whose lives you daily enrich.

Truly, CARE is meeting the challenge. With the millions of people you have helped, I join in a resounding "thank you." Again, congratulations, and may God continue to bless you in your noble mission.

RONALD REAGAN.

CALL IS OUT FOR SOVIETS TO HONOR HUMAN RIGHTS

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. YATRON. Mr. Speaker, the Helsinki human rights process has been in existence for over a decade. I believe it has been a useful tool in pressuring the Soviet Union and its Eastern bloc allies on fundamental human rights issues, and has provided the West with a systematic mechanism to assess how the Communist countries live up to their international commitments on these matters. In this context, Helsinki serves as a poignant reminder of the realities and difficulties in negotiating meaningful agreements with these nations on arms control, economic issues, and other security concerns. Without sound verification, it is difficult to place a great deal of trust in treaties signed by leaders who have such disregard for the basic rights of their citizens or for their international obligations in this area.

The signing of the Helsinki final act raised the expectations of the Soviet and Eastern bloc people for greater observance of human rights and engendered the formation of citizens' monitoring groups to inform the world how these governments are complying with the accords. The monitors are indeed most courageous individuals, risking their lives to forward the human rights dimension of Helsinki. Clearly, their contribution to the cause of human rights cannot be overstated. Many of the monitors have been harassed, tortured, imprisoned, and subject to other brutal forms of abuse. Some have even died of inhumane treatment in labor prisons.

November 7, 1986 marks the 10th anniversary of the establishment of the largest such citizens group, the Ukrainian Public Group to Promote the Implementation of the Helsinki Accords. This group has helped to provide the

impetus for human rights activists to demand not only that the Kremlin uphold the human rights guaranteed by the Soviet Constitution, the Helsinki final act, and other international human rights declarations and covenants, but also to assert that the Western democracies have a solemn responsibility to support the struggle for achievement of human rights of Ukrainians and other peoples living under Soviet domination.

Despite the Geneva summit, the Soviet Union continues to violate the human rights provisions of the Helsinki final act and other international human rights agreements by denying its citizens freedom of speech, press, assembly, association, religion, fair trial, and many others. Through intensive russification, ethnocide, repression, and imprisonment the Soviets have endeavored to smother all manifestations of national identity. They have also denied the rights of family reunification and emigration.

As chairman of the Subcommittee on Human Rights and International Organizations, I have conducted extensive hearings and investigations of the human rights situation in the Soviet Union. I have also worked to provide succor to those suffering under the heavy hand of Soviet oppression and help the monitors in their efforts. As a further step toward these ends, I, along with my good friend and colleague, Congressman BILL BROOMFIELD, who, as the ranking minority member of the Foreign Affairs Committee, has been an outstanding leader on these issues, have introduced a resolution condemning the persecution of members of the Ukraninian and other public Helsinki Monitoring Groups.

The measure calls on the President to press Soviet leaders to release all imprisoned and exiled Helsinki monitors, and to allow the monitors to emigirate to the countries of their choice. The measure also calls on the administration to ensure that the consulate in Kiev reports on Soviet human rights abuses in the Ukrainian Republic. The Ukrainian people have suffered tremendously under the Soviet system. They were the victims of Stalin's 1932–33 Great Famine in the Ukraine, and Congress passed a measure to establish a commission to study this unmitigated tragedy. The resolution calls particular attention to Ukrainian monitors within the context of recognizing the plight and importance of all monitors in the U.S.S.R.

The joint statement issued at the Geneva summit called for cooperation on humanitarian issues. The Soviets have made some gestures on human rights issues in releasing Mr. Shcharansky, allowing Ms. Bonner to travel to the West, and permitting some families to reunite. However, the list of abuses committed by the Kremlin is appalling and the jails are filled with political prisoners. Soviet credibility on this issue would be greatly enhanced, and U.S.-U.S.S.R. relations significantly improved, if Kremlin leaders released jailed monitors, as well as other political prisoners, and began to respect the rights of their citizens. I believe our bill is an important step in keeping this issue at the forefront of our relations with the Soviet Union.

H. CON. RES. 332

Concurrent resolution concerning the Soviet Union's persecution of members of the Ukrainian and other public Helsinki Monitoring Groups

Whereas on August 1, 1975, the Final Act of the Conference on Security and Cooperation in Europe was signed at Helsinki, Finland, by 33 European states, together with Canada and the United States;

Whereas the signatories of the Helsinki Final Act committed themselves under Principle VII to "respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language or religion;

Whereas Principle VII specifically confirms the "right of the individual to know and act upon his rights and duties" in the field of human rights, and Principle IX of the Final Act confirms the relevant and positive role organizations and persons can play in contributing toward the achievement of cooperation among nations;

Whereas the signing of the Final Act raised the expectations of the peoples of the Soviet Union for greater observance by the Soviet Union of human rights, and engendered the formation of the Moscow, Lithuanian, Georgian, Armenian, and Ukrainian citizens' monitoring groups to inform the peoples of the Soviet Union and the world with regard to the Soviet Government's compliance with the Final Act;

Whereas affiliated groups—the Psychiatric Abuse Commission, the Christian Committee, the Adventists Rights Group, the Catholic Committee, the Ukrainian Catholic Initiative Committee, and the Disabled Rights Group—later were established by citizens to address areas of specific concern;

Whereas four members of Helsinki Monitoring Groups, Oleksiy Tykhy, Yuri Lytvyn, and Vasyl Stus of the Ukrainian Group and Eduard Arutunyan of the Armenian Group, died after years of inhumane treatment in Soviet labor camps;

Whereas November 7, 1986, marks the tenth anniversary of the establishment of the largest such citizens group, the Ukrainian Public Group to Promote the Implementation of the Helsinki Accords;

Whereas the establishment of this group coincides with the opening on November 4, 1986, of the Vienna Review Meeting of the Conference on Security and Cooperation in Europe;

Whereas the Ukrainian Helsinki Monitoring Group opened a new phase in the Ukrainian struggle for human and national rights, providing impetus for human rights activists to demand not only that the Soviet Government uphold the human rights guaranteed by the Soviet Constitution, the Helsinki Final Act, and other international human rights declarations and convenants, but also to assert that the Western democracies have a solemn responsibility to support the struggle for achievement of human rights of Ukrainians and other peoples living under Soviet domination;

Whereas the Soviet Union continues to violate the human rights provisions of the Helsinki Final Act and other international human rights declarations and convenants by denying to the citizens of Ukraine and other Soviet Republic rights of national identify and basic human rights through intensified russification, ethnocide, repression, and imprisonment of the citizens of Ukraine and other Soviet Republics who lawfully engage in calling the Soviet Government to account for violations of human, national, and religious rights as well as the rights of family reunification and emigration; and

Whereas the blatant disregard by the Soviet Union of the humanitarian provisions of the Helsinki Final Act and other international human rights declarations and convenants, in particular its persecution of the members of Ukrainian and other public Helsinki Monitoring Groups, contribute to tensions between East and West and give rise to doubts about Soviet commitments to their international obligations: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. DISCUSSIONS WITH THE SOVIET UNION CONCERNING THE UKRAINIAN AND OTHER PUBIC HELSINKI MONITORING GROUPS.

It is the sense of Congress that the President and the Secretary of State should firmly insist at the Vienna Review Meeting of the Conference on Security and Cooperation in Europe, and at all other appropriate opportunities for discussions with the leadership of the Communist Party and Government of the Soviet Union, that—

(1) imprisoned and exiled members of the Ukrainian and other pubic Helsinki Monitoring Groups in the Soviet Union be released from their incarceration in the spirit of the Final Act of the Conference on Security and Cooperation in Europe; and

(2) members of the Ukrainian and other pubic Helsinki Monitoring Groups be allowed to emigrate to the countries of their choice.

SEC. 2. INFORMATION ON HUMAN RIGHTS VIOLATIONS IN THE UKRAINIAN REPUBLIC.

It is the sense of the Congress that—

(1) the Secretary of State should ensure that the United States consulate in Kiev reports on Soviet human rights violations in the Ukrainian Republic, and

(2) information provided by that consulate on those violations should be included in the semi-annual reports on compliance with the Helsinki Final Act which are submitted by the President to the Commission on Security and Cooperation in Europe pursuant to Public Law 94-304.

SEC. 3. TRANSMITTAL OF RESOLUTION TO PRESIDENT AND SECRETARY OF STATE.

The Clerk of the House of Representatives shall transmit copies of this resolution to the President and Secretary of State.

THE AMERICAN LATVIAN ASSOCIATION'S 35TH ANNIVERSARY

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Ms. MIKULSKI. Mr. Speaker, today I would like to commemorate the 35th anniversary of the founding of the American Latvian Association—a group that fights for the national, political, and religious rights of their brothers and sisters behind the Iron Curtain. I would also like to note that April 27, 1986, marked the 25th anniversary of the foundation of the Joint Baltic American National Committee, of which the ALA was a cofounder.

Sixty-eight years ago, Latvia become a free and independent nation. But in 1940, the Soviet Red Army marched in and seized control of the government and the land. To this

day the Soviet Union continues to repress the cultural and social traditions of the Latvian people.

For 46 years the United States has refused to recognize the Soviet takeover of Latvia. Rather, we choose to recognize the Latvian people's right to self-determination.

Latvians continue to demonstrate tremendous courage in the face of constant Soviet respression and religious persecution. Latvian culture and tradition still thrive. All Latvians retain a strong desire for freedom, and it is this desire from which they get their strength.

Mr. Speaker, the overwhelming commitment to freedom and justice of the American Latvian Association is an inspiration to us all. I pledge my firm support of their efforts to preserve for all Latvians their national character, their national culture, and their right to stand as a free and independent nation.

A CONGRESSIONAL SALUTE TO ISABEL PATTERSON

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to Isabel Patterson, a community leader in my district, who will be honored at a recognition dinner at the 102d annual meeting of the YMCA of Greater Long Beach, CA, on May 13, 1986.

Isabel Patterson came to Long Beach from Amarillo, TX in 1942. She worked at the Port of Embarkation in Wilmington, CA, and later was a purchasing agent for the post engineers in Palm Springs, CA. She worked for the post engineers until the end of World War II. She then went to work as a chief accounting clerk for the Navy in the Pacific.

Returning to Long Beach in 1949, Ms. Patterson noticed a short paragraph in the newspaper about the founding of the California State University-Long Beach. She was the 18th student to enroll in 1949 and by 1952 she received her B.A. degree and her teaching credentials. For 4 years she taught in the Long Beach Unified School District. At the suggestion of her brother, she stopped teaching and embarked on a career in real estate. As a realtor, Isabel Patterson has been fantastically successful. She has since retired from the business.

In addition to being a successful businesswoman, Isabel Patterson has been tireless in her active support for, and work with numerous community organizations. She is on, or has served on the board of directors of at least eight community organizations and educational institutions. She has been extremely generous in her philanthropic activities. A greater believer in philanthropy, Isabel Patterson has been extremely generous with many local organizations, most notably, the Greater Long Beach YMCA, the Long Beach City College and the California State University-Long Beach. She has also given of her time to serve on the city of Long Beach Planning Commission. Clearly, it would take far too much time to mention all the contributions of time, energy and attention that Isabel Patterson has given to the people of Long Beach and the neighboring communities. I am sure that the people in and around my district will continue to look to Isabel Patterson for leadership in community activities.

It is with great pride that my wife, Lee, joins me in congratulating Isabel Patterson and in wishing her all the best in the years ahead.

GI BILL IMPORTANT TO STRONG NATIONAL DEFENSE

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. MONTGOMERY. Mr. Speaker, there follows a copy of a letter written recently to the Honorable Chapman B. Cox, Assistant Secretary of Defense for Force Management and Personnel, from the executive director of the Enlisted Association of the National Guard of the United States.

The association strongly supports the new GI bill enacted by the Congress. Mr. Speaker, as you and my colleagues in the House know, the administration, unfortunately, has proposed that the new GI bill be terminated even though it only became effective on July 1 of last year. How tragic it would be were this to happen. Not only does the new GI bill help thousands of Americans get college educations, who would not otherwise be able to do so, it also is a major recruitment tool for both the Active and Reserve Forces for top quality personnel.

I commend the Enlisted Association of the National Guard for its strong support of the new GI bill and applaud its efforts in getting the word out to its members on the importance of maintaining this excellent education program for our military personnel.

EANGUS,
Washington, DC, April 10, 1986.

Hon. CHAPMAN B. COX,
Assistant Secretary of Defense for Force Management and Personnel, Washington, DC.

DEAR SIR: Thank you for your recent letter explaining the Administrations view on the New GI Bill. Unfortunately, we cannot agree that the Veterans' Educational Assistance Program (VEAP) accomplishes the same goals at a lower cost. We have seen no public evidence to support this claim. In fact, it is becoming increasingly clear that the services are at odds with the Administration on this issue.

We welcome your assurance that 'total force' doctrine is alive and well, but take little comfort in that assurance in light of recent DOD actions on this and other Reserve incentive programs. We continue to view with alarm the willingness of the Department to cut, or fail to support, incentives for the Reserve components.

In our opinion, too much emphasis is placed on the successes in recruiting and retention in the Reserve components in the recent past. The halcyon days of Reserve growth, again in our opinion, are over. Conditions of economics, demographics and world politics have significantly changed the attraction of a Reserve military commitment. We believe it is time to re-examine Reserve Forces management in light of these changes.

The New GI Bill is the type of 'attention-grabber' that we need to continue to attract bright young Americans into the Reserve components in this changing environment. It appeals not only to the individuals' desire to achieve, but encourages young Americans to obtain college educations that will ultimately enhance national interests as well by contributing to defense, R&D, communications, electronics and technology application concerns of the future.

EANGUS strongly supports retention and continued funding for the New GI Bill. We view a 'step-back' action as far more destructive than the cost factor could justify. We urge the Department of Defense to reconsider their actions on this issue.

Sincerely,

ALAN D. OBERMILLER,
Executive Director.

IN APPRECIATION OF CLINICAL SOCIAL WORKERS

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Ms. OAKAR. Mr. Speaker, recently, I had the pleasure of receiving a certificate of appreciation from the National Federation of Societies for Clinical Social Work, on behalf of myself and the staff of the Subcommittee on Compensation and Employee Benefits, for our efforts to improve coverage for mental health care under the Federal Employees Health Benefits Program [FEHBP].

Private industry long ago learned that by attending to the mental health needs of employees, they could reduce costly employee absences, on-the-job accidents, and health insurance claims for physician care and hospitalization to treat the physical symptoms of underlying emotional distress.

Regrettably, Congress has been slow to learn from the experience of private industry. Mental health coverage in the FEHBP lags far behind the coverage for physical illness and injury. The Medicare program is even further behind, for reasons which have more to do with the stigma of mental illiness than with sound health care policy.

A past president of the National Federation, Marsha Wineburgh, cites the experience of one of her patients, a 67-year-old woman who suffered severe abdominal pains after she was laid off from her job. Medicare paid for extensive medical tests, exploratory surgery, and other treatments, none of which stopped this patient's abdominal pains. Finally, the patient was referred to a clinical social worker for mental health therapy, following which her pains and her depression ceased. However, Medicare would not pay for this mental health therapy. The reason is that Medicare's mental health coverage is woefully inadequate, and because the program will not reimburse such services provided by a nonphysician professional.

Clinical social workers provide the majority of outpatient mental health care in the United States. They are licensed or certified by State law in 38 jurisdictions. Fifteen States mandate that patients be given the right to choose a clinical social work provider when they need

mental health services which are otherwise covered under group insurance. CHAMPUS recognizes clinical social workers as independent providers of service, as do many private insurance companies and most of the FEHBP carriers.

At the insistence of Congress, the Health Care Financing Administration is conducting a demonstration project to ascertain the impact on cost and utilization of expanding the Medicare provider base to include clinical social workers. Recently, the Office of Personnel Management studied the experience of the FEHBP carriers in this respect, and found that the fears of increased utilization and cost were unfounded.

Mr. Speaker, I am glad to take this opportunity to recognize the clinical social work profession and the dedicated mental health professionals of all disciplines who provide essential services to the American people through our Nation's mental health care delivery system. I urge my colleagues to join with me in improving the extent of mental health coverage under the various Federal health insurance programs, including Medicare and the FEHBP.

STATE RESPONSE TO THE LIABILITY CRISIS

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. PORTER. Mr. Speaker, the uproar in the country over liability insurance is continuing. One company in my district, the Wacker Group, has liability bills this year that are $1 million higher than budgeted based on last year's figures. This company has just completed a new research and development facility, but is deferring its staffing and operation indefinitely because of the unexpected financial drain.

When you multiply this deferral of research activities, purchases of capital equipment, and hiring of new employees by all of the businesses and government units in the country that have been hit by this crisis, we are talking about a significant depressive effect on our country's economic growth.

The liability crisis is also hurting many other critical areas of our national life, including the availability and price of medical care in high-risk specialities and the provision of essential public services.

State governments have primary responsibility for solving liability problems. In Illinois, 63 organizations ranging from the Illinois Library Association to the Industrial Council of Northwest Chicago have joined together to form the Illinois Coalition on the Insurance Crisis. This coalition already includes businesses and local governments employing half of Illinois' work force and works closely with Governor Thompson. It has investigated important aspects of the liability issues and is working with leaders in the Illinois General Assembly to enact long- and short-term remedies for the liability crisis during the current legislative session. This kind of serious grappling with liability issues is needed in all the states.

As a prod to such a state response in the medical field, Representative Stark and I introduced a resolution, House Resolution 386, urging all the States to take action to address the severe impact on medical cost and quality of the medical malpractice liability crisis. This resolution calls for state action in four basic areas: in identifying and controlling negligent providers, in making sure that the insurance industry is regulated in a way that protects consumers, in reforming State tort laws to insure predictability and compensability of injuries, and in encouraging the voluntary use of alternative means of settling malpractice disputes. We continue to welcome cosponsors of House Resolution 386.

The principles embodied in this resolution apply broadly to other liability areas where States need to act to promote better risk management, availability of insurance, predictable tort law outcomes, and validation of alternatives to litigation to resolve disputes. If the States do not act in meaningful ways to address the liability crisis, pressure for Federal usurpation of jurisdiction over liability-related tort and insurance matters will continue to build to the point where Federal action is unavoidable.

INCREASE IN LOAN GUARANTY MAXIMUM

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. SMITH of New Jersey. Mr. Speaker, today I am introducing legislation to increase the maximum amount of the VA home loan guaranty from $27,500 to $33,500.

The VA mortgage guarantee program has helped more than 11 million veterans purchase homes. The program facilitates credit extension on favorable terms by private lenders to veterans for home purchases and guarantees up to 60 percent of the total cost. The veteran substitutes the Government's guaranty on loans in lieu of the substantial down payments, relatively short terms, and other investment safeguards applicable to conventional mortgage transactions.

It is a program that has been attractive to both buyers and sellers, providing veterans with a chance to buy a home with little cash investment. Mortgage lenders have found these veterans loans to be sound investments. Indeed, the program has infused more than $200 billion of investment into our economy since its inception in 1944.

The program has generally operated very smoothly, Mr. Chairman. I am very concerned, however, that the mortgage guaranty limit has not been changed in 6 years. This concern has been echoed by veterans, mortgage bankers, realtors, and homebuilders. Since the limit was last raised in 1980, the U.S. Department of Commerce has reported a price increase for new home median sales of over 24 percent.

There are a growing number of areas nationwide, my own State of New Jersey included, where the veterans home loan guaranty program is being outpriced by housing costs. Housing costs in areas like Metropolitan New York or California typically run 50 to 60 percent above the national average.

The VA estimated that the median loan amount for calendar year 1985 was between $66,000 and $67,000. In testimony before the Veterans' Affairs Committee last year, the National Association of Realtors revealed that the median sale price for existing single family homes exceeds this loan amount in a number of densely populated veterans' States and metropolitan areas nationwide such as Boston, New York, Philadelphia, and Washington, DC.

From 1974 to 1985, the median price of new single family homes sold jumped from $35,900 to $83,300, or 132 percent. Had the VA maximum guaranty been adjusted annually in equal proportion to the increase in new home prices, the 1985 guaranty would have reached $40,600.

Similarly, adjusting the VA maximum guaranty for annual increases in existing home prices would have resulted in a maximum guaranty of over $40,600 this year.

Clearly, Mr. Chairman, the maximum of $27,500 must be raised to a level more reflective of the current housing market. By increasing the VA mortgage guaranty limit, the program will support a higher principal loan amount which will translate into an increased dollar amount of the 1 percent user fee into the VA revolving fund, further adding to the fiscal health of the program.

I urge my colleagues to join me in this effort by cosponsoring this legislation.

DEFINITION OF MEDICAL SEVERITY OF DISABILITY: IT'S TIME TO CONSIDER THE "BIG" PICTURE

HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. TAUKE. Mr. Speaker, today I am introducing legislation that will end a disruptive and costly controversy between the Federal judiciary and the Social Security Administration. The controversy centers around 1 of the 5 steps of the sequential evaluation process used by SSA to decide disability claims. During the second step of the process, a disability claim may be denied without consideration of vocational factors. To determine the severity of a claimant's impairment, vocational activities should be incorporated in the disability determination process.

Currently, there is a conflict among the circuit courts regarding this issue; at least seven class action suits have been certified by various courts on the premise that the second step of the sequential evaluation process is contrary to the Social Security Act. As a result of one of these cases (Johnson—seventh circuit), a petition for a writ of certiorai before the Supreme Court has been filed. If the writ is granted, however, the case will not be heard until the fall term.

Are denials of claims simply on the basis of a nonsevere impairment without consideration of vocational factors permissible under the

statute and consistent with congressional intent? Has SSA properly interpreted the concept itself?

The legislative history of the disability program clearly demonstrates that Congress intended for medical conditions to be the predominant factor when determining eligibility for disability benefits. SSA's regulations have always reflected this intent by permitting both allowances and denials on the basis of medical evidence alone. In 1976, approximately 15 percent of denials were strictly based on medical considerations. This percentage rose to an alarming 50 percent in 1983 and created growing concerns within the courts and within Congress.

The Disability Benefits Reform Act of 1984 addressed this concern by requiring the Secretary to consider the combined impact of all impairments on the ability to perform substantial gainful activity [SGA]. To assess the severity of one impairment, classify it as nonsevere, and deny the claim does not adequately or fairly determine disability. This provision specifically rejected the policy stated in a Social Security ruling that "inasmuch as a nonsevere impairment is one which does not significantly limit basic work-related functions, neither will a combination of two or more such impairments significantly restrict the basic work-related functions needed to do most jobs."

At the same time, however, it appears that Congress endorsed the nonsevere concept as a basis for denial within the existing sequential evaluation process. The conference report on the amendment stipulates: The conference also believes that in the interests of reasonable administrative flexibility and efficiency, a determination that an individual is not disabled may be based on a judgment that an individual has no impairment, or that the medical severity of his impairment or combination of impairments is slight enough to warrant a presumption, even without a full evaluation of vocational factors, that the individual's ability to perform SGA is not seriously affected. The current "sequential evaluation process" allows such a determination and the conferees do not intend to either eliminate or impair the use of that process.

Moreover, the language of the amendment itself (section 4c), which is quoted below, appears to presume that the second step of the sequential evaluation process permits a denial without consideration of past work or vocational factors: In determining whether an individual's physical or mental impairment or impairments are of a sufficient medical severity that such impairment or impairments could be the basis of eligibility under this section, the Secretary shall consider the combined effects of all of the individual's impairments without regard to whether any such impairment, if considered separately, would be of such severity. If the Secretary does find a medically severe combination of impairments, the combined impact of the impairments shall be considered throughout the disability determination process.

The last sentence obviously implies that if the Secretary does not find medically severe combination of impairments, the disability determination stops (at the second step). Thus, there is little doubt that the concept embodied in the second step of the sequential evaluation process is consistent with the statute itself and congressional intent and should be upheld by the Supreme Court.

How SSA has been and continues to apply the concept is another matter. In response to adverse court decisions, SSA has published another ruling which has the effect of virtually eliminating the application of the nonsevere impairment concept. This negates the congressional intent that "reasonable administrative flexibility and efficiency" should be afforded in processing cases of individuals who clearly do not meet the medical severity test inherent in the statutory definition of disability. Clearly, congressional direction is necessary for both SSA and the courts to correct apply the nonsevere concept. The essential feature of this directive should provide that the statutory definition of disability has not been satisfied when a claim is correctly denied due to a lack of medical severity.

This legislation reaffirms a basic premise that the medical severity of an impairment must be the predominant cause for the inability to engage in SGA; and provides a workable and understandable definition of a nonsevere impairment that is directly related to the definition of disability contained in the statue. Denial of some claims without consideration of vocational factors and/or multiple disabilities will cease because this proposal will incorporate the longstanding congressional intent that such denials are permissable only under very limited circumstances. By revising the statutory language to clearly define these limited circumstances, the primary objective of the disability insurance program will be accurately achieved: Benefits will be paid to those who are entitled and for whom Congress intended the program to protect.

IN MEMORIAM: THE HONORABLE DEWITT HYDE

HON. BEVERLY B. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mrs. BYRON. Mr. Speaker, I rise to express my sorrow over the death of Dewitt Hyde, a former Member of this House who for 6 years represented and served with distinction the people of western Maryland.

Dewitt Hyde was in every sense of the word a public servant. He served 20 years on the bench as a municipal court judge in Washington, 6 years in the Maryland General Assembly, and three terms as a Republican Congressman from Montgomery County in the mid-1950's. In his years in Congress, Judge Hyde devoted much of his time and energies to addressing issues and problems concerning the local area. As the vice chairman of the Joint Committee on Washington Metropolitan Problems, Judge Hyde was among the first to call for an extensive study of the pollution of the Potomac River.

His committee was also instrumental in studying the transit and traffic problems of the city, and he was a sponsor of the legislation that created the Washington Area Transit Regulatory Commission. That commission today is known as the Washington Metropolitan Area Transit Authority.

For a man of unusual prescience, Dewitt Hyde preferred to let his work speak for itself. It is with sadness that I must say that his life of work and service to the people of this city is now at an end. We will miss him. My thoughts and prayers go out to his family.

MILITARY CHAPLAINS FAITH BALANCE ACT

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. GILMAN. Mr. Speaker, I rise today to urge my colleagues to support H.R. 1875, the Military Chaplains Faith Balance Act of 1984. The gentlewoman from Maryland, Mrs. BENTLEY, is commended for her sensitivity to the religious needs of our military servicemen and women.

H.R. 1875 seeks to achieve a more balanced representation of religious faiths among Armed Forces chaplains. I feel that such an initiative reflects favorably on this Nation's ability to promote equal representation in terms of an individual's religious upbringing. Why not provide these exceptional men and women who serve this country so faithfully a place of counsel which best fits their needs?

Most of us will agree that religious freedom in this country is taken for granted. Our ability to enter the place of worship of our choice is as much a part of our life as breathing. It is a testimony to this great Nation that we can choose where, when, and if, we wish to exercise our rights of religious freedom. Why not extend this same basic right to the men and women of our Armed Forces?

Our Founding Fathers believed in the philosophy of equal representation before the law. It is now our duty to see that this philosophy is upheld and reflected in our actions. Accordingly, I urge full support of H.R. 1875, so that we may ensure that religious expression is not unintentionally stifled because of a lack of adequate representation.

TRIBUTE TO REV. JOSEPH FULLER, JR.

HON. WILLIAM H. GRAY III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. GRAY of Pennsylvania. Mr. Speaker, I rise today to bring to the attention of this body a wonderful human being and clergyman, Rev. Joseph Fuller, Jr.

On Friday, May 16, 1986, Mr. Fuller will be honored in Philadelphia at a recognition banquet for his 11 years as pastor of the Mount Sinai Tabernacle Baptist Church.

The distinguished reverend is not only a native-born Philadelphian and friend, but he was reared at Bright Hope Baptist Church, where I am senior pastor and where my late grandfather baptised him.

Paraphrasing the late Dr. Martin Luther King, Jr., Joe Fuller has been concerned not only with the souls of men but also with "the slums that damn them, the economic conditions that strangle them, and the social conditions that cripple them."

He currently serves as secretary of Strawberry Square, a nonprofit corporation that has built a shopping center at 29th and York in North Philadelphia, one of the more economically deprived areas of the city. This center was built with the help of a $650,000 UDAG grant.

Reverend Fuller's church sponsors the mayor's literacy program and houses both a Cub Pack and Scout Troop.

In addition, he is a member of the Education Committee of Black Clergy of Philadelphia and Vicinity as well as a convenor of the black-Jewish dialogue.

He also holds membership in the Philadelphia Baptist Association and he is a past president of the Baptist Ministers Conference of Philadelphia and Vicinity.

Reverend Fuller also serves as vice president of the eastern region of the Pennsylvania Baptist State Convention and is currently the chairman of the Home Mission Board.

He has been a member of the Progressive National Baptist Convention since 1970.

It is with great pride that I salute Reverend Fuller on this momentous occasion.

IN HONOR OF ROCCO SICILIANO

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. LEVINE of California. Mr. Speaker, I rise today to ask that you and my distinguished colleagues join me in saluting an extraordinary American and a man I am proud to call my friend, Rocco Siciliano.

Rocco Siciliano is the recipient of the prestigious Anti-Defamination League's American Heritage Award and will be honored at a gala affair in Los Angeles tonight. To mark this event, I would like to highlight a few of the many outstanding achievements of this remarkable individual.

In business as well as community work, Siciliano is recognized as an inspirational and tireless leader. He has enjoyed an outstanding career at TICOR, a Los Angeles based financial services company where he became president in 1971, chief operating officer in 1973, and chairman and chief executive officer in 1976, serving in those capacities until 1984.

On February 1, 1984 the company became privately owned and Siciliano, one of the investors, served as chairman of the executive committee. He is now of counsel to the national law firm of Jones, Day, Reavis and Pogue.

Prior to joining TICOR, Siciliano served as Under Secretary of the U.S. Department of Commerce from January 1969 through March 1971. As the principal deputy, he was responsible for overall management of the department.

Siciliano also served in the Eisenhower administration. From 1953 to 1957, he was assistant secretary of labor. In 1957, he was appointed special assistant to the President on management policies, wage rates, and employment systems for all Federal civilian employees.

He is active in many voluntary and professional activities. He serves as chairman of the Los Angeles Philharmonic Association, as member of the board of governors of the Performing Arts Council of the Music Center, and as trustee of the Museum of Contemporary art.

He is a member of the National Academy of Public Administration and a board member of the National Conference of Christians and Jews, and is a trustee and a vice chairman of the Committee for Economic Development of New York and Washington, DC.

Siciliano also serves as a member of the board of directors of Pacific Lighting Corp. and is a trustee of the J. Paul Getty Trust.

His wife for 39 years is the very gifted Marion Stiebel Siciliano, a modern artist and mother of their five children.

It is a pleasure to share Siciliano's achievements with the leadership and members of the U.S. House of Representatives. I ask that my colleagues join me in commending him for his many outstanding accomplishments. Rocco Siciliano is an exceptional person and most deserving of this special honor.

ARMENIAN MARTYRS DAY

HON. BOBBI FIEDLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 22, 1986

Ms. FIEDLER. Mr. Speaker, I am pleased to join with my colleagues in the commemoration of "Armenian Martyrs Day."

In the early 1930's, the silence settling over the graves of 1½ million Armenians, emboldened Hitler to proceed with his murderous plans. "Who remembers the Armenians," he asked. So in a sense the anniversary we commemorate this month, of the onset of the Ottoman empire's massacre and expulsion of its Armenian subjects, is the anniversary of modern genocide. It is the anniversary of the horror of the modern state, with its powers and its minions and its technology, bent on the destruction of any minority which might become its target.

Within a few years of the Armenian genocide, Stalin murdered whole classes, starved millions of Ukrainians, persecuted and departed entire ethnic minorities. Six million jews went to the gas chambers, along with millions more gypsies, Russians, Poles, and other "untermenschen." Only 10 years ago, Pol Pot and his gangs of murderous teenagers depopulated the cities of Kampuchea, killing 3 million people.

But for the Armenian people, the events of 1915–23 are more than the keynote of a barbarous century. They mark the destruction and diaspora of a great and ancient culture. For over 2,600 years, Armenians have tenaciously guarded their national, cultural, and religious identity, both as an independent state, and under waves of invaders such as the Assyrians, the Persians, the Romans, and the Seljuk and Ottoman Turks. In the first century, the Armenian empire of Tigran the Great stretched from the Caspian sea to Egypt. The Armenian Church, established in the fifth century, was the oldest of the independent, national churches and had served as a national beacon of unity through the centuries.

The Armenian people entered the 20th century, a century promising peace and prosperity, with a hope of freedom and independence they shared with the other subject peoples of the vast multinational empires. But for the Armenians, the century would bring exile and death, although, it is interesting to note, the allies had promised the Armenians a state of their own, and President Woodrow Wilson actually drew up boundaries for such a state in 1920. Instead, the Ottoman empire embarked on a campaign of genocide against the Armenian minority, killing 1½-million people and converting thousands of Christian Armenians to Islam under duress.

Today, as we mourn these dead, we are heartened by the knowledge that nothing, not even this, could kill the proud spirit of the Armenian people. Some 6 million are scattered around the globe, half a million in the United States. Their spiritual homeland is not on the map. It lies divided between Turkey and the Soviet Union. The majestic snow-capped summit of Mount Ararat, Armenia's most hallowed landmark, beckons to those Armenians trapped in the Soviet Union.

Today, we gather to prove Hitler wrong. We remember the Armenians, we remember the Jews, the Kulaks, the Kampucheans, and all other victims of genocide. And by remembering, we do our part to ensure these atrocitites will not happen again.

NICARAGUA: WHAT CENSORSHIP IS REALLY LIKE

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. WHITEHURST. Mr. Speaker, much has been written and said about the issue of human rights in Nicaragua. Today's Washington Post op-ed page carried an article by the managing editor of La Prensa, the Managua daily newspaper. Mr. Horacio Ruiz is in the best possible position to deal with the issue of censorship by the Sandinista government, and I would urge all of my colleagues to read it carefully.

Mr. Ruiz's final sentence puts the issue in its real perspective: "Freedom of the press (in Nicaragua) would be the Sandinistas' death sentence."

Thank you, Mr. Speaker.

NICARAGUA: WHAT CENSORSHIP IS REALLY LIKE

MANAGUA.—On the day in March 1982 that the Sandinista government declared a state of emergency in Nicaragua, the official censor of the Sandinista government, Capt. Nelba Blandon, telephoned the editors of La Prensa and called them to an urgent meeting. When they arrived at her office, she informed them of the imposition of total cen-

sorship to protect the security of the state and to defend the popular Sandinista revolution against the aggression of "gringo imperialism." This meant, in effect, the censorship of ideology.

With these few words the censor announced that the intentions of the government were not just to suppress certain articles that could harm its image or that could represent a security threat to the Sandinista state, but to suppress the way of thinking of the editors who plan, produce and select the news content of the paper and who direct its orientation. This ideological censorship reverberates like a distant echo and at times is lost in forgetfulness, but today, after four years of this Kafkaesque censorship and the mental exasperation that it creates, Blandon's words have been turned into the most refined kind of tyranny. Orwell's prophecy of what 1984 would be like was on the mark.

Blandon could be accommodating and even jovial at times, but at other times she could be insulting and belligerent. She has an inflated ego, which makes her feel that she must completely control the way people express themselves, think and give their opinions in the Nicaraguan press. She often speaks in the first person with the authority of a little dictator, full of haughtiness. "I cannot permit you to put this in the paper," she says. Sometimes she suggests substituting an official government statement for something she has not allowed in the paper. She seems to be a fundamentally insecure person who depends on military-style orders of what should and should not be censored, how public figures should be referred to in stories and how headlines should be changed—to the point that the editor finds himself in such a state of mental confusion and exhaustion that he is forced to think like the censor.

Press censorhip in Nicaragua undermines the whole reason for having newspapers in the first place. The day editor who puts out La Prensa must ignore the element of time or the urgency of informing the public or of printing the latest news. His principal concern must always be to arrive as early as possible at the censor's office, for the censor determines when the paper is ready to be published and distributed. If the editor has an important meeting with his staff, the process of censorship will start later and the paper will be delayed.

On days when nothing special happens and the articles that have been submitted to the censor are totally innocuous and merit no suppression, some articles are nevertheless rejected. This is to show that the paper must be censored every day to maintain the disciplinary measures imposed by the military.

Maintaining censorship is vital to the Sandinista regime. Only democratic governments endorsed by an ample popular base can support freedom of the press. This is the real reason, not the state of war, that there is censorship in Nicaragua.

Blandon abuses her responsibilities by persecuting and harming La Prensa in three ways: She hurts the paper financially by not letting it publish on time, which damages its sales on the streets. She deprives La Prensa of its own initiative and style and forces it to conform to that of the Sandinistas. And finally, by letting the Sandinistas print their own version of the news, little by little La Prensa is converted into a newspaper with little attraction.

None of these three things has been achieved to the government's satisfaction, because of the courage and determination of those who produce La Prensa. They continue to try to do their work as if the situation were normal. This is the only way they can keep themselves from falling under the total mental domination of the censor and the Ministry of the Interior.

The editor is constantly forced to insert the word "contra" in each place where the international wires use "rebels" or "anti-Sandinistas." The censor does not allow the use of these words because she considers them too respectable. The rebel commander Eden Pastora must be labeled "the traitor" or his name cannot appear in the paper. The name of the many-time world boxing champion Alexis Arguello has been forever forbidden to appear in La Prensa because of his known sympathy for the rebels. The picture and name of Cardinal Miguel Obando y Bravo, head of the Catholic Church in Nicaragua, have also been prohibited because he has denounced the persecution of the church by the Sandinista regime in the presence of the United Nations and the Organization of American States.

This obsession with the cardinal reached such a point that it led to the censoring of a story about last year's World Series. La Prensa took a poll to see which of the teams in the series—the St. Louis Cardinals or the Kansas City Royals—was more popular in Nicaragua. The result of the poll was titled, "Nicaraguans: The Cardinals Will Be the Champions." The headline was censored: we were not allowed to print the words "cardinals" and "champions" together. We had to substitute "St. Louis" for "Cardinals."

After four years of censorship in Nicaragua, the daily life of La Prensa follows a suffocating routine in which all systems of logical thinking are stifled. Numerous employees must go to the office of the censor with photocopies of the pages. There they spend between 4½ and six hours while the officials review the articles line by line and letter by letter. They even review the classified ads, which are sometimes censored. After they finish they hand the editors a notice called the "Resolution." Stamped on it and pertaining to specific articles are the phrases; "Do Not Publish," or "Change Headline," or "Suppress Paragraphs 1, 2, 3 and 5."

To change a headline the editor must think of one that will not be censored. He is forced, therefore, to think like the censor. Orders to change headlines are frequent and usually affect articles that are not favorable to the regime but that would not be suitable to censor. An example would be a declaration by Contadora that affects the government or an announcement by the Ministry of Industry that productivity has declined. The censors know that most readers read all of the headlines, but read only those articles that interest them. The headlines therefore must not reflect the bad news that may be in the article.

The censor often cuts the first paragraph of the article, leaving the informational content incomprehensible and obliging the editor to kill the story entirely.

The censor leaves out declarations and statements made by President Daniel Ortega and other national leaders when they are speaking outside of Nicaragua and contradict what they do and say in Nicaragua. But what is most improbable is that the censor sometimes censors herself. On Jan. 21, 1986, we received an interview with Nelba Blandon on censorship, by an AP correspondent named Eloy A. Aguilar. We tried to publish it under the headline: "Blandon Comments on Censorship," but the censor's decision was: "Do Not Publish." On Aguilar's next visit he asked Blandon why the interview, which he considered accurate, was not published. The censor answered: "Because the statements I made were for publication abroad, not for publication in Nicaragua."

Blandon was also censored, according to her, in a long article on Nicaragua in National Geographic Magazine in December 1985. The article cited Jaime Chamorro, director of La Prensa, as well as Blandon on the subject of censorship in Nicaragua. When the two met after the article had appeared, Chamorro refuted her declarations. She responded by saying: "I was censored." Censored? asked Chamorro. She answered: "They did not publish everything I said." The censor protects the "cooperators" or foreign "internationalists" who commit crimes against the Nicaraguan people. She intervenes on behalf of those people who give their support to the Sandinista regime and does not permit any reference to criminal activity or bad behavior—especially if they are Cubans.

Along with photocopies of every page of the paper we send the censor two pages of material that we call "stuffing"—articles that can be substituted for censored stories. La Prensa has been unable to publish on 40 occasions because the censor could not find adequate material to substitute for censored stories. It is prohibited to leave any blank space on a page or in any other way give the impression that the paper has been censored.

On other occasions La Prensa itself has decided not to publish in order to protest the censorship of important articles, such as Pope John Paul II's letter to the bishops of Nicaragua and the pastoral letter written by all of Nicaragua's bishops during Holy Week.

After all of the necessary changes have been made Blandon again must see photocopies before the paper goes to press. At that point she may still demand changes before the order is given to publish. Only then can the editors and writers breathe. The paper has finally been approved. But on many days we are not allowed to publish until the night. On those days, the papers cannot be sold until the following day.

The censor also prohibits the distribution of censored material to friends of the paper, foreign correspondents, embassies or anyone else who shows interest. Censorship must be a completely private matter between the "jailkeeper," the Department of Censorship, and the "criminal," the newspaper La Prensa (which has already been in jail for four years)—and the condemned, it appears, will be in prison forever.

Maintaining censorship is essential to the Sandinistas even though it damages the prestige they so badly want to maintain abroad. In response to international denunciations of censorship in Nicaragua, they maintain the lie that the exercise of censorship is limited strictly to matters of the military and state security.

The dilemma is clear: censorship is a poison that damages their image abroad. But they know that to lift it would result in an internal, deadly poison for which there can be no antidote. Freedom of the press would be the Sandinistas' death sentence.

1986 AAA SCHOOL SAFETY PATROL LIFESAVING AWARDS

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. WOLF. Mr. Speaker, in May, the American Automobile Association whose national headquarters is located in the 10th District of Virginia, is presenting six young people the highest award given to members of the school safety patrols throughout the United States, the AAA School Safety Patrol Lifesaving Medal.

The lifesaving medal program was initiated in 1949 by the American Automobile Association to recognize and honor selected school safety patrol members for their heroic lifesaving contribution to their communities.

Since its inception, there have been more than 280 boys and girls from 30 States and the District of Columbia who have been honored with the lifesaving medal.

An award review board composed of representatives from active national organizations in the fields of education, law enforcement, and safety selects deserving medal recipients from those candidates who have been officially nominated for consideration.

The 1986 recipients of the AAA School Safety Patrol Lifesaving Medal are:

Brent D. Hagen, 11, Johnson School, Davenport, IA; Christopher M. Schwiebert, 12 Liberty Center Elementary, Liberty Center, OH; Shane D. Snipes, Spruce Creek Elementary, Port Orange, FL; Richard L. Metzler, 11, John F. Kennedy Elementary, Junction City, WI; Holly K. Pyles, 10, Ruskin Elementary, Ruskin, FL; and Patrick J. Tompkins, 15, Guardian Angels, Louisville, KY.

THE DOOR CLOSES ON SOVIET JEWRY

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. WOLPE. Mr. Speaker, earlier this year, when Anatoly Shcharansky was permitted to leave the Soviet Union after 10 years in prison, I cautioned that we should not permit our euphoria over the release of this courageous and outstanding man to obscure the fact that Jews in the Soviet Union remain imprisoned against their will. For all the talk by the administration of the spirit of Geneva and the effectiveness of quiet diplomacy—both of which the President has credited for the release of Anatoly Shcharansky—it is clear that the summit was and remains a conspicuous failure on the issue of relieving, even slightly, the repression of Soviet Jewry.

The most recent emigration statistics reveal the inescapable truth. In all of 1985, only 1,139 Jews were permitted to leave. In February, 84 Jews left the Soviet Union—4 less than in February 1985. Forty-seven Jews emigrated this past March—48 less than March of last year. Anatoly Shcharansky did celebrate the Passover with his beloved Avital this year in Jerusalem, but his mother, Ida Milgrom, and his brother, Leonid, remain in Moscow, despite understandings that the family would be promptly reunited in freedom.

The silence from the President is deafening. The plight of Soviet Jewry is worsening. The results of the administration's diplomacy—so quiet it cannot be heard—are pitifully meager. It is time once again to reject the vow of silence, and to confront the Soviets by calling them to account—publicly, insistently, and relentlessly. Soviet Jewry, yearning to be free despite the best efforts of the Soviet Government to crush their spirit, deserves no less from our Government at this moment when their prospects are so bleak.

COMBATING THE PRACTICE OF TORTURE

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. YATRON. Mr. Speaker, I am pleased to have the opportunity today to join my colleagues, Mr. LEACH and Mr. RODINO, in introducing legislation which provides a legal mechanism to combat the practice of torture. This bill will amend the United Nations Participation Act of 1945 to carry out obligations of the United States under the United Nations Charter by providing a civil action for recovery of victims from persons engaging in torture.

The legislation we are introducing today will make every person who, under actual or apparent authority of any foreign nation, subjects any person to torture or extrajudicial killing liable to the party injured. International human rights violators visiting or residing in the United States have formerly been held liable for money damages under the Alien Torts Claims Act. Several recent judicial decisions have questioned whether this statute provided a clear basis for future suits in U.S. Federal courts. We have to clarify and expand this area of law. The Torture Victims Protection Act of 1986 will clearly establish a Federal rights of action against human rights violators and authorizes suits by not only aliens, but also U.S. citizens who have been victims of human rights abuse.

The Subcommittee on Human Rights and International Organizations, which I chair, held a series of hearings on the phenomenon of torture. Following these hearings and those before the Senate Foreign Relations Committee, Congress adopted and the President signed a joint resolution on torture. We now must reaffirm the United States' abhorrence of torture by implementing concrete mechanisms to combat its use.

Millions of individuals throughout the world experiences acts of cruelty too brutal to imagine. Many are victimized by their governments—the very institution which should protect them. In addition to the inhumanities these people have to endure, they must endure yet another obstacle: The unwillingness on the part of well-meaning people outside of their governments to look at or listen to their story. Seeing proof of torture is too difficult for many to face, but face it we must. Torture is a powerful and brutal enemy. It can not be conquered if it is ignored, nor can it be beaten solely by admonitions of condemnations. It must be attacked directly and forcefully.

I urge my colleagues to support this landmark legislation so we can begin to eradicate this heinous crime.

HOUSE OF REPRESENTATIVES—*Wednesday, May 7, 1986*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Gracious God, we are aware of so many who contribute of their talents and time to help others along life's way. We are specially grateful for those who volunteer in all sorts of ways—working with those who are homebound, those in hospitals or rest homes, counseling with the young, finding jobs for the unemployed, sheltering the homeless, serving food to the hungry. Encourage each of us not only to do the necessary responsibilities before us, but to volunteer for those seemingly small tasks that can mean so much to those with need. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a concurrent resolution of the House of the following title:

H. Con. Res. 281. Concurrent resolution recognizing the achievements of the Ireland Fund and its founder, Dr. Anthony J.F. O'Reilly.

The message also announced that the Senate agrees to the amendments of the House to the bill (S. 49) "An act to protect firearms owners' constitutional rights, civil liberties, and rights to privacy."

The message also announced that the Senate agrees to the amendments of the House to the bill (S. 1818) "An act to prevent the sexual molestation of children in Indian country."

The message also announced that the Senate had passed bills, joint resolutions, and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 1750. An act to amend the Federal Aviation Act of 1958 to increase civil penalty limits for safety violations by persons engaged in commercial aircraft operations, and for other purposes;

S. 2414. An act to amend title 18, United States Code;

S.J. Res. 241. Joint resolution designating the week beginning on May 11, 1986, as "National Asthma and Allergy Awareness Week";

S.J. Res. 245. Joint resolution designating "National Epidermolysis Bullosa Awareness Week";

S.J. Res. 316. Joint resolution prohibiting the sale to Saudi Arabia of certain defense articles and related defense services;

S.J. Res. 337. Joint resolution designating May 18-24, 1986 as "Just Say No to Drugs Week"; and

S. Con. Res. 120. Concurrent resolution setting forth the congressional budget for the U.S. Government for the fiscal years 1987, 1988, and 1989.

LET US NOT USE OUR TAXES TO HELP LIBYA

(Mr. McCLOSKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCLOSKEY. Mr. Speaker, this morning the House Armed Services Committee approved House Concurrent Resolution 315, legislation which I introduced to help block the award of a $7.8 million Department of Defense contract to a firm partly owned by Libya. The action by Armed Services Committee and, hopefully, soon by the House will send an important signal to the Department of Defense that we should not permit United States tax dollars to go to Libya. The President last night indicated United States oil firms operating in Libya are being given until the end of June to divest and get out of the country. DOD should be no less concerned. House Concurrent Resolution 315 calls on the Pentagon to delay final contract award until after the Congress has completed consideration of the fiscal year 1987 DOD authorization bill. The Secretary of Defense has been contacted by the distinguished chairman of the Armed Services Committee, the gentleman from Wisconsin [Mr. ASPIN] and the distinguished chairman of the Government Operations Committee, the gentleman from Texas [Mr. BROOKS], that authority exists in current law to recompete this bid and exclude Fiat-Allis.

Mr. Speaker, I hope the action by the House Armed Services Committee today will reinforce that message. We have problems insisting on our allies imposing strong economic sanctions against Libya when the Pentagon is doing business as usual.

DEJA VU

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, when they invented the floating dollar in the early seventies, the Treasury boys called it clean floating. It did not work, and the Treasury boys improved on their scheme by adding intervention and the threat of intervention, calling it dirty floating. No less than clean floating, dirty floating was also a failure, and under the banner of the Reagan revolution and the free market, the Treasury boys rediscovered clean floating.

A major new international monetary agreement, described as a "managed float" by a senior administration official, has been announced at the Toyko summit. It is being hailed as a blueprint to stabilize the dollar and foreign exchange rates. But behind the barrage of fancy words looms nothing more substantial than the good old dirty floating or, to be more precise, dirty sinking.

Mr. Speaker, the claim that here we have an agreement that will stabilize foreign exchange rates must be dismissed in the light of monetary science and historical experience. What we have here is a competitive currency depreciation. What we have here is a "beggar-thy-neighbor" policy. What we have here is trade war under the cloak of dirty floating, and I am greatly saddened to see that the United States has become a party to this arrangement under a Republican administration.

The only way to stabilize foreign exchange rates is to stabilize the gold content of the currencies. The United States could lead the way, if Congress adopted my bill H.R. 4401 which not only would stabilize the dollar, but would also bring down the rate of interest on the public and private debt to the low range of 2 to 3 percent. The alternative is trade war and the destruction of the world's monetary system. There is no more time for tinkering.

MONTEREY, VA, PRACTICES REAL GRASSROOTS DEMOCRACY

(Mr. OLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OLIN. Mr. Speaker, I want to bring the Members' attention to some real grassroots democracy. The beautiful little town of Monterey, VA, is fea-

tured this morning in the Metro section of the Washington Post. Its town elections were held yesterday.

The results were not startling enough to bring a big city newspaper over into Highland County, VA's "little Switzerland." All of the incumbent members of council and the mayor were reelected. The newsworthiness of Monterey is that no one seeks office there—the voters choose their representatives themselves, writing the names of their selections on a blank ballot. Voters are spared the excesses of campaign rhetoric; candidates spend no money, hold no fundraisers, make no speeches.

It's an approach I've never tried—and, in two elections, I've never carried Highland County, either. I did receive 48 percent of the 1,375 votes cast there in 1984. And I have to wonder—how many of us are such obvious popular choices for service that we could win if we did not campaign and the voters had to write our names on a blank ballot?

OPPRESSION OF TURKS IN BULGARIA

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, during the last year and a half the Bulgarian Government has forced 10 percent of its population, ethnic Turks, to change their given names to bureaucractically determined Bulgarized versions. Those who resisted have been coerced at gunpoint, beaten, shot, or placed in prison. Today, it is punishable by fine in Bulgaria to utter a Turkish word, print a Turkish phrase, or wear traditional Turkish dress.

Mr. Speaker, we may have become hardened to the atrocious human rights abuses of the Soviet Union and many of her closest allies. But the forced name changes and cultural assimilation of the Turks in Bulgaria gives us special insight into the degradation of the individual and of minorities at the hands of the Communist collective.

Mr. Speaker, the Congressional Human Rights Caucus calls the attention of all of our colleagues to this horrible example of basic human rights and dignity denied, and asks that we join together in condemning the Bulgarian Government for these vicious attacks on their Turkish citizens.

THE CHALLENGE OF OLDER AMERICANS MONTH—HAVING THE QUALITY OF LIFE KEEP PACE WITH THE QUANTITY OF LIFE

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, we are in the midst of Older Americans Month. Yet our celebration is tarnished by real life problems affecting seniors.

The disturbing report released by the New York State Office on Aging says that close to one-third of the State's 2.1 million elderly are living in poverty.

This clear disgrace must be addressed by government. We must ensure Social Security keeps pace with inflation—there must be a 1987 COLA.

We must lower costs—especially health care costs—and fight a threatened 18-percent increase in part A deductible under Medicare for 1987.

Ultimately, we must replace Gramm-Rudman. While it exempts major programs from cuts, it makes no allowance for increases which are needed to keep more seniors out of poverty.

The real challenge of Older Americans Month is to work to have the quality of life keep pace with the quantity of life.

A TAX REFORM UPDATE

(Mr. GREGG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREGG. Mr. Speaker, tax reform, like Halley's comet, only comes by in a genuine form every so often. For those of us in the House who saw the House pass tax reform effort, we felt fairly strongly that this was not going to be the year, that clearly we had not gone down the road of tax reform here in the House.

However, I rise today to say that I am impressed with the efforts of the Senate Committee on Finance in that they appeared to have passed a bill which sets down the path of legitimate tax reform. It greatly broadens the base of those people who will be paying taxes by dramatically reducing the number of exemptions and deductions and significantly lowers the tax rate.

These should be two of the fundamental goals of tax reform, and I hope we can continue as a Congress on this path.

CONGRESSIONAL, BUSINESS, AND HIGHER EDUCATION FORUM PROJECT ON COMPETITIVENESS

(Mr. LUNDINE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNDINE. Mr. Speaker, I have been involved in the Joint Congressional, Business, Higher Education Forum project on competitiveness for the past 15 months. This extraordinary dialog between chief executive officers of major corporations, university presidents, and Members of Congress was very valuable. I attended the first meeting between the groups in Scottsdale, AZ, in January 1985; I participated in the regional meeting on trade in Pittsburgh last October; and I led a discussion session on trade and work force issues at the National Conference on Competitiveness on April 18–20.

Two issues in the discussion session stood out as priorities for the participants: First, the United States must respond to the challenge of new kinds of trade competition without abandoning domestic production; and second, we must reduce functional illiteracy to maintain a high quality work force and remain competitive.

The United States must come to grips with the new realities presented by foreign competition based on government-industry alliances that are fundamentally different from what we have known in the past. This is a challenge to which all sectors of our society must respond. If we cannot meet this challenge—which is best exemplified by Japan—then we will lose our claim to leadership of the free world. To retain our leadership we must stop moving production and manufacturing jobs overseas.

We also cannot expect to be competitive in an advanced technological environment if 20 percent of our workers are functionally illiterate. This is a crippling disadvantage for domestic industries struggling to increase productivity and the flexibility of production processes. It also is a major obstacle to employment and retraining efforts at both the State and Federal levels.

I was encouraged by the commitment demonstrated at the conference to correcting these two problems and I am sure many of my colleagues on both sides of the aisle who could not be at the conference share this commitment.

THE EXTRAORDINARY ACCOMPLISHMENTS OF ROGER CLEMENS OF THE RED SOX

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, Tuesday of last week, Roger Clemens of the Boston Red Sox accomplished something that no one else has been able to in the 111 years of major league baseball.

With the combination of savvy not normally exhibited in an athlete of his age and a 95-mile-an-hour-plus fastball, Clemens struck out 20 batters on his way to a 3-to-1 victory over the Seattle Mariners.

While his performance alone was truly inspiring, it becomes even more

impressive when one considers the greats of the game who Roger Clemens surpassed.

When he notched his 19th strikeout, Clemens passed the mark of 18 set by Ron Guidry and Bob Feller, and when he notched No. 20 he passed the mark of 19 set by three of baseball's greatest pitching experts: Steve Carlton, Tom Seaver, and Nolan Ryan.

Tuesday night's victory was the 20th of Roger Clemens' major league career. No doubt there are many more to come.

As manager of the Republican baseball team, I can appreciate great pitching. Last summer, the Republicans were led by the sterling pitching performance of my good friend, DAN SCHAEFER.

Well, many years from now when Roger Clemens retires from baseball, I hope that he will consider a career in the House as a Republican.

With all due respect to the gentleman from Colorado, my mouth waters at the prospect of that gem of the diamond, MARTY RUSSO, waving at a Clemens' fastball and the rest of CHAPPELL's boys mesmerized by his heat.

SYRIA'S PRESIDENT ASSAD—THE GODFATHER OF TERRORISM

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, for several weeks, I have tried to highlight the role of Syria and it's President, Hafiz al-Assad, as the world-class instigator and perpetrator of international terrorist acts.

This morning's newspapers carried three different reports which confirm the heavy involvement of Syria in global terrorism.

Item 1: Last night in Tokyo, President Reagan specifically pinpointed Syria as a training ground and haven for terrorists and warned that the United States would not hesitate to retaliate unilaterally or in a unified front with our allies.

Item 2: Yesterday, the Jordanian accused of the West German disco bombing last month, which killed an American soldier, a Turkish woman, and wounded 230 others, admitted the bombing was directed by Syria.

Item 3: Finally, yesterday the Senate soundly rejected a plan to sell $350 million in sophisticated weapons to Saudi Arabia—an uncertain friend at best which has close ties to Syria and the PLO.

Mr. Speaker, Syria's President Assad—the godfather of terrorism—had better get the message that the United States is not going to tolerate his reign of terror in funding, training, and organizing terrorists and directing a systematic repetition of terrorist attacks against innocent victims.

President Assad should see the handwriting on the wall that the kind of wanton, violent acts which, in the past, he has been getting away with scot-free are not portents of the future.

Where Syria is the guiding, directing hand, that country is going to face retaliation—Assad will be hit back at the source of terrorism in Syria and hit back hard.

□ 1215

ASSAD, DO NOT HURT THE HOSTAGES IN LEBANON

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, I did not know my good friend, the gentleman from New York [Mr. SCHEUER] was going to precede me with that excellent analysis of the danger of Syria as a terrorist nation. The gentleman said that he hoped that President Assad would see the handwriting on the wall.

Mr. Speaker, I too, am rising this morning to ask that President Assad see the handwriting of about 100 Members on a letter asking him to make sure that our four hostages who have written to two Members of this House are not murdered somewhere in Lebanon, probably in the Bekaa Valley. Mr. Assad has the fate of those hostages in his hands.

Our colleague, the gentleman from Illinois [Mr. O'BRIEN] met with President Assad over a year ago regarding those hostages. I believe that Father Jenco's brother, who was on the platform at my dinner last Saturday night, is a noble man the way he has pleaded with Assad not to hurt his brother. He is a man dedicated to the same God that Assad claims to respect.

I will circulate this letter next week and hope Members would just join a simple statement that says, "Mr. Assad, do not hurt Thomas Sutherland, taken captive June 9, 1985, do not hurt David Jacobsen, hostage since May 28, 1985, do not hurt Father Jenco, taken on January 8, 1985, and do not hurt the AP bureau chief from Beirut, Terry Anderson, a captive since March 16, 1985."

I thank the gentleman from New York for his remarks and associate myself with the gentleman's statement.

BAN "FREEBASE" HOUSES

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, today I am introducing for myself and Messrs. FASCELL and GILMAN a bill calling on the Attorney General to develop a model State statute to outlaw "rockhouses" or "freebase" houses.

We now face a new problem with cocaine abuse. It is called rock or crack cocaine. Cooked over a stove or any common burner, crack is purified cocaine that, when mixed with tobacco or marijuana and smoked, produces a more potent effect than regular cocaine. In addition, it often is sold for as little as $10 a pop, thereby making it more easily available even to the youngest potential addict.

Law enforcement officers know that crack often is consumed in rockhouses—private homes, store backrooms, and so forth. A user comes in, puts down his money, and enjoys his crack.

But, as I have been told, unless the patrons of the rockhouses are apprehended with the drugs in their possession, they cannot be arrested. The employees of these rockhouses cannot be arrested unless the drugs are on their persons. The owners of these establishments cannot be arrested for activities that occur with their obvious knowledge.

Now is the time to close the loopholes in the current law.

The bill that I am introducing is the companion bill to S. 2353. It calls on the Attorney General to develop a model statute that the States could use to outlaw rockhouses. This model law would prohibit the owning, operating, and/or managing a freebase house. The new statute also would make it illegal to work in or to frequent such establishments.

Mr. Speaker, we must put an end to rockhouses. While I believe that my proposal will provide the States with the assistance they need to accomplish this goal, I am not wedded to any single solution. I, therefore, welcome my colleagues' comments on this bill.

THE UNITED STATES FACES NEW CHALLENGES FROM FOREIGN COMPETITION

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RITTER. Mr. Speaker, I have been involved in the joint congressional-business-higher education forum, project on competitiveness, for the past 15 months. I attended the first meeting between the groups in Scottsdale, AZ, in January 1985 and led a discussion on trade and technology policy. Recently, I led a session on U.S. science and technology policy at the national conference on competitiveness on April 18–20.

Two issues stood out as priorities for the participants: First, the United States must respond to the challenge of new kinds of trade competition

without abandoning domestic production capability; and second, we need more opportunities for worker education, training and retraining to maintain a high quality work force, and enhance U.S. competitiveness.

The United States must come to grips with the new foreign competition based on government-industry alliances that are fundamentally different from our own. This is a challenge to which all sectors of our society must respond. If we cannot meet the challenge—which is best exemplified by Japan—then we will lose a whole range of basic manufacturing industries and, indeed, we may lose our claim to leadership of the free world. To retain our leadership, we cannot afford to continue to move so much high value-added production and manufacturing jobs overseas.

Mr. Speaker, if the United States is to compete effectively, it will require much more than money and new programs. What we need is the spirit of competitiveness. We need the American people to resolve to do whatever it takes to guarantee a productive economy that can be passed down to our children. That spirit is just beginning to emerge in our country.

Yet, still, I'm not sure our Nation's leaders—in the executive branch, in the Congress, or in the private sector—have made it clear to our citizens the risks we run by allowing the export of whole manufacturing sectors, by Government policies which encourage innovation and commercialization to go offshore rather than stay at home.

There was spirit and determination at the national conference on competitiveness. Now everyone who was there must spread the word; they have to enlist the American people in this important effort.

COMMEMORATING JOE CANNON'S 150TH BIRTHDAY

(Mr. BRUCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BRUCE. Mr. Speaker, I want to take a minute to tell you that today in Danville, as here in Washington, we are commemorating the 150th birthday of Joseph G. Cannon, a giant figure in the history of the U.S. House of Representatives.

"Uncle" Joe Cannon is Danville's most famous son. When he was serving the first of his 23 terms in the House, he was often referred to as the "hayseed Member from Illinois." But, between 1903–11, he had risen to become possibly the most powerful Speaker that this distinguished body has ever known. A man who some of his contemporaries claimed was more influential than the President at that time—Teddy Roosevelt.

Among Joe Cannon's most notable accomplishments were expanding health care for our country's veterans and establishing the network of facilities that eventually became America's veterans' hospitals. His colleagues felt so strongly about his contributions to the House and to the country that they named the Cannon House Office Building after him.

But in central Illinois, we are most proud of the sense of stability and order he brought with him from Illinois to the Federal Government—qualities not always found here.

SUPREME COURT DECISION

(Mr. KOSTMAYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOSTMAYER. Mr. Speaker, the Supreme Court knows, as we all do, that jurors who are proponents of capital punishment are more likely to convict than opponents. Yet it upholds the prosecution's right to purge juries of those opposing capital punishment, thus creating a bias toward conviction and ultimately toward death. Juries determine guilt first, then the sentence. Separate juries for deciding guilt and then a jury purged of death penalty foes to decide sentencing might resolve the issue.

□ 1225

The High Court once leaned over backward to defend the rights of those threatened with the ultimate sanction. Now it rushes headlong toward their demise. Not content with its 1976 ruling freeing the States to execute 56 people, the Court must now speed up the process.

NATIONAL CONFERENCE ON COMPETITIVENESS

(Mrs. SCHNEIDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHNEIDER. Mr. Speaker, the National Conference on Competitiveness, which was held on April 18–20, provided an important focus on practical steps that are needed if we in the United States are to sustain and improve our standard of living in the decades ahead. I was privileged to serve on the steering committee for the conference, along with Representative BUDDY MACKAY, and would like to congratulate the organizations that joined in sponsoring the event: the Northeast-Midwest Congressional Coalition, the Congressional Clearinghouse on the Future, and the Business-Higher Education Forum.

Last fall I cochaired one of the regional meetings leading up to the conference, where we focused on higher education's research and development infrastructure. The meeting was held at MIT in Cambridge, MA, and was cohosted by David Saxon, who heads the corporation of the Massachusetts Institute of Technology, and Bob Straetz, the CEO of Textron, Inc. Participants in both the regional meeting and the national conference, agreed strongly that the United States must rehabilitate and maintain university R&D facilities and equipment as a means of fostering technological excellence in all fields.

Mr. Speaker, if the United States is to compete effectively, it will require more than money and programs. What is needed is the spirit of competition. The dedication to quality performance and products and a very strong American pride in doing the best job that can possibly be done must be a priority undertaking. Our Nation's leaders here in Congress, the President, the private sector, educators, and parents must explain adequately to our citizens the danger we are in and the risks we run if we fail to adhere to excellence.

Some of the spirit of excellence and competitiveness was present at the National Conference on Competitiveness. Now it is the obligation of all the individuals who participated to spread the word and to enlist the American people in this significant and strategic effort.

MEMBERS URGED TO OPPOSE SALE OF MISSILES TO SAUDI ARABIA

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, I am opposed to the sale of missiles to Saudi Arabia for three reasons.

First, Saudi Arabia has not made a concerted effort to promote the Middle East peace process. Second, Saudi Arabia's lack of initiative in combating international terrorism. And, finally, Saudi Arabia can and should be taking a more active role in helping Egypt and Israel maintain their economic and military security.

Serious questions, Mr. Speaker, must be raised as to how this missile package would help Saudi Arabia defend the real threat it faces from Iran; namely, internal subversion, terrorism and a massive infantry opposition.

I am also concerned that the Stinger missiles included in the administration's package could fall into unfriendly hands, hurting our country.

These concerns demonstrate why selling such an arms package to Saudi Arabia is ill-advised, ill-timed, and would represent a real threat to the Middle East region, especially Israel, a nation of freedom surrounded by monarchs and dictatorships.

The Members of this body should oppose this sale of missiles to Saudi Arabia.

A PROBLEM WITH SAFETY OF CHEMICAL DISPOSAL AT EDGEWOOD CHEMICAL CENTER

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, we in the Second Congressional District of Maryland have a problem with the safety of chemical disposal at the Edgewood Chemical Center of Aberdeen Proving Ground. This morning I held a press conference to announce my commitment to work toward a total cleanup of this existing problem.

I wish to point out, Mr. Speaker, that from a safety standpoint, the now antiquated facility itself constitutes an unacceptable danger because of toxic and corrosive materials at the site.

Accordingly, I have written to the Army twice in the last week to offer my good offices in an effort to resolve this problem as soon as possible.

Questions remain unanswered as to the safety of the Army chemical plant. The present facilities at Aberdeen are outdated and in need of repair and replacement to ensure a safe facility.

Mr. Speaker, I strongly object to the Defense Department's proposal to replace the current Aberdeen facility not today but 7 years from now. The Army had originally scheduled it for 1987.

Secretary Marsh has assured me that the resolution of this matter in an environmentally safe way is now a top priority of the Department of the Army.

We in the Congress should be prepared to assist the Army in responding to any chemical waste crisis that may arise at a U.S. Army chemical research facility. Therefore, I am calling upon my colleagues to join me in providing necessary measures to eliminate potential hazardous waste that may present a dangerous threat to the health of workers and citizens and to the environment.

WELFARE REFORM

(Mr. FORD of Tennessee asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FORD of Tennessee. Mr. Speaker, there has been a great deal of interest in recent months in the subject of welfare reform. Central to any welfare reform proposal is the idea that welfare should be a last resort, available only to the individuals who, through no fault of their own, cannot provide for themselves or their family. Equally important, I believe, is the idea that the welfare system should provide for the basic needs of individuals who are eligible for assistance.

Our current welfare system fails on both counts. For too many families, welfare is a dead end. Opportunities for welfare recipients to become self-sufficient, through work, education or training programs are very rare. So too, the benefits that the system provides fail to meet the basic health, food and shelter needs of welfare recipients—and let me remind my colleagues that two-thirds of welfare recipients are children.

I am committed to welfare reform and want to work with my colleagues to fashion a sound and reasonable welfare system. I want to caution my colleagues, however, that true welfare reform will require a greater investment than we are now making.

We are not going to save money with welfare reform but we might save the next generation of poor children.

WHERE IS THE BUDGET?

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, where is the budget?

The law of the land requires that we shall have had a budget passed by April 15. We specifically have decided to evade the law. Those sworn to uphold the law are knowingly breaking the law of the land. And when that was pointed out, as of April 15, when the budget should have been passed, what were we told? Well, we were promised that we would have a budget in a timely fashion. In fact, what we were told by the Democratic leadership was that 72 hours after the other body passed their budget, we would have a budget to work on.

Well, 72 hours has passed. The other body acted. The budget is a part of the agenda of the House. But we do not have a budget before us. We cannot meet our deadline that we imposed on ourselves, evidently.

Mr. Speaker, this is a Congress unwilling to set priorities. This is a Congress that now knowingly breaks the law. This is a Congress rapidly becoming known for its timidity and its irresponsibility.

REHABILITATION ACT AMENDMENTS OF 1986

The SPEAKER. Pursuant to the provisions of clause 5, rule I, the unfinished business is the question of suspending the rules and passing the bill, H.R. 4021, as amended.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Montana [Mr. WILLIAMS] that the House suspend the rules and pass the bill, H.R. 4021, as amended, on which further proceedings were postponed on Tuesday, May 6, 1986, and on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 401, nays 0, not voting 32, as follows:

[Roll No. 111]

YEAS—401

Ackerman	DeLay	Hughes
Akaka	Dellums	Hunter
Alexander	Derrick	Hutto
Anderson	DeWine	Hyde
Andrews	Dickinson	Ireland
Annunzio	Dicks	Jacobs
Anthony	Dingell	Jeffords
Applegate	DioGuardi	Jenkins
Archer	Dixon	Johnson
Armey	Dorgan (ND)	Jones (OK)
Aspin	Dornan (CA)	Jones (TN)
Atkins	Downey	Kanjorski
AuCoin	Dreier	Kaptur
Barnard	Duncan	Kasich
Barnes	Durbin	Kastenmeier
Bartlett	Dwyer	Kemp
Barton	Dymally	Kennelly
Bates	Dyson	Kildee
Bedell	Early	Kindness
Beilenson	Eckart (OH)	Kleczka
Bennett	Eckert (NY)	Kolbe
Bentley	Edwards (CA)	Kolter
Bereuter	Edwards (OK)	Kostmayer
Berman	Emerson	Kramer
Bevill	English	LaFalce
Biaggi	Erdreich	Lagomarsino
Bilirakis	Evans (IL)	Lantos
Bliley	Fascell	Latta
Boehlert	Fawell	Leach (IA)
Boggs	Fazio	Leath (TX)
Boland	Feighan	Lehman (FL)
Boner (TN)	Fiedler	Leland
Bonior (MI)	Fields	Lent
Bonker	Fish	Levin (MI)
Borski	Flippo	Levine (CA)
Bosco	Florio	Lewis (CA)
Boucher	Foglietta	Lewis (FL)
Boulter	Foley	Lightfoot
Boxer	Ford (MI)	Lipinski
Brooks	Ford (TN)	Livingston
Broomfield	Fowler	Lloyd
Brown (CA)	Frank	Long
Brown (CO)	Frenzel	Lott
Broyhill	Frost	Lowry (WA)
Bruce	Fuqua	Luken
Bryant	Gallo	Lundine
Burton (CA)	Garcia	Lungren
Burton (IN)	Gaydos	Mack
Bustamante	Gejdenson	MacKay
Byron	Gekas	Madigan
Callahan	Gephardt	Manton
Campbell	Gibbons	Markey
Carney	Gilman	Marlenee
Carper	Gingrich	Martin (IL)
Carr	Glickman	Martin (NY)
Chandler	Goodling	Martinez
Chapman	Gordon	Mavroules
Chappell	Gradison	Mazzoli
Chappie	Gray (IL)	McCain
Cheney	Gray (PA)	McCloskey
Clay	Green	McCollum
Clinger	Gregg	McCurdy
Coats	Guarini	McDade
Cobey	Gunderson	McEwen
Coble	Hall (OH)	McGrath
Coelho	Hall, Ralph	McHugh
Coleman (MO)	Hamilton	McKernan
Coleman (TX)	Hammerschmidt	McMillan
Collins	Hansen	Meyers
Combest	Hartnett	Mikulski
Conte	Hayes	Miller (CA)
Conyers	Hefner	Miller (OH)
Cooper	Heftel	Miller (WA)
Coughlin	Hendon	Mineta
Courter	Henry	Mitchell
Coyne	Hertel	Moakley
Craig	Hiler	Molinari
Crane	Hillis	Mollohan
Crockett	Holt	Monson
Daniel	Hopkins	Montgomery
Dannemeyer	Horton	Moody
Darden	Howard	Moore
Daschle	Hoyer	Moorhead
Daub	Hubbard	Morrison (WA)
de la Garza	Huckaby	Mrazek

Murtha	Savage	Sundquist
Myers	Saxton	Sweeney
Natcher	Schaefer	Swift
Neal	Scheuer	Swindall
Nelson	Schneider	Synar
Nielson	Schroeder	Tallon
Nowak	Schuette	Tauke
O'Brien	Schulze	Tauzin
Oakar	Schumer	Taylor
Oberstar	Seiberling	Thomas (CA)
Obey	Sensenbrenner	Thomas (GA)
Olin	Sharp	Torres
Ortiz	Shaw	Towns
Owens	Shelby	Traficant
Oxley	Shumway	Traxler
Packard	Shuster	Valentine
Panetta	Sikorski	Vander Jagt
Parris	Siljander	Vento
Pease	Sisisky	Visclosky
Penny	Skeen	Volkmer
Pepper	Skelton	Vucanovich
Perkins	Slattery	Walgren
Petri	Slaughter	Walker
Pickle	Smith (FL)	Watkins
Porter	Smith (IA)	Waxman
Price	Smith (NE)	Weaver
Pursell	Smith (NJ)	Weber
Rangel	Smith, Denny (OR)	Weiss
Ray	Smith, Robert (NH)	Wheat
Regula	Smith, Robert (OR)	Whitehurst
Reid	Snowe	Whitley
Richardson	Snyder	Whittaker
Rinaldo	Solarz	Whitten
Ritter	Solomon	Williams
Roberts	Spence	Wilson
Robinson	Spratt	Wirth
Rodino	St Germain	Wise
Roe	Staggers	Wolf
Roemer	Stallings	Wolpe
Rogers	Stangeland	Wortley
Rose	Stark	Wright
Rostenkowski	Stenholm	Wyden
Roth	Stokes	Wylie
Roukema	Strang	Yates
Rowland (CT)	Stratton	Yatron
Rowland (GA)	Studds	Young (AK)
Roybal	Stump	Young (FL)
Rudd		Young (MO)
Russo		Zschau
Sabo		

NOT VOTING—32

Badham	Hatcher	Michel
Bateman	Hawkins	Morrison (CT)
Breaux	Jones (NC)	Murphy
Davis	Lehman (CA)	Nichols
Donnelly	Loeffler	Pashayan
Dowdy	Lowery (CA)	Quillen
Edgar	Lujan	Rahall
Evans (IA)	Matsui	Ridge
Franklin	McCandless	Torricelli
Gonzalez	McKinney	Udall
Grotberg	Mica	

□ 1250

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

DIRECTING THE PRESIDENT TO PROVIDE CERTAIN DOCUMENTS CONCERNING USE OF $27 MILLION APPROPRIATED FOR HUMANITARIAN ASSISTANCE FOR THE NICARAGUAN DEMOCRATIC RESISTANCE

Mr. FASCELL, from the Committee on Foreign Affairs, reported the following privileged resolution (H.R. Res. 395, Rept. No. 99-585), which was referred to the House Calendar and ordered to be printed:

H. RES. 395

Resolved, That not later than 7 days after the adoption of this resolution, the President shall provide to the House of Representatives the following information:

(1) Any documents concerning financial transactions relating to the procurement outside the United States of any equipment, supplies, or other goods for the Nicaraguan democratic resistance using the $27,000,000 appropriated by Congress in the Supplemental Appropriation Act, 1985, specifically including—

(A) any document authorizing the obligation or expenditure of funds for such procurement;

(B) any document concerning any payment or other transfer of funds for such procurement to or through any bank or other financial institution, broker, supplier, or other person; and

(C) any document concerning any direct or indirect disbursement of cash to the Nicaraguan democratic resistance (including documents showing the amount and recipients of the cash and documents showing how the cash was used).

(2) Any documents showing whether the equipment, supplies, or other goods procured outside the United States with those funds were received by the Nicaraguan democratic resistance.

(3) Any documents concerning the actual end use of the equipment, supplies, or other goods procured with those funds, including any document concerning whether any such goods were traded, bartered, or exchanged for any other goods, including any trade, barter, or exchange for goods which are excluded from the definition of humanitarian assistance contained in the Supplemental Appropriation Act, 1985.

Mr. FASCELL. Mr. Speaker, by direction of the Committee on Foreign Affairs, I call up the resolution (H. Res. 395) directing the President to provide certain documents to the House of Representatives concerning the use of the $27 million appropriated for humanitarian assistance for the Nicaraguan democratic resistance, and ask unanimous consent for its immediate consideration.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. BROOMFIELD. Mr. Speaker, reserving the right to object, I do so for the purpose of yielding to the chairman to explain this resolution.

Mr. FASCELL. Mr. Speaker, the gentleman will remember that on May 1, 1986, the Committee on Foreign Affairs ordered House Resolution 395 reported unfavorably. This action was taken after the committee received numerous classified documents relating to the items requested in the resolution. After a review of these documents the Committee on Foreign Affairs and the chief sponsor of the resolution, the gentleman from California [Mr. PANETTA], concurred that the executive branch was in essential compliance with the resolution.

Therefore, Mr. Speaker, at the appropriate time I will move that the resolution be tabled.

Mr. Speaker, I thank the gentleman for yielding.

Mr. BROOMFIELD. Further reserving the right to object, Mr. Speaker, I yield to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, I thank the gentleman for yielding.

As the chief sponsor of the motion of inquiry, I do not object to the action of the Foreign Affairs Committee at this point with regard to the tabling that will take place on the motion.

We have been provided all the documents by the administration that it has with regard to the $27 million in humanitarian aid.

It should be made clear, however, that a gap still exists as to how a majority of those funds were, in fact, used. We required at the time of providing that aid that the President and the administration would develop an accounting procedure to be able to track and ensure that those funds were used for humanitarian purposes. Unfortunately, the funds that went into Central America are difficult to track specifically as to their usage. This is something that is concurred in both by the State Department as well as others.

I have had an opportunity to look at the State Department documents. I have had an opportunity to get intelligence briefings on this issue.

The fact still remains that a good portion of those funds cannot be adequately tracked as to their usage. I urge the committee to proceed with this investigation with regard to that usage.

Mr. BROOMFIELD. Mr. Speaker, I support the motion of the gentleman from Florida, the chairman of the Foreign Affairs Committee.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida [Mr. FASCELL]?

There was no objection.

Mr. FASCELL. Mr. Speaker, I move to table the resolution.

The motion to table was agreed to.

A motion to reconsider was laid on the table.

PROHIBITING THE PROPOSED SALES OF CERTAIN MISSILES TO SAUDI ARABIA

Mr. FASCELL. Mr. Speaker, pursuant to section 36(b) of the Arms Export Control Act, Public Law 94-329, as amended by Public Laws 97-113 and 99-247, I move that the House resolve itself into the Committee of the Whole House on the State of the

Union for the consideration of the joint resolution (H.J. Res. 589) prohibiting the proposed sales of certain missiles to Saudi Arabia; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the joint resolution be limited to not to exceed 2 hours, the time to be equally divided and controlled by the gentleman from Michigan [Mr. BROOMFIELD] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. FASCELL].

The motion was agreed to.

□ 1300

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution, House Joint Resolution 589, with Mr. TRAXLER in the Chair.

The Clerk read the title of the joint resolution.

The CHAIRMAN. Without objection, the first reading of the joint resolution will be dispensed with.

There was no objection.

The CHAIRMAN. Under the unanimous consent agreement, the gentleman from Florida [Mr. FASCELL] will be recognized for 1 hour and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 1 hour.

The Chair recognizes the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong support of House Joint Resolution 589. At the outset I want to commend the distinguished gentleman from California [Mr. LEVINE] for his leadership in this effort. The fact that there are 222 cosponsors of this measure is a tribute to his hard work and dedication.

It is important to understand that in considering this measure, the Foreign Affairs Committee based its position on a number of valid foreign policy considerations.

First and foremost, the committee does not believe that this proposed sale would advance U.S. national security interests in the volatile area of the Middle East.

It was the committee's judgment, for example, that Saudi Arabia has failed to support U.S. peace efforts in the region. Beyond that, the Saudi Government has continued to withhold support from Egypt because of that country's peace treaty with Israel. And rather than suport U.S. antiterrorist objectives, Saudi Arabia provides $85 million annually to the PLO.

In short, Mr. Chairman, there is no absolute justification for this proposed sale. It is unwise, unnecessary, and contrary to the stated policy objectives of the United States.

I therefore support this resolution and urge my colleagues to do likewise.

Mr. BROOMFIELD. Mr. Chairman, we all share a deep concern for just and lasting peace in the Middle East, and condemn all violence and terrorism in that strife-torn region.

In this regard, the President's policies have been flexible enough to adapt to rapidly changing circumstances, and his efforts to stand up to Colonel Qadhafi have won strong support both here and abroad.

Despite the President's initiatives, I am concerned over the sale of greater numbers of sophisticated missiles, including Stingers, to this volatile region of the world.

I raise these concerns with mixed feelings, for there are legitimate points of view on both sides of this issue. On the one hand, Saudi Arabia is important to the limitation of Soviet influence in the region.

On the other hand, we risk the loss of certain technologies.

In the final analysis, I believe that we should be careful in securing arms arrangements involving the transfer of sophisticated weapon technologies to the Mideast region.

Regrettably, I must oppose this sale.

Mr. FASCELL. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. LEVINE], the principal sponsor of the resolution.

Mr. LEVINE of California. Mr. Chairman, I thank the chairman of the committee for yielding and thank the chairman of the committee for his leadership on this issue.

Mr. Chairman, I rise in support of House Joint Resolution 589.

I want to begin by thanking both the chairman of the full committee and the chairman of the subcommittee for the expeditious manner in which the Committee on Foreign Affairs has been able to consider this resolution.

□ 1305

This resolution, Mr. Chairman, not only has the support of over 230 cosponsors, but a number of other Members who frankly reflect a bipartisan group of this House from across the entire political spectrum of this Congress. These Members share a deep concern about American arms sale policy in the Middle East and a fundamental concern about United States national interests both here and abroad.

Simply stated, Mr. Chairman, the opponents of this sale do so because of the consistent antipathy Saudi Arabia has shown for fundamental American national security interests in the Middle East. We do not believe that this sale would further American interests in the region.

The United States has several vital national security interests in the Middle East, in addition to ensuring access to oil. These interests include broadening the Camp David peace process, combating terrorism while denying terrorists any base of support, and helping our allies, Egypt and Israel, to maintain their military and economic security.

Saudi Arabia has not only failed to support the United States in every one of these three crucial areas, but has actively opposed us in all of them. For example, Mr. Chairman, the Saudis to this day continue to isolate Egypt for Egypt's willingness to pursue peace with Israel. To this day, Saudi Arabia has refused to reestablish formal diplomatic relations with Egypt. Saudi Arabia has bankrolled the PLO and has bankrolled Syria, the protectors of terrorists implicated in the murder of hundreds of Americans, including the bombing of the Marine barracks in Beirut.

According to the Department of State, Mr. Chairman, the Saudis gave some $90 million last year to the PLO. Other reliable estimates run as high as $250 million. According to testimony presented by the DOD in 1985, the Saudis gave up to $500 million to the Syrians last year. Under Saudi leadership, Pan-Arab organizations stepped up efforts to punish American businesses that have the temerity to do business with Israel, imposing increasing requirements for United States aid to Israel because of boycott efforts to strangle Israel economically.

The Saudis have sided as recently as this month with Mu'ammar Qadhafi in our recent showdowns with the Libyan dictator.

The arguments the administration makes to defend its proposal to sell these missiles are: First, that the sale would be a reaffirmation of United States support for and friendship with Saudia Arabia; second, the missiles are needed to defend against an attack by Iran; and third, the Saudis need the missiles to maintain their defense capabilities.

Mr. Chairman, none of these arguments is particularly compelling. First, nearly every transaction between Saudi Arabia and the United States has been touted as a so-called test of friendship, but what have we received in return? At what point can the United States expect that in return for our consistent responsiveness to Saudi security interests that they respond to ours?

Second, these missiles, which are not scheduled for initial delivery until 1989 will not help Saudi Arabia counter the Iranian threat. The Iranian air force now has less than 100 planes. To counter this, the Saudis already have more than 300 air-to-air missiles. If a war-ravaged Iran does indeed pose a threat to Saudi Arabia, it is a ground threat. This arms package is of no use against an Iranian ground threat.

Finally, the most serious threat to the Saudis is an internal threat from extremist elements. The sale of these missiles will do nothing to respond to that threat. For nearly two decades, Mr. Chairman, the United States has been almost reflexively granting Saudi arms requests, but our policy has neither yielded Saudi support for key United States initiatives nor resulted in Saudi cooperation in advancing United States security interests in the Middle East. In fact, selling arms seems to be our only policy with respect to Saudia Arabia. We have sold them some $44 billion worth of arms in the past 14 years, regardless of Saudia Arabia's consistent insensitivity to United States national interests in the region.

There are no compelling reasons to continue this policy. If the Saudis want our cooperation, then let them give us theirs. This pending missile sale, which meets no legitimate Saudi need, is an appropriate place to halt our unproductive policy.

I would like to say one word about my special concern about the inclusion of Stinger missiles in this package. The Stinger is a sophisticated, effective and portable weapon. It has been called the ideal terrorist weapon. It has been called the terrorists' delight, and it is.

While I oppose the sale of the administration's missile package to Saudia Arabia, I especially object to the inclusion of the Stingers. Terrorism, as we all know, is on the increase. Desperate terrorists will stop at nothing to obtain every possible means to help carry out their brutal and barbaric undertakings. We should keep these weapons under U.S. lock and key and not send them to a part of the world where terrorism is the game of the day.

Simply stated, Mr. Chairman, it would be insane to send the Saudis Stingers at this time.

For all of these reasons, Mr. Chairman, I oppose the sale of these missiles to Saudia Arabia. I am very pleased that such a strong, bipartisan cross-section of this House has joined in opposing this sale and supporting this resolution. I urge my colleagues to join me in disapproving this proposal and hoping to send a message to the Middle East that will start injecting a policy in the region that will be consistent with American security interests and American national interests in that region of the world.

Again, I thank the chairman for his leadership.

Mr. BROOMFIELD. Mr. Chairman, I yield 7 minutes to the gentleman from New York [Mr. SOLOMON], a member of the committee.

Mr. SOLOMON. I thank the gentleman for yielding this time to me.

Mr. Chairman, ladies and gentlemen, even though I am one of the strongest supporters of the State of Israel and its sovereignty, I do rise in opposition to this resolution today and I strongly support the administration's proposed arms sale to Saudi Arabia.

Mr. Chairman, there are many valid arguments in favor of selling these weapons systems to the Saudis, not the least of which is the fact that each of the systems in this package is something the Saudis already have. And so the argument that somehow this package represents a new and dangerous threat to the security of Israel is in my judgment an argument that is unconvincing to the point of being ludicrous.

No—the real threat to Israel and to Saudi Arabia comes from Iran. It's ironic that the American Congress should even consider disapproving this sale to the Saudis when the strategic momentum in the Iran-Iraq war has shifted decisively in favor of Iran. The security of the entire Persian Gulf region is at stake—and American interests in that vital part of the world are not served by undercutting those moderate Arab States that have long looked to American leadership and support as indispensable elements in maintaining security in the gulf.

And that is what the issue at stake in this debate finally boils down to: American credibility! If we cannot assist our friends in their efforts to assume a greater role in the protection of the Persian Gulf, we shall soon be without friends—and the responsibility for security in the gulf will fall exclusively on our shoulders. Do you want that?

Mr. Chairman, the geopolitical realities in the Persian Gulf have changed dramatically in the 7 years since the Shah of Iran fell from power. For many decades, the Saudis and other friendly countries surrounding the gulf relied on western powers for protection first the British, and then the Americans. Throughout the 1960's and 1970's, we assured the Saudis, and others, that Iran was a reliable American partner in guaranteeing safety and security for all of our friends in the gulf region.

But all of that changed in 1979.

The collapse of American interests and influence in Iran, as well as the subsequent war between Iran and Iraq, have served to destabilize the entire Persian Gulf. Recognizing the new realities imposed by these developments, the Reagan administration has embarked on a careful course of providing appropriate American assistance to those countries in the region that are willing to assume an increased role in providing for their own defense—as well as to contain the Iranian menace.

Such was the motivation behind the administration's decision to sell AWACS to Saudi Arabia in 1981—for which the Saudis have already paid $6 billion in anticipation of actual deliveries of the aircraft. They are relying on an America that keeps its word—think about that!

They are also relying on an America that can help them maintain and modernize those weapons already in their inventory—and that is exactly what this proposed arms sale seeks to do.

Mr. Chairman, I do not normally read quotations into the RECORD from the editorial page of the Washington Post, but in this instance I feel compelled to conclude my remarks by reading from an editorial that appeared in the April 28 edition of the Post. The editorial says:

> The missiles in question * * * are all of kinds the Saudis have bought before, integrated into their military forces and kept from irresponsible hands. The requirement for the United States to make good on routine resupply, at a moment when Iran is pressing aggressively against the moderate Gulf States, should be evident, to anyone concerned with the stability of this region.

The editorial concludes:

> The most efficient way to turn a difficult situation into a disastrous one is for the United States to show it cannot distinguish between radical Arab States that practice terror, and moderate Arab States that seek shelter. The former must be isolated, the latter must be encouraged. That compels Washington to show its understanding, in palpable ways, of the legitimate security needs of friendly Arab States.

□ 1315

Mr. Chairman, this morning, I met with the Israeli Defense Minister, Mr. Rabin, as did some of you in this Chamber. I posed the question point blank to him: Would these sales hurt the security of Israel?

Do you know what he said to me, Mr. Chairman? He said, "Mr. SOLOMON, you Members of Congress must look at the overall situation, the broader picture, because there is more at stake in just that question," and he shrugged his shoulders and he said, "You will have to vote your best understanding."

Mr. Chairman, I had a Member come up to me just before I took the floor and he said, JERRY, why are we considering this resolution when Israel itself is not even opposed to the sale? Well, you know, that is a good question.

President Reagan is just returning today from having been extremely successful in dealing with the No. 1 priority of this decade before us, and that is terrorism. He has convinced our NATO allies that they must join with us in fighting state-sponsored terrorism. President Reagan, on television last night before the world, said that Syria is one of the major exporters of terrorism. Syria is the No. 1 threat, according to the Defense Minister of Israel, to Israel.

Mr. Chairman, we have to join with the President in fighting terrorism. We need moderate Arab States to join with us if we are going to lick this No.

1 problem that is facing the world today.

So I would ask you, even though I know the political smart vote would probably be to just vote this disapproval and let it go, I think that we, as American Congressmen, have the responsibility to look at the broader picture as the Defense Minister of Israel said this morning. Let us approve this sale like we should.

Mr. LEVINE of California. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I am more than glad to yield to someone I deeply respect from the other side of the aisle.

Mr. LEVINE of California. I thank the gentleman and I share the respect for the gentleman.

I felt that one point the gentleman made deserved to be put in context. I sat with the gentleman from New York [Mr. SOLOMON] in the meeting that you referred to this morning with the Defense Minister of the State of Israel and it is a sensitive point because the conversations in that discussion, I believe, were confidential conversations and not for publication, if I understood the ground rules correctly.

But I certainly got a different reading of that meeting and of the implication from him than you did, and I would ask the gentleman if it is not correct that the broader context of that discussion certainly did not leave any implication of support for the sale.

The CHAIRMAN. The time of the gentleman from New York [Mr. SOLOMON] has expired.

Mr. LEVINE of California. Mr. Chairman, may I ask either side for an additional minute for the gentleman from New York [Mr. SOLOMON]?

Mr. FASCELL. I yield the gentleman from New York 1 additional minute.

Mr. SOLOMON. It was not my understanding that that meeting was off the record. As a matter of fact, anything that was off the record was said to be off the record, but when the question was posed: Does Israel support the sale, of course, his statement was that Israel never supports the sale to any country where there is a state of war.

But that is when he shrugged his shoulders, if the gentleman from California [Mr. LEVINE] will recall, and went into the broader picture, which I thought was a very good explanation on his part.

Mr. LEVINE of California. But the gentleman is not asserting that the Israelis have wavered in their opposition to this arms sale in any fashion; is that correct?

Mr. SOLOMON. No. It is my understanding that the Israeli Government, as well as AIPAC, as a matter of fact, have not given us any opposition in writing. As a matter of fact, they are not opposed to it.

Mr. LEVINE of California. Just for the record, that is not an entirely accurate statement. I have a telegram from the Prime Minister of Israel indicating his opposition which I will be very happy to put in the RECORD and I believe the Government of Israel's very consistent position on this has been that they oppose this arms sale.

Mr. FASCELL. Mr. Chairman, I yield 7 minutes to the distinguished gentleman from Indiana [Mr. HAMILTON], the chairman of the Subcommittee on Europe and the Middle East.

Mr. HAMILTON. Mr. Chairman, I rise in opposition to House Joint Resolution 589.

I support the sale of these missiles to Saudi Arabia for several reasons:

This sale serves United States national interests;

It will not adversely impact on the arms balance in the Middle East;

It sends an important signal of reassurance to our friends in the region that we are interested in their security at a time when war, extremism and terrorism threaten both their interests and our interests.

This sale must be seen in the context of recent events which have severely eroded the United States position in the Arab world. For the first time in decades our policy of maintaining close ties to pro-Western Arab States is in jeopardy. Stalled peace efforts, our refusal to support arms sales to Jordan, terrorist actions and subsequent reprisals, many of which we can justify, have, nonetheless, had a cumulative and serious negative impact on United States interests with important Arab countries. Denial of this sale calls into question U.S. influence and credibility in the Middle East. Our interests are best served by continued strong, open, and credible relations with moderate Arabs, and this sale is, whether we like it or not, in the eyes of the Saudis, and much of the Arab world, a test of that relationship.

I support this sale for several reasons:

First, for 35 years the United States has had a special military relationship with Saudi Arabia, and it is in our national interest to preserve that relationship. This security tie is based on the importance and the vulnerability of Saudi Arabia, and the gulf, and the threats to their security and their oil assets. These assets are essential to the economic prosperity of the West. They must remain available and not become subject to Iranian or Soviet threats. The fact is that we rely on Saudi Arabia, its oil and its strategic value. It is in our interest to demonstrate continued United States reliability as a security partner for Saudi Arabia and other friends in the Persian Gulf.

Saudi Arabia is a pro-Western, anti-Communist country. This sale can help assure that Saudi Arabia can protect its own security, contain threats from the Iran-Iraq war and Iranian extremism, guard against Soviet inroads and help maintain international access to oil in a region which contains some 60 percent of the world's proven oil reserves.

Second, this sale provides missiles necessary to the defense of Saudi Arabia. This is, as arms sale go, only a small package. It helps the Saudis only modestly, and hurts Israel not at all.

The limited number of defensive air-to-air, ground-to-air and air-to-sea missiles represents a scaled back sale to the Saudis. Conspicuously missing from this package are further advanced sophisticated weapons, F-15 aircraft and enhancement packages for previously sold F-15 aircraft, all items which the Saudis desire. These missiles will augment or upgrade missiles already in the Saudi inventory. They represent standard followon items; they add no major enhancement of Saudi capabilities. They meet specific Saudi defense needs, help prepare for the collective defense of the gulf region against Iranian or Soviet attack, and reduce the likelihood that the United States would have to intervene in support of vital United States interests.

Without this sale, Saudi missile stocks would be deficient by 50 percent in 1991 because of missile attrition due to obsolesence, training and normal stock in repair.

Third, this sale does not threaten the security of Israel.

There really is no credible evidence from military experts that holds that this sale endangers Israel. The judgment of most defense analysts, American or Israeli, governmental or nongovernmental, is that this missile sale will not affect adversely the balance of military power in the Middle East.

Israel enjoys today a growing military qualitative edge in the region according to United States defense experts. Israel is not actively opposing this sale. Iran, which threatens Saudi Arabia in the Persian Gulf, represents a greater threat to Israel than does Saudi Arabia.

Fourth, this sale will enable the United States to continue to maintain a role as an honest broker in the Middle East.

If the sale is denied, the unique standing that the United States has in the Middle East will be in jeopardy. To deny the sale will undercut the peace process and play into the hands of those radicals who seek to foment anti-Americanism and portray the United States as anti-Arab and a cobelligerent in regional conflicts.

Denying this sale will give solace to United States opponents in the Middle East—to those in Lebanon, in Libya, in

Iran and in Syria who seek to undermine United States policy.

We all are disappointed that Saudi Arabia is often not as supportive of United States policies as we would like it to be. Without doubt the United States and Saudi Arabia look at a number of issues differently. They do things we do not approve, but they are friends, and they are often useful friends. We cannot compare our policy difference with Saudi Arabia or Jordan or Egypt with those fundamental differences we have with the radicals in the region. American policy in the Middle East must distinguish between radical Arab States that promote terrorism and moderate, pro-Western Arab States that do not. We should isolate the former and encourage the latter. That means the United States should show its understanding of the legitimate security needs of friendly Arab States.

There are many areas where our interests coincide with the Saudis:

They want to protect the shipping and oil installations of the gulf—and so do we.

They want to block Iranian or Soviet expansionism—and so do we.

They want to end the conflict in Lebanon—and so do we.

They want to shift the Arab consensus away from confrontation with Israel toward negotiation—and so do we.

They want to end the Iran-Iraq war—and so do we.

They support King Hussein's efforts for peace—and so do we.

It is in Israel's interest as well as our own, as Israel's staunchest ally, to maintain our credibility and reliability with pro-West and anti-Communist states like Saudi Arabia and Jordan.

Fifth, this sale should be approved because of the new and increased threats to Saudi Arabia. It is in the American national interest to help a friendly Arab State defend itself against real dangers in the region.

Iran has recently established a beachhead in Iraq only a few miles from the Kuwait border. Iran, which is a formidable threat to the Gulf States, must not be allowed to establish domination over the gulf.

At the other corner of the peninsula, south Yemen has recently experienced a coup and the situation is unstable, exacerbated by Soviet interference. This raises the potential of a renewed threat on Saudi Arabia's southern border.

The entire population of the gulf is seeking reassurance for its security, and United States willingness to support Saudi self-defense can serve as an important deterrent to outside threats.

The Saudis need now a relevant showing of America's constancy. They are a major anti-Communist power in the gulf, and to strengthen their defenses with equipment which is interoperable with our own is to our strategic advantage.

Finally, the predictable result of blocking this sale will be to have Saudi Arabia turn to another supplier, one that is glad to have the business and that makes no effort to impose the policy restraints that accompany American arms. It does not serve our interests to allow others to replace the United States as the principal supplier of arms to Saudi Arabia.

Because the United States decided recently to defer any decision on further aircraft sales to the Saudis, they bought British aircraft, which will cost the United States at least $12 billion in business over the next 20 years.

The United States defense relationship with Saudi Arabia represents both influence and leverage. We cannot let it slip away without hurting ourselves, our friends and allies throughout the region.

Mr. Chairman, I urge my colleagues to view this sale in the overall political and strategic context of the region. I urge them to affirm that the United States can be friends with Israel and friendly Arab States alike—and to conclude that this sale is in the national interest of the United States.

I hope my colleagues will support this sale and will vote against House Joint Resolution 589.

□ 1325

Mr. Chairman, I thank the chairman of the committee very much for his courtesy in extending additional time to me, and I yield back the balance of my time.

The CHAIRMAN. The Chair will advise that the gentleman from Florida [Mr. FASCELL] has 43 minutes remaining and the gentleman from Michigan [Mr. BROOMFIELD] has 53 minutes remaining.

Mr. BROOMFIELD. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from New York [Mr. GILMAN], the ranking minority member on the Subcommittee on Europe and the Middle East.

Mr. GILMAN. Mr. Chairman, I commend the gentleman from California [Mr. LEVINE] for his time and significant efforts in bringing this issue to the floor at this time.

Mr. Chairman, I rise in support of this resolution, House Joint Resolution 589 of which I was an original cosponsor. Although we should have an arms supply and political relationship with moderate Arab States, I do not believe that the administration has made a convincing case for $300 million sale of certain missiles at this time. There has not been enough support for the Middle East peace process by the Saudis in these past few months. In justification of this proposed Saudi arms sale, there has been allusions to the kind of help that the Saudis have given us, but I fail to perceive that kind of assistance. On the other hand, we did hear the invocation of reflexive anti-American rhetoric, after our recent raid on Libya.

A moderate Saudi Arabia has not been active in the Middle East peace process. That same moderate, well armed, Saudi Arabia were probably not be any more active. The administration can not assure us that the Saudis would come to the aid of Jordan, if Jordan and Syria were to go to war. Moreover, there is a serious question concerning the need for these missiles. While the Saudis are likely to participate in the Gulf Cooperation Council's rapid response force, with Iran's Air Force being enfeebled the threat faced by the Gulf States is a land strike.

Although the distinguished chairman of our Foreign Affairs, Europe and Middle East Subcommittee, the gentleman from Indiana [Mr. HAMILTON], opposes this resolution, he has been eminently fair in his treatment and presentation of this issue. The committee has been fully aware of his views—which are in the minority—but if you were not aware of his views, you would not be able to determine them by the prompt and thorough manner that our subcommittee considered this issue.

Mr. Chairman, this is the wrong time to consider this kind of a sale. The administration has not yielded to our pleas that it not engage in a confrontation on this issue. Accordingly, I believe we should reject this arms sale, as I urge my colleagues to support this resolution of disapproval.

Mr. BROOMFIELD. Mr. Chairman, I yield 6 minutes to the distinguished gentleman from New York [Mr. KEMP].

Mr. KEMP. Mr. Chairman, I thank my colleague from Michigan, and our colleagues on the Democrat side of the aisle. This is an extremely important issue; it is one debate that has been carried out on the floor of the House today with a degree of equanimity which is lacking in other debates of this type. I hope it can continue.

Mr. Chairman, honest and well-meaning friends and supporters of a relationship with Israel and Saudi Arabia can be obviously on opposite sides of this resolution. I happen to favor the resolution; I cosponsored it, and agree with my colleague, the gentleman from New York [Mr. GILMAN] and the gentleman from California [Mr. LEVINE] and others on the Democrat side that the time is a poor one in which to engage in another major sale of arms to Saudi Arabia.

Let me speak very carefully, because I think what is said on the floor of the House of Representatives and in the Senate is extremely important to the ability of this country to build more

relationships and friendships throughout the world. I favor that. I rise in favor of a very strong strategic cooperation between the United States and Israel; the United States and Egypt; the United States and Saudia Arabia; and the United States and Jordan and other states in the Middle East who want to cooperate with the United States in trying to bring a more peaceful and secure environment to the Middle East.

Let me be very frank. we have a strategic relationship with Egypt and Israel, and we need to build one with the Saudis. I hope it can be done, but the idea that we have to continually prove our friendship by selling more arms to the Saudis is, I think, a fallacious one; it is a faulty premise, if you will, and it leads to faulty conclusions.

To wit: The United States has already sold more military goods and services to Saudi Arabia than to any other country in the world. No other country even comes close. Sales to Saudi Arabia exceed $50 billion, including about $20 billion remaining to be delivered. No other country has purchases amounting to more than $12 billion. Indeed, the total sales—listen to this—the total sales to all our European allies amount to something less than the total amount of sales to Saudi Arabia alone.

This trend has continued in recent years; and just last year the total sales to the Saudis amounted to $3.5 billion, or more than 25 percent of the sales to all countries.

I remember that in 1981, the United States sold state-of-the-art airborne warning and control aircraft and supporting systems to Saudi Arabia. Included in that package were conformal fuel tanks and missiles to enhance the capabilities of the Saudi F-15 force, which we had sold them just 3 years earlier.

We were told that these sales were necessary to enlist Saudi support in advancing our interests in the Middle East.

I opposed that sale in 1981, because I saw no explicit quid pro quo from Riyadh. I argued that good relations were a two-way street. As I saw it, we were trading the reality of an arms sale for the vague promise of future support. And I questioned whether we would ever see that support, given the Saudis' poor record up to that date.

I regret to report that the passage of time has only served to reinforce my reservations.

The rationale for providing sophisticated armaments to the Saudis has been predicated upon the notion that Saudi Arabia is a moderate state, with interests that parallel our own. Yet it is difficult to find a single area where Saudi Arabia has worked to advance any of our policy objectives.

We have a deep and abiding interest in promoting stability in the Middle East, to deny Soviet encroachment into the region. Yet Saudi Arabia continues to provide financial and political support for Syria and Libya—the Soviet Union's two major client states, and the most dangerous forces for instability in the region.

When the United States struck against the infrastructure of terrorism in Libya, Saudia Arabia loudly condemned our action. Is this the behavior of an ally in the war against terror?

As the Director of Central Intelligence Bill Casey, recently reconfirmed, Saudi Arabia continues to channel funds to the PLO. While we have a warrant pending for the arrest of Leon Klinghoffer's murderer, the Saudis are paying his sponsors.

We are keenly concerned about the security of the Persian Gulf against external threats. In order to protect the oil fields and the pro-Western states of the region, we need to be able to operate militarily in the region. Yet our efforts to negotiate military access agreements with the strategically located nation of Oman have been steadfastly opposed by the Saudis. And the Saudis have yet to approve port calls by the U.S. Fleet.

We in the United States are concerned about advancing the prospects for peace between Israel and the Arab nations of the region. Yet the Saudis have yet to reestablish diplomatic relations with Egypt, which they broke off to protest Sadat's signing the Camp David accords. And in the United Nations, Saudi Arabia consistently votes with the rejectionist states on Middle East issues, and against the United States.

Let us be clear about the meaning of the vote now pending before us. Whether or not we approve this sale will have no impact on Saudi security—$54 million in Stingers, AIM 9L air-to-air missiles and air-to-sea Harpoons will not introduce new capabilities into the Saudi inventory. The Saudis already have more than 3,000 Sidewinder missiles. Nor will weaponry scheduled for delivery in 1989 act as a deterrent to threats from Iran today.

But if this sale goes forward, in the face of Saudi opposition to our most important interests in the Middle East, we should not be surprised if Saudi Arabia continues to work against us.

□ 1335

Thus far, Saudi Arabia has been able to curry favor from the radical states without having to pay a penalty in terms of their relationship with the United States. Indeed, the Saudis insist that each request to purchase American arms be treated as a litmus test of United States support—independent of what they may do.

The only thing being tested here is our willingness to continue a one-way relationship where our interests are opposed by a regime that supports to be our friend.

Mr. Chairman, I wish that the record were otherwise. I would like to be able to point to a strong and healthy alliance between our two countries, one in which we could work together to promote Middle East stability, to coordinate our defense of the Persian Gulf, to isolate the dangerous radical elements in the region, and to advance the cause of peace.

There is a great potential for strategic cooperation between our two countries. I deeply hope that the future will bring such a positive change. But the question of this sale is before us today. And today, I do not believe the sale is warranted. I urge the passage of this resolution of disapproval.

Mr. LEVINE of California. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Massachusetts [Mr. STUDDS].

Mr. STUDDS. Mr. Chairman, I rise in opposition to the resolution. I do so as one who strongly supports the United States commitment to a secure Israel, and who advocates strict limits on the sale of United States weapons overseas.

I have been a Member of Congress for almost 14 years. During that period, there have been only four or five proposed arms sales of sufficient importance and controversy to reach the level of floor action in either the Senate or the House. In each prior instance, the proposed sale involved the introduction of new and highly sophisticated technology into a region, or a sale to a country that had no prior experience with the kind of weapon involved. Never, under any administration, or with respect to any country, has a sale of the relatively modest scope we are considering today been formally voted on by either body of Congress.

In considering how to vote on this resolution, I would urge Members to ask themselves the following questions:

Has the Government of Israel described this sale as a serious threat to its security?

Will this arms sale upset the military balance in the Middle East?

Are the weapons involved essentially defensive in nature?

Do there exist real threats to the military security of Saudi Arabia?

Is it in our national interest to help the Saudis defend against potential threats, particularly to their oil fields?

Have the Saudis misused or misallocated U.S. military aid in the past? Is Saudi Arabia an aggressive military power?

Is Saudi Arabia an important player in diplomatic and economic negotiations of consequence to the United States?

Can the United States simply take for granted the continued friendship and diplomatic support of moderate Arab States?

Can we, in the long run, win the battle against terrorism or lay the groundwork for peace in the Middle East without a fair claim on the friendship and trust of moderate Arab States?

Will the rejection of this arms sale improve the behavior of Saudi leaders from our perspective; will it strengthen our position and influence in the Arab world?

I think we all recognize that there are limitation on the friendship between the United States and Saudi Arabia; the Saudis do not always act as we would like; we do not always act as the Saudis would like. We are very different countries; we come from different traditions; we have far different attitudes toward Israel; we do not always understand each other very well.

But it is hard to deny the importance of the Middle East to the Untied States; and it is hard to deny the relevance of attitude in Saudi Arabia to the Middle East.

The arms sale we are considering today should not represent a critical milestone in our relationship with Saudi Arabia; the Government of Israel does not see the sale as a significant threat to its security; the weaponry involved represents no advance in technololgy from what has already been sold to the region. I have little enthusiasm for arms sales, in general, but to reject this modest sale would be to imply that the United States has no interest, whatsoever, in the security of Saudi Arabia, and that is an attitude that I simply do not understand.

Abandoning moderate Arab States because they happen to act like moderate Arab States, rather than as we would wish them in all circumstances to act, does not reflect to me a mature understanding of foreign policy; and it seems to me naive to think that rejection of this arms sale will somehow strike a blow against terrorism, or that it will, in the long run, contribute to the security of Israel.

There is one other point I would make that pertains more generally to U.S. policy toward the Middle East, and that explains, in part, why this arms sales proposal is in such trouble. Given the level of attention and excitement generated in the White House by other foreign policy issues, I have been surprised by the relatively casual attitude that the administration has adopted, thus far, with respect to this resolution. It is true that administration representatives of moderate rank have called the approval of this arms sale vital to our national security, but it is obviously not sufficiently vital to warrant the personal attention of the President or Vice President, neither of whom, to my knowledge, have volunteered a word about the subject.

We have not heard this issue discussed by the President on one of his Saturday noon broadcasts; it has not been the focus of a prime time address; it has not even been accorded the status of an op-ed piece from the White House Director of Communications.

I make this observation, because of a larger issue that concerns me a great deal. I know it is fashionable to compare this administration's foreign policy favorably with that of its predecessor; but I think the least one can say is that during the Carter years, we used to hear administration officials from the President on down speak occasionally about what they were for, instead of simply what they were against, and we saw a willingness to devote time and energy to the difficult tasks of constructive diplomacy, whether or not immediate headlines or political benefits were involved.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. STUDDS] has expired.

Mr. BROOMFIELD. Mr. Chairman, I yield 1 additional minute to the gentleman from Massachusetts [Mr. STUDDS].

Mr. STUDDS. I thank the gentleman for yielding this time to me, particularly in view of the position that I am articulating.

Mr. Chairman, the whole world knows by now that the Reagan administration is against Qadhafi, but I doubt 10 Members of this House could provide a coherent explanation of what the positive goals of the administration are in the Middle East, and what the strategy is for seeing that these goals are achieved.

This administration is against terrorism—fine; it is also against communism and arms control. But negativism is not much of a policy. Today, the House will vote to reject an arms sale. As one who will be in the minority on this issue, I would like to argue that the resolution before us will damage administration policy. But it is difficult to damage something whose nature and whose very existence is one of the best kept secrets—if not the only kept secret—in Washington.

I again want to thank the distinguished gentleman from Michigan for his kindness, and I yield back any time that I may have remaining.

Mr. BROOMFIELD. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Illinois [Mr. HYDE] a member of the committee.

Mr. HYDE. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman who just spoke, Mr. STUDDS. I think he had a very excellent, brilliant analysis of exactly what the situation is that confronts us.

My speaking in the well surely is not going to change any votes or even any attitude. It is an exercise in sheer self-indulgence.

But I have always believed we are accountable not only for our words but for our silences.

It is difficult to stand by and see David Stockman's assessment of the courage of Congress grappling with the tough issues, grasping the nettle, validated without at least making some small protest, however unavailing.

The decision we have to make today, and it is a foregone conclusion, is "shall our policy in the Middle East be one of hunkering down behind the sandbags on the Golan Heights?" Or "shall we play the role of honest broker, seek the role of honest broker and maintain some leverage, some credibility, some influence with the moderate Arab States?"

There are some basic facts that have to be considered. These weapons do not upset the balance of power against Israel, and nobody says they do. The Persian Gulf is vital and it is dangerous. There is a war going on between Iran and Iraq. The Afghanistani people are suffering a bloody invasion by the Soviet Union. South Yemen is in Communist chaos. Libya is spreading its poison all throughout the areas of the world. Syria is increasingly becoming an armed camp with Soviet weapons.

There are radical extremists everywhere. At this moment in time, what do we do? Turn our back on a moderate Arab State that is a friend of this country.

These radical extremists hate us, they hate Israel, and they hate everyone who deals with us.

The General Accounting Office has said that the security of these weapons is high. So let us not make any mistakes on that.

A defensible, strong Saudi Arabia has many advantages: it bolsters moderate Arabs everywhere. Do we need moderate Arabs? I would say we do. It would deter Iran, Iraq, Syria, Libya, and the rest, and it lessens the possibility of ever using American troops in the area. Remember President Carter said that the Persian Gulf was one of the most important places where our national interests were at stake.

The Saudis have helped the search for peace in Lebanon. They have helped and are helping the freedom fighters in Afghanistan. They have helped and supported Pakistan, which is a country bearing the burden of 3 million refugees from Afghanistan. They supported the moderate forces necessary in the Sudan. We are fully committed to the survival and the security of Israel. But our friendships in the Arab world contribute to Israel's security. The Saudis have supported

Jordan, which defied radical Arabs as restoring relations with Egypt, has helped rehabilitate Egypt within the Arab world. Is that useful? Is that a contribution to peace? I should think so.

My friends, as terrorism becomes an instrument of national policy among the radical states of the world, ought we not to extend the hand of friendship to those moderate Arab States and moderate states in the world which resist terrorism? Do we isolate ourselves from all Arab States and confirm Qadhafi's anti-American ravings? The Saudis will get their arms; so much for our influence and our leverage in the Middle East.

We cannot give the Arab world another reason to hate us. I think of Lebanon and the murderous cross-fire there.

Think of Syria and our hostages. Think of Iran and its visceral hatred of Americans. Think of Libya and its irrational and pervasive terrorism. You cannot compare Saudi Arabia with these caldrons of hatred. Is it in Israel's interest that we maintain our credibility and our friendships with these moderate Arab States? If we are ever to achieve a lasting peace in the Middle East, the Saudis and the Jordanians will have an essential role to play.

Given that reality, let us not engage in counterproductive actions that jeopardize critically strategic relationships.

Mr. Chairman, friends are awfully hard to come by in that part of the world. Passage of this resolution is no way to treat a friend, and it is no contribution to peace.

Mr. CHAIRMAN. I yield back the balance of my time.

Mr. LEVINE of California. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. Mr Chairman, as an original cosponsor of the legislation to disapprove the pending weapons sale to Saudi Arabia, I rise in strong support of House Joint Resolution 589. Included in the proposed $350 million sale of sophisticated armaments are 200 shoulder-fired Stinger antiaircraft weapons, 1,600 air-to-air Sidewinder missiles, and 100 Harpoon air-to-sea missiles. The administration's initiative is the wrong proposal, at the wrong time, and is offered for the wrong reasons. It should be unequivocally rejected by the Congress.

Since 1971, we have armed the Saudis with more than $44 billion of our most advanced weapons—with this administration selling $22 billion worth of military equipment since 1981, including the promised delivery of AWACS aircraft.

Each successive transaction has been accompanied by assurances from the President that such arms sales would further the national security interests of the United States—specifically, through understandings that Saudi Arabia would help support our political and diplomatic interests in the region.

For example, in his letter to Senator Baker on October 28, 1981—a letter critical to the Senate vote to approve the sale of AWACS—President Reagan wrote:

> In a broader sense, by enhancing the perception of the United States as a reliable security partner, we improve the prospects for closer cooperation between ourselves and the Saudi government in working toward our common goal of a just and lasting peace in the region * * *. I have been impressed by the increasingly constructive policy of Saudi Arabia in advancing the prospects for peace and stability in the Middle East * * *. I am persuaded that this growing Saudi influence is vital to the eventual settlement of the differences that continue to divide Israel and the rest of the Arab world.

I wish that the President's faith in Saudi Arabia's sharing of "common goals" with the United States and the pursuit of "constructive policies" were in fact justified. The plain fact is that Saudi Arabia has done nothing in the past 5 years to contribute to peace with Israel, or to assist our other endeavors in the region. To the contrary, we have sought from Saudi Arabia its cooperation on two fundamental matters: the peace process and terrorism. On each count, Saudi Arabia has failed decisively.

The Saudi leaders have consistently opposed every major American diplomatic initiative in the Middle East—particularly Camp David and Israel's agreement with Lebanon. Saudi Arabia has helped orchestrate the campaign to isolate and punish Egypt for its peace treaty with Israel. The Saudis have done nothing to encourage the efforts undertaken by King Hussein to enter into a dialog with Israel. With respect to terrorism, Saudi Arabia continues to finance the PLO and other, radical elements who perpetrate the worst crimes against innocent victims in Israel, other countries in the Middle East, and Europe. Saudi Arabia extends economic and technical assistance to Libya, and has pledged to help Colonel Qadhafi absorb any losses from the U.S. economic boycott of Libya.

On this record alone of divergent alliances and practices between Saudi Arabia and the United States, the proposed arms sale deserves to be defeated. But the transaction is flawed on its own terms as well. In his March 25, 1986, letter to Senator BOB DOLE, the President argues that "recent Iranian gains in the Iran-Iraq war have alarmed Saudi Arabia and other Gulf states * * *. I strongly believe that the United States must make clear its support for the self-defense of our friends, particularly in periods of heightened threat." The President also cited instability in South Yemen as an additional factor of concern.

Even if the President's geopolitical fears were fully justified, this arms package does nothing to alleviate them. The missiles in this arms sale will not be delivered until 1989—3 years from now. They can hardly deter an imminent Iranian attack on Saudi territory. If the Saudis do indeed face a clear and mortal threat, then the President should be consulting with the Congress on a comprehensive U.S. strategy designed to resolve the regional crisis—a strategy that could mean much more than a package of missiles due for delivery years from today. If the purpose is to send a firm and unmistakeable message to the Ayatollah that the United States will not tolerate Iranian incursions and aggression in the gulf, there are much more credible ways to send—and deliver—the message. But a time-release sale of missiles to the Saudis is not the answer.

The central issue posed by this proposal, once again, is: What is to be the nature of our relationship with Saudi Arabia? Is the United States to be primarily an arms trafficker, using weapons to appease political pressures—or are arms sales to be an integral component of a larger policy that meets the national security and political interests of both countries?

Why should we continue to support militarily a regime which exploits every opportunity to undercut our relationship with both Israel and more moderate Arab states in the region, such as Egypt and Jordan?

Is it really so much to ask Saudi Arabia, four decades after Israel's birth, to simply recognize its existence and try to establish a nonhostile relationship with that country? Must we continue to arm a country that views our strongest ally in the Middle East—Israel—as a criminal, pariah enterprise?

The burden is on the administration to justify this sale, and respond to these questions. They have not done so. This proposal is harmful to our national security, it is unjustified, and it deserves to be defeated.

I urge the House to overwhelmingly approve House Joint Resolution 589.

□ 1350

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. WEBER].

Mr. WEBER. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, we are again being asked to make policy based on the myth that we can somehow buy friendship from alleged moderate Arab states in the Middle East. We are being told that we have two friends in the Middle East, the State of Israel

and, of course, the Saudis, and that in this case we have to help one friend as we have helped the other.

Let us look a little bit at the facts before we decide that we should equate the two friendships.

First of all, the record shows fairly clearly that we cannot get much help in terms of pursuing peace negotiations in the Middle East from the Saudis.

In 1981, the President sought to win approval of the AWACS aircraft sale to Saudi Arabia. He assured the Senate that the Saudis would reciprocate by providing "substantial assistance" toward "the peaceful resolution" of the Arab-Israeli conflict.

That is not what has happened. Instead, the Saudi Arabians have remained intimately connected with Syria, a militant rejectionist state that advocates terrorism. It has remained steadfast in its opposition to the Camp David accords. And it has insisted that Russia cochair Middle East peace talks and has called for recognition of "legitimate Soviet interests in the Middle East." Those are the Saudis' words.

Furthermore, it has continually refused to recognize Israel's right to peacefully coexist with its neighbors.

Furthermore, the notion that they are a friend of ours equal to the Israeli's is just a myth as well.

In the fight against terrorism, they have affirmed "total solidarity with Qadhafi," and in the recent confrontation responded to the United States strike on Libyan terrorism infrastructure by saying that they were "firmly at Libya's side in the face of the savage aggression perpetrated by the United States administration." Now, that rhetoric, in my judgment, is far beyond what would be necessary for mere Arab solidarity.

Mr. Chairman, all I would say is the notion that we have two friends in the Middle East that we should be trying to be helping in some kind of an even-handed way has not borne out to be true in the past, and it will not in the future.

We should pass this resolution and prevent this sale from taking place.

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. WEBER. I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. Mr. Chairman, I want to associate myself with the gentleman's remarks.

Mr. Chairman, I rise today to reiterate my support for House Joint Resolution 589, which would signal this body's strong disapproval of the administration's proposal to sell Saudi Arabia $354 million worth of sophisticated missiles.

There are several reasons why this sale is not in America's interest.

Of paramount importance, the Saudis have behaved in a manner inimical to United States interests in the Middle East. Saudi Arabia has not supported American efforts to achieve a peaceful settlement of the Arab-Israeli dispute. The Saudis oppose the Camp David agreement and continue to work against Egypt's desire to be a fully participating member of the Arab community again. The Saudis have undermined United States efforts to perpetuate the indirect dialog between Jordan's King Hussein and the Israeli Government, and have encouraged talks between Hussein and Syria's rejectionist President Hafez el-Assad in an effort to move Hussein away from a peace agreement with Israel. Saudi Arabia continues to maintain a state of technical war with Israel, our key ally in the Middle East and they have repeatedly tried to oust Israel from international bodies, including the United Nations.

Furthermore, the Saudis continue to provide financial and diplomatic support for nations and organizations that utilize terrorism to achieve their goals. Last year they gave tens of millions of dollars to the PLO and Syria, both of whom have been responsible for terrorism directed against Americans in the past. Most recently, the Saudis condemned the United States retaliatory strike against Libyan terrorist kingpin Muammar Qadhafi.

This sale has been rationalized by many on the basis that the Saudis need these weapons to defend against the threat of an Iranian invasion. But the facts indicate otherwise. The Saudis already have a significant edge over Iran in numbers of sophisticated operational combat aircraft and missiles. The Iranian Air Force, after 6 years of war with Iraq, has been decimated. Its stores are depleted. There is no question that Iraq rules the skies in the Iran-Iraq conflict.

The most significant threat to the Saudi Kingdom today comes not from across the Kuwaiti border, but from within. At the least, hundreds of thousands of Shi'ite Moslems live and work in Saudi Arabia today, many in the gulf oilfields. Past events indicate that there is a signficant reservoir of support for the Ayatollah Khomeini among them. Missiles will do little to stave off this threat.

Mr. Chairman, this sale is a bad idea. I hope my colleagues will oppose it and send a clear message to the Saudis —they cannot hope to gain this type of United States assistance if they continue to undermine United States efforts to achieve a Middle East peace.

Mr. LEVINE of California. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Ohio [Mr. SEIBERLING].

Mr. SEIBERLING. Mr. Chairman, I thank the distinguished gentleman for yielding me this time.

Mr. Chairman, this is a real dilemma for those of us who feel that it is very important for the United States to remain in the position to mediate some of the serious issues in the Middle East and, at the same time, to avoid playing into the hands of the extremists.

Nobody who believes in our type of government would say that the Saudi Arabian Government is the ideal form of organization of society. But they are confronted with the possibility that Iran, for example, could try to move onto the Arabian Peninsula. Perhaps if the Iraq-Iran war were settled, Iraq might try to do so. There are all kinds of fanatical extremists in the Middle East who would like to overturn the Saudi Government. So I do not think we can just dismiss out of hand, as the previous speaker did, wanting to maintain good relations with a country that is so strategically important and is, after all, a moderate government as some go.

On the other hand, it seems inconceivable to me that we would want to turn over to any government in that area the so-called Stinger missiles, which are just made to order for terrorists to attack airplanes at any airport in the world. By the same token, we should not be giving them to Savimbi, to the Contras or to any other country outside of NATO or allies that we know we can rely on. That is the feature of this arms sale package that makes me rise to strongly oppose this proposed sale and to support the resolution of disapproval. If the Stingers were taken out, then I would revise my position and be willing to go along with the sale of the other weapons in the package to Saudi Arabia so they can protect themselves against the more aggressive and fanatical states in the Middle East.

Mr. Chairman, I hope that is the message sent by the action of the House today.

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from California [Mr. DORNAN], a member of our committee.

Mr. DORNAN of California. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman and the two distinguished leaders of our parties in foreign affairs, I wish that all debates conducted in this chamber could take place with such honorable level of debate on both sides of the aisle.

This is a very tough subject to approach, because we do want to keep the Saudis as a friend. But every now and then, every 5 to 10 years, there comes along a vote that I think Members would do well to contemplate regarding the consequences of a particular vote which has the unique ability to come back and bite them years later, even when they find themselves as former Members of Congress.

If sometime in the next decade, or even further into the future, a Stinger missile traceable back to any Middle Eastern country knocks down some jumbo jet somewhere in the world and 300 to 400 innocent people die, it will be a sad day for some Members in this Chamber, still here or retired, if they have to realize that their vote on this issue is traceable back to that particular Stinger missile.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. DORNAN of California. I yield to the gentleman.

Mr. HYDE. Mr. Chairman, I take it the gentleman opposes Stingers to Savimbi then?

Mr. DORNAN of California. I was just about to comment on that.

Because of the research I have done on this missile, and it is made in a California district of our colleague, Mr. LEWIS of California, this particular debate has caused me to rethink how we should allocate and control Stinger missiles. My colleague, Mr. HYDE knows very well that I have previously suggested in this well that Stinger missiles should go to the courageous leader of the freedom forces in Angola, Mr. Savimbi, and to the courageous forces fighting for freedom in Nicaragua, against the Communists, and also the people being genocided by Soviet weaponry in Afghanistan. The real question is: How can we prevent this small but powerful weapon of freedom from being so easily turned into a weapon of terrorism?

Now I want our countries' friendship to continue with Saudi Arabia. As the gentleman from New York [Mr. SOLOMON] has said, it is important that the House of Saud remain friendly to the United States. But I associate myself with the remarks of the gentleman from Minnesota [Mr. WEBER] and those remarks by the gentleman from California [Mr. LEVINE] and others who question whether or not this friendship with Saudi Arabia is a two-way street or whether it is just a one-way street. Forty-four billion dollars' worth of our arms over the last few years is too much of a vote of confidence in the Saudis, given that Saudi Arabia is leaking money into terrorist groups around the world and continues to make outrageous denunciations of the United States in the name of Arab unity.

□ 1400

Since 1913, when a band of very bold and courageous Arab tribesmen, on the edge of the Empty Quarter, took over a small fort and began the House of Saud, there has been a great deal of progress in Saudi Arabia. In fact, Sheik Yamani, the distinguished Harvard graduate, is exercising incredible power over our economy with the petro dollars that are exchanged around the world.

I think that a real show of support by the Saudis would be a little more decency extended toward Western Europe and the United States on energy questions and an absolutely clean bill of health on not helping terrorism before we approve any more sales like this.

Mr. LEVINE of California. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR of Michigan. I thank the gentleman for yielding time to me.

Mr. Chairman, no Member of this body, no citizen of this Nation, can doubt the vital importance of the Middle East, or the fragile nature of its politics. Since World War II our Nation's policy in the region has been guided by twin goals, goals that are mutually reinforcing.

First, and foremost, we have dedicated ourselves to an unwavering commitment to the security of Israel, our closest ally in the region. At the same time, we have tried to maintain close relationships with the more moderate Arab States, as a bridge to peace and as the key to guaranteeing the economic security of the Western World.

Today, these goals are threatened as never before. Radicalism is on the rise throughout the Middle East.

From the militant fundamentalism of the Ayatollah in Iran to the terrorist regime of Qadhafi, extremists prevail. Now, more than ever before, it is important that we strengthen our ties with the more moderate nations in the Arab world.

The resolution we are considering today, to prohibit the arms to Saudi Arabia will not advance United States goals in the region. It will only serve to erode our influence. It will undercut our relations with this pro-Western, anti-Soviet nation. And it will give greater fuel to the radicals who seek to humiliate the United States and drive us from the region.

This proposed arms package will not disrupt the balance of power between Israel and its neighbors. The vast majority of defense specialists both here and in Israel have confirmed that it presents no security threat to Israel.

Instead, it will bolster Saudi Arabia against possible attack from Iran or the Soviet-backed regime in South Yemen. It will provide that nation with a greater ability to protect international access to the oil reserves of the Persian Gulf.

I do not endorse this sale of arms to the Saudis without some reservations. Saudi Arabia has not been as supportive of United States policies in the region as we all would have liked to see. I am especially concerned about the Saudis' recent criticisms of United States actions against Libya. But this should not lead us to overlook Saudi Arabia's own firm commitment to stand as a bulwark against the extremist forces in the region.

Although there is nothing in this package that the Saudis do not already have in their arsenal, I am especially concerned about the transfer of additional Stinger missiles to this volatile region of the world. These shoulder-held antiaircraft missiles are relatively easy to transport, easy to operate, and easy to hide. They are a terrorist's dream.

This administration has embarked on a campaign to transfer these sophisticated missiles to various forces throughout the world—including guerrilla groups in Afghanistan and Angola. The danger is increasing that they will fall into the terrorist hands. We should never transfer such weapons without receiving strict assurances as to their use.

Finally, it always gives me pause to consider how much of our Nation's foreign policy today depends on cementing a military tie with other nations. I do not believe the proliferation of arms throughout the world serves the long term interest of peace.

But each arms sale must be considered on its own terms, must be balanced against the security needs of that time and place. I understand the serious objections many of my colleagues have to this sale, and I share many of these concerns. But I believe that it is in the interest of this Nation, in the interest of stability in the Middle East, to go forward with this package.

Now is not the time to turn our backs on the pro-Western States of the Arab world. Adoption of this resolution would send the wrong signal to our allies, to the Soviet Union, and to the forces of terror in the region.

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from California [Mr. LAGOMARSINO], a member of our committee.

Mr. LAGOMARSINO. Mr. Chairman, I support the proposed sale of 354 million dollars' worth of missiles to Saudi Arabia and am puzzled as to why so many of my colleagues have rallied against this sale.

The Israelis are not objecting to the sale. The pro-Israel lobby, the American Israel Public Affairs Committee, is not opposed to the sale. If the Saudi acquisition of these missiles is a threat to Israel, as many of my colleagues claim, I am confident that the Israelis would let us know.

Mr. Chairman, as you know, the United States is not selling anything new to the Saudis. The missiles in question, the Harpoon and Sidewinder, are kinds the Saudis have brought before, integrated into their armed services and successfully kept from irresponsible hands. This sale is simply a resupply. Iran's increasingly belligerent behavior and aggressiveness against the moderate, oil-rich gulf states including Saudi Arabia makes the need for this resupply even greater. It is in America's national interest to keep the Persian Gulf stable and its oil flowing. This proposed missile sale will help us succeed in this goal.

Should this routine resupply be blocked, it could be deterimental to American foreign policy in the Middle East. While the United States strike against Libya was a justified attack

against terrorism which I strongly support, it did put moderate, pro-Western Arab States like Saudi Arabia in a difficult position. Our failure to supply Saudi Arabia with the necessary missiles for its defense would signal that the United States cannot distinguish between radical Arab States that practice terror and moderate Arab States that seek protection. This, Mr. Chairman, could be disastrous.

In addition, the refusal to sell these missiles to the Saudis would force the Saudis to look elsewhere for their defensive needs. You may recall that last year after we decided not to sell F-15's to the Saudis, they purchased billions of dollars' worth of comparable British Tornado aircraft. Similarly, if we forbid this resupply request, the Saudis will turn to the Europeans again denying American industry millions in business, further exacerbating our trade deficit, and presenting more of a threat of such weapons falling into the hands of terrorists and others.

Again, the opposition to this sale has little substance. The Saudis need this resupply to help insure the free flow of oil. Israel's security is not endangered. The Israelis are not even objecting to this proposed sale. Finally, as the President and the State Department correctly warn, failure to support the legitimate security needs of our moderate Arab friends like Saudi Arabia will severely damage our policy in the Middle East and will force America's other allies to question our credibility and commitments to them.

Mr. Chairman, I urge my colleagues to support the President's proposed arms sale to the Saudis. It is in the best interests of our Nation.

[From the Washington Post, Apr. 28, 1986]

THE SAUDI MISSILE SALE

Something odd and unfortunate is taking place in Congress on the matter of the proposed sale of $354 million worth of missiles to Saudi Arabia. The Israelis are not objecting to the sale. The pro-Israel lobby, the American Israel Public Affairs Committee, has decided not to throw its weight actively against the sale. Yet the foreign relations committees of both houses have voted against, and majorities on the floor may follow. The question is whether Congress, especially the Senate, will be able to muster a two-thirds vote to override the expected presidential veto of a resolution of disapproval. It could be close.

What appears to have happened is that the administration has not focused sharply enough on explaining the Saudi transaction, and reflexive general opponents of arms sales to Arabs have seized on transient and superficial considerations to sway inattentive colleagues. Certainly there is little visible substance to the opposition.

The missiles in question, for example, are all of kinds the Saudis have bought before, integrated into their military forces and kept from irresponsible hands. The requirement for the United States to make good on routine resupply, at a moment when Iran is pressing aggressively against the moderate Gulf states should be evident to anyone concerned with the stability of this region.

The opponents declare with a certain flourish that the Saudis deplored the attack on Libya and have otherwise conducted their own foreign policy, not to speak of their own oil policy. This is an approach more suitable to a high school debate. Of course the Saudis have a Saudi purpose and perspective. The relevant consideration is whether there is not a broad overlap of Saudi and American interests, and whether it is not to American advantage to try to make it broader. It takes an unusual narrow-mindedness to demand an identity of views down the line, or to think that this is a good time to teach the Saudis a lesson in obedience.

Apart from the fact that obedience lessons are never an intelligent instrument of foreign policy, it is actually just about the worst time. The American attack on Libya had its reasons, but it also had its effects, and one of them is a sharp dilemma for those Arab states that, like Saudi Arabia, hope to enjoy the benefits of Arab comradeship and American patronage at the same time. The most efficient way to turn a difficult situation into a disastrous one is for the United States to show it cannot distinguish between radical Arab states that practice terror and moderate Arab states that seek shelter. The former must be isolated, the latter must be encouraged. That compels Washington to show its understanding, in palpable ways, of the legitimate security needs of friendly Arab states.

Mr. LEVINE of California. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. EDWARDS].

Mr. EDWARDS of California. I thank the gentleman for yielding time to me.

Mr. Chairman, the conditions established by Congress for the 1981 sale of AWAC's to Saudi Arabia were straightforward. They stipulated that Saudi Arabia would actively participate in the regional peace effort, and that the sale itself would contribute to the stability of the area. Clearly, these existing conditions have been not met. And clearly, the circumstances which led to the placing of those conditions remain the same today.

For this reason, I strongly support House Joint Resolution 589, which would bar the sale of $354 million worth of missiles to Saudi Arabia. The fact that Saudi Arabia has consistently opposed the Camp David peace accords, and other United States sponsored Middle East peace initiatives is plainly evident. It is time for Congress to make it clear to Saudi Arabia that the United States will no longer sell advanced weapons to a questionable Middle East ally.

The United States has, in the past, gained very little from its previous arms shipments to Saudi Arabia, and now the United States stands to gain even less from selling even more weaponry to the Saudis. Whether or not Saudi Arabia needs to augment its inventory of 3,000 Sidewinder, 400 Stinger, and 100 Harpoon missiles to counter a threat from Iran, this sale does not serve United States national interests. Saudi Arabia already has enough weaponry to counter any conceivable threat. Providing the Saudis with more firepower than they need simply increases the likelihood of high-technology weapons falling into the hands of terrorists.

Mr. Chairman, I would like to remind my colleagues that this $354 million missile package is part of a $1 billion arms sale package which the administration broke up into smaller portions. The arguments against selling arms to Saudi Arabia, however, are still valid. Saudi Arabia has not addressed the deep concerns of Congress regarding arms sales, whether for a sale of $1 billion or one of $354 million.

The 1981 conditions have not been met and the great concern in Congress is legitimate. Selling the Saudis more missiles would only reward them for their scorn of the peace process, and for their participation in every Arab war against Israel. It is clear from the overwhelming rejection by the Senate of this arms sale package that the American people don't want to support an uncertain ally. Congress should reject the administration's Saudi arms package.

Mr. LEVINE of California. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. Mr. Chairman I rise in strong support of House Joint Resolution 589 to prohibit President Reagan from proceeding with his proposed sale of missiles to Saudi Arabia.

I am unalterably opposed to this sale and find it difficult to understand why we are even asked by the administration to consider this proposal at this time.

As my colleagues know, President Reagan has proposed selling the Saudis a $354-million package of sophisticated missiles, including some 1,600 Sidewinder air-to-air missiles, 800 portable shoulder-fired ground-to-air missiles, and 100 air-launched Harpoon antiship missiles.

While none of these arms are new to the Saudi inventory, this sale should not be made for several reasons.

In the past, supporters have justified arms sales to Saudi Arabia to encourage Saudi participation in the Middle East peace process.

This has never happened.

In fact, the Saudis have consistently worked to undermine American peace initiatives in the region, particularly in the Arab-Israeli conflict.

The Saudis opposed the Camp David process, punishing Egypt for making peace with Israel.

They continue to obstruct Egypt's efforts to reestablish relations with the Arab world.

The Saudis thwarted the September 1982 Reagan peace initiative by threatening to impose economic sanctions on Jordan if King Hussein entered into direct negotiations with Israel and by repeatedly undermining King Hussein's efforts to overcome the PLO veto.

The Saudis undermined American policies in Lebanon by refusing to fulfill an explicit promise to use their le-

verage on Syria to persuade the Syrians to withdraw from Lebanon.

Instead, after the United States had negotiated an agreement for Israeli withdrawal, they urged the United States to scrap the accord and then denounced the United States presence in Lebanon.

At the United Nations last December, the Saudis voted to "isolate Israel in all fields" and proclaimed that "Israel is not a peace-loving nation," thus laying the groundwork for expelling Israel from the United Nations.

Would anyone in this Chamber suggest that these actions have improved the prospects for peace in the Middle East?

Equally disturbing, especially in view of recent events, is Saudi Arabia's financial support to the kingpins of international terrorism.

The PLO, Syria, Iraq, and other Arab nations were promised a total of $3 billion per year by the signatories of the 1979 Baghdad agreement.

Since that time, Saudi Arabia is the only country which has fulfilled its annual funding obligation under the Baghdad Pact, contributing over $1 billion per year.

Just last year, Saudi Arabia provided nearly $30 million to the PLO, enabling it to continue its terrorist activities.

Why are we even asked to consider selling advanced weapons to a nation which has bankrolled the sponsors of terrorism throughout the world?

Finally, it must be remembered that several crates of American-made M-16 rifles shipped to Saudi Arabia were found by the Israelis in PLO caches in Beirut.

Given the fact that the PLO received these rifles from the Saudis, there can be no assurance that other weapons—such as the shoulder-fired Stinger missiles—will not wind up in the hands of terrorists.

Mr. Chairman, I will not labor the point.

The Saudis have utterly failed to demonstrate a commitment to peace in the Middle East and they have proven to be unfaithful allies of the United States.

This sale should not go forward and I urge my colleagues to join me in voting it down.

Mr. BROOMFIELD. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from California [Mr. ZSCHAU], a member of the Committee on Foreign Affairs.

Mr. ZSCHAU. I thank the distinguished ranking minority member of the committee for yielding this time to me.

Mr. Chairman, this debate that we are having today has raised a number of issues about this proposed sale.

Some say these weapons pose an increased threat to Israel. However, in point of fact, they are a resupply of defensive weapons that are already in the Saudi arsenal and present no new capabilities for the Saudis.

Some will say these weapons aren't necessary because the Saudis already have plenty, so no more are really needed. Perhaps they aren't really needed, but the Saudis believe that they are needed in order to protect themselves from their radical neighbors. Should we in Congress be the ones to decide if the Saudis are spending their defense money wisely?

Some say they oppose this sale because the Stingers could fall into the hands of terrorists. That threat, such as it is, already exists with the existing stockpile, and the Saudis record of controlling the weapons they already have has been impeccable.

I believe that there is only one issue in this debate that matters. That issue is: Can the word of the President of the United States be relied upon by countries in the Middle East?

If President Reagan cannot deliver on a commitment like this that should be noncontroversial he certainly won't be viewed as being able to deliver on a controversial commitment. His credibility will be undermined, making it impossible for him to play a constructive role in the Middle East peace process.

In order to move toward a just and lasting peace in the Middle East the moderate Arab countries must take some risks. We must encourage them to take such risks, but they won't do so if they can't count on us.

Some have suggested that the Saudis don't deserve this sale because they haven't done enough for the peace process. They haven't done all that we would have liked them to, but it's the President's responsibility to manage the relationship between the United States and other countries—not ours. He has determined that this sale is important. So the issue is not that these arms are a threat to Israel; they're not. It's not whether or not they're needed; that's the Saudis decision.

It's not whether or not this gives terrorists access to Stingers, and it's not whether or not the Saudis have been doing enough for peace. The issue is: Can the word of the President of the United States be relied upon by countries in the Middle East? Does he have any credibility at all? If he lacks credibility, then he won't be able to play a constructive role in bringing a just and lasting peace to the region.

I urge my colleagues to support President Reagan on this arms sale, to support his credibility so that he can play a constructive role in achieving a peace arrangement that we all desire.

Mr. SOLOMON. Mr. Chairman, will the gentleman yield?

Mr. ZSCHAU. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Chairman, the gentleman has made excellent arguments that were echoed by myself and the gentleman from Illinois [Mr. HYDE] earlier, but I think to clarify a statement made by the sponsor, the gentleman from California [Mr. LEVINE], on how hard the administration was fighting to really be out front on this issue, I think the administration, out of courtesy to AIPAC and the Jewish leaders in America, deliberately was not out front.

□ 1415

Let me just read from a speech which was made by Tom Dine before AIPAC's annual meeting just the other day, in which he said something which I think backs up exactly what the gentleman has just said. Mr. Tom Dine, the executive director of AIPAC, said:

> We decided not to fight an arms sale because in our best judgment, the cost of a confrontation—

At this time—

> would have been greater than the marginal benefit of stopping the arms sale.

And listen to this now, because this is important. He goes on to say:

> It is our function to examine and evaluate the facts of the case. And there we found that there was a consensus among defense experts

And the Jewish leaders throughout America—

> associated with all factions and all schools of thought, that this particular package would have questionable impact on the security of Israel. The most authoritative study conducted found that this package would add little of consequence to the existing overall threat to Israel.

And the statement goes on and on. But that is why the administration was not out front, and that is why we thought that this would simply be a matter of having it approved.

Mr. SMITH of Florida. Mr. Chairman, will the gentleman yield?

Mr. ZSCHAU. I am happy to yield to the gentleman.

Mr. SMITH of Florida. I thank the gentleman for yielding.

Mr. Chairman, we have heard a number of times this allegation about AIPAC and about Israel. The reality is that frankly neither one of them is involved in this process. For the first time, we can in fact examine an arms sale in open light without any kind of inherent pressure being placed by anybody, and we are trying to examine it on that basis.

Mr. LEVINE of California. Mr. Chairman, I yield 1 minute to the distinguished gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Chairman, the definition of "friends of the United States" has been called into question lately with our Libyan bombing and the European response. I am

prepared to support a sale for Saudi Arabia if the Saudis demonstrate "the similar kind of friendship." They have not done so.

There are five fundamental reasons why this sale should be rejected. First, the Saudis' support the PLO and their terrorism. Second, they have continued to undermine the Middle East peace process, failing to support moderate Arab States like Jordan and Egypt. Third, they joined enthusiastically in the condemnation of our Libyan bombing raid.

The State Department has said that the Saudis have made this sale a test of our reliability and credibility in terms of our relationship. I would like to say to the Saudis that I am prepared to be their friend as a Member of Congress; I am prepared, I think, in the future to support these sales if they do the same with us.

The CHAIRMAN pro tempore. The time of the gentleman from New Mexico [Mr. RICHARDSON] has expired.

Mr. BROOMFIELD. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. LENT].

Mr. LENT. Mr. Chairman, I rise in support of the resolution of disapproval. Once again, the administration has notified Congress of its intent to jeopardize the fragile stability which exists in the Middle East. This time the administration is requesting over $300 million for sophisticated missile weaponry to Saudi Arabia.

The reasons for opposing this sale are clear. Saudi Arabia is still in a state of war with Israel. The Saudis refuse to recognize Israel's right to exist and continue to support the Arab boycott of Israel. Through these actions the Saudis have, in fact, undermined prospects for peace in that volatile area of the world.

In addition, the evident alliance between Libya's Mu'ammar Qadhafi and Saudi Arabia is of great concern to me. The Saudis condemned our most recent attempt to end Colonel Qadhafi's reign of terror and brutality and have demonstrated a reluctance to take action against terrorism.

The reasons for supporting this sale are not so clear. The Saudis boast of more advanced air-to-air Sidewinder missiles per capable fighter plane than almost any other country in the world. If this sale were to be "needs based," the Saudis would most certainly not be on the list of recipients.

This sale cannot be made in the best interests of promoting peace in the Middle East. The Saudis dismal relations with Israel have not encouraged progress toward this goal. Any arms sale to the Saudis must include tangible evidence as to that country's dedication to the peace process. To date, we have not received such assurances.

I urge my colleagues to oppose this ill-advised sale and to press for the peaceful resolution of disputes in that troubled region.

Mr. McGRATH. Mr. Chairman, will the gentleman yield?

Mr. LENT. I yield to the gentleman from New York.

Mr. McGRATH. Mr. Chairman, I would like to associate myself with the remarks of the gentleman from New York [Mr. LENT].

Mr. Chairman, as we debate House Joint Resolution 589, which disapproves the sale of military hardware requested for Saudi Arabia by the administration, I would ask my colleagues to consider the facts about, and actions taken by, this so-called friendly nation. Saudi Arabia's support of the United States at the United Nations is dismal. In 1984, for example, the Saudis voted with our Government only 11.2 percent of the time in the General Assembly. Those who support the proposed sale state it is unrealistic to expect Saudi Arabia's support on every facet of United States foreign policy. Do they mean to tell us that an endorsement rate of 11.2 percent is considered adequate, or demonstrative of what is a realistic amount of support we should expect from a "friendly" nation?

Are we also expected to accept the Saudis intransigence on the issue of peace in the Middle East? The truth is out there for all to see. The Saudis have refused to accept the basic U.N. resolutions that call for negotiations between Israel and her Arab neighbors. They bankroll Yasir Arafat's terrorist band, the PLO. The Saudis have even gone so far as offering to offset any economic losses sustained by Libya as a result of the sanctions imposed by the United States. This, Mr. Speaker, is the support and behavior we can expect from a friend?

Finally, Mr. Chairman, at this juncture, a United States weapons sale is being justified on the grounds that the Iran-Iraq war threatens to spill over to Kuwait and possibly Saudi Arabia. The Saudis, it is maintained, need the arms for this imminent threat. Yet the fact remains that, even if approved, this shipment would not be received by the Saudis until 1989 or 1990 at the earliest.

Clearly, this sale would reward the Saudis before they have taken any public or positive steps to contribute to the peace process and the lessening of tensions in the region. I am certain that if my colleagues evaluate the facts, they will reach the same undeniable conclusion that I have. The proposed sale of $354 million is, quite simply, not in our national interest.

Mr. LEVINE of California. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. BUSTAMANTE].

Mr. BUSTAMANTE. Mr. Chairman, I commend my friend, the gentleman from California [Mr. LEVINE], for his efforts and leadership in opposing the Saudi arms sale.

Today, we are not considering the security or military merits of the proposed arms sales to Saudi Arabia. How can anyone justify an arms package which would provide the Saudis with more Sidewinder missiles per plane than we provide our Air Force? And who can justify the sale on the current security threat facing the Saudis when the arms will not be delivered until the end of the decade?

What we are considering today is, what signal do we want to send to Saudis? Today, we are considering whether our support for Saudi Arabia has been reciprocated. An arms sale at this time will mean support for a country that just condemned our policy toward Libya; a country that financially assists terrorist organizations and states like the PLO and Syria; a country that has engaged in an oil embargo against us; a country that consistently seeks to undermine our peace efforts in the region; a country that is still at war with Israel. The Saudis have actively opposed the Camp David accords which form the cornerstone of our efforts to bring the Arab-Israeli conflict to peaceful resolution. They have ostracized Egypt, the only Arab partner to the Camp David accords, and have threatened Jordan with sanctions if it were to join the peace process. From this record, we can only conclude that Saudi support for our efforts to bring stability to a volatile region of the world has been poor at best, while we have consistently attended to the Saudis' security needs.

Mr. Chairman, it is time that we send a signal disapproving of Saudi behavior. I urge my colleagues, therefore, to join me in an overwhelming vote for this resolution.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. MILLER].

Mr. MILLER of Washington. Mr. Chairman, I thank our distinguished minority leader of the Committee on Foreign Affairs, the gentleman from Michigan [Mr. BROOMFIELD], for yielding time to me.

Mr. Chairman, there may be a time when the United States should sell weapons to Saudi Arabia, but I believe that this is not the time. This is a request for air weapons in 1989 by a nation that claims to face a ground threat in 1986. This is a request for weapons by a nation that has reneged on promises to help the Mideast peace process and has gone on bankrolling terrorist groups. This is a request for weapons by a nation that has deprived its citizens of the most basic human rights. This is a request for weapons by a nation that votes against us in the United Nations as much as some of the Warsaw Pact countries.

Now, no one or even two of these reasons by itself means that the United States should refuse this sale, but all these reasons together tell us that this is not the time for such a sale.

Mr. LEVINE of California. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Chairman, I find myself in a difficult position today. I believe that the gentleman from Indiana [Mr. HAMILTON] and the gentleman from Illinois [Mr. HYDE] are essentially correct. The sale does nothing to threaten the security of Israel. Those of my colleagues who know me know that I go to great lengths to try to help promote decent relations with moderate Arab States, including having twice met with Mr. Arafat. I know that sometimes the lengths to which I go cause extreme discomfiture for some of my friends in the House. I believe it is in Israel's interest for the United States to have close relations with moderate Arab States, including Saudi Arabia, which I regard as being pro-West.

However, I just have to say that under this administration, despite the efforts of Assistant Secretary Murphy, and despite the more than $32 billion which the Congress has made available to this administration, we have not seen one major step in the peace process in more than 5 years. Maybe the issues are tougher than they used to be; I do not know. But we will never really find out unless we see real efforts, unless we see the expenditure of real political capital to try to do more than just sell arms.

My concern is that it appears that as of this moment, arms sales are effectively substituting for policy in the Middle East. Under these circumstances, I think it is important that we send a message to the administration to get off the dime, to move the peace process forward, which includes asking both the Arabs and the Israelis to do a number of things which they do not want to do. I think that the only way to get the message across to the administration is to vote against this arms sale.

Let us be very frank about it. The White House has not lifted one finger to support this arms sale. If the White House gave as much attention to the need to revive the Middle East peace process as it does to try to get military aid to the Contras in Nicaragua or aid to a half-baked group of rebels in Angola, there would be a different story on this problem.

I will be perfectly willing to reconsider my position on the veto override if the administration can demonstrate that they, in fact, do have a plan in addition to arms sales to promote the peace process in the Middle East. I am anxious to try to participate in that process. But I do not believe that focusing on Nicaragua, focusing on Angola, while ignoring the responsibility to move the peace process forward, is a real way to build a constructive relationship with moderate Arab states in the Middle East. I want to cooperate in a real effort to do so, but so far I do not see any effort that I regard as being real.

□ 1425

Mr. BROOMFIELD. Mr. Chairman, I yield 1 minute to the gentleman from Utah [Mr. NIELSON].

Mr. NIELSON of Utah. Mr. Chairman, as one who worked in Lebanon on an industrial census for Stanford Research Institute in 1956 as a professor of economic development at the American University of Beirut and economic adviser to the Kingdom of Jordan for the Ford Foundation in 1970, I feel I can distinguish between moderate Western leaning states such as Lebanon, Jordan, Egypt, and Saudi Arabia and the anti-American Middle East countries such as Iran and Lybia. Saudi Arabia has supported us in the United Nations more often than most of those countries which we aid. Also Saudi Arabia has consistently been more fair in OPEC dealings than Iran, Kuwait, and other OPEC countries.

I rise in opposition to the resolution before us today which would prohibit the proposed missile sale to Saudi Arabia. It is my opinion that prohibiting the missile sale would only serve to further deteriorate our relations in the region and threaten U.S. interests.

For over 30 years the United States has had an arms supply relationship with Saudi Arabia. To discontinue that relationship now would only increase tension, which is already running high, and deal another severe blow to our credibility and regional role. On the other hand, to continue the relationship would prove that the United States can distinguish between radical Arab States, which practice terror, and moderate Arab States, without whom we would lose all hope for peaceful negotiations between Israel and its neighbors. Apparently, Israel sees the wisdom in this logic since both the Israeli Government and the lobbying group AIPAC, American Israeli Political Action Committee, have decided not to oppose the missile sale.

The missile sale is in the interest of the United States and our allies. Strengthening Saudi Arabia's air defensed capabilities will help deter an expansion of the Iran-Iraq war and the spread of Khomeini-type radicalism, thereby protecting our interest in gulf state oil. It is in Israel's interest since United States arms sales provide more safeguards and assurances to Israel than any other country. When it became apparent last year that there would be congressional opposition to the sale of F-15's, Saudi Arabia turned to Great Britian. While the United States sale would have restricted Saudi Arabia from placing its planes near the Israeli border, Great Britain made no such restriction. This didn't help Israel and it didn't help the United States, which lost over $12 billion in sales and American jobs. I repeat that this is not a grant or a loan but a sale.

The arms sale would reassure moderate Arab States regarding our relations and is in the United States best interest. It is reasonable and fair. For these reasons I urge my colleagues to reject the resolution.

Mr. LEVINE of California. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. Mr. Chairman, I thank the gentleman and I thank him for his leadership on this.

I am a little puzzled at the emphasis some of my colleagues have given to the fact that Israel, and we were told AIPAC, and some American Jewish leaders did not oppose this sale. Sometimes I get the feeling that I will be criticized if I do what Israel recommends and then I will get criticized if I do not do what Israel recommends. I would really like to set Israel aside at this point and talk about American policy.

The first thing this does, I am holding the "Country Reports on Human Rights Practices for 1985" in my hand. Any suggestion that Ronald Reagan is motivated by unhappiness at the lack of freedom in Nicaragua to want to send money to make war on them is totally exploded if you read the report on human rights in Saudi Arabia to which you want to send all these arms.

Saudi Arabia makes Nicaragua look like the democratic convention in 1968 in terms of freedom.

Next we have the question, "Well, aren't the Saudis doing things that are sometimes in our interests?"

Sure, they are. Whenever the Saudis see that something is in their own interest and it happens to coincide with ours, they do it.

I do not object to a policy of trying to woo moderate Arabs. I do not object to a policy of trying to woo moderate anybody. I object to our being the cheapest state in the world. The Saudi Arabians buy America with the lowest level of cooperation and support I have ever seen.

Yes; they agree with us that they do not want to see Iran take over. But do the Saudis resist the Iranian takeover of their country or the Russian takeover of their country as a favor to us?

If I were the King of Saudi Arabia exercising the absolute power with all the money that is characterized in this human rights report, I would not think that my resistance to being taken over by Iran or the Soviet Union was something I did solely as a favor to the United States. They are people who helped denounce Anwar Sadat for his act of courage and freedom. They have been supportive with money of Libya and the PLO. They simply have never when their interests in any way conflict with ours done anything for us.

Yes; we have some congruent interests with the Saudis. We both want to see resistance to some extremism. We can get that cooperation without buying it.

Mr. LEVINE of California. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Chairman, as a cosponsor of House Joint Resolution 589, I rise to support the resolution and to oppose the sale of missiles to Saudi Arabia.

I believe that the United States should only sell arms to other countries in exceptional circumstances—when there is a clear consensus that it serves our interest to do so, for example, with arms transfers to NATO, Israel, and Japan. But we cannot claim to promote world peace and diplomacy and at the same time sell weapons to all comers. In deciding whether or not to make an arms sale, the burden of proof must rest on those who favor the transaction.

The administration's arguments for the proposed Saudi missile sale range from the unconvincing to the disingenuous. Moreover, they sound distressingly familiar. In 1978, when President Carter argued for the sale of F-15 fighter aircraft to the Saudis, he told Congress that the Saudis were a moderating force in the Middle East, that the Saudis regarded the sale as "test" of our relationship, and that denial of the sale would almost certainly lead to a deterioration in our relationship with the Arab world.

In 1981, when President Reagan pushed through Congress the sale of AWACS aircraft and F-15 enhancement items to the Saudis, he used the same arguments. We were told that once again the Saudis viewed this arms sale as a test of our bilateral ties, that Saudi Arabia was working behind the scenes to support a Middle East peace agreement, and that unless the sale went through, there would be grave consequences for our relations with the Arab Middle East.

Once again today, the administration has tried to get Congress to approve another shipment of weapons to Saudi Arabia by dusting off these same tired arguments. But none of them stand up to scrutiny.

The administration argues that the United States must once more prove its support for the Saudi sheikdom by approving yet again another shipment of weapons to Saudi Arabia. But I fail to see what the Saudi Government is doing in return for the support we have constantly offered them. After supplying the Saudi Government with almost $50 billion in military equipment and services over the last 33 years, we might finally expect some show of sympathy from the Saudis for our policies in the Middle East—for stopping terrorism, for recognizing Israel, and for promoting a peace settlement between Israel and her neighbors. Instead, Saudi Arabia continues to greet our concerns in the Middle East with hostility.

The administration has also argued that Saudi Arabia needs these missiles to help defend itself from Iran, which has apparently gained the upper hand in the Iran-Iraq war. This rationale is transparently disingenuous. If this sale were to proceed, the Saudis would not receive the first missiles until 1989—hardly an urgent response to recent events in the Persian Gulf. Moreover, to the extent that Iran even has an air force, it poses little or no threat to Saudi Arabia. The antiaircraft missiles proposed in this sale would be of practically no use to the Saudi kingdom in warding off a serious threat from Iran.

The administration has not only failed to make its case for a sale of missiles to Saudi Arabia, it has brought to Congress a proposal that would only further escalate the Middle East arms race. We need only recall America's policy of arming Iran to the teeth to see the deadly consequences of a policy that tries to promote stability with weapons, a policy that favors military force over diplomacy. In fact, it is American weaponry—in the hands of the now-fundamentalist Iranian Government—that the administration today says is threatening the Saudis.

Our mission in the Middle East must be to ensure Israel's security and promote peace—not to scatter our military hardware to any nation that wants it. The sale of missiles to Saudi Arabia is dangerous and wrong, and must be stopped.

Mr. LEVINE of California. Mr. Chairman, I yield 8 minutes to the distinguished gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. Mr. Chairman, today I rise in support of House Joint Resolution 589, to bar the sale of missiles to Saudi Arabia. The administration's Raison D'etre for this proposed sale was stated very succinctly by National Security Adviser John Poindexter in today's Washington Post. It centers on the fact that "Saudi Arabia is a major player in the Middle East and a good friend of the United States."

Furthermore, "Our interests require that we help the Saudis meet their legitimate security needs in the face of growing regional threats."

Well, let us examine those quotes and the facts.

First, while the Saudis have been a major player in the Middle East all right, they have done so at the expense of and in opposition to United States goals in the region. The Saudis have continued to reject all efforts to bring about direct negotiations between Israel and its neighbors and have opposed the Camp David accords. Never once have they offered to help the King of Jordan or support Jordan in its attempt to get to the bargaining table with direct negotiations.

They have undermined King Hussein's efforts to involve Jordan in the peace process and isolate and continue to isolate the one neighboring Arab country which in fact gave support to Jordan, which was Egypt. Their support was to refuse to allow the Egyptians back into any of the Arab leagues.

By far the most damning of Saudi Arabia's policy is its bankrolling, as we have heard, of both the PLO Syria—protectors of terrorists, perpetrators of murderous acts, all over the world against Americans and other countries, and they support them to the tune, I might add, of almost $100 million a year to the PLO and about half a billion dollars a year to the Syrians.

In addition, while the United States has attempted to bring peace to the region, the Saudis have yet to terminate the declaration of the state of war that they made back in 1967 and in fact technically are still at war with Israel.

Second, how does this sale help Saudi Arabia meet its current security needs? Iran is the chief threat to Saudi Arabia. Everyone in this Government agrees to it. In fact, the Middle East Arms Transfer Study talked about it as well. There is no question about it.

The war between Iran and Iraq is being waged and threatens, according to that study and everyone else, Saudi Arabia. But what is the threat? The threat is ground troops. The Saudis are outnumbered scores to one with ground troops. The Saudis have very little in the way of really effective ground armaments, and yet we want to sell them antiaircraft missiles. Nobody ever shot down a soldier with a Harpoon or a Sidewinder or a Stinger. In fact, we are giving them, if we make this sale, we are giving them more of what they have as their greatest strength, missiles. They need ground infantry equipment and we want to give them missiles.

Iran has less than 50 air-capable planes left in their Air Force. The missiles would not even be delivered to the Saudis until 1989, making any argument of urgency pure nonsense.

In addition, as we have heard, the sale includes 800 Stinger missiles, which is of particular concern to all of us. This hand-held missile is the ideal terrorist weapon and all of us shudder at the thought of sending them to a part of the world where terrorism is the name of the game and the game is played everyday. If this administration is worried about the possible diversion of Stingers recently sent to the rebels in Afghanistan and Angola, can

we really trust these weapons to a government that continues to finance the PLO and the Syrians?

Finally, the Saudis already possess more missiles per aircraft than all our NATO allies. This sale would give them even more missiles per plane than the United States of America.

In addition, they have received $44 billion in American military equipment and services since 1970—$22 billion in the last 5 years alone. I think this demonstrates an American understanding of the legitimate security needs of a moderate Arab State and our willingness to help them, which is why every request for arms has been granted.

But why is every request for arms sales a litmus test? Every one is a litmus test of our friendship. Is not 44 billion dollars' worth of sales enough to prove our friendship over the last 25 years? Do we have to prove it everyday? How about a little proof on the other side?

We have been reflexively granting those requests, but it has not promoted nor prompted Saudi cooperation. It has not resulted in the United States having its peace initiatives advanced by Saudi Arabia.

In fact, selling arms seems to be the only policy that they agree with us in the Middle East, irrespective of our sensitivity to our own interests in the Middle East. This is our only policy, a policy that I call the carrot and stick policy. We give them all the carrots they want and then we beat ourselves over the head with the stick.

Let us finally get a little quid pro quo. How about just a little cooperation in policy?

In closing, let me just debunk this argument, and we heard Mr. FRANK say it well, about AIPAC and about Israel. Israel opposes an arms sale, every arms sale to every country that is at war with her and this country is at war with her and Israel opposes this one as well. That is the pronouncement of the Israeli Governmnet.

And AIPAC, they sent a letter to the Senate just 2 days ago putting themselves on record that they were opposed to the sale, that they were not going to fight it. That is all. They are not in favor of this sale. But in any event, it does not make any difference. This is a foreign policy issue and Israel and AIPAC and the Jews in this country, of which I am one, have nothing to do with it. This is a foreign policy issue. Shall we keep selling arms to a country that does not advance our interests for peace in the Middle East and finances terrorism and finances countries that sponsor terrorism, or shall we say now before you get anymore arms from us, we want you to give us a little help to achieve peace.

What greater role could we all play than being part of a process that achieves peace in the Middle East?

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Mr. LEVINE of California. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Oklahoma [Mr. JONES].

Mr. JONES of Oklahoma. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise as a cosponsor and strong supporter of this resolution. In 1981, the President made a powerful plea for support of the sale of AWAC's aircraft to Saudi Arabia. While this body overwhelmingly rejected that plea, the other body went along with President Reagan.

In my judgment, that was a serious error.

In 1979, in the Camp David accords, the United States sent a clear message to the Arab world that we would support those moderate Arab States who pursued peace with Israel.

In 1981, by failing to overturn the AWAC's sale, the United States sent another clear message to the Arab world: Peace with Israel is no longer a criterion for United States weapons sales.

Mr. Chairman, today we must undo the damage of the 1981 AWAC's vote. Today we must send a signal to the Arab world, to Israel, and the administration that the U.S. Congress supports the State of Israel more than ever, and the price of arms sales is peace with Israel.

Mr. Chairman, this is a test vote. Last year the administration backed off a proposed arms deal with Jordan. They read their tea leaves and foresaw an embarrassing defeat.

Later this year, we will be asked to finalize the AWAC's sale. The administration will again read the tea leaves, and proceed on that basis. Congress must draw the line now.

We must send an unequivocal message that we will never support an arms sale to a country which has not pursued peace with Israel. We must undo the error of AWAC's, and prevent it from recurring in the future.

Mr. Chairman, I urge my colleagues to support this resolution prohibiting the missile sale to Saudi Arabia.

Mr. LEVINE of California. Mr. Chairman, might I make an inquiry of the distinguished gentleman on the other side? We now have one final speaker, and I do not know what the gentleman's desire is at this point.

Mr. BROOMFIELD. Mr. Chairman, we have just two speakers, one for 1 minute, and then the Republican leader will wind it up.

Mr. Chairman, I yield 1 minute to the distinguished gentleman from West Virginia [Mr. RAHALL].

Mr. RAHALL. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in opposition to the resolution offered by the gentleman from California, Mr. LEVINE, as I do not feel that this action is in the best interests of the United States, first and foremost, Saudi Arabia, or for that matter, Israel.

As the United States works to exert our influence and reach out for friends in the moderate Arab world, we know that we can count on the Saudis for friendship and cooperation. The Government of Saudi Arabia has worked closely with the United States and other countries for a peaceful resolution to the disputes and problems of the region including the Iran-Iraq war, the war in Afghanistan, the Arab-Israeli conflict, and other crises. Just a few months ago, the Saudis intervened to defeat a Libyan-backed resolution in the League of Arab Nations which would have imposed economic sanctions against the United States by the Arab States after the United States imposed economic sanctions against Libya in January. Saudi Arabia is a responsible trading partner of ours and is one of the few nations with which the United States enjoys a trade surplus.

The United States needs to maintain and build up friendships with the moderate states in the Arab world. If we are to play any role at all in that region in bringing about peace and stability, we are going to have to increase our perception as an evenhanded friend of both these moderate nations and our ally, Israel. I feel that this perception of friendship with moderate Arab states such as Jordan, Egypt, and Saudi Arabia serves to enhance the security of Israel. For it is only when the United States has earned the trust of all sides can we begin to seek the peace which will allow Arabs and Israelis to live in the Middle East, side by side, securely and peacefully.

With rejection of this sale proposal, we would be turning our backs on a nation that has been a friend in the region to the United States and we would be sending a signal to other friendly countries in the region as well, saying that we do not choose to be their friends, we do not want to help them maintain their security—we just want their oil. When events work against the United States and the oil flow dwindles to just a trickle, we can look back on our action today as a contribution to the energy crisis we will be facing.

This arms sale is necessary for Saudi security and our own ambitions in the area. It is not a buildup, as some would have us believe, but merely a replenishment of defensive weapons which are vital to maintain the stability of the Arabian Peninsula and to protect the oilfields of Saudi Arabia. There is nothing offensive in the nature of the arms in this sale. But let me refresh the memory of some of my colleagues. A few months ago, we forced the Saudis to look elsewhere for their security needs. The Saudis completed a

$14 billion deal with Great Britain. I might add at this point that the Saudis pay cash for their purchases—no grants, no forgiven credits—cash on the barrelhead. The Saudis had intended to buy United States-made F-15's, planes that are purely defensive in nature. Instead, they ended up with 48 British Tornado attack bombers, as well as other offensive weapons. Now, I don't happen to believe that the Saudis intend to use these weapons against our ally, Israel. But there are many who do. I ask them, do you think that the U.S. refusal to sell the Saudis purely defensive planes, forcing them to turn elsewhere to nations whose controls over the purpose and uses of their weapons are not as strict as ours, do you think that this in any way enhances the security of Israel? I think not.

Now, we must consider what threat this sale poses to our ally. Tom Dine, executive director, AIPAC, doesn't think it is a threat. I quote, "Every defense analyst that we have gone to—American and Israeli, governmental and nongovernmental—have analyzed this missile sale as not affecting significantly the balance of military power in the region." They chose not to oppose this sale. The Israeli Government chose not to oppose this sale. This sale has the approval of the administration; indeed, the original idea of helping the Saudis to defend themselves is the result of a U.S. Defense Department study showing the needs of the Saudis to protect their oilfields.

So why does this Congress oppose this sale? Because the Saudis have not accepted U.S. peace initiatives in the region? Let us not forget that the first country to reject the President's September 1982 peace plan was Israel, not Saudi Arabia. The Saudis have been helpful to United States interests in Lebanon, the Iran-Iraq war, the war in Afghanistan, and many other areas in that region. I do not see how we can accuse the Saudis of not helping the peace process. We cannot impose upon them conditions for weapons sales that they simply cannot meet. We must look at the Saudis as a friendly state which is in need of help. It is important that the United States establish that it recognizes the Arab countries who are moderate and wish to be friends as opposed to those who espouse terrorism and ill will toward the United States and Israel. We must nurture these relationships with the moderates and this sale is as good a place as any to start. I urge my colleagues to vote against this resolution and help the United States to begin to realize the goals of peace, friendship, and cooperation with the nations of the Middle East. The security of our friends hangs in the balance.

Mr. LEVINE of California. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. I thank the gentleman for yielding this time to me.

Mr. Chairman, we receive reports regularly from the jungles of Central America that the fighting that is taking place there is involving weapons on both sides of U.S. origin, weapons which we provide, and weapons left over from previous conflicts. It is entirely possible that if there is some future war involving the United States, that our own combat troops will face hostile fire from American weapons.

It is obvious that the U.S. military sales overseas over the last several decades have not been tightly circumscribed. We have dealt in volume we have sold to willing customers, and we have hoped that the rules of international conduct and our own intelligence sources were enough to protect us from those weapons ever firing back on the United States.

Today we are considering a resolution where the Reagan administration is asking to sell $354 million in new missiles to Saudi Arabia. Among those missiles are included 800 Stingers, a very important and critical weapon in today's world. I am the cosponsor of legislation, with the gentleman from Oregon [Mr. AUCOIN], to prohibit the sale of Stinger missiles to paramilitary and guerrilla groups around the world for the very reason that these missiles, hand-held and mobile, can be used as the most effective terrorist weapon in the world today. All of the time and effort that we put into airport security to make certain that American planes are not destroyed in the air would be lost by one Stinger missile 5 miles away from an aircraft that could strike an American plane or any plane.

To proliferate these missiles, to put them out into commerce around the world, is to invite disaster. The rules of international conflict require that we craft our policy to the realities of today's world. Prudence requires us to reconsider the realities that face us with this Saudi sale.

At the present time, the Saudis have some 300 Sidewinder air-to-air missiles, 100 Harpoon missiles, and 400 Stingers. There is no need for 800 more Stingers that could invite terrorist reprisals against the United States and its citizens.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the minority leader, the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in opposition to the resolution to disapprove the sale of $354 million worth of missiles to Saudi Arabia.

I do so under no illusions concerning the atmosphere in which this debate takes place.

I can count, too.

But I thought it would be useful to offer some arguments in favor of the sale, if only to put in perspective some ideas that might be lost in the stampede against it.

We all know that Israel is as much a part of this debate as Saudi Arabia and it is this point I want to address first.

For almost 30 years now I have been speaking for and voting for policies that support the survival and the freedom and security of Israel.

I believe support for the security and survival of Israel, the cornerstone of our Mideast policy for over 40 years, is in no way threatened by the sale of defensive weapons to Saudi Arabia.

And that is not just BOB MICHEL's view. Mr. Tom Dine, executive director of the American-Israeli Political Affairs Committee, recently stated:

> Every defense analyst that we have gone to—American and Israeli, governmental and non-governmental—has analyzed this missile sale as not affecting the balance of military power in the region. You have to be honest about that.

So we have a situation in which those in the House opposed to the sale are supposedly more pro-Israel than AIPAC, something most observers would find hard to believe.

I believe Mr. Dine has made a contribution to this debate which is worthy of the attention of all of us, no matter what side you are on.

The sale would not add new systems to the Saudi arms inventory. What is involved is either an upgrading or augmentation of equipment already in Saudi stocks.

Each part of the sale meets a specific and urgent need for the Saudis against attacks from radical states such as Iran.

The Sidewinders are short-range air-to-air missiles that will enhance the ability of the Saudi Air Force to be effective in air combat.

The Harpoon missile is needed against naval threats in the gulf region.

And the Stingers provide close-range defense of key installations, including those vital oilfields.

In the spring of 1984, Royal Saudi Air Force pilots flying F-15's downed intruding Iranian aircraft.

The Iranians obviously got the message. But we can't depend upon them remembering that lesson because Iran is not acting logically these days.

So we have to help the Saudis prepare for whatever plausible threat might come from that area. Saudi Arabia is as large as the entire eastern United States. It has only 60 modern fighters to protect that enormous space. They need all the help they can get.

The timing of the sale is almost as important as its substance. Even though these weapons won't get to Saudi Arabia immediately, the fact we made the commitment will in itself be useful.

I am aware of the fear that Stingers sent to the Saudis might fall into the hands of terrorists or radical Islamic states.

I believe the security safeguards we impose as part of the sale and the record of the Saudis over 40 years, while not a definitive argument against such a fear, is extremely compelling.

And if we don't sell them these weapons, others will. And there won't be the same security measures we impose.

The argument is raised that the Saudis, because they have not always acted in line with our policies, are unworthy of our aid.

Given the complex, labyrinthine politics of the Arab and Islamic worlds, it is a small wonder that the Saudis have not always acted the way we would wish them to act.

But we can make the same accusation about our closest allies. I don't believe I have to name names. Sovereign nations do what they feel they have to do. The Saudis are no different from anyone else.

It is my understanding that in recent months, the Saudis have been quietly helpful in at least one issue of major concern to us. I think it is useful for us to keep lines open to the Saudis and not turn our back when they ask for aid—especially when they will not be denied the aid, but merely buy it from someone else.

The recent catastrophe in Chernobyl in the Soviet Union reminds us that the problem of energy supplies is one that confronts us again and again, with no definitive answer.

We cannot shut our eyes to the fact that Saudi Arabia has 25 percent of the world's proven oil reserves. This fact alone—not just the Sauds' relationship with Israel—commands our attention.

In his State of the Union Address, January 23, 1980, President Jimmy Carter said:

> . . . an attempt by any outside force to gain control of the Persian Gulf region will be regarded as an assault on the vital interests of the United States of America, and such an assault will be repelled by any means necessary, including military force.

That was called "The Carter doctrine." It committed this Nation to send Americans to fight and die to protect our access to oil.

I believe it is far, far better to send defensive weapons to the Saudis today, than to have to send American Rapid Deployment Forces under some variation of the Carter doctrine tomorrow.

For many years, under Presidents of both parties, it has been the policy of the United States to guarantee Israel's freedom and security while, at the same time, having friendly relations with these moderate Arab States.

This sale is a continuation of that great bipartisan tradition.

Israel has nothing to fear from this sale. But both Israel and the United States have much to fear if radical states of the Middle East believe they can attack moderate Arab states with impunity.

A vote against this resolution will go a long way toward helping our Nation continue to meet its commitments in the Middle East.

And, that, after all, is what is important to us, our own national self-interest, our own Mideast policies, our own geostrategic goals, our own values.

These, and these alone, must determine our choice today.

Mr. DASCHLE. Mr. Chairman, I rise in support of House Joint Resolution 589, which would disapprove the administration's proposed arms sale to Saudi Arabia. As a cosponsor of this resolution, I am deeply concerned about the proposal to sell $354 million in United States weapons to the Saudis.

The administration's proposed package would include 995 AIM-9L Sidewinder missiles, 671 AIM-9P4 Sidewinder air-to-air missiles, 800 Stinger shoulder-launched air defense guided missiles, and 100 Harpoon air-launched missiles. It is questionable that the Saudis need this much weaponry for defense purposes. Saudi Arabia already has 3,000 Sidewinder missiles, 400 Stingers, and 100 Harpoons in its inventory. One has to wonder how the Saudis could possibly use all these weapons.

Perhaps the most important aspect of this issue is the role of Saudi Arabia in Middle East peace efforts. Past arms sales to the Saudis have been justified as inducements to further the peace process. The 1981 AWACS sale was conditioned on: First, the direct relationship between the arms sale and enhanced regional stability; and second, Saudi Arabia's efforts to contribute to the peaceful resolution of regional disputes. These conditions have not been met.

I suggest that we disapprove this arms package. Now is not the time to reward the Saudis for their lack of participation in regional peace efforts. Let's reaffirm our commitment to a peaceful settlement in the Middle East. I urge my colleagues to vote for the resolution.

Mrs. BOXER. Mr. Chairman, I rise in strong support of the resolution and against the proposed missile sale to Saudi Arabia.

I would suggest to my colleagues that rather than provide these missiles at this time, and thus paper over the significant problems that we have with current Saudi policies, it might be better to engage them in a dialog so that we can ask some very serious questions.

For example, let us ask the Saudis why they continue to refuse to recognize Israel's right-to-exist, as outlined in U.N. Resolutions 242 and 338.

Let us ask the Saudis why they refuse to assist Egypt, the only Arab country that has attempted to enter into a constructive relationship with Israel.

Let us ask the Saudis why they refuse to condemn Libya for its support of international terrorism and instead condemn the United States for taking action against Libya.

Let us ask the Saudis why, according to the State Department, they provide $85 million annually to the Palestine Liberation Organization, an organization that not only considers itself at war with Israel, but is also supportive of international terrorism.

And finally, let us ask the Saudis how they can guarantee that the Stinger ground-to-air missiles that we sent them—weapons that are easy to hide, accurate from several miles away, and capable of downing a large commercial airliner—will not fall into the hands of the Libyans, the PLO, or the Syrians.

We should not use weapons sales as a substitute for real foreign policy. Our concerns in the Middle East are in finding a solution to the continued Arab-Israeli dispute and stopping the dangerous growth of international terrorism. In each of these areas, the Saudis have proven that they are not interested in United States concerns. Let us not reward them for their obstinancy with weapons they do not even need.

I urge my colleagues to vote "yes" on the resolution of disapproval.

Mr. MANTON. Mr. Chairman, as a cosponsor of House Joint Resolution 589, I rise in strong support of this resolution which rejects the administration's proposed $354 million arms sale to Saudi Arabia.

During the past 25 years, the United States has sold Saudi Arabia more than $40 billion in weapons, but we have gotten very little in return. Saudi Arabia continues to work against United States interests and does not support our fight against terrorism. Furthermore, Saudi Arabia, does not recognize the State of Israel, and continues to thwart our efforts to encourage peace and stability in the Middle East. I am also concerned about the prospect that the Stinger missiles the Saudis want to purchase might fall into the hands of terrorists agents and be used against civilian aircraft.

Mr. Chairman, I cannot support an arms sale, which I consider unnecessary and contrary to the interests of the United States. I urge my colleagues to join me in support of the resolution of disapproval.

Ms. MIKULSKI. Mr. Chairman, I rise in opposition to the President's proposed arms sale to Saudi Arabia. To jeopardize the security of Israel with arms sales to hostile neighboring stats undermines any hopes of achieving a lasting peace in the Middle East.

Israel is a crucial ally for the United States. It is the only stable, democratically elected government that reflects American values in the region.

U.S. foreign policy must have a solid base from which to spread democracy and freedom. Israel provides that needed foundation in the Middle East.

There is no logical reason to sell arms to Saudi Arabia. That nation has ample resources to deal with any domestic uprising and the external threat of the Iran-Iraq war. Its most probable target in a future conflict will be Israel, not Iran or other Arab nations.

Under present conditions, we cannot assume that the Saudis will adopt a neutral or pro-Israel posture in future conflicts. If they want to receive the benefits of American aid as Egypt does, then they must sign and adhere to a peace treaty with Israel, recognize its right to exist, and refrain from arming Israel's avowed enemies.

We must also bear in mind that once we sell these weapons, we can no longer control their use. American technicians and support personnel that accompany U.S.-made weapons to foreign countries are easy hostage targets for terrorist groups. The fact that the Saudis provide aid to the PLO should by itself preclude a United States arms sale to Saudi Arabia.

Stability in the Middle East will always be crucial to U.S. strategic interests and for world peace. Introducing more weapons into this already dangerous region will not result in peace or encourage negotiations.

Mr. BIAGGI. Mr. Chairman, as a cosponsor of the pending resolution, I rise in strong support and urge its immediate adoption. The issue before us is stark and simple. Does Saudi Arabia with its policy of refusing to accept Camp David and its support direct and indirect of State-sponsored terrorism a worthy candidate to be rewarded with United States arms sales. This resolution says no and I agree.

Much has been argued by supporters of the arms sale proposal that our relations with Saudi Arabia should be nurtured since they are one of the so-called moderate Arab States. That is a description which is not borne out by current facts:

Saudi Arabia has failed to accept the Camp David accord or be involved in any of its policies.

In addition to not supporting Israel, our closest political and most critical strategic ally in the Middle East, Saudi Arabia has also refused to actively support Egypt because of Egypt's pursuit of peace with Israel.

In addition to their refusal to support the principals in the Camp David peace process—Saudi Arabia continues to provide important support to the nemesis of peace in the Middle East—the Palestine Liberation Organization. According to the committee report accompanying this legislation, Saudi Arabia provides some $85 million annually to the PLO.

Let us ponder that point in greater detail. Why would the United States want to put itself in the position of supplying sophisticated arms to a nation which may very well transfer it to a nation which could in turn use it against our allies in the Middle East. The strength of our Middle East policy over the years has been to maintain a balance of power in the Middle East. Already in recent years that balance has been shifting to Israel and the United States detriment. An arms sale of this type—especially if the arms end up in the hands of the PLO—will pose a serious threat to the future stability of the Middle East.

Perhaps the most damnable of all Saudi policies—and the one which provides us with such a compelling reason to oppose this sale—as their recent criticism of the United States military action directed against Libya. How could the Saudis take that position when there is such irrefutable evidence that Libya is sponsoring terrorism in many quarters of the world.

The point I am making is one that is shared by an overwhelming percentage of House and Senate Members. This arms sale proposal comes at the wrong time and is directed to the wrong nation. Saudi Arabia has a long way to go before we should even consider providing them with arms. We serve no legitimate purpose for our own security to advance this sale. We present serious challenges to our security by advancing it.

Mr. FEIGHAN. Mr. Chairman, I rise in strong support of this resolution and commend the hard work of my colleague, Mr. LEVINE, in putting together such a strong, bipartisan consensus on this issue.

I believe that the United States does have a vested interest in maintaining friendly ties with moderate Arab States. Such an alliance is not a contradiction of our longstanding support of Israel. It is a realistic reflection of the complex nature of Middle East politics, and of the very real United States interest in pursuing and supporting peace in that vital region.

The administration has justified this arms sale to Saudi Arabia as a needed indication that we will maintain those ties to the moderate Arab world. Moreover, they have argued, the missiles will give the Saudis the extra strength they need to protect against an increasing security threat from Syria and Iran. In the first case, however, the sale is unnecessary. In the second, it it merely ineffective.

The United States has no need to go further out of its way to prove its friendship with Saudi Arabia. In 1981, Congress approved the extraordinary AWACS arms package to Saudi Arabia—on terms which have yet to be met from the other side. Last year, in addition, we provided them with more than $4 billion in military sales: a dramatic indication of our commitment to Saudi security.

Unfortunately, we have received very little in return.

As a controlling interest in the region, the Saudis have actively worked against American interests in the Middle East peace process. Their economic punishment of Egypt for its role in making peace with Israel was used as a threat against Jordan when Hussein appeared ready to discuss peace.

They have consistently supported the PLO and its terrorist war against the State of Israel. Last year, their contribution to the PLO came to nearly $30 million.

Moreover, the Saudis have supported the regime of Mu'ammar Qadhafi, taking Libya's side even after the Rome and Vienna Airport attacks which Mr. Qadhafi publicly praised.

I see no reason to go farther than we have to underscore our friendship with Saudi Arabia. In truth, I believe we have been too acquiescent up to this point.

The threat to Saudi Arabia from Syria and Iran is real. But even the administration has readily admitted that delivery of these arms is more than a year away. Again we are being asked to provide significant, sophisticated weapons simply to demonstrate our willingness to come to the aid of Saudi Arabia. The events of the last few weeks alone should leave no doubt in anyone's mind that the United States will take action to protect itself and its interests in the Middle East.

Mr. Chairman, we should not be looking for ways to prove ourselves to the Saudis until we have had some proof of their good will and cooperation in return. It should not be enough to be in the category of "moderate Arab States." Moderation is a highly relative and sometimes suspect word. If we are to pursue a mutually beneficial relationship with Saudi Arabia, it is time not for us to act, but for them.

The peace process in the Middle East is at a stalemate; Saudi Arabia could be the means of turning that around. The agreement for the sale of AWACS specifically stated that the planes would be sold provided that they "enhance the atmosphere and prospects for progress toward peace, and that initiatives toward the peaceful resolution of disputes in the region have either been successfully completed or that significant progress toward that goal has been accomplished with the substantial assistance of Saudi Arabia."

That assistance means ending Saudi participation in the Arab boycott of Israel. That assistance means ending its state of war with Israel. That assistance means working with the other moderate Arab States to encourage peace, not to rededicate itself to war.

At best, this arms sale contributes only negligibly to the strategic balance in the Middle East. At worst, it rewards intransigence on a vital previous agreement and escalates the very regional tensions that we are trying so hard to diffuse.

I urge support of this resolution to reject the Saudi arms sale.

Mr. AuCOIN. Mr. Chairman, as a cosponsor of this legislation to block the sale of advanced missiles to Saudi Arabia, I rise in strong opposition to the White House arms plan.

If United States arms could buy Middle East peace, Saudi Arabia and Israel would be staunch allies today. Since 1950, we've been the Saudis' faithful weapons broker, supplying them with 70 billion dollars' worth of sophisticated military hardware.

Yet, there's no peace in the Middle East. If Congress agrees today to sell highly advanced air defense missiles to Saudi Arabia, we'll still be no closer to peace.

Compared to the massive Saudi arms sale approved in 1981, today's $350 million proposal is small change. Many, in the White House and in Congress, argue that this sale is nothing more than a routine resupply mission; necessary to help the Saudis meet a military threat from Iran.

Those arguments don't hold water. There is no sound military argument for supplying the Saudis with still more Sidewinder, Stinger, and Harpoon missiles—some of the most sophisticated weapons in the United States arsenal.

Precisely because the United States has been such a reliable supplier, the Saudis already have more than enough missiles to meet any conceivable air threat from Iran or other nations in the Middle East. Today, the Saudi Air Force contains 3,000 Sidewinders, 400 Stinger, and 100 Harpoon missiles.

If Congress approves this sale, the Saudis will have 37 Sidewinders for each F-15 in their air force—far exceeding the 9-to-1 ratio of our NATO allies. When you stop to consid-

er that, as a result of the brutal war with Iraq, the Iranians Air Force has shrunk to only 60 planes, such a stockpile hardly seems necessary.

Now, it's true that Iran could mount a ground attack against Saudi Arabia. If that's the case, air-to-air missiles aren't going to be of much help to the Saudis. Especially air-to-air missiles that aren't scheduled to be delivered until 1989—the terms of the administration plan.

The White House also argues that additional missiles are needed to replace those the Saudis will lose in training. Even if the Saudi missile arsenal were to shrink by half, their missile-to-aircraft ratio will still exceed that of most of the nations of the world.

In the absence of a clear threat to Saudi territory or United States interests, there is no reason for us to send one more ounce of sophisticated United States military technology to Saudi Arabia. Particularly Stinger missiles.

In addition to their proposal to sell Stingers to Saudi Arabia, the White House has decided to use Stingers as part and parcel of United States covert operations in Angola and Afghanistan.

Though the White House has adopted a cavailer attitude about sending Stingers abroad, I haven't.

Light, versatile and highly accurate, Stingers are top-of-the-line technology—and a perfect weapon for terrorists. If any of Qadhafi's henchmen managed to get their hands on Stingers, they could disrupt and endanger commercial air traffic, worldwide.

Except to meet the most urgent security needs of the United States, Stinger missiles should not be sold or transferred. Though not directly related to this particular sale, my colleague DICK DURBIN and I have introduced legislation to ban the sale or transfer of Stinger missiles as part of U.S. covert operations.

Just as there is no good military argument to justify selling United States air-to-air missiles to the Saudis, there is no good political argument to be made.

We should not reward Saudi Arabia for refusing to recognize Israel.

We should not reward Saudi Arabia for continuing to support the PLO and Syria.

We should not reward Saudi Arabia for supporting Libya.

I urge the House to support the legislation before us today and block the proposed arms sale to Saudi Arabia.

Mr. FLORIO. Mr. Chairman, I rise in support of House Joint Resolution 589, to prohibit the proposed sale of arms to Saudi Arabia. The climate of uncertainty and instability produced by continuing terrorist activity and tension in the Middle East sets the scene for a $354 million sale to Saudi Arabia that will include a variety of weapons that will only further exacerbate tensions in the area and will not constructively contribute to the peace process.

The introduction of increased weapons to the region at this point in time would provide further fuel for accelerated terrorism and would not help solve the underlying conflict between Israel and the Arab States. The administration proposes to send to Saudi Arabia a military package that will include 1,700 Sidewinder air-to-air missiles, 800 Stinger handheld antiaircraft missiles, and 200 launchers and 100 Harpoon antiship missiles. I have long opposed the sale of sophisticated weapons to nations in the Middle East that have been adverse to working within the framework of Camp David in resolving the Arab-Israeli conflict and that have consistently opposed our Government's attempts to resolve this conflict within that framework.

During the past 15 years, the United States has transferred to Saudi Arabia nearly 50 billion dollars' worth of weapons and assistance. The justification for the past sales and this renewed effort to sell arms to the Saudis has been based on the belief that the introduction of these weapons will not only improve stability in the region but will also induce the Saudi Arabian Government to take an active role in promoting the peace process, in recognizing Israel's right to exist and in providing the impetus in the Arab world for a peaceful resolution of the underlying conflicts.

During these 15 years, the steps taken by the Saudi Government in this area have been minimal. Instead of indicating support for our Government's position in this area, the Saudi Government only recently condemned the military action taken by the United States against Libya and indicated solidarity with the Libyan regime. Instead of helping to further the peace process, the Saudi Government has undermined the peace process and even refuses to establish diplomatic relations with Egypt.

I urge the support of my colleagues for this legislation disapproving this untimely sale. The other body has already approved similar legislation and we must continue sending the message that arms such as the Stinger are not instruments of peace but rather instruments of war.

Of imminent concern is the prospect of introducing additional weapons to the region that could be dangerous in the hands of terrorists. In particular, the Stinger missiles, should they fall in the wrong hands, pose a deadly threat to stability in the region. Stinger missiles, used for guarding the White House, are easy to hide, easy to transport and easy to operate. They are not only accurate but they are also capable of downing commercial aircraft in flight. At a time when the tourism industry has been racked by the increase of terrorist incidents directed at aircraft and airports, the Stinger missiles would dramatically increase the risk of further incidents and would result in loss of life. There are no guarantees that these missiles will not fall into the wrong hands.

It has been argued that Saudi Arabia needs this weapons package in order to ensure that the Saudis can defend their government against threats from Iran. The threats faced by the Saudi Government from Iran include internal subversion, terrorism, and ground invasion. This particular package of air-based missiles will not address these security threats.

This past January, I visited Israel for the second time and was able to view the security threat that is posed to Israel and to our national interests by the increased buildup of troops, the accelerated tension in the region and the diminishing prospect for renewed peaceful negotiations. By selling arms to the Saudis or any nation that undermines efforts to seek peace in the Middle East, we are rewarding instransigence rather than promoting peace.

As an original cosponsor of House Joint Resolution 589, a resolution to block the sale of arms to Saudi Arabia, I would like to urge my colleagues to signal their support for peace in the Middle East by opposing this arms sale. Increasing our weapons supply to this region and promoting fear among our ally, Israel, will not foster peace and understanding in the Middle East. Encouraging direct negotiations with meaningful results will.

Our Government cannot continue to condone intransigence with further gifts of instruments of war. Too much time has already been spent in waiting for significant steps in the peace process that have never materialized. I would hope that we can move forward and pursue renewed negotiations to instigate a peaceful and just solution to the conflicts in this vulnerable area of the world.

Mr. BONER of Tennessee. Mr. Chairman, I rise today in support of House Joint Resolution 589, which prohibits the sale of Stinger, Sidewinder, and Harpoon missiles to Saudi Arabia, and in opposition to the administration's request for this sale. As an original cosponsor of House Joint Resolution 589, I am opposed to this sale for several reasons.

First and foremost, I do not believe that this sale would in any way further United States interests because of Saudi Arabia's lack of support for fundamental United States national security interests in the Middle East. Besides ensuring access to oil and preventing Iranian attempts to export revolution, the United States has a vital interest in broadcasting the peace process, combating international terrorism, and helping Egypt and Israel maintain their military and economic security. It is my opinion that Saudi Arabia has failed to support the United States in each of these critical areas.

The Saudi Arabian Government makes no secret of their condemnation of Egypt because of Egypt's pursuit of peace with Israel. The Saudis have blatantly provided financial support to the Palestine Liberation Organization. Most recently, Saudi Arabia has criticized United States military action against Libya, a state which has engaged in a consistent pattern of direct and indirect support for international terrorism, some of which have been aimed directly toward the United States.

These facts alone justify opposition to the proposed sale, however, I have serious doubts about whether the sale of these missiles will in fact help Saudi Arabia counter the Iranian threat. Because of the nature of the war and its confinement to ground combat between troops, it is questionable that antiaircraft or antiship missiles will counter the current threat. Even if the missiles were necessary for the Saudi's defense, I question the administration's use of the Iranian-Iraqi war as justification for the sale, since the missiles will not first be delivered until 1989.

Mr. Chairman, I am not persuaded by the arguments the administration has made in support of the missile sale. I urge the President to rescind the sale and reconsider the nature of U.S. security interests. I urge my colleagues to join me in support of the resolution

and in opposition to the administration's request.

Ms. OAKAR. Mr. Chairman, each year, the nations of the world spend more than $800 billion on weapons and military systems. This number represents a vast drain on world resources and a wasteful diversion of human energies and talents. This annual expenditure is an investment in death and instability. In the the past, I have opposed individual weapons transfers because I firmly believe that the introduction of large amounts of weapons to world trouble spots like the Middle East contribute to the problems instead of the solutions. Our Nation should bring people together through peaceful diplomacy. For that reason I intend to vote for House Joint Resolution 589, which would prohibit the sale of missiles to Saudi Arabia.

While I am voting for this particular measure, I would like to comment on the focus and rhetoric of the debate associated with this issue. Some of those opposing the sale of missiles to Saudi Arabia have articulated a disturbing hostility to that country. That is why I take this opportunity to reiterate American friendship to Saudi Arabia and to emphasize that Saudi Arabia is indeed our friend and ally, that Saudi Arabia is a responsible member of the international community and a valued trading partner of the United States.

The Arab world is not a monolith and the friends of peace and international harmony are doing a disservice by failing to differentiate between various elements in the Arab world. Saudi Arabia is strategically located in the Middlle East. Her leaders have had to cope with a difficult political climate. The forces of fundamentalist extremism are prevalent in the region and are working to destabilize our friends and replace them with dangerous and hostile governments. We should recall the terrorist takeover several years ago of Islam's holiest shrines in Mecca. Saudi authorities did an outstanding job in coping with that crisis.

I am also concerned that the focus of the debate over the weapons sale has been on the Arab-Israeli issue. There are more dimensions to the Middle East than this properly important factor. A cruel and bloody war has been raging between Iran and Iraq for more than 5 years now. Saudi Arabia is a neighbor of both countries. Already Saudi pilots have had to confront Iranian military forces to assert Saudi rights in the Gulf region. In the event Saudi Arabia and other moderate Arab Gulf States are embroiled in the regional conflict, the whole Western World would face a serious threat whose dimensions cannot be overstated. In short, we have a direct stake in the continued stability and integrity of Saudi Aradia. It would be a great mistake if congressional views with respect to arms sales were to be constructed as a vote against Saudi Arabia.

I am voting for this resolution because of my continued opposition to arms transfers to the Middle East and other world trouble spots. I do recognize, however, that military force does have a role in statecraft and in the event circumstances warrant it, I am willing to change my position in the future. For the present, however, I do not believe our good friend, Saudi Arabia, needs the weapons in question and I will vote for House Joint Resolution 589.

Mr. DAUB. Mr. Chairman, I rise in support of this resolution to disapprove the proposed sale of military weapons to Saudi Arabia. This country has had years to demonstrate its commitment to a workable peace between Arab and Jew. It has chosen to advance belligerency instead. It has worked to continue to isolate Egypt for that nation's noble efforts to reconcile itself with the State of Israel. It has bankrolled the Palistinian Liberation Organization dedicated to violent destruction of our greatest ally in the region. It has also bankrolled the Government of Syria, a state that excels in terrorist attacks,

I recently visited the Middle East and was impressed by reluctance of many Arab nations, 7 years after Camp David, to pay little more than lip service to reconciliation with Israel.

Forty billion dollars of arms and military equipment have been provided to Saudi Arabia by the United States. This exceeds the total for all other nations combined. For my support, all I need is a publically demonstrated commitment by this powerful Arab nation—and one I consider an ally—to oppose terrorism everywhere and dig into the diplomacy bucket for peace and reconciliation in the region. We have constantly demonstrated our friendship; its time they demonstrated theirs.

At this time, I don't believe the administration has proved its case for this sale and therefore, urge my colleagues to vote in support of the resolution and against the arms transfer.

Mr. OWENS. Mr. Chairman, I rise in support of House Joint Resolution 589 which disapproves of the administration's proposed sale of sophisticated arms to Saudi Arabia. The proposed sale of $354 million includes 995 AIM-9L Sidewinder missiles, 671 AIM-9P4 Sidewinder air-to-air missiles and 100 Harpoon air-launched missiles.

There is no doubt that there is instability in the Middle East. There is also no doubt that some nations' actions cause a ripple effect of instability which threatens all nations. The question, quite simply, is whether or not we wish to address the very problems by throwing more fuel on the fire—adding more arms to the boiling brew—or whether we might better address the problem of limiting the ability of destabilizing nations to make trouble in the region. I, for one, see no reason to add more fuel to the fire when we have the opportunity to cool things down.

It is clear that both Libya and Iran, due to their history and current leadership, are causing trouble in the region. The Khomeini regime in Iran seeks to keep internal dissenion under control by barbaric internal security measures and the time-tested ploy of turning the attention of the populace to the outside enemy. The devastating and bloody war with Iraq serves to control domestic dissent. Unfortunately, the Iranian Government has spread that conflict by its attacks on Saudi shipping and its continuous threats against smaller neighbors such as Kuwait. In addition to regional misdeeds, Iran also supports terroristic activities both in the Middle East and beyond.

Libya, like Iran, uses its resources to make trouble in the region as well as to sponsor terroristic activities both in the Middle East and beyond. Libya has also acted out its willingness to supply arms, or the money to purchase arms, to forces which serve to destabilize the region. These realities suggest that if our goal is support for our friends in the region who are the primary victims of this troublemaking, then we should be aiming our policies toward actions which will not support these regimes.

Keeping pressure on destabilizing governments seems a reasonable course of action. We can begin by denying the revenue to Libya that is paid by American oil companies. Loss of these revenues will not help the Libyan Government domestically and will undoubtedly lead to its downfall. All proposed actions in this direction are to be commended as a serious step toward reducing the credibility of the Libyan Government in the eyes of the Libyan people.

In the Iranian situation, total embargo on Iranian oil will serve to deny that Government of the revenues which are currently utilized to further repression at home and the continuation of the war with Iraq and the threats against neighboring countries.

As a result of economic pressures on the destabilizing countries, there will also be an impact on their exportation of terrorism. Americans are quite naturally concerned about attacks on Americans which have occurred primarily in Europe. Although this concern is natural, we should not ignore the larger threat of terrorist attacks in the Middle East. Both Libya and Iran have been more active in their own region and the people of the region who may not necessarily agree on all issues, are of one mind when it comes to the damage being inflicted upon them all. All concerted action to deny the terrorists' sponsors and trainers revenues will be applauded by all of the people of the Middle East, be they Moslem, Jew, or Christian.

Turning back to the current proposed arms sale, it is important that we support all countries which are the victims of Libya and Iran. However, the sale of sophisticated arms which may well fall into the hands of the very people that they are intended to resist does not seem to be a reasonable approach. Sidewinders are sophisticated weapons and they can fall into the wrong hands and they can be turned upon our friends in the region. The risk factor is simply too great when we can take less drastic action which does not entail adding more fuel to the fire. Rigorously applied economic sanctions which can gain the support of our European allies make more sense. Although this may be hard medicine for dealing with the problem of terrorism that they share with us, recent agreement on the severity of the problem should form the basis for concerted action.

I am in full sympathy with the Middle Eastern countries which have been confronted by the destabilizing tactics of Iran and Libya. I believe that they need and want our help in addressing this difficult problem. I believe that we have an obligation to assist them by addressing the root causes of the instability and doing everything possible to see to it that the destabilizing governments are denied any revenues from the United States. Having taken

the necessary steps in this country, we will be in a far better position to urge our allies to join in concerted action.

□ 1450

Mr. LEVINE of California. Mr. Chairman, we have no further requests for time.

Mr. BROOMFIELD. Mr. Chairman, I have no further requests for time.

The CHAIRMAN pro tempore. The Clerk will read.

The Clerk read as follows:

H.J. RES. 589

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the issuance of a letter of offer with respect to any of the following proposed sales to Saudi Arabia (described in the certifications transmitted to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate pursuant to section 36(b) of the Arms Export Control Act on April 8, 1986) is hereby prohibited:

(1) The proposed sale of AIM-9L SIDEWINDER missiles, and related defense articles and defense services (Transmittal Numbered 86-29A).

(2) The proposed sale of AIM-9P4 SIDEWINDER air-to-air missiles, and related defense articles (Transmittal Numbered 86-29B).

(3) The proposed sale of basic STINGER air defense guided missile systems, and related defense articles and defense services (Transmittal Numbered 86-29C).

(4) The proposed sale of air launched HARPOON missiles, and related defense articles and defense services (Transmittal Numbered 86-29D).

Mr. LEVINE of California (during the reading). Mr. Chairman, I ask unanimous consent that the joint resolution be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN pro tempore. Are there any amendments to the joint resolution?

Mr. LEVINE of California. Mr. Chairman, I move that the Committee do now rise and report the joint resolution back to the House with the recommendation that the joint resolution do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. SMITH of Florida] having assumed the chair, Mr. MURTHA, Chairman pro tempore of the Committee of the Whole House on the State of the Union reported that the Committee, having had under consideration the joint resolution (H.J. Res. 589), prohibiting the proposed sales of certain missiles to Saudi Arabia, had directed him to report the joint resolution back to the House with the recommendation that the joint resolution do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the joint resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LEVINE of California. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 356, nays 62, not voting 15, as follows:

[Roll No. 112]

YEAS—356

Ackerman	Coble	Gallo
Akaka	Coelho	Garcia
Alexander	Coleman (MO)	Gaydos
Anderson	Coleman (TX)	Gejdenson
Andrews	Collins	Gekas
Annunzio	Conte	Gephardt
Anthony	Coughlin	Gibbons
Applegate	Courter	Gilman
Archer	Coyne	Gingrich
Armey	Craig	Glickman
Aspin	Crane	Gonzalez
Atkins	Crockett	Goodling
AuCoin	Daniel	Gordon
Barnard	Darden	Gradison
Barnes	Daschle	Gray (IL)
Barton	Daub	Gray (PA)
Bateman	Davis	Green
Bates	de la Garza	Gregg
Bedell	DeLay	Guarini
Beilenson	Dellums	Gunderson
Bennett	Derrick	Hall (OH)
Bentley	Dicks	Hall, Ralph
Bereuter	DioGuardi	Hammerschmidt
Berman	Dixon	Hatcher
Bevill	Dorgan (ND)	Hayes
Biaggi	Dornan (CA)	Hefner
Bilirakis	Dowdy	Heftel
Bliley	Downey	Hendon
Boehlert	Dreier	Henry
Boggs	Duncan	Hertel
Boland	Durbin	Horton
Boner (TN)	Dwyer	Howard
Borski	Dymally	Hoyer
Bosco	Dyson	Hubbard
Boucher	Early	Huckaby
Boulter	Eckert (NY)	Hughes
Boxer	Edwards (CA)	Hunter
Brooks	Edwards (OK)	Hutto
Broomfield	Emerson	Ireland
Brown (CA)	English	Jacobs
Brown (CO)	Erdreich	Jenkins
Broyhill	Evans (IA)	Johnson
Bruce	Evans (IL)	Jones (OK)
Bryant	Fascell	Kanjorski
Burton (CA)	Fazio	Kaptur
Burton (IN)	Feighan	Kasich
Bustamante	Fiedler	Kastenmeier
Byron	Fields	Kemp
Callahan	Fish	Kennelly
Campbell	Flippo	Kildee
Carney	Florio	Kindness
Carper	Foglietta	Kleczka
Carr	Foley	Kolbe
Chapman	Ford (MI)	Kolter
Chappell	Ford (TN)	Kostmayer
Chappie	Fowler	Kramer
Clay	Frank	LaFalce
Clinger	Frenzel	Lantos
Coats	Frost	Leach (IA)
Cobey	Fuqua	Leath (TX)
Lehman (FL)	Ortiz	Smith, Robert (OR)
Leland	Owens	Snowe
Lent	Panetta	Solarz
Levin (MI)	Parris	Spence
Levine (CA)	Pashayan	St Germain
Lewis (CA)	Pease	Staggers
Lewis (FL)	Penny	Stallings
Lightfoot	Pepper	Stark
Lloyd	Perkins	Stenholm
Long	Pickle	Stokes
Lott	Porter	Strang
Lowery (CA)	Price	Stratton
Lowry (WA)	Pursell	Sundquist
Luken	Rangel	Sweeney
Lundine	Regula	Swift
Mack	Reid	Swindall
Manton	Richardson	Synar
Markey	Rinaldo	Tallon
Martin (IL)	Ritter	Tauzin
Martin (NY)	Roberts	Taylor
Martinez	Robinson	Thomas (GA)
Matsui	Rodino	Torres
Mavroules	Roe	Torricelli
McCain	Roemer	Towns
McCloskey	Rostenkowski	Traficant
McCollum	Roth	Traxler
McCurdy	Roukema	Udall
McDade	Rowland (CT)	Valentine
McEwen	Rowland (GA)	Vander Jagt
McGrath	Roybal	Vento
McHugh	Russo	Visclosky
McKernan	Sabo	Volkmer
McKinney	Savage	Vucanovich
McMillan	Saxton	Walgren
Meyers	Schaefer	Walker
Mica	Scheuer	Watkins
Mikulski	Schneider	Waxman
Miller (CA)	Schroeder	Weaver
Miller (WA)	Schuette	Weber
Mineta	Schulze	Weiss
Mitchell	Schumer	Wheat
Moakley	Seiberling	Whitley
Molinari	Sensenbrenner	Whittaker
Mollohan	Sharp	Whitten
Monson	Shaw	Williams
Moody	Shelby	Wirth
Moore	Shuster	Wise
Moorhead	Sikorski	Wolf
Morrison (CT)	Siljander	Wolpe
Mrazek	Sisisky	Wortley
Murtha	Skeen	Wright
Natcher	Skelton	Wyden
Neal	Slattery	Wylie
Nelson	Smith (FL)	Yates
Nowak	Smith (IA)	Yatron
O'Brien	Smith (NE)	Young (FL)
Oakar	Smith (NJ)	Young (MO)
Oberstar	Smith, Denny (OR)	
Obey	Smith, Robert (NH)	
Olin		

NAYS—62

Bartlett	Jeffords	Rahall
Bonior (MI)	Jones (TN)	Ray
Bonker	Lagomarsino	Ridge
Chandler	Latta	Rogers
Cheney	Lipinski	Rose
Combest	Livingston	Rudd
Conyers	Lungren	Shumway
Cooper	MacKay	Slaughter
Dannemeyer	Madigan	Snyder
DeWine	Marlenee	Solomon
Dickinson	Mazzoli	Spratt
Dingell	McCandless	Stangeland
Fawell	Michel	Studds
Hamilton	Miller (OH)	Stump
Hansen	Montgomery	Tauke
Hartnett	Morrison (WA)	Thomas (CA)
Hiler	Myers	Whitehurst
Hillis	Nielson	Wilson
Holt	Oxley	Young (AK)
Hopkins	Packard	Zschau
Hyde	Petri	

NOT VOTING—15

Badham	Franklin	Loeffler
Breaux	Grotberg	Lujan
Donnelly	Hawkins	Murphy
Eckart (OH)	Jones (NC)	Nichols
Edgar	Lehman (CA)	Quillen

□ 1510

The Clerk announced the following pair:

On this vote:

Mr. Breaux for, with Mr. Badham against.

Mr. COLEMAN of Missouri and Mr. CRANE changed their votes from "nay" to "yea."

So the joint resolution was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. LEVINE of California. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution (S.J. Res. 316) prohibiting the sale to Saudi Arabia of certain defense articles and related defense services, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate joint resolution as follows:

S.J. RES. 316

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the issuance of a letter of offer with respect to any of the following proposed sales to Saudi Arabia (described in the certifications transmitted to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate pursuant to section 36(b) of the Arms Export Control Act on April 8, 1986) is hereby prohibited:

(1) The proposed sale of AIM-9L Sidewinder missiles, and related defense articles and defense services (Transmittal Numbered 86-29A).

(2) The proposed sale of AIM-9P4 Sidewinder air-to-air missiles, and related defense articles (Transmittal Numbered 86-29B).

(3) The proposed sale of basic Stinger air defense guided missile systems, and related defense articles and defense services (Transmittal Numbered 86-29C).

(4) The proposed sale of air launched Harpoon missiles, and related defense articles and defense services (Transmittal Numbered 86-29D).

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House joint resolution (H.J. Res. 589) was laid on the table.

GENERAL LEAVE

Mr. LEVINE of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 4515, URGENT SUPPLEMENTAL APPROPRIATIONS, 1986

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 99-586) on the resolution (H. Res. 448) waiving certain points of order against consideration of the bill (H.R. 4515) making urgent supplemental appropriations for the fiscal year ending September 30, 1986, and for other purposes, which was referred to the House Calendar and ordered to be printed.

NATIONAL NEIGHBORHOOD HOUSING SERVICES WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 492) to designate the month of June 1, 1986, as "National Neighborhood Housing Services Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but simply would like to inform the House that the minority has no objection to the legislation being considered.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 492

Whereas America's neighborhoods contain the ethnic, social, and economic relationships which are fundamental to a strong and diverse nation;

Whereas, when the physical, economic, and social structures of a neighborhood deteriorate, great harm is caused to the homes, businesses, and residents of the neighborhood, particularly for the elderly and for the poor;

Whereas the reversal of such deterioration is essential to the strength of America's families, neighborhoods, and businesses;

Whereas, throughout the United States, Neighborhood Housing Services programs, which are partnerships of local residents, business leaders, and government officials, are working to revitalize more than 200 neighborhoods;

Whereas Neighborhood Housing Services programs have generated more than three billion dollars in reinvestment funds to revitalize America's neighborhoods; and

Whereas, to accomplish their aims, such programs utilize primarily local and private resources and the assistance of hundreds of volunteers who contribute countless hours of volunteer work: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on June 1, 1986, is hereby designated as "National Neighborhood Housing Services Week", and the President is authorized and requested to issue a proclamation calling upon local and State jurisdictions, appropriate Federal agencies, and the people of the United States to observe such week with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SENIOR CENTER WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 281) to designate the week of May 11 through May 17, 1986, as "Senior Center Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 281

Whereas senior centers act as a catalyst for mobilizing the creativity, energy, vitality, and commitment of older Americans to help themselves and others in their communities;

Whereas, through their wide array of services, programs, and activities, senior centers empower older Americans to contribute to their own health and well-being and to the health and well-being of their fellow citizens of all ages;

Whereas senior centers foster a philosophy of independence, self-reliance, and community spirit, thereby representing another expression of American ingenuity, determination, self-help, and neighborliness;

Whereas the month of May has historically been proclaimed as Older Americans Month, as a time to recognize our rich treasury of older Americans; and

Whereas the national theme for Senior Center Week shall be "Senior Centers are Wellness Centers": Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the second week of May, May 11 through May 17, 1986,

be designated as "Senior Center Week" calling upon the people of the United States to recognize the special contributions of senior centers and their participants, and the special efforts of senior center staff and volunteers who work every day to enhance the well-being of older persons in communities throughout the country.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL DIGESTIVE DISEASES AWARENESS WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 324) to designate the week beginning May 18, 1986, as "National Digestive Diseases Awareness Week" and ask for its immediate consideration.

The clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 324

Whereas digestive diseases rank third among illnesses in total economic cost in the United States;

Whereas digestive diseases represent one of the Nation's most serious health problems in terms of discomfort and pain, mortality, personal expenditures for treatment, and working hours lost;

Whereas twenty million Americans suffer from chronic digestive disease;

Whereas more than fourteen million cases of acute digestive diseases are treated in this country each year, including one-third of all malignancies and some of the most common acute infections;

Whereas more Americans are hospitalized by digestive diseases than by any other diseases, necessitating 25 percent of all surgical operations;

Whereas digestive diseases are one of the most prevalent causes of disability in the work force;

Whereas digestive diseases cause yearly expenditure of over $17,000,000,000 in direct health care costs, and a total annual economic burden of nearly $50,000,000,000;

Whereas at least one hundred different digestive diseases, in addition to other disorders of the gastrointestinal tract, cause more than two hundred thousand deaths every year;

Whereas research into the causes, cures, prevention, and clinical treatment of digestive disease and related nutrition problems has become a national concern, and the people of the United States should recognize digestive diseases as a major health priority;

Whereas national organizations such as the Digestive Disease National Coalition are committed to increasing awareness and understanding of digestive diseases among members of the general public and the health care community;

Whereas the National Institutes of Health, through its National Digestive Diseases Education and Information Clearinghouse, and the National Digestive Diseases Advisory Board are committed to encouraging and coordinating such educational efforts; and

Whereas the week beginning May 18, 1986 marks the third anniversary of the National Digestive Disease Education Program, a coordinated effort to educate the public and the health care community regarding the seriousness of digestive diseases, and to provide information relative to their treatment, prevention, and control: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning May 18, 1986, is designated as "National Digestive Diseases Awareness Week". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL THEATER WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 247) to designate the week of June 1 through June 7, 1986, as "National Theater Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation of objection I yield to the gentleman from New York [Mr. GREEN], the chief sponsor of House Joint Resolution 464 to designate the week of June 1 through June 7, 1986, as "National Theater Week."

Mr. GREEN. I thank the gentleman for yielding to me.

Mr. Speaker, I would like to invite my colleagues to join with me in celebrating National Theater Week from June 1 through June 7, 1986. This week will celebrate 302 years of theatrical entertainment in America.

I am bringing this to the attention of my colleagues in order to focus public attention on the increasingly important role the legitimate theater plays in the lives of our citizens.

In a world full of crisis and stress, the theater provides a relaxing, yet thought-provoking, influence. The public has recognized this potential; over the last 4 years, total theater attendance has increased 7 percent.

The private; sector also recognizes the significance of theater as an investment. During the same 4-year period, individual and corporate support has increased 11 percent.

And the theater has also become recognized as a significant method of leveraging local investment. For every dollar spent at the box office, four are generated in local income for the food, beverage, and transportation industries.

It has been my pleasure to introduce this commemorative legislation for the past 4 years. With passage of House Joint Resolution 464, we can once again commemorate this important American institution.

□ 1525

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 247

Whereas many Americans have devoted much time and energy in advancing the cause of theatre;

Whereas the theatres of American have pioneered the way for many performers and have given them their start in vaudeville and stage;

Whereas theatre is brought to Americans through high schools, colleges and community theatre groups as well as through professional acting companies;

Whereas citizens of America have been called upon to support the threatre acts in the Nation's interest; and

Whereas many individuals and organizations are hailing the strength and vitality of the theatres of America: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of June 1 through June 7, 1986, shall be proclaimed as "National Theatre Week" throughout the country and that the President of the United States is authorized to issue a proclamation calling upon the citizens to support this effort with assistance to theatres throughout the country.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CRITICAL CARE WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 526) to designate the week of May 25, 1986, through May 31, 1986, as "Critical Care Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but simply would like to inform that House that the minority has no objection to the legislation now being considered.

Mr. DANNEMEYER. Mr. Speaker, I rise in support of House Joint Resolution 526, which designates the last week in May as "Critical Care Week." The resolution, which I introduced on February 19, of this year, is on today's unanimous Consent Calendar. I urge passage of this resolution which will assist private efforts to increase public awareness, improve family support programs and advance the research of critical care medicine. On May 29, for example, the Foundation for Critical Care Medicine will hold a fundraiser to increase public education efforts and to improve family support programs. In addition, this event will posthumously honor Senator Jacob Javits.

Critical care medicine is a broad term describing the medical treatment for patients in life-threatening situations requireing immediate care. Coronary, respiratory, neo-natal, trauma, and intensive care units are all part of critical care medicine. Every congressional district has a constituent who has depended on critical care medicine. For instance, in 1984 there were 1.1 million critical care cases in California or, in a State of 25 million, 1 out of 24 citizens needed critical care medicine. These cases involved auto accidents, swimming and boating accidents, heart patients, stroke victims, industrial accidents and for other health and accidential reasons. In addition, neo-natal care, a new critical care discipline for premature infants, is becoming more advanced.

Mr. Speaker, I want to thank Ms. Norma Shoemaker and Ms. Charm Cohlenberger, from the Society of Critical Care Medicine in Fullerton, CA, for assisting my efforts in gaining the 218 cosponsors needed to report the resolution. Without their efforts, this resolution would not be under consideration today. In addition, I want to thank Ms. Sally Schwartz of the Foundation for Critical Care Medicine, for assisting our efforts to gain cosponsors and for coordinating our effort to pass this resolution in the other body. Their work and the efforts of the Society and Foundation for Critical Care Medicine to improve the care of our Nation's critically ill should not go unnoticed.

Finally, I want to thank the chairman and the ranking minority member of the Subcommittee on Census and Population, the gentleman from New York [Mr. GARCIA] and the Gentleman from Utah [Mr. HANSEN] for expediting consideration of this resolution. In addition, I want to thank the 219 Members who cosponsored House Joint Resolution 526. In particular, I want to thank the Members of the four subcommittees with jurisdiction over health issues: the Appropriations Subcommittee on Labor, Health, Human Services, and Education; the Energy and Commerce Subcommittee on Health and Environment of which I am a member; the Ways and Means Subcommittee on Health; and the Select Committee on Aging Subcommittee on Health and Long-Term Care, a majority of whom have cosponsored House Joint Resolution 526. It is clear that those Members of Congress most closely involved with health issues view critical care as a vital medical profession deserving of congressional recognition.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 526

Whereas the public is not sufficiently aware of the special medical needs of the critically ill;

Whereas patients such as trauma and burn victims, AIDS victims, and postoperative patients with complications vitally need critical care units within hospitals;

Whereas critical care units, where they are available, often serve as many as 15 per centum of the inpatients of a hospital;

Whereas four thousand three hundred critical care units have already been established in the United States;

Whereas the Society of Critical Care Medicine and its members throughout the United States are dedicated to improving the care of critically ill patients through research and education: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of May 25, 1986, through May 31, 1986, is designated "Critical Care Week". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe this week with appropriate programs and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OLDER AMERICANS MELANOMA/SKIN CANCER DETECTION AND PREVENTION WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 267) designating the week of May 26, 1986, through June 1, 1986, as "Older Americans Melanoma/Skin Cancer Detection and Prevention Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but I would simply like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 267

Whereas skin cancer, including melanoma and nonmelanoma types, is the most common cancer in the United States, accounts for between 30 and 40 per centum of all cancers, and is increasing at a significant rate;

Whereas the incidence of skin cancer increases throughout adult life, the highest age-specific incidence rates for melanoma and other skin cancers occur in the United States population over the age of fifty years;

Whereas specific causes for the prevalence of the disease in this population are not entirely known, and more research is required on the causes, it is nevertheless clear that early detection and early treatment of melanoma and nonmelanoma skin cancers result in high cure rates;

Whereas older Americans should become aware that melanoma and nonmelanoma skin cancers are major health problems, and education about detection and prevention of such cancers should become a national concern;

Whereas the American Academy of Dermatology and State and local dematologic organizations are committed to heightening the awareness and understanding of melanoma and nonmelanoma skin cancers among older Americans; and

Whereas the Second Annual National Melanoma and Skin Cancer Detection and Prevention Program, a coordinated national voluntary effort of professional dermatologic organizations to reduce the increasing incidence of melanoma and nonmelanoma skin cancers and to better control such cancers, will occur during the week of May 26, 1986, through June 1, 1986: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of May 26, 1986, through June 1, 1986, is designated as "Older Americans Melanoma/Skin Cancer Detection and Prevention Week", and the President is authorized and requested to issue a proclamation calling upon all Government agencies and the people of the United States to observe the week with appropriate programs and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL BIRDS OF PREY MONTH

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 288) to designate the month of May 1986, as "National Birds of Prey Month," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but I simply would like to inform the House the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation, I yield to the distinguished gentleman from Idaho [Mr. CRAIG], who is the chief sponsor of House Joint Resolution 546, designating May, 1986 as National Birds of Prey Month.

Mr. CRAIG. Mr. Speaker, I thank my colleague, the gentleman from Utah for yielding to me.

Mr. Speaker, nothing symbolizes the freedom of this Nation more than its birds of prey. These majestic creatures not only play a vital role in maintaining nature's balance, but their grace, beauty and spirit have been an inspiration for centuries.

Many species of birds of prey inhabit the United States and an alarming number of them are listed as either threatened, endangered or near extinction. Millions of Americans are concerned about these birds and many are actively working for their preservation.

This month marks the dedication of the Peregrine Fund's World Center for Birds of Prey in Boise, ID. Directed by Morlan Nelson, this center is a unique wildlife resource and represents an important link in a chain of concern.

The World Center for Birds of Prey will be available for use by biologists as well as visiting scientists, graduate and undergraduate students at Boise State University. In addition to its function as a research facility, the center will serve as an information and education center for the public. And, indeed, it is information and education concerning the plight of these birds that is much needed.

Important strides already have been made. Last year, in its 1st year of operation, the World Center for Birds of Prey released 140 peregrine falcons in Idaho, Utah, Montana and Colorado. Eighteen additional falcons were placed in foster nests in Colorado. In October, 53 falcons were transferred to the Boise Center from Ithaca, NY to be bred for release in Eastern States.

Thus this center actually represents coast-to-coast involvement in a coast-to-coast concern.

Designating May 1986 as National Birds of Prey Month not only will help heighten that concern, but also will assist the many individuals and organizations who are desperately trying to insure the continued existence of these noble birds.

Mr. HANSEN. Mr Speaker, further reserving the right to object, I join with my colleague the gentleman from Idaho in the excellent remarks the gentleman has made concerning this important subject.

Mr Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 288

Whereas hawks, owls, and other birds of prey are important ecological components of the ecosystem and contribute to the quality of the wildlife communities in which they live;

Whereas birds of prey represent the highest ideals of humanity, inspiring Americans and all people who value freedom;

Whereas a substantial number of species of birds of prey that occur regularly in the United States have been listed by one or more State or Federal conservation agencies as endangered, extirpated, threatened, or of concern;

Whereas millions of Americans from coast to coast and border to border regularly gain pleasure by observing birds of prey throughout our country; and

Whereas a World Center for Birds of Prey has been established at Boise, Idaho, adjacent to the Snake River Birds of Prey Area, an international treasure, and where public activities are being scheduled for the month of May 1986, to better acquaint the public with birds of prey: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in congress assembled, That the month of May 1986, is designated as "National Birds of Prey Month", and the President of the United States is authorized and requested to issue a proclamation calling upon individuals to observe such a month by recognizing the importance of birds of prey in our environment.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GARCIA. Mr Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks on the various joint resolutions just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R 3214, COW CREEK BAND OF UMPQUA INDIANS DISTRIBUTION OF JUDGMENT FUNDS ACT

Mr. WEAVER. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill H.R. 3214, the Clerk be directed to correct the amendment on page 12 as it was before the House on May 7:

(1) by striking out all of lines 9 through 14 of the bill, as introduced,

(2) by inserting before the text the words "Section 5 of the Act of December 29, 1982 (P.L. 97-391) is amended to read as follows:" and

(3) by inserting quotation marks before SEC. 5(a), before paragraph (b) and after the period at the end of paragraph (b).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

Mr. CRAIG. Mr. Speaker, reserving the right to object, will the gentleman from Oregon give us a brief explanation?

Mr. Speaker, under my reservation of objection, I yield to the gentleman from Oregon.

Mr. WEAVER. In preparing the paper on H.R. 3214, an error was made in the incorporation of the committee amendment. The change proposed is not a change of substance from the committee's recommendation, but simply corrects a mistake made to the text so it will read correctly.

Mr. CRAIG. Mr. Speaker, further reserving the right to object, I thank my colleague the gentleman from Oregon for responding. The minority has no objection.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

CLARIFYING THE STATUS OF WATER-CONVEYANCE SYSTEMS CONSTRUCTED WITHIN THE NATIONAL FOREST SYSTEM PRIOR TO ENACTMENT OF FLPMA

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2921) to authorize the Secretary of Agriculture to issue permanent easements for water conveyance systems in order to resolve title claims arising under acts repealed by the Federal Land Policy and Management Act of 1976, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

□ 1535

Mr. STRANG. Mr. Speaker, reserving the right to object, I do not necessarily object, but I would merely like to compliment the distinguished chairman of the Subcommittee on Public Lands for his patience and his efforts, without which there would be no bill before us.

Mr. Speaker, the product we bring to the floor today in H.R. 2921 is the result of a great deal of intensive work by the Public Lands Subcommittee, and the cooperation of Chairman JOHN SEIBERLING.

I also want to especially thank the Forest Service and the administration for their active involvement in the discussions that have resulted in their support of the compromise legislation before us today. The House Committee on Agriculture has also played an important role in perfecting the legislation.

This bill is carefully crafted to meet very specific needs and cure very specific problems created when the Congress passed the Federal Land Policy and Management Act [FLPMA] of 1976. This legislation protects the historic property rights of farmers and ranchers served by irrigation and livestock watering ditches that traverse public lands, and were placed in operation or modified prior to the passage of FLPMA in 1976.

Again, I commend the chairman for his cooperation and assistance in moving this legislation forward. I urge my colleagues to support the bill.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the bill, as follows:

H.R. 2921

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. Section 501 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1761) is amended by adding at the end thereof the following new subsection:

"(c)(1) The Secretary of Agriculture may issue permanent easements, without reimbursement, for water systems described in subsection (a)(1) of this section, traversing lands within the National Forest System, constructed and in operation or placed into operation prior to October 21, 1976, if—

"(A) the lands under the administrative jurisdiction of the Secretary of Agriculture are in States where the appropriation doctrine governs the ownership of water rights;

"(B) the use served by the water system is located on non-Federal lands;

"(C) the originally constructed facilities have been in substantially continuous operation without abandonment. Failure of the holder of the facilities to use the facilities for the purpose for which they were originally constructed, for any continuous five-year period, shall constitute a rebuttable presumption of abandonment of the right of way; and

"(D) a legally acceptable and recordable survey or description is provided to the Secretary of Agriculture by the applicant for the easement.

"(2)(A) Easements issued under the authority of this subsection are supplementary to, and not in lieu of, any other grants made by previous Acts. Each such previous grant of right-of-way shall remain in full force and effect unless the holder thereof notifies the Secretary of Agriculture that such holder elects to be governed by the provisions of this subsection, in which case such previous grant shall be deemed to have been relinquished and shall terminate upon the issuance of a new easement. The Secretary of Agriculture shall have the authority to administer all grants issued for uses authorized by previous Acts by the Secretary of Interior with respect to land under the jurisdiction of the Secretary of Agriculture.

"(B) Easements issued under the authority of this subsection are fully transferable with all existing conditions and without the imposition of new conditions or stipulations at the time of transfer. The holder shall notify the Secretary of Agriculture within sixty days of any address change of the holder or change in ownership of the facilities.

"(C) Easements issued under the authority of this subsection shall include all changes or modifications to the original facilities in existence as of October 21, 1976, the date of enactment of this Act.

"(D) Any future extension or enlargement of facilities after October 1, 1976, shall require the issuance of a separate authorization, not authorized under this subsection.

"(3)(A) The Secretary of Agriculture may terminate or suspend the easement in accordance with section 506 of this Act.

"(B) Nothing in this subsection shall confer to the Secretary of Agriculture any authority to regulate the appropriation of water rights for the purposes described in subsection (a)(1).

"(4) Unless specifically excepted in this subsection, all rights-of-way authorized by this subsection are subject to all other conditions and requirements of this Act.".

SEC. 2. Section 504 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1764) is amended by—

(1) inserting before the end of subsection (f) "or for emergency repair work necessary for those rights-of-way authorized under section 501(c) of this Act.";

(2) striking out the first sentence of subsection (g) and by inserting in lieu thereof the following: "The holder of a rights-of-way shall pay in advance the fair market value thereof, as determined by the Secretary granting, issuing, or renewing such right-of-way. The Secretary concerned may require either annual payment or a payment covering more than one year at a time. The Secretary concerned may waive rentals where a right-of-way is granted, issued, or renewed in reciprocation for a right-of-way conveyed to the United States in connection with a cooperative cost share program between the United States and the holder."; and

(3) adding at the end thereof the following new subsection:

"(k) Notwithstanding any requirement of subsection (i), in the event the holder of the right-of-way allows it to deteriorate to the point of threatening persons or property and refuses to perform the necessary repair and maintenance, the Secretary shall have the right to undertake such repair and maintenance on the right of way and assess the holder for the cost.".

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. SEIBERLING

Mr. SEIBERLING. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by

Mr. SEIBERLING: Strike all after the enacting clause and insert the following:

Section 1(a) For purposes of the Act, the term "the Act" means the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1761).

(b) Section 501 of the Act is amended by adding at the end thereof the following new subsection:

"(c)(1) Upon receipt of a written application pursuant to paragraph (2) of this subsection from an applicant meeting the requirements of this subsection, the Secretary of Agriculture shall issue a permanent easement, without a requirement for reimbursement. for a water system as described in subsection (a)(1) of this section, traversing Federal lands within the National Forest System ("National Forest Lands"), constructed and in operation or placed into operation priot to October 21, 1976, if—

"(A) the traversed National Forest lands are in a State where the appropriation doctrine governs the ownership of water rights;

"(B) At the time of submission of the application the water system is used solely for agricultural irrigation or livestock watering purposes;

"(C) the use served by the water system is not located solely on Federal lands;

"(D) the orriginally constructed facilities comprising such system have been in substantially continuous operation without abandonment;

"(E) the applicant has a valid existing right, established under applicable State law, for water to be conveyed by the water system;

"(F) a recordable survey and other information concerning the location and characteristics of the system as necessary for proper management of National Forest lands is provided to the Secretary of Agriculture by the applicant for the easement; and

"(G) the applicant submits such application on or before December 31, 1996.'

"(2)(A) Nothing in this subsection shall be construed as affecting any grants made by any previous Act. To the extent any such previous grant of right-of-way is a valid existing right, it shall remain in full force and effect unless an owner thereof notifies the Secretary of Agriculture that such owner elects to have a water system on such right-of-way governed by the provisions of this subsection and submits a written application for issuance of an easement pursuant to this subsection, in which case upon the issuance of an easement pursuant to this subsection such previous grant shall be deemed to have been relinquished and shall terminate.

"(B) Easements issued under the authority of this subsection shall be fully transferable with all existing conditions and without the imposition of fees or new conditions or stipulations at the time of transfer. The holder shall notify the Secretary of Agriculture within sixty days of any address change of the holder or change in ownership of the facilities.

"(C) Easements issued under the authority of this subsection shall include all changes or modifications to the original facilities in existence as of October 21, 1976, the date of enactment of this Act.

"(D) Any future extension or enlargement of facilities after October 21, 1976, shall re-

quire the issuance of a separate authorization, not authorized under this subsection.

"(3)(A) Except as otherwise provided in this subsection, the Secretary of Agriculture may terminate or suspend an easement issued pursuant to this subsection in accordance with the procedural and other provisions of section 506 of this Act. An easement issued pursuant to this subsection shall terminate if the water system for which such easement was issued is used for any purpose other than agricultural irrigation or livestock watering use. For purposes of subparagraph (D) of paragraph (1) of this subsection, non-use of a water system for agricultural irrigation or livestock watering purposes for any continuous five-year period shall constitute a rebuttable presumption of abandonment of the facilities comprising such system.

"(B) Nothing in this subsection shall be deemed to be an assertion by the United States of any right or claim with regard to the reservation, acquisition, or use of water. Nothing in this subsection shall be deemed to confer on the Secretary of Agriculture any power or authority to regulate or control in any manner the appropriations, diversion, or use of water for any purpose (nor to diminish any such power or authority of such Secretary under applicable law) or to require the conveyance or transfer to the United States of any right or claim to the appropriation, diversion, or use of water.

"(C) Except as otherwise provided in this subsection, all rights-of-way issued pursuant to this subsection are subject to all conditions and requirements of this Act.

"(D) In the event a right-of-way issued pursuant to this subsection is allowed to deteriorate to the point of threatening persons or property and the holder of the right-of-way, after consultation with the Secretary of Agriculture, refuses to perform the repair and maintenance necessary to remove the threat to persons or property, the Secretary shall have the right to undertake such repair and maintenance on the right-of-way and to assess the holder for the costs of such repair and maintenance, regardless of whether the Secretary had required the holder to furnish a bond or other security pursuant to subsection (i) of this section.".

(c) Section 501 of the Act is amended by adding at the end of subsection (b) the following paragraph:

"(3) The Secretary of Agriculture shall have the authority to administer all rights-of-way granted or issued under authority of previous Acts with respect to lands under the jurisdiction of the Secretary of Agriculture, including rights-of-way granted or issued pursuant to authority given to the Secretary of the Interior by such previous Acts.".

SEC. 2. Section 504 of the Act is amended by—

(1) inserting before the end of subsection (f) "or for emergency repair work necessary for those rights-of-way authorized under section 501(c) of this Act."; and

(2) striking out the first sentence of subsection (g) and by inserting in lieu thereof the following: "The holder of a right-of-way shall pay in advance the fair market value thereof, as determined by the Secretary granting, issuing, or renewing such right-of-way. The Secretary concerned may require either annual payment or a payment covering more than one year at a time except that private individuals may make at their option either annual payments or payments covering more than one year if the annual fee is greater than one hundred dollars. The Secretary concerned may waive rentals where a right-of-way is granted, issued or renewed in consideration of a right-of-way conveyed to the United States in connection with a cooperative cost share program between the United States and the holder.".

Mr. SEIBERLING (during the reading). Mr. Speaker, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. STRANG. Mr. Speaker, reserving the right to object, I yield to the gentleman from Ohio [Mr. SEIBERLING] to explain the nature of the amendment.

Mr. SEIBERLING. Mr. Speaker, we bring this bill to the floor with an amendment in the nature of a substitute which includes provisions adopted by the Interior Committee and some revisions made to meet concerns of the Committee on Agriculture.

As a result, the bill is very similar to a House-passed bill of the last Congress dealing with this subject and is acceptable to the Forest Service and the administration.

The bill addresses the status of certain irrigation ditches and similar facilities located on western national forest lands which were built and in use prior to the enactment of the Federal Land Policy and Management Act of 1976. That act protected valid existing rights. The owners of these systems believe that that means they should be exempt from the regulatory provisions of that act and from its requirement of annual right-of-way rental payments. The Forest Service does not agree with that position.

This bill would not alter that situation. It would leave these parties free to resolve the matter through litigation.

The bill however would extend to qualified holders of existing qualified irrigation systems an option that they could exercise as an alternative to litigation over the status of their systems.

That option is, to agree to be subject to the general terms and conditions of the Federal Land Policy and Management Act regarding rights-of-way, in return for assurance that an easement would be granted that would be open ended in duration and would be exempt from the annual rental fees otherwise required by the act.

The substitute would limit the bill so that it would apply only to systems crossing national forest lands, for which the applicants have a valid water right under State law, and which were constructed and in operation prior to the specified date.

The substitute also contains a number of modifications to existing law, as suggested by the Forest Service in order to give them additional flexibility in managing rights-of-way.

It is my understanding that the Forest Service and the administration have no problems with the bill as we bring it before the House. I believe it is a sound and balanced measure and I urge its approval

Mr. Speaker, I would be glad to answer any other questions if any Member has one.

Mr. STRANG. Mr. Speaker, I greatly appreciate the explanation of the distinguished chairman.

Again, I would express my deep gratitude for the gentleman's efforts on this bill.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from Ohio [Mr. SEIBERLING].

The amendment in the nature of a substitute was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

NATIONAL CHILD CARE POLICY

(Mrs. JOHNSON asked and was given permission to address the House for 1 minute and to revise and extend her remarks and include extraneous matter.)

Mrs. JOHNSON. Mr. Speaker, today I am introducing legislation that, for the first time, will provide some help for low- and moderate-income families in shouldering the cost of child care.

Mr. Speaker, it is indeed ironic that in a nation where most women are working, our national child care policy provides help only to those who make enough money to benefit from tax credits or to those whose incomes are low enough to qualify them for title XX assistance if they live near a title XX facility and that title XX facility has a day care slot available. Indeed, this is an unenlightened, irrational and unfair policy.

My bill will provide help to those struggling families currently cut out of our system by providing vouchers to cover part of the cost of day care, as tax credits now provide part of the

cost of day care to more affluent families. My legislation requires registration, so families will have better information about the opportunities and choices available to them. It requires certification to assist families in judging the quality of care providers. And it is budget neutral because it covers the cost of the new voucher program by capping the tax credit program and redirecting the money saved to support the low- and moderate-income families facing heavy day care costs.

Mr. Speaker, I urge all my colleagues to join me today as I submit legislation that will create a comprehensive, fair and effective day care policy in America and call new attention to a recent column by William Raspberry, entitled "Day-Care Magic," describing my bill and it's great potential for helping America's families.

DAY-CARE MAGIC

(By William Raspberry)

A group of House Republicans is backing a day-care bill that has the look of a legislative miracle.

It would provide $200 million to expand the availability of day care for needier families, possibly helping some of them to climb out of poverty, and it wouldn't cost the taxpayers anything—or at any rate, not very much.

Rep. Nancy Johnson's proposal would work its magic by capping the income eligibility for the existing Dependent Care Tax Credit at $50,000, thus shifting the emphasis of federal child-care support from upper-income families toward those low- and moderate-income households that need it most.

Instead of providing government-run day-care centers, the Child Care Act of 1986, backed by the moderate Republican Wednesday Group, would provide federal vouchers to be administered by the states. Eligibility would be set at 200 percent of the poverty level. Denying eligibility to families earning $50,000 or more would save approximately $200 million a year in federal funds—making the legislation essentially cost-free, while eliminating only about 8 percent of the current users of the tax credit.

"In light of fiscal constraints, we cannot continue to assist families with incomes well above the national average, while low-income mothers lack child-care resources so essential to their efforts to escape the cycle of proverty," said Johnson (R-Conn.).

Under current law, the richest households are eligible for the tax credits, while the poorest families earn too little to qualify for them.

That is one of the gaps the bill would address. The other involves the availability of child-care services. Under present law, federal child-care money is available to providers that meet state guidelines and to families that live near subsidized centers. "For the vast majority of low-income families struggling to maintain their independence and create a stable and secure family unit, there is no help at all," Johnson said.

She would cure that by requiring that states receiving voucher funds exempt home-based day care providers from state licensing requirements.

That provision is likely to spark some controversy, given the charges of child abuse that have been leveled against a number of day-care centers. But Johnson believes that licensure is no ensurance against abuse.

Moreover, since most children are cared for in "unlicensed 'underground' day-care homes, advertised by word of mouth," licensure has failed, she said.

"We initiated this project because the issue of child care has become increasingly important as women continue to play a major role in the work force," said Johnson. "In 1970, 32.2 percent of all women with children under age 6 were in the work force. By 1985 the figure reached 52.1 percent. Women, especially those in the low-income category, are often faced with the inability to find gainful employment due to lack of child-care options. This is a serious labor market problem and not just a women's issue."

There can be no question of its seriousness. The unavailability of affordable day care is one of the key reasons low-income mothers find it difficult to join the labor force. The supply of day care is so far behind the demand, according to the Wednesday Group, that there is an 18- to 24-month wait for subsidized facilities. Many children, including some preschoolers, are going without any day care at all.

If Nancy Johnson's bill can fix that, while expanding the choices available to low-income parents, and do it all without cost to the Treasury, she will have pulled off a most useful miracle.

CIVIL SERVANTS NEED RELIEF FROM EXCESSIVE WITHHOLDING—A COMPROMISE MUST BE REACHED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. GLICKMAN] is recognized for 5 minutes.

Mr. GLICKMAN. Mr. Speaker, on April 30 time ran out for Congress and the President to reach an agreement on a new permanent retirement system for Federal and postal employees hired after 1983. This means that affected employees may now have to pay more than 14 percent of their salary toward retirement, unless an agreement is reached without further delay. This is an obvious hardship which Federal employees should not have to bear.

For more than 2 years, Congress has been trying to come up with a package which would be acceptable to Members of the House and Senate and the President. After much hard work the House and the Senate were able to reach an informal agreement which they submitted to the administration for approval. The adminstration, however, blocked final passage by insisting that further reductions be made in the retirement package. The time has come for the administraton to review their unbending policy and agree to work with the proposal developed by the Congress. There is no longer any time left to stall as any delay now means a serious reduction in the pay checks of hard-working civil service employees. I strongly urge the administration to act expeditiously as it, as well as Congress, has a responsibility to act fairly and responsibly toward those who work for their Government.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. DONNELLY] is recognized for 5 minutes.

Mr. DONNELLY. Mr. Speaker, I was unavoidably absent earlier today for the recorded votes on H.R. 4021, vocational rehabiliation amendments, and House Joint Resolution 589, to prohibit sales of missiles to Saudi Arabia, due to the birth of my son in Boston. Had I been present, I would have voted "aye" on both bills.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. LEHMAN] is recognized for 5 minutes.

Mr. LEHMAN of California. Mr. Speaker, I would like to have the record show that, as a cosponsor of House Joint Resolution 589, prohibiting the proposed sales of certain missiles to Saudi Arabia, I would have voted "yes" had I been present for the vote today. Unfortunately, I was unable to be present for the debate because of official out-of-town business.

OLDER AMERICANS' MONTH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. KOLBE] is recognized for 60 minutes.

GENERAL LEAVE

Mr. KOLBE. Mr Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. KOLBE. Mr Speaker, this afternoon I have invited Members of Congress to participate in a forum to acknowledge May 1986 as "Older Americans Month" and to discuss issues that senior Americans are facing. Senior Americans comprise the fastest growing population segment in this country. In 1984, 1 in 5 Americans was at least 55 years old, 1 in 9 was at least 65. This translates into about 50.2 million Americans age 55 or older and 28 million who were at least age 65. According to the U.S. Bureau of the Census, the projected growth in the older population will raise the median age of the U.S. population from 31 today to 36 by the year 2000 and to age 42 by the year 2050. Also, if current fertility and immigration levels remain stable, the only age groups to experience significant growth in the next century will be those past age 55. In my State of Arizona alone, there were 670,100 citizens aged 55 and older in 1985.

While older Americans represent the wealthiest segment of our population, they are confronted with specific problems which society must address. Crime committee against the elderly, for example, continues to be a serious problem. Also, according to the House Aging Committee, senior Americans face out-of-pocket health-care costs growing twice as fast as their incomes; the committee estimated that by 1991, the elderly will have to use 18.5 percent of their income for health care, compared to the 12 percent spent in 1977. A specific health problem facing older Americans and their families is Alzheimer's disease. This is a severe neurological disorder which affects 1 to 4 million middleaged and elderly Americans and it can eliminate the financial security of a family. These are among the real problems that senior Americans are immediately faced with, and all Americans are affected, directly or indirectly, by these types of issues.

Mr Speaker, today, I would like to speak briefly about the diagnostic-related groups [DRG's], which is a complex system of categories established by the Government to regulate Medicare payments for specific treatments. Medicare is, of course, a nationwide health insurance program for 27.5 million aged and 2.9 million disabled individuals. I am going to explain the DRG system and share with my colleagues some concerns that older Americans have about this system.

In the past, the Federal Government paid hospitals for the costs of care provided to Medicare patients. Today, under the more cost-effective prospective payment system [PPS], the Government makes reimbursements to hospitals based on average costs for particular diagnoses. The Government sets a standard rate—or average cost—for each category of treatment and these categories are called DRG's. There are now nearly 470 categories, such as for cataract surgery and coronary bypass. DRG's are assigned by the insurance companies that administer hospital Medicare claims.

A hospital thus usually knows in advance, based on the diagnosis of the patient when he or she is admitted, what it will receive for the treatment of that individual. If the hospital provides the necessary services for less than the allotted amount, it keeps the balance. And if the costs exceed the DRG payment, then it must absorb the loss.

Under PPS, hospitals are encouraged to provide only those services which are medically necessary, to manage all of their resources more efficiently, and to provide care in the most appropriate setting. However, there have been reports of significant problems in the delivery of health care under the DRG system of payments.

One frequent criticism of the DRG system is that patients are discharged from hospitals before they are well enough to leave. Last year, Congressman JOHN MCCAIN and I held a hearing on DRG's in Tucson and I would like to share with you the case of a witness who appeared at the hearing and who felt she was discharged too soon from a hospital on four separate occasions.

In November 1984, she developed a diabetic ulcer on her foot for which she was treated as an outpatient. The ulcer did not heal. She was then hospitalized for the same problem again in December and then she was treated as an outpatient daily at a burn center from January 30 to April 15 for the same ulcer. The 7-day-a-week commuting to the burn center was an enormous burden for her family.

On April 16, she went to the hospital with congestive heart failure and pulmonary bronchitis. She stayed in the hospital for the 5 days specified by the DRG for pulmonary bronchitis and then was sent home. At home, her daughter had to administer treatments four times a day and a home health nurse visited the patient three times a week.

Several months later, this same woman had a mastectomy followed by chemotherapy. On the third day after surgery, the day she was supposed to leave the hospital, her wound opened and she stayed in the hospital 1 more day.

Finally, my constituent had a staph infection for 16 days also in 1984 and when she was discharged, she was still on an IV. Her daily IV treatments cost $65 per day and they were not covered by Medicare.

So here is a case of a senior citizen in my district with serious health problems who felt she was improperly cared for under the DRG system. And there have been similar cases reported across the country where patients seem to have been discharged before they are well enough. I would cite, for example, the case of Lawrence Bell from Cleveland, OH, who's wife recently testified before the Senate Aging Committee.

As Members of Congress, we have an obligation to improve this kind of dilemma facing our senior citizens. I commend my colleagues for efforts they have made so far to make Medicare more cost-efficient so that the Government can continue to provide basic health care. I hope, though, that we will make a special effort during this commemorative month to learn more about providing health care for older Americans and work to improve this problem and other problems which this segment of our population faces. Thank you.

□ 1550

Mr. CRAIG. Mr. Speaker, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman from Idaho.

Mr. CRAIG. Mr. Speaker, I thank my colleague from Arizona for taking this special order to recognize our older Americans.

It is certainly important to call attention to the issues facing senior citizens. Like all work undone, these issues, unless properly addressed today, will continue to plague us tomorrow.

The United States today is blessed with more able, educated citizens age 65 or older than any other nation in the world. With this blessing, as always, comes a responsibility, and that is that we must deal with the special problems of older Americans: their increased incidence of disability, sickness, isolation, and poverty.

Thus, our older population represents both a valuable resource and a particularly vulnerable segment of our society.

Nationwide, we are growing older. By the year 2020, it has been estimated that the Nation's population aged 65 and older will have grown by more than three-fourths since 1970 and will make up more than 15 percent of the population, compared with 11 percent in 1970. In my own State of Idaho, our older population is growing slightly faster than the national average, so my own interest is more heightened than some.

A recent Gallup survey found that Americans 65 and older are more likely than younger citizens to get involved in charitable or social-service activities and to become active in politics.

Some may see this as a function of their having more available time. Those of us who have long benefited from their viewpoints and guidance believe it is more a function of their experience and concern. I have had senior volunteers in my office since I was elected in 1981.

In meetings with the older constituents of my district and the volumes of mail they send to my office, I know them to be aware of the issues facing them, the implications of these issues upon all of us and the broader scope of issues in a world some prematurely may believe they no longer are a force in.

They talk and write to me about: Social Security, Medicare, budgetary impact on a fixed income, overpayment of income taxes, and their being used as a campaign tool—"political football," as you have said

A recent article in U.S. News & World Report dealt with older Americans and how they perceived themselves as being younger than their

chronological years. It concluded by saying:

Older Americans are certainly not without their problems, but they are generally healthy—aided by gains in medical science and government health programs. More important, they are feeling good about themselves, both inside and out.

It is our job as legislators and fellow citizens to do what we can to instill that feeling of well-being and worth in all mature Americans.

Mr. KOLBE. Mr. Speaker, I appreciate the contribution of my colleague from Idaho to this discussion. He has pointed out the very dramatic aging of our population. In the next 70 years the average American will be 11 years older than he or she is today. That is a dramatic demographic change. It is going to have enormous implications for our society, whether we talk about housing, employment, consumer issues, the political issues, the health-care issues, and the whole issue of taxes and how we raise funds and have a productive society. It has enormous implications for all of us, and I appreciate what the gentleman has contributed to this discussion.

Mr. CRAIG. Mr. Speaker, if the gentleman will yield further, I thank my colleague, the gentleman from Arizona [Mr. KOLBE].

The one thing that I have observed in my years in public life and in working with the senior community and serving on the Select Committee on Aging here in this Congress, is that oftentimes our senior community, as I mentioned, is taken for granted. That seems to be true in this society still, although we have basically said as a government and as a society that just because you are 65 years of age it no longer means that you are "out to pasture." We know in our working with the mature American group that they are certainly not out to pasture, that they live very vital and active lives and play tremendous roles in our society at the local level and at the national level, and I know that probably some of the most rewarding things that I see being done in Idaho today as it relates to people caring for people would be our elderly or our mature American community giving of their time to work with young people and all people in their personal difficulties and being so willing to give of that time.

Mr. KOLBE. Mr. Speaker, I appreciate the gentleman's remarks.

Mr. McCAIN. Mr. Speaker, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman from Arizona.

Mr. McCAIN. Mr. Speaker, cost containment in health care poses enormous challenges for the traditional values of medicine. Health care delivery now comprises over 10 percent of the gross national product and is expected to grow by an average of $50 billion per year, doubling every 6 years between now and the year 2000. Federal Medicare outlays for the elderly have risen about 17 percent per year since 1970, and could build a deficit of $300 billion by 1995, unless trends are altered.

Concern over the bankruptcy of this Nation's Medicare Program for helping the Nation's elderly to receive adequate health care, has resulted in legislation by Congress. In the Social Security Amendments of 1983, Congress approved a new payment system for Medicare reimbursement to hospitals, known as the prospective payment system. Under this system, hospitals are paid a predetermined price for their services based on a patient DRG—diagnosis-related group. They are only reimbursed for what DRG's allow. Hence, hospitals now must be DRG-efficient in providing services: real costs must not exceed present DRG rates overall.

The goals of the DRG system are to control cost increases in Medicare, to achieve some predictability over expenditures, and ultimately avoid the bankruptcy of the Medicare Program. Recent reports show that cost savings are being made, however. Congress has heard recent complaints that the quality of health care is diminishing and patients are being prematurely discharged from hospitals. In order to prevent untoward consequences and to ensure quality health care to our elderly. Congress will have to refine the DRG system.

I along with Congressman JIM KOLBE held a congressional field hearing in Tucson on September 14, 1985, regarding the "Impact of the DRG System in Arizona." We heard testimony from Medicare beneficiaries, doctors, aging organizations, the Arizona Hospital Association, the Arizona State Medical Society, and a home health care agency. The purpose of the hearing was to document any problems that are occurring in Arizona as a result of the DRG system. The testimony presented at the hearing was excellent and provided insight into the DRG system.

Some witnesses charged hospitals with discharging patients prematurely and providing a diminishing quality of care—because of reduced access to services. Other witnesses made note of the fact that there are not sufficient supportive services or home health care providers to care for a patient who does not spend as much time in the hospital.

Currently, there are peer review organizations who contract with the Federal Government to monitor the Medicare DRG system by reviewing quality, cost, and hospital utilization. I am currently exploring the possibility of changing the PRO's responsibility to put further emphasis on patient quality care. Additionally, the Department of Health and Human Services is further exploring ways to refine the DRG system to include a severity of illness index. This means that those patients with an illness could be categorized according to the severity of their illness or reason of admission. Therefore a hospital would be more accurately reimbursed according to that illness.

Congress and the administration will continue the effort to assure that the financial stability of Medicare is not threatened. However, we must be careful that our efforts do not simply address a collection of complaints but reflect a well-considered approach to improving these programs through positive competitive incentives. Let me assure you that this is one of my top priorities as a member of the Select Committee on Aging. I will make and encourage the necessary changes in the DRG system to provide quality health care at a reasonable price.

□ 1600

Mr. KOLBE. I would agree with the gentleman completely. Certainly the testimony we heard at our field hearing in Tucson last year over and over again we heard from senior citizens who felt that they had been discharged too early, that they needed that kind of assurance that their concerns would be heard in those peer review organizations.

I was struck in our hearing by the fact that the doctors and the hospitals, I suppose not unexpectedly, would tell us no, it is not happening, that these discharges are not taking place too early, and yet over and over again we were hearing from senior citizens who felt it was a concern, so regardless of what the facts are, the perception is such that people are being discharged too early. It is important in order to restore confidence in the health system, it seems to me, that senior citizens be brought into that whole system of peer reviews that they can be assured that these decisions are being made on a health care medical basis, rather than strictly on dollars and cents and Medicare payment.

Mr. McCAIN. Well, if the gentleman will yield further, I think there is also a perception displayed there and is reflected in the mail and the phone calls that I have received that the hospital administrators many times also are receiving an inordinate amount of authority on this issue and in many ways are pressuring the doctors to sign the discharge papers or not provide sufficient or adequate testing and medication for the patients.

I agree with the gentleman. Perhaps it is rested only on perception, but if we want to cure that perception, then I believe we are going to have to have a clear representation in the PRO's—the peer review organizations—of

members of respected senior citizen organizations so that those members can report to those organizations that indeed a fair and complete hearing is being provided to them.

I think, as I mentioned when I began here, that Congressman KOLBE has addressed a very important issue here today. There is going to be a continued debate trying to solve the tremendous dichotomy of a growing need for medical care for senior citizens in this country and growing expenses, and at the same time the ability of this Nation to provide that health care. I think it is going to take the participation of all of us, not only those in the Congress, but people across the country from all parts of the medical equation, the patient, the administrator, the doctor, the lawmaker, the insurer and the Federal Government in order for us to come up with a reasonable and equitable way to make sure that we fulfill the obligation that we have to all our citizens.

I think this special order today contributes a great deal to that. I appreciate my colleague from Arizona bringing this about.

Mr. KOLBE. I appreciate the gentleman's comments.

Those of us who come from Arizona, which is a rapidly growing Sun Belt State, are experiencing a curious demographic trend. As a rapid growth State, we have a lot of young people moving into the State looking for jobs. But at the other end of the age spectrum, we have a lot of senior citizens also who come to the State to retire and to live their golden years, as we might call them, in the wonderful climate and sunshine that the gentleman and I get to enjoy on weekends when we are home in our districts.

I think it points out the difficulties that we as a society are going to face in order to meet the responsibility we have to senior citizens. It is going to put undeniably a strain on our society, the productive aspects of our society, to be able to provide the adequate health care, the housing and meet all the transportation and other needs of senior citizens.

I appreciate the contribution of my colleague in addressing this subject.

Mr. CHAPMAN. Mr. Speaker, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman from Texas.

Mr. CHAPMAN. Mr. Speaker, I thank the gentleman. I appreciate getting a chance to participate with the gentleman from Arizona in this special order and I would like to say a special thank you to the gentleman for the time he has taken for this special order and for this tremendous tribute that we pay to our senior citizens in our great country.

Mr. Speaker, 1986 marks the 24th year that our Nation has set aside the month of May as a special time to pay tribute to our senior citizens who have contributed and who continue to contribute to the betterment of our society.

When our Nation declared its independence 210 years ago, there were only about 50,000 persons 65 or older in the United States, just 2 percent of our population. Life expectancy at birth then was probably 38 or 39 years. Today there are approximately 29 million elderly U.S. citizens, or more than 11 percent of our population, and life expectancy has increased to an average 75 years. In the year 2000, half of the elderly population is projected to be 75-plus.

This increased probability of reaching old age can be credited to all of the improvements in health and social welfare made by past and present generations. Because of these past successes, older Americans have more opportunities to lead rewarding lives than their predecessors had in previous decades. They are generally healthier, better educated, and more likely to be active in their communities and in national policies. Our Nation can certainly look back with pride upon these accomplishments.

But we cannot allow these past successes to lull us into complacency. Even while we acknowledge the advances made, we must recognize the reality that millions of older Americans continue to live in or near poverty and they continue to be debilitated by chronic diseases. We must continue to look ahead in anticipation and in response to the problems and challenges facing the aged of today and tomorrow.

I feel that the needs of our Nation's elderly have long been neglected. Our senior citizens have been vocal but the administration and the Congress has failed to hear them. It is not enough that we reform only the Social Security System; there are many, many other areas that must also be addressed.

Through their letters and conversations, the elderly have brought to my attention many of their special needs. They have contacted me regarding the need to continue many of our Federal programs under the Older Americans Act. They have spoken out against forced retirement and age discrimination on the job site. They have expressed their concern over the problems with the Social Security System, and their special health problems. They have contacted me regarding their special tax problems.

While trying to address these problems, however, it is essential that we face another problem, that of understanding that each age group is dependent upon the other. The problems expressed to me by my elderly constituents span across the generations. Fifty years ago our Nation's leaders understood that socially guaranteed benefits and programs to the elderly also benefit children and young adults because those public dollars relieve younger generations of heavy financial burdens.

Somewhere in the last 50 years we have lost our understanding that age groups are interdependent. Instead, political rhetoric has highlighted a supposed imbalance between public dollars spent on the young and public dollars spent on the elderly. This line of debate says that programs for the elderly are a major cause of current budget deficits and economic problems; that elderly receive too large a portion of public social welfare expenditures to the detriment of children and other groups. This is a dangerous misunderstanding that leads to competition and conflict between generations. It is a cynical and divisive strategy put forth to build political support for attacks on policies and reductions in programs that benefit all ages.

Much of this has already been seen in the White House as it goes about drastically slashing the social programs which preserve the life, health, security, and hopes of the young and the old.

We cannot answer serious policy questions in terms of conflict and competition between the youth and the aged. It is essential that we halt the wave of thinking that pits youth against the aged; generation against generation. All generations have a stake in programs that assist young and old maintain a decent quality of life. First, the elderly will be served by programs that address their special needs. Second, programs that assist their grandparents and parents to remain as independent as possible in old age relieve young and middle-aged family members of financial burdens and intrafamily stresses. There is a reciprocity of giving and receiving among individuals and generations over time that is critical to social progress. Were it not for the advances made by past generations, society today would be little improved than in our forefathers day.

Former Social Security Commissioner Robert Ball summarized this relationship very eloquently when he said:

> We owe much of what we are to the past. We all stand on the shoulders of generations that came before. They built the schools and established the ideals of an educated society. They wrote the books, developed the scientific ways of thinking, passed on ethical and spiritual values, discovered our country, developed it, won its freedom, held it together, cleared its forests, built its railroads and factories and invented new technology * * *.
>
> Because we owe so much to the past, we have the obligation to try to pass on a world to the next generation which is a little better than the one we inherited so that those who come after, standing on our

shoulders, can see a little further and do a little better in their turn.

I am proud to join my colleagues in giving a special thanks to our senior citizens for their past and their continuing contributions to society. But at the same time I want to reiterate that America's population is aging, bringing with it more problems and challenges that will need to be met. If the quality of life in our society is to improve, political coalitions must be strengthened, creative approaches must be encouraged and human values must be emphasized. By working together, generation and generation; youth and the aged, we will meet these challenges with compassionate and creative solutions and we will, in turn, enable the next generation to go a little further.

Our special thanks to our colleague for this special order and for allowing me to participate in it.

Mr. KOLBE. Mr. Speaker, I thank the gentleman from Texas for his very thoughtful and cogent remarks. As the gentleman has pointed out, the aging of our population poses a real challenge to us as a society, whether we are the children of senior citizens or whether we are educators. Whether we are health care providers or whether we are law enforcement officers or whether we are legislators in a State or national body, we must recognize this challenge. It is going to take the effort of all of us working together in order to meet the needs of our senior citizens, to provide for adequate health care, adequate housing, and to meet all the other requirements of senior citizens today and in the years ahead.

Mr. CHAPMAN. Mr. Speaker, I could not agree more with the comments of my colleague. It is an issue I know that we both agree transcends political parties, political philosophies. It is something that from the arena in which we work is critical to the future of our society. I appreciate the gentleman's participation and his request for this special order.

Mr. HAMMERSCHMIDT. Mr. Speaker, it is an honor to commemorate older Americans as we observe "Older Americans Month" during the month of May.

Some of America's most notable personalities made major contributions to this Nation in their later years. Benjamin Franklin effected the compromise that led to the adoption of the U.S. Constitution at the age of 81. Grandma Moses did some of her finest painting at the age of 100. Arthur Rubenstein gave some of his greatest recitals in Carnegie Hall at the age of 89, and Carl Sandburg published a book of poetry at the age of 85.

Older Americans continue to be one of America's greatest natural resources, participating actively in politics and civic affairs, in the work force, in public service, and as volunteers. In the election of 1978, 60 percent of people between the age of 65 and 74 reported that they had voted; that is 15 percentage points higher than the national average. In the 1984 election, 68 percent of those over the age of 65 voted.

Older Americans in many States are getting firsthand political experience and are exercising considerable influence as members of silver-haired legislatures. Older Americans elected to these bodies draft and approved bills which are then submitted to the general legislature. In Arkansas, we've had four silver-haired legislative sessions, and many of the proposals were introduced in the assembly and became State law. In 1984, four of the five top priority bills became State law. That's really a record any legislative body would be proud of. Even more important, many of these people continue to be active politically after their term has expired.

Many older persons, whose health permits, are choosing to stay in the work force. In a Louis Harris survey, 53 percent of surveyed workers said that they would prefer to work beyond their normal retirement age. Many who do retire at age 65 do not leave the work force but continue to work part-time to supplement their income and remain active.

Industry is beginning to recognize the advantage of hiring seasoned employees who bring with them a lifetime of knowledge and experience. At least a dozen major companies are hiring retirees as a regular policy. These companies uniformly report that they are getting high quality work from retired employees. Studies indicate that these retired employees have lower accident rates than other employees. And, these companies also stress that they have not had an increase in health insurance claims since instituting their new hiring policies.

Older Americans are our Nation's largest cadre of volunteers. In a 1982 Gallup poll, persons of age 50–64 led the country with the highest proportion of people committing their time to charitable or voluntary organizations. In another national sample, 20 percent of persons age 65 and over reported that they do volunteer work on a regular basis. And, I think that in Arkansas, we have an even higher percentage of able volunteers contributing their time, energy, and devotion to members of the community. In Arkansas, over 7,500 people volunteer through the Retired Senior Volunteer Program (RSVP) tutoring in the schools, screening blood pressure clinics, working with scouts and rescue squads, assisting frail older persons living alone and assisting in nursing homes. Our Foster Grandparent Program, which provides companionship and assistance to handicapped children, has the help of 275 volunteers, and the Senior Companion Program, which provides aid and companionship to the frail elderly, has the help of over 70 volunteers. Many other people donate their time through senior centers, civic organizations and, of course, through the churches. And, then there are those who, without belonging to any organized group, take it upon themselves to help those that are observed to be in need.

There is no way to adequately express our debt and appreciation to this vital group of people. Hopefully, the designation of this month as Older Americans Month in some way indicates our boundless gratitude.

Ms. SNOWE. Mr. Speaker, today I join my colleagues in celebrating May 1986 as Older Americans Month. Twenty-one years ago, the tradition was established of setting aside May as a time to pay respect to our older citizens as a valuable natural resource and to renew our commitment to them.

Over the years, advances in medicine and improvements in lifestyle have lead to an increase in the average life span. Today, each of us can expect to live longer and be in better health than in the past. Yet, as we have aged as a society, the complexity of the problems that we face have increased. While now over 28 million Americans are 65 and over, by the end of the first decade of the 21st century, that number will have grown to over 39 million. The pressures upon government to respond creatively will increase as rapidly.

Growing old in America is the concern of us all, young and old, private and public. Recently, however, much has been said about the problems of intergenerational inequity. The tragedy of polarization of the generations would be to pit natural allies against one another, which would not work to the benefit of either. Such an attitude would undermine the strength of the family and could alter the course of our own aging. Indeed, we owe it to ourselves to reexamine our views so that we can understand aging as a dynamic process of both continuity and change, with a mutual sharing among generations according to their ability.

Mr. Speaker, it is important that we recommit ourselves in the month of May, and throughout the year, to better the lives of the aged and to reaffirm their role as vital, active members of their families and their communities.

Mr. BONER of Tennessee. Mr. Speaker, since May 1986 is Older Americans Month, I would like to take this opportunity to express my concern over administration reports and rumors that the elderly of America are no longer a disadvantaged segment of our society.

It is true that there are many well-off older people. But it is also true that there are many more who live in or very near poverty. Social Security and other Federal programs have been successful in drastically reducing poverty among the elderly. However, it is these very same programs that critics now wish to eliminate or cut, once again threatening the income security of the elderly.

Older women, mostly widows, make up 71 percent of the elderly poor. Only 23 percent of older women receive both Social Security and a private pension. I contacted the Census Bureau and was informed that for the year 1984, the median income for women over 65, who were on Social Security or other pensions, was $6,131—which is less than $900 over the poverty line of $5,250.

The elderly are particularly susceptible to inflation. The rising cost of health care places much more of a burden on the elderly, who need medical care more than most younger citizens. As of this year, for example, Medicare patients will be paying $492 for their first day's stay in the hospital. That is an increase of 23 percent from the 1985 rate. Out-of-pocket health care costs for the elderly have

risen at the rate of 11.4 percent per year since 1980. With only a average 3.5 percent Social Security cost-of-living allowance, the elderly are out 8 percent annually. While the majority of Americans are now benefiting from lower gasoline prices, which has a direct bearing on the consumer.

We must be optimistic that we do live in the greatest country in the world, but we must not lose sight of the fact that our country is the greatest because of the contributions of those people who are no longer young. We cannot rose-color the fact that our elderly need the help of those of us here in Congress to insure that they can live out their retirement years in a dignity which they so richly deserve.

Mr. PASHAYAN. Mr. Speaker, in May, we commemorate the many contributions older Americans make to our community. As Americans grow older healthier, they are playing a vital role in all aspects of community life. Some continue to work long after ordinary retirement age; others volunteer their time for civic activities. In the 17th District in California, many senior citizens participate in the senior volunteer program, generously giving their time at the local airport, local libraries and police departments; and at senior centers, where they administer recreational activities and the senior meal program. Many also participate in the Foster Grandparent Program, through which they form a special friendship with a young person.

While we celebrate the achievements of older Americans, we must also take time to consider their unique needs. We must assure that they can obtain health insurance that frees them from fear of the financial devastation of a long-term illness. We must assure the vigorous enforcement of antidiscrimination laws so that they may remain in productive roles in the American work force as long as they are able and willing. And we must assure the continued financial soundness of the Social Security system, on which so many older Americans depend for their livelihood.

We salute older Americans for contributing during their lives to the prosperity and rich texture of traditions that our country enjoys.

Mr. WORTLEY. Mr. Speaker, I would like to take this opportunity to recognize a very special group of people, our older Americans. It is most fitting that we establish a full month to give proper attention to this group of people who has helped us to be the successful individuals that we are today. They cared for us as children, guided us as adults, and now play a special role in the lives of our children. These roles should never be taken for granted.

I know that in my home district of Syracuse, NY, many senior citizens are retired from their professional jobs. However, they elect to contribute to our society in a new way. Many seniors volunteer to assist other seniors or youngsters in need of supplemental academic work. They volunteer not out of obligation, but because they choose to remain active. Their untiring dedication is to be applauded.

As we work hard each day in our legislative duties to balance the budget and care for our constitutents, we must be sure to take precautions to protect the elderly. For those on fixed incomes, cutting a corner here and there can actually be devastating. We must be sure to look at the total picture and not shortchange those who gave up so much for us in the past.

Again, I salute our Nation's senior citizens and I know that Older Americans Month will provide them with the recognition that they deserve.

Mr. DYSON. Mr. Speaker, I rise today to express my heartfelt gratitude and compassion to those who are to be honored in "Older Americans Month." I would also like to extend a special thanks to my distinguished colleague, the gentleman from Arizona, for recognizing the millions of older Americans who have worked hard to forge a strong, prosperous, and freedom-loving America.

In the wake of real and threatened cuts in the Social Security, Medicare, COLA, and other essential senior citizen programs, it is indeed a timely occasion to pay homage to this venerable class of Americans whose contributions to the welfare of this Nation have been immense and obvious. It is hard to believe that in the face of all that the older Americans have given us, there are still people who would slash the programs we have created to ensure the security of our senor citizens.

"Older Americans Month" will serve to remind all Americans of the great debt of gratitude and care owed to our elder citizens. For to forget our older Americans would be to forget all that this great Nation stands for: peace, freedom, and democracy. Indeed, "Older Americans Month" will help to stir those who have become complacent in their responsibilities to the senior groups who now depend on us to protect the benefits they have so tirelessly earned.

In the constantly changing demographic picture of America, we find a growing class of older Americans who have the spirit, know-how and experience to propel our Nation forward in all areas of learning; whether it be science or government, art or literature. Indeed, it is our young who must reap the full benefits of the great knowledge and wisdom our senior citizens have to offer if we are to continue to flourish as a nation.

It is in this vein, Mr. Speaker, that we remember and honor the older people of America, without whom we would not enjoy a prosperity unmatched in history.

Mr. WISE. Mr. Speaker, older Americans have contributed so much to our society, that I believe we owe them a special debt of gratitude. What can we do to repay the wisdom, strength, and dedication they have given to make this country stronger, and to make our lives fuller?

One way is to protect the Medicare and Social Security benefits on which they have come to depend. Many senior citizens are concerned that efforts to limit the cost of the Medicare Program may result in decreased quality of the health care they receive. Others are frightened by newsletters they receive telling of the impending insolvency of Social Security. I want to lay their minds at rest. Congress implemented these programs to repay older Americans for their lifelong service and to guarantee them a secure and healthy retirement. I and my colleagues remain committed to this cause.

As you know, Congress implemented the prospective payment system which reimburses hospitals at predetermined rates rather than after the patient has been treated. This is meant to encourage hospitals to limit their expenses. Many concerns have been raised that, as a result, hospitals are discharging patients prematurely and that the quality of care has decreased. In response, Congress has included a provision in the omnibus reconciliation bill which would delay the full implementation of this program for 1 year. I agreed with this delay because I feel the effects of this new system need to be carefully evaluated.

Congress also included a protection for the Medicare Program in the recently enacted Gramm-Rudman proposal, which would gradually reduce the deficit to $0 by 1991. It limits cuts in fiscal year 1986 to 1 percent and cuts in fiscal year 1987 to 2 percent. This is only in the event that Congress does not pass its own budget which could protect Medicare altogether. I and other Members of Congress have a strong commitment to the Medicare Program, and oppose any measures which would increase the out-of-pocket payments of beneficiaries. Efforts to reduce the cost of Medicare should focus on limiting health-care costs of providers and making sure that the health care available to seniors is not limited in any way.

With regard to Social Security, in the past I and other Members of Congress have criticized the Committee To Preserve Social Security and Medicare for fund-raising tactics which unnecessarily alarm senior citizens. I want to reassure you that Congress has passed legislation in recent years which guarantees the security of the trust fund well into the next century. In addition, I and a majority of my colleagues in the House of Representatives have continually opposed freezing Social Security cost-of-living adjustments. Recently Congress exempted Social Security from budget cuts which would have been imposed by the Gramm-Rudman balanced budget plan. Social Security is thriving, and the investment of current and future retirees is safe and secure.

Older Americans in this country are one of our most valuable resources. It's our duty to make sure that the trust between Government and senior citizens is never broken. As a member of the Aging Committee, I will continue to do my best to see that Medicare and Social Security benefits are protected. I am sure these sentiments are shared by every Member of Congress as well, and as a body we will continue to support programs benefiting older Americans. I salute older Americans and thank them for their invaluable contribution to our society.

Mr. FISH. Mr. Speaker, I rise today in support of House Joint Resolution 542, designating the month of May 1986 as "Older Americans Month." It is absolutely imperative that we officially recognize the great contributions our older citizens have made and continue to make toward the vitality of our Nation. Each new generation enjoys the fruits of the labors of the previous generations. It is then incumbent upon the new generations to ensure that those labors not go unrecognized, and to

ensure that the welfare of all citizens is provided for.

This responsibility is all the more urgent because America's population is aging; life expectancy is expected to increase rapidly. As we move into the 21st century the number and percentage of older Americans in their eighties and ninties is expeted to grow sharply. Federal, State, and local systems will be strained to meet this challenge.

Mr. Speaker, I would like to call attention to one of the most urgent issues facing senior citizens today, crime against the elderly.

No group is as inviting a target for criminals as our senior citizens. The elderly often lack the means to remove themselves from high crime neighborhoods or effectively protect themselves or their possessions. Many are frail or disabled, and therefore thought of as easy prey by criminals. Many others live alone—as do 70 percent of women over the age of 75.

Older individuals are far more likely to be harmed in a holdup and are far more susceptible to personal crime that is motivated by the opportunity for economic gain. It is estimated that over 1½ million personal and household larcenies have been committed against the elderly in the past decade.

Also, physical injury often sends senior citizens down an irreversible path of chronic disability and institutionalization. One-fourth of elderly robbery and assault victims sustain physical injury. It is no wonder that nowhere in our society is fear of crime felt more than among the elderly. Yet of all victims, the elderly are the most reluctant to report crimes.

Moreover, senior citizens who are on fixed income or who are poor are hardest hit by even small property and financial loss. They are unable to absorb the loss of a Social Security check or a purse snatching. The theft of a television, radio, or even a hearing aid can mean loss of contact with the outside world. The fear of crime or further victimization can lead to severe psychological stress. The emotional reaction to violent crime can encourage development of a paralyses effectively isolating older people from the rest of society.

Elderly abuse, it is estimated, hits one-half to 1 million elderly each year. Most is unreported as disgracefully it is committed by a family member.

Mr. Speaker, clearly our senior citizens are in need of special help. We are making efforts toward that goal—1984 saw passage of the most comprehensive crime legislation since 1968. The Comprehensive Crime Control Act prevents defendants deemed a danger to the community from being released on bail. It establishes mandatory sentences for certain Federal crimes. The Justice Assistance Act provided money to assist State and local programs designed to combat crimes against the elderly. The Victims of Crime Act authorizes Federal financial assistance to victim compensation programs and victim services.

Recent pending legislation includes the elderly Crime Prevention and Victim Assistance Act, which would establish a central Justice Department office to coordinate Federal crime prevention and victim assistance programs and provide technical assistance and information to older individuals and groups. Also pending is legislation which would emphasize aspects of crime against the elderly in State programs, impose mandatory sentences for violent crimes against the elderly, and establish programs to prevent and treat elder abuse, neglect, and exploitation.

In my position as ranking Republican member of the Judiciary Committee, with jurisdiction over our criminal justice system, I will be looking closely at these proposals over the coming months to determine which are best.

Private citizens, both elderly and younger, can also contribute in a big way by joining a neighborhood watch or citizen patrol, by volunteering for a local court watch to help make courts more responsive to citizen needs, by asking the crime prevention officer from the local law enforcement agency to talk to senior citizens groups. Citizens should ask their county legislators and State legislators to first, see to it that local hospitals are sensitive to the special needs of elderly victims of violence and of abuse, and second, see to it that prosecutors treat elder abuse by family members as they would abuse by a stranger.

Mr. Speaker, together we of this great Nation can and must solve this problem, so that we can all live our lives free of the fear of being targets of crime and abuse.

ORDER OF BUSINESS

Mr. GILMAN. Mr. Speaker, with the consent of the gentleman from California [Mr. LUNGREN], I ask unanimous consent to proceed with my special order out of order.

The SPEAKER pro tempore [Mr. FRANK]. Is there objection to the request of the gentleman from New York to proceed prior to the gentleman from California?

There was no objection.

SOLIDARITY SUNDAY FOR SOVIET JEWRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. GILMAN] is recognized for 60 minutes.

Mr. GILMAN. Mr. Speaker, on Sunday, May 11, 1986, the Coalition to Free Soviet Jews is once again sponsoring a massive demonstration of concern and support for Soviet Jewry. This rally, to which nearly 100,000 committed individuals are expected to attend, will take place opposite the United Nations in New York City. In past years we were able to report to those present the abominable nature of Soviet human rights policy and its effect on the more than 2 million Jews and other minorities residing in the Soviet Union. Once again, we will be assessing the past year's triumphs and failures, but unlike years past, this year will include the attendance of the reknown, former Soviet prisoners of conscience Anatoly Shcharansky and his courageous, devoted wife, Avital.

Anatoly Shcharansky fully recognizes the importance that this event holds for concerned people everywhere; Solidarity Sunday will be his major address to those who worked on his behalf for the 9 long years he spent in the Soviet prison system. Yet, on Sunday, Anatoly will speak not only of his own experiences, but of those of so many Soviet Jews and others whose basic human rights are being violated.

Over 400,000 Jews have begun the emigration process guaranteed to them by the Helsinki Final Act and by the Universal Declaration on Human Rights. However, once that bold step is undertaken, their lives are forever changed. Loss of employment usually soon follows, and harassment by KGB agents begins. Thereafter, those who were former friends shun the refusenik, and arrest is possible at any time. Soviet officials use any and every means to discourage the family reunification process that is theirs by right. As a signatory to the Helsinki accords, the Soviet Union signaled its intent to allow Soviet Jews to live with their families abroad. Yet, its emigration reports belie that promise. From more than 51,000 permitted to leave in 1979, we are now witness to a meager emigration from the Soviet Union that hovers at 1,000 per year or less. By contrast arrests of Hebrew teachers and other innocent individuals have increased markedly.

False charges of drugs or weapons possession are now the order of the day. Moreover, serious physical harm is often inflicted on these prisoners serving their sentences in remote areas of the Soviet Union. Last year we learned of Yosef Berenshtein's eyes being nearly gouged out; being denied proper medical attention and resulting in blindness in one eye, and almost total blindness in the second. Berenshtein committed no crime equal to such cruel punishment. Similarly, Yuli Edelshtein recently suffered a fall while working in a labor camp. Under a cloak of suspicious circumstances, he now lies in a hospital with a shattered leg and a ruptured urethra. Because medical attention was not provided quickly enough, he now will have to lie in a hospital bed for at least 6 months until a course of treatment can begin, and it is anticipated that one of his legs will be shorter than the other when he finally recovers.

Mr. Speaker, earlier this year I introduced and the House adopted House Resolution 420, the congressional resolution of support for Solidarity Sunday for Soviet Jewry. Human rights for Soviet Jews and other minorities in the Soviet Union is something the House has supported time and again. As we gather together at the United Nations on Solidarity Sunday, let us be reminded, that with Anatoly's and Avital's attendance, that it is possible to free Soviet Jewry. I hope that this body will not rest

until all those behind the Iron Curtain who desire to practice their religious and cultural heritage in freedom will be able to do so at will.

Mr. SCHEUER. Mr. Speaker, Sunday, May 11, will be set aside as the 15th annual Solidarity Sunday for Soviet Jewry. I am pleased to have this opportunity to join my colleagues in bringing attention to this important event, one in which thousands of Americans of all faiths unite behind the Soviet Union's 3 million oppressed Jews.

Traditionally observed as a reminder to the world community of the continuing persecution of Jewish citizens in the Soviet Union, Sunday's rally at Dag Hammarskjold Plaza opposite the United Nations in New York City is especially signficant because Anatoly Shcharansky will be in attendance. Earlier this year, the free world celebrated his release from the Soviet Union after 9 years in Soviet prisons and work camps. Yet, his celebrated passage to Israel must be tempered by the realization that hundreds of thousands of his brothers and sisters continue to be punished daily for the crime of wanting to live freely as Jews, and await the day when they can join him in freedom.

It is truly ironic that the nation with the third largest number of Jews in the world prohibits the publication of all Hebrew books and Bibles. Because it is not recognized by the Soviet Government as a legitimate language, Jews are not permitted to study or teach Hebrew, nor are they allowed to teach their young people anything related to their history or culture. Unlike some other religious groups in the U.S.S.R., Jews are not allowed to maintain central coordinating bodies, despite the Soviet Union's pledge—as a signatory of the 1975 Helsinki agreement—"to recognize and respect the freedom of an individual to profess and practice, alone or in a community, religion or belief in accordance with the dictates of their conscience."

There has also been a steady increase in the number of prisoners of conscience. Nearly 200 dissidents—twice as many as in 1979—are arrested each year and convicted either for actions related to their religious activities or the usual trumped-up charges of treason or espionage that are often used as excuses to isolate, banish and imprison Soviet Jews. In open defiance of the intent of the Helsinki accords "to respect the right of national minorities before the law" and to "afford them the full opportunity for the actual enjoyment of human rights and fundamental freedoms," the trials of these "criminals" are a cruel farce; proper counsel is rarely, if ever, provided, verdicts are often delivered within a matter of minutes, and sentences of up to 13 years of hard labor and exile are routinely handed down.

As outrageous as these abuses of basic human rights are, perhaps even more disturbing is the inability of Soviet Jews to escape their living nightmare through emigration. Although some 400,000 Soviet Jews currently have an invitation—or "visov"—from Israel to emigrate, only 1,139 were allowed to leave in 1985. From an all-time high in 1979, the number of Jews permitted to emigrate since then has fallen by 97.8 percent. For the first quarter of 1986, only 216 Jews emigrated. At this rate, Soviet Jewish emigration will not even reach last year's appallingly low level.

Although we rejoice at the release of Anatoly Shcharansky, his emigration must not be just an isolated incident, but rather as Shcharansky himself said, "the beginning of a long process of an improved situation for emigration and human rights, a policy which will give the Soviet Union new opportunities in other fields."

Mr. Speaker, as Members of Congress, we have a duty to take every opportunity to pressure the Soviets into changing their reprehensible treatment of Jews, which is surely one of the most shameful wholesale violations of human rights in the world today. Thus, we must send a clear signal to the Kremlin that we shall continue to be deeply concerned about the treatment of these Soviet citizens who are punished daily for the "crime" of wanting to live freely as Jews. I can think of no better way for us to accomplish this objective than to express our complete and unequivocal solidarity with Soviet Jewry on Sunday.

Mr. LENT. Mr. Speaker, on Sunday, May 11, thousands of people will rally in New York City as an expression of solidarity with Soviet Jews who are denied the freedom to emigrate and practice their religion. This year, Solidarity Sunday for Soviet Jewry will be cause for special celebration.

In the past, Avital Shcharansky stood at the podium to plead for the release of her husband, dissident and human rights activist Anatoly Shcharansky. Today, after 13 years imprisonment in the dark dungeons of the Soviet gulag, Anatoly Shcharansky is a free man. Through his courage and remarkable faith under extreme hardship, Shcharansky has become a symbol of hope to all those who struggle for human rights and freedom. Thankfully, on Sunday, he will personally address the crowds of people who have gathered together to express their support for the plight of Soviet Jews.

Tragically, there are thousands of Soviet Jews still waiting for their day of freedom. Like Shcharanksy, they are the victims of the Soviets' vicious anti-Semitism, persecution and oppression. Labeled traitors and criminals, many are arrested for their crime of seeking religious freedom and the right to emigrate.

These courageous men and women live in constant fear. They are closely watched by the KGB secret police. Their mail is interrupted. Their telephones tapped. In hope of eradicating Jewish heritage and culture, the Soviets have stepped up arrests of Hebrew teachers. Hebrew books and literature are banned, and Jews are forbidden from gathering together to celebrate religious holidays. When I visited the Soviet Union in 1983, I heard their personal stories of struggle, heartless repression and relentless harassment. Yet, like Shcharansky, they never give up hope.

With Shcharansky's release in February 1986, there was a general feeling of hope that the event might reflect a dramatic turnaround in the Soviet's emigration policy. Yet, the numbers tell the true story. From over 51,000 Soviet Jews who emigrate in 1979, the number dropped to 1,100 in 1985. From all indications, 1986 will be no different. Through March, a total of only 210 Jews left Russia.

The release of Anatoly Shcharansky proves that we must maintain pressure on the Soviet authorities if we are going to succeed. The fight must go on.

We must spread the word to Jew and non-Jew alike to take up the cause of freedom for Soviet Jews and others in that country who seek religious freedom and the right to emigrate. By our efforts in Congress and by uniting all our efforts together in solidarity, we will succeed. One day, the gates of freedom will be open and the dream of "This Year in Jerusalem" will come true for all who seek it.

Mr. GREEN. Mr. Speaker, I wish to join my colleagues in commemorating Solidarity Sunday for Soviet Jewry and to thank my distinguished colleague from New York, Mr. GILMAN, for again organizing this special order.

It is with a sense of great disappointment that I participate in this special order, for our expectations that this might be the year of freedom of Soviet Jews have been dashed. This was the year that we thought Secretary General Gorbachev might open the gates, if for no other reason than to further his public relations campaign. Alas, the numbers remain dismal—79 Soviet Jews allowed to emigrate in January, 84 in February, 47 in March, 78 in April.

This was the year that Anatoly Shcharansky was granted his hard-won freedom, and we hoped that it signaled a new wave, a new policy. The only new policy we have seen is one of increased repression and violence against Jews within the Soviet Union.

This was the year in which I had hoped that my own "adopted refusenik," Semyon Gluzman, would be granted an exit visa. This is the third Congress in which I have introduced resolutions on behalf of Dr. Gluzman, a trained and talented psychiatrist who 13 years ago was arrested and convicted of "anti-Soviet agitation and propaganda." Dr. Gluzman has served 7 years of hard labor and an additional 3 years of internal exile in Siberia. After his release from internal exile in May 1982 Gluzman sought to emigrate to Israel from Siberia. He was refused permission and returned to his native Kiev. Although Dr. Gluzman has continuously expressed his desire to emigrate, Soviet authorities have stated that at no time will he be allowed to do so.

It is for Dr. Gluzman and the hundreds of thousands of other refuseniks that we must keep up our vigil in the Congress of the United States. It is for them that we must never forget the message of the 1984 Solidarity Sunday: "Take my picture. Show my face. Tell everyone I'm still here." If we heed this plea, perhaps someday all Soviet Jews will have the right to practice their religion in the Soviet Union or the right to emigrate to the land of their people. Perhaps someday we shall not need another Solidarity Sunday.

Mr. MANTON. Mr. Speaker, I would like to thank my friend and colleague from New York, Mr. GILMAN, for organizing today's special order to commemorate the 15th annual Solidarity Sunday for Soviet Jewry. This event will take place this Sundary in New York City. Solidarity Sunday is organized by the Coalition to Free Soviet Jews, and is the largest rally of its kind in support of the Jewish people of the

Soviet Union. The Coalition to Free Soviet Jews is to be commended for their outstanding efforts and their never ending commitment to secure the right of free emigration for Soviet Jewry.

On Sunday, Americans will be expressing their solidarity with the Jewish community of the Soviet Union. Although approximately 400,000 Soviet Jews have requested permission to emigrate to rejoin their families in Israel, last year only 1,140 were allowed to leave. In contrast, the number of arrests of Jewish activists increased and the level of harassment and physical abuse by Soviet authorities intensified. The inhuman treatment of prisoners of conscience continues to be strong concern. Unfortunately, these alarming trends have continued and worsened in 1986.

This year's Solidarity Sunday will have a very special guest, Anatoly Shcharansky. While we all rejoice in his freedom, his presence is a special reminder to the people of the United States that we must continue our vigilance. We in the United States cannot be silent as long as the Jewish people of the Soviet Union are denied their basic human rights.

Mr. Speaker, the Congress must continue its commitment to freedom. We must continue to insist that the Soviet Union honor the Universal Declaration on Human Rights and other international agreements to which they are a signatory. Our best commemoration of Solidarity Sunday today is our pledge to continue to be a strong voice for those who are allowed no voice.

Mr. GARCIA. I want to thank my friend and colleague for organizing this special order to mark Solidarity Sunday for Soviet Jewry. There is no one in this Congress who has done more for the struggle of Soviet Jews than BEN GILMAN. He is a credit to us all.

Each year there is a rally in New York at the United Nations to bring together the thousands of people who stand in solidarity with the many refuseniks struggling to leave the Soviet Union. Although Anatoly Scharansky has won his freedom, we cannot let down in our fight to help the remaining Soviet Jews seeking asylum in the West.

We must make their struggle our struggle. We must continue to make them symbols of the West's fight against Soviet violations of the Helsinki accords, of our struggle for human decency, for human dignity. We cannot let the Soviet Government ever forget that they signed the accords, and that their refusal to allow Soviet Jews to emigrate is an abrogation of that treaty.

Unfortunately, emigration is still a mere trickle. We must, therefore, continue to fight for every single refusenik on a case-by-case basis. We must prove to the Soviets that we will not forget our families and friends living under the yoke of Soviet oppression.

The most effective way for us to do this is to continue to speak out during special occasions such as this and Solidarity Sunday. In every way that we can, we must let the Soviets know that we will be heard, that we will not rest until all refuseniks are in the West.

Mr. SEIBERLING. Mr. Speaker, on May 11, Solidarity Sunday will be commemorated at Dag Hammarskjold Plaza in New York. Solidarity Sunday represents an outpouring of public support for Soviet Jews who, yearning to emigrate to freedom, must endure harassment, imprisonment, and worse inside the Soviet Union.

I join with my colleagues in the House today in commemorating Solidarity Sunday, and in reiterating my support, and the support of the Congress and the people of the United States, for Soviet Jewry. Last February, the free world cheered the release of Anatoly Shcharansky, who spent 9 long years in prison for his simple desire to emigrate from the Soviet Union.

The release of Mr. Shcharansky, who had become a living symbol of courageous support for human rights, was a welcome development in an otherwise bleak period for Soviet Jews seeking their freedom. In 1979, 51,320 Soviet Jews were permitted to emigrate. Last year, only 1,140 Jews were permitted to leave the Soviet Union, yet as many as 400,000 Soviet Jews reportedly wish to emigrate.

Mr. Speaker, Soviet Jews must live in constant fear of harassment or imprisonment for practicing their religion, for criticizing their government, or for simply seeking to emigrate to Israel. While we cheer the release of Anatoly Shcharansky, we must rededicate ourselves to winning the release of the hundreds of thousands of other Soviet Jews who remain behind.

Mr. YOUNG of Missouri. Mr. Speaker, Sunday, thousands of people will gather in New York to celebrate Solidarity Sunday. This is an important occassion and great opportunity for the American people to show their support for those suffering in the Soviet Union.

Soviet Jews comprise the third largest surviving Jewish community in the world, after the United States and Israel. The latest estimates suggest that there may be as many as 2.5 million Jews in the Soviet Union. This number represents 65 percent of European Jewry and 15 percent of world Jewry.

Soviet Jews have been struggling to achieve basic human rights, including the right to maintain their own religion and culture. The right to leave any country that denies one their heritage is an internationally recognized human right, yet in the Soviet Union permission to emigrate is given arbitrarily.

Since the Reagan-Gorbachev summit meeting last year, we have heard quite a bit about the Soviet Union allowing some Jews to emigrate. The release of Anatoly Shcharansky, the reunification of several couples outside of the Soviet Union, and Yelena Bonner's visit to the United States have received headlines suggesting that this may be the beginning of a new era for Jews in the Soviet Union. Nonetheless, Soviet Jews still face impossible obstacles.

We must not allow these rare concessions to cloud our vision as far as any substantive change in Soviet policy is concerned. We must instead reaffirm our commitment to Soviet Jews.

Let us examine the facts: Jewish emigration from the Soviet Union achieved a high point in 1979, when 51,320 Jews were allowed to leave. This number has fallen steadily over the years to the point that less tha 2,500 Jews have left the Soviet Union in the past 2½ years.

Another statistic that reflects the Soviet Government's attitude toward Jews is the number of synagogues in the Soviet Union. In 1926, there were more than 1,000 synagogues in the U.S.S.R.; yet, today that number has dwindled to approximately 60. Sixty synagogues for the third largest Jewish community. These facts speak for themselves.

The Soviet Government has developed a sophisticated plan for the extinction of Jewish culture in the Soviet Union. The Soviet Council of Religious Affairs has outlawed teaching religion to persons under the age of 16. In addition to prohibiting the passing on of their religious traditions to the next generation, there are no Jewish seminaries in the Soviet Union, unlike other "registered" religions.

Discrimination by the Soviet Government against Jews is constant and calculated. I am thankful that Mrs. Bonner has received the medical treatment that she so desperately required and that Anatoly Shcharansky has been reunited with his wife in Israel, but we must not let these events lessen our dedication to see that all people who wish to emigrate are allowed to do so in accordance with international law.

□ 1615

GENERAL LEAVE

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON THE BUDGET REGARDING CURRENT LEVEL OF SPENDING AND REVENUES FOR FISCAL YEAR 1986

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina [Mr. DERRICK] is recognized for 5 minutes.

Mr. DERRICK. Mr. Speaker, on behalf of Chairman WILLIAM H. GRAY III, pursuant to the procedures of the Committee on the Budget and section 311 of the Congressional Budget Act of 1974, as amended, I am submitting the official letter to the Speaker advising him of the current level of spending and revenues for fiscal year 1986. The current level was last filed on April 9, 1986. Since my last report, Congress has cleared and the President has signed, an increase in the FHA and GNMA credit limits—H.R. 4602. This report reflects congressional action on the fiscal year 1986 budget through May 5, 1986.

The current level is used to compare enacted spending after the start of a fiscal year with the aggregate ceiling on budget authority, outlays, and revenues established in a budget resolution and enforced by point of order pursuant to section 311(a) of the act. The term current level refers to the estimated amount of budget authority, outlays, entitlement authority,

and revenues that are available—or will be used—for the full fiscal year in question based only on enacted law.

The procedural situation with regard to the spending ceiling is affected by section 311(b) of the Congressional Budget Act of 1974, as amended by Public Law 99-177. Enforcement against possible breaches of the spending ceiling under section 311(a) of the Budget Act will not apply where a measure would not cause a committee to exceed its "appropriate allocation" made pursuant to section 302(a) of the Budget Act. In the House, the appropriate 302(a) allocation includes "new discretionary budget authority" and "new entitlement authority" only. It should be noted that under this procedure neither the total level of outlays nor a committee's outlay allocation is considered.

The intent of the section 302(a) "discretionary budget authority" and "new entitlement authority" subceiling provided by section 311(b) of the Budget Act, as amended, is to protect a committee that has stayed within its own spending allocation—discretionary budget authority and new entitlement authority—from points of order if the total spending ceiling has been breached for reasons outside of its control. The 302(a) allocations to House committees made pursuant to the conference report on Senate Concurrent Resolution 32 were printed in the CONGRESSIONAL RECORD, September 5, 1985, H7290.

As chairman of the Budget Process Task Force, and on behalf of Chairman GRAY, I intend to keep the House informed regularly on the status of current level.

COMMITTEE ON THE BUDGET,
Washington, DC, May 7, 1986.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, House of Representatives, Washington, DC

DEAR MR. SPEAKER: On January 30, 1976, the Committee on the Budget outlined the procedure which it had adopted in connection with its responsibilities under Section 311 of the Congressional Budget Act of 1974 to provide estimates of the current level of revenues and spending.

Pursuant to Committee Rule 10, I am herewith transmitting the status report under S. Con. Res. 32, the First Concurrent Resolution on the Budget for Fiscal Year 1986. This report incorporates the reductions in budgetary resources and outlays required by the Balanced Budget and Emergency Deficit Control Act of 1985 (P.L. 99-177) which took effect on March 1, 1986, pursuant to the Presidential sequestration order of February 1.

In the House of Representatives, the procedural situation with regard to the spending ceiling is affected by Section 311(b) of the Congressional Budget Act of 1974, as amended by P.L. 99-177. Enforcement against possible breaches of the spending ceiling under Section 311(a) of the Budget Act will not apply where a measure would not cause a committee to exceed its "appropriate allocation" made pursuant to Section 302(a) of the Budget Act. The appropriate 302(a) allocation includes "new discretionary budget authority" and "new entitlement authority" only. It should be noted that under this procedure neither the total level of outlays nor a committee's outlay allocation is considered.

The intent of the Section 302(a) "discretionary budget authority" and "new entitlement authority" subceiling provided by Section 311(b) of the Budget Act, as amended, is to protect a committee that has stayed within its spending allocation—discretionary budget authority and new entitlement authority—from points of order if the total spending ceiling has been breached for reasons outside of its control. The 302(a) allocations to House committees made pursuant to the conference report on S. Con. Res. 32 were printed in the Congressional Record, September 5, 1985, H. 7290.

The enclosed tables compare enacted legislation to each committee's 302(a) allocation of discretionary budget authority and of new entitlement authority.

Sincerely,

WILLIAM H. GRAY III,
Chairman.

Enclosures.

REPORT TO THE SPEAKER OF THE U.S. HOUSE OF REPRESENTATIVES FROM THE COMMITTEE ON THE BUDGET ON THE STATUS OF THE FISCAL YEAR 1986 CONGRESSIONAL BUDGET ADOPTED IN S. CON. RES. 32

REFLECTING COMPLETED ACTION AS OF MAY 5, 1986

[In millions of dollars]

	Budget authority	Outlays	Revenues
Appropriate level	1,069,700	967,600	795,700
Current level	1,057,108	980,302	778,559
Amount over ceilings		12,702	
Amount under ceilings	12,592		
Amount under floor			17,141

BUDGET AUTHORITY

Any measure providing budget or entitlement authority that is not included in the current level and exceeds $12,592 million, for fiscal year 1986, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in S. Con. Res. 32 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority that is not included in the current level and would increase outlays for fiscal year 1986, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in S. Con. Res. 32 to be exceeded.

REVENUES

Any measure that would result in a revenue loss for fiscal year 1986, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in S. Con. Res. 32.

FISCAL YEAR 1986 BUDGET AUTHORITY—COMPARISON OF CURRENT LEVEL AND BUDGET RESOLUTION ALLOCATION BY COMMITTEE

[In millions of dollars]

	Current level budget authority[1]
Total current level	−12,592
Appropriations Committee: Discretionary	−1,351
Authorizing committee—Discretionary action:	
Agriculture	(+1,608)
Armed Services	(+280)
Banking, Finance, and Urban Affairs	(+816)
District of Columbia	(. . .)
Education and Labor	(. . .)
Energy and Commerce	(+28)
Foreign Affairs	(+75)
Government Operations	(. . .)
House Administration	(. . .)
Interior and Insular Affairs	(−1,032)
Judiciary	(. . .)
Merchant Marine and Fisheries	(+78)
Post Office and Civil Service	(. . .)
Public Works and Transportation	(−71)
Science and Technology	(. . .)
Small Business	(+108)
Veterans' Affairs	(−48)
Ways and Means	(+801)
Sequester order	(−19,382)

[1] Committees are over (+) or under (−) their 302(a) allocation.

ALLOCATION OF NEW ENTITLEMENT AUTHORITY [NEA] PURSUANT TO SEC. 302(a)

[In millions of dollars]

Committee	NEA target	House reported	House passed	Enacted
Agriculture:				
H.R. 2100	−1,250	−954	−819	+3,250
H.R. 3128				−5
S. 1851			−20	−20
Subtotal		−954	−839	+3,225
Armed Services: H.R. 1872	−100	+1,336	+1,336	+1,780
Education and Labor:				
H.R. 3500	−339	−375	−375	
H.R. 2811		−174		
H.R. 2812		−174		
H.R. 7		+61	+61	
H.R. 3128		−174	−174	−455
Subtotal		−836	−488	−455
Energy and Commerce: H.R. 3128	−80	+23	+23	+37
Interior and Insular Affairs: H.J. Res. 187	+307	+285	+352	+175
House Judiciary: H.R. 484		+2	+2	
Post Office and Civil Service:				
H.R. 2851	−145	+2		
H.R. 3128		−145	−145	−72
H.R. 4061			+4	+4
Subtotal		−143	−141	−68
Veterans' Affairs:				
H.R. 1538	+45	+311	+311	+286
H.R. 752		+2	+2	
H.R. 3500		+311	+311	
H.R. 2343		+1	+1	
H.R. 3128				+2
Subtotal		+625	+625	+288
Ways and Means:				
H.R. 3452	−2,454	−229	−229	−229
H.R. 3721		−155	−155	−155
H.R. 3918		−20	−20	−20
H.R. 3981		−6	−6	−6
H.R. 4006		−465	−465	−465
H.R. 3128		−2,366	−2,366	−382
H.R. 3838		+40	+40	
H.R. 2817		+2	+2	
Subtotal		−3,199	−3,199	−1,257

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, May 6, 1986.

Hon. WILLIAM H. GRAY III,
Chairman, Committee on the Budget, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended, this letter and supporting detail provide an up-to-date tabulation of the current levels of new budget authority, estimated outlays and estimated revenues in comparison with the appropriate levels for those items contained in the most recently agreed to concurrent resolution on the 1986 budget (S. Con. Res. 32). This report for fiscal year 1986 is tabulated as of close of business May 5, 1986. A summary of this tabulation is as follows:

[In millions of dollars]

	Budget authority	Outlays	Revenues
Current level	1,057,108	980,302	778,559
1985 budget resolution, S. Con. Res. 32	1,069,700	967,600	795,700
Current level is:			
Over resolution by		12,702	
Under resolution by	12,592		17,141

Since my last report Congress has completed action on and the President has signed P.L. 99-289 increasing FHA and GNMA credit levels. As a result of this action, outlay estimates have changed.

With best wishes,

Sincerely,

EDWARD GRAMLICH,
(For Rudolph G. Penner, Director).

PARLIAMENTARIAN STATUS REPORT—HOUSE SUPPORTING DETAIL, FISCAL YEAR 1986 AS OF CLOSE OF BUSINESS MAY 5, 1986

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			777,794
Permanent appropriations and trust funds.	710,401	629,772	
Other appropriations	538,839	544,947	
Offsetting receipts	−188,561	−188,561	
Total, enacted in previous sessions.	1,060,679	986,159	777,794
II. Enacted this session:			
Commodity Credit Corporation urgent supplemental appropriations, 1986 (Public Law 99-243).			
Federal Employees Benefits Improvement Act of 1986 (Public Law 99-251).		4	
VA home loan guarantee amendments (Public Law 99-255).		−51	
Department of Agriculture urgent supplemental, 1986 (Public Law 99-263).			
Omnibus Budget Reconciliation Act of 1985 (Public Law 99-272).	−4,259	−6,001	765
Advance to the hazardous substance response trust fund (Public Law 99-270).			
FHA and GNMA Credit Commitment Assistance Act (Public Law 99-289).		−380	
Total	−4,259	−6,428	765
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses.			
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Veterans compensation	272	185	
Veterans readjustment benefits.	91	91	
Compact of free association	205	205	
Special benefits (Federal employees).	14	14	
Family social services	100	75	
Guaranteed student loans	6		
Payment to civil service retirement [1].	(37)	(37)	
Total, entitlements	688	570	
Total, current level as of May 5, 1986.	1,057,108	980,302	778,559
1986 budget resolution (S. Con. Res. 32).	1,069,700	967,600	795,700
Amount remaining:			
Over budget resolution.		12,702	
Under budget resolution.	12,592		17,141

[1] Interfund transactions do not add to budget totals.

Note.—Numbers may not add due to rounding.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. ECKART] is recognized for 5 minutes.

Mr. ECKART of Ohio. Mr. Speaker, I was unavoidably detained during rollcall vote No. 112, prohibiting the proposed sales of certain missiles to Saudi Arabia. If I had been present, I would have voted against this arms sale. I join my colleagues in protesting this proposed sale, which would further destabilize the already volatile Mideast region, would reward Saudi intransigence on the peace process, and surrender significant and highly sophisticated weapons to a potentially unstable situation. This sale must be rejected.

DELAY ON IMMIGRATION REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. LUNGREN] is recognized for 60 minutes.

Mr. LUNGREN. Mr. Speaker, at the close of the 98th Congress, there was a great deal of finger pointing concerning who was to blame for the delay of the immigration reform legislation. In fact, even before it was officially pronounced dead, the Speaker sought to avoid consideration with the argument that the administration did not support immigration reform.

Such deference to the administration policy was not only rare, but certainly interesting in light of the fact that administration officials had testified in support of the measure a total of 28 times.

Similar attempts to attach blame followed the demise of the conference. The fact that controversy over the creation of a new antidiscrimination appartus patterned after the NLRB, along with the new cause of action for alien discrimination, occupied more time than any other single issue in the conference seemed to be overlooked by those who were looking beyond themselves for a culprit. In fact, the failure to gain agreement on a last-minute super deal that embodied not only antidiscrimination provisions, but some kind of cap on reimbursement to the States as well, led the chairman of the conference to officially pronounce its death.

The fact of the matter is that while some of us swallowed hard and supported the compromise, others could not find the will to do so and voted to kill not only the proposal itself but any chance for immigration reform in the 98th Congress. It should be noted that this was not entirely disappointing to many of the conferees because some happened to be opposed to the bill in the first place. Also, I should add, to his credit, that the distinguished chairman of the House Committee on the Judiciary and of the conference itself was one of those who swallowed hard.

Yet despite this clear failure of the legislative process, there were still those who could, with a straight face, seek to lay the blame with the Reagan administration. Let me say that I can understand what is seemingly an innate human temptation to avoid responsibility for failure. However, for those of us who believe in the separation of powers, such a scenario literally stretches credulity. Nonetheless, ever since the close of the conference, I have been waiting with great anticipation for deference on such things as the balanced budget amendment, aid to the freedom fighters in Central America, and countless other items.

In other words, if the reason why immigration was delayed in the last Congress, and even the Congress before that, was because of the fact that the administration did not want it at the top of its agenda or did not manifest that it was at the top of its agenda, I would hope that similar deference would be accorded the administration on those things that everyone agrees is at the top of their agenda, such as the balanced budget amendment, such as aid to the freedom fighters in Central America, such as so many other things.

However, we know we are not going to see that day. While it is my hope that we will be able to promptly mark up immigration reform legislation in the Committee on the Judiciary, my hopes certainly have been dashed before on this issue, In addition, and particularly with the announcement last week that we would face yet another delay until some time in June, did not inspire a great confidence in me with respect to the likely outcome.

Nevertheless, I would like to take this opportunity today to save those disposed to look for scapegoats from the expenditure of a lot of misspent energy and time. The fact of the matter is that from day one, the administration has made clear its support for comprehensive immigration reform, and at this time I would like to briefly chronicle their involvement thus far in this Congress and in prior Congresses in order to bring about such legislation.

Many people recall that it was during the Carter administration that a Select Commission was established on the question of immigration. I said only half facetiously at the time, when that Commission was established, that this is the general way in which Congress deals with tough controversial pieces of legislation. What it does is create a commission of outstanding men and women in America and then makes sure that they will not be required to report until after the next election. However, such a cynical comment probably was not well taken under those circumstances because, in

fact, that commission did exemplary work.

I would also applaud the President, Ronald Reagan, for when he came into office he did not exercise his ability at that time to replace people on the Select Commission who had been placed there by the previous President. Instead, he allowed the Commission to complete its action and a report of the Select Commission on Immigration was submitted to President Reagan on March 1.

Immediately following that, the President appointed a Task Force on Immigration and Refugee Policy chaired by the former Attorney General, William French Smith. This was a Cabinet-level task force. In June of 1981, the President discussed immigration legislation in depth with Mexican President Lopez Portillo. On July 30, 1981, the President made a statement outlining a legislative package based on eight principles designed to preserve an open immigration policy and to incorporation recommendations of the Select Commission into the legislation.

□ 1625

In other words, the President's cabinet-level task force took the recommendations of the Select Commission on Immigration, refined those recommendations, and made their report to the President. The President endorsed that report and incorporated the elements of that report in his statement.

On the same day, the Attorney General testified in support of immigration reform before a joint hearing of the Senate Subcommittee on Immigration and Refugee Policy and the House Subcommittee on Immigration, Refugees and International Law.

On the third of August 1981, the Attorney General of the United States made a speech in support of immigration reform, appearing before the Houston Chamber of Commerce. Going to a part of the country where the question of immigration is an important matter, and into a State where, in fact, it is most controversial and into a State where, in fact, we cannot thus far claim to have gotten the support of the majority of its congressional representatives.

In October 1981, the administration submitted officially their legislative package to the Congress embodying the elements of their approach to immigration reform.

In February 1982, Attorney General William French Smith wrote an article in favor of immigration reform which appeared in the Texas Bar Journal. In other words, contrary to those who suggest this administration was not manifesting its support for this effort, the Attorney General selected a State, perhaps second only to my home State of California as deeply impacted by immigration, in which to write his article on the question of immigration reform in support of its idea.

On April 16, 1982, the cabinet council of the President decided that the Simpson-Mazzoli bill would become the administration's vehicle for immigration reform. Therefore, on April 19, 1982, the Attorney General made a speech in favor of immigration reform outlining in more detail the administration's position before the San Antonio Bar Association and the Greater San Antonio Chamber of Commerce.

The next month, on May 20, 1982, the Attorney General of the United States made a speech in favor of the immigration reform package before the California Chamber of Commerce.

On July 11, 1982, the Attorney General wrote to Senator STROM THURMOND, the chairman of the Senate Judiciary Committee: "To reaffirm the administration's support of the bill" and to extend comments on portions of the proposed bill. The letter states that "The administration wholeheartedly supports enactment of this landmark legislation."

The other body thereafter took up the bill and on August 17, 1982, the other body passed the Simpson-Mazzoli bill by a vote of 80 to 19.

In that same month, the Attorney General gave another speech in favor of immigration reform before the National Association of Manufacturers. In September of that year, 1982, the House Committee on the Judiciary reported a companion bill to the House floor where, unfortunately, it became stalled during the post-election lame duck session.

I might say that as I have mentioned on previous occasions, we were given time to debate that bill in the late night hours and early morning hours, when even those of us very much committed to immigration reform found it at times difficult to maintain our attention span, if not only to keep awake during those hours.

At that particular time, Members who had some differences with the bill had somewhere in the neighborhood of 200 to 300 amendments that they made very, very clear they were going to offer, argue and debate at length. Of course, there was not time in that lame duck session and, therefore, the bill died.

On February 17, 1983, the so-called Simpson-Mazzoli bill, or bills, were reintroduced in this body and the other body.

On February 28, 1983, the Attorney General, William French Smith, testified in favor of immigration reform before the Senate Judiciary Subcommittee on Immigration and Refugee Policy.

Just less than a week later, on March 1, 1983, the Attorney General then testified in favor of the immigration reform proposal before the House Subcommittee on Immigration, Refugees, and International Law.

Very shortly after that, on April 18, 1983, the other body acted to adopt the immigration bill.

There was not, as I would suggest, the urgency expressed and manifest in the House that had been manifest in the actions in the other body. Therefore, on October 19, 1983, at a Presidential news conference, President Reagan said to clear up any question about his support of the bill, "I supported actively and worked hard for the passage twice, of the Senate bill on immigration."

Another direct quote: "I want to sign as quickly as possible immigration legislation."

On December 2 of that year, in questions and answers with student visitors to the White House, the President said, "We have legislation, however, in the Congress right now that we've been trying to get passed." He went on later in that session with students to say "We're trying with this legislation to restore our country to legal immigration."

In late 1983, the President reaffirmed his support of immigration reform in conversations with congressional leaders. This happened in the context of suggestions by some in this body that the bill was not going to be moved in this House until or unless the President indicated he supported it.

Again, there was a suggestion at that time by some that the President did not support immigration reform in spite of all of the history that I have related thus far. The President went out of his way at that time to indicate his support for immigration reform in a conversation, or in a number of conversations with congressional leaders.

Now at this same period of time, some will recall that we had difficulty getting the attention of the leadership of the House of Representatives to schedule any bill. I, and other Members of the House of Representatives took to the floor almost on a daily basis, certainly on a weekly basis, demanding, requesting, cajoling, humoring, using every method of persuasion that we could think of to try and get the attention of the leadership of this House to schedule consideration of the immigration bill.

On January 13, 1984, the President was addressing the Republican Women Officials at a White House luncheon. In the course of that address, he said, "We have what we think is a sensible program for immigration and we're going to keep pressing for it until we get it."

Following that, in January, in February, in March, in April, in May, many of us who supported immigration reform were pushing to have it considered here in the House. We had

the Presidential support. We had the history of Presidential support. The President was continuing to indicate his support. The Attorney General was continuing to indicate his support and yet, we just seemed not to be able to deal with it here in the House.

Some of us were told very specifically by leadership of the House that we would have a bill before the House of Representatives no later than May. Then the famous phone call from a candidate for President at that time, the former Vice President of the United States, Mr. Mondale, to the Speaker indicating his concern that if we voted on it in May, that would come before the California primary and, therefore, it would alert people as to how people stood; that is, how Members of Congress stood on the issue of immigration.

That, of course, could cause some trouble at the polls during a primary. And so, as I have said before many times on this floor, that phone call worked and we made sure that people in California were required to vote on the basis of ignorance on that issue.

Finally, we were allowed to have a consideration of the bill in the House of Representatives in June. I must say the rule we had at that time was an imminently fair rule; it allowed full consideration of all aspects of the bill; it allowed all Members an opportunity to discuss the bill. It put 69 separate amendments in order, convering virtually every single aspect of the bill.

□ 1635

After a number of days of debate and consideration of various amendments, spread out over a 2-week period of time, the Simpson-Mazzoli bill passed the House on June 20, 1984.

So what was the President's response to this? Well, on July 2, 1984, the President had a press conference in San Antonio, TX. At that time he said this: "The bill as introduced is cost-effective and is fair. And it's also necessary, because the simple truth is we've lost control of our borders."

Now recall that this was taking place in the context of a Presidential election year, and some wondered, would Ronald Reagan continue to support the bill in the height of a Presidential election campaign? Would he be willing to come out front on this issue, or would he duck the issue because it was of such high volatility?

On October 21, 1984, of course, there was a Presidential debate. Vice President Mondale indicated that he opposed the sanction provisions of Simpson-Mazzoli while President Reagan expressed his support for Simpson-Mazzoli "strongly"—those are his words during the debate—but with reservations relating to some provisions in the House of Representatives bill and not contained in the original legislation.

So again he said he strongly supported immigration reform; he strongly supported perhaps the most essential aspect of it, and maybe the most controversial aspect of it; that is, the question of employer sanctions, but indicated that he had some reservations about parts of the House bill and hoped that it would be worked out in conference.

Now in October the bill died in conference. Primarily, at that time because of the issue of employment, discrimination language, and the amount of Federal reimbursement funds to be made available to the States.

It is my belief, however, that had we had sufficient time, we could have worked out those differences. I may have had a difference with the distinguished gentleman from Massachusetts on the question of the employment discrimination language; I think if we had had time we could have worked it out.

We may have had some differences with various Members on the question of Federal reimbursement, but I thought we were moving toward a consensus position. In fact, we were defeated by time. I happen to think some Members, perhaps secretly, perhaps not so secretly, applauded us losing out to time. Some did not make that very quiet, but nonetheless, time is what defeated us.

Many of us were absolutely concerned that if we were going to move on immigration reform, we had to move in this Congress, quickly, so we could avoid the time problem.

So during the confirmation hearings of Edwin Meese, on January 29, January 30 and January 31 of 1985, in response to questions posed to him by Senator ALAN SIMPSON concerning the need for immigration reform, the prospective then and current Attorney General of the United States said this: "Senator, it is a major problem. I would be interested in continuing the efforts that the Justice Department has initiated * * * [on achieving] sensible, nondiscriminatory immigration reform."

As we all know, there was a period of time of delay of the actual confirmation of Edwin Meese; and so during that time Attorney General of the United States, William French Smith, continued to show his support for it.

After Edwin Meese was confirmed, on May 27, 1985, the Attorney General said in a press release on the Senate immigration bill, S. 1200: "Now is time for the Congress to act to give this nation the ability to regain control of its border."

On June 24, 1985, Attorney General Edwin Meese III testified in support of the bill before Senate Subcommittee on Immigration and Refugee Policy.

On September 5, 1985, a statement of principles in favor of a separate guestworker program for perishable commodities issued by Departments of Justice, Agriculture and Labor.

I bring this to the attention of my colleagues because this is the supposed issue that is now the reason for continued delay of this bill, and I want it very, very clear that the administration, Departments of Justice, Agriculture and Labor were attempting to come to a consensus, and in fact had come to a consensus, as to a statement of principles as early as September of last year.

On September 9 of last year, Attorney General Edwin Meese III testified in support of the bill before the House Subcommittee on Immigration, Naturalization and International Law.

He said at that time: "I begin my testimony by emphasizing that both President Reagan and I have been strongly committed to comprehensive immigration reform."

In September of that year, the Senate adopted the Simpson-Mazzoli bill, with the Wilson guestworker amendment.

On October 9, 1985, testimony before the House Subcommittee on Immigration, Refugees, and International Law was presented by William Bradford Reynolds, representing the Department of Justice; and at that time they again reiterated their support for the immigration reform package.

On November 19, 1985, the House Judiciary Subcommittee on Immigration, Naturalization and International Law reported H.R. 3810 to the full committee. The reason why the House Judiciary Subcommittee did not report prior to that time is interesting; the chairman of our subcommittee, trying to create a consensus, had basically deferred to those who said that if we were to just give them a little more time, they would work out a consensus agreement on the agricultural question and therefore it would not be controversial and we might be able to move the bill on.

The chairman of our subcommittee, the gentleman from Kentucky [Mr. MAZZOLI] therefore basically postponed consideration of that bill, but finally gave up in November and said, "We will go ahead with the bill, if you're going to work out the differences on this question, work it out before the full committee markup."

Therefore, it was November that the House subcommittee reported out its bill. We have been waiting since then, and some have said, well, it is the fault of the agricultural question; we cannot resolve it, therefore the bill cannot be brought up.

As I pointed out in my special order yesterday, that was not the reason why we did not finish the bill last time. We were able to resolve that question in a way that I think reached

some sort of consensus in the last Congress.

There are some, I believe, who do not support any guestworker provision at all, and would rather us not have an opportunity to vote on it on the floor because they fear it will win. So instead of letting the bill out, letting it come to the floor, letting an amendment be voted up or down, we hide it somewhere and say that that is the stumbling block.

It just seems strange to me that something that can garner the majority support of the House of Representatives, that has already garnered majority support in the other body, is argued to be the stumbling block that requires us not to consider the overall bill before us in the House of Representatives.

In February of this year, a joint letter was forwarded to Chairman RODINO in response to 27 specific questions that he had sent to the administration relating to perishable agriculture.

So the administration gave a response in writing to those 27 questions that embodied the position of the administration's Departments of Justice, Agriculture, and Labor.

In the background of all this, there was still talk, there was still background noise, there were still rumors, there were still innuendoes, there were still suggestions that somehow the administration was not supportive of immigration reform despite everything that has been said. Despite everything the President has done for it and despite everything his first Attorney General has done for it, despite everything the second Attorney General has done for it.

There was a requirement that the President show that he supported it, and there were statements from the Attorney General. There were statements from spokesmen from the White House, and yet that was not sufficient.

So on March 11 of this year there was a meeting at the White House between President Ronald Reagan, Chairman RODINO, the chairman of the Judiciary Committee subcommittee in the Senate, ALAN SIMPSON; Edwin Meese, the Attorney General of the United States; James Miller, the head of the Office of Management and Budget; Donald Regan, White House Chief of Staff; the ranking Republican on the Judiciary Committee, Mr. HAMILTON FISH of New York; myself, and of course the chairman of the subcommittee in the House of Representatives, RON MAZZOLI.

At that time, I will tell my colleagues, the President said four separate times, he supported immigration reform, he supported immigration reform, he supported immigration reform, he supported immigration reform.

He indicated that cost was not something that would stop his support of the bill; we could work something out, and he basically gave us his pledge that he would do whatever was necessary, and pointed to his top officials who have jurisdiction in this matter and got their assurance that they would do everything they could in support of it.

As far as I could tell, the chairman of the Committee on the Judiciary, Mr. RODINO, was satisfied with that. In a conversation he indicated to me that he had gotten everything that he had expected or wanted from the President, and that we would go forth.

□ 1645

I should mention in that meeting the President said, "Look, we have a full plate here on this end of Pennsylvania Avenue. I know you have a full plate at your end of Pennsylvania Avenue. But one thing we have to keep on our plates is the question of immigration reform. It is too important not to do it."

In fact, on the question of money, I recall the President saying, "Yes, it will cost us money, but I think it will cost us more in the long run if we do not have comprehensive immigration reform than any cost we would bear in the short run from implementing the immigration reform package."

On the very next day, March 12, 1986, Attorney General Meese testified on the Department of Justice authorization before the House Committee on the Judiciary, and at that time he specifically reiterated in his opening statement the President's support for immigration reform. He mentioned the meeting on the day before as did Chairman RODINO.

That was March. In April Attorney General Edwin Meese telephoned Chairman RODINO in Newark, NJ, to urge him to schedule full committee markup. On April 18, there was a letter from John Bolton of the Justice Department on behalf of the Justice Department in which he indicated a followup to the April 4 telephone conversation and talked about support for immigration reform, but it also articulated the administration's opposition to overall exemption of coverage of employer sanctions to the industry of agriculture.

The letter follows:

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AND
INTERGOVERNMENTAL AFFAIRS,
Washington, DC, April 18, 1986.

Hon. PETER W. RODINO, Jr.,
Chairman, House Judiciary Committee, Washington, DC.

DEAR MR. CHAIRMAN: I would like to follow up your April 4 telephone conversation with the Attorney General on the subject of an exemption from H.R. 3810 for agriculture.

The Attorney General has concluded that an exemption for agriculture would not be the best way to handle the farmworker issue if we are to achieve immigration reform in this Congress. He believes that the history of a separate guestworker provision strongly suggests that a great deal of support for its inclusion in any immigration reform legislation exists on both sides of the Hill. During the last Congress, a guestworker amendment aimed at perishables, sponsored jointly by Congressman Leon Panetta and Congressman Sid Morrison, passed by a 228–172 margin when it was considered on the floor of the House. Last year, the Senate, for the first time ever, followed a similar course. Moreover, we believe that exempting agriculture could lose a significant amount of current support for immigration reform. We therefore continue to support a specific provision for perishable commodity workers.

The President and the Attorney General have stressed their unqualified support for the prompt consideration of H.R. 3810 by the full Judiciary Committee. It is our hope that you will be able to mark up the bill before the end of April.

We look forward to working closely with you, Chairman Mazzoli and other supports of the Hill on what we feel is one of the most important responsibilities remaining before the 99th Congress.

Sincerely,

JOHN R. BOLTON,
Assistant Attorney General.

Again, let me state that this was a letter of April 18, 1986, talking about this issue and clearing up a question about one element of the bill.

Many of us anticipated that we were finally going to have an opportunity to work on the bill before the full committee this week. As a matter of fact, as of last Wednesday or Thursday morning, even, I fully expected that I would not be here today giving a special order on this question but, rather, probably in an extended meeting of the full Committee on the Judiciary hammering out a consensus immigration bill and, hopefully, completing action on that, if not this week, next week, so that, even though we are up against a time line, we might have a bit of a chance to complete action in this Congress.

Yet, last Thursday, we were informed indirectly, frankly, that there had been a change in plan. A letter dated April 30, 1986, was sent to Chairman RODINO in which it was stated that—

The undersigned members of the Committee on the Judiciary think it would be wise, and therefore request that you delay markup of H.R. 3810 until the second week of June.

We respect your desire to move this legislation as expeditiously as possible, and are not requesting this postponement in order to jeopardize the ultimate passage of immigration reform legislation. To the contrary, we think this delay will facilitate the work of the committee.

As you know, discussions convened by Chuck Schumer have been underway to construct an alternative to the guestworker program for perishable crops contained in the Senate bill. We are hopeful that those discussions will come to fruition and result in an alternative we can support.

If those discussions founder, the concept proposed by you to exempt agriculture from

the bill provides us with another alternative.

I might just interject at this point that is the alternative that the administration finds they cannot accept. It is an alternative that I find I cannot accept. I am for employer sanctions, I am for some sort of guestworker program, but I am not for exempting agricultural employers from coverage of the employer sanctions provisions of the bill. I think that makes a mockery of what we are attempting to do.

Continuing on, the letter says:

A delay in scheduling the markup would give us time to determine whether a consensus can be reached in support of that approach.

If neither of those alternatives work, we at least need time to work out a consensus regarding what changes should be made in the H-2 program.

In any event, it is our view that a consensus among the Democrats on the committee regarding the agriculture issue needs to be worked out before we proceed with markup. It was passionate differences on this issue that caused the 1984 bill to die in conference, and we are convinced that no other issue so threatens immigration reform legislation.

Needless to say, if this issue cannot be worked out through these efforts by the second week of June, we expect markup to proceed on H.R. 3810 at that time, and will seek no further delay.

Mr. Speaker, that letter is signed by 16 Members on the Democratic side of the Judiciary Committee.

Mr. Speaker, I do not suggest any ulterior motives on the part of anybody. I do not suggest that anybody signed this letter without believing what is written in the letter. But let me take issue with parts of it. First, as I mentioned before both today and yesterday in my special order, It is argued that somehow the agricultural issue was the issue on which the 1984 bill died. That is not supported by the record. That is not supported by the vote in either House. In addition we worked out our differences in conference.

Second, it is argued that "all we need to do is have more time."

Mr. Speaker, if the factual statement is true that the agricultural issue caused us to fall apart in the conference last time, this is what some have been asking just a little bit more time for since that conference 2 years ago. All we needed was a little more time then. All we needed was a little more time before we started the bill in the subcommittee. All we needed was a little more time before we completed subcommittee action. All we needed was a little bit more time before we would have the committee act in the early part of this year. All we needed was a little bit more time until the committee would act in the spring of this year. Now all we need is a little bit more time so that they can resolve this issue by June.

If anyone wants to look at the calendar, they could easily see that the calendar is working against us. We do not have that many days left in this House of Representatives to work.

We are not exactly exhausting ourselves with the work product of that which we have produced here on the House floor in this session, in this Congress. We have had plenty of time. In fact, it would have been most propitious for us to deal with something as controversial as immigration, previously in the last several months. We have lost that opportunity, and now what we are doing is pushing ourselves more and more into that period of time in which our gaze will be firmly on how do we get Gramm-Rudman to work, how do we get the budget process to survive, how do we get the spending bills through and, finally, how do we make sure the authorization bills are all consistent with the spending bills and vice versa?

Into that tremendous vortex we are now going to throw immigration reform. I suggest we jeopardize the immigration bill by treating it in this manner.

Another suggestion has been made in terms of the criticism of the administration, where some have wanted to deflect criticism in that direction.

I would suggest that, just as Don Quixote spent a lifetime preoccupied with fighting windmills, the debate over the immigration reform package seems to have brought out a similar preoccupation with fantasy—an insatiable need to attack the administration over alleged threats to progress on the bill. One such incident involved an alleged memo drafted prior to the Council of Economic Advisers' release of their economic report transmitted to Congress in February 1986. Reports in the press sought to paint a schism within elements of the administration concerning its position on immigration reform legislation.

Despite the fact that the subsequently published Economic Report of the President had yet to be released and despite the fact that, when it was released, it said something very different than what the leaks to the press suggested, that did not quell speculation.

It would be interesting to know many of us in this body would want to have the perception of our public positions on various issues based not on what we say, not on how we vote, but on an internal memo prepared by staff, option paper, suggestions, position papers, or first drafts.

I can say, after conversations with CEA Chief Sprinkel at that time, there was no attempt whatsoever to undercut the support within the administration for immigration reform legislation.

However, to set the record straight, please allow me to read from the Economic Report of the President itself, where the administration policy is clearly stated.

After acknowledging the obvious contribution of immigration to our overall standard of living and the economic development, the report goes on to say:

The economic gains provided by international migration, however, do not justify the presence or employment of aliens in the United States on an illegal basis. Illegal aliens knowingly defy American laws while their presence establishes claims to economic opportunity and constitutional protections. As a soveregn nation, the United States must responsibly decide not only who may cross its borders, but also who may stay.

So, I would just like to make it very clear that any delay that has been visited upon this bill, this effort to pass comprehensive immigration reform, cannot be laid at the doorstep of this administration; rather, it can be laid at the doorstep of Members of Congress who, for whatever reason or for whatever combination of reasons, have managed to delay this bill until this time when it is in jeopardy.

I think that we must recognize that it is just not a complaint of the administration or Members on this side of the aisle or even distinguished Members such as the gentleman from Massachusetts, who supports immigration reform, but just today the Washington Post editorialized on the problem engendered by this most recent delay.

At this point in the RECORD, Mr. Speaker, I would like to insert the Washington Post editorial which points out that time is running short in the 99th Congress, "Another 6 weeks delay, especially in an election year, is discouraging." It says it hopes that Congressmen SCHUMER, PANETTA, and BERMAN can work out their differences that they hope to work out. It ends with this, "But if they cannot work out a compromise, the chairman has a responsibility to move the bill and settle the problem the old-fashioned way—by taking a vote."

[From the Washington Post, May 7, 1986]

THE FRUITS OF DELAY

Figs are a case in point. Harvesting this fruit presents special problems for western growers. They watch the trees carefully as the fruit ripens, because harvesting must be completed quickly. Machines are rolled into the groves to shake the trees, and then farm workers have only a short time to pick up the fruit from the ground before it rots. A sizable labor force has to be on hand, but it is needed for only a day or two. The growers say they can't find Americans to do this work, and must depend on undocumented workers. Unions, on the other hand, believe that if pay and benefits were sufficient, there would be plenty of local job applicants. It is this dispute about the country's need for foreign agricultural workers that has stalled the immigration bill this time around.

The treatment of temporary farm workers has always been an issue, but this year it is

critical. The Senate, over the objection of the bill's author, Sen. Alan Simpson, added a three-year guest worker program to the bill, but that is unacceptable to House Judiciary Chairman Peter Rodino. For more than a year, a group of committee members has been trying to work out a compromise, which was supposed to have been ready on May 1. Mr. Rodino has now extended that deadline and postponed committee consideration of the bill until the middle of June.

Single-issue stumbling blocks have plagued this bill. It has been stalled in the past because of disputes over employer record-keeping, the date of the amnesty, the possibility of discrimination against Hispanic-Americans, the form of papers certifying legal immigration status and the labor needs of certain industries, particularly agriculture. Special interest lobbies have managed to stop the legislation. According to polls, however, the general public has consistently supported immigration reform.

Time is running short in the 99th Congress; another six-week delay, especially in an election year, is discouraging. Reps. Charles Schumer, Leon Panetta and Howard Berman, who are working to resolve the farm labor problem, should be encouraged to proceed. But if they cannot work out a compromise, the chairman has a responsibility to move the bill and settle the problem the old fashioned way—by taking a vote.

Mr. Speaker, there is no doubt that immigration reform is an issue whose time has come, whose time has been upon us for such a long, long time and that things are not getting better, they are getting worse.

I would like to submit for the RECORD at this point in time a list of newspapers which, as of last July, supported the immigration reform, totaling 140, even though this is not totally inclusive and, in all fairness, the list also includes a total of 13 newspapers that we could find in the Nation that oppose immigration reform:

NEWSPAPERS SUPPORTING IMMIGRATION REFORM

The New York Times.
The Washington Post.
Los Angeles Times.
Los Angeles Herald.
The San Diego Union.
The San Diego Tribune.
The Corpus Christi Times.
The Denver Post.
Seattle Post-Intelligencer.
The Miami Herald.
The Philadelphia Inquirer.
Herald-Dispatch, WV.
Avalanche Journal, TX.
Record and Landmark, NC.
Owensboro Messenger, KY.
Hopkinsville New Era, KY.
Evening Item, MA.
Lewiston Tribune, ID.
Dallas Morning News.
Honolulu Star-Bulletin.
Pomona Progress Bulletin.
Boston Herald American.
Pittsburgh Post-Gazette.
Detroit Free Press.
San Francisco Chronicle.
Pittsburgh Press.
New York Daily News.
Waco Tribune-Herald.
Bend Bulletin, OR.
Longview Morning Journal, TX.
The Birmingham News, AL.
The Macon Telegraph, GA.
The Times, Hammond, IN.
The Columbus Dispatch.
The Detroit News.
The Sacramento Bee.
Portland Oregonian.
Advocate-Messenger, KY.
Gadsden Times.
Post Herald, AL.
Yakima Herald-Republic.
Evansville Courier, IN.
Daily Evening Item, Lynn, MA.
The Democrat-Herald, OR.
The Christian Science Monitor.
U.S. News and World Report.
Texarkana Gazette.
Minneapolis Star and Tribune.
Commonwealth, Scotland Neck, NC.
New Orleans Times Picayune.
Dallas Times Herald.
Democrat-Chronicle, Rochester, NY.
Progress Bulletin, CA.
News and Observer, NC.
Burlington County Times, NJ.
Valley News and Green Sheet, CA.
The El Cajon Californian.
San Antonio Express.
Corpus Christi Caller Times.
Pampa Texas News.
Palo Alto Peninsula Times-Trib.
Bakersfield Californian.
Providence Sunday Journal.
Thomasville Times, NC.
Salt Lake City Tribune.
Temple Telegram, TX.
Havre Daily News, MT.
The Seattle Times.
Monterey Peninsula Herald.
Bay-Town News Sun, TX.
St. Louis Post-Dispatch.
Chicago Tribune.
Gainesville Register.
Mt. Clemens-Macomb Daily, MI.
USA Today.
Greensboro Daily News, NC.
St. Petersburg Times.
The Chicago Sun Times.
St. Paul Pioneer Press.
Sentinel Star, MN.
Buffalo Evening News.
Newsday, NY.
Alameda Times Star.
Milwaukee Journal, WI.
Standard Times, New Bedford, MA.
The Press Courier, Oxnard, CA.
San Gabriel Valley Tribune, CA.
The Cincinnati Post, OH.
The Sentinel Record, AR.
Kennebec Journal, ME.
The Daily Olympian, WA.
The Fresno Bee, CA.
Newsweek.
Texas City Sun.
The Star Ledger, NJ.
The Daily Chronicle, WA.
Register-Guard, OR.
The Santa Barbara News-Press.
Denton Record Chronicle, TX.
Rochester Times-Union, NY.
Whittier Daily News, CA.
Houston Chronicle.
The Indianapolis News, IN.
The Tulsa World, OK.
The Fullerton Daily News, CA.
The Cleveland Plain Dealer.
The Berkshire Eagle, MA.
Reno Evening Gazette, NV.
The Fall River Herald News, MA.
Corsicana Daily Sun, TX.
The Post-Register, ID.
The Hartford Courant.
The Honolulu Advertiser.
The Denison Herald, TX.
The Atlanta Constitution, GA.
The Denison Herald, TX.
The Courier-Journal KY.
Nevada State Journal, NV.
Spectrum, St. George, Utah.
U.S. News and World Report.
Richmond Times Dispatch.
Middlesboro Daily News, KY.
The Selma Enterprise, CA.
The Baltimore Sun, MD.
Idaho State Journal.
Fort Worth Star Telegram.
Daily Times Advocate, CA.
The Lufkin News, TX.
Louisville Times, KY.
The Tucson Daily Territorial, AZ.
Hawaii Tribune-Herald.
Pittsburgh Post-Gazette.
Raleigh News and Observer.
The Knoxville News-Sentinel, TN.
Alexander City Outlook, AL.
The Cullman Times, AL.
Athens News Courier, AL.
Tacoma News Tribune, WA.
Ogden Standard Examiner.
St. Louis Globe Democrat.
The Boston Globe.
The Des Moines Register.

NEWSPAPERS OPPOSING IMMIGRATION REFORM

The Wall Street Journal.
The Arizona Republic.
The Arizona Daily Star.
The Santa Fe New Mexican.
The Orange County Register.
The Modesto Bee.
The Washington Times.
The Rocky Mountain News.
The Tucson Citizen.
Albuquerque Journal.
The El Paso Times.
The Oakland Tribune.
The Larado News.

Mr. Speaker, I would like to include in the RECORD a May 1, 1986, letter from the Attorney General of the United States, Edwin Meese, to the Speaker of the House of Representatives, the Honorable THOMAS P. O'NEILL, JR., talking about the desire for the administration that we proceed in this House and then, together with the executive branch, to bring immigration reform to completion at the earliest possible date.

OFFICE OF THE ATTORNEY GENERAL,
Washington, DC, May 1, 1986.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, House of Representatives, Washington, DC

DEAR MR. SPEAKER: It has come to my attention that the full Judiciary Committee may mark-up the Rodino-Mazzoli Immigration Reform bill, H.R. 3810, on Tuesday and Wednesday of next week, May 6 and 7. As you know, a great deal of time already has passed since the bill was reported by the Judiciary Subcommittee on Immigration last November 19, and it is imperative that it be taken up on the House floor soon if immigration reform is to become a reality this year.

I am, of course, aware that other committees of the House, including the Agriculture Committee and the Education and Labor Committee, probably will seek a sequential referral of the bill as soon as it is acted upon by the Judiciary Committee. With this in mind, then, I urge you to limit any such referral to ten or fewer legislative days.

Questions surrounding immigration reform have been debated in each of the past two Congresses, and each of the Com-

mittees that might back referral have had ample time to conduct hearings and closely examine those portions of the reform package which affect their jurisdictional prerogatives. Twice, the Senate has acted first, only to see reform die because of delayed consideration in the House. Last September, the Senate acted a third time, and, while the Subcommittee on Immigration reported a bill before Thanksgiving, the full Judiciary Committee is only now marking it up.

The President has expressed his unqualified support for immigration reform. On March 11, 1986, he met personally with the Chairman of the House Judiciary Committee, Peter W. Rodino, Jr., and the sole topic of that meeting was Judiciary Committee action. Present, among others, were James C. Miller III, Director of the Office of Management and Budget, and myself. When I appeared before the full Judiciary Committee the next day, March 12, I reiterated the President's strong endorsement.

Time is running out, Mr. Speaker, and if we are to assert effective control of our borders, we must act this year. Our failure, as both Chairman Rodino and Father Theodore N. Hesburgh, former Chairman of the President's Select Commission on Immigration, have noted in recent public statements, could likely have an adverse effect on the nation's refugee and immigration policies for years to come.

Since it is within your authority to set both the time frame during which action on a referral must occur, as well as the date upon which House consideration is to take place, I hope that you will schedule H.R. 3810 in such a way as to assure that it will be taken up in time to allow a conference of the House and Senate to resolve the inevitable differences which will exist between the two bodies.

The Department stands prepared to do what it can to assist you in this matter. Thank you for your attention to this matter.

With best wishes,

Sincerely,

EDWIN MEESE III,
Attorney General.

In conclusion, Mr. Speaker, let me just say that this is an issue that is not just a California issue or a Southwest issue, it is a national issue; it is one that can only be addressed in the House of Representatives and in the other body and in the White House.

The White House has spoken and acted. The other body has spoken and they have acted. We remain silent. We remain mute. Unfortunately, the country suffers because of our silence.

I thank the Speaker for this time, and I yield back the balance of my time.

□ 1500

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 60 minutes.

[Mr. WALKER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

ADMINISTRATION LIABILITY REFORM PACKAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. FISH] is recognized for 15 minutes.

Mr. FISH. Mr. Speaker, today I am introducing the "Product Liability Reform Act of 1986" and the "Government Contractor Liability Reform Act of 1986". In addition, as part of this same effort, my good friend and Judiciary Committee colleague—Hon. THOMAS N. KINDNESS—is introducing the "Federal Tort Claims Reform Act of 1986".

These three bills, taken together, reflect an administration response to the serious national problem of affordability and availability of liability insurance and the corresponding need for tort reform. This three-part legislative package is the outgrowth of findings and recommendations made by the administration's interagency Tort Policy Working Group, chaired by Richard K. Willard, assistant Attorney General, Civil Division, Department of Justice.

In October 1985, the President established the tort policy working group to examine the rapidly expanding insurance crisis. That interagency task force consisted of representatives of ten different Federal agencies as well as the White House. The primary contributing agencies were the Department of Justice, the Department of Commerce, and the Small Business Administration.

In February, the working group issued its report and specific recommendations. They recommend eight generic reforms of tort law that would significantly alleviate the crisis in insurance availability and affordability. Their recommended reforms are:

Return to a fault-based standard for liability.

Base causation finding on credible scientific and medical evidence and opinions.

Eliminate joint and several liability in cases where defendants have not acted in concert.

Limit noneconomic damages—such as pain and suffering, mental anguish, or punitive damages—to a fair and reasonable maximum dollar amount.

Provide for periodic—instead of lump-sum—payments of damages for future medical care or lost income.

Reduce awards in cases where a plaintiff can be compensated by certain collateral sources to prevent a windfall double recovery.

Limit attorneys' contingency fees to reasonable amounts on a "sliding scale."

Encourage use of alternative dispute resolution mechanisms to resolve cases out of court.

The bills we are introducing today would codify negligence standards and establish liability limits for certain categories of defendants. In each instance, the bills deal with fact circumstances that have a particularly strong Federal nexus. The product liability legislation would establish uniform national standards for actions brought in either Federal or State court based upon the design, production or distribution of a product. Similarly, the Government contractor legislation sets uniform standards and limits for suits brought against contractors, where the alleged injury results from the performance of a contract with the Federal Government. The proposed Federal Tort Claims Act amendments deal with liability actions where the United States, itself, is the defendant.

All three of these bills contain the following parallel provisions: Except in those rare instances where defendants are shown to be "acting in concert," joint and several liability would simply not apply. Instead, each bill would establish a comparative negligence standard in these suits, so that a defendant would be liable only for the damages directly attributable to that person's pro rata share of the fault. All three bills place a sliding scale on the size of a contingency fee that an attorney may charge, so that a greater percentage of the judgment will go to the victim. Each bill utilizes the collateral source rule as a means of reducing overall damage awards and provide for periodic damage payments, in lieu of lump-sum payments, for future economic losses due to the injury in question. Each bill also places a $100,000 ceiling on noneconomic damages; that is, pain and suffering, mental anguish, and punitive damages.

To me, the centerpiece of this legislation is the Product Liability Reform Act of 1986. This measure has already been introduced in the other body by Senator ROBERT KASTEN in the form of an amendment to his original product liability bill, S. 100. It is my understanding that Senator KASTEN'S Consumer Subcommittee will begin hearings on this important legislation on May 20.

While valid questions can be raised regarding whether Congress should generally preempt State tort law to deal with the current liability insurance crisis, no one should question the validity of Congress acting specifically with respect to the national problem of product liability. In today's marketplace, virtually every product has the potential to enter the stream of interstate commerce and may be distributed far beyond the borders of the original producing State. Once an individual manufacturer places his product on the market, he no longer is in control of the movement of that product.

So, a manufacturer faces a patchwork of 50 different State laws on product liability and is potentially threatened with legal action in any State. The simple fact is that State legislation cannot protect a manufacturer from the debilitating impact of out-of-State product liability judgments. This fact, taken together with the almost irrational expansion of the legal theory of strict liability, has had severe economic consequences. Because of the current state of product liability law and the accompanying costs of product liability insurance, consumers pay higher prices for products. The current state of product liability law has also had an adverse impact on domestic employment and has served to encourage ever-increasing and successful foreign competition.

The administration is to be congratulated for taking the initiative to remedy this problem. Two leaders in this effort have been attorney General Edwin Meese III and Secretary of Commerce Malcolm Baldrige. I look forward to working with them in the coming weeks and months to bring about congressional approval of this important landmark legislative package.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MITCHELL (at his own request), for May 8, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GEKAS) to revise and extend their remarks and include extraneous material:)

Mr. LIVINGSTON, for 5 minutes, today.

Mr. BEREUTER, for 5 minutes, today.

Mr. WALKER, for 60 minutes, today.

Mr. FISH, for 15 minutes, today.

(The following Members (at the request of Mr. SEIBERLING) to revise and extend their remarks and include extraneous material:)

Mr. GLICKMAN, for 5 minutes, today.

Mr. DONNELLY, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. LEHMAN of California, for 5 minutes, today.

Mrs. BYRON, for 60 minutes, on May 13.

(The following Members (at the request of Mr. GILMAN) to revise and extend their remarks and include extraneous material:)

Mr. DERRICK, for 5 minutes, today.

Mr. ECKART of Ohio, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BROOMFIELD, on House Joint Resolution 589, following the remarks of Mr. FASCELL, in the Committee of the Whole, today.

Ms. OAKAR, prior to the vote on House Joint Resolution 589, in the Committee of the Whole, today.

Mr. DANNEMEYER, on House Joint Resolution 526, in the House, today.

(The following Members (at the request of Mr. GEKAS) and to include extraneous matter:)

Mr. ROBERT F. SMITH.

Mr. GREEN in two instances.

Mr. KRAMER in two instances.

Mr. WHITEHURST.

Mr. DUNCAN.

Mr. DORNAN of California.

Mr. MILLER of Ohio in three instances.

Mr. GEKAS in two instances.

Mr. TAUKE.

Mr. KOLBE.

Mr. MCCANDLESS.

Mr. MARLENEE.

(The following Members (at the request of Mr. SEIBERLING) and to include extraneous matter:)

Mr. COLEMAN of Texas.

Mr. YATRON in two instances.

Mr. DORGAN or North Dakota.

Mr. KILDEE.

Mr. RANGEL in two instances.

Mr. TALLON.

Mr. SMITH of Florida.

Mr. LOWRY of Washington.

Mr. EDWARDS of California.

Mr. WALGREN.

Mr. FASCELL.

Mr. LELAND.

Mr. FEIGHAN.

Mr. ROWLAND of Georgia.

Mr. TORRES.

Mr. WIRTH.

Mr. MARTINEZ.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1750. An act to amend the Federal Aviation Act of 1958 to increase civil penalty limits for safety violations by persons engaged in commercial aircraft operations, and for other purposes; to the Committee on Public Works and Transportation.

S.J. Res. 241. Joint resolution designating the week beginning on May 11, 1986, as "National Asthma and Allergy Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 245. Joint resolution designating "National Epidermolysis Bullosa Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 337. Joint resolution designating May 18–24, 1986 as "Just Say No to Drugs Week"; to the Committee on Post Office and Civil Service.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 49. An act to amend chapter 44 (relating to firearms) of title 18, United States Code, and for other purposes;

S. 381. An act for the relief of Mishleen Earle; and

S. 1818. An act to amend section 1153 of title 18, United States Code, to make felonious sexual molestation of a minor an offense within Indian country.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H.R. 739. An act to make miscellaneous changes in laws affecting the U.S. Coast Guard, and for other purposes;

H.R. 4022. An act to release restrictions on certain property located in Calcasieu Parish, LA, and for other purposes;

H.J. Res. 544. Joint resolution to designate May 7, 1986, as National Barrier Awareness Day; and

H.J. Res. 569. Joint resolution to designate May 8, 1986, as "Naval Aviation Day."

ADJOURNMENT

Mr. LUNGREN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 p.m.), the House adjourned until tomorrow, Thursday, May 8, 1986, at 11 a.m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports and amended reports of various House committees concerning the foreign currencies and U.S. dollars utilized by them during the second, third, and fourth quarters of calendar year 1985 and the first quarter of calendar year 1986 in connection with foreign travel pursuant to Public Law 95-384.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Delegation visit to Italy, Turkey and France, May 24 to June 4, 1985:											
Delegation expenses	5/31	6/4	France						811.20		811.20
Committee total									811.20		811.20

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LES ASPIN, Chairman, Apr. 30, 1986.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Staff visit to the United Kingdom and Austria, Sept. 22–27, 1985.	9/22	9/25	United Kingdom						689.67		689.67
Committee total									689.67		689.67

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LES ASPIN, Chairman, Apr. 30, 1986.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Delegation to United Kingdom, Belgium, Germany and France, Nov. 8–13, 1985:											
Delegation expenses	11/8	11/9	United Kingdom						602.59		602.59
	11/9	11/10	Belgium				453.52		2,637.32		3,090.84
Committee total							453.52		3,239.91		3,693.43

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LES ASPIN, Chairman, Apr. 30, 1986.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Staff visit to United Kingdom, Northern Ireland, Berlin, Federal Republic of Germany, Spain, and Portugal, Jan. 2–11, 1986:											
Eastman, Robert J., Jr	1/2	1/2	United Kingdom								
	1/2	1/3	Northern Ireland		70.91						70.91
	1/3	1/5	United Kingdom		418.39						418.39
	1/5	1/6	Berlin		105.14						105.14
	1/6	1/8	Federal Republic of Germany		31.18						31.18
	1/8	1/9	Spain		77.68						77.68
	1/9	1/11	Portugal		121.59						121.59
Commercial transportation paid by the Air Force.							1,102.00				1,102.00
Delegation to South Africa and Puerto Rico, Jan. 6–11, 1986:											
Martin, Hon. Lynn	1/6	1/10	South Africa		432.00						432.00
	1/11	1/11	Puerto Rico								
Military transportation							11,029.23				11,029.23
Delegation to People's Republic of China, Pakistan, India, Thailand, Philippines, Taiwan, and Republic of Korea, Jan. 7–17, 1986:											
Courter, Hon. Jim	1/7	1/10	People's Republic of China		225.00						225.00
	1/10	1/11	Pakistan		161.00						161.00
	1/11	1/12	India								
	1/12	1/14	Thailand		216.00						216.00
	1/14	1/15	Taiwan		97.00						97.00
	1/15	1/17	Republic of Korea		208.00						208.00
Military Transportation							15,861.15				15,861.15
Delegation to French Polynesia, New Zealand, Australia, and Fiji, Jan. 7–21, 1986:											
Stratton, Hon. Samuel S	1/7	1/9	French Polynesia		236.00						236.00
	1/10	1/14	New Zealand		300.00						300.00
	1/14	1/18	Australia		464.00						464.00
	1/18	1/21	Fiji		366.00						366.00
Military transportation							12,563.18				12,563.18
Ortiz, Hon. Solomon P	1/7	1/9	French Polynesia		236.00						236.00
	1/10	1/14	New Zealand		300.00						300.00
	1/14	1/18	Australia		464.00						464.00
	1/18	1/21	Fiji		366.00						366.00
Military transportation							12,563.18				12,563.18
Darden, Hon. George (Buddy)	1/7	1/9	French Polynesia		236.00						236.00
	1/10	1/14	New Zealand		300.00						300.00

Name of Member or employee	Date: Arrival	Date: Departure	Country	Per diem [1]: Foreign currency	Per diem [1]: U.S. dollar equivalent or U.S. currency [2]	Transportation: Foreign currency	Transportation: U.S. dollar equivalent or U.S. currency	Other purposes: Foreign currency	Other purposes: U.S. dollar equivalent or U.S. currency	Total: Foreign currency	Total: U.S. dollar equivalent or U.S. currency
	1/14	1/18	Australia		464.00						464.00
	1/18	1/21	Fiji		366.00						366.00
Military transportation							12,563.18				12,563.18
Bustamante, Hon. Albert G	1/7	1/9	French Polynesia		236.00						236.00
	1/10	1/14	New Zealand		300.00						300.00
	1/14	1/18	Australia		464.00						464.00
	1/18	1/21	Fiji		366.00					366.00	
Military transportation							12,563.18			12,563.18	
Holt, Hon. Marjorie S	1/7	1/9	French Polynesia		236.00						236.00
	1/10	1/14	New Zealand		300.00						300.00
	1/14	1/18	Australia		464.00						464.00
	1/18	1/21	Fiji		366.00						366.00
Military transportation							12,563.18				12,563.18
Hillis, Hon. Elwood	1/7	1/9	French Polynesia		236.00						236.00
	1/10	1/14	New Zealand		300.00						300.00
	1/14	1/18	Australia		464.00						464.00
	1/18	1/21	Fiji		366.00						366.00
Military transportation							12,563.18				12,563.18
Badham, Hon. Robert E	1/7	1/9	French Polynesia		236.00						236.00
	1/10	1/14	New Zealand		300.00						300.00
	1/14	1/18	Australia		464.00						464.00
	1/18	1/21	Fiji		366.00						366.00
Military transportation							10,257.68				10,257.68
Martin, Hon. David O'B	1/7	1/9	French Polynesia		236.00						236.00
	1/10	1/14	New Zealand		300.00						300.00
	1/14	1/18	Australia		464.00						464.00
	1/18	1/21	Fiji		366.00						366.00
Military transportation							13,498.48				13,498.48
Carney, Hon. William	1/7	1/9	French Polynesia		236.00						236.00
	1/10	1/14	New Zealand		300.00						300.00
	1/14	1/18	Australia		464.00						464.00
	1/18	1/21	Fiji		366.00						366.00
Military transportation							12,563.18				12,563.18
Bateman, Hon. Herbert	1/7	1/9	French Polynesia		236.00						236.00
	1/10	1/14	New Zealand		300.00						300.00
	1/14	1/18	Australia		464.00						464.00
	1/18	1/21	Fiji		366.00						366.00
Military transportation							13,498.48				13,498.48
Blaz, Hon. Ben	1/7	1/9	French Polynesia		236.00						236.00
	1/10	1/14	New Zealand		300.00						300.00
	1/14	1/18	Australia		464.00						464.00
	1/18	1/21	Fiji		366.00						366.00
Military transportation							13,498.48				13,498.48
Lally, John F	1/7	1/9	French Polynesia		236.00						236.00
	1/10	1/14	New Zealand		300.00						300.00
	1/14	1/18	Australia		464.00						464.00
	1/18	1/21	Fiji		366.00						366.00
Military transportation							13,498.48				13,498.48
Bauser, Edward J	1/7	1/9	French Polynesia		236.00						236.00
	1/10	1/14	New Zealand		300.00						300.00
	1/14	1/18	Australia		464.00						464.00
	1/18	1/21	Fiji		366.00						366.00
Military transportation							13,498.48				13,498.48
Moore, Alma B	1/7	1/9	French Polynesia		236.00						236.00
	1/10	1/14	New Zealand		300.00						300.00
	1/14	1/18	Australia		464.00						464.00
	1/18	1/21	Fiji		366.00						366.00
Military transportation							13,498.48				13,498.48
Steffes, Peter M	1/7	1/9	French Polynesia		236.00						236.00
	1/10	1/14	New Zealand		300.00						300.00
	1/14	1/18	Australia		464.00						464.00
	1/18	1/21	Fiji		366.00						366.00
Military transportation							12,563.18				12,563.18
Cavaiola, Lawrence J	1/7	1/9	French Polynesia		236.00						236.00
	1/10	1/14	New Zealand		300.00						300.00
	1/14	1/18	Australia		464.00						464.00
	1/18	1/21	Fiji		366.00						366.00
Military transportation							12,563.18				12,563.18
Delegation expenses	1/10	1/14	New Zealand						1,180.17		1,180.17
Delegation to Thailand, Vietnam, and Republic of Korea, Jan. 12–18, 1986:											
McCloskey, Hon. Frank	1/12	1/13	Thailand		110.00						110.00
	1/14	1/15	Vietnam		98.00						98.00
	1/15	1/17	Thailand		220.00						220.00
	1/17	1/18	Korea		137.00						137.00
Military transportation							18,404.00				18,404.00
Delegation to Republic of Korea and the Philippines, Feb. 8–14, 1986:											
Dellums, Hon. Ronald V	2/8	2/12	Republic of Korea		416.00						416.00
	2/12	2/14	Philippines		80.00						80.00
Military transportation							9,518.05				9,518.05
Sisisky, Hon. Norman	2/8	2/12	Republic of Korea		416.00						416.00
	2/12	2/14	Philippines		80.00						80.00
Military transportation							12,176.78				12,176.78
Ray, Hon. Richard	2/8	2/12	Republic of Korea		416.00						416.00
	2/12	2/14	Philippines		80.00						80.00
Military transportation							12,176.78				12,176.78
Martin, Hon. David O'B	2/8	2/12	Republic of Korea		416.00						416.00
	2/12	2/14	Philippines		80.00						80.00
Military transportation							9,756.05				9,756.05
Blaz, Hon. Ben	2/8	2/12	Republic of Korea		416.00						416.00
	2/12	2/14	Philippines		80.00						80.00
Military transportation							1,008.86				1,008.86
Commercial transportation							345.00				345.00
Tsompanas, Mr. Paul L	2/8	2/12	Republic of Korea		416.00						416.00
	2/12	2/14	Philippines		80.00						80.00
Military transportation							12,176.78				12,176.78
Waters, James C	2/8	2/12	Republic of Korea		416.00						416.00
	2/12	2/14	Philippines		80.00						80.00
Military transportation							12,176.78				12,176.78
Elrod, Marilyn A	2/8	2/12	Republic of Korea		416.00						416.00
	2/12	2/14	Philippines		80.00						80.00
Military transportation							12,176.78				12,176.78

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Fleshman, William T., Jr	2/8	2/9	Republic of Korea		104.00						104.00
	2/9	2/14	Philippines		200.00						200.00
Military transportation							10,892.78				10,892.78
Commercial transportation							401.00				401.00
Steffes, Peter M	2/8	2/12	Republic of Korea		416.00						416.00
	2/12	2/14	Philippines		80.00						80.00
Military transportation							12,176.78				12,176.78
Delegation to Federal Republic of Germany and Belgium, Feb. 9–13, 1986:											
Dickinson, Hon. Wm. L	2/9	2/12	Federal Republic of Germany								
	2/12	2/13	Belgium		166.62						166.62
Military transportation							8,391.25				8,391.25
Leath, Hon. Marvin	2/9	2/12	Federal Republic of Germany								
	2/12	2/13	Belgium		166.62						166.62
Military transportation							8,391.25				8,391.25
Battista, Mr. Anthony R	2/9	2/12	Federal Republic of Germany								
	2/12	2/13	Belgium		166.62						166.62
Military transportation							8,391.25				8,391.25
Delegation to Central America, Feb. 27 to Mar. 3, 1986:											
Skelton, Hon. Ike	2/27	3/1	Panama		194.00						194.00
	3/1	3/2	Honduras		208.00						208.00
	3/2	3/3	Panama								
Commercial transportation paid by Army							1,535.00				1,535.00
Delegation to Central America, Feb. 27 to Mar. 3, 1986:											
Holton, Edward J	2/27	3/1	Panama		194.00						194.00
	3/1	3/2	Honduras		208.00						208.00
	3/2	3/3	Panama								
Commercial transportation paid by Army							1,535.00				1,535.00
Delegation to the Federal Republic of Germany, Feb. 28 to Mar. 2, 1986:											
Stratton, Samuel S	2/28	3/2	Germany		32.09						32.09
Military transportation							2,373.90				2,373.90
Dyson, Roy	2/28	3/2	Germany		280.00						280.00
Military transportation							2,373.90				2,373.90
Hillis, Elwood H. (Bud)	2/28	3/2	Germany		280.00						280.00
Military transportation							2,373.90				2,373.90
Scrivner, Peter C	2/28	3/2	Germany		379.00						379.00
Military transportation							2,373.90				2,373.90
Delegation to Philippines and Republic of Korea, Mar. 4–9, 1986:											
Foglietta, Thomas M	3/4	3/7	Philippines								
	3/7	3/9	Republic of Korea								
Commercial transportation											
Delegation to Nicaragua, Mar. 21–23, 1986:											
Montgomery, Hon. G.V. (Sonny)	3/21	3/23	Nicaragua		180.00						180.00
Military transportation							5,058.71				5,058.71
Darden, Hon. George (Buddy)	3/21	3/23	Nicaragua		180.00						180.00
Military transportation							4,236.90				4,236.90
Delegation to Central America, Mar. 14–15, 1986:											
Mavroules, Hon. Nicholas	3/14	3/14	Panama								
	3/14	3/14	El Salvador								
	3/14	3/15	Honduras		104.00						104.00
Refund to U.S. Treasury					104.00						104.00
Military transportation							7,305.00				7,305.00
Lloyd, Hon. Marilyn	3/14	3/14	Panama								
	3/14	3/14	El Salvador								
	3/14	3/15	Honduras		104.00						104.00
Refund to U.S. Treasury					104.00						104.00
Military transportation							6,087.50				6,087.50
Slatkin, Nora	3/14	3/14	Panama								
	3/14	3/14	El Salvador								
	3/14	3/15	Honduras		208.00						208.00
Refund to U.S. Treasury					125.02						125.02
Military transportation							8,441.33				8,441.33
de Leon, Rudy F	3/14	3/14	Panama		48.50						48.50
	3/14	3/14	El Salvador								
	3/14	3/15	Honduras		208.00						208.00
Refund to U.S. Treasury					140.32						140.32
Military transportation							8,441.33				8,441.33
Committee total					32,187.00		433,006.60		1,180.17		466,373.37

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LES ASPIN, Chairman, Apr. 30, 1986.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. John J. LaFalce	1/2	1/5	Peru		432.00						432.00
	1/6	1/8	Venezuela		108.00		[3] 14.64		91.10		213.74
	1/9	1/11	Brazil		324.00		[3] 99.38		25.56		448.94
	1/12	1/14	Argentina		342.00		[3] 115.47		89.47		546.94
	1/14	1/14	Panama				[3] 19.25				19.25
Military air transportation (roundtrip)							4,226.83				4,226.83
Hon. Carroll Hubbard, Jr	1/2	1/5	Peru		432.00						432.00
	1/6	1/8	Venezuela		108.00		[3] 14.64		91.10		213.74
	1/9	1/11	Brazil		324.00		[3] 99.38		25.56		448.94
	1/12	1/14	Argentina		342.00		[3] 115.47		89.47		546.94
	1/14	1/14	Panama				[3] 19.25				19.25
Military air transportation (roundtrip)							4,226.83				4,226.83
Hon. Bruce Vento	1/2	1/5	Peru		432.00						432.00
	1/6	1/8	Venezuela		108.00		[3] 14.64		91.10		213.74
	1/9	1/11	Brazil		324.00		[3] 99.38		25.56		448.94
	1/12	1/14	Argentina		342.00		[3] 115.47		89.47		546.94
	1/14	1/14	Panama				[3] 19.26				19.26
Commercial Air to Peru							695.00				695.00
Military air transportation (roundtrip)							3,531.83				3,531.83
Hon. Bart Gordon	1/2	1/5	Peru		432.00						432.00
	1/6	1/8	Venezuela		108.00		[3] 14.64		91.10		213.74
	1/9	1/11	Brazil		324.00		[3] 99.39		25.56		448.95
	1/12	1/14	Argentina		342.00		[3] 115.47		89.47		546.94
	1/14	1/14	Panama				[3] 19.26				19.26
Military air transportation (roundtrip)							4,226.83				4,226.83
Hon. Thomas Manton	1/2	1/5	Peru		432.00						432.00
	1/6	1/8	Venezuela		108.00		[3] 14.64		91.10		213.74
	1/9	1/11	Brazil		324.00		[3] 99.39		25.56		448.95
	1/12	1/14	Argentina		342.00		[3] 115.47		89.47		546.94
	1/14	1/14	Panama				[3] 19.25				19.25
Military air transportation (roundtrip)							4,226.83				4,226.83
Hon. Norman Shumway	1/2	1/5	Peru		432.00						432.00
	1/6	1/8	Venezuela		108.00		[3] 14.64		91.10		213.74
	1/9	1/11	Brazil		324.00		[3] 99.39		25.56		448.95
	1/12	1/14	Argentina		342.00		[3] 115.47		89.47		546.94
	1/14	1/14	Panama				[3] 19.25				19.25
Military air transportation (roundtrip)							4,226.83				4,226.83
Hon. George Wortley	1/2	1/5	Peru		432.00						432.00
	1/6	1/8	Venezuela		108.00		[3] 14.64		91.10		213.74
	1/9	1/11	Brazil		324.00		[3] 99.39		25.56		448.95
	1/12	1/14	Argentina		342.00		[3] 115.47		89.47		546.94
	1/14	1/14	Panama				[3] 19.25				19.25
Military air transportation (roundtrip)							4,226.83				4,226.83
Hon. Al McCandless	1/2	1/5	Peru		432.00						432.00
	1/6	1/8	Venezuela		108.00		[3] 14.64		91.10		213.74
	1/9	1/11	Brazil		324.00		[3] 99.39		25.56		448.94
	1/12	1/14	Argentina		342.00		[3] 115.47		89.47		546.94
	1/14	1/14	Panama				[3] 19.25				19.25
Military air transportation (roundtrip)							4,226.83				4,226.83
Hon. Marge Roukema	1/2	1/5	Peru		432.00						432.00
	1/6	1/8	Venezuela		108.00		[3] 14.64		91.10		213.74
	1/9	1/11	Brazil		324.00		[3] 99.39		25.56		448.95
	1/12	1/14	Argentina		342.00		[3] 115.47		89.47		546.94
	1/14	1/14	Panama				[3] 19.25				19.25
Military air transportation (roundtrip)							4,226.83				4,226.83
Hon. Stan Parris	1/2	1/5	Peru		432.00						432.00
	1/6	1/8	Venezuela		108.00		[3] 14.64		91.11		213.75
	1/9	1/11	Brazil		324.00		[3] 99.39		25.56		448.95
	1/12	1/14	Argentina		342.00		[3] 115.47		89.47		546.94
	1/14	1/14	Panama				[3] 19.25				19.25
Military air transportation (roundtrip)							4,226.83				4,226.83
Hon. Bill McCollum	1/2	1/5	Peru		432.00						432.00
	1/6	1/8	Venezuela		108.00		[3] 14.63		91.11		213.74
	1/9	1/11	Brazil		324.00		[3] 99.39		25.55		448.94
	1/12	1/14	Argentina		342.00		[3] 115.47		89.47		546.94
	1/14	1/14	Panama				[3] 19.25				19.25
Military air transportation (roundtrip)							4,226.83				4,226.83
Hon. Rod Chandler	1/2	1/5	Peru		432.00						432.00
	1/6	1/8	Venezuela		108.00		[3] 14.63		91.11		213.74
	1/9	1/11	Brazil		324.00		[3] 99.39		25.55		448.94
	1/12	1/14	Argentina		342.00		[3] 115.47		89.47		546.94
	1/14	1/14	Panama				[3] 19.25				19.25
Military air transportation (roundtrip)							4,226.83				4,226.83
Dan Crane	1/2	1/5	Peru		432.00						432.00
	1/6	1/8	Venezuela		108.00		[3] 14.63		91.11		213.74
	1/9	1/11	Brazil		324.00		[3] 99.39		25.55		448.94
	1/12	1/14	Argentina		342.00		[3] 115.47		89.47		546.94
	1/14	1/14	Panama				[3] 19.25				19.25
Military air transportation (roundtrip)							4,226.83				4,226.83
Jeanne Roslanowick	1/2	1/5	Peru		432.00						432.00
	1/6	1/8	Venezuela		108.00		[3] 14.63		91.11		213.74
	1/9	1/11	Brazil		324.00		[3] 99.39		25.55		448.94
	1/12	1/14	Argentina		342.00		[3] 115.47		89.47		546.94
	1/14	1/14	Panama				[3] 19.25				19.25
Military air transportation (roundtrip)							4,226.83				4,226.83
Lee Price	1/2	1/5	Peru		432.00						432.00
	1/6	1/8	Venezuela		108.00		[3] 14.63		91.11		213.74
	1/9	1/11	Brazil		324.00		[3] 99.39		25.55		448.94
	1/12	1/14	Argentina		342.00		[3] 115.47		89.47		546.94
	1/14	1/14	Panama				[3] 19.25				19.25
Military air transportation (roundtrip)							4,226.83				4,226.83
Anne Scully	1/2	1/5	Peru		432.00						432.00
	1/6	1/8	Venezuela		108.00		[3] 14.63		91.10		213.74
	1/9	1/11	Brazil		324.00		[3] 99.39		25.55		448.94
	1/12	1/14	Argentina		342.00		[3] 115.47		89.47		546.94
	1/14	1/14	Panama				[3] 19.25				19.25
Military air transportation (roundtrip)							4,226.83				4,226.83
Gregory Wilson	1/2	1/5	Peru		432.00						432.00
	1/6	1/8	Venezuela		108.00		[3] 14.63		91.11		213.74

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1986—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	1/9	1/11	Brazil		324.00		[3] 99.39		25.55		448.94
	1/12	1/14	Argentina		342.00		[3] 115.47		89.47		546.94
	1/14	1/14	Panama				[3] 19.25				19.25
Military air transportation (roundtrip)							4,226.83				4,226.83
Hon. Esteban Torres	1/5	1/9	Ireland		652.00						652.00
	1/10	1/12	German		360.00		[3] 57.58		169.85		587.43
Military air transportation (roundtrip)							2,996.00				2,996.00
Hon. Walter Fauntroy	1/6	1/10	So. Africa		432.00				145.38		577.38
Military air transportation (roundtrip)							17,334,00				17,334,00
Hon. Barney Frank	1/26	1/29	France		198.00						198.00
Commercial air transportation (roundtrip)							3,604.00				3,604.00
Hon. David Dreier	2/12	2/13	Thailand		110.00						110.00
	2/14	2/15	Vietnam		98.00						98.00
	2/15	2/17	Thailand		220.00						220.00
	2/17	2/18	Korea		137.00						137.00
Military air transportation (roundtrip)							18,404.00				18,404.00
Hon. Sander Levin	3/21	3/24	Nicaragua		180.00						180.00
Military air transportation (roundtrip)							5,058.71				5,058.71
Hon. Bruce Morrison	3/23	3/27	Costa Rica		300.00						300.00
Military air transportation (roundtrip)							2,008.80				2,008.80
Hon. Esteban E. Torres	3/23	3/27	Costa Rica		300.00						300.00
Military air transportation (roundtrip)							2,008.80				2,008.80
Hon. Jaime Fuster	3/23	3/27	Costa Rica		300.00						300.00
Military air transportation (roundtrip)							2,008.80				2,008.80
Hon. George Wortley	3/23	3/24	Costa Rica		75.00						75.00
	3/24	3/24	Panama		97.00						97.00
	3/24	3/27	Costa Rica		225.00						225.00
Military air transportation (roundtrip)							2,008.80				2,008.80
Hon. Doug Bereuter	3/23	3/27	Costa Rica		300.00						300.00
Military air transportation (roundtrip)							2,008.80				2,008.80
Hon. Al McCandless	3/23	3/27	Costa Rica		300.00						300.00
Military air transportation (roundtrip)							2,008.80				2,008.80
Gregory Wilson	3/23	3/24	Costa Rica		75.00						75.00
	3/24	3/24	Panama		97.00						97.00
	3/24	3/27	Costa Rica		225.00						225.00
Military air transportation (roundtrip)							2,008.80				2,008.80
Peter Schecter	3/23	3/27	Costa Rica		300.00						300.00
Military air transportation (roundtrip)							2,008.80				2,008.80
Alice Goodman	3/23	3/24	Costa Rica		75.00						75.00
	3/24	3/24	Panama		97.00						97.00
	3/24	3/27	Costa Rica		225.00						225.00
Military air transportation (roundtrip)							2,008.80				2,008.80
Barry Hager	3/23	3/27	Costa Rica		300.00						300.00
Military air transportation (roundtrip)							2,008.80				2,008.80
Jenny Martin	3/23	3/27	Costa Rica		300.00						300.00
Military air transportation (roundtrip)							2,008.80				2,008.80
Hon. David Dreier	1/10	1/12	Hong Kong		250.00						250.00
Roundtrip airfare (from Taipei)							165.00				165.00
Committee total					26,730.00		145,800.88		3,819.45		176,350.33

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Ground transportation.

F.J. ST GERMAIN, Chairman, Apr. 25, 1986.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON THE BUDGET, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Butler Derrick	1/28	1/30	France		230.00		2,475.63				2,705.63
Patrick Bogenberger	1/8	1/10	South Korea		208.00						208.00
	1/10	1/12	Japan		294.00						294.00
	1/12	1/14	Hong Kong		250.00						250.00
Air fare							2,858.77				2,858.77
Jerome Mondesire	1/6	1/10	South Africa		432.00		17,884.00		145.38		17,911.38
Committee total					1,414.00		22,668.40		145.38		24,227.78

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

WILLIAM H. GRAY III, Chairman, Apr. 9, 1986.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Ackerman, G	3/4	3/8	Philippines		[3] 436.03						436.03
Commercial transportation							3,603.00				3,603.00
Agris, N	1/11	1/15	Guatemala		427.17						427.17
Commercial transportation							674.00				674.00
Andross, S	1/11	1/14	United Kingdom		342.00						342.00
	1/14	1/16	France		262.00		31.26				293.26
	1/16	1/18	Belgium		268.00						268.00
Commercial transportation							3,650.00				3,650.00
Bereuter, D	1/5	1/9	Ireland		652.00						652.00
	1/9	1/11	Germany		240.00		57.58		169.85		467.43
Military transportation, one way							1,498.00				1,498.00
Bonker, D	1/5	1/8	Ireland		489.00						489.00
Commercial transportation, one way							1,590.00				1,590.00
Military transportation, one way							1,498.00				1,498.00
Burton, D	1/19	1/21	Philippines		226.00		331.33				557.33
Total					3,342.20		12,933.17		169.95		16,445.22
Calabia, D.T	1/4	1/7	Thailand		274.31						274.31
	1/7	1/8	Hong Kong		47.46						47.46
	1/8	1/11	Japan		540.00						540.00
	1/12	1/15	Australia		354.00						354.00
	1/15	1/19	New Zealand		133.03						133.03
Commercial transportation							6,698.30				6,698.30
Curran, T	2/12	2/13	Thailand		110.00						110.00
	2/14	2/15	Vietnam		98.00						98.00
	2/15	2/17	Thailand		220.00						220.00
	2/17	2/18	South Korea		137.00						137.00
Military transportation							18,404.00				18,404.00
Daoust, E	1/5	1/9	Ireland		652.00						652.00
	1/9	1/12	Germany		360.00		57.58		169.85		587.43
Military transportation							2,996.00				2,996.00
Total					2,925.80		28,155.88		169.85		31,251.53
DeWine, M	1/7	1/10	Republic of China		225.00						225.00
	1/10	1/12	Pakistan		[3] 128.30						128.30
	1/12	1/13	Thailand		[3] 197.05						197.05
	1/14	1/15	Taiwan		[3] 95.74						95.74
	1/15	1/17	South Korea		[3] 127.60						127.60
Military transportation							16,235.47				16,235.47
Dornan, R.K	2/12	2/13	Thailand		110.00						110.00
	2/14	2/15	Vietnam		98.00						98.00
	2/15	2/17	Thailand		220.00						220.00
	2/17	2/18	South Korea		137.00						137.00
Military transportation							18,404.00				18,404.00
Dunman, T.E. (Jake)	1/5	1/8	Jamaica		324.00						324.00
	1/8	1/10	Barbados		394.00						394.00
	1/10	1/13	Grenada		510.00						510.00
Total					2,566.69		34,639.47				37,206.16
	1/13	1/14	St. Lucia		123.00						123.00
	1/14	1/15	Dominica		114.00						114.00
	1/15	1/16	Antigua		208.00						208.00
Commercial transportation							1,649.00				1,649.00
Dunn-Mouton, A	2/7	2/12	Senegal		693.00						693.00
	2/12	2/13	Ivory Coast		136.00						136.00
	2/13	2/16	Ghana		280.00						280.00
	2/16	2/16	Ivory Coast		137.00						137.00
Commercial transportation							2,705.00				2,705.00
Eckert, S	2/6	2/9	Belgium		402.00		58.35				460.35
	2/9	2/12	France		501.00						501.00
Commercial transportation							3,515.92				3,515.92
Frank, D	3/4	3/8	Philippines		[3] 343.00						343.00
Commercial transportation							3,603.00				3,603.00
Total					2,937.00		11,531.27				14,468.27
Garcia, R	1/10	1/17	Guatemala		756.00						756.00
Commercial transportation							583.00				583.00
Gilman, B.A	1/5	1/9	Ireland		652.00						652.00
	1/9	1/12	Germany		360.00		57.58		169.85		587.43
Military transportation							2,996.00				2,996.00
	2/12	2/13	Thailand		110.00						110.00
	2/14	2/15	Vietnam		98.00						98.00
	2/15	2/17	Thailand		220.00						220.00
	2/17	2/18	South Korea		137.00						137.00
Military transportation							18,404.00				18,404.00
Glassman, C	1/5	1/9	Ireland		652.00						652.00
	1/9	1/12	Germany		360.00		57.58		169.85		587.43
Military transportation							2,996.00				2,996.00
Huber, R.T	1/5	1/9	Ireland		652.00						652.00
	1/9	1/12	Germany		360.00		57.58		169.85		587.43
Total					4,357.00		25,151.74		509.55		30,018.29
Military transportation							2,996.00				2,996.00
Inglee, W	1/5	1/9	Ireland		652.00						652.00
	1/9	1/12	Germany		360.00		57.58		169.85		587.43
Military transportation							2,996.00				2,996.00
Jackson, D	1/5	1/9	Ireland		652.00						652.00
	1/9	1/12	Germany		360.00		57.58		169.85		587.43
Military transportation							2,996.00				2,996.00
Jenkins, R.M	1/10	1/17	Taiwan		1,040.00				86.35		1,126.35
Commercial transportation							3,603.00				3,603.00
Johnson, V.C	1/15	1/8	Jamaica		324.00						324.00
	1/8	1/10	Barbados		394.00						394.00
	1/10	1/13	Grenada		510.00						510.00
	1/13	1/14	St. Lucia		123.00						123.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1986—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	1/14	1/15	Dominica		114.00						114.00
Total					4,529.00		12,706.16		426.05		17,661.21
	1/15	1/18	Antigua		624.00						624.00
Commercial transportation							1,549.00				1,549.00
Kostmayer, P.H	1/6	1/9	South Africa		393.39				145.38		538.77
Military transportation							17,334.00				17,334.00
Lagomarsino, R.J	1/7	1/10	Peoples Republic of China		225.00						225.00
	1/10	1/12	Pakistan		161.00						161.00
	1/12	1/13	Thailand		216.00						216.00
	1/14	1/15	Taiwan		97.00						97.00
	1/15	1/17	South Korea		208.00						208.00
Military transportation							16,235.47				16,235.47
Lantos, T	1/5	1/9	Ireland		652.00						652.00
	1/9	1/12	Germany		360.00		57.58		169.85		587.43
Military transportation							2,996.00				2,996.00
Total					2,936.39		38,172.05		315.23		41,423.67
McBride, R	1/12	1/14	United Kingdom		342.00						342.00
	1/14	1/16	France		262.00		31.26				293.26
	1/16	1/18	Belgium		268.00						268.00
Commercial transportation							3,650.00				3,650.00
Moss, K.B	1/5	1/9	Ireland		652.00						652.00
	1/9	1/12	Germany		360.00		57.58		169.85		587.43
Military transportation							2,996.00				2,996.00
	2/6	2/9	Belgium		402.00		58.35				460.35
	2/9	2/12	France		501.00						501.00
Commercial transportation							3,515.92				3,515.92
Oliver, S	3/12	3/13	United Kingdom		135.00						135.00
	3/13	3/17	Soviet Union		600.00						600.00
	3/17	3/18	United Kingdom		135.00						135.00
Commercial transportation							4,117.00				4,117.00
Total					3,657.00		14,426.11		169.85		18,252.96
Peel, K.L	1/12	1/14	United Kingdom		342.00						342.00
	1/14	1/16	France		262.00		31.26				293.26
	1/16	1/18	Belgium		268.00						268.00
Commercial transportation							3,650.00				3,650.00
Perugino, R	1/5	1/9	Ireland		652.00						652.00
	1/9	1/12	Germany		360.00		57.58		169.85		587.43
Military transportation							2,996.00				2,996.00
Pubillones-Nolan, L	1/5	1/8	Jamaica		324.00						324.00
	1/8	1/10	Barbados		394.00						394.00
	1/10	1/13	Grenada		510.00						510.00
	1/13	1/14	St. Lucia		123.00						123.00
	1/14	1/15	Dominica		114.00						114.00
	1/15	1/17	Antigua		[3] 416.00						416.00
Commercial transportation							1,771.40				1,771.40
Total					3,765.00		8,506.24		169.85		12,441.09
Roth, S	12/22	12/24	Jordan		240.00						240.00
	12/24	12/29	Israel		665.00		119.00		717.50		1,501.50
	12/29	1/1	Egypt		432.00		96.37		298.39		826.76
Commercial transportation							2,273.00				2,273.00
	2/5	2/15	Philippines		1,130.00						1,130.00
Commercial transportation							2,926.00				2,926.00
	3/4	3/8	Philippines		6,873.32		313.71				7,187.03
Commercial transportation							3,603.00				3,603.00
Roth, T	1/8	1/14	Chile		732.00						732.00
	1/14	1/15	Uruguay		108.00				40.00		148.00
	1/15	1/17	Argentina		248.00		20.00		210.38		478.38
Commercial transportation							3,789.00				3,789.00
	2/13	2/16	United Kingdom		684.00						684.00
	2/16	2/18	Germany		305.00						305.00
Total					11,417.32		13,140.08		1,266.27		25,823.67
	2/18	2/20	Sweden		364.00						364.00
	2/21	2/22	United Kingdom		171.00						171.00
Commercial transportation							4,277.00				4,277.00
Sletzinger, M	3/12	3/13	United Kingdom		135.00						135.00
	3/13	3/17	U.S.S.R		600.00						600.00
	3/17	3/18	United Kingdom		135.00						135.00
Commercial transportation							4,117.00				4,117.00
Smith, C	2/12	2/13	Thailand		110.00						110.00
	2/14	2/15	Vietnam		98.00						98.00
	2/15	2/17	Thailand		220.00						220.00
	2/17	2/18	Korea		137.00						137.00
Military transportation							18,404.00				18,404.00
Total					1,970.00		26,798.00				28,768.00
Solarz, S.J	12/22	12/24	Jordan		240.00						240.00
	12/24	12/29	Israel		665.00		1,673.00		717.50		3,055.50
	12/29	12/31	Egypt		211.50		96.37		298.39		606.26
	12/31	1/7	Thailand		220.00						220.00
	1/7	1/8	Hong Kong		95.50						95.50
	1/8	1/11	Japan		540.00						540.00
	1/11	1/15	Australia		420.00						420.00
	1/15	1/17	New Zealand		69.78						69.78
Commercial transportation							7,178.08				7,178.08
	3/4	3/8	Philippines		452.00						452.00
Commercial transportation							3,603.00				3,603.00
	3/28	4/1	South Korea		208.00						208.00
Solomon, G	2/12	2/13	Thailand		110.00						110.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1986—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	2/14	2/15	Vietnam		98.00						98.00
	2/15	2/17	Thailand		220.00						220.00
Total					3,549.78		12,550.45		1,015.89		17,116.12
	2/17	2/18	Korea		137.00						137.00
Military transportation							18,404.00				18,404.00
Sprunger, C	3/5	3/8	Philippines		215.15						215.15
Commercial transportation							3,603.00				3,603.00
Torricelli, R.G	1/4	1/5	Egypt		88.00		196.50				284.50
	1/5	1/7	Jordan		120.00						120.00
	1/7	1/10	Israel		426.00						426.00
Commercial transportation							4,285.00				4,285.00
Verstandig, T	1/5	1/9	Ireland		652.00						652.00
	1/9	1/11	Northern Ireland		278.00		57.58		169.85		505.43
Military transportation, one way							1,498.00				1,498.00
Commercial transportation, one way							1,747.00				1,747.00
Total					1,916.15		29,791.08		169.85		31,877.08
Weinberg, H	1/5	1/9	Ireland		652.00						652.00
	1/9	1/11	Northern Ireland		278.00		57.58		169.85		505.43
Military transportation, one way							1,498.00				1,498.00
Commercial transportation, one way							1,747.00				1,747.00
	2/12	2/13	Thailand		110.00						110.00
	2/14	2/15	Vietnam		98.00						98.00
	2/15	2/17	Thailand		220.00						220.00
	2/17	2/18	Korea		137.00						137.00
Military transportation							18,404.00				18,404.00
White, J.J	1/8	1/14	Chile		732.00						732.00
	1/14	1/15	Uruguay		108.00						108.00
	1/15	1/17	Argentina		248.00		20.00		210.38		478.38
Commercial transportation							3,789.00				3,789.00
Total					2,583.00		25,515.58		380.23		28,478.81
	2/16	2/18	Germany		305.00						305.00
	2/18	2/20	Sweden		364.00						364.00
	2/20	2/22	United Kingdom		342.00						342.00
Commercial transportation							4,277.00				4,277.00
Total					1,011.00		4,277.00				5,288.00
Grand total for 1st quarter											356,520.08

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Represents refunds of unused per diem.

DANTE B. FASCELL, Chairman, Apr. 29, 1986.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON THE JUDICIARY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
John F. Seiberling, MC	1/5	1/9	Ireland		579.03						579.03
	1/9	1/12	Germany		360.00		57.58		169.85		587.43
Military transportation							2,996.00				2,996.00
Garner J. Cline, staff	1/17	1/19	Mexico		324.00		67.49		87.10		478.59
Military transportation							1,109.66				1,109.66
Arthur P. Endres, Jr., staff	1/17	1/19	Mexico		324.00		67.49		87.10		478.59
Military transportation							1,109.66				1,109.66
Committee total					1,587.03		5,407.88		344.05		7,338.96

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

PETER W. RODINO, Jr., Chairman.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Roe, Cong. Robert A	1/20	1/21	Japan		180.00				39.30		219.30
	1/21	1/28	China		743.00		92.50				835.50
	1/28	1/31	Thailand		330.00				158.05		488.05
	1/31	2/2	Australia		366.00				255.02		621.02
Military air transportation							22,684.00				22,684.00
de Lugo, Cong. Ron	1/20	1/21	Japan		180.00				39.30		219.30
	1/21	1/28	China		743.00		92.50				835.50
	1/28	1/31	Thailand		330.00				158.05		488.05
	1/31	2/2	Australia		366.00				255.02		621.02
Military air transportation							22,684.00				22,684.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1986—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Committee total					3,238.00		45,553.00		904.74		49,695.74
Sunia, Cong. Fofo I.F.	1/20	1/21	Japan		180.00				39.30		219.30
	1/21	1/28	China		743.00		92.50				835.50
	1/28	1/31	Thailand		330.00				158.05		488.05
	1/31	2/2	Australia		366.00				255.02		621.02
Military air transportation							22,684.00				22,684.00
Gray, Cong. Kenneth J	1/20	1/21	Japan		180.00				39.30		219.30
	1/21	1/28	China		743.00		92.50				835.50
	1/28	1/31	Thailand		330.00				158.05		488.05
	1/31	2/2	Australia		366.00				255.02		621.02
Military air transportation							22,684.00				22,684.00
Committee total					3,238.00		45,553.00		904.74		49,695.74
Long, Cong. Cathy	1/20	1/21	Japan		180.00				39.30		219.30
	1/21	1/28	China		743.00		92.50				835.50
	1/28	1/31	Thailand		330.00				158.05		488.05
	1/31	2/2	Australia		366.00				255.02		621.02
Military air transportation							22,684.00				22,684.00
Snyder, Cong. Gene	1/20	1/21	Japan		180.00				39.30		219.30
	1/21	1/28	China		743.00		92.50				835.50
	1/28	1/31	Thailand		330.00				158.05		488.05
	1/31	2/2	Australia		366.00				255.02		621.02
Military air transportation							22,684.00				22,684.00
Committee total					3,238.00		45,553.00		904.74		49,695.74
D'Amico, Salvatore J	1/20	1/21	Japan		180.00				39.30		219.30
	1/21	1/28	China		743.00		92.50				835.50
	1/28	1/31	Thailand		330.00				158.05		488.05
	1/31	2/2	Australia		366.00				255.02		621.02
Military air transportation							22,684.00				22,684.00
Tyler, Errol L	1/20	1/21	Japan		180.00				39.30		219.30
	1/21	1/28	China		743.00		92.50				835.50
	1/28	1/31	Thailand		330.00				158.05		488.05
	1/31	2/2	Australia		366.00				255.02		621.02
Military air transportation							22,684.00				22,684.00
Committee total					3,238.00		45,553.00		904.74		49,695.74
Fryer, John F	1/20	1/21	Japan		180.00				39.30		219.30
	1/21	1/28	China		743.00		92.50				835.50
	1/28	1/31	Thailand		330.00				158.05		488.05
	1/31	2/2	Australia		366.00				255.02		621.02
Military air transportation							22,684.00				22,684.00
Doyle, John S	1/20	1/21	Japan		180.00				39.30		219.30
	1/21	1/28	China		743.00		92.50				835.50
	1/28	1/31	Thailand		330.00				158.05		488.05
	1/31	2/2	Australia		366.00				255.02		621.02
Military air transportation							22,684.00				22,684.00
Committee total					3,238.00		45,553.00		904.74		49,695.74
Long, Cong. Cathy	3/25	3/26	Italy		152.00		927.00				1,079.00
	3/26	3/29	Yugoslavia		432.00				54.00		486.00
	3/29	4/1	Germany		375.00						375.00
	4/1	4/2	Ireland		163.00						163.00
Military air transportation							2,215.00				2,215.00
Committee total					1,122.00		3,142.00		54.00		4,318.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JAMES J. HOWARD, Chairman, Apr. 24, 1986.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SCIENCE AND TECHNOLOGY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Fuqua		1/2	United States				5,876.77				5,876.77
	1/4	1/7	Korea	365,790	411.00				115.23		526.23
	1/7	1/10	Japan	109,620	540.00				65.52		605.52
	1/10		United States								
Packard		1/2	United States				5,876.77				5,876.77
	1/4	1/7	Korea	365,790	411.00				115.23		526.23
	1/7	1/10	Japan	109,620	540.00				65.52		605.52
	1/10		United States								
Lloyd		1/2	United States				5,876.77				5,876.77
	1/4	1/7	Korea	365,790	411.00				115.23		526.23
	1/7	1/10	Japan	109,620	540.00				65.52		605.52
	1/10		United States								
Mineta		1/2	United States				5,876.77				5,876.77
	1/4	1/7	Korea	365,790	411.00				115.23		526.23
	1/7	1/10	Japan	109,620	540.00				65.52		605.52
	1/10		United States								
Hanson		1/2	United States				5,876.77				5,876.77
	1/4	1/7	Korea	365,790	411.00				115.23		526.23
	1/7	1/10	Japan	109,620	540.00				65.52		605.52
	1/10		United States								

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SCIENCE AND TECHNOLOGY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1986—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Tate		1/2	United States				5,876.77				5,876.77
	1/4	1/7	Korea	365,790	411.00				115.23		526.23
	1/7	1/10	Japan	109,620	540.00				65.52		605.52
	1/10		United States								
Smith, H		1/2	United States				5,876.77				5,876.77
	1/4	1/7	Korea	365,790	411.00				115.23		526.23
	1/7	1/10	Japan	109,620	540.00				65.52		605.52
	1/10		United States								
Holmfeld		1/2	United States				5,876.77				5,876.77
	1/4	1/7	Korea	365,790	411.00				115.23		526.23
	1/7	1/10	Japan	109,620	540.00				65.52		605.52
	1/10		United States								
Dugan		1/2	United States				5,876.77				5,876.77
	1/4	1/7	Korea	365,790	411.00				115.23		526.23
	1/7	1/10	Japan	109,620	540.00				65.52		605.52
	1/10		United States								
Heitowit		1/2	United States				5,876.77				5,876.77
	1/4	1/7	Korea	365,790	411.00				115.23		526.23
	1/7	1/10	Japan	109,620	540.00				65.52		605.52
	1/10		United States								
Maxwell		1/2	United States				5,876.77				5,876.77
	1/4	1/7	Korea	365,790	411.00				115.23		526.23
	1/7	1/10	Japan	109,620	540.00				65.52		605.52
	1/10		United States								
Smith, W		1/2	United States				5,876.77				5,876.77
	1/4	1/7	Korea	365,790	411.00				115.23		526.23
	1/7	1/10	Japan	109,620	540.00				65.52		605.52
	1/10		United States								
Garfinkel		1/2	United States				5,876.77				5,876.77
	1/4	1/7	Korea	365,790	411.00				115.23		526.23
	1/7	1/10	Japan	109,620	540.00				65.52		605.52
	1/10		United States								
Pompliano		1/2	United States				5,876.77				5,876.77
	1/4	1/7	Korea	365,790	411.00				115.23		526.23
	1/7	1/10	Japan	109,620	540.00				65.52		605.52
	1/10		United States								
Trippett		1/2	United States				5,876.77				5,876.77
	1/4	1/7	Korea	365,790	411.00				115.23		526.23
	1/7	1/10	Japan	109,620	540.00				65.52		605.52
	1/10		United States								
Teeples		1/2	United States				5,876.77				5,876.77
	1/4	1/7	Korea	365,790	411.00				115.23		526.23
	1/7	1/10	Japan	109,620	540.00				65.52		605.52
	1/10		United States								
Hicks		1/2	United States				5,876.77				5,876.77
	1/4	1/7	Korea	365,790	411.00				115.23		526.23
	1/7	1/10	Japan	109,620	540.00				65.52		605.52
	1/10		United States								
Hoyt		1/2	United States				5,876.77				5,876.77
	1/4	1/7	Korea	365,790	411.00				115.23		526.23
	1/7	1/10	Japan	109,620	540.00				65.52		605.52
	1/10		United States								
Radabuagh		1/2	United States				5,876.77				5,876.77
	1/4	1/7	Korea	365,790	411.00				115.23		526.23
	1/7	1/10	Japan	109,620	540.00				65.52		605.52
	1/10		United States								
Hon. R. Smith		2/12	United States				18,404.00				18,404.00
	2/12	2/13	Thailand		110.00						110.00
	2/14	2/15	Vietnam		98.00						98.00
	2/15	2/17	Thailand		220.00						220.00
	2/17	2/18	Korea		137.00						137.00
Hon. Schneider		1/13	United States								
	1/14	1/27	Thailand		1,540.00						1,540.00
	1/27		United States								
Kopp		12/26	United States				1,264.53				1,264.53
	12/27	1/7	England	1,063.03	1,518.00						1,518.00
	1/7		United States								
Rodemeyer		12/26	United States				1,264.53				1,264.53
	12/27	1/7	England	1,063.03	1,518.00						1,518.00
	1/7		United States								
Thompson		12/26	United States				1,264.53				1,264.53
	12/27	1/7	England	1,063.03	1,518.00						1,518.00
	1/7		United States								
Williams		1/4	United States				2,990.00				2,990.00
	1/5	1/6	England		138.00						138.00
	1/6	1/8	Scotland		152.00						152.00
	1/8	1/9	England		138.00						138.00
	1/9	1/9	Denmark								
	1/9	1/10	Sweden		116.00						116.00
	1/10	1/12	Denmark		168.00						168.00
	1/12	1/18	France		574.00						574.00
	1/18		United States								
Watson		1/4	United States				2,990.00				2,990.00
	1/5	1/6	England		138.00						138.00
	1/6	1/8	Scotland		152.00						152.00
	1/8	1/9	England		138.00						138.00
	1/9	1/9	Denmark								
	1/9	1/10	Sweden		116.00						116.00
	1/10	1/12	Denmark		168.00						168.00
	1/12	1/18	France		574.00						574.00
	1/18		United States								
Weimer		1/4	United States				2,990.00				2,990.00
	1/5	1/6	England		138.00						138.00
	1/6	1/8	Scotland		152.00						152.00
	1/8	1/9	England		138.00						138.00
	1/9	1/9	Denmark								
	1/9	1/10	Sweden		116.00						116.00
	1/10	1/11	Denmark		84.00						84.00
	1/11	1/18	France		605.00						605.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SCIENCE AND TECHNOLOGY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1986—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	1/18		United States								
Committee total					28,533.00		142,826.22		3,434.25		174,793.47

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DON FUQUA, Chairman, Apr. 30, 1986.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SMALL BUSINESS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Russell Orban	3/23	3/28	Taiwan	16,931.80	436.50		2,123.50				2,560.00
Committee total					436.50		2,123.50				2,560.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

PARREN J. MITCHELL, Chairman, Apr. 18, 1986.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON VETERANS' AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. William Hendon	1/12	1/13	Thailand		110.00						110.00
	1/14	1/15	Vietnam		98.00						98.00
	1/15	1/17	Thailand		220.00						220.00
	1/17	1/18	Korea		137.00						137.00
Air Force							18,404.00				18,404.00
Hon. John Rowland	1/12	1/13	Thailand		110.00						110.00
	1/14	1/15	Vietnam		98.00						98.00
	1/15	1/17	Thailand		220.00						220.00
	1/17	1/18	Korea		137.00						137.00
Air Force							18,404.00				18,404.00
Hon. Michael Bilirakis	1/14	1/16	Philippines		120.00						120.00
	1/16	1/17	Thailand		110.00						110.00
	1/17	1/18	Laos		75.00						75.00
	1/18	1/19	Vietnam		75.00						75.00
	1/19	1/20	Thailand		220.00						220.00
Army							8,970.17				8,970.17
Hon. Robert McEwen	1/14	1/16	Philippines		120.00						120.00
	1/16	1/17	Thailand		110.00						110.00
	1/17	1/18	Laos		75.00						75.00
	1/18	1/19	Vietnam		75.00						75.00
	1/19	1/20	Thailand		220.00						220.00
Army							8,970.17				8,970.17
Hon. Ken Gray	3/21	3/22	Nicaragua		180.00						180.00
Army							4,894.35				4,894.35
Committee total					2,510.00		59,642.69				62,152.69

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

G.V. MONTGOMERY, Chairman, Apr. 24, 1986.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, PERMANENT SELECT COMMITTEE ON INTELLIGENCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Michael J. O'Neil, staff	1/4	1/14	Europe		642.00		2,175.00				2,817.00
Bernard Raimo, Jr., staff	1/4	1/12	Europe		300.00		1,981.00				2,281.00
Steven K. Berry, staff	1/4	1/14	Asia		1,368.00		2,285.00				3,653.00

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Military aircraft							21,937.30				21,937.30
Robert J. Fitch, staff	1/4	1/14	Asia		1,306.00		2,611.20				3,917.20
Hon. Louis Stokes	1/7	1/12	Asia		762.00		22,576.17				23,338.17
Hon. Andy Ireland	1/7	1/12	Asia		762.00		22,576.17				23,338.17
Martin C. Faga, staff	1/7	1/12	Asia		762.00		22,576.17				23,338.17
Duane P. Andrews, staff	1/7	1/12	Asia		762.00		22,576.17				23,338.17
Hon. Bob Stump	1/7	1/12	Asia		762.00		1,491.00				23,338.17
Military aircraft							22,576.17				1,491.00
David Addington, staff	1/7	1/17	Australia, New Zealand		778.70		4,022.44				4,801.14
Hon. Bernard J. Dwyer	1/6	1/13	Europe		684.00		2,027.00				2,711.00
Richard H. Giza, staff	1/6	1/13	Europe		1,197.00		2,199.00				3,396.00
Delegation expenses									25.84		25.84
Committee total					10,085.70		153,609.79		25.84		163,721.33

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LEE H. HAMILTON, Chairman, Apr. 23, 1986.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Bodlander, Deborah E	1/17	1/19	Mexico		216		67.49		87.10		370.59
Military transportation							1,109.66				1,109.66
Brown, Elliott A	1/17	1/19	Mexico		216		67.49		87.10		370.59
Military transportation							1,109.66				1,109.66
Burke, George	1/17	1/19	Mexico		216		67.49		87.10		370.59
Military transportation							1,109.66				1,109.66
Cusack, John T	1/17	1/19	Mexico		216		67.49		87.10		370.59
Military transportation							1,109.66				1,109.66
Fleming, Roger	1/17	1/19	Mexico		216		67.49		87.10		370.59
Military transportation							1,109.66				1,109.66
Gilbert, George R	1/17	1/19	Mexico		216		67.49		87.10		370.59
Military transportation							1,109.66				1,109.66
Gilman, Benjamin A., MC	1/17	1/19	Mexico		216		67.49		87.10		370.59
Military transportation							1,109.66				1,109.66
Guarini, Frank J., MC	1/17	1/19	Mexico		216		67.49		87.10		370.59
Military transportation							1,109.66				1,109.66
Hedlund, Rebecca L	1/17	1/19	Mexico		216		67.49		87.10		370.59
Military transportation							1,109.66				1,109.66
Jurith, Edward H	1/17	1/19	Mexico		216		67.49		87.10		370.59
Military transportation							1,109.66				1,109.66
LeGrand, Ronald A	1/17	1/19	Mexico		216		67.49		87.10		370.59
Military transportation							1,109.66				1,109.66
McClure, Robert	1/17	1/19	Mexico		216		67.49		87.10		370.59
Military transportation							1,109.66				1,109.66
Oxley, Michael G., MC	1/17	1/19	Mexico		216		67.49		87.10		370.59
Military transportation							1,109.66				1,109.66
Rangel, Charles B., MC	1/17	1/19	Mexico		216		67.49		87.10		370.59
Military transportation							1,109.66				1,109.66
Shaw, E. Clay, MC	1/17	1/19	Mexico		216		67.49		87.10		370.59
Military transportation							1,109.66				1,109.66
Towns, Edolphus, MC	1/17	1/19	Mexico		216		67.49		87.10		370.59
Military transportation							1,109.66				1,109.66
Committee total					3,456.00		18,834.40		1,393.60		23,684.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

CHARLES B. RANGEL, Chairman, Apr. 30, 1986.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3440. A letter from the Secretary of Agriculture, transmitting the Animal Welfare Enforcement Report covering fiscal year 1985, pursuant to 7 U.S.C. 2155; to the Committee on Agriculture.

3441. A letter from the Comptroller General of the United States, transmitting a review of the rescissions and deferrals submitted by the President on March 12, 1986 (H. Doc. 99-180), pursuant to 2 U.S.C. 685 (H. Doc. No. 99-215); to the Committee on Appropriations and ordered to be printed.

3442. A letter from the Acting Secretary of the Air Force, transmitting notification that the IR Maverick Program has exceeded its baseline unit cost by more than 15 percent, pursuant to 10 U.S.C. 139(b)(3)(A); to the Committee on Armed Service.

3443. A letter from the Acting Director, Selective Service System, transmitting the semiannual report covering October 1, 1985 through March 31, 1986, pursuant to the act of June 24, 1948, chapter 625, section 10(g) (65 Stat. 87; 81 Stat. 105); to the Committee on Armed Services.

3444. A letter from the chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 6-159, "Hazardous Materials Study Commission Act of 1986", and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

3445. A letter from the chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 6-160, "Public Assistance Amendments Act of 1986", and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

3446. A letter from the chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 6-161, "Support for Art in Public Places Amendments Act of 1986", and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

3447. A letter from the acting chairman, National Council on Educational Research, Department of Education, transmitting the fiscal year 1985 report of the council, pursuant to 20 U.S.C. 122ie(c)(3); to the Committee on Education and Labor.

3448. A letter from the Secretary of Health and Human Services, transmitting the fiscal year 1985 report of the National Cancer Advisory Board, pursuant to

P.H.S.A. section 407(a)(7); to the Committee on Energy and Commerce.

3449. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

3450. A letter from the Executive Director, Japan-United States Friendship Commission, transmitting the ninth annual report covering the Commission's activities in fiscal year 1985, pursuant to Public Law 94-118, section 5(b); to the Committee on Foreign Affairs.

3451. A letter from the Assistant Secretary of State for Administration, transmitting notification of a proposed altered system of records entitled, "Family Liaison Office Centralized Data Bank of Family Member Skills and Direct Communication Network Records, STATE-49", pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3452. A letter from the Chairman, Federal Maritime Commission, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar years 1984 and 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3453. A letter from the Chief Administrative Officer, Postal Rate Commission, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3454. A letter from the Inspector General, Department of Housing and Urban Development, transmitting notification of a proposed new computer matching program, "Program of Matching Tenant Data in Assisted Housing Programs", pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3455. A letter from the Chief Administrative Officer, Postal Rate Commission, transmitting a report of the activities of the Commission under the Freedom of Information Act during calendar year 1984, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3456. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting a report on proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3457. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting a report on proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3458. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting a report on proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3459. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting a report on proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3460. A letter from the Chairman, Pennsylvania Avenue Development Corporation; transmitting the 1985 annual report of the Corporation's activities, pursuant to Public Law 92-578, section 11; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PEPPER: Committee on Rules. House Resolution 448. Resolution waiving certain points of order against consideration of H.R. 4515, making urgent supplemental appropriations for the fiscal year ending September 30, 1986, and for other purposes. (Rept. 99-586). Referred to the House Calendar.

Mr. RODINO. Committee on the Judiciary. House Joint Resolution 613. Resolution allowing qualified persons representing all the States to be naturalized on Ellis Island on July 3 or 4, 1986 (Rept. 99-587). Referred to the House Calendar.

Mr. HAWKINS: Committee on Education and Labor. H.R. 4116. A bill to extend the Volunteers in Service to America [VISTA] program under the Domestic Volunteer Service Act of 1973; with an amendment (Rept. 99-588). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAWKINS: Committee on Education and Labor. H.R. 2246. A bill to extend and improve the National Institute of Education; with an amendment (Rept. 99-589). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GLICKMAN: Committee on the Judiciary. S. 173. An Act to settle and adjust the claim of the Tehran American School for $13,333.94 (Rept. 99-582). Referred to the Committee of the Whole House.

Mr. GLICKMAN: Committee on the Judiciary. H.R. 2505. A bill for the relief of Kenneth David Franklin; with an amendment (Rept. 99-583). Referred to the Committee of the Whole House.

Mr. GLICKMAN: Committee on the Judiciary. H.R. 1291. A bill for the relief of Ray A. Bonney (Rept. 99-584). Referred to the Committee of the Whole House.

ADVERSE REPORTS

Under clause 2 of rule XIII,

Mr. BARNES: Committee on Foreign Affairs. House Resolution 395. Resolution directing the President to provide certain documents to the House of Representatives concerning the use of the $27,000,000 appropriated for humanitarian assistance for the Nicaraguan democratic resistance. (Rept. 99-585). Referred to the House Calendar.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred to as follows:

[Omitted from the Record of May 6, 1986]

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 4750. A bill to reform trade laws, and for other purposes; referred to the Committee on Energy and Commerce for a period ending not later than May 9, 1986 for consideration of such provisions of title I of the bill as fall within the jurisdiction of that committee pursuant to clause 1(h), rule X, and referred to the Committee on the Judiciary for a period ending not later than May 9, 1986, for consideration of such provisions of sections 158 and 162 of the bill as fall within the jurisdiction of that committee pursuant to clause 1(m), Rule X rept. 99-581, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

[Submitted May 7, 1986]

By Mr. WYLIE (for himself and Mr. BARTLETT:

H.R. 4757. A bill to amend and improve certain laws relating to housing and community development, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SWIFT:

H.R. 4758. A bill to authorize appropriations for the Federal Election Commission for fiscal year 1987; to the Committee on House Administration.

By Mr. HAMILTON:

H.R. 4759. A bill to authorize appropriations for fiscal year 1987 for intelligence and intelligence-related activities of the U.S. Government, the Intelligence Community Staff, and the Central Intelligence Agency Retirement and Disability System, and for other purposes; to the Committee on the Perm Select Comm on Intelligence.

By Mr. SCHEUER:

H.R. 4760. A bill to establish a program to conduct monitoring and research with respect to drought and other climate changes in Africa, and for other purposes; to the Committee on Science and Technology.

By Mr. BILIRAKIS:

H.R. 4761. A bill to direct the Secretary of Defense to recover from Ferdinand Marcos the amount of all expenses incurred by the Department of Defense in connection with the transportation of Ferdinand Marcos and his family and associates from the Republic of the Philippines and all subsequent expenses incurred by the Department of Defense on their behalf; to the Committee on Armed Services.

By Mr. BOSCO (for himself, Mr. DELLUMS, Mr. TOWNS, Mrs. SCHROEDER, Mrs. BOXER, Mr. WEISS, Mr. BUSTAMANTE, Mr. MRAZEK, Mr. DWYER of New Jersey, Mr. STARK, Mr. HOWARD, Mr. RINALDO, and Mr. ANNUNZIO):

H.R. 4762. A bill to prohibit the implementation of certain regulations of the Secretary of Health and Human Services and the Secretary of Agriculture respecting irradiated foods, to amend the Federal Food, Drug, and Cosmetic Act to prescribe labels for irradiated food, and for other purposes; to the Committee on Energy and Commerce.

By Mr. DREIER of California:

H.R. 4763. A bill to amend title II of the Social Security Act to eliminate the 3-percent trigger for cost-of-living increases in benefits under the old-age, survivors, and disability insurance program; to the Committee on Ways and Means.

By Mr. ECKERT of New York:

H.R. 4764. A bill to permit the State of New York to modify its agreement under section 218 of the Social Security Act to provide Social Security coverage for certain additional employees of Monroe County; to the Committee on Ways and Means.

By Mr. FISH (for himself, Mr. MOORHEAD, Mr. KINDNESS, Mr. LUNGREN, Mr. SHAW, Mr. GEKAS, and Mr. BROWN of Colorado):

H.R. 4765. A bill to place limitations on the civil liability of Government contractors to ensure that such liability does not impede the ability of the United States to procure necessary goods and services; to the Committee on the Judiciary.

By Mr. FISH (for himself, Mr. KINDNESS, Mr. LUNGREN, Mr. SHAW, Mr. GEKAS, Mr. BROWN of Colorado, Mr. SCHULZE, and Mr. LEWIS of California):

H.R. 4766. A bill to promote the interests of consumers and to ensure that the free flow of products in interstate commerce is not impeded by product liability law, and for other purposes; jointly, to the Committees on Energy and Commerce, and the Judiciary.

By Mr. HOWARD:

H.R. 4767. A bill to deauthorize the project for improvements at Racine Harbor, WI; to the Committee on Public Works and Transportation.

By Mr. HUGHES (for himself and Mr. MCCOLLUM):

H.R. 4768. A bill to amend title VII of the Omnibus Crime Control and Safe Streets Act of 1968, relating to armed career criminals, to include serious drug offenses and violent felonies as an offense subject to enhanced penalties; to the Committee on the Judiciary.

By Mrs. KENNELLY:

H.R. 4769. A bill to amend part D of title IV of the Social Security Act to prohibit the retroactive modification of child support arrearages; to the Committee on Ways and Means.

By Mr. KINDNESS (for himself, Mr. FISH, Mr. MOORHEAD, Mr. LUNGREN, Mr. SHAW, Mr. GEKAS, and Mr. BROWN of Colorado):

H.R. 4770. A bill to amend the Federal Tort Claims Act to include reasonable limitations on the tort liability of the United States; to the Committee on the Judiciary.

By Mr. LOWRY of Washington:

H.R. 4771. A bill to provide a reciprocal duty on Surimi; to the Committee on Ways and Means.

By Mr. McCLOSKEY:

H.R. 4772. A bill to require the preparation of domestic industry impact statements before Federal assistance is furnished that would result in the production abroad of manufactured goods, minerals, or services; to the Committee on Government Operations.

By Mr. McCLOSKEY (for himself and Mr. ASPIN):

H.R. 4773. A bill to prohibit the awarding of a defense contract for the purchase of crawler tractors to any firm in which the Libyan Government or Libyan nationals own or control an interest of more than 10 percent (or to any subsidiary of such a firm); to the Committee on Armed Services.

By Mr. OBERSTAR:

H.R. 4774. A bill to require the Secretary of Education to convey Federal surplus real property to the University of Minnesota, Duluth, for educational purposes; to the Committee on Government Operations.

By Mr. SHELBY (for himself, Mr. MONTGOMERY, Mr. HAMMERSCHMIDT, Mr. EDGAR, Mr. SMITH of New Jersey, Mr. APPLEGATE, Mr. SUNDQUIST, Mr. BILIRAKIS, Mr. ROWLAND of Connecticut, Mr. FLORIO, Mr. DASCHLE, and Mr. BRYANT):

H.R. 4775. A bill to amend title 38, United States Code, to provide an exemption for the veterans' housing loan programs from any provision of law providing for the sequestration of budget authority generally throughout the Federal Government, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. SMITH of Florida (for himself, Mr. FASCELL, Mr. GILMAN, Mr. RANGEL, Mr. SHAW, and Mr. GUARINI):

H.R. 4776. A bill to direct the Attorney General to develop a model statute for States to prohibit the establishment and use of freebase houses; to the Committee on the Judiciary.

By Mr. TAUKE:

H.R. 4777. A bill to ensure the supply of childhood vaccines, and for other purposes; to the Committee on Energy and Commerce.

By Mr. WALKER:

H.R. 4778. A bill to amend the Internal Revenue Code of 1954 to allow taxpayers to direct the Internal Revenue Service to transfer any portion of their income tax refunds to a fund established to further the development of manned space flight, and to allow taxpayers to make contributions to such a fund when paying their income tax; to the Committee on Ways and Means.

By Mr. COYNE (for himself, Mr. WALGREN, and Mr. GAYDOS):

H.J. Res. 627. Joint resolution to designate May 24, 1986, as "National William Penn Association Day"; to the Committee on Post Office and Civil Service.

By Mr. EVANS of Illinois (for himself and Ms. SNOWE):

H.J. Res. 628. Joint resolution to designate May 7 of each year as "Vietnam Veterans Recognition Day"; to the Committee on Post Office and Civil Service.

By Mr. HUTTO:

H.J. Res. 629. Joint resolution designating May 18, 1986, through May 24, 1986, as "Just Say No to Drugs Week"; to the Committee on Post Office and Civil Service.

By Mrs. SMITH of Nebraska:

H. Con. Res. 333. Concurrent resolution expressing the sense of Congress concerning the nuclear disaster at Chernobyl in the Soviet Union; jointly, to the Committees on Agriculture, and Foreign Affairs.

By Mr. YATRON:

H. Con. Res. 334. Concurrent resolution expressing the sense of the Congress concerning the political situation in the People's Republic of China; to the Committee on Foreign Affairs.

By Ms. KAPTUR:

H. Res. 449. Resolution expressing the sense of the House of Representatives that the Secretary of Agriculture review ways to assist the Chernobyl disaster victims in providing agricultural commodities to replenish contaminated stocks; jointly, to the Committees on Agriculture, and Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

365. By the SPEAKER: Memorial of the general assembly of the Commonwealth of Virginia, relative to budgeting methods for determining food stamp eligibility; to the Committee on Agriculture.

366. Also, memorial of the general assembly of the Commonwealth of Virginia, relative to the impact aid law; to the Committee on Education and Labor.

367. Also, memorial of the general assembly of the Commonwealth of Virginia, relative to establishing October 19 as "Yorktown Day"; to the Committee on Post Office and Civil Service.

368. Also, memorial of the general assembly of the Commonwealth of Virginia, relative to a tax credit for the installation of fire suppression systems; to the Committee on Ways and Means.

369. Also, memorial of the general assembly of the Commonwealth of Virginia, relative to budgeting methods for determining Aid to Dependent Children eligibility; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. FOLEY introduced a bill (H.R. 4779) for the relief of Allen H. Platnick; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 119: Mr. WYDEN.

H.R. 128: Ms. KAPTUR and Mr. ROBERT F. SMITH.

H.R. 442: Mrs. KENNELLY, Mr. WILLIAMS, Mr. RICHARDSON, and Mr. SABO.

H.R. 585: Mr. GORDON and Mr. CONTE.

H.R. 659: Mr. BIAGGI, Mr. EVANS of Illinois, and Mr. TORRICELLI.

H.R. 979: Mr. ARMEY.

H.R. 1052: Mr. DEWINE.

H.R. 1398: Mr. WEAVER.

H.R. 1811: Mr. GEKAS.

H.R. 1875: Mr. WHITLEY, Mr. ANDERSON, Mr. WEAVER, and Mr. MITCHELL.

H.R. 2173: Ms. SNOWE.

H.R. 2428: Mr. SHAW.

H.R. 2504: Mr. MADIGAN.

H.R. 2591: Mr. REGULA.

H.R. 2684: Mr. KOLBE.

H.R. 2943: Mr. BROWN of Colorado, Mr. DEWINE, Mr. FIELDS, Mr. PASHAYAN, and Mr. WILLIAMS.

H.R. 3042: Mrs. LONG, Mr. BONIOR of Michigan, and Mr. RODINO.

H.R. 3369: Mr. RAY.

H.R. 3473: Mr. SLATTERY and Mr. PETRI.

H.R. 3521: Mr. LUJAN, Mr. GINGRICH, Mr. O'BRIEN, Mr. SILJANDER, Mr. SNYDER, Mr. CAMPBELL, Mr. BROOMFIELD, and Mr. DAVIS.

H.R. 3522: Mr. SHUSTER.

H.R. 3644: Mr. PETRI and Mr. TAUKE.

H.R. 3655: Mr. BORSKI, Mr. BRUCE, Mr. COELHO, Mr. CONTE, Mr. CONYERS, Mr. DIO-GUARDI, Mr. DWYER of New Jersey, Mr. HAYES, Mr. HUGHES, Mr. LELAND, Mr. LENT, Mr. MCKINNEY, Mr. RAHALL, Mr. ROE, and Mr. SNYDER.

H.R. 3736: Mr. BOULTER.

H.R. 3865: Mr. BENNETT, Mr. WEBER, Mr. LEWIS of Florida, Mr. BOULTER, Mr. BUSTAMANTE, Mr. OLIN, Mr. BEDELL, Mr. BILIRAKIS, Mr. STANGELAND, Mrs. VUCANOVICH, Mr. WOLF, Mr. NIELSON of Utah, Mr. SOLOMON, Mr. SUNDQUIST, Mr. BADHAM, Mr. BARNES, and Mr. DYSON.

H.R. 3968: Mr. HORTON, Mr. BOLAND, Mr. GEKAS, Mr. BONER of Tennessee, Mr. LIPINSKI, Mr. HOYER, Mr. WIRTH, Mr. SCHAEFER, and Mr. MRAZEK.

H.R. 3980: Mr. ARCHER, Mr. JENKINS, and Mr. DAUB.

H.R. 3989: Mr. DARDEN, Mr. DICKINSON, Mr. GEKAS, Mr. LEWIS of Florida, Mr. MADIGAN, Mr. NELSON of Florida, Mr. OBERSTAR, Mr. PENNY, Mr. SHELBY, Mr. SHUMWAY, and Mr. WHITTEN.

H.R. 4025: Mr. RALPH M. HALL, Mr. CHAPMAN, Mr. CONYERS, Mr. MCDADE, Mr. REID, Mr. BIAGGI, Mr. GILMAN, and Mr. DE LUGO.

H.R. 4046: Mrs. BOXER and Mr. BORSKI.

H.R. 4070: Mr. SYNAR.

H.R. 4089: Mr. KILDEE.

H.R. 4097: Mr. RUSSO.

H.R. 4119: Mr. CLINGER.

H.R. 4223: Ms. MIKULSKI.

H.R. 4273: Mr. DANIEL, Mr. CHAPMAN, Mr. SCHEUER, Mr. DARDEN, Mrs. BOXER, Mr. KOSTMAYER, Mr. HOWARD, Mr. ASPIN, Mr. GAYDOS, Mr. MOLLOHAN, Mr. MRAZEK, Mr. DURBIN, Mr. DWYER of New Jersey, Mr. CLAY, Mr. GORDON, Mr. DYSON, Mr. VOLKMER, Mr. WALGREN, Mr. TRAXLER, and Mr. CARPER.

H.R. 4278: Mr. MCGRATH.

H.R. 4295: Mr. DOWNEY of New York and Mr. BATEMAN.

H.R. 4433: Mr. CHAPPIE, Mr. LAGOMARSINO, Mr. GRAY of Illinois, Mr. WILSON, and Mr. MARTINEZ.

H.R. 4450: Mr. COBLE, Mr. HUTTO, Mr. JACOBS, Mr. MCDADE, Mr. MARTINEZ, Mr. DIOGUARDI, Mr. BEILENSON, Mr. WALKER, Mr. ROE, Mr. ROSE, Mr. YATES, Mr. VANDER JAGT, and Mr. COURTER.

H.R. 4508: Mr. AUCOIN.

H.R. 4524: Mr. LOTT, Mrs. BENTLEY, and Mr. SHAW.

H.R. 4548: Mr. SKELTON, Mr. BUSTAMANTE, Mr. SMITH of Florida, Mr. FRANK, Mr. WIRTH, Mr. MANTON, Mr. MITCHELL, Mr. EDWARDS of California, and Mrs. BOXER.

H.R. 4617: Mr. TAUKE and Mr. EVANS of Illinois.

H.R. 4629: Mr. DARDEN, Mr. HUTTO, Mr. OWENS, Mr. REID, Mr. GONZALEZ, and Mr. FOGLIETTA.

H.R. 4655: Mr. FAZIO, Mr. KASTENMEIER, Mr. MARTINEZ, Mr. LIVINGSTON, Mr. PURSELL, Mrs. BENTLEY, Mr. DAUB, Mr. KANJORSKI, Mr. DANIEL, and Mr. ROSE.

H.R. 4664: Mr. ASPIN, Mr. KLECZKA, Mr. DANIEL, and Mr. ROWLAND of Georgia.

H.R. 4681: Mr. BEILENSON, Mr. MORRISON of Connecticut, Mr. MARTINEZ, Mr. FAUNTROY, Mr. EVANS of Illinois, Mr. ROBINSON, Mr. DE LUGO, Mr. OLIN, and Mr. LELAND.

H.R. 4688: Mrs. BENTLEY, Mr. CHENEY, Mr. MONSON, and Mr. HANSEN.

H.R. 4711: Mr. DOWNEY of New York, Mr. TRAFICANT, Mr. SMITH of New Jersey, Mr. HAYES, Mr. FOGLIETTA, Mr. HAWKINS, Mr. LELAND, Mr. MANTON, Mr. STARK, Mr. RINALDO, Mr. WORTLEY, Mr. SMITH of Florida, Mr. MITCHELL, Mr. LOWRY of Washington, Mr. GEJDENSON, Mr. HERTEL of Michigan, Mr. DANIEL, and Mr. FASCELL.

H.J. Res. 49: Mr. FRANKLIN, Mr. FAWELL, Mr. LOEFFLER, Mr. RALPH M. HALL, Mr. SPENCE, Mr. MCMILLAN, Mr. COBLE, Mr. BROWN of Colorado, Mr. MONSON, Mr. ROBERTS, Mr. MOORE, Mr. GIBBONS, Mr. LEWIS of Florida, Mr. BENNETT, and Mr. WILSON.

H.J. Res. 131: Mr. BOEHLERT, Mr. DENNY SMITH, Mr. DANIEL, Mr. STOKES, Mr. SAVAGE, Mr. HORTON, Mr. ROBERT F. SMITH, Mr. LIVINGSTON, Mr. BUSTAMANTE, and Mr. WILSON.

H.J. Res. 133: Mr. WYLIE, Mr. DIOGUARDI, and Mr. BILIRAKIS.

H.J. Res. 379: Mr. WYLIE, Mr. LEWIS of Florida, Mr. IRELAND, and Mr. HUBBARD.

H.J. Res. 464: Mr. WOLF, Mr. MINETA, Mr. BOEHLERT, Mr. MCEWEN, Mr. RINALDO, Mr. COUGHLIN, Mr. MOORHEAD, and Mr. HENRY.

H.J. Res. 484: Mrs. LONG, Mr. IRELAND, Mr. HUCKABY, Mr. COBEY, Mrs. BOXER, Mr. JACOBS, Mr. RANGEL, Mr. SUNDQUIST, Mrs. MEYERS of Kansas, Mr. GORDON, Mr. HALL of Ohio, Mr. BORSKI, Mr. HYDE, Mr. DENNY SMITH, Mr. GILMAN, Mr. HAYES, Mr. FRENZEL, Mr. HEFNER, Mr. BROWN of California, Mrs. KENNELLY, Mr. RALPH M. HALL, Mr. VALENTINE, Mr. BOUCHER, Mr. TRAFICANT, Mr. ANNUNZIO, and Mr. WIRTH.

H.J. Res. 492: Mr. HERTEL of Michigan and Mr. BARTLETT.

H.J. Res. 498: Mr. AUCOIN.

H.J. Res. 529: Mr. WAXMAN and Mr. SOLOMON.

H.J. Res. 538: Mr. PORTER, Mr. BOEHLERT, and Mr. NOWAK.

H.J. Res. 547: Mr. BILIRAKIS, Mr. HORTON, Mr. CONTE, Mr. MCCOLLUM, Mr. KASICH, Mr. MCDADE, Mr. MARTIN of New York, Mr. EMERSON, Mr. KEMP, Mr. YOUNG of Alaska, Mr. WORTLEY, Mr. VOLKMER, Mr. GILMAN, and Mr. CLINGER.

H.J. Res. 590: Mr. APPLEGATE, Mr. BORSKI, Mr. FISH, Mr. HAYES, Mr. HORTON, Mr. LEVIN of Michigan, Mr. RAHALL, Mr. VISCLOSKY, Mr. WORTLEY, Mr. BOSCO, Mr. MRAZEK, Mr. SAVAGE, Mr. CONTE, Mr. ROE, Mr. KILDEE, Mr. GRAY of Pennsylvania, Mr. VENTO, Mr. GAYDOS, Mrs. LLOYD, Mr. COYNE, Mr. MCDADE, Mr. MURTHA, Mr. MCEWEN, Mr. KOSTMAYER, Mr. LAFALCE, Mr. COOPER, Mr. DAVIS, Mr. MOLLOHAN, Mr. COUGHLIN, Mr. PEASE, Mr. NATCHER, Mr. ECKART of Ohio, Mr. BUSTAMANTE, Mr. BRYANT, Mr. BONER of Tennessee, Mr. LIPINSKI, Mr. MARTINEZ, Mr. GRAY of Illinois, Mr. VOLKMER, Mr. GORDON, Mr. OBERSTAR, Ms. MIKULSKI, Mr. BOLAND, Mr. FORD of Michigan, Mr. WALGREN, Mr. RITTER, Mr. GEKAS, Mr. MITCHELL, Mr. STOKES, Mr. CARPER, Mr. HOYER, Mr. SHELBY, Mr. BARNES, Mr. CLAY, Mr. HUBBARD, Mr. FOGLIETTA, Mr. OWENS, Mr. MANTON, Mr. FRANK, Mr. PERKINS, Mr. BROOMFIELD, and Mr. NOWAK.

H.J. Res. 591: Mr. HANSEN, Mr. STUMP, Mr. WOLF, and Mr. CARNEY.

H.J. Res. 594: Mr. DYSON, Mr. WHITTAKER, Mr. BARNES, Mr. KOSTMAYER, Mr. GIBBONS, Mr. LEHMAN of California, Ms. OAKAR, Mr. SMITH of New Jersey, Mr. VOLKMER, and Mr. DASCHLE.

H.J. Res. 613: Mr. BUSTAMANTE, Mr. WIRTH, Mr. LANTOS, Mrs. ROUKEMA, Mr. LEVIN of Michigan, Mr. HORTON, Mr. KOLBE, Ms. OAKAR, Mr. RANGEL, Mr. BLILEY, and Mr. ACKERMAN.

H. Con. Res. 36: Mr. HAYES, Mr. WAXMAN, Mr. BATES, Mr. WEAVER, Mr. SYNAR, Mr. RANGEL, and Mr. ATKINS.

H. Con. Res. 317: Mr. ACKERMAN, Mr. ARCHER, Mr. AUCOIN, Mrs. BOXER, Mr. BROWN of Colorado, Mr. BURTON of Indiana, Mrs. BURTON of California, Mr. CARPER, Mr. DWYER of New Jersey, Mr. EVANS of Illinois, Mr. FAUNTROY, Mr. FAZIO, Mr. FORD of Michigan, Mr. FRENZEL, Mr. FROST, Mr. GALLO, Mr. GARCIA, Mr. GREEN, Mr. HAYES, Mr. HEFTEL of Hawaii, Mr. HORTON, Mr. HOYER, Mr. HUGHES, Mr. KILDEE, Mr. KOLBE, Mr. KRAMER, Mr. LAGOMARSINO, Mr. LEHMAN of Florida, Mr. LELAND, Mr. LENT, Mr. LEVIN of Michigan, Mr. MCGRATH, Mr. MAVROULES, Mr. MOAKLEY, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. OWENS, Mr. PEPPER, Mr. PORTER, Mr. RICHARDSON, Mr. ROBINSON, Mr. SABO, Mr. SCHAEFER, Mr. SCHEUER, Mrs. SCHNEIDER, Mr. SCHUMER, Mr. SMITH of New Jersey, Mr. SMITH of Florida, Mr. TOWNS, Mr. UDALL, Mr. WALGREN, Mr. WILSON, and Mr. WORTLEY.

H. Con. Res. 321: Mr. MITCHELL, Mr. RODINO, Mr. GEJDENSON, and Mr. DYMALLY.

H. Con. Res. 328: Mr. RINALDO, Mr. REGULA, Mr. WOLPE, Mr. FORD of Michigan, Mr. LIPINSKI, Mr. TRAFICANT, Mr. O'BRIEN, Mr. COATS, Mr. MOODY, Mr. KILDEE, Mr. TAUKE, Mr. WORTLEY, Mr. HAYES, Mr. WYDEN, Mr. VISCLOSKY, Mr. MARTINEZ, and Mr. EVANS of Illinois.

H. Con. Res. 330: Mr. LIPINSKI, Mr. DWYER of New Jersey, Mr. FRANK, Mr. MANTON, and Mr. KLECZKA.

PETITIONS, ETC.

Under clause 1 of rule XXII,

344. The SPEAKER presented a petition of the Board of Education, School District 108, Highland Park, IL, relative to tax-exempt financing for school districts; which was referred to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1

By Mrs. BURTON of California:

(Amendment to the substitute offered by Mr. Wylie of Ohio.)

—After section 223, insert the following new section (and conform the table of contents accordingly):

SEC. 224. EXEMPTIONS FROM MANDATORY MEAL PROGRAMS IN ASSISTED HOUSING FOR THE ELDERLY.

(a) REQUIRED EXEMPTIONS.—The owner of any assisted housing for the elderly that requires tenants to participate in a meal program shall grant a tenant an exemption from such participation if—

(1) the program cannot satisfactorily accommodate the special dietary or health needs of the tenant, as certified by the physician of the tenant;

(2) the program cannot satisfactorily accommodate the special diet or food practice tenets of the religion of the tenant; or

(3) participation in the program substantially interferes with the employment of the tenant.

(b) ADDITIONAL EXEMPTIONS.—The owner of any assisted housing for the elderly that requires tenants to participate in a meal program may grant a tenant an exemption from such participation for any additional reason determined by the owner to be appropriate.

(c) DEFINITIONS.—For purposes of this section:

(1) The term "assisted housing" means housing that is assisted under section 202 of the Housing Act of 1959, section 236 of the National Housing Act, or section 8 of the United States Housing Act of 1937.

(2) The term "elderly" means any individual who is not less than 62 years of age or any family the head of which (or whose spouse) is not less than 62 years of age.

(d) REGULATIONS.—The Secretary of Housing and Urban Development shall issue such

regulations as may be necessary to carry out this section.

(Amendment to the amendment in the nature of a substitute (text of H.R. 4746)).

—Page 90, after line 4, insert the following new section (and conform the table of contents accordingly):

SEC. 245. EXEMPTIONS FROM MANDATORY MEAL PROGRAMS IN ASSISTED HOUSING FOR THE ELDERLY.

(a) REQUIRED EXEMPTIONS.—The owner of any assisted housing for the elderly that requires tenants to participate in a meal program shall grant a tenant an exemption from such participation if—

(1) the program cannot satisfactorily accommodate the special dietary or health needs of the tenant, as certified by the physician of the tenant;

(2) the program cannot satisfactorily accommodate the special diet or food practice tenets of the religion of the tenant; or

(3) participation in the program substantially interferes with the employment of the tenant.

(b) ADDITIONAL EXEMPTIONS.—The owner of any assisted housing for the elderly that requires tenants to participate in a meal program may grant a tenant an exemption from such participation for any additional reason determined by the owner to be appropriate.

(c) DEFINITIONS.—For purposes of this section:

(1) The term "assisted housing" means housing that is assisted under section 202 of the Housing Act of 1959, section 236 of the National Housing Act, or section 8 of the United States Housing Act of 1937.

(2) The term "elderly" means any individual who is not less than 62 years of age or any family the head of which (or whose spouse) is not less than 62 years of age.

(d) REGULATIONS.—The Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out this section.

By Mr. HILER:

(Amendment to the amendment in the nature of a substitute (text of H.R. 4746)).

—Page 19, strike line 21 and all that follows through page 20, line 2.

Page 21, strike lines 15 through 19.

Page 22, strike line 15 and all that follows through page 33, line 16, and insert the following new section (and redesignate the subsequent sections, and conform the table of contents, accordingly):

SEC. 144. TERMINATION OF URBAN DEVELOPMENT ACTION GRANT PROGRAM.

(a) REPEAL.—The House and Community Development Act of 1974 is amended by striking section 119.

(b) TRANSITION PROVISIONS.—

(1) On after the effective date of this section, no grant may be made under section 119 of the Housing and Community Development Act of 1974, as it existed immediately before such date, except pursuant to a preliminary grant reservation made before such date.

(2) Any grant made under section 119 of the Housing and Community Development Act of 1974, as it existed immediately before the effective date of this section, shall continue to be governed by the provisions of such section 119.

(c) EFFECTIVE DATE.—The provisions of, and amendment made by, this section shall take effect on October 1, 1986, or the date of the enactment of this Act, whichever occurs later.

—After section 166, insert the following new section (and conform the table of contents accordingly):

SEC. 167. MANUFACTURED HOUSING CONSTRUCTION AND SAFETY STANDARDS.

Not later than the expiration of the 6-month period following the date of the enactment of this Act, the Secretary of Housing and Urban Development shall submit to the Congress a detailed report describing the fees collected by the Secretary during the 4-year period preceding the date of the enactment of this Act in connection with inspection of manufactured homes under section 614 of the National Manufactured Housing Construction and Safety Standards Act of 1974. Such report shall include the amount of such fees collected, the allocation of expenses, the costs of the program, and any available reserves.

—After section 166, insert the following new section (and conform the table of contents accordingly):

SEC. 167. MANUFACTURED HOUSING CONSTRUCTION AND SAFETY STANDARDS.

Not later than the expiration of the 6-month period following the date of the enactment of this Act, the Secretary of Housing and Urban Development shall submit to the Congress a detailed report describing the fees collected by the Secretary during the 4-year period preceding the date of the enactment of this Act in connection with inspection of manufactured homes under section 614 of the National Manufactured Housing Construction and Safety Standards Act of 1974. Such report shall include—

(1) the amount of such fees collected, the allocation of expenses, the costs of the program, and any available reserves;

(2) a detailed accounting of fees collected in accordance with section 620 of such Act;

(3) a detailed accounting of expenses authorized under section 620 of such Act and incurred in fiscal years 1983 through 1986, including descriptions of the use of inspection fees for—

(A) activities authorized under section 614 of such Act, including a breakdown of funds allocated for contractors of the Secretary to conduct monitoring, State administrative agencies, and other contracts issued in accordance with subsection (c) of such section;

(B) research, testing, development, and training activities under section 608(a) of such Act; and

(C) direct administration of such Act, including staff and travel;

(4) a detailed explanation of the expenditures described in paragraph (3) that are planned for fiscal years 1987 through 1989; and

(5) a detailed breakdown of expenditures of amounts appropriated under section 627 of such Act.

By Mr. KOLBE:

(Amendment to the amendment in the nature of a substitute (text of H.R. 4746)).

—Page 33, strike line 17 and all that follows through page 34, line 5 (and redesignate the subsequent sections, and conform the table of contents, accordingly).

Page 35, strike line 7 and all that follows through page 36, line 12 (and conform the table of contents accordingly).

Page 55, strike lines 5 through 13 (and redesignate the subsequent section, and conform the table of contents, accordingly).

H.R. 4515

By Mr. BOSCO:

—Add the following new section at the end of the bill:

SEC. . USE OF AMERICAN-BUILT RIGS FOR OCS DRILLING.

Section 5 of the Outer Continental Shelf Lands Act (43 U.S.C. 1334) is amended by adding at the end the following new subsection:

"(j)(1) Any vessel, rig, platform, or other structure used for the purpose of exploration or production of oil and gas on the outer Continental Shelf south of 49 degrees North latitude shall be built—

"(A) in the United States; and

"(B) from articles, materials, or supplies at least 50 percent of which, by cost, shall have been mined, produced, or manufactured, as the case may be, in the United States.

"(2) The requirements of paragraph (1) shall not apply to any vessel, rig, platform, or other structure which was built, which is being built, or for which a building contract has been executed, on or before October 1, 1985.

"(3) The Secretary may waive—

"(A) the requirement in paragraph (1)(B) whenever the Secretary determines that 50 percent of the articles, materials, or supplies for a vessel, rig, platform, or other structure cannot be mined, produced, or manufactured, as the case may be, in the United States, and

"(B) the requirement in paragraph (1)(A) upon application, with respect to any classification of vessels, rigs, platforms, or other structures on a specific lease, when the Secretary determines that at least 50 percent of such classification, as calculated by number and by weight, which are to be built for exploration or production activities under such lease will be built in the United States in compliance with the requirements of paragraph (1)(A).".

By Mr. FAUNTROY:

—Page 16, after line 11, insert the following:

ASSISTANCE FOR HAITI

Of the funds made available for the "Economic Support Fund" in Public Law 99-190, up to $21,700,000 shall be made available for assistance to Haiti. Of this amount, $1,700,000 shall be transferred to the Inter-American Foundation for use by the Foundation for programs for Haiti. The assistance made available pursuant to this paragraph shall be used to promote the transition to this paragraph shall be used to promote the transition to democracy by means such as generating local currency for use for literacy projects, rural development, and job creation. The assistance provided for Haiti pursuant to this paragraph shall be in addition to the assistance previously allocated for Haiti.

It is the sense of the Congress that the United States Government should cooperate with the Government of Haiti in recovering for the Haitian people the wealth that was illegally obtained by former president Jean-Claude Duvalier and his former government ministers and associates through diversions of funds and property, regardless of whether that wealth is located in the United States or abroad.

By Mr. FAZIO:

—On page 34, after line 20, add the following new section:

SEC. . No funds appropriated, or made available, under this or any other act shall be used for soliciting proposals, preparing or reviewing studies or drafting proposal designed to transfer out of federal or public ownership, management or control in whole or in part the facilities and functions of the Federal Power Marketing Administrations located within the contiguous 48 states, and the Tennessee Valley Authority, until such activities have been specifically authorized and in accordance with terms and condi-

tions established by an Act of Congress hereafter enacted: *Provided*, That this provision shall not apply to the authority granted under section 2(e) of the Bonneville Project Act of 1937; or to the authority of the Tennessee Valley Authority pursuant to any law under which it may dispose of property in the normal course of business in carrying out the purposes of the Tennessee Valley Authority Act of 1933, as amended; or to the authority of the Administrator of the General Services Administration pursuant to the Federal Property and Administrative Service Act of 1949, as amended and the Surplus Property Act of 1944 to sell or otherwise dispose of surplus property.

By Mr. HAMMERSCHMIDT:

—Page 3, after line 14, insert the following:

DAIRY INDEMNITY PROGRAM

For an additional amount, for "Dairy Indemnity Program", authorized by the Act of August 13, 1968 (82 Stat. 750), the Act of August 10, 1973 (87 Stat. 223), and the Act of December 23, 1985 (99 Stat. 1377) $10,000,000 to remain available until expended.

By Mr. MICA:

—Page 11, after line 12, insert the following:

GENERAL PROVISION—DIPLOMATIC SECURITY PROGRAM

The funds made available by this chapter under the headings "SALARIES AND EXPENSES", "ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD", and "COUNTERTERRORISM RESEARCH AND DEVELOPMENT" shall be used in accordance with those provisions applicable to the diplomatic security program that are contained in H.R. 4151 (the "Omnibus Diplomatic Security and Anti-Terrorism Act of 1986") as passed the House of Representatives on March 18, 1986, except that this paragraph shall cease to apply upon the enactment of authorizing legislation (either H.R. 4151 or similar legislation) providing for enhanced diplomatic security.

By Mr. ROSTENKOWSKI:

—Page 34, after line 18, insert the following new section:

SEC. 206. Subsections (a)(4) and (g)(1) of section 1886 of the Social Security Act (42 U.S.C. 1395ww) are amended by striking "1986" each place it appears and inserting "1987".

SENATE—*Wednesday, May 7, 1986*

(Legislative day of Monday, May 5, 1986)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Eternal God of truth and light, behind each debate on the Senate floor there are endless hours of committee labor. Thank You, Lord, for those who work hard behind the scenes: legislative aides, committee directors, and staffs. While they are dealing with these essentials of legislation, business as usual continues in the Senators' offices: hosts of people, constituents, lobbyists, visitors, and others who seek a moment of their Senators' time. Thank You for receptionists, clerks, secretaries, and administrative assistants who handle the busy day-to-day routines. Thank You, Father in Heaven, for the many invisible people, who make it possible for the visible few to do the work they have been elected to do. Thank You for the dedication of the unpublicized, unsung men and women, without whom the business of legislation and floor work could never be done. Bless these faithful people and help them to know they are appreciated by all who understand the operation of the Senate. In His name, whose service to mankind exalted servanthood. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator ROBERT DOLE, is recognized.

Mr. DOLE. I thank the distinguished President pro tempore, Senator THURMOND.

SCHEDULE

Mr. DOLE. Mr. President, I want to indicate that today we will move to the military reorganization bill. Senators GOLDWATER and NUNN will be here and ready to go at 10:30. They believe there may be a possibility of finishing that legislation by late this evening. I hope that is the case. That is a very important bill to both Senators GOLDWATER and NUNN. I hope we can accommodate. As far as they knew yesterday, there would be no amendments. But there may be some amendments. So I assume we can expect rollcall votes throughout the day.

Also we hope to complete action on the daylight savings time bill this week. The drug export bill will be brought up sometime this week. I assume that will take 2 or 3 days which means there will probably, and undoubtedly be a Friday session. I hope we can dispose of that bill on Friday.

WHITE HOUSE OKAYS ACADEMY APPOINTMENTS FOR DOWNED PILOTS' SONS

Mr. DOLE. Mr. President, 3 weeks ago this Senator introduced legislation on behalf of some very special people. They were the families of the crew of an F-111 Air Force bomber that was shot down during America's raid against Colonel Qadhafi's terrorist breeding grounds.

We still mourn the loss of these brave fliers—Capt. Fernando Ribas-Dominicci and Capt. Paul Lorence—and we still remember their sacrifice for the cause of freedom. After the raid, President Reagan spoke with the widows of these Air Force heroes to ask if there was anything the Commander in Chief could do for their families. Yes there was, said Mrs. Ribas-Dominicci: "When my son becomes of age, and if he is qualified, please admit him to the Air Force Academy."

As a result, on April 18, the Senator from Kansas introduced a bill to admit the crew members' sons to the Academy of their choice, should they desire to go, and should they meet the entrance requirements. By proposing this legislation, I did not mean to set a precedent whereby such appointments would become commonplace. I just suggest that the legislation arose from extraordinary circumstances.

Mr. President, I am pleased to announce today that this legislation is no longer necessary. After checking procedures, the President has informed me that he has directed the appointments for the surviving sons of the F-111 crew—and so, this wonderful educational opportunity will be there for two young Americans.

I am pleased that this heartfelt request from the wife of a hero has been fulfilled, and we look forward to following the careers of young Mr. Ribas-Dominicci, and even younger Mr. Lorence. Their fathers have certainly given them much to look up to—and a grateful Nation agrees.

Mr. President, I ask unanimous consent that the letter from the Assistant Secretary of Defense, Mr. Chapman B. Cox, and a memorandum to the Secretaries of the military departments from Secretary Caspar Weinberger be printed in the RECORD.

The PRESIDING OFFICER [Mr. WARNER]. Without objection, it is so ordered.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
Washington, DC, April 30, 1986.

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS

Subject: Military Academy Appointments for Peter F. Lorence and Fernando L. Ribas-Berain.

The President has directed that arrangements be made to ensure appointment to the military academy of their choice for Peter Lorence and Fernando Ribas, sons of Captain Paul Lorence and Captain Fernando Ribas, the two missing pilots who participated in the April 14, 1986 action against Libya. Although these children are eligible by law to be nominated for appointment in the category for children of deceased or disabled veterans (CODDV) specific record must be made at each Military Academy to ensure that the President's decision is carried out. Mrs. Lorence and Mrs. Ribas have been informed of the President's desire.

CASPAR WEINBERGER.

ASSISTANT SECRETARY OF DEFENSE,
Washington, DC, May 5, 1986.

Hon. ROBERT DOLE,
U.S. Senate,
Washington, DC.

DEAR SENATOR DOLE: Thank you for your interest and concern for the surviving sons of Captain Fernando Ribas-Dominicci and Captain Paul F. Lorence represented in S. 2339. The President has already directed their appointment to the Military Academy of their choice at such time as they are qualified and desire admission. A copy of the Secretary of Defense memorandum to the Service Secretaries implementing the President's direction is enclosed.

Sincerely,

CHAPMAN B. COX.

TAX REFORM

Mr. DOLE. Mr. President, last night the members of the Finance Committee, by a vote of 20 to 0 reported out a real tax reform.

Mr. President, many had been skeptical about whether the Finance Committee had it in it to come up with a tax reform plan. Yesterday's actions should prove the skeptics wrong.

When most people think about tax reform, they usually mean closing

loopholes and reducing tax rates for everybody. The President responded just that way, closing enough special interest provisions so that he could propose maximum rates of 35 percent for individuals and 33 percent for corporations. He was concerned that the House bill did not reduce rates as much as he asked for. But at the same time, it also did not leave adequate incentives for our capital intensive industries and did not double the personal exemption for a large enough percentage of individual taxpayers.

The Finance Committee responded. The bill the committee agreed to last night will reduce the maximum tax rate for individuals to 27 percent. It will reduce corporate tax rates to 33 percent. It also provides a $2,000 personal exemption for most individuals and better incentives to our industrial base.

But probably the most extraordinary feature of this bill is that the committee was able to make these major changes without providing a disproportionate tax break for the rich. In fact, the bill will take 6 million of the working poor off the tax rolls and will provide substantial tax reduction for middle-income taxpayers.

Under the leadership of Chairman PACKWOOD's and the ranking member, RUSSELL LONG, the committee has agreed to provisions that will make tax shelters both unworkable and unnecessary. We were able to do this with adequate transition rules to avoid disruption in the short run and will be able to be confident that investment decisions will be made on economic merit in the future, not for tax reasons.

The committee's success is in good measure due to the dogged determination of its chairman, BOB PACKWOOD, who hung in there and went up and down the hill a number of times to report a tax bill. Although there were many times, I'm sure, that BOB felt thwarted by the enormity of the obstacles, he never gave up. And he had a hard core bipartisan group of stalwart allies on the committee who were just as committed to seeing tax reform become a reality. Finally the committee achieved a bill by unanimous vote which I would be willing to bet 10 days ago no one would have thought possible.

A couple of weeks ago, I said that tax reform was hanging by a thread. At the time, that seemed an accurate assessment. But now I belive I can say that tax reform is just about all sewn-up. We have a bipartisan tax reform bill, supported by both Democrats and Republicans. That is a strong indication that this bill will sail through the Senate.

That doesn't mean there won't be some bumps along the way. I intend to schedule floor action on the tax bill soon after we return from the Memorial Day recess. On the Senate floor and in conference with the House, I have no doubt that tax reform will face many more tests. But with the 20 to 0 vote in the Finance Committee, President Reagan's firm support, and an understanding by the American people that for the first time in decades they have a shot at getting a tax system that is fairer, simpler, and will put more money back in their pockets, I believe true tax reform can triumph.

So I really believe without any doubt—and I am certain many Democratic colleagues on the committee would agree—that Senator BOB PACKWOOD of Oregon performed an unbelievable task in putting this together. He recognized that 10 days ago we were going down the wrong road.

So he backed up, and came on with a fresh approach. And the result is for the first time we have tax reform. It is not a patched-up bill sent over from the House where they just shifted around the special interests, but real tax reform.

The President indicated yesterday in a press conference from Tokyo that he strongly supports the measure. He has not had a chance to review it fully. He has maybe some reservations. There is some concern about the curtailment of what we call IRA's [Individual Retirement Accounts] which are very popular. There is some concern about the change in the treatment of capital gains, which again is very popular, and I think very good policy.

But when you start in a massive tax overhaul, there are some winners and some losers.

But I believe overall this is really, having been chairman of that committee, a tribute to the chairman, a tribute to the Treasury Secretary, Jim Baker, and a tribute to the President who has been pushing tax reform.

It got off track four or five times but now I believe when the President touches down today in Washington he can be greeted with truly a rather remarkable achievement by the Senate Finance Committee chaired by Senator BOB PACKWOOD.

Also, having worked with a number of people in this area, I certainly commend Dave Brockway and Randy Weiss of the Joint Tax Committee staff, Bill Diefenderfer, John Colvin, Bill Wilkins and others on the committee staff, and the staffs of the committee members who deserve a great deal of credit. Rich Belas has been very helpful to me.

Mr. President, there will be questions that we will hopefully address when the tax bill reaches the floor. But, Mr. President, I really believe we have had a pretty good week. We have passed the budget resolution in the Senate and now we will have tax reform. One big issue remaining in the view of this Senator is trade legislation. Again, I trust that will be on a bipartisan basis.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The distinguished minority leader is recognized.

TAX REFORM

Mr. BYRD. Mr. President, the Finance Committee is to be complimented. Both sides of the Finance Committee are to be complimented. The Democrats, Senator LONG and others, have, according to news reports, contributed much to the product of the committee which has received a unanimous vote.

The Democratic Conference, of course, set the criteria very early on the measure, that any tax reform bill must first favor moderate- and low-income taxpayers.

TRIBUTE TO SENATOR LONG

Mr. DOLE. Mr. President, if the Senator will yield for a moment, I had intended to insert into my remarks a special tribute to the distinguished Senator from Louisiana, Senator LONG. This is probably his final work on major tax reform. But, as usual, Senator LONG provided just what we needed at the right time. I wanted to include that commendation in my remarks.

Mr. BYRD. I would like those remarks to appear at this point, really, where given.

Next, tax reform legislation should enhance the competitiveness of U.S. industry. I am sure that, as the distinguished majority leader said, when the measure reaches the floor of the Senate, it will undergo considerable scrutiny. There will be amendments offered. Of course, it will have additional work in the conference with the House of Representatives, and it will undergo additional scrutiny there.

For now, I compliment those on the committee who have worked hard and long, Members on both sides, to produce a product on which the Senate subsequently can work its will.

S. 2417—THE AVIATION SAFETY COMMISSION ACT

Mr. BYRD. Mr. President, today I am introducing the Aviation Safety Commission Act on behalf of myself and Senators HOLLINGS, EXON, ROCKEFELLER, FORD, and others. It is a bill which directs the President to appoint an independent, "blue ribbon" commission to study and make recommendations regarding the management of aviation safety by the Federal Aviation Administration. My bill addresses one of the central issues in the area of aviation safety—the role of the FAA in maintaining and ensuring safety in the

competitive environment established by airline deregulation.

Mr. President, I believe that since the deregulation of the commercial aviation industry the margin of aviation safety has been deteriorating, and it is time to consider whether the dual responsibilities of the FAA—promoting commercial aviation and ensuring aviation safety—are in conflict, and if so, whether safety suffers.

Since the early days of commercial aviation in the United States, the Federal Government has exercised responsibilities for both promoting aviation and ensuring safety. These responsibilities were first enshrined in the Air Commerce Act of 1926, as a response to the condition of the aviation industry at the time. Commercial aviation was then a fledgling industry in the United States, compared to its state of development in Europe, and was establishing a poor safety record here.

These dual responsibilities of the Federal Government in the area of commercial aviation have been preserved in subsequent legislation, such as the Civil Aeronautics Act of 1938, the Federal Aviation Act of 1958, and the Airline Deregulation Act of 1978.

However, in the competitive environment which has emerged since airline deregulation, it may well be that requiring one agency—the FAA—to exercise these dual responsibilities is an anachronistic and untenable arrangement. That arrangement should be subjected to careful independent review. In view of the explosive growth in the number of commercial air carriers since 1978, the FAA's responsibilities for aviation safety, while becoming more important, have simultaneously become more difficult to exercise.

One reason for this increased difficulty is that the economic implications of FAA decisions to enforce regulations relating to the safety of air carrier operations are of far greater economic consequence to air carriers in a deregulated environment than they were before deregulation. In short, deregulation may have created conditions in which the FAA's responsibility for ensuring safety frequently comes into conflict with its responsibility to promote the aviation industry. Indeed, in testimony before the Transportation Subcommittee of the Appropriations Committee last month, James Burnette, chairman of the National Transportation Safety Board, commented that the FAA is under pressure at any given time by the commercial aviation industry with respect to agency decisions which may have an economic impact on air carriers.

Mr. President, over the past several weeks, I have expressed my concerns on the floor of the Senate about the condition of aviation safety. I have expressed concern over the impact of airline deregulation on safety, and on FAA surveillance of charter airlines which transport our military personnel. The legislation I am introducing today is an extension of these concerns.

My bill directs the President to appoint a seven-member "blue ribbon" commission, the Aviation Safety Commission, to make a complete study of the organization and functions of the Federal Aviation Administration and the means by which The FAA may most efficiently and effectively enhance aviation safety.

The members of the Commission are to possess extensive experience and expertise at the highest levels of corporate management. To ensure the independence of the Commission's deliberations and judgment, my bill provides that members of the Commission shall have no ties to the commercial aviation industry, or the Federal Aviation Administration.

The Commission is directed to consider whether the FAA has been provided adequate resources and has adequately used the resources provided to ensure aviation safety; and to consider whether the dual responsibilities of the FAA are in conflict, and whether any such conflict impedes aviation safety. The Commission is also to consider whether the FAA should be reorganized as an independent Federal agency with aviation safety as its sole responsibility, and whether airline deregulation has had an adverse effect on the margin of safety. This should include a review of whether the practice of airline self-compliance with maintenance standards is an outmoded approach in an environment designed to maximize cost-savings.

The Commission is directed to consider whether it is desirable to require that some or all of the safety recommendations of the National Transportation Safety Board be mandatory. Further, it is to consider whether the responsibility of promoting commercial aviation should be assigned to another agency of the Federal Government.

In the exercise of its duties, the Commission is to consult with a broad spectrum of representatives of the aviation industry and the National Transportation Safety Board.

One year from the date of enactment, the Commission is to submit a report to the President and the Congress containing the findings and recommendations of the Commission.

Finally, my bill authorizes appropriations of $2.5 million to support the activities of the Commission.

Mr. President, at the end of the fiscal year 1987 and FAA's current authorization expires. I believe the findings and recommendations of the Aviation Safety Commission would be valuable contributions to congressional consideration of legislation to reauthorize the FAA.

Mr. President, I ask unanimous consent that a copy of the bill be included in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2417

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Aviation Safety Commission Act of 1986".

COMMISSION ESTABLISHED

SEC. 2. (a) There is established a Commission to be known as the Aviation Safety Commission (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of seven members appointed by the President, by and with the advice and consent of the Senate. Appointees to the Commission shall—

(1) possess extensive experience and expertise at the highest executive levels of corporate management;

(2) during the period of service on the Commission—

(A) have no financial investment in any corporation or business concern engaging in air commerce or any aviation related industry, unless such investment is in a trust in which such an appointee has no—

(i) knowledge of such investment; and

(ii) control over the management of such investment;

(B) receive no compensation for any service performed before appointment to the Commission for any corporation or business concern engaging in air commerce or any aviation related industry; and

(C) perform no service for any such corporation, business concern, or industry;

(3) not have been an employee or officer of the Federal Aviation Administration before appointment to the Commission; and

(4) not be an employee or officer of the Federal Aviation Administration.

(c) For the purpose of subsection (b), the term "air commerce" has the same meaning as such term is defined pursuant to section 101(4) of the Federal Aviation Act of 1958 (49 U.S.C. 1301(4)).

(d) The President shall appoint one of the seven members to serve as Chairman of the Commission.

(e) Any vacancy in the Commission shall not affect its powers, but shall be filed in the same manner in which the original appointment was made.

(f) Four members shall constitute a quorum, but a lesser number may hold hearings.

(g)(1) The Commission shall hold its first meeting within thirty days after the appointment of all members.

(2) The Commission shall meet at the call of the Chairman or a majority of the members.

(h) Members of the Commission shall serve until the expiration of the Commission pursuant to section 3(f).

FUNCTIONS OF THE COMMISSION

SEC. 3. (a) The Commission shall make a complete study of the organization and functions of the Federal Aviation Administration and the means by which such Administration may most efficiently and effectively perform the responsibilities assigned by law and increase aviation safety.

(b) In conducting such study, the Commission shall consider whether—

(1) the Federal Aviation Administration has been provided adequate resources and has adequately utilized the resources provided to ensure aviation safety;

(2) the dual responsibilities of the Federal Aviation Administration of promoting commercial aviation and ensuring aviation safety are in conflict, and whether such conflict impedes the effective maintenance and enhancement of aviation safety;

(3) the Federal Aviation Administration should be reorganized as an independent Federal agency with the promotion, maintenance, and enhancement of aviation safety as the sole responsibility of the agency;

(4) the promotion of commercial aviation should be assigned as a responsibility to another agency of the Federal Government;

(5) airline deregulation has an adverse effect on the margin of aviation safety, including a review of whether the practice of airline self-compliance with respect to aviation maintenance standards is an outmoded approach in an environment designed to maximize cost-savings; and

(6) the desirability of making mandatory certain or all safety recommendations issued by the National Transportation Safety Board.

(c) The study shall include findings and recommendations, including any recommendations for legislative action, regarding—

(1) the most appropriate and effective organizational approach to ensuring aviation safety; and

(2) measures to improve the enforcement of Federal regulations relating to aviation safety.

(d) In conducting such study the Commission shall consult with the National Transportation Safety Board, and a broad spectrum of representatives of the aviation industry, including—

(1) air traffic controllers;

(2) representatives of the commercial aviation industry;

(3) representatives of airways facilities technicians;

(4) independent experts on aviation safety;

(5) former Administrators of the Federal Aviation Administration; and

(6) representatives of civil aviation.

(e) No later than one year after the date of appointment of all members of the Commission, the Commission shall submit a report of the study conducted pursuant to this Act to the President and to each House of the Congress. Such report shall contain a detailed statement of the findings and conclusions of the Commission together with recommendations for legislative and administrative actions.

(f) The Commission shall cease to exist one year after the date of appointment of all members.

POWERS AND ADMINISTRATIVE PROVISIONS

SEC. 4. (a) The Commission may, for the purpose of carrying out the provisions of this Act, hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, and publish such reports as the Commission considers appropriate.

(b)(1) Subject to such rules as may be adopted by the Commission, the Chairman, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 of subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, is authorized—

(A) to appoint and fix the compensation of such staff personnel as he deems necessary, including an executive director who may be compensated at a rate not in excess of that provided for level V of the Executive Schedule in title 5, United States Code, and

(B) to procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

(2) Any person appointed executive director pursuant to subparagraph (A) of paragraph (1) of this section shall meet the same qualifications required of members pursuant to paragraphs (2), (3), and (4) of section 2(b).

(c) Each department, agency, and instrumentality of the executive branch of the Federal Government, including independent agencies, shall furnish to the Commission, upon request made by the Chairman, such information as the Commission deems necessary to carry out its functions.

(d) Upon request of the Commission, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties.

(e) The Administration of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

(f) The Commission may use the United States mail in the same manner and under the same conditions as other departments and agencies of the United States.

(g) Any member or agent of the Commission may, if so authorized by the Commission, take any action which the Commission is authorized to take by this section.

COMPENSATION OF MEMBERS

SEC. 5. Members of the Commission shall serve without compensation, but shall be reimbursed for travel or transportation expenses under subchapter I of chapter 57 of title 5, United States Code, while away from home or a regular place of business and engaged in the actual performance of duties vested in the Commission.

AUTHORIZATION OF APPROPRIATIONS

SEC. 6. There are authorized to be appropriated $2,500,000 to carry out the provisions of this Act.

Mr. HOLLINGS. Mr. President, I am pleased to join with the Democratic leader, Senator BYRD, in cosponsoring legislation mandating a study of the future organizational needs of the Federal Aviation Administration. This is an important bill that deserves swift consideration by the Commerce Committee and the Senate, for there is no greater task at hand than the maximization of safety for the flying public.

The FAA was first proposed in the mid-1950's by President Eisenhower in recognition of the increasing need for improved aviation safety standards. The primary impetus for enactment of the Federal Aviation Act of 1958, in which Congress created the FAA, was the tragic midair collision in 1956 of two commercial aircraft over the Grand Canyon, in which 128 people were killed.

In its current charter, the FAA is charged with both ensuring the safe control of the airspace as well as the promotion, encouragement, and development of civil aeronautics. This dual directive made sense in 1958, as the Nation's network of airlines was just beginning to grow and prosper. However, today, when the airline industry carries millions of passengers daily and impacts nearly every aspect of our lives, we can legitimately question whether or not one agency should continue to be responsible for both matters.

This question has never been more important than in today's deregulated environment. In 1978, when Congress approved airline deregulation, there was clearly no intention of allowing the dimunition of aviation safety. Yet, in the intervening years, we have seen one act after another where safety has taken a backseat to either political considerations or the blind adherence to a free-market, hands-off approach.

Others, most notably the major airlines, have also seen problems with the current structure of the FAA. Recently, the Air Transport Association developed a proposal to transfer responsibilities for air traffic control, airport development, and the collection of user taxes to a public corporation. While this proposal has not yet been finalized and I am not endorsing it, this is a clear indication that others, including those who use the airways most, believe the flying public could benefit from change in the present structure of the FAA.

The legislation we are introducing is the first step toward strengthening this Nation's long-term commitment to aviation safety. It would establish a Study Commission to undertake a complete review of the organization and functions of the Federal Aviation Administration and the means by which the FAA could most efficiently and effectively perform its responsibilities and increase aviation safety. The seven members of the Commission would be appointed by the President, by and with the advice and consent of the Senate. None of these individuals could be employed by or financially connected with the aviation industry. Rather, they would be selected from the highest levels of corporate management and serve without compensation.

The Study Commission would be required to submit its findings and conclusions to the President and Congress within 1 year of enactment of this legislation. The timing is particularly important because the current authorization for the FAA expires at the end of fiscal 1987. The conclusions of this study group will therefore greatly affect the shape of the reauthorization legislation that must be approved next year.

With the recent spate of accidents, as well as the rash of problems related to air traffic control, maintenance and safety inspections, the level of confi-

dence in the Federal Government to ensure safety for air travelers has become increasingly under fire. I believe this type of Commission is precisely what is needed to shake up the current decisionmaking framework and move the FAA closer toward its most important mandate of ensuring aviation safety.

Mr. President, I support this legislation and urge my colleagues to join us in our efforts to ensure a continued commitment to excellence in aviation safety.

Mr. PROXMIRE. Mr. President, will the minority leader yield briefly for a comment?

Mr. BYRD. I yield.

Mr. PROXMIRE. Mr. President, I want to commend my good friend, the minority leader, for his statement on airline safety. This is a very important issue.

I want to congratulate the Senator on his speech on Saturday in Wisconsin. A number of people have commented to me on the importance of this. The Senator, as I understand, stressed the importance of providing capable and competent people in the airports to provide for the security of the passengers when they get on planes.

In this era of terrorism, I cannot think of any action that is more timely or more appropriate.

The distinguished Senator from West Virginia has made an excellent statement. As I say, the people from Wisconsin are behind him.

Mr. BYRD. Mr. President, I thank the distinguished Senator. I especially appreciate his comments. I know of his long interest in the safety of air passengers, of his long interest in the traveling public, his long interest in the airline industry. I appreciate very much his comments.

Mr. President, I ask unanimous consent that the name of the distinguished Senator from Wisconsin [Mr. PROXMIRE] may be added as a cosponsor to the bill I have just introduced.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The minority leader has 3 minutes remaining.

□ 1020

Mr. BYRD. Mr. President, does the distinguished minority whip need time?

Mr. CRANSTON. I should like 1 minute, Mr. President.

Mr. BYRD. I yield 1 minute of my time to the distinguished minority whip. I reserve the remainder of my time.

Mr. CRANSTON. I thank my leader very, very much.

SENATE TAKES HISTORIC ACTION

Mr. CRANSTON. Mr. President, the Senate took a truly historic action yesterday in voting down—by a better than 3-to-1 margin—the administration proposal to sell $354 million in missiles to Saudi Arabia. This was the first time the Senate had explicitly rejected an arms sale requested by a President.

President Reagan, asked for his reaction at his press conference in Tokyo, smiled and replied: "Just wait until the old man gets home."

Well, he may be in for a surprise. Now that the "old man" is back home, he will find that the situation in Congress is the same as it was before he left.

The Senate made clear that it does not consider it in the national security interests of the United States to sell advanced weapons to nations that consistently scorn U.S. interests. I am certain the House is about to take the same position today and just as emphatically.

By day's end, both Houses of Congress will have voted down this proposed arms sale by overwhelming majorities.

Another historic first.

If there is a Presidential veto—and presumably that will be—I am increasingly confident that Congress will override it. And that would make still more history.

I reserve any time that is left for the minority leader.

SENATOR HAWKINS' SPECIAL ORDER

The PRESIDING OFFICER. Under the standing order, the Chair recognizes the Senator from Florida [Mrs. HAWKINS].

Mr. McCONNELL. Mr. President, on behalf of the distinguished Senator from Florida [Mrs. HAWKINS], I shall make her statement under her special order this morning.

OAS ACTION PLAN

Mrs. HAWKINS. Mr. President, yesterday, during my special order, I laid out some of the recent changes in attitude of some Latin American and Caribbean countries toward the war on drugs. Today I would like to discuss how these new attitudes affected the outcome of the OAS Specialized Conference on Narcotics Trafficking, and assess the impact of this Conference on the war on drugs.

The concrete results of the conference were summarized in the so-called action plan that was approved at the conclusion of the conference. The purpose of the action plan is to present the OAS with a blueprint for actions that it can adopt and implement as part of its initiative against the illegal drug trade. This action plan has to be submitted for ratification to the OAS General Assembly at its next meeting in November before the ball can get rolling on any of these proposals.

The action plan consists of three sections composed of recommendations to member states regarding actions on topics such as: The prevention of improper demand for and abuse of drugs, combatting the unlawful production and supplying of drugs and general measures to combat the illicit use and production of and trafficking in drugs. The fourth and last section deals with the specific recommendations to the OAS General Assembly and its ancillary organizations.

A number of these recommendations to member states are encouraging, and if followed could make significant contributions to the war on drugs. Naturally, each nation reserves the right to reject these recommendations, but their presence in the document indicates that they are not merely the unreasonable requests of the gringos, but that they have standing in the eyes of many of their Latin American colleagues.

Some of the most helpful of these recommendations call for the: (1) carrying out of epidemiological and other studies to gather more facts on the magnitude and nature of drug abuse within each country, (2) development and expansion of mechanisms for an exchange of information on various aspects of illegal drug trafficking, (3) study and possible adoption of model legislation relating to issues such as the forfeiture and seizure of assets, and money laundering, (4) control of precursor, solvents and other chemical used in the production of illegal drugs, (5) establishment of judicial, police and customs cooperation mechanisms between member states, (6) eradication of illegal crops, (7) the encouragement of the use of Private Voluntary Organizations [PVO's] especially in the areas of drug use prevention and treatment, and (8) the establishment of a single central agency within a country charged with the responsibility of coordinating each country's antidrug effort.

There are many other recommendations, some helpful and some less helpful, but these that I have listed indicate some of the areas of common emphasis between U.S. policy goals and those recognized by the OAS conference.

The action plan also called for the OAS and some of its ancillary organizations to take certain steps as well. Some of the most significant of these steps are: (1) the creation of a new Inter-American Drug Control Commission modeled after the OAS Human Rights Commission to help implement the action plan, (2) a charge to the Inter-American Juridical Committee to examine possible mechanisms such as extradition treaties and other forms of legal cooperation in the war on drugs, and (3) instructions to the OAS Secretariat to prepare an annual report on "the problem of drug abuse and unlawful trafficking in the region."

Almost as important as what is included in the action plan is what is left out. Left out is a regional fund for drug abuse that would needlessly duplicate the work of the U.N. Fund for Drug Abuse Control [UNFDAC]. Also left out are any mechanisms to implement the often discussed idea of sharing the seized or forfeited drug assets among the nations involved in the trafficking. In addition, left unmentioned were informal arrangements made by the OAS Secretary General and the PVO's to expand their mutual cooperation in the areas of drug abuse control, rehabilitation, education and treatment. In fact, this last action may be one of the areas in which we see the quickest tangible results of the Rio conference.

I am pleased but not satisfied with the results of the Rio conference. I am pleased

that a number of important priorities for effective drug abuse control were endorsed by the conference and a number of other ideas that would have moved the OAS into unproductive areas were avoided. I am not satisfied, however, because there are a number of areas in which the Rio action plan could have been strengthened such as highlighting the positive role that can be played by PVOs; giving a clearer message on the unacceptability of any illegal drug use; and stronger endorsement of extradition treaties and mutual legal assistance treaties—to mention only a few.

Some have characterized the results of the Rio conference as an expression of political will by the states of the Western Hemisphere of their determination to fight the drug traffickers. But I believe it would be more accurate to say that it is an expression of the intention of these nations to demonstrate their political will. So far, all we have are words. Political will requires action.

I believe the jury is still out on the Rio conference. It would be unreasonable to expect the nations of the hemisphere to take coordinated actions against the drug traffickers without some kind of a plan. Now the Rio conference has given us that plan. For that reason a conference like the one in Rio was necessary, but simply because we have a plan doesn't mean that it will ever amount to anything.

If we really expect to look back and see this conference in Rio as the beginning of an important effort in the war on drugs, much hard work remains to be done: The Commission that was recommended needs to be established, properly constituted and well staffed; the proposals for model legislation, and various forms of international cooperation need to be put into place. Without these and other concrete steps, the Rio conference will have been a waste of time. But with the proper followthrough, the Rio conference could mark the beginning of a new and successful phase in war on drugs.

RECOGNITION OF SENATOR McCONNELL

The PRESIDING OFFICER. Under the previous order, the Senator from Kentucky [Mr. McCONNELL] is recognized for not to exceed 5 minutes.

THE LIABILITY INSURANCE CRISIS

Mr. McCONNELL. Mr. President, a member of the American Motorcyclist Association in Michigan entered about 100 amateur motocross races over a 4-year period. But after being injured in a spill which did not involve any other rider, he sued the track owner and the American Motorcyclist Association, apparently charging that no one had sufficiently warned him that motorcycle racing is dangerous.

The insurance company for the defense settled the case for an undisclosed amount, notwithstanding the fact that a subsequent informal poll of jury members showed they thought the case had no merit.

Mr. President, the incident I just mentioned was described in an article in the June 1986 edition of American Motorcyclist. The article, titled "The Liability Crisis," relates similar situations and effectively describes how the liability insurance crisis is threatening organized, sanctioned motorcycle racing.

As the author states, "Over the past 6 months, the liability crisis has become a household word." The article points to a variety of causes for this crisis—bad business practices by insurance companies, an out-of-control tort system, and an attitude among many people that "even when a person's injuries are caused by his own actions, he is apt to expect that someone else should pay."

This is graphically shown by the fact that of the nearly 30 active civil suits pending against the motorcyclists and their local chapters, two-thirds were filed by race participants. And most of these people are members who had signed a release stating they accepted responsibility for their own actions.

This organization is to be commended for putting together a task force to help local chapters deal with liability insurance problems. The task force has liability information kits available for members and conducts workshops for its chapters.

In an accompanying article, "Legislative Reform Deemed Necessary," American Motorcyclist looks at legislative relief for the liability crisis. Notably, the article points out that even if the insurance industry is mainly to blame for the crisis, "it would be difficult to deny that the American tort system is out of control and that legislative reform is essential." The article cites the bill I introduced, the Litigation Abuse Reform Act of 1986, S. 2046, as a good start in that direction. This bill, as most of my colleagues know, is aimed at reforming excesses in our tort system, excesses which directly affect liability insurance premiums and in many cases, the very availability of such insurance.

These reforms include caps on pain and suffering awards, allowing large damage awards to be paid out over the plaintiff's lifetime and offsetting jury awards in amounts equal to payments received from private insurance. The bill also takes aim at the excesses of some attorneys by setting their contingency fees on a fixed scale and by penalizing attorneys who file "nuisance" suits.

Mr. President, because this article so effectively describes how the liability crisis and the need for tort reform affects yet another facet of American life, I ask unanimous consent that the article be printed in its entirety.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From American Motorcyclist, June 1986]

THE LIABILITY CRISIS

A professional gymnast injured during a complicated flip from a trampoline sues a mat manufacturer and receives an award of $14.7 million.

A man who was seriously cut by a broken dish receives $804,000 from Corning because the company failed to warn him that the dishes might fall and shatter if stacked five deep.

A passenger on an airplane in Minnesota makes a wisecrack that the plane will crash and has to pay a fellow passenger who claims emotional distress.

A California tree trimmer charges that Hostess cupcakes gave him "toxic junk syndrome."

A Pennsylvania mother whose baby choked on peanut butter alleges that the manufacturer was at fault for not labeling the product as dangerous to infants.

A woman sues a San Jose minister for $5 million because he violated her privacy by disclosing her confession that she had embezzled church funds.

We've all heard stories like these, and you may have dismissed them as random craziness. But the fact is that such liability suits are becoming increasingly common. And plaintiffs are receiving huge amounts at an alarming rate from jury awards and insurance company settlements.

Over the past six months, the liability crisis has become a household term. It's been the subject of stories in such diverse publications as "The Wall Street Journal," "Forbes," "U.S. News and World Report" and "Sports Illustrated."

The liability crisis is hardly the kind of subject you normally see discussed in the pages of AM, nor do we enjoy tackling this topic. But as with practically every other segment of American society, organized motorcycling has become a victim of the liability crisis, bringing possible disaster and financial ruin to clubs and promoters who are not adequately prepared. Consider the following examples:

A Michigan club with ample assets recently rented out its clubhouse for a party to an organization that had nothing to do with motorcycling. An alcohol-related auto accident after the party resulted in a suit naming the club, though it had no involvement in dispensing alcohol. Eventually, the suit against the motorcycle club was dismissed, but its insurance company canceled its liability policy. A new carrier has not yet been found and the club remains totally exposed.

An enduro rider in Pennsylvania struck a car on a public road and was sued by the automobile owner. The motorcyclist countersued the Valley Forge Trail Riders, the East Coast Enduro Association and the AMA, alleging that they had failed to adequately provide for his safety.

Two motorcyclists collided on a poker run in New Jersey. The passenger of one sued her date for negligent operation, plus the Golden Arrow Motorcycle Club and the AMA for using a dangerous road. The club settled separately, but left the other defendants in the fray. The woman continued her suit against the other defendants and the AMA's insurance company settled for an undisclosed amount.

An AMA member in Michigan entered approximately 100 amateur motocross races over a four-year period. After being injured in a spill with no other rider involved, he sued the track owner, AMA district 14 and the AMA, charging that no one had sufficiently warned him that motorcycle racing is dangerous. The insurance company for the defense settled for an undisclosed amount in spite of the fact that a subse-

quent informal poll of jury members showed that the case had no merit.

An AMA member was injured in a TT race in California. He sued the Lightweight Motorcycle Club, an individual AMA official, Ascot Park and the AMA, claiming that they failed to run the race in a safe manner. He also charged that he assumed all AMA members automatically have medical insurance and that no one advised him otherwise.

An ATV rider entered an event in Pennsylvania and collided with another participant allegedly due to a faulty throttle. He sued the ATV manufacturer, the dealer who sold the ATV, a goggles manufacturer, Rocky Ridge Riders Motorcycle Club and the AMA. The charges included sponsoring an event run by an incompetent club, failure to warn that the organizers were incompetent, failure to require inspection of the vehicle, failure to protect the plaintiff from risk and failure to warn the plaintiff that other participants were incompetent.

A rider was "unexpectedly and violently thrown from his motorcycle" during a practice lap at a race in West Virginia. His suit does not say what threw him, but he has charged two promoters, five individuals, a track, a club and the AMA with negligently constructing a difficult course, failure to warn of extreme and outrageous danger, failure to test the course and employing incompetent race officials.

During a Michigan ice race, a rider collided with two others. One died and the other was permanently disabled. Each received $50,000 settlements and the suits against the rider and club were dismissed. However, the plaintiffs continue their suit against the AMA and the township of Mills, Michigan.

A rider who fell during a road tour in California sued Kern County, the State of California, the Santa Barbara Riders Association, AMA District 37, two dealerships and U.S. Suzuki. He alleges that loose gravel, other debris and sharp curves caused him to fall. He alleges that a dealer failed to properly repair his motorcycle, which caused him to fall. He also alleges that Suzuki made a motorcycle with a defective wheel and fork, which caused him to fall. The suit caused the district organization to temporarily lose its insurance.

An 11-year-old boy was struck by a motorcycle rider at the Lake George, New York, Winter Carnival. The rider was not participating in the AMA-sanctioned race at the carnival, but was riding at a high rate of speed for his own amusement. The rider was sued personally, but that suit was dismissed when it was determined that he had no insurance. The suit for over $500,000 in damages continues against the Lake George Chamber of Commerce, officers of the Lake George Winter Carnival, the Capitol Area Trail Riders and the AMA.

A race fan at the DuQuoin Mile ran his motorcycle over a sleeping camper at 5 a.m. The injured party sued the rider, the campground manager, the DuQuoin State Fair Association, the promoter, the First Bank and Trust Company (because it holds a note on the fairground property), the AMA and the R. J. Reynolds Tobacco Company, simply because they sponsor the national series.

There are two suits against the AMA pending in California resulting from events that were not even AMA-sanctioned. The plaintiffs allege that if AMA events were ever run on the track in the past, the AMA should be held responsible to warrant safety!

This is only a partial list of current litigation active against the AMA, its districts and AMA-chartered clubs. Of the nearly 30 active suits, one-third were filed by spectators while two-thirds were filed by participants, most of whom were AMA members who signed a release stating that they accepted responsibility for their own actions. Clearly, the type of liability-suit craziness affecting all of America has hit the motorcycle community as well.

The symptoms of the disease are everywhere. You can see them in insurance policy cancellations without direct cause, drastically higher insurance premiums for reduced coverage and a refusal of insurance companies to take on new risks.

What has caused the liability crisis is the subject of a bitter finger-pointing debate between insurance executives and lawyers, each accusing the other of greed and shortsightedness.

The insurance industry claims that the liability crisis is the result of recent catastrophic losses and unprecedented higher awards by juries for claims that policy writers never intended to cover. Insurers point out that 1984 was the worst loss year in two decades, and that the catastrophes experienced worldwide are the worst since the 1906 San Francisco earthquake and fire. Aside from these real losses, they claim that liberal judges, creative lawyers and generous juries are saddling them with responsibilities and huge payments that were never contemplated when policies and premiums were originally structured.

Insurance companies, however, do not so readily admit to the self-serving and shortsighted business practices that contributed to the current poor insurance climate. For example, if American courts have become a kind of lottery where injured parties can demand big awards from defendants who are actually not negligent or at fault, it's largely because insurance companies have been so prone to settle cases rather than fight. The most frivolous kind of suit today stands a better than even chance of netting a hundred-thousand dollars or more for a plaintiff and his lawyer.

While the statements by insurance companies about unprecedented and unpredictable losses may be true, their current plight is also complicated by greedy investment practices during the last decade. It is not unusual for insurance companies to pay out more in claims than they earn in premiums. Theoretically, these losses are offset by investment income, enabling insurers to make profits while they offer clients bargain rates.

However, during the 1970s when interest rates were high, the insurance companies let that theory get the better of them. They cut prices in competition for the premium dollar, believing that future losses could never offset the bonanza they were making in various investment markets. They were wrong. Interest rates fell and claims grew.

As a result, the liability industry reports it has suffered over $55 billion in underwriting losses since 1979—$21 billion in 1984 alone—that overall operations were $6 billion into the hole in 1985 and that the red ink is projected to plunge rapidly deeper for the foreseeable future. Blaming lawyers for their plight, insurers have begun to dump poor risks and increase premiums 200, 300, even 400 percent or more in an effort to get well financially.

There's no question that a hyperactive legal profession is a great contributor to the crisis as well. Today there are more than 700,000 lawyers in America, roughly one for every 400 Americans. Whereas a decade ago law was considered a conservative profession that prohibited or discouraged advertising and solicitation, today lawyers use every promotional technique imaginable to compete for business and encourage litigation. For instance, there is a lawyer in Michigan who obtains the names of motocrossers who take a spill, then calls them the following week to offer his services. In one decade, product liability suits have increased from about 1,500 lawsuits per year to nearly 14,000 per year. Between 1978 and 1983, there were 12 million lawsuits filed in America, and in 1984 there was one civil action for every 15 Americans.

Attracted by ever-higher awards, lawyers are inventing and testing altogether new theories of responsibility. A Maryland court has held that handgun manufacturers can be forced to pay damages resulting from shootings. In short, direct negligence is no longer a significant factor in granting awards.

Instead of asking, "Did someone do wrong, and did it cause injury?" courts today are operating on the premise, "A person has been hurt and someone has to pay. Who has the most money to take care of this person? Who has the deepest pockets? Deep pockets, unfortunately, will more than likely become a household term in the near future as well. It indicates the person or organization with the most assets.

Today, personal injury suits frequently have little to do with justice. Rather, the American court system has become a kind of welfare agency devoted to redistributing wealth with little regard for responsibility, fault or blame.

With some justification, lawyers are quick to point out that they are just doing their job, dutifully serving a litigation-crazy society. And that brings us to the third major cause of the liability crisis: an American society with a radically changing sense of values when it comes to the subject of personal responsibility. Even when a person's injuries are caused by his own actions, he is apt to expect that someone else should pay.

Not too long ago organized motorcycling enjoyed a kind of family atmosphere that offered some protection from the worst abuses of liability law. Few motorcyclists would dream of using their fellow riders or event organizers. They understood the risks and enjoyed the opportunity to participate. This atmosphere no longer prevails, and the growing file of litigation reveals several trends of which clubs and promoters must be wary.

Suits are being filed with increasing frequency by participants. Until this year, the AMA required spectator liability insurance at racing events and recommended coverage against suits by participants. Suddenly, participants have become the dominant cause of liability litigation. Event organizers can no longer rely on an unwritten code of personal responsibility and good will among participants. Participant legal liability insurance has become essential.

District organizations are vulnerable. Until recently, district organizations were recognized as voluntary governmental structures providing a bridge between the national organization and the local club, and they were left alone. Now, district organizations have just become one more defendant to be hit by shotgun suits aimed at everybody with the intention of finding someone with vulnerable assets. The coverage that the AMA has purchased for 1986, at double the 1985 cost, names recognized districts as additional insureds. To complete the protec-

tion, it is essential that underlying coverages bought by event organizers also name the districts.

Suits are no longer something that happen only at competition events. Suddenly, the organizers of road events have become targets for litigation. Because of the catastrophic—albeit infrequent—nature of road accidents and because several networks of lawyers have been formed to stimulate litigation by street riders, Association officials see organized road events as a critical area for coverage. Clubs that organize uninsured road events, especially if they have property and other assets, are inviting trouble. Even individuals who belong to a club could be found personally responsible. Therefore, AMA-sanctioned road events will require coverage in 1986.

The American Motorcyclist Association is searching for solutions to the liability crisis. AMA President Ed Youngblood said, "It is one of the most difficult, preoccupying, all-encompassing problems that the Association has faced. Our trustees, senior staff and many volunteer officials have had their time dominated by it in recent months. While wrestling with the short-term headaches, like where and how to get coverage at an affordable price, we've been forced to step back and rethink every aspect of the AMA in an effort to find new, creative ways to safeguard the Association, its districts, and its clubs."

What does the future hold? For the AMA and American society and business in general, most experts agree that there are no short-term solutions. Some believe that under current practices, insurance companies will become financially sound in two to three years, and that while premiums are not ever apt to return to previous low levels, perhaps insurers will be able to relax the restrictions that have made insurance unavailable, unaffordable or nearly useless for many clients.

However, no amount of premium income can offset the rampaging greed that has become possible under the current system. Plaintiffs' lawyers have demonstrated that there is no limit to the theories they will put forward, and courts have established that awards will be granted all out of proportion to the alleged damage. Discipline and responsibility will not come from within the system. Regulation and limitations must come through legislation, and this may be a slow process since our lawmaking bodies are themselves infested by lawyers.

Even if insurance industry financial ills respond to a relatively short-term solution (two to three years), and abuses within the legal system are fixed by legislation over a medium term (two to five years), the real, taproot culprit is not apt to be weeded out for a long time, if ever. Social attitudes change with generations, and we are only now beginning to feel the devastating impact of attitudes characteristic of what has been called the "me generation."

Parents who set their children loose unsupervised on ATVs and then appeal to a government agency to condemn the product; mothers who want peanut butter labeled for danger; fathers who encourage their children to race motor vehicles then sue the race organizers; and incompetent motorcyclists who fall on public roads and blame everyone but themselves are all symptomatic of a deep-seated irresponsibility and selfishness that will likely plague our society for the long term.

It's not a bright picture, but it's one that *must* change. The pendulum will swing back to center, but only after the vast majority of Americans, those who accept responsibility for their actions and who feel that enjoyment can frequently involve some form of risk, realize what is happening to society and the economy, and are willing to do something about it.

AMA's Response to the Crisis

By October 1985, the financial state of the liability insurance industry was beginning to catch the notice of the national news media. Several precedent-setting suits against the AMA, district organizations and clubs arising in 1984 and 1985 prompted Association officials to question the adequacy of Association coverage, especially in regard to district organizations. For these two reasons, a special Insurance Advisory Committee was created within the 1986 AMA Congress.

That committee recommended a minimum of $1 million spectator legal liability and participant legal liability insurance for all sanctioned off-road events. It also recommended that those policies specifically name the district organizations among the insured parties. In the past, off-road promoters had been required to carry $100,000 in spectator liability insurance and were encouraged to purchase an equal amount of participant liability coverage.

When it came to sanctioned road events, which had not required insurance in the past, the committee encouraged organizing clubs to plan to have their events insured in the future, perhaps by 1987.

The Association staff began to work with insurance companies in an attempt to piece together coverage that would meet the recommendations of the AMA Congress. However, it soon became obvious that the task would be difficult, if not impossible. In fact, AMA officials learned that the cost of the Association's blanket liability coverage, the insurance that protects the AMA itself over and above the coverage provided by the promoter, would double in 1986 while coverages would be reduced by 80 percent. On the basis of dollar-for-dollar value, that represented a 1,000 percent increase in the premium.

At the annual meeting of corporate members in Houston on January 30, 1986, AMA President Ed Youngblood warned the trustees that the crisis could have a devastating impact on organized motorcycling. He passed along information from a January 22 meeting of leaders of nearly 100 associations where it was learned that many had their polices cancelled and found themselves unable to buy insurance at any price.

On February 14, Friday, the Association staff finally received word from its insurance broker. The million dollar minimum coverage recommended by the AMA Congress was out of the question, since it would require a premium of $700 or more for each event sanctioned—a prohibitive cost for most clubs and promoters. Furthermore, the company providing the Association's blanket coverage said that coverage would not be available if the Association sanctioned any uninsured events, including road events. The program would go into effect April 1, allowing the AMA less than 45 days to respond and notify its clubs.

By the following Tuesday, February 18, Youngblood convened a meeting of the AMA's Finance Committee, legal counsel and insurance broker by conference call. That lengthy meeting identified a series of policy options to be reviewed by legal counsel and a series of questions to be posed to the insurance carrier. Answers were obtained over the next several days, and an emergency meeting of the trustees was convened on Tuesday, February 25, finalizing the 1986 program.

Between February 25 and March 5, less than five working days, the Association staff printed materials, completed a mailing to clubs, developed a workshop on the liability crisis and notified volunteer leaders of a special meeting in Daytona. A leadership briefing was conducted on March 6.

That briefing was productive enough to convince the Association to take its workshop program on the road, and by the end of the first week in April, presentations were given in 15 states. While the situation remains difficult for the foreseeable future, the action taken by AMA employees, trustees and volunteer leaders has quickly spread the word to our clubs and districts about the biggest threat to motorcycling in recent times.

Legislative Reform Deemed Necessary

Under the current circumstances, it is ironic that one of America's insurance giants markets its product under the slogan, "Help is on the way." It is unlikely that real help to get us out of the liability crisis will come from either the insurance industry or the legal professional. Legislative reform is required.

First, it's necessary to understand the scope of the problem. Most observers concede that the American liability insurance market has been hard hit, both by rising claims and investment losses. However, Ralph Nader and J. Robert Hunter, president, of the National Insurance Consumer Organization, add a whole new wrinkle to the liability crisis.

Accusing the insurance industry of voodoo accounting, they say that losses are greatly exaggerated, and that in fact a claimed $6 billion loss in 1985 may be a $5 billion profit, including dividends.

False reporting, Hunter believes, is all part of a plan by the industry to create a false liability crisis aimed at whipping American citizens, businessmen and government officials into a frenzy against lawyers and for reform of the tort system—that part of the law dealing with liability cases.

Even if Hunter's claim is partially valid, it would be difficult to deny that the American tort system is out of control and that legislative reform is essential. Perhaps in the process controls will also be designed for the insurance industry that will eliminate the dangerous and short-sighted business practices that leave premium payers the victims of previous bad investments.

A good start may be the Litigation Reform Act of 1986, sponsored by Kentucky Sen. Mitch McConnell, with White House support. McConnell's bill would require:

That awards of more than $100,000 be paid in installments over the lifetime of the plaintiff.

That jury awards be reduced by offsetting payments from existing private insurance.

That damages for pain and suffering would have a ceiling $100,000.

That attorneys' contingent fees could not exceed 35 percent of awards for economic losses.

That punitive damages, the area in which some of the largest awards are made, would not be paid to plaintiffs and lawyers, but would go to the registry of the trial court, benefiting the economy and reducing the tax burden.

That plaintiffs would have to produce evidence showing that harm resulted from willful negligence and a conscious disregard for safety.

That court costs, fees and expenses would be imposed on any lawyer who initiated a suit merely for the purpose of wrangling an out-of-court monetary settlement.

Unfortunately, McConnell's bill would apply only to federal courts. Because law is regulated on the state level, the problem of tort reform does not have one solution. It will require 50 solutions to make American courts responsible institutions.

ALTERNATIVE SOLUTIONS TO THE PROBLEM

The American Motorcyclist Association has responded to the liability crisis in a variety of ways aimed at protecting the Association, its clubs and district organizations. Current actions include the following:

Blanket liability coverage has been purchased—at double 1985 costs—that protects district organizations as named insureds.

Tough negotiations with insurers have resulted in competition event coverages at prices lower than AMA officers expected. Coverages have been restructured to provide underlying coverage for district organizations. Coverage for road events has been obtained at less than half the cost of competition event coverage.

An emergency "liability audit" has been undertaken to re-evaluate every aspect of the Association. By the time you read this, the Association's trustees will be considering an array of recommended techniques to reduce exposure for the AMA, its districts and chartered clubs. The study will result in new guidance materials for clubs promoters and districts.

A series of leadership workshops on the liability crisis have been scheduled throughout the nation.

"The AMA Liability Information Kit" has been developed for clubs and promoters. It will be continuously updated as circumstances change.

In the area of long term solutions:

The AMA has joined the American Tort Reform Association, a coalition of organizations and businesses devoted to stopping the abuses that are taking place on a regular basis through liability litigation.

The government relations staff is monitoring tort reform legislation that can benefit the AMA, its clubs and its members in the long run.

The idea of a captive insurance organization serving a coalition of motorsports organizations is under consideration.

A SURVIVAL PLAN FOR ORGANIZERS

The liability crisis has made many clubs and organizers painfully aware of their vulnerability any time they organize an event and charge either admission or an entry fee. Because of the "deep pockets" approach to litigation, their vulnerability can be directly related to their assets.

The AMA recommends that organizers of events do the following:

Conduct a legal review of your organization. Are your bylaws and other legal documents in order? Are you incorporated and are your individual officers shielded from liability? Do you have or can you obtain liability insurance covering the decisions and actions of your directors and officers (commonly referred to as "D and O coverage")? Are there ways to reorganize in order to protect your property and assets? Is your property insured? These are just some of the questions about which you should seek legal advice.

Shape up your facility and improve management and maintenance. The majority of personal injury suits result from what is perceived to be inadequate fencing, poor track security or obstacles on the course. These are problems that can be overcome with a little attention and maintenance.

Observe safety rules and use good judgment. Don't leave racetrack obstacles unprotected and don't place poker run checkpoints on the left side of the road. Do a rules review. Have your club officers review AMA rule books and discuss to what extent they are complying with basic safety rules.

Require releases. Don't let anyone enter your event who has not signed, or for whom a parent or legal guardian has not signed, a release of liability. Set up a reliable system for cataloging and storing signed releases. They're no good to you if you can't find them later.

Don't go uninsured. The AMA now requires insurance as a part of its sanctioning process, but even if you choose not to sanction your event, you still need insurance. If you are organizing events without liability coverage, you are inviting disaster.

Make sure your employees or club personnel understand the problem. Keep them mindful of risk. Don't leave that hose lying out where someone can trip over it. Don't ignore the missing haybale; replace it.

Demand discipline. If you are confonted by an uncooperative particpant who wants to defy your authority or ignore the rules, refund his money immediately and eject him from the event. The kind of guy who races through the pits or continues to ride his bike around the camping area even after he has been asked to stop is exactly the kind of person who will sue you when he screws up. Get rid of him. You owe it to yourself, your insurer and your guests.

Take a hard look at the role alcohol plays in your events. If you're looking the other way with beer in the pits, you're courting disaster. If your road runs can't draw a crowd unless there is ready access to alcohol, you should reevaluate what you're doing and who you are appealing to. More and more suits are resulting from alcohol-related accidents.

Write to the AMA for "The AMA Liability Information Kit." Send $2 for postage and handling and list your club or promoter name and number.

FLATWOODS, KY

Mr. McCONNELL. Mr. President, it is pretty frightening to think of a city abruptly shutting down its police, fire, and sanitation services. But the city of Flatwoods, KY, was on the brink of doing just that last week, not because there was anything wrong with that city's services, but because liability insurance could not be obtained for them.

The day before the city was going to shut down those services, it was able to get a liability policy for city vehicles. However, the city lacked general liability coverage for city buildings. This meant the city faced the prospect of not being able to open its city park on May 1, the park's traditional opening day. It also meant that senior citizens and other groups might not be able to hold meetings as planned in the new $750,000 city hall complex.

In addition, the mayor and city council had considered resigning until liability coverage was finally found for them 3 weeks ago.

A Kentucky Municipal League study recently showed 149 cases in which cities either had their insurance policies canceled or could not get them renewed.

Mr. President, fire, police, and sanitation protection are the most basic services a governmental body provides. To have these services jeopardized by an unavailability of insurance indicates something is seriously wrong in our society.

I have introduced a bill, S. 2046, which if made into law would correct problems in our tort system which have contributed to the national liability insurance crisis. With its rules regarding damage awards and the actions of attorneys, the bill would bring some sense and reliability back to our civil justice system. Under a more sensible tort system, the current chaos in the liability insurance industry could be brought back in order.

Mr. President, the problems faced by the city of Flatwoods are effectively described in an April 29 article in the Lexington Herald-Leader in an article titled "Insurance Loss Is Threatening Town Services." That city has faced a crisis which could happen to a number of cities across the country. I ask unanimous consent that the article be printed in its entirety.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Lexington (KY) Herald-Leader, Apr. 29, 1986]

INSURANCE LOSS IS THREATENING TOWN SERVICES

(By Ray Cohn)

Police and fire departments in the northeastern Kentucky town of Flatwoods will continue to operate despite an insurance crisis that threatens to close a municipal park and meeting rooms.

The Greenup County town of 8,500 had been on the brink of eliminating fire, police and sanitation collection services, but the city yesterday resolved that crisis by obtaining liability insurance for its vehicles.

Flatwoods Mayor T.L. "Lardy" Groves, in a registered letter to Gov. Martha Layne Collins on Friday, had said the city would stop those services at 11:59 p.m. Wednesday unless the insurance was obtained. The letter had asked the governor to send the National Guard and the Kentucky State Police to patrol the town in the absence of city police and firefighters.

Although the most immediate crisis was resolved yesterday, the city still lacks general liability insurance for its buildings. Groves was hoping that Flatwoods would be able to obtain building coverage within 48 hours.

Flatwoods' problem is a reflection of a national crisis that has hit Kentucky particularly hard since the Kentucky Supreme Court last year removed the sovereign immunity protection that cities had enjoyed against lawsuits, said Ed Griffin, the execu-

tive director of the Kentucky Municipal League.

He said two municipalities—Douglas Hills, a fourth-class city in Jefferson County; and Crestview, a small town in Campbell County—had to shut down their police departments because they could not get liability insurance. He said state and county police were patrolling those cities.

Other cities have seen their insurance premiums rise by as much as 900 percent, Griffith said.

Flatwoods, a suburb of Ashland, had managed to obtain liability insurance on its vehicles from a Columbus, Ohio, company about two months ago, Groves said. But earlier this month the company cancelled the policy effective midnight Wednesday, he said.

Without insurance on its vehicles, the city would have had to stop providing fire, police and sanitation services, and would have had to curtail such services as water and sewer line tap-ons, Groves said.

"I am two-thirds' happy," Groves said after he found out that the city had obtained the insurance for its vehicles. "I am not happy until we get general liability insurance."

He said the city was in the process of getting price quotations for such coverage and that he was hopeful the problem would be solved soon.

Without general liability insurance, the city will not be able to open its muncipal park, which usually opens May 1, Groves said. He said the insurance was also needed before city officials would let senior citizens and other groups hold meetings in the new $750,000 city hall complex.

In order to assure that the municipal pool would be available even without general liability coverage, the city has been negotiating to have the Russell YMCA operate the facility under a lease agreement.

Groves said the city had also had trouble obtaining insurance for its elected officials and that he and the city council members had considered resigning until coverage was obtained about two weeks ago.

"I don't feel like I should be sitting here jeopardizing myself," said Groves, a retired railroad switchman who was first elected mayor in 1971 and who has served in that position since then with the exception of a five-year stretch after he suffered a heart attack.

Griffin said a municipal league survey before this year's legislative session showed 129 cases in which cities had either had their insurance policies canceled or couldn't get them renewed. An updated survey showed 149 cases.

KENTUCKY UNIVERSITIES

Mr. McCONNELL. Mr. President, it is hard to imagine a country's intellectual growth stifled because it is too expensive to insure. That is admittedly an extreme scenario, but it is conceivable.

Since February 4, thousands of employees at the University of Kentucky have been without university-paid professional liability insurance. The school's old policy lapsed on that date, and since then, a new policy has been purchased. But it only covers fewer than 70 of the university's 10,000 employees and trustees for actions they take on the job.

And this policy costs $95,000 for a year's coverage, compared to the old policy's cost of $33,000 for 3 years' coverage. This new policy does cover chancellors, vice chancellors, deans, trustees, and community college directors, but most faculty members remain uninsured.

A student once sued the university after being suspended from medical school for supposedly having a negative attitude. The jury decided in favor of the university, but the threat of future suits of this type was brought home. A mathematics professor noted that students displeased with their grades have threatened legal action. "At least up until now, people have had the assurance that they were covered by insurance," the professor said.

The University of Kentucky is not facing this problem alone. University of Louisville officials are concerned about coverage after their current policy expires in June. At Morehead State University in Kentucky, the cost of general liability insurance has risen from $8,000 in 1984-85 to $75,000 in 1985-86. Officials at Kentucky State University and Eastern Kentucky University also are worried about being able to obtain liability coverage in the future.

The problems these centers of learning face are documented in the April 25 edition of the Lexington Herald-Leader in an article titled "Liability Policy Lapse Leaves Most UK Personnel Uninsured."

The liability crisis threatening these schools also threatens countless other institutions, government entities, public services and businesses. I have introduced a bill into the Senate, S. 2046, which if enacted, would correct excesses that have emerged in our tort system, excesses which affect liability insurance. For example, S. 2046 brings damage awards for noneconomic losses within reason and allows large damage awards to be paid out over a reasonable period of time. The bill also penalizes attorneys who file nuisance suits and places attorney contingency fees on a fixed, sliding scale.

Mr. President, because this article illustrates yet another sector of society threatened by the liability crisis and the consequent need for tort reform, I ask unanimous consent that the article be printed in its entirety.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LIABILITY POLICY LAPSE LEAVES MOST UK PERSONNEL UNINSURED

(By Robert Kaiser)

As one of four people named in a lawsuit against the University of Kentucky in 1973, Dr. Peter Bosomworth can still remember flirting with disaster.

"We didn't have insurance at the time," said Bosomworth, the chancellor of the UK Medical School. "We were felt to be financially liable."

More than 10 years later, a feeling of financial vulnerability has settled over the UK campus again. Thousands of Lexington campus and community college employees have been without unversity-paid professional liability insurance since Feb. 4, when the old policy lapsed.

A new policy insures fewer than 70 of the 10,000 university employees and trustees for actions they take on the job, said Jack Blanton, the UK vice chancellor for administration. At a cost of $95,000 for one year, the new coverage is also significantly more expensive than the old policy, which cost $33,000 for three years.

Chancellors, vice chancellors, deans, trustees and community college directors are insured under the new policy.

Most faculty members are not.

The university has carried an errors and omissions policy since 1977, according to UK administrative assistant Patti Kirk. But the company that wrote the previous policy no longer offers the same coverage, Blanton said.

As a result, faculty members in a position to determine the fate of a colleague or student are mildly concerned.

"Let's just say it's added another measure of stress to a chairman's position," said Paul Eakin, the chairman of the mathematics department at UK. "It certainly has added a note of uncertainty to the decision-making process."

In Bosomworth's case, the university was sued for $150,000 by a student who had been suspended from medical school for supposedly having a negative attitude.

A jury reached a verdict in favor of the university and Bosomworth, but the risks involved in being uninsured became painfully clear.

"We've had instances where . . . students have felt aggrieved and have threatened legal action over their grades," Eakin said. "At least up until now, people have had the assurance that they were covered by insurance."

The university, which has pledged to use its own legal counsel to represent any employee who is sued professionally during the insurance crunch, is feverishly searching for a more expansive policy, said Bruce G. Miller, the director of employee benefits and risk management at UK.

"I'm concerned about it," said Ed Lambeth, the director of the UK Journalism School. "I feel the university would represent me, but I don't understand all the implication of what it means."

Miller said the university might be close to finding a carrier that will write a policy for all or most of the employees at UK.

"We've had another good nibble this time," Blanton said. "We hope to hear more from them" this week or early next week, he said.

But Blanton said the cost of the new policy would probably be about $60,000 for one year—nearly double the cost of the old coverage—with "no guarantees of renewal."

And even if another policy is found soon, UK officials might decide to forego traditional coverage in the future in favor of more stable, less expensive alternatives, Blanton said. Those might include joining an insurance pool or consortium with other universities, he said.

"We will leave no stone unturned," Blanton said.

Because the $95,000 policy covers those most susceptible to lawsuits, the situation is not dire, Bosomworth said.

"But it certainly is not a desirable situation," he said.

And it has created some confusion among faculty members who were uncertain what

the policy was or even that they were covered by it.

"I've gotten many calls from people who asked what if someone falls and receives bodily injury," Miller said.

Robert Guthrie, the chairman of the chemistry department, said he was concerned about what would happen in the event a student was injured in the laboratory.

The university relies on sovereign immunity for protection in physical injury cases, Miller said.

Guthrie said he had "always had concern about something like an unfavorable tenure decision."

A number of faculty members in the department already had purchased liability insurance on their own through the American Chemical Society, Guthrie said.

Buying insurance through professional organizations has become increasingly popular, said Jonathan Knight, the associate secretary of the American Association of University Professors in Washington.

The AAUP has 50,000 members nationwide, 4,000 of whom subscribe to the group's liability insurance policy, he said. The association has sold the insurance to members for 2½ years.

At UK, 120 faculty members belong to the AAUP, said Dorothy Brawner, a UK administrative assistant.

Member insurance "has been selling like hot cakes," one AAUP representative said.

Knight attributed that to an increasing number of university policies that have lapsed or diminished in coverage.

Liability insurance has become more and more important in "an increasingly litigious society," Knight said.

"Most lawsuits seem to be generated by one colleague moving against another colleague or group of colleagues," Knight said, "Some suits are brought by students, but they are infrequent."

Raymond F. Betts, the director of the honors program at UK, said he had noticed an increase in the number of tenure-related lawsuits.

Liability insurance affords "a kind of security that is invisible yet comforting," Betts said. "When its removed, the faculty feels exposed."

Knight said AAUP members also elect to be insured through the organization so they do not have to depend on the university for their defense.

"The university may want to settle the case (out of court) while the faculty members want to clear the cloud over his head," Knight said.

UK is not alone in the liability insurance crunch, Blanton said.

University of Louisville employees are covered by a three-year policy that expired in mid-June, said Larry Owsley, the U of L vice president for administration.

The current policy, which covers all 5,400 employees, costs $25,000.

"We are certainly concerned about the impact of a potential increase," Owsley said. "Some of the universities are looking at pooling the risks."

At Morehead State University, the cost of a general liability insurance policy has risen from $8,000 in 1984–85 to $75,000 for 1985–86, said Porter Dailey, the university's vice president for administration and fiscal services.

But the real problem is buying the professional insurance, he said.

"That is another matter," Dailey said, "Ours expires April 30, and we doubt very seriously we will find someone to write that for us."

Like UK, Kentucky State University is "jockeying for coverage," according to one KSU official.

When KSU's errors and omissions policy was canceled last fall, "we just blinked at the price," Carson Smith said.

Eastern Kentucky University officials also are worried by the insurance problem—especially that involving professional coverage.

"I'm extremely concerned and worried about whether we'll be able to get it and what it will cost," said V.P Baldin, the vice president for administration.

Eastern's current policy, which cost $8,100 for three years, expires in April 1987, Baldwin said.

□ 1030

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is now recognized.

WHEN DOES COOPERATION AND ASSISTANCE TO THE U.S.S.R. MAKE SENSE?

Mr. PROXMIRE. Mr. President, the recent Soviet nuclear reactor disaster evoked a swift offer of humanitarian and technical help from the United States. A State Department official spoke on behalf of President Reagan. The President expressed his deep regret. He offered U.S. help. President Reagan acted promptly and rightly, in offering to assist our great super power adversary in its time of grief and danger.

I might point out that Herblock in his cartoon that day showed more graphically than words could the situation there where the Soviet people of course are suffering without getting the kind of information that they should get and deserve to get. I think that Herblock cartoon tells the story very clearly.

Sad and heartbreaking as this tragedy must be for the Soviet Union, the President's prompt and constructive reaction suggests that this event might begin to move the two armed-to-the-teeth nuclear superpowers a little closer to cooperation. In this dangerous nuclear world, we desperately need exactly this kind of cooperation and mutual help. How should this country cooperate with the Soviet Union? The same way we cooperate with other countries? No way. Assisting the Soviets or working in any way with the other military superpower must be entirely different than cooperation with our friends and allies or even with countries of the so-called non-aligned world. We cannot ignore the grim fact that the Soviet Union is our potential major military adversary. It is the other super nuclear power. Why is Russia such an adversary? Answer: it still lives by the Marxist doctrine of the ultimate inevitable triumph of communism. It has not renounced the thesis that revolution must come and by force and violance if necessary. So how can we cooperate with such a nation? How can we help them even when they suffer the kind of tragedy unrelated to military actions that they have suffered recently in the Ukraine?

WHERE WE CANNOT COOPERATE WITH SOVIETS

The answer is that we can and should cooperate with the Soviet Union in every way that will build mutual trust and mutual benefit. We cannot and should not cooperate with the Soviet Union in any kind of activity that will strengthen their military power. That difference is not always easy to determine. To assist the Soviet Union with respect to their nuclear reactor that suffered a catastrophe is obviously right. To make our military technology available to the Soviet Union is not just wrong. It is treason. It is the most dangerous kind of treason. It is also a serious mistake for this country to aid any kind of economic development in the Soviet Union that could assist their military capability. It is even wrong for American firms to sell space technology to nations that might in turn sell it to the Soviet Union if that space technology might have military applications. Even nonmilitary trade with the Soviet Union can build up their foreign reserve and enable them to buy military weapons more readily from our NATO allies. Similarly, any kind of credit assistance we give the Soviet Union can assist their military buildup.

WHERE WE CAN COOPERATE

On the other hand, we can certainly assist the Soviet Union to meet their humanitarian and technical problems developing from the explosion of the reactor near Kiev. And we can do much more. We can and certainly should work with the Soviet Union as well as with other nations to explore the planets. Such a cooperative endeavor can build peaceful relations and understanding. It can do more. It can greatly ease the cost of such exploration. And in these days of crushing budget deficits that is a critical benefit. We can and should also share the construction of a space station with the Soviet Union. We are told that the purposes of the space station are solely peaceful. We are told they are not in any way military. We are also told that the benefits of the space station like the benefits of interplanetary travel will be shared by all mankind. Great! So then let's have all mankind including the Soviets help us pay for it. We can greatly benefit in the same way by sharing the cost and benefits of health research with the Soviet Union. Why not? It may be true that this country is more advanced in most areas of health technology as we are in the most important areas of

military technology. But both nations can gain from such cooperative work. Lives will be saved and enriched in both countries and, indeed, throughout the world by working together with our great potential adversary. And once again the cause of peace through understanding and mutual interest will be served. In agricultural research the same principle applies. We can help each other. Such help would have minimal military implications. It could have significant implications for peace and cooperation.

ARMS CONTROL

Finally, there is arms control. Here, of course, cooperation is not only essential for peace in the world, it is vital for the national security of both superpowers and critical for both the Soviet Union and the United States to prevent the arms race from sinking both economies under its massive economic burden.

Mr. President, the areas of mutual help and cooperation are closely related to the success of arms control. If the two superpowers work together to help each other in such painful crisis as the recent nuclear reactor disaster in the Soviet Union, in space exploration, in health and agricultural research, we can together build a basis for progress in arms control. The initiative by President Reagan in promptly offering our help to the Soviets in the Ukraine nuclear disaster is a good example of what this country should consistently and aggressively do in every other area of potential cooperation with the Soviet Union. Let's make cooperation a habit.

MYTH OF THE DAY: MEDICARE KNOWS WHAT IT IS DOING WHEN IT PAYS HMO'S

Mr. PROXMIRE. Mr. President, the myth of the day is that Medicare knows what it is doing in establishing a payment rate for the elderly in health maintenance organizations [HMO's].

HMO's have been the centerpiece of the administration's competition strategy. They offer the possibility of a fixed premium, thereby enabling Medicare to better predict its own costs. In addition, they provide the opportunity for Medicare beneficiaries to begin the process of shopping for medical care by being able to compare competing benefit packages and required out-of-pocket costs under each plan.

So why do I say that Medicare does not know what it is doing in establishing its contribution rate to HMO's? After all, is not the formula established in the Tax Equity and Fiscal Responsibility Act of 1982 [TEFRA]?

While it is true that TEFRA establishes a basic formula for HMO payment, Medicare has put itself in the position of not being able to determine the accuracy of a key element in that equation.

TEFRA requires Medicare to reimburse HMO's at 95 percent of the average areas per capita costs [AAPCC] for Medicare patients. Essentially, this is a breakdown of Medicare's expenditures per county for beneficiaries based upon their age, sex, Medicaid status and institutional status. This results in 30 different payment rates for each county for part A and part B for the aged and disabled population separately.

This arcane formula was first constructed at a time when Medicare was using it to reimburse demonstration programs. But with the administration projecting HMO enrollment at 25 percent of all Medicare beneficiaries by 1990, the accuracy of the formula becomes a multi-million-dollar question.

Research is proceeding at HCFA on various adjustments to the AAPCC to make it a more accurate predictor of Medicare beneficiaries' projected costs. They are looking at adjustments for prior utilization, new measures of health status, other factors associated with disability status as well as other adjustments. And they are to be commended for that work.

But what has escaped notice is the weighting of the factors that now comprise the AAPCC. Medicare has failed to update the weighting of those variables since 1975—a decade ago. The weighting for those factors was based upon the current Medicare survey, a publication discontinued after 1977.

Many reimbursement analysts believe that Medicare's payments to HMO's are signficantly overstated; part of the reason may well be the failure of HCFA to update the weighting of the AAPCC. With currently available information, it is simply impossible to know whether HMO's are being vastly overpaid, as has been rumored, or not.

It is for this reason that I have introduced S. 2167, to assure the funding of the proposed nationwide survey of medical expenses, known as the "National Medical Expenditure Survey," which will be conducted by the National Center for Health Services Research.

That survey will provide us with the first opportunity in a decade to reevaluate the weightings of the AAPCC formula. Even if that survey begins as scheduled at the beginning of fiscal year 1987, it will not provide us with answers until early 1989, by which time millions of Medicare beneficiaries will be enrolled in HMO's. And it is far from clear that the administration has budgeted sufficient funds to initiate this desperately needed survey.

The updating of the AAPCC may save Medicare tens of millions of dollars in payments for HMO's. But the Health Care Financing Administration has not yet demonstrated that it is even concerned with the results of such an update.

It has continued to bury its head in the sand on updating the weighting of the present formula while concentrating its efforts on long-term improvements in the components of the formula. The fact is that we need both. And without the national medical expenditure survey results, Medicare will continue to be unaware of how far its HMO payments miss the mark.

WHY THE UNITED STATES IS HEADING FOR SERIOUS ECONOMIC TROUBLE

Mr. PROXMIRE. Mr. President, on Monday of this week the Wall Street Journal reported in a first page column by Lindley Clark the following: "The U.S. economy is awash in money, but so far this isn't being converted into stronger economic activity."

Now, Mr. President, think of the significance of that statement. For the past 5 years this Federal Government has stimulated the economy with far and away the biggest budget deficits in the history of this country. In the 5 years from 1982 to 1986, inclusive, the deficits have consistently been close to $200 billion each year. Never in the peacetime history of this country has there been such a steady and massive flow of red ink.

Common sense as well as classic economics teaches us that the country should have enjoyed record expansion and economic growth from that massive series of deficits. But the economy is weak. It is still growing but growing feebly. Why? The situation is even more perplexing. Consider: The Federal Government has spent more and more. It has failed to cover that big increase in spending with corresponding tax increases so it has placed an immense burden on the credit markets by borrowing hundreds of billions of dollars. And yet magically, in spite of this huge new demand for credit, the price of credit or interest rates have not just stayed down. They have dropped. They have dropped sensationally. So the country has that rarest combinations of stimuli: huge deficits and expansive, explosive monetary policy, both, at the same time.

As the Wall Street Journal has accurately reported: "The country is awash in money." Sure it is. The Federal Reserve Board opened up the money flood gates last year. In 1985, the money supply increased more than twice as rapidly as nominal GNP. That is monetary expansion with a vengeance.

So what is the standard classroom response when the economics professor asks the class: "What happens to our economy if the Congress runs huge deficits? What happens if the

Treasury finances those deficits with $200 billion or so of borrowing every year, and what happens if the Federal Reserve Board pours enough liquidity into the market so that in spite of the demand for credit by the Treasury, interest rates actually fall and fall sharply? What will be the consequences for the economy?"

Mr. President, any student who responds that the rate of inflation will fall under these circumstances would earn a flat flunk, a big round zero. Obviously prices should go up. They should go up sharply. The country should suffer run-away inflation. This is not simply a matter of theory. It is a matter of history. In virtually every country in the world, when the country has run continuous, year-after-year deficits and printed money to pay for those deficits, the result has been enormous inflation. Many South American countries today offer examples of this with inflation in many cases exceeding 1,000 percent annually. Post World War I Germany suffered the worst inflation in modern history. Why? Because its Government spending on recovery from the war, plus the reparation payments, payed for in major part by borrowing and accommodating monetary policy, pushed prices out of sight.

So why has the United States been able to get away with the same policies? The answer, Mr. President, is only partly explained by the peculiar economic conditions that prevail. Why haven't prices soared? Why has the rate of inflation instead actually fallen? Here is why. First, this country still has unemployment that is high by historical standards, with 7 percent of the work force out of work. This has held down wage increases. Since 1981, the pressure of wages on prices has been consistently weak. Labor costs have risen far more moderately in this decade than they did in the 1970's. Second, the remarkable productivity of American farms has seriously depressed farm income, but it has resulted in the best record of food price stability in this country in many decades. Third, in recent months the rapid drop in oil prices has taken the cost of all energy down with it. Fourth, the record expansion in credit by the Federal Reserve Board has brought down the price of credit or interest. Interest is a major cost in this economy that finds American corporations and American consumers as well as the Federal Government more deeply in debt than ever before. Fifth and finally a big factor in holding down prices has been, until recent months, the bloated value of the dollar. The overvalued dollar enabled Americans to buy cheaply from abroad. It kept the pressure on American producers to hold down prices to compete in our own domestic market.

These factors in the aggregate have brought inflation down in spite of the most inflationary peace time monetary and fiscal policy in American history. Can this situation continue? Can an economy awash with money, dominated by a Federal Government that runs one record-smashing budget deficit after another go on year after year without inflation? The answer is "No." Emphatically "No." The dollar is already falling in relation to other currencies. This will help America's adverse trade balance. It will also eliminate one of the most important anti-inflationary forces. Will interest rates stay down in spite of the huge level of borrowing? "No." The Fed's expansive monetary policies began in 1982. And oh how expansive they were. There has been nothing in the peace time record of the country to compare with the increase in the money supply since 1982. I am told that the present data of comparable figures for nominal GNP and money supply (M1) go back only to 1960. Since that time there has been only 1 year—1967—when the money supply increased more rapidly than nominal GNP. That was 1967. The nominal GNP increase that year was 5.8 percent. The money supply increase was 6.6 percent.

In every other year without exception the Fed held the rate or increase in the money supply below the rate of increases in nominal GNP. But not now.

Consider the record since 1982. That year the nominal GNP increased by 3.7 percent. The money supply climbed by a whopping 8.8 percent. The following year, 1983, the nominal GNP rose by 7.4 percent. The money supply shot up by 9.8 percent. In 1984, the nominal GNP did increase more than the money supply. But last year, 1985, once again the money supply climbed faster than the nominal GNP. In fact, last year the difference broke all records. While the nominal GNP rose by 5.8 percent, the money supply climbed by a breathtaking 11.9 percent. That was not only the biggest money supply increase since this data was kept this way, that is, since 1960. It was also the biggest difference between the nominal GNP increase and the rise in the money supply on record.

So for 3 of the last 4 years the money supply has grown much faster than the GNP. In fact, during the past 4-year period the money supply grew in aggregate 30 percent more than the money supply. What does this mean? It means the Fed has been printing money fast enough to pay for the deficit and hold down interest rates at the same time.

What is wrong with that? Plenty. The time will come, soon or later, when this massive increase in the supply of money will give this country the inflation that has always followed this kind of irresponsibility. The only question is when we pay for our failure to live within our means. But pay we will.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business.

HYMAN BOOKBINDER

Mr. METZENBAUM. Mr. President, it is with the greatest pleasure that I rise today to recognize the outstanding service and achievements of my good friend, Hyman Bookbinder. Hyman Bookbinder, Bookie, has been an indomitable force for fairness and humanity on Capitol Hill for over 35 years. Permanently adorned in a self-made bow tie, his personal trademark of style, Bookie has unceasingly championed the rights of the oppressed, the ignored and the poverty stricken.

Bookie is dignified and gentlemanly in the typically rough and tumble world of political advocacy. Even in the most heated and volatile debates, Bookie presents his position with candor, clarity and respect for the opinion of his opponent. His gracious yet dogged style has won him the admiration and respect of friends and foes alike.

Bookie is an ever present figure in our committees and in community movements to secure the rights of individuals. A partial list of organizations to which Hyman Bookbinder has donated his efforts include: the President's Commission on the Status of Women, the Eleanor Roosevelt Memorial Task Fund, the President's Task Force on Poverty, President's Commission on the Holocaust, the Pax World Peace Fund and for the last 19 years, the American Jewish Committee.

It has been said before that Bookie is the 101st Senator. He is more. And if he chooses to retire in the next few years, as he threatens, he will leave a void on Capitol Hill that will be impossible to fill.

Mr. President, for the sake of his grandchildren, I respectfully request unanimous consent to print in the RECORD articles on Hyman Bookbinder that appeared in the New York Times and the Washington Jewish Week as well as his comments before the Washington Jewish Week Luncheon.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WASHINGTON JEWISH WEEK LUNCHEON, APRIL 10, 1986, HYMAN BOOKBINDER COMMENTS

I learned the value of brevity a few years ago when Who's Who invited me to add to my biographical summary a statement on "Thoughts on My Life . . . those principles, goals, ideals and values that have been

guidelines for success and high standards." And then they directed that such statement be included in "the space provided below"—a space one by six inches! This is what I submitted and appears in the present edition:

"Born into a world that soon exposed me to depression, war, and the holocaust, I fast acquired an almost compulsive interest in public affairs. It has been my good fortune to be able to combine career development with opportunities to help shape public policy . . . Government's principal purpose must indeed be to implement the great promise of America—the securing of life, liberty and the pursuit of happiness. The Hebrew sage, Rabbi Hillel, has provided the guideline for my life's work: 'If I am not for myself, who will be for me? But if I am only for myself, what am I?' "

That was it. What else is there to say? If I were smart, I would now say: "That's it. Thank you very much." But I'm not that smart. So I'll say more—but not too much more.

Yes, I have indeed been fortunate—all my life—in being able to do professionally things in which I believe passionately. And for the past 19 years, my association with the American Jewish Committee has been particularly gratifying. If I did not at first fully appreciate why it would be so gratifying, my recent years with the Holocaust Memorial Council has made it quite clear. Let me explain.

Recent years have seen an explosion of articles and books about the failure of American Jews to do enough to save some of the six million victims of Hitler's genocide. I sometimes think this exercise is excessively accusatory and guilt-ridden. But perhaps not. Let the examination continue. But for me the primary lesson of that period has always been clear. It is that, with all the good intentions and all the anguish felt and expressed by American Jews in the Thirties and the Forties, the Jewish community had not yet developed the political know-how, the political clout, the political effectiveness that we have today. It boggles the mind—and it pains the heart—to ask this simple question: If in the late Thirties and early Forties we had developed the lobbying effectiveness and the coalitional bonds that we have today—the ability to muster 70 or 80 Senators, 300 or 400 Congressmen, to express their collective anguish and their collective demands when Israel is threatened or when Soviet Jewry needs special support—if we had had that kind of community capability, for example, to press Roosevelt and his White House associates to spare a single plane to bomb the railroad tracks to Auschwitz—or to open our doors to more refugees—yes, it is painful to ask, how many of those six million might have been spared?

That number—six million—keeps repeating itself in my mind over and over again. Not only because among those six million were the 80 blood relatives of mine in Poland—but because that also is the combined number today of Israeli Jews and Soviet Jews who demand our vigilant attention every day of our lives—and six million is also the number of Jews in our own beloved America—six million fortunate enough to live in this free land, but also fortunate to be in a position to take action on behalf of the other six million. . .

So I feel fortunate to be a part of the Jewish effort to make our people secure in a world still so hostile to us. But I feel fortunate also about being able to do it here in the nation's capital. I came to this "shtetl" for one year—and am now in my 37th! What years these have been! Not that every memory of these years is a happy one. Surely not the day of the Kennedy funeral. . . Nor the day after Martin Luther King was murdered and this city was in flames. . . Nor the day that terrorists invaded the B'nai B'rith headquarters.

But today I choose to remember some glorious days in Washington—and to express profound thanks for having responsibilities that made it possible to witness and even to be a part of some of them. How can I ever forget the good fortune I had to obtain a precious pass to the Senate gallery that night in 1954 when Joe McCarthy was finally repudiated and censured by the Senate? Or that afternoon in 1963, stretched out tired on the grass at the Lincoln Memorial, and jumping to my feet when it was clear that Martin Luther King had started what was bound to be a historic speech about a dream, in his words, for "all of God's children."

Or the morning in 1971, when the Prime Minister of Israel, looking like everybody's grandmother right off the ship, stood next to the President of the United States on the South Lawn of the White House—surrounded by hundreds of American and Israeli flags—and then, without warning or announcement, to hear the most magnificent rendition of Hatikvah being played, played by the U.S. Marine band? Yes, Marine band. There I was, a man in his Fifties, trying unsuccessfully to hold back tears.

And seven years later there was another White House meeting, this time on the North lawn. Again, an American President and an Israel Prime Minister. But this time joined by an Egyptian President—signing the historic Camp David peace treaty.

And how can I not mention one more memorable White House gathering, this time in the East Room. At a Yom Hashoa ceremony, with the President and Cabinet members and Senators and Congressmen—to hear a Cantor from Atlanta singing the Yiddish words of H. Leivik.

To remember such events is to feel reassured that there is no conflict between our great love for this blessed land of ours and our deep feelings for Israel—that not only are such feelings compatible, they are mutually reinforcing.

But, finally, there is one moment I consider perhaps the finest of all—and there is nothing explicitly Jewish about it. Nothing Jewish? In some ways, it's the most Jewish of all. It was way back in 1949, the year before I came to work and live here. I was an economist with the Amalgamated Clothing Workers. We were supporting an increase in the federal minimum wage to 75 cents an hour. Yes, 75 cents. We decided that in addition to so-called expert witnesses, we should bring to the Senate hearing what is known as a "victim" witness, someone for whom the 75 cents would have direct meaning. We located a woman aged about 30, a shirtmaker from Tennessee. She was to sit next to me, say a few words, and answer questions about her standard of living at the 40 or 45 cents an hour she was earning. She was nervous, wasn't sure what she'd be able to say. I tried to calm her, kidded her about holding her hand under the witness table. And then she did her job. I have goosepimples whenever I recall one particular piece of her testimony. I have gone to the transcript so I can read the exact words:

(Ora Green): "My youngest girl, she's 9 now, goes straight to the piano when we go to a house where they have one. She does want to learn to play the piano so bad. I've thought that maybe I could save 50 cents or a dollar a week to buy a second-hand piano for her, no matter how old or battered it was. But try as hard as I can, and save and squeeze, I haven't found a way to do it yet."

By this time, the Senators had stopped shuffling papers before them. They had leaned forward and were looking directly at this woman from Tennessee. She went on: "Maybe I've been foolish to talk to you people about music for one of my children when the main question is getting enough to eat and wear, or blankets to put on the bed, or even a chair to sit on. But down in Tennessee we love music, and factory workers don't live by bread alone any more than any one else does."

I cherish that memory because it tells us so much . . . It tells us that in every human being there is indeed a spark of the divine; that even hard-nosed cynical Senators can be affected by a cry of anguish; and that with all its limitations, our American democracy makes it possible for such precious moments to occur. And, of course, it tells us how important it is never to stop caring about shirt workers in Tennessee or grape pickers in California or the 40% of Black youngsters unable to find jobs.

This luncheon today is sponsored by a Jewish newspaper. My work as a Jewish advocate in being recognized. I speak to you today as a proud Jew. What makes me particularly proud is that over the years we have defined our Jewishness, our Judaism, as a commitment to justice for all people, to peace for all people, to freedom for all people. Such a commitment to universal justice, I will always believe, does not shortchange our Jewish interests; it is, in fact, the only way to protect such interests.

I started by quoting Hillel's famous admonition. Everybody quotes it. It's become almost a bumper-sticker or T-shirt logo. But is it really understood? I said it was the guideline for my life's work. I know how much I have failed fully to live up to my own standard . . .

But if it should indeed be true that in my lifetime if I have helped even one Jew—or one Haitian or one Pole—escape persecution; if indeed I have helped even one ghetto youngster escape from poverty; if indeed I have helped one daughter of a Tennessee shirtmaker get to play on her own piano—if these things are true, then all that is left to say is that I thank God that I was given the opportunities to make some personal contribution, small as it might be, to making life a little bit easier, a little bit sweeter, a little bit more secure, for some fellow human beings.

And I thank each of you for coming here today to share with me that sense of appreciation.

OF LOBBYING AND "PRECIOUS DIMENSIONS"

(By Barbara Gamarekian)

WASHINGTON, April 7.—"You really come to rely on the Hyman Bookbinders of this world with their institutional memories," said Anne Wexler, who was a senior assistant to President Carter for public liaison. "I think many Administrations have relied on Bookie for counsel on a variety of issues. He's one of the best."

Mrs. Wexler, now a lobbyist and public relations consultant, was talking about a familiar Washington figure. Mr. Bookbinder, 70 years old, is Washington representative of the American Jewish Committee. He has been working the capital for 35 years, and

he will be honored for that work Thursday by members of Congress, Administration officials and others from the Washington establishment at a luncheon sponsored by the publication Washington Jewish Week.

A native New Yorker, the son of Polish immigrants, he came to Washington as a labor consultant in 1951. He remained to work as a legislative representative for the A.F.L-C.I.O., as a special assistant to the Secretary of Commerce in the Kennedy Administration, as director of the Eleanor Roosevelt Memorial Foundation and as one of the architects of the Johnson Administration's war on poverty in the Office of Economic Opportunity.

But he really made his mark over the past 19 years as spokesman for the American Jewish Committee, lecturing, writing and lobbying, appearing before Congress to work for the committee's goals, holding news conferences and showing up often on television news programs.

"I'VE BEEN A VERY LUCKY MAN"

Mr. Bookbinder, wearing one of his trademark bow ties (which he sews himself, having learned how from his father), sat in his office the other day and talked about his life in the capital.

"I've been a very lucky man," he declared in his typically quick-spoken way. "There are not many people who have been able to do for a living what they would choose to do if they happened to be rich."

One wall of his office is filled with photographs that capture memories of bill-singing ceremonies; of dancing the hora, an Israeli folk dance, with Betty Ford after a state dinner at the White House; of sessions with President and Vice Presidents, and of picketing the segregated Glen Echo Amusement Park on the outskirts of Washington in 1961 in the company of the civil rights leaders A. Philip Randolph and Roy Wilkins.

"A GREAT EDUCATION FOR MY KIDS"

"We picketed all that summer," he recalled. "It was a great education for my kids." In fact, he said, the amusement park was less than a third of a mile from his modest three-bedroom house in Bethesda, Md., where he and his wife, Bertha, who died 10 years ago, raised two daughters, and where he continues to make his home.

Mr. Bookbinder, a slender man with curly, distinguished salt and pepper hair, considers lobbying, or advocacy, as he prefers to call it, "one of the precious dimensions of our American society—I am in love with this work."

He recalled one morning from the Carter years when he opened his calendar and read: "12:30 P.M. Lunch, Stuart Eizenstat, White House Mess; 2 P.M. Haitian picketing at White House."

"That," he said, "sort of sums up the whole range of things that citizens of our country can do to shape policy—from public protest to using inside influence."

Mr. Bookbinder is currently lobbying Capitol Hill on behalf of immigration legislation and the Civil Rights Restoration Act, which would among other things, restore prohibitions against sex discrimination at educational institutions receiving Federal aid. He is also meeting with Attorney General Edwin Meese 3d and Labor Secretary Bill Brock trying to forestall the Attorney General's recommendation to abolish the executive order requiring Federal contractors to set goals for hiring women and members of minority groups.

His support for affirmative action goals but not quotas has alienated him from some old colleagues in the civil rights movement, among them Joseph Rauh, the longtime activist and lawyer, who faults Mr. Bookbinder for having "always been sort of on the establishment side of this struggle."

"A goal is a middle position because it does apply pressure on an employer to do the right thing, but it is not a rigid, compulsory system," Mr. Bookbinder said in defense of his position.

He says he seeks consensus because he believes that conflicts on social and foreign policy issues are rarely between the absolutes of right and wrong.

"There are absolutes, and I know how to fight as well as how to compromise," he said. "But many times you have to try to balance off different rights. That has led some people to say I'm a wimp."

"Take the issue with which I am most associated now," he added. "The Middle East. I have never denied there aren't important Palestinian rights that have to be protected, but how do you protect Palestinian rights without violating the rights of the Jewish people?"

James G. Abourezk, a former Senator from South Dakota who heads the American-Arab Anti-Discrimination Committee, has frequently faced Mr. Bookbinder across the debating table.

"He is very effective in that he knows an awfully lot of people," Mr. Abourezk said. "And when he debates an issue that is very difficult to defend—pro Israel—he debates that about as well as anyone can. I just think his political views on the Middle East are absolutely wrong."

THIS IS NO RETIREMENT PARTY

In his spare time, Mr. Bookbinder enjoys photographing his three grandchildren and cooking, especially what he described as "peasant cooking," in particular soups thick with meat or fish. "Those are my house gifts: jars of frozen soup," he said.

Thursday's luncheon, to be held at the Capital Hilton, is no retirement party. That will come, says Mr. Bookbinder, "soon, soon."

"You know in our faith," he continued, "the age 70 has a very special meaning. Seventy is the number of years that we feel we've been granted by the Lord for a good and fruitful life. Anything after that is extra."

[From the Washington Jewish Week, Apr. 10, 1986]

"BEST OF THE JEWISH CIVIL SERVANTS"—HYMAN BOOKBINDER: THE PASSIONATE MODERATE

(By Judith Sloan Deutsch)

Hyman Bookbinder rarely walks. He springs into action—flying on the paisley wings of his signature bow tie.

Bookie.

It is more than a nickname. It invites familiarity and engenders the conciliation which has brought him fame—and criticism.

At 70, he is the "dean" of all Jewish professionals in Washington, driven by a compulsive interest in public affairs. Still dispensing his brand of kindness, his blue eyes pierce sharply into issues.

With silvery wisps trailing behind his head, his mind and body move in quantum rhythms that blend Washington bureaucracy with Flatbush Brooklyn. He can espouse an articulate position or fire off in rat-a-tat New Yorkese—saying "gehead," as he waits for another's turn to speak.

Bookbinder is the untiring advocate—impassioned by energy which still grows in logarythmic proportions. Straightening his bow tie—he makes them himself and has a collection of 150—he says he will retire within a year or two. But for now he continues as he has for the past 19 years, serving as Washington representative of the American Jewish Committee, a national human relations agency with chapters throughout the nation. Even before his association with the AJC, he acquired a reputation on the Washington scene, as a result of his work as a lobbyist for the AFL-CIO, as an architect of the Johnson administration's War on Poverty, as a special assistant to Vice President Hubert Humphrey, and a member of many public-interest and citizen advocacy coalitions.

Pointing to the rows of photographs on the wall in his office in the red brick building on Massachusetts Avenue, he runs through 37 years of involvement with public officials—reflecting his devotion to labor, government and the Jewish community.

"Here's a real footnote to history," he says, tapping the glass on one photo. "This is Hyman Bookbinder and Betty Ford dancing the first hora at the White House." Continuing down the wall are John F. Kennedy, Hubert Humphrey, Walter Mondale, Golda Meir, Adlai Stevenson, Arthur Schlesinger, Donald Rumsfeld, Abba Eban, Menachem Begin, Elie Wiesel, Tip O'Neill, Jimmy Carter, Anwar Sadat, Gerald Ford. In color and black and white, they tell the story of his public life, for which he is being honored by the *Washington Jewish Week* at its annual Leadership Luncheon April 10, at the Capital Hilton Hotel.

Bookbinder relishes his lobbyist's facile footwork which danced him through some delicate situations such as the time he had a 12:30 lunch in the White House mess with Stuart Eizenstat. Eizenstat laughed when Bookbinder announced that he had to leave early because at 2 p.m., he would be outside the White House, picketing the administration for its treatment of Haitian refugees.

JEWISH CIVIL SERVANT

"He's been such a fixture around here that he is sometimes referred to as the 101st senator," says Sen. Howard Metzenbaum (D-Ohio).

"If I had eight million more Bookies, you'd be calling me at the White House," says Walter Mondale. "He's in a special category I call God's people, who have the qualities we all wish we had—commitment, compassion, brains, energy. And he's never lost any of it."

Elie Wiesel calls him "the best of the Jewish civil servants. He is outspoken and at the same time ready to listen. He is extremely intense over issues that matter."

"Few people have made as significant a mark for advancing their community as Bookie," says Rep. Sidney Yates (D-Ill.).

Sen. Frank Lautenberg (D-N.J.) notes that Bookbinder's "consistent championship of Jewish and human rights exemplifies the best of the Jewish tradition."

Such praise is the positive result of working for and explaining the Jewish view on questions. And Bookbinder doesn't mind the reputation it has brought him "even though there are serious problems involved in being regarded as a reasonable, moderate guy who always looks for a solution," he says wringing his hands in thought. "To some, their perception of me is that of a wimp who doesn't know what side he's on and just wants everyone to love him. I'm aware of both of these interpretations of my role. In fact, I've never said this, but I'll say it to

you now. If I ever write a book, it will probably be entitled. 'It's Tough to be a Moderate.' You get hit by both sides.

"A long time ago it occurred to me that while on many issues there is an absolute position that people have not only a right but a responsibility to hold to—like the security of Israel or free speech—the reality is that most conflicts are not merely a conflict between right and wrong, but between one person's right and another person's right. It is frequently a conflict between at least *perceived* rights, if not actual rights.

"So when you have a conflict between respective rights, the answer to that must be a middle position that does as much honor to the issues involved and respects as much of the rights of both sides. How you go about getting compromises, is to understand the other position. First, in order to overcome it. Second, to find a solution. That's my way.

"The beauty in compromise is that it permits both sides to walk in dignity."

A down side for Bookie has been the hate mail and the calls—which peaked during the war in Lebanon. That used to trouble him. "I bend over backward to tell people that I'm not presuming to speak for THE American Jewish community. But, I'm giving my views. I'm reporting what I think is accurate. But despite the fact that I do that on radio or television, somebody the next morning will call and say, 'Who appointed Bookbinder to speak for the Jews?'

"Now I just say: 'His mother did.' "

MAKES ME ANGRY

Most exciting were Bookbinder's years as executive officer of the President's Task Force on Poverty in 1964, in which he could act on a philosophy forged by his early years as a young Norman Thomas socialist. "While I've totally abandoned socialism as a political philosophy," he says, "the basic ethical principles which I like to think have guided my life, I acquired during those early teens of mine."

When it comes to the War on Poverty, he is no longer Bookbinder The Affable and he starts talking tough. "Looking back, its clear to me that we made some mistakes," he says, "that we didn't solve the problem of poverty. But, nothing makes me angrier. I want say it slowly. I want to be sure you hear me. Nothing makes me angrier than the know-nothing arguments I hear about the failures of the Great Society Programs and the charge that the War on Poverty actually caused poverty. But, there are millions of people in America today who are better off than they would have been if these had not been a War On Poverty."

In 1967, and not unimportantly a few months after the Six Days War, Bookbinder was finally persuaded by AJC to leave the government. He felt ready to "become more closely associated with Jewish advocacy. I've been very Jewish all my life. But I've not been religiously committed and active until recently, joining a temple—Washington Hebrew—only five years ago."

Has he changed the AJC? "This office has changed because of how I function," he says. "But I can't say I changed the AJC."

He maintains liaison between the Committee and the White House, agencies of the federal government, the Congress, foreign embassies, and Washington representatives of other religious, civic and human relations agencies. He also serves on the U.S. Holocaust Memorial Council.

COLLEGE PACIFIST

Born in East New York to Polish immigrant parents to whom he only spoke Yiddish, Bookbinder attended City College—known as the Harvard of the poor—and New York University and the New School for Social Research where he did graduate work in economics, sociology and political science. As a college pacifist who took the Oxford Pledge never to bear arms in a war against any nation, he registered for the draft in 1940 as a conscientious objector. Counting that as "one of the major mistakes in my life, while we knew that Hitler was on the rise," he withdrew his filing and entered the Navy in 1943.

"I was the only one of four children who went to college," he says. "While we had absolutely no money during those depression years, at the time I did not think of myself as poor. But, I was poor—so poor that if I hadn't got from the federal government a $15 a month stipend for 30 hours of work in the library, I would not have had the money to pay the carfare of 10 cents a day, and the lunch money which my family did not have to give me. That is why I believe in federal intervention in problems."

MAKING A CONTRIBUTION

"Even though I myself violate it, I am very distressed about the incivility that has increasingly characterized public discussion of issues, the intemperateness, the intolerance of another point of view.

"Even the charge of anti-Semitism is used carelessly and cheapens the currency of our language. So I am concerned about making any contribution I might still be able to make towards improving the nature of public debate of issues. It goes back to the first thing I said. You've got to start with some respect for the other point of view."

SAUDI ARMS SALE

Mr. HARKIN. Mr. President, I am pleased to announce my support for Senate Joint Resolution 316, the resolution disapproving the sale of arms to Saudi Arabia, and commend my colleagues in the Senate for overwhelmingly supporting this resolution.

The $354 million missile sale, which would send 2,500 Harpoon and Stinger missiles to the Saudis, would be politically counterproductive and militarily senseless. In the absence of a settlement of the Arab-Israeli conflict, the Saudi sale, along with sales to other so-called moderate Arab States, are contrary to the interests not just of Israel, our staunchest ally in the Middle East, but of the United States as well.

The administration claims that the Saudi sale is essential to advancing the peace process. Yet, the record belies this claim.

In 1981, President Reagan stipulated that the sale of AWACS planes to Saudi Arabia would take place only if peace initiatives were "successfully completed or significant progress toward that goal has been accomplished with the substantial assistance" of the Saudis.

These conditions have not been met. The Saudis have not just refused to join the peace process, they have repeatedly worked to undermine every American initiative undertaken to seek a resolution to the Arab-Israeli conflict.

The Saudis opposed the Camp David process, punishing Egypt for making peace with Israel. They continue to obstruct Egypt's efforts to reestablish relations with the Arab world.

The Saudis thwarted the September 1982 Reagan plan by threatening to impose economic sanctions on Jordan if King Hussein entered into direct negotiations with Israel and by repeatedly undermining King Hussein's efforts to overcome a PLO veto.

Last year alone, the Saudis bankrolled the PLO, to the tune of $28.5 million, and in January, the Saudi Defense Minister explicitly stated his country's solidarity with the PLO when he told a Palestinian audience that the "Saudi Army is a Palestinian army." Since 1979, Saudi Arabia has also sent more than $500 million a year to Syria, the leader of the Arab rejectionist camp.

The $50 billion in military hardware and services we have provided the Saudis since 1971 has not cemented Saudi cooperation with United States efforts in the region.

At the economic summit in Tokyo over this weekend, the President succeeded in securing from the leaders of Japan and our European allies a joint statement condemning Colonel Qadhafi and pledging a unified stand against international terrorism. Why, then, is the administration pushing for the sale of 2,500 of some of our most sophisticated weaponry to a country which has declared its "categorical solidarity" with Libya? The Saudis have repeatedly condemned American efforts to curb the outlaw Qadhafi regime in the aftermath of the terrorist bombings at the Rome and Vienna airports, and have vowed to replenish any losses to Qadhafi resulting from American sanctions.

As we continue to tackle the problem of terrorism in the Middle East, we should not be providing the Saudis, a noted friend of not just the PLO but the Libyans, with 800 Stingers, one of the most sophisticated, easily transportable antiaircraft missiles in our arsenal. To prevent terrorists in the Middle East and elsewhere from adding Stingers to their arsenals, I have joined as a cosponsor of the resolution offered by Senator DECONCINI, which would prohibit the sale of these weapons to rebels in Angola and Afghanistan.

Courting Arab regimes with arms sales will not bring them to the conference table. In fact, such sales will intensify tensions in the region, add to Israel's security needs, and increase the defense burdens of an ally which has signficiantly reduced its military expenditures as part of its long-term austerity program.

The Senate must hold the Saudis to the standard it established 5 years ago. That standard—Saudi participation in the peace process—has not been met. Until the Saudis begin to play a positive role in an Arab-Israeli settlement, I recommend that this body oppose this and future sales of arms to Saudi Arabia.

CONCURRENT RESOLUTION ON THE BUDGET

Mr. CHILES. Mr. President, it is fair to say this year's budget process has tested the resolve of all Members of the Senate. But it has also tested the expertise and stamina of the Budget Committee staff.

We often take for granted the quality work done by the specialists here who serve weekends, late nights, and through grueling sessions where budget options are developed. They deserve to be recognized.

Minority staff director on the Budget Committee is Rick Brandon. Those who know him well, appreciate his ability. But the one person who knows him best—his wife—learned quickly about his sense of responsibility when he delayed his honeymoon to be here for the budget debate.

Alan Cohen and John Hilley are the minority's senior economists. Alan, with responsibility for Social Security as well as overall numbers production, and John who handles trade issues and fiscal and monetary analysis, are as fine a tandem of analysts as there are on professional staffs anywhere in the Senate. Alan stepped in and coordinated floor action for the few days Rick disappeared to get married, and did a fine job of keeping the pieces of the budget together.

Doug Cook, senior defense analyst, and Doug Olin, our senior analyst for national security affairs, have the committee's thanks. Both men handle issues central to the operation of Government, and deal effectively with sensitive material. Doug Olin has been coordinating production of the invaluable summaries which tell our minority members and outside parties what is in each budget proposal; it is a grueling task, and Doug Olin has given exemplary performances.

Jim Carr is the minority's senior analyst for tax policy and housing. His reputation for thorough work has run up the committee's budget for light bulbs he has burned out working late at his desk. Barabara Chow, our energy, environment and agriculture analyst is a devoted perfectionist and gifted in dealing with people when tensions are high.

My thanks goes as well to Kathy Deignan who during her service on the committee has been a relentless advocate for the health needs of our citizens, from child health to Medicare.

I want to offer my special thanks to Janet Holtzblatt, the senior analyst for education, training, and social services; and Lisa Faulkner, our analyst for justice, law enforcement, and State and local government. Lisa and Janet are exacting specialists, trusted and respected for the quality of their work.

Van Daly, junior analyst for housing, and Rick Hinkemeyer the minority's legislative fellow both have made genuine contributions to this year's budget process in this their first experience with the demands of the budget season.

A special word of thanks is due to Janet Blair-Bourbeau, a Presidental management intern, and John Moore with the minority, who have been selfless in giving long hours under stringent committee demands.

And special thanks must go to Michelle Adams, our office manager and Vanessa Palmer, and Shari Jennings, the heart of the committee's management team. Without their dedication to accuracy and appetite for early morning hours, the committee's work product would have never seen the light of day.

Nothing we do is worthwhile unless the members and public know what we're up to. Dennis Beal, press secretary for the minority deserves special credit for his grace and tireless precision responding to questions on committee matters. Jim Stasny, policy analyst and senior writer for the minority, has never missed a deadline for lucid explanations of the committee's often complicated work.

To all the staff on the Democratic side, my personal and genuine thanks for professionalism under pressure, and work superbly done.

Mr. President, we often get drawn up into the frantic pace of the Senate—so much so that we sometimes inadvertently overlook important events and the good work of our staff members. For me, National Secretaries' Day was such an occasion. April 23 happened to fall in the middle of our consideration of the budget resolution, which, needless to say, is a very busy time for me and my staff at the Budget Committee. There, three of my secretaries often work long and hard hours; they frequently work under a great deal of pressure, but they always manage to meet the demands placed on them with professionalism and a sense of humor.

Mr. President, I am particularly fortunate to have Michelle Adams, Shari Jennings, and Vanessa Palmer work for me at the committee. They are indeed professionals and have my deep appreciation and gratitude for their tireless efforts.

TRIBUTE TO JUDGE GEORGE H. WRIGHT

Mr. HEFLIN. Mr. President, I rise today to note the recent death of Judge George H. Wright, a great personal friend and respected member of the Alabama circuit bench. Judge Wright provided Alabama with the highest service, and the finest example.

Judge "Spud" Wright was born in Auburn, AL, graduated from Auburn University and earned his law degree from the University of Alabama. He joined the Alabama State Bar in 1955 and practiced law in Auburn until 1970. In 1958 he was elected solicitor for Lee County and served until 1970. He was also the Auburn city attorney from 1968 to 1970. In 1970 he was appointed district attorney and in just 3 years, circuit judge, for the 37th judicial circuit.

The offices he held, and the long years he served demonstrate his impeccable reputation and the strong trust which the people of Lee County placed in his judgment and character. Judge Wright was a great man who could solve any question or problem equitably, who always provided impartiality and consistency in each of his decisions and in every case he heard. The reason for his success as a judge was certainly because of his ability to view all perspectives of any dispute. In this way, he was provided with the insight and knowledge to render a fair decision.

I am greatly saddened by the death of Judge Wright. His contributions to the city of Auburn, to Lee County, and to the State of Alabama have been immense. His friendship and example has touched and influenced many. I feel that we have all been deprived of years of happiness and fellowship which we would have enjoyed had he lived on.

Mr. President, I ask unanimous consent that the attached newspaper article be printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Advertiser, Apr. 23, 1986]

CIRCUIT JUDGE DIES AFTER 2-YEAR CANCER BATTLE

OPELIKA (AP)—Circuit Judge G.H. "Spud" Wright, Jr., one of east Alabama's most respected jurists, has died after a two-year battle against cancer.

Wright, 56, died about 11 p.m. Monday at East Alabama Medical Center. Graveside services are scheduled for 2 p.m. Wednesday at Memorial Park Cemetery in Auburn.

Wright, who announced last month that he would not seek re-election because of failing health, was honored recently as the first recipient of an award bearing his name and recognizing outstanding members of the legal profession in Lee County.

Among those on hand for the presentation were Supreme Court Chief Justice C.C.

"Bo" Torbert, who was a law school classmate of Wright's, Associate Justice Gorman Houston and Criminal Appeals Court Judge John Patterson.

A native of Auburn and a graduate of Auburn University, Wright received his law degree from the University of Alabama Law School in 1955. After practicing law in Auburn, he was elected county solicitor in 1958 and appointed district attorney by Gov. Albert Brewer in 1970.

In 1973, Gov. George C. Wallace appointed him to the bench in the 37th judicial circuit.

"Those of us who have the privilege of knowing Judge Wright know that he would be successful in what ever field of endeavor he has selected," Torbert said at the ceremony honoring the judge three weeks ago. "We are indeed fortunate that he selected the law and judiciary as his life's work and in doing so allowed us the great honor of knowing him and working with him."

"He was probably the best problem-solver I've ever seen," District Attorney Ron Myers said Tuesday. "Whether the problem had to do with judicial administration or the court system, if there was a problem, he could find an answer.

"Part of that attribute probably stemmed from the fact that he always understood the other person's point of view."

NUCLEAR TESTING, CHERNOBYL AND ARMS CONTROL

Mr. GARN. Mr. President, I recently joined with my colleagues, Senators WILSON, WALLOP, and QUAYLE, in introducing Senate Concurrent Resolution 135 concerning verification improvements to the threshold test ban and peaceful nuclear explosions treaties, as well as the conditions under which a comprehensive ban on testing would serve the security interests of the United States, its allies and friends.

Senate Concurrent Resolution 135 explicitly states that the Senate should not move forward on the ratification of the TTBT and PNET, until the United States and the Soviet Union can reach agreement on essential verification improvements to these agreements. It says, in effect, let's ensure that we're putting first things first. Effective verification provisions should be a required precondition of Senate approval of these two accords. We must not place ourselves in the position where we ratify test ban agreements and then hope that the verification uncertainties that are acknowledged to exist will somehow disappear.

The United States has charged the Soviets with likely violations of the TTBT. This judgment is qualified because seismic methods currently used to estimate the yield of Soviet nuclear tests involve a substantial degree of uncertainty. In order to put this debate concerning Soviet noncompliance behind us and to clear a path for Senate ratification of the TTBT and PNET, President Reagan has proposed a more direct means of determining test yields, based upon a hydrodynamic yield measurement technique called Corrtex. Unfortunately, the new Soviet leaders refuse to discuss the matter. Thus, progress, which is within our grasp, is effectively blocked.

Mr. President, on this issue of nuclear testing, the Soviets are, in effect, saying "trust us." The broad sweep of their record of arms control treaty violations, however, certainly cast doubt on the wisdom of accepting such entreaties. The technical uncertainties of seismic yield estimates only reinforces our concerns and the need for verification improvements. And now, Soviet actions with respect to the nuclear reactor disaster at Chernobyl should put to rest completely the misguided argument that compliance and verification uncertainties should be put on hold while the Senate proceeds to ratify the TTBT and PNET agreements.

As is noted in a Washington Post editorial, "Chernobyl and Arms Control":

It is plenty disturbing * * * to consider that the government with which Americans seek agreement cannot tell the simple truth in a timely fashion when it is obviously to its own immense advantage to do so * * * the verification of arms control is not self-executing. There is at least a residual requirement for confidence. The openness of American society enforces a standard of probity * * * for which there is no match in the closed Soviet system * * * Had he (Gorbachev) deliberately set out to devise a scenario to undermine his own credibility as a suitable arms control partner, he would have proceeded exactly as he has at Chernobyl.

Mr. President, I could not agree more with the message of this editorial or its implication for Senate consideration of existing test ban agreements, and I ask unanimous consent that the full text be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CHERNOBYL AND ARMS CONTROL

The Chernobyl meltdown affords the American public a somber glimpse into the Soviet approach to arms control. Here is a case where openness and candor were naturals: the event was bound to become known, no treaty violation or security secret was involved, and immediate full notice was imperative and would have brought great returns in health and diplomacy. Yet the Soviet Union suppressed the news altogether until foreigners queried them about the fallout. It has since supplied only the most terse and incomplete explanations, some of these so strained (they couldn't inform the Swedes because it was the weekend) as to be laughable if they were not tragic at the same time.

It is commonly said that the United States pursues arms control on the theory that it can rely on its own capacity to check compliance and to detect noncompliance, and not on "trust." It is plenty disturbing nonetheless to consider that the government with which Americans seek agreement cannot tell the simple truth in a timely fashion when it is obviously to its own immense advantage to do so. Perhaps this should be considered in the category of old knowledge confirmed, not new knowlege gained. It is significant all the same, and it cannot fail to affect the threshold readiness of Americans to engage in sensitive dealings with the Soviet Union.

Anyway, it is not exactly true that there is no consideration of trust or good faith at all in a properly negotiated arms control text. Nuclear circumstances are never without some degree of ambiguity. Not all contingencies can be fully anticipated. Questions of interpretation arise in the most heavily lawyered contract. In the end, the verification of arms control is not self-executing. There is at least a residual requirement for confidence. The openness of American society enforces a standard of probity—not a perfect standard but a high one—for which there is no match in the closed Soviet system. There it all hinges on how the authorities choose to play it.

It is Mikhail Gorbachev, supposedly a new, modern kind of Soviet leader, who has to be regarded as the man in charge of information policy. In some of his earlier approaches, he had hinted at a new standard of accountability, but in this crisis so far he has clung to the old standard of denial and secrecy. Had he deliberately set out to devise a scenario to undermine his own credibility as a suitable arms control partner, he would have proceeded exactly as he has at Chernobyl.

ANNUAL REPORT OF CIVILIAN RADIOACTIVE WASTE MANAGEMENT PROGRAM

Mr. HECHT. Mr. President, the Department of Energy recently submitted to Congress the annual report of the Civilian Radioactive Waste Management Program.

I want to bring to the Senate's attention a problem with that report that is of potentially crucial importance to all States being considered for the first or second high level nuclear waste repository.

The Department seems to have misunderstood the results of a recent lawsuit undertaken by the State of Nevada, as indicated by the report's incorrect description of the court's opinion. The issue is whether or not the State of Nevada has a right to carry out independent scientific research that is relevant to the choice of a State for the first high level nuclear waste repository.

The court said the State has a right to Federal funds to perform scientific research relating to site selection. The DOE's annual report does not give that impression.

I ask unanimous consent that a letter from Nevada Attorney General Brian McKay, and the court's opinion on the case I have discussed, be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

OFFICE OF THE ATTORNEY GENERAL,
CAPITOL COMPLEX,
Carson City, May 2, 1986.

Hon. CHIC HECHT,
U.S. House of Representatives, Hart Senate Office Bldg., Washington, DC.

DEAR CHIC: Recently my office received a copy of the Department of Energy's Annual Report to Congress submitted by the Office of Civilian Radioactive Waste Management [OCRWM] dated March 1986. At page 46 of the report under the heading of "Litigation Status," the following paragraph appears:

In *State of Nevada* v. *Herrington*, the U.S. Court of Appeals for the Ninth Circuit issued an opinion on December 2, 1985. The Court rejected the State of Nevada's legal argument that, based on provisions in the Act relating to consultation and cooperation, the State was entitled to the grant funds requested. However, the Court found that in accordance with the Act, and subject to certain limitations laid out by the Court, such pre-site characterization activities could be funded. The Court also found that certain provisions of DOE's grant guidelines are unduly restrictive. As a result of this decision, OCRWM is reviewing, and has initiated a revision of, its financial assistance guidelines.

Attached hereto, I am providing a copy of the Ninth Cricuit Court of Appeals Opinion in the case of *Nevada* v. *Herrington*. Even a cursory review of the Opinion would convince the reader that the report provided by OCRWM to Congress is grossly fallacious and misleading. I cannot speculate as to why OCRWM would attempt to mislead Congress in this manner, but the record must be corrected to accurately state the facts. I would appreciate your assistance in correcting the DOE's Annual Report to Congress by substituting the following paragraph in lieu of that provided by DOE:

In *State of Nevada* v. *Herrington*, the U.S. Court of Appeals for the Ninth Circuit issued an opinion on December 2, 1985. The Court agreed with the State of Nevada's legal argument that, based on provisions in the Act relating to participation, consultation and cooperation, the State was entitled to the grant funds requested for pre-site characterization studies. The Court found that in accordance with the Act, and subject to certain limitations laid out by the Court, pre-site characterization activities as well as independent studies conducted during characterization could be funded. The Court also found that certain provisions of DOE's grant guidelines are unlawful and must be set aside. As a result of this decision, OCRWM is reviewing, and has initiated a revision of, its financial assistance guidelines.

Because the DOE is unwilling to report the facts to Congress in a forthright and candid manner, I find it necessary to seek your help in this matter. If you have any questions, please do not hesitate to contact me.

Very truly yours,
BRIAN MCKAY, *Attorney General.*

[U.S. Court of Appeals for the Ninth Circuit, CA No. 84-7846, Opinion]

STATE OF NEVADA, EX REL., ROBERT R. LOUX, DIRECTOR OF THE NEVADA NUCLEAR WASTE PROJECT OFFICE, PETITIONER, *v.* JOHN HERRINGTON,* SECRETARY OF THE UNITED STATES DEPARTMENT OF ENERGY, RESPONDENT

On Petition for Review under the Original Jurisdiction of the Court of Appeals.

Argued and Submitted August 12, 1985—San Francisco, California.

Before: Merrill and Farris, Circuit Judges, and Jameson,** District Judge.

Farris, Circuit Judge:

Statement of the case:

Nevada seeks funding of technical studies designed to evaluate whether its Yucca Mountain site should be used as a nuclear waste repository. Nevada also seeks a judgment declaring unlawful the Department of Energy's revised Internal General Guidelines on Nuclear Waste Repository Program Grants. This case is a direct appeal from the Secretary of Energy's final decision to deny funding for Nevada's FY 1985 expenditures on Yucca Mountain studies. *See* 42 U.S.C. § 10139(l)(A).

The Nuclear Waste Policy Act of 1982 (NWPA), Pub. L. No. 97-425, Jan. 7, 1983, 42 U.S.C. §§ 0101-10226, provides that state activities elated to the selection and construction of a high-level nuclear waste repository will be funded out of the Nuclear Waste Fund, which is derived from a levy on nuclear waste generators and owners. A state first becomes eligible for funding when it is notified by DOE that it contains a potential repository site. *See* § 116(c)(1)(A), 42 U.S.C. § 10136(c)(1)(A). Nevada has been so notified. The Act then requires the Secretary to nominate at least five sites as suitable for "site characterization"—i.e., detailed research of the geologic conditions surrounding the site—accompanied by an environmental assessment. *See* § 112, 42 U.S.C. § 10132. After public hearings and state and Indian tribe input, the Secretary must recommend three of these sites to the President. § 112(b)(1)(B), 42 U.S.C. § 10132(b)(1)(B). The President may approve or disapprove the recommendations within 60 days. § 112(c)(1), 42 U.S.C. § 10132(e)(1).

The Secretary has not yet nominated any sites, even though he has taken the discretionary step of issuing nine draft environmental assessments on potential sites in six states. These drafts indicate that three sites are likely to be nominated to the President later this year; Yucca Mountain in Nevada is listed as the most likely site for approval.

On September 17, 1984, Nevada applied for a grant from the Fund for proposed hydrologic and geologic studies of the Yucca Mountain area. On December 13, DOE refused to fund these studies, amounting to a disputed sum between $1.5 and $2.2 million. DOE relied on the authority of its Internal General Guidelines, which seek to "minimize" primary data collection by states and limit state evaluation of any primary data already collected by DOE.

The next day, Nevada timely filed its petition for review to this court, *see* 42 U.S.C. § 10139(c), first seeking a preliminary injunction which we denied on December 19, and then asking for approval of its grant request and a declaration that the Guidelines are unlawful.[1]

I. STANDARD OF REVIEW

In reviewing the Guidelines, we do not "simply impose [our] own construction on the statute, as would be necessary in the absence of an administrative interpretation. Rather, if the statute is silent or ambiguous with respect to the specific issue, the question for the court is whether the agency's answer is based on a permissible construction of the statute." *Chevron, U.S.A., Inc.* v. *NRDC Inc.*, 104 S. Ct. 2778, 2782 (1984); *see General Electric Uranium Mgmt. Corp.* v. *United States Department of Energy*, 764 F.2d 896, 898 (D.C. Cir. 1985) (reviewing Nuclear Waste Policy Act); *State of Washington, Dept. of Ecology* v. *EPA*, 752 F.2d 1465, 1469 (9th Cir. 1985). The "considerable weight" given an agency's interpretation of its own regulations is heightened when the agency is implementing, as here, a new statute. *See Udall* v. *Tallman*, 380 U.S. 1, 18 (1965); *NRDC, Inc.* v. *Train*, 510 F.2d 692, 706 (D.C. Cir. 1975).

We "must, however, reject administrative constructions of a statute that are inconsistent with the statutory mandate or that frustrate the policy that Congress sought to implement." *United States* v. *Louisiana-Pacific Corp.*, 754 F.2d 1445, 1447 (9th Cir. 1985); *see Bureau of Alcohol, Tobacco and Firearms* v. *Federal Labor Relations Authority*, 464 U.S. 89, 97 (1983).

II. IS THE STATE ENTITLED TO FUNDING OF ITS PRE-SITE CHARACTERIZATION ACTIVITIES

Nevada seeks funding of all activities "relevant" to the purposes of the NWPA—so long as they do not "unreasonably interfere" with DOE's activities—during the period preceding the selection of Nevada for site characterization activities.

A. The purposes of the Act.

The findings and general purposes of the NWPA support funding of pre-site characterization activities. *Cf. Complaint of McLinn*, 744 F.2d 677, 683 (9th Cir. 1984) ("a liberal construction of the statute is indicated by its declaration of policy"). The statute declares that the costs of nuclear waste disposal "should be the responsibility of the generators and owners of such waste," 42 U.S.C. §§ 10131(a)(4), 10131(b)(4)—and at the same time, state and public participation in the planning of waste sites "is essential [to] promote public confidence," 42 U.S.C. § 10131(a)(6). Taken together, these dual purposes show that Congress intended the generator-fed Nuclear Waste Fund, not the state, to pay the costs of any state "participation"—such as evaluative testing—in the choice of sites. The independent oversight and peer review which only the states are poised to provide would immeasurably "promote public confidence" in general and among Nevada residents in particular.

These studies would also promote the statutory purpose of "provid[ing] a reasonable assurance that the public and the environment will be adequately protected from the hazards posed by high-level radioactive waste," 42 U.S.C. § 10131(b)(1). When the

* Secretary John Herrington is substituted for his predecessor pursuant to Federal Rule of Appellate Procedure 43(c).

** The Honorable William J. Jameson, Senior United States District Judge for the District of Montana, sitting by designation.

[1] DOE does not argue that its denial of funding is not a "final decision", subject to review under 42 U.S.C. § 10139(a). This case involves a denial of funding with an immediate, direct impact on Nevada's activities, *see infra* sections III A and B, rather than the choice of a potential site which the Fifth Circuit has recently held to be unripe for judicial review. *See State of Texas* v. *United States Department of Energy*, 764 F.2d 278 (5th Cir. 1985.

statute repeatedly states that the protection and confidence of the public are goals of the NWPA, *see id.;* 42 U.S.C. § 10131(a)(1), (4), (7), we must conclude that Congress contemplated funding independent state studies even if they are instituted prior to formal site characterization.

As the Act recognizes, the dangers inherent in nuclear waste disposal mandate a close, independent scrutiny of DOE's siting decisions. Some of the nuclear isotopes involved will generate intense radioactivity and heat for tens of thousands of years. The site which is ultimately selected must therefore remain secure for the indefinite future. Cursory evaluation of potential sites today can result in heightened danger and potentially prohibitive control costs tomorrow.[2]

B. The structure of the Act.

Funding is also supported by the principle that a "statute should be construed so as to avoid making any word superfluous." *E.g., United States* v. *Handy,* 761 F.2d 1279, 1280 (9th Cir. 1985); *Yamaguchi* v. *State Farm Automobile Insur. Co.,* 706 F.2d 940, 946 (9th Cir. 1983). The statute's core funding provision, § 116(c) (1) (A), requires grants "to each State notified under subsection (a) for the purpose of participating in *activities required by sections 116 and 117* or authorized by written agreement." (Emphasis added); see 42 U.S.C. § 10136(c) (1) (A). But other provisions already specifically require grants to states when the President has chosen a candidate site, § 116(c) (1) (B), when the Nuclear Regulatory Commission has authorized construction, § 116(c) (2) (A), and when the state and DOE have entered into a written cooperative agreement, §117(c), 42 U.S.C. §§ 10136(c) (1) (B), 10136(c) (2) (A), 10137(c). To avoid treating section 116(c) (1) (A) as superfluity, it must be read as a catch-all provision that authorizes funding in other circumstances not already specifically "required by sections 116 or 117 or authorized by written agreement."

Section 116(c) (1) (A) thus provides a basis for funding Nevada's proposed studies, if those studies would be essential to an informed "statement of reasons explaining why [the state] disapproved the recommended repository site." § 116(b), 42 U.S.C. 10136(b) (2). That statement of resons is "required by section 116." Hence, subject to certain limitations, the studies must be funded in compliance with § 116(c) (1) (A).[3]

DOE argues that Congress only intended to trigger federal funding after a state has entered the site characterization phase. To authorize funding prior to site characterization, DOE contends, "would clearly divert moneys from the Nuclear Waste Fund to premataure site characterization activities on sites which might not become candidates at all."

This argument, perhaps valid in some circumstances, is inapposite here. DOE's own press conferences and draft environmental assessments list Yucca Mountain as the most likely site for the repository, thus minimizing the danger that funding for Nevada's studies will be "wasted." More important, DOE's argument misses the point of the NWPA. Congress intended all the costs of nuclear waste disposal to be "the responsibility of the generators and owners of such waste." 42 U.S.C. §§ 10131(a)(4), 10131(b)(4). The statute thus provides funding for evaluating all three of the sites nominated for site characterization-despite the fact that only one of the three sites will ultimately become the national repository. *See* 42 U.S.C. §§ 10132(c), 10134. By the same token, when an informed "statement of reasons" for disapproving a recommended site requires that studies be initiated now, the costs of those studies must be borne by the Nuclear Waste Fund—even though a state may never have to file such a statement of reasons because the state is later eliminated from contention. In the context of developing repositories for waste from nuclear defense activities, Congress has authorized funding for state studies as soon as they have been notified that they host a potential site. *See* 42 U.S.C. § 10121(b). Because the statute declares that the states' participation rights for defense waste repositories are "identical to" those at issue here, *id.,* federal funding was intended to be available under § 116(c)(1)(A) even before site characterization has begun.

Our interpretation of the statute is supported by the legislative history of the Senate predecessor bill, which indicates that states "should be entitled to the broadest possible rights and opportunities to participate in the development of the facilities. . . . The Committee expects this fundamental principle to govern any interpretation, inlcuding judicial interpretations. . . ." S. Rep. No. 282, 97th Cong., 1st Sess. 28 (1981). Furthermore, the fact that § 116(c)(1)(A) was added in the final conference committee deliberations to a bill that throughout several versions had provided only for post-site characterization, *see* § 116(c)(1)(B), 42 U.S.C. § 10136(c)(1)(B), indicates that § 116(c)(1)(A) was intended to fill the gap and supply funding prior to site charcterization, rather than merely repeat the specific funding authority already set out by other provisions. The amendment specifically excludes from federal funding "any salary or travel expense that would ordinarily be incurred by such State." § 116(c)(1)(A), 42 U.S.C. § 10136(c)(1)(A). This language suggests by negative implication that other state expenses required by sections 116 or 117—such as testing expenditures—are to be funded by the Nuclear Waste Fund.

Of course, the state is not entitled to *carte blanche* access to the Nuclear Waste Fund. The only pre-site characterization activities that may receive funding are those essential to an informed "statement of reasons" for disapproving a site under § 116(b). § 116(c)(1)(B) already authorizes funding for "any monitoring, testing, or evaluation" *after* site characterization has begun. If § 116 (c)(1)(A) is to have any independent effect, it must authorize only those studies which, to be available in time to contribute to the state's notice of disapproval, must be begun *prior* to site characterization. Therefore, pre-site characterization activities may only receive funding if their contribution to the state's notice of disapproval depends on their being initiated prior to site characterization.

Congress has limited funding under a consultation-cooperation agreement to only such "reasonable independent monitoring and testing" which "shall not unreasonably interfere with or delay onsite activities." *See* § 117(c)(8), 42 U.S.C. § 10137(c)(8). As Nevada concedes, this provision indicates that Congress only intended to fund "reasonable" state testing that would not "unreasonably interfere with or delay" DOE's activities. Therefore, any pre-site characterization activities conducted before a state has entered into a consultation-cooperation agreement must be "reasonable"—scientifically justifiable and performed by demonstrably competent contractors—and cannot unreaonably interfere with or delay DOE's own activities.

III. REVIEW OF THE SITE CHARACTERIZATION GUIDELINES

Apart from the question whether the statute authorizes funding for pre-site characterization activities, both parties petition us to decide whether the Guidelines are consistent with the statutory scheme of funding available *after* a state has reached the site characterization stage. Before deciding this issue, however, we must determine whether Nevada has standing and whether the issue is ripe for adjudication.

A. Standing.

Nevada arguably lacks standing to contest the Guidelines governing the site characterization phase because 1) Nevada has not yet entered the site characterization stage, and 2) the Secretary may never even recommend the Yucca Mountain site in Nevada for site characterization. On the other hand, DOE has already denied funding for Nevada's proposed FY 1985 studies, by first categorizing those studies as Phase III site characterization studies, and then applying the Phase III Guidelines to deny funding. Thus, Nevada has suffered "Some actual or threatened injury" as a direct result of DOE's own application of the Phase III Guidelines. *See Valley Forge Christian College* v. *Americans United for Separation of Church and State, Inc.,* 454 U.S. 464, 472 (1982). It would be disingenuous for DOE to argue that Nevada lacks standing to challenge the very guidelines that DOE has chosen to apply to Nevada.

Because Nevada has alleged "personal injury" that is "fairly traceable" to the challenged conduct and "likely to be redressed by the requested relief," *see, e.g., Allen* v. *Wright* 104 S. Ct. 3315, 3325 (1984); *Price* v. *State of Hawaii,* 764 F.2d 623, 630 (9th Cir. 1985), the state has standing to challenge DOE's Phase III site characterization Guidelines.

B. Ripeness.

Similar reasoning indicates that Nevada's challenge is ripe for adjudication. The "basic rationale" of the ripeness doctrine is to prevent courts from "entangling themselves in abstract disagreements over administrative policies, and also to protect the agencies from judicial interference until an

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[2] Nevada's studies can only contribute to the success of DOE's site evaluation program. If Nevada confirms DOE's conclusions, DOE will be better able to make its case before the Nuclear Regulatory Commission in future licensing proceedings under § 114(d) of the NWPA, 42 U.S.C. § 10134(d). If Nevada discovers significant flaws in DOE's findings, DOE could turn its attention to other sites and cut short the expenditure of money, time, and manpower for the evaluation of a site which would later turn out to be unsuitable. *Cf. General Electric Uranium Mgmt. Corp.* v. *United States Dept. of Energy,* 764 F.2d 896, 898 (D.C. Cir. 1985) (explicitly applying policy considerations to resolve statutory ambiguity in NWPA).

[3] Congress recognized the importance of such studies in another context, where the statute authorizes funding of "reasonable independent monitoring and testing of activities on the repository site" when provided for by written agreement between the state and DOE. *See* § 117(c) (8).

Although the state relies heavily on sections 116(c) (1) (B) and 117(c) (1) and (8), which indicate that "monitoring, testing, or evaluation activities" are eligible for funding, these provisions by their express terms are only applicable once a state has been chosen for site characterization or has entered into a written agreement with DOE. Because Nevada has not entered the site characterization stage and has not sought to enter into an agreement with DOE, it cannot invoke these provisions to fund its pre-site characterization activities.

administrative decision has been formalized and its effects felt in a concrete way by the challenging parties." *Pacific Gas & Electric Co.* v. *State Energy Resources Conservation and Development Comm'n*, 461 U.S. 190, 200 (1983) (quoting *Abbott Laboratories* v. *Gardner*, 387 U.S. 136, 148-49 (1967)). The question of ripeness turns on " 'the fitness of the issues for judicial decision' and 'the hardship to the parties of withholding court consideration.' " 461 U.S. at 201 (quoting *Abbott Laboratories*, 387 U.S. at 149).

Consistent with the trend in favor of reviewing even policy statements and informal positions, letters, or announcements, *See* 4 K. Davis, *Administrative Law Treaties* § 25.16 at 411 (2d ed. 1983), we will review the challenge to DOE's Guidelines. The validity of the Phase III Guidelines is a purely legal issue involving a reading of congressional intent rather than complex factual questions. *See Pacific Gas*, 461 U.S. at 201; *Abbott Laboratories*, 387 U.S. at 149. Second, the Guidelines bear hallmarks of finality, an element of ripeness that the Supreme Court has viewed in a "pragmatic way." *Abbott Laboratories*, 387 U.S. at 149. While not formally adopted by DOE under the Administrative Procedure Act, the Guidelines were issued in both draft and revised form to all relevant states and Indian tribes, and in DOE's own words, "express the administrative construction of the NWPA that subsequently formed the basis for DOE's partial denial of Nevada's grant request." *Compare with* Administrative Procedure Act, 5 U.S.C. §§ 551(4), (13) (agency action includes "an agency statement of general or particular applicability and future effect designed to implement, interpret, or prescribe law or policy") (cited in *Abbott Laboratories*, 387 U.S. at 149). Because the Guidelines by their own terms "are intended to assist field offices by establishing a *single framework* within which grants can be negotiated and awarded," (emphasis added), they can be viewed as "a definitive statement of the agency's position." *See Air California* v. *United States Dept. of Transp.*, 654 F.2d 616, 620 (9th Cir. 1981).

Even if the Guidelines are viewed "as a statement only of [DOE's] intentions," they are eligible for review. *See, e.g., Abbott Laboratories*, 387 U.S. at 150, *citing Columbia Broadcasting System* v. *United States*, 316 U.S. 407, 418-19 (1942); K. Davis, *supra*, at § 25.15 (collecting cases). Their effect on the state's testing activities is "direct and immediate," *see Air California*, 654 F.2d at 621, discouraging the state from embarking on the lengthy and detailed independent site studies that would allow it to fully evaluate DOE's conclusions. The state must therefore choose now between "disadvantageous compliance and risking sanctions," K. Davis, *supra*, at § 25.13; *see Abbott Laboratories*, 387 U.S. at 152—to either restrict its testing to those forms which would be funded under the Guidelines even though its evaluation of DOE's studies would thereby be impaired, or perform such testing at its own expense. Resolution of the Guidelines now will foster, rather than impede, effective administration of the Fund by DOE, *see State of Texas* v. *United States Department of Energy*, 764 F.2d 278, 283 (5th Cir. 1985), since DOE's decision to fund the States' ongoing budget requests will necessarily be controlled by the challenged Guidelines.

In sum, although Nevada has not yet entered the site characterization stage, it has already suffered a direct and immediate injury from DOE's application of its formal, final Guidelines. Furthermore, because DOE has indicated in both its draft environmental assessments and in public statements that Nevada's Yucca Mountain site is likely to top the list of sites recommended for site characterization in fall of 1985, a challenge to those Guidelines is ripe for review.

C. The Guidelines unduly restrict the state's statutory rights.

Nevada challenges two clauses in the Guidelines. These declare that "duplication of data collection efforts and associated activities should be minimized to the maximum extent practicable and avoided if at all possible," and that Nevada may "receive funding to run independent tests on DOE data, where the need for such independent testing can be justified." The first clause minimizes primary data collection by the state; the second clause requires DOE approval before a state may obtain funding for any tests—even though those tests are confined to primary data already collected by DOE.

This interpretation of a state's statutory rights is unduly restrictive. Section 116(c)(1)(B)'s mandatory language provides that the Secretary *"shall* make grants to each state . . . to engage in *any* monitoring, testing, or evaluation activities with respect to site characterization." 42 U.S.C. § 10136(c)(1)(B) (emphasis added). As the legislative history indicates, these grants "extend [] to all activities undertaken under this subtitle," H.R. Rep. No. 785, 97th Cong., 2d Sess. 72 (1982); the House reports impose no limitation on the state's funding of the type adopted in the Guidelines. *See* H.R. Rep. No. 491, Pt. 1, 97th Cong., 2d Sess. 55 (1982), *reprinted in* 1982 U.S. Code Cong. & Ad. News 3821. *See also* § 117(c)(8), 42 U.S.C. § 10137(c)(8) (state may conduct "reasonable independent monitoring and testing of activities on the respository site" pursuant to a written agreement during the site characterization stage).

By "minimizing" independent collection of primary data, and then restricting state tests of primary data that DOE has collected, the Phase III Guidelines eviscerate the independent oversight role that Congress envisioned for the states. Permitting DOE to "guard the chicken coop" alone would violate the statutory finding that state participation and oversight of DOE is "essential in order to promote public confidence in the safety of disposal of [nuclear] waste." § 111(a)(6), 42 U.S.C. § 10131(a)(6).

The Secretary's construction of § 116(c)(1)(B) is inconsistent with the statutory mandate and a frustration of congressional policy. *See Louisiana-Pacific Corp*, 754 F.2d at 1447. Consistent with its duties under a consultation-cooperation agreement, *see* § 117(b) & (c)(8), 42 U.S.C. § 10137(b) & (c)(8), DOE must fund relevant site characterization activities which are reasonable, scientifically justifiable, and performed by demonstrably competent contractors, and which would not unreasonably interfere with or delay DOE's own activities.

IV. CONCLUSION.

The findings and general purposes of the statute support funding of the state's pre-site characterization studies. In addition, because such backup studies are essential to the "statement of reasons" that must accompany the state's disapproval of a site recommendation, *see* § 116(b), the studies are "required by § 116" and therefore fundable under the catch-all provision of § 116(c)(1)(A).

Because DOE's Guidelines seek to "minimize" independent collection of primary data, and require DOE approval before any federally-funded tests can be run on the primary data that DOE has collected, they undermine the independent oversight role that Congress envisioned for the states. Nevada is entitled to funding of its relevant pre-site characterization activities subject to the limitations defined herein. The sections of the Guidelines which govern site characterization are unlawful.

[Reversed and remanded.]

CONCLUSION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. The Chair notes the absence of any Senator seeking recognition.

The Chair now recognizes the Senator from Arizona.

Mr. GOLDWATER. Mr. President, in the absence of any morning business, it would be proper, I believe, to call up the bill that I propose to call up; is that correct?

The PRESIDING OFFICER. The Chair was in the process of determining the need for morning business. The Chair recognizes no Senators seeking recognition. The Chair therefore rules that the period for morning business is now closed and the Chair recognizes the Senator from Arizona.

□ 1040

DEPARTMENT OF DEFENSE REORGANIZATION ACT OF 1986

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 609, S. 2295, the Department of Defense Reorganization Act.

Mr. BYRD. Mr. President, this bill has been cleared on this side of the aisle. The distinguished ranking minority member, Mr. NUNN, is present. There is certainly no objection.

Mr. GOLDWATER. I thank the minority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 2295) to amend title 10, United States Code, to reorganize and strengthen certain elements of the Department of Defense, to improve the military advice provided the President, the National Security Council, and the Secretary of Defense, to enhance the effectiveness of military operations, to increase attention to the formulation of strategy and to contingency planning, to provide for the more efficient use of resources, to strengthen civilian authority in the Department of Defense, and for other purposes.

The Senate proceeded to consider the bill, which had been reported by the Committee on Armed Services.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the following staff members of the Committee on Armed Services be granted the

privilege of the floor during consideration by the Senate of S. 2295, the Department of Defense Reorganization Act, including any votes occurring thereon:

Robert G. Bell, Kathryn E. Bognovitz, Barbara B. Brown, Christine C. Dauth, Jonathan L. Etherton, Richard D. Finn, Jr., Colleen M. Getz, John J. Hamre, Drew A. Harker, William E. Hoehn, Jr., George K. Johnson, Jr., Mary J. Kampo, Richard J. Keegan.

Ronald P. Kelly, James R. Locher III, David S. Lyles, James F. McGovern, Russell C. Miller, Pamela G. Powell, Arnold L. Punaro, Carl M. Smith, Jeffrey H. Smith, Patrick A. Tucker, Richelle M. Turner, Patricia L. Watson, Toni D. White.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the names of Senator CHILES and Senator MCCONNELL be added as cosponsors of S. 2295, the Department of Defense Reorganization Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, it is with great pride that I present S. 2295, the Department of Defense Reorganization Act of 1986, to the Senate for its consideration. This legislation is truly historic. It seeks to solve the serious problems in organization and procedure that have plagued the military establishment of the United States throughout the 20th century. The thorough study and deliberate consideration that this bill has received guarantee that, if properly passed by both Houses of Congress and signed by the President, the United States military will be greatly strengthened, and the security of the Nation will be substantially enhanced. These were the purposes of this effort at the outset, and I am confident that this bill will achieve them.

As with all great measures, the forceful leadership of the President has played and will continue to play an important role in this defense reorganization effort. The President is to be congratulated for establishing his Blue Ribbon Commission on Defense Management, chaired by David Packard. The wise recommendations of the Packard Commission have helped to build the consensus that is needed to achieve long overdue reforms. The President's decision of April 2 to implement many of the Packard Commission's recommendations through administrative regulation gives us a good start. But much more remains to be done, including statutory authorization, provided by this bill, for the Commission's most important proposals. In this regard, the committee carefully reviewed the Packard Commission's recommendations on national security planning and budgeting and military organization and command and found them to be consistent with this bill. More importantly, Dave Packard shares this assessment. Mr. President, I request unanimous consent that a comparison of the provisions of this bill and the recommendations of the first two sections of the Commission's report be printed in the RECORD immediately after my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

CONSTITUTIONAL RESPONSIBILITY

Mr. GOLDWATER. Mr. President, the Department of Defense Reorganization Act of 1986 fulfills an important constitutional responsibility. Section 8 of article I of the Constitution charges the Congress "to raise and support Armies" and "to provide and maintain a Navy." The Constitution also empowers the Congress "to make rules for the Government and regulation of the land and naval forces." Since the writing of the Constitution, the Congress has often neglected this second, and increasingly important, responsibility. Such has been the case in the last three decades. Despite substantial evidence of organizational deficiencies, no major defense organization legislation has been enacted since 1958, near the end of the Eisenhower administration. The needs of modern warfare have changed many times over since then, yet we remain constrained by organizational arrangements suited to bygone eras.

Money, Mr. President, will not solve the problems that this bill addresses. As former Secretary of Defense Mel Laird has stated:

> This neglect of organizational issues, particularly organization of the military command structure, is self defeating. Without an effective command structure, no level of defense spending will be sufficient to meet the needs of the Nation's security.

In this regard, the full potential of the revitalization of American military capabilities that has been underway for the last 6 or 7 years cannot be realized with current structural deficiencies. While American forces are now better manned, equipped, and led than has been the case for a long time, there is a need, Mr. President, for a parallel revitalization of antiquated organizational arrangements.

3-YEAR COMMITTEE EFFORT

The Armed Services Committee has taken the constitutional mandate seriously. S. 2295 is the result of a nearly 3-year effort by the committee. In June 1983, Senator John Tower and the late Senator Scoop Jackson, then chairman and ranking minority member, initiated this undertaking. The committee, the Senate, and the Nation owe these two giants of this generation a great debt of gratitude. They had the courage, wisdom, and foresight to start this monumental effort, knowing that it could not be properly done in one session or even in one Congress. Moreover, they ensured that the committee's work would be conducted on a fully bipartisan basis. I was extremely fortunate, Mr. President, to have the unsurpassed assistance of my good friend, Senator SAM NUNN, to ensure that this bipartisan spirit endured to the end.

As part of its work, the committee conducted two full sets of hearings. In the summer and fall of 1983, shortly after the committee began its task, 12 hearings were held with testimony taken from 31 witnesses. After a lengthy period of research and study that built on the initial hearings, 10 additional hearings were held during November and December 1985 with 27 witnesses appearing. During both series of hearings, the committee heard the views of all senior incumbents in the Department of Defense, former civilian and military officials, and a wide range of other experts.

Mr. President, for the purpose of the historic record, I ask unanimous consent that the "Armed Services Committee Work on Defense Reorganization—3 Years of Review" be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ARMED SERVICES COMMITTEE WORK ON DEFENSE REOGANIZATION: 3 YEARS OF REVIEW

1. Initiated in June 1983 by Senator John Tower and the late Senator Scoop Jackson
2. Fully bipartisan from the outset
3. Two compensive sets of hearings:
   12 hearings with 31 witnesses in 1983
   10 hearings with 27 witnesses in 1985
4. 645-page staff study, Defense Organization: The Need for Change
5. Nine-member Task Force on Defense Organization held 11 meetings
6. Nine Senators attended a weekend retreat on defense organization with 15 ouside experts
7. Close cooperation with the President's Blue Ribbon Commission on Defense Management (the Packard Commission)
8. Careful and deliberate mark-up of the bill:
   14 mark-up sessions
   Considered 80 written amendments
   5 recorded votes during mark-up
   11–8 against requiring the rotating acting Chairmanship in law
   9–9 on the number of Assistant Secretaries in each Service
   9–9 on the number of Assistant Secretaries in each Service.
   12–4 against putting the Packard Commission's language on the acting Chairmanship in the bill
   19–0 on final reporting of S. 2295

Mr. GOLDWATER. Mr. President, the committee also benefited from a comprehensive, 645-page study by the Committee's staff. This document, entitled "Defense Organization: The Need for Change," identified for the committee's examination a total of 34 problems in the organization and decisionmaking procedures of the Department of Defense and the Congress.

Mr. President, I believe that this study is the finest one on defense organization ever conducted. The Armed Forces Journal agrees. It cited the committee staff's study as, "the single most important body of work on national security matters done so far this century."

To increase emphasis on this work, Senator NUNN and I established a Task Force on Defense Organization consisting of nine committee members. Reflecting the bipartisan spirit of this undertaking, Senator NUNN and I cochaired the task force. The task force was active. Other than its 10 formal sessions, it held numerous meetings with former defense officials and organized a weekend retreat with 15 outside experts.

□ 1050

During this session of Congress, the committee has made the issue of defense reorganization its highest priority. We have worked closely with the Packard Commission. We have had a continuous dialog with the House Armed Services Committee, which has had an equally vigorous effort underway. When necessary, we have set aside all other committee work to give our undivided attention to this subject.

An example of this high priority, Mr. President, was the way in which the committee marked up this bill. It was done in an extremely deliberate manner. We started on February 4 and finished 30 days later; 14 markup sessions were held during that period, and 80 written amendments were considered. The bill went through four complete drafts before it was unanimously approved by the committee in a 19–0 vote.

Mr. President, in my entire Senate career, I have never seen a committee examine an issue as comprehensively, as thoroughly, as exhaustively, as deliberately as the Armed Services Committee has studied defense reorganization. Despite this unsurpassed effort, we continue to hear complaints from some that we didn't listen to them. We did, in fact, listen to them, but we concluded that others had better ideas on the true problems and on effective solutions.

PENTAGON OPPOSITION

Mr. President, this effort has not been easy. Elements of the Pentagon have fought us every inch of the way. In this regard, the committee's experiences were similar to those of President Eisenhower in 1958. In his message to Congress, Ike noted the unending opposition to necessary reforms:

> These various steps toward more effective coordination of our Armed Forces under one civilian head have been necessary, sound, and in the direction pointed by the lessons of modern warfare. Each such step, however, has prompted opponents to predict dire results. There have been allegations that our free institutions would be threatened by the influence of a military leader serving as the principal military adviser to the Defense Secretary and the Commander in Chief. There have been forecasts that one or more of the services would be abolished. As a result, the Secretary of Defense has never been freed of excessive statutory restraints. As a result of well-meaning attempts to protect traditional concepts and prerogatives, we have impaired civilian authority and denied ourselves a fully effective defense. We must cling no longer to statutory barriers that weaken executive action and civilian authority. We must free ourselves of emotional attachments to service systems of an era that is no more.

Mr. President, the situation has not changed. Both current and former service officials have predicted dire results if this bill were enacted. For example, the Secretary of the Navy said it would "make a hash of our defense structure." The Commandant of the Marine Corps asserted that the bill "would result in a significant degradation in the efficiency and effectiveness of the Defense Establishment—to the point where I would have deep concerns for the future security of the United States." The Secretary of the Air Force said, "the provisions of the bill would have very adverse consequences for our national defense."

The commitee was also bombarded with emotional arguments about the creation of a Prussian-style general staff, loss of civilian control of the military, the appearance of a military "man on a white horse" who would threaten the Republic, and overcentralization of authority. The committee took the time to carefully investigate all of these emotional arguments and rejected each one.

Mr. President, I have no desire to pick a fight with those who have championed these emotional arguments or who have predicted dire results. But I want the record to show clearly that the committee has absolutely rejected these "red herrings" that unfortunately plagued earlier Congresses. We know better today. We have removed the shadows that clouded earlier congressional action.

I should note, Mr. President, that the committee was not opposed by every element of the Defense Establishment. We received considerable support and encouragement from officials in joint civilian and military organizations, especially the unified combatant commanders. The committee also had substantial support from former civilian defense officials, including six of the seven living former Secretaries of Defense, and from retired senior military officers. We were also supported by the work of the Packard Commission.

Mr. President, this is not a battle of the Department of Defense versus the Congress, of civilians versus the military, or of warriors versus bureaucrats. Across all organizations, the battle lines are drawn between those who seek a truly unified defense effort and those who would cling to traditional service prerogatives, or in President Eisenhower's words "to service systems of an era that is no more."

FUNDAMENTAL PROBLEMS

Dwight David Eisenhower understood the military and the needs of modern warfare. He commanded the single greatest fighting force ever assembled. During his Presidency, he sought—with limited success—to reorganize our defense effort. His words are as true today, however, as they were in 1958. He said then:

> Separate ground, sea, and air warfare is gone forever. If ever again we should be involved in war, we will fight it in all elements, with all services, as one single concentrated effort. Peacetime preparatory and organizational activity must conform to this fact. Strategic and tactical planning must be completely unified, combat forces organized into unified commands, each equipped with the most efficient weapons systems that science can develop, singly led and prepared to fight as one, regardless of service.

While President Eisenhower clearly and correctly identified our needs, not much has changed in the last 28 years.

In fact, Mr. President, the problems that this bill seeks to cure were evident long before the 1950's. Many date back to the Spanish-American War. Serious problems were evident during battles of the Second World War, including Pearl Harbor and Leyte Gulf. They were repeated during the Vietnam war, the *Pueblo* seizure, the Iranian hostage rescue mission, and even during the successful incursion into Grenada.

The longstanding history of these problems is, by itself, evidence that responsibility for them cannot be placed with any one administration or group of civilian and military officials. My colleagues should be assured, Mr. President, that the committee's work is, therefore, not a criticism of past or present administrations or of former or current officials. These problems are enormously complex and time-consuming to solve. These long-term problems have confounded some of the most thoughtful, decisive, and experienced officials who have sought to solve them during the last 85 years. As the Department of Defense is the largest and most complex organization in the Free World, it is understandable that effective solutions have been difficult to develop and implement.

Moreover, Mr. President, the Congress cannot legitimately point the finger of blame at the executive branch. Congress must share the blame. It has been a major obstacle. Congress fought the reforms that were dictated by the poor performance of the U.S. military establishment during the Spanish-American War. We resisted many of the proposals of Presidents Truman and Eisenhower, which time has shown to have had great merit. The Congress has not

been well-informed on the issues of defense reorganization; it has, therefore, been vulnerable to emotional and superficial appeals.

Mr. President, in its 3-year study, the Armed Services Committee examined a total of 34 specific problems in the Department of Defense and the Congress. For many of these problems, legislative action would be inappropriate. Others could only be partially remedied by legislation. In S. 2295, the committee focused on 10 fundamental problems which it considered appropriate for legislative action.

By far the most critical problem in the Department of Defense, Mr. President, is the imbalance between service and joint interests. Although we have long understood the need for effective unity of effort by all Armed Forces, the Army, Navy, Air Force, and Marine Corps have retained a degree of independence that has continually frustrated such coordination. As a special study group commissioned in 1982 by the Chairman of the Joint Chiefs of Staff reported:

> . . . A certain amount of service independence is healthy and desirable, but the balance now favors the parochial interests of the services too much, and the larger needs of the Nation's defenses too little.

This statement, Mr. President, is absolutely correct. The three military departments and four services exercise power and influence which are out of proportion to their statutory duties. Planning is not completely unified, and combatant commands are not singly led and prepared to fight as one, regardless of service. This fundamental problem in the balance of organizational power underlies the major deficiencies that have persisted during the last 45 years.

Linked to this larger deficiency, Mr. President, is the problem of inadequate joint military advice. The Joint Chiefs of Staff system has not been capable of adequately fulfilling its responsibility to provide useful and timely joint military advice. The institutional views of the Joint Chiefs of Staff often take too long to prepare; are not in the concise form required by extremely busy senior officials; and frequently do not offer clear, meaningful recommendations on issues affecting more than one service. The Joint Chiefs of Staff have had a tendency to avoid those issues that pose the greatest challenges to service prerogatives. On other issues, the Chiefs produce advice that represents the lowest common denominator of what all four services can agree to.

The third problem troubling the Department of Defense is the inadequate quality of joint duty military personnel. While joint military organizations have the most important planning and operational responsibilities, military officers perceive substantial disincentives to serving in such assignments outside their service. In addition, the Department of Defense has given insufficient attention to developing officers with joint duty skills. For the most part, military officers do not want to be assigned to joint duty; are pressured or monitored for loyalty by their services while serving in joint assignments; are not prepared by either education or experience to perform their joint duties; and serve for only a relatively short period once they have learned their jobs. This is an intolerable situation.

Mr. President, the fourth problem relates to our unified combatant commands, which, along with the specified combatant commands, control operations whenever military forces of the United States are employed. The problem is that these multiservice commands are not really unified. The authority of the unified combatant commanders remains extremely limited. They have weak authority over their service component commands; limited influence over resources, personnel, and joint training; and little ability to promote greater unification within their commands. As a result, the unified combatant commands remain loose confederations of single-service forces which are often unable to provide effective unified action across the spectrum of military missions. Until this deficiency is corrected, the United States will not be assured of having the integrated fighting forces needed to meet the demands of modern warfare. Although Eisenhower noted as long ago as 1958 that "separate ground, sea, and air warfare is gone forever," our organizational arrangements still do not reflect this reality.

Fifth on the committee's list of problems is the confused and cumbersome operational chains of command. There is confusion over the roles of the Secretary of Defense and the Joint Chiefs of Staff in the operational chain of command. As a result, the appropriate relationships between the unified and specified combatant commanders and those above them in the chain of command are uncertain. Moreover, the combatant commanders lack the authority to specify the chains of command within their commands to meet operational needs. As a result, the chains of command are often cumbersome and ill-suited to effective operational command. The chain of command must be clarified if we are to be capable of effectively employing and controlling American fighting forces.

Beyond operational problems, Mr. President, the Department of Defense also suffers from ineffective strategic planning. As a result, the overall direction of our military effort is confused, and priorities among missions and programs are not well established. The performance of the Department of Defense suffers from the predominance of the programming and budgeting phases of the resource allocation process. Too much of the time and attention of senior DOD civilian and military officials is consumed by resource decisions. This has been a major cause of the insufficient attention to strategic planning. Moreover, there is a weak relationship between strategic planning and fiscal constraints. At present, the strategic planning resources of the Pentagon are underutilized because they are not effectively applied to solving the major policy, strategy, and program issues that result from fiscal constraints.

Over the past 30 years, 14 Defense Agencies and 8 Department of Defense field activities have been established to carry out common supply or service functions for the entire Department of Defense. They include the Defense Logistics Agency, the Defense Contract Audit Agency, and the Armed Forces Information Service. These agencies and activities, while performing an important role, have not, however, been adequately supervised and controlled. This is the seventh problem to which the committee has given attention in S. 2295. Of particular concern to the committee is the fact that the Defense Agencies are more oriented to peacetime activities and efficiencies than to supporting the combatant commands in wartime.

Mr. President, within the Department of Defense and elsewhere, there is confusion concerning the roles of the Secretaries of the military departments. The role that the Secretaries of the military departments should play in the unified Department of Defense has not been determined. With the creation of the national military establishment in 1947, the Secretaries of the military departments remained powerful individuals. Their relationship to the Secretary of Defense, however, was never precisely defined. As the role of the Secretary of Defense was clarified and strengthened in 1949, 1953, and 1958, little attention was given to what roles could usefully be fulfilled by the Secretaries of the military departments. In essence, there has been little, if any, redefining of the roles of the Secretary of a military department during his transition from head of an independent, executive-level department to the subordinate of a powerful Secretary of Defense. Without a clearcut role, Secretaries of the military departments have had a tendency to reinforce divisions within the Department of Defense and to make management of an integrated defense program more difficult.

The ninth problem, Mr. President, is unnecessary duplication in the top management headquarters of the military departments. The Army and Air Force Departments have two separate headquarters staffs: the Secretariat

serving the Service Secretary and the military headquarters staff serving the Chief. Because of its dual-service structure, the Department of the Navy has three headquarters staffs: one civilian and two military. The division of work between these staffs, Mr. President, has not been adequately defined. As a consequence, there has been unnecessary duplication of effort and unnecessary levels of staff review. The overall result has been inefficient delays and micromanagement.

Mr. President, the last problem involves Congress. The committee has concluded that there are serious problems in congressional review and oversight of the Nation's defense effort. In fact, efforts to reorganize the Department of Defense will prove imperfect again unless accompanied by fundamental changes on Capitol Hill. While problems in congressional review and oversight of the Nation's defense effort are numerous, the committee was able to seek remedies only to congressional micromanagement in this legislation. In this regard, the Congress is, unfortunately, becoming increasingly involved in the details of the defense program, not just the broad policies and directions that guide it. Congressional micromanagement places an excessive burden on the Department of Defense, diverts attention away from high priority responsibilities, and produces substantial instability in defense programs.

Mr. President, this brief description of problems cannot accurately portray their seriousness. However, I hope that my colleagues will gain from this description an appreciation as to why the Armed Services Committee believes that forceful remedies are needed. As former Secretary of Defense James Schlesinger has testified:

> . . . Without such reform, I fear that the United States will obtain neither the best military advice, nor the effective execution of military plans, nor the provision of military capabilities commensurate with the fiscal resources provided, nor the most advantageous deterrence and defense posture available to the Nation.

The Armed Services Committee absolutely agrees with Secretary Schlesinger. The performance of the Department of Defense has been seriously hampered by major structural deficiencies.

PURPOSES OF THE BILL

Given these problems, Mr. President, the committee has formulated comprehensive legislation to provide effective solutions. Our overall goal was to strengthen the Department of Defense and to enable American fighting forces to better perform their missions. The committee also believes that these reforms are essential to rebuilding the consensus for a continued revitalization of U.S. military capabilities.

Mr. President, the committee has laid before the Senate a 124-page bill that makes hundreds of changes in the organization and procedures of the Department of Defense and in the burdens of congressional oversight. While large in number, these changes represent 12 fundamental purposes. The purposes of this bill are to:

First, improve the quality and enhance the role of professional military advice. Military expertise must be more effectively applied to the difficult issues of American defense.

Second, strengthen civilian control of the military. While the committee had no major concerns about the current practice of civilian control, a number of useful improvements can be made.

Third, strengthen the authority of joint military officers. A fundamental shift of power and influence to joint officers is key to improving America's defense posture.

Fourth, improve the preparation of, and incentives for, military officers serving in joint duty positions. We must develop military officers with better joint command and planning skills.

Fifth, enhance the effectiveness of military operations. Modern warfare demands improved teamwork by the forces from all services.

Sixth, strengthen central direction and control while increasing decentralization of execution and other management authority. Centralized policy development and decentralized policy execution can both be improved in the Department of Defense.

Seventh, clarify the operational chain of command. Clarity of command lines is critical to the effective employment of our military forces.

Eighth, reduce and streamline the defense bureaucracy. The size and complexity of the bureaucracy hinder effective management and planning in the Department of Defense.

Ninth, reduce congressional micromanagement. The burdens of congressional oversight must be lessened.

Tenth, provide for the more efficient use of resources. Defense resources are not unlimited; we must ensure that they are used wisely.

Eleventh, improve the supervision and control of Defense Agencies and Department of Defense field activities. The resource management tasks of these common agencies and activities can be improved.

And last, implement fully the National Security of 1947. Current inconsistencies in the law confuse lines of authority and weaken effective management.

In his statement, Senator NUNN will discuss the means by which all of these purposes of the bill would be achieved.

PRESIDENT REAGAN'S MESSAGE TO THE CONGRESS

Mr. President, a few days ago, on April 24, President Reagan sent a message to the Congress presenting his views on the future structure and organization of our Defense Establishment. The President provided his support for enactment of Defense reorganization legislation. He stated:

> In this message, I ask that the Congress enact certain changes in law that will further improve the organization and operation of the Department of Defense.

The President also made it clear that the Packard Commission's recommendations could not be fully implemented without essential legislative steps.

After carefully studying the principles for Defense reorganization articulated in the President's message. I have found them to be consistent, with one minor exception, with the basic objectives of the bill recommended by the Armed Services Committee. Mr. President, I ask unanimous consent that a comparison of the principles contained in the President's Message to Congress and the objectives of S. 2295, the Department of Defense Reorganization Act of 1986, be printed in the RECORD immediately after my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. GOLDWATER. Mr. President, in his excellent message, President Reagan presented three general principles that should govern Defense reorganization. These principles are:

First, the proper functioning of our Defense Establishment depends upon civilian authority that is unimpaired and capable of strong executive action.

Second, if our Defense program is to achieve maximum effectiveness, it must be genuinely unified.

Third, the character of our defenses must keep pace with rapid changes in the military challenges we face.

The President of the United States will hear no disagreement from any member of the Armed Services Committee on these general principles. The bill recommended by the committee is absolutely consistent with these fundamental principles.

In articulating these three general principles and other more specific principles contained in his message, President Reagan joins the fight initiated by Presidents Truman and Eisenhower for organizational arrangements more suited to national security needs. Full implementation of these principles, especially the one concerning genuine unification, has never been realized. In partnership with the President, the Congress now has the opportunity to remove serious imperfections from our defense structure.

Mr. President, there is one statement in the Commander in Chief's

message on which I would like to comment. It is the following statement:

It is not necessary to place in law those aspects of defense organization that can be accomplished through executive action.

While my committee colleagues and I agree with this principle, the committee had to make a judgment as to which changes could be fully accomplished soley by Presidential directives. In making this judgment, the committee was mindful of the important lesson learned by President Eisenhower. In 1958, by Executive action, he directed that the unified commands should be made truly unified. Twenty-eight years have passed. And his direction remains unfilled by the Department of Defense. Thus, the issue is not what actions the President has the authority to direct, but what actions he has the power to accomplish.

In this regard, the committee has concluded, Mr. President, that where traditional institutional prerogatives within the Department of Defense are at stake, Executive action, by itself, is not likely to be sufficient. In these limited number of areas, the committee believes that the force of law would add necessary support and emphasis. In particular, with respect to the authority of the unified and specified combatant commanders, the committee has determined that legislation, while not absolutely necessary, would be extremely useful.

I was pleased to see that the President indicated his willingness to consider such provisions. In his message, he stated: and I quote:

Nevertheless, if such changes are recommended by the Congress, I will carefully consider them, provided they are consistent with current policy and practice and do not infringe upon the authority or reduce the flexibility of the President or the Secretary of Defense.

The conditions that the President has stated, I am certain, are met by the provisions of the bill.

Mr. President, there is one minor area where the bill recommended by the committee is not consistent with President Reagan's views. That is a requirement in the bill that the term of the Chairman of the Joint Chiefs of Staff end 6 months after the accession to Office of a new President.

The purpose of this new provision is to give a newly elected President an automatic opportunity to retain or release the military officer who will serve as his principal military adviser. Although the law specifies that the Chairman "serves at the pleasure of the President," practical considerations make it difficult for a President to actually dismiss a Chairman of the Joint Chiefs of Staff. Therefore, the committee has recommended that, during the 6-month period in which a newly elected President was establishing his administration, he should also enjoy more flexibility to select a new Chairman.

While this provision is intended to increase the President's flexibility, President Reagan fears that, as a result, military officers would become embroiled in political matters. In his message, he indirectly states opposition to this provision:

The role of the Chairman and other members of the Joint Chiefs of Staff is strictly advisory in nature and, with the armed forces as a whole, they serve the American people with great fidelity and dedication. In my view, changes in the tenure of the Chairman or other senior officers that are tied to the civilian electoral process would endanger this heritage. I oppose any bill whose provisions would have the effect of politicizing the military establishment.

The Armed Services Committee agrees with the President that no provision of law should have the effect of politicizing the Military Establishment. While the committee believes that none of the provisions of S. 2295 would have this effect and that the benefits of this new requirement concerning the Chairman's term were greater than any perceived risk of politicizing the office of Chairman, the President does not share these judgments. Given the President's concerns, this provision is one that the Senate will want to consider carefully.

Despite this difference, Mr. President, I find President Reagan's message to the Congress to be a clear indication that we are pursuing the same fundamental objectives to strengthen American defenses.

ACQUISITION ISSUES NOT ADDRESSED

Mr. President, I would like to draw to the attention of my colleagues that defense acquisition problems are not addressed in S. 2295. As the Packard Commission's detailed recommendations on acquisition were only released on April 7, there has not been enough time to give them the careful and detailed consideration that they deserve. The Committee's Defense Acquistion Policy Subcommittee, under the leadership of Senator QUAYLE and Senator LEVIN, has been studying these proposals on an accelerated schedule. The committee has not yet, however, been able to prepare definitive legislation on acquisition issues.

It is now the committee's intent to offer a comprehensive package of acquisition reforms as part of this year's defense authorization bill. Included in that package will be authority to establish an Under Secretary of Defense for Acquisition, a position that the committee has approved in principle based upon a proposal offered by Senator DIXON. I would ask all Senators to hold their amendments on defense acquisition until consideration of the authorization bill. That will give us a chance to consider reforms on a comprehensive—rather than piecemeal—basis. Defense acquisition has already suffered enough from uncoordinated congressional mandates.

THANK MY COMMITTEE COLLEAGUES

Mr. President, I take this opportunity to thank publicly my committee colleagues for their hard and thoughtful work. Each member of the committee contributed to this effort, and I was especially pleased with the active participation by many members during the markup sessions. In particular, I want to recognize the outstanding work of Senator COHEN and Senator LEVIN. They consistently aided the committee's consideration of extremely complex issues. Their clear thinking helped to greatly strengthen and improve this bill. I would also like to thank Senator WARNER. He and I did not see eye-to-eye on all issues, but he provided a great service through his careful and thoughtful review of the bill and the many constructive amendments that he offered.

I would be remiss, Mr. President, if I failed to recognize the unparalleled contributions of my good friend, Senator NUNN. This effort could not have been completed without his great expertise and wise counsel. His cooperative spirit enabled us to surmount the obstacles that we encountered. My gratitude shall be unending for the knowledge, energy, and skill that he brought to this effort.

CLOSING REMARKS

At the beginning of my statement, I characterized this legislation as historic. In my view, this bill, if enacted, will possibly be the most significant piece of defense organization legislation in the Nation's history. It takes dramatic steps to give full meaning to the framework established by the National Security Act of 1947. For the first time, we will have organizational arrangements that will lead to true unity of effort in the Pentagon and in the warfighting commands in the field.

Most importantly, Mr. President, these new organization and command arrangements will enable the young men and women who wear the American military uniform to accomplish their missions without unnecessary sacrifices or loss of life. We owe this to these brave patriots whose dedication and determination secure American freedom.

Mr. President, I urge my Senate colleagues to support this bill and to keep it free of extraneous material. If this bill is enacted, the United States will finally have organizational arrangements that will enable the Department of Defense to meet the demanding challenges of preserving American freedom and protecting American interests in an unstable and threatening world.

EXHIBIT 1

COMPARISON OF PACKARD COMMISSION RECOMMENDATIONS AND S. 2295

Packard Commission	S. 2295
I. National Security Planning and Budgeting	
1. Defense planning would start with a comprehensive statement of national security objectives and priorities, based on recommendations of the National Security Council (NSC)..	1. Legislation not required or appropriate.
2. Based on these objectives, the President would issue, at the outset of his Administration and thereafter as required, provisional five-year budget levels to the Department of Defense (DOD). These budget levels would reflect competing demands on the federal budget and projected gross national product and revenues and would come from recommendations of the NSC and the Office of Management and Budget.	2. Legislation not required or appropriate.
3a. The Secretary of Defense would instruct the Chairman of the Joint Chiefs of Staff (JCS) to prepare a military strategy for the national objectives, and options on operational concepts and key defense issues for the budget levels provided by the President.	3a. Consistent with section 152(d)(1) of title 10, as would be provided by section 111 of S. 2295, which requires the JCS Chairman to prepare strategic plans, including plans which conform with resource levels projected by the Secretary of Defense.
3b. The Chairman would prepare broad military options with advice from the JCS and the Commanders-in-Chief of the Unified and Specified Commands (CINCs).	3b. Consistent with section 151(e) of title 10, as would be provided by section 111 of S. 2295, which requires the Chairman to consult with the other members of the JCS and combatant commanders.
3c. Addressing operational concepts and key defense issues (e.g., modernization, force structure, readiness, sustainability, and strategic versus general purpose forces), the Chairman would frame explicit trade-offs among the Armed Forces and submit his recommendations to the Secretary of Defense. The Secretary of Defense would make such modifications as he thinks appropriate and present these to the President.	3c. Legislation not required or appropriate for these more detailed procedures.
4. The Chairman, with the assistance of the JCS and the Director of Central Intelligence, would prepare a net assessment of the effectiveness of United States and Allied Forces as compared to those of possible adversaries. The net assessment would be used to evaluate the risks of options and would accompany the recommendations of the Secretary of Defense to the President.	4. Legislation not required. Committee staff's study recommended that DOD "expand the use of net assessments, particularly by OJCS [Organization of the Joint Chiefs of Staff]."
5. The President would select a particular military program and the associated budget level. This program and budget level would be binding on all elements of the Administration. DOD would then develop a few-year defense plan and a two-year defense budget conforming to the President's determination.	5. Legislation not required or appropriate.
6a. The President would submit to the Congress the two-year budget and the five-year plan on which it is based. Congress would be asked to approve the two-year budget based upon this plan.	6a. The statutory requirement for submission of a 2-year budget has already been enacted. There is, however, no explicit commitment by the Congress to enact a 2-year budget. Furthermore, there is limited understanding of procedures necessary to implement a 2-year budget process.
6b. It would authorize and appropriate funding for major weapon systems at the two key milestones of full-scale engineering development and high-rate production.	6b. The Defense Acquisition Policy Subcommittee of the Armed Services Committee has recommended a legislative package that includes milestone authorizations for certain streamlined acquisition programs.
7. DOD would present the budget to Congress on the basis of national strategy and operational concepts rather than line items. The details of such presentation would be worked out by the Secretary of Defense and appropriate committees of Congress.	7. Legislation not required (at least not at this time). Committee agrees that national strategy and operational concepts (major military missions) should receive greater emphasis in the budget process, both in DOD and Congress. Therefore, section 502 of S. 2295 would require the President to submit an annual report to the Congress on the U.S. national security strategy.
II. Military Organization and Command	
8. Current law should be changed to designate the Chairman of the Joint Chiefs of Staff (JCS) as the principal uniformed military advisor to the President, the National Security Council, and the Secretary of Defense, representing his own views as well as the corporate views of the JCS.	8. Consistent with section 151(b) and (f) of title 10, as would be provided by section 111 of S. 2295, except that S. 2295 consciously avoids the use of the phrase "the corporate views of the JCS".
9a. Current law should be changed to place the Joint Staff and the Organization of the Joint Chiefs of Staff under the exclusive direction of the Chairman, to perform such duties as he prescribes to support the JCS and to respond to the Secretary of Defense.	9a. Consistent with section 154(a) and (c) of title 10, as would be provided by section 111 of S. 2295.
9b. The statutory limit on the number of officers on the Joint Staff should be removed to permit the Chairman a staff sufficient to discharge his responsibilities.	9b. Statutory limit of 400 Joint Staff officers would be removed. Total number of military and civilian personnel working for JCS Chairman would be capped beginning October 1, 1988 at current strength of 1,617.
10. The Secretary of Defense should direct that the commands to and reports by the Commanders-in-Chief of the Unified and Specified Commands (CINCs) should be channeled through the Chairman so that the Chairman may better incorporate the views of senior combatant commanders in his advice to the Secretary.	10. Consistent with section 163(b) and (d) of title 10, as would be provided by section 112 of S. 2295.

EXHIBIT 1—Continued

Packard Commission	S. 2295
11a. The Service Chiefs should serve as members of the JCS. The position of a four-star Vice Chairman should be established by law as a sixth member of the JCS.	11a. Consistent with section 151(a)(1) of title 10, as would be provided by section 111 of S. 2295.
11b. The Vice Chairman should assist the Chairman by representing the interests of the CINCs, co-chairing the Joint Requirements Management Board, and performing such other duties as the Chairman may prescribe.	11b. S. 2295 would not, and should not, prescribe specific duties for the Vice Chairman. Section 153(b)(1) of title 10, as would be provided by section 111 of S. 2295, provides that the Vice Chairman shall exercise "such duties as may be delegated by the Chairman with the approval of the Secretary of Defense."
12. The Secretary of Defense, subject to the direction of the President, should determine the procedures under which an Acting Chairman is designated to serve in the absence of the Chairman of the JCS. Such procedures should remain flexible and responsive to changing circumstances.	12. Consistent with section 153(b)(2) of title 10, as would be provided by section 111 of S. 2295, which provides that the Vice Chairman serves as acting Chairman, "unless other-wise directed by the President or Secretary of Defense." Therefore, flexibility in the designation of the acting Chairman, as recommended by the Commission, would be provided by S. 2295.
13. Subject to the review and approval of the Secretary of Defense, Unified Commanders should be given broader authority to structure subordinate commands, joint task forces, and support activities in a way that best supports their missions and results in a significant reduction in the size and numbers of military headquarters.	13. Consistent with section 163(c) of title 10, as would be provided by section 112 of S. 2295.
14. The Unified Command Plan should be revised to assure increased flexibility to deal with situations that overlap the geographic boundaries of the current combatant commands and with changing world conditions.	14. Legislation not required or appropriate. Section 162(a)(3) of title 10, as would be provided by section 112 of S. 2295, does, however, require a review at least every two years of the Unified Command Plan.
15. For contingencies short of general war, the Secretary of Defense, with the advice of the Chairman and the JCS, should have the flexibility to establish the shortest possible chains of command for each force deployed, consistent with proper supervision and support. This would help the CINCs and the JCS perform better in situations ranging from peace to crisis to general war.	15. The Secretary of Defense currently has this flexibility and S. 2295 would not alter this authority. Section 163(c) of title 10, as would be provided by section 112 of S. 2295, encourages shorter chains of command by authorizing combatant commanders to specify the chain of command within their commands.
16a. The Secretary of Defense should establish a single unified command to integrate global air, land, and sea transportation, and should have flexibility to structure this organization as he sees fit..	16a. Legislation not required or appropriate. Unified commands are not specified in law.
16b. Legislation prohibiting such a command should be repealed	16b. Prohibition would be repealed by section 113 of S. 2295.

EXHIBIT 2

COMPARISON OF THE PRESIDENT'S MESSAGE TO THE CONGRESS AND S. 2295

President Reagan	S. 2295
I. General Principles	
1. The proper functioning of our defense establishment depends upon civilian authority that is unimpaired and capable of strong executive action.	1. S. 2295 is based upon this principle; one of the bill's fundamental purposes is to strengthen civilian authority.
2. If our defense program is to achieve maximum effectiveness, it must be genuinely unified.	2. Unity of effort in Washington and in the field is one of the principal objectives of S. 2295.
3. The character of our defenses must keep pace with rapid changes in the military challenges we face.	3. S. 2295 seeks to enhance management flexibility and to remove institutional barriers that hinder timely responses to changes in defense and management needs.
II. Specific Principles	
4. Any changes in statute must not infringe on the constitutionally protected responsibilities of the President as Commander in Chief. Any legislation in which the issues of Legislative and Executive responsibilities are confused would be constitutionally suspect and would not meet with my approval.	4. S. 2295 carefully protects the President's authority as Commander in Chief. In addition, it would remove certain congressional prohibitions that infringe upon his authority to organize combatant commands. Furthermore, S. 2295 would eliminate a current area of confused responsibilities by repealing the Secretary of Defense's broad legislative authority to change functions, powers, and duties specified in law.
5. It is not necessary to place in law those aspects of defense organization that can be accomplished through executive action. Nevertheless, if such changes are recommended by the Congress, I will carefully consider them, provided that they are consistent with current policy and practice and do not infringe upon the authority or reduce the flexibility of the President or the Secretary of Defense.	5. While it agrees that it is not necessary to place in law those aspects of defense organization that can be accomplished through executive action, the Committee had to make a judgment as to which changes could be fully accomplished solely by Presidential directive. The Committee decided that there are a few extremely important actions that could usefully be supported by the force of law. As President Eisenhower learned, executive action is not always sufficient to overcome strong institutional resistance within the Department of Defense.
6. Where the roles and responsibilities of each component of our defense establishment are necessarily placed in law, they must be clear and unambiguous, but not so constrained or detailed as to impair operational flexibility or the common sense of those in positions of responsibility.	6. S. 2295 would clarify current ambiguities in roles and responsibilities while avoiding detailed prescriptions that would limit necessary flexibility.

EXHIBIT 2—Continued

President Reagan	S. 2295
7. I will support efforts to strengthen the authority of the Secretary of Defense if there are areas in the law where his current authority is not sufficiently clear.	7. Strengthening the authority of the Secretary of Defense is a basic objective of S. 2295.
8. The Secretary's authority should be delegated as he sees fit, and such delegation should never be mandated in the law apart from his concurrence and approval.	8. No provision of S. 2295 would mandate delegation of any aspect of the Secretary's authority without his approval.
9. The strengthening of other offices or components of the defense establishment should never be, nor appear to be, at the expense of the authority of the Secretary of Defense.	9. Although S. 2295 would cause fundamental shifts of authority and influence within the Department of Defense, in no instance would this be at the expense of the Secretary of Defense. To the contrary, the Secretary's authority would be strengthened.
10. In organizing our forces to maximize their combat potential under a variety of circumstances, the President and Secretary of Defense must retain the authority for establishing Combatant Commands; for prescribing their force structure; and for oversight of the assignment of forces by the Military Departments.	10. Section 162 of title 10, as would be provided by section 112 of S. 2295, is absolutely consistent with this principle.
11. Restrictions in the law that prohibit the establishment of certain command arrangements should be repealed.	11. Sections 113 and 114 of S. 2295 would repeal the two current congressional prohibitions on the establishment of certain command arrangements.
12. The Combatant Commanders must have sufficient authority and influence to accomplish their mission, within the constraints necessarily established by the Secretary, without being burdened with administrative responsibilities that detract from their primary role as operational commanders.	12. This principle was a basic guideline in revising the authority of combatant commanders. The command and personnel authority of the combatant commanders would be made commensurate with their mission responsibilities. At the same time, S. 2295 would ensure that the principal focus of the combatant commanders would continue to be on their warfighting responsibilities.
13. It is neither necessary nor appropriate for the Department's internal resource allocation process to be defined in law.	13. S. 2295 would not define in law the Department's internal resource allocation process. The Armed Services Committee believed that such legislative prescriptions would be inappropriate.
14. I support legislation that will accomplish the following objectives:. Designate the Chairman of the Joint Chiefs of Staff as the principal uniformed military advisor to the President, the National Security Council, and the Secretary of Defense;. Place the Organization of the Joint Chiefs of Staff and the Joint Staff under the exclusive direction of the Chairman, to perform such duties as he prescribes to support the Joint Chiefs of Staff and to respond to the President and the Secretary of Defense; and. Create the new position of Vice Chairman of the Joint Chiefs of Staff and make the Vice Chairman a member of the Joint Chiefs of Staff.	14. The President's three objectives would be fully accomplished by section 111 of S. 2295: Section 151(b) of title 10 would designate the Chairman as the principal military adviser. Section 154(c) of title 10 would place the Joint Staff, redefined to include the Organization of the Joint Chiefs of Staff, under the exclusive direction of the Chairman. Section 153(a)(1) of title 10 would create the position of Vice Chairman, while section 151(a) of title 10 would make him a member of the Joint Chiefs of Staff.
15. As we take the appropriate steps to strengthen the role of the Chairman, the law must ensure that: The Service Chiefs remain members of Joint Chiefs of Staff; and that, in addition to the views of the Chairman, the President is also provided with the views of other members of the Joint Chiefs of Staff. In addition, in creating the new position of Vice Chairman, the law must provide flexibility for the President and Secretary of Defense to determine who shall serve as Acting Chairman in the Chairman's absence.	15. The President's two objectives would be fully accomplished by section 111 of S. 2295: Section 151(a) of title 10 would continue to provide that the Service Chiefs are members of the Joint Chiefs of Staff, while sections 151(f) and 151(h) of title 10 would authorize other members of the Joint Chiefs of Staff to provide their views to the President. Section 153(b)(2) would provide flexibility to the President and Secretary of Defense in determining the Acting Chairman. It specifies that the Vice Chairman will serve as Acting Chairman, "unless otherwise directed by the President or the Secretary of Defense."
16. In our efforts to strengthen the ability of the Chairman and the Joint Chiefs of Staff to be responsive to the civilian leadership, we must also make certain that the military establishment does not become embroiled in political matters. The role of the Chairman and other members of the Joint Chiefs of Staff is strictly advisory in nature, and, with the armed forces as a whole, they serve the American people with great fidelity and dedication. In my view, changes in the tenure of the Chairman or other senior officers that are tied to the civilian electoral process would endanger this heritage. I oppose any bill whose provisions would have the effect of politicizing the military establishment.	16. The Armed Services Committee agrees that no provision of law should have the effect of politicizing the military establishment. While the Committee believes that none of the provisions of S. 2295 would have this effect, the President does not share that judgment. The specific provision in question is section 152(a)(2) of title 10, as would be provided by section 111 of S. 2295, which would end the term of a Chairman of the Joint Chiefs of Staff six months after the accession to office of a new President. In line with the designation of the Chairman as the principal military adviser to the President, the Committee recommended this new provision on the Chairman's term to provide the President with improved flexibility in appointing a new principal military adviser in whom he had great confidence and with whom he was assured of a good working relationship. The President would, of course, be able to reappoint the serving Chairman as long as statutory limits on the number of reappointments would not be exceeded. The Committee believed that the benefits of this requirement were greater than any perceived risk of politicizing the office of Chairman of the Joint Chiefs of Staff. The President apparently does not, however, agree with the Committee's assessment.

Mr. GOLDWATER. Mr. President, I recognize the leading Democrat on the committee, Senator SAM NUNN, of Georgia, who, I will say publicly as I have many times, is one of the finest members of this Armed Services Com-

mittee that I have ever served with, and this marks nearly 30 years of my service with this group.

I do not know how the committee could exist without Senator NUNN's devoted attention to these matters and his very close association with the Democratic members of the committee. I can tell you, Mr. President, as you know, being the assistant leader of the committee, that SAM NUNN is the leader of both Republicans and Democrats.

If I had a good right arm I would salute you.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. NUNN. I thank the chairman, my friend from Arizona, for those very gracious remarks.

Mr. President, I am delighted to be here today. This bill has been a long time in the making.

I am also delighted that the Senator from Virginia is in the chair at this particular time because he has played a very significant role in the deliberations of the committee on this bill. The Senator from Virginia presented a number of amendments, some of which I vigorously opposed, some of which I supported vigorously, and some of which the committee worked its will on to come out with compromises. I think the Senator from Virginia played a very significant role in increasing the effectiveness of this bill and smoothing out various problems. I am delighted he is now in the chair.

I am also pleased that my friend from Illinois is here. Senator DIXON was at every meeting that we held that I can recall. He played a tremendous role in the development of this bill. He did a tremendous job and continues to do a tremendous job in the acquisition area. I am sure he will be making remarks on that as we go along.

I also commend the Senator from Michigan, Senator LEVIN, for his extraordinary work on this bill. He is not on the floor at the moment. But he has done his usual thorough job in helping the committee fashion the bill that is before us today.

Mr. President, as Senator GOLDWATER has stated, this is indeed a historic day. Today the Senate begins consideration of a bill that makes the most significant changes in the current organizational structure of the Department of Defense since 1949 and some people, both critics and supporters of this bill, would go back a lot farther than that, as the chairman already observed. It may be this bill makes more changes in the Department of Defense than any bill that we have ever had before Congress.

It recognizes the longstanding problems that have seriously hampered our defense efforts. This bill shifts the focus away from a Washington-based single-service orientation to the joint responsibilities of the war-fighting men and women in our military services.

This bill strengthens civilian control of the military and, at the same time, enhances the role of professional military advice. And those two things go together. By strengthening military advice in terms of its quality, we strengthen the ability of the Commander-in-Chief and the Secretary of Defense to have the kind of options before them in terms of the use of military power or the restraint in deliberating about military power that is so essential for civilian control.

(Mr. KASTEN assumed the Chair.)

Mr. NUNN. Mr. President, during the committee's 3-year review, we came to realize that each of our military services is truly an all-star player in terms of their own unique abilities. However, when they are called upon to fight as a team, when they join together on an all-star team—as they must in today's world—serious problems often appear. And this bill attempts to begin to address these problems and to give the kind of organizational structure that, coupled with good leadership, can smooth out a number of very significant problems that have come up in the last 30 or 40 years over and over again.

As we begin this deliberation, I think it is important for us to say at the outset that our men and women in uniform today are very high-quality personnel. They serve us well. They have fought in the past and continue to fight when called on with courage and initiative. We have been very careful in this bill not to do anything that would stifle that courage and initiative and innovation that won our freedom 200 years ago and that preserves freedom for our Nation and much of the world today.

HISTORY OF DEFENSE ORGANIZATION LEGISLATION

In looking at the history of organizational legislation, I do think it is important that we look back and see where we have been over the last number of decades.

Since the beginning of the Republic, Mr. President, there have been only a handful of landmark defense organization acts. First was the Act of 1789 which created the Department of War. Nine years later, the Act of 1798 established the Department of the Navy. The organizational structure of coequal, executive-level War and Navy Departments remained unchanged through World War II, a period of nearly 150 years.

Immediately after World War II, President Truman pressed for organizational arrangements that would fully integrate America's defense capabilities and the National Security Acts of 1947 and 1949 were enacted. In the 1950's, President Eisenhower pursued the same objective. But neither President was able to gain needed support from the Congress and the four services. Unfortunately, Mr. President, narrow parochial interests dominated the debate and, to a great extent, determined the resulting defense structure which remains flawed to the present time.

Shortly after World War II, President Truman spoke of the lessons of that war in terms of military organization. He said, and I quote:

> One of the lessons which have most clearly come from the costly and dangerous experience of this war is that there must be unified direction of land, sea and air forces at home as well in all other parts of the world where our Armed Forces are serving. We did not have that kind of direction when we were attacked four years ago—and we certainly paid a high price for not having it.

Looking to the future, President Truman saw the evolution in modern warfare that would demand new organizational arrangements. He argued, and I quote:

> We would be taking a grave risk with the national security if we did not move now to overcome permanently the present imperfections in our defense organization. However great was the need for coordination and unified command in World War II, it is sure to be greater if there is any future aggression against world peace. Technological developments have made the Armed Services much more dependent upon each other than ever before. The boundaries that once separated the Army's battlefield from the Navy's battlefield have been virtually erased. If there is ever going to be another global conflict, it is sure to take place simultaneously on land and sea and in the air, with weapons of ever greater speed and range. Our combat forces must work together in one team as they have never been required to work together in the past.

Despite President Truman's wise counsel, the National Security Act of 1947, and its 1949 amendment did not solve the underlying problems which continued to plague our military efforts. As a result, President Eisenhower, who led our Nation on the battlefield in the largest war we fought and as the civilian Commander-in-Chief, recommended a series of further changes to Congress in 1958. Chairman GOLDWATER has already quoted from President Eisenhower's message, but because it is so important and so relevant to this debate, let me repeat the key passage:

> . . . separate ground, sea, and air warfare is gone forever. If ever again we should be involved in war, we will fight it in all its elements with all services, as one single concentrated effort.

Presidents Truman and Eisenhower were absolutely correct. Much evidence at that time supported his views but the needed organizational changes have not occurred. In the last three decades, the evidence has become even more substantial of both the need and of the lack of change. Operational failures and deficiencies in Vietnam, the

Pueblo and *Mayaguez* seizures, the Iranian hostage rescue mission, and the Grenada mission have reinforced President Truman and Eisenhower's words.

Let me give an example. A close look at the Grenada operation can only lead to the conclusion that, despite our victory and success, despite the performance of the individual troops who fought bravely, the U.S. Armed Forces have serious problems conducting joint operations. It is sobering to look at how much went wrong and at how many failures of coordination and communication there were. One cannot help but wonder what would have happened if the opposition on the island had been better armed, organized, or larger.

One of the biggest problems was the inability of the individual services to talk to communicate, to talk to each other.

Their radios were incompatible. One officer from the 82d Airborne Division even went to the flagship, the *Guam*, and borrowed a Marine radio. But that still did not work because he did not know the Navy codes and procedures. Moreover, the Marine and Army units on the ground were not under a unified commander. They each reported directly to the commander of the joint task force who was offshore. This decreased their effectiveness and increased the danger to each force where they operated in the same vicinity.

The Army has now testified before Congress that officers did, in fact, use AT&T credit cards to place calls on ordinary telephones during the operation. This is unacceptable in the 1980's. It has been unacceptable for years past, but we must now act to correct it.

In summary, as far as Grenada is concerned, the invasion was plagued by our forces' inability to communicate, a problem caused by the services' continued practice of not coordinating in peactime and not having the kind of compatible equipment that is essential in any kind of war.

Another instance of failed communications could have ended in tragedy. As many of my colleagues will recall, one of our purposes in going into Grenada—in fact the major purpose—was to rescue American medical students. The planners of the invasion were aware of only one campus on Grenada where American students were located. But, in fact, there were two campuses. Washington learned of this error very late in the planning and sent a message to the Army commander on the ground in Grenada. But he never received it. The 82d Airborne learned of the second campus only when the students there telephoned they were surrounded by Cuban soldiers and asked to be rescued.

I talked directly, right after the troops came back, to the commander on the ground and he told me personally that he received a phone call in the first dormitory from the students in the second dormitory informing him that they were about 1½ or 2 miles away. They were surrounded by Cuban forces with guns on the outside and they were afraid that they were going to be subjected to some form of violence.

Fortunately, they were not. But it took our forces some 24 to 36 hours after that to be able to secure that second dormitory because when they landed they did not know it existed.

This was on the island that, almost a year before, the President of the United States had said on national television was a danger to our national security because of a new runway that was being built. We simply cannot afford those kind of errors in the future. It certainly was not the fault in any way of the ground forces. If the Cuban and Grenadian forces had chosen to, they could have killed each of those 224 Americans. They had plenty of time and opportunity to do so because we did not know where they were. It took almost the following day for those people to be rescued, during which time had the Cubans and Grenadians decided to cause them harm, they certainly could have done so.

The time has come, Mr. President, to set aside parochial concerns and to emphasize unity of effort both in Washington and in the field.

Mr. President, the task of protecting American worldwide interests has become more complex and demanding since 1947. The gap between today's structural arrangements and the organizational needs of the Department of Defense is continuously widening. Although recent improvements in the Department of Defense have slowed the growth in this gap, they have not provided the fundamental changes that are necessary to reverse this dangerous and unacceptable trend.

Although it retains the basic organizational framework established by the National Security Act of 1947, S. 2295, the Department of Defense Reorganization Act of 1986, creates the organizational relationships and mechanisms that will yield a truly unified defense effort.

For the first time in this Nation's history, Mr. President, we will have organizational arrangements that can lead, under the proper leadership—and I emphasize that because no piece of paper dictates the outcome. It will take strong leadership to implement this bill—but under the proper leadership, this kind of legislation, and this opportunity, can lead to a full integration of the separate and very powerful capabilities of our four military services.

It is for this reason that the committee believes, as Senator GOLDWATER has said so well, that this bill is historic.

From the beginning of the Senate's consideration of this bill, Mr. President, I want my colleagues to appreciate the critical role that the distinguished chairman of the Armed Services Committee played in this monumental effort. Since he first came to the Senate in 1953, BARRY GOLDWATER has, through his judgment, integrity, candor, and leadership become one of the most respected voices on national security that our Nation has ever had. I am honored to serve with him on the Armed Services Committee, and I was particularly—and continue to be particularly—honored to work with him closely on this bill.

Without Senator GOLDWATER's leadership, without his determination and his sense of humor, this bill would not be here today for consideration by the Senate. I must also say, in the spirit of Goldwater candor, that he also blended just the right amount of Goldwater impatience and candor at critical junctures.

Senator GOLDWATER's absolute dedication to strengthening the Department of Defense through fundamental reorganization and objectives, shared by myself and many others, enabled him to give our committee the discipline and the courage to do what was necessary despite many obstacles and fierce opposition. He directed our committee to put aside all other activities this year until we had completed our work on the defense reorganization bill. That was absolutely essential to get the job done. He made that decision when it had to be made. He asked us to work together in a bipartisan way, continuing the approach begun by Senator John Tower and Senator Scoop Jackson several years ago.

I would like to report, as he has said this morning, that we have proceeded in a bipartisan way, and although there was spirited debate within the committee, it was never partisan debate. Senator GOLDWATER always managed to keep us on an even keel with our eyes fixed on the objective.

Mr. President, when the Congress passes this bill, as I am confident that it will, and when President Reagan signs it into law, as I expect he will, it will stand as a tribute to the wisdom, the courage, the leadership, and the judgment of the Senator from Arizona, BARRY GOLDWATER.

All of us—and perhaps more importantly, our children and our grandchildren—will owe him unending debt for what this bill will accomplish for our Nation's security.

I have already mentioned the great contributions of Senator LEVIN and Senator WARNER. I wish to also ac-

knowledge the substantial contribution made by Senator COHEN.

I see Senator GRAMM is on the floor. He was a very vital participant in this deliberation. As a matter of fact, all the members of our committee spent a great deal of time working on this bill, and without the splendid cooperation, we would not be able to have this legislation before us today.

I think we also should call attention to the House of Representatives because a number of Members of Congress, including Congressman NICHOLS, Congressman IKE SKELTON, Congressman ASPIN, Congressman BILL DICKINSON, and former Congressman Richard White—have taken the lead in introducing and pressing for legislation to reorganize the Department of Defense. The House of Representatives really was out in front on this issue.

They had legislation in the conference for 2 years in a row on this subject. I do not think at that stage they had treated the subject as thoroughly as we have now treated it in this bill, because I think it is the most thorough effort that has ever been undertaken in terms of the issues involved, but they were out front.

They have been leaders in this regard, particularly Congressman NICHOLS, Congressman SKELTON, and the others. I think they are deserving of a very great pat on the back from all of us in the Congress and from the American people. Without this kind of leadership, our work would not have been possible.

I also must add that the former Chairman of the Joint Chiefs of Staff, Gen. David Jones, was not only outspoken and candid in his appraisal of the Joint Chiefs and how they worked under his tenure in office and under his leadership, but has also been a consistent advocate for making improvements. I believe his leadership should be acknowledged.

There are many others that I will acknowledge as we go forward here. But I do think those people should be acknowledged up front.

Mr. President, I see other Members on the floor. I have a very long statement that I will at some point put in the RECORD. But I also hope to be able to present it in full. But let me at this stage close out my preliminary remarks by saying that what we are trying to do here in the aggregate is to improve the management of our national defense effort.

If this bill is enacted and fully implemented, I think we will begin to achieve the following: We will have a professional military service which will be restored to its appropriate level in defense decisionmaking. We will strengthen civilian authority, especially that of the Secretary of Defense, while the execution authority will be further decentralized, especially to those people in the field which we call in this legislation our combatant commanders, the unified and specified commands, those people in the field who are actually in charge of the fighting.

This bill would also strengthen the accountability by matching authority with responsibility. This bill gives attention to strategy, contingent planning, and setting of mission priorities. All of those would be increased.

This bill increases the ability of the Armed Forces to work and fight as a team.

This bill says to the narrow parochial service interests that no longer will these kinds of interests be permitted to undermine genuine national security needs. This bill also strengthens management controls and better allocates the division of work between joint and service organizations, and between civilian and military staffs. All of this is clarified.

Mr. President, these changes are important and absolutely needed. I am persuaded that this bill will be a major step forward and would substantially improve the functioning of the Department of Defense.

WHAT THIS BILL IS NOT

Mr. President, let me now turn to the measure before us. Senator GOLDWATER has reviewed the constitutional responsibility of the Congress to oversee the Department of Defense. As he pointed out, the Congress has not been as diligent in the pursuit of that responsibility as the Founding Fathers had in mind. This bill presents us with the opportunity to meet our constitutional obligations.

Mr. President, Senator GOLDWATER has also reviewed the 10 major problems in the organization and procedures of the Department of Defense and the Congress that were the focus of the committee's work in preparing this bill. He has also discussed the major purposes of the legislation. I would like to amplify his remarks on the bill's fundamental purposes and to explain how they will solve the current problems.

First, however, Mr. President, let me say what this bill is not. This measure is not a criticism of the American fighting man or woman. Despite being hampered by structural deficiencies, our soldiers, sailors, airmen, and marines have always fought courageously. They are all stars. But, when they are called upon to perform as a team, they can't fight as well as they should because of structural deficiencies beyond their control. These are the deficiencies this bill aims to correct.

Similarly, Mr. President, the Armed Services Committee did not undertake this reorganization effort as a criticism of any administration or of any senior official or officer. Rather, we undertook it as an effort to solve organizational problems that have plagued this country's military preparedness and operations, at least since the Spanish-American war. The inability to solve these problems is not due to a lack of attention. At regular intervals during the last 85 years, these problems have been vigorously addressed by highly capable and well-intentioned individuals, both from the public and private sectors as well as from civilian and military life.

This bill, Mr. President, is not designed to instantly solve the acquisition horror stories that have been widely publicized lately. All of us have been appalled by $400 hammers and $7,000 coffee pots, but this bill does not focus on those problems. It addresses larger concerns that affect the fundamental ability of the Armed Forces to fight together to protect the Nation. However, we are very mindful that, in strengthening the joint service organizations, improving strategic and contingency planning, and taking several other measures, we are sharpening the ability of the Secretary of Defense to manage the Pentagon. We expect these changes will have a profoundly positive affect on procurement practices over the long haul.

Let me add that our committee has not ignored its responsibilities with respect to acquisition problems. The committee's Defense Acquisition Policy Subcommittee has undertaken a comprehensive review of a number of serious acquisition issues and proposals, including recent recommendations by the Packard Commission, and will soon have a legislative package for the committee and the Senate to consider.

PROBLEMS IN CONGRESSIONAL REVIEW AND OVERSIGHT

There is one more important point that I would like to make, Mr. President, before I turn to specific provisions of the bill. Many of the problems of our Military Establishment can be traced directly to the Congress. All of us have seen this problem first hand. Each year the Congress spends hundreds of hours reviewing the details of the Pentagon budget and deciding how many dump trucks the Army shall have and what kind of musical instruments must be played at patriotic events. We enact hundreds of pages of legislation and require thousands of pages of reports. However, by focusing on these microissues, we miss the macroconcerns. For example, we do not worry enough about the underlying strategy for the defense of Europe; instead, we argue endlessly over minor line items in the budget. This is not a productive use of our time, and it is an enormous drain on the time and attention of the Pentagon.

The Constitution, Mr. President, envisioned that the Congress would act as the Nation's board of directors on public policy issues, determining policy goals and setting overall direc-

tions. Instead, Senators and Representatives and their staffs are acting on defense issues more and more like national program managers.

Let me give my colleagues some examples of the degree to which the Congress now micromanages the Department of Defense. In 1970, the Congress required 36 recurring defense studies, notifications, and reports from the Department of Defense and the President; in 1985, these requirements grew to 458 in number. In 1970, we enacted 64 general provisions; in 1985, 213 general provisions were included in defense legislation. In 1970, the Department of Defense Authorization Act adjusted 180 programs from the President's budget request; in 1985, we adjusted 1,315.

The Congress has made the defense budget a gigantic game of "Trivial Pursuit" with the taxpayers dollars and the Nation's security hanging in the balance. Central policy initiatives get lost in the maze of minor budget details. Real growth instead of real defense has become the hallmark of the debate.

Beyond these problems, Mr. President, the defense budget process has come to dominate the agenda of the Congress and is seriously degrading the quality of congressional oversight of the Defense Department.

All three steps in the legislative cycle—budgeting, authorizing, and appropriating—are assigned to separate committees. The three functions are supposed to be complementary, but, in fact, Mr. President, they are in large part redundant. In practical terms, the Congress approves a defense budget three times each year, and each time makes changes to earlier decisions. This is an enormously unproductive way to conduct the business of both the Congress and the Department of Defense. Congress no longer has the luxury of time required to continue this system which is redundant to the point of absurdity, yet it seldom focuses on the broad aspects of defense policy.

In its work on this bill, the Armed Services Committee recognized the need for fundamental changes in the practice of congressional review and oversight. The committee established three fundamental goals for congressional reform.

First, to disengage from patterns of micromanagement and restore a focus on strategic policy and direction;

Second, to shift the focus of congressional oversight away from budget inputs to mission outputs;

And third, to reinforce jointly perspectives in defense programs and policies and discourage single-service perspectives.

Congressional reform, however, will not be easy. It will require the actions of several committees and the membership of both Houses. Fundamental reform will depend on a shift in perspective and a realignment of the process, both of which will take time. However, we must begin and therefore the committee has taken the following actions:

In last year's Defense Authorization Act, we enacted a provision requiring a 2-year defense budget request, beginning with the fiscal years 1988–89 biennium. The Packard Commission has strongly endorsed this concept as has the President. The Department of Defense is preparing their first 2-year budget submission. This will help move us away from detailed annual budget reviews and should provide us more time for broad policy oversight.

We have revised our approach to committee hearings to eliminate unnecessary hearings and to emphasize hearings on defense missions and joint responsibilities.

The committee has petitioned the Senate leadership to create a task force of defense oversight committees and subcommittees to coordinate efforts to minimize duplication and micromanagement. I hope that this task force will be appointed and will be able to redraw and reassert jurisdictional lines among defense committees and subcommittees in order to reduce duplication.

The committee is preparing changes to its rules to streamline its oversight procedures.

The committee has proposed to the House Armed Services Committee a joint effort to establish procedures to minimize duplicative hearings and reporting requirements.

And finally, and perhaps most importantly, section 503 of this bill would waive 268 statutory requirements for reports, studies, and notifications imposed on the Department of Defense and the President. This represents a reduction by about two-thirds of the total of defense reporting requirements currently imposed by law.

These are modest but important first steps, Mr. President. But we must all realize that the work to strengthen the national defense decisionmaking process will not end when this bill is signed into law.

FUNDAMENTAL PURPOSES OF THE BILL

Mr. President, the chairman of the Armed Services Committee identified the 12 fundamental purposes of the Department of Defense Reorganization Act of 1986. Despite the complexity of the bill, these 12 purposes accurately describe the essential changes that it would make in defense organization and procedure.

Although Senator GOLDWATER has already listed these 12 fundamental purposes, they are worth repeating. In the committee's view, this bill would:

Improve the quality and enhance the role of professional military advice; strengthen civilian control of the military; strengthen the authority of joint military officers; improve the preparation of, and incentives for, military officers serving in joint positions; enhance the effectiveness of military operations; strengthen central direction and control while increasing decentralization of execution and other management authority; clarify the operational chain of command; reduce and streamline the defense bureaucracy; reduce congressional micromanagement; provide for more efficient use of resources; improve supervision and control of Defense agencies and Department of Defense field activities; and implement fully the National Security Act of 1947.

Mr. President, I would like to explain to my colleagues how the provisions of S. 2295 would help to achieve these fundamental purposes. As I will be unable to address all of the means by which these purposes would be achieved, I request unanimous consent, Mr. President, that a more detailed presentation on this subject be included in the CONGRESSIONAL RECORD immediately following my remarks.

PROFESSIONAL MILITARY ADVICE

The committee intends, Mr. President, that professional military advice should play a more important role in defense decisionmaking. The inadequate quality of this advice has often forced senior civilian decisionmakers to look elsewhere for the counsel that should come from military officers. Let me give you an example. The Joint Chiefs of Staff advised President Kennedy that the CIA sponsored invasion of Cuba at the Bay of Pigs would succeed. Yet Arthur Schlesinger says their advice contained "inconsistencies" and "plainly a logical gap." When he asked for their advice on Laos, he was according to Schlesinger, "appalled at the poor advice." Therefore he asked each Chief to submit his personal views and was very pleased at the result. The problem was that when they acted as a corporate body, the Chiefs gave watered down advice that everyone could agree on but did not serve the Commander in Chief well.

CHAIRMAN AS PRINCIPAL MILITARY ADVISER

To ensure that the best possible military advice is provided, the committee decided that the Chairman of the Joint Chiefs should be the principal military adviser to the President, the National Security Council, and the Secretary of Defense. Under current law, the entire Joint Chiefs of Staff, as a corporate body, are designated as the principal military adviser. As a result, the JCS has often felt compelled to act as a corporate body and make its recommendations unanimously. This has led to a watering down of the advice to the least common denominator.

Although the Chairman would be the principal adviser to the President,

the committee recognized the extremely valuable advice and role of the other service chiefs. Therefore, section 151(b) designates the Chairman as the principal military adviser but recognizes in subsection (c) that the other members of the Joint Chiefs are also military advisers to the President, the National Security Council, and the Secretary of Defense.

Also, the committee was convinced that any member of the Joint Chiefs should have the right to submit advice or opinion in disagreement or in addition to the advice provided by the Chairman. Therefore, the committee adopted subsection (f) which authorizes any other member of the Joint Chiefs to submit advice or opinion in disagreement. The Chairman is obligated to forward such advice or opinion when he provides his advice.

CIVILIAN CONTROL

The concept of civilian control of the military is firmly ingrained in our Defense Establishment. Nevertheless, the committee was very careful to recommend only changes that would either preserve or strengthen civilian control.

The key provisions of the bill that enhance civilian control, Mr. President, are those which ensure that senior civilian decisionmakers receive the full range of divergent military advice. As I just discussed, making the Chairman the principal adviser is the most change in this regard.

Mr. President, this bill would also strengthen civilian control by clarifying the role of the Secretary of Defense in the operational chain of command and his relationship with the combatant commanders.

It is also important to have civilian control at a level lower than the secretary of Defense. In this regard, the secretary of a military department is uniquely positioned to exercise effective control. S. 2295 would improve the control of the secretaries of the military departments over such matters as service intelligence activities. It also ensures that they are kept informed on military operations that affect their responsibilities, clarifies their relationships with their military subordinates, and increases their control over the organization of headquarters staffs and the assignment of military officers to key positions.

As a last point, Mr. President, the committee believes that the level of defense management experience and expertise of senior political appointees must be improved. The full benefits of civilian control can only be achieved if civilian authorities have strong defense management credentials. This bill would require greater involvement by the Secretary of Defense in the selection of his civilian subordinates and more explicit consideration of the experience and skills needed in each position.

EFFECTIVENESS OF MILITARY OPERATIONS

Of all the areas that the committee addressed, it was most convinced of the need to take forceful action to enhance the effectiveness of military operations. This would be done by strengthening the senior officers who command forces in the field. Many people do not recognize it; but the Services in Washington do not lead the war. The comanders in chief in the field are our commanders in wartime. This bill will strengthen the ability of these commanders to execute their war plans.

One of the lessons of World War II was that there should be unified commands in important strategic areas of the world. By unified commands, we mean commands that have forces assigned to them from two or more different services and are responsible for an entire part of the world. Examples are the U.S. European Command, which covers NATO; the U.S. Atlantic Command, which covers the Atlantic Ocean; and the U.S. Pacific Command, which covers the Pacific. Currently, these commanders have insufficient authority to carry out effectively their vast war-fighting responsibilities. For example, the individual Services decide how much and what kind of ammunition to buy and where to store it. One commander in chief recently complained that one of his service component commands had decided to move some ammunition to a new location which was inconsistent with his war plans. The commander in chief had no authority to order the service component commander, who also had four stars, to keep the ammunition where it was He could only use his persuasive powers and, in the end, had to settle on a compromise result that was not satisfactory to the commander in chief.

This is a sad state of affairs when the man in charge of fighting the war cannot tell his subordinates to store ammunition where the war plan requires. I guess that we could change the war plans to suit where the individual services want to store their ammunition and hope that the enemy will agree to fight in that location, but that is not the desired course, obviously.

There are also too many layers of command. A senior Navy admiral recently privately observed that in the Mediterranean we have one carrier and six staffs whereas it ought to be the other way around. The report on the Beirut bombing discussed the problems inherent in the layering of commands. Including the Joint Chiefs, there were eight distinct layers between the Marines on the ground and the Secretary of Defense.

This bill will authorize the commanders to specify the chains of command and the organizational structures of their commands. Thus General Rogers, the CINC in Europe could have one layer, or no layers of command between himself and the Marines in Beirut, if that is the way he wants to run things.

The combatant commanders are currently assigned "full operational command" of their commands. But the Department of Defense has defined this authority too narrowly. Therefore, the committee has adopted provisions which would give the commanders adequate authority over all aspects of military operations and joint training as well as those aspects of administration and support that are necessary for the accomplishment of his mission.

With respect to personnel authority, the combatant commanders would have concurrence in the selection of their key subordinate commanders. Moreover, they would be required to evaluate the performance of duty of these subordinate commanders. Lastly, the authority of combatant commanders to suspend from duty any officer within their commands would be clearly specified in law. These personnel changes are essential to ensure that these commands are, as President Eisenhower said they should be, "singly led and prepared to fight as one, regardless of service."

Henceforth, the commanders in Chief will really have command.

VICE CHAIRMAN

Another important change is the creation of a Vice Chairman of the Joint Chiefs of Staff who would be the second ranking military officer after the Chairman. Although some have questioned whether the Vice Chairman should be second in rank, the committee is firm in its belief that this is the best arrangement. As retired Gen. James Dalton, a former Director of the Joint Staff and one of the most experienced joint duty officers in recent years stated, and I quote:

> As to the rank order of the Deputy Chairman, I believe to make him anything less than the No. 2 military man in the country would simply make his job untenable and undercut the basic purpose for establishing a Deputy Chairman. He must act, as well as be seen to be, the No. 2 military officer.

The committee agrees with this view. The Vice Chairman would be able to assist the Chairman in carrying out his many joint duties and provide improved emphasis on the joint perspective.

The law requires that the Chairman and Vice Chairman may not be members of the same armed force and that the Vice Chairman serves for a term of 2 years and may be reappointed for two additional terms for a total of 6 years.

The committee agreed that there should be a Vice Chairman, as does the Packard Commission and the President, but there was sharp disagreement as to whether the Vice

Chairman should serve as the Acting Chairman when the Chairman was out of town or whether the present practice of rotating the Acting Chairmanship among the Service Chiefs should be continued. Not surprisingly, the current Service Chiefs felt very strongly that the current practice should be continued. They argued that serving as the Acting Chairman increases the joint perspective of the Service Chiefs and therefore improves both their function as Service Chiefs and as members of the Joint Chiefs of Staff.

On the other hand, most former Secretaries of Defense and CINC's and many former Chairmen of the Joint Chiefs, felt that the rotational Acting Chairmanship had not worked well because the Service Chiefs were principally occupied with running their sevices and, particularly in times of crises, were not adequately prepared to deal with their temporary duties as Acting Chairman. Indeed one former Secretary of Defense testified that when the Chairman was out of town and he had to go to the White House he never took the Acting Chairman, but took instead the Director of the Joint Staff because only he knew enough to be of assistance to the Secretary and provide adequate military advice.

In my view, establishment of this new position of Vice Chairman is one of the bill's most important provisions and I would like to insert in the RECORD a sheet with some expert testimony of this provision as well as a list of key military and civilian experts who endorsed it.

JOINT DUTY PREPARATION AND INCENTIVES

To improve the preparation of, and incentives for, military officers serving in joint duty positions, the committee recommends a series of changes to personnel practices, policies, and procedures. Key among these is a requirement, subject to Presidential waiver, that a member of the Joint Chiefs of Staff or a unified combatant commander must have seved in a joint duty position prior to his appointment. Not only will this enhance the necessary joint experience for these senior positions, but it will also improve the incentives for military officers to seek joint assignments.

In addition, the Secretary of Defense would be required to develop personnel practices, policies, and procedures to better prepare officers for joint duty, improve the curricula of joint military colleges, increase the percentage of joint college graduates assigned to joint duty, improve incentives and rewards for joint duty, and improve continuity in joint organizations. In this regard, Mr. President, the committee has not mandated specific changes, but has instead presented broad goals and objectives for the Secretary of Defense.

CENTRAL DIRECTION AND DECENTRALIZED EXECUTION

Mr. President, current defense officials have spoken of a management philosophy of "centralized control of executive policy development and decentralized policy execution." Although it agrees with this philosophy, the committee believes that both aspects in the Department of Defense can be substantially improved. In terms of strengthening central direction and control, this bill would increase top management attention to the formulation of military strategy and the setting of mission priorities which are key aspects of providing for effective defense capabilities.

The bill would emphasize strategic thought in two other ways. First, it would require the President to submit to the Congress an annual report on national security strategy. Second, the Secretary of Defense would be required to emphasize major military missions in his annual report to the Congress. These requirements should help increase attention to the neglected areas of strategy and missions. In addition, submission of these reports may help to redirect the focus of congressional oversight away from trivial budget details and toward strategic policy and direction.

Regarding decentralization of execution and other management authority, the most important provisions of the bill would strengthen the authority and influence of the unified and specified combatant commanders. This will result in a flow of authority to the field which is currently overly centralized in the Pentagon. Further decentralization would be provided by a revitalized role for the Joint Chiefs of Staff system and by increased emphasis on the management role of the Secretaries of the military departments.

CHAIN OF COMMAND

Clear lines of command, Mr. President, are critical to the effective employment and control of military forces. This bill would make two major changes to remove current ambiguities and to permit more streamlined chains of command. First, it would specify that, unless directed otherwise by the President, the normal chain of command should run from the President to the Secretary of Defense to the combatant commanders in the field. Without infringing upon the President's authority as Commander in Chief to direct otherwise, this provision would specify the normal chain of command that the Congress finds to be preferable in terms of meeting national security needs and preserving civilian control of the military.

The second clarification of the chain of command is provided by giving authority to combatant commanders to specify the chains of command within their commands. The combatant commanders need the flexibility provided by this authority to better meet the needs of effective operational control Under current Department directives, the chain of command within a unified command is rigid and runs through a series of subordinate commands, many of which are entirely single service organizations. As a result, the unified commander is not free to tailor the chain of command and his forces to meet his needs. For example, there were eight layers of command between the Marines on the ground in Beirut and the national command authority in Washington. This new authority would give General Rogers, our Commander in Europe, authority to reduce those eight levels to one, or none, if he chooses. This will substantially improve command and control and efficiency of our fighting forces in the field.

DEFENSE BUREAUCRACY

Mr. President, in addition to these substantive changes to the organization, the bill makes a number of personnel reductions because the committee felt there are excessive layers of command and unnecessary bureaucracy. The committee has directed a series of cuts at headquarters and staff totaling 17,694 individuals. In addition, the Secretary of Defense is directed to ensure that these cuts are taken in such a way as to reduce unnecessary layers and eliminate unnecessary organizations. These cuts, Mr. President, are not cuts in the end strength of the military departments. Rather they are mandated reductions in the headquarters and staff elements where there is unnecessary manpower. It is the committee's intention that the Secretary of Defense will take these manpower positions from the headquarters and staff elements and move them into combat elements. In our current budget squeeze, these slots could be taken out of end strength at a later date if necessary, but this is not done in this bill. It is our belief that the changes we are making in organizational structure will permit these manpower reductions in the headquarters and staff elements with no loss in effectiveness.

CONGRESSIONAL MICROMANAGEMENT

Within this bill, Mr. President, there are limited opportunities to reduce congressional micromanagement of the Department of Defense. The committee has sought, however, to take full advantage of these limited opportunities. The most significant provision—and one that I have already mentioned—is the deletion of the requirement for 268 recurring reports, notifications, and studies. This should substantially reduce the burdens on the Department of Defense. In addition, the committee has consciously reduced the number of civilian and military positions specified in law and removed unnecessary statutory restric-

tions in order to increase management flexibility in the Department.

EFFICIENT USE OF RESOURCES

To ensure that our defense resources go toward improving our military capabilities, this bill would make five changes to current law. First, it would specify in law that the functions of the military departments to recruit, organize, supply, equip, train, are to be carried out to fulfill the current and future operational requirements of the combatant commands. Too frequently, service programs are not closely connected to the requirements of the warfighting commands. Likewise, the bill would require a more effective link between contingency planning and the resource allocation process. The Department of Defense does not take advantage of the valuable feedback that contingency planning—which focuses on current capabilities—can provide to the resource allocation process—which focuses on the future.

More efficient use of resources, Mr. President, would also be enhanced by assigning three new duties to the Chairman of the Joint Chiefs of Staff. First, the Chairman would be required to review the individual service programs and budgets to see whether they conform with the needs of the combatant commands. Second, The Chairman would also be required to submit a report every 3 years on the appropriateness of what the Pentagon calls service roles and missions. In plain English, this means, "what each service" does. For example, what role should land-based aircraft of the Air Force have in supporting Navy ships offshore? Should close air tactical fire support for ground forces come from Army helicopters or Air Force jets? Since they were first assigned in 1948, service roles and missions have not been comprehensively reexamined. This has premitted unnecessary and wasteful duplication of effort. Third, the Chairman of the Joint Chiefs of Staff would assess certain aspects of new acquisition programs to make sure the services are thinking in broad terms.

DEFENSE AGENCIES

The committee has also adopted a new section dealing with defense agencies and Department of Defense field activities.

There are currently 14 defense agencies and 8 DOD field activities which employ over 85,000 individuals. These are agencies like the Defense Logistics Agency which is responsible for buying common items, like petroleum and belt buckles, for all the services, the Defense Mapping Agency, the Defense Intelligence Agency, et cetera. Many of these defense agencies and field activities report directly to the Secretary of Defense and, as a result, are not adequately supervised. The Secretary cannot humanly supervise these many agencies and activities. Therefore, section 191(b) would require the Secretary to assign responsibility for the supervision of each defense agency, except for the Defense Intelligence Agency and the National Security Agency, to one of his subordinate officials. The committee has excluded the Defense Intelligence Agency and the National Security Agency from this requirement to ensure that they have continued direct access to the Secretary of Defense in order to present independent unbiased intelligence information and because of the unique budgetary and other relationships between the defense intelligence activities and the Director of Central Intelligence. In short, the committee does intend to alter the existing arrangements for the management and oversight of the National Security Agency and the Defense Intelligence Agency within the Department of Defense and the intelligence community.

IMPLEMENTATION OF NATIONAL SECURITY

The last fundamental purpose of this bill, Mr. President, is to implement fully the National Security Act of 1947. Although nearly four decades have passed since the enactment of this landmark piece of legislation, many provisions of title 10 of the United States Code, primarily those relating to the military departments, are still inconsistent with the basic principles of the National Security Act of 1947. This bill seeks to correct this problem. It would clarify the authority of the Secretary of Defense over the service secretaries and specify their responsibilities to him. Outdated references to operational responsibilities of the military departments would be removed as would other anachronistic provisions that predate the National Security Act of 1947. In addition, S. 2295 would give more appropriate statutory emphasis to joint organizations, especially the unified and specified combatant commands.

WHY WOULD THIS BILL BE AN IMPROVEMENT?

It would be natural, Mr. President, for Members of the Senate to ask "Why would this bill be an improvement over current arrangements?" Let me try to answer that question by connecting the fundamental problems in the Department of Defense with the major purposes of this bill.

The committee identified the imbalance between service and joint interests as the most critical problem in the Department of Defense. S. 2295, the Department of Defense Reorganization Act of 1986, would cause a fundamental shift in power and influence from service officers and organizations to joint officers and organizations. This would be accomplished primarily by two of the bill's fundamental purposes: Strengthening the authority of joint military officers and improving the preparation of, and incentives for, military officers serving in joint positions. Other purposes, such as enchancing the effectiveness of military operations and increasing the decentralization of execution authority, would contribute as well to a more appropriate balance between service and joint perspectives.

The problem of inadequate joint military advice, Mr. President, is directly addressed by the bill's fundamental purpose of improving the quality and enhancing the role of professional military advice. This would be accomplished by breaking down the institutional barriers that currently inhibit joint military advice. In addition, the new duties of the Chairman of the Joint Chiefs of Staff relating to the more efficient use of resources would expand the role of joint advice in the areas of resource allocation and military requirements.

The inadequate quality of joint duty military personnel would be addressed by provisions of the bill that seek to improve the preparation of, and incentives for, military officers serving in joint positions. The success of these provisions will depend, however, Mr. President, on effective implementation by the Secretary of Defense and the Chairman of the Joint Chiefs of Staff.

The extremely serious problem of the imbalance between the responsibilities and the command authority of the unified combatant commanders is a major focus of the bill's corrective actions. The committee proposes to strengthen the authority of the unified and specified combatant commanders. For the first time, our major field commanders will have adequate authority to carry out effectively their vast responsibilities.

The confused and cumbersome operational chains of command would be clarified by this bill. The role of the Secretary of Defense in the chain of command would be clearly prescribed, contributing to a strengthening of civilian control. Moreover, Mr. President, removal from the statutes of outdated references to operational responsibilities of the military departments will eliminate confusion.

Ineffective strategic planning, which undermines the entire resource allocation process of the Department of Defense, would be addressed by a number of provisions relating to the strengthening of central direction and control. These provisions should substantially increase the attention given to strategy and the setting of mission priorities.

The inadequate supervision of the 14 defense agencies and 8 Department of Defense field activities would be corrected by this bill through substantially improved management control mechanisms. Moreover, these common supply and service agencies and activities would be given more appropriate statutory emphasis. An additional ben-

efit, Mr. President, would be the enhanced attention to the wartime support responsibilities of certain defense agencies.

The problem of the confused roles of the Secretaries of the military departments is addressed by two of the bill's fundamental purposes. First, in fully implementing the National Security Act of 1947, the bill gives considerable attention to defining the service Secretaries' roles. The authority of the Secretary of Defense over them would be clearly specified. In addition, the responsibilities of the service Secretaries to the Secretary of Defense would, for the first time, be specified in law. These changes would clarify the roles of the service Secretaries in the larger context of the entire Department of Defense.

The roles of the service Secretaries within their military departments are clarified in the fundamental purpose of strengthening civilian control of the military. The civilian control mechanisms of the Secretaries of the military departments would be substantially improved. All of the changes related to the service Secretaries should enhance their contributions to management of the Department of Defense.

The problem of unnecessary duplication in the top management headquarters of the military departments is addressed as part of the effort to reduce and streamline the defense bureaucracy. A specific provision is added to the statutes governing each military department to require the service Secretary to ensure that his secretariat is not duplicating a specific function assigned to the military headquarters staff. In addition, Mr. President, the bill would reduce all service secretariats and military headquarters staffs by 15 percent to reinforce further the congressional mandate for the elimination of duplication.

The last problem that the committee addressed in S. 2295 is congressional micromanagement. This bill would reduce micromanagement by deleting two-thirds of the current defense reporting requirements, specifying fewer civilian and military positions in law, and repealing certain congressional prohibitions that reduce management flexibility.

In the aggregate, Mr. President, all of these corrective actions offer the potential for substantially improving the management of our national defense effort. If this bill is enacted and fully implemented, we would achieve the following:

Professional military advice would be restored to its appropriate role in defense decisionmaking.

Central civilian authority, especially that of the Secretary of Defense, would be strengthened, while execution authority would be further decentralized, especially to the unified and specified combatant commands.

Accountability would be strengthened by matching authority with responsibility.

Attention to strategy, contingency planning and the setting of mission priorities would be increased.

The ability of the Armed Forces to work and fight as a team would be substantially improved.

Narrow, parochial, service interests would no longer be able to undermine genuine national security needs.

Management control mechanisms would be strengthened.

The division of work between joint and service organizations and between civilian and military staffs would be clarified.

The lines of authority, both in the administrative and operational dimensions of the Department of Defense, would be clarified.

Mr. President, these changes are important and are absolutely needed. I am fully persuaded that this bill would be a major step forward and would substantially improve the functioning of the Department of Defense.

Mr. President, it was necessary for me to speak at some length today to describe the key points of the Department of Defense Reorganization Act of 1986. As Senator GOLDWATER has said, these changes resulted from 3 years of study, countless hours of hearings and meetings, and a great effort by the members of the committee, staff, and outside experts. This bill represents the first major organizational changes in the Department of Defense since 1958 and, in some key areas, since 1949. As such, it is necessarily comprehensive. It makes changes that cannot take affect over night. It will take a long time to implement this legislation. Not only because of the breadth of the changes but also because attitudes in our professional military officers.

As I said at the outset, Mr. President, this is an historic day and an historic bill. The actions we are taking here today will improve the security of this Nation for years to come. I encourage my colleagues to carefully consider this measure, to join in the debate, and, ultimately, to support enactment of the bill.

Mr. President, I ask unanimous consent that an explanation of the key provisions of S. 2295 and views on the issue of the vice chairman be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PURPOSES AND PROVISIONS OF S. 2295

The 12 fundamental purposes of S. 2295, the Department of Defense Reorganization Act of 1986, are listed below. The provisions of the bill that carry out these purposes are organized under the purposes to which they apply.

I. IMPROVE THE QUALITY AND ENHANCE THE ROLE OF PROFESSIONAL MILITARY ADVICE

1. Designate the JCS Chairman as the principal military adviser—curtail inter-Service logrolling.

2. Provide for a greater diversity of military advice—require the JCS Chairman to submit dissenting advice by any JCS member; require the JCS Chairman to consult, unless impracticable, with other JCS members and, when appropriate, with unified and specified combatant commanders.

3. Expand the role of the JCS system in resource allocation issues and joint military requirements.

4. Strengthen the influence of the unified and specified combatant commanders in the resource allocation process.

5. Create a JCS Vice Chairman to act for the Chairman in his absence, unless otherwise directed by the President or Secretary of Defense.

6. Improve joint officer capabilities.

7. Designate the JCS, assisted by the Joint Staff, as the immediate military staff of the Secretary of Defense.

II. STRENGTHEN CIVILIAN CONTROL OF THE MILITARY

1. Ensure that senior civilian decisionmakers receive the full range of divergent military advice.

2. Clarify the role of the Secretary of Defense in the operational chain of command.

3. Clarify the relationship of the Secretary of Defense to the unified and specified combatant commanders.

4. Require annual written policy guidance from the Secretary of Defense for the preparation and review of contingency plans.

5. Require that a Service Secretary not have served as a regular officer on active duty within 5 years of his appointment.

6. Improve civilian control mechanisms for the Service Secretaries—assign specific responsibility for Service intelligence activities; directly subordinate the Service Inspector Generals; clarify relationships with military subordinates; increase control over organization of headquarters staffs and assignment of military officers to key positions; require Service Chiefs to keep Service Secretaries fully informed on matters considered or acted upon by the JCS; require the Secretary of Defense to keep the Service Secretaries informed on military operations that affect their responsibilities.

7. Emphasize the need for more qualified political appointees in DOD.

III. STRENGTHEN THE AUTHORITY OF JOINT MILITARY OFFICERS

1. Strengthen the independent authority of the JCS Chairman—designate as principal military adviser; transfer to the JCS Chairman the principal duties now performed by the corporate JCS; specify that the JCS Chairman manages the Joint Staff and prescribes its duties and staffing procedures.

2. Create a JCS Vice Chairman as the second-ranking military officer.

3. Strengthen the command and personnel authority of the unified and specified combatant commanders.

IV. IMPROVE THE PREPARATION OF, AND INCENTIVES FOR, MILITARY OFFICERS SERVING IN JOINT DUTY POSITIONS

1. Require joint duty experience prior to appointment as a JCS member or a unified combatant commander.

2. Require the Secretary of Defense to develop personnel practices, policies, and procedures to—better prepare officers for joint

duty; improve the curricula of joint military colleges; increase the percentage of joint college graduates assigned to joint duty; improve incentives and rewards for joint duty; improve continuity in joint organizations.

3. Require JCS Chairman to evaluate joint duty performance of all officers nominated for promotion to a 3- or 4-star grade.

4. Require combatant commanders to evaluate the performance of subordinate commanders.

5. Authorize the Secretary of Defense to extend Joint Staff tours beyond 4 years.

V. ENHANCE THE EFFECTIVENESS OF MILITARY OPERATIONS

1. Strengthen the command authority of the unified and specified combatant commanders—authorize them to specify chains of command and organizational structures of their commands; prescribe their "full operational command" to include all aspects of military operations and joint training, coordination and approval of key aspects of administration and support; clarify their authority over subordinate commanders

2. Strengthen the personnel authority of the combatant commanders—require their concurrence in selection of subordinate commanders; require their evaluation of performance of subordinate commanders; authorize them to suspend from duty any officer within their commands; require concurrence by unified combatant commanders in selection of joint staff members in grades of Colonel/Navy Captain and above.

3. Increase top management attention to contingency planning.

4. Improve joint officer capabilities.

5. Require a review every 2 years of the Unified Command Plan.

VI. STRENGTHEN CENTRAL DIRECTION AND CONTROL WHILE INCREASING DECENTRALIZATION OF EXECUTION AND OTHER MANAGEMENT AUTHORITY

A. Central direction and control

1. Increase top management attention to the formulation of military strategy and the setting of mission priorities—require the JCS Chairman to prepare fiscally constrained strategic plans; require an annual Presidential report to the Congress on national security strategy; require the Secretary of Defense to emphasize major military missions in his annual report.

2. Make Service Secretaries responsible for the formulation of Service policies and programs that are fully consistent with national security objectives and policies.

3. Make Service Secretaries responsible for timely and effective implementation of decisions and instructions of the President and Secretary of Defense.

4. Require annual written policy guidance from the Secretary of Defense for the preparation and review of contingency plans.

B. Decentralization

1. Strengthen the authority and influence of unified and specified combatant commanders.

2. Enhance the role of professional military advice—will shift responsibilities from OSD to the JCS system.

3. Enhance contributions of Service Secretaries to DoD management by clarifying their roles.

4. Lessen congressional micro-management.

VII. CLARIFY THE OPERATIONAL CHAIN OF COMMAND

1. Specify the normal chain of command to be from President to Secretary of Defense to combatant commanders, unless directed otherwise by the President.

2. Authorize placement of JCS Chairman in the *channel* of command communications—the JCS Chairman is not to be in the chain of command.

3. Authorize combatant commanders to specify chains of command within their commands.

4. Remove outdated references to operational responsibilities of the Military Departments.

5. Assign all combatant forces to combatant commands.

VIII. REDUCE AND STREAMLINE THE DEFENSE BUREAUCRACY

1. Require personnel reductions in headquarters staffs (−8,232)—15 percent in the top management headquarters of the Military Department (−1,498); 10 percent in combatant command headquarters and other Military Department headquarters (−6,249); 10 percent in headquarters staffs of the Defense Agencies and DoD Field Activities (−485).

2. Direct Secretary of Defense to consolidate and eliminate unnecessary headquarters.

3. Require a 10 percent personnel reduction in non-headquarters elements of the Defense Agencies and DoD Field Activities (−9,462).

4. Place or retain permanent ceilings on all headquarters staffs.

5. Eliminate duplication between Secretariats and military headquarters staffs in the Military Departments.

6. Reduce the number of Deputy Chiefs of Staffs—authorize four per Service; no change in Army; two less in Navy; four less in Marine Corps; one less in Air Force.

IX. REDUCE CONGRESSIONAL MICRO-MANAGEMENT

1. Waive the requirement for 268 reports, notifications, and studies (two-thirds of current number).

2. Reduce the number of civilians and military positions specified in law.

3. Repeal certain congressional prohibitions—consolidation of transportation commands; altering command structure in Alaska; 400-officer limit on Joint Staff.

X. PROVIDE FOR MORE EFFICIENT USE OF RESOURCES

1. Require JCS Chairman to assess whether Service programs and budgets conform with strategic priorities and operational requirements.

2. Specify that the functions of the Military Departments are to be carried out to fulfill the operational requirements of the combatant commands.

3. Require JCS Chairman to submit a report every 3 years on the appropriateness of Service roles and missions.

4. Require JCS Chairman to assess joint military requirements for defense acquisition programs.

5. Provide a more effective link between contingency planning and the resource allocation process.

XI. IMPROVE SUPERVISION AND CONTROL OF DEFENSE AGENCIES AND DOD FIELD ACTIVITIES

1. Assign supervisory responsibility to an OSD official or JCS Chairman.

2. Require the Secretary of Defense to establish procedures for effective program and budget review.

3. Require the JCS Chairman to assess wartime preparedness of certain Defense Agencies.

4. Require the Secretary of Defense and the Director of Central Intelligence to jointly develop and implement policies to correct deficiencies in the wartime support capabilities of the Defense Intelligence Agency and the National Security Agency.

5. Require a periodic revalidation of the need and scope of responsibilities for each agency and activity.

XII. FULLY IMPLEMENT THE NATIONAL SECURITY ACT OF 1947

1. Specify the responsibilities of the Secretaries of the Military Departments to the Secretary of Defense.

2. Clarify the authority of the Secretary of Defense over the Service Secretaries.

3. Remove outdated references to operational responsibilities of the Military Departments.

4. Remove or update anachronistic provisions that predate the National Security Act of 1947—Chief of Naval Operations as principal naval adviser; Secretary of the Navy's responsibilities to the President.

5. Give more appropriate statutory emphasis to joint organizations—combatant commands; Defense Agencies; DOD Field Activities.

6. Make consistent the appointment, authorities, duties, and limitations of comparable officers and offices of each Military Department.

VIEWS ON THE ISSUE OF THE VICE CHAIRMAN

Former Secretary of Defense Melvin Laird:

"[I would designate the Vice Chairman] number two, I would come down very strongly on that . . . I say number two, there is no question about that.

"* * * it is very difficult to take just a Chief of one of the Services to a National Security Council meeting because they are not up to date as far as the planning that goes on with the Joint Staff, particularly when you are in a wartime condition." (Testimony before the Senate Armed Services Committee on December 11, 1985).

Admiral Harry Train, USN (Ret.) (Former Commander in Chief of the U.S. Atlantic Command and former Director of the Joint Staff):

"Today, because of the procedural change which establishes a single action Chairman for three-month blocks of time, the Unified Commanders and the Director, Joint Staff, experience these four personality changes over the course of twelve months instead of over the duration of a crisis. This is an improvement, but emphatically not enough.

"The Deputy Chairman concept is clearly a solution to this dilemma and the only solution which will provide stability and bring to bear the necessary ingredients of predictable behavior and known personality to the most important command and organizational line in our entire Governmental structure, the line between the President and his combatant commanders." (Testimony before the Senate Armed Services Committee on November 19, 1985).

General James Dalton, USAF (Ret.) (Former Director of the Joint Staff):

"I think the Country, the President and Secretary of Defense would be far better served by having a Chairman or a Deputy Chairman available to provide essential continuity and perspective on national issues than to rotate each Service Chief through ninety days as Acting Chairman once a year.

"As to the rank order of the Deputy Chairman, I believe to make him anything less than the Number Two military man in the Country would simply make his job untenable and undercut the basic purpose for

establishing a Deputy Chairman. He must act, as well as be seen to be, the Number Two military officer." (Letter to Senator Sam Nunn dated January 24, 1986).

General Bernard Rogers, USA (Commander in Chief of the U.S. European Command and former Army Chief of Staff):

"I can tell you that we CINCs [Commanders in Chief of the unified and specified commands] get a little nervous out there when the Chairman is not here, and it is often dependent on who is in as the Acting Chair.

"Looking at it from the Chiefs' point of view, I found that when I became the Acting Chairman, sometimes for a week, ten days, or a month, and I was carrying water on both shoulders, I would slop some out of each bucket. I did not do either job satisfactorily.

"* * * as a Chief, even as a Colonel Executive Assistant to the Chairman, I felt that we needed a Deputy Chairman of the JCS. So my feelings on this subject go back a considerable length of time." (Testimony before the Senate Armed Services Committee on December 12, 1985).

□ 1120

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. GOLDWATER. It is a little difficult for me to properly recognize all members of our committee who are present. The distinguished Senator from Virginia has been sitting at his desk and I notice he has been scribbling notes. The distinguished Senator from Illinois has been waiting patiently for a long time. He is a very fine member of our committee. I would like to yield to the distinguished Senator from Illinois.

Mr. DIXON. I thank the distinguished chairman of our committee.

Mr. President, may I first express my appreciation to the distinguished senior Senator from Virginia, who has been such an important contributing member of the Armed Services Committee, for yielding me a brief period of time.

Mr. President, 8 months ago on October 15, 1985, I congratulated Senator GOLDWATER, chairman of the Senate Armed Services Committee, and my good friend, the senior Senator from Georgia, Senator SAM NUNN, the ranking member of the committee, for initiating the important hearings on the reorganization of the Defense Department. As a result of a lot of hard work and much deliberation, we have now before this body S. 2295, the Department of Defense Reorganization Act of 1986.

Today we begin the consideration of a bill which modernizes a vital institution of our Government, the Defense Department, so that it can provide a strong national defense for years to come. At our first hearing in the Armed Services Committee, I stated that I had not yet made up my mind on the need for a complete reorganization of the Defense Department. Nor did I view the staff study presented to the committee as a final document. As the committee began its work, we had 14 sessions and considered over 80 amendments. I ultimately joined my colleagues in voting out of committee S. 2295 by a vote of 19–0.

The bill we have before us today would accomplish a major restructuring of the Department of Defense. This bill had its actual beginnings 3 years ago under the direction of Senator John Tower and the late Senator Scoop Jackson. There have been arguments advanced by some Pentagon officials that S. 2295 is unconstitutional and that it will result in a loss of civilian control. Mr. President, these charges are incorrect. This legislation to reorganize the Defense Department is needed and should be passed now. I urge my colleagues to support this bill.

Mr. President, as a Member from this side of the aisle, I want to express my profound admiration for the chairman of this committee. The distinguished senior Senator from Arizona is retiring at the end of this term. I would like to suggest to my colleagues on both sides of the aisle that our committee will suffer a great loss when he leaves us. He has been an extremely fair and tremendously informed chairman of the committee. I am just impressed every day when I observe the depth of knowledge, I think unparalleled in any committee, that our chairman has of every bit of the subject matter we deal with.

As a Member of this side of the aisle, I think it would be important for me to make the record clear that in the course of a professional career that has spanned a good many years, I have never met a man more informed or dedicated to the subject matter under consideration by this Senate than the distinguished Senator from Arizona, Senator GOLDWATER. I congratulate him on the work product of the committee which is before us now in the form of this bill.

I think it is known that my regard for our ranking member is unparalleled. He has been a source of leadership to all of us in the committee. His contributions to this bill are invaluable to us all.

I rise, Mr. President, as an enthusiastic supporter of this bill, S. 2295.

I see a friend on the other side, the Senator from Texas, Senator GRAMM, who made so many contributions. I thank him.

The distinguished senior Senator from Virginia I expect offered more amendments than anybody in the committee. I think it is interesting to observe after the fact that so many of those amendments were important improvements in this bill.

I think the staff did an exceptional job.

Sometimes when I differed with the Senator, when I thought about it later I thought from the standpoint of a measured understanding of what we were trying to accomplish and what could succeed here on the floor. What the Senator from Virginia contributed is immeasurable.

I want to make two points about the generic objectives of the bill and one point about my own thoughts about an amendment that we need to adopt on the floor to conform with the Packard Commission report. Then I will conclude.

First, I think it is tremendously important that we have strengthened the Chairman of the Joint Chiefs. We have eliminated, in my view, the common practice that has existed for decades which results in every branch of the service getting its "fair share," sometimes to the detriment of the overall good of the military preparedness and strength of this country.

I think it is tremendously important that we can say we have accomplished that in this bill.

The second thing is a thing I was very interested in, and I am satisfied with the result. Every bit of it is not exactly what I would have liked to have done personally, but strengthening the unified commanders in the field was essential. I think what we have established is line authority from the unified commander in the field through all the significant officers in the field. In the long run, it will make us a stronger military force in the world.

Finally, I want to say that from the very beginning of the hearings, as my colleagues know, I advocated creating an Under Secretary of Defense for Acquisition.

There was continual discussion about it in the committee. Finally, the Packard Commission report became public. That called for an Under Secretary of Defense for Acquisition.

Frankly, I thought the chairman of the committee and the ranking member acted correctly when they said the whole question should be referred to our Subcommittee on Acquisition, chaired by the distinguished Senator from Indiana, Senator QUAYLE.

Many hearings on my bill were held by the Subcommittee on Acquisition, chaired by Senator QUAYLE. I believe our ranking member on that subcommittee, Senator LEVIN of Michigan, was at every one of those hearings. I know that I was. Senator BINGAMAN, of New Mexico, was at many of them. Many other Members were at the hearings.

We have prepared, I think, a very fine amendment to the DOD reorganization bill to provide for an Under Secretary of Defense for Acquisition.

I think it is important to note that we have to adopt an amendment substituting an Under Secretary of De-

fense for Acquisition in place of the Under Secretary of Defense for Research and Engineering.

I believe to permit this bill to leave this Senate without that amendment and corrective language would be a mistake. I am sure we will not do that.

I want to make clear, Mr. President, on the floor, that I have communicated with the chairman, Senator GOLDWATER, and the ranking member, Senator NUNN, my views on this, and to the distinguished chairman of the subcommittee, Senator QUAYLE, as well as the ranking member of the subcommittee, Senator LEVIN. All of them understand my view.

Before coming to the floor a moment ago, I discussed by telephone my view with the distinguished chairman of the subcommittee, Senator QUAYLE. I do not want anyone to think that there is any surprise in the fact that I would move forward in this regard at the appropriate time.

Frankly, I am going to wait and let us discuss how it will be done. I will continue to confer with the chairman, the ranking member, the chairman of the subcommittee, and others.

I do want to make very clear that one of the things we ought to be doing when we deal with a Department of Defense reorganization bill is to deal with centralized procurement so that we do not have, to the extent possible, any $700 toilet seats, $600 ashtrays, $6,500 coffee urns, or $4,500 Sergeant York air defense guns that will not hit anything.

I am prepared to offer that amendment at the appropriate time, Mr. President. I wish to point out that now we do acquisition through every one of the services—that is four; through logistics—that is five. We get a lot of duplication, waste, and mismanagement that way.

I congratulate the President for endorsing the Packard Commission result and the chairman of the committee, the ranking member, and others for endorsing that result. We certainly want to see to it that this bill in its final form follows carefully the recommendations of the Packard Commission that all of us have agreed upon.

I say in conclusion, Mr. President, that this is an excellent bill, it is a major step forward. I congratulate every Member on the floor who participated in the process, and I look forward to participating through the time that we consider this bill on the floor.

I again thank my distinguished colleague, the senior Senator from Virginia [Mr. WARNER] for permitting me to take this time early in the morning.

□ 1130

Mr. GOLDWATER. Mr. President, I thank my friend from Illinois for the very, very overgenerous, uncalled for but appreciated remarks he made about the chairman. It takes 30 years, but it is worth it.

Mr. WARNER. Mr. President. Before the Senator from Illinois leaves the floor, I thank him for his thoughtful courtesies extended this morning.

Mr. GOLDWATER. Mr. President, serving as second-ranking member of the Armed Services Committee is the distinguished Senator from Virginia [Mr. WARNER], who has served his Government in many posts, the most conspicuous and noteworthy of which is as former Secretary of the Navy. We value his contributions to our committee's work. I value what he means to America and what he has done for the Senate. It is with great pleasure that I recognize the Senator from Virginia.

Mr. WARNER. Mr. President, I thank the distinguished Senator from Arizona. I intend to strongly support this bill. Although during the course of the committee deliberation, I did find myself many times in the unenviable role as the principal critic, at no time did the distinguished chairman or ranking minority member deny me any privilege under the procedures of the committee to make known my views and the views of those Senators working with me.

I join this morning in expressing heartfelt gratitude to our distinguished chairman and ranking minority member, the Senator from Georgia [Mr. NUNN] for their leadership in directing this most important piece of legislation through committee and to the floor. I anticipate rapid acceptance by the Senate.

Likewise, we pause to pay respect to our former chairman, Senator Tower, who originated much of the study that has culminated in this bill today, and our late departed distinguished colleague, Senator Jackson. He above all recognized the need for this legislation and worked with Senator Tower in establishing the foundation on which we are building today.

Mr. President, as I pay tribute to our beloved chairman, the Senator from Arizona [Mr. GOLDWATER], I reflect on the long and complicated committee deliberations. It was his leadership—based upon 56 years of work in national defense—that came forward time and time again to resolve our differences. He has accumulated 56 years of experience with the men and women of the Armed Forces of the United States, starting as a second lieutenant of infantry in the Army Reserves, in 1930. Together with another distinguished colleague, Mr. STENNIS, they provided that base of corporate knowledge of the military and earlier congressional reform needed by the committee.

Senator STENNIS oftentimes, in the heat of debate, would quiet the passions with a recollection of debate on an earlier defense reorganization bill and his experience as a participant in that process. Together, these two leaders, along with the very able and knowledgeable Senator SAM NUNN, guided the committee to where we are today with this important piece of legislation.

I would, however, like to draw the attention of my distinguished chairman (Mr. GOLDWATER) to his remarks about "Pentagon opposition." I do not wish to begin here this morning a debate on this issue, but I wonder if I might put in context the way I view the participation of the Department of Defense. Rather than a broad-brush generalization regarding "Pentagon opposition," I would observe that the Secretary of Defense, Mr. Weinberger, in a responsible way—perhaps not always as timely as we would have liked, but in a very responsive way—came forward with his suggested revisions of the proposed drafts. Also, special commendation should go to the present Chairman of the Joint Chiefs, Admiral Crowe, and his immediate predecessor, Gen. Jack Vessey. I believe members of the committee would acknowledge that, beginning with the former Chairman of the JCS, Jack Vessey, and carried on by Admiral Crowe, many of the recommendations we have now incorporated formally in this bill were initiated and implemented during their tenures as chairman.

There were, however members of the Department of Defense, primarily from the civilian side, who, from time to time, with a measure of aggressiveness, stated their views. However, I felt that at all times, the committee, particularly under the leadership of Mr. GOLDWATER and Mr. NUNN, was able to "repell those assaults" in a fair and responsible manner. Further the committee did incorporate in amendments much of the criticism which was constructive.

I noted that, in Chairman GOLDWATER's opening comments, he indicated "both current and former service officials have predicted dire results if this bill were enacted." Within the same paragraph in his statement, Chairman GOLDWATER cited specific quotations of remarks.

Mr. President, I respectfully suggest to my chairman that these remarks were directed primarily toward the initial draft report of the staff of the Armed Services Committee and the draft bill which was used in the markup by the committee.

This staff draft report and the draft bill did include a number of provisions which, I believe, justifiably elicited critical comments from a wide spectrum of knowledgeable persons. It is my judgment today that the committee bill, which is the work product of Senators themselves, removes any basis for those criticisms.

At this point in the RECORD, I ask unanimous consent that I may have printed the names of all witnesses who appeared before the committee: former Secretaries of Defense Melvin Laird, Harold Brown, James Schlesinger—that was the quality of individuals who were called to testify. Retired distinguished former officers of the military, from all branches, came forward and gave us their best advice. We join today in paying special recognition to each and every one of those men who gave of their time and energy to help provide the wisdom that now characterizes this bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SENATE ARMED SERVICES COMMITTEE—SCHEDULE OF HEARINGS ON DEFENSE ORGANIZATION, DECEMBER 2, 1985

Day of the week and date	Time and room	Witnesses
1. Thursday, Nov. 14	8:30 a.m., SD–106.	Hon. Caspar W. Weinberger, Secretary of Defense.
2. Tuesday, Nov. 19	9 a.m., SR–325	Gen. Edward C. Meyer, USA (retired), former Chief of Staff, U.S. Army; Adm. Harry D. Train, USN (retired), former Commander in Chief, U.S. Atlantic Command; Gen. Russell E. Dougherty, USAF (retired), former Commander in Chief, Strategic Air Command; Lt. Gen. Victor H. Krulak, USMC (retired), former commanding general, Fleet Marine Force, Pacific.
3. Wednesday, Nov. 20.	9 a.m., SR–253	Hon. James R. Schlesinger, former Secretary of Defense; Hon. Harold Brown, former Secretary of Defense.
4. Thursday, Nov. 21	9 a.m., SD–138	Adm. Thomas H. Moorer, USN (retired), former Chairman, Joint Chiefs of Staff; Gen. David C. Jones, USAF (retired), former Chairman, Joint Chiefs of Staff.
	11 a.m.	Adm. Wesley L. McDonald, USN, Commander in Chief, U.S. Atlantic Command.
5. Wednesday, Dec. 4	9 a.m., SR–325	Gen. John W. Vessey, Jr., USA (retired) former Chairman, Joint Chiefs of Staff; Gen. Andrew J. Goodpaster, USA (retired), former Commander in Chiefs, U.S. European Comand; Adm. Robert L.J. Long, USN (retired), former Commander in Chief, U.S. Pacific Command; Gen. William V. McBride, USAF (retired), former Vice Chief of Staff, U.S. Air Force.
6. Thursday, Dec. 5	9 a.m., SDG–50	Gen. John A. Wickham, Jr., USA Chief of Staff, U.S. Army; Adm. James D. Watkins, USN, Chief of Naval Operations; Gen. P.X. Kelley, USMC, Commandant, U.S. Marine Corps; Gen. Charles A. Gabriel, USAF, U.S. Air Force.
7. Friday, Dec. 6	9 a.m., SDG–50	Hon. William H. Taft, IV, Deputy Secretary of Defense; Hon. John O. Marsh, Jr., Secretary of the Army; Hon. John Lehman, Secretary of the Army; Hon. John Lehman, Secretary of the Navy; Hon. Edward C. Aldridge, Jr., Under Secretary of the Air Force.
8. Wednesday, Dec. 11.	10 a.m., SDG–50	Hon. Melvin R. Laird, former Secretary of Defense; Mr. Lawrence J. Korb, former Assistant Secretary of Defense for Force Management and Personnel; Mr. Philip A. Odeen, former principal Deputy Assistant Secretary of Defense for Systems Analysis, chairman of the Georgetown CSIS Defense Organization Project.

SENATE ARMED SERVICES COMMITTEE—SCHEDULE OF HEARINGS ON DEFENSE ORGANIZATION, DECEMBER 2, 1985—Continued

Day of the week and date	Time and room	Witnesses
9. Thursday, Dec. 12	9 a.m., SDG–50	Adm. William J. Crowe, Jr., USN, Chairman, Joint Chiefs of Staff.
10. Thursday, Dec. 12	2 p.m. SDG–50	Gen. Bernard W. Rogers, USA, Commander in Chief, U.S. European Command.

Mr. WARNER. Mr. President, the chairman properly pointed out the goals of this initiative. One was to repose in the Chairman of the Joint Chiefs of Staff the role of principal military adviser to the President and to the Secretary of Defense, the members of the National Security Council, and others entrusted with national security decisions.

In doing so, the committee recommends an adjustment to the time-tested formula of "civilian control." From the very inception of the military structure of the United States of America, and as clearly set forth in the Constitution, "civilian control" is the very backbone of America's defense structure. It is my judgment today that, although we did adjust that formula, we have maintained positive "civilian control." Nevertheless, I feel it is a continuing obligation, primarily for the members of this committee to monitor in years hence the effect of this legislation on the Department of Defense.

Further, this bill should in no way reflect any discredit upon the men and women now serving in uniform or those who have preceded them in other years, for they have historically saluted and marched to the order of civilian control.

Rather, this bill is designed to strengthen our military establishment based on the experience and the record of the men and women in uniform and, indeed, their civilian managers, and to make the improvements that we feel will give us an even stronger military and national defense.

I see other Senators waiting, Mr. President. I shall shortly relinquish the floor, again extending my heartfelt gratitude to my distinguished chairman and the ranking minority member [Mr. NUNN]. I shall have one or two amendments which I believe will strengthen the bill and he readily accepted.

In conclusion, I wish to commend the staff who worked with me personally, my assistant, Col. Les Brownlee, USA (ret.) and Senator DENTON's executive assistant, Dr. Allan W. Cameron. Likewise, members of the ASC staff, principally, Jim Locker, Rick Finn, and Jeff Smith, were helpful in working with my staff on the many amendments offered by me. The staff directors, majority and minority, gave very balanced and valuable advice. I thank them, Mr. McGovern and Mr. Punaro.

Thank you, Mr. President.

Mr. GOLDWATER. Mr. President, I thank my very, very good friend from Virginia. I might respond to just one remark he made, because I think it is something that we have to constantly keep in mind.

□ 1140

The Constitution not only calls for the Senate's creating an army and navy but goes further and tells us to continue oversight, so while the Senator alluded to that, I want to assure him I look forward to the Senate keeping this up year after year.

Mr. President, another member of our committee, whom we treasure very much, is a man that I think the public has heard enough of without my going into any escalation of his abilities, the Senator from Texas [Mr. GRAMM].

Mr. GRAMM. I thank the Senator.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. Mr. President, I rise to speak in support of the Defense Department Reorganization Act of 1986.

I would have to say, Mr. President, when we first brought this bill to the committee for consideration and started the long and difficult process that has brought us to the floor with a bill in every way acceptable to me, I was skeptical. In fact, reading a little paperback book that our chairman wrote long ago, I had always felt that the burden of proof was on those who sought change. I saw change necessary in the defense structure of the country, but I also saw a very difficult task in trying to implement change in a positive way and to produce a productive result.

I think it is fair to say that there is no other person in this Senate and perhaps few others who have served in the Senate in this century who could have provided the leadership necessary to bring this bill to the floor today with virtually unanimous support. It was because everybody knew where Chairman GOLDWATER stood on the defense issue. Everybody respected his judgment and leadership. There were few who were going to challenge him in the area of defense efficiency. It is because of all those things that we are here today.

I believe that as a result of the adoption of this bill, we are going to improve the efficiency of our defense force. We have made great progress in the last 5 years in rebuilding national defense. We have modernized our weapons systems. We have modernized the strategic triad. We have recruited and retained some of the finest young men and women who have ever worn the uniform of the country. I think the remaining capstone on that

progress was to bring the organizational structure of the Defense Department into line with the modernized equipment and improved personnel. I believe that we have done this in this bill and certainly we could not have achieved that goal without the leadership of BARRY GOLDWATER.

I would like to thank our distinguished ranking minority member, SAM NUNN, for his leadership on this bill. If ever there was a bill that could have been ripe with partisanship, if ever there was a bill that could have drawn partisan distinctions and in the process added to our difficulty, this was such a bill. But thanks to Senator NUNN's leadership, there was no partisanship involved in the drafting of this bill.

Finally, I would like to say of our distinguished colleague, Senator WARNER, who was the leader in the effort to look at the bill, to discuss the bill with every element in the Pentagon, to discuss the bill with people who had long and vast experience in the area, I believe his series of amendments—and it was a long series, indeed—greatly improved this bill. We have a better product before us today as a result of all the amendments that were offered, adopted, compromised, and changed as a result of the leadership of JOHN WARNER. I would like to say to him I appreciate that leadership, and I do believe we greatly refined this product as a result of his amendments. We have before us today something that is relatively unusual, and that is path trailblazing legislation, to dramatically reform one of the world's great bureaucracies on an issue that is very difficult indeed. Yet there is no organized opposition to this bill. I think that is a testament not just to the quality of the product with which we started, but it is also a testament to the quality of the refinements that we implemented under JOHN WARNER's leadership. I congratulate him for that.

Finally, I would like to talk about two areas that I was especially concerned with out of my belief that never should a committee meet and change anything that we do not do something for the taxpayer in the process. The first thing we did that I worked on and am proud of is we did something about all the paperwork that is damaging the bridges that run across the Potomac. We found reports were being presented that no one was reading; that there was an avalanche of paperwork covering up the Congress; that there were literally thousands of people in the Pentagon who did nothing but write reports that were requested in the past which were no longer relevant and were no longer being read. We found that in terms of major reporting requirements, we had 483 ongoing reports—more paperwork than you could bring across the bridge in a dozen 18-wheelers and costing the Federal Government hundreds of millions of dollars, thousands of manhours, and generating no net productive result.

We were able to reduce the number of reports by 72 percent. In fact, at one point I suggested that we would add back any report that anybody would read or that he could carry. The net result was a reduction of almost three-fourths the number of reports required of the Pentagon, literally freeing up thousands of people who can be keeping Ivan back from the gate rather than doing reports that nobody reads.

We set out in law a provision that in the future will require authorizations and appropriations for new reports. We have in the past tended too much, when an amendment came up on the floor that did not seem to make much sense, to suggest that it was an interesting idea and we ought to study it and then an amendment has been adopted setting up a new study and we have all sat down and wiped our forehead in relief that we had saved ourselves from a bad idea.

The net result, however, was year after year the buildup of this avalanche of paperwork, and I rejoice that we have reduced that by 72 percent and that we have set up a procedure to minimize it.

As a result of the savings due to the reduction in the paperwork in both the Senate and the Pentagon and as a result of our decision to reduce the headquarters staff and the Defense Department staff, we have mandated in this bill the elimination of 17,694 positions that exist in all of the agencies related to defense but primarily are focused in headquarters functions. This is 17,694 people that can now do something productive other than sitting in an air-conditioned office shuffling paper. Military personnel can go out into the field to carry out military functions, the civilian personnel can undertake productive activity. The net result in savings to the taxpayer will ultimately run into the billions of dollars. I think that is important progress. So we have in this bill, I believe, modernized the structural system of management in the Defense Department to go along with the modernization program that we undertook over the last 5 years.

□ 1150

This effort in no way indicates a failing of our last 5 years' effort. In fact, it is a reinforcement of that effort in doing in management what we had done in personnel and equipment. I think it builds on the progress we have made. In the process, we have eliminated needless jobs; we have modernized the management system.

I am confident that for years to come, members of the armed services and the taxpayers of America will look back on this bill and will say that it was an important step in defending the Nation's interests, in preserving its freedom, and in being a good steward of the taxpayers' money.

So I congratulate our distinguished chairman, our ranking minority member, and the other members of the committee who worked so long and so hard on this effort.

I should like to congratulate our staff, especially Jim Locher. I have worked with and against Jim Locher during this whole difficult, long effort, and I think that, in large part, the quality of this product today can be attributed directly to him.

A comprehensive research project of what had gone before was undertaken. A thorough analysis of our history as a prolog to what we might do in improving the system was conducted. We had thorough hearings and meetings and retreats, where his ideas became the focal point in the debate.

I congratulate him as a person whose name will not be on the bill, who will not be voting for the bill, and maybe in the future, whose role might be forgotten. But certainly he has left a permanent imprint on the reorganization of the Defense Department. The freedom and happiness and prosperity of our people will be greatly affected by his handiwork, and I want to congratulate him.

So I am proud to have played a small role in this historic effort. This effort was launched in many ways by my predecessor in Congress, John Tower, and I am proud to have played a small role in what he helped start. In fact, I was fortunate to take his place on the committee, at the end of the table instead of the top, but working for the same objectives. So I am proud of this bill, and I am proud of my small role in it.

What a great difference leadership makes in the legislative process. I think that is the lesson I have learned in this bill, as a new Member of this body. Something that at the beginning appeared to be almost impossible is going to be adopted here today, with so little dispute that I doubt that the whole vote will be carried on the front page of any daily newspaper in America. One of the most dramatic changes in military reorganization in the history of a free people will be adopted in the Senate; yet, it will not be carried as a major news story. The reason is leadership—leadership in forging a consensus, in making things work; and that leadership came from our chairman, BARRY GOLDWATER, more than from anyone else. I am proud to have had an opportunity to work with him on this historic effort and to serve with him in the Senate.

I yield the floor.

Mr. GOLDWATER. Mr. President, it is impossible for me to thank my colleagues on this committee; and because there are no other members of the committee on the floor at this time, I will offer an amendment, as I will do from time to time, as I feel that other Members will.

We have 18 members of this committee, Democrats and Republicans. I have served on this committee for many, many years; and I have never served on a committee, either military or otherwise, where I found such complete cooperation between Democrat and Republican as I found on this committee.

Mr. WARNER. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. WARNER. Mr. President, I wish to extend my appreciation to the Senator from Texas for his very thoughtful remarks about the manner in which this bill was dealt with in the committee.

EXCELLENT, MUCH-NEEDED LEGISLATION

Mr. DOLE. Mr. President, like almost all of my colleagues, I intend to vote for S. 2995—the Defense Department Reorganization Act.

It is an excellent, much-needed, landmark piece of legislation—the result of more than 3 years of bipartisan work by the Armed Services Committee and others both inside and outside the Congress.

STRENGTHEN ROLE OF JCS CHAIRMAN

The bill will improve and streamline DOD organization in four key ways. First, and probably most important, it will clarify and strengthen the role of the Chairman of the Joint Chiefs of Staff as principal military adviser to the President, the National Security Council, and the Secretary of Defense. The Chairman's principal duty is to provide sharp, focused advice, reflecting the broadest national interest and superseding the interests of any of the individual services. Under the reorganization mandated by this bill, he will be better able to fulfull that critical duty.

CLARIFY COMMAND OF MILITARY OPERATIONS

Second, the bill will clarify the operational chain of command from the President to the combatant commanders—the Cincs—and strengthen the hand of the Cincs in managing combat operations. This should be a major step in eliminating some of the command problems which emerged during recent military operations, such as the Grenada operation.

REDUCTION OF MANPOWER AND REQUIRED REPORTS

Third, the bill aims at a reduction of total DOD manpower requirements by about 10 percent—some 17,000 people—an enormous savings in dollars and a potentially enormous improvement in Pentagon efficiency. I should also note, as an adjunct of this saving, that the Armed Services Committee has taken a very tough look at reporting requirements imposed on the Defense Department by the Senate and has managed to eliminate nearly 75 percent of the required reports—without denying the Senate any of the information it really needs to do its work. This reduction in paperwork, in itself, will save tens of millions of dollars and thousands of jobs.

IMPROVED MANAGEMENT OF SERVICES

Finally, the bill will improve DOD management of the services, clarify the roles of the service secretaries and streamline each service department. As a result, we should see improved and more efficient performance in the whole host of support activities under the purview of the services.

BILL ENJOYS BROAD SUPPORT

It is a reflection of the care with which this legislation has been prepared that it was voted out of committee unanimously; that it has the basic support of the administration—and committee amendments will take care of most of the reservations which the administration has expressed; and it has been endorsed by many independent national security and defense specialists.

There are many people—members and staff alike—who deserve credit for this excellent bill. I won't try to list them all, for fear that I might leave someone out.

PASSAGE OF BILL TRIBUTE TO SENATOR GOLDWATER

But I would be remiss if I failed to take this opportunity to pay tribute to the distinguished chairman of the Armed Services Committee, Senator GOLDWATER. BARRY has been at the heart and soul of virtually all the defense-related legislation which has emerged from this Congress and all those of recent years. Without his initative, leadership, and wisdom, we would not have this bill before us today. This bill and the improvements it will make to our defense establishment will stand as a permanent monument to BARRY's long decades of service to this body and to our Nation.

Mr. President, I take pride in voting for this bill, and I am pleased that the vast majority of Senators will join me in passing it.

Mr. COHEN. Mr. President, I rise in support of the Defense Reorganization Act of 1986.

My involvement with the issue of defense reorganization began in 1983, when I became a member of the steering committee of the defense organization project at the Center for Strategic and International Studies [CSIS]. Nearly 70 individuals participated in this project, most of whom had professional careers in the Department of Defense. Included among those who contributed to the final report were 6 former Secretaries of Defense, 2 former Chairmen of the Joint Chiefs of Staff, 13 retired officers of flag rank, 17 current or former members of Congress, and leading former officials and academics such as Samuel P. Huntington, William J. Perry, Walter Slocombe, and R. James Woolsey. In short, the project brought together individuals with substantial experience from a wide variety of national security backgrounds.

After nearly 2 years of research, the study concluded that, "Despite the good will, competence, and effort of the individuals who have in the past and are now leading the Department of Defense, we continue to face a broad range of problems in the management of our national security activities. It has become increasingly clear that these problems are inherent in the organizational structure and procedures within which these activities are conducted."

The recommendations contained in the final report included making the Chairman the principal military adviser to the President, strengthening the authority of the regional commanders, and undertaking various measures to provide a greater focus on the bottom line—our military preparedness—rather than the current overarching emphasis on funding and resources.

It was not long after the CSIS report was completed that the Senate Armed Services Committee resumed its deliberations, begun under the chairmanship of John Tower, on the organization of the Department of Defense. After years of work by the Armed Services Committee staff, and months of hearings by the full committee, the committee concluded that the different branches of the military have not been effectively integrated. The Organization of the Joint Chiefs of Staff does not operate jointly, the unified commands are not truly unified, and the emphasis in our Defense Department has been too heavily tilted toward the resource concerns of the individual services rather than effectiveness of the forces they produce.

Shortly before the Armed Services Committee reached the end of its markup of the Defense Reorganization Act, the Packard Commission on Defense Management issued its interim report. The recommendations of the Packard Commission reinforced our conclusion that strengthening the authority of the Chairman of the Joint Chiefs and the unified commanders is badly needed, as are steps to improve the linkage between military strategy and defense spending.

I find it striking that each of these independent groups, the Senate Armed Services Committee, the Packard Commission, and the defense organization project of CSIS, has reached the same general conclusion regarding the flaws in the Department of Defense and the steps necessary to

remove them. I also find it striking that rather than recommending radical departures from the status quo, each group has recommended modifying our existing organization along the same lines that were debated in this Chamber nearly 30 years ago.

In 1958, President Eisenhower initiated legislation to correct what he believed to be a fundamental flaw in our national security system. In the face of the growing power and destructiveness of modern weaponry, and the increasing burden of defense expenditures on the economy, President Eisenhower made clear his view that we should no longer allow parochial service interests to dominate the Department of Defense. In his special message to the Congress on reorganization of the Defense Establishment, President Eisenhower said:

> Confronted by such urgent needs we cannot allow differing service viewpoints to determine the character of our defenses—either as to operational planning or control, or as to the development, production and use of newer weapons. To sanction administrative confusion and inter-service debate is, in these times, to court disaster. I cannot overemphasize my conviction that our country's security requirements must not be subordinated to outmoded or single-service concepts of war.

Although a tentative step toward bringing unity and coherence to the Department of Defense was approved in 1958, the prerogatives of the services were protected by Congress. The opponents of reform predicted that greater unity in the Defense Department would jeopardize civilian control of the military, and tradition prevailed over the lessons of modern warfare, at a significant cost to our military preparedness and economy.

President Eisenhower sought to improve the quality of military advice given to civilian authorities by granting more authority to the Chairman of the Joint Chiefs of Staff, including giving him full control over the joint staff. He also sought to separate our battlefield commanders from their parent services and give them the authority necessary to effectively organize their commands in peacetime, recognizing that in an age of missiles and jet aircraft, the transition from peace to all-out war can occur in minutes, rather than months or years as has been the case in the past.

In sum, the thrust of his proposal was to shift power toward those institutions in the military which have a joint perspective. The Defense Reorganization Act of 1986, by making the Chairman of the Joint Chiefs of Staff the principal military adviser to the President and giving him the support and authority he needs to provide a truly cross-service perspective, and by strengthening the authority of the regional commanders, will ensure that these long-overdue reforms are implemented. In addition to providing greater unity in planning and operations, this legislation contains important provisions to clarify the chain of command; reduce and streamline the defense bureaucracy; provide for more efficient utilization of resources; and increase the decentralization of authority within the Department of Defense.

If this debate seems to be an echo of the past, it is in part because the opponents of reform continue to advance the argument that preserving the independence of the services is an important safeguard for ensuring civilian control of the military. In my view, the provisions of this legislation will actually increase civilian control of the military.

The military advice provided to civilian leaders has in most cases been produced only after a consensus has been reached among the service chiefs, allowing them to present a united front to the Secretary of Defense, and retaining for them the maximum degree of control over our defense policy. For example, from 1972–83, there were less than two occasions per year, on average, when the Joint Chiefs produced a paper embodying a diversity of views. Rather than providing civilian decision-makers with a variety of crisp alternatives, the Joint Chiefs have produced a porridge-bowl of consensus.

In testimony before the Armed Services Committee, several former Secretaries of Defense contrasted the formal recommendations produced by the Organization of the Joint Chiefs of Staff with the advice they received from individual members of the Joint Chiefs. While the individual views of the service chiefs were highly valued, the consensus viewpoint produced by the Organization of the Joint Chiefs was often considered of little utility. As former Secretary of Defense James Schlesinger stated, referring to JCS advice on budgetary matters, "* * * the proffered advice is generally irrelevant, normally unread, and almost always disregarded."

If this legislation is enacted, civilian leaders should receive the undiluted cross-service perspective of the Chairman of the Joint Chiefs, in addition to the dissenting views of any of the service chiefs or unified commanders, which this bill requires the Chairman to submit along with his own views. This measure also protects the right of the service chiefs to independently submit their views to the President, the National Security Council, or the Secretary of Defense. In short, this legislation will increase both the quality and quantity of options presented to civilian leaders. And by increasing the range of options presented to civilian leaders, it will increase civilian control of the military.

How will this measure improve the effectiveness of our Defense Department? In part, the answer to that question lies in the greater quality and diversity of military advice that will be provided to the civilian leaders of our Government. Overall decisionmaking and long-range planning will be improved. If large cuts in the defense budget become necessary, this legislation will provide the Secretary of Defense the independent cross-service advice necessary to minimize the impact on our national security.

This legislation will also give the commanders of our Pacific, European, and other unified commands the authority they need to insure that each of the service components in their theater of operations is properly integrated into the overall effort. One of the oldest and most fundamental principles of warfare is unity of command. At present, the organization of our military defies this ancient maxim, and in the event of a national emergency, the effects could be disastrous. As President Eisenhower said in 1958, "If ever again we should be involved in a war, we will fight in all elements, with all services, as one single concentrated effort. Peacetime organizational and preparatory activity must conform to this fact."

In addition to the long-ovedue strengthening of our joint military institutions, this measure will reduce unnecessary layers of bureaucracy in the Pentagon; increase supervision of the defense agencies; clarify the operational chain of command; clarify the roles, responsibilities and authority of senior military and civilian officials in the Department of Defense; improve the preparation of and incentives for military officers to serve in joint-duty positions; reduce the burdens of congressional oversight on the Department of Defense; and provide for the more efficient use of defense resources.

The Defense Reorganization Act of 1986 is the culmination of a long, deliberative effort by the members and staff of the Armed Services Committee staff. In an unprecedented effort, there were several weeks during which the committee devoted itself almost exclusively to preparing and amending the provisions of this bill. As large and complex as the topic of defense reorganization is, each issue has been discussed and debated at length. The committee has produced a bill that in my view will enhance the security of our Nation, and the free world, for generations to come. With this measure, I believe we have taken an important step toward the goal set by President Eisenhower in 1958, which was to "* * * modernize our defense establishment and make it efficient enough and flexible enough to meet the continuing challenge of revolutionary change."

In closing, I would like to say that it is only through the persistence and te-

nacity of our chairman, Senator GOLDWATER, and the efforts of Senator NUNN, that the barriers which for over 30 years have prevented legislative reform in this area seem finally to have been overcome. I'm sure my colleagues will agree with me when I say that no man in the Congress could be better suited than our chairman, either by temperament or experience, to take on the entrenched bureaucracy in the Department of Defense. It is a tribute to the chairman that we are now on the verge of accomplishing what many people, even a few years ago, thought would be an impossible task. Without his able leadership, and the support of the ranking member, I fear it might have been another 30 years before this difficult and complex issue was squarely confronted by the Congress.

Mr. EAGLETON. Mr. President, I am proud to be a cosponsor of S. 2295, the defense reorganization bill, which Senators GOLDWATER and NUNN have brought before the Senate today.

Mr. President, I am the senior democrat on the Governmental Affairs Committee, and have served on that committee 9 of my 18 years in the Senate. Governmental Affairs is the committee that handles most Government reorganizations, and we have done a few. But I have known that no matter how obvious the need to reform the defense command structure, no matter how many studies recommended it or combat failures demanded it, the necessary wide-ranging remedial legislation would not stand a chance of passage in this body without a stamp of approval from the Armed Services Committee.

So, for years I have made a pilgrimage, Joint Chiefs of Staff reform bill in hand, to the Senate floor during Defense authorization week to decry our desperately tattered defense structure. The committee's current leaders and their predecessors, Senators TOWER and JACKSON, would listen, and agree, and promise to do their best to move reorganization through the committee.

Even with the strong support of the committee leaders, moving a reorganization bill to the floor was to be a Herculean task. They faced emotional opposition from many in the Pentagon and the misdirected opposition of a few outside the Pentagon. It was an uphill battle from the start—a battle that I honestly was not sure could be won.

Against those odds and with great perseverance, the committee chairman, Senator GOLDWATER, and the ranking Democrat, Senator NUNN, molded a bipartisan consensus for the historic bill that is before us today. Both individuals should be recognized for their leadership and courage, and dedication to the defense of our Nation.

As I said, this is an historic piece of legislation. It is the product of 37 years of studies, weeks of hearings, and countless hours of debate. I am happy to not that S. 2295 contains almost all of the crucial provisions in my JCS reform bill. Those provisions would require that, one, the Chairman of the Joint Chiefs be made the principal military advisor to the President and other civilian military leaders, two, a Deputy or Vice Chairman be appointed to assist the Chairman in carrying out his considerable responsibilities, and three, service in the Joint Staff be upgraded and that the Joint Staff answer to the Chairman.

Passage of this bill will ensure better coordination of the four separate and very large segments of the military establishment and, thus, better operational control of U.S. forces in the field. It will aid in the development of strategic plans that link military capabilities to national objectives. And it will provide better cross-service advice to the civilian leaders of the military.

Mr. President, this legislation's time has come. It remedies one of the most serious problems facing our national defense and it has the solid support of the best military minds in Congress. Again, I applaud its authors and urge my colleagues to vote for its passage.

AMENDMENT NO. 1826

(Purpose: To make certain technical corrections in the bill)

Mr. GOLDWATER. Mr. President, I send an amendment to the desk on behalf of myself and Mr. NUNN, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Arizona [Mr. GOLDWATER], for himself and Mr. NUNN, proposes an amendment numbered 1826.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 9, line 19, insert "and" after the semicolon.

On page 9, line 20, strike out "and" after the semicolon.

On page 9, strike out line 21.

On page 29, beginning with line 22, strike out all down through line 3 on page 31 and insert in lieu thereof the following:

"(d)(1) Unless otherwise directed by the President or the Secretary of Defense, forces assigned to combatant commands are under the full operational command of the commander of the combatant command to which they are assigned. Full operational command includes all aspects of military operations and joint training.

"(2) In addition to the full operational command provided for under paragraph (1), the commander of a combatant command shall have authority as assigned by the Secretary of Defense, after consultation with the Secretaries of the military departments and the combatant commander, for coordination and approval of those aspects of administration and support, including planning for wartime logistics, necessary for the accomplishment of the missions assigned to the command.

"(e) Unless otherwise directed by the President or the Secretary of Defense—

"(1) commanders of commands and forces assigned to a combatant command are under the authority, direction, and control of, and are responsible to, the commander of the combatant command on all matters for which the combatant commander has been assigned full operational command under subsection (d)(1) or other authority under subsection (d)(2);

"(2) the commander of a command or force referred to in clause (1) shall communicate with other elements of the Department of Defense on any matter for which the combatant commander has been assigned full operational command under subsection (d)(1) or other authority under subsection (d)(2) in accordance with procedures, if any, established by the commander of the combatant command; and

"(3) if directed by the combatant commander, the commander of a command or force referred to in clause (1) shall advise the combatant commander of all communications with other elements of the Department of Defense on any matter for which the combatant commander has not been assigned full operational command under subsection (d)(1) or other authority under subsection (d)(2).

On page 31, after the period in line 9, insert the following: "However, the Secretary of Defense may waive the requirement for the concurrence of the commander of a combatant command with regard to the selection of a particular commander if the Secretary of Defense determines such action is necessary in the national interest.".

On page 32, line 14, strike out "vested in" and insert in lieu thereof "and other authority assigned to".

On page 33, line 1, strike out "vested in" and insert in lieu thereof "and other authority assigned to".

On page 34, line 8, strike out "President the evaluation of the Chairman" and insert in lieu thereof "Secretary of Defense the Chairman's evaluation".

On page 34, lines 10 and 11, strike out "Chairman shall submit the" and insert in lieu thereof "Secretary of Defense shall submit the Chairman's".

On page 38, lines 13 and 14, strike out, "and the Director of Central Intelligence shall jointly" and insert in lieu thereof ", in consultation with the Director of Central Intelligence, shall".

On page 38, line 17, insert "and other officials of the Department of Defense" after "Staff".

On page 39, line 23, strike out "below" and insert in lieu thereof "of".

On page 43, strike out lines 10 through 13 and insert in lieu thereof the following:

(a) IN GENERAL.—(1) Chapter 303 is amended—

(A) by striking out section 3039;

(B) by redesignating section 3040 as section 3039; and

(C) by redesignating section 3015 as section 3040, transferring such section (as redesignated) to chapter 305, and inserting such section immediately after section 3039 (as redesignated by clause (B) of this paragraph).

On page 49, line 13, strike out "not".

On page 52, strike out line 10.

On page 52, line 11, strike out "(11)" and insert in lieu thereof "(10)".

On page 52, line 13 strike out "(12)" and insert in lieu thereof "(11)".

On page 55, line 8, strike out "vested in" and insert in lieu thereof "and other authority assigned to".

On page 58, beginning with line 14 strike out all down through line 24 and insert in lieu thereof the following:

(2) Subsection (a) of section 3039 (as redesignated by section 201(a) of this Act) is amended by striking out "sections 3036 and 3039" and inserting in lieu thereof "section 3036".

On page 59, between lines 3 and 4, strike out the item relating to section 3039 and redesignate the items relating to sections 3040 and 3041 as 3039 and 3040, respectively.

On page 73, line 20, strike out "vested in" and insert in lieu thereof "and other authority assigned to".

On page 82, line 4, strike out "vested in" and insert in lieu thereof "and other authority assigned to".

On page 93, line 16, strike out "not".

On page 99, line 11, strike out "vested in" and insert in lieu thereof "and other authority assigned to".

Mr. GOLDWATER. Mr. President, I think the explanation I will make—and I will keep it brief—will cover what this technical amendment amounts to.

In its policy statement on S. 2295, released on April 28, the administration indicated that it supports the adoption of amendments to clarify, modify, or delete provisions of the bill in nine areas. Three of these areas involve major policy decisions by the Armed Services Committee where the committee's positions remain firm. These areas are:

First, specifying that the vice chairman is the second-ranking military officer. This is a key aspect of a fundamental purpose of the bill to strengthen the authority of joint military officers.

Second, the personnel reductions in the Department of Defense mandated by the bill. The growth in the size and complexity of the defense bureaucracy is a major problem. Forceful congressional action appears warranted.

Third, the reductions in the number of Deputy Chiefs of Staff in the Navy and Air Froce and the limits on the number of Assistant Chiefs of Staff in each Service. There are an excessive number of senior military officers on the Service military headquarters staffs. Action must be taken to limit the growth in these bureaucracies.

Although the committee is not prepared to yield in these three areas, Mr. President, we have engaged in detailed discussions with the administration on the other six items, which involve technical clarifications to the bill. In addition, we have discussed with Secretary Weinberger two technical corrections to title 10 of the United States Code which he recommends be included in this bill.

On the basis of these discussions, Mr. President, we have prepared this omnibus technical amendment to address five of the six technical clarifications that the administration sought. This amendment also includes the two technical corrections recommended by Secretary Weinberger. The administration's sixth technical clarification—dealing with modification of the reorganization powers of the Secretary of Defense—is no longer an issue. The administration has now indicated that it has no objection to the bill's provison on this subject. This amendment also makes three minor technical corrections to the bill as reported by the committee.

Mr. President, the administration supports this omnibus technical amendment. The amendment would make the following changes to the bill:

First, it would remove the internal audit function from the duties of the Comptroller of the Department of Defense. Under provisions of the Inspector General Act of 1978, this duty is assigned to the Inspector General of the Department of Defense. This amendment would simply correct title 10 of the United States Code to make it consistent with the Inspector General Act.

Second, the amendment would change provisions of the bill that provide authority to the unified and specified combatant commanders to clarify that this authority is not independent of the command authority of the President or the Secretary of Defense.

The third change is a modification of the definition of the full operational command authority of combatant commanders. The change would make the bill's definition consistent with the traditional use of this term in the U.S. military establishment.

The fourth change, Mr. President, relates to the personnel authority of the combatant commanders. S. 2295 requires the concurrence of a combatant commander in the selection of a subordinate commander. The amendment, while retaining this provision, would authorize the Secretary of Defense to waive the requirement for the concurrence of the combatant commander with regard to the selection of a particular subordinate commander if the Secretary determines such action is necessary in the national interest.

Mr. President, I should like to make it clear that this fourth change is not intended to allow the Secretary of Defense to issue a blanket waiver of the requirement for the combatant commanders' concurrence. Instead, it is meant to clarify the Secretary's authority in those rare cases in which the combatant commander and the Secretary disagree over the selection of a subordinate commander. The committee continues to believe that this personnel authority for the combatant commanders is an important and necessary element of their overall authority as commanders.

The fifth change proposed by the amendment deals with the evaluation by the Chairman of the Joint Chiefs of Staff of the joint duty performance of military officers nominated for 3- or 4-star rank. The change would simply require this evaluation to be submitted through the Secretary of Defense to the President. Although the Secretary of Defense would be free to attach his own views, the Chairman's evaluation should be sent forward to the President unchanged. Currently, S. 2295 specifies that this evaluation would be submitted directly to the President by the Chairman of the Joint Chiefs of Staff. The amendment would require that this submission be accomplished through the normal administrative channels.

The sixth portion of the amendment, Mr. President, deals with the wartime support capabilities of the National Security Agency and the Defense Intelligence Agency. S. 2295 would require the Secretary of Defense and the Director of Central Intelligence to jointly develop and implement policies and programs to correct deficiencies in the wartime support capabilities of these two intelligence agencies. The administration recommends that this requirement be changed to "the Secretary of Defense, in consultation with the Director of Central Intelligence." In the administration's view, this new wording more appropriately reflects the balance of responsibilities for the National Security Agency and Defense Intelligence Agency between the Secretary of Defense and Director of Central Intelligence.

The last change that would be made by this amendment concerns the position of Provost Marshal General of the Army. While the Provost Marshal General has been a traditional Army position, the Army has not designated a Provost Marshal General for about 50 years. Secretary Weinberger recommends that this position no longer be specified in law. This technical amendment would repeal section 3039 of title 10 of the United States Code dealing with the Provost Marshal General and would remove this position from the listing of the composition of the Army Staff.

Mr. President, these seven technical corrections or clarifications improve this bill. I urge that this omnibus technical amendment be approved.

I conclude my remarks, Mr. President, by stating that Secretary Weinberger paid not just me but the staff a call not too many days ago asking the question could the simple technical amendments be made.

I conferred with my staff, as did Senator NUNN, and we came to the conclusion that change could be made without any damage to the bill.

So, Mr. President, that is the amendment.

I yield to my friend from Georgia.

The PRESIDING OFFICER (Mr. GRASSLEY). The Chair recognizes the Senator from Georgia.

Mr. NUNN. I thank the Chair.

Mr. President, I concur in Senator GOLDWATER'S remarks about these amendments. They are technical in nature. They do not charge the thrust of the legislation in any material respect. They do make certain changes that clarify some ambiguities that the Department of Defense wanted to make certain of.

We worked very, very closely with the Department of Defense throughout this entire procedure going back over a year. At times we have had splendid cooperation and other times we had a very difficult time getting answers, but that is part of the process, and we are now continuing to work with the Secretary and his office.

We have reached agreement, I believe, on these amendments. They are all in one package and there are seven of them altogether, as I understand it.

Mr. GOLDWATER. Seven.

Mr. NUNN. Seven amendments.

So I am very much in accord with the chairman in recommending that the Senate adopt these amendments.

While I am on my feet here and speaking on the subject of the administration, we made remarkable progress in this entire area in satisfying the concerns of the Secretary of Defense and his office. We still have some differences but I think it is fair to say that these are not major differences, although we still feel very strongly that we will retain our position in these areas.

Perhaps it would be useful for the Senate to consider, at least the way I see it, what these differences are as far as the way they stand today.

After we adopt this amendment, we will still have three problems that the Department of Defense points out in the legislation. We are not willing to change these. We cannot accommodate the Secretary and the Department of Defense on these three changes.

One is the rank of the Vice Chairman of the Joint Chiefs. We may very well have an amendment on that during the course of this debate. If we do, that one will be vigorously opposed, I believe it is fair to say, by the leadership on this legislation on both sides of the aisle. We feel very strongly that that provision needs to remain.

We also have differences with the Department of Defense on personnel reductions which are mandated in this bill and on the number of Deputy Chiefs of Staff and Assistant Chiefs of Staff that are in this bill. We are making reductions in those areas. We are not prepared to yield on any of those.

Let me give you just a brief summary of why so my colleagues will have a perspective as we go through this debate.

Specifying that the Vice Chairman of the Joint Chiefs of Staff is the second-ranking military officer, which is in this bill now, is an extremely important provision of this bill. The committee is absolutely convinced that the authority and influence of joint military officers must be strengthened if military operations and defense decisionmaking are to improve. Providing the Vice Chairman with the statute of the second-ranking military officer just after the Chairman of the Joint Chiefs of Staff I think is very important to achieving this objective.

In my view, the attacks on the bill's provision of the rank of Vice Chairman have been thoroughly debated in the committee. We had more debate on that than any other single provision. I think that though some oppose this provision for their own good reasons, as I see it, if we do change this, we will be continuing a disproportionate authority for the service officers at the expense of the very jointness that the committee is trying to achieve in the way we look at defense.

We do need two people in uniform at very high level whose main job is to look beyond service lines and to look at the overall aspects of our national defense. I think this is enormously important.

I think a question that could be asked to any of the people who oppose the creation of the Office of Vice Chairman is: What other part of the Defense Department, what other part of our military services does not have a second in command to serve in the absence of the person who is first in command? How would the Department of Defense feel if, when the Secretary of Defense is out of town, instead of having an Under Secretary of Defense, we had a rotating system whereby the Secretary of the Navy would then become the Secretary of Defense for 2 days while the Secretary of Defense is in Australia or New Zealand? How would we feel if the Secretary of the Air Force were to have the next 3 months when the Secretary of Defense is out of town? What you would do is destroy the continuity of the overview of what is going on in the Department.

So we have been through all of this. We are willing to go through it again. We may have an amendment on it.

I think everyone ought to understand that we draw a line on that one, and Senator GOLDWATER and I will do our very best to persuade at least 50 of our colleagues to stand with us on that. I do not know whether we will succeed, but I think it is very important.

Just speaking briefly to the administration's continued objections to provisions of the bill that mandate reductions in personnel levels and in the numbers of Deputy Chiefs of Staff and Assistant Chiefs of Staff, in my view these are more in the nature of pro forma objections. We can always expect any administration to resist this kind of mandated proposal from Congress.

But, Mr. President, the growth in the size and the complexity of the defense bureaucracy has reached such porportions that it is now having a counterproductive result.

For this reason, the Armed Services Committee believes that these mandated reductions will actually enhance defense management and we hope that our colleagues in the Senate will stand with us on these overall reductions.

In summary, Mr. President, Senator GOLDWATER has fully and accurately described the pending technical amendment which has seven different component parts, and I would urge, when the chairman decides the appropriate time to call it up for a vote, that our colleagues accept the amendment.

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Mr. GOLDWATER. I thank my friend from Georgia.

Mr. President, there being no other discussion on this particular amendment, I would ask favorable action of the body on it.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. There seems to be further discussion desired.

Mr. WARNER. Mr. President, I join in supporting the leadership on this amendment. I would just point out that I believe there were 15 recommendations sent over by the Department of Defense. This addresses 12 of the 15, and the 3 remaining have been adequately described. I think it deserves the support of the Senate.

Mr. GOLDWATER. I might say that this takes care of all the recommendations made by Secretary Weinberger; after which we indicated acceptance, he agreed to approve the whole bill.

The PRESIDING OFFICER. Is there any further discussion on the amendment? If not, the question is on agreeing to the amendment.

The amendment [No. 1826] was agreed to.

Mr. GOLDWATER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. NUNN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GOLDWATER. Mr. President, before recognizing another member of the committee, I would like to emphasize what my friend from Georgia indicated. The presentation of this almost 4 years' work to the commanders in the Pentagon, particularly the Joint

Chiefs of Staff, was not a matter of ramming it down their throats. We had I do not know how many meetings with the members of the Joint Chiefs, with the Joint Chiefs, and with Secretary Weinberger himself.

I have to admit—and I think members of my committee would admit—that this rather shook them up, because for the first time in about 200 years, the Congress was exercising its constitutional responsibility of looking at the way we spend money for the Army and the Navy. You see, the Constitution was written a long time before we had a Marine Corps or an Air Force, so we have to assume that Army and Navy cover all the little defense efforts of our country.

But the Senator from Georgia was absolutely correct. We discussed these matters very thoroughly.

Mr. President, I want to recognize next the man who has made it possible for me to be chairman of the Armed Services Committee. The Senator from South Carolina outranks me, but he would rather be chairman of the Judiciary Committee than chairman of the Armed Services Committee, a decision that I wholly agree with. He is an outstanding jurist. He also has an outstanding Army background. But I relish the idea of him staying in the Judiciary and letting me stay in the military.

Mr. NUNN. Will the Senator from Arizona yield just for a brief comment?

Mr. Goldwater. Sure

Mr. NUNN. I join him in welcoming the Senator from South Carolina to the floor. The Senator from South Carolina worked very hard on this bill. His staff was constantly in touch with our staff. He made a great contribution to the bill. He cast many, many votes and he also was a great leader here.

I have already made comments about the Senator from Maine, but he was not on the floor. He did a tremendous job here not only in the bill itself and in the committee, but also the Senator from Maine served on several outside panels that gave a great deal of forward thrust to this overall effort for the last 3 years. So the Senator from Maine has done a tremendous job here and we welcome him to the floor and appreciate his efforts.

Mr. GOLDWATER. I agree with my friend from Georgia. I discussed it with the Senator from Maine but he said, like many of us, he only learned about it this morning, so his remarks are typically being formed in a very thoughtful manner, and sometimes thoughtful manner requires a little more time.

Mr. COHEN. If the Senator would yield for a moment, I was so impressed with the flowers that were being dispensed and thrown and heaped upon the chairman of the committee that I felt compelled to come over here to add my own words.

On should not confuse the celebration here today with what took place during the course of negotiations on this particular bill. In fact, I found it hard to reconcile some of the statements being made with the serious, and I think serious-minded conflicts that existed throughout the committee's deliberations.

Mr. NUNN. If the Senator would yield, we were not on television when that happened.

Mr. COHEN. I only wanted to say a few words about the chairman, Senator NUNN, and the Senator from South Carolina, Senator THURMOND. It has been said that you determine youth by the ability to look at a new idea without flinching. If that, in fact, is the definition of youth, then I would say that the chairman of the Senate Armed Services Committee and the next ranking member, Senator THURMOND, are perhaps two of the youngest men in this entire institution. Senator GOLDWATER never flinched at undertaking an examination and scrutiny of these new ideas and Senator THURMOND lent great weight, and I think credibility, to the effort to scrutinize an entrenched bureaucracy and take it on head first.

I just wanted to add my own words of congratulations to Senator GOLDWATER, who was the moral force behind this legislation. Without his leadership, we would not be here today. We would be continuing a system and a practice which I believe has become seriously outmoded and deficient. Senator GOLDWATER, aided by Senators THURMOND and NUNN, worked in a very noble cause, in my judgment, to bring this legislation to the forefront.

Withcut SAM NUNN's efforts to build a bipartisan consensus within that committee—and that was not an easy task—we would not be here today. It was his leadership, working together with the chairman, that allowed us to forge a piece of legislation which is far-reaching and will have a profound impact upon how we do business in the future.

As long as I am here throwing flowers, I would like to congratulate the Senator from Virginia, who undertook the introduction of so many amendments. Not all of these amendments were popular, or had merit in the judgment of this Senator; nonetheless he was persistent, he was persuasive, and as a result of the amendments he introduced and was successful in passing, we have a better bill than was proposed by the staff, that "radical" document that so shook the Pentagon and had so many calls sending Senator GOLDWATER and Senator NUNN across the Potomac for questioning and examination.

But I think this measure is a better product as a result of Senator WARNER's efforts and those of Senator GRAMM in terms of eliminating many of the reporting requirements.

I just wanted to be here to share in the celebration which was long in coming and long overdue.

Mr. GOLDWATER. I thank my friend.

Mr. President, I would like now to recognize Senator THURMOND from South Carolina, who really is the ranking member of this committee. He is a retired major general in the Army of the United States. We welcome you here, so the floor is all yours.

Mr. THURMOND. Thank you very much, Mr. Chairman.

The PRESIDING OFFICER. The Chair recognizes the Senator from South Carolina.

Mr. THURMOND. Mr. President, first, I would like to express my deep appreciation for the kind words by the able chairman of the Senate Armed Service Committee, Senator GOLDWATER.

I might correct one statement he made. He said that I would prefer to be chairman of the Judiciary Committee instead of the Armed Services. It was not that point on which my decision was made, Mr. President. Senator GOLDWATER was in the Senate when I came here. He ran for President in 1964. I had the pleasure of working with him in the Senate. I soon realized he was a very able and sound man and a wise Senator. And I changed parties the very year that he ran for President.

On account of his long and distinguished service, I felt, when Senator Tower left, whom I stood back for because he stood back for me to be the ranking member when I did change parties, that when Senator GOLDWATER then was next in line I again stood back for him, not because I preferred some other committee but because of the great American that he is. And that is the reason I stood back for him.

I just wanted him to know the high esteem in which I have held him for the 32 years I have been in the Senate. I do not think there is a man in this Senate who has stronger convictions, is more patriotic, and renders a greater all around service to his country than BARRY GOLDWATER.

Mr. President, I want to take this opportunity to also express my appreciation for the service rendered by Senator NUNN, the ranking member, in getting this bill through.

Senator NUNN was a strong right arm of Senator GOLDWATER in this matter, and he is a sound thinker, a very dedicated Senator. He is sitting on the other side of the aisle. I have been hoping some day he would decide to come over here where he belongs.

But at any rate, I want to commend him for the services he has rendered on this particular bill which have been outstanding.

Mr. President, I also would like to express my appreciation to Senator COHEN for his kind words, and to say that he was a tower of strength in the passage of this bill, and not only on this bill was he helpful but he is helpful in general on armed services matters. He is the chairman of the Seapower and Force Projection Subcommittee, and his work there has been outstanding, and we are very proud that he is on that committee.

I want to express my appreciation, too, to Senator GRAMM. Senator GRAMM is a new Senator here. I do not know of any new Senator who has come to the Senate who has engraved his name so indelibly upon the walls of this institution as has Senator GRAMM. You heard of the Gramm-Rudman-Hollings amendment. Senator GRAMM was at the head of that trio. They offered that amendment, which was adopted by the Senate. On the Armed Services Committee he has been very dedicated and able in his work there. And he sponsored a provision there about the closing of bases which is helpful. We may still have to do more along that line, but his service in that respect is, I think, outstanding. And he has been very helpful in this matter. I want to pay my respects to him.

I also would like to pay my respects to Senator WARNER. I do not believe Senator WARNER agreed with the majority of us on most of these matters. But he offered amendments that I think in the end resulted in some being adopted that were helpful. On the overall consideration of the bill, I think he rendered a valuable service. He is now supporting the bill. I want to commend him for that.

Mr. President, I would like to commend Senator DAN QUAYLE of Indiana for his contribution to the formulation of this legislation, especially his leadership in the area of procurement reform and the Under Secretary of Defense for Acquisition. His expertise was a true asset to our work.

Senators HUMPHREY, EAST, WILSON, and DENTON made significant contributions to S. 2295 in committee and are also to be commended for their fine work.

On the minority side of the Armed Services Committee, Senators EXON, LEVIN, BINGAMAN, GLENN, and DIXON actively participated in the drafting of and debate on this bill, and I would like to commend them for the outstanding job that they did. Senators LEVIN and DIXON deserve a special note of thanks for their efforts in the area of acquisition reform within the Department of Defense.

Mr. President, I am pleased to be 1 of the 32 sponsors of S. 2295, a bill that will amend title 10, United States Code in a way that will significantly enhance the effectiveness of the Department of Defense. In my more than three decades in the U.S. Senate, this bill is probably the most important piece of defense-related legislation to be considered by this body.

Mr. President, this bill is the product of more than 3 years of strong bipartisan work by the Senate Armed Services Committee. My only regret is that the late Senator Henry Jackson of Washington is not here to share in the credit he so richly deserves for assisting Senator John Tower in beginning the review of the Department of Defense that has culminated in this bill so successfully under the able leadership of our outstanding chairman, Senator GOLDWATER.

During the committee review of this issue, 23 public hearings with 45 witnesses were conducted. Additionally, there were numerous private meetings involving hundreds of hours of discussion with both opponents and proponents. This process ensured an exhaustive study of all aspects of our Defense Establishment, and it ensured that all sides were heard.

This was followed by the submission to the committee of a staff report entitled "Defense Organization: The Need for Change." This staff report is probably the most comprehensive compilation of data about our national security structure ever produced, and I would like to acknowledge the fine work done by Jim Locher, Rick Finn and Jeff Smith preparing this report. Their work was invaluable.

The bill that we are considering today is also the product of 14 markup sessions in which 80 written amendments were considered by the committee. Finally, this bill is fully consistent with the recommendations of the President's Blue Ribbon Commission on Defense Management.

Mr. President, two of my colleagues deserve special credit for their work on this bill that I just mentioned more than any others. They are the Honorable BARRY GOLDWATER of Arizona and the Honorable SAM NUNN of Georgia. These two distinguished gentlemen worked tirelessly to produce this legislation. They objectively reviewed all arguments for and against changing our Defense Establishment over many months. The Nation will long be in their debt.

BARRY GOLDWATER is retiring at the end of this term of office, and I would like to say that this will be a tremendous loss to the U.S. Senate and to the Nation as a whole. His career has been marked by many successes, and I feel that this legislation will mark a very important place in history for my good friend from Arizona.

Mr. President, there are several very important aspects of this bill. First is the strengthening of the Joint Chiefs of Staff. S. 2295 provides for a Vice Chairman of the Joint Chiefs who is the Acting Chairman in the absence of the Chairman, and it designates the Chairman as the principal military advisor to the Secretary of Defense, the National Security Council, and the President. These very important provisions should improve both the quality and continuity of advice provided to our civilian leadership.

The second important aspect is the strengthening of the combatant commanders. Throughout the hearings, one theme that surfaced repeatedly was that the commanders in chief of our unified and specified commands lacked sufficient authority to effectively accomplish the tasks assigned to them. By authorizing the creation of a clearly defined chain of command within the warfighting command, the commanders will be more capable of accomplishing their missions.

The third important provision is that the committee approved in principle a provision to create an Under Secretary of Defense for Acquisition. This was recommended by the the President's Blue Ribbon Commission on Defense Management headed by Mr. Packard, and is wholly consistent with the previous efforts to improve the Department of Defense procurement system.

Mr. President, one recommendation that was not adopted, however, was the deletion of the positions within the military departments and the Office of the Secretary of Defense for Reserve Affairs. It was the opinion of the committee members that these positions should continue to be specified in law—and I was very interested in this, and offered the amendment to that effect—to ensure fair representation of Guard and Reserve issues within the Department of Defense.

Mr. President, S. 2295 will greatly improve our capability to defend our great Nation, and I urge all of my colleagues to support passage of this historic legislation.

Again, I want to say in closing that if Senator GOLDWATER, the chairman of this committee, had never done anything in the Senate—and of course he did many valuable things—but sponsor this legislation, head it up, guide it through the Senate Armed Services Committee, and bring it to the Senate, his service would have been worthwhile from any viewpoint.

Again, I am proud of the work that he did on this committee. And I regret he is leaving the Senate this year. I am sure that our good wishes will go with him, but he will have the pleasure of knowing that he has guided one of the most important pieces of legislation through this body that any Senator will have ever guided pertaining to armed services.

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Mr. GOLDWATER. Mr. President, I want to thank my good friend from South Carolina for his kind words. I might dispute him a bit about one of the best things I have ever done. I think the best thing I ever did was to convince him to become a Republican.

[Laughter.]

Mr. LEVIN. Mr. President, I want to commend the chairman profusely for that last remark.

Mr. GOLDWATER. I wish I could do the same for you.

[Laughter.]

The PRESIDING OFFICER (Mr. WEICKER). The Senator from Arizona.

Mr. GOLDWATER. Mr. President, I would like to recognize the Senator from Michigan, if he desires to proceed at this point.

Mr. LEVIN. I would be happy to proceed.

Mr. GOLDWATER. The Senator from Michigan is one of the most able members of our committee. He is quite able to sit there and guide us through the morass that we need to be guided through. We accept his wisdom.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, let me thank my good friend, the chairman. Between him and Senator NUNN they have guided to this point a bill which will make a profound difference in the way our military is organized.

We must recognize the dominant reality that our military has served us well, with honor and distinction. But there is another reality—there have been occasions when our services have acted as four separate units rather than as one team.

The reordering of authorities and responsibilities at the highest levels of the Department of Defense, and especially among the members of the Joint Chiefs of Staff, will do much to focus, rationalize and coordinate our strategic priorities. It will integrate the operational planning and the operational capabilities of the military services. We have made changes before in our defense organization, but none so important as these.

Since 1947 we have made several changes in the organization and authorities of the defense Department as circumstances dictated. But despite these evolutionary changes in response to perceived weaknesses in the direction and management of the Defense Department, there have been a series of events that have raised, and continue to raise, serious questions about the effectiveness of our military organization to coordinate and direct our military forces to a common end, especially when the services need to work together.

For the sake of historical perspective, we can look back to 25 years ago this spring. I speak of that ill-fated adventure called the Bay of Pigs. And, shortly thereafter, began our commitment to Vietnam—a commitment which grew and became the Nation's longest and most divisive war. A war of the "best and the brightest" in which we seemed to be unable to harmonize our political ends and military means, and despite our enormous resources, were unable to conclude the war on favorable terms.

Where and how we went wrong in Vietnam will be debated for years to come, but surely some of the blame must rest in the way the defense establishment defined and articulated our interests and military options in Vietnam.

Through the 1960's, the 1970's and even today, incidents involving U.S. forces have illuminated the serious deficiencies in the ability of our military to respond to unexpected, urgent crises in a coordinated way. There is the tragedy of the U.S.S. *Pueblo,* a navy ship captured by the North Koreans in 1968, despite the presence only minutes away of United States air and naval forces. A failure of the command structure, they say.

Then, there was the Son Tay raid—a beautiful, planned and excuted raid to release prisoners from a prison in North Vietnam. But the prisoners had been gone for weeks. A failure of intelligence, they say.

And then there was Beirut, with a confused chain of responsibility, and Grenada, which we won despite terrible gaps in intelligence and critical failures of coordination.

Each of these incidents is easily explainable by the uncertainties, the frictions and the fog of war. Besides we are accustomed to these mishaps. Remember, on the 6th of December, 1941, both the Army and the Navy went to bed in Hawaii confident that the other was awake and watching. The next morning the awful truth of our lack of service cooperation became tragically evident. More than 2000 died on that day of infamy. You may, also recall that the Navy shot down a battalion of the 82d Airborne Division into the sea during the invasion of Sicily in the summer of 1943. There were other instances.

Today, however, we live in a more dangerous world where events move very quickly and if we do not do it right the first time, we probably will not get a second chance. We can no longer make it up as we go along. And muddling through will cost more lives and treasure.

One hundred years from now, others will look back on this moment and consider what we are doing here as a normal and proper consequence of the evolution of the relationship between the military and political functions of the government. It is not. This bill is the consequence of a fortunate coming together of two Senators from different parties, blessed with unique vision, statesmanship and dedication. I speak of Senators GOLDWATER and NUNN. Without their wisdom and perseverance, this bill would not have seen the light of day.

I congratulate Senators GOLDWATER and NUNN on their historic, comprehensive effort. This bill is a testament to their total commitment to this Nation's security and it is a monument to them both.

I am proud to have been associated with them in these deliberations on our defense reorganization. The committee has meticulously examined and considered every issue. We have listened to a wide range of views. We have listened to generals and admirals, currently serving and retired. We have listened to senior civilian leaders of the Defense Department, present and former. We have listened to political scientists and historians. We have considered the historical record.

The result is a clear consensus that major changes are necessary in the way we manage our military affairs. These changes are not necessary simply to improve the efficiency of the Defense Department, but are vital to the security of the Nation.

Our deliberations confirmed that the Department of Defense, the military services, and indeed, the Congress in our organizational and management responsibilities have focused largely on the individual components of our defense establishment: numbers of people; numbers and costs of ships; aircraft and helicopters; the military compensation and retirement system; and military procurement. Now all of these components are essential to our military strength. All have to be considered, but what is more critical is how all of these components come together and support the wartime missions of our combat commands. Do we have the right mix and number of forces to accomplish the defense of Central Europe? Can we sustain them?

Can the Army, Navy, and Air Force work together to accomplish the mission, or will they fumble about as occurred in Grenada where the Army forces on the ground were unable to communicate with the Navy for fire support because their radios were inoperative; where our intelligence was unaware that there was a second campus of the medical school with American students present. Then there was the lack of a clear chain of responsibility and accountability for the security of the marines in their barracks in Beirut. At present we only address these problems after the fact.

These may seem to be small matters in a world threatened by nuclear holocaust. They are not. Battles and lives are lost by omissions, by unclear orders, by lack of coordination. When battles are lost, then, in the end, so are wars. We thought we adequately

unified our military forces in the National Security Act of 1947. We did not.

Our military priorities have remained confused. Perhaps this uncertainty did not matter so much when we have nuclear dominance over the Soviet Union, and when the Soviet Union's military capabilities were much less than they are now. Today, we face a Soviet Union well armed with the most modern equipment. As a case in point, 25 years ago, the Soviet Navy had limited blue water experience and capability and was a threat easily countered by the United States Navy. Today, after 25 years of investment the Soviet Navy has a global reach of significant proportion and poses a threat to our naval forces. The same is equally true of the Soviet Army and Air Force. I make this point because we as a nation can no longer avoid the hard task of establishing strategic priorities and shaping our military forces accordingly. Opinions differ on whether the Nation needs 13 or 15 Navy carrier battle groups. But what is certain is that the difference in procurement costs between 13 and 15 battle groups is somewhere between $20 and $30 billion. When we make decisions on these matters without the benefit of a careful analysis of our military priorities, we endanger our security and waste money.

The new authorities and responsibilities that we have assigned to Chairman of the Joint Chiefs of Staff will help us to define these choices. The result will be a military organization that is both more coordinated and efficient in meeting the Nation's security needs.

Let us be very clear about what changes we have made in the authorities and responsibilities of the Chairman of the Joint Chiefs of Staff. Today, the Chairman is first among equals among the service chiefs. He serves as a collective spokesman for the Joint Chiefs of Staff. He reflects corporate advice. He directs the Joint Staff in response to the needs and desires of the Joint Chiefs. He has no deputy to assist him or assume his responsibilities when he is absent.

What have we done? We have established the Chairman as the principal military adviser to the President and the Secretary of Defense. We have charged the Chairman with the responsibility for making recommendations on strategy and military force structure of the Secretary of Defense. We have made the Chairman responsible for contingency planning, for the conduct of joint training and joint operational doctrine. To assist the Chairman, we have created the position of Vice Chairman of the Joint Chiefs of Staff—and we have made him senior to the Chiefs of the services. Further to assist the Chairman in his new responsibilities, the bill provides that the Joint Staff will be responsible to the Chairman. The Chairman will now have his own staff, independent of the service staffs, to help him formulate strategic advice.

This clarification of authority and responsibility will extend beyond Washington to our field commanders. Today our field commanders have the responsibiility for planning the coordinated employment of the military forces under their command in the event of war. Yet these field commanders, today, do not have the authority necessary to insure that their subordinate forces are trained, organized, or logistically capable of supporting their war plans.

This lack of authority for field commanders has been long recognized as a serious weakness in our ability to prepare for combat operations. With approval of this bill, field commanders will have the necessary authority to direct their subordinate commanders of all services to fully support all of the field commander's operational requirements.

We have taken a number of other steps. We have reduced the power of the individual service chiefs. We did this to strengthen the whole—to strengthen the glue that holds our military together. The service chiefs act as military advisers when, and only when, they request that their divergent views be provided to the President or the Secretary of Defense or in instances when the President or the Secretary desire their views. In all other instances, they advise the Chairman, President or the Secretary of Defenses. Our deliberations were specific and clear on this point.

We have not given the Chairman the power to command military forces, or to issue orders in his own name. Most importantly, we clearly prohibit it. The issue of the Chairman's command authority was specifically addressed and explicitly resolved. The direction of combatant forces will remain in the hands of the Secretary of Defense and the President. This is essential to civilian control, particularly when we are strengthening the Chairman in other ways as we are in the legislation.

We have strengthened civilian control of the military in a number of ways. First, we focus responsibility and accountability for strategic planning and military operations in a Chairman of the Joint Chiefs of Staff instead of in the corporate body of the Joint Chiefs, thus making advice received by the President more relevant, more timely, more crisp, and thereby making the task of civilian oversight easier for both the President and the Congress.

Second, as indicated, we specifically prohibit the Chairman of the Joint Chiefs of Staff from being placed in the chain of command. I offered this language so there would be no doubt, no confusion on this critical point. Again if we are to strengthen the Chairman, as we should, we must also place clear limits on his power. I shall be offering additional language on the floor on this chain of command issue, which I believe is going to be acceptable to the managers of the bill.

Just one word on that amendment and I can save time later on by striking it now.

In the process of clarifying and protecting the principle of civilian control, Mr. President, the committee sought to emphasize and make clear this central fact: the Chairman of the Joint Chiefs does not have an independent or operational role within the chain of command.

That is not a new situation. Under current law, the Chairman is not a part of the chain of command either, but out there in the field, there is a great deal of confusion on this point. Given the scope of the new powers which this bill grants to the Chairman of the Joint Chiefs, it is critical that we emphasize and continually clarify the Chairman's role relative to the chain of command.

That is why, Mr. President, I am troubled by one phrase which appears in section 163(b) of the bill which says that "the President or the Secretary of Defense may direct the channel of command communications to run from the Secretary of Defense to the commanders of the unified and specified combatant commands through the Chairman of the Joint Chiefs of Staff."

Now Mr. President, as far as I can determine, that is the only time the term "channel of command" appears in the bill. Indeed, to the best of my knowledge, that is the only time the term appears in any bill related to the military command structure. In conversations I have had with military leaders and military experts, it seems clear that this is the first time they have even heard of the term "channel of command."

I am not, of course, opposed to creating new terms; but in a bill which seeks to emphasize and clarify the fact that the chairman is not in the chain of command, I think it is a critical mistake to place him in a "channel of command." The term "channel of command" has no referent within the professional literature; as a result, it's interpretation is uncertain. To eliminate any ambiguity and to increase the prospects that this bill will achieve its intention, I will offer an amendment to strike the term "channel of command." If my amendment is adopted, the President or Secretary of Defense may of course still direct "communications to run from the Secretary of Defense * * * through the Chairman of the Joint Chiefs of Staff." No disruption of the communi-

cation process will be produced. But my amendment will make it clear that the fact that communication flows through the Chairman does not mean that he is in the chain of command or the channel of command—whatever that might be interpreted to mean.

Given the new power that we are conferring on the Chairman, it is critical that we also make clear the restraints under which he must operate—the constraints of civilian control. This amendment will allow us to achieve the goal of civilian control without in any way threatening the other goals we hope to achieve through this bill.

Third, in that same concern for strong and unquestioned civilian control of our military, I proposed that the term of the Chairman of the Joint Chiefs of Staff expire 6 months after the accession of a new President to office. I am pleased that the committee accepted this proposal. This provision is intended to insure that no President would be encumbered with a Chairman, no matter how competent, no matter how popular, who was not of the President's liking. The 6-month period permits the President and the Chairman to develop a mutual understanding of their respective views. Should the President desire to keep the incumbent Chairman, as he often will; he, of course, can reappoint him.

This provision does not "politicize" the position of the Chairman. I have great regard for the integrity of our senior military officers. I find it almost inconceivable that a senior officer would alter his fundamental views to curry favor with a President. Failure to formally end the Chairman's tenure upon the occasion of a new President means that the President's replacement of a Chairman which he, or course, may do at any time, becomes a highly political act in itself and subject to controversy. The President should not be so encumbered with possible political controversy in the selection of his principal military adviser.

This amendment was intended to avoid placing the President in a political bind—its intention is to avoid politicizing the office.

I want to take a moment to address the questions of the Joint Staff.

Some with little knowledge of this bill and less knowledge of history may declare that we have created a general staff similar to that of the Prussian and German general staffs. We have not. The German staff was not an organizational phenomenon. The German general staff, which was not a national military staff, was a creation of the German Army. Through a highly competitive process officers were selected and trained as members of the general staff. Their careers were monitored and developed separately from the large majority of the officers in the German Army. They were the elite of the German Army. Whether one approves or disapproves of this procedure, we have not created such an elite corps of officers in our military. Officers assigned to Joint Staff positions whether in Washington or elsewhere will be assigned by their parent services from among all the officers available and qualified for such assignments.

However, realizing that talent goes where the power is, we can expect that services in recognition of the Chairman's new authorities and responsibilities will surely result in assignment of highly qualified officers to the Joint Staff.

This country has been blessed with a professional military who have accepted, observed, cherished the concept of civilian control. Through bad times and good, the military have never threatened this Republic. I cannot imagine that they ever will.

I have spoken at length about what I consider to be some of the most important aspects of this legislation. We should make one other significant organizational change. In recognition of the need to get better control and accountability in our procurement process, we should create a new Under Secretary of Defense for Procurement.

One word on section 503: Section 503 of this bill repeals certain reporting, notification and study requirements imposed on the Department of Defense. As my colleagues will note by studying section 503, we are repealing all reporting, notification, and study requirements in law, except those we exempt from repeal. It would have been better, perhaps, to repeal unnecessary reporting requirements rather than exempting valid reporting requirements from repeal. We are not absolutely certain we know which and how many reporting requirements we are deleting by this legislative approach. But we do know what we are retaining. We will be retaining 135 reporting requirements, and I am satisfied that we have preserved the most important ones to insure adequate congressional oversight of the Department of Defense.

I want to make it clear to my colleagues that we are not forgoing the right to assert our oversight responsibilities over the Department of Defense by repealing these report requirements. Certifications and studies are a very valid and useful tool for the Congress to provide oversight and direction for the Department of Defense. Not all study or certification requirements are bad. But there have been some excesses.

Congress will and should continue to ask DOD to study key problems. We will continue to use notifications and certifications as means of insuring adequate congressional oversight over the Defense Department. Section 503 does not prevent Congress from mandating future reporting, notification, and certification requirements. And, of course, we are not limited to statute, we have used successfully and will continue to use reports accompanying committee bills or conference reports for this purpose. We will, however, follow a higher standard than in recent years before we impose these requirements on the Defense Department.

One final point: We on this committee have worked long and hard on this bill. It has not been easy. It has taken patience and understanding. But the process has worked. We have hammered out legislation that promises to make our military organization more effective in peace and in war. Congress will have done its legislative part when it passes this bill.

Then it will be up to others. Whatever their misgivings, the military and civilian leaders in the Defense Department need to accommodate to the changes Congress will make. Without their willing professional support, our accomplishments will be frustrated. I am confident that these leaders will make every effort to insure that this new organization works. By doing so, they will be serving in the finest traditions of those who have served this country in days past.

Mr. President, I wonder if I may inquire of the chairman at this point whether or not there are others who are waiting that he knows of.

Mr. GOLDWATER. The Senator may do whatever he wants. By the way, we have reviewed the amendment he wants to make and we find nothing objectionable to it, so any time he wants to push that, it is perfectly all right.

Mr. LEVIN. Mr. President, I see two of my colleagues are here waiting to make statements.

I thank my chairman. I thank my dear friend from Arizona for his nice remarks about me.

Mr. GOLDWATER. Mr. President, I yield to the Senator from Vermont.

Mr. LEAHY. Mr. President, S. 2295, the Department of Defense Reorganization Act of 1986 represents a major step toward achieving a sound, tough, and smart defense capability.

This bill reflects a recognition on the part of its principal authors, Senators GOLDWATER and NUNN, and its cosponsors, including myself, that more and more money is not the solution to meeting the defense needs of our Nation.

I might say at this point, Mr. President, that Senators GOLDWATER and NUNN deserve the thanks of all Members of the Senate and of the United States not only for conducting exhaustive and extensive hearings but also for finally bringing this issue to the Senate in a comprehensive legislative

package. I recall when Senators first began looking at this issue because of the concerns expressed by so many of us about the organization of our armed services. It is gratifying to have these issues brought into one package for our consideration.

Mr. President, as the defense budgets have mounted, redundancy and duplication within the armed services have grown, bureaucracies have flourished, waste has increased, and our national defense structure has become hidebound and ponderous. Rather than producing the flexible, responsive, and cohesive fighting force we need, the current system of civilian management and military leadership in the Pentagon has fed interservice rivalries which have undermined the effectiveness of our Armed Forces on the battlefield. We saw some of the effects of this rigidity and confusion in the way the Grenada operation was carried out.

Over 25 years ago, President Dwight Eisenhower recognized the problem facing military organizations in the modern era when he stated:

"Separate ground, sea and air warfare is gone forever. If ever again we should be involved in war, we will fight in all elements with all services as one single concentrated effort. Peacetime preparatory organizational activity must conform to this fact. Strategic and tactical planning must be completely unified * * * combat forces organized into unified commands singly led and prepared to fight as one regardless of service.

Unfortunately, Mr. President, over 25 years later, our experience in the Iran hostage rescue mission and in the recent invasion of Grenada proved that our forces were "not prepared to fight as one regardless of service," the criterion laid down by President Eisenhower.

Many of my colleagues will recall that during the United States invasion of Grenada the Army's soldiers on the ground could not communicate with the Navy and Marine pilots overhead when they needed aerial support because they used different frequencies for air-to-ground communications.

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By now we have all heard the story of the Army officer, a man who wanted to communicate with them but found no way that he could, who finally walked down the street to a public phone booth in a country we were then invading. The officer pulled out his AT&T credit card and used it to call back to his base in North Carolina to ask if someone might help to coordinate naval air support for his position on the ground, suggesting that it would be well advised for the Navy to bomb the target and not his own forces.

Now, this might be funny and might make a great ad for AT&T were it not for the fact that American lives were on the line, or if the American taxpayer had not invested over $1 trillion on the current 5-year defense program.

A major reason for poor performance on the battlefield can be traced to the current structure of the Joint Chiefs of Staff. Presently, it is a "horsetrading" system which tends to make important decisions and divide up defense resources on the basis of individual service needs rather than on the integrated requirements of a balanced fighting force composed of sea, land, and air elements.

I remember what former Secretary of Defense Melvin Laird said:

A chief cannot be expected to argue for additional aircraft carriers, army divisions, or air force wings when constructing a service budget and then agree in the joint forum that such programs should be dropped in favor of another service's programs.

The result, Mr. President, is that the JCS frequently acts more as a negotiating forum in which each service seeks to maximize its budget position through bargaining. Rather than giving unified military advice to the President and integrated planning guidance to the individual services, it reaches positions by negotiating a mutually acceptable consensus in which each member supports the claims of the others; I will scratch your back, you scratch mine.

Not only do the results come out with an amazing need, where each service needs just about a third of the budget but the results have been weak planning, divided strategy, and advice at the lowest common denominator from the Joint Chiefs. The JCS's performance has often been judged to be inadequate by senior civilian leaders, Republicans and Democrats alike, as well as many retired military officers, including former members of the JCS.

Former Secretary of Defense Harold Brown, for example, testified that recommendations from the JCS during his tenure were "almost without exception either not useful or the reverse of being helpful. That is being worse than nothing." Former Secretary of Defense James Schlesinger said of the JCS that the "preferred advice is generally irrelevant, normally unread and almost always disregarded." Former Secretary of State Henry Kissinger has stated that "the concern of the service chiefs is the future of their services. Their incentive is more to enhance the weapons they have under their exclusive control than to plan overall defense policy."

Mr. President, the current system of JCS management lacks strong leadership, accountability, and a sense of national purpose. The legislation before the Senate today would implement Harry Truman's adage "the buck stops here" by designating the Chairman of the JCS as the principal military adviser to the President, the Secretary of Defense, and the National Security Council.

Armed with this statute, the Chairman of the JCS would no longer be limited to reconciling the views of his coequal colleagues. Rather, he will at last have the duty and the authority to settle disputes among the Chiefs in a clear and decisive manner consistent with the overall interests of the United States rather than the parochial interests of each of the rival services.

In addition, under this legislation, the Joint Staff—those officers detailed from the individual services to provide staff support to the Chiefs—will work directly for the Chairman rather than for the Joint Chiefs as a whole. For over 30 years, the Joint Staff has tended to work less for a national or unified defense strategy, than for the strategy of the service to which they belong, be it Army, Navy, Air Force, or Marines. Giving the Chairman overall control of the staff will help give real meaning to the word "joint."

This legislation would do more than just strengthen the JCS. For the first time, the commanders in chief of the major unified commands—those composed of more than one service—will be given the authority as well as the responsibility for the conduct of military operations in their theatre. This legislation will enable the theater commanders to exercise major influence on military strategy, to control the training of personnel under their command, and to contribute to decisions on the procurement of weapons systems. At last, the men who would have to do the fighting will have some say in what we buy for them to use on the battlefield. Equally important, this bill will provide unified commanders with real authority over individual service commanders below them. Unfortunately, in the past, some individual service commanders have undermined the authority of their theater CINCS by responding more to the needs, wishes, and requirements of their own service chiefs.

A renewed strengthening of the authority of the theater commanders is essential if we are to overcome a key problem identified in the Senate Armed Services Committee staff report, "Defense Organization, the Need for Change":

The United States does not have major combatant commands that can provide effective, unified action across the spectrum of military missions.

Mr. President, it is high time we get that.

Finally, Mr. President, let me close by saying that I have only addressed two issues of the most significant problems dealt with in this important legislation. There are many more. The key point to remember is that in its totality, the Goldwater/Nunn bill would allow us to get more for our defense dollars, and to defend our Nation's in-

terests in a more efficient, effective manner. We all want a tougher, smarter defense. We have all given speeches saying that. Today we are offered an opportunity to make serious progress toward that goal.

I want to again thank Senator GOLDWATER and Senator NUNN, who have spent so much time in hearings on this bill and in bringing it to the Senate floor on a totally—I was going to say bipartisan basis. They really bring it here on a nonpartisan basis. They bring it with the interest of the country first and foremost. They have rendered a tremendous service to the Nation, and all Americans are indebted to them for their efforts.

Mr. President, I yield back the floor.

The PRESIDING OFFICER. Who yields time?

AMENDMENT NO. 1827

(Purpose: Delete section 114 pertaining to the command structure for military forces in Alaska)

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 1827:

On page 33, strike lines 16 through 24.

□ 1300

Mr. STEVENS. Mr. President, this amendment will strike a provision of this bill which proposes repeal of appropriation language relating to the Alaska command structure.

When I first came to the Senate, there was an Alaska Command, an organization that had grown out of the experience of World War II. As we entered World War II, we had complete disunity for Alaska forces, no unifying command structure, and it was after World War II that the Department of Defense created this unified command for Alaska.

In the early 1970's Alaskans were told that the United States was going to do away with unified commands, and in the place of the Alaska Command, after it was disestablished, there was a joint task force created to become effective in the event of a national emergency. Strangely enough, there are now more unified commands than there were when the Unified Alaska Command was disestablished. To me, Alaska's strategic importance is even greater now than it was when there was a unified command. I am reminded of Gen. Billy Mitchell's comments in reference to the strategic importance of Alaska. He said, "He who controls Alaska could control the world."

We have increasing military activity in Alaska. Although we have half the coastline of the United States, we have no floating navy in Alaska anymore, with the closure of the Kodiak Naval Base which came soon after the disestablishment of the unified command. But there is a Navy presence at Adak in the Aleutian chain. Without notice to Alaskans several years ago the Department of Defense delegated the responsibility for the naval installations in Adak to the Pacific Command in Hawaii. Army and Air Force units report through entirely different organization chains.

We are perhaps more sensitive to this organization disunity issue than other Americans because Alaska was invaded in World War II, as I believe all present realize. We have a proximity to Russia that no one understands unless they have lived in Alaska. At one point, there are but 3 miles between Alaska and the Soviet Union. Constantly we have reports of the Bear bombers overflying our air space, and we have had our vessels seized and taken to the Soviet Union.

I have repeatedly reported to the Senate the changes in the Soviet structure, the continual movement of the Soviet military power eastward across the Urals and out to the Pacific. Now there are 57 Soviet Army divisions in the Soviet far east. The Soviet Pacific Navy is equal to the total of the United States Navy worldwide.

Despite the overwhelming strategic importance of Alaska, it is now suggested that instead of a joint task force, instead of going back to the concept of a unified command for Alaska, Alaska be made part of the Pacific Command, under CINCPAC, in Hawaii.

Mr. President, when I first heard of that, I have been told that it was done for the purpose of establishing a four-star Air Force position in Hawaii. There were not considered to be enough units under the Air Force in Hawaii, so the decision was made to attach the Alaska Air Command to CINCPAC so that there would be sufficient justification for a four-star Air Force general there. Naturally, I did comment on that a little. I have commented also on the fact that we have a Southern Command in Panama for defense of the Latin American region, a unified command, but we are not able to have a unified command for defense of Alaska.

I say to the Senate that God forbid that we will ever live to see world war III. But I call the attention of everyone here to the fact that every scenario I have read about world war III starts in Alaska, and I challenge everyone to go back and read them.

The notion that we should be made another element of the command in the Pacific, when our role is the strategic one in the North American Continent, completely is foreign to Alaskan thinking. I believe we should look to the fact that Alaska is strategic in the military sense. It is also strategic in the sense of raw materials. We send 2 million barrels of oil a day from Alaska to what we call the south 48. That is more oil than we import now from the Middle East. Yet, it was only 4 years ago that we created the Central Command, another Department of Defense unified command, to defend the vital interests of the United States in the Middle East.

Mr. President, I could go on and on, but I do not think I will do that here, as I have discussed this with my good friend the manager of the bill, and I hope he will accept this amendment. This is not the time or the place, in my judgment, to argue what should or should not be the command structure for Alaska. I sponsored a provision in the appropriations bill last year, in order to assure that we would be consulted before there is a change in the command structure for Alaska.

Section 8106 of Public Law 99-190, the Defense Appropriations Act for fiscal year 1986 States "None of the funds made available by this act may be used to alter the command structure for military forces in Alaska."

I will say this to the Senate: There is no other delegation, from any State in the Union, that has supported the Department of Defense and the defense initiatives of this country more than have the delegations from Alaska. We have been united in this. But if we are to find a time once again when we are not longer consulted about our relationship to the rest of the United States, in terms of the defense structure that relates to Alaska, I can assure the Senate that, for one, this Senator's opinion would change drastically.

I do believe that we have a right to be heard by the Department of Defense. Alaska is not just another isolated outpost for the Department of Defense. I consider Alaska to be a very strategic portion of the defense installations of the United States, and as long as I am here, I hope I will be consulted by the Department of Defense with regard to the organizations of that Department as they affect my State. Repealing the appropriation prohibition would not bring about the consultation I seek.

Mr. NUNN. Mr. President, I ask the Senator from Alaska if he has offered an amendment.

Mr. STEVENS. I did offer an amendment to delete the section in question.

Mr. NUNN. The amendment is pending?

Mr. STEVENS. Yes.

Mr. NUNN. Mr. President, I say with regard to this amendment that I will not oppose the amendment.

I understand the position of the Senator from Alaska, and I am certainly not in a position, nor inclined, to

debate what the appropriate command structure should be in Alaska. The Senator from Alaska knows a great deal about that subject.

The point of the committee in this provision was to remain consistent with our overall thrust in this reorganization legislation, and that is that the Commander in Chief, the President of the United States, is the appropriate authority to determine the command structure of our military forces. We did not, nor do we now, want the Congress of the United States to make the basic decisions about which forces are assigned to which command. That is a constructional responsibility, as I view it, of the Commander in Chief.

The instructions that Senator GOLDWATER and I gave our very capable staff were to go through the law of the recent years, as well as going way back, and to clean up those provisions of the law that are inconsistent with these basic principles.

The provision that the Senator from Alaska would restore by this amendment basically precludes the Commander in Chief from making changes in the command structure in Alaska. We believe that that provision is inconsistent with the thrust of this legislation. It is not a major problem, and I do not want to make it appear to be a major problem.

I believe that close constitutional examination of that provision would result in the conclusion that it is unconstitutional. I am not at all sure that the Congress of the United States is constitutionally empowered to decide what forces are assigned where, but I do not think it will come to a constitutional issue. If we are into a war, I think the President of the United States, as the Commander in Chief, would be able to shift and assign forces in whatever way he believed to be most effective. Congress has to fund those forces. Congress could cut out funding for certain forces if it did not believe they were properly assigned. So we would get into one of those separation of powers arguments, and it is not my intent to pursue that here.

I assure the Senator from Alaska that this was not a provision that was singled out in any way, that it was basically called up in the broad sweep of the staff's mandate from the chairman of the committee and from myself, as ranking member, to eliminate and delete those provisions of law that are inconsistent with the overall thrust of where we believe the reorganization bill comes down.

□ 1310

Now, as I understand the Senator from Alaska is in discussions with the executive branch in this area, that he has discussed it with the Department of Defense and the Joint Chiefs. Hopefully those discussions will result in some resolution of this.

Again, I do not think our committee has looked in any depth about what the actual outcome of the command structure in Alaska ought to be. We do not make judgment on that.

I do think that as parties interested in this overall structure we will be taking another look at it in the future.

I certainly will not oppose the Senator's amendment here. I hope he is able to work something out with the Department of Defense in the coming weeks and months, and I want the Senator from Alaska to understand that certainly he has jurisdiction on the Appropriations Committee in this area. Certainly the Senate will make the final decision. But the authorizing committee will continue to be interested in this. And we reserve the right to insert some other provisions in the authorization bill unless this has been dealt with, but we are not going to oppose the amendment today. I believe I express the view of the Senator from Arizona, but he will speak to it.

Mr. GOLDWATER. Mr. President, the Senator from Georgia, I believe, has stated the case far better than I can, but I am prepared to accept the amendment of the Senator from Alaska.

Senator STEVENS has informed Senator NUNN and me that the issue of the Alaskan command is nearing resolution; therefore, the provision in S. 2295 does not need to be retained.

With the assurance that this issue will soon be resolved and improved command arrangements for Alaska realized, I will accept this amendment.

I must note, however, Mr. President, that the Armed Services Committee continues to adhere to the principle that Congress must not infringe upon the authority of the President as Commander in Chief. He has full authority to organize American fighting forces into the most effective command.

But in accepting this amendment, I would just like to make a brief comment of what is transpiring in the Pacific that the American people may not be aware of and which lends some strength to the Senator's amendment.

The periphery of the Pacific is now, in my humble opinion, the whole future of the world, and I think it is going to take a rather drastic shakeup of commands, not necessarily as they emanate from Hawaii, but starting with Alaska, Korea, Japan, I hope to God someday Taiwan and on down around the Pacific. That is where we in this world are going to make advancements or we are going to give up.

I know that Alaska is a very, very important part of this whole structure.

So, Mr. President, as chairman of the Armed Services Committee and with the concurrence of my ranking minority member, I have no objection to taking this amendment.

Mr. STEVENS. Mr. President, I am grateful to my good friend from Arizona and my good friend from Georgia for their comments. And I am particularly grateful for the last comment from Senator GOLDWATER who knows I have great respect for him. I believe the Senate and the world have great respect for his judgment in defense affairs.

I, too, see great change in the Pacific. We have some strange relationships. We are closer in Anchorage to Tokyo than we are to Washington, DC, and yet the command structure from Japan has now been placed under CINCPAC also. We have a strange situation that the Korea and Japan organization structures do not seem to be functioning well together.

I do believe the Commander in Chief should have the right to formulate military command structure. Ultimately he will have the right also in Alaska as there are conversations going ahead to reach an acceptable solution.

We have an advisory group in Alaska that has been meeting not only with representatives of the Joint Chiefs, but with representatives of the military services involved, to try and bring about some understanding.

I try to give each new commander who comes to Alaska a copy of the "One Thousand Mile War" which I am certain that Senators have read about the history of Alaska and the war effort in Alaska in World War II. It was that book that led to the formation of the unified command structure in Alaska, the one which was abandoned for a paper concept of a joint task force which has never been used, has never been implemented, and would not work.

Because of that, the Defense Department concluded it is simpler to attach it to Hawaii rather than devise a concept which will work for Alaska as part of the North Pacific and the continental United States. I am not convinced of the logic of this position.

I appreciate both of my friends being willing to accept this amendment which will permit the discussions to continue to ultimately find the right command structure for Alaska.

I ask for the adoption of the amendment.

Mr. GOLDWATER. Mr. President, we will accept the amendment.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from Alaska.

The amendment (No. 1827) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GOLDWATER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1828

(Purpose: To exempt additional reports, notifications, and studies from the waiver of certain reporting, notification, and study requirements)

Mr. GOLDWATER. Mr. President, I send for myself and Senator NUNN an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Arizona [Mr. GOLDWATER], for himself and Mr. NUNN, proposes an amendment numbered 1828.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 109, strike out lines 10 through 15.

Redesignate paragraphs (6) through (12) of section 503(b) as paragraphs (5), (6), (7), (8), (9), (10), and (11), respectively, and redesignate paragraphs (14) through (75) of such section as paragraphs (16), (18), (19), (20), (21), (22), (23), (24), (25), (27), (28), (29), (30), (31), (32), (33), (34), (35), (36), (37), (38), (39), (40), (41), (42), (43), (44), (45), (46), (50), (52), (53), (54), (55), (56), (57), (58), (59), (60), (61), (62), (63), (64), (65), (67), (68), (69), (70), (71), (72), (73), (74), (75), (76), (77), (78), (79), (80), (81), (82), (83), and (84), respectively.

On page 110, between lines 13 and 14, insert the following:

(12) The seminannual report required by section 2357 of such title, relating to contracts in excess of $50,000 entered into by the military departments for research and development.

On page 110, between lines 16 and 17, insert the following:

(14) The annual report required by section 2397(e) of such title, relating to the names of certain employees and former employees of defense contractors.

(15) The notifications required by clauses (B) and (C) of section 2401(b)(1) of such title, the cost analyses required by section 2401(e)(1) of such title, and the reports required by section 2401(e)(2) of such title, all relating to the long-term lease or charter of vessels and aircraft by the military departments.

On page 110, between lines 21 and 22, insert the following:

(17) The notifications required by paragraphs (1) and (2) of section 2407(d) of such title, relating to certain contracts awarded by the Department of Defense in connection with NATO cooperative agreements.

On page 112, between lines 3 and 4, insert the following:

(26) The reports required by section 2803(b) of such title, relating to emergency military construction projects carried out under section 2803 of such title.

On page 115, between lines 13 and 14, insert the following:

(47) The notifications required by section 7307(b)(2) of such title, relating to the disposition of naval vessels to foreign nations.

(48) The quarterly report required by section 7434 of title 10, United States Code, relating to the production from the naval petroleum reserve.

(49) The annual report required by section 406(i) of title 37, United States Code, relating to dependents accompanying members of the Armed Forces stationed outside the United States.

On page 115, between lines 19 and 20, insert the following:

(51) The notifications, summaries, certifications, and reports required by subsections (a), (b), and (c) of section 502 of the Department of Defense Authorization Act, 1981 (10 U.S.C. 2304 note), relating to conversion of performance of commercial and other type functions from Department of Defense personnel to private contractors.

On page 118, between lines 14 and 15, insert the following:

(66) The report required by section 1002 of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 705), relating to Soviet compliance with arms control commitments.

On page 124, between lines 6 and 7, insert the following:

(c) CHANGE FROM QUARTERLY TO ANNUAL REPORT.—Section 406(i) of title 37, United States Code, is amended—

(1) by striking out "quarter" in the matter preceding clause (1); and

(2) by striking out "quarter" in clauses (1) and (2) and inserting in lieu thereof "fiscal year".

Mr. GOLDWATER. Mr. President, as part of its work on this bill, the Armed Services Committee examined all of the recurring reports, notifications, and studies required by Congress from the Department of Defense and from the President concerning national defense. There are now 458 such periodic reporting requirements which are an excessive burden on the executive branch, particularly the Department of Defense.

Of these 458 requirements, the Armed Services Committee focused on the 403 reports, notifications, and studies specified in titles 10 and 37 of the United States Code—dealing respectively with the Armed Forces and pay and allowances of the uniformed services—and in defense authorization and appropriations acts. In S. 2295, Mr. President, the committee recommends that the requirement for 268 of these reports—or two-thirds of the current total—be waived. This represents a significant and appropriate reduction in the burdens of congressional oversight. The committee's work in this area was led by Senator GRAMM. I especially appreciate his outstanding contribution.

At the time that the committee completed action on this bill, Mr. President, there were a number of additional reporting requirements to which members of the committee wanted to give additional consideration in determining whether they should also be continued. The amendment that Senator NUNN and I have offered is the result of this ongoing work.

The amendment would modify section 503 of S. 2295 to add 15 additional reports, notifications, and studies to the list of reporting requirements that would be continued. The amendment would also change the frequency of submission of one of these reports from quarterly to annually. Lastly, Mr. President, the amendment would remove a reporting requirement from the list of those specified in the bill. This requirement concerns the submission of regulations which would not be affected by the Gramm provision. It would, therefore, be appropriate to delete it from the bill.

If this amendment is adopted, Mr. President, the Department of Defense and the President would be required to submit 149 defense reports, notifications, and studies to Congress. In the committee's views, these reports are the ones essential for effective congressional oversight of national defense policies and programs. A total of 254 reports would no longer be required. This reduction will eliminate a tremendous amount of unnecessary and marginal paperwork. In addition, the President and the Department of Defense will be able to devote more attention to high priority responsibilities.

Mr. President, I urge that this amendment be adopted.

□ 1320

Mr. NUNN. Mr. President, I agree with the chairman. We have gone through these reports very carefully. I commend the Senator from Texas for offering this amendment. It does delete a number of reports. If my arithmetic is correct, we will have eliminated in the neighborhood of two-thirds of the reports even after these additions are added back.

What we did in the committee is we went through on a very cursory glance and we kept those reports that we felt were essential. We left it up to the members of the committee to go into further detail to come up with any other reports they felt were essential after clearing it with both the chairman and myself.

The amendment that is being proposed by the Senator from Arizona is an addition to the list of reports to be retained and that would still leave us, though, with the elimination of two-thirds of all the reports that the committees and Congress now require.

I hope we will be able to monitor this situation in the future much more carefully. I hope we will be much more prudent on the floor about accepting reports. You can justify one report after another on an individual basis, but when you add them up, the cumulative total of the kind of paperwork required of the Department of Defense is intolerable. I think this is one area where the Defense Department has absolute justification to criticize the Congress. We hope this step will go a long way, but we are under no illusions. It will not be enough to simply have a one-time housecleaning in this

bill. And eliminating two-thirds of the required reports today is that housecleaning. We will have to constantly monitor it because if we're not careful it is likely these will add right back up and we will end up in 2 or 3 years where we are now.

So I support this amendment and I urge our colleagues to accept the amendment.

Mr. GOLDWATER. Mr. President, I ask for the passage of this amendment.

The PRESIDING OFFICER (Mr. DENTON). If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 1828) was agreed to.

Mr. GOLDWATER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. NUNN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GOLDWATER. Mr. President, it does not look like we are burdened down with speakers right now. We are trying to find Senator LEVIN, who does have an amendment that both Senator NUNN and I would like to dispose of.

But in the meantime, I might just make a short comment on the amendment that we just passed because there are some 400 people, more or less, in the Pentagon who do nothing but take care of requests from Members of Congress about what is going on with some private who is stationed in Korea or some sergeant over in Germany or some second lieutenant someplace. And these people, if they could be relieved of just 50 percent of this burden, it would mean that we could put about half of them back out in the field where they were trained to be and trained to do their duty.

I would like to implore my colleagues in both Houses to practice good restraint in this area. I know it is an easy temptation, when you get some complaint from a family or from somebody serving overseas or serving domestically, to send it over to the Pentagon for an answer. I think that many of these questions might be answered right from the Congressman's or the Senator's own office. It has been this constant growth of bureaucracy in the Pentagon that has caused a lot of our trouble. It is a growth that I imagine applies to any kind of organization.

I remember when I ran a corporation, every once in a while, I would look at something and say, "Now, how in the hell did this happen?" And I found out that I was not paying any attention. And this is what happens in a body like the Pentagon.

Mr. President, there was an article that appeared in the Washington Post way back on March 5, 1984, entitled "Bug Bureaucracy Seen Hampering Missions." It is so applicable 2 years later that I ask unanimous consent that it be printed in the RECORD at this particular point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 5, 1984]

BIG BUREAUCRACY SEEN HAMPERING MISSIONS

(By Michael Getler)

America's armed forces, called upon in peacetime to carry out controversial missions in an Iranian desert or at a Beirut airport, are hampered by a command bureaucracy so big and diffuse that when something goes wrong, as it frequently has, "everybody and thus nobody is responsible."

That assessment by one senior military officer is widely shared by other top officers and civilian defense officals who are disturbed at the largely negative results of military operations from Vietnam to Lebanon and who wonder whether things are destined to keep going wrong unless the system is changed and responsibility is centralized.

Even the successful invasion of tiny Grenada last October is the subject of a study by the military's Joint Chiefs of Staff.

They are looking into some of the "confusions . . . and communications problems" disclosed by that operation, another officer said. The probe involves a foul-up in locating American students that could have turned a rescue mission into a disaster and questions about the effectiveness of joint commands to pull together forces from all services for small operations.

Questions about the adequacy of U.S. military planning and execution touch raw nerves. But, in the aftermath of the unhappy experiences in Lebanon, they are becoming a public issue.

An article in The Washington Post's Outlook section last month by Jeffrey Record of the Institute for Foreign Policy Analysis charged that the U.S. military record since the imaginative and successful 1950 landing at Inchon in the Korean war "has been one of persistent professional malpractice."

The article was roundly condemned as "wrong" by Defense Secretary Caspar W. Weinberger. But a respected member of the U.S. Army War College Staff, Col. Harry G. Summers, said he thought the article in general was "pretty good," adding that "there is concern over the issues he [Record] raised."

Last week, Summers wrote a critical article for The Wall Street Journal. The magazine U.S. News and World Report, not regarded as an enemy of the Pentagon, published a cover story entitled "Cant's Anybody Here Run a War?"

There is widespread agreement that the United States has powerful and generally competent military forces. And specialists say that an aborted hostage rescue mission in the Iranian desert in 1980 and lax antiterrorist security around Marine headquarters in Beirut last year does not mean that the military would not perform well in its main role of deterring or fighting a major war.

But there has been a string of largely negative results stretching back to the 1975 rescue of the crew of the Mayaguez cargo ship that cost more lives than it saved, to Iran, Beirut and a controversial air raid in broad daylight against Syrian anti-aircraft defenses in Lebanon.

And while military officers say that each of these events must be viewed and explained individually, they acknowledge that "there may be a thread" running through them from which the military and their civilian bosses must learn somethng.

Several senior military officers, civilian officials and outside specialists, who declined to be identified except for Summers, suggested a number of priorities in interviews:

Revamp the Joint Chiefs of Staff. The chairman, the nation's top military officer with responsibility for advising the president, should also be put into the operational chain of command and given responsibility for military actions. This is a widely shared view advocated by the then-chairman, Gen. David C. Jones, before he left office in 1982.

As matters stand now, one top general said, "there is no authority and no individual responsibility" at the hightest level of military leadership in the country. "Nobody here felt individual responsibility for what happened in Beirut because decisions are made by committee and that is contrary to all other military levels, where you have a commander in charge."

Nobody between the president and the commander of the U.S. European Command based in Stuttgart, West Germany, had any individual responsibility for events in Lebanon, he stressed.

But the Joint Chiefs, made up of the chairman and the chiefs of the Army, Navy, Air Force and Marine Corps, "are institutionally incapable of reforming themselves because each must respond to its own service constituency," said another senior general.

"They have spent many hours on how to improve the system, how to make their advice to the president more timely, responsive and objective. They labored long but delivered a mouse," he said, and so any reforms "must come from Congress," which is studying the issue but thus far has failed to act.

The Joint Chiefs' advice to the president, said another officer "is inevitably a compromise which tends to bring you to the lowest common denominator and makes advice untimely." Besides, he adds, the Joint Chiefs' staff has actually "10 different bosses." including operating deputies, "and staff recommendations won't make it through the system if any of those 10 disagree."

Streamline the command bureaucracy. The Stuttgart command is one of six huge "unified commands" that are supposed to be the cutting edge of U.S. military power deployed around the world, with large subcommands and armies and fleets assigned to them.

But they have grown into enormous bureaucracies over the years and many senior officers here seem to feel they have lost their edge. "There is a danger," one admiral said, "that responsibility becomes so blurred that there is a tendency for staff personnel to exercise the authority of the commander without the responsibility. So the commander has got to keep in mind who is holding the bag."

Streamline the chain of command. An order from the top to the commander of the battalion landing team ashore in Beirut went from the president, to the secretary of defense, through (but not to) the Joint Chiefs, to the European command in Germany, to the European naval force commander London, to the Sixth Fleet commander in Italy, to the amphibious task force commander off the Lebanese coast, to the Marine amphibious unit commander ashore and then to the battalion commander.

The unwieldiness and lack of alertness of that chain drew sharp criticism in December from a commission under retired four-star Adm. Robert L.J. Long looking into the terrorist bombing of Marine headquarters last October that killed 241 servicemen.

In recent weeks, after further controversy stirred by the air raid against Syrian positions in which two Navy jets were shot down, the military shortened that chain substantially, which some officers said was a step in the right direction. Other said, however, that it was not necessarily a sign of still further changes.

Generals and admirals said the problem is that as the United States becomes involved in limited use of military force during peacetime, that peacetime chain of command is frequently not suitable to combat operations. It does not allow sufficient flexibility.

In wartime, they argue, the chain can be shortened any way the president wants. Shortening it too much can be dangerous too, they point out, as was the case in the aborted Iran rescue mission, which was such a secret that not enough experts were involved in the planning and training.

Other priorities:

Planning. One senior admiral said Vietnam left such a bad taste with the military that the leadership rushed to reembrace the traditioinal role of defending Europe against the Russians.

But now the most likely contingencies where U.S. forces might be used are in local "brush-fire" conflicts, and they have not been given the same attention. Ten years ago, he added, when the United States still enjoyed nuclear superiority over the Soviets, "you could get away with sloppy planning." But now, he said, with nuclear threats less credible, "you can't."

A top Pentagon civilian official added: "We do really have superb planners, insightful, innovative. But we have a system that grinds that to powder. What kind of brilliant insight can make it through six layers of staff?

"The bureaucracy becomes a substitute for talent. So you let the system produce the paper rather than the brilliant lieutenant colonel down in the ranks who could write a much more insightful plan. You let the system grind out its homogeneous papers during peacetime, but in wartime you better know who that lieutenant colonel is and grab him and make him draw up the mission.

"That's leadership, not management . . . and that's something this building has tended to lose sight of," the official said, referring to the Pentagon.

Execution. The root cause of the problems, said Col. Summers, is the "imbalance" between the heavy emphasis on "preparing for war," namely procurement of arms and management, and not enough emphasis on "the conduct of war," the actual fighting and leadership in battle, especially on small operations.

Congress, he said, makes matters worse because they focus on those questions of budget and procurement, and that intensifies that military emphasis.

The loss of "individual responsibility" in the officer corps, he said, "is deadly for military efficiency," and the lack of punishment for failure, he said, goes "hand in hand with the diffusion of authority."

Unified operations. Many officers said there is a virtual obsession in the high command that all four services must take part in any operation—as was the case in the Iran raid, Lebanon and Grenada—and that this is a major cause of confused and unnecessarily complicated planning, training and execution.

Senior commanders tend to disagree, arguing that military operations nowadays inherently involve at least three services and that cooperation on the battlefield is much better than it is back in the Pentagon.

Reflecting on the overall situation, a top civilian Pentagon official said: "It's not fair to say that postwar American military operations have always been botched. It's a mixed picture with no short answers. On the one hand, military operations are held to an unrealistic standard while war is inefficient and messy.

"If you read military history," he continued, "the real accounts always show a lot of negatives; the winner didn't only win. He lost, too, and screwed up a lot and killed a lot of his own people. There is no neat way to kill people, and the more isolated and small military operations are, the more they get dissected, and that's been the story of the postwar period."

Even the Israelis, who "are always held up as the paragon of military operations," he said, have taken higher combat losses than people know about "because they control their press."

If the chips are down, will the system function better than these incidents reflect, he was asked.

"It could go either way," he said. "It is quite possible to fight a war or crisis brilliantly with the current apparatus. It depends entirely on the human beings who are in charge. If the responsible figures approach it as a machine that you just turn on, it can be a disaster because it doesn't work automatically. It simply provides a structure that leaders can use according to their insights and abilities.

"In every war, senior commanders make rapid changes of top people. They are not worried about structure. They are worried about whether it is Joe or Tom in that top place. One can do it. The other one can't," he said.

Mr. NUNN. Mr. President, perhaps we could get staff to see if Senator LEVIN is prepared to submit his amendment. I am informed he is on his way. I do have a few more comments on these reports and the congressional role while we are waiting for Senator LEVIN's arrival.

The Constitution, Mr. President, envisions that the Congress would act as the Nation's board of directors on public policy issues, determining policy goals, and setting overall directions. Instead, too many times we in the Congress are acting on defense issues more and more like national programmers.

Just to give an example of why we felt it was necessary to deal with these reports, in 1970, the Congress required 36 defense study reports and notifications that recurred every year. In 1985, this 36-report requirement had grown to 458 in number. In 1970, we enacted 64 general provisions into law. In 1985, 213 general provisions were included in defense legislation. In 1970, the Department of Defense Authorization Act adjusted 180 programs from the President's budget request. In 1985, we adjusted 1,315.

Now that situation has grown beyond what can be justified. I would have to say, in partial but not complete defense of Congress, that one of the reasons there is so much micromanagement is because in the Congress there has been growing a sense that the Department of Defense itself was not being properly managed nor was it properly organized. We cannot really manage the Department of Defense from here. But what we are trying to do with this overall bill is not only cut down the amount of micromanagement going on in the Congress, but we are also trying to give the Department of Defense the kind of organization that will facilitate a growing sense of confidence in the way it is managed. Those two things go hand in hand.

I am convinced that we must cut down micromanagement by the Congress. We are going to do everything we can to do that, including we are going to have a much better monitoring system on what we call questions for the record. Those are questions that are submitted in writing after hearings are over. Some of them are necessary. Sometimes if you did not have those the hearing would never conclude. We would be going all day and all night.

On the other hand, many times staff and Senators take advantage of that situation by posing literally scores of questions, many of them duplicative, and we have got to cut down these.

With this kind of spiral between the Congress and Department of Defense—growing perceptions of mismanagement, growing frustrations with the organization, growing congressional micromanagement—we are really stifling ourselves.

I have said before and I will say again that we are in great danger in the Congress of playing a game of trivial pursuit when it comes to defense issues. It is not that we do not have plenty to decide as the board of directors envisioned by the Constitution. Too few times since I have been in the U.S. Senate in the last 13 or 14 years, too few times have I heard serious debate on this floor about major policy issues. Yes, we debate weapons systems, we debate procurement matters, we debate all of these, but how many times have we really had a debate about what are our vital interests in the world? What are the interests in the world we are willing to send our best young people, if necessary, to give their lives for? We do have vital interests, but how many times have we had a debate out here on the floor about what those vital interests are? Not many times.

How many debates have we had relating to the role of our European

allies in NATO? How many debates have we had about the Japanese and what they are doing in the defense arena and what they are not doing in the defense arena? How many times have we looked down the road at the role that our American military forces should be playing in NATO 10 years from now, 12 years from now, 15 years from now?

What kind of policy do we expect the Japanese to pursue in their own defense? Do we want them to begin to have more input in their own defense matters? Do we want them to be required to pick up much more of the burden?

These are the kind of broad questions that I think we need to be addressing in the Congress.

So that is the thrust of what we are trying to do. We are trying to furnish an organization that will lend itself, when property managed—and I emphasize "when properly managed"—to begin moving the country and the Congress back to a sense of confidence in the Department of Defense and the way it is run.

I would like just very briefly again, while we are waiting on Senator LEVIN, to give a brief summary of the provisions of this bill that I think are so important.

I believe that the major thrust of this bill that we have before us today, if it is enacted and if it is signed into law, I think these are the important matters that we hope to accomplish and that this bill is aimed toward.

First, we hope to improve the quality and enhance the role of professional military advice. This gets into the question of the Chairman being the principal military adviser. It also gets into the question about having a Vice Chairman to assist the Chairman.

□ 1330

We also believe that we will strengthen civilian control of the military. We believe when the Commander-in-Chief and the Secretary of Defense have better military advice, when they have vigorous presentations by different members of key military groups, including the Joint Chiefs, when they have a choice of different views, we think this will stengthen their hand in making the kind of decisions that civilians are required to make under our constitutional system.

We believe that this bill will strengthen the authority of joint military offices. We believe that the thrust of this legislation, if it is adhered to, will begin slowly in an evolutionary way, but hopefully surely over a period of time, to instill in the military offices whether they are in the Navy, the Army, Air Force, or the Marine Corps, a sense of looking beyond their own service, thinking beyond their own service, planning beyond their own service, measuring success beyond their own service, and being prepared to fight with their comrads in other services.

We believe that this legislation will help improve the preparation of and the incentives for officers serving in joint positions. We want those positions to be coveted positions. We want those positions to be desirous positions. And we want the people serving there to have a reasonable chance of promotion and to be judged on their merits just as those are who never are in joint positions. We believe that this legislation, and we hope this legislation will enhance the effectiveness of military operations. I have already discussed the Grenada situation, and the problems with communications. We want those things corrected.

We believe this legislation will strengthen the central direction and control at the policy level while increasing the decentralization of execution and other management authority and policy centralization in terms of the overall direction, but decentralization in terms of implementation.

We hope to clarify the chain of command in this legislation to reduce and streamline the defense bureaucracy; as we have already talked in the last few minutes, to reduce congressional micromanagement, to provide for more effective use of resources to improve the supervision and control of the defense agencies and Department of Defense field activities—I will discuss that further as we get along in this debate during the day—and to implement fully the National Security Act of 1947.

Mr. President, this represents the thrust of this legislation, and this represents our hopes for this legislation as it is implemented over a period of time.

I see the Senator from Michigan is on the floor. I know he has an amendment.

I yield the floor.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. I thank my friend from Georgia.

AMENDMENT NO. 1829

(Purpose: To clarify the relationship between Chairman of the Joint Chiefs of Staff and the chain of command)

Mr. LEVIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Michigan [Mr. LEVIN] proposes an amendment numbered 1829.

[On page 27, line 14 strike "the channel of command"

Mr. LEVIN. Mr. President, this amendment will clear up an ambiguity which exists in the bill. I discussed this with the managers of the bill. I understand that they accept the amendment, and see its wisdom.

Briefly, it makes sure that there is no ambiguity over the issue of whether or not the Chairman of the Joint Chiefs of Staff is in the chain of command. We have increased the powers of the Chairman of the Joint Chiefs in a number of ways. I very strongly support that. We should increase the Chairman's power. We also place limits on the Chairman's powers. We have made it clear in a number of places that the Chairman cannot be placed in the chain of command. If these words "channel of command," add anything to 163(b), the section is much clearer without them, and without them there will be no ambiguity about the issue of the Chairman not being able to be placed in the chain of command.

So I offer this amendment to clarify that, and to make sure there is no unintentional ambiguity in our bill.

Mr. GOLDWATER. May I ask my friend if he has sent the amendment to the desk.

Mr. LEVIN. I did. I found the piece of paper I was looking for. I sent it to the desk.

Mr. GOLDWATER. Mr. President, I discussed this with the ranking member. It is a very simple, and I think sensible amendment. It changes the language of subparagraph (b) to eliminate these words "the channel of command." And they are words that are not needed because the following word "communications" contains the only correction that is needed. So, Mr. President, the chairman of the Armed Services Committee will accept this amendment if it is all right with my ranking member.

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Mr. President, I have discussed this with the Senator from Arizona. I have discussed the amendment with the author of the amendment, the Senator from Michigan.

I think the Senator from Michigan is pointing out an area as he has so often that may have been overlooked. It is unnecessary wording that does not have to be here. With some of the past confusion we have had in defining what chain of command is I think the words "channel of command" may very well be put in the ambiguous category.

The thrust of what the comittee was trying to do—and we did discuss this—is to distinguish very clearly between chain of command on the one hand, which is the authority of the command forces, and channel of command which we really meant to be communications. Channel of command was not meant to even be on the same plane with the chain of command. It was supposed to be separate and distinct.

But the word "communications" speak for itself.

So this amendment takes out those extra words "channel of command" and simply leaves the word "communications" which is the essence of what the committee intended.

So I think the Senator again in his usual astute legal manner has made an improvement in the bill.

I recommend that we accept it.

Mr. GOLDWATER. Mr. President, I ask passage of this amendment.

Mr. LEVIN. I thank the managers of the bill for their support and their kind words.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Michigan.

The amendment (No. 1829) was agreed to.

Mr. NUNN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GOLDWATER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GOLDWATER. Mr. President, I believe there are only two relatively unimportant amendments left. We are trying to find the Senator from Virginia who is the author of these amendments. In his absence, I see nothing else to do, and I suggest the absence of a quorum.

AMENDMENT NO. 1830

(Purpose: To amend the official short title of the bill)

Mr. NUNN. Mr. President, I have a revolutionary amendment here, if the chairman will permit me to introduce it.

Mr. GOLDWATER. If it is revolutionary, I will sit down.

Mr. NUNN. This may be one amendment the chairman disagrees with. We are going to do our best to fight him as hard as possible, and overcome whatever opposition he has and see that our colleagues will adopt this amendment.

This is one area where the ranking Democrat may disagree with the chairman.

Mr. President, this amendment will be very simple. It will show as the title of this bill, that will be passed by the Senate sometime today or tomorrow, that this act may be cited as the "Barry Goldwater Department Of Defense Reauthorization Act of 1986." I submit that amendment to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Georgia [Mr. NUNN], for himself, and Senators GRAMM, WARNER, and LEVIN, proposes an amendment numbered 1830.

On page 2, strike out lines 4 and 5 and inset in lieu thereof the following:

This Act may be cited as the "Barry Goldwater Department of Defense Reorganization Act of 1986".

□ 1340

Mr. NUNN. Mr. President, I submit that amendment on behalf of myself and Senator GRAMM, of Texas; Senator WARNER, of Virginia; and Senator LEVIN, of Michigan.

I would assume that all of the members of the committee will want to be added as co-authors, but that will become known, I am sure, in a few minutes.

Mr. President, I want to say again, as I did this morning, that Senator GOLDWATER'S absolute dedication to strengthening the Department of Defense through this fundamental reorganization—an objective shared by many others—enabled him to give our committee the discipline and courage to do what was necessary despite many obstacles and despite at times fierce opposition. He directed our committee to put aside all other activities. He gave us discipline. He set the example by being willing to work long and hard.

He set an example by doing everything concerning this bill in a bipartisan manner.

Without him we would not have this legislation before us.

Mr. President, when the Congress passes this bill, as I am reasonably certain it will, and when the President signs it into law, as I am reasonably optimistic he will, it will stand in tribute to the wisdom, courage, and leadership of BARRY GOLDWATER. All of us here on the floor, all of us in the committee, and more important, future generations, will owe BARRY GOLDWATER an unending debt for what he has done with this bill to improve our national security.

I must say that his leadership in this matter has not been unique in his career. He has been a leader for national security for many, many years. He has been an outstanding member of the military. He has been an Air Force general. He brings expertise to our committee in every facet of aerospace. He has been a tremendous leader in the Reserve forces of our country. Of course, he has served his party with distinction. He has served the Senate with distinction. He is, in my opinion, one of the truly outstanding and most patriotic Americans. I am hopeful that after vigorous debate our colleagues will see fit to adopt this amendment.

Mr. GOLDWATER. Mr. President, I guess I would be crazy to argue against it. On the secondhand, I do not deserve it. This bill was prepared by my friend Jim Locher and his staff, and it was started by John Tower and Scoop Jackson. The only thing that happened to me is I happened to become chairman of the Armed Services Committee at the same time that SAM NUNN, the Senator from Georgia, was the ranking Democrat.

It has been my honor and pleasure to have served with some of the outstanding leaders of the Armed Services Committee through the 30 years of my life here. I remember Senator Russell, one of the outstanding men we have ever had, and Senator George himself, and now Senator NUNN.

I do not know that there is any precedent, frankly, for this kind of action. I will not ask the Parliamentarian to take it up because she might find that it is all right. So I guess I will just shut up and let you do what you want to do.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. Mr. President, I ask unanimous consent that I may be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, it is typical of the fashion of my senior colleague for not taking the credit for many things that he does for this country legislatively. I thank the Senator from Georgia for offering this amendment and I thank the senior Senator from Arizona for accepting the amendment. He is not one who wants to toot his own horn to have his name appear on this legislation because he is a man who shares those triumphs and glories that he so well deserves.

I am happy that Senator GOLDWATER will relent and let us pass this amendment. It is very fitting and most appropriate.

Mr. LEVIN. Mr. President, not only does the Senator from Arizona deserve this honor, he richly deserves this honor. He is the first to say that others acted with him, particularly Senator NUNN, Senator WARNER, and others; but the truth of the matter is that he has led this effort; he has chaired the committee in a nonpartisan way; he has done it in the fairest way I have ever seen a chairman conduct the committee.

It is a tribute to him that is richly deserved. It has been an honor to work with him on this committee and on this bill. The country is well served by the fact that he drove this bill through, insisting that we take the time to do it right. It has been an honor to have a small part in it and to serve with him in this body.

Mr. GOLDWATER. I thank my friend from Arizona. He and his family and I have grown up in that part of the world. And I also thank my friend from Michigan.

I looked forward to this day with great trepidation. I was scared to

death. I did not know how the Senate would react to this type of legislation. But it has probably been the best day of my life just to sit here and listen to all this malarkey. I am glad it is in the CONGRESSIONAL RECORD. I have grandchildren and in my older days I will have nothing to do but tell lies to them. Now I can embellish those lies with the CONGRESSIONAL RECORD, which is not often used for that purpose. [Laughter.]

I am grateful. There is no way I can say thank you. I just have to say that there was no way in the world that this bill could ever have been brought to this floor or brought to fruition without everybody on the committee, the political members, the staff members, and particularly the staff members under Jim Locher who spent 4 years of their lives putting this thing together. I want to thank all of them. I will treasure this moment. Thank you.

Mr. NUNN. Mr. President, I ask unanimous consent that the Senator from Colorado [Mr. HART] be added as a cosponsor to this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. I ask unanimous consent that all members of the Senate Armed Services Committee be added as cosponsors.

The PRESIDING OFFICER. Without objection, it so ordered.

The names of the members of the committee added as cosponsors are as follows:

Senators THURMOND, WARNER, HUMPHREY, COHEN, QUAYLE, EAST, WILSON, DENTON, GRAMM STENNIS, HART, EXON, LEVIN, KENNEDY, BINGAMAN, DIXON, and GLENN.

Senator RIEGLE was also added as a cosponsor of Amendment No. 1830.

Mr. HART. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HART. Does the Senator control time? If so, will the Senator yield?

Mr. GOLDWATER. There is no control of time. The Senator can speak his will.

□ 1350

Mr. HART. Mr. President, the consideration by the Senate this week of the Defense Reorganization Act is the most recent chapter in what has been several years of effort to change the organization of the world's largest bureaucracy—the Department of Defense. The legislation embodies the careful analysis and recommendations of many outside experts, congressional staff and Members of Congress, which culminated in the bipartisan, landmark report by the Armed Services Committee staff entitled "Defense Organization: The Need for Change."

When this historic report was first issued, Senator GOLDWATER said:

> The reorganization of the Defense Department may be the most important thing Congress does in our lifetime. It will be the most important thing I do in mine.

Coming from someone who had dedicated his distinguished service in the Senate to the improvement of our national security, that was a statement that deservedly received a great deal of attention. But it is not an overstatement.

The work of Senators GOLDWATER and NUNN, our colleagues on the committee, and the superbly capable members of the Senate Armed Services Committee staff represents unique service on behalf of our Nation's security. Their work establishes the foundations for reforms which will help preserve the lives of our country's Armed Forces, and ensure that the massive investment of American tax dollars in our defense will be wisely spent.

The legislation we are considering today is based on a number of serious concerns many of us have raised over the years.

First, the bill attempts to resolve serious problems in our defense decisionmaking system: in the Joint Chiefs of Staff, in the individual military departments, in the procurement process, and in the way the Congress approaches defense issues. These problems are sufficiently serious that in Senator GOLDWATER's word:

> If we have to fight tomorrow . . . they will cause Americans to die unnecessarily. Even more, they may cause us to lose the fight.

There is no question that the committee's bill will play a major role in bringing about critically needed change. While some of the specific recommendations will be debated, as they should be, the Defense Department will no longer be able to stonewall any reform by saying, "There is nothing wrong with 'business as usual.' Don't change what is working well." 0

As Senator NUNN said here on the floor, "If we leave it up to the Pentagon, there will be no change." As both Senators NUNN and GOLDWATER said, "the current system is broke and we need to fix it."

The committee bill is significant in a second and even greater respect. By forcefully opening the door to more careful scrutiny of the organizational and planning structure of our defenses—and forcing accountability in all areas—the bill also paves the way to further reforms that must lie ahead.

Ever since the founding of the congressional military reform caucus in the summer of 1981, and in some individual cases before that, a small but growing group of Members of Congress from both Houses and both parties has been warning that basic defects in our military concepts, doctrines, force structures, and organization are leading us toward exactly what Senator GOLDWATER has warned of—unnecessary casualties in combat and, very possibly, defeat on some future battlefield.

But the concerns of the caucus and of the many military reformers outside the Congress, including those within the officer corps, also go beyond these issues. After all, the question is not "what is the most efficient Pentagon?" The question is: "what is the most effective defense?"

For that reason, military reformers will continue to be concerned about additional problem areas such as tactics and doctrine. For over a century, the American way of war has relied on firepower and attrition—fighting like Grant against Lee around Richmond. Military reformers believe we need instead to adopt a maneuver style of warfare—and fight more effectively, like the Israelis in their Sinai Campaigns. Recently, to its great credit, the U.S. Army has made changes in this direction. Unfortunately, our other three services have yet to adapt to the challenges of modern warfare.

There is also the question of unit cohesion. It has been evident since the time of the Roman legions that effectiveness in combat demands cohesiveness within military units. The troops must know the people around them. Today, we have such a high rate of personnel rotation in our military—up to 25 percent per quarter in many combat units—that people do not get to know each other and the units are not cohesive. As in the case of doctrine, the Army, but only the Army, is moving to remedy this problem.

Office education and promotion. If a military is to be effective in combat, its officers must be taught how to think and the promotion system must favor the leader, the thinker, and the tactician. Instead, we largely teach our officers what to do and what to think, which leads to rigidity in combat, and we tend to promote the bureaucrat, the office politician and the courtier, especially in the higher ranks.

Despite a vast military education system, most of our academies and war colleges teach very little military history or theory. The curricula focus on engineering, management, staff procedures, formats, and forms. Instead of teaching creative thinking—how to think—they emphaize bureaucratic solutions, set ways of doing things: such rote learning does not lend itself well to the demand of the battlefield.

If our officers are not well educated in the art of war, then the tactics they develop are likely to be deficient; the equipment they design is not likely to work well in combat; field training will be rigid and unimaginative; force structure will be outdated—as the Navy so well illustrates—and our performance in combat will suffer. Tragically, there is abundant evidence for

all these problems—in Vietnam, in the attempted Iranian hostage rescue, in Beirut, and even on Grenada.

Military equipment. Today, we get neither quality nor quantity in most of our weapons. Most of them are too complex to work effectively in combat. Yet, because of their complexity, most weapons cost so much that we can only afford small numbers of them. We need to develop and buy weapons that are simple to operate, dependable, easy to repair under combat conditions, hard for an enemy to see, get kills quickly, and inexpensive enough that we can afford adequate numbers.

Finally, there is the issue of force structure. Today, our Navy is dependent on just 13 ships—our 13 big aircraft carriers. These carriers, with their escorts, aircraft, and support ships are each so expensive that we can afford only a handful of them. Worse, we have paid for them in part by building so few submarines that our principal opponent, the Soviet Union, outnumbers us 3 to 1 in submarines. The capital ship today is the submarine, not the aircraft carrier. For this Nation—which is by geography dependent on the sea—to allow itself to be outnumbered 3 to 1 in capital ships is extraordinarily dangerous.

Students of modern history remember the key role submarines played on both world wars. Well, today's subs are even more effective. And while antisubmarine forces have improved since World War II, submarines have improved much more rapidly. This is true not only for nuclear submarines, but for conventionally powered subs as well.

In these areas and others, just as in the areas identified by our legislation, major reforms are needed. While the bill does not directly address all of these other areas, it will do a great deal to prepare the way for more comprehensive reform. It will help initiate the process of reform that many of us have been calling for these past years. Once underway, that process will grow and spread until we make the necessary changes in all defense areas, not only those covered by this bill.

The problems to which military reform are addressed are in our conventional forces. But they have implications for the growing risk of nuclear war as well. Our conventional forces are the West's most important protection against nuclear war. The more capable these forces, the less likely we would ever have to resort to nuclear weapons. That's why all who are serious about preventing nuclear war should think seriously about the case for military reform.

Even under the best of circumstances, military reform is a daunting challenge. No nation has ever reformed its military in the absence of a major military defeat. To do so will require great public concern and involvement.

Let me conclude by complimenting once again the leadership of Senator GOLDWATER. This legislation demonstrates something important. If I can paraphrase the words of Senator GOLDWATER from nearly a quarter century ago, "reform of the Pentagon in defense of liberty is no vice, it is essential."

Senator GOLDWATER and Senator NUNN have played a major role in moving the reform process forward in an effective and bipartisan way. For that service, they deserve the gratitude and the active support of every citizen and every Member of this body.

Mr. President, Senator GOLDWATER's legacy to the commitment for a strong defense will remain in this body long after he has gone to his well-deserved retirement. I hope he continues—all of us do—to consult and advise the Government of this country on these critical issues because he is one of the strongest voices we have today for a strong America.

Mr. GOLDWATER. Mr. President, I thank my friend from Colorado, with whom I have served with so much pleasure for so many years on the Armed Services Committee. I also recognize the service we both tried to give on the Air Force Academy up in his beautiful State of Colorado.

I appreciate the Senator's remarks far more than I can tell him. I thank the Senator.

The PRESIDING OFFICER. Is there further debate?

Mr. NUNN. Mr. President, I would like to comment briefly that Senator HART has been an extremely valuable member of our committee for many years. He has done a tremendous amount of work in the overall area of reform. A number of his suggestions have already become very active topics in the Congress. Some of his suggestions have already been implemented in the Department of Defense, although he has not always been given credit for that implementation.

The subject of reform is not a new one to the Senator from Colorado. He has been an invaluable member of the committee on this legislation. He has been a vigorous supporter of this reorganization bill. I am most appreciative of his kind remarks and also of his great leadership in this area.

Mr. WARNER. Mr. President, I join the distinguished Senator from Georgia. I have enjoyed serving with Senator HART and although I do not always agree with his objectives, there is no one who works harder or more thoughtfully toward the goals which he believes will improve national defense. I thank the Senator.

Mr. President, I understand there is a pending amendment.

The PRESIDING OFFICER. There is a pending amendment. Is there further debate?

Mr. NUNN. I do not think we have any dissent at all, Mr. President. I hope we can proceed with the approval of our colleagues. I ask the Chair to put the question.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Georgia.

The amendment (No. 1830) was agreed to.

Mr. DECONCINI. I move to reconsider the vote by which the amendment was agreed to.

Mr. NUNN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DECONCINI and Mr. WARNER addressed the Chair.

Mr. WARNER. I shall be happy to yield to the Senator from Arizona if he has a time problem.

Mr. DECONCINI. No, Mr. President, I was going to offer an amendment, as I assume the Senator from Virginia is going to do.

Mr. WARNER. I think my amendment can be addressed quickly.

Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

AMENDMENT NO. 1831

The Senator from Virginia [Mr. WARNER] proposes an amendment numbered 1831.

(1) On page 66, at line 6, strike "of their length of service as such" and insert therefor "as prescribed by the Secretary of the Service".

□ 1400

Mr. WARNER. Mr. President, this amendment is to enable the Secretary of the Navy or the Army or the Air Force to make a decision himself with respect to the Assistant Secretaries and the order in which they will be listed by seniority in the Department. Having had some experience in that area myself, I suggest that it should be a discretionary matter with the Secretary rather than, as now provided in the bill, determined by the length of service. Let me give an example to my distinguished chairman.

When I joined the Department of the Navy in 1969, the current Senator from Rhode Island, JOHN CHAFEE, was the designated Secretary, I was the Undersecretary, and in the judgment of the new Secretary of Defense, Melvin Laird, he decided to keep two men from the previous administration, both of them absolutely superb. They had been there some several years. One was expert in research and development and the other in financial

management. Senator CHAFEE and I determined that we should keep these two Assistant Secretaries on for some time, and in fact they remained for several years thereafter and went on to establish extraordinary careers of public service in other areas. There is a measure of political decisionmaking in a military department and throughout the structure of the Department of Defense. I think, frankly, when there were occasions when either Mr. CHAFEE or myself were absent from the Department, one or both of these men by virtue of their seniority as now written in this bill would have been automatically designated as Acting Secretary and they might have felt somewhat concerned having to make a decision which could have had some political connotation.

For one of these gentlemen, his whole life was dedicated to science. He did not profess any particular expertise in management or other areas of the Department. There were certain times when decisions came before the Secretary and the Under Secretary that had he been designated Acting Secretary, his experience would have deprived him, I think, of making a broad-based judgment. It is for these reasons that I suggest that the Secretary be given the flexibility to determine the order of seniority which would establish who would be the Acting Secretary or Under Secretary in the absence of the principals.

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER (Mrs. KASSEBAUM). The Senator from Georgia.

Mr. NUNN. I say to my friend from Virginia, this amendment has just come to my attention. I do not have any problem with the line of thought the Senator from Virginia has laid down about why the amendment should be adopted. My problem is, though, that we have tried to have some uniformity of treatment of the services, and this amendment applies only to the Navy.

Mr. WARNER. If the Senator will yield, the one I sent to the desk said the Secretary of each Service.

Mr. NUNN. It is only amending the section of the bill that deals with the Navy, so it would not apply to the others. I think what we have to do is conform this to the other sections of the bill that deal with the Navy and other services.

Mr. WARNER. Madam President, the Senator is exactly right. There is a technical imperfection. I appreciate the Senator bringing it to my attention. It is my intention to have it apply to all three military departments.

Mr. NUNN. I ask the Senator from Virginia another question. Would it be the intention of the Senator to preclude the Secretary of Defense from making changes in this if he so desired?

Mr WARNER. What does the Senator mean by "this"? I am not sure.

Mr. NUNN. In this procedure. In other words, let us suppose—I cannot conceive of it happening—the Secretary of the Navy decides he is going to name his group of successors and the Secretary of Defense decides he does not like that. Would the final authority be designated for the service Secretaries or would the Secretary of Defense be able to amend the order?

Mr. WARNER. The Senator from Georgia raises a very valid point. It seems to me we should draft the language in the statute to assure that the Secretary of Defense has approval authority over this procedure.

Mr. NUNN. We have done this throughout the bill, so we are not diluting the authority of the Secretary of Defense. I think this would be in keeping with that. There are a couple other amendments the Senator from Virginia has I have not had a chance to look over. I suggest we allow another amendment to come up and try to perfect this amendment and perhaps we would have a chance to discuss these amendments briefly before bringing them up.

Mr. WARNER. Madam President, the suggestion is well taken and I ask unanimous consent that the amendment be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1832

Mr. WARNER. Now, Madam President, I send to the desk a second amendment.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER] proposes an amendment numbered 1832.

On page 61, after line 8, insert: "(11) Constructing, arming, equipping, and employing naval vessels."

On page 61, at line 9, strike "(11)" and insert therefor "(12)".

On page 61, at line 13, strike "(10)" and insert therefor "(11)".

Mr. WARNER. Madam President, it is my understanding that the staff of the committee is looking at a possible revision of tneir own along this line, and I am perfectly agreeable to follow a procedure similar to that followed with my earlier amendment. But the purpose of this amendment is to give the Secretary of the Navy an added area of responsibility, which I feel, again based on experience, he needs because of the unique mission he has with respect to naval vessels. The Secretary has a responsibility for the movement, that is, the employment of ships not under the authority of combatant commanders in connection with training, planning, and scheduling of overhauls and the movement of ships between the combatant commands. To perform these functions, he needs the authority for the employment as well as the construction, armament, and equipping of naval vessels. Again, it would be my hope that either this amendment or one comparable to it would be agreeable, again to give the Secretary of the Navy a measure of flexibility that he requires in moving ships about in terms of overhauls, training, and other administrative requirements.

Mr. GOLDWATER. Might I suggest to my friend from Virginia that he withdraw this amendment at this time.

Mr. WARNER. I will be happy to.

Mr. GOLDWATER. And let us have the staff and the Senator talk about it because we do have another amendment that can be called up. We have some serious question about the language that the Senator inserts in paragraph 1.

Mr. WARNER. Madam President, I am entirely agreeable to that procedure. It was my intention to do so and I said merely that I would follow a procedure similar to the first amendment. Therefore, Madam President, I ask unanimous consent that the amendment be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. Madam President, I might say, if I could state to my friend from Virginia, I am not sure we can work out this second amendment because I think clearly the Secretary of the Navy already has the authority he needs under the law to construct naval vessels, but when you add the armament word in there, that could be interpreted as I do not believe is what the Senator from Virginia intends, which is that the Secretary of the Navy basically could tell the Commander in Chief in the Pacific what kind of munitions and weapons to put on board the vessels in the Pacific and the Atlantic, and that is not a decision that the Secretary of services ought to be making, in my opinion. That is a decision which ought to be made by the Joint Chiefs and the chain of command, in particular the CINCS in the field.

The other question would be the word "employing." That word could be interpreted to make the Secretary of the Navy, as I see it, in effect not only the Secretary of the Navy, he could be interpreted to now be CINCPAC and half of the Atlantic Fleet, and so forth. He could be moving vessels in and out all over the world. That would go contrary to what we think is the orderly chain of command.

As the Senator from Virginia knows—having served as the Secretary of Navy, he I am sure is more aware than anyone—the Secretary of Navy is not in operations and we do not intend

to put him in operations. By saying "employing" naval vessels, I think it would clearly put the Secretary of Navy right in the middle of operations. As we now have a quiet, docile Secretary of Navy who is bashful and seldom seen, I am sure he would not do that. But we could have an assertive Secretary of Navy like the Senator from Virginia was, I am sure, and that might be a different situation.

Mr. WARNER. Madam President, I commend my distinguished colleague for his wit and wisdom on this point. Leaving out the personalities present and past, it was not the Senator's intent to in any way put the Secretary of Navy in the operational chain for the purpose of moving ships in terms of their tactical missions. It was solely, I repeat solely, couched for the purpose of providing him authority in connection with the logistical functions, that is, the overhaul of ships, repair, and other requirements whereby he has to move ships about. At the moment, I have withdrawn it and we are going to see what we can do to perhaps reach some understanding. But proceed. I yield to the Senator.

Mr. NUNN. Let me give the Senator just a brief résumé of the authority the Secretary of Navy already has. This is subject to authority, direction, and control of the Secretary of Defense, but in this bill the Secretary of Navy has the authority for recruiting, organizing, supplying, equipping, including research and development, training, servicing, mobilizing—"mobilizing," that is a broad word. Demobilizing, administering, and maintaining.

It seems to me that those words cover everything that conceivably the Secretary of the Navy would need to do.

□ 1410

Mr. WARNER. Let me pose a question:

You have a ship which was brought into the Norfolk Naval Station for upkeep. It is determined that the upkeep will not be sufficient and it has to be overhauled. It is then determined that you must send it to the Philadelphia Naval Yard. That would be over my objection. But if he made that decision to take it out of Norfolk and send it up there, how does he carry out that instruction?

Mr. NUNN. I would say there would be at least three words that would apply to that example. The word "servicing" I think would be broad enough to allow him to do that. The word "administering" would be broad enough to allow him to do that. The word "maintaining" would be broad enough to allow him to do that.

Mr. WARNER. That may be establishing this authority through legislative history, but I would like to continue to work on seeing whether or not the addition of a single word in this lexicon of authority would do the trick. At the moment, I remain concerned that the Secretary of the Navy does not have sufficient flexibility to move ships in connection with his responsibilities for maintaining the effectiveness of the fleet.

Mr. NUNN. I think these words would make it clear that he would be able to move the ships as necessary under his authority for servicing, administering, and maintaining.

The word "employ," it seems to me, has a pretty operational connotation.

Mr. WARNER. The Senator is correct. The definition could be that he employs it for the purpose——

Mr. NUNN. I assume that the Senator from Virginia does not want him to sail into the Norfolk Shipyard with all guns firing. That is what I would call employing.

Mr. GOLDWATER. Madam President, I say to my friend from Virginia, who has been Secretary of the Navy, that I recall when we were debating the *Aegis*—the ship—and many departments of the military got into the decisions involving the construction of that ship, now a very successful ship.

If we gave all these decisions over to the Secretary of the Navy, would that not preclude the possibility of information coming as occurred with respect to *Aegis*—radar, rocket weapons, and things like that? I do not think the Secretary of the Navy had full control over that and did not want it.

Mr. WARNER. I assure the distinguished chairman that this amendment is intended to provide the Secretary only that statutory authority necessary to discharge his responsibilities in the area of maintaining the physical condition of these ships.

Mr. GOLDWATER. I think he has that already.

Mr. WARNER. I note that the language I was referring to in my amendment, which is no longer pending before the Senate, is the current law, and it has operated and worked well for a number of years.

Mr. GOLDWATER. They do not need a change in it.

Mr. WARNER. In changing it, I want to make sure we have not restricted his flexibility.

Mr. GOLDWATER. I think it is such a good law that I would not want to see it changed.

Mr. WARNER. At the present time, the amendment has been withdrawn.

Mr. GOLDWATER. The staff of the Senator from Virginia and my staff will get together.

Mr. WARNER. I thank the chairman.

Mr. BUMPERS. Madam President, it is rare indeed when we have the opportunity to make a single step that will significantly strengthen our military posture. We have such an opportunity today, in the form of the legislation we are now considering, the Department of Defense Reorganization Act of 1986. I am proud to be a cosponsor of this landmark piece of legislation, the result of extraordinary efforts by the Senate Armed Services Committee over the last 3 years.

Congress and the country owe a very special debt of gratitude to the vision and leadership of the committee's chairman, Senator GOLDWATER, and the ranking minority member, Senator NUNN, who have worked so hard and so long to make this piece of legislation a reality. We must also honor a former colleague of ours, the late Scoop Jackson, who began this important effort 3 years ago. Their reward, and their legacy, will be the greater security and strength that America will enjoy for decades to come that will be a direct result of what Armed Forces Journal has described as "the greatest contribution to America's security we'll see in our lifetimes." Truly, this legislation has been a product of bipartisan cooperation and effort. It is the committee system at its best.

I recall that Gen. David Jones, when he was Chairman of the Joint Chiefs of Staff, held a press conference upon his retirement.

I think General Jones was one of the leaders in starting this whole reform movement. General Jones said in that exit interview that to try to plan for this Nation's defense under the existing system was absolutely impossible. I paraphrased what he said, but what he said, essentially, was this: If you give the Army $2 billion, you have to give the Navy $2 billion. If you give the Navy $2 billion, you have to give the Air Force $2 billion. The Marine Corps—which, of course, was my branch of the service—not being so big, give them $1 billion.

He pointed out, effectively, that you cannot plan when you have those kinds of interservice rivalries and are trying to referee those fights among the chiefs, who have those understandably parochial interests.

The Chairman of the Joint Chiefs—I think this was General Jones at the time—commissioned a study, and I quote from the study, which says it much better than I have said it:

> . . . the problem is one of balance. A certain amount of service independence is healthy and desirable, but the balance now favors the parochial interests of the services too much, and the larger needs of the Nation's defenses too little.

So, Madam President, I applaud this bill. I am happy to be for it.

The President is going to be a more efficient Commander in Chief, because he is going to get not a consensus, corporate opinion. He is going to get what the Chairman thinks is best for the Nation's defenses; but he will be required, and correctly so, to report dissenting opinions to the President. After all, that is where the buck stops.

The President has the right to make that decision, and he should not be confined to the lowest common denominator in making the decision.

Inflated rhetoric is all too common in these halls, but the superlatives that are applied to this bill are much deserved. This bill makes major improvements in the management of our military establishment. The reorganization called for in this bill will:

First. Improve the quality and enhance the role of professional military advice.

Second. Strengthen civilian control of the military.

Third. Strengthen the authority of joint military officers.

Fourth. Improve the preparation of, and incentives for, military officers serving in joint positions.

Fifth. Enhance the effectiveness of military operations.

Sixth. Strengthen central direction and control while increasing decentralization of execution and other management authority.

Seventh. Clarify the operational chain of command.

Eighth. Reduce and streamline the defense bureaucracy.

Ninth. Reduce congressional micromanagement.

Tenth. Provide for more efficient use of resources.

Eleventh. Improve supervision and control of defense agencies and DOD field activities.

Twelfth. Implement fully the National Security Act of 1947.

This is the first true reorganization of the Defense Department since 1947, and it is coming not a moment too soon. We have all been upset by the stories of procurement scandals. And we have been no less upset at stories of poor coordination among our military services to the point where one Army officer had to use his AT&T calling card to phone his office in North Carolina in an effort to coordinate Navy fire support for his position. Contrary to some efforts in the past, this bill deals with the underlying organizational deficiencies that have given birth to these serious problems.

The organizational problems of the Department of Defense are legendary. As disturbing as the current scandals are, they are simply a more fequently occurring version of what has happened in the past. From Pearl Harbor, to the Iranian hostage rescue mission, to the Marine presence in Lebanon, to Grenada, poor interservice communication and cooperation have cost us dearly.

The strengthening of the role of Chairman of the Joint Chiefs is one of the most important improvements. Under the current system, all the services must agree upon advice coming from each of the five members of the Joint Chiefs of Staff. This requirement for unanimous service agreement means that military advice has always been the lowest common denominator. This has discouraged innovation and bold thinking, precisely what is called for under many trying military conditions. Chairman GOLDWATER has put it well when he said that the advice that comes out of the Joint Chiefs "is often mushy and poorly presented." Or as former Secretary of Defense Schlesinger has put it, " The proffered advice is generally irrelevant, normally unread, and almost always disregarded."

It is important to reemphasize that this legislation is not a criticism of any of the members of the Joint Chiefs of Staff, past or present. They have been fine and patriotic men doing the best that they could do, often at a substantial sacrifice to their personal lives. The problem has not been the people. It's the system that has created the problem, and it's the system that needs to be fixed.

By making the JCS Chairman the principal military adviser, this lowest common denominator phenomenon will be abolished. At the same time, dissenting military advice from the other service chiefs will be passed on to the President, as it should be.

I am also heartened by the way this legislation strengthens the unified commands, our military leaders in the field. Unified commands have forces assigned to them from two or more different services and are responsible for a particular part of the world. While this is fine in theory, the setup to date has not worked too well in practice. As Senator NUNN has put it, "We have unified commanders but divided commands." Each unified commander has his own subordinate joint command, with a representative from each service, so that consensus must once again be reached among all the services. As the commander of the U.S. Readiness Command, Gen. Wallace Nutting, has said:

> There is no unification below the Unified Command echelon. In this circumstance, the degree of operational unification in the readiness command and between its components is decidedly insufficient.

Unified commanders have little say on resource decisions. As Gen. Bernard Rogers, commander-in-chief of the European Command, has said:

> There is an imbalance between my responsibilities and accountability as a unified operational commander and my influence on resource decisions.

This legislation would give the unified commanders a say in resource allocation decisions and would give him greater authority over the forces at his command. It also specifies that the chain of command run from the President to the Secretary of Defense to the combatant commanders. With this legislation, we will at long last answer President Eisenhower's call in 1958, nearly 30 years ago, "That each unified commander must have unquestioned authority over all units of his command."

The greater efficiency of defense management allows cutbacks to be made in headquarters staff, as it should. A total of 8,232 positions in headquarters staffs will be eliminated, as will another 9,462 elsewhere in defense agencies, for a total of almost 17,700 positions. This will save several billion dollars in personnel costs alone over the next few years, and will eliminate duplication and mismanagement.

Madam President, this legislation is a rich tapestry of useful change in defense organization. It is long overdue, but it is here at last. These changes will do more to strengthen our security than any new weapon system. And unlike a weapon system, this legislation will save us billions, rather than cost us billions. This is especially important at a time of tight budgets. The need for change is urgent. The time for change is now. I am glad that the Senate is seizing this opportunity to make our military structure more effective, and more efficient, in defending our great country.

We may find in a year or two that we need some fine tuning on this bill, but I think this is one of the most, if not the most, significant things that has been done in the Senate in my 11 years here.

Again, I give my sincere thanks and congratulations to these who have worked so hard to make this day possible.

I yield the floor.

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Mr. GOLDWATER. Madam President, I thank my good friend for his comments.

I take this opportunity to remind him and in reminding him to remind all of my colleagues that one of our constitutional requirements is not just to raise the Army and the Navy but to maintain, in effect, oversight, something we really have not done.

I have served on the Armed Services Committee almost my entire time in the Senate, and while we once a year, in effect, look at how much money they want to spend on this, that, and the other thing, we have never really asked the question "Do you need it?"

I had an argument the other day with the Reserve Army and they want to buy four jet airplanes. "Why do you need four jet airplanes?" They said, "To accomplish our mission." I said "If you put a 20 millimeter cannon in the nose of that jet airplane I might buy it."

This is the kind of surveillance that every Member of this body can exercise all the time.

I will be the first one to tell you that we can save a lot of money. We are

buying a lot of equipment, I hate to tell you, that we do not need. We just need a lot more of fundamental, down-to-earth weapons to go out and fight a war. We do not need all this fancy stuff. We can go back to throwing rocks and using spears and arrows, but I do not want to.

I thank the Senator.

Mr. BUMPERS. I thank Senator GOLDWATER and I tell him he has warmed my heart because I have made that speech so many times. It is really gratifying to hear the chairman of this committee, who has had such an illustrious career in this whole area of defense, say those things. I could not agree more. I thank him for the comments.

Mr. COHEN. Madam President, earlier this morning the chairman, Senator GOLDWATER, indicated that if my colleagues were patient, I would have an eloquent statement to deliver later in the day. I do in fact have an eloquent statement to deliver, but I know that several of my colleagues have amendments they prefer to offer. Therefore, I will not impose my eloquence upon their patience.

I would, however, like to correct a statement I made earlier this morning. I suggested that the chairman had offered the Senate a new idea. I think we all know from biblical studies there is nothing new under the sun. With respect to maneuver warfare, for example, one can go back and quote from Sun Tzu, a great military strategist, who wrote on this subject over 2,000 years ago.

Defense reorganization is not a new idea. In fact, it is an old idea.

I would like to quote just a few words from President Eisenhower. He said:

> Confronted by such urgent needs we cannot allow differing service viewpoints to determine the character of our defenses—either as to operational planning or control, or as to the development, production and use of newer weapons. To sanction administrative confusion and interservice debate is, in these times, to court disaster. I cannot overemphasize my conviction that our country's security requirements must not be subordinated to outmoded or single-service concepts of war.

He made that statement in 1958. Nonetheless, because of an effort on the part of the Department of Defense over the years, that vision of his had not come to fruition.

Once again, I would like to praise Chairman GOLDWATER for his effort. Just as it took Richard Nixon to open the door to China, I believe it took BARRY GOLDWATER to open the door to the Pentagon for the winds of reform.

Although this is an old idea, it is an idea whose time has come. Without Senator GOLDWATER's leadership this measure would not be on the floor today.

The PRESIDING OFFICER (Mr. COHEN). The Senator from Arizona is recognized.

AMENDMENT NO. 1833

(Purpose: To prohibit the sale, donation, or other transfer of Stinger antiaircraft missiles to democratic resistance forces in Afghanistan and Angola unless certain conditions are met)

Mr. DECONCINI. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Arizona [Mr. DECONCINI] proposes an amendment numbered 1833.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 124, between lines 6 and 7, insert the following new section:

SEC. 504. RESTRICTION ON TRANSFER OF STINGER MISSILES.

(a) RESTRICTION.—Notwithstanding any other provision of law, no STINGER antiaircraft missiles may be sold, donated, or otherwise provided, directly or indirectly, to democratic resistance forces in Afghanistan and Angola unless the President certifies to the Congress that the proposed recipient has agreed to the following conditions:

(1) Physical security of such missiles shall consist of the following:

(A) Magazines of reinforced concrete, arch-type, and earth-covered whose construction is at least equivalent in strength to the requirements of the Chief of Engineers (Department of the Army) drawings, 652-686 through 652-693, 27 Dec 1941 as revised 14 Mar 42, shall be provided.

(B) Lighting shall be provided for exterior doors and along perimeter barriers.

(C) Exterior doors shall be class 5 steel vault doors secured by two-key operated high security padlock and hasp (mil spec P-43607), and keys shall be secured separately to insure effective two-man control of access.

(D) Fencing shall be 6-foot (minimum) steel chain link on steel or reinforced concrete posts over firm base, and clear zones shall be established inside and outside fencing.

(E) A full-time guard force or combination guard force and instrusion detection system shall be provided.

(2) Such missiles shall be accounted for as follows:

(A) A 100 percent physical count shall be taken monthly with two-man verification, and records shall be available for United States inspection.

(B) A United States Military Training Mission shall conduct the United States inspection and inventory annually, and weapons expended outside of hostilities shall be accounted for.

(3) Movements shall meet United States standards for safeguarding classified material in transit.

(4) Access to such missiles and to classified information relating thereto shall be as follows:

(A) Access to hardware and related classified information shall be limited to military and civilian personnel who have the proper security clearance and who have an established need-to-know. Information released shall be limited to that necessary for assigned functions or operational responsibility and, where possible, shall be oral or visual only.

(B) No maintenance shall be authorized which required access to the interior of the operational system. Such maintenance shall be performed under United States control.

(5) The recipient shall report to the United States by the most expeditious means any instance of compromise, loss, or theft of any material or related information. This report shall be followed by prompt investigation and the results provided to the United States.

(6) The recipient shall agree that no information on Basic STINGER shall be released to a third government or any other party without United States approval.

(7) The security standards applied by the recipient to protection of Basic STINGER information and material shall be at least equivalent to those of the United States at the identified security classification.

(8) The recipient shall use the information on Basic STINGER only for the purpose for which it was given.

(9) United States officers shall be allowed to inspect and assess physical security measures and procedures established for implementation of these security controls on an announced random access basis.

(10) Damaged launchers shall be returned to United States Armed Forces for repair or demilitarization prior to disposal by United States authorities.

(11) Two principal components of the STINGER system, the gripstock and the missile in its disposable launch tube, shall be stored in separate locations. Each location shall meet all physical security requirements applicable to the STINGER system as a whole. The two locations shall be physically separated sufficiently so that a penetration of the security at one site shall not place the second at risk.

(12) The principle components of the STINGER system, the gripstock, missile, and launch tube, may be brought together and assembled only under the following circumstances:

(A) In the event of hostilities or imminent hostilities.

(B) For firing as part of regularly scheduled training (only those rounds intended to be fired shall be withdrawn from storage and assembled).

(C) For lot testing (only proof round(s) shall be withdrawn and assembled).

(D) When STINGER systems are deployed as part of the point of defenses of high priority installations or activities.

(13) Field exercises or deployments wherein the use of STINGER system is simulated shall not create conditions for the assembly of the system.

(b) EFFECTIVE DATE.—This section shall take effect on the date of enactment of this Act.

On page 124, line 7, strike out "SEC. 504." and insert in lieu thereof "SEC. 505.".

Mr. President, I compliment Senator GOLDWATER and Senator NUNN for shepherding this landmark piece of legislation through the Armed Services Committee and to the Senate floor. With all of Senator GOLDWATER's achievements during his long and illustrious Senate career, this bill

could well be his most important legacy.

The importance of this piece of legislation can best be put into focus by the fact that no major statutory changes in defense organization have occurred since 1958. Defense reorganization has always been a political hot potato and without the dedication and doggedness of Senators GOLDWATER and NUNN, this bill would never have reached the floor of the U.S. Senate.

The most important feature of the bill is that it designates the Chairman of the Joint Chiefs of Staff as the principal military adviser to the President, the National Security Council, and the Secretary of Defense. Enactment of this provision should have the result of making our individual military services components act as a team. This crucial provision would never have been included in the final committee product without the leadership, persistence, and persuasiveness of Senators GOLDWATER and NUNN. Finally, I salute and pay tribute to Senator Scoop Jackson, who initiated a great deal of this seminal legislation.

THE RUSH OF TECHNOLOGY

Mr. President, it was a talented and ambitious inventor, Francis Bacon, who issued the following warning on advancing technologies and the subsequent dangers involved:

> It is well to observe the force and virtue and consequence of discoveries * * * for these have changed the whole face and state of things throughout the world.

The Stinger missile represents this type of consequence.

This weapon epitomizes one of the most sophisticated and lethal American weapons, yet we are not taking preventive and prudent steps to assure its protection from terrorist hands.

Just recently at the economic summit in Tokyo homemade rockets were fired by a terrorist group at the building where the leaders of seven Western democracies were meeting.

We are all grateful that this was unsuccessful, yet the terrorists vow another attack.

These five homemade rockets were fired from 1.7 miles away.

The radical group later boasted of its ability to elude the tightest security net ever cast in Tokyo. A misplaced or stolen Stinger missile would give this terrorist group an increased 4 to 5 mile range, climbing 4,500 feet. This is a shoulder-fired missile triggered by a single person. Should this weapon fall into Russian, Cuban, PLO, or some other terrorist organization's hands, the boundaries of terrorist activity increase to staggering proportions. Preventive measures at airports jump from metal detectors and x-ray machines to roving helicopters, patroling troops, and even pseudo star wars technology to effectively prevent missiles from engaging their targets once fired. The monetary costs are unimaginable. The potential cost of human life prohibitive.

Mr. President, this is precisely why this legislation seeks to prevent this nightmare. Picture an American jetliner filled with summer travelers as it takes off from a European city. Perched on a hilltop more than 3 miles away is a terrorist aiming a shoulder-held Stinger antiaircraft missile at the jet. Within seconds, the airliner with its hundreds of passengers disappears in a bright orange inferno.

The scenario is hypothetical, but it is increasingly possible as the United States supplies Stinger missiles to resistance forces around the world. As a safeguard, this legislation before the Senate would require the President to insist on the same strict control over the missiles in rebel hands as we do for those we sell to our allies.

It is quite possible, given the loose structure of rebels' operations, that they could not satisfy the conditions, and in such cases the missiles should not be provided. We cannot afford to let these particular missiles, the ultimate terrorist weapon, slip into the wrong hands.

The U.S. Government has set strict guidelines for transportation and storage of Stinger missiles. When we agreed to sell this weapon to our allies, such as Saudi Arabia and members of the North Atlantic Treaty Organization, stringent safeguards were required as conditions of the sale. These safeguards included storage in steel vaults, 24-hour armed security and keeping the launcher and missile locked up separately. We also stipulated the right to conduct an inventory and inspection at any time.

But the Reagan administration has reportedly begun covertly supplying rebels in Angola and Afghanistan with Stinger missiles without the same safety requirements. I do not believe we need to provide our most sophisticated weapons to the forces in Angola and Afghanistan for them to be successful. We can show our support for the rebel groups and provide for their defensive needs with weapons less lethal, mobile, or destabilizing than the Stinger.

I have grave concern that the Stinger might fall into the hands of Col. Muammar el-Qadhafi, the Palestine Liberation Organization, Iran, or even the Russians or Cubans, who maintain large numbers of advisers and troops in Angola and Afghanistan. A journalist who has covered the Afghan war described one rebel group there as being followers of the Ayatollah Ruhollah Khomeini. Posters of the Ayatollah adorn the wallls of their village.

The State Department has described some of the actions of UNITA, the Angolan rebel force led by Jonas Savimbi, as bordering on terrorist activity. For example, UNITA claims to have shot down at least three civilian Angolan aircraft.

The recent terrorist bombings of the West Berlin discotheque and the TWA jetliner are evidence of an increased threat to American targets. Colonel Qadhafi says he will export terrorism and "pursue U.S. citizens in their country and streets." The PLO faction leader Abu Nidal has also said that "America is our target." The United States must protect itself by being careful not to arm its enemies. President Reagan can help to ensure the safety of Americans at home and abroad by enforcing strict safeguards on the sale and use of Stinger missiles.

Vice President GEORGE BUSH issued his report on combating terrorism in February 1986. His report documents the following statistics:

The number of incidents has generally risen since statistics were first compiled in 1968, with a trend toward bloodier incidents with more fatalities. Attacks caused 20 fatalities in 1968 compared to 926 in 1985;

During the past decade, terrorists have attacked U.S. officials or installations abroad once every 17 days. In the past 17 years, terrorists have killed as many U.S. diplomats as were killed in the previous 180 years;

In the bombing of one location, the U.S. Marine barracks in Beirut, the United States lost nearly as many servicemen as the British lost in the entire Falklands campaign.

However, as astounding as statistics can be, you cannot quantify human life. Just ask the parents of Natasha Simpson, an 11-year-old American girl gunned down by terrorists in the Rome and Vienna airport massacre. Just ask the parents of U.S. serviceman Sgt. Kenneth Ford, who lost his life in the West Berlin discotheque. No, Mr. President; we should not make it easier for terrorists in this very dangerous environment today.

In Afghanistan, the blackmarket provides abundant opportunities for terrorists to purchase numerous weapons of their liking. This is a chilling consideration. While I adamantly support the rebels' struggle against the Russians we must not introduce Stinger missiles into this area without protection in a cavalier manner. Millions of dollars in weapons have already fallen into the hands of a prolific blackmarket. Many of the rebels are a lot closer politically and religiously to Iran's Ayatollah Khomeini. We must provide adequate resistance for freedom fighters while not endangering American freedom abroad and at home.

One of the many reasons for insisting upon safeguards is that before this century is over, the rush of technology will probably deliver into the hands of minuscule peoples highly sophisticated weapons of frightening power. The

West and Russia live with arms competition between each other. We simply cannot tolerate a world where the Qadhafis and the Arafats can give a few terrorists the power to paralyze cities and kill thousands of innocent victims that do not accede to their demands. The physical safety of the West 10 years from now depends on its setting clear rules and prudent policies today. We can provide resistance efforts with capable and effective weaponry while not threatening American lives. This legislation seeks to protect our weapons and our citizens. After all, Mr. President, our Constitution reads:

> We the people of the United States, in order to form a more perfect union, establish justice, ensure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America.

□ 1440

I am hopeful that my colleagues will accept this amendment.

Mr. GOLDWATER and Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. GOLDWATER. Mr. President, it is never pleasant for me to have to oppose my colleague from Arizona. But first, this amendment has no business on this legislation. This legislation is an attempt to offer the Pentagon and the military forces the opportunity to reorganize. An amendment that calls for the exact location and use of a certain weapon is out of place. But, nevertheless, I hope I can answer the Senator.

We are opposed to this, naturally. The subject the amendment seeks to address is very, very sensitive. The Chair and I have both served on the Intelligence Committee for many, many years. And if it is to be considered by the Congress, it should come to the floor only after it has received the most serious and searching examination by appropriate Foreign Affairs, Armed Services, and Intelligence Committees of the Congress.

I am very happy to see the chairman of our Foreign Relations Committee here.

The administration believes that it is inappropriate, therefore, for so sensitive a matter as that addressed by this amendment to be considered on the floor with this matter, and such an important piece of legislation as this is essentially irrelevant to the purpose of the amendment.

Mr. President, I have looked at the amendment. It is rather hard to believe. It is mostly a description of how these missiles should be stored. It does not tell who we sell them to or not sell them to, but I look, starting on page 2, at how the magazines shall be constructed, how lighting shall be provided, and that the exterior doors, that happen to be classified, are steel vault doors operated by two key-operated, high-security padlock and hasp.

I do not think Afghanistan ever heard of it. But, nevertheless, they have them; fencing, full-time guard force, 100 percent physical counts shall be taken monthly.

So the amendment is mostly taken up with how these weapons shall be stored, observed, and taken care of regardless of where they are.

I must say to my very good friend from Arizona that this type of weapon is not hard to get. The first one I ever saw was 25 years ago made by the French Government called a TOW. Every country that I know of in the civilized and some of the uncivilized world have shoulder-borne weapons that can be fired the same as a Stinger. The Stinger happens to be in my opinion the best. But this type of weapon even with this amendment is not going to stop the production or stop it being made available.

I would like, Mr. President, very much for the chairman of the Armed Services Committee, Senator LUGAR, to comment on this amendment because it comes more under his committee than it does under my committee. As I say, it has no place on this bill.

Mr. LUGAR addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. LUGAR. Mr. President, I deeply appreciate the invitation of the distinguished chairman of the Armed Services Committee to comment on this amendment. I appreciate the importance of the legislation that is now before the body, and the work that the distinguished chairman, ranking member, and others have put in on this legislation.

I have come to the floor because I am concerned about the amendment offered by the distinguished junior Senator from Arizona. My first comments parallel those of Senator GOLDWATER. The matter is a very sensitive matter. I think it is acceptable to talk hypothetically about such matters. But when press reports are described and then we move from those reports to this amendment, I believe it calls for the consideration of the Intelligence Committee, or at least for private sessions of the Armed Services and the Foreign Relations Committees.

The Senator's motivation in offering the amendment is an important one. Stinger missiles have great potential for destruction. This is one reason why they are in great demand. But let me point out, Mr. President, that this particular amendment proposes actions that are best left to the discretion of the Chief Executive.

I'm making this point because we try so often to micromanage our foreign policy on the floor and to develop our foreign policy tactics. The President of the United States, the Secretary of State, and the Secretary of Defense are fully aware of the potential dangers of Stinger missiles. That wisdom is not reposed just with concerned Senators. These are indeed destructive weapons. They have very great capability against aircraft because they can, as the distinguished Senator from Arizona pointed out, be carried by individuals.

In the event freedom fighters or ground troops are attacked by aircraft of Marxist regimes, hypothetically, the aircraft would typically prevail. The fact is that freedom fighters with a Stinger missile might have an equalizer in this hypothetical situation, and might even prevail.

As a general foreign policy proposition, the Congress has supported the President of the United States in his attempts to support those peoples who want freedom, who are fighting Marxist regimes, and who are trying to establish democracy. There are a number of such instances around the world. Each one of them is controversial and each one is unique. We have discussed them backward and forward at various times and in various places within the Senate.

The President of the United States also asserted from time to time that it may be important to employ overt, and on occasion covert, means to further these objectives, and there are provisions under law for handling those situations.

As a practical matter, Mr. President, this particular amendment is aimed at Afghanistan and Angola by name. The prospects, as the distinguished Senator from Arizona has pointed out, of putting vaults and all of the other security safeguards to protect against loss of the Stinger missiles in Angola or in Afghanistan are remote indeed. The net effect of the amendment is to say to the President of the United States he is precluded, that he cannot provide this weapon system to these two particular countries whatever his best judgment, or that of the State Department, and the Defense Department, and the National Security Council.

I think, in terms of general philosophy, it is a mistake, Mr. President, to get into legislating specific weapons, specific countries, and hypothetical situations. Mentioning Afghanistan and Angola, however, raises some very important foreign policy questions.

If the Senator from Arizona wanted to debate the value of our backing the Afghanistan freedom fighters, that would be an important debate in itself. My own assumptions are that a majority of the Members of this body do favor support of the Afghan freedom fighters.

□ 1450

Let me just say that support is predicated on the expectation that the President of the United States has a number of ways of offering that support. The Afghan freedom fighters are not an army arrayed in such a way that you can see them and count them. They are engaged in what could be called guerrilla warfare. They face conditions in the field which hardly permits the same precise arrangements as are prescribed for Saudi Arabia, where they house their Stinger missiles.

In short, Mr. President, there is considerable foreign policy content in this amendment, and considerable supposition as to who is responsible for the conduct of U.S. foreign policy, the specific tactics to pursue and the weapons that are to be used.

I found the amendment weak on all counts in that respect.

Once again, the Senator from Arizona has taken up the question of the freedom fighters in Angola. That is an interesting question. We have discussed that issue on various occasions. Some Members have said yes and some have said no to our support for these insurgents.

But this amendment gets us into the specific weapons, the specific requirements for the housing and care of those weapons in a situation where the freedom fighters are not a standing army, with battle lines and the characteristics that are evident in a conventional warfare. It is guerrilla warfare. And, it is tough business.

There is a Marxist government in Angola, a government which is not our friend. Furthermore, we want the Cubans out of Angola. We want the Soviets to stop supporting the Cubans. As a matter of fact, we want a number of changes in that country. With Savimbi we have an opportunity to show where we stood on that issue.

Mr. President, in addition to describing whether or not we want to help Savimbi, I think it is not advisable, as a matter of policy, that Congress should be dealing with specific weapons in the Angola struggle.

Mr. President, I am hopeful that the distinguished Senator from Arizona will allow his amendment to be withdrawn from this particular debate and will attempt to work with the chairmen of the various committees which have relevance to the safety of American aircraft. He suggests the hypothetical situation of an American aircraft being shot down by a Stinger missile. That is a horrendous possibility in this world today and one which we should and must prevent from happening.

But, to think through every condition in which an American aircraft might be hit by a Stinger missile defies speculation. Frankly, it is not a useful debate.

It seems to me, this body can determine who are our friends, who are our enemies, who we want to help, and whether we want to give authority to the President for devising the tactics to be effective. Those, I think, are appropriate subjects for us to debate.

I would hope the amendment would be withdrawn and referred to the appropriate committees for closed discussion, since it involves very sensitive issues.

Finally, Mr. President, I would say that I share the thoughts expressed by the distinguished Senator from Arizona, and others who may have some sympathy for this amendment. We do need to be careful about safeguarding these missiles. They are indeed deadly. They are very effective. That is one of the reasons we might want to provide them to those who are fighting on our side; it could help equalize the sides rather substantially. But, in this particular debate I would hope the amendment would be withdrawn. In the event that it is not withdrawn, I would hope that it would be defeated.

The PRESIDING OFFICER. The Chair will recognize the Senator from Kansas.

Mr. GOLDWATER. Will the Senator yield?

Mrs. KASSEBAUM. I yield.

Mr. GOLDWATER. Will the Senator speak to this amendment?

Mrs. KASSEBAUM. That is correct.

Mr. President, I ask unanimous consent that my name be added as cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. KASSEBAUM. I appreciate what the chairman of the committee, Senator GOLDWATER, has said, as well as the chairman of the Foreign Relations Committee, Senator LUGAR, about sensitive information. It is that. But I also think it is an extremely important issue. I can fully appreciate why Senator GOLDWATER and Senator NUNN would hesitate to see adding this amendment to what is an enormously important piece of legislation in their effort to reorganize the Department of Defense. But I think when we have an issue such as this before us, it is one that does require some thoughtful analysis. It is not an attempt to micromanage policy from here. It is an attempt to address what I think, as a matter of fact, is a decision which is a watershed for U.S. policy.

For the past 40 years we have followed a self-imposed ban on the use of top-grade American weapons in covert competition with the Soviets. Up until now we have given this weapon to only a few. It is not a question of saying who we should or should not give them to, but it is a question of setting, I believe, sound guidelines. These transfers we have made have always involved rigorous security requirements.

Stingers today cannot be bought on the black market and have not been lost in any war.

Serious questions are raised about whether the decision to send Stingers to rebel forces runs directly counter to our vigorous efforts over the past several years to control technology transfer and to ensure that our advanced technology, whether military or civilian, does not fall into the hands of the Soviet Union.

There has been a vigorous debate before on the floor of the Senate as well as elsewhere.

Sending this advanced technology to rebel forces is a dangerous proposition.

I would like to quote from our distinguished colleague, Senator PACKWOOD, at the time of a previous debate when he said the United States was considering the sale of Stingers with security controls. He said at that time:

> There will not be an airplane or an airport in the civilized world which will be safe.

There is no certainty that the Stingers will remain in the hands of forces friendly to the United States. We have already seen captured Soviet surface-to-air missiles which have turned up in rebel hands in Angola and Central America. And we have also seen numerous reports that a large percentage of arms sent to Afghanistan end up in the black market in Pakistan.

Supplying Stingers to rebel forces, I believe, Mr. President, runs directly counter to our concern about curtailing terrorism. This Chamber has fully discussed the danger of sending Stingers to sovereign nations, such as Saudi Arabia. The danger of this weapon falling into terrorist hands is escalated in the case of sending these weapons to rebel groups.

Mr. President, supplying Stingers to rebel groups furthermore runs counter to another principal reason for our self-imposed ban on sending U.S. made weapons to support covert actions. We have followed this policy in order to maintain the right of denial so that these conflicts do not escalate. We should be thinking long and hard about whether we want to change this policy and whether the costs outweigh the benefits. I think they do not. Overall, I think sending Stingers to rebel groups will result in compromising our long-term security interests. I oppose this policy.

It is not just a question of a couple of countries; it is a question of really being sure we are thinking about long-term policy. It seems to me the course of direction is being turned and changed without any thoughtful debate.

□ 1500

Mr. DECONCINI. Mr. President, I thank the Senator from Kansas. Let me say, I agree with her.

Let me say that I understand the sensitivity of this issue. My colleagues know all about this. I have availed myself of briefings and confidential information; information which I cannot go into.

But this is information that is not classified. This lists all the requirements that we now require of our North Atlantic allies as well as the Saudi Arabians. It is public information which has been in the New York Times. We have a number of public articles in the Washington Post, and one in the New York Times of April 30, indicating that the administration had to fire Dr. Pillsbury for disclosing that Stinger missiles were going to be transferred to Angola and Afghanistan.

So I understand this concern that my colleague has about sensitivity.

As to the reason it is on this legislation, let me first say it is not my intention to disturb and disrupt a fine piece of legislation. If I had assurance that I could have a vote on this in the next few days, I would be more than happy to take my chances here. As we know in this body, you have to strike sometimes when the opportunity is ripe. This is a germane subject and one that I do not think can wait for the Department's authorization legislation.

When my distinguished friend from Indiana [Mr. LUGAR] chairman of the Foreign Relations Committee, raised the issue of debating support of the freedom fighters—I am more than happy to debate it because I firmly support them. I am for transferring weapons to them, including Stinger missiles if that is the decision, but with these safeguards. So we would be on the same side of any such debate here.

(Mrs. KASSEBAUM assumed the Chair.)

Mr. DECONCINI. What I am debating is whether or not we should ask the President to certify to Congress that the same safety and security are provided for these transfers as they are to those in Saudi Arabia. That does not make this Senator opposed to the freedom fighters. As a matter of fact, I think it would be better if that were the case.

In the U.S. News & World Report of this week, there is a statement regarding the Stinger aircraft missiles supplied to the Afghan rebels by the CIA. It says insiders have said that the guerrillas missed 11 out of 12 Soviet aircraft. Maybe they need more training and maybe they need better security. I think we are begging for a problem if we do not put somebody in charge to tell us that those safety requirements have been met.

As to foreign policy concerns, this is our foreign policy. When we transferred Stingers in the past and if we transfer Stingers tomorrow to Saudi Arabia, the conditions set out in this amendment will have to be adhered to. If we transfer them to NATO allies, these same conditions are implemented. Certainly in foreign policy, this precaution and prudence is one policy that I wholeheartedly agree with.

Here we are, talking about Congress' involvement in foreign policy, and I think the Senator from Indiana agrees that we do that all the time. He disagrees with some of this and he is the architect of much of it. I agree with him in many areas where Congress does assert itself. We are saying in this amendment that if we are going to transfer these missiles to these two countries, we ought to have the same security that we have for NATO and Saudi Arabia.

Maybe there is something wrong with this amendment, Madam President. Maybe it is just too much common sense. Maybe that is not supposed to be the order of the day here. But if we can require a set of standards for Saudi Arabia, which could easily have guerrillas and PLO members—we could think of all kinds of chilling scenarios, like guerrilla warfare in that country. We can imagine all kinds of scenarios of different combat and intrigue that could happen with those allies and we require them to have certain security provisions. Why should that not be the same policy when we hand these missiles over to any other freedom fighters?

Mr. President, I ask unanimous consent that the list of cosponsors I send to the desk be added to this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The additional cosponsors referred to are as follows: Mrs. KASSEBAUM, Mr. CHAFEE, Mr. ANDREWS, Mr. CRANSTON, Mr. HART, Mr. RIEGLE, Mr. METZENBAUM, and Mr. KERRY.

OPPOSITION TO DECONCINI AMENDMENT

Mr. DOLE. Madam President, I rise in opposition to the amendment of the distinguished Senator from Arizona.

We all share the Senator's goal: To ensure that any weapon of this type we provide anywhere in the world—whether to an established government or to a democratic resistance group—not fall into unauthorized hands, particularly into the hands of terrorists or others who might intend us harm.

LEGISLATION NOT NEEDED

I disagree, though, that the way to accomplish this goal is through legislation. This is essentially a management, not a legislative, problem—a significant one, to which we should give appropriate attention—but a management problem, nonetheless.

I am prepared to join in seeking from the administration assurances that this kind of equipment—or, for that matter, any kind of equipment—is properly controlled. I am confident we can work with the administration to get those kinds of assurances and work out appropriate controls. That is a matter that, in some cases, perhaps, can be worked out in the Armed Services or Intelligence Committee. But I do not believe it is a matter that requires, or is appropriate for, legislation.

SAFEGUARDS FOR GUERRILLA WARS

I would also say that it may be necessary to tailor the safeguards and controls that are set up so that they make sense in the real world of contemporary, guerrilla-style warfare. The wars in Angola and Afghanistan are not conventional wars. It may be that conventional, bureaucratic controls will not turn out to be the best, or most practical, way to assure the kind of safeguards we need. Guidelines drawn up for peacetime situations, within internationally observed borders, where massive numbers of foreign troops are not waging aggressive warfare against indigenous freedom fighters—those kinds of guidelines may need to be adapted. Again, let's try to work out those adaptations cooperatively, with the administration, before we lay down wholly impractical, inappropriate guidelines in law.

FREEDOM FIGHTERS NEED AND DESERVE OUR HELP

Freedom fighters in Angola and Afghanistan are being subjected to fierce, relentless attacks by Marxist regimes, buttressed by tens of thousands of Soviet and Cuban troops and billions of dollars in Soviet military hardware. They are being bombed and strafed by advanced jet fighters and helicopters. They are dying at the hands of Soviet bombs and rockets. They have to be given the means to defend themselves, to fight back.

We can find a way to do that without compromising the safeguards we need to maintain on the material we give these freedom fighters. Let's get on with that important job, without sacrificing the freedom fighters to stand and die defenseless before their enemies.

Mr. LEVIN. Madam President, I share Senator DECONCINI's deep concern and fear that Stinger missiles may eventually end up in the hands of terrorists and enemies of the United States. I hope Senator DECONCINI continues in his efforts, working toward the goal of preventing Stingers from being transferred to areas and forces without guarantees that they will not eventually fall into the wrong hands.

The reason I shall vote to table this amendment at this time is that this amendment could be misconstrued as providing the President with a congressional endorsement and mechanism to send Stingers to Afghanistan and Angola if certain conditions are met.

I do not think Stingers should be in any place where there is the potential they may fall into hostile hands.

Further, I am concerned by the implication in the amendment that United States military forces would have to go to Afghanistan and Angola to see that the conditions were being met. Section 2(B) states that a United States military training mission shall conduct inspections and inventory annually.

Mr. DODD. Mr. President, I will vote to table the DeConcini amendment but I want to make clear that I do so without passing judgment on the merits of the issue. Like many of my colleagues I need more time to study this complicated issue. At this point I tend to agree with the managers of the bill that the Defense reorganization bill is not the proper vehicle to deal with this issue and, more importantly, that the relevant Senate committees ought to be given a chance to pass judgment on this multifaceted issue before it is voted on in the Senate. Accordingly, while I vote to table this amendment, I reserve judgment on its merits.

Mr. COHEN. Madam President, just a couple of words. I think that the Senator from Kansas, the occupant of the Chair [Mrs. KASSEBAUM], raised a valid point when she said this is a watershed decision. It appears to me that both she and Senator DECONCINI are correct when they say we should proceed with great deliberation and equate this with the sale of weapons to Saudi Arabia.

If in fact this is watershed, and it may be; if in fact, it is comparable to the AWACS sale—and it may be, it seems to me it should have the same deliberate debate that occurred with respect to the sale of AWACS.

It seems to me it should in fact be referred not only to the Intelligence Committee but also to the Foreign Relations Committee to have a full-fledged debate as to whether or not this country should adopt a policy of transferring a high-quality, high-level technology to rebel forces or freedom fighters in third-world countries.

The Senator from Arizona [Mr. DECONCINI] raises a valid question. If we support freedom fighters, the question is, "Do we arm them or do we give them nonlethal aid?" If we decide we are going to give them lethal aid, the next question is, what kind of lethal aid? If we are going to give them effective lethal aid, would that include the ability to shoot down Hind helicopters now being supplied by the Soviets to forces in Angola, Afghanistan, and elsewhere? The Soviets have not hesitated to supply Hind helicopters to forces trying to suppress those who advocate a democratic regime. So the question becomes, if you are going to have an effective counter to those helicopters, what is it going to be?

Those are all very important questions, and they do deserve congressional deliberation, because Congress has a role to play; not only the administration, not only the Commander-in-Chief, not only those in the White House. Congress has a role to play in those kinds of decisions.

It seems to me this amendment is inappropriate. The senior Senator from Arizona [Mr. GOLDWATER] has waited as long as President Eisenhower waited to effect the kind of reform contained in this bill. It is 30 years overdue. It seems to me it is entirely inappropriate to attach this amendment on this bill at this time, to raise this matter before the Senate.

I think the junior Senator from Arizona [Mr. DECONCINI] is entitled to prompt action by the Foreign Relations Committee, to have a full debate in that committee and on the floor, but not to jeopardize or indeed to impair the effort being made. It has been an extraordinary effort made in the Armed Services Committee under the leadership of Senator GOLDWATER. To add this amendment to the bill does not do justice to the senior Senator from Arizona and does not do justice to the quality of debate about Stingers, their protection, restrictions, and indeed, the role of Congress in approving the sale of weapons. I join my colleague from Indiana [Mr. LUGAR] and urge we save this debate for another time that should not be too far away in order to have a full-fledged debate on the merits of the kind of aid we are going to supply to rebel or freedom-fighting forces in other lands.

(Mr. QUAYLE assumed the Chair.)

Mr. DECONCINI. Mr. President, let me say to the Senator from Maine that this is not a debate and this amendment has nothing to do with shall we or shall we not transfer or donate these weapons. This Senator has not made a judgment on that. Quite frankly, I am glad to leave that to the Chief Executive and his advisers. This amendment only says that if there are transfers, then the President must certify that the same security is made available. I think that is important to the debate here.

As to whether or not it should be here, as I said before, I hesitate bringing it up on this bill for the many reasons the Senator from Maine has articulated. Senator GOLDWATER, Senator NUNN, and the members of the committee have worked very diligently for a long time on the bill. I acknowledge that and I thank them sincerely for producing this bill. But I do not see how this amendment, if it should pass, is going to kill this bill or hurt this bill dramatically. To me, it does not make a whole lot of sense that this amendment is going to be a killer amendment.

It is a simple amendment. It says if we transfer them, then safety and security have to be certified. That is all.

Mr. GOLDWATER. Mr. President, this amendment has no place on this bill. I say to my junior colleague that the authorization bill of the Armed Services Committee, we hope, will be on the floor within a month. That is the place to put it. I did not have this bill come to the floor to have it pose as a Christmas tree. I suggest we lay this amendment on the table.

The PRESIDING OFFICER. Does the Senator make the motion to table the amendment?

Mr. GOLDWATER. I have made a motion to table the amendment.

Mr. NUNN. Mr. President, will the Senator from Arizona withhold that motion?

Mr. GOLDWATER. The Senator can go ahead.

□ 1510

Mr. NUNN. Mr. President, I know the Senator from Arizona is very concerned about this overall subject and I would say that his concern is well placed.

I think we do have some very tough, sensitive decisions in this area. It is obvious that, for instance, on a hypothetical basis what the Soviet Union is doing in Afghanistan is putting in some of their most sophisticated equipment and conducting air operations all over Afghanistan and they are very successful in terms of their devastating result. Hypothetically that is happening in other places in the world and so what the Senator from Arizona is saying is that we have a problem.

I would hope, though, the Senator from Arizona would consider not voting on this amendment. I do not have any vote count, and I would like very much to see this subject addressed in a serious way. I would think that the tabling motion by the senior Senator from Arizona would carry. I hope the implication would not be that the Senate of the United States is not concerned about this because it ought to be concerned. I hope, if that is the outcome, and if there is a vote, the Senator from Arizona would pursue other avenues like getting in touch with the Intelligence Committee and Foreign Relations Committee and the President himself and urging that wherever these missiles are sent in the world, hypothetically, in various locations—and I do not think we should discuss any of this in detail here on the floor—there be certain safeguards.

I would think the safeguards would have to be different in one situation than another. If you have a NATO-type safeguard for missiles, you can have fixed-place, concrete-type containers, you can have locations that are well known and designated. That is

the way most of the NATO arsenals are supplied and stored. Adversaries know where they are. That is not good, but I think that is the way the situation has evolved over the years. But in any kind of hypothetical guerrilla warfare anywhere in the world, the safeguards that the junior Senator from Arizona has proposed, in all sincerity, would be like sending up red flares and saying "Here we are," to the Soviets, "come and get us." So the very safeguards that are in this legislation by their very nature, although perhaps applicable to NATO, even Saudi Arabia, are not applicable in any kind of hypothetical guerrilla warfare, certainly involving an adversary like the Soviet Union. I have chosen my words carefully here.

Mr. DECONCINI. Will the Senator yield?

Mr. NUNN. I will be glad to yield in one moment. I would support the tabling motion at this time, but before the senior Senator from Arizona pursues that motion, I would ask again for the junior Senator to consider the ramifications of having this tabled, if it is tabled, when the message he is trying to send may very well be a message that many, many of the colleagues who would vote to table would also like.

Mr. GOLDWATER. Parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. GOLDWATER. Is debate allowed after a motion to table?

The PRESIDING OFFICER. The Senator withheld his motion.

Mr. GOLDWATER. I did not withhold it. I moved to table it.

Mr. DECONCINI. Will the Senator withhold?

The PRESIDING OFFICER. The Senator has a right to table.

Mr. GOLDWATER. I move to table it.

The PRESIDING OFFICER. Debate is not in order.

Mr. GOLDWATER. That is what I thought.

The PRESIDING OFFICER. The vote is on the motion to table. All those in favor say aye.

Mr. DECONCINI. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Florida [Mrs. HAWKINS], the Senator from New Hampshire [Mr. HUMPHREY], and the Senator from Oregon [Mr. PACKWOOD] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 63, nays 34, as follows:

[Rollcall Vote No. 92 Leg.]

YEAS—63

Abdnor	Garn	Moynihan
Andrews	Glenn	Murkowski
Armstrong	Goldwater	Nickles
Bentsen	Gorton	Nunn
Bingaman	Gramm	Pressler
Boren	Grassley	Quayle
Bumpers	Hatch	Rockefeller
Byrd	Hatfield	Roth
Chiles	Hecht	Rudman
Cochran	Heflin	Simpson
Cohen	Heinz	Stafford
D'Amato	Helms	Stennis
Denton	Kasten	Stevens
Dixon	Laxalt	Symms
Dodd	Levin	Thurmond
Dole	Long	Trible
Domenici	Lugar	Wallop
Durenberger	Mattingly	Warner
East	McClure	Weicker
Evans	McConnell	Wilson
Exon	Mitchell	Zorinsky

NAYS—34

Baucus	Harkin	Melcher
Biden	Hart	Metzenbaum
Boschwitz	Hollings	Pell
Bradley	Inouye	Proxmire
Burdick	Johnston	Pryor
Chafee	Kassebaum	Riegle
Cranston	Kennedy	Sarbanes
Danforth	Kerry	Sasser
DeConcini	Lautenberg	Simon
Eagleton	Leahy	Specter
Ford	Mathias	
Gore	Matsunaga	

NOT VOTING—3

Hawkins	Humphrey	Packwood

So the motion to table the amendment (No. 1833) was agreed to.

□ 1540

Mr. GOLDWATER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that Senator BIDEN be added as a cosponsor of S. 2295.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, I yield to the Senator from Virginia.

Mr. WARNER. Mr. President, I thank the distinguished chairman.

AMENDMENT NO. 1834

(Purpose: To modify the provisions relating to the succession to duties of the Secretaries of the military departments make certain technical change)

Mr. WARNER. Mr. President, earlier today I put forth two amendments and then withdrew them. Since that time, the managers of the bill and others have had an opportunity to look over the objectives of these two amendments and I think we have now reached a consensus.

At this time, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER] proposes an amendment numbered 1834.

Mr. WARNER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

On page 44, between lines 16 and 17, insert the following:

"(11) The construction, cutfitting, and repair of military equipment.".

On page 44, line 17, strike out "(11)" and inserting in lieu thereof "(12)".

On page 44, line 21, strike out "(10)" and insert in lieu thereof "(11)".

On page 46, after line 25, insert the following:

(A) in subsection (a), by striking out clause (2) and inserting in lieu thereof the following:

"(2) The Assistant Secretaries of the Army in the order prescribed by the Secretary of the Army and approved by the Secretary of Defense.".

On page 49, line 1, strike out "(A)" and insert in lieu thereof "(B)".

On page 49, line 3, strike out "(B)" and insert in lieu thereof "(C)".

On page 61, between lines 8 and 9, insert the following:

"(11) The construction, cutfitting, and repair of military equipment.".

On page 61, line 9, strike out "(11)" and insert in lieu thereof "(12)".

On page 61, line 13, strike out "(10)" and insert in lieu thereof "(11)".

On page 66, strike out line 6 and insert in lieu thereof the following: "the order prescribed by the Secretary of the Navy and approved by the Secretary of Defense.".

On page 88, after line 25, insert the following:

"(11) The construction, outfitting, and repair of military equipment.".

On page 89, line 1, strike out "(11)" and insert in lieu thereof "(12)".

On page 89, line 5, strike out "(10)" and insert in lieu thereof "(11)".

On page 93, between lines 3 and 4, insert the following:

(A) in subsection (a), by striking out clause (2) and inserting in lieu thereof the following:

"(2) The Assistant Secretaries of the Air Force in the order prescribed by the Secretary of the Air Force and approved by the Secretary of Defense.".

On page 93, line 4, strike out "(A)" and insert in lieu thereof "(B)".

On page 93, line 6, strike out "(B)" and insert in lieu thereof "(C)".

Mr. WARNER. Mr. President, I ask unanimous consent that the distinguished Senator from Texas, Mr. GRAMM, be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Mr. President, the purpose of this amendment—and it is in two parts—the first gives to each of the three service Secretaries, Army, Navy, and Air Force, clear statutory authority to perform, and I quote from the amendment, "the construction outfitting, and repair of military

equipment." Of course, that is military equipment that falls under their jurisdiction. That provides these individuals with direct supervision over this equipment.

I think it clarifies what I perceive to be an omission in the present draft of the bill.

The second portion of this amendment addresses the subject of the seniority of the Assistant Secretaries of the military services. This amendment provides unformity for all three departments and the order of seniority will be established by the service Secretary, subject to approval of the Secretary of Defense.

Mr. President, I note on the floor my distinguished colleague from Rhode Island, with whom I had the privilege of serving in the Department of Defense for 3 years. He is quite familiar with these issues and I yield to him for the purpose of asking a question.

Mr. CHAFEE. Mr. President, as I understand the second part of this amendment, it is that within the department, the service Secretary, in consultation with the Secretary of Defense, can determine the seniority of the Assistant Secretaries who work with him; is that correct?

Mr. WARNER. That is correct.

Mr. CHAFEE. Mr. President, I think that makes a good deal of sense. I think that when you have got somebody in charge within the department, namely, the service Secretary, I think; we should leave it to that service Secretary to determine that seniority. You could easily have the situation where he would come in and have in place service Secretaries who had been appointed previous to his coming to the job, and the seniority that they might have amongst themselves might not be the seniority that that service Secretary would want. I think he should be given that privilege.

The alternative, of course, the normal situation, is he can just dismiss them, any one of them. He may not want to do that, but still may want to readjust the seniority that they have.

If there is a feeling that that gives him too much power, I notice you have a provision that it is in consultation with the Secretary of Defense. That seems to me to be a very fair proposal. I hope that will be acceptable to the managers of the bill.

Mr. WARNER. I thank my distinguished colleague.

Mr. CHAFEE. I would like to briefly speak on the other item, but perhaps we could finish the first one.

Mr. WARNER. Mr. President, on this part of the amendment, I thank my distinguished colleague from Rhode Island, because very often when a new administration comes in it is highly desirable to retain one or more Presidential appointees from a previous administration because of their expertise and experience. And if the service Secretary, with the approval of the Secretary of Defense, does not have the authority to establish the order of seniority, that could be a deterrent, indeed, to retaining certain individuals.

I see the distinguished chairman on his feet.

Mr. GOLDWATER. Mr. President, we have no objection to this amendment. We have worked it over very carefully with the Senator from Virginia. I think we can accept it and I ask our friend from Georgia if that is correct.

Mr. NUNN. Mr. President, I am in favor of the amendment. I looked it over carefully. I talked with the Senator from Virginia about it. The Senator from Rhode Island is a former Secretary of the Navy and has great expertise in this area. I think he made a very valid point. It is a good amendment. And the wonderful thing about it is it also applies to the Air Force and the Army.

Mr. WARNER. Mr. Prsident, the uniformity among the three branches of service is one of several contributions suggested by the distinguished Senator from Georgia. I only regret I did not have the foresight to see that need earlier.

Mr. NUNN. Mr. President, the Senator from Virginia is getting ecumenical these days and I appreciate that.

Mr. WARNER. The Senator from Virginia will not be heard from further on this amendment.

Mr. CHAFEE. Mr. President, I just want to say on the first part of the amendment, which they are prepared to accept, I think that is an excellent provision, too. I did not address that specifically, but I think that is very wise. I appreciate the manager and the minority member accepting it.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. WARNER. Mr. President, of course, I will yield to the chairman, but if I could say another word about this amendment before we act on it.

This amendment now, based on our discussions and prior colloquy, would give a service department head—that is, the service Secretary—the opportunity to move those military units that have to be moved in connection with performing any of the specific services enumerated in here. I think that is important to establish in the legislative history. And that is, he can move it for purposes of construction and outfitting and repair, be it an airplane or a tank or a ship. That is clearly the intention of the drafter of the amendment and, as I understand it, the managers in accepting it concur in that.

Mr. GOLDWATER. Mr. President, we will accept this amendment.

The PRESIDING OFFICER. Is there further debate?

Mr. NUNN. Mr. President, just a brief comment. I am in favor of this amendment. I urge our colleagues to accept it. It would be my position that that language is an amplification of the language already in, which includes servicing, administering, and maintaining, but it is a further clarification.

Again, it applies to all the services alike and I think it is a positive amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1834) was agreed to.

□ 1550

Mr. WARNER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GOLDWATER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. GLENN. Mr. President, I rise today to join my colleagues on both sides of the aisle in supporting this DOD reorganization bill. I have believed for some time that organizational changes are necessary if we are to improve our warfighting capability.

I was particularly critical of our ability to conduct joint warfare operations following the Grenada operation. There were many aspects of that operation, especially tactical communications, that indicated that considerable improvement was needed in joint operating capabilities.

In my opinion, the only compelling reason for changing the DOD organization is to improve the warfighting capability of our combatant commands—nothing else.

I do not believe that just rearranging the Pentagon organization is necessarily good unless it adds to our warfighting capability.

I believe this bill will go a long way in making such an improvement by strengthening the command authority of the unified and specified commanders.

Another area I have been particularly concerned about is the relationship between our foreign policy and our defense requirements. After serving for 9 years—over 9 years, as a matter of fact, and almost 10 years—on the Foreign Relations Committee and having been on the Armed Services Committee for over a year and a half now, I am convinced that our defense requirements must better reflect our foreign policy. I note that our esteemed colleague from Virginia, Senator WARNER, has authored a bill to that effect which I have enthusiastically cosponsored. The DOD reorganization

bill, which we are now debating, requires that the JCS Chairman assess whether individual service programs and budgets conform with strategic priorities and operational requirements; this should help substantially in bringing our foreign policy and defense requirements into synchronization.

Mr. President, I would also like to point out that I had serious reservations about this bill as we started our committee deliberations.

I was concerned, as were others on the committee and in DOD, that the overall impact of the legislation of the Defense Establishment would be revolutionary rather than evolutionary.

Even former Secretary of Defense, Jim Schlesinger, a long-time and often quoted proponent of DOD reorganization, testified that changes should be evolutionary. He also pointed out to the committee that implementing any such changes would be a delicate process because of the balance of power needs within DOD.

I was also concerned about maintaining the desirable corporate nature of the JCS. This concern was echoed by the Chairman of the Joint Chiefs of Staff, Adm. William Crowe, in his letter to the Armed Services Committee on February 4, 1986, in which he spoke of the need to "retain the corporate character of the JCS with regard to their fundamental responsibility of addressing policy questions."

Mr. President, I would add that I was concerned, and still want to watch very, very closely this provision of establishing a Vice Chief of Staff. I know this follows a usual military organization where there is an executive officer who exercises command functions over all other officers within that command. But that is not generally in keeping with the corporate nature of the JSC as we have known it.

As the distinguished Senator from Georgia, Senator NUNN, said earlier, that specific issue could be a bill killer. I certainly am not raising this question now as a bill killer.

I think all members of the Joint Chiefs of Staff can go forward with their dissenting opinions, as provided for in this legislation. I hope that the way this bill is implemented in the Pentagon will be such that the JCS retains the corporate character which has been a valuable part of their deliberations.

If we were to see the other members of the Joint Chiefs being frozen out of any decision, or refused access to either the Chairman of the Joint Chiefs, or the Secretary of Defense, then this would not be working well.

So I hope these words can be heeded by the Defense Department when this bill is implemented because I am very concerned that this Vice Chief of Staff position not be used in such a way that prevents those members of the Joint Chiefs from exercising their individual or corporate recommendations as has been the case now when they have rotated through that assistant position themselves.

So I think this is one area that we have to watch very, very closely, and keep close tabs on to make certain it still operates the way it is intended.

Following the many hours of committee testimony, I also became convinced that the problems in DOD were not as serious as many had thought, and that in fact many substantive changes had already been undertaken during the tenure of General Vessey as Chairman of the Joint Chiefs, and continued under Admiral Crowe, his successor.

I believe the recent extremely successful military operation in Libya is testimony to the success of some of these changes and, more importantly, clearly demonstrated that our Armed Forces are more capable today than at any time in our history.

However, I believe that it is also important to note that some of those changes are now being put into law with this bill, where formerly they would have been left to the discretion of a particular Secretary of Defense or a particular President.

So I think it is good that we have locked some of these things in with legislative direction.

Concerning some of these previous changes, I believe that the recent extremely successful military operation in Libya is testimony to their success. I think it clearly demonstrates that our Armed Forces perhaps are far more capable than many people had thought and perhaps more capable today than at any time in our history although I would not want one particular operation such as Libya to indicate that I think we have now solved all of our problems within DOD organization or military preparedness.

Overall, after many hours of debate and some 80 amendments in the Armed Services Committee, I am satisfied that—on balance—this bill will improve the overall effectiveness of the Department of Defense.

I would only caution that we cannot wait 27 years before we return to this issue.

The sweeping nature of some of the changes in this bill will require that the Armed Services Committee monitor closely the impact of the changes on the effectiveness of the Department of Defense and be prepared to recommend at least marginal changes as the need for these changes become evident.

The committee bill as now presented reflects a tremendous amount of effort on the part of many people and in particular the efforts of the Armed Services Committee chairman, my esteemed friend from Arizona, and the ranking member, my esteemed friend from Georgia.

So, Mr. President, I would like to conclude by joining my many colleagues who have spoken here today in praise of the leadership and dedication of Chairman GOLDWATER and Senator NUNN in shepherding for well over 2 years the efforts leading to this impressive Barry Goldwater Military Reorganization Act of 1986.

Thank you, Mr. President.

Mr. ROCKEFELLER addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, I am pleased to be a cosponsor of S. 2295, "The Department of Defense Reorganization Act of 1986." Solutions to the problems in defense organization which this legislation addresses are long overdue. The Senate and the country owe a great deal of gratitude to the distinguished chairman and ranking member of the Senate Armed Services Committee for their diligence and foresight in bringing these complex problems before us. Senators GOLDWATER and NUNN share the credit for this bipartisan effort with their predecessors, Senators Tower and Jackson, who initiated this review of defense organization in June 1983.

The problems addressed in this legislation are not new, Mr. President. As the excellent study prepared by the SASC staff point out, organizational deficiencies were evident at Pearl Harbor, the Battle of Leyte Gulf in World War II, in Vietnam, the Iranian rescue mission and Grenada. The problem has simply been lack of effective joint planning and command. Former JCS Chairman David Jones called coordinated operations in Vietnam "a nightmare—each service fought its own air war." In order to defeat 800 Cubans in Grenada, the United States divided that small island into two theaters of operation. And in the Iranian rescue mission, there was an Army commander for the ground forces, a Marine commander for the helicopter mission, and an Air Force commander in charge of the landing zone. The service's interest in proving their utility by playing a key role in any military operation has been a source of weakness, not strength.

These problems have plagued us in the field, as well as at home. The current system does nothing to prevent parochial service interests from distorting budget priorities, nor to promote crisp joint military advice and planning. Bureaucratic interests have tended to prevail over the requirements of military economy and effectiveness.

We can ill afford to defend this great country by "least common denominator" military advice and planning. And that is precisely what the

current Joint Chiefs of Staff structure, created in 1947, allows to happen.

In testimony before the Senate Armed Services Committee, former Secretary of Defense James Schlesinger stated:

> • • • in the absence of structural reform I feel that we shall obtain less than is attainable from our expenditures and from our forces. Sound structure will permit the release of energies and of imagination now unduly constrained by the existing arrangements. Without such reform, I fear that the United States will obtain neither the best military advice, nor the effective execution of military plans, nor the provision of military capabilities commensurate with the fiscal resources provided, nor the most advantageous deterrence and defense posture available to the nation.

As we face the need to exercise greater Federal fiscal discipline, we owe it to the taxpayer, as well as to the Nation, to see that a dollar spent yields a dollar's worth of defense. Correcting some of the structural deficiencies in the way the Pentagon operates should allow us to increase our military effectiveness without requiring large increases in defense spending. As former Secretary of Defense Laird has stated, "without an effective command structure, no level of defense spending will be sufficient to meet the needs of the Nation's security." Money cannot solve organizational problems, but without organizational reform we will not be putting our defense investment to its best use.

Mr. President, this legislation provides needed defense organization reform in several key areas. It encourages greater "jointness" by designating the JCS Chairman as the principal military adviser to the President, and by giving him greater authority to manage the JCS. The JCS role in establishing joint military requirements and budget priorities will also be strengthened by this legislation. In particular, the JCS Chairman will be required to pay close attention to coordination of combat strategy and resources in preparing a fiscally constrained joint strategic plan. And in order to improve continuity of joint military advise and planning, this bill creates a Vice Chairman of the JCS.

S. 2995 also significantly strengthens the role and authority of the unified combatant commanders. Currently, the effectiveness of the "joint" field commanders is hampered in practice by lack of organizational authority—and lack of clear chain of command. This legislation would address both problems by strengthening the authority of joint combatant commanders to specify organizational structures and personnel policy oversight. The warfighting commands would also be put in the direct chain of command to the President through the Secretary of Defense. In addition, this legislation will streamline the administrative and operational chain of command by reducing headquarters defense agency staff by some 17,000 personnel.

I do not think any Senator would want to diminish the rich tradition and morale which the four uniformed services bring to our national Defense Establishment. But it is critically important that those services coordinate effectively in providing crisp and timely military advice to the President and Secretary of Defense. It is vitally important that the military roles and missions of those services be coordinated in identifying key defense priorities and making tough budgetary choices. And it is essential that the services be structured to take full advantage of their respective strengths in joint military operations.

In a letter dated August 20, 1956, to his friend Everett Hazlett, President Eisenhower wrote that "my most frustrating domestic problem is that of attempting to achieve any real coordination among the Services." We have continued to tolerate this problem. It has served the interests of the individual services quite well. But it has not served the national interest.

Thirty years after President Eisenhower wrote that letter—and I will ask that the full text of that letter appear in the RECORD—we are at last addressing this critical problem. The deficiencies in defense organization cost money and could cost lives. We owe it to the taxpayers and to the servicemen and women of our Nation to provide the strongest possible defense. This bill is perhaps the most fundamental and single most important step we can take to strengthen national defense. I urge its adoption.

Mr. President, I ask unanimous consent that the letter of President Eisenhower to Everett Hazlett be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LETTER TO EVERETT HAZLETT FROM PRESIDENT DWIGHT EISENHOWER, AUGUST 20, 1956

Not long ago you expressed some of your irritation that anyone should even dream of putting the Services into the same uniform. I won't quarrel with the idea, but I will attempt to give you a slightly different viewpoint toward the Services than you probably have.

So far as I am personally concerned, I should say that my most frustrating domestic problem is that of attempting to achieve any real coordination among the Services. Time and again I have had the high Defense officials in conference—with all the senior military and their civilian bosses present—and have achieved what has seemed to me general agreement on policy and function—but there always comes the breakup. The kindest interpretation that can be put on some of these developments is that each service is so utterly confident that it alone can assure the nation's security, that it feels justified in going before the Congress or the public and urging fantastic programs. Sometimes it is by no means the heads of the Services that start these things. Some subordinate gets to going, and then a demagogue gets into the act and the Chief of the Service finds it rather difficult to say, "No, we could not profitably use another billion dollars."

What I have tried to tell the Chiefs of Staff is that their most important function is their corporate work as a body of advisers to the Secretary of Defense and to me. We now have four-star men acting as their deputies, and those men are either capable of running the day-to-day work in the Services or they should not be wearing that kind of insignia. Yet I have made little or no progress in developing real corporate thinking.

I patiently explain over and over again that American strength is a combination of its economic, moral and military force. If we demand too much in taxes in order to build planes and ships, we will tend to dry up the accumulations of capital that are necessary to provide jobs for the million or more new workers that we must absorb each year. Behind each worker that is an average of about $15,000 in invested capital. His job depends upon this investment at a yearly rate of not less than fifteen to twenty billions. If taxes become so burdensome that investment loses its attractiveness for capital; there will finally be nobody but government to build the facilities. This is one form of Socialism.

Let us not forget that the Armed Services are to defend a "way of life," not merely land, property or lives. So what I try to make the Chiefs realize is that they are men of sufficient stature, training and intelligence to think of this balance—the balance between minimum requirements in the costly implements of war and the health of our economy.

Based on this kind of thinking, they habitually, when with me, give the impression that they are going to work out arrangements that will keep the military appropriations within manageable proportions and do it in a spirit of good will and of give and take.

Yet when each Service puts down its minimum requirements for its own military budget for the following year, and I add up the total, I find that they mount at a fantastic rate. There is seemingly no end to all of this. Yet merely "getting tough" on my part is not an answer. I simply must find men who have the breadth of understanding and devotion to their country rather than to a single Service that will bring about better solutions than I get now.

Strangely enough, the one man who sees this clearly is a Navy man who at one time was an uncompromising exponent of Naval power and its superiority over any other kind of strength. That is [Adm. Arthur W.] Radford.

I do not maintain that putting all of these people in one uniform would cure this difficulty—at least not quickly. But some day there is going to be a man sitting in my present chair who has not been raised in the military services and who will have little understanding of where slashes in their estimates can be made with little or no damage. If that should happen while we still have the state of tension that now exists in the world, I shudder to think of what could happen in this country.

Mr. NUNN. Mr. President, I thank the Senator from West Virginia for his remarks and for his interest in the legislation, not only today on the floor,

but we have discussed it many times. He has been very interested in the Armed Services Committee's activities. I have had many discussions with him. He has been most helpful in advising us as we proceeded along the line of writing the reorganization bill.

I also thank my friend from Ohio for his generous remarks concerning this legislation. The Senator is an outstanding member of the committee. He brings to the committee his expertise not only from his experience in the Marine Corps, but also his experience in almost every phase of the NASA program. He has been invaluable in helping us complete this reorganization bill.

At this point, I yield to the Senator from Illinois.

AMENDMENT NO. 1835

Mr. DIXON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON] proposes an amendment numbered 1835.

Mr. DIXON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. QUAYLE. Reserving the right to object, could the Senator from Illinois tell us, is this the amendment in total that the subcommittee on acquisition approved and recommended to the full committee?

Mr. DIXON. This is a part of the amendment considered by the subcommittee on acquisition that deals with the Packard Commission report on an Under Secretary of Defense for Acquisition. It does have other language pertaining to my distinguished friend's legislation. I support that legislation, that the chairman of the subcommittee, the Senator from Indiana, has suggested. I understand there is still some question about some of that language.

This amendment is a portion of what we did in the subcommittee, that refers to the Packard Commission report which was endorsed by the chairman of this committee, the ranking member, and the President of the United States, and which deals with the Under Secretary for Acquisition. It refers to that only, may I say to my distinguished friend.

I think it is very important that we go ahead with this feature because if we do not do that, we would be in the untenable position of voting out of this Chamber a very excellent DOD reorganization bill that still does not have an Under Secretary of Defense for Acquisition as called for by the Packard Commission, the President of the United States, the chairman of the committee, and the ranking member, and the principle of which was endorsed by 19 members of the Armed Services Committee at the hearings we held.

This is a direct reflection, may I say, of what the distinguished chairman did in the subcommittee. The only distinction is that it does not contain the additional language that I agree with but that apparently cannot be adopted at this time.

Mr. QUAYLE. Further reserving the right to object, on pages 4 and 5 of the amendment, is the amendment as proposed by the Senator from Illinois going to strike subsection 2, all of page 5 and the first two paragraphs on page 6? Is that the amendment of the Senator?

Mr. DIXON. Yes. What is stricken, may I say to my distinguished friend, the chairman of the subcommittee, is the whole question of the Office of Operational Test and Evaluation. We are told that there is a major dispute about the question of whether that ought to come under the Under Secretary of Defense for Acquisition, or whether it ought to remain as it is under the law now, the Director reporting directly to the Secretary of Defense. I thought it was a mistake to deal with that issue on the floor here.

In view of the dispute about that, I thought it would be better resolved later. It does not in any way reduce the impact of the general features of the amendment as recommended by the Packard Commission.

The PRESIDING OFFICER. Is there further debate on the request? Is there objection to dispensing with the reading of the amendment? Without objection, reading of the amendment is dispensed with.

The amendment is as follows:

On page 7, line 16, delete all through line 25 and insert the following:

"amended to read as follows:"

§ 135. Under Secretaries of Defense: appointment, powers and duties;

"(a) There are two Under Secretaries of Defense, one of whom shall be the Under Secretary of Defense for Acquisition and one of whom shall be the Under Secretary of Defense for Policy. The Under Secretaries of Defense shall be appointed from civilian life by the President, by and with the advice and consent of the Senate.

"(b)(1) The Under Secretary of Defense for Acquisition shall be a person who is well qualified by reason of education, training, and experience in industry. He shall perform such duties and exercise such powers relating to acquisition as the Secretary of Defense may prescribe, including—

(A) supervising the performance of the entire Department of Defense acquisition system;

(B) establishing all policies for acquisition, procurement, research and development, logistics, testing, contract audit, and contract administration for all entities of the Department of Defense;

(C) establishing all policies for maintenance of the defense industrial base of the United States;

(D) serving as the acquisition executive of the Department of Defense;

(E) serving as the senior procurement executive of the Department of Defense (as provided in section 16 of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3))

(F) supervising all personnel (civilian and military) in the Office of the Secretary of Defense with regard to matters for which the Under Secretary of Defense for Acquisition has responsibility, unless otherwise provided by law; and

(G) authority over the Secretaries of the Military Departments for all matters for which he is responsible under this section.

At the appropriate place in the bill insert the following new section:

"EXECUTIVE SCHEDULE II PAY GRADE FOR UNDER SECRETARY OF DEFENSE FOR ACQUISITION. —Section 5313 of title 5, United States Code, is amended by adding at the end of the following new item:

"Under Secretary of Defense for Acquisition." Section 5314 of title 5, United States Code, is amended by striking out "Under Secretaries of Defense (2)" and inserting in lieu thereof the following:

"Under Secretary of Defense for Policy.

"Director of Defense Research and Engineering."

On page 7, at the end of line 25 insert the following new section:

(a) IN GENERAL.—Chapter 4 of title 10, United States Code, is amended by inserting after section 136a the following new section:

"Section 136d. Director of Defense Research and Engineering

"(a) There is a Director of Research and Engineering in the Department of Defense, appointed from civilian life by the President, by and with the advice and consent of the Senate.

"(b) The Director of Defense Research and Engineering shall perform such duties relating to research and engineering as the Under Secretary of Defense for Acquisition may prescribe.".

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 4 of such title is amended by adding at the end the following new item:

"136b. Director of Defense Research and Engineering.".

At the appropriate place in the bill, insert the following new section:

"Section 15(k)(3) of the Small Business Act (15 U.S.C. 644(k)(3)) is amended by inserting ", except in the case of the Department of Defense the Director of the office of Small and Disadvantaged Business shall be responsible only to, and report directly to, the Under Secretary of Defense for Acquisition".

On page 7, line 25, insert the following new section:

(a)—Chapter 4 of title 10, United States Code, is further amended by inserting after section 136b (as added by section — of this Act the following new section:

"SECTION 136c. SECRETARY OF DEFENSE: successors to duties

"If the Secretary of Defense dies, resigns, is removed from office, is absent, or is disabled, the person who is highest on the following list, and who is not absent or disabled, shall perform the duties of the Secretary until the President, under section 3347 of title 5, directs another person to perform those duties or until the absence or disability ceases:

(1) The Deputy Secretary of Defense.

(2) The Secretaries of the military departments in the order prescribed by the President.

(3) The Under Secretaries of Defense in the order prescribed by the President.

(4) The Assistant Secretaries of Defense in the order prescribed by the President.".

(b) CONFORMING AMENDMENTS.—(1) The table of sections at the beginning of chapter 4 of such title is further amended by inserting after the item relating to section 136b (as added by section 4 of this Act) the following new items:

"136c. SECRETARY OF DEFENSE: succession to duties.".

(2) Section 134 of such title is amended by striking out subsection (c).

(3) Section 136 of such title is amended by striking out subsection (e).

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. Mr. President, this amendment I am offering is a direct reflection of the Packard Commission report. Simplistically, let me explain this. Presently under the Secretary of Defense there are two Under Secretaries: an Under Secretary for Policy and an Under Secretary for Research and Engineering.

The Packard Commission recommended that we keep the Under Secretary for Policy but that we substitute for the Under Secretary for Research and Engineering an Under Secretary for Acquisition, and create a director of reserach and engineering and placing him or her in a separate Department under the Under Secretary of Defense for Acquisition.

This is exactly what this amendment does, Mr. President. It makes the Under Secretary of Defense for Acquisition responsible primarily for all the acquisition and procurement under the Secretary of Defense.

It makes the Under Secretary of Defense for Acquisition a level II officer within the Office of the Secretary of Defense and makes the Under Secretary of Defense for Acquisition superior to the heads of the branches of the services in acquisition matters. So it reflects exactly what the Packard Commission has represented that we ought to do.

I want to congratulate the distinguished chairman of the subcommittee for acquisition, Senator QUAYLE, of Indiana.

After the committee had recommended that we do this in principle, the distinguished chairman of the subcommittee held innumerable hearings, where many witnesses were heard on this question.

Mr. Packard appeared before our subcommittee. Mr. Taft appeared before our subcommittee. I carefully questioned every witness to see whether they fully embraced the principles embodied in the Packard Commission report and whether they recommended that our committee should follow the report.

Each said that they did recommend that.

I do not think I need to tell the Senate about the publicity that has ensued in recent years about the $700 toilet seats, the $600 ashtrays, the $6,500 coffee urns.

I do not think I need to tell the story again, Mr. President, about the work that this Senator did on the Sergeant York air defense gun.

I would suggest, Mr. President, that through our failure in acquisition and procurement we actually built 55 of those things that are on the ground somewhere, probably in Fort Bliss, great big tanks with two Bofors guns and the radar equipment from an F-16 airplane, Mr. President, that cannot hit anything.

When we eliminated that gun we saved the taxpayers of America $4 billion.

The chairman of our committee and the ranking member were very helpful and cooperative to this Senator when that was done, and I express my personal appreciation to them.

I would say, Mr. President, that it would be a serious mistake for us not to adopt this amendment which reflects the Packard Commission report and which places the DOD reorganization bill in the position it ought to be in when it leaves the Senate and goes into conference, ultimately to evolve into the kind of restructuring of this department that I think will be beneficial to our country for many, many decades to come.

I would be delighted to answer any questions about the amendment, but I simply want to say that when this amendment is adopted we will have two Under Secretaries of Defense, one for acquisition and one for policy, working for the Secretary of Defense. I think in the course of history, the adoption of this amendment and the passage of this bill will save untold tens of billions of dollars for American taxpayers.

□ 1610

Mr. GOLDWATER. Mr. President, was the Senator talking to me?

Mr. DIXON. No, Mr. President, this Senator greatly admires the chairman but I have just concluded my remarks.

Mr. GOLDWATER. I apologize, Mr. President. I thought the Senator was looking at me for something to say and I am worn out.

Mr. DIXON. Mr. President, I appreciate the chairman's outstanding work on this bill.

Mr. NUNN. Mr. President, I thank the Senator from Illinois for his tremendous work not only on the reorganization bill but the acquisition area. The Packard Commission has recommended an Under Secretary for Acquisition. If I could recount where we were on this as I recall it in the Armed Services Committee at the time we completed our preliminary markup of the reorganization bill, we withheld that reorganization bill, I think at the suggestion of the Senator from Virginia [Mr. WARNER], and all of us agreed, until we got the Packard Commission report. It was suggested that we wait until we got that report to determine if there were things in that report that would alter our own preliminary conclusions, or whether we wanted to make changes.

The Senator from Arizona and I met with Dave Packard. We received his report, I think, on a Friday afternoon. The next week, we had another meeting of the committee. We talked about the report at that stage. We had already asked the Senator from Illinois to withhold an amendment on creating an under secretary for acquisition because he had presented that amendment during the deliberations of the reorganization committee. It was an amendment that did deal with reorganization of the Department of Defense. We asked him to wait with that amendment until after we got the Packard report.

The Packard report came in. We had a committee meeting. We talked about the Packard report. We got a staff analysis and Mr. Packard told us that everything in the bill was consistent with his report. He stated to us that he hoped we would create an under secretary for acquisition as quickly as we could consistent with our position.

The Senator from Indiana [Mr. QUAYLE] has done a tremendous job, he and the Senator from Michigan, with the Senator from Illinois, on the acquisition. He has this under his jurisdiction. He worked on it last year, has worked on it again this year.

The way we decided the issue in the committee, as I recollect, and again I would appreciate anyone's refreshing my recollection if it is not accurate—the Senator from Indiana, when the Senator from Illinois proposed his amendment after we got the Packard report, asked that this be referred to his Subcommittee on Acquisition because they were going to be marking up a bill on this and other subjects. They decided and the Senator from Illinois cooperated in this; he said he would withhold that amendment specifically.

The committee went on record when they voted in terms of a conceptual vote. It was not an amendment to the reorganization bill but the committee went on record 19 to 0 saying we were in favor of creating an Under Secretary of Acquisition.

We referred it to the Subcommittee on Acquisition, chaired by the Senator from Indiana [Mr. QUAYLE]. We asked them to do everything they possibly could to come to grips with this issue and we were hopeful we could get an acquisition package that dealt with that subject up before the full committee so we could pass that out and have it coupled with this bill on the floor. We did not know whether we were going to be able to do that. The

Senator from Illinois very graciously decided to withhold his amendment in hopes that that could be done.

The Senator from Illinois, as I recall, preserved all his options as far as what he would do on the floor. The Senator from Indiana preserved all his options as far as what he would do on the floor. We now have a subcommittee package that includes everything in the Dixon amendment but includes other things also.

We are on the floor now considering this amendment and everyone has reserved their options. I do not think anyone was bound by anything we decided there. There was no commitment to accept this on the floor but there was no commitment to withhold it by the Senator from Illinois. The Packard Commission would like us to put this on a bill as soon as possible because they would like to have an Under Secretary for Acquisition created.

The Senator from Indiana has a dilemma which I understand. He has an acquisition package coming up that contains this feature as well as others. We do not know whether this legislation is going to move in conference sooner than perhaps the acquisition legislation which the Senator from Indiana is sponsoring which has not come before the full committee nor on the floor. It seems to me we have a better chance of moving this reorganization bill in conference sooner but I am not sure of that. The House has not passed all of their reorganization legislation. So even if we pass this today, we are going to have a conference, we have to await the House on passage of a couple more components of their legislation. We may be 3 weeks, we may be 6 weeks, we may be 6 months before we finish this in conference.

In the meantime, we have another bill coming, the acquisition bill. It is my understanding we have a good consensus under the leadership of the Senator from Indiana and the Senator from Michigan. I do not anticipate controversy within the Acquisition Subcommittee, but who knows? We may have some.

The point I am making, Mr. President, is we do not know which vehicle is going to end up on the President's desk first. I know there has been a lot of discusion between my friend from Illinois and my friend from Indiana about whether to put this amendment on here at this time. I submit to both my friends and to the chairman that there is nothing at all inconsistent about putting this type of amendment on this legislation and then putting it also on the acquisition legislation, determining which one comes first. I think we would have to deal with more detail on the acquisition legislation. We would have to deal with the question of whether we have operational testing on this. It is my understanding the Senator from Illinois has left that component out and left the existing law as it is.

Mr. President, I just wanted to give background on this. My friend from Arizona may have amplification on it. I think everyone has acted in perfectly good faith. Everyone has a right now to deal with this on the floor as they see fit.

Mr. GOLDWATER. Mr. President, what the Senator from Georgia has said is exactly and precisely the case. I recall both the Senator from Georgia and I said to the Senator from Illinois when we were writing, getting ready to write this up and he was getting ready to introduce it without having had complete hearings. "Don't do it now. Withhold it and you can do what you want on the floor."

At the same time, either in the committee or after the committee meeting, I implored my friend from Indiana [Mr. QUAYLE] to complete the hearings as fast as he could so that if we possibly could, we could bring the entire package into this bill.

□ 1620

I think that Mr. Packwood is absolutely right in hoping that we get something in a legislative manner before we finish our conference with the House. Now, I have no idea what the House is going to do. I understand they might put this on the authorization bill. I suggest that we can do the same thing. But I just want to tell my colleagues that the Senator from Georgia has recited what happened in exactly the manner in which it happened.

Mr. DIXON. May I ask my distinguished friend, the chairman of the committee—or may I ask my ranking member, who told the whole story in detail, whether he would yield to this question. Would my friend, the ranking member, not say that it would be a true inconsistency, however, to have this bill go out of here without this amendment? Because in fact we have signed off on the idea that there should be an Under Secretary of Defense for acquisition, 19 to 0 in the committee, having had all the hearings in the subcommittee, and so forth, if we do not adopt this amendment the inconsistency would mean that we would let a DOD reorganization bill go out of here that still has an Under Secretary of Defense for Research and Energy and does not have in its place an Under Secretary of Defense for Acquisition?

Mr. NUNN. I would answer it this way to my friend from Illinois. I think this is a matter which deals with organization. This is an organizational bill. It is perfectly relevant. I think under any question of germaneness it would be perfectly germane on this bill. It is also an acquisition matter. It deals also with the way we are going to acquire procurement. There is no way you can draw a line between them. So I would say this is a perfectly appropriate amendment to put on this legislation. I would hope we could work out something satisfactory to both my friend from Illinois and Indiana, but if we do vote on this legislation I plan to vote for it because I think it is relevant and I think it is a matter that we have considered in concept.

Mr. DIXON. I thank my colleague, the distinguished Senator from Georgia. May I say again I greatly admire and warmly appreciate all the services performed by my friend, the Senator from Indiana, who chaired this subcommittee with great distinction, who gave everybody a full opportunity to be heard, who heard all the pertinent and relevant witnesses. I support what he is going to do later in respect to acquisition. I think it is proper. I am going to vote for that bill. I agree with everything in that bill, including this amendment, which is in that bill as a separate section.

I suggest it is a profound mistake, when we are saying to the people of this country today that we are sending out a dynamite new Department of Defense reorganization bill, to sent it out of here without the Packard Commission report which is central to what we want to do already and touches everything regarding procurement and acquisition involving hundreds of billions of dollars of taxpayers' money. I hope that we would not do that. I hope there is no turf argument. The Senator from Illinois has no feeling of that kind. I have a feeling of only affecton and respect for everybody involved in the process. I was one of the people in that 19 to 0 vote and I want to see it now crafted in legislative form as an amendment to the bill so that we fully comply with the request of the President, the Packard Commission and everybody else.

Mr. QUAYLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. QUAYLE. Mr. President, let me state for the record that I do not disagree with what the Senator from Georgia has outlined as the background. I think he is correct in saying that everybody had their options held open. We had a meeting with the principals of the Acquisition Subcommittee and the chairman and the ranking member of the Senate Armed Services Committee to discuss what we were going to do in the area of acquisition reform and specifically in reference to the Dixon amendment dealing with the Under Secretary for Acquisition.

Since that meeting, with everybody holding their options open, we have held hearings. We have had markup and the subcommittee has in fact reported a comprehensive procurement

reform measure. Part of that procurement reform measure includes the Dixon amendment. Senator DIXON, as a matter of fact, was the leadoff witness at one of our hearings to testify about his bill and how he felt that the Secretary of Acquisition ought to fulfill those responsibilities.

Since that time, we have had not only hearings but markup, and now we are in the situation of whether the Under Secretary for Acquisition ought to be part of the Defense reorganization bill or not.

The Senator from Illinois makes the argument that this bill should not leave this Chamber without the Under Secretary for Acquisition. My own personal opinion is that it would be perfectly proper for this piece of legislation to leave the Chamber without the Under Secretary for Acquisition in it. The Senator from Indiana strongly supports the concept of the Under Secretary for Acquisition and has been very involved, working diligently with the Senator from Illinois, trying to achieve the best possible piece of legislation.

Now, as we make the determination of whether or not this should in fact be a part of this bill, the Senator from Indiana really envisioned trying to keep this procurement package together. Now, that may or may not happen. Certainly we can put the procurement package on the Defense authorization bill or we can peel part of it off and put it on the Defense reorganization bill, the legislation pending here, or we could do both. There is no requirement that would necessitate us not going ahead and doing both.

Now that the Senator from Illinois has in fact offered his amendment, which I had prefered to deal with on the authorization bill, we are in a situation on what kind of an amendment should this body discuss. In listening to what the Senator from Illinois said and also the Senator from Georgia, we wanted to try to be consistent with the Packard Commission recommendation. I know that has been the desire of my friend from Illinois all along, and he and his staff have worked tirelessly with me and my staff and with the Packard Commission people to try to figure out exactly what they wanted, to hear their arguments, hear them out, and as a result of that we have had before the subcommittee and some of the refinements that have been made before the full committee a piece of legislation which deals with the Under Secretary for Acquisition as envisioned by the Packard Commission with the addition of the amendment by the Senator from Michigan [Mr. LEVIN], who brought up a very interesting point that if there is a disagreement between the Under Secretary for Acquisition and the Vice Chairman, that in fact there is a disagreement and they take it to the Secretary for resolution of that dispute, all of the information for the operation, testing, and evaluation should be made available to the Secretary of Defense. That amendment was agreed to in the subcommittee.

I think what we probably ought to do is to make sure that what the subcommittee has in fact reported out be part of this package. I think that is the very least that we can do. I think it would certainly be consistent with what the Senator from Illinois wanted to. He did in fact delete part of this in his amendment. That is why I questioned what it was. So what I would do is probably go ahead and offer what the subcommittee has in fact done as a substitute to the pending amendment of the Senator from Illinois. Therefore, I will be in a position of saying, OK, this legislation will have to move forward on the defense reorganization bill but it is still the preference of the Senator from Indiana that the logical place for this in looking at the conference—and we will debate this again—is on the defense authorization bill.

So I think in that spirit, since I am in somewhat of a difficult parliamentary situation, I have no alternative but to try to at least get the subcommittee's recommendation before the Senate. I think that is what the Senator from Illinois desires to do. With his support, I will be willing to offer the full subcommittee text as a substitute to his amendment. I would presume that he would not have any objection to that.

Mr. GOLDWATER. Will the Senator yield?

Mr. QUAYLE. I will be glad to yield to my chairman without losing my right to the floor.

Mr. GOLDWATER. The chairman feels that he is in kind of a bad spot. I remember when I created the Subcommittee on Acquisition and asked my good friend from Indiana to chair it. He has done an excellent job, being helped by the Senator from Michigan.

□ 1630

I recall telling him some time ago that I hoped that he could complete his hearings so that we could make his suggestions and whatever his subcommittee passed a part of this whole proceeding. He told me that he would do his best. Unfortunately, it is obvious that the subcommittee has not completed its work.

I am going to ask my friend a question, and he can tell me yes or no, go to hell, or anything else.

Would it be possible at this time for the Senator to offer what he might consider a completed or semicompleted bill as an amendment to the offering by the distinguished Senator from Illinois, so that the body can vote as a body on an acquisition bill, even though it might not be satisfactory to my friend from Indiana and even though it might not be satisfactory to the chairman?

What I am trying to avoid is having a vote here on an important part of the acquisition, a part that the Packard Commission absolutely insists upon, and a part on which, I have to admit, there is some disagreement as to how we go about it. Does the Senator feel inclined to agree with the chairman that he might offer what he feels is as completed a version as he can?

Mr. QUAYLE. I think the chairman is on the track to the right decision and perhaps the way to get out of this situation in which we find ourselves.

I will offer, at the chairman's request, to the best of my ability, a comprehensive bill that has been reported by the subcommittee dealing with the Under Secretary for Acquisition. This has already been reported to the full committee by the Subcommittee on Acquisition. We have already had a markup on that.

I say to my chairman that I do not anticipate that we would have to vote on this. I would think that since the real debate is going to take place on the defense authorization bill, it would not be necessary to have a recorded vote on this particular substitute or even the pending amendment.

What we want to do, and I think what the Senator from Illinois wants to make sure, is that he and others and the Senate are on record by supporting the Under Secretary for Acquisition. That can be achieved. We can achieve that by accepting the substitute and by accepting the amendment of the Senator from Illinois. I tell my dear friend, the chairman of the committee, that that can be done rather quickly and probably with a voice vote. I would not require a rollcall vote.

Mr. PRYOR. Mr. President, will the Senator yield?

Mr. QUAYLE. I yield.

Mr. PRYOR. I am sorry I was not here at the beginning of this discussion. I have come to the floor to ask the Senator from Illinois if he would restate his position on the position of the independent Office of Operational Testing and Evaluation that was created in 1983.

The Senator from Illinois may want to disagree with this or may want to restate his position, but it is my understanding that under Senator DIXON's proposal, the Director of Operational Testing, created in 1983, would report only to the Secretary of Defense, himself.

My question to the Senator from Indiana is this: In the proposal he is offering, would it change that relationship, that direct reporting by the Director of Operational Testing, directly to the Secretary of Defense?

Mr. QUAYLE. I will answer the Senator from Arkansas in the affirmative. It will change that relationship. It will have the Secretary of Operational Testing and Evaluation reporting primarily to the Under Secretary for Acquisition.

That would be under the substitute, and that would be the subcommittee's recommendation to the full committee. That is not a part of the Dixon amendment that is presently pending before the Senate. The Dixon amendment strikes that part of the subcommittee's recommendation.

Since we are going to be dealing with the Under Secretary for Acquisition on this legislation—which I prefer not to do—but since we are going to have to deal with it, and it seems to me the consensus to deal with it, then I think we should deal with what the subcommittee has reported to the full committee, which is basically the Dixon bill as reported by the subcommittee.

Mr. DIXON. Mr. President, may I respond to the Senator from Arkansas?

Mr. QUAYLE. I yield to the Senator from Illinois without losing my right to the floor.

Mr. DIXON. What the Senator from Indiana has said is essentially correct.

What I have done in the amendment I have offered is taken out the part of the subcommittee's work product that did put the Office of Operational Testing under the Under Secretary of Defense for Acquisition.

I say to the Senator from Arkansas that that is a recommendation of the Packard Commission. I make that clear. It is the recommendation of the Packard Commission that we do that.

The reason why I took it out in this amendment was that I understood that there was a dispute on the floor about that question, and I thought it was better, under those circumstances, to leave the law as it now is and adopt an Under Secretary of Defense for Acquisition; and either in the conference or on a subsequent bill that will be brought in by the Senator from Indiana, which I support, resolve that issue later.

The point is that I have not addressed that issue in my amendment. I have followed the Packard Commission about changing research and engineering to acquisition. That is important. But I have not gone the final step on operational testing because I did not want to enter that dispute on this debate on the DOD reorganization bill.

Mr. QUAYLE. The Senator is correct. What we would be offering is basically his amendment to his bill as reported by the subcommittee.

I reiterate that it would be my preference to deal with this on the authorization bill, and then we could sort of have at it on this independence issue of OT&E.

However, apparently that is not going to be the will or the desire of the Senate at this juncture. Therefore, from my point of view, I say we should at least get before the Senate the recommendation of our subcommittee.

AMENDMENT NO. 1836

Mr. QUAYLE. Mr. President, I send an amendment to the desk, as a substitute.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Indiana [Mr. QUAYLE] proposes an amendment numbered 1836 to the amendment numbered 1835.

Mr. QUAYLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

Mr. PRYOR. Mr. President, will the distinguished Senator from Indiana yield?

Mr. QUAYLE. I yield to the Senator from Arkansas for a question.

The PRESIDING OFFICER. Is this an objection to the unanimous-consent request to dispense with the reading of the amendment?

Mr. QUAYLE. I made a unanimous-consent request that the amendment be considered as read.

Mr. PRYOR. I have absolutely no problem with that.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(a) Section 135 of title 10, United States Code, is amended to read as follows:

"§ 135. Under Secretaries of Defense: appointment; powers and duties; precedence

"(a) There are two Under Secretaries of Defense, one of whom shall be the Under Secretary of Defense for Acquisition and one of whom shall be the Under Secretary of Defense for Policy. The Under Secretaries of Defense shall be appointed from civilian life by the President, by and with the advice and consent of the Senate.

"(b)(1) The Under Secretary of Defense for Acquisition shall be a person who is well qualified by reason of education, training, and experience in industry. He shall perform such duties and exercise such powers relating to acquisition as the Secretary of Defense may prescribe, including—

"(A) supervising the performance of the entire Department of Defense acquisition system;

"(B) establishing all policies for acquisition, procurement, research and development, logistics, testing, contract audit, and contract administration for all entities of the Department of Defense;

"(C) establishing all policies for maintenance of the defense industrial base of the United States;

"(D) serving as the acquisition executive of the Department of Defense;

"(E) serving as the senior procurement executive of the Department of Defense (as provided in section 16 of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3));

"(F) supervising all personnel (civilian and military) in the Office of the Secretary of Defense with regard to matters for which the Under Secretary of Defense for Acquisition has responsibility, unless otherwise provided by law; and

"(G) the authority to direct the military departments and other entities of the Department of Defense to comply with programmatic and policy decisions made by the Under Secretary relating to acquisition.

"(2) The Under Secretary of Defense for Policy shall perform such duties and exercise such powers as the Secretary of Defense may prescribe.

"(c) The Under Secretary of Defense for Acquisition takes precedence in the Department of Defense after the Secretary of Defense, the Deputy Secretary of Defense, and the Secretaries of the military departments. The Under Secretary of Defense for Policy takes precedence in the Department of Defense immediately after the Under Secretary of Defense for Acquisition.".

(b) EXECUTIVE SCHEDULE II PAY GRADE FOR UNDER SECRETARY OF DEFENSE FOR ACQUISITION.—Section 5313 of title 5, United States Code, is amended by adding at the end the following new item:

"UNDER SECRETARY OF DEFENSE FOR ACQUISITION."

SEC. 102. ESTABLISHMENT OF POSITION OF DIRECTOR OF DEFENSE RESEARCH AND ENGINEERING

(a) IN GENERAL.—Chapter 4 of title 10, United States Code, is amended by inserting after section 136a the following new section:

"§ 136b. Director of Defense Research and Engineering

"(a) There is a Director of Research and Engineering in the Department of Defense, appointed from civilian life by the President, by and with the advice and consent of the Senate.

"(b) The Director of Defense Research and Engineering shall perform such duties relating to research and engineering as the Under Secretary of Defense for Acquisition may prescribe.".

"(c) The Director of Defense Research and Engineering shall take precedence in the Department of Defense as prescribed by the Secretary of Defense.".

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 4 of such title is amended by adding at the end the following new item:

"136b. DIRECTOR OF DEFENSE RESEARCH AND ENGINEERING.".

(c) EXECUTIVE SCHEDULE III PAY GRADE FOR UNDER SECRETARY OF DEFENSE FOR POLICY AND DIRECTOR OF DEFENSE RESEARCH AND ENGINEERING.—Section 5314 of title 5, United States Code, is amended by striking out "Under Secretaries of Defense (2)" and inserting in lieu thereof the following:

"UNDER SECRETARY OF DEFENSE FOR POLICY.

"DIRECTOR OF DEFENSE RESEARCH AND ENGINEERING.".

SEC. 103. DIRECTOR OF OPERATIONAL TEST AND EVALUATION TO REPORT TO UNDER SECRETARY OF DEFENSE FOR ACQUISITION

(a) IN GENERAL.—Section 136a of title 10, United States Code, is amended—

(1) in subsection (b)—

(A) by striking out "Secretary of Defense" in the matter preceding clause (1) and inserting in lieu thereof "Under Secretary of Defense for Acquisition"; and

(B) in clauses (1), (2), (5), and (6), by striking out "Secretary of Defense" and inserting in lieu thereof "Under Secretary of Defense for Acquisition";

(2) in subsection (c)—

(A) by inserting "Secretary of Defense and the" before "committees";

(B) by striking out "to the Secretary" and inserting in lieu thereof "to the Under Secretary of Defense for Acquisition"; and

(C) by striking out "Secretary of Defense" and inserting in lieu thereof "Under Secretary of Defense for Acquisition";

(3) by striking out subsection (d) and inserting in lieu thereof the following:

"(d) The Director reports directly to the Under Secretary of Defense for Acquisition. The Director shall consult closely with, but the Director and the Director's staff are independent of, the Director of Defense Research and Engineering and all other officers and entities of the Department of Defense responsible for research and development.";

(4) in subsection (f)(2), by inserting "and the Under Secretary of Defense for Acquisition" after "Secretary of Defense"; and

(5) in subsection (g)(1)—

(A) by inserting, ", through the Under Secretary of Defense for Acquisition," after "concurrently" in the second sentence; and

(B) by striking out "Secretary" in the last sentence and inserting in lieu thereof "Under Secretary of Defense for Acquisition".

SEC. 104. AMENDMENT TO THE SMALL BUSINESS ACT

Section 15(k)(3) of the Small Business Act (15 U.S.C. 644(k)(3)) is amended by inserting ", except in the case of the Department of Defense the Director of the office of Small and Disadvantaged Business shall be responsibile only to, and report directly to, the Under Secretary of Defense for Acquisition".

Mr. DIXON. Mr. President, will the Senator from Indiana yield to me for a moment?

Mr. QUAYLE. I yield to the Senator from Illinois.

Mr. DIXON. My distinguished friend the ranking minority member and the chairman have been discussing a compromise that I think would be acceptable to me. I ask the Senator from Indiana to give them an opportunity for a moment to discuss this, as a possible solution to the problem.

□ 1640

Mr. NUNN. Mr. President, I see the forces gathering, and I know a little of the background of this, and I know where everybody is coming from.

I am in the position of the town reprobate when he called the priest to see him. The town reprobate had been looked on with great scorn by the whole community for a long time.

The priest told him that the only way he could help him would be if he renounced the devil, because he was on his deathbed.

The reprobate looked up at the priest and said: "I'm sorry. I'm not going to be able to do that now. I'm not in a position to offend anyone." [Laughter.]

I am in that position right now. I am trying to work this out.

What we have here is a problem because the amendment of the Senator from Indiana would incorporate the entire acquisition report in terms of the Under Secretary. I am just looking at one provision here on page 3. What we have here, section (G)—and this is under the "Duties of the Under Secretary"—says he has "the authority to direct the military departments and other entities of the Department of Defense to comply with programmatic and policy decisions made by the Under Secretary relating to acquisition." So that gives him authority to direct the military departments.

The section right under that (2)(c) is another section that I would contend, at least preliminarily looking at it, is in total conflict with that. It says, "The Under Secretary of Defense for Acquisition takes precedence in the Department of Defense after the Secretary of Defense, the Deputy Secretary of Defense, and the Secretaries of the military departments."

So what we have here in this proposal is a conflict. We have the Under Secretary of Defense for Acquisition supposedly directing the military departments in acquisition matters, but we have the Under Secretary of Defense for Acquisition being under them in rank. Those two things in the Department of Defense do not go together. You do not direct people from below. Sometimes you cannot direct them from above. But you definitely cannot direct them from below. So what we have here is a provision that we have not examined in as much detail as the rest of this bill which we have examined in tremendous detail. We have gone through every bit of it. It does not mean everything is right, but it means it has been very, very carefully examined.

So what I am going to propose in that spirit, and I hope I would have the attention of the Senator from Indiana, is a compromise that I hope would not offend anyone but would get us out of this dilemma.

I would propose that we take the Dixon amendment and take paragraph (a) of the Dixon amendment and delete everything else so that we would carry out the concept that the Armed Services Committee has voted for by the 19-to-0 vote, which is that we are going to create an Under Secretary of Defense for Acquisition, but we do not in this legislation at this time prescribe the duties, prescribe the order of rank, prescribe all of that.

This would give the Department of Defense, if this legislation is the first one to get to the President's desk, an opportunity which they want to do to go ahead and appoint an individual at the very beginning. He would be acting. He would have to act consistent with existing law. He would act under the authority given him by the President and Secretary of Defense. But by the time that person is appointed, certainly by the time he is confirmed, we will have had ample opportunity to pass the overall legislation.

We are not ironing out any details here. We will be able to have the acquisition package passed. We will have the authorization passed at that time, I hope. And we can fill in all the details and all the duties.

The Senator from Arkansas and people concerned about the testing and evaluation will be able to have an input in committee and on the floor.

The Senator from Illinois will have created the Under Secretary of Defense for Acquisition. The Senator from Indiana will retain full jurisdiction in his subcommittee and will be active in the committee in filling out the important details.

So I throw that out, not as an amendment, not as a procedural matter, but as a suggestion to get us out of this dilemma because I think we are either going to finish this bill in the next 30 minutes or we are not going to finish it for quite a while.

Mr. QUAYLE. Mr. President, I wish to reclaim the floor.

The PRESIDING OFFICER. The Senator from Indiana has the floor.

Mr. QUAYLE. Mr. President, first in response to the statement of the Senator from Georgia that the part of this substitute is consistent, I point out to the Senator in subcommittee that this issue came up on precedence and the Senator knows very well how important the precedence are to the military.

What we did in subsection 2(c) is to spell out specifically on the instructions of the subcommittee what the precedences were.

What the Senator refers to under section 2 or under subsection (G) is dealing with policy only and there would be a difference in where your precedences come in and where the pecking order, so to speak, deals with acquisition policy.

So what we did in the subcommittee, we got bogged down, as a matter of fact spent about an hour or hour and a half on this precise issue, and there was a lot of confusion, as the Senator might imagine, and this is the language that clarifies what the precedence ought to be and where it ought to be. Particularly subsection (G) refers to acquisition policy only, and I think that what we have before us now is perfectly consistent with what the subcommittee wanted to recommend and the problem that the subcommittee found when we got into marking up this legislation.

Now, in response to the possibility of a compromise, do I understand that the Senator from Georgia is talking about only subsection (a)?

Mr. NUNN. That would be section 135, subsection (a) where we would create the Under Secretary of Defense for Acquisition and, of course, reiter-

ate Under Secretary of Defense for Policy and that would be all. That would be the whole compromise on this particular piece of legislation.

Mr. QUAYLE. I might tell the Senator from Georgia that is perfectly acceptable to me. As a matter of fact, I think I mentioned it—I know I mentioned it to the Senator from Illinois—I think I might have mentioned it to the Senator from Arizona, and I perhaps did not mention it to the Senator from Georgia. I suggested that a few moments ago and I would be glad to accept it.

Mr. NUNN. It was a brilliant idea when the Senator suggested it.

Mr. QUAYLE. It was even more brilliant an idea since the ranking minority member suggested it.

I understand where the power is in this place.

Mr. DIXON. May I say to my friend from Indiana I appreciate his suggestion. That would be acceptable and it is acceptable to the Senator from Illinois.

I ask, if my colleague from Indiana will yield, because we are now on his substitute amendment, but if he will withdraw that I want to assure my friend from Indiana I will change my amendment to constitute in effect what now is the first page of the amendment, 135 subsection (a).

Mr. QUAYLE. I might just restate again that we are talking about on page 1 the Dixon amendment section 135, subsection (a) only.

Mr. DIXON. That is affirmative.

Mr. QUAYLE. Strike everything else.

Mr. DIXON. That is affirmative. I agree with that.

Mr. QUAYLE. If that is the agreement, Mr. President, in the spirit of that I ask unanimous consent that my substitute be withdrawn.

The PRESIDING OFFICER. The Senator has the right to withdraw the amendment.

Mr. LEVIN. Mr. President, will the Senator from Indiana yield?

Mr. QUAYLE. I am glad to yield to my friend from Michigan.

Mr. LEVIN. First, I want to confirm what my friend from Indiana has said about that subsection of the order of precedence. We spent a lot of time on that issue. It was aimed at clarification.

I want to concur in what he said about the need to clarify that issue. It has not a darn thing to do with acquisition. It has to do with pecking order, as he puts it, outside of the acquisition order, and I think we would take care of that on another bill if we just adopt the subsection (a) in the proposal.

My friend from Arkansas has raised a question which can also be resolved on another vehicle, either the authorization bill or the acquisition reform package which my friend from Indiana is working so hard to put together.

This solution which has been proposed both by him at an earlier time and Senator NUNN now I think is an ideal solution; it leaves open for fleshing out of this office for another bill.

I am delighted that this proposal has been forwarded at this time because I think it does solve all the problem, including that of my friend from Arkansas.

Mr. PRYOR. Mr. President, I am not certain who has the floor.

Mr. QUAYLE. I have the floor and I am glad to yield for a question.

Mr. PRYOR. Will the Senator yield?

Mr. QUAYLE. I yield.

Mr. PRYOR. I wish to ask my friend from Illinois—and this will be very quick. First, I would like to state that I support what is being done this afternoon in reorganizing the Department of Defense. I was concerned, as I might say were my colleagues in the Senate, Senator ROTH of Delaware, and Senator KASSEBAUM of Kansas, so we yesterday wrote a letter relative to the position of the Director of Operational Testing and his relationship to the Secretary of Defense. We sent this letter to each member of the Armed Services Committee. It made clear we oppose the change that Senator Quayle's amendment would make.

Under present law created in 1983 the Director of Operational Testing speaks and reports directly to the Secretary of Defense.

Now, may I have the assurances, please, of my good friend from the State of Illinois, Senator DIXON, and Senator QUAYLE, if we adopt at this time the first section of the amendment offered by the Senator from Illinois—that this relationship as under present law will not be changed.

Mr. DIXON. The Senator has the absolute assurance of this Senator and I think every member of the subcommittee on the floor here, Senator, LEVIN and QUAYLE, that the amendment I would then offer as corrected would absolutely not affect whatsoever existing law.

The PRESIDING OFFICER. The Chair wishes to clarify that the Senator from Arkansas suggested the amendment of the Senator from Indiana as modified and the amendment of the Senator from Illinois. I believe that the Senator from Indiana has withdrawn his amendment and it is the first portion of the amendment of the Senator from Illinois which is or shortly will be in front of us. The Senator from Illinois has not yet changed or amended his own amendment.

Mr. QUAYLE. In response to the Senator from Arkansas I want to be precise and exact and forthcoming with him.

Let me just read very quickly what the Dixon amendment will say and nothing more.

□ 1650

It says:

There are two Under Secretaries of Defense, one of whom shall be the Secretary of Defense for Acquisition and one of whom shall be the Under Secretary of Defense for policy. The Under Secretaries of Defense shall be appointed from civilian life by the President, by and with the advice and consent of the Senate.

Period, end of amendment.

So, therefore, the Senator from Arkansas is right that we are not going to change the current structure with the operational testing and evaluation. But let me tell my good friend that the subcommittee, in fact, has recommended a change, a change that we have sat down and worked through the subcommittee. I am very confident that the full committee will support that change. It will be part of the defense authorization bill.

Again, I want to reiterate, in case my friend was not here, I did not want this to come up on this bill to begin with. That is, my friend from Illinois, my good friend from Illinois. He is one who brought this up. And my very good friend from Illinois put us in this position today. And my neighbor over there, smiling, as he is, he is the one that has created this thing.

But I do not want you to think, my other good friend from Arkansas, that I agree with you on this issue, because I do not. We will have a very good debate on the defense authorization bill, where the debate should have taken place in the first place.

So this amendment does not change the OT&E, as it is now. But I just want to level with my friend that that does not mean our committee or the full committee is going to accept this as part of the reform package when it comes before it. As a matter of fact, I am convinced it will not.

Mr. PRYOR. If I may respond to my good friend from Indiana.

The PRESIDING OFFICER. Does the Senator from Indiana yield?

Mr. QUAYLE. I yield for a question.

Mr. PRYOR. Mr. President, the Senator from Indiana is always, candid, honest, and frank, and he has laid down the gauntlet on this matter at this point. We appreciate and understand that challenge, and we will be ready to debate this.

I remind my friend from Indiana and all of our colleagues that, by an overwhelming vote of 92 to 5 in 1983 we decided, this Congress decided, that we wanted an independent—and I stress "independent"—Director of Operational Testing. We passed that law. It was signed into law. That bill was cosponsored by Senator LEVIN and Senator NUNN and about 25 others, and the Senator from Indiana and Illinois voted for it.

I even opposed the man that the President named to fill the office we

created. There were very few other Members of the Senate who opposed him. I stood down here and spoke against this man being confirmed for reasons that I believe then and believe now.

But after he was confirmed, I say to my friend from Indiana, I got in my car and drove over to the Pentagon, went into Secretary Weinberger's office, and stood by this man that the President had named and I had opposed and watched him take the oath of office as the new Director of Operational Testing. It is an independent office. The Congress intended it that way. Whoever fills the office, its integrity must be protected absolutely. I might also say that the man I opposed and I are now able to communicate effectively.

And I say to my good friend, in spite of his good intentions, we are making a major retreat back to the dark ages if we change the independent nature of this office. We will argue this point, I know, at a later date.

Once again, I support the Senators from Georgia and Arizona on what they are doing and I also support the Dixon amendment.

Mr. LEVIN. Mr. President, would my friend from Indiana yield for a minute?

Mr. QUAYLE. I am glad to yield.

Mr. LEVIN. Let me add to what my dear and best friend from Indiana has said.

Mr. PRYOR. Look, I want to be someone's friend, too.

Mr. LEVIN. You are my best friend from Arkansas; you and DALE are my best friends from Arkansas.

What the Senator from Indiana said, to make it clear, is that we are going to resolve this issue on another day and we are not seeking to resolve it at this time.

Let me say this to the Senator from Arkansas. We know each other very well. I want that office to be independent. That office is now independent, although he is under the Deputy Secretary of Defense right now. The chief acquisition officer in the Department of Defense, the Deputy Secretary of Defense, has underneath him right now your independent testing officer.

All we are saying in this amendment is that when you have a new acquisition czar at the under secretary level, that you want to make sure that that person is in the same position as your new acquisition as he was in relation to your old acquisition executive. That is all. But we are not going to resolve this today.

I think what Senator QUAYLE has done, and I am glad he did, is to make sure we in no way misrepresent that this issue is not going to be raised on another bill and it is important that we all know that.

Mr. QUAYLE. Mr. President, I should think my chairman is giving me the guiding eye to get on with this.

I always enjoy the camaraderie and the debate and discussion that my friend from Arkansas will certainly bring as we have this debate at another time.

The Senator from Michigan is absolutely correct. We are not going to resolve that here. He is also correct that there is independence the way we understand this. We do not want that guy to be subservient. But if you are going to have an acquisition czar and if you are going to put somebody in charge, he better be in charge and he better have the management and the flexibility and the coordination to make sure that he gets that very, very important information as he makes these decisions on whether we are going to proceed from one milestone to the next.

So I think it is very important but, believe me, we will take your letter and your concern and interest before discussion of our full committee when it gets there. We cannot wait to be back on the floor on this issue.

I yield the floor.

Mr. DIXON. Mr. President, pursuant to all the discussion here, I amend the amendment that I am offering to include only section (a) on the first page of that amendment, so that the amendment provides:

There are two Under Secretaries of Defense, one of whom shall be the Under Secretary of Defense for Acquisition and one of whom shall be the Under Secretary of Defense for Policy. The Under Secretaries of Defense shall be appointed from civilian life by the President, by and with the advice and consent of the Senate.

The PRESIDING OFFICER. The Senator has a right to amend his amendment.

Would the Senator send the modification to the desk?

Mr. NUNN. Will the Senator yield before he sends the modification to the desk?

Mr. DIXON. Yes.

Mr. NUNN. The Senator from Georgia is informed that the section needs renumbering. It is not numbered section 135 and it should be 136. So if the Senator would so modify his amendment.

The amendment (No. 1835), as modified, reads as follows:

On page 7, line 16, delete all through line 25 and insert the following: "amended to read as follows:"

§ 136. Under Secretaries of Defense: appointment, powers and duties

"(a) There are two Under Secretaries of Defense, one of whom shall be the Under Secretary of Defense for Acquisition and one of whom shall be the Under Secretary of Defense for Policy. The Under Secretaries of Defense shall be appointed from civilian life by the President, by and with the advice and consent of the Senate.

Mr. NUNN. Mr. President, I might also say that I am hoping we can finish this bill tonight. We have a technical amendment. I assure my friend from Arkansas if there is an amendment on this section further it will be technical. But we have some language in other sections relating to the Under Secretary for Research and Engineering. We are going to have to clarify that with a technical amendment on the floor or we are going to have to, as RUSSELL LONG has said many times on the tax bill, try to take it to conference and clean it up there.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment, as modified.

The amendment (No. 1835), as modified, was agreed to.

Mr. DIXON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEVIN. Mr. President, just one quick word of gratitude to Senator DIXON of Illinois for bringing up this issue. It is critical that we do so. He has done so in a responsible way.

I also wish to thank the Senator from Indiana for insisting that the committee take a full look at the details of this office before we adopt it. I think it is the right way to go.

Senator NUNN, as always, has put forth at the right moment the right kind of a solution to a knotty problem and I wish to thank him again for coming through to resolve the difficulty on the floor.

□ 1700

Mr. DIXON. Mr. President, in January of this year, I introduced S. 2151, which would establish within the Department of Defense a new position of Under Secretary of Defense for Acquisition. This position carries with it the responsibility for all acquisition policy within the Department of Defense.

I am honored to serve on the Senate Armed Services Committee, and on the Subcommittee for Defense Acquisition Policy. I also have the privilege of serving on the Senate Small Business Committee. Through these two committee assignments, I have had the opportunity to study the Federal acquisition system in some detail. I have reviewed the way we buy goods and services and how the policy is set from the perspective of the Department of Defense, as well as from the perspective of the largest defense contractors and the thousands of small businesses in my State.

As my colleagues know, for the past several years the Congress has been very actively involved in a number of procurement reform efforts. I am

pleased to have been the original author of many of the provisions in the 1984 Small Business and Federal Procurement Competition Enhancement Act and the 1984 Department of Defense Procurement Reform Act. These efforts were focused primarily on ways to increase competition for, and reduce barriers to, greater participation in the $180 billion in goods and services that the Department purchases annually. We are just beginning to see the implementation and some positive results from these amendments.

The changes we have made to the procedures for DOD purchases, while appropriate, are not sufficient, in my view, if we are to realistically expect continuing successes in reducing the problems of defense procurement. We must address the organizational policy structure to carry out that mission.

Mr. President, under present law and practice, the procurement authority of the Department of Defense is highly decentralized. Hundreds of thousands of civilian and military employees in the military departments, defense agencies, and in the Office of the Secretary of Defense are involved in procurement and in setting acquisition policy. This structure makes it impossible to achieve an effective and efficent acquisition system.

The Armed Services Committee's staff study on defense reorganization highlighted four problem areas with the current acquisition organization. These were:

A. Insufficient assured connection between national military strategy and formulation of military requirements;

B. Failure to achieve feasible and desirable levels of military equipment commonality;

C. Weak management of, and general resistence to, joint programs; and

D. Lack of effective departmental coordination of acquisition.

The Packard Commission's February 18, 1986 report states:

The responsibility for acquisition policy has become fragmented. There is today no single senior official in the Office of the Secretary of Defense [OSD] working full-time to provide overall supervision of the acquisition system * * *. The Commission further found that, in the absence of such a senior OSD official, policy responsibility has tended to devolve to the services, where at times it has been exercised without the necessary coordination or uniformity.

During the full committee markup on the reorganization bill the committee agreed to:

Approve in principle an amendment by Senator Alan J. Dixon (D-Ill) to create an Under Secretary of Defense for acquisition with the necessary legislation to be prepared by the committee's defense acquisition policy subcommittee * * *.

During the Acquisition Policy Subcommittee markup of S. 2151, the subcommittee decided on an amendment which created the position of Under Secretary of Defense for Acquisition which conforms to the letter and intent of the Packard Commission recommendations as those have been publicly published in the February and April reports. The President has endorsed the Packard Commission recommendations, and directed the Department of Defense to take immediate action to implement by executive action as much of the report as possible, and to seek legislative authority wherever necessary. This amendment is the legislation which is needed.

By adopting this amendment that is before us today, we will have taken one of the most significant actions in the past several years to correct some of the problems that we have all seen with the Department's acquisition system.

The amendment is very simple. It establishes within the Office of the Secretary of Defense an Under Secretary of Defense for Acquisition. The Under Secretary will be a civilian charged with setting overall policy for and supervising, directing, and controlling all DOD acquisition activities, and will perform such duties and exercise such powers as the Secretary of Defense may prescribe.

The Under Secretary will supervise, direct, and control all other offices in the Office of the Secretary of Defense which have procurement or acquisition responsibilities. The position of Under Secretary of Defense for Research and Engineering is redesignated as Director of Defense Research and Engineering. The amendment also details the order of succession after the Secretary of Defense.

Mr. President, the Department of Defense acquisition system is crying out for management leadership. When the American people see us reorganizing the Defense Department, they expect us to likewise reorganize what they feel is the most important and most visible part of the Defense Department: the acquisition system. Let us send a clear signal to our fellow citizens by taking a positive step today through the adoption of this amendment.

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER (Mr. COHEN). The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, it is a pleasure to rise today in support of S. 2295, the Defense Department Reorganization Act of 1986. I am honored to be an original cosponsor of this bill and to have had the opportunity to work on this historic measure with the senior Senator from Arizona and the senior Senator from Georgia. Without their leadership, we would never have had this bill before us for our consideration today.

Many others have already remarked upon the dedication with which Senator GOLDWATER and Senator NUNN have gone about developing this bill over the past 15 months, and really for some time before that. They had the wisdom to recognize that all was not well in our Defense Establishment, the ability to diagnose the principal problems and prescribe the overall direction for change, and the statesmanship to see that that basic prescription stuck as the bill was developed by the committee.

I also want to take this opportunity to thank the staff, in particular Jim Locher, Rick Finn, Jeff Smith, and Barbara Brown for the tireless work and extreme dedication they have shown on this project. Last year, when a small bipartisan task force was working on this project, the staff helped educate all of us on the fundamental decisions we needed to make. They had the courage to develop options for our consideration and to print them for all to critique in their study: "Defense Organization: The Need for Change," published last October. I say courage because they did take a lot of heat from those who wanted to maintain the status quo. The undeserved ad hominem attacks went so far as to claim that the staff wanted to undermine and subvert the Republic. History will be much kinder to their excellent efforts.

Mr. President, I believe that the bill we have before us today is an historic measure that will substantially strenthen our national defense by effectively integrating the powerful capabilities of the four military services. A central thrust of this bill is to strengthen those in the Defense Department with a joint service perspective, the Chairman and Vice Chairman of the Joint Chiefs of Staff, and the combatant commanders. Gone are the days when we can afford to have individual services plan to fight separate wars. Gone are the days when we can afford to tolerate the weak interservice cooperation evidenced throughout this century from the Spanish-American War to Grenada.

Mr. President, I also believe that this bill makes a modest start at dealing with the problems we in the Congress have created in our overly detailed micromanagement of defense programs. We are cutting the number of reports required of DOD by two-thirds without weakening any necessary oversight functions of the Congress.

There is obviously more that we need to do to streamline the way the Congress deals with the Defense Department. Next year, thanks to Senator NUNN's amendment to last year's authorization bill, we will receive a 2-year budget from the Defense Department and hopefully pass a 2-year authorization and perhaps even a 2-year appropriations bill. In the Acquisition Policy Subcommittee, we are moving

legislation forward to establish a milestone authorization process for major system acquisitions as recommended by the staff study last year and by the Packard Commission this year. Hopefully, even more fundamental reforms in congressional oversight of DOD will be considered in the future.

We also have some unfinished business in the acquisition area that we will need to deal with later this year. The Packard Commission has made a series of excellent recommendations for reform in that area and our committee on a bipartisan basis has been working to produce legislation, where it is needed to implement those recommendations. Senator DIXON has been the leader on the issue of creating an Under Secretary for Acquisition, and we have had debate on that issue earlier today. Senator QUAYLE has spearheaded the effort to create "enterprise programs" which would be managed on a streamlined basis much as black programs are today. Senator LEVIN and Senator QUAYLE have worked to remove those features of current law and regulation that are at variance with the expanded acquisition of commercial products. My own interest has been in improving the quality of the personnel involved in the acquisition process, broadly defined to include research, development, test and evaluation activities. This is an interest strongly shared by both the chairman and ranking member of the Acquisition Policy Subcommittee, Senators QUAYLE and LEVIN, and by David Packard and the members of his Commission. I am hopeful that we can work together with the Civil Service Subcommittee of the Governmental Affairs Committee to mandate an alternative performance-based personnel management system for these critical personnel this year. I am glad to see the President advocating an expansion of the China Lake demonstration project, because that is exactly the thrust of what we have in mind.

Mr. President, we will deal with these issues next month on the fiscal year 1987 Defense Authorization Act. I only wanted to note that we do have some unfinished business in the acquisition area that the committee is diligently pursuing on a bipartisan basis. Let me conclude by once again saying how pleased I have been to participate in the committee's work on defense reorganization. Senator GOLDWATER and Senator NUNN will long be remembered for this great achievement. The Nation owes them a deep debt of gratitude.

Mr. President, I relinquish the floor.

Mr. NUNN. Mr. President, I would like to thank the Senator from New Mexico for his remarks. He has done a tremendous job on this bill. I cannot remember any session where we were working on reorganization that he was not there and had a tremendous input into this process. He has been very supportive of the entire concept, and he has been a stalwart on the Armed Services Committee not only on this particular piece of legislation but in general.

So I thank my friend from New Mexico.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, as we draw to a close here, I am bringing to the attention of the members of the Armed Services Committee the amendment adopted earlier, which is at the desk, in which we pay honor to our distinguished chairman, Mr. GOLDWATER in his year of retirement by naming this bill in his honor. I hope that the provisions could be made by which all members of the committee desiring to be cosponsors could so indicate, and that a time could be set for that purpose.

Mr. NUNN. Mr. President, I say to my friend from Virginia, and that I ask unanimous consent that all the members of the committee be listed as cosponsors; that is, all of them desiring to be.

Mr. WARNER. Therefore, the amendment is now in that posture.

Mr. NUNN. It is. The amendment is already in the bill.

Mr. WARNER. I did not see the names on it. The clerk will have the names.

I thank the Senator from Georgia.

● Mr. BOREN. Mr. President, without equivocation I support this legislation which is the culmination of over 3 years of arduous endeavor to reorganize the Department of Defense. It is a splendid demonstration of bipartisanship and I especially commend my colleagues from Arizona and Georgia, the chairman and ranking minority member of the Senate Committee on Armed Services, Senators GOLDWATER and NUNN.

This is the first comprehensive reorganizational effort by the Congress of the Department of Defense since 1958. I believe this bill addresses the cumbersome inadequacies of the Department and, as a result, will reduce the micromanagement of DOD by Congress.

The committee has identified the strengths and weaknesses of our defense organization established by the National Security Act of 1947. The efforts of the senior Senators from Arizona and Georgia, along with the able assistance of all the members of the Armed Services Committee, ranks among the most historic achievements of the Senate. This process included 23 hearings and produced the comprehensive staff report, "Defense Organization: The Need for Change." The 14 mark-up sessions involved the consideration of more than 80 amendments and the recently released recommendations of the President's blue ribbon Commission on Defense Management.

I am particularly supportive of the provision to name the Chairman of the Joint Chiefs of Staff as the principal military adviser to the President, the National Security Council, and the Secretary of Defense. Strengthening the role of the unified and specified combatant commands is an excellent attempt to balance the interests of the services to achieve the appropriate strategy to meet our national security objectives.

I urge the unanimous support of my colleagues in the passage of the Department of Defense Reorganization Act of 1986.

Mr. KENNEDY. Mr. President, the Nation owes a great debt of gratitude to BARRY GOLDWATER and to SAM NUNN for the extraordinary leadership that they have provided in putting this important legislation together and bringing it to the floor of the Senate today. It deserves our full support. This legislation is the culmination of many months—if not years—of hard and conscientious work. For many generations to come, the American people will be the beneficiaries.

Almost 30 years ago, President Eisenhower wrote:

> Separate ground, sea and air warfare is gone forever. If ever again we should be involved in war we will fight it in all elements, with all services, as one single concentrated effort. Peacetime preparatory organizational activity must conform to this fact. Strategic and tactical planning must be completely unified, combat forces organized into unified commands . . . singly led and prepared to fight as one, regardless of service.

But, after 30 years of effort, the organization of our military establishment still had not accommodated itself to these realities. Today, we have a chance to act on President Eisenhower's advice.

I had the privilege of serving on the task force that first started working on this legislation many months ago, so I saw first-hand the kind of meticulous effort that was put into this legislation. In every sense of the word, this was a job well done.

The staff work on this legislation deserves special recognition. Jim Locker was the leader of the team. His tenacity and his professionalism, his energy and his determination were remarkable throughout. Rick Finn and Jeff Smith were similarly superb in their service—to the task force, to the committee, and to the cause of an effective and efficient national defense consistent with our highest values and traditions. It is rare that we can witness this kind of teamwork, and these three staffers deserve enormous credit.

This legislation is a prodigious achievement. I urge my colleagues to pass it by an overwhelming vote.

● Mr. HEINZ. Mr. President, the bill we will adopt here today, as the distin-

guished managers have said, is one of the most important pieces of legislation on the Armed Forces that the Senate has ever adopted. It is an important step in the direction of making our Armed Forces more responsive to civilian control, more coherent and unified in their actions, and thereby more effective in ensuring America's security.

The effort that resulted in this bill stretched over several years, and involved extensive consideration by the Armed Services Committee. The issue being addressed is very complex, and the bill has undergone many changes as it proceeded from draft form through markup and now to the floor today. It has benefited from the changes introduced by many members of the Armed Services Committee whose perspectives are important to consider in reforming the world's largest bureaucracy.

The heart of this reform is the strengthened role given to the Chairman of the Joint Chiefs of Staff and the joint organizations, especially the unified combatant commanders, who represent the crucial decision and combat capability that our civilian leaders would draw on in time of conflict. Our military services have glorious traditions of service to the Nation. Those traditions continue, and will not be marred in the slightest by this legislation. Rather the forces will get the organizational framework they need to be able to work together in protecting the United States.

The interests of the individual services are legitimate, and it is clear that none of us here object to the vigorous pursuit of those interests. However, it is the joint military product, the combat forces and the command organizations to support them, that are the bottom line of our defense effort. The services, working together, provide the deterrent force that keeps the peace and safeguard U.S. interests and allies around the world. The services are part of the team, and this bill strengthens the team effort by making joint organizations stronger, by giving the unified commanders a louder voice, and by giving our civilian authorities a clear and assertive source of military advice.

One other crucial step taken in this legislation is the effort to reduce needless congressional involvement in the details of defense management. It tries to turn the Congress more toward the great issues which we are better able to handle—the nature of U.S. vital interests abroad, and the kind of defense policies we need to serve those interests. With discipline and foresight, the Congress can reduce the micromanagement that has begun to harm a cost effective defense.

The American people can look at this effort to reform our defense organization and see that the Congress is serious about getting the most defense for the large amounts of national treasure we devote to the Armed Forces. A bipartisan, considered effort has been made to strengthen our security, and I gladly join my colleagues in supporting this historic reform legislation.●

Mr. PRYOR. Mr. President, the bill we are considering today to reorganize our military command structure is the product of years of work by the Armed Services Committee. A great deal of hard labor has been put into this bill by the Armed Services Committee. I believe we all owe a special debt of gratitude to the leadership of the committee, to Senators GOLDWATER and NUNN. Without their guidance, this tremendously important effort at defense reform would be impossible.

There is no doubt in my, or anyone else's, mind that this bill will pass. All of us hope that it will prove to be historic legislation. It has every opportunity to be so because virtually every defense leader in the country has made a contribution to it. The recommendations in this Defense Reorganization Act of 1986 come to us not just from the Armed Services Committee, but the Packard Commission, many former members of the Joint Chiefs of Staff, former Defense Department officials, nongovernmental research groups such as the Georgetown Center for Strategic and International Studies, and many other sources. In addition, the bill has been generally endorsed by the current leadership in the Department of Defense and even the White House. Finally, the bill we will pass today has many general similarities to legislation that passed the House of Representatives last year. This bill will not just pass this body; it will become law.

All of us want to see this bill effectively address many of the problems we have all read about in the media. Not a single Member of this body, Democrat or Republican, wants to see those problems continue. To succeed, the defense reform effort must be bipartisan. Indeed, it should be because the problems are not new and are not the responsibility of just the current Republican administration.

How do we know this? Because we have been trying to solve the problems for decades. There is a long history in this country of defense reform commissions, like the Packard Commission, and of legislation designed to solve the problems we are addressing today. While the history of defense reform commissions can be traced back as far as to the 19th century, just in the last 50 years we have had the Nye Commission in the 1930's, the Truman Commission in the 1940's, two Hoover Commissions and a Rockefeller Commission in the 1950's, and a Fitzhugh Commission in the 1970's.

The findings of these Commissions are quite revealing. In the 1970's the Presidential Blue Ribbon Fitzhugh Commission found that, and I quote—

> There are too many layers of both military and civilian staffs * * * the staffs are too large * * * The results are excessive paperwork and coordination, delay, duplication and unnecessary expense.

It also found that, and I quote—

> The present arrangement for staffing the military operations activities for the President and the Secretary of Defense through the Joint Chiefs of Staff and the Military Departments is awkward and unresponsive; it provides a forum for interservice conflicts to be injected into the decisionmaking process for military operations; and it inhibits the flow of information between the combatant commands and the President and Secretary of Defense, often in crisis situations.

Mr. President, these quotes read like they were written today not 15 years ago. But, there is more.

In 1943, the Truman Commission found that—I quote again—

> Three basic weaknesses in our war program have been responsible for nearly all of the failures and shortcomings. * * * These are: (1) Inadequate over-all planning within Government agencies * * * (2) conflicting authority, and responsibility for, various phases of the war program, resulting in delays and buckpassing; and (3) hesitancy of Government to adopt unpopular or unpleasant policies long after the facts clearly indicated such policies were necessary.

Mr. President, while the words of today's Packard Commission are a bit less homespun, this comment from 1943 sounds quite contemporary to me.

And, finally, what did we hear about defense organization in the 1930's from the Nye Commission? It told us:

> National defense should be above and separated from lobbying and the use of potential influence by self-interested groups * * * [but it] has not been above or separated from either of them.

Each of these commission reports, and several others, are peppered with comments and recommendations that could have been written today, not decades ago. Many of those comments are relevant to the problems addressed by this bill; others are relevant to other defense reform issues that we will be debating in the weeks to come. For the interest of my colleagues, I ask unanimous consent that there be printed in the RECORD a compilation of several of these quotations that will sound very up to date. I urge my colleagues to review them.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENTS FROM PREVIOUS DEFENSE REFORM COMMISSIONS

THE NYE COMMISSION (1934-36)

Comments on lobbying:

"I understand the morning after the (appropriation) bill went through every east coast [ship]yard had its representatives in

Washington with their tongues hanging out and all teeth showing ready to fight for their share of the plunder, and the only thing that kept the west coast yards from being here was the fact that they couldn't come bodily by telegraph."

"The committee notes the claims of the Washington representative of United Drydocks in 1934 that he could get a bill through Congress for $50,000, and that 'there is no virtue in being quixotic at this stage.' It notes the placing of Congressmen on certain committees at the request of the shipbuilders. It notes the claim to have helped the Navy on certain bills and to have elected Members to the House Rules Committee."

"The Navy contractors, subcontractors and suppliers constitute a very large and influential group."

"National defense should be above and separated from lobbying and the use of potential influence by self-interested groups * * * [but it] has not been above or separated from either of them."

"The Navy League of the United States has solicited and accepted contributions from steamship companies * * * on the ground that these would profit from a large navy * * * [and] together with various Navy officials have engaged in political activity looking toward the defeat of Congressmen unfavorable to Navy League and Navy views."

"Any close association between munitions and supply companies on the one hand and the service departments on the other hand * * * constitutes an unhealthy alliance in that it brings into being a self-interested political power which operates in the name of patriotism and satisfies interests which are, in large part, purely selfish."

Comments on Costs:

"The munitions companies insisted throughout on their pound of flesh in the form of high profits for their production and did not let their patriotism stand in the way of their 'duty as trustees' to the stockholders."

"Strict profit control in peacetime is essential if Government is not to pay through its nose in wartime."

"A thorough examination of the books of the naval contractors * * * will show greatly increased overhead and other methods of increasing apparent costs."

"Knowingly exorbitant claims were filed against the Government for cancellation. Huge bonuses were paid to officers. Profits were concealed as rentals."

Comments on competition:

"If there was no collusion, these was sympathetic understanding among the big companies of each others' desires. If there were no conversations about bidding among them, there was telepathy."

"The fact that many bids are submitted by shipbuilders does not mean that there is real competition. It does not mean lower prices. In fact, quite the contrary is true. When there is lots of work to go around the charges go up. The shipbuilders know that the Navy feels it has to have the ships, and they raise the prices. They admitted this frankly."

THE TRUMAN COMMISSION (1941–44)

Comments on competition:

"There seems to be an ingrained distrust of the small manufacturers. While the services never stated this view officially and, indeed, pay lip service to the proposition that the work should be spread around, it has been indicated that this feeling exists."

"So called competitive bidding has often been used as a cover for collusive bidding on Government contracts."

"But no industry can be healthy without free competition."

"Lack of adequate over-all planning and division of responsibility for procurement and production resulted in concentration of war contracts among a relatively few large concerns, to the detriment of the production program.

Comments on "Goldplating":

"Design must be simplified and 'spit and polish' sacrificed so that [ships] can be built in huge quantities * * * too much attention has been concentrated on the larger more complicated naval vessels. * * *"

"The manufacturer is constantly harassed by hundreds of detail changes required by the services, many of which should have been foreseen or are unnecessary."

"We ought to know now what kind of planes we need, and the services must reduce future changes in specifications to a minimum or accept responsibility for less production."

"Simple designs * * * permit mass production."

Comments on weapons testing:

"Most American pursuit planes were inferior to the best British and the best German pursuit planes * * * Scarcely a week now goes by without some prominent flyer returning to this country and asking why we can't give the boys better pursuit planes * * * the Army should * * * give less attention to concocting publicity blurbs intended to emphasize that poor planes are better than none at all."

"We should not attempt mass production of an entirely new model incorporating a whole series of major improvements until after it has been tested and proved."

In commenting on defective steel plate delivered to the Navy after faked tests—"There is no substitute for honesty. There is no excuse for frauds."

Comment on "procurement czars":

"Delegated * * * powers * * * to a succession of so-called czars * * * made it difficult * * * to exercise * * * functions. At the same time, none of the separate agencies (czars) had sufficient authority to act alone."

Comments on "revolving door":

"Dollar a year men [industry officials hired for $1] [s]hould be prohibited from making decisions on matters affecting their own industries."

"Dollar a year men within the Bureau of Industry Branches are unable to divorce themselves from their subconscious gravitation to their own industries."

Comments on costs:

"These fees and bonuses are excessive * * * it should not have been necessary to give so huge a reward to private shipbuilding companies."

Comment on "should cost":

"One of the most important purposes is to know whether the organization (Navy shipyard) is operating efficiently by making possible a comparison with all other organizations doing comparable work." * * * "Only by such comparisons can the Navy determine how best to utilize men and materials at its disposal. There might be some excuse * * * if the Navy was thereby avoiding complicated and expensive accounting. * * * However, its system is both complicated and expensive."

Comment on lobbying:

"The committee particularly condemns advertising such as the Curtis Helldiver advertising which was intended to give the public the erroneous impression that the Curtis [version of the] Helldiver was the world's finest divebomber and was making a substantial contribution to the war effort when the fact is that no usable plane has yet been produced. * * * The fact that such advertising was approved by the Navy and was based upon a speech of a Navy Admiral does not justify it."

FITZHUGH COMMISSION (1971)

Comments on organization:

"There are too many layers of both military and civilian staffs, and the staffs are too large. * * * The results are excessive paper work and coordination, delay, duplication and unnecessary expense."

"The present arrangement for staffing the military operations activities for the President and the Secretary of Defense through the Joint Chiefs of Staff and the Military Departments is awkward and unresponsive; it provides a forum for interservice conflicts to be injected into the decision making process for military operations; and it inhibits the flow of information between the combatant commands and the President and the Secretary of Defense, often in crisis situations."

Comment on costs:

"The policies of the Department on development and acquisition of weapons and other hardware have contributed to serious cost overruns, schedule slippages and performance deficiencies. The difficulties do not appear amenable to a few simple cure-alls, but require many interrelated changes in organization and procedures."

Comment on testing:

"Operational test and evaluation has been too infrequent, poorly designed and executed, and generally inadequate."

Comment on "goldplating":

We need "Stricter limitations of elements of systems to essentials to eliminate 'goldplating.' "

Mr. PRYOR. Mr. President, what this history tells us, Mr. President, is that serious defense problems are nothing new and that they are extremely hard to get rid of. In the past the problems have seemed only to thrive on the solutions we attempted to apply. The bill we will pass today is a determined and comprehensive effort to get rid of those problems for once and for all. But, we will all have to be realistic and vigilant that we are, indeed, succeeding where others have failed. We should not yet congratulate ourselves that the job is now done. Only time will tell if our new mousetrap is actually a better one.

Mr. KERRY. Mr. President, the broad, bipartisan support for this act is no accident. It is the direct result of the broad perception that the defense structure of the United States has been fatally flawed, that in words of former Secretary of Defense James Schlesinger, "each of the services (has the tendency) to build into itself capabilities that will permit it to be independent of the other services." As Prof. William Kaufmann of MIT and Harvard, a consultant to the Defense Department for 20 years has said for some time, each of the services is preparing to fight the next war on its

own. And the result has been waste, duplication, and inefficiency.

The distinguished chairman of the Senate Armed Services Committee, Senator GOLDWATER, and the distinguished ranking Democratic member of the committee, Senator NUNN, deserve the high praise they have received for this effort. Since James Forrestal became the first Secretary of Defense in 1947, more than 30 studies have highlighted basic flaws in the structural foundations of our national security establishment.

As Senator GOLDWATER told this body October 1 of last year:

> If we have to fight tomorrow, these problems will cause Americans to die unnecessarily. Even more, they may cause us to lose the fight.

As Senator NUNN told the Senate October 3:

> The failure to strike a balance between functional and mission perspectives in the policymaking level of the Department of Defense is a serious shortcoming. Until a more appropriate balance is realized, the Department will continue to suffer from critical gaps in war-fighting capabilities, wasted resources because of duplication, parallel systems that are not interoperable, inadequate attention to training and readiness, and poor coordination with our major Allies.

The problems that defense reorganization is trying to solve are among the most serious we face—the difficulty that defense policymakers have had in focusing on missions and strategic planning instead of merely managing their services; the imbalance between service interests and joint interests, allowing each service to act independently to veto attempts by those responsible for joint planning to devise a stronger and more unified joint command; the imbalance between modernization and readiness; interservice logrolling; inadequate joint advice, and similar problems that have given us less bang for the buck.

This act represents the consensus arrived at after thousands of hours of work by many dedicated people, led by Senators GOLDWATER and NUNN. Time will tell to what extent the act will accomplish the very difficult reforms it seeks to make. In the meantime, each of us owes a special debt of gratitude to Senator GOLDWATER and Senator NUNN for spearheading what is clearly a long overdue package of reforms.

Mr. MATTINGLY. Mr. President, I support Senate bill 2295, the Department of Defense Reorganization Act of 1986. I know there has been much effort that has gone into the preparation of this legislation. I commend the distinguished chairman of the Armed Services Committee [Mr. GOLDWATER] and its ranking member, my colleague from Georgia [Mr. NUNN].

The legislation is not perfect, as even its most ardent advocates would probably admit, but it deserves the support of this body because its provisions will streamline, modernize and make more efficient the operations of the Department of Defense.

I am particularly pleased to note that the legislation contains a number of changes and corrections from its original text. It also corrects problems that have arisen as a result of congressional micromanagement. As a long time advocate of the need to reduce the current level of expenses for consultants and studies, I strongly support the provisions in the bill that would eliminate many of the current requirements for reports, notifications, and studies to be submitted by DOD to Congress. The committee recommended language that would have the effect of disposing of 268 different such reports and studies. This is a step in the right direction and one which I heartily endorse.

The core of the bill contains numerous provisions that seek to decentralize authority within DOD, establish the means to streamline its operations and provide for a generally more efficient and more effective use of our military resources. Some of the changes called for in the legislation will have to be carefully monitored to insure that they are acheiving their purpose. Some future modifications may be necessary but the bill as a whole merits support.

It is time for these changes to take place. The sheer size of the DOD has inhibited most prior efforts at reform. Now it is time to move ahead with reform.

In fact, as we move today to change the status quo at the Department of Defense and just as we have recently enacted major changes in the budget process with the Gramm-Rudman-Hollings legislation, we should use that momentum to take a close look at the many other agencies and departments within the Government that could profit from similar structural and organizational changes.

I congratulate my colleagues on the Armed Services Committee for their efforts and urge the support of the Senate for the legislation.

Mr. MITCHELL. Mr. President. I rise in support of S. 2295, the Department of Defense Reorganization Act of 1986. This bill is a landmark bill, designed to update our Nation's defense structure and to enable our armed services more effectively to protect the national interest.

The need for change in our current DOD organizational setup is—or should be—apparent to all. The inadequacies of the old system of interservice rivalry, blurred lines of authority, poor procurement practices, and an absence of coherent strategic direction are everywhere to be seen.

I am not referring simply to $600 toilet seats, or $3,000 coffee pots, or any of the other acquisition abuses that have received so much publicity in recent months. No, these are simply symptoms—outward manifestations of a set of problems which cut far nearer to the heart of the Nation's defense structure.

Let me remind my colleagues of some of the components of this set of problems:

We saw them in 1980 on the sands of Desert One, when America's Armed Forces proved tragically unable to mount a hostage rescue mission. I am not talking here of a failure to pull off the rescue, but of an inability even to mount the mission.

We saw them again in 1983, at the time of the Grenada expedition. I was shocked, as I am certain all of us were, at revelations that in this age of $300 billion defense budgets, our Navy was unable even to communicate with our Army, because their radios operated on different frequencies. Fortunately, our foes in Grenada were not strong enough to profit from our shortcomings. But that does not insure that they will not be the next time.

We saw these problems in Vietnam, where the military leadership of the Nation never articulated a coherent strategy for winning the war, nor provided its civilian superiors with a convincing explanation of why American policies were not likely to lead to victory.

And we saw these problems in Beirut, when basic questions of security went unaddressed, at a cost of 241 American lives.

I could go on; the list, sadly, is a lengthy one. It includes operational failures and deficiencies; unclear and confused lines of command; poor or nonexistent interservice coordination and excessive interservice rivalry. It is characterized by a failure on the part of the Joint Chiefs of Staff or any other military body to provide the Nation's senior civilian leadership with a sound long-range strategy, and a set of policies to advance that strategy. It demonstrates a persistent and parochial bias in favor of individual service interests, at the expense of joint or national interests. It features military budgets more in tune with service wish lists than with strategic realities. It shows a fiscal bias toward modernization at the expense of equally important but less glamorous readiness tasks. It is highlighted by cost overruns, stretched out development and delivery schedules, and unsatisfactory weapons performance.

I cite this depressing catalog not beause I am antidefense, but precisely because I, and certainly everyone else in this body, am prodefense, because I am convinced that we need a lean, highly capable, and highly efficient defense structure to protect American interests in an unsettled world; and because I am convinced that the bill before us today, S. 2295, offers us a

real opportunity to correct many of the deficiencies I have just mentioned.

S. 2295 may not be a perfect bill, but it brings us closer to meaningful defense reform than any other bill I have seen in my years of service in the Senate:

It promises a solution to the problem created by the present JCS structure, which asks of each Chief that he simultaneously function as an advocate for his service and that he subordinate service interests in favor of some broader perspective.

It promises a solution to the current problem whereby our commanders in the field are not given authority sufficient to discharge their responsibilities.

It gives the Secretary of Defense and his principal deputies a far greater capability to integrate all elements of the defense community into one coherent decisionmaking structure.

It offers the possibility of placing the Pentagon's planning, programming and budget system on a far more rational and cost-effective basis.

It reduces the size of a headquarters staff grown top heavy with managers unable to manage and administrators who fail to administer.

And finally—let us be frank here—it seeks to free the Defense Department from some of the more burdensome and unreasonable requirements which Congress, with perfectly good intentions, has placed on the Pentagon over the years. It does not, I hasten to add, free DOD from congressional oversight. To the contrary, it makes that oversight more useful, more efficient, more conducive to the maintenance of a truly effective defense structure.

These are worthy objectives. Indeed, they are essential tasks—essential, that is, if the United States is to continue to play a leading role on behalf of global freedom and human dignity. The legislation before us today advances those objectives and gives us a huge head start in undertaking those tasks. And it does so in a manner that is prudent, even farsighted, and which recognizes the need for a robust American defense organizaton in a world of finite resources.

Now I wish to make myself very clear on one score. In talking today about the inadequacies of the current defense structure, I wish to draw a clear distinction between the organizational problems confronting us and the men and women who make up that organization. America is immensely fortunate in the caliber of the individuals comprising its Armed Forces. I know of what I talk; Maine is home to many of these dedicated individuals—individuals who are today serving our country so that you and I can enjoy in peace the benefits of a strong and free nation. Maine is pleased and proud to claim as its own the men and women of Brunswick Naval Air Station, of Loring Air Force Base and the Portsmouth Naval Shipyard, of the Air Force and Naval Reserve units throughout our State, and of the Coast Guard. These men and women are without parallel in their loyalty and their competence. They represent the best America has to offer. Without their selfless service, all the reforming in the world would not give us the security we seek. So let no one confuse the deficiencies of the system with the dedicated individuals who keep it running.

Lastly, I wish to say a word about the process which produced this bill. S. 2295 represents bipartisanship at its finest. This is not a Republican bill, nor a Democratic bill, but a bill that transcends party lines and partisan politics. Senators GOLDWATER and NUNN, as the ranking Republican and Democrat respectively on the Armed Services Committee, have repeatedly emphasized the collaborative nature of this legislation—a point demonstrated by the unanimous nature of the committee vote reporting this bill to the full Senate. This is as it should be, for defense reorganization is an issue too important to allow considerations of transient political advantage to intrude. I recommend to my colleagues the bipartisan approach practiced by the Armed Services Committee. In an age when many profess to find insufficient statesmanship, I respectfully submit that the example set by our colleagues on Armed Services is one worthy of emulation where matters of such import are involved.

Mr. President, the time for meaningful defense reform is long overdue. It has been 28 years since the last major defense reorganization legislation. The world of 1986 is a far different place from that earlier time, and our defense requirements are both vastly altered and far more complicated. I urge my colleagues to support this legislation. In doing so, they will be making a tremendously important contribution to the task of preparing our Nation to face the challenges of the 21st century.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. BYRD. Mr. President, I support final passage of S. 2295, the Department of Defense Reorganization Act of 1986, as the most significant legislative effort to improve the Nation's civilian and military decisionmaking structures in the past 25 years.

I want to commend the Armed Services Committee—especially Chairman GOLDWATER and Senator NUNN, the ranking minority member—for this legislation. That this measure was approved unanimously by the committee demonstrates the overall merit and truly bipartisan nature of the defense reform proposals it contains.

This bill contain constructive reforms to improve the quality of military advice to civilian leaders, enhance the effectiveness of U.S. military planning and operations, and provide for more efficient, productive use of scarce defense budget resources.

S. 2295 results from a 3-year effort, and this record of exhaustive consideration contradicts the claims by some critics that the impacts of the legislation were not examined sufficiently.

During this thorough examination, the committee concluded that serious problems exist in the way both DOD and Congress make defense decisions, that DOD's performance under many Presidents has been hampered seriously by major structural deficiencies, and that money will not correct the problems caused by these weaknesses.

This latter conclusion bears reemphasizing, since some individuals contend that all we have to do is appropriate more and more money to solve any of the problems besetting our Defense establishment.

When we are required by staggering Federal deficits, and the specter of Gramm-Rudman budget cuts which threaten our security, to tighten our fiscal belts, responsible realists know that we must increase our efforts to obtain the most security from each defense dollar.

This bill contributes significantly toward that end, especially if it is combined in the statute books later this year with additional, prudent procurement reform legislation to remove the waste from the weapons acquisition process.

Those who doubt that the reforms in S. 2295 are long overdue should heed the testimony before the Armed Services Committee of former Defense Secretary James Schlesinger, who supported structural reform of DOD by saying:

> Without such reform, I fear that the United States will obtain neither the best military advice, nor the effective execution of military plans, nor the provision of military capabilities commensurate with the fiscal resources provided, nor the most advantageous deterrence and defense posture available to the Nation.

Former Defense Secretaries Melvin Laird and Harold Brown also supported the need for such structural reforms, and the President, in a message to Congress last week, endorsed major provisions of S. 2295.

The committee identified several fundamental problems with the current defense decisionmaking system:

First, there is an imbalance between the interests of the individual military services and "joint" interests, and problems with the Joint Chiefs of Staff [JCS] system require solutions.

Current law affords each joint chief enough authority to protect his service's parochial interests, and it is well recognized that this parochialism has

inhibited or prevented planning, budgeting and weapons-buying oriented toward more effective "joint" (multiservice) efforts. The now infamous Marine Corps radios which could not communicate with Army radios during the Grenada mission are an example of this problem.

Service parochialism also has shaped a system which diminishes the utility and quality of formal military advice provided to civilian leaders.

In 1982, a special JCS study group concluded that:

. . . a certain amount of service independence is healthy and desirable, but the balance now favors the parochial interests of the services too much, and the larger needs of the Nation's defenses too little.

To address these problems, the committee proposes to strengthen significantly the authority of the JCS Chairman. It does so by designating him as the "principal" military adviser to the President, by giving him sole managerial authority over a strengthened joint staff, by creating a new Vice Chairman position to help manage "joint" efforts, and by transferring to the Chairman the principal duties now performed by the corporate joint chiefs.

The chairman also would be required to assess whether the separate service budget and program recommendations adequately meet joint warfighting needs.

To protect the interests of the service chiefs against a chairman becoming too powerful, the committee does require him to forward to the President, with his advice, different or additional advice they might have. Since the JCS Chairman still must answer to the President and the Secretary of Defense, our traditional civilian control over the military also is preserved.

Second, confused and cumbersome chains of military command exist.

The investigation into the 1983 terrorist bombing of the Marine barracks in Lebanon highlighted the existence of confused and cumbersome chains of command over military operations. For example, there were 8 to 9 levels of command between the European commander and the commander of the Marine unit in Beirut, and each level was permitted to interpret guidance and priorities about the unit's mission and security.

In other instances, a commander of a unit of one service who ultimately answers to a regional commander-in-chief of another service, known as a unified CINC, also reports to the chief of his own branch. Understandably, he may reflect the latter's institutional desires, more than he might respond to the needs of the unified CINC.

These problems undercut preparation for multiservice warfighting operations, so the committee recommends giving each unified commander authority to specify chains of command and organization structures within his region. It also recommends strengthening a unified CINC's authority over subordinate commanders, regardless of service.

Third, ineffective strategic planning and resource allocation occurs in the Pentagon.

Today, our senior military leaders worry more about near-term budget decisions, often from their own service's perspective, and not enough about longer term issues, such as the implications of constrained future resources on U.S. security and military force requirements.

The committee would increase the role of the JCS Chairman in resource allocation issues, and would require him to prepare strategic plans meeting U.S. national security needs within more realistic, constrained defense budgets.

Fourth, there is an unnecessary duplication of headquarters staffs and functions.

Unnecessary duplication of functions and staffs exist in the Pentagon since each service secretary and top military officer has his own core group of staff performing analyses, especially on budget, strategy and geopolitical issues. The committee would eliminate about 8,200 personnel positions from various headquarters and reduce the number of deputy chiefs of staff in the Navy, Marine Corps and Air Force.

Fifth, there may be too much congressional micromanagement of DOD.

The committee recommends eliminating congressionally imposed requirements for 268 reports, notifications and studies—roughly a two-thirds reduction—and repeal of certain statutory limits on altering existing command structures.

Mr. President, it is fair to point out that much of the alleged congressional micromanagement of the Defense Department resulted from concern about the problems within the U.S. Defense Establishment.

It is appropriate for the executive branch to be concerned whether the pendulum has swung too far in Congress' favor. However, there always will be a need for rigorous, responsible oversight of defense spending by the taxpayers' elected representatives.

Mr. President, this legislation is an important demonstration of Congress' ability to provide for the common defense and to protect our taxpayers investments. The bill before the Senate is a prodigious achievement. It is the product of years of hard work in the Armed Services Committee, by its capable staff, and vigorous, fine leadership. The distinguished chairman, Mr. GOLDWATER, and the distinguished ranking Democratic member, Mr. NUNN are to be highly commended for this landmark measure.

I personally extend my gratitude to both of them. This legislation is something that this country needed. It needs it now. I am glad that these two men, their staffs, and other members of the committee have applied their energies, their talents, and their time to developing this measure which is in the interest of this country's national security. I personally thank both of them.

Mr. GOLDWATER addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. GOLDWATER. Mr. President, I would like before the minority leader leaves to express my thanks for his words, and to comment. In all of the years that we have served together we have had our political differences but we never had a difference on the need for protecting this country and providing adequate military strength to this country. I just want to say to him that I thank him for all those years of effort. That has helped to produce this bill that we have put out today, and as he mentioned, this bill is not just the effort of two of us. It is the effort of hundreds of people.

I thank him.

□ 1710

Mr. BYRD. I thank the distinguished Senator.

Mr. President, if we have differed from time to time, I have never misunderstood where Mr. GOLDWATER stood. I have never failed to have respect for his conviction for his position.

Mr. NUNN. Mr. President, I want to thank the Senator from West Virginia. He has given me, as ranking Democrat on the committee, every ounce of support he could ever give anyone on anything concerning national security, not only since I have been the ranking Democrat but since I have been in the Senate. He is a stalwart compatriot. He understands our national security and he has followed it with great detail. He has given us tremendous encouragement in meeting the obstacles we have met in getting this bill before the Senate. Every member of our committee, Democrat and Republican, thanks him for his leadership in the Senate and in this undertaking.

Mr. BYRD. Mr. President, I will just take another minute. Sometimes we polish our words around here a little bit but I have always given my total support without question, without equivocation. I have done that, and the reason I have done it is because I believe in the Senator from Georgia. I have faith in him. I know that he works hard; in my judgment, I certainly look to him as my leader on national security matters. He knows that.

Mr. NUNN. I thank my colleague from West Virginia.

Mr. GOLDWATER. Mr. President, before asking unanimous consent for the committee to be discharged, I

would call for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. GOLDWATER. Mr. President, I would like to call attention to the fact that a statement by the ranking majority member has been placed in the RECORD.

I ask unanimous consent that the Committee on Armed Services be discharged from further consideration of H.R. 3622, the Joint Chiefs of Staff Reorganization Act of 1985, and that the Senate proceed to its immediate consideration.

Mr. NUNN. Mr. President, reserving the right to object, so that my colleagues will understand, I would like to present brief remarks before that step. We do have one technical amendment which procedurally might be out of order if we do not proceed.

I know the Senator will want to join me in praising the staff. Of all the bills I have ever worked on, this one has had the most work, the most expertise and the most professional staffwork I have ever seen on any piece of legislation since I have been in the Senate.

The Armed Services Committee would not have been able to bring this piece of legislation to the floor today without the tremendous, dedicated, and determined efforts of the committee staff.

The three principals were right here on the floor now: Jim Locher, Rick Finn, and Jeff Smith.

Jim is sitting immediately to Senator GOLDWATER's right, Rick to Jim's right, and Jeff to my left.

The expertise and experience of these three outstanding staff members were critical to the success of our committee's effort. Jim Locher was charged with the overall supervision of the committee effort and reported directly to Senator GOLDWATER and myself. He came to the Armed Services staff in 1978 from the Office of the Secretary of Defense. In the past 8 years Jim has come to represent the very epitome of the nonpartisan professional staffworker on whom the work of the Senate depends. I say that all of us depend on Jim, whether we are on the Republican side or the Democratic side of the aisle, because we know he is telling us the exact truth as he sees it and he is giving us the benefit of his independent and objective advice.

His advice and his counsel are valued by everyone on our committee. I believe that Jim's wife Norma has been in the gallery today observing the debate, and I am sure that she is very proud of her husband. I am sure she shares with us a great sense of satisfaction of a job well done.

Rick Finn is another stalwart. He joined the Armed Services majority staff in 1981 after serving with distinction on the staff of Senator Herman Talmadge, of Georgia. Rick has become an expert on manpower and personnel issues, and his thorough research and analytical skills were esential to the success of this project. He has worked long, long hours and he has done a tremendous job.

Jeff Smith joined the minority staff 2 years ago after a distinguished career in the Office of the Legal Adviser of the State Department. Jeff is the type of thorough, scholarly, and meticulous attorney without which a project of this scope and magnitude could not hope to succeed. Jeff works on many matters for me. He advises our whole Democratic side on both foreign policy and defense matters. He is invaluable and has done a tremendous job.

Mr. President, other members of the Armed Services Committee staff have made important contributions to this effort and I think we ought to recognize their efforts as well. This includes current staff members Pat Tucker, Carl Smith, John Hamre, Colleen Getz, and Barbara Brown, as well as former staff members Bruce Porter, Alan Yuspeh, and Jim Smith. Two other staff members, Les Brownlee of Senator WARNER's staff, and Alan Cameron, of Senator DENTON's staff, have also played a very constructive role in the committee's deliberations on this bill and deserve to be recognized.

So we have had a lot of good staff help. I particularly want to again say to Jim, Rick, and Jeff, who came up with the staff report, it had a few controversial items in it that some people jumped on, but you stood there, all of you did, like the Rock of Gibralter. You were the shield we put out in front of the committee. You stood there and answered the questions and did a tremendous job in advising us. We made many changes from that initial study, but the very heart and essence of what you came out with in that study is captured in this bill. The concept, the thrust of what you felt was wrong, I would say, has been excellent guidance to our deliberations.

I am sure I speak for all members of the committee in saying that we salute each of you for a job well done and we also thank the other members of the staff who have been of great help, both the professional staff as well as the staffs of the individual members.

Mr. GOLDWATER. Mr. President, I want to thank my friend from Georgia for the remarks he has just presented, although I am not going to allow those remarks to preclude my asking unanimous consent to have inserted at this point in the RECORD the names of all the staff on both sides of the aisle who helped. I have to confess that my feeble mind is not able to remember all their names, but I will never forget the great service they have contributed.

The list of current and former staff is as follows:

CURRENT STAFF MEMBERS

Jim Locher, Rick Finn, Jeff Smith, Barbara Brown, Pamela Powell, Colleen Getz, Pat Tucker, John Hamre, Carl Smith, Jon Etherton, David Lyles, Ken Johnson, and Gerald Strickler.

FORMER STAFF MEMBERS

Alan Yuzpeh, Bruce Porter, and Jim Smith.

Mr. President, this is a lot like a military operation. You have a lot of troops and there is always a general hanging around or a colonel who gets the credit for doing what all the troops did. I have sat here today and heard some very nice things said. But those nice things should have been said about the troops who carried the rifles and did all the shooting. I only showed up when they had a little problem here and there, and that was not too often, thanks to my friend from Georgia, SAM.

I just want to thank you and there is no way I can thank you enough for this. This is—the hell with it.

You know, you get to the point when you get old you cannot say thank you.

I now move that all after the enacting clause be stricken——

Mr. NUNN. Mr. President, I hate to object again, but I have another technical amendment. If the Senator from Arizona goes ahead, I will not be able to offer it. It will take 30 seconds.

Mr. GOLDWATER. What is it about?

Mr. NUNN. The Dixon amendment that needs a correction.

□ 1720

SUBSTITUTE FOR AMENDMENT NO. 1835, AS MODIFIED

Mr. NUNN. Mr. President, I ask unanimous consent to substitute an amendment for the Dixon amendment No. 1835, as modified. I send it to the desk.

If I can explain this to my colleagues, those who may be listening, this is the exact Dixon amendment as it was intended to be presented. The Quayle understanding and the understanding of Mr. PRYOR, of Arkansas, have been preserved here.

We are not adding to it. What this does is clarify certain sections that contain the description of the office of the Under Secretary for Research and Engineering. That position has now been changed to the Under Secretary for Acquisition and these technical amendments are in compliance with that.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The substitute for amendment No. 1835, as modified, was agreed to, as follows:

On page 7, line 17, delete all through line 25 and insert the following:

(a) The title of the section is changed to read:

"§ 135. Under Secretaries of Defense: appointment, powers and duties;"

(b) in subsection (a), by striking the entire subsection and substituting in lieu thereof the following:

"(a) There are two Under Secretaries of Defense, one of whom shall be the Under Secretary of Defense for Acquisition and one of whom shall be the Under Secretary of Defense for Policy. The Under Secretaries of Defense shall be appointed from civilian life by the President, by and with the advice and consent of the Senate."

(c) in subsection (b), by striking all after the first sentence.

(d) in subsection (c), by striking all after the first sentence.

Mr. NUNN. Mr. President, I have been informed that we have one more Senator who wishes to speak. Senator BIDEN is on his way over here. I am told that I am to protect his right to speak. He will be here in a minute. I know of no amendment that he has.

Mr. GOLDWATER. Why not vote? He can speak any time.

Mr. DOLE. Mr. President, if the Senator will yield.

While the Senator from Delaware is getting ready, I wonder if the Senator from Georgia would yield to me briefly.

Mr. NUNN. Mr. President, I yield the floor.

ORDER OF BUSINESS

Mr. DOLE. Mr. President, I understand there will be a rollcall vote on passage. That will be the last vote this evening. We will try to move then to the bankruptcy judges bill, start that this evening, but there will be no further votes this evening, no rollcall votes.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I thank my colleagues for waiting for me to speak. I shall be very brief.

Mr. President, the defense reorganization bill before us today represents a historic effort to reorganize our Nation's defense decisionmaking procedures.

This bill contains much-needed reforms that will, when enacted, improve the quality of military advice available to civilian leaders, enhance the effectiveness of U.S. military planning and operations, and provide for better use of defense expenditures.

All Americans have been dismayed by a series of military fiascos in the last decade which demonstrated the urgent need for such reforms. Confusion over the chain of command in connection with the bombing of the Marine barracks in Lebanon and the incompatibility of Army and Navy communications systems in Grenada are two recent examples. We all have an interest in remedying such problems.

I am a cosponsor of this bill because I believe it is an important step in that direction. A number of aspects are of particular significance, including the designation of the Chairman of the Joint Chiefs of Staff as the principal military adviser to the President, the strengthening of the influence of the unified and specified combatant commanders, the provision for greater diversity of military advice, and the reduction and streamlining of the defense bureaucracy.

Mr. President, there is one final point I would like to make. This defense reorganization bill is a product of many years of work and a great deal of imagination and effort by Senator GOLDWATER, Senator NUNN, and others. This, to me, is the best refutation of the criticism of the U.S. Congress that in matters of defense and foreign policy we only micromanage, that we attempt to micromanage the affairs of the Defense Department and micromanage the affairs of the State Department and set out the details of how they should be run. I thank my two colleagues, the primary authors of this bill, because this is the quintessential example in my view of Congress at its best, where we are in fact micromanaging the affairs of the Defense Department.

We are doing today the kind of thing we should be doing: We are playing the institutional responsibility role that Congress has decided it has the obligation to fulfill. I mean it sincerely—we are always somewhat gratuitous with our colleagues, but I mean it when I say I can think in the 14 years I have been here of no single greater contribution to the overall conduct of a safe and sane defense policy than what my two colleagues have offered.

It is clear to all of us that Senator NUNN, who has been a leader on the defense issues on this side, is a man of great consequence, a man to whom we have all listened. This is a product of much of his work. But I must say that were it not for the fact of my conservative friend from the great State of Arizona, were it not for a man of your stature, BARRY, were it not for your willingness to sign on, in my view, with all the good offices, with all the imagination, with all the good thinking, with all the fine draftsmanship, with all the fine ideas of the Senator from Georgia and others, this would not have come to fruition.

I want to say to you that I have always admired you, but I have never admired you more than when you took this on and brought it about in a way which no one else has been able to do. You know that old comment, and you will not like the comparison, that only Nixon could go to China. Only GOLDWATER could produce this, it seems to me. If anybody else had been the one who had been advocating this reorganization, every military man and woman at the Pentagon would have been down on our backs as "Communist sympathizers."

I do not want to go on any further, Mr. President. I compliment my friend from Georgia. As I have said, his is one of the best minds to serve in this body or which has served in this body.

I compliment my colleague from Arizona once again for having the tenacity to do what many have tried and few have accomplished.

The PRESIDING OFFICER. The Chair inquires does the Senator from Georgia have another objection?

Mr. NUNN. No more objection. It is clear sailing for the Senator from Arizona.

Mr. GOLDWATER. Mr. President, third reading.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. GOLDWATER. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. Does the Senator wish to have the yeas and nays?

Mr. GOLDWATER. I ask unanimous consent, Mr. President, with no amendments, that the Committee on Armed Services be discharged from further consideration of H.R. 3622, the Joint Chiefs of Staff Reorganization Act of 1985, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, the bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 3622) to amend title 10, United States Code, to strengthen the position of Chairman of the Joint Chiefs of Staff, to provide for more efficient and effective operation of the Armed Forces, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the immediate consideration of the bill.

Mr. GOLDWATER. I move that all after the enacting clause of H.R. 3622 be stricken and the language of S. 2295 be inserted in lieu thereof.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. GOLDWATER. Mr. President, I suggest third reading.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. NUNN. Mr. President, I ask for the yeas and nays on the bill as amended.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Florida [Mrs. HAWKINS], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Maryland [Mr. MATHIAS], and the Senator from Oregon [Mr. PACKWOOD] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from New York [Mr. MOYNIHAN] is necessarily absent.

The PRESIDING OFFICER (Mr. EVANS). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 95, nays 0, as follows:

[Rollcall Vote No. 93 Leg.]

YEAS—95

Abdnor	Garn	Melcher
Andrews	Glenn	Metzenbaum
Armstrong	Goldwater	Mitchell
Baucus	Gore	Murkowski
Bentsen	Gorton	Nickles
Biden	Gramm	Nunn
Bingaman	Grassley	Pell
Boren	Harkin	Pressler
Boschwitz	Hart	Proxmire
Bradley	Hatch	Pryor
Bumpers	Hatfield	Quayle
Burdick	Hecht	Riegle
Byrd	Heflin	Rockefeller
Chafee	Heinz	Roth
Chiles	Helms	Rudman
Cochran	Hollings	Sarbanes
Cohen	Inouye	Sasser
Cranston	Johnston	Simon
D'Amato	Kassebaum	Simpson
Danforth	Kasten	Specter
DeConcini	Kennedy	Stafford
Denton	Kerry	Stennis
Dixon	Lautenberg	Stevens
Dodd	Laxalt	Symms
Dole	Leahy	Thurmond
Domenici	Levin	Trible
Durenberger	Long	Wallop
Eagleton	Lugar	Warner
East	Matsunaga	Weicker
Evans	Mattingly	Wilson
Exon	McClure	Zorinsky
Ford	McConnell	

NOT VOTING—5

Hawkins	Mathias	Packwood
Humphrey	Moynihan	

So the bill (H.R. 3622) as amended, was passed, as follows:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE

This Act may be cited as the "Barry Goldwater Department of Defense Reorganization Act of 1986".

SEC. 2. REFERENCES TO TITLE 10, UNITED STATES CODE

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 10, United States Code.

TITLE I—DEPARTMENT OF DEFENSE

SEC. 101. MODIFICATION OF AUTHORITY OF SECRETARY OF DEFENSE TO REORGANIZE THE DEPARTMENT OF DEFENSE

Section 125 is amended—

(1) in subsection (a), by striking out "unless the Secretary" in the second sentence and all that follows down through the rest of the subsection and inserting in lieu thereof a period;

(2) in subsection (b)—

(A) by inserting "vested by law in the Department of Defense, or an officer, official, or agency thereof" after "function, power, or duty"; and

(B) by striking out "5012, 5013" and inserting in lieu thereof "5242, 5243"; and

(3) by striking out subsection (d).

SEC. 102. ORGANIZATION OF THE DEPARTMENT OF DEFENSE

Section 131 is amended to read as follows:

"§ 131. Executive department

"The Department of Defense is an executive department of the United States. It is composed of the following:

"(1) The Office of the Secretary of Defense.

"(2) The Joint Chiefs of Staff.

"(3) The Joint Staff.

"(4) The Defense Agencies.

"(5) Department of Defense Field Activities.

"(6) The Department of the Army.

"(7) The Department of the Navy.

"(8) The Department of the Air Force.

"(9) The unified and specified combatant commands of the Department of Defense.

"(10) Such other offices as may be established or designated by the President.

"(11) All functions and activities under the control or supervision of any element named in clauses (1) through (10).".

SEC. 103. POWERS AND DUTIES OF THE SECRETARY OF DEFENSE

(a) IN GENERAL.—Section 133 is amended—

(1) in subsection (c)(2), by striking out "section 125" and inserting in lieu thereof "sections 125 and 191";

(2) in subsection (e)—

(A) by inserting ", major military missions," in clause (1) after "policy";

(B) by striking out "that policy" in clause (2) and inserting in lieu thereof "such policy, missions,"; and

(C) by striking out "the policy" in clause (3) and inserting in lieu thereof "such policy, missions,"; and

(3) by adding at the end the following new subsections:

"(f) When a vacancy occurs in an office within the Department of Defense and the person appointed to that office is to be appointed from civilian life by the President, by and with the advice and consent of the Senate, the Secretary of Defense shall inform the President of the qualifications needed by an appointee to carry out effectively the duties and responsibilities of that office.

"(g) The Secretary of Defense, with the approval of the President, shall provide annually to the Chairman of the Joint Chiefs of Staff written policy guidance for the preparation and review of contingency plans.

"(h) The Secretary of Defense shall keep the Secretaries of the Army, Navy, and Air Force informed on military operations and activities of the Department of Defense that directly affect their respective responsibilities.".

(b) CONFORMING AMENDMENTS.—The section heading of section 133 is amended to read as follows:

"§ 133. Secretary of Defense: appointment; powers and duties; delegation authority".

SEC. 104. REDESIGNATION OF SECTIONS

Chapter 4 is further amended by redesignating the sections of chapter 4 as follows:

(1) Section 133a as section 142.
(2) Section 133b as section 2780.
(3) Section 134 as section 135.
(4) Section 135 as section 136.
(5) Section 136 as section 137.
(6) Section 136a as section 139.
(7) Section 137 as section 140.
(8) Section 138 as section 2871.
(9) Section 139 as section 2872.
(10) Section 139a as section 2873.
(11) Section 139b as section 2874.
(12) Section 139c as section 2875.
(13) Section 140 as section 143.
(14) Section 140a as section 144.
(15) Section 140b as section 145.
(16) Section 140c as section 146.

SEC. 105. OFFICE OF THE SECRETARY OF DEFENSE

Chapter 4 is further amended by inserting after section 133 the following new section:

"§ 134. Office of the Secretary of Defense

"(a) There is in the Department of Defense an Office of the Secretary of Defense. The function of the Office is to assist the Secretary of Defense in carrying out his duties and responsibilities.

"(b) The Office of the Secretary of Defense is composed of the following:

"(1) The Deputy Secretary of Defense.

"(2) The Under Secretaries of Defense.

"(3) The Assistant Secretaries of Defense.

"(4) The Comptroller of the Department of Defense.

"(5) The Director of Operational Test and Evaluation.

"(6) The General Counsel of the Department of Defense.

"(7) The Inspector General of the Department of Defense.

"(8) Such other offices and officers as the Secretary of Defense may establish or designate.

"(c) Officers of the armed forces may be detailed for duty as assistants or personal aides to the Secretary of Defense. However, the Secretary may not establish a military staff other than that designated by section 151(d) of this title.

"(d) The Secretary of each military department, his civilian assistants, and members of the armed forces under the jurisdiction of his department shall cooperate fully with personnel of the Office of the Secretary of Defense to achieve efficient administration of the Department of Defense and to carry out effectively the authority, direction, and control of the Secretary of Defense.".

SEC. 106. UNDER SECRETARIES OF DEFENSE

Section 136 (as redesignated by section 104(4)) is amended—

(a) The title of the section is changed to read:

"§ 136. Under Secretaries of Defense: appointment, powers and duties";

(b) in subsection (a), by striking the entire subsection and substituting in lieu there of the following:

"(a) There are two Under Secretaries of Defense, one of whom shall be the Under Secretary of Defense for Acquisition and one of whom shall be the Under Secretary

of Defense for Policy. The Under Secretaries of Defense shall be appointed from civilian life by the President, by and with the advice and consent of the Senate.";

"(c) in subsection (b), by striking all after the first sentence;

(d) in subsection (c), by striking all after the first sentence.

SEC. 107. ASSISTANT SECRETARIES OF DEFENSE

Section 137 (as redesignated by section 104(5)) is amended—

(1) in subsection (b)—

(A) by striking out paragraphs (2) and (3);

(B) by redesignating paragraph (4) as paragraph (2); and

(C) by striking out paragraphs (5) and (6);

(2) in subsection (c)—

(A) by striking out "him" in paragraph (1) and inserting in lieu thereof "the Assistant Secretary"; and

(B) by striking out ", or his designee" in paragraph (2);

(3) by striking out subsection (d);

(4) by redesignating subsection (e) as subsection (d); and

(5) by inserting at the end of subsection (d) (as redesignated) the following: "The order of precedence among the Assistant Secretaries shall be the order prescribed by the Secretary of Defense.".

SEC. 108. COMPTROLLER OF THE DEPARTMENT OF DEFENSE

Chapter 4 is further amended by inserting after section 137 (as redesignated by section 104(5)) the following new section:

"§ 138. Comptroller of the Department of Defense

"(a) There is a Comptroller of the Department of Defense, appointed from civilian life.

"(b) The Comptroller of the Department of Defense shall—

"(1) advise and assist the Secretary in performing such budgetary and fiscal functions and duties, and in exercising such budgetary and fiscal powers, as are needed to carry out the powers of the Secretary;

"(2) supervise and direct the preparation of budget estimates of the Department of Defense;

"(3) establish and supervise the execution of principles, policies, and procedures to be followed in connection with organizational and administrative matters relating to—

"(A) the preparation and execution of budgets;

"(B) fiscal, cost, operating, and capital property accounting; and

"(C) progress and statistical reporting;

"(4) establish and supervise the execution of policies and procedures relating to the expenditure and collection of funds administered by the Department of Defense; and

"(5) establish uniform terminologies, classifications, and procedures concerning matters covered by clauses (1) through (4).".

SEC. 109. INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE

Chapter 4 is further amended by inserting after section 140 (as redesignated by section 104(7)) the following new section:

"§ 141. Inspector General of the Department of Defense

"(a) There is an Inspector General of the Department of Defense, who shall be appointed as provided in section 3 of the Inspector General Act of 1978 (Public Law 95-452; 5 U.S.C. App. 3).

"(b) The Inspector General of the Department of Defense shall perform the duties, have the responsibilities, and exercise the powers specified in the Inspector General Act of 1978 (Public Law 95-452; 5 U.S.C. App. 3).".

SEC. 110. TECHNICAL AND CONFORMING AMENDMENTS

(a) REORGANIZATION OF CHAPTER 4.—(1) The table of sections at the beginning of chapter 4 is amended to read as follows:

"Sec.
"131. Executive department.
"132. Department of Defense: seal.
"133. Secretary of Defense: appointment; powers and duties; delegation authority.
"134. Office of the Secretary of Defense.
"135. Deputy Secretary of Defense: appointment; powers and duties; precedence.
"136. Under Secretaries of Defense: appointment; powers and duties; precedence.
"137. Assistant Secretaries of Defense: appointment; powers and duties; precedence.
"138. Comptroller of the Department of Defense.
"139. Director of Operational Test and Evaluation: appointment; powers and duties.
"140. General Counsel: appointment; powers and duties.
"141. Inspector General of the Department of Defense.
"142. Secretary of Defense: annual report on North Atlantic Treaty Organization readiness.
"143. Emergencies and extraordinary expenses.
"144. Secretary of Defense: funds transfers for foreign cryptologic support.
"145. Prohibition of certain civilian personnel management constraints.
"146. Secretary of Defense: authority to withhold from public disclosure certain technical data.".

(2) Section 132 is amended by striking out the section heading and inserting in lieu thereof the following:

"§ 132. Department of Defense: seal".

(3) Except as provided in subsections (b) and (c), the sections of chapter 4 redesignated by section 104 and the sections added to such chapter by sections 105, 108, and 109 shall appear in such chapter in the order of their numerical designations.

(b) RELOCATION OF SECTION.—(1) Section 2780, as redesignated by section 104(2), is transferred to and made a part of chapter 165, and is inserted immediately after section 2779.

(2) The table of sections at the beginning of chapter 165 is amended by adding at the end the following new item:

"2780. Sale or transfer of defense articles: report to Congress.".

(c) CREATION OF NEW CHAPTER.—(1) Part IV of subtitle A is amended by adding after chapter 169 the following:

"CHAPTER 171—REQUIREMENT FOR AUTHORIZATION OF APPROPRIATIONS; OVERSIGHT OF COST GROWTH IN MAJOR PROGRAMS

"Sec.
"2871. Annual authorization of appropriations and personnel strengths for the armed forces; annual manpower requirements and operations and maintenance reports.
"2872. Weapons development and procurement schedules for armed forces; reports; supplemental reports.
"2873. Oversight of cost growth in major programs: Selected Acquisition Reports.
"2874. Oversight of cost growth of major programs: unit cost reports.
"2875. Major defense acquisition programs: independent cost estimates.".

(2) Sections 2871 through 2875, as redesignated by section 104, are transferred to and made a part of chapter 171 (as added by subsection (c) of this section).

(3) The catchline of section 2872, as redesignated by section 104(9), is amended to read as follows:

"2872. Weapons development and procurement schedules for armed forces; reports; supplemental reports.".

(4) The tables of chapters at the beginning of subtitle A and at the beginning of part IV of such subtitle are each amended by inserting after the item relating to chapter 169 the following new item:

"171. Requirement for Authorization of Appropriations; Oversight of Cost Growth in Major Programs. 2871.".

(d) REPEAL OF SECTION.—Chapter 41 is amended—

(1) by striking out section 718; and

(2) by striking out in the table of sections at the beginning of such chapter the item relating to section 718.

SEC. 111. JOINT CHIEFS OF STAFF

(a) COMPOSITION; FUNCTIONS; CHAIRMAN; VICE CHAIRMAN; JOINT STAFF.—Chapter 5 is amended to read as follows:

"CHAPTER 5—JOINT CHIEFS OF STAFF

"Sec.
"151. Composition; functions.
"152. Chairman.
"153. Vice Chairman.
"154. Joint Staff.

"§ 151. Composition; functions

"(a)(1) There are in the Department of Defense the Joint Chiefs of Staff consisting of the following:

"(A) The Chairman.
"(B) The Vice Chairman.
"(C) The Chief of Staff of the Army.
"(D) The Chief of Naval Operations.
"(E) The Chief of Staff of the Air Force.
"(F) The Commandant of the Marine Corps.

"(2) The President may assign to serve as members of the Joint Chiefs of Staff only officers who have served in one or more joint duty positions for a substantial period of time. The President may waive such requirement in the case of any officer if the President determines such action is necessary in the national interest.

"(b) The Chairman of the Joint Chiefs of Staff is the principal military adviser to the President, the National Security Council, and the Secretary of Defense.

"(c) The members of the Joint Chiefs of Staff are military advisers to the President, the National Security Council, and the Secretary of Defense, as specified in this section.

"(d) The Joint Chiefs of Staff, assisted by the Joint Staff, constitute the immediate military staff of the Secretary of Defense.

"(e) In performing his duties, the Chairman shall—

"(1) convene regular meetings of the Joint Chiefs of Staff;

"(2) unless impracticable, consult with and seek the advice of, individually or collectively, the other members of the Joint Chiefs of Staff; and

"(3) when appropriate, consult with and seek the advice of the commanders of the unified and specified combatant commands.

"(f) When the Chairman of the Joint Chiefs of Staff provides advice to the Secretary of Defense, the National Security Council, or the President, any other member of the Joint Chiefs of Staff may submit advice or an opinion in disagreement or advice or an opinion in addition to the advice provided by the Chairman. If such member submits such advice or opinion, the Chairman shall present the advice or opinion of such member at the same time the Chairman presents his own advice to the President, the National Security Council, or the Secretary of Defense, as the case may be.

"(g) After first informing the Secretary of Defense, a member of the Joint Chiefs of Staff may make such recommendations to Congress relating to the Department of Defense as he may consider appropriate.

"(h) In addition to any advice or opinion submitted under subsection (f) by members of the Joint Chiefs of Staff other than the Chairman, such members, in their capacity as military advisers, shall provide advice to the President, the National Security Council, or the Secretary of Defense on a particular matter when the President, the National Security Council, or the Secretary requests such advice.

"§ 152. Chairman

"(a)(1) The Chairman of the Joint Chiefs of Staff shall be appointed by the President, by and with the advice and consent of the Senate, from the officers of the regular components of the armed forces. He serves at the pleasure of the President for a term of two years and, subject to paragraph (3), may be reappointed in the same manner for two additional terms. However, in time of war declared by Congress there is no limit on the number of reappointments.

"(2) Notwithstanding paragraph (1), the term of a Chairman shall end not later than six months after the accession to office of a new President. The requirement of the preceding sentence does not apply in the case of a Chairman appointed or reappointed during the first six months of the term of a new President. As used in this paragraph, the term 'new President' shall not include a President who is elected to a second consecutive term.

"(3) An officer may not serve as Chairman or Vice Chairman of the Joint Chiefs of Staff if the total combined period of service of such officer in both such positions exceeds six years. The President may extend the combined period of service for such officer to eight years if he determines such action is necessary in the national interest. The limitations of this paragraph do not apply in time of war declared by Congress.

"(b) In addition to his other duties as a member of the Joint Chiefs of Staff, the Chairman shall, subject to the authority, direction, and control of the President and the Secretary of Defense—

"(1) preside over the Joint Chiefs of Staff; and

"(2) provide agenda for the meetings of the Joint Chiefs of Staff (including any subject for the agenda recommended by the Joint Chiefs of Staff), assist them in carrying on their business as promptly as practicable, and determine when issues under consideration shall be decided.

"(c) The Chairman, while so serving, holds the grade of general or, in the case of an officer of the Navy, admiral and outranks all other officers of the armed forces. However, he may not exercise military command over the Joint Chiefs of Staff or any of the armed forces.

"(d) Subject to the authority, direction, and control of the President and the Secretary of Defense, the Chairman of the Joint Chiefs of Staff shall—

"(1) prepare strategic plans to provide for the strategic direction of the armed forces, including plans which conform with resource levels projected by the Secretary of Defense;

"(2) advise the Secretary on the extent to which the program recommendations and budget proposals of the military departments and other components of the Department of Defense for each fiscal year conform with the priorities established in strategic plans and the operational requirements of the unified and specified combatant commands;

"(3) advise the Secretary on the extent to which the major manpower programs and policies of the armed forces conform with strategic plans;

"(4) provide for the preparation and review of contingency plans which conform to policy guidance from the President and the Secretary of Defense;

"(5) prepare joint logistic and mobility plans to support the contingency plans and recommend the assignment of logistic and mobility responsibilities to the military departments and armed forces in accordance with such logistic and mobility plans;

"(6) advise the Secretary on critical deficiencies and strengths in force capabilities, including manpower, logistic, and mobility support, identified during the preparation and review of contingency plans and assess the effect of such deficiencies and strengths on meeting national security objectives and policy and on strategic plans;

"(7) assess joint military requirements for defense acquisition programs, especially in the area of communications, in order to enhance the ability of the armed forces to operate jointly;

"(8) develop doctrine, for the approval of the Secretary of Defense, for the joint employment of the armed forces;

"(9) formulate policies, for the approval of the Secretary of Defense, for the joint training of the armed forces that enhance their ability to operate jointly;

"(10) formulate policies, for the approval of the Secretary of Defense, for coordinating the military education and training of the armed forces, particularly the education and training of officers who serve in joint duty positions;

"(11) provide for representation of the United States on the Military Staff Committee of the United Nations in accordance with the Charter of the United Nations; and

"(12) perform such other duties as the President or the Secretary of Defense may prescribe.

"(e)(1) Not less than once every three years, or upon the request of the President, the Chairman shall submit a report to the Secretary of Defense containing such recommendations for changes in the function assignments of the armed forces as the Chairman considers necessary to ensure maximum effectiveness of the armed forces. In preparing each report, the Chairman shall take into consideration—

"(A) changes in the nature of the threats faced by the armed forces;

"(B) unnecessary duplication of effort among the armed forces; and

"(C) changes in technology that can be applied effectively to warfare.

"(2) The Chairman shall also include in each such report recommendations for such changes in policies, directives, regulations, and legislation as may be necessary to achieve the changes in function assignments recommended by the Chairman.

"§ 153. Vice Chairman

"(a)(1) There is a Vice Chairman of the Joint Chiefs of Staff. The Vice Chairman shall be appointed by the President, by and with the advice and consent of the Senate, from the officers of the regular components of the armed forces.

"(2) The Chairman and Vice Chairman may not be members of the same armed force. However, the Secretary of Defense may waive the restriction in the preceding sentence for a limited period of time in order to effect the orderly transition of officers appointed to serve in the positions of Chairman and Vice Chairman.

"(3) The Vice Chairman serves at the pleasure of the President for a term of two years and may be reappointed in the same manner for two additional terms. However, in time of war declared by Congress there is no limit on the number of reappointments.

"(b)(1) The Vice Chairman exercises such duties as may be delegated by the Chairman with the approval of the Secretary of Defense.

"(2) When there is a vacancy in the office of Chairman or in the absence or disability of the Chairman, the Vice Chairman, unless otherwise directed by the President or the Secretary of Defense, acts as Chairman and performs the duties of the Chairman until a successor is appointed or the absence or disability ceases.

"(c) The Vice Chairman may attend all meetings of the Joint Chiefs of Staff but may not vote on a matter before the Joint Chiefs of Staff except when acting as Chairman.

"(d) The Vice Chairman, while so serving, holds the grade of general or, in the case of an officer of the Navy, admiral and outranks all other officers of the armed forces except the Chairman. The Vice Chairman may not exercise military command over the Joint Chiefs of Staff or any of the armed forces.

"§ 154. Joint Staff

"(a)(1) There is in the Department of Defense a Joint Staff under the Chairman of the Joint Chiefs of Staff. Subject to the authority, direction, and control of the Chairman, the Joint Staff shall assist the Chairman and the other members of the Joint Chiefs of Staff in carrying out their responsibilities.

"(2) The Joint Staff shall include officers selected by the Chairman in approximately equal numbers from—

"(A) the Army;

"(B) the Navy and the Marine Corps; and

"(C) the Air Force.

"(3) Selection of officers of an armed force to serve on the Joint Staff shall be made by the Chairman from a list of officers submitted by the armed force. Each officer whose name is submitted shall be among those officers considered to be the most outstanding officers of that armed force. The Chairman may specify the number of officers to be included on any such list.

"(4) The tenure of the members of the Joint Staff is subject to the approval of the Chairman of the Joint Chiefs of Staff.

"(b) The Chairman of the Joint Chiefs of Staff, after consultation with the other members of the Joint Chiefs of Staff and with the approval of the Secretary of Defense, may select a Director of the Joint Staff.

"(c) The Chairman of the Joint Chiefs of Staff manages the Joint Staff and the Director of the Joint Staff. The Joint Staff shall perform such duties as the Chairman shall prescribe and shall perform such duties under such procedures as the Chairman shall prescribe.

"(d) The Joint Staff shall not operate or be organized as an overall Armed Forces General Staff and shall have no executive authority. The Joint Staff may be organized and may operate along conventional staff lines to support the Chairman and the other members of the Joint Chiefs of Staff in discharging their assigned responsibilities.

"(e)(1) An officer who is assigned or detailed to duty on the Joint Staff may not serve for a tour of duty of more than four years. However, such tour of duty may be extended with the approval of the Secretary of Defense.

"(2) An officer completing a tour of duty with the Joint Staff may not be assigned or detailed to duty on the Joint Staff within two years after relief from that duty except with the approval of the Secretary.

"(3) This subsection does not apply in time of war declared by Congress or in time of national emergency declared by the President.

"(f)(1) The total number of civilian and military personnel assigned or detailed to permanent duty on the Joint Staff may not exceed 1,617. Such limitation does not apply in time of war or during a national emergency declared by Congress.

"(2)(A) For purposes of this section, the Joint Staff includes all civilian and military personnel assigned or detailed to permanent duty to assist the Chairman and Vice Chairman in carrying out their responsibilities and to assist the other members of the Joint Chiefs of Staff in carrying out their responsibilities specified in section 151 of this title.

"(B) The Joint Staff does not include civilian or military personnel assigned or detailed to permanent duty in a military department.".

(b) CONFORMING AMENDMENTS.—(1) The item relating to chapter 5 in the tables of chapters at the beginning of subtitle A and at the beginning of part I of such subtitle are each amended to read as follows:

"5. Joint Chiefs of Staff ..... 151".

(2) Section 525(b)(3) is amended by inserting "or Vice Chairman" after "Chairman".

(3) Section 743 is amended—

(A) by striking out "and" after "Operations,";

(B) by inserting ", and the Commandant of the Marine Corps" after "Air Force"; and

(C) by inserting "and the Vice Chairman" after "Chairman".

(c) DATE FOR FIRST REPORT.—The first report under section 152(e) of title 10, United States Code (as added by subsection (a) of this section), shall be submitted by the Chairman of the Joint Chiefs of Staff not later than one year after the date of the enactment of this Act.

(d) EFFECTIVE DATE.—The limitation prescribed in section 154(f) of title 10, United States Code (as added by subsection (a) of this section), shall be effective after September 30, 1988.

SEC. 112. COMBATANT COMMANDS

(a) IN GENERAL.—Part I of subtitle A is amended by inserting after chapter 5 the following new chapter:

"CHAPTER 6—COMBATANT COMMANDS

"Sec.
"161. Definitions.
"162. Combatant commands: establishment; composition; functions.
"163. Operational chain of command.
"164. Commanders of combatant commands: assignment; powers and duties.
"165. Combatant commands: administration and support.

"§ 161. Definitions

"In this chapter:

"(1) 'Unified combatant command' means a command which has broad, continuing missions and which is composed of combatant forces from two or more military departments.

"(2) 'Specified combatant command' means a command which has broad, continuing missions and which is composed of combatant forces from a single military department.

"(3) 'Combatant command' means a unified combatant command or a specified combatant command.

"(4) 'Combatant forces' means those forces of the armed forces whose primary mission is to engage in combat.

"§ 162. Combatant commands: establishment; composition; functions

"(a) With the advice and assistance of the Chairman of the Joint Chiefs of Staff, the President, through the Secretary of Defense, shall—

"(1) establish unified combatant commands and specified combatant commands to perform military missions;

"(2) prescribe the force structure of those commands;

"(3) review periodically, but not less often than every two years, the missions, tasks, responsibilities (including geographic boundaries), and force structure of each combatant command and revise such missions, tasks, responsibilities, and force structures as may be necessary to respond to changing conditions; and

"(4) notify Congress, except during time of hostilities or imminent threat of hostilities, at least 60 days before (A) establishing a new combatant command, or (B) significantly revising the missions, tasks, responsibilities, or force structure of an existing combatant command.

"(b)(1) Unless otherwise directed by the Secretary of Defense, all combatant forces of the military departments shall be assigned to combatant commands, established under this section, to perform the missions of those commands.

"(2) Consistent with the force structure prescribed by the President for each combatant command, the Secretary of each military department, with the approval of the Secretary of Defense, shall assign combatant forces of his department to combatant commands.

"(3) A combatant force so assigned may be transferred from the command to which it is assigned only by authority of the Secretary of Defense and only under procedures prescribed by the Secretary and approved by the President.

"(c) Combatant commands established under this section are responsible to the President and to the Secretary of Defense for the performance of such military missions as may be assigned to such commands by the Secretary with the approval of the President.

"§ 163. Operational chain of command

"(a) Unless otherwise directed by the President, the chain of command for the operational direction of the combatant commands runs from the President to the Secretary of Defense to the commanders of the unified and specified combatant commands.

"(b) Subject to the limitations of section 152(c) of this title, the President or the Secretary of Defense may direct communications to run from the Secretary of Defense to the commanders of the unified and specified combatant commands through the Chairman of the Joint Chiefs of Staff.

"(c) Unless otherwise directed by the President or the Secretary of Defense, the commander of a combatant command shall prescribe the chain of command to, and the organizational relationship among, the commands and forces within that command.

"(d)(1) As a means of providing for more effective control and coordination of the combatant commands, the Secretary of Defense may assign responsibility to the Chairman of the Joint Chiefs of Staff for overseeing the activities of the combatant commands. Such assignment by the Secretary to the Chairman does not confer any command authority on the Chairman and does not alter the responsibility of the combatant commanders prescribed in section 164(b) of this title.

"(2) Subject to the authority, direction, and control of the Secretary of Defense, the Chairman of the Joint Chiefs of Staff serves as the spokesman for the commanders of the combatant commands on operational requirements. In performing such responsibility, the Chairman shall—

"(A) confer with and obtain information from the commanders of the combatant commands about the operational requirements of their commands;

"(B) evaluate and integrate such information;

"(C) advise and make recommendations to the Secretary of Defense about the operational requirements of the combatant commands, individually and collectively; and

"(D) perform such other activities as may be required to communicate clearly the operational requirements of the combatant commands.

"§ 164. Commanders of combatant commands: assignment; powers and duties

"(a) The President may assign to serve as commanders of unified combatant commands only officers who have served in one or more joint duty positions for a substantial period of time. The President may waive the requirement of the preceding sentence in the case of any officer if the President determines such action is necessary in the national interest.

"(b) Each commander of a combatant command performs his duties under the authority, direction, and control of the Secretary of Defense and is directly responsible to the Secretary for the performance of his command and its preparedness to execute assigned missions.

"(c) Subject to the authority, direction, and control of the Secretary of Defense, each commander of a combatant command shall—

"(1) maintain the security of his command and protect the United States, its possessions, and bases against attack or hostile incursion;

"(2) carry out assigned missions, tasks, and responsibilities; and

"(3) assign tasks to, and direct coordination among, his subordinate commanders so as to ensure unity of effort in the accomplishment of the missions assigned to his command.

"(d)(1) Unless otherwise directed by the President or the Secretary of Defense,

forces assigned to combatant commands are under the full operational command of the commander of the combatant command to which they are assigned. Full operational command includes all aspects of military operations and joint training.

"(2) In addition to the full operational command provided for under paragraph (1), the commander of a combatant command shall have authority as assigned by the Secretary of Defense, after consultation with the Secretaries of the military departments and the combatant commander, for coordination and approval of those aspects of administration and support, including planning for wartime logistics, necessary for the accomplishment of the missions assigned to the command.

"(e) Unless otherwise directed by the President or the Secretary of Defense—

"(1) commanders of commands and forces assigned to a combatant command are under the authority, direction, and control of, and are responsible to, the commander of the combatant command on all matters for which the combatant commander has been assigned full operational command under subsection (d)(1) or other authority under subsection (d)(2);

"(2) the commander of a command or force referred to in clause (1) shall communicate with other elements of the Department of Defense on any matter for which the combatant commander has been assigned full operational command under subsection (d)(1) or other authority under subsection (d)(2) in accordance with procedures, if any, established by the commander of the combatant command; and

"(3) if directed by the combatant commander, the commander of a command or force referred to in clause (1) shall advise the combatant commander of all communications with other elements of the Department of Defense on any matter for which the combatant commander has not been assigned full operational command under subsection (d)(1) or other authority under subsection (d)(2).

"(f)(1) Selection of an officer of an armed force to serve as commander of a command directly subordinated to the commander of a combatant command may be made only with the concurrence of the commander of the combatant command and only in accordance with procedures established by the Secretary of Defense. However, the Secretary of Defense may waive the requirement for the concurrence of the commander of a combatant command with regard to the selection of a particular commander if the Secretary of Defense determines such action is necessary in the national interest.

"(2) The commander of a combatant command shall evaluate the duty performance of each commander of a command directly subordinated to the commander of such combatant command and submit the evaluation to the Secretary of the military department of which the commander being evaluated is a member.

"(g)(1) Each unified combatant command shall have a joint staff with officers in key positions of responsibility from each military department having forces assigned to the combatant command.

"(2) Selection of officers of an armed force to serve on the joint staff of a unified combatant command in any grade above lieutenant colonel or, in the case of an officer of the Navy, any grade above commander shall be made only with the concurrence of the commander of such command and only in accordance with procedures established by the Secretary of Defense.

"(h) In accordance with procedures established by the Secretary of Defense, the commander of a combatant command may suspend from duty and recommend the reassignment of any officer assigned to such combatant command.

"§ 165. Combatant commands: administration and support

"(a) The Secretary of Defense, with the advice and assistance of the Chairman of the Joint Chiefs of Staff, shall provide for the administration and support of combatant forces assigned to each combatant command.

"(b) Subject to the authority, direction, and control of the Secretary of Defense and consistent with the full operational command and other authority assigned to combatant commanders by section 164(d) of this title, the Secretary of a military department is responsible for the administration and support of forces assigned by him to a combatant command.

"(c) After consultation with the Secretary of each military department, the Secretary of Defense may also assign the responsibility or any part of the responsibility for the administration and support of combatant forces assigned to the combatant commands to other components of the Department of Defense. A component assigned such a responsibility shall discharge that responsibility under the authority, direction, and control of the Secretary of Defense and consistent with the full operational command and other authority assigned to combatant commanders by section 164(d) of this title.".

(b) CONFORMING AMENDMENTS.—(1) The tables of chapters at the beginning of subtitle A and at the beginning of part I of such subtitle are each amended by inserting after the item relating to chapter 5 the following new item:

"6. Combatant Commands ..... 161"

(2) Section 124 is repealed.

(3) The table of sections at the beginning of chapter 3 is amended by striking out the item relating to section 124.

SEC. 113. REPEAL OF PROHIBITION AGAINST CONSOLIDATING FUNCTIONS OF THE MILITARY TRANSPORTATION COMMANDS

Section 1110 of the Department of Defense Authorization Act, 1983 (Public Law 97-252; 96 Stat. 747), is repealed.

SEC. 114. POSITIONS OF IMPORTANCE AND RESPONSIBILITY

Section 601 is amended by adding at the end thereof the following new subsections:

"(d) When an officer is recommended to the President for an initial appointment to the grade of lieutenant general or vice admiral, or for an initial appointment to the grade of general or admiral, the Chairman of the Joint Chiefs of Staff shall submit to the Secretary of Defense the Chairman's evaluation of the performance of that officer as a member of the Joint Staff and in other joint duty positions. The Secretary of Defense shall submit the Chairman's evaluation to the President at the same time the recommendation for the appointment is submitted to the President.

"(e) Each time a vacancy occurs in a military office or position within the Department of Defense that the President has designated as a position of importance and responsibility to carry the grade of general or admiral or lieutenant general or vice admiral, the Secretary of Defense shall inform the President of the qualifications needed by an appointee to carry out effectively the duties and responsibilities of that office or position.".

SEC. 115. SERVICE OF OFFICERS IN JOINT DUTY POSITIONS

(a) IN GENERAL.—Section 646 is amended to read as follows:

"§ 646. Service of officers in joint duty positions

"(a) The Secretary of Defense, after consultation with the Chairman of the Joint Chiefs of Staff and the Secretary of each military department, shall ensure that the personnel practices, policies, and procedures of the Army, Navy, Air Force, and Marine Corps enhance the abilities of those officers assigned to joint duty positions to perform effectively the duties of such positions.

"(b) In carrying out subsection (a), the Secretary of Defense shall ensure that—

"(1) officers are well prepared to assume joint duty positions as the result of previous experience (including, as appropriate, previous duty in joint duty positions), formal education, and training;

"(2) continuity is attained and preserved in joint organizations through appropriate periods of service by officers serving in joint organizations;

"(3) the promotion, retention, and assignment policies of the Army, Navy, Air Force, and Marine Corps provide sufficient incentives for officers to seek joint duty assignments;

"(4) the curricula of joint military colleges and schools are oriented to preparing officers for joint duty assignments;

"(5) a substantial percentage of the graduates of joint military colleges and schools are assigned to joint duty positions soon after they complete their courses of study; and

"(6) the curricula of the military colleges and schools of the Army, Navy, Air Force, and Marine Corps give appropriate emphasis to instruction in joint military matters.".

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of subchapter V of chapter 36 is amended by striking out the item relating to section 646 and inserting in lieu thereof the following:

"646. Service of officers in joint duty positions.".

SEC. 116. DEFENSE AGENCIES AND DEPARTMENT OF DEFENSE FIELD ACTIVITIES

(a) IN GENERAL.—Chapter 8 is amended—

(1) by redesignating sections 191 and 192 as sections 195 and 196, respectively;

(2) by striking out the table of sections at the beginning of such chapter and inserting in lieu thereof the following:

"Subchapter Sec.

I. Common Supply and Service Activities 191

II. Defense Intelligence Agency 195

"SUBCHAPTER I—COMMON SUPPLY AND SERVICE ACTIVITIES

"Sec.

"191. Common supply and service activities.

"§ 191. Common supply and service activities

"(a)(1) In any case in which the Secretary of Defense determines such action would be more effective, economical, or efficient, he may provide for the performance of a supply or service activity which is common to more than one military department by a single agency of the Department of Defense.

"(2) The Secretary of Defense shall establish within the Department of Defense a Defense Agency or a Department of Defense Field Activity to perform any supply or service activity referred to in paragraph (1).

"(b) The Secretary of Defense shall assign responsibility for the overall supervision of each supply or service agency referred to in subsection (a) to the Deputy Secretary of Defense, an Under Secretary of Defense, an Assistant Secretary of Defense, the Comptroller of the Department of Defense, the General Counsel of the Department of Defense, or the Chairman of the Joint Chiefs of Staff. In discharging such responsibility, an official assigned such a responsibility shall advise the Secretary of Defense on the extent to which the program recommendations and budget proposals of such supply or service agency conform with the material requirements of the military departments and the operational requirements of the unified and specified combatant commands. This subsection shall not apply to the Defense Intelligence Agency and the National Security Agency.

"(c) The Secretary of Defense shall establish procedures to ensure the full and effective review of the program recommendations and budget proposals of each such supply or service agency.

"(d)(1) The Chairman of the Joint Chiefs of Staff shall be responsible for advising the Secretary of Defense on the preparedness of each such supply or service agency which has wartime support responsibilities to perform those responsibilities. As part of such advice, the Chairman shall assess the adequacy of the contingency plans, participation in joint exercises, and readiness reporting systems of each such supply or service agency.

"(2) The Secretary of Defense, in consultation with the Director of Central Intelligence, shall develop and implement, as they may determine to be necessary, policies and programs to correct such deficiencies as the Chairman of the Joint Chiefs of Staff and other officials of the Department of Defense may identify in the wartime support capabilities of the Defense Intelligence Agency and the National Security Agency.

"(e) The Secretary of Defense shall periodically assess the continuing need for each such supply or service agency. In making such assessment, the Secretary shall also examine the division of responsibilities between such supply or service agency and other components of the Department of Defense.

"SUBCHAPTER II—DEFENSE INTELLIGENCE AGENCY

"Sec.
"195. Unauthorized use of Defense Intelligence Agency name, initials, or seal.
"196. Benefits for certain employees of the Defense Intelligence Agency."; and

(3) by striking out the chapter heading and inserting in lieu thereof the following:

"CHAPTER 8—DEFENSE AGENCIES AND DEPARTMENT OF DEFENSE FIELD ACTIVITIES".

(b) CONFORMING AMENDMENT.—The tables of chapters at the beginning of subtitle A and at the beginning of part I of such subtitle are each amended by striking out the item relating to chapter 8 and inserting in lieu thereof the following:

"8. Defense Agencies and Department of Defense Field Activities..... 191".

SEC. 117. REDUCTION IN PERSONNEL ASSIGNED TO DEFENSE AGENCIES AND DEPARTMENT OF DEFENSE FIELD ACTIVITIES

(a) MANAGEMENT HEADQUARTERS ACTIVITIES AND MANAGEMENT HEADQUARTERS SUPPORT ACTIVITIES.—Not later than September 30, 1988, the Secretary of Defense shall reduce the total number of military and civilian personnel assigned to duty in the management headquarters activities or management headquarters support activities in the Defense Agencies and Department of Defense Field Activities by a number that is at least 15 percent of the total number of personnel performing such activities on September 30, 1985. The number of personnel reduced under this subsection in excess of the reduction required by this subsection may be included in the number required to be reduced by subsection (b).

(b) OTHER ACTIVITIES.—Not later than September 30, 1988, the Secretary of Defense shall reduce the total number of military and civilian personnel assigned to duty in the Defense Agencies and Department of Defense Field Activities, other than personnel assigned to management headquarters activities or management headquarters support activities, by a number that is at least 10 percent below the total number of personnel performing such activities on September 30, 1985.

(c) PROHIBITION AGAINST CERTAIN ACTIONS TO ACHIEVE REDUCTIONS.—The reductions required by subsections (a) and (b) may not be accomplished by recategorizing or redefining duties, functions, offices, or organizations.

(d) ALLOCATIONS TO BE MADE BY SECRETARY OF DEFENSE.—(1) The Secretary of Defense shall allocate the reductions required by subsections (a) and (b) in a manner consistent with the efficient operation of the Department of Defense.

(2) The Secretary shall also consolidate and eliminate unnecessary management headquarters activities and management headquarters support activities.

(e) REDUCTION NOT APPLICABLE TO NATIONAL SECURITY AGENCY.—The reductions required by this section do not apply to the National Security Agency.

(f) PROHIBITION ON FUTURE INCREASES.—After September 30, 1988, the number of civilian and military personnel assigned to perform activities described in subsections (a) and (b) may not be increased above the number of such personnel assigned to perform such activities on September 30, 1988. The limitation provided in this subsection shall not apply in time of war or during a national emergency declared by Congress.

(g) DEFINITIONS.—For purposes of this section, the term "management headquarters activities" and "management headquarters support activities" have the same meanings as prescribed for such terms in Department of Defense Directive 5100.73 entitled "Department of Defense Management Headquarters and Headquarters Support Activities" dated January 7, 1985.

SEC. 118. ADDITIONAL CONFORMING AMENDMENTS

(a) AMENDMENTS TO TITLE 10, UNITED STATES CODE.—(1) Section 139(a)(2)(B) (as redesignated by section 104(6) of this Act) is amended by striking out "section 139a(a)(1)" and inserting in lieu thereof "section 2873(a)(1)".

(2) Paragraphs (1) and (2) of section 2403(e) are each amended by striking out "section 139a" and inserting in lieu thereof "section 2873".

(3) Section 2872 (as redesignated by section 104(9) of this Act) is amended by striking out "section 138(a)" in subsection (a) and inserting in lieu thereof "section 2871(a)".

(4) Section 2873(c) (as redesignated by section 104(10) of this Act) is amended by striking out "section 139" in subsection (c)(1) and inserting in lieu thereof "section 2872".

(5) Section 2874 (as redesignated by section 104(11) of this Act) is amended—

(A) in subsection (a)(1), by striking out "section 139a(a)" and inserting in lieu thereof "section 2873(a)"; and

(B) in subsection (b), by striking out "section 139a(b)(3) and inserting in lieu thereof "section 2873(b)(3)".

(6) Section 2875(b)(1) (as redesignated by section 104(12) of this Act) is amended by striking out "section 139a(a)(1)" and inserting in lieu thereof "section 2873(a)(1)".

(7) Section 8062(e) is amended by striking out "section 138" and inserting in lieu thereof "section 2871".

(b) AMENDMENTS TO ARMS EXPORT CONTROL ACT.—(1) Section 51(c)(1) of the Arms Export Control Act (22 U.S.C. 2795(c)(1)) is amended by striking out "section 138(g)" and inserting in lieu thereof "section 2871(g)".

(2) Section 53(b) of the Arms Export Control Act (22 U.S.C. 2795b(b)) is amended by striking out "section 139(a)" and inserting in lieu thereof "section 2872(a)".

TITLE II—ARMY

SEC. 201. DEPARTMENT OF THE ARMY

(a) IN GENERAL.—(1) Chapter 303 is amended—

(A) by striking out section 3039;

(B) by redesignating section 3040 as section 3039; and

(C) by redesignating section 3015 as section 3040, transferring such section (as redesignated) to chapter 305, and inserting such section immediately after section 3039 (as redesignated by clause (B) of this paragraph).

(2) Such chapter is further amended by striking out sections 3012, 3013, 3014, and 3016 and inserting in lieu thereof the following:

"§ 3013. Secretary of the Army: appointment; powers and duties; delegation authority

"(a) There is a Secretary of the Army appointed from civilian life by the President, by and with the advice and consent of the Senate. The Secretary is the head of the Department of the Army. A person may not be appointed as Secretary of the Army within five years after relief from active duty as a commissioned officer of a regular component of an armed force.

"(b) Subject to the authority, direction, and control of the Secretary of Defense and the provisions of chapter 6 of this title, the Secretary of the Army is responsible for and has the authority necessary to conduct all affairs of the Department of the Army, including the following:

"(1) Recruiting.
"(2) Organizing.
"(3) Supplying.
"(4) Equipping (including research and development).
"(5) Training.
"(6) Servicing.
"(7) Mobilizing.
"(8) Demobilizing.
"(9) Administering.
"(10) Maintaining.
"(11) The construction, outfitting, and repair of military equipment.
"(12) The construction, maintenance, and repair of buildings, structures, and utilities and the acquisition of real property and interests therein necessary to carry out the responsibilities specified in clauses (1) through (11).

"(c) Subject to the authority, direction, and control of the Secretary of Defense, the

Secretary of the Army is also responsible to the Secretary of Defense for—

"(1) the functioning and efficiency of the Department of the Army;

"(2) the formulation of policies and programs by the Department of the Army that are fully consistent with national security objectives and policies established by the President or the Secretary of Defense;

"(3) the effective and timely implementation of policy, program, and budget decisions and instructions of the President or the Secretary of Defense relating to the functions of the Department of the Army;

"(4) carrying out the functions of the Department of the Army so as to fulfill (to the maximum extent practicable) the current and future operational requirements of the unified and specified combatant commands;

"(5) effective cooperation and coordination between the Department of the Army and the other military departments and agencies of the Department of Defense to provide for more effective, efficient, and economical administration and to eliminate duplication;

"(6) the presentation and justification of the positions of the Department of the Army on the plans, programs, and policies of the Department of Defense; and

"(7) the effective supervision and control of the intelligence activities of the Department of the Army.

"(d) The Secretary of the Army is also responsible for such other activities as may be prescribed by law, the President, or the Secretary of Defense.

"(e) After first informing the Secretary of Defense, the Secretary of the Army may make such recommendations to Congress relating to the Department of Defense as he considers appropriate.

"(f) The Secretary of the Army may assign such of his functions, powers, and duties as he considers appropriate to the Under Secretary of the Army and to the Assistant Secretaries of the Army. Officers of the Army shall, as directed by the Secretary, report on any matter to the Secretary, the Under Secretary, or any Assistant Secretary.

"(g) The Secretary may assign, detail, and prescribe the duties of members of the Army and civilian personnel of the Department of the Army.

"(h) The Secretary may change the title of any officer or activity of the Department of the Army not prescribed by law.

"(i) The Secretary may prescribe regulations to carry out his functions, powers, and duties under this title.

"§ 3014. Office of the Secretary of the Army

"(a) There is in the Department of the Army an Office of the Secretary of the Army to assist the Secretary in carrying out his responsibilities.

"(b) The Office of the Secretary of the Army shall consist of the following:

"(1) The Under Secretary of the Army.

"(2) The Assistant Secretaries of the Army.

"(3) The Inspector General of the Army.

"(4) The Army Reserve Forces Policy Committee.

"(5) Such other offices and officers as the Secretary of the Army may establish or designate.

"(c) The Secretary of the Army shall ensure that the Office of the Secretary of the Army does not duplicate specific functions for which the Secretary has assigned responsibility to the Army Staff.

"(d) The total number of military and civilian personnel assigned or detailed to permanent duty in the Office of the Secretary of the Army may not exceed 313. However, such limitation does not apply in time of war or during a national emergency declared by Congress.

"§ 3015. Under Secretary of the Army: appointment; powers and duties

"(a) There is an Under Secretary of the Army appointed from civilian life by the President, by and with the advice and consent of the Senate.

"(b) The Under Secretary shall perform such duties and exercise such powers as the Secretary of the Army may prescribe.

"§ 3016. Assistant Secretaries of the Army: appointment; powers and duties

"(a) There are five Assistant Secretaries of the Army in the Department of the Army. They shall be appointed from civilian life by the President, by and with the advice and consent of the Senate.

"(b)(1) The Assistant Secretaries shall perform such duties and exercise such powers as the Secretary of the Army may prescribe.

"(2) One of the Assistant Secretaries shall be the Assistant Secretary of the Army for Manpower and Reserve Affairs. He shall have as his principal duty the overall supervision of manpower and reserve component affairs of the Department of the Army.

"(3) One of the Assistant Secretaries shall be the Assistant Secretary of the Army for Civil Works. He shall have as his principal duty the overall supervision of the functions of the Department of the Army relating to programs for conservation and development of the national water resources including flood control, navigation, shore protection, and related purposes.".

(3) Section 3017 is amended—

(A) in subsection (a), by striking out clause (2) and inserting in lieu thereof the following:

"(2) The Assistant Secretaries of the Army in the order prescribed by the Secretary of the Army and approved by the Secretary of Defense.".

(B) by striking out "(a)" at the beginning of such section; and

(C) by striking out subsection (b).

(4) Chapter 303 is further amended by striking out section 3019.

(5) Chapter 303 is further amended by inserting after section 3017 the following new section:

"§ 3018. Inspector General of the Army: detail; duties

"(a) There is in the Office of the Secretary of the Army an Inspector General of the Army who shall be detailed to such position by the Secretary of the Army from general officers of the Army. An officer may not be detailed to such position for a tour of duty of more than four years, except that the Secretary may extend such a tour of duty if he makes a special finding that the extension is necessary in the public interest.

"(b) The Inspector General, when directed by the Secretary or the Chief of Staff, shall inquire into and report upon the discipline, efficiency, and economy of the Army and shall perform any other duties prescribed by the Secretary or by the Chief of Staff.

"(c) The Inspector General shall periodically propose programs of inspections to the Secretary of the Army and shall recommend additional inspections and investigations as may appear appropriate.

"(d) The Inspector General shall have such deputies and assistants as the Secretary of the Army may prescribe. Each such deputy and assistant shall be an officer detailed by the Secretary to that position from the officers of the Army for a tour of duty of not more than four years, under a procedure prescribed by the Secretary.".

(6)(A) Section 3033 is redesignated as section 3019, is transferred to and made a part of chapter 303, and is inserted immediately after section 3018.

(B) Section 3019 (as redesignated by subparagraph (A)) is amended—

(i) in subsection (a)—

(I) by striking out "office" and inserting in lieu thereof "Office";

(II) by inserting "and the mobilization preparedness" after "reserve components"; and

(III) by striking out "Chief of Staff and the Assistant Secretary responsible for reserve affairs" and inserting in lieu thereof "Secretary of the Army and the Chief of Staff"; and

(ii) in the section heading, by striking out the semicolon and inserting in lieu thereof a colon.

(b) CONFORMING AMENDMENTS.—(1) Such chapter is further amended by redesignating sections 3010 and 3011 as sections 3011 and 3012, respectively.

(2) The table of sections at the beginning of such chapter is amended to read as follows:

"Sec.
"3011. Organization.
"3012. Department of the Army: seal.
"3013. Secretary of the Army: appointment; powers and duties; delegation authority.
"3014. Office of the Secretary of the Army.
"3015. Under Secretary of the Army: appointment; powers and duties.
"3016. Assistant Secretaries of the Army: appointment; powers and duties.
"3017. Secretary of the Army: successors to duties.
"3018. Inspector General of the Army: detail; duties.
"3019. Reserve components of Army: policies and regulations for government of.".

(3) Section 175(d) is amended by striking out "3033" and "8033" and inserting in lieu thereof "3019" and "8019", respectively.

(c) EFFECTIVE DATE.—The limitation provided for in section 3014(d) of title 10, United States Code (as amended by subsection (a)(2) of this section), shall be effective after September 30, 1988.

SEC. 202. THE ARMY STAFF

(a) COMPOSITION OF THE ARMY STAFF.—Section 3031 is amended to read as follows:

"§ 3031. The Army Staff: composition; assignment and detail of members of Army and civilians

"(a) There is in the executive part of the Department of the Army an Army Staff to assist the Secretary of the Army in carrying out his responsibilities.

"(b) The Army Staff shall consist of the following:

"(1) The Chief of Staff.

"(2) The Vice Chief of Staff.

"(3) Not more than four Deputy Chiefs of Staff, as prescribed by the Secretary of the Army.

"(4) Not more than three Assistant Chiefs of Staff, as prescribed by the Secretary.

"(5) The Chief of Engineers.

"(6) The Surgeon General of the Army.

"(7) The Judge Advocate General of the Army.

"(8) The Chief of Chaplains of the Army.

"(9) The Chief of Army Reserve.

"(10) Other members of the Army assigned or detailed to the Army Staff.

"(11) Civilians in the Department of the Army assigned or detailed to the Army Staff.

"(c) Except as otherwise specifically prescribed by law, the Army Staff shall be organized in such manner, and its members shall perform such duties and have such titles, as the Secretary may prescribe. A part of the Army Staff may be designated as the Army General Staff.

"(d)(1) The total number of military and civilian personnel assigned or detailed to permanent duty to the Army Staff may not exceed 2,729. Such limitation does not apply in time of war or during a national emergency declared by Congress.

"(2) Not more than 1,825 officers of the Army may be assigned or detailed to permanent duty in the Office of the Secretary of the Army and the Army Staff. Of such number, not more than 1,000 may be detailed or assigned to duty on or with the Army General Staff. However, such limitations do not apply in time of war or during a national emergency declared by Congress, or whenever the President finds that it is in the national interest to increase the number of officers in the Office of the Secretary of the Army and the Army Staff or on or with the Army General Staff.".

(b) THE ARMY STAFF; GENERAL DUTIES.—Section 3032 is amended—

(1) in subsection (a), by inserting before the period ", and the Chief of Staff of the Army";

(2) in subsection (b)—

(A) by striking out "direction and control of the Secretary" in the matter preceding clause (1) and inserting in lieu thereof "authority, direction, and control of the Secretary of the Army";

(B) by striking out ", training, serving, mobilizing, and demobilizing" in clause (1) and inserting in lieu thereof "(including research and development), training, servicing, mobilizing, demobilizing, administering, and maintaining"; and

(C) by striking out "for military operations" in clause (2) and inserting in lieu thereof "to support military operations by combatant commands"; and

(3) by striking out the section heading and inserting in lieu thereof the following:

"§ 3032. The Army Staff: general duties".

(c) CHIEF OF STAFF.—Section 3034 is redesignated as section 3033 and (as redesignated) is amended—

(1) in subsection (a)—

(A) by striking out "The Chief of Staff shall be" and inserting in lieu thereof "There is a Chief of Staff of the Army"; and

(B) by striking out "national emergency, declared by the Congress after December 31, 1968" and inserting in lieu thereof "during a national emergency declared by Congress";

(2) by striking out subsections (c) and (d) and inserting in lieu thereof the following:

"(c) Except as otherwise prescribed by law and subject to section 3013(f) of this title, the Chief of Staff performs his duties under the authority, direction, and control of the Secretary of the Army and is directly responsible to the Secretary.

"(d) Subject to the authority, direction, and control of the Secretary of the Army, the Chief of Staff shall—

"(1) preside over the Army Staff;

"(2) transmit the plans and recommendations of the Army Staff to the Secretary and advise the Secretary with regard to such plans and recommendations;

"(3) after approval of the plans or recommendations of the Army Staff by the Secretary, act as the agent of the Secretary in carrying them into effect;

"(4) exercise supervision, consistent with the full operational command and other authority assigned to unified or specified combatant commanders under chapter 6 of this title, over such of the members and organizations of the Army as the Secretary determines;

"(5) perform the duties prescribed for him by section 171 of this title and other provisions of law;

"(6) keep the Secretary fully informed on matters considered or acted upon by the Joint Chiefs of Staff; and

"(7) perform such other military duties, not otherwise assigned by law, as are assigned to him by the President, the Secretary of Defense, or the Secretary of the Army.

"(e) The Chief of Staff shall also perform the duties prescribed for him as a member of the Joint Chiefs of Staff under section 151 of this title."; and

(3) by striking out the section heading and inserting in lieu thereof the following:

"§ 3033. Chief of Staff: appointment: term of office; powers and duties".

(d) VICE CHIEF OF STAFF.—Section 3035 is redesignated as section 3034 and (as redesignated) is amended—

(1) by striking out subsections (a) and (b) and inserting in lieu thereof the following:

"(a) There is a Vice Chief of Staff of the Army appointed by the President, by and with the advice and consent of the Senate, from the general officers of the Army.

"(b) The Vice Chief of Staff of the Army, while so serving, has the grade of general without vacating his regular or reserve grade.";

(2) by adding at the end the following new subsection:

"(d) When there is a vacancy in the office of Chief of Staff or during the absence or disability of the Chief of Staff—

"(1) the Vice Chief of Staff shall perform the duties of the Chief of Staff until a successor is appointed or the absence or disability ceases; or

"(2) if there is a vacancy in the office of the Vice Chief of Staff or the Vice Chief of Staff is absent or disabled, unless the President directs otherwise, the most senior officer of the Army in the Army Staff who is not absent or disabled and who is not restricted in performance of duty shall perform the duties of the Chief of Staff until a successor to the Chief of Staff or the Vice Chief of Staff is appointed or until the absence or disability of the Chief of Staff or Vice Chief of Staff ceases, whichever occurs first."; and

(3) by striking out the section heading and inserting in lieu thereof the following:

"§ 3034. Vice Chief of Staff: appointment; powers and duties; succession to duties of Chief of Staff".

(e) DEPUTY CHIEFS OF STAFF.—Chapter 305 is further amended by inserting after section 3034 (as redesignated by subsection (d)) the following new section:

"§ 3035. Deputy Chiefs of Staff and Assistant Chiefs of Staff: detail

"The Deputy Chiefs of Staff and the Assistant Chiefs of Staff shall be general officers detailed to those positions.".

(f) RELOCATION OF SECTIONS.—(1) Chapter 305 is further amended by inserting after section 3037 the following new section:

"§ 3038. Office of Army Reserve: appointment of Chief

"(a) There is in the executive part of the Department of the Army an Office of the Army Reserve which is headed by a chief who is the adviser to the Chief of Staff on Army Reserve matters.

"(b) The President, by and with the advice and consent of the Senate, shall appoint the Chief of Army Reserve from officers of the Army Reserve not on active duty, or on active duty under section 265 of this title, who—

"(1) have had at least 10 years of commissioned service in the Army Reserve;

"(2) are in grade of brigadier general and above; and

"(3) have been recommended by the Secretary of the Army.

"(c) The Chief of Army Reserve holds office for four years but may be removed for cause at any time. He is eligible to succeed himself. If he holds a lower reserve grade, he shall be appointed in the grade of major general for service in the Army Reserve.".

(2) Subsection (a) of section 3039 (as redesignated by section 201(a) of this Act) is amended by striking out "sections 3036 and 3039" and inserting in lieu thereof "section 3036".

(g) CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 305 is amended to read as follows:

"Sec.
"3031. The Army Staff: composition; assignment and detail of members of Army and civilians.
"3032. The Army Staff: general duties.
"3033. Chief of Staff: appointment; term of office; powers and duties.
"3034. Vice Chief of Staff: appointment; powers and duties; succession to duties of Chief of Staff.
"3035. Deputy Chiefs of Staff and Assistant Chiefs of Staff: detail.
"3036. Chiefs of branches: appointment; duties.
"3037. Judge Advocate General, Assistant Judge Advocate General, and general officers of Judge Advocate General's Corps: appointment; duties.
"3038. Office of Army Reserve: appointment of Chief.
"3039. Deputy and assistant chiefs of branches.
"3040. Chief of National Guard Bureau: appointment; acting chief.".

(h) EFFECTIVE DATE.—The limitations provided for in section 3031(d) of title 10, United States Code (as amended by subsection (a) of this section), shall be effective after September 30, 1988.

SEC. 203. COMMANDS

Section 3074(a) is amended by inserting "or the Secretary of Defense" after "by law".

TITLE III—NAVY

SEC. 301. DEPARTMENT OF THE NAVY

(a) ORGANIZATION.—(1) Chapter 503 is amended—

(A) in section 5011—

(i) by striking out the third and fourth sentences; and

(ii) by striking out the section heading and inserting in lieu thereof the following:

"§ 5011. Organization";

(B) by striking out sections 5012 and 5013; and

(C) by inserting after section 5011 the following new sections:

"§ 5012. Department of the Navy: seal

"The Secretary of the Navy shall have a seal for the Department of the Navy. The design of the seal must be approved by the President. Judicial notice shall be taken of the seal.

"§ 5013. Secretary of the Navy: appointment; powers and duties; delegation authority

"(a) There is a Secretary of the Navy appointed from civilian life by the President, by and with the advice and consent of the Senate. The Secretary is the head of the Department of the Navy. A person may not be appointed as Secretary of the Navy within five years after relief from active duty as a commissioned officer of a regular component of an armed force.

"(b) Subject to the authority, direction, and control of the Secretary of Defense and the provisions of chapter 6 of this title, the Secretary of the Navy is responsible for and has the authority necessary to conduct all affairs of the Department of the Navy, including the following:

"(1) Recruiting.
"(2) Organizing.
"(3) Supplying.
"(4) Equipping (including research and development).
"(5) Training.
"(6) Servicing.
"(7) Mobilizing.
"(8) Demobilizing.
"(9) Administering.
"(10) Maintaining.
"(11) The construction, outfitting, and repair of military equipment.
"(12) The construction, maintenance, and repair of buildings, structures, and utilities and the acquisition of real property and interests therein necessary to carry out the responsibilities specified in clauses (1) through (11).

"(c) Subject to the authority, direction, and control of the Secretary of Defense, the Secretary of the Navy is also responsible to the Secretary of Defense for—

"(1) the functioning and efficiency of the Department of the Navy;

"(2) the formulation of policies and programs by the Department of the Navy that are fully consistent with national security objectives and policies established by the President or the Secretary of Defense;

"(3) the effective and timely implementation of policy, program, and budget decisions and instructions of the President or the Secretary of Defense relating to the functions of the Department of the Navy;

"(4) carrying out the functions of the Department of the Navy so as to fulfill (to the maximum extent practicable) the current and future operational requirements of the unified and specified combatant commands;

"(5) effective cooperation and coordination between the Department of the Navy and the other military departments and agencies of the Department of Defense to provide for more effective, efficient, and economical administration and to eliminate duplication;

"(6) the presentation and justification of the positions of the Department of the Navy on the plans, programs, and policies of the Department of Defense; and

"(7) the effective supervision and control of the intelligence activities of the Department of the Navy.

"(d) The Secretary of the Navy is also responsible for such other activities as may be prescribed by law, the President, or the Secretary of Defense.

"(e) After first informing the Secretary of Defense, the Secretary of the Navy may make such recommendations to Congress relating to the Department of Defense as he considers appropriate.

"(f) The Secretary of the Navy may assign such of his functions, powers, and duties as he considers appropriate to the Under Secretary of the Navy and to the Assistant Secretaries of the Navy. Officers of the Navy and the Marine Corps shall, as directed by the Secretary, report on any matter to the Secretary, the Under Secretary, or any Assistant Secretary.

"(g) The Secretary may assign, detail, and prescribe the duties of members of the Navy and Marine Corps and civilian personnel of the Department of the Navy.

"(h) The Secretary may change the title of any officer or activity of the Department of the Navy not prescribed by law.

"(i) The Secretary may prescribe regulations to carry out his functions, powers, and duties under this title.

"§ 5013a. Secretary of the Navy: powers with respect to Coast Guard

"(a) Whenever the Coast Guard operates as a service in the Navy under section 3 of title 14, the Secretary of the Navy has the same powers and duties with respect to the Coast Guard as the Secretary of Transportation has when the Coast Guard is not so operating.

"(b) While operating as a service in the Navy, the Coast Guard is subject to the orders of the Secretary of the Navy, who may order changes in Coast Guard operations to make them uniform, to the extent he considers advisable, with Navy operations.

"§ 5014. Office of the Secretary of the Navy

"(a) There is in the Department of the Navy an Office of the Secretary of the Navy to assist the Secretary in carrying out his responsibilities.

"(b) The Office of the Secretary of the Navy shall consist of the following:

"(1) The Under Secretary of the Navy.
"(2) The Assistant Secretaries of the Navy.
"(3) The Naval Inspector General.
"(4) The Chief of Naval Research.
"(5) The Judge Advocate General of the Navy.
"(6) Such other offices and officers as the Secretary of the Navy may establish or designate.

"(c) The Secretary of the Navy shall ensure that the Office of the Secretary of the Navy does not duplicate specific functions for which the Secretary has assigned responsibility to the Office of the Chief of Naval Operations or to the Headquarters, Marine Corps.

"(d) The total number of military and civilian personnel assigned or detailed to permanent duty in the Office of the Secretary of the Navy may not exceed 685. However, such limitation does not apply in time of war or during a national emergency declared by Congress.

"§ 5015. Under Secretary of the Navy: appointment; powers and duties

"(a) There is an Under Secretary of the Navy appointed from civilian life by the President, by and with the advice and consent of the Senate.

"(b) The Under Secretary shall perform such duties and exercise such powers as the Secretary of the Navy may prescribe.

"§ 5016. Assistant Secretaries of the Navy: appointment; powers and duties

"(a) There are four Assistant Secretaries of the Navy in the Department of the Navy. They shall be appointed from civilian life by the President, by and with the advice and consent of the Senate.

"(b)(1) The Assistant Secretaries shall perform such duties and exercise such powers as the Secretary of the Navy may prescribe.

"(2) One of the Assistant Secretaries shall be the Assistant Secretary of the Navy for Manpower and Reserve Affairs. He shall have as his principal duty the overall supervision of manpower and reserve component affairs of the Department of the Navy.

"§ 5017. Secretary of the Navy: successors to duties

"If the Secretary of the Navy dies, resigns, is removed from office, is absent, or is disabled, the person who is highest on the following list and who is not absent or disabled shall perform the duties of the Secretary until the President, under section 3347 of title 5, directs another person to perform those duties or until the absence or disability ceases:

"(1) The Under Secretary of the Navy.
"(2) The Assistant Secretaries of the Navy in the order prescribed by the Secretary of the Navy and approved by the Secretary of Defense.
"(3) The Chief of Naval Operations.
"(4) The Commandant of the Marine Corps.".

(2)(A) Section 5088 is redesignated as section 5018, is transferred to and made a part of chapter 503, and is inserted immediately after section 5017.

(B) Section 5018 (as redesignated by subparagraph (A) of this paragraph) is amended by striking out "Chief of Naval Operations" in subsections (a) and (c) and inserting in lieu thereof "Secretary of the Navy".

(b) REDESIGNATION OF SECTIONS.—Sections 5150, 5151, 5152, and 5153 are redesignated as sections 5019, 5020, 5021, and 5022, respectively, are transferred to and made a part of chapter 503, and are inserted in numerical sequence immediately after section 5018 (as redesignated by subsection (a)(2) of this section).

(c) TECHNICAL AND CONFORMING AMENDMENTS.—(1) Section 5021 (as redesignated by subsection (b) of this section) is amended by striking out "section 5151" in subsection (a) and inserting in lieu thereof "section 5020".

(2) Subsection (c) of section 5022 (as redesignated by subsection (b) of this section) is amended by striking out "claim proceeding" and inserting in lieu thereof "claim, proceeding,".

(3) Chapters 505 and 507 are repealed.

(4) The tables of chapters at the beginning of subtitle C and the beginning of part I of such subtitle are each amended by striking out the items relating to chapters 505 and 507.

(5) The table of sections at the beginning of chapter 503 is amended to read as follows:

"Sec.
"5011. Organization.
"5012. Department of the Navy: seal.
"5013. Secretary of the Navy: appointment; powers and duties; delegation authority.
"5013a. Secretary of the Navy: powers with respect to Coast Guard.
"5014. Office of the Secretary of the Navy.
"5015. Under Secretary of the Navy: appointment; powers and duties.
"5016. Assistant Secretaries of the Navy: appointment; powers and duties.
"5017. Secretary of the Navy: successors to duties.

"5018. Naval Inspector General: detail; duties.
"5019. Office of Naval Research: Chief; appointment, term, emoluments; Assistant Chief; succession to duties.
"5020. Office of Naval Research: duties.
"5021. Office of Naval Research: appropriations; time limit.
"5022. Naval Research Advisory Committee.".

(6) Chapter 513 is amended—

(A) by striking out the chapter heading and inserting in lieu thereof the following:

"CHAPTER 513—BUREAUS; OFFICE OF THE JUDGE ADVOCATE GENERAL";

(B) in the table of sections at the beginning of such chapter—

(i) by striking out the items relating to sections 5150, 5151, 5152, and 5153; and

(ii) by redesignating the item relating to section 5155 as 5150; and

(C) by redesignating section 5155 as section 5150.

(7) The tables of chapters at the beginning of subtitle C and at the beginning of part I of such subtitle are each amended by striking out the item relating to chapter 513 and inserting in lieu thereof the following:

"513. Bureaus; Office of the Judge Advocate General ..... 5131".

(8) Chapter 661 is amended—

(A) by redesignating sections 7861 and 7862 as sections 7862 and 7863, respectively; and

(B) by striking out the table of sections at the beginning of such chapter and inserting in lieu thereof the following:

"Sec.
"7861. Custody of departmental records and property.
"7862. Accounts of paymasters of lost or captured naval vessels.
"7863. Disbursements by order of commanding officer.

"§ 7861. Custody of departmental records and property

"The Secretary of the Navy has custody and charge of all books, records, papers, furniture, fixtures, and other property under the lawful control of the executive part of the Department of the Navy.".

(d) EFFECTIVE DATE.—The limitation prescribed in section 5014(d) of title 10, United States Code (as amended by subsection (a)(1) of this section), shall be effective after September 30, 1988.

SEC. 302. OFFICE OF THE CHIEF OF NAVAL OPERATIONS

(a) IN GENERAL.—Part I of subtitle C is amended—

(1) by striking out chapter 509; and

(2) by inserting after chapter 503 the following new chapter:

"CHAPTER 505—OFFICE OF THE CHIEF OF NAVAL OPERATIONS

"Sec.
"5031. Office of the Chief of Naval Operations.
"5032. Office of the Chief of Naval Operations: general duties.
"5033. Chief of Naval Operations: appointment; term of office; powers and duties.
"5034. Chief of Naval Operations: retirement.
"5035. Vice Chief of Naval Operations: appointment; powers and duties; succession to duties of Chief of Naval Operations.
"5036. Deputy Chiefs of Naval Operations: detail; duties.
"5037. Assistant Chiefs of Naval Operations: detail; duties.

"§ 5031. Office of the Chief of Naval Operations

"(a) There is in the executive part of the Department of the Navy an Office of the Chief of Naval Operations to assist the Secretary of the Navy in carrying out his responsibilities.

"(b) The Office of the Chief of Naval Operations shall consist of the following:

"(1) The Chief of Naval Operations.

"(2) The Vice Chief of Naval Operations.

"(3) Not more than four Deputy Chiefs of Naval Operations, as prescribed by the Secretary of the Navy.

"(4) Not more than three Assistant Chiefs of Naval Operations, as prescribed by the Secretary.

"(5) The Surgeon General of the Navy.

"(6) The Chief of Naval Personnel.

"(7) The Chief of Chaplains of the Navy.

"(8) Other members of the Navy and Marine Corps assigned or detailed to the Office of the Chief of Naval Operations.

"(9) Civilians in the Department of the Navy assigned or detailed to the Office of the Chief of Naval Operations.

"(c) Except as otherwise specifically prescribed by law, the Office of the Chief of Naval Operations shall be organized in such manner, and its members shall perform such duties and have such titles, as the Secretary may prescribe.

"(d)(1) The total number of military and civilian personnel assigned or detailed to permanent duty in the Office of the Chief of Naval Operations may not exceed 1,725. Such limitation does not apply in time of war or during a national emergency declared by Congress.

"(2) Not more than 1,300 officers of the Navy and Marine Corps may be assigned or detailed to permanent duty in the Office of the Chief of Naval Operations. However, such limitation does not apply in time of war or during a national emergency declared by Congress, or whenever the President finds that it is in the national interest to increase the number of officers in the Office of the Chief of Naval Operations.

"§ 5032. Office of the Chief of Naval Operations: general duties

"(a) The Office of the Chief of Naval Operations shall furnish professional assistance to the Secretary, the Under Secretary, and the Assistant Secretaries of the Navy, and the Chief of Naval Operations.

"(b) Under the authority, direction, and control of the Secretary of the Navy, the Office of the Chief of Naval Operations shall—

"(1) prepare for such employment of the Navy, and for such recruiting, organizing, supplying, equipping (including research and development), training, servicing, mobilizing, demobilizing, administering, and maintaining of the Navy, as will assist in the execution of any power, duty, or function of the Secretary or the Chief of Naval Operations;

"(2) investigate and report upon the efficiency of the Navy and its preparation to support military operations by combatant commands;

"(3) prepare detailed instructions for the execution of approved plans and supervise the execution of those plans and instructions;

"(4) act as agent of the Secretary and the Chief of Naval Operations in coordinating the actions of all organizations of the Navy; and

"(5) perform such other duties, not otherwise assigned by law, as may be prescribed by the Secretary.

"§ 5033. Chief of Naval Operations: appointment; term of office; powers and duties

"(a) There is a Chief of Naval Operations appointed by the President, by and with the advice and consent of the Senate. The Chief of Naval Operations shall be appointed for a term of four years, from officers on the active-duty list in the line of the Navy who are eligible to command at sea and who hold the grade of rear admiral or above. He serves at the pleasure of the President. In time of war or during a national emergency declared by Congress, he may be reappointed for a term of not more than four years.

"(b) The Chief of Naval Operations, while so serving, has the grade of admiral without vacating his regular or reserve grade. In the performance of his duties within the Department of the Navy, the Chief of Naval Operations takes precedence above all other officers of the naval service.

"(c) Except as otherwise prescribed by law and subject to section 5013(f) of this title, the Chief of Naval Operations performs his duties under the authority, direction, and control of the Secretary of the Navy and is directly responsible to the Secretary.

"(d) Subject to the authority, direction, and control of the Secretary of the Navy, the Chief of Naval Operations shall—

"(1) preside over the Office of the Chief of Naval Operations;

"(2) transmit the plans and recommendations of the Office of the Chief of Naval Operations to the Secretary and advise the Secretary with regard to such plans and recommendations;

"(3) after approval of the plans or recommendations of the Office of the Chief of Naval Operations by the Secretary, act as the agent of the Secretary in carrying them into effect;

"(4) exercise supervision, consistent with the full operational command and other authority assigned to unified or specified combatant commanders under chapter 6 of this title, over such of the members and organizations of the Navy and the Marine Corps as the Secretary determines;

"(5) perform the duties prescribed for him by section 171 of this title and other provisions of law;

"(6) keep the Secretary fully informed on matters considered or acted upon by the Joint Chiefs of Staff; and

"(7) perform such other military duties, not otherwise assigned by law, as are assigned to him by the President, the Secretary of Defense, or the Secretary of the Navy.

"(e) The Chief of Naval Operations shall also perform the duties prescribed for him as a member of the Joint Chiefs of Staff under section 151 of this title.

"§ 5034. Chief of Naval Operations: retirement

"An officer who is retired while serving as Chief of Naval Operations, or who, after serving at least two and one-half years as Chief of Naval Operations, is retired after completion of that service while serving in a lower grade than admiral, may, in the discretion of the President, be retired with the grade of admiral. The retired pay of such an officer shall be computed at the highest rates of basic pay applicable to him while he served in that office.

"§ 5035. Vice Chief of Naval Operations: appointment; powers and duties; succession to duties of Chief of Naval Operations

"(a) There is a Vice Chief of Naval Operations appointed by the President, by and with the advice and consent of the Senate, from officers on the active-duty list in the line of the Navy serving in grades above captain and eligible to command at sea.

"(b) The Vice Chief of Naval Operations, while so serving, has the grade of admiral without vacating his regular or reserve grade.

"(c) The Vice Chief of Naval Operations has such authority and duties with respect to the Department of the Navy as the Chief of Naval Operations, with the approval of the Secretary of the Navy, may delegate to or prescribe for him. Orders issued by the Vice Chief of Naval Operations in performing such duties have the same effect as those issued by the Chief of Naval Operations.

"(d) When there is a vacancy in the office of Chief of Naval Operations or during the absence or disability of the Chief of Naval Operations—

"(1) the Vice Chief of Naval Operations shall perform the duties of the Chief of Naval Operations until a successor is appointed or the absence or disability ceases; or

"(2) if there is a vacancy in the office of the Vice Chief of Naval Operations or the Vice Chief of Naval Operations is absent or disabled, unless the President directs otherwise, the most senior officer in the Office of the Chief of Naval Operations who is not absent or disabled and who is not restricted in performance of duty shall perform the duties of the Chief of Naval Operations until a successor to the Chief of Naval Operations or the Vice Chief of Naval Operations is appointed or until the absence or disability of the Chief of Naval Operations or Vice Chief of Naval Operations ceases, whichever occurs first.

"§ 5036. Deputy Chiefs of Naval Operations: detail; duties

"(a) There are in the Office of the Chief of Naval Operations not more than four Deputy Chiefs of Naval Operations, detailed by the Secretary of the Navy from officers on the active-duty list in the line of the Navy serving in grades above captain.

"(b) The Deputy Chiefs of Naval Operations are charged, under the direction of the Chief of Naval Operations, with the execution of the functions of their respective divisions. Orders issued by the Deputy Chiefs of Naval Operations in performing the duties assigned them are considered as coming from the Chief of Naval Operations.

"§ 5037. Assistant Chiefs of Naval Operations: detail; duties

"(a) There are in the Office of the Chief of Naval Operations not more than three Assistant Chiefs of Naval Operations, detailed by the Secretary of the Navy from officers on the active-duty list in the line of the Navy and officers on the active-duty list of the Marine Corps.

"(b) The Assistant Chiefs of Naval Operations shall perform such duties as the Secretary of the Navy prescribes.".

(b) CONFORMING AMENDMENTS.—The tables of chapters at the beginning of subtitle C and at the beginning of part I of such subtitle are each amended by striking out the items relating to chapter 509 and inserting in lieu thereof the following new item:

"505. Office of the Chief of Naval Operations..... 5031".

(c) EFFECTIVE DATE.—The limitations provided for in section 5031(d) of title 10, United States Code (as amended by subsection (a)(2) of this section), shall be effective after September 30, 1988.

SEC. 303. HEADQUARTERS, MARINE CORPS

(a) IN GENERAL.—Chapter 515 is amended to read as follows:

"CHAPTER 515—HEADQUARTERS, MARINE CORPS

"Sec.
"5201. Headquarters, Marine Corps.
"5202. Headquarters, Marine Corps: general duties.
"5203. Commandant of the Marine Corps: appointment; term of office; powers and duties.
"5204. Assistant Commandant of the Marine Corps: appointment; powers and duties; succession to duties of Commandant.

"§ 5201. Headquarters, Marine Corps

"(a) There is in the executive part of the Department of the Navy a Headquarters, Marine Corps, to assist the Secretary of the Navy in carrying out his responsibilities.

"(b) The Headquarters, Marine Corps, shall consist of the following:

"(1) The Commandant of the Marine Corps.

"(2) The Assistant Commandant of the Marine Corps.

"(3) The Chief of Staff of the Marine Corps.

"(4) Not more than four Deputy Chiefs of Staff, as prescribed by the Secretary of the Navy.

"(5) Not more than three Assistant Chiefs of Staff, as prescribed by the Secretary of the Navy.

"(6) Other members of the Navy and Marine Corps assigned or detailed to the Headquarters, Marine Corps.

"(7) Civilians in the Department of the Navy assigned or detailed to the Headquarters, Marine Corps.

"(c) Except as otherwise specifically prescribed by law, the Headquarters, Marine Corps, shall be organized in such manner, and its members shall perform such duties and have such titles, as the Secretary of the Navy may prescribe.

"(d)(1) The total number of military and civilian personnel assigned or detailed to permanent duty in the Headquarters, Marine Corps, shall not exceed 428. Such limitation does not apply in time of war or during a national emergency declared by Congress.

"(2) Not more than 325 officers of the Marine Corps and Navy may be assigned or detailed to permanent duty in the Headquarters, Marine Corps. However, such limitation does not apply in time of war or during a national emergency declared by Congress, or whenever the President finds that it is in the national interest to increase the number of officers in the Headquarters, Marine Corps.

"§ 5202. Headquarters, Marine Corps: general duties

"(a) The Headquarters, Marine Corps, shall furnish professional assistance to the Secretary, the Under Secretary, and the Assistant Secretaries of the Navy, and the Commandant of the Marine Corps.

"(b) Under the authority, direction, and control of the Secretary of the Navy, the Headquarters, Marine Corps, shall—

"(1) prepare for such employment of the Marine Corps, and for such recruiting, organizing, supplying, equipping (including research and development), training, servicing, mobilizing, demobilizing, administering, and maintaining of the Marine Corps, as will assist in the execution of any power, duty, or function of the Secretary or the Commandant;

"(2) investigate and report upon the efficiency of the Marine Corps and its preparation to support military operations by combatant commanders;

"(3) prepare detailed instructions for the execution of approved plans and supervise the execution of those plans and instructions;

"(4) act as agent of the Secretary and the Commandant in coordinating the action of all organizations of the Marine Corps; and

"(5) perform such other duties, not otherwise assigned by law, as may be prescribed by the Secretary.

"§ 5203. Commandant of the Marine Corps: appointment; term of office; powers and duties

"(a) There is a Commandant of the Marine Corps appointed by the President by and with the advice and consent of the Senate. The Commandant shall be appointed for a term of four years from officers on the active-duty list of the Marine Corps not below the grade of colonel. He serves at the pleasure of the President. In time of war or during a national emergency declared by Congress, he may be reappointed for a term of not more than four years.

"(b) The Commandant of the Marine Corps, while so serving, has the grade of general without vacating his regular or reserve grade.

"(c) An officer who is retired while serving as Commandant of the Marine Corps, or who, after serving at least two and one-half years as Commandant, is retired after completion of that service while serving in a lower grade than general, may, in the discretion of the President, be retired with the grade of general. The retired pay of such an officer shall be computed at the highest rates of basic pay applicable to him while he served in that office.

"(d) Except as otherwise prescribed by law and subject to section 5013(f) of this title, the Commandant performs his duties under the authority, direction, and control of the Secretary of the Navy and is directly responsible to the Secretary.

"(e) Subject to the authority, direction, and control of the Secretary of the Navy, the Commandant shall—

"(1) preside over the Headquarters, Marine Corps;

"(2) transmit the plans and recommendations of the Headquarters, Marine Corps, to the Secretary, and advise the Secretary with regard to such plans and recommendations;

"(3) after approval of the plans and recommendations of the Headquarters, Marine Corps, by the Secretary, act as the agent of the Secretary in carrying them into effect;

"(4) exercise supervision, consistent with the full operational command and other authority assigned to unified or specified combatant commanders under chapter 6 of this title, over such of the members and organizations of the Marine Corps and the Navy as the Secretary determines;

"(5) perform the duties prescribed for him by section 171 of this title and other provisions of law;

"(6) keep the Secretary fully informed on matters considered or acted upon by the Joint Chiefs of Staff; and

"(7) perform such other military duties, not otherwise assigned by law, as are assigned to him by the President, the Secre-

tary of Defense, or the Secretary of the Navy.

"(f) The Commandant shall also perform the duties prescribed for him as a member of the Joint Chiefs of Staff under section 151 of this title.

"§ 5204. Assistant Commandant of the Marine Corps: appointment; powers and duties; succession to duties of Commandant

"(a) There is an Assistant Commandant of the Marine Corps appointed by the President, by and with the advice and consent of the Senate, from officers on the active-duty list of the Marine Corps not restricted in the performance of duty.

"(b) The Assistant Commandant of the Marine Corps, while so serving, has the grade of general without vacating his regular or reserve grade.

"(c) The Assistant Commandant has such authority and duties with respect to the Marine Corps as the Commandant, with the approval of the Secretary of the Navy, may delegate to or prescribe for him. Orders issued by the Assistant Commandant in performing such duties have the same effect as those issued by the Commandant.

"(d) When there is a vacancy in the office of Commandant of the Marine Corps, or during the absence or disability of the Commandant—

"(1) the Assistant Commandant of the Marine Corps shall perform the duties of the Commandant until a successor is appointed or the absence or disability ceases; or

"(2) if there is a vacancy in the office of the Assistant Commandant of the Marine Corps or the Assistant Commandant is absent or disabled, unless the President directs otherwise, the most senior officer of the Marine Corps in the Headquarters, Marine Corps, who is not absent or disabled and who is not restricted in performance of duty shall perform the duties of the Commandant until a successor to the Commandant or the Assistant Commandant is appointed or until the absence or disability of the Commandant or Assistant Commandant ceases, whichever occurs first.".

(b) CONFORMING AMENDMENTS.—The tables of chapters at the beginning of subtitle C and at the beginning of part I of such subtitle are each amended by striking out the item relating to chapter 515 and inserting in lieu thereof the following:

"515. Headquarters, Marine Corps ..... 5201".

(c) EFFECTIVE DATE.—The limitations provided for in section 5201(d) of title 10, United States Code (as amended by subsection (a) of this section), shall be effective after September 30, 1988.

SEC. 304. COMPOSITION OF THE DEPARTMENT OF THE NAVY

(a) IN GENERAL.—Part I of subtitle C is amended by inserting after chapter 515 the following new chapter:

"CHAPTER 518—COMPOSITION OF THE DEPARTMENT OF THE NAVY

"Sec.
"5241. Department of the Navy: composition.
"5242. United States Navy: composition; functions.
"5243. United States Marine Corps: composition; functions.

"§ 5241. Department of the Navy: composition

"The Department of the Navy is composed of the following:

"(1) The Office of the Secretary of the Navy.

"(2) The Office of the Chief of Naval Operations.

"(3) The Headquarters, Marine Corps.

"(4) The entire operating forces, including naval aviation, of the United States Navy and of the United States Marine Corps, and the reserve components of those operating forces.

"(5) All field activities, headquarters, forces, bases, installations, activities, and functions under the control or supervision of the Secretary of the Navy.

"(6) The United States Coast Guard when it is operating as a service in the Navy.

"§ 5242. United States Navy: composition; functions

"(a) The Navy, within the Department of the Navy, includes, in general, naval combat and service forces and such aviation as may be organic therein. The Navy shall be organized, trained, and equipped primarily for prompt and sustained combat incident to operations at sea. It is responsible for the preparation of naval forces necessary for the effective prosecution of war except as otherwise assigned and is generally responsible for naval reconnaissance, antisubmarine warfare, and protection of shipping.

"(b) All naval aviation shall be integrated with the naval service as part thereof within the Department of the Navy. Naval aviation consists of combat and service and training forces, and includes land-based naval aviation, air transport essential for naval operations, all air weapons and air techniques involved in the operations and activities of the Navy, and the entire remainder of the aeronautical organization of the Navy, together with the personnel necessary therefor.

"(c) The Navy shall develop aircraft, weapons, tactics, technique, organization, and equipment of naval combat and service elements. Matters of joint concern as to these functions shall be coordinated between the Army, the Air Force, and the Navy.

"(d) The Navy is responsible, in accordance with integrated joint mobilization plans, for the expansion of the peacetime components of the Navy to meet the needs of war.

"§ 5243. United States Marine Corps: composition; functions

"(a) The Marine Corps, within the Department of the Navy, shall be so organized as to include not less than three combat divisions and three air wings, and such other land combat, aviation, and other services as may be organic therein. The Marine Corps shall be organized, trained, and equipped to provide fleet marine forces of combined arms, together with supporting air components, for service with the fleet in the seizure or defense of advanced naval bases and for the conduct of such land operations as may be essential to the prosecution of a naval campaign. In addition, the Marine Corps shall provide detachments and organizations for service on armed vessels of the Navy, shall provide security detachments for the protection of naval property at naval stations and bases, and shall perform such other duties as the President may direct. However, these additional duties may not detract from or interfere with the operations for which the Marine Corps is primarily organized.

"(b) The Marine Corps shall develop, in coordination with the Army and the Air Force, those phases of amphibious operations that pertain to the tactics, technique, and equipment used by landing forces.

"(c) The Marine Corps is responsible, in accordance with integrated joint mobilization plans, for the expansion of peacetime components of the Marine Corps to meet the needs of war.".

(b) CONFORMING AMENDMENTS.—The tables of chapters at the beginning of subtitle C and at the beginning of part I of such subtitle are each amended by inserting after the item relating to chapter 515 the following new item:

"518. Composition of the Department of the Navy ..... 5241".

TITLE IV—AIR FORCE

SEC. 401. DEPARTMENT OF THE AIR FORCE

(a) IN GENERAL.—(1) Chapter 803 is amended by striking out sections 8012, 8013, and 8014 and inserting in lieu thereof the following:

"§ 8013. Secretary of the Air Force: appointment; powers and duties; delegation authority

"(a) There is a Secretary of the Air Force appointed from civilian life by the President, by and with the advice and consent of the Senate. The Secretary is the head of the Department of the Air Force. A person may not be appointed as Secretary of the Air Force within five years after relief from active duty as a commissioned officer of a regular component of an armed force.

"(b) Subject to the authority, direction, and control of the Secretary of Defense and the provisions of chapter 6 of this title, the Secretary of the Air Force is responsible for and has the authority necessary to conduct all affairs of the Department of the Air Force, including the following:

"(1) Recruiting.
"(2) Organizing.
"(3) Supplying.
"(4) Equipping (including research and development).
"(5) Training.
"(6) Servicing.
"(7) Mobilizing.
"(8) Demobilizing.
"(9) Administering.
"(10) Maintaining.
"(11) The construction, outfitting, and repair of military equipment.
"(12) The construction, maintenance, and repair of buildings, structures, and utilities and the acquisition of real property and interests therein necessary to carry out the responsibilities specified in clauses (1) through (11).

"(c) Subject to the authority, direction, and control of the Secretary of Defense, the Secretary of the Air Force is also responsible to the Secretary of Defense for—

"(1) the functioning and efficiency of the Department of the Air Force;

"(2) the formulation of policies and programs by the Department of the Air Force that are fully consistent with national security objectives and policies established by the President or the Secretary of Defense;

"(3) the effective and timely implementation of policy, program, and budget decisions and instructions of the President or the Secretary of Defense relating to the functions of the Department of the Air Force;

"(4) carrying out the functions of the Department of the Air Force so as to fulfill (to the maximum extent practicable) the current and future operational requirements of the unified and specified combatant commands;

"(5) effective cooperation and coordination between the Department of the Air Force and the other military departments and agencies of the Department of Defense to provide for more effective, efficient, and

economical administration and to eliminate duplication;

"(6) the presentation and justification of the positions of the Department of the Air Force on the plans, programs, and policies of the Department of Defense; and

"(7) the effective supervision and control of the intelligence activities of the Department of the Air Force.

"(d) The Secretary of the Air Force is also responsible for such other activities as may be prescribed by law, the President, or the Secretary of Defense.

"(e) After first informing the Secretary of Defense, the Secretary of the Air Force may make such recommendations to Congress relating to the Department of Defense as he considers appropriate.

"(f) The Secretary of the Air Force may assign such of his functions, powers, and duties as he considers appropriate to the Under Secretary of the Air Force and to the Assistant Secretaries of the Air Force. Officers of the Air Force shall, as directed by the Secretary, report on any matter to the Secretary, the Under Secretary, or any Assistant Secretary.

"(g) The Secretary may assign, detail, and prescribe the duties of members of the Air Force and civilian personnel of the Department of the Air Force.

"(h) The Secretary may change the title of any officer or activity of the Department of the Air Force not prescribed by law.

"(i) The Secretary may prescribe regulations to carry out his functions, powers, and duties under this title.

"§ 8014. Office of the Secretary of the Air Force

"(a) There is in the Department of the Air Force an Office of the Secretary of the Air Force to assist the Secretary in carrying out his responsibilities.

"(b) The Office of the Secretary of the Air Force shall consist of the following:

"(1) The Under Secretary of the Air Force.

"(2) The Assistant Secretaries of the Air Force.

"(3) The Inspector General of the Air Force.

"(4) The Air Reserve Forces Policy Committee.

"(5) Such other offices and officers as the Secretary of the Air Force may establish or designate.

"(c) The Secretary of the Air Force shall ensure that the Office of the Secretary of the Air Force does not duplicate specific functions for which the Secretary has assigned responsibility to the Air Staff.

"(d) The total number of military and civilian personnel assigned or detailed to permanent duty in the Office of the Secretary of the Air Force may not exceed 258. However, such limitation does not apply in time of war or during a national emergency declared by Congress.

"§ 8015. Under Secretary of the Air Force: appointment; powers and duties

"(a) There is an Under Secretary of the Air Force appointed from civilian life by the President, by and with the advice and consent of the Senate.

"(b) The Under Secretary shall perform such duties and exercise such powers as the Secretary of the Air Force may prescribe.

"§ 8016. Assistant Secretaries of the Air Force: appointment; powers and duties

"(a) There are three Assistant Secretaries of the Air Force in the Department of the Air Force. They shall be appointed from civilian life by the President, by and with the advice and consent of the Senate.

"(b)(1) The Assistant Secretaries shall perform such duties and exercise such powers as the Secretary of the Air Force may prescribe.

"(2) One of the Assistant Secretaries shall be the Assistant Secretary of the Air Force for Manpower and Reserve Affairs. He shall have as his principal duty the overall supervision of manpower and reserve component affairs of the Department of the Air Force.".

(2) Section 8017 is amended—

(A) in subsection (a), by striking out clause (2) and inserting in lieu thereof the following:

"(2) The Assistant Secretaries of the Air Force in the order prescribed by the Secretary of the Air Force and approved by the Secretary of Defense.".

(B) by striking out "(a)" at the beginning of such section; and

(C) by striking out subsection (b).

(3) Chapter 803 is further amended by striking out section 8019.

(4) Chapter 803 is further amended by inserting after section 8017 the following new section:

"§ 8018. Inspector General of the Air Force: detail; duties

"(a) There is in the Office of the Secretary of the Air Force an Inspector General of the Air Force who shall be detailed to such position by the Secretary of the Air Force from general officers of the Air Force. An officer may not be detailed to such position for a tour of duty of more than four years, except that the Secretary may extend such a tour of duty if he makes a special finding that the extension is necessary in the public interest.

"(b) The Inspector General, when directed by the Secretary or the Chief of Staff, shall inquire into and report upon the discipline, efficiency, and economy of the Air Force and shall perform any other duties prescribed by the Secretary or by the Chief of Staff.

"(c) The Inspector General shall periodically propose programs of inspections to the Secretary of the Air Force and shall recommend additional inspections and investigations as may appear appropriate.

"(d) The Inspector General shall have such deputies and assistants as the Secretary of the Air Force may prescribe. Each such deputy and assistant shall be an officer detailed by the Secretary to that position from the officers of the Air Force for a tour of duty of not more than four years, under a procedure prescribed by the Secretary.".

(5)(A) Section 8033 is redesignated as section 8019, is transferred to and made a part of chapter 803, and is inserted immediately after section 8018.

(B) Section 8019 (as redesignated by subparagraph (A)) is amended—

(i) in subsection (a)—

(I) by inserting "and the mobilization preparedness" after "reserve components"; and

(II) by striking out "Chief of Staff, and the Assistant Secretary responsible for reserve affairs" and inserting in lieu thereof "Secretary of the Air Force and the Chief of Staff";

(ii) in subsection (b), by inserting "and" after the semicolon in clause (2); and

(iii) by striking out the section heading and inserting in lieu thereof the following:

"§ 8019. Reserve components of Air Force: policies and regulations for government of; functions of National Guard Bureau with respect to Air National Guard".

(b) CONFORMING AMENDMENTS.—(1) Such chapter is further amended by redesignating sections 8010 and 8011 as sections 8011 and 8012, respectively.

(2) The table of sections at the beginning of such chapter is amended to read as follows:

"Sec.
"8011. Organization.
"8012. Department of the Air Force: seal.
"8013. Secretary of the Air Force: appointment; powers and duties; delegation authority.
"8014. Office of the Secretary of the Air Force.
"8015. Under Secretary of the Air Force: appointment; powers and duties.
"8016. Assistant Secretaries of the Air Force: appointment; powers and duties.
"8017. Secretary of the Air Force: successors to duties.
"8018. Inspector General of the Air Force: detail; duties.
"8019. Reserve components of Air Force: policies and regulations for government of; functions of National Guard Bureau with respect to Air National Guard.".

(c) EFFECTIVE DATE.—The limitation provided for in section 8014(d) of title 10, United States Code (as amended by subsection (a)(1) of this section), shall be effective after September 30, 1988.

SEC. 402. THE AIR STAFF

(a) COMPOSITION OF THE AIR STAFF.—Section 8031 is amended to read as follows:

"§ 8031. The Air Staff: composition; assignment and detail of members of Air Force and civilians

"(a) There is in the executive part of the Department of the Air Force an Air Staff to assist the Secretary of the Air Force in carrying out his responsibilities.

"(b) The Air Staff shall consist of the following:

"(1) The Chief of Staff.

"(2) The Vice Chief of Staff.

"(3) Not more than four Deputy Chiefs of Staff, as prescribed by the Secretary of the Air Force.

"(4) Not more than three Assistant Chiefs of Staff, as prescribed by the Secretary.

"(5) The Surgeon General of the Air Force.

"(6) The Judge Advocate General of the Air Force.

"(7) The Chief of the Air Force Reserve.

"(8) Other members of the Air Force assigned or detailed to the Air Staff.

"(9) Civilians in the Department of the Air Force assigned or detailed to the Air Staff.

"(c) Except as otherwise specifically prescribed by law, the Air Staff shall be organized in such manner, and its members shall perform such duties and have such titles, as the Secretary may prescribe.

"(d)(1) The total number of military and civilian personnel assigned or detailed to permanent duty to the Air Staff may not exceed 2,354. Such limitation does not apply in time of war or during a national emergency declared by Congress.

"(2) Not more than 1,575 officers of the Air Force may be assigned or detailed to permanent duty in the Office of the Secretary of the Air Force and the Air Staff. However, such limitation does not apply in time of war or during a national emergency declared by Congress, or whenever the President finds that it is in the national interest to increase the number of officers in

the Office of the Secretary of the Air Force and the Air Staff.".

(b) THE AIR STAFF: GENERAL DUTIES.—Section 8032 is amended—

(1) in subsection (a), by inserting "of the Air Force" after "Chief of Staff";

(2) in subsection (b)—

(A) by striking out "The" at the beginning of the subsection and inserting in lieu thereof "Under the authority, direction, and control of the Secretary of the Air Force, the";

(B) by striking out ", training, serving, mobilizing, and demobilizing" in clause (1) and inserting in lieu thereof "(including research and development), training, servicing, mobilizing, demobilizing, administering, and maintaining"; and

(C) by striking out "for military operations" in clause (2) and inserting in lieu thereof "to support military operations by combatant commands"; and

(3) by striking out the section heading and inserting in lieu thereof the following:

"§ 8032. The Air Staff: general duties".

(c) CHIEF OF STAFF.—Section 8034 is redesignated as section 8033 and (as redesignated) is amended—

(1) in subsection (a)—

(A) by striking out "The Chief of Staff shall be" and inserting in lieu thereof "There is a Chief of Staff of the Air Force"; and

(B) by striking out "national emergency declared by the Congress after December 31, 1968" and inserting in lieu thereof "during a national emergency declared by Congress";

(2) by striking out subsections (c) and (d) and inserting in lieu thereof the following:

"(c) Except as otherwise prescribed by law and subject to section 8013(f) of this title, the Chief of Staff performs his duties under the authority, direction, and control of the Secretary of the Air Force and is directly responsible to the Secretary.

"(d) Subject to the authority, direction, and control of the Secretary of the Air Force, the Chief of Staff shall—

"(1) preside over the Air Staff;

"(2) transmit the plans and recommendations of the Air Staff to the Secretary and advise the Secretary with regard to such plans and recommendations;

"(3) after approval of the plans or recommendations of the Air Staff by the Secretary, act as the agent of the Secretary in carrying them into effect;

"(4) exercise supervision, consistent with the full operational command and other authority assigned to unified or specified combatant commanders under chapter 6 of this title, over such of the members and organizations of the Air Force as the Secretary determines;

"(5) perform the duties prescribed for him by section 171 of this title and other provisions of law;

"(6) keep the Secretary fully informed on matters considered or acted upon by the Joint Chiefs of Staff; and

"(7) perform such other military duties, not otherwise assigned by law, as are assigned to him by the President, the Secretary of Defense, or the Secretary of the Air Force.

"(e) The Chief of Staff shall also perform the duties prescribed for him as a member of the Joint Chiefs of Staff under section 151 of this title."; and

(3) by striking out the section heading and inserting in lieu thereof the following:

"§ 8033. Chief of Staff: appointment; term of office; powers and duties".

(d) VICE CHIEF OF STAFF.—Section 8035 is redesignated as section 8034 and (as redesignated) is amended—

(1) by striking out subsections (a) and (b) and inserting in lieu thereof the following:

"(a) There is a Vice Chief of Staff of the Air Force appointed by the President, by and with the advice and consent of the Senate, from the general officers of the Air Force.

"(b) The Vice Chief of Staff of the Air Force, while so serving, has the grade of general without vacating his regular or reserve grade.";

(2) by striking out subsection (c);

(3) by redesignating subsection (d) as subsection (c);

(4) by inserting after subsection (c) (as redesignated by clause (3)) the following new subsection:

"(d) When there is a vacancy in the office of Chief of Staff or during the absence or disability of the Chief of Staff—

"(1) the Vice Chief of Staff shall perform the duties of the Chief of Staff until a successor is appointed or the absence or disability ceases; or

"(2) if there is a vacancy in the office of the Vice Chief of Staff or the Vice Chief of Staff is absent or disabled, unless the President directs otherwise, the most senior officer of the Air Force in the Air Staff who is not absent or disabled and who is not restricted in performance of duty shall perform the duties of the Chief of Staff until a successor to the Chief of Staff or the Vice Chief of Staff is appointed or until the absence or disability of the Chief of Staff or Vice Chief of Staff ceases, whichever occurs first."; and

(5) striking out the section heading and inserting in lieu thereof the following new heading:

"§ 8034. Vice Chief of Staff: appointment; powers and duties; succession to duties of Chief of Staff".

(e) DEPUTY CHIEFS OF STAFF.—Chapter 805 is further amended by inserting after section 8034 the following new section:

"§ 8035. Deputy Chiefs of Staff and Assistant Chiefs of Staff: detail

"The Deputy Chiefs of Staff and the Assistant Chiefs of Staff shall be general officers detailed to those positions.".

(f) JUDGE ADVOCATE GENERAL, DEPUTY JUDGE ADVOCATE GENERAL.—Section 8072 is redesignated as section 8037, is transferred to and made a part of chapter 805, and is inserted immediately after section 8036.

(g) OFFICE OF THE AIR FORCE RESERVE.—Chapter 805 is further amended by inserting after section 8037 (as redesignated by subsection (f) of this section) the following new section:

"§ 8038. Office of Air Force Reserve: appointment of Chief

"(a) There is in the executive part of the Department of the Air Force an Office of Air Force Reserve which is headed by a chief who is the adviser to the Chief of Staff, on Air Force Reserve matters.

"(b) The President, by and with the advice and consent of the Senate, shall appoint the Chief of Air Force Reserve from officers of the Air Force Reserve not on active duty, or on active duty under section 265 of this title, who—

"(1) have had at least 10 years of commissioned service in the Air Force;

"(2) are in grade of brigadier general and above; and

"(3) have been recommended by the Secretary of the Air Force.

"(c) The Chief of Air Force Reserve holds office for four years, but may be removed for cause at any time. He is eligible to succeed himself. If he holds a lower reserve grade, he shall be appointed in the grade of major general for service in the Air Force Reserve.".

(h) CONFORMING AMENDMENTS.—(1) The table of sections at the beginning of chapter 805 is amended to read as follows:

"Sec.
"8031. The Air Staff: composition; assignment and detail of members of Air Force and civilians.
"8032. The Air Staff: general duties.
"8033. Chief of Staff: appointment; term of office; powers and duties.
"8034. Vice Chief of Staff: appointment; powers and duties; succession to duties of Chief of Staff.
"8035. Deputy Chiefs of Staff and Assistant Chiefs of Staff: detail.
"8036. Surgeon General: appointment; grade.
"8037. Judge Advocate General, Deputy Judge Advocate General: appointment; duties.
"8038. Office of Air Force Reserve: appointment of Chief.".

(2) The section heading for section 8036 is amended by striking out the comma after "appointment" and inserting in lieu thereof a semicolon.

(3) The table of sections at the beginning of chapter 807 is amended by striking out the item relating to section 8072.

(i) EFFECTIVE DATE.—The limitations provided for in section 8031(d) of title 10, United States Code (as amended by subsection (a) of this section), shall be effective after September 30, 1988.

SEC. 403. COMMANDS

Section 8074(a) is amended by striking out "The" and inserting in lieu thereof "Except as otherwise prescribed by law or the Secretary of Defense, the".

TITLE V—GENERAL PROVISIONS AND EFFECTIVE DATE

SEC. 501. REDUCTION IN PERSONNEL ASSIGNED TO MANAGEMENT HEADQUARTERS ACTIVITIES

(a) IN GENERAL.—(1) Not later than September 30, 1988, the Secretary of Defense shall reduce the total number of military and civilian personnel assigned or detailed to permanent duty in the military departments and in the unified and specified combatant commands to perform management headquarters activities or management headquarters support activities by a number that is at least 10 percent of the total number of personnel assigned or detailed to perform such activities on September 30, 1985.

(2) In computing and in making the reduction required under paragraph (1), the Secretary of Defense shall exclude personnel in the Office of the Secretary of the Army, the Army Staff, the Office of the Secretary of the Navy, the Office of the Chief of Naval Operations, the Headquarters, Marine Corps, the Office of the Secretary of the Air Force, and the Air Staff who are assigned or detailed to permanent duty to perform management headquarters activities or management headquarters support activities.

(b) ALLOCATION OF REDUCTIONS TO BE MADE BY THE SECRETARY OF DEFENSE.—(1) The Secretary of Defense shall allocate the reductions required under subsection (a)

among management headquarters activities and management headquarters support activities in a manner consistent with the efficient operation of the Department of Defense.

(2) The Secretary shall also consolidate and eliminate unnecessary management headquarters activities and management headquarters support activities.

(c) PROHIBITION AGAINST CERTAIN ACTIONS TO ACHIEVE REDUCTIONS.—The personnel reduction required by subsection (a) may not be accomplished by recategorizing or redefining duties, functions, offices, or organizations.

(d) AUTHORITY OF COMBATANT COMMANDERS WITH REGARD TO REDUCTIONS.—In the case of a reduction under this section made applicable by the Secretary of Defense to a unified or specified combatant command, the commander of that command, after consultation with the commanders of commands directly subordinated to the commander of the combatant command, shall determine the manner in which the reduction shall be accomplished.

(e) PROHIBITION ON FUTURE INCREASE.—After September 30, 1988, the number of civilian and military personnel assigned to perform activities described in subsection (a) may not be increased above a number that is 10 percent less than the number of such personnel assigned or detailed to perform such activities on September 30, 1985. The limitation provided in this subsection shall not apply in time of war or during a national emergency declared by Congress.

(f) DEFINITIONS.—For purposes of this section, the terms "management headquarters activities" and "management headquarters support activities" have the same meanings prescribed for such terms in Department of Defense Directive 5100.73 entitled "Department of Defense Management Headquarters and Headquarters Support Activities," dated January 7, 1985.

SEC. 502. ANNUAL REPORT ON NATIONAL SECURITY STRATEGY

(a) REPORT REQUIREMENT.—The President shall submit to the Committees on Armed Services and Foreign Relations of the Senate and the Committees on Armed Services and Foreign Affairs of the House of Representatives each year a comprehensive written report on the national security strategy of the United States. The President shall submit such report on the same date each year on which he submits the budget to Congress pursuant to section 1105 of title 31, United States Code.

(b) CONTENTS OF REPORT.—The report referred to in subsection (a) shall include—

(1) a comprehensive discussion of the vital interests, goals, and objectives of the United States throughout the world;

(2) a coordinated and comprehensive description of the foreign policy, worldwide commitments, and national defense capabilities of the United States necessary to deter aggression and to implement the national security strategy of the United States;

(3) a discussion of the proposed short-term and long-term uses of the political, economic, military, and other elements of the national power of the United States to protect or promote the interests and achieve the goals and objectives referred to in clause (1);

(4) a discussion of the adequacy of the capabilities of the United States to carry out the national security strategy of the United States, including an evaluation of the balance among the capabilities of all elements of the national power of the United States to support the implementation of the national security strategy; and

(5) such other pertinent information as may be necessary to help inform Congress on matters relating to the overall foreign policy strategy and military strategy of the United States.

(c) The report referred to in subsection (a) shall be submitted in a classified and an unclassified form.

SEC. 503. WAIVER OF CERTAIN REPORTING, NOTIFICATION, AND STUDY REQUIREMENTS

(a) IN GENERAL.—Except as provided in subsection (b), effective on January 1, 1987, any provision of law contained in title 10, United States Code, title 37, United States Code, or in any other provision of law contained in any Act authorizing appropriations to or for the Department of Defense or in any Act making appropriations to or for the Department of Defense that requires the President or any official or employee of the Department of Defense to submit in writing any report, notification, or study to Congress or to any committee of Congress shall not be effective to the extent that such provision requires the submission in writing of such report, notification, or study.

(b) EXCEPTIONS.—Subsection (a) of this section shall not apply to any provision of law enacted on or after the date of enactment of this Act or to any provision of law that requires the submission of the following reports, notifications, and studies:

(1) The annual reports, statements, and recommendations required by section 133(c) of title 10, United States Code, relating to the accomplishments of the Department of Defense.

(2) The annual report required by section 133(e) of such title, relating to foreign policy, major military missions, and military force structure.

(3) The reports required by subsection (b)(5) of section 139 of such title (as redesignated by section 104(6) of this Act) and the annual report required by subsection (g) of such section, relating to operational test and evaluation activities.

(4) The annual report required by section 142 of such title (as redesignated by section 104(1) of this Act), relating to North Atlantic Treaty Organization readiness.

(5) The reports required by section 1464(c) of such title, relating to the status of the Department of Defense Military Retirement Fund.

(6) The annual report required by section 2208(k) of such title, relating to the condition and operation of working-capital funds.

(7) The notifications required by section 2233a(a)(1) of such title, relating to expenditures and contributions for acquisition of facilities for reserve components.

(8) The notifications required by section 2304(c)(7) of such title, relating to the use of procurement procedures other than competitive procedures.

(9) The notifications required by section 2306(h)(3) of such title, relating to cancellation ceilings in certain multiyear contracts.

(10) The annual report required by section 2313(d)(4) of such title, relating to subpoenas issued by the Director of the Defense Contract Audit Agency to obtain contractor records.

(11) The annual report required by section 2349 of such title, relating to North Atlantic Treaty Organization acquisition and cross-servicing agreements.

(12) The semiannual report required by section 2357 of such title, relating to contracts in excess of $50,000 entered into by the military departments for research and development.

(13) The notifications required by section 2394(b)(2) of such title, relating to contracts for energy or fuel.

(14) The annual report required by section 2397(e) of such title, relating to the names of certain employees and former employees of defense contractors.

(15) The notifications required by clauses (B) and (C) of section 2401(b)(1) of such title, the cost analyses required by section 2401(e)(1) of such title, and the reports required by section 2401(e)(2) of such title, all relating to the long-term lease or charter of vessels and aircraft by the military departments.

(16) The notifications required by subsection (e)(1) of section 2403 of such title and the annual report required by subsection (e)(2) of such section, relating to waivers of certain requirements for contractor guarantees.

(17) The notifications required by paragraphs (1) and (2) of section 2407(d) of such title, relating to certain contracts awarded by the Department of Defense in connection with NATO cooperative agreements.

(18) The annual report required by section 2457(d) of such title, relating to the policy to standardize equipment, ammunition, and fuel procured for the use of United States military forces stationed in Europe under the North Atlantic Treaty.

(19) The reports required by subsection (a) or (e) of section 2662 of such title and the annual report required by subsection (b) of such section, relating to certain real property transactions.

(20) The proposals referred to in section 2667a(b)(1) of such title, relating to sale and replacement of nonexcess real property.

(21) The notifications required by section 2672(b) of such title, relating to acquisitions of interests in land for more than $100,000.

(22) The notifications required by section 2676(d) of such title, relating to reductions in scope and increases in cost of a land acquisition.

(23) The notifications and submissions required by section 2687(b) of such title, relating to base closures and realignments.

(24) The annual report required by section 2779(b)(4) of such title, relating to the use of funds appropriated for the elimination of certain losses caused by fluctuations in currency exchange rates of foreign countries.

(25) The reports required by section 2780 of such title (as redesignated by section 104(2) of this Act), relating to sales or transfers of certain defense articles.

(26) The reports required by section 2803(b) of such title, relating to emergency military construction projects carried out under section 2803 of such title.

(27) The reports required by section 2804(b) of such title, relating to military construction projects not authorized by law.

(28) The notifications required by paragraphs (2) and (3) of section 2805(b) of such title, relating to minor construction in connection with certain relocations of activities from one installation to another.

(29) The reports required by section 2806(c)(2) of such title, relating to contributions for North Atlantic Treaty Organization Infrastructure.

(30) The notifications required by subsection (b) of section 2807 of such title and the reports required by subsection (c) of such section, relating to architectural and engineering services and construction design in connection with military construction or military family housing projects.

(31) The notifications required by section 2808(b) of such title, relating to military construction projects in the event of a declaration of war or national emergency.

(32) The justifications and economic analyses required by section 2809(a)(4) of such title, relating to long-term contracts for the construction, management, and operation of certain facilities.

(33) The notifications and justifications required by section 2823(b) of such title, relating to disagreements on the availability of suitable alternative housing at locations in the United States where family housing is proposed to be constructed.

(34) The notifications required by section 2827(b) of such title, relating to relocation of military family housing units.

(35) The economic analyses required by section 2828(g)(6)(A) of such title, relating to leasing military family housing facilities.

(36) The notifications required by section 2834(b) of such title, relating to agreements with the Secretary of State for the use of Department of State housing and related services by Department of Defense personnel.

(37) The notifications required by subsections (d) and (e) of section 2853 of such title, relating to reductions in the scope of work or increases in the cost of military construction projects.

(38) The notifications required by section 2854(b) of such title, relating to repair, restoration, or replacement of damaged or destroyed military facilities.

(39) The annual request required by section 2859 of such title, relating to military construction authorizations.

(40) The annual report required by section 2861(a) of such title, relating to military construction activities and military family housing activities.

(41) The annual report required by section 2871(c)(3) of such title (as redesignated by section 104(8) of this Act), relating to military and civilian personnel end strength levels, certain other manpower requirements, base structures, and certain requirements for and information on officers.

(42) The annual report required by section 2871(d)(2) of such title (as redesignated by section 104(8) of this Act), relating to average student training loads.

(43) The annual report required by section 2871(e) of such title (as redesignated by section 104(8) of this Act), relating to operations and maintenance.

(44)(A) The annual and supplemental reports required by section 2872 of such title (as redesignated by section 104(9) of this Act), relating to weapons development and procurement schedules, including the matter required by section 53(b) of the Arms Export Control Act (95 Stat. 1524; 22 U.S.C. 2795b(b)) to be included in such annual reports.

(B) The notifications in lieu of such supplemental reports under subsection (b) of such section 2872.

(45) The Selected Acquisition Reports required by section 2873 of such title (as redesignated by section 104(10) of this Act).

(46) The notifications required by subsection (d)(3) of section 2874 of such title (as redesignated by section 104(11) of this Act) and reports required by subsection (e) of such section, relating to increases in program acquisition unit costs and procurement unit costs of certain major defense acquisition programs.

(47) The notifications required by section 7307(b)(2) of such title, relating to the disposition of naval vessels to foreign nations.

(48) The quarterly report required by section 7434 of title 10, United States Code, relating to the production from the naval petroleum reserve.

(49) The annual report required by section 406(i) of title 37, United States Code, relating to dependents accompanying members of the Armed Forces stationed outside the United States.

(50) The statements and quarterly report required by subsections (c) and (e) of section 709 of the Department of Defense Appropriation Authorization Act, 1975 (88 Stat. 408; 50 U.S.C. App. 2403-1(e)), relating to the export of certain goods, technology, and industrial techniques.

(51) The notifications, summaries, certifications, and reports required by subsections (a), (b), and (c) of section 502 of the Department of Defense Authorization Act, 1981 (10 U.S.C. 2304 note), relating to conversion of performance of commercial and other type functions from Department of Defense personnel to private contractors.

(52) The notifications required by section 1201(c) of the Department of Defense Authorization Act, 1984 (Public Law 98-94; 97 Stat. 678), relating to transfers of amounts of authorizations.

(53) The reports and assessments required by section 1231 of the Department of Defense Authorization Act, 1984 (Public Law 98-94; 97 Stat. 693), relating to certain intercontinental ballistic missile systems.

(54) The reports required by section 307(b)(3) of the Department of Defense Authorization Act, 1985 (98 Stat. 2515; 10 U.S.C. 2304 note), relating to waivers of a prohibition on contracting out certain logistics activities.

(55) The annual report required by section 1002(d)(1) of the Department of Defense Authorization Act, 1985 (98 Stat. 2575; 22 U.S.C. 1928 note), relating to the supply of munitions and certain aircraft facilities in support of the North Atlantic Treaty Organization.

(56) The annual report required by section 1002(d)(2) of the Department of Defense Authorization Act, 1985 (98 Stat. 2575; 22 U.S.C. 1928 note), relating to the status and cost of the United States commitment to the North Atlantic Treaty Organization and certain activities of other NATO members.

(57) The annual reports required by subsections (c) and (d) of section 1003 of the Department of Defense Authorization Act, 1985 (98 Stat. 2576; 22 U.S.C. 1928 note), relating to allied contributions to the common defense.

(58) The annual report required by section 1102 of the Department of Defense Authorization Act, 1985 (98 Stat. 2580; 10 U.S.C. 2872 note (formerly 10 U.S.C. 139 note)), relating to the Strategic Defense Initiative and any other antiballistic missile defense program.

(59) The notifications required by section 1501(c) of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2626), relating to transfers of amounts of authorizations.

(60) The reports required by section 1536(g) of the Department of Defense Authorization Act, 1985 (98 Stat. 2633; 46 U.S.C. 1120 note), relating to the Commission on Merchant Marine and Defense.

(61) The certification required by section 125(a)(1) of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 601), relating to any new contract for the procurement of 5-ton trucks.

(62) The legislative environmental impact statement required by section 209(c) of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 610), relating to full-scale development of a small intercontinental ballistic missile or the selection of basing areas for the deployment of such missile.

(63) The certification required by section 222 of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 613), relating to termination of a prohibition of deployment of a strategic defense system.

(64) The reports required by section 223 of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 613), relating to the Strategic Defense Initiative.

(65) The quarterly reports required by section 502(c) of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 621), relating to the obligation of funds appropriated for civilian personnel.

(66) The report required by section 1002 of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 705), relating to Soviet compliance with arms control commitments.

(67) The annual report required by section 1221(d)(2) of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 727), relating to a research program to support the polygraph activities of the Department of Defense.

(68) The annual reports required by section 1407 of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 745), relating to unobligated balances in appropriation accounts.

(69)(A) The certifications required by subsections (b) and (c)(2) of section 1411 of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 745), relating to the procurement or assembly of binary chemical weapons.

(B) The report required by subsection (e) of such section, relating to consultations among NATO member nations concerning NATO's chemical deterrent posture.

(70) The annual reports required by section 704 of the Military Construction Authorization Act, 1982 (Public Law 97-99; 95 Stat. 1377), relating to contracts for construction in the United States and its possessions.

(71) The economic analyses required by section 802(d)(1) of the Military Construction Authorization Act, 1984 (97 Stat. 784; 10 U.S.C. 2821 note), relating to proposed military housing rental guarantee agreements.

(72) The notifications required by section 803(b)(2) of the Military Construction Authorization Act, 1984 (97 Stat. 785; 10 U.S.C. 2821 note), relating to waivers of a requirement to use manufactured or factory-built housing fabricated in the United States by a United States contractor for military family housing construction in foreign countries.

(73) The report required by section 840(d) of the Military Construction Authorization Act, 1986 (Public Law 99-167; 99 Stat. 998), relating to the sale of land at Fort Jackson, South Carolina.

(74) The notifications required by the proviso in section 8005(m) of the Department of Defense Appropriations Act, 1985 (as contained in section 101(h) of the Joint Resolution entitled "Joint Resolution making continuing appropriations for fiscal year 1985, and for other purposes", approved October 12, 1984 (Public Law 98-473; 98 Stat. 1923)), relating to unusual cost overruns incident to overhaul, maintenance, and repair for certain ships.

(75) The annual report required by section 8104(b) of the Department of Defense Appropriations Act, 1985 (as contained in section 101(h) of the Joint Resolution entitled "Joint Resolution making continuing appropriations for fiscal year 1985, and for other purposes", approved October 12, 1984 (Public Law 98-473; 98 Stat. 1942; 10 U.S.C. 2872 note (formerly 10 U.S.C. 139 note))), relating to consultations with members of common defense alliances concerning Strategic Defense Initiative research.

(76) The notifications required by section 8020 or 8021 of the Department of Defense Appropriations Act, 1986 (as contained in section 101(b) of the Joint Resolution entitled "Joint Resolution making further continuing appropriations for the fiscal year 1986, and for other purposes", approved December 19, 1985 (Public Law 99-190; 99 Stat. 1206)), relating to transfers of working capital funds.

(77) The notifications required by section 8021 of the Department of Defense Appropriations Act, 1986 (as contained in section 101(b) of the Joint Resolution entitled "Joint Resolution making further continuing appropriations for the fiscal year 1986, and for other purposes", approved December 19, 1985 (Public Law 99-190; 99 Stat. 1206)), relating to the obligation of working capital funds to procure war reserve material inventory.

(78) The notifications required by section 8042 of the Department of Defense Appropriations Act, 1986 (as contained in section 101(b)) of the Joint Resolution entitled "Joint Resolution making further continuing appropriations for the fiscal year 1986, and for other purposes", approved December 19, 1985 (Public Law 99-190; 99 Stat. 1210), relating to the availability of appropriated funds for intelligence or special activities different from activities justified to the Congress.

(79) The notification required by section 8075 of the Department of Defense Appropriations Act, 1986 (as contained in section 101(b) of the Joint Resolution entitled "Joint Resolution making further continuing appropriations for the fiscal year 1986, and for other purposes", approved December 19, 1985 (Public Law 99-190; 99 Stat. 1214), relating to the acquisition of certain types of weapons, subsystems, and munitions of European NATO manufacture.

(80) The certification required by section 8097 of the Department of Defense Appropriations Act, 1986 (as contained in section 101(b) of the Joint Resolution entitled "Joint Resolution making further continuing appropriations for the fiscal year 1986, and for other purposes", approved December 19, 1985 (Public Law 99-190; 99 Stat. 1219)), relating to the obligation or expenditure of funds to carry out a test of the Space Defense System (anti-satellite weapon) against an object in space.

(81) The annual report required by the third proviso in the undesignated paragraph under the heading "FOREIGN CURRENCY FLUCTUATION, CONSTRUCTION, DEFENSE" in the Military Construction Appropriation Act, 1980 (Public Law 96-130; 93 Stat. 1019), relating to transfers of appropriated funds to eliminate losses in military construction or expenses of family housing caused by fluctuations in foreign currency exchange rates of foreign countries.

(82) The reports required by section 125(a) of the Military Construction Appropriations Act, 1985 (as contained in section 101(e) of the Joint Resolution entitled "Joint Resolution making continuing appropriations for fiscal year 1985, and for other purposes", approved October 12, 1984 (Public Law 98-473; 98 Stat. 1883)), relating to terminations of a prohibition on the availability of appropriated military construction funds to foreign governments ineligible to receive such funds by reason of inadequate drug control measures.

(83)(A) The semiannual report required by section 5(b) of the Inspector General Act of 1978 (5 U.S.C. App. 3), relating to activities of the Inspector General of the Department of Defense.

(B) The reports required by section 5(d) of such Act (5 U.S.C. App. 3), relating to particular cases of problems, abuses, or deficiencies which have come to the attention of the Inspector General of the Department of Defense.

(C) The statements required by paragraphs (3) and (4) of section 8(b) of such Act (5 U.S.C. App. 3), relating to the exercise of certain authority of the Secretary of Defense with respect to the activities of the Inspector General of the Department of Defense.

(84) The requirement to furnish information and to report to Congress concerning intelligence activities as provided in subsections (a) and (b) of section 501 of the National Security Act of 1947 (50 U.S.C. 413).

(c) CHANGE FROM QUARTERLY TO ANNUAL REPORT.—Section 406(1) of title 37, United States Code, is amended—

(1) by striking out "quarter" in the matter preceding clause (1); and

(2) by striking out "quarter" in clauses (1) and (2) and inserting in lieu thereof "fiscal year".

SEC. 504. EFFECTIVE DATE

Except as otherwise provided in this Act, the provisions of this Act and the amendments made by this Act shall take effect on such date or dates as the Secretary of Defense may specify, but in no event may the effective date for any provision or amendment be later than 180 days following the date of the enactment of this Act.

□ 1750

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. GOLDWATER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TITLE AMENDMENT

Mr. GOLDWATER. Mr. President, I send an amendment to the desk to amend the title of the bill and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. COHEN). The amendment will be stated.

The assistant legislative clerk read as follows:

Amend the title of the bill so as to read:

"To amend title 10, United States Code, to reorganize and strengthen certain elements of the Department of Defense, to improve the military advice provided the President, the National Security Council, and the Secretary of Defense, to enhance the effectiveness of military operations, to increase attention to the formulation of strategy and to contingency planning, to provide for the more efficient use of resources, to strengthen civilian authority in the Department of Defense, and for other purposes."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, I thank the distinguished chairman of the Armed Services Committee, Senator GOLDWATER, and the distinguished ranking minority member, Senator NUNN, Senator WARNER, and others who have been very active on this matter during the period——

The PRESIDING OFFICER. The Senator will suspend. The Senate is not in order. Senators talking please remove themselves from the Chamber.

The majority leader is recognized.

Mr. DOLE. Mr. President, as I have indicated in my statement, I certainly thank all Members. This is a tremendous undertaking. It has only taken about 7 hours and 10 minutes. There were two rollcall votes. Eleven amendments were considered. Seven were agreed to. Three were withdrawn. There was a point of order made against one amendment.

Again, I thank the managers of the bill.

ORDER FOR INDEFINITE POSTPONEMENT

Mr. DOLE. I ask unanimous consent that S. 2295 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I have indicated there will be no more rollcall votes this evening. It is my hope that we can begin at least preliminary work on S. 1923. I understand there is no objection to that.

We will be back on this bill tomorrow. If we can complete action on this bill fairly early tomorrow we will then go to the drug export bill and beyond that Thursday afternoon, Friday, I think the Senator from Ohio said it will take probably 2 or 3 days. He will let us proceed to the bill unless there is someone else who objects to proceeding to the bill. But he indicates he does have a number of amendments and he would like to discuss it for a day of two before there is any effort to invoke cloture.

I have sort of loosely agreed to that general understanding.

Mr. BYRD. Mr. President, will the distinguished majority leader yield?

Mr. DOLE. I am happy to yield.

Mr. BYRD. It is indicated the Senate will be in Friday. Can the distinguished majority leader say definitely whether or not the Senate will be in on Friday, and if so, will there be rollcall votes?

Mr. DOLE. It is my intention to be in on Friday. I cannot say for certain there will be rollcall votes. I say the Senator from Ohio or someone else

may decide to discuss the bill at length on Friday. I do intend to have a session of the Senate on Friday.

Mr. BYRD. The Senator does. What will he have up on Friday?

Mr. DOLE. Unless something happens that I cannot anticipate, it will be the drug export bill, S. 1848.

Mr. BYRD. Could the distinguished majority leader give assurance that if the Senate is in on Friday there will be no rollcall votes?

Mr. DOLE. I cannot do that yet. I may be able to by tomorrow, if we can work out some arrangement with the Senator from Ohio and others who are interested, Senator HATCH, Senator METZENBAUM, and Senator KENNEDY. There are a number of Senators on each side. Most of them are for the legislation. There may be some agreement by tomorrow.

Mr. BYRD. Very well. Could we then return to the subject in the morning, perhaps, and give our colleagues on both sides of the aisle assurance one way or the other? If we are going to have rollcall votes, let them know tomorrow. Tomorrow is Thursday. And if not, we can let them know.

Mr. DOLE. I can say at this time to all my colleagues that we intend to be in session on Friday and we intend to do business on Friday.

I am reminded I promised the chairman of the Banking Committee we would take up the Federal Deposit Insurance Act, S. 2231. That is another matter where there is bipartisan interest. It may be it can be disposed of without a rollcall vote. I would not want to have votes just to have votes to punish any Members who might be absent. So maybe I can check with the chairman of that committee and with Senator HATCH, the chairman of the committee handling drug exports.

Mr. BYRD. Mr. President, I thank the distinguished majority leader, if we could in the morning give assurance one way or another.

Mr. DOLE. I also suggest from the distinguished minority leader with reference to the Shcharansky matter. That is in process and has been for the last couple days of trying to poll that matter out of the committee. I have discussed with the distinguished Senator from Utah, Senator GARN, the chairman of the Banking Committee, and he has been in contact with the author of the legislation, Senator LAUTENBERG.

Mr. BYRD. I thank the distinguished majority leader.

Mr. President, if I could say to the distinguished majority leader, it would seem to me we should be able to get unanimous consent on this new bill or new joint resolution, whatever will be called up and taken up and adopted here, without having to discharge the committee or having to have the committee report out any measure. We do that all the time with measures certainly of this nature or of other natures, and sometimes matters of an entirely different nature. But it seems to me we ought to be able to get unanimous consent to not only adopt the concurrent resolution that has come over from the House of Representatives which provides for a ceremony under the rotunda honoring Shcharanskys, but also at the same time presenting the Shcharanskys with a congressional gold medal.

Mr. DOLE. I would indicate the chairman of the committee certainly is trying to be cooperative. I think he just wants to check with Members to see if any will object. I do not believe he really cares how we proceed after that. But I will check with him.

Mr. LAUTENBERG. Will the majority leader yield?

Mr. DOLE. Yes.

Mr. LAUTENBERG. We are ready to go with that right now. We do not need any further review or polling, if that is acceptable to do right here on the floor.

Mr. BYRD. Whatever the distinguished majority leader wishes, if he further discusses the matter with Senators on his side of the aisle, we will be happy to cooperate.

Mr. DOLE. I will do it first thing in the morning. Let me talk with the chairman of the Banking Committee. He indicated to me just 10 minutes ago he was in the process of polling Members. He did not know of any objection. He certainly had none. I think he wanted to complete that. I think he has agreed with the Senator from New Jersey it is a good idea and he wants to support it.

Mr. BYRD. Yes. I think that is a very reasonable position on the part of the chairman.

Mr. LAUTENBERG. I thank the Senator.

Mr. BYRD. Mr. President, I thank the majority leader and I yield the floor.

ADDITIONAL BANKRUPTCY JUDGES

Mr. THURMOND. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar No. 588, S. 1923, the bankruptcy judges bill.

The PRESIDING OFFICER. (Mr. EAST). The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1923) to provide for additional bankruptcy judges.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause and insert the following:

That (a) there shall be appointed, pursuant to section 152(a)(1) of title 28, United States Code, additional United States bankruptcy judges.

(b) To reflect the changes made by this section in the table of judges for each of the judicial districts, section 152(a)(2) of title 28, United States Code, is amended by striking the following:

"Arkansas:	
Eastern and Western	2
California:	
Northern	7
Eastern	4
Central	12
Florida:	
Middle	2
Georgia:	
Northern	4
Southern	1
Idaho	1
Illinois:	
Northern	8
Central	2
Iowa:	
Northern	1
Southern	1
Kentucky:	
Western	2
Maryland	2
Michigan:	
Western	2
Nebraska	1
Nevada	2
Oklahoma:	
Western	2
South Carolina	1
Tennessee:	
Eastern	2
Western	2
Texas:	
Northern	4
Southern	3
Western	2
Utah	2
Washington:	
Eastern	1"

and inserting in lieu thereof the following:

"Arkansas:	
Eastern and Western	3
California:	
Northern	8
Eastern	6
Central	17
Florida:	
Middle	4
Georgia:	
Northern	6
Southern	2
Idaho	2
Illinois:	
Northern	9
Central	3
Iowa:	
Northern	2
Southern	2
Kentucky:	
Western	3
Maryland	3
Michigan:	
Western	3
Nebraska	2
Nevada	3
Oklahoma:	
Western	3
South Carolina	2
Tennessee:	
Eastern	3
Western	3

Texas:	
Northern	5
Southern	5
Western	3
Utah	3
Washington:	
Eastern	2".

SEC. 2 HOMESTEAD PROTECTION.

Section 352(b)(1) of the Consolidated Farm and Rural Development Act (as added by section 1321 of the Food Security Act of 1985 (Public Law 99-198)) is amended by striking out "may" and inserting in lieu thereof "shall".

Mr. THURMOND. Mr. President, I ask unanimous consent that the committee substitute be agreed to and that the bill as thus amended be considered as original text for the purpose of further amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

□ 1800

Mr. THURMOND. Mr. President, today, we begin consideration of S. 1923, a bill to provide for additional bankruptcy judgeships in certain Federal districts.

During the last few years, bankruptcy filings have increased dramatically throughout the United States. There has been no corresponding increase in the creation of bankruptcy judgeships. Many districts have been overwhelmed by the sheer volume of bankruptcy cases that must be processed. The Bankruptcy Amendments and Federal Judgeship Act, which passed in the last Congress, did not provide for an increase in the number of bankruptcy judges. It did, however, provide a change in the way bankruptcy judgeships would be authorized. Previously, the Judicial Conference had regularly authorized bankruptcy judgeships, subject only to program oversight and the appropriations process by Congress. Now, Congress must authorize any additional bankruptcy positions.

In carrying out this responsibility, the Senate Committee on the Judiciary held a hearing in December 1985. There, the Judicial Conference of the United States, based on its biennial comprehensive survey on the conditions of business in the courts of the United States, recommended 48 new bankruptcy positions be authorized.

In assessing the need for additional bankruptcy judgeships, the conference adopted a basic threshold test of 1,800-2,000 total filings and 100 chapter 11 filings per judgeship as generally constituting sufficient business in a district to justify an additional position. Both prior to and at the executive meeting of the Senate Committee on the Judiciary, on February 20, 1986, several Senators voiced concerns regarding the criteria used by the Judicial Conference. The statistical standards used by the conference focused solely on input items, that is, items going into the bankruptcy system. No objective criteria were used to measure outflow, or what came of the bankruptcy system. The committee believed that the latter criteria should be included in any consideration used to recommend additional judgeships.

Further, in the course of its deliberation, the committee noted that several of the judgeships proposed by the Judicial Conference met neither of the two prongs of the administrative office standard. Consequently, a bipartisan ad hoc subcommittee chaired by Senator HATCH, joined by Senator DECONCINI and Senator MCCONNELL, was created to reexamine the original proposal. The subcommittee was charged with reviewing each recommendation to ensure that each proposed judgeship met the criteria used by the Judicial Conference. After seeking the advice of a number of leading and diverse figures associated with the bankruptcy practice, the subcommittee developed additional criteria from the raw data compiled by the administrative office. In combination with those used by the Judicial Conference, these criteria would constitute an objective measurement standard to reflect better the actual workload of a bankruptcy judge and the need for bankruptcy judgeships. The subcommittee also took into consideration unique or extraordinary need where appropriate.

Identifying those districts from the list proposed by the administrative office which displayed the clearest and most urgent need for adding bankruptcy positions was a difficult task. It was a close call on many of the proposals. Indeed, several of the judgeships that were not in the final recommendation met most of the criteria.

In light of all the factors and the priority attention now being given to budgetary constraints, the ad hoc subcommittee proposed, as an amendment in the nature of a substitute, the authorization of 34 additional bankruptcy judgeships. This recommendation was ordered reported favorably by a unanimous voice vote of the full committee on February 27, 1986.

I urge my colleagues to approve this legislation.

Mr. President, I send an amendment to the desk on behalf of Senator DENTON and ask that the reading be dispensed with and that Senator DENTON'S statement be printed in the RECORD as if read.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I send an amendment to the desk to be read and ask for its immediate consideration.

Mr. HEFLIN. Mr. President, I raise the point of order that there is one amendment now pending before the desk. Do we get one at a time or are we doing two together? I think Senator THURMOND just sent an amendment to the desk.

Mr. THURMOND. Mr. President, I would like to ask the Senator a question. I sent an amendment to the desk. Are you moving to amend my amendment?

Mr. GRASSLEY. Yes.

AMENDMENT NO. 1837

(Purpose: To amend title 11 of the United States Code, relating to bankruptcy, to prevent discharge of administratively ordered support obligations)

The PRESIDING OFFICER. The clerk will report the first amendment.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. THURMOND], on behalf of Mr. DENTON and Mr. SIMON, proposes an amendment numbered 1837.

The amendment reads as follows:

At an appropriate place in the bill, add the following:

"SEC. .

Section 523(a)(5) of title 11, United States Code, is amended by inserting after "or other order of a court of record or" the following: "any order, rule, or determination made pursuant to a State administrative process for obtaining and enforcing support orders, or".

AMENDMENT NO. 1838

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY] proposes an amendment numbered 1838 to amendment No. 1837.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

At the end of the pending amendment, add the following:

SEC. 2. (a) Title 11 of the United States Code is amended by inserting between chapters 11 and 13 the following new chapter:

"CHAPTER 12—FAMILY FARMER REORGANIZATION

"Sec.
"1201. Definitions.
"1202. Application of certain sections of this title.
"1203. Trustee.
"1204. Rights and powers of debtor.
"1205. Authorization to operate farming and other businesses.
"1206. Creditor's committee.
"1207. Powers and duties of a committee.
"1208. Right to be heard.
"1209. Removal of debtor as debtor in possession.
"1210. Conversion or dismissal.
"1211. Who may file a plan.
"1212. Contents of plan proposed by debtor.
"1213. Plan by party other than debtor, impairment of claims; postpetition disclosure and solicitation; acceptance.
"1214. Modification of plan.
"1215. Confirmation hearing.
"1216. Confirmation of a plan proposed by the debtor.
"1217. Confirmation of a plan by a party other than the debtor.
"1218. Limitations on confirmation.
"1219. Effect of confirmation.

"1220. Implementation of plan; distribution; exemption from securities laws.
"1221. Aircraft equipment and vessels.
"1222. Adequate protection.
"1223. Sales free of interests.
"1224. Claims and interests.
"1225. Emergency care of stock.

"§ 1201. Definitions

"For purposes of this chapter—

"(1) 'family farmer' means a person whose aggregate debts do not exceed $1,500,000 if not less than 80 percent of the aggregate noncontingent, liquidated amount of those debts, at the time the case commences, arise out of a farming operation owned or operated by such person and, if such person is a corporation—

"(A) more than half of the aggregate value of the outstanding equity securities of such corporation are held by one family or by one family and the relatives of the members of such family; and

"(B) if such corporation issues stock, such stock is not publicly traded;

except that such aggregate amount does not include a debt incurred for the acquisition or improvement of a principal residence of such person unless such debt arises out of a farming operation;

"(2) 'debtor' means family farmer; and

"(3) 'debtor in possession' means debtor except to the extent that the court orders otherwise.

"§ 1202. Application of certain sections of this title

"Provisions of sections of other chapters of this title shall apply to this chapter as provided by such section.

"§ 1203. Trustee

"(a) If the court has appointed an individual under section 1302(d) to serve as standing trustee in cases under chapter 13, and if such individual qualifies as a trustee under section 322 of this title, or if a trustee has been appointed pursuant to chapter 15, then such individual shall serve as trustee in any case filed under this chapter. Otherwise, the court shall appoint a person to serve as trustee in any case.

"(b) The trustee shall—

"(1) perform the duties specified in sections 704(2), 704(3), 704(5), 704(6), 704(7), 704(9), 1106(a)(3), and 1106(a)(4) of this title;

"(2) appear and be heard at any hearing that concerns—

"(A) the value of property subject to a lien;

"(B) confirmation of a plan;

"(C) modification of the plan after confirmation; or

"(D) the sale of property of the estate;

"(3) distribute any rental payments received pursuant to section 1222(b)(3) as determined by the court;

"(4) advise, other than on legal matters, and assist the debtor in performance under the plan;

"(5) ensure that the debtor commences making timely payments required by a confirmed plan; and

"(6) if the debtor ceases to be a debtor in possession, perform the duties specified in section 704(8) and section 1106(a).

"(c) If the number of cases under this chapter commenced in a particular judicial district so warrants, the court may appoint one or more individuals to serve as standing trustee for such district in cases under chapter 13 or, in appropriate cases, appoint a trustee under chapter 15.

"(d) The compensation for individuals appointed under subsection (a) shall be authorized and limited by section 1302(e) and the percentage fee provided in section 1302(e)(1)(B) for cases under this chapter shall not exceed three percent of payments made under the plan of such debtor, with respect to payments made after the aggregate amount of payments made under the plan exceeds $450,000.

"§ 1204. Rights and powers of debtor

"(a) Subject to any limitations on a trustee serving in a case under the chapter, or a case under chapter 11, and to such limitations or conditions as the court prescribes, a debtor in possession shall have all the rights, other than the right to compensation under section 330, and powers, and shall perform all the functions and duties, except the duties specified in paragraphs (3) and (4) of section 1106(a), of a trustee serving in a case under chapter 11.

"(b) A debtor in possession shall perform the duties of the trustee specified in section 704(8).

"(c) Notwithstanding section 327(a), a person is not disqualified for employment under section 327 by a debtor in possession solely because of such person's employment by or representation of the debtor before the commencement of the case.

"§ 1205. Authorization to operate farming and other businesses

"(a) Unless the court, on request of a party in interest and after notice and a hearing orders otherwise, the debtor in possession may operate the debtor's farming and other businesses.

"(b) If the debtor ceases to be a debtor in possession, the trustee may operate the debtor's farming and other businesses unless the court, on request of a party in interest and after notice and a hearing, orders otherwise.

"§ 1206. Creditor's Committee

"(a) On request of three creditors holding unsecured claims, the court may order the appointment of a committee on unsecured creditors, except that if a United States trustee had been appointed pursuant to chapter 15, such United States trustee shall appoint the committee of such creditors.

"(b)(1) A committee of creditors appointed under subsection (a) shall ordinarily consist of the persons willing to serve that hold the five largest unsecured claims against the debtor.

"(2) On request of a party in interest and after a hearing, the court may change the membership or size of a committee appointed under subsection (a) if the membership of the committee is not representative of the different kinds of claims or interests represented.

"§ 1207. Powers and duties of a committee

"(a) At the scheduled meeting of a committee appointed under section 1206 at which a majority of the members of such committee are present, with the court's approval, the committee may select and authorize the employment, by the committee, of an attorney. If the debtor's financial records have not been adequately maintained, or the debtor's financial affairs are deemed by the court to be unduly complex, the committee may select and authorize the employment, by the committee, of an accountant.

"(b) An attorney or an accountant employed pursuant to subsection (a) may not, while employed by the committee, represent any other entity in connection with the case.

"(c) A committee appointed under section 1206 may—

"(1) consult with the debtor in possession of the case;

"(2) investigate the acts, conduct, assets, liabilities, and financial condition of the debtor, the operation of his farming and other businesses, the means required to maintain the farming or other business, and any other matter relevant to the case or to the formulation of a plan;

"(3) participate in the formulation of a plan, advise those represented by the committee of the committee's determinations as to any plan formulated, and collect and file with the court acceptances of a plan;

"(4) request the dismissal of the case if there is no possibility of a feasible plan being accepted or if the debtor fails to comply with final orders of the court;

"(5) request that the debtor not be a debtor in possession; and

"(6) perform such other services as are in the interest of those represented.

"(d) As soon as practicable, after the appointment of a committee under section 1206, the debtor and the trustee shall meet with the committee to transact such business as is necessary and proper.

"§ 1208. Right to be heard

"(a) A party in interest, including the debtor, the trustee, a creditor's committee, a creditor, or any indenture trustee, may raise and may appear and be heard on any issue in a case under this chapter.

"(b) The Department of Agriculture, the Attorney General, or the director or similar chief officer of the agricultural department or agency of any State in which property of the debtor is located, may raise, and appear and be heard on, any issue in a case under this chapter, but may not appeal from any judgment, order, or decree entered in the case.

§ 1209. Removal of a debtor as debtor in possession

"(a) On request of a party in interest, and after notice and a hearing, the court shall order that the debtor shall not be a debtor in possession—

"(1) for cause, including fraud, dishonesty, incompetence, or gross mismanagement of the affairs of the debtor, either before or after the commencement of the case, or similar cause; or

"(2) if it is not in the best interest of creditors for the debtor to be a debtor in possession.

"(b) On request of a party in interest, and after notice and a hearing, the court may reinstate the debtor in possession.

"§ 1210. Conversion or dismissal

"(a) The debtor may convert a case under this chapter to a case under chapter 7 at any time. Any waiver of, or attempt to waive, such right to convert a case under this subsection is unenforceable.

"(b) If a person, in good faith, files a petition for relief under this chapter, but is not a family farmer, such person may convert the case to a case under chapter 7, 11, or 13 if such person may be a debtor under the chapter to which the case is being converted.

"(c) If a person files a petition for relief under this chapter, but is not a family farmer, on request of a party in interest, and after notice and a hearing, the court may convert the case to a case under chapter 7 unless such person is a farmer or a corporation which is not a moneyed business or commercial corporation, or may dismiss the

case, whichever is in the best interest of creditors.

"(d) The court may not convert a case under this chapter to a case under chapter 7 of this title if the debtor is a family farmer.

"(e) On request of a party in interest, and after notice and a hearing, the court may dismiss a case under this chapter, for cause, including—

"(1) continuing loss to or diminution of the estate and absence of a reasonable likelihood of rehabilitation;

"(2) inability to effectuate a plan;

"(3) Unreasonable delay by the debtor that is prejudicial to creditors;

"(4) failure to propose a plan within any time fixed by the court;

"(5) denial of confirmation of every proposed plan and denial of a request made for additional time for filing another plan or a modification of a plan;

"(6) revocation of an order of confirmation under section 1144 of this title, and denial of conformation of another plan or a modified plan under section 1216 or 1217 of this title;

"(7) inability to effectuate substantial consummation of a confirmed plan;

"(8) material default by the debtor with respect to a confirmed plan;

"(9) occurrence of a condition specified in the plan other than completion of payments under the plan; or

"(10) nonpayment of any fee and charges required under chapter 123 of title 28.

"§ 1211. Who may file a plan

"(a) The debtor may file a plan with a petiton commencing a case, or at any time thereafter.

"(b) Except as otherwise provided in this section, only the debtor may file a plan until after 240 days after the date of the order for relief under this chapter.

"(c) Any party in interest, including the debtor, the trustee, a creditor's committee, a creditor, or any indenture trustee, may file a plan only if—

"(1) the debtor is not a debtor in possession;

"(2) the debtor has not filed a plan before 240 days after the date of the order for relief under this chapter; or

"(3) the debtor has not filed a plan that has been confirmed before 300 days after the date of the order for relief under this chapter.

"(d) On request of a party in interest made within the respective period specified in subsections (b) and (c), and after notice and a hearing, the court may, for cause, reduce or increase the 240-day period or the 300-day period referred to in this section.

"§ 1212. Contents of plan proposed by debtor

"(a) Notwithstanding any otherwise applicable provision of nonbankruptcy law, a plan proposed by a debtor shall—

"(1) designate, as provided in section 1122, classes of claims, other than claims of a kind specified in section 507(a)(1) or 507(a)(7) and classes of interests;

"(2) provide the same treatment for each claim or interest of a particular class, unless the holder of a particular claim or interest agrees to a less favorable treatment of such particular claim or interest;

"(3) provide adequate means for implementation of the plan such as—

"(A) retention by the debtor of all or any part of the property of the estate;

"(B) transfer of all or any part of the property of the estate to one or more entities, whether organized before or after the confirmation of such plan;

"(C) merge or consolidation of the debtor with one or more persons;

"(D) sale of all or any part of the property of the estate, either subject to or free of any lien, or the distribution of all or any part of the property of the estate among those having an interest in such property;

"(E) satisfaction or modification of any lien;

"(F) cancellation or modification of any indenture or similar instrument;

"(G) curing or waiving of any default;

"(H) extension of a maturity date or a change in interest rate or other term of outstanding securities;

"(I) amendment of the debtor's charter; or

"(J) issuance of securities of the debtor, or of any entity referred to in subparagraph (B) or (C) of this paragraph, for cash, for property, for existing securities, or in exchange for claims or interests, or for any other appropriate purpose; and

"(4) contain only provisions that are consistent with the interests of creditors and equity security holders and with public policy with respect to the manner of selection of any officer, director, or trustee under the plan and any successor to such officer, director, or trustee.

"(b) Subject to subsection (a) of this section, a plan proposed by a debtor may—

"(1) designate a class or classes of unsecured claims, as provided in section 1122 but may not discriminate unfairly against any class so designated, however, such plan may treat claims for a consumer debt of the debtor if an individual is liable on such consumer debt with the debtor differently than other unsecured claims;

"(2) modify the rights of holders of secured claims, or of holders of unsecured claims, or leave unaffected the rights of holders of any class of claims;

"(3) provide for the curing or waiving of any default;

"(4) provide for payments on any unsecured claim to be made concurrently with payments on any secured claim or any other unsecured claim;

"(5) provide for the curing of any default within a reasonable time and maintenance of payments;

"(6) subject to section 365, provide for the assumption, rejection, or assignment of any executory contract or unexpired lease of the debtor not previously rejected under such section;

"(7) provide for the payment of all or part of a claim against the debtor from property of the estate or property of the debtor;

"(8) provide for the sale of all or substantially all of the property of the estate, and the distribution of the proceeds of such sale among holders of claims or interests;

"(9) provide for the vesting of property of the estate, on confirmation of the plan or at a later time, in the debtor or in any other entity; and

"(10) include any other appropriate provision not inconsistent with this title

"§ 1213. Plan by a party other than the debtor; impairment of claims; postpetition disclosure and solicitation; acceptance

"(a) Sections 1123 and 1125 apply, as the court for cause may require, to plans proposed by a party in interest, including the debtor.

"(b) Section 1126 applies to plans proposed by a party in interest other than the debtor, except that for purposes of this chapter, the phrase 'that have accepted or rejected such plan' in subsection (c) and subsection (d) of such section shall not apply to this chapter.

"§ 1214. Modification of Plan

"(a) The proponent of a plan may modify such plan at any time before confirmation, but may not modify such plan so that such plan as modified fails to meet the requirements of—

"(1) section 1212 if the proponent is the debtor; or

"(2) sections 1122 and 1123 if the proponent is a party in interest other than the debtor.

After the proponent of a plan files a modification of such plan with the court, the plan as modified becomes the plan.

"(b) At any time after confirmation but before the completion of payments under a plan proposed by the debtor, the plan may be modified by the debtor to—

"(1) increase or reduce the amount of payments on claims of a particular class provided for by the plan;

"(2) extend or reduce the time for such payments; or

"(3) alter the amount of the distribution to a creditor whose claim is provided for by the plan to the extent necessary to take account of any payment of such claim other than under the plan.

Modifications under this subsection are subject to the requirements of section 1216 and the plan as modified becomes the plan unless, after notice and a hearing, such modification is disapproved.

"(c) The proponent of a plan, other than the debtor, may modify such plan at any time after confirmation of such plan and before substantial consummation, as defined in section 1101(2), of such plan, but may not modify such plan so that, as modified, such plan fails to meet the requirements of sections 1122 and 1123. Such plan as modified under this subsection becomes the plan only if circumstances warrant such modification and the court, after notice and a hearing, confirms such modified plan, in accordance with the requirements of section 1129(a). Any holder of a claim or interest that has accepted or rejected a plan is deemed to have accepted or rejected, as the case may be, a plan as modified, unless, within the time fixed by the court, such holder changes such holder's previous acceptance or rejection.

"(d) The proponent of a modification under subsection (c) shall comply with section 1125 with respect to the plan as modified, for any material modification.

"§ 1215. Confirmation hearing

"After notice, the court shall hold a hearing on confirmation of the plan. A party in interest may object to the confirmation of the plan.

"§ 1216. Confirmation of a plan proposed by the debtor

"(a) The court shall confirm a plan proposed by the debtor if—

"(1) the plan complies with the provisions of this chapter and with the other applicable provisions of this title;

"(2) any fee, charge, or amount required under chapter 123 of title 28, or by the plan, to be paid before confirmation, has been paid;

"(3) the plan has been proposed in good faith and not by any means forbidden by law;

"(4) any payment made or to be made by the debtor, or by a person issuing securities or acquiring property under the plan, for services or for costs and expenses in or in connection with the case, or in connection with the plan and incident to the case, has

been approved by, or is subject to the approval of, the court as reasonable;

"(5)(A)(i) the debtor has disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the plan, as a director, officer, or voting trustee of the debtor, an affiliate of the debtor participating in a joint plan with the debtor, or a successor to the debtor under the plan; and

"(ii) the appointment to, or continuance in, such office of such individual, is consistent with the interests of creditors and equity security holders and with public policy; and

"(B) the debtor has disclosed the identity of any insider who will be employed or retained by the reorganized debtor, and the nature of any compensation for such insider.

"(6) except to the extent that the holder of a particular claim has agreed to a different treatment of such claim, the plan provides—

"(A) for the full payment, in deferred cash payments, of all claims entitled to priority under section 507, except section 507(a)(7); and

"(B) with respect to a claim of a kind specified in section 507(a)(7), the holder of such claim will receive, on account of such claim, deferred cash payments, over a period not exceeding six years after the date of assessment of such claim, of a value, as of the effective date of the plan, equal to the allowed amount of such claim;

"(7) the value, as of the effective date of the plan, of property to be distributed under the plan, on account of each allowed unsecured claim, is not less than the amount that would be paid on such claim if the estate of the debtor were liquidated under chapter 7 of this title on such date;

"(8) with respect to each allowed secured claim provided for by the plan—

"(A) the holder of such claim has accepted the plan;

"(B)(i) the plan provides that the holder of such claim retain the lien securing such claim; and

"(ii) the value, as of the effective date of the plan, of property to be distributed under the plan on account of such claim, is not less than the allowed amount of such claim; or

"(C) the debtor surrenders the property securing such claim to such holder;

"(9) with respect to the holder of an interest provided for by the plan, the value, as of the effective date of the plan, of property to be distributed under the plan on account of such interest is not less than the lesser of—

"(A) the amount that would be paid on account of such interest if the estate of the debtor were liquidated under chapter 7 on such date; or

"(B) any fixed price at which the debtor, under the terms of any security representing such interest, may redeem such security from such holder;

"(10) the debtor will be able to make all payments under the plan, comply with the plan, and the plan complies with the provisions of section 1325(b) without reference to time period; and

"(11) confirmation of the plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the debtor or any successor to the debtor under the plan, unless such liquidation or reorganization is proposed in the plan.

"(b) After confirmation of a plan, the court may order any entity from whom the debtor receives income to pay all or any part of such income to the trustee.

"(c) Except as otherwise provided in the plan or in the order confirming the plan, the trustee shall make payments to creditors under the plan.

"§ 1217. Confirmation of a plan by a party other than the debtor

"The court shall confirm a plan proposed by a party in interest other than the debtor if the plan and the proponent meet the requirements of section 1129(a).

"§ 1218. Limitations on confirmation

"(a) The court may confirm only one plan, unless the order of confirmation in the case has been revoked under section 1144. If the requirements of sections 1216 and 1217 are met with respect to more than one plan, the court shall consider the preferences of the debtor, creditors, and equity security holders in determining which plan to confirm.

"(b) Notwithstanding any other provision of this chapter, on request of a party in interest that is a governmental unit, the court may not confirm a plan if the principal purpose of the plan is the avoidance of taxes or the avoidance of the application of section 5 of the Securities Act of 1933 (15 U.S.C. 77e). In any hearing under this subsection, the governmental unit has the burden of proof on the issue of avoidance.

"§ 1219. Effect of confirmation

"(a) Except as provided in subsections (d)(2) and (d)(3), the provisions of a confirmed plan bind the debtor, and entity issuing securities under the plan, any entity acquiring property under the plan, and any creditor, equity security holder, or general partner in the debtor, whether or not the claim or interest of such creditor, equity security holder, or general partner is impaired or provided for under the plan and whether or not such creditor, equity security holder, or general partner has objected to, has accepted, or has rejected the plan.

"(b) Except as otherwise provided in the plan or the order confirming the plan, the confirmation of a plan vests all of the property of the estate in the debtor.

"(c) Except as provided in paragraphs (2) and (3) of subsection (d), and except as otherwise provided in the plan or in the order confirming the plan, after confirmation of a plan, the property dealt with by the plan is free and clear of all claims and interests of creditors, equity security holders, and of general partners in the debtor.

"(d)(1) Except as otherwise provided in this subsection, in the plan, or in the order confirming the plan, the confirmation of a plan—

"(A) discharges the debtor from any debt that arose before the date of such confirmation, and any debt of a kind specified in section 502(g), 502(h), or 502(i) whether or not—

"(i) a proof of claim based on such debt is filed or deemed filed under section 501;

"(ii) such claim is allowed under section 502;

"(iii) the holder of such claim has accepted the plan; and

"(B) terminates all rights and interests of equity security holders and general partners provided for by the plan.

"(2) The confirmation of a plan does not discharge an individual debtor from any debt excepted from discharge under section 523.

"(3) The confirmation of a plan does not discharge a debtor if—

"(A) the plan provides for the liquidation of all or substantially all of the property of the estate;

"(B) the debtor does not engage in business after consummation of the plan; and

"(C) the debtor would be denied a discharge under section 727(a) of this title if the case were a case under chapter 7 of this title.

"(4) The court may approve a written waiver of discharge executed by the debtor after the order for relief under this chapter.

"§ 1220. Implementation of plan; distribution; exemption from securities laws

"Sections 1141, 1143, 1144, and 1145 shall apply to plans confirmed pursuant to sections 1216 ans 1217 of this title.

"§ 1221. Aircraft equipment and vessels

"Section 1110 shall apply to cases under this chapter.

"§ 1222. Adequate protection

"(a) Section 361 does not apply in a case under this chapter.

"(b) In a case under this chapter, when adequate protection is required under section 362, 363, or 364, such adequate protection may be provided by—

"(1) requiring the trustee to make a cash payment or periodic cash payments, to the extent that the stay under section 362, use, sale, or lease under section 363, or any grant of a lien under section 364 results in a decrease in the value of property securing a claim or of an entity's ownership interest in property;

"(2) providing an additional or replacement lien to the extent that such stay, use, sale, lease, or grant results in a decrease in the value of property securing a claim or of an entity's ownership interest in property;

"(3) paying to the trustee for the use of farmland the reasonable rent customary in the community where the property is located, based upon the rental value, net income, and earning capacity of the property; or

"(4) granting such other relief as will adequately protect the value of property securing a claim or of an entity's ownership interest in property.

"§ 1223. Sales free of interests

"In addition to the authorization contained in section 363(f), the trustee in a case under this chapter may sell property under section 363 (b) and (c) free and clear of any interest in such property of an entity other than the estate if the property is farmland or farm equipment.

"§ 1224. Claims and interests

"(a) A proof of claim or interest is deemed filed under section 501 for any claim or interest that appears in the schedules filed in a case under this chapter except a claim or interest that is scheduled as disputed, contingent, or unliquidated.

"(b) For purposes of voting and distribution in a case under this chapter, a claim, secured by a lien on property of the estate shall be allowed or disallowed under section 502 the same as if the holder of such claim had recourse against the debtor on account of such claim, whether or not such holder has such recourse.

"§ 1225. Emergency care of stock

"The court may authorize the obtaining of credit pursuant to section 364 for the case, including feeding of stock owned by, or in the possession of, a debtor without notice or a hearing where the court finds that credit is needed to obtain funds to care for stock, an emergency exists and that immediate and irreparable injury, loss, or damage, will result if authorization to obtain credit for the care of stock is delayed, and that it is in the best interests of the estate to

obtain credit and care for the stock. Notice shall be immediately given, by mail, to all creditors of entry of the order authorizing credit under this subsection and a copy of the order entered by the court hereunder shall be attached to the notice.".

(b) The table of chapters for title 11, United States Code, is amended by inserting between the items relating to chapter 11 and chapter 13 the following new item:

"12. Family Farmer Reorganization .. 1201"

SEC. 3. Section 103 of title 11, United States Code, is amended by—

(1) in subsection (a) by inserting "12," after "11,";

(2) by adding at the end thereof the following:

"(i) Chapter 12 of this title applies only in a case under such chapter.".

SEC. 4. Section 1930(a) of title 28, United States Code, is amended by inserting between paragraph (4) and the matter that follows such paragraph, the following:

"(5) For a case commenced under chapter 12 of title 11, $200.".

SEC. 5. Title 11, United States Code, is amended—

(1) in sections 327(c) and 347(b), by striking out "or 11" each place it appears and inserting in lieu thereof ", 11 or 12";

(2) in sections 329(b)(1)(B) and 363(1), by striking out "or 13" each place it appears and inserting in lieu thereof ", 12 or 13";

(3) in sections 362(c)(2)(C), 365(d)(2), 365(g)(1), 365(g)(2), and 502(g), by inserting "12," after "11," each place it appears;

(4) in section 326(b), by inserting "chapter 12 or" before "chapter 13";

(5) in section 328(a), by inserting "or section 1206" after "section 1102";

(6) in sections 328(a), 328(c), 330(a), and 331, by striking out "or 1103" each place it appears and inserting in lieu thereof "1103, or 1207";

(7) in section 328(c), by striking out "or 1107(b)" and inserting in lieu thereof "1107(b), or 1204(c)";

(8) in section 327(b), by striking out "or 1108" and inserting in lieu thereof "1108, or 1205";

(9) in sections 363(c)(1) and 364(a), by inserting "1205," after "1108," each place it appears;

(10) in sections 348(b), 348(c), and 348(e), by inserting "1210," after "1112," each place it appears;

(11) in section 348(d) and paragraphs (A) and (B) of section 365(g)(2), by inserting ", 1210," after "1112" each place it appears;

(12) in section 347(b), by striking out "or 1173" and inserting in lieu thereof "1173, 1216, or 1217";

(13) in sections 523(a), 524(a)(1), 524(c)(1), and 524(d), by inserting "1219," after "1141," each place it appears;

(14) in sections 322(a) and 546(a)(1), by inserting "1203," before "or 1302" each place it appears;

(15) in section 326(b) by inserting "section 1203(a) or" before "section 1302(a)";

(16) in section 348(b), by inserting "1211(b), 1211(c), 1219(d)(4), 1221," after "1146(b),";

(17) in section 706(a), by striking out "or 13" and inserting in lieu thereof ", 12, or 13";

(18) in section 1112(a), by inserting "or chapter 12" after "7"; and

(19) in section 1307(a), by inserting "or chapter 12" after "7".

SEC. 6. (a) This Act is an emergency measure and this Act and the amendments made by this Act shall apply with respect to cases commenced under title 11, United States Code, after the date of the enactment of this Act but before 5 years after such date.

(b) This Act and the amendments made by this Act shall be repealed on the date 5 years after the date of enactment of this Act.

Mr. GRASSLEY. Mr. President, I want to take just 1 minute here. I have a long statement but I am not going to put it in the RECORD.

I do wish to state my thanks to Senator THURMOND for taking the lead on this issue. I particularly want to thank the managers on the minority side of the aisle, particularly Senator DECONCINI and Senator HEFLIN, for their support of my amendment.

I ask unanimous consent that my statement be printed in the RECORD as if read on the floor of the Senate.

Mr. HEFLIN. Mr. President, reserving the right to object at this time, and I would suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Iowa has the floor.

Mr. HEFLIN. He asked for unanimous consent and I reserved the right to object. I thought I would discuss it with him.

The PRESIDING OFFICER. He does not lose his right to the floor by a unanimous-consent request.

Mr. HEFLIN. I object then.

Mr. THURMOND. Mr. President, prior to that, I sent my amendment to the desk. I understood from him then that he had an amendment to my amendment which would not necessarily require unanimous consent, as I understand it. He moved to amend my amendment, which he has a right to do, does he not?

The PRESIDING OFFICER. The Senator's request was to put a statement in the RECORD.

The Senator from Iowa has the floor.

Mr. THURMOND. Mr. President, I ask unanimous consent that the statement by Senator DENTON be placed——

The PRESIDING OFFICER. The Chair would like to inquire: Is the Senator from Iowa yielding the floor?

Mr. GRASSLEY. Could I ask a parliamentary inquiry? Could I give the right to the Senator from Utah to speak without yielding the floor?

The PRESIDING OFFICER. A unanimous-consent request would be in order to that effect.

Mr. GRASSLEY. I ask unanimous consent to do that.

The PRESIDING OFFICER. Is there objection?

Mr. HEFLIN. Reserving the right to object.

I think we would all be wise to just have a quorum call and discuss the thing. That is all I am trying to do. I think that is what is proper. If the Senator will yield to me to make the motion to suggest a quorum call, I think we can get this thing settled in a few minutes.

Mr. THURMOND. Mr. President, I ask unanimous consent that a statement by Senator DENTON on this matter be placed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DENTON. Mr. President, I rise today, along with my distinguished colleague from Illinois [Mr. SIMON] to introduce an amendment to S. 1923 which will amend the Bankruptcy Code to prevent the discharge of administratively ordered support obligations. The amendment would address the bankruptcy amendments contained in Public Law 98-353, and would fill a gap that currently permits discharge of certain spouse and child-support debts through a bankruptcy declaration. The amendment represents the substance of S. 1889 which the Senate approved by voice vote on March 11, 1986.

We enacted the Bankruptcy Amendments and Federal Judgeship Act, Public Law 98-353, in 1984. Section 454(b) of the act clarifies section 523(a)(5) of title 11, United States Code, to eliminate loopholes that formerly had allowed the discharge of spousal or child support debts through a judgment of bankruptcy.

Before the enactment of Public Law 98-353, only support debts created in separations, divorce decrees, or property settlements were protected from discharge by bankruptcy. The bankruptcy amendment extended the protection to debts established in other orders of a court of record, thereby preventing discharge in cases where a marriage has never taken place—that is, support awarded as a result of a court paternity determination.

Through inadvertence, however, the bankruptcy amendment did not contain a provision to protect support obligations established in State administrative proceedings.

Administrative proceedings are used by approximately 17 States to determine paternity suits and establish and enforce support obligations. Administrative proceedings have proved to be an effective and efficient procedure for resolving those disputes. It would be unfortunate if we were to prevent the States from using these procedures by denying protection from discharge by bankruptcy for administrative support judgments.

The efficient adjudication of paternity and support suits, and the enforcement of legally established support judgments, are of crucial importance to the economic health of our Nation. Senator SIMON and I have drawn the amendment to protect State administrative support judgments from discharge by bankruptcy, and thereby to encourage the States to resolve those suits as quickly as possible through efficient administrative forums. The amendment is strongly

endorsed by the Department of Health and Human Services.

I urge my colleagues to support this necessary amendment.

Thank you, Mr. President.

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. HEFLIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, I understand we are waiting for some resolution of the Denton-Simon amendment that has been amended again by the Senator from Iowa.

I ask unanimous consent, Mr. President, that we lay aside temporarily the pending amendment and the second degree amendment by the Senator from Iowa for the purpose of taking up the technical amendment which I will offer to the bill, and with the understanding under that unanimous consent that no amendments in the first degree or second degree be permitted in this amendment that I will offer.

The PRESIDING OFFICER. Is there objection?

Mr. HATCH. Reserving the right to object, Mr. President, if I ask the distinguished Senator from New Mexico just a couple of questions.

It is my understanding that the amendment of the Senator from Iowa will be temporarily laid aside for the purpose of technical amendments, then we would go immediately back to that, that no further second degree or any other amendments for that matter would be added under the technical amendments, and we would go right back to the amendment of the Senator from Iowa.

Mr. DECONCINI. The Senator from Utah is absolutely correct.

Mr. HATCH. I have an objection.

Mr. HEFLIN. I do not know whether we go with the Senator's definition of going immediately back. I want adequate time to review the Grassley amendment. We are in the process of reading it now. But other than that, I do not have any plans right now to do anything.

Mr. DECONCINI. Will the Senator yield? Maybe the Senator is concerned that the unanimous-consent request that I propounded might rule out a quorum call.

Mr. HEFLIN. I would want to go back to a quorum call.

Mr. DECONCINI. The Senator would.

Mr. HEFLIN. I would.

Mr. DECONCINI. The Senator would have no objection, of course.

Mr. HATCH. I have no objection as long as we take care of the technical amendments and then whatever statements have to be made, it is fine with me; then go back to the amendment of the Senator from Iowa.

Mr. DECONCINI. If the Senator will yield, I ask unanimous consent that the pending amendments be set aside temporarily so that the technical amendments from myself can be offered with no amendments thereto, and that we go back into a quorum call. Does that satisfy the Senator?

Mr. HATCH. We can go back after the quorum call to the Grassley amendment as the pending business.

Mr. DECONCINI. As the pending business subject to any Senator calling for a quorum call.

Mr. THURMOND. Mr. President, there is some question raised.

I suggest the absence of a quorum so the matter can be discussed.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

□ 1820

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I believe the distinguished Senator from Arizona has now cleared his amendment.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the pending amendment be temporarily set aside and the so-called technical amendment to be offered by the Senator from Arizona be the pending amendment. Then we will go back to the Grassley-Denton amendment.

The PRESIDING OFFICER. Is there objection?

Mr. GRASSLEY. Reserving the right to object. Without amendment?

Mr. DECONCINI. Without amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 1839

(Purpose: To amend title 11 of the United States Code to make technical amendments)

Mr. DECONCINI. Mr. President, I send a technical amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. DECONCINI] proposes an amendment numbered 1839.

Mr. DECONCINI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Insert at the appropriate place in the bill the following:

TITLE II—TECHNICAL CORRECTIONS

SEC. 201. (a) Section 101(33) of title 11, United States Code, is amended to read as follows:

"(33) 'person' includes individual, partnership, and corporation, but does not include governmental unit, provided, however, that effective as of October 1, 1979, any agency, department, or unit of the United States, or any corporation chartered by the United States, that acquires assets in a receivership capacity, or purchases, or otherwise acquires, assets from any entity shall be considered a person for purposes of section 1102 of this title.".

(b) Section 101(41)(A)(xv) of title 11, United States Code, is amended by striking out "secuity" and inserting in lieu thereof "security".

(c) Section 101(49) of title 11, United States Code, is amended by striking out the semicolon at the end thereof and inserting in lieu thereof a period.

SEC. 202. (a) Section 303(b) of title 11, United States Code, is amended by striking out "subject on" and inserting in lieu thereof "subject of".

(b) Section 303(c) of title 11, United States Code, is amended by inserting "as to liability or the subject of a bona fide dispute" after "contingent."

(c) Section 303(h)(1) of title 11, United States Code, is amended by striking out "that".

SEC. 203. Section 346(j)(7) of title 11, United States Code, is amended by striking out "owned" and inserting in lieu thereof "owed".

SEC. 204. Section 362(b) of title 11, United States Code, as redesignated by section 392(a) of Public Law No. 98-353, is amended—

(1) in paragraph (6) by striking out "financial institution," each place it appears and inserting in lieu thereof ", financial institutions";

(2) striking "or" after the semicolon in the first paragraph (9);

(3) striking out "9" in the second paragraph (9), and "(10)" in paragraph (10) and inserting in lieu thereof "(10)" and "(11)", respectively, and

(4) in paragraph (10) as redesignated, by striking out the period at the end thereof and inserting in lieu thereof "; or".

SEC. 205. (a) Section 363(a) of title 11, United States Code, is amended by inserting "or their cash equivalents" after "property".

(b) Section 363 of title 11, United States Code, is amended by striking out "value" and inserting in lieu thereof "amount".

SEC. 206. (a) Section 365(c) of title 11, United States Code, is amended by—

(1) striking "or an assignee of such contract or" lease" in subparagraph (1)(A); and

(2) in paragraph (3) by—

(A) inserting "is" after "lease"; and

(B) inserting "and" after "property".

(b) Subparagraph (2)(A)(i) of section 365(e) of title 11, United States Code, is amended by striking out "the trustee or to an assignee of such contract or lease" and inserting in lieu thereof "an entity other than the debtor or debtor in possession".

(c) Paragraph (1) of section 365(h) of title 11, United States Code, is amended by inserting "or timeshare plan" after "lease" the fourth place it appears.

(d) Section 365(m) of title 11, United States Code, is amended by striking out "362(b)(9)" and inserting in lieu thereof "362(b)(10)".

SEC. 207. Section 502(b)(6)(A)(ii) of title 11, United States Code, is amended by striking out "reposessed" and inserting in lieu thereof "repossessed".

SEC. 208. Section 502(i) of title 11, United States Code, is amended by striking out "507(a)(6)" and inserting in lieu thereof "507(a)(7)".

SEC. 209. Section 503(b) of title 11, United States Code, is amended—

(1) in subparagraph (1)(B) by striking out "507(a)(6)" and inserting in lieu thereof "507(a)(7)".

(2) in paragraph (5) by inserting "and" after the semicolon; and

(3) in paragraph (6) by striking out "; and" and inserting in lieu thereof a period.

SEC. 210. Section 507(d) of title 11, United States Code, is amended by striking out "or (a)(6)" and inserting in lieu thereof "(a)(6) or (a)(7)".

SEC. 211. (a) Section 452 of the Bankruptcy Amendments and Federal Judgeship Act of 1984 (Public Law 98-353), amending section 521(3) of title 11, United States Code, is repealed.

(b) Section 521(4) of title 11, United States Code, is amended by inserting ", whether or not immunity is granted under section 344 of this title" after "estate" the second place it appears.

SEC. 212. (a) Section 522(h)(1) of title 11, United States Code, is amended by striking out "tittle" and inserting in lieu thereof "title".

(b) Section 522 (c)(2)(A) of title 11, United States Code, is amended by * * *

SEC. 213. Section 522(i)(2) of title 11, United States Code, is amended by striking out "his" and inserting in lieu thereof "this".

SEC. 214. Section 523(a) of title 11, United States Code, is amended—

(1) in subparagraph (1)(A) by striking out "507(a)(6)" and inserting in lieu thereof "507(a)(7)"; and

(2) by redesignating the second paragraph (9) as paragraph (10).

SEC. 215. Section 523(b) of title 11, United States Code, is amended by striking out "Services" and inserting in lieu thereof "Service".

SEC. 216. (a) Section 524(c)(6)(B) of title 11, United States Code, is amended by inserting "business debt or" before "consumer".

(b) Section 524(d)(2) of title 11, United States Code, is amended by striking out "subsection" the second place it appears and inserting in lieu thereof "section".

SEC. 217. Paragraph (3) of section 544(a) of title 11, United States Code, is amended by striking out "transfer" the second place it appears and inserting in lieu thereof "purchaser's interest".

SEC. 218. Section 546(e) of title 11, United States Code, is amended by inserting a comma after "stockbroker".

SEC. 219. Section 547(b)(4)(B) of title 11, United States Code, is amended by inserting "and" after the semicolon.

SEC. 220. Section 548(d)(2)(B) of title 11, United States Code, is amended by striking out "financial institution," and inserting in lieu thereof ", financial institution".

SEC. 221. (a) Paragraphs (3), (4), and (5) of section 464(a) of the Bankruptcy Amendments and Federal Judgeship Act of 1984 (Public Law 98-353), amending section 549(a) of title 11, United States Code, are repealed.

(b) Section 549(b) of title 11, United States Code, is amended by—

(1) striking out "of" after "to the extent"; and

(2) inserting "is" after "commencement of the case,".

SEC. 221A. Section 553(a)(1) of title 11, United States Code, is amended by striking out "other" through "title" at the end thereof.

SEC. 222. Section 554(c) of title 11, United States Code, is amended by—

(1) striking out "521(a)(1)" and inserting in lieu thereof "521(1)"; and

(2) striking out "to the debtor" after "abandoned".

SEC. 223. The items relating to sections 557, 558, and 559 in the table of sections for subchapter III of chapter 5 of title 11, United States Code, are amended to read as follows:

"557. Expedited determination of interests in, and abandonment or other disposition of grain assets.
"558. Defenses of the estate.
"559. Contractual right to liquidate a repurchase agreement.".

SEC. 224. Section 724(b)(2) of title 11, United States Code, is amended by—

(1) striking out "or"; and

(2) inserting ", or 507(a)(6)" after "507(a)(5)".

SEC. 225. Section 726(b) of title 11, United States Code, is amended by striking out "or (6)" and inserting in lieu thereof "(6) or (7)".

SEC. 225A. Section 743 of title 11, United States Code, is amended by striking out "(d)".

SEC. 226. Section 1121(d) of title 11, United States Code, is amended by striking out "subsection" and inserting in lieu thereof "subsections (b) and".

SEC. 227. Section 1129(a) of title 11, United States Code, is amended—

(1) in paragraph (7) by striking out "of" the first time it appears;

(2) in subparagraph (9)(B) by striking out "or 507(a)" the first time it appears and inserting in lieu thereof "507(a)(5) or 507(a)(6)"; and

(3) in paragraph (9)(C) by striking out "(6)" and inserting in lieu thereof "(7)".

SEC. 228. (a) Section 525(b)(1) of the Bankruptcy Amendments and Federal Judgeship Act of 1954 (Public Law 98-353) amending section 1302(e)(4) of title 11, United States Code, is repealed.

(b) Section 1302(b)(1) of title 11, United States Code, is amended by striking out "704(3),".

(c) Section 1302(e)(1) of title 11, United States Code, is amended by striking out "fix" and inserting in lieu thereof "set for such individual".

SEC. 229. Section 1324 of title 11, United States Code, is amended in the second sentence by striking out "the" the first place it appears.

SEC. 230. Section 1325(b)(2)(A) of title 11, United States Code, is amended by striking out "or" after the semicolon and inserting in lieu thereof "and".

SEC. 231. Section 1326(a)(2) of title 11, United States Code, is amended by striking out "payments" and inserting in lieu thereof "payment".

SEC. 232. Official Bankruptcy Form No. 1, referred to in Rule 1002 of the Bankruptcy Rules, is amended—

(1) in paragraph (6) by striking out "7 or 13" and inserting in lieu thereof "7, 11, or 13"; and

(2) by striking out "7 or 13" and inserting in lieu thereof "7, 11, or 13" in the statement to be made by the attorney in "Exhibit 'B' ".

SEC. 233. The table of sections of chapter 15 of title 11, United States Code, is amended by striking out "this" in the item relating to section 1501.

SEC. 234. Section 15701(a) of title 11, United States Code, is amended by striking out "trustee" the second time it appears and inserting in lieu thereof "trustees".

SEC. 235. Section 15703(b) of title 11, United States Code, is amended by striking out "truste" and inserting in lieu thereof "trustee".

aSEC. 236. Section 151101(b) of title 11, United States Code, is amended by striking out "of" the second time it appears and inserting in lieu thereof a comma.

SEC. 237. (a) Section 311(b)(4) of the Bankruptcy Amendments and Federal Judgeship Act of 1984 (Public Law 98-353), amending section 151301(b)(1) of title 11, United States Code, is repealed.

(b) Section 151302(b)(1) of title 11, United States Code, is amended by striking out "704(8)" and inserting in lieu thereof ", 704(7), and 704(9)".

SEC. 238. Section 156 of title 28, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) For purposes of financial accountability in a district where a bankruptcy clerk has been certified, such clerk shall be accountable for and pay into the Treasury all fees, costs, and other monies collected by such clerk except uncollected fees not required by an Act of Congress to be prepaid. Such clerk shall make returns thereof to the Director of the Administrative Office of the United States courts under regulations prescribed by such Director.".

SEC. 239. Section 157(b)(2)(B) of title 28, United States Code, is amended by striking out "interest" and inserting in lieu thereof "interests".

SEC. 240. Section 157(b)(2)(G) of title 28, United States Code, is amended by inserting a comma after "annul".

SEC. 241. Section 1334(d) of title 28, United States Code, is amended by striking out "and of the estate" and inserting in lieu thereof "and of property of the estate".

SEC. 242. Section 1930(a) of title 28, United States Code, is amended by striking out "of the court" and inserting in lieu thereof "of the district court or the clerk of the bankruptcy court, if one has been certified pursuant to section 156(b).".

SEC. 243. Section 2041 of title 28, United States Code, is amended by inserting "or any bankruptcy court" after "court of the United States".

SEC. 244. Section 2043 of title 28, United States Code, is amended by inserting ", and each clerk of the bankruptcy courts," after "United States Courts".

Mr. DECONCINI. Mr. President, this is truly a technical amendment which changes the paragraph numbers, the section numbers, and corrects typographical errors in the bill. It is offered for that purpose only. I understand that the ranking member and the chairman have agreed to accept it.

Mr. THURMOND. Mr. President, we think the amendment is purely techni-

cal. We think it is needed and we accept it.

Mr. HEFLIN. Mr. President, I concur. I think the amendment is strictly technical. It is needed. It clarifies certain issues involved and clarifies language, numbers, and other aspects in a technical sense. I would have no objection.

Mr. DECONCINI. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1839) was agreed to.

Mr. DECONCINI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. THURMOND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1838

Mr. GRASSLEY. Mr. President, I rise in strong support of S. 1923, a bill to provide for sorely needed additional bankruptcy judges, and for other purposes. I would like to commend Senator THURMOND for his taking the lead on this issue, as well as compliment the managers of the bill on the minority side of the aisle, Senators DECONCINI and HEFLIN.

I would like to specifically address the farm bankruptcy amendment of this bill, which I just offered. I introduced this as S. 2249 on March 26, with Senators DECONCINI, ZORINSKY, and D'AMATO.

To the extent that a debtor's economic troubles are curable and creditor's demands are reasonable, a negotiated workout can and should obviate the need for bankruptcy proceedings. This is especially true in the agricultural debt situation. I think that all would agree—lines of communication need to be open between borrowers and lenders throughout their relationships, and particularly at the first sign of trouble.

Often by the time a decision is made to file for bankruptcy protection, it is often too late for a realistic reorganization, under current law. Particularly in this year of hard times for agriculture, all of the key players in the credit system need to show understanding and forebearance, because farm problems are not just a problem for farmers and their lenders. There is an impact on other "main street" and "mom and pop" firms too, that cannot be overlooked.

To the extent that adjustments are needed in the code, Congress must be willing to do its part—not as a solution to the farm crisis—but at a minimum, Congress should ensure that farmers have the same opportunity to reorganize that all other businesses and individuals have.

And it is to that purpose that I offer this amendment.

I would especially like to thank Chairman THURMOND for his strong support of this amendment, as well as Senator EAST for his support in holding rather extensive joint hearings with me on this issue back in November. We held 2 days of hearings and heard from 17 witnesses—representing all aspects of the issue: Judges, farm groups, lenders, other creditors, practitioners, Government agencies, and academics.

The testimony in the Senate Judiciary Committee hearings revealed that farm debtors in a bankruptcy need help in four specific areas. Each of these is addressed in my proposed chapter 12 amendment.

This amendment is supported by numerous bankruptcy judges—including those from my own farm State, bankruptcy attorneys and others who are experts in bankruptcy law. At this point, I would like to address the key areas of the amendment.

The first of these areas is "adequate protection" under the code.

The failure to provide adequate protection is the primary basis for lifting the automatic stay. Farm debtors need a means to overcome the requirement that they adequately protect "lost opportunity costs."

At least three courts of appeal have held that adequate protection requires the debtor to additionally compensate the secured creditor for what is known as "lost opportunity costs" in those cases where the value of the collateral is less than the amount of the debt secured by the collateral—common in the age of declining land values. The payment of "lost opportunity costs" requires the periodic payment of a sum of cash to compensate for a secured creditor's delay in realizing the value of the collateral, as a result of the automatic stay, in addition to protection for the value of the collateral.

This amount is intented to compensate the secured creditor for the continued use of the collateral during the bankruptcy. But where the decline in the value of collateral results from the general economic decline, and the creditor would not be able to protect itself from this even without the stay, then the creditor should not be entitled to additional compensation simply because the debtor has filed for relief.

Needless to say, farmers in a bankruptcy lack this additional cash amount. But unless this requirement is modified, farm debtors will not have sufficient time to formulate reorganization plans because the automatic stay will be lifted.

Section 1222 of the chapter 12 amendment specifically addresses this restrictive interpretation of adequate protection in a way that helps farm debtors.

The second area where our committee heard that farmers need help is in "sales free of liens."

After filing for protection under the bankruptcy code, the farm debtor soon realizes that he will not be able to keep all of his property. Accordingly, he needs a way to sell assets not needed for the reorganization prior to confirmation, without the consent of the secured creditors, and subject to approval by the court.

Under 11 U.S.C. 363(f) of existing law, a debtor is authorized to sell property of the estate under five conditions. One of these conditions is that the secured creditor consents to the sale. Section 1223 of the chapter 12 amendment would add a sixth ground for a sale of assets—only to be used in chapter 12 cases. Under this section, the trustee will be allowed to sell property, subject to court approval, if it is "farmland or farm equipment."

As a concomitant protection to creditors, should the farm debtor sell the collateral without applying the proceeds to debts, the debts would not be dischargeable upon confirmation of the plan. See, section 1219 of the chapter 12 amendment.

The third area where farmers need relief under our bankruptcy law is the "absolute priority rule".

We learned in our committee hearings that farm debtors need a method of confirming a reasonable reorganization plan over the objection of the class of unsecured creditors. The chapter 12 amendment would follow the rule of chapter 13 of the current law by eliminating the "absolute priority rule" for family farmers, to permit confirmation over the objection of unsecured creditors.

To compare, in chapter 11, each class of impaired creditors is entitled to vote on a proposed plan or reorganization. A single secured creditor with a large deficiency or unsecured claim may, by voting against the plan, prevent the debtor from reorganizing.

Unfortunately, farm debtors are often in the anomalous position of having too few unsecured debts, because they usually keep their trade creditors fairly current. The largest unsecured claim is often held by the land bank or PCA as part of their overall claim, which is only partially secured because of the fall in land values. When these creditors will not go along with the plan, they can force a liquidation.

Notwithstanding the rejection by a class, a chapter 11 plan may be confirmed by the use of what is known as a cramdown. But if a plan is confirmed without the acceptance of a class of impaired, unsecured creditors, the debtor may not receive or retain any property under the plan unless that class is paid in full. 11 U.S.C. 1129( )(2)( )( ). This section has the effect of denying the debtor the use of the cramdown if the debtor is retaining any property at all. Thus, the pri-

mary purpose of a reorganization is thwarted.

Accordingly, the chapter 12 amendment—like current law in chapter 13—contains no "absolute priority rule." See section 1216 of the chapter 12 amendment.

The fourth area where farm debtors need bankruptcy relief is in the "time to file a reorganization plan."

The farm-debtor needs a reasonable time to formulate and file the plan, without having to fight off creditor efforts to lift the automatic stay. As explained earlier, the chapter 12 amendment's modification of adequate protection will mean that more attempts to lift the automatic stay will fail. Thus, creditors will not be as eager to engage in this type of litigation, which would needlessly waste the assets of farm debtors on legal expenses.

With respect to the time for filing the plan, current law in chapter 13 requires that the plan be filed with the petition. But farmers' affairs are far more complicated than those of the average wage-earner who seeks relief under chapter 13, and it is, therefore, neither practical or reasonable to require the farmer to submit a plan immediately upon filing.

Chapter 11 currently allows the debtor a 120-day exclusive filing period. Farm plans in a chapter 11 are rarely filed prior to the end of the 120 day period. Like the House-passed bill, section 1211 of the chapter 12 amendments extends the exclusive period to 240 days. The court may adjust the exclusive period based upon the complexities of the case. If the debtor is making progress in his farming operation and additional time is needed to determine the extent of the reorganization, the court may expand the exclusive period. The period may also be reduced, in appropriate cases.

Mr. President, at this point in the RECORD, I ask for unanimous consent to include a more detailed section-by-section analysis of the farm bankruptcy amendment to S. 1923.

There being no objection, the section-by-section analysis was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS: FAMILY FARM REORGANIZATION ACT OF 1986

This Act is designed to provide effective bankruptcy relief for family farmers during a national farm crisis. The Act combines features of chapter 11 and chapter 13 which are advantageous to family farmers as well as provisions needed to protect the rights of farm lenders.

Chapter 12 may only be commenced by the filing of a voluntary petition (11 U.S.C. § 303(a)).

§ 1201—The definition of family farmer is taken from S. 1342, S. 1516, and H.R. 2211. The debtor will be a debtor in possession unless the court orders otherwise (§ 1201(3)). Being a debtor in possession is significant because it gives the debtor the powers of the trustee (§ 1204), and gives the debtor the exclusive 240-day period to file a plan (§ 1211(b)). Also, the trustee's powers are limited as long as the debtor is a debtor in possession (§ 1203(b)). The court may order that the debtor not be a debtor in possession under § 1209.

§ 1202—"Application of certain sections of this title": certain other sections of existing bankruptcy law may apply to cases filed under chapter 12, if so provided in this bill.

§ 1203—The trustee's duties under chapter 12 are similar to those of a trustee in chapter 13. In chapter 13, the debtor controls the property of the estate, but the trustee administers the plan and has some supervisory authority. In chapter 12, the trustee would administer the plan, and the trustee's supervisory authority would be expanded somewhat to permit the trustee to scrutinize and object to sales proposed by the debtor. This expanded authority is advisable since the appointment of a supervisory creditor's committee is not automatic.

With respect to distributions pursuant to § 1203(b)(3), while the payments under § 1222(b)(3) are made to adequately protect the value of property securing a claim or an entity's ownership interest in property, all of the rent payments need not be paid to the creditor or party with the ownership interest. Although the rent payments must be used to benefit the collateral, rent proceeds may be used to make repairs, pay property taxes, and for other such expenses.

Section 506(c) of the code—which says that "the trustee may recover from property securing an allowed secured claim, the reasonable, necessary costs and expenses of preserving, or disposing of, such property to the extent of any benefit to the holder of such claim—applies in chapter 12 cases and such costs and expenses may be recovered from payments made under § 1222(b)(3).

If the court orders that a debtor not be a debtor in possession, (e.g., if the debtor commits fraud, is incompetent, or is guilty of gross mismanagement; § 1209), the trustee takes on additional powers and becomes similar to a trustee in chapter 11.

The trustee in chapter 12 would typically be the standing trustee for chapter 13 cases or a trustee pursuant to chapter 15. The increased workload would likely require an expansion of the number of chapter 13 trustees, and this is permitted by § 1203(c).

The annual compensation for a standing chapter 13 trustee is established by the court, but the amount may not exceed the basic pay in effect for grade GS-16 of the General Schedule prescribed under 5 U.S.C. § 5332 (§ 1302(e)(1)(A)). The court also establishes a percentage fee based upon the trustee's annual compensation and the trustee's expenses (including personnel) (§ 1302(e)(1)(B)), which is collected from payments made under chapter 13 plans (§ 1302(e)(2)). The percentage fee may not exceed 10%.

The limitation on the standing trustee's compensation is retained as is the limitation on the percentage fee (§ 1203(d)). Since the most debt that can be handled in a chapter 13 case is $450,000 (§ 109(e)), the maximum percentage fee to be paid by a chapter 13 estate is 10% of $450,000. In chapter 11 cases, trustee fees are limited by § 326(a) to 3% of amounts in excess of $3,000, 15% on the first $1,000 or less, 6% on any amount in excess of $1,000 but not in excess of $3,000, and 3% on any amount in excess of $3,000).

To require a chapter 12 debtor to pay 10% of the plan payments to the trustee would be excessive, and the percentage fee above $450,000 is limited to 3%.

The trustee will incur more expenses in a large chapter 12 case than in the routine chapter 13 plan of a wage earner. Section 1203(d) provides flexibility to provide compensation for the trustee and to compensate the trustee for expenses without overburdening the debtor's estate.

The compensation set out in § 1203(d) is maximum compensation and the court may fix compensation at a lower rate on a case by case basis.

§ 1204—The debtor in possession, like a debtor in possession in chapter 11, has the powers of a trustee. This section is similar to § 1107(a). It also includes the obligation to file a statement of current income and expenditures (§ 521(1)) and the obligation to file a periodic reports if required by the court (§ 704(8)). The debtor would lose these powers if the debtor ceased to be a debtor in possession. The failure to comply with these duties may constitute cause to remove the debtor as debtor in possession under § 1209, or to dismiss the case under § 1210(e).

§ 1205—The debtor in possession, like a debtor in possession in chapter 11, and a debtor in chapter 13, operates the debtor's business. (§ 1107 and § 1108; § 1304(b)).

§ 1206—A creditor's committee is not automatic in a case under chapter 12. If three creditors request a creditors' committee, the court or the U.S. trustee pursuant to chapter 15 may appoint a committee based upon the need for such a committee in the case. The decision whether to appoint a committee is left to the discretion of the court in each case and the court will balance the need for further supervision with the cost to the debtor's estate. It is expected that there will seldom be a need for such a committee because every chapter 12 case will have a trustee to supervise the debtor's affairs. A committee is available in those instances where it might be more effective than the trustee. There is no authorization for a committee of equity security holders.

§ 1207—A creditors' committee may retain an attorney and may also retain an accountant if the debtor's records are not satisfactory. The committee's powers and duties are expanded from those proposed by S. 705 (Sec. 2(a) § 1184) to include the power to request that the debtor not be a debtor in possession. The committee's duties and powers are essentially the same as those that are provided for committees in chapter 11 cases. (§ 1103(c)).

§ 1208—The right of any party in interest to be heard is the same as in 11 U.S. C. § 1109(b). Subsection (b) is derived from S. 705 (Sec. 2(a)-§ 1183). While an appeal is prohibited to a party who appears and is heard pursuant to § 1208(b), a government agency may appeal if it appears and is heard as a party in interest pursuant to § 1208(a).

§ 1209—The grounds for removal of a debtor in possession are similar to grounds for the appointment of a trustee under 11 U.S.C. § 1104. The effect of removing the debtor as debtor in possession elevates the trustee who is like a trustee in chapter 13 to a position more like a trustee in chapter 11. It also has the effect of eliminating the debtor's exclusive right to file a plan (§ 1211(b)).

§ 1210—The debtor may convert to chapter 7, but not to chapter 11 or 13. The effect of this is to eliminate delays which could result from manipulative conversions by the debtor.

Subsection (b) would allow an involuntary conversion to chapter 7 in those cases where the debtor was not a family farmer, and therefore not a qualified debtor under chapter 12. Subsection (d) prevents an involuntary conversion of a family farmer to chap-

ter 7. This is consistent with traditional bankruptcy law. Section 1210(e), which sets out the grounds for dismissing a case, is taken primarily from § 1112(b). Subsection (e)(9) is taken from § 1307(c)(8) and subsection (e)(10) is taken from § 1307(c)(2). The right to have a case dismissed provides balance to the debtor's exclusive period for filing a plan and provides a safety valve for dealing with confirmed plans which are not successful.

§ 1211—The debtor has the exclusive right to file the plan for 240 days (S. 1342, S. 1516, H.R. 2211), and the debtor has up to 300 days to have the plan confirmed. The court may reduce or increase this period. The court may adjust the exclusive period based upon the complexities of the case. If the debtor is making progress in his farming operation and additional time is needed to determine the magnitude of the reorganization, the court may expand the exclusive period. If the debtor's prospects for reorganization are remote, the court may reduce the exclusive period so that creditors are not unduly delayed by a reorganization with a dubious chance of success. In chapter 13 the debtor must file the plan with the petition (Bankruptcy Rule 3015), in chapter 11 the exclusive filing period for the debtor is 120 days (11 U.S.C. § 1121(c)). If the debtor is removed as debtor in possession, the debtor loses the exclusive period. In chapter 11, the debtor loses the exclusive period if a trustee is appointed (§ 1121(c)(1)).

§ 1212—What must be in the plan comes primarily from chapter 11. What may be in the plan comes from both chapter 13 and chapter 11. In chapter 13 a debtor may not modify the mortgage on his residence (§ 1322(b)(2))—that provision was omitted and the debtor would be able to rearrange his home mortgage in chapter 12, just as he can in chapter 11. The debtor would also have the ability to cure a default over a reasonable period of time—this is more advantageous than the chapter 11 cure provision which contemplates an immediate cure (§ 1124(2)).

§ 1213—If a party in interest other than a debtor proposes a plan, the debtor and the plan must comply with the requirements of chapter 11 with respect to contents of the plan, impairment, and disclosure statements. The debtor would not have to provide a disclosure statement because there would be no voting on the debtor's plan. The voting requirement for plans filed by a party other than the debtor is more stringent than required in chapter 11. In chapter 11 there must be the acceptance of ⅔ in amount and ½ in number of those claims and claimants voting. As drafted, § 1213(b) would require ⅔ in amount and ½ in number of claims and claimants whether voting or not. This voting requirement would make plans of liquidation more difficult to achieve. This is essentially the same voting requirement under chapter x(§ 179; BR 10-305(e)) and Chapter XII (§468(1); BR 12-37(d)) of the Bankruptcy Act of 1898.

§1214—Modification of Plan. Basically, modifications of the debtor's plan must meet the confirmation requirements applicable to the debtor (essentially chapter 13 requirements), and modifications of the plan of a party other than the debtor must meet the confirmation requirements of chapter 11. The modification requirements of chapter 11 are found in § 1127; the modification requirements of chapter 13 are found in §§ 1323 and 1329.

§ 1215—A confirmation hearing will be held and a party in interest may object and be heard. This provision is contained in § 1128 and in § 1324.

§ 1216—The confirmation requirements for a debtor's plan are essentially those from chapter 13 (§ 1325). Subsections 4, 5, 6(B), and 9 are from chapter 11 (§ 1129, § 1124). In chapter 13, a debtor's plan must provide for payment of priority claims in full through the plan. Under subsection 6, administrative claims and priority claims, other than taxes, may be paid in deferred payments through the plan; taxes may be deferred over a period of six years from assessment as under chapter 11 (§ 1129(a)(9)(C)). In chapter 11, the debtor must pay interest on priority claims paid in deferred payments (§ 1129(a)(9)). In chapter 13, the debtor must pay all priority claims, but interest is not required. (§ 1322(a)(2)). In chapter 12, priority claims, except taxes, may be paid in deferred payments without interest; payment of taxes, however, requires interest.

The "best efforts" requirement of § 1325(b) is incorporated.

The length of the plan may exceed the 5-year limit in chapter 13 and may exceed the 10-year limit in S. 1342, S. 1516, and H.R. 221.

§ 1217—For a plan proposed by a party in interest other than the debtor to be confirmed, it must meet the requirements of chapter 11. There is no provision for a "cramdown" plan filed by a party other than the debtor.

§ 1218—The court can only confirm one plan and may not confirm a plan over the objections of a governmental unit, if the purpose of the plan is tax avoidance or avoidance of securities law. This provision is taken from § 1129 (c) and (d).

§ 1219—The confirmation of a plan has the effect of discharging the debtor from debts prior to confirmation unless provided for in the plan or the order of confirmation. The discharge is not as broad as that in chapter 13 (§ 1328) and is the same discharge that the debtor would receive in chapter 11 (§ 1141(d)).

§ 1220—The chapter 11 provisions relating to implementation of the plan, distribution, revocation of an order of confirmation, and exemption from securities laws apply to all cases confirmed under this chapter.

§ 1221—The special chapter 11 provision for aircraft equipment and vessels applies to cases under this chapter.

§ 1222—This section eliminates the need of the debtor to provide adequate protection for lost opportunity costs. It also adds another means for providing adequate protection for farm land—paying reasonable rent to the trustee. Many farmers do not have the ability to make periodic payment to adequately protect lost opportunity costs. Several courts have held that the language of § 361 requires debtors to adequately protect lost opportunity costs for undersecured creditors. *In re American Mariner Industries, Inc.*, 734 F.2d 426 (9th Cir. 1984); *Grundy National Bank v. Tandem Mining Corporation*, 754 F.2d 1436 (4th Cir. 1985). All that the Constitution requires in the way of adequate protection is the protection of the value of the collateral. *Wright v. Union Central Life Insurance Co.*, 311 U.S. 273, 61 S.Ct. 196, 85 L.Ed. 184 (1940). The court, in *American Mariner*, however, reads the "indubitable equivalent" language of § 361(3) and language of § 361 (1), (2), and (3), which says that value of the "interest" in property is to be protected, to mean that "lost opportunity costs" must be protected. § 1222 eliminates the "indubitable equivalent" language and makes it clear that what needs to be protected is the *value of property*, not the value of the creditor's "interest" in property.

Allowing the debtor to provide adequate protection by paying rent recognizes the economic realities of foreclosure. During a time of depressed farm values, the lender will usually be the high bidder at a foreclosure sale. If the lender cannot resell the property, it typically will rent the property at the market rate. If the debtor pays market rent while he reorganizes, the lender will be getting only what it would realistically get as a result of foreclosure. Paying a reasonable rent as a method of protecting the secured creditor's interest was permitted by the second Frazier-Lemke Act (49 Stat. 943-945, 11 U.S.C. § 203(S)) which the Supreme Court upheld in *Wright v. Vinton Branch of Mountain Trust Bank of Roanoke*, 300 U.S. 440 (1937).

§ 1223—This section allows debtors to scale down the size of their farming operations by selling unnecessary property. The liens would attach to the proceeds of sale, and the holders of secured claims would have the right to bid at the sale pursuant to § 363(k). As long as the holders of secured claims receive the value of their property, these interests are constitutionally protected.

Many family farm reorganizations under present chapter 11 involve the liquidation of unnecessary property. It is more advantageous to sell a portion of the collateral pursuant to bankruptcy law than to release that property, because state law often does not permit partial foreclosures.

§ 1224—As under chapter 11, proofs of claim are deemed filed for claims that are scheduled by the debtor (§ 1111(a)). Also the holders of nonrecourse claims are allowed to have unsecured claims for any deficiency (§ 1111(b)(1)(A)).

§ 1225—Emergency financing may be obtained to feed livestock on an *ex parte* basis.

SEC. 3—Chapters 1, 3 and 5 of the existing bankruptcy code generally apply in cases filed under chapter 12. This chapter applies only in a case under this chapter, just as chapter 13 applies only in a case under chapter 13.

SEC. 4—This makes the filing fee for cases filed under this chapter $200.

SEC. 5—This section makes amendments in existing sections of the code to account for the creation of the new chapter, consistent with Sec. 3, and consistent with the substantive language and intent of chapter 12.

SEC. 6—This section states that the bill creating a new chapter 12 applies to cases filed after the date of enactment. The bill will sunset on the date 5 years after the date of enactment.

Mr. HEFLIN. I withdraw my objection.

ROUTINE MORNING BUSINESS

Mr. THURMOND. Mr. President, I now ask unanimous consent that there be a period for the transaction of routine morning business, not to extend beyond the hour of 6:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 1:27 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 49. An act to amend chapter 44 (relating to firearms) of title 10, United States Code, and for other purposes;

S. 381. An act for the relief of Mishleen Earle; and

S. 1818. An act to amend section 1153 of title 18, United States Code, to make felonious sexual molestation of a minor an offense within Indian Country.

The enrolled bills were subsequently signed by the President pro tempore [Mr. THURMOND].

At 2:44 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 529. An act for the relief of the heirs of Master Sergeant Nathaniel Scott, United States Army, retired, deceased;

H.R. 737. An act for the relief of Ms. Chang Ai Bae;

H.R. 1389. An act for the relief of Beulah C. Shifflett;

H.R. 3093. An act for the relief of Juan Ricardo McRae;

H.R. 3154. An act for the relief of John Patrick Brady, Ann M. Brady, and Mark P. Brady;

H.R. 3577. An act for the relief of Milanie C. Escobal Norman; and

H.R. 4378. An act to provide standards for placement of commemorative works on lands administered by the National Park Service in the District of Columbia, and for other purposes.

At 4:39 p.m., a message from the House of Representatives delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 247. Joint resolution to designate the week of June 1 through June 7, 1986, as "National Theatre Week";

S.J. Res. 267. Joint resolution designating the week of May 26, 1986, through June 1, 1986, as "Older Americans Melanoma/Skin Cancer Detection and Prevention Week";

S.J. Res. 281. Joint resolution to designate the week of May 11 through May 17, 1986, as "Senior Center Week";

S.J. Res. 288. Joint resolution to designate the month of May 1986, as "National Birds of Prey Month";

S.J. Res. 316. Joint resolution prohibiting the sale to Saudi Arabia of certain defense articles and related defense services; and

S.J. Res. 324. Joint resolution to designate the week beginning May 18, 1986, as "National Digestive Diseases Awareness Week".

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 483. An act for the relief of Edwin Marcos Rios (also known as Marcos Edwin Rios) and Geovanna Rios;

H.R. 1260. An act for the relief of Joe Herring;

H.R. 1693. An act for the relief of Enrique Montano Ugarte;

H.R. 1757. An act for the relief of Leonard Leslie Gambie;

H.R. 2987. An act for the relief of Whiteworth Incorporated of Gardenia, California;

H.R. 3323. An act for the relief of Alexander Lockwood;

H.R. 3365. An act for the relief of Mountaha Bou-Assali Saud; and

H.R. 4208. An act to authorize appropriations for the Coast Guard for fiscal year 1987, and for other purposes.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 483. An act for the relief of Edwin Marcos Rios (also known as Marcos Edwin Rios) and Geovanna Rios; to the Committee on the Judiciary.

H.R. 529. An act for the relief of the heirs of Master Sergeant Nathaniel Scott, United States Army, retired, deceased; to the Committee on the Judiciary.

H.R. 1260. An act for the relief of Joe Herring; to the Committee on Agriculture, Nutrition, and Forestry.

H.R. 1389. An act for the relief of Beulah C. Shifflett; to the Committee on the Judiciary.

H.R. 1693. An act for the relief of Enrique Montano Ugarte; to the Committee on the Judiciary.

H.R. 1757. An act for the relief of Leonard Leslie Gambie; to the Committee on the Judiciary.

H.R. 2987. An act for the relief of Whiteworth Incorporated of Gardenia, California; to the Committee on Finance.

H.R. 3093. An act for the relief of Juan Ricardo McRae; to the Committee on the Judiciary.

H.R. 3154. An act for the relief of John Patrick Brady, Ann M. Brady, and Mark P. Brady; to the Committee on the Judiciary.

H.R. 3323. An act for the relief of Alexander Lockwood; to the Committee on the Judiciary.

H.R. 3365. An act for the relief of Mountaha Bou Assali Saud; to the Committee on the Judiciary.

H.R. 3577. An act for the relief of Milanie C. Escobal Norman; to the Committee on the Judiciary.

H.R. 4208. An act to authorize appropriations for the Coast Guard for fiscal year 1987, and for other purposes; to the committee on Commerce, Science, and Transportation.

H.R. 4378. An act to provide standards for placement of commemorative works on lands administered by the National Park Service in the District of Columbia, and for other purposes; to the Committee on Energy and Natural Resources.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, May 7, 1986, she had presented to the President of the United States the following enrolled bills:

S. 49. An act to amend chapter 44 (relating to firearms) of title 10, United States Code, and for other purposes;

S. 381. An act for the relief of Mishleen Earle; and

S. 1818. An act to amend section 1153 of title 18, United States Code, to make felonious sexual molestation of a minor an offense within Indian Country.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3088. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to provide for the assessment and collection of fees to cover the cost of the administration and enforcement of the Federal Meat Inspection Act, the Poultry Products Inspection Act and the Egg Products Inspection Act; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3089. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Plant Variety Protection Act to provide for the deposit of fees collected to the appropriation account that incurs the cost of carrying out the act; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3090. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to recover the costs of carrying out the Federal Market News Program; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3091. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to provide for the regulated industry to bear the cost of administering the Packers and Stockyards Act; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3092. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to authorize the Secretary of Agriculture to recover costs of carrying out certain animal and plant health inspection programs; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3093. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to recover costs of establishing standards and specifications for agricultural products; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3094. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to recover costs of

carrying out the export inspection and certification programs for apples, pears, grapes, and plums; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3095. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to recover costs of providing technical assistance to farmers cooperatives and groups of producers; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3096. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to recover costs of carrying out federal marketing agreements and orders; to the Committee on Agriculture, Nutrition, and Forestry..

EC-3097. A communication from the Secretary of Transportation, transmitting, pursuant to law, the quarterly report of the Urban Mass Transportation Administration for the first quarter of fiscal year 1986; to the Committee on Banking, Housing, and Urban Affairs.

EC-3098. A communication from the Director of the Administrative Office of the United States Courts, transmitting, pursuant to law, the seventh report of the Director on applications for delay of notice and customer challenges under the provisions of the Right to Financial Privacy Act of 1978; to the Committee on Banking, Housing, and Urban Affairs.

EC-3099. A communication from the Assistant Secretary of the Army (Civil Works), transmitting, pursuant to law, the report of the Chief of Engineers, dated March 10, 1986, entitled "Projects Recommended for Deauthorization—Eleventh Annual Report"; to the Committee on Environment and Public Works.

EC-3100. A communication from the Secretary of the Interior, transmitting, pursuant to law, the eighth annual report on the Tule Elk herds in California; to the Committee on Environment and Public Works.

EC-3101. A communication from the Administrator of the Agency for International Development, transmitting, pursuant to law, a report on African famine relief; to the Committee on Foreign Relations.

EC-3102. A communication from the chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-158 adopted by the Council on April 15, 1986; to the Committee on Governmental Affairs.

EC-3103. A communication from the special counsel of the Merit Systems Protection Board, transmitting, pursuant to law, the report on the investigation of the Secretary of Health and Human Services into allegations of mismanagement, gross waste of funds, and a substantial and specific danger to the public health in the Acquired Immune Deficiency Syndrome surveillance program in the State of Florida; to the Committee on Governmental Affairs.

EC-3104. A communication from the Secretary of the Commission on Fine Arts, transmitting, pursuant to law, the annual reports of the Commission under the Freedom of Information Act for calendar years 1984 and 1985; to the Committee on the Judiciary.

EC-3105. A communication from the Director of the Administrative Office of the United States Courts, transmitting, pursuant to law, the report on applications for court orders made to Federal and State courts to permit the interception of wire or oral communications during calendar year 1985; to the Committee on the Judiciary.

EC-3106. A communication from the Chief Immigration Judge, Executive Office for Immigration Review, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens under section 244(a)(1) and 244(a)(2) of the Immigration and Nationality Act; to the Committee on the Judiciary.

EC-3107. A communication from the Acting Chairman of the National Council on Educational Research, transmitting, pursuant to law, the annual report of the Council for fiscal year 1985; to the Committee on Labor and Human Resources.

EC-3108. A communication from the Executive Secretary, Office of the Secretary of Defense, transmitting, pursuant to law, the report on Department of Defense procurement from small and other business firms for October 1985 through February 1986; to the Committee on small Business.

EC-3109. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report on the fourth Special Message of the President on rescissions and deferrals; jointly, pursuant to the order of January 30, 1975, to the Committee on Appropriations and the Committee on the Budget.

EC-3110. A communication from the Acting director of the Defense Security Assistance Agency transmitting, pursuant to law, a report on a foreign military assistance sale to Portugal; to the Committee on Armed Services.

EC-3111. A communication from the Assistant Secretary of Defense transmitting, pursuant to law, a listing of supplemental contract award dates during May and June 1986; to the Committee on Armed Services.

EC-3112. A communication from the Acting Secretary of the Air Force transmitting, pursuant to law, a report that the IR Maverick weapons system program has exceeded its baseline unit cost by more than 15 percent; to the Committee on Armed Services.

EC-3113. A communication from the Deputy Under Secretary of the Army transmitting, pursuant to law, a report on intentions to drain the chemical agent from 63 unserviceable munitions at Pueblo, CO; to the Committee on Armed Services.

EC-3114. A communication from the general counsel of the Department of Energy transmitting, pursuant to law, notice of a meeting related to the International Energy Program May 13, 14, and 15, 1986 at the offices of Exxon Corp., New York, NY; to the Committee on Energy and Natural Resources.

EC-3115. A communication from the Administrator of the General Services Administration transmitting, pursuant to law, GSA's fiscal year 1987 Capital Improvement and Leasing Program; to the Committee on Environment and Public Works.

EC-3116. A communication from the general counsel and congressional liaison of the USIA transmitting, pursuant to law, notice of a delay in completion of the independent evaluation of the Cuba service programming; to the Committee on Foreign Relations.

EC-3117. A communication from the Executive Director of the Japan-United States Friendship Commission transmitting, pursuant to law, the Commission's ninth annual report; to the Committee on Foreign Relations.

EC-3118. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, copies of international agreements, other than treaties, entered into by the United States within the 60 days previous to May 2, 1986; to the Committee on Foreign Relations.

EC-3119. A communication from the Executive Secretary of the FDIC transmitting, pursuant to law, a report on a new Privacy Act System of Records; to the Committee on Governmental Affairs.

EC-3120. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, D.C. ACT 6-161; to the Committee on Governmental Affairs.

EC-3121. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 6-160; to the Committee on Governmental Affairs.

EC-3122. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. ACT 6-159; to the Committee on Governmental Affairs.

EC-3123. A communication from the Secretary of the Postal Rate Commission transmitting, pursuant to law, the Commission's 1985 Government in the Sunshine report; to the Committee on Governmental Affairs.

EC-3124. A communication from the Assistant Administrator of the Environmental Protection Agency transmitting, pursuant to law, a report on three altered Privacy Act systems of records; to the Committee on Governmental Affairs.

EC-3125. A communication from the Inspector General of the Department of Housing and Urban Development transmitting, pursuant to law, a report on a Privacy Act matching program system of records; to the Committee on Governmental Affairs.

EC-3126. A communication from the Executive Director of the National Mediation Board transmitting, pursuant to law, the Board's 1985 Government in the Sunshine report; to the Committee on Governmental Affairs.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BYRD (for himself, Mr. HOLLINGS, Mr. EXON, Mr. FORD, Mr. ROCKEFELLER, and Mr. PROXMIRE):

S. 2417. A bill to establish the Aviation Safety Commission, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. LONG (for himself and Mr. JOHNSTON):

S. 2418. A bill to designate the United States Post Office being constructed in LaPlace, Louisiana, as the "Gillis W. Long Memorial Post Office"; to the Committee on Governmental Affairs.

By Mr. ARMSTRONG (for himself, Mr. PROXMIRE, Mr. GOLDWATER, Mr. HELMS, Mr. HECHT, and Mr. HUMPHREY):

S. 2419. A bill to establish within the Department of Commerce a Small Business Administration, to terminate certain functions of the present Small Business Administration, to transfer certain functions of the present Small Business Administration to the Secretaries of Commerce and the Treasury, and for other purposes; to the Committee on Governmental Affairs; provided that if and when reported, and at the request of the Chairman of the Committee on Small Business, the bill be referred to the Committee on Small Business pursuant

to Rule XXV(1)(c)(2) of the Standing Rules of the Senate.

By Mr. DOLE (for Mr. HUMPHREY (for himself, Mrs. HAWKINS, Mr. HELMS, Mr. DENTON, and Mr. EAST)):

S. 2420. A bill to require certain individuals who perform abortions to obtain informed consent; to the Committee on Governmental Affairs.

By Mr. GORTON:

S. 2421. A bill to amend the Truth in Lending Act; to the Committee on Banking, Housing, and Urban Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. QUAYLE:

S. Res. 397. Resolution expressing the sense of the Senate regarding the lending practices of multilateral development banks; to the Committee on Foreign Relations.

By Mr. HEFLIN (for Mr. HOLLINGS (for himself and Mr. HEFLIN)):

S. Con. Res. 137. Concurrent resolution expressing the sense of the Congress that the Federal Government take immediate steps to support a national STORM program; to the Committee on Commerce, Science, and Transportation.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BYRD (for himself, Mr. HOLLINGS, Mr. EXON, Mr. FORD, Mr. ROCKEFELLER, and Mr. PROXMIRE):

S. 2417. A bill to establish the Aviation Safety Commission, and for other purposes; to the Committee on Commerce, Science, and Transportation.

(The remarks of Mr. BYRD and Mr. HOLLINGS and the text of the legislation appear earlier in today's RECORD.)

By Mr. LONG (for himself and Mr. JOHNSTON):

S. 2418. A bill to designate the United States Post Office being constructed in La Place, LA, as the "Gillis W. Long Memorial Post Office"; to the Committee on Governmental Affairs.

GILLIS W. LONG MEMORIAL POST OFFICE

Mr. LONG. Mr. President, today my Louisiana colleague, BENNETT JOHNSTON, joins me in sponsoring legislation to designate a post office under construction in La Place, LA, as the "Gillis W. Long Memorial Post Office." Congressman JOHN BREAUX has introduced a companion measure in the House.

As many of you may recall, Gillis passed away in January of 1985. Gillis ably served the eighth district of Louisiana for 8 years.

As one who knew Gillis, both on a professional and personal level, I can honestly say that he was a true champion of the average person. He worked diligently in championing the causes of those he represented.

Mr. President, I, therefore, believe that designating this new post office in memory of Gillis would be a fitting tribute to an outstanding legislator.

By Mr. ARMSTRONG (for himself, Mr. PROXMIRE, Mr. GOLDWATER, Mr. HELMS, Mr. HECHT, and Mr. HUMPHREY):

S. 2419. A bill to establish within the Department of Commerce a Small Business Administration, to terminate certain functions of the present Small Business Adminsitration, to transfer certain functions of the present Small Business Adminsitration to the Secretaries of Commerce and the Treasury, and for other purposes; to the Committee on Governmental Affairs; provided that if and when reported, and at the request of the Chairman of the Committee on Small Business, the bill be referred to the Committee on Small Business pursuant to Rule XXV(1)(c)(2) of the Standing Rules of the Senate.

SMALL BUSINESS ACT

● Mr. ARMSTRONG. Mr. President, today, along with Senators PROXMIRE, GOLDWATER, HELMS, HECHT, and HUMPHREY, I am introducing legislation to transfer the Small Business Adminsitration [SBA] to the Department of Commerce and eliminate several SBA business loan, investment, and disaster programs. SBA's loan portfolio would be transferred to the Treasury Department and sold over the next 4 years. This proposal is contained in the President's fiscal year 1986 budget proposal and is strongly supported by the Small Business Administration.

SBA would remain a separate agency within the Commerce Department, headed by a presidentially-appointed administrator who also would serve as a Commerce Undersecretary. The agency would continue to administer its advocacy program, provide procurement and technical assistance, and administer the Small Business Innovation Research Program which directs Federal research and development contracts to small hi-tech firms. Also retained are the Service Corps of Retire Executives [SCORE] and the Active Corps of Executives [ACE]. SBA's Minority Small Business/Capital Ownership Development Program would be merged with Commerce's Minority Business Development Agency.

Mr. President, I ask unaimous consent that the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2419

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Small Business Act of 1986".

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TITLE I—FINDINGS

It is the policy of the United States to maintain a substantial and effective small business presence in the executive branch by vesting authority in the Secretary of Commerce that will—

(a) speak for interests of small business within the executive branch;

(b) identify and remove regulatory and statutory impediments to the creation of capital for small business;

(c) provide contractual and managerial assistance to make minority small businesses competitive;

(d) provide management assistance for small business managers and owners through volunteer retired and active executives; and

(e) assure that small businesses receive a fair share of Government procurement, sales, and innovation research.

TITLE II— TRANSFERS TO THE DEPARTMENT OF COMMERCE

SEC. 201. There are transferred to the Secretary of Commerce all functions, powers, and duties vested in or delegated to the present Administrator of the Small Business Administration or the Small Business Administration under the following provisions of the Small Business Act, as amended—

(a) sections 2(c)(2)(A)-(B), (e) (15 U.S.C. 631(c)(2)(A)-(B), (e));

(b) sections 3(a)-(b), (j) (15 U.S.C. 632(a)-(b), (j));

(c) sections 4(b)(2)-(4) (15 U.S.C. 633(b)(2)-(4));

(d) section 5(b)(11) (15 U.S.C. 634(b)(11));

(e) sections 7(j)(3), (9), (10), and (11)-k(1)-(3) (15 U.S.C. 636(j)(9), (10) and (11) and k(1)-(3));

(f) section 8(a) (15 U.S.C. 637(a));

(g) section 8(b)(1) (15 U.S.C. 637(b)(1)), is amended by inserting a semicolon after "practices of good management" in subsection 8(b)(1)(A) and deleting the remainder of subsection 8(b)(1)(A);

(h) sections 8(b)(2)-(13), (15) (15 U.S.C. 637(b)(5)-(13), (15));

(i) sections 8(c)-(j) (15 U.S.C. 637(c)-(j));

(j) section 9 (15 U.S.C. 638);

(k) sections 10(a), (c), (d), (f), (15 U.S.C. 639 (a), (c), (d), (f));

(l) section 11 (15 U.S.C. 640);

(m) section 12 (15 U.S.C. 641);

(n) section 15 (15 U.S.C. 643);

(o) sections 15(a), (c)-(k)(5) and (1) (15 U.S.C. 644(a), (c)-(k)(5) and (1)); and

(p) Sections 16-17 (15 U.S.C. 645-646).

SEC. 202. There are transferred from the present Small Business Administration to the Department of Commerce the Office of Advocacy and all of its positions, authorities, small business advocacy functions, powers, and abilities vested or delegated pursuant to sections 634a through 634f of title 15, United States Code.

SEC. 203. There are transferred to the Secretary of Commerce all functions, powers, and duties vested in or delegated to the present Administrator of the Small Business Administration or the present Small Business Administration by the White House Conference on Small Business Authorization Act (Public Law 98-276).

TITLE III—TRANSFERS TO THE DEPARTMENT OF THE TREASURY

SEC. 301. These are transferred to the Secretary of the Treasury the loans, notes, bonds, debentures, securities, and other financial obligations owned by the present Small Business Administration, together with all assets or other rights (including security interests) incident thereto, and all liabilities related thereto, and there are assigned to the Secretary of the Treasury the functions, powers, and abilities vested in or delegated to the present Administrator of the Small Business Administration or the present Small Business Administration to manage, service, collect, sell, dispose of, or otherwise realize proceeds on obligations owed to the present Small Business Administration under authority of the Small Business Act and Small Business Investment Act of 1958 (including those assets purchased from the Federal Financing Bank pursuant to section 305 of this Act) with respect to the following matters—

(a) any loans heretofore made or guaranteed by the present Small Business Administration pursuant to section 7 of the Small Business Act (15 U.S.C. 636);

(b) any loans heretofore made by, debentures heretofore guaranteed by or equity securities heretofore purchased by the present Small Business Administration pursuant to sections 303-305 of the Small Business Investment Act of 1958 (15 U.S.C. 683, 684, 685);

(c) any guarantees heretofore made by the present Small Business Administration pursuant to section 401 of the Small Business Investment Act of 1958 (15 U.S.C. 692);

(d) any guarantees heretofore made by the present Small Business Administration pursuant to section 404 of the Small Business Investment Act of 1958 (15 U.S.C. 694-1);

(e) any guarantees heretofore made by the present Small Business Administration pursuant to section 411 of the Small Business Investment Act of 1958 (15 U.S.C. 694b);

(f) any loans heretofore made by or debentures heretofore guaranteed by the present Small Business Administration pursuant to sections 501, 502 and 503 of the Small Business Investment Act of 1958 (15 U.S.C. 695, 969, 697; and

(g) any other loan, obligation, or guarantee made or issued by the present Small Business Administration pursuant to any other provisions of the Small Business Act or Small Business Investment Act of 1958.

SEC. 302. The Department of the Treasury or the Secretary of the Treasury, whichever is appropriate, shall succeed to all rights and obligations of the present Small Business Administration and the present Administrator of the Small Business Administration, respectively, with respect to any and all existent legal rights, obligations, responsibilities and liabilities arising out of the obligations described in sections 301 and 305, including any outstanding guarantee of the present Small Business Administration and any of its defenses against a claim under such guarantee, and shall have the same legal rights, obligations, responsibilities and liabilities as the present Small Business Administration and the present Small Business Administration had with respect to such obligations, and the regulation of brokers and dealers in such obligations.

SEC. 303. All amounts received by the Secretary of the Treasury with respect to any assist transferred to the Department pursuant to sections 301 and 305, shall be deposited in the Treasury as miscellaneous receipts.

SEC. 304. (a) The Secretary of the Treasury is authorized to dispose of any loan, debenture or other asset acquired by him pursuant to sections 301 and 305 of this Act (including obligations formerly guaranteed pursuant to the Small Business Act or the Small Business Investment Act of 1958 that will be or have been acquired by the Secretary) in the way, in amounts, at prices (for cash, obligations, property, or combination of cash, obligations or property), and on such conditions as the Secretary considers advisable and in the public interest.

(b) Any disposition by the Secretary of the Treasury of a financial asset acquired by the Secretary pursuant to sections 301 and 305 of this Act, including a disposition through sale of the Federal Government's interest in an asset or in a pool of assets, shall not be subject to the provisions of the Federal Property and Administrative Service Act of 1949, as amended, or of any Federal, or State securities laws.

(c) Any such disposition shall be without any guarantee of the United States or any agency or instrumentality thereof.

(d) Notwithstanding any other provision of law, including the Privacy Act of 1974, as amended, the Secretary may transfer to a prospective purchaser or transferee of such assets such information as may be incident to the disposition of the asset.

(c) Notwithstanding any State or local law or regulation to the contrary, no filing or other action shall be required in order to continue the prefected status of any security interest transferred to the Secretary of the Treasury which was held on the date immediately preceding the effective date of this Act, by the Small Business Administration or any representative, transferee, or assignee thereof.

(f) Sections 5 (b) and (e), 7(c)(1)-(2), 16, and 17 of the Small Business Act (15 U.S.C. 634 (b) and (e), 636(c)(1)-(2), 645-646) shall remain in effect with respect to the assets and guarantees transferred to the Secretary of the Treasury by this Act as long as the Secretary shall retain any such asset or guarantee.

SEC. 305. The Secretary of the Treasury is authorized and directed, subject to funds being specifically appropriated for such purpose, to purchase from the Federal Financing Bank all notes, bonds, debentures or other obligations held by the Federal Financing Bank that were, on the day before the effective date of this Act, guaranteed or otherwise backed by the present Small Business Administration. Such purchases are to be made at prices determined by the Federal Financing Bank as if the obligations were repurchased by the respective obligors consistent with the terms of such obligations or such other agreements between the present Small Business Administration and the Federal Financing Bank as are in effect on the day before the effective date of this Act.

SEC. 306. There are hereby transferred to the Secretary of the Treasury the regulatory authorities with respect to small business investment companies and minority enterprise small business investment companies conferred by the Small Business Investment Company Act of 1958: *Provided, however,* That such regulatory authorities shall expire on—

(a) for each loan, debenture or equity security purchased or guaranteed by the present Small Business Administration, the date such loan or debenture is disposed of by the Department of the Treasury; or

(b) for each small business investment company or minority enterprise small business investment company whose loans, debentures or equity securities were purchased or guaranteed by the present Small Business Administration, the date on which the last such loan, debenture or equity security of such company is disposed of by the Secretary of the Treasury.

TITLE IV—TERMINATION OF FUNCTIONS UNDER THE SMALL BUSINESS ACT AND THE SMALL BUSINESS INVESTMENT COMPANY ACT OF 1958

SEC. 401. The following provisions of the Small Business Act shall cease to be in effect on October 1, 1986—

(a) section 2 (15 U.S.C. 631), except for subsections 2(c)(2)(A)-(B), (e);

(b) sections 3(c)-(i) (15 U.S.C. 632(c)(i));

(c) section 4 (15 U.S.C. 633), except for subsections 4(b)(2)-(4);

(d) sections 5(a), (c)-(d) (15 U.S.C. 634(a), (c)-(d));

(e) section 6 (15 U.S.C. 635);

(f) sections 7(a)-(i), (j)(1)-(2), (4)-(8), (k)(4), (1) (15 U.S.C. 636(a)-(b), (c)(3)-(4), (d)-(i), (k)-(4), (1)), except insofar as authority to administer and liquidate existing obligations under these sections are transferred to the Department of the Treasury pursuant to section 301 of this Act;

(g) sections 8(b)(14) (15 U.S.C. 637(b)(2)-(4), (14));

(h) sections 10(b), (e) and (g) (15 U.S.C. 639(b), (e) and (g));

(i) section 13 (15 U.S.C. 642);

(j) sections 15(b), (k)(6), (m) (15 U.S.C. 644(b), (k)(6), and (m)); and

(k) sections 18-23, 30.

SEC. 402. The Small Business Investment Company Act of 1958 shall cease to be in

effect on October 1, 1986, except (a) insofar as authority to administer and liquidate existing obligations, debentures, or guarantees heretofore made by the Small Business Administration pursuant to sections 303-305, 401, 404, 411, 501, 502, and 503 of that Act (15 U.S.C. 683, 692, 694-1, 694, 695, 696, and 697) are transferred to the Secretary of the Treasury pursuant to section 306 of this Act, and (b) as provided in section 607 of this Act.

SEC. 403. The revolving funds established by sections 403, 405, and 412 of the Small Business Investment Act of 1958 shall be terminated on October 1, 1986, and any remaining balances shall be dispensed of as provided in section 606 of this Act.

TITLE V—MISCELLANEOUS AMENDMENTS AND REPEALS OF OTHER LAWS

SEC. 501. Conforming amendments and repeals are made to the following statutes—

(a) Sections 504(e), 601(3), 602(b), 603(a), 605(b), and 612 of title 5, United States Code, are amended by striking out "Chief Counsel for Advocacy of the Small Business Administration" or "Office of Advocacy, Small Business Administration" and inserting in lieu thereof "Chief Counsel for Advocacy of the Department of Commerce".

(b) Effective October 1, 1986, section 5314 of title 5, United States Code, is amended by deleting the following position:

"Administrator of the Small Business Administration.".

(c) Section 5314 of title 5, United States Code, is amended by adding the following position:

"Under Secretary of Commerce for Small Business.".

(d) Effective October 1, 1986, section 5315 of title 5, United States Code, is amended by deleting the following:

"Deputy Administrator of the Small Business Administration.".

(e) Section 5315 of title 5, United States Code, is amended by striking out "Chief Counsel for Advocacy, Small Business Administration" and inserting in lieu thereof "Chief Counsel for Advocacy of the Department of Commerce."

(f) Section 5315 of title 5, United States Code, is amended by adding the following position:

"Deputy Under Secretary of Commerce for Small Business.".

(g) Effective October 1, 1986, section 5316 of title 5, United States Code, is amended by deleting the following positions:

"Associate Administrators of the Small Business Administration (4).";

"Inspector General, Small Business Administration.".

(h) Sections 2(1), 9(a)(1)(M), 11(1) and 11(2) of the Inspector General Act, 5 United States Code, Appendix, are amended by striking out the references to the Small Business Administration.

(i) Section 1932(d) of title 7, United States Code, is amended by striking out "the Small Business Administration" and inserting in lieu thereof "the Department of Commerce".

(j) Section 7420(5) of title 10, United States Code, is amended by striking out "the Small Business Administration" and inserting in lieu thereof "the Department of Commerce".

(k) Section 635(b)(1)(E) of title 10, United States Code, is amended by striking out "the Small Business Administration," and inserting in lieu thereof "the Department of Commerce" and by striking out "the Office of International Trade of the Small Business Administration".

(l) Sections 143(h) and 146(c)(4)(D) of title 12, United States Code, are amended to read "or other securities of any small business investment company which was formed pursuant to section 301(d) of the Small Business Investment Act of 1958 (formerly 15 U.S.C. section 681(d))".

(m) Section 1701u(2) of title 12, United States Code, is amended by striking out "the Administrator of the Small Business Administration" and inserting in lieu thereof "the Secretary of Commerce".

(n) Sections 77c(c) and 77ddd(e) of title 15, United States Code, are amended by striking out "securities issued by a small business investment company under the Small Business Investment Act of 1958 if it finds" and inserting in lieu thereof "securities which were issued by a small business investment company under the Small Business Investment Act of 1958 prior to the effective date of the Small Business Transfer Act of 1986 if the Commission finds."

(o) Sections 80a-2(a) of title 15, United States Code, is amended by—

(1) striking out "other than a small business investment company which is licensed by the Small Business Administration" in the subparagraph 46(B) and inserting in lieu thereof "other than until October 1, 1986, a small business investment company that was licensed by the Small Business Administration at the effective date of the Small Business Administration Transfer Act of 1986."; and

(2) striking out "with respect to a small business investment company licensed by the Small Business Administration" in the subparagraph 47(C) and inserting in lieu thereof "until October 1, 1986, with respect to a small business investment company that was licensed by the Small Business Administration at the effective date of the Small Business Administration Transfer Act of 1968."

(p) Section 80a-18(k) of title 15, United States Code, is amended by striking out its whole text and inserting in lieu thereof "Until October 1, 1986, the provisions of subparagraphs (A) and (B) of paragraph (1) of subsection (a) of this section shall not apply to any investment company operating under the Small Business Investment Act of 1958 on the effective date of the Small Business Administration Act of 1986. The provisions of paragraph (2) of said subsection shall not apply to any such company so long as such class of senior securities was guaranteed by the Small Business Administration and, pursuant to the Small Business Administration Transfer Act of 1986, is held or guaranteed by the Department of the Treasury."

(q) Section 80a-60(a) of title 15, United States Code, is amended by—

(1) striking out the comma immediately after "Small Business Administration" in subparagraph (2)(A) and inserting in lieu thereof "(or by the Department of the Treasury pursuant to the Small Business Administration Transfer Act of 1986),";

(2) inserting between "except that" and "a guarantee" in paragraph (4) the following: ", until October 1, 1986"; and

(3) striking out "is" immediately before "licensed" in paragraph (4) and inserting "was on the effective date of the Small Business Administration Transfer Act of 1986," in lieu thereof.

(r) Section 80c(b) of title 15, United States Code, is amended by striking out "the Small Business Administration" and "such Administration" and inserting in lieu thereof "the Department of Commerce" and "the Department", respectively.

(s) Section 80c-1(b) of title 15, United States Code, is amended by striking out, "the Small Business Administration" and inserting in lieu thereof "the Department of Commerce".

(t) Section 205e(7)(B) of title 15, United States Code, is amended by striking out, "the Administrator of the Small Business Administration" and inserting in lieu thereof "the Secretary of Commerce".

(u) Section 636(j)(10) of title 15, United States Code, is amended by striking out "the Associate Administrator for Minority Small Business and Capital Ownership Development under the supervision of, and responsible to, the Administrator," and sections 636(j)(11), and 637(a)(12) are amended by striking out "the Associate Administrator for Minority Small Business and Capital Ownership Development" and inserting in lieu thereof "the Administrator" in each instance.

(v) Section 637(a)(8) of title 15, United States Code, is amended to read as follows: "The Administrator shall make all determinations required under paragraphs (4) through (7), of this subsection.".

(w) Section 1691c of title 15, United States Code, is amended by striking out subsection (a)(9).

(x) Section 2502(8) of title 15, United States Code, is amended by striking out "the Small Business Administration", and inserting in lieu thereof "the Department of Commerce".

(y) Sections 2607(a)(3)(B) and 2625(b)(2) of title 15, United States Code, are amended by striking out "the Administrator of the Small Business Administration", and inserting in lieu thereof "the Secretary of Commerce".

(z) Section 3708(a) of title 15, United States Code, is amended by striking out "Small Business Administration" and inserting in lieu thereof "the Secretary of Commerce".

(aa) Section 2805(a)(8) of title 16, United States Code, is amended by striking out "The Administrator of the Small Business Administration".

(bb) Section 2392 of title 19, United States Code, is amended by striking out "and the Small Business Administration" and inserting a period after the word "Commerce".

(cc) Section 1131(a)(10) of title 20, United States Code, is amended by striking out "the Administrator, Small Business Administration".

(dd) Sections 1454 and 1542 of title 25, United States Code, are amended by striking out "the Small Business Administration" and inserting in lieu thereof "the Department of Commerece".

(ee) Sections 243(a)(2) and 246A(b)(2) of title 26, United States Code, are amended to read "dividends received by a small business investment company which operated under the Small Business Investment Act of 1958 (15 U.S.C., sec. 661 and following)".

(ff) Section 542(c)(8) of title 26, United States Code, is amended to read "A small business investment company which was licensed by the Small Business Administration and operated under the Small Business Investment Act of 1958 (15 U.S.C. sec. 661) and following) and which is actively engaged in the business of providing funds to small business concerns. This paragraph".

(gg) Sections 586(a)(1) and 1242(1) of title 26, United States Code, are amended to read "small business investment company which

operated under the Small Business Investment Act of 1958".

(hh) Section 1243(1) of title 26, United States Code, is amended to read "convertible debentures which were acquired pursuant to section 304 of the Small Business Investment Act of 1958".

(ii) Section 701n(b)(3)(A) of title 33, United States Code, is amended by striking out "The rate of interest shall be that rate which the Secretary determines would apply if the amount to be repaid was a loan made pursuant to section 636(b)(2) of title 15".

(jj) Section 1321(f)(2) of title 33, United States Code, is amended by striking out "and the Small Business Administration".

(kk) Section 201(h) of title 35, United States Code, is amended by striking out "the Administrator of the Small Business Administration" and inserting in lieu thereof "the Secretary of Commerce".

(ll) Section 202(b)(1) of title 35, United States Code, is amended by striking out "Chief Counsel for Advocacy of the Small Business Administration" and inserting in lieu thereof "Chief Counsel for Advocacy of the Department of Commerce".

(mm) Section 1517 of title 38, United States Code, is amended by striking out subsection (b)(1) and renumbering the other subsections accordingly.

(nn) Section 1632(b) of title 38, United States Code, is amended by striking out "Such term also means any unit course or subject, or combination of courses or subjects, pursued by an eligible veteran at an educational institution, required by the Administrator of the Small Business Administration as a condition to obtaining financial assistance under the provisions of section 7(i)(1) of the Small Business Act (15 U.S.C., 636(i)(1))".

(oo) Section 1842(b)(1) of title 38, United States Code, is amended by striking out "or made or guaranteed by the Small Business Administration".

(pp) Sections 1842(d)(1) and 1842(d)(2) of title 38, United States Code, are amended by striking out "or the Small Business Act (15 U.S.C., 631 et seq.)".

(qq) Section 1845(a) of title 38, United States Code, is amended by striking out the second sentence.

(rr) Section 2010(b)(1)(F) of title 38, United States Code, is amended by striking out "the Administrator of the Small Business Administration" and inserting in lieu thereof "the Secretary of Commerce".

(ss) Sections 405(e)(1) and 405a of title 41, United States Code, are amended by striking out "the Small Business Administration" and inserting in lieu thereof "the Department of Commerce".

(tt) Section 5305(a)(15) of title 42, United States Code, is amended by striking out "nonprofit organizations, local development corporations, or entities organized under section 681(d) of title 15" and inserting in lieu thereof "nonprofit organizations or local development corporations".

(uu) Sections 5801(d) and 6881(a)(3) of title 42, United States Code, are amended by striking out "the Administrator of the Small Business Administration" and inserting in lieu thereof "the Secretary of Commerce".

(vv) Section 7006(b) of title 42, United States Code, is amended by striking out "the Administrator of the Small Business Administration,".

(ww) Section 9815 of title 42, United States Code, is amended by striking out "Small Business Administration" and "from the title of this section," striking out all of subsection (a), and redesignating subsection (b) as subsection (a).

(xx) Section 1353(e)(2) of title 43, United States Code, is amended by striking out "by Small Business Administration Standards 128.3-8 and (g), as in effect on September 18, 1978, or as thereafter revised or amended", and inserting in lieu thereof "by regulations adopted by the Department of Commerce".

(yy) Sections 2071(a)(1) and 2151(d) of title 50, Appendix, United States Code, are amended by striking out "the Small Business Administration" and inserting in lieu thereof "the Department of Commerce".

(zz) Section 4(b) of the White House Conference on Small Business Authorization Act (Public Law 98-276) is amended by striking out "each chief executive official of the political subdivisions enumerated in section 4(a) of the Small Business Act" and inserting in lieu thereof "each chief executive official of the Commonwealth of Puerto Rico, the Trust Territory of the Pacific Islands, and the District of Columbia".

(aaa) Sections 636(j) (1), (8), and (9) of title 15, United States Code, are amended by striking out the references to section 7(i) of the Small Business Act.

(bbb) Section 636(j)(10)(A)(iv) of title 15, United States Code, is deleted, "and "; and" is inserted following section 636(j)(10)(A)(iv) and deleted following section 636(j)(10)(A)(v), and a "." is added following section 636(j)(10)(A)(v) of title 15, United States Code.

(ccc) Section 637(a)(2) of title 15, United States Code, is amended by striking out subsection (C) and renumbering subsection (D) as subsection (C).

TITLE VI—GENERAL ADMINISTRATIVE PROVISIONS

SEC. 601. To the extent necessary or appropriate, and consistent with the provisions of this Act, in order to perform a function transferred by this Act, the Secretary of Commerce and the Secretary of the Treasury each may exercise any authority or part thereof which was provided by law (including appropriation Acts) to the present Administrator of the Small Business Administration.

SEC. 602. Except where otherwise expressly provided for by law, the Secretary of Commerce and the Secretary of the Treasury each may delegate any of the functions now vested in a position transferred pursuant to this Act that relate to such a position to any of the officers and employees of that Department as the Secretary may designate, and may authorize successive redelegation of those functions, as appropriate.

SEC. 603. (a) With the exception of the Administration established by section 605, the Secretary of Commerce and the Secretary of the Treasury are authorized to locate among the officers of their Department the functions transferred to that Department by this Act, and to establish, consolidate, alter, or discontinue such organizational entities or offices within that Department as may be necessary or appropriate.

(b) In accordance with section 701 of this Act and regulations issued thereunder, and until such time as the consolidation and termination of the transferred functions is completed, the Secretaries shall treat the organizational entities and functions transferred by this Act to their respective departments, as if they remained a part of the Small Business Administration.

SEC. 604. The Secretary of Commerce and the Secretary of the Treasury are authorized to make such rules and regulations as may be necessary or appropriate to carry out the functions, powers, and duties vested or transferred by this Act.

SEC. 605. There is established in the Department of Commerce a Small Business Administration. The Administration shall be headed by an Under Secretary of Commerce, who shall be the Administrator and who shall be appointed by the President with the advice and consent of the Senate. The Secretary of Commerce is authorized to appoint a Deputy Under Secretary who shall be a Deputy Administrator to assist in the exercise of the functions vested in the Administration. The Secretary of Commerce may delegate to the head of the Administration any of the functions transferred to the Department pursuant to this Act.

SEC. 606. Any unobligated balances in excess of program needs remaining at the end of fiscal year 1986 in the Disaster Loan Fund account may be transferred and merged with unobligated amounts available under the Business Loan and Investment Fund. These unobligated balances of the Business Loan and Investment Fund account shall be available indefinitely for the purpose of liquidating losses incurred as a result of deferred participation and guarantee agreements made with banks or other financial institutions that are transferred to the Secretary of the Treasury by section 301 of this Act, but shall only be used in the event that sufficient appropriated funds are not available in the accounts established by section 607 of this Act for this purpose.

SEC. 607. Any appropriations or fund accounts established to carry out the purposes of this Act shall be deemed to be successor accounts to those that existed in the Small Business Administration prior to the date of enactment of this Act, and the balances of those prior accounts may be transferred and merged with any of the successor accounts established.

SEC. 608. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act. There are specifically authorized to be appropriated in any fiscal year such sums as may be necessary for losses incurred as a result of deferred participation and guarantee agreements made with banks or other financial institutions that are transferred to the Secretary of the Treasury by section 301 of this Act. These appropriated funds shall remain available for expenditure until the end of the fiscal year following the fiscal year in which they are appropriated.

TITLE VII—TRANSITIONAL, SAVINGS, AND CONFORMING PROVISIONS

SEC. 701. So much of the personnel (including Senior Executive Service and GS-16, GS-17, and GS-18 positions), positions, assets, liabilities, contracts, property, records, and unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to or to be made available in connection with any functions or authority transferred by this Act, are transferred to the head of the appropriate agency, except that no such unexpended balances transferred shall be used for purposes other than those for which the appropriation was originally made.

SEC. 702. The Director of the Office of Management and Budget, in consultation with the present Administrator of the Small Business Administration, the Secretary of Commerce and the Secretary of the Treasury, shall make such determinations as may

be necessary with regard to the functions so transferred, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to or to be made available in connection with the functions transferred by this Act, that he considers necessary to accomplish the purposes of this Act.

SEC. 703. SAVINGS PROVISIONS.—(a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) that have been issued, made, granted, or allowed to become effective by the President, any Federal department or Administration or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred under this Act, and

(2) that are in effect on October 1, 1986, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the head of the Department to which such function is transferred, or other authorized officials, a court of competent jurisdiction, or by operation of law.

(b)(1)(A) With respect to those functions transferred to the Secretary of Commerce, the provisions of this Act shall not affect a proceeding or an application for any license, permit, certificate, or financial assistance pending at the time this Act takes affect before any department, administration, commission, or component thereof, functions of which are transferred by this Act; but such a proceeding or application, to the extent that it relates to functions transferred, shall be continued.

(B) With respect to those functions transferred to the Secretary of the Treasury, the provisions of this Act shall not affect any proceeding with respect to an outstanding license or a financial asset transferred by this Act.

(2) Orders shall be issued in such a proceeding, appeals shall be taken therefrom, and payments shall be made under such orders, as if this Act had not been enacted; and orders issued in such a proceeding shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection prohibits the discontinuance or modification of such a proceeding under the same terms and conditions and to the same extent that such a proceeding could have been discontinued or modified if this Act had not been enacted.

(3) The Secretary of Commerce and the Secretary of the Treasury may each issue regulations providing for the orderly transfer of such a proceeding to his Department.

(c) Except as provided in subsection (e)—

(1) the provisions of this Act do not affect a suit commenced before this Act takes effect; and

(2) in such a suit, proceedings shall be had, appeals taken, and judgments rendered in the same manner and effect as if this Act had not been enacted.

(d) No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any department or Administration, functions of which are transferred by this Act, shall abate by reason of the enactment of this Act. No cause of action by or against any department or Administration, functions of which are transferred by this Act, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this Act. The authority to impose sanctions and grant waivers with respect to conflicts of interest occurring before the effective date of this Act, and the requirement to maintain records relating to the consideration of conflicts of interest before the effective date of this Act, do not abate by reason of the enactment of this Act.

(e) If, before the date on which this Act takes effect, any department or Administration, or officer thereof in his official capacity, is a party to a suit, and under this Act any function of that department, Administration or officer is transferred to the Secretary of Commerce or the Secretary of the Treasury, then the suit shall be continued with the Secretary, substituted.

SEC. 704. (a) The present Administrator of the Small Business Administration, the Secretary of Commerce and the Secretary of the Treasury shall, beginning as soon as practicable after the date of enactment of this Act, plan for the orderly transfer of functions and personnel pursuant to this Act.

(b) With the consent of the present Administrator of the Small Business Administration, the head of each agency to which functions are transferred by this Act is authorized to use the services of such officers, employees, and other personnel of the present Small Business Administration for such period of time as may reasonably be needed to facilitate the orderly transfer of such functions.

SEC. 705. If a provision of this Act or its application to any person or circumstance is held invalid, neither the remainder of this Act nor the application of the provision to other persons or circumstances shall be affected.

SEC. 706. With respect to any functions transferred by this Act and exercised after the effective date of this Act, reference in any other Federal law to any department, commission, or Administration or any officer or office the functions of which are so transferred shall be considered to refer to the official to whom they were transferred.

SEC. 707. During the period from October 1, 1986, until December 31, 1986, the present Small Business Administration shall remain in existence, and there is authorized to be appropriated funds, for the purposes of winding up its affairs and advising the Departments of Commerce and Treasury, insofar as they may request, in the exercise of the functions transferred by this Act: *Provided, however,* That during this transitional period the present Small Business Administration may not engage in any program activities, either with respect to those functions that are transferred to other agencies or those that are terminated. The present Small Business Administration shall terminate on December 31, 1986. Positions whose incumbents are appointed by the President, by and with the advice and consent of the Senate, shall terminate on October 31, 1986.

SEC. 708. (a) Unless otherwise indicated, the provisions of this Act shall take effect on October 1, 1986.

(b) Notwithstanding subsection (a) of this section, at any time after this Act becomes Law—

(1) the officers provided for in section 605 of this Act may be nominated and appointed, as provided in that section; and

(2) the Secretary of Commerce and the Secretary of the Treasury each may issue regulations under section 604 of this Act.

(c) If any officer required by this Act to be appointed by and with the advice and consent of the Senate has not entered upon office on the effective date of this Act, the President may designate any officer whose appointment was required to be made by and with the advice and consent of the Senate, and who was such an officer immediately before the effective date of this Act, to act in the office until it is filled as provided in this Act. While so acting, such an officer shall be compensated at the rate prescribed by this Act for the office in which the officer acts.

SEC. 709. To the extent that existing laws are inconsistent with the provisions of this Act, their applicability to this Act is superseded.●

By Mr. DOLE (for Mr. HUMPHREY, for himself, Mrs. HAWKINS, Mr. HELMS, Mr. DENTON, and Mr. EAST):

S. 2420. A bill to require certain individuals who perform abortions to obtain informed consent; to the Committee on Governmental Affairs.

INFORMED CONSENT ACT

● Mr. HUMPHREY. Mr. President, today I introduce, on behalf of myself, my distinguished colleague from Florida, Mrs. HAWKINS, my distinguished colleague from Alabama, Mr. DENTON, and my distinguished colleagues from North Carolina, Mr. HELMS and Mr. EAST, a bill which by all rights should have no opposition.

One rarely can truthfully state this when introducing a bill such as this whose primary subject is the unbelievably fractious subject of abortion. But this bill truly is one that should not engender the expected charges and counter-charges found in abortion debates. After all, who can oppose providing adequate information about a decision that no doubt will have lifetime consequences? Who can oppose requiring that as much information be provided about one medical procedure as any other? And finally, who can oppose that a woman's choice to undergo a medical procedure be a truly informed choice, and one given with full knowledge of the consequences and the alternatives?

This bill, though the original cosponsors are unanimous in their opposition to legalized abortion, is essentially neutral on the question of abortion. The bill has been written with all due consideration given to current constitutional requirements with respect to the regulation of abortion. And the bill's primary object to providing for the informed choice of women contemplating a medical procedure that undoubtedly will have lifelong consequences.

The abortion decision is certainly one which has life-long consequences. And I mean life-long consequences not only for the unborn child, but for the mother. There is an abundance of horror stories of women who realized too late and after the fact the truth about their abortion. Today they are victims because they weren't given sufficient information to enable them to

make an informed decision. Today they are trying desperately to live with themselves and to cope with their decision.

Perhaps if an informed consent bill similar to this had existed when these women contemplated abortion, many of them would not suffer the agony they suffer today.

I strongly believe that a woman has the right to know all the ramifications that accompany an abortion. And I firmly assert that we as a society, and the medical profession in particular, have an obligation to provide the woman with complete information regarding the abortion procedure, its complications, and alternatives.

The purpose of this bill is to address that woman's right, and ensure the execution of our duty, by requiring doctors who participate in federally funded programs, one, to ensure that the pregnant woman has been given sufficient information to enable her to give informed consent and, two, prior to the abortion, obtain a written acknowledgement certifying that the woman's consent is freely given and is not the result of coercion. The bill requires that the woman be given, among other general information, information regarding the particular risks and consequences of her abortion, a description of the abortion procedure to be used, information about alternatives to abortion—including adoption—instructions on proper post-abortion care, and other pertinent facts, so that the woman may intelligently exercise her judgment by reasonably balancing the probable risks against the probable benefits.

The bill further requires that a doctor subject to this bill's provisions, or his assistant, tell the woman that printed material containing a list of national organizations offering abortion alternatives is available from him upon her request. The bill requires the Department of Health and Human Services to compile, print, and distribute the necessary material.

And finally, the bill provides remedies by establishing that failure to obtain written acknowledgement of consent is prima facie evidence of lack of informed consent for purposes of civil damages, and that failure to comply with the requirement to obtain informed consent is cause for termination of Federal funds.

Mr. President, abortion is, in my view, nothing more than the deliberate killing of an innocent, living human being. However, until this unconscionable violation of human rights, this crime against the unborn, is ended, we have the duty to ensure that women receive sufficient information about the abortion decision they face.

Mr. President, I urge all my colleagues to cosponsor this bill and to support its passage.●

By Mr. GORTON:

S. 2421. A bill to amend the Truth in Lending Act; to the Committee on Banking, Housing, and Urban Affairs.

FAIR CREDIT CARD ACT

● Mr. GORTON. Mr. President, I am today introducing the Fair Credit Card Act of 1986. This measure is designed to address two problems which have arisen in the credit card markets and which were identified during Senate Banking Committee hearings on this subject earlier this year.

The first part of this bill requires issuers of credit cards—be they bank issuers or retail merchants—who send advertisements or solicitations in the mail to consumers to disclose clearly on these solicitations the key elements of cost—the annual percentage rate, the annual fee, and the grace period, if any.

The Senate Banking Committee's hearings were motivated largely by a sense that credit card interest rates had not declined commensurately with other market interest rates in recent months, and a desire to find out why this was so. One of the things this hearing uncovered was that the cost of funds itself is a much smaller share of the total cost of advancing credit card credit than it is of other types of credit. Many other related costs—including bad debt costs—loom much larger with credit cards.

In recent months we have seen a substantial increase in the amount of credit card credit outstanding. Much of this is due to an aggressive—some would say reckless—policy of extending more credit, and credit to more borrowers, than is warranted. A recent *Wall Street Journal* article, December 2, 1985, describes one institution that mailed preapproved charge card applications with up to $5,000 limits to people who were unemployed or even dead. As the credit card market becomes saturated, lenders move further and further down the spectrum of creditworthiness in an effort to put their plastic in more pockets.

Often the recipients of these solicitations don't even realize the price they are paying. Nothing on the solicitation need tell them this. It is only after they have received the contract that current disclosure laws require revealing the terms of the agreement. But at this point the consumer has, for all practical purposes, already made his or her decisions. My own State is a dramatic case in point. Approximately 10 Washington State banks issue credit cards. In general, these banks charge an interest rate of 15 percent. and yet they are actually losing market share to the national solicitations of out-of-State banks who charge 18, 19, or even 21 percent, but who flood the State with preapproved applications and solicitations.

Now one might say, "Why regulate this practice?" Those who extend credit unwisely will pay the price. The problem with this is twofold. In the first place, the lending institution does not pay the whole cost of bad debt. The major credit card companies—Visa, MasterCard—charge interchange fees that reflect credit losses at all institutions. High bad debt losses are passed on in these nationally uniform interchange fees, paid by all users of credit cards, regardless of whether the user's own bank is careful or careless in the extension of credit. Instead of being borne completely by the lending institution, a portion of the credit losses are borne ultimately by all users of credit cards.

In addition, it is time that we took a harder look at what is becoming a reckless amount of borrowing in our society. Bank consumer loan losses are up sharply over the past 18 months. The last thing our banking system needs, on top of its problems in other markets, is to face a deterioration in its consumer loan protfolio. But that is where the aggressive extension of credit is leading us.

I do not pretend that merely by requiring the disclosure on solicitation of the salient aspects of credit card costs we will put an end to all unwise credit extensions. But at least we will temper its worst excesses—the deliberate creation of a sense of mind that the consumer is capable of bearing a far greater debt burden, at a smaller cost, than is truly the case.

The second major component of this bill eliminates the ability of bank card issuers to use unfair balance calculation methods to increase finance charges. Because this tends to be a somewhat technical issue. I shall take a few moments to explain it.

The cost to the consumer of credit card credit depends on the interest rate charged, as well as on the principal—or balance—against which that interest rate is applied. There are various ways of calculating this balance, and the choice of method leads to different costs to consumers.

This is no small thing. Different balance calculation methods lead to variations in the consumer's cost of funds that can quite easily swamp even dramatic differences in interest rates. Yet there is a very little appreciation of this fact.

Balance calculation methods are, by their nature, complicated and difficult to understand. If the explanation of the balance calculation method is less than exhaustive it can leave unanswered important details that can lead to significant differences in cost, but if it is exhaustive it is usually incomprehensible. For these reasons, the simple disclosure of balance calculation methods is not sufficient to deal with the problem of unfair balance calculation methods, and something more is required.

The "something more" that I propose is that bank card issuers are required to use the average daily balance method of balance calculation, except that they would be permitted to employ an alternative method more favorable to the consumer if they so chose. The average daily balance method is the fairest and most reasonable method, because it takes account of payments when they are received, and in effect recalculates the outstanding balance every day to reflect both charges and payments. The pure average daily balance method charges only for the actual amount of credit extended. Indeed, if coupled with a grace period, an average daily balance method actually results in a true cost of funds to the consumer of less than the stated interest rate.

There are several different variants even of this method. For example, some banks offer a "free ride" or grace period, during which credit is extended at no cost if the balance is entirely paid off; others do not. Even among banks that offer such grace periods, there are differences. With some lenders, failure to pay off a balance in full means that subsequent new charges immediately become interest bearing. Other lenders permit an additional "free ride" period on these subsequent purchases even if the previous balance is not paid in full. More subtle differences can also arise, though as a practical matter these other differences usually result in only minimal variation in the cost of funds.

This bill does not make the mistake of attempting to define every conceivable nuance of an acceptable balance calculation method. It delegates to the Federal Reserve Board the detailed regulations on this matter. But it does make clear that such egregiously unfair methods as the "previous balance" method and the "ending balance" method are not to be permitted. Should lenders wish to adopt a method still more favorable to the consumer than the average daily balance method, they may do so.

Mr. President, this second portion of my bill—dealing with balance calculation methods—applies only to bank cards like Visa and MasterCard. It does not apply to retail credit cards like those issued by Sears, by J.C. Penny's, or by the thousands of small merchants and retailers around the country. Some may argue that we ought to extend such a requirement to such firms as well, and indeed I am not without sympathy for this argument. But there are reasons to draw this distinction. In the first place, issuers of bank cards are able to select the State from which they wish to market their cards, and "export" the credit provisions permitted by that State. Retailers, on the other hand, must abide by the laws of the State in which the consumer resides. Given nationwide distribution of bank cards, this is a very significant difference.

Furthermore, extension of this requirement to thousands and thousands of retailers across the country would result in intolerable burdens, not only for the Federal officials charged with enforcing this statute, but also for many small retail operations who, in the absence of sophisticated computerized billing systems, select their balance calculation method primarily for its ease of calculation.

Mr. President, I want to close these comments by noting that I believe that the vast majority of the bank card issuers will be unaffected by the balance calculation requirement I am proposing here. The average daily balance method is typical in the industry, and is also favored by consumer group representatives. In requiring this method, it is only the minority of bad actors who will have to change their methods.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2421

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be referred to as the "Fair Credit Card Act of 1986".

SEC. 2. Section 127 of the Truth in Lending Act is amended by adding at the end thereof the following:

"(c) The Board shall issue regulations that require credit card solicitations or advertisements mailed to the consumer to disclose clearly and conspicuously—

"(1) the annual percentage rate applicable to extensions of credit obtained by use of the credit card;

"(2) the conditions under which a finance charge may be imposed, including the time period (if any) within which any credit extended may be repaid without incurring a finance charge, or, if no such time period is provided, the creditor shall disclose such fact; and

"(3) the annual fees and other charges, if any, applicable to the issuance or use of the credit card.

"(d)(1) For any open end credit plan involving a credit card under which credit may be extended by a party other than the provider of goods or services, the balance upon which finance charges may be imposed shall be computed using an average daily balance method or any alternative method which results in lower finance charges than the average daily balance method.

"(2) The Board shall be regulation prescribe criteria under which a balance calculation method may be deemed to be an average daily balance method or an alternative method which results in a lower finance charge for the purpose of paragraph (1). Such regulations shall—

"(A) permit issuers of credit cards to adopt grace periods during which credit is extended without incurring a finance charge, but shall not require the adoption of such a grace period; and

"(B) permit issuers of credit cards with cash advance features to adopt different grace periods for cash advance than for credit advances, if any such different period is clearly disclosed.".●

ADDITIONAL COSPONSORS

S. 670

At the request of Mr. PELL, the name of the Senator from Wisconsin [Mr. PROXMIRE] was added as a cosponsor of S. 670, a bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, and to give to employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes.

S. 723

At the request of Mr. MATSUNAGA, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 723, a bill to amend title XVIII of the Social Security Act to authorize payment for occupational therapy services under part B of the medicare program.

S. 1093

At the request of Mr. MATHIAS, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 1093, a bill to amend the patent law to restore the term of the patent grant in the case of certain products for the time of the regulatory review period preventing the marketing of the product claimed in a patent.

S. 1322

At the request of Mr. HECHT, the name of the Senator from Idaho [Mr. MCCLURE], the Senator from Nevada [Mr. LAXALT], and the Senator from Hawaii [Mr. MATSUNAGA] were added as cosponsors of S. 1322, a bill to amend the Geothermal Steam Act of 1970.

S. 1696

At the request of Mr. GOLDWATER, the name of the Senator from Colorado [Mr. ARMSTRONG], and the Senator from New Mexico [Mr. DOMENICI] were added as cosponsors of S. 1696, a bill to establish a federally declared floodway for the Colorado River below Davis Dam.

S. 1917

At the request of Mr. BRADLEY, the names of the Senator from Iowa [Mr. HARKIN] and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of S. 1917, a bill to amend the Foreign Assistance Act of 1961 to provide assistance to promote immunization and oral rehydration, and for other purposes.

S. 1979

At the request of Mrs. KASSEBAUM, the name of the Senator from Hawaii

[Mr. INOUYE] was added as a cosponsor of S. 1979, a bill to fulfill the purposes of the Airport and Airway Improvement Act of 1982, promote air passenger safety, and provide equity to airway users.

S. 2253

At the request of Mr. HEINZ, the name of the Senator from Tennessee [Mr. SASSER] was added as a cosponsor of S. 2253, a bill to amend the Balanced Budget and Emergency Deficit Act of 1985 to exempt certain railroad retirement benefits from sequestration or reduction under an order issued by the President under section 252 of such act.

S. 2256

At the request of Mr. QUAYLE, the names of the Senator from North Dakota [Mr. BURDICK] and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of S. 2256, a bill to amend the Bilingual Education Act to make Federal financial assistance available for children of limited English proficiency without mandating a specified method of intruction, to encourage innovation at the State and local level through greater administrative flexibility, to improve program operations at the Federal level, and for other purposes.

S. 2288

At the request of Mr. CHILES, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 2288, a bill to amend title XIX of the Social Security Act to permit States the option of providing prenatal, delivery, and postpartum care to low-income pregnant women and of providing medical assistance to low-income infants under 1 year of age.

S. 2295

At the request of Mr. GOLDWATER, the names of the Senator from Florida [Mr. CHILES], the Senator from Kentucky [Mr. MCCONNELL], and the Senator from Delaware [Mr. BIDEN] were added as cosponsors of S. 2295, an original bill to amend title 10: United States Code, to reorganize and strengthen certain elements of the Department of Defense, to improve the military advice provided the President, the National Security Council, and the Secretary of Defense, to enhance the effectiveness of military operation, to increase attention to the formulation of strategy and to contingency planning, to provide for the more efficient use of resources, to strengthen civilian authority in the Department of Defense, and for other purposes.

S. 2308

At the request of Mr. LAUTENBERG, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 2308, a bill to authorize the President of the United States to award congressional gold medals to Anatoly and Avital Shcharansky in recognition of their dedication to human rights, and to authorize the Secretary of the Treasury to sell bronze duplicates of those medals.

S. 2333

At the request of Mr. DURENBERGER, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 2333, a bill to amend title XIX of the Social Security Act to strengthen and improve medicaid services to low-income pregnant women and children.

S. 2343

At the request of Mr. DURENBERGER, the names of the Senator from Iowa [Mr. GRASSLEY], and the Senator from New Hampshire (Mr. RUDMAN) were added as cosponsors of S. 2343, a bill to authorize the provision of foreign assistance for agricultural activities in Nicaragua.

S. 2405

At the request of Mr. SYMMS, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 2405, a bill to authorize appropriations for certain highways in accordance with title 23, United States Code, and for other purposes.

SENATE JOINT RESOLUTION 334

At the request of Mr. LAUTENBERG, the names of the Senator from Texas [Mr. GRAMM], the Senator from Michigan [Mr. RIEGLE], the Senator from West Virginia [Mr. ROCKEFELLER], and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of Senate Joint Resolution 334, a joint resolution allowing qualified persons representing all the States to be naturalized on Ellis Island on July 3 or 4, 1986.

SENATE JOINT RESOLUTION 335

At the request of Mr. CHILES, the names of the Senator from Maine [Mr. COHEN], the Senator from Nevada [Mr. HECHT], the Senator from Hawaii [Mr. INOUYE], and the Senator from Maine [Mr. MITCHELL] were added as cosponsors of Senate Joint Resolution 335, a joint resolution to designate May 8, 1986, as "Naval Aviation Day."

SENATE CONCURRENT RESOLUTION 90

At the request of Mr. LAUTENBERG, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of Senate Concurrent Resolution 90, a concurrent resolution urging the President to convene a conference to develop an international seaport security agreement relating to seaport and passenger vessel security among the United States, its allies, other interested nations, and the private sector.

SENATE RESOLUTION 227

At the request of Mr. PELL, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of Senate Resolution 227, a resolution urging a joint United States-Soviet effort to achieve worldwide disease immunization by 1990.

SENATE RESOLUTION 385

At the request of Mr. SASSER, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of Senate Resolution 385, a resolution to express the sense of the Senate that certain action be taken to end hunger in the United States by 1990.

AMENDMENT NO. 1823

At the request of Mrs. KASSEBAUM, the name of the Senator from Montana [Mr. MELCHER] was added as a cosponsor of amendment No. 1823 intended to be proposed to S. 100, a bill to regulate interstate commerce by providing for a uniform product liability law, and for other purposes.

SENATE CONCURRENT RESOLUTION 137—RELATIVE TO THE NATIONAL S.T.O.R.M. PROGRAM

Mr. HEFLIN (for Mr. HOLLINGS, for himself and Mr. HEFLIN) submitted the following concurrent resolution; which was referred to the Committee on Commerce, Science, and Transportation:

S. CON. RES. 137

Whereas on May 3, 1986, a Delta rocket carrying the GOES-7 weather satellite failed 71 seconds into its flight causing both the rocket and the weather satellite to be destroyed;

Whereas the loss of the weather satellite leaves the Unites States with only one weather satellite, GOES-6, in geostationary orbit to cover the entire continental United States as well as the Pacific and Atlantic Oceans;

Whereas hurricanes have ravaged the eastern United States with regularity every summer and fall, causing great economic loss and human suffering;

Whereas the unanticipated, destructive, and hazardous occurrence of small-scale weather disturbances disrupt the economy through serious impacts on transportation, agriculture, and industry, and result in a staggering average annual economic loss of $20 billion and an average annual loss of life approaching 1,000;

Whereas the Congress finds that recent advances in atmospheric science and related technology make it possible to improve the protection of the public and increase the productivity of the Nation's economy through modernization of the Nation's weather services over the next decade by improving observation and prediction of storm-scale weather phenomena such as squall lines, thunderstorms, hurricanes, tornados, flash floods, freezing rain, and dense fog;

Whereas an increased capability in storm-scale weather prediction and services for the people of the United States will require implementation of observation, data collection, processing, and dissemination technology and an associated research effort aimed at the development of improved forecasting procedures and field programs to acquire the necessary data to test procedures and technology;

Whereas there is a widespread consensus in the scientific community that recent developments in technology and scientific understanding of storm-scale weather phenom-

ena make it timely to undertake a national storm-scale operational and research meteorology program (STORM) which can yield the desired improvements over the next decade in the Nation's weather services;

Whereas the Federal Government is currently pursuing plans to modernize the Nation's operational weather capability by implementing new technology such as next generation radar (NEXRAD), the next generation of geostationary operational environment satellite (GOES) and continuing the two polar satellite system;

Whereas significant improvements in storm-scale weather prediction can be achieved by a modest sustained annual increase over the next decade in the the Nation's present investment in weather services and research; and

Whereas a national STORM program should be implemented by the Federal agencies involved, including the Department of Commerce, Defense, Interior, and Transportation; the Environmental Protection Agency; the National Aeronautics and Space Administration; and the National Science Foundation: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That (1) it is the sense of the Congress that the Federal Government take immediate steps to support funding for such a program under the leadership of the National Oceanic and Atmospheric Administration of the Department of Commerce, with the cooperation of other interested and appropriate departments and agencies; (2) on or before August 1, 1986, and each fifth year thereafter the President would transmit to the Congress a plan setting forth the proposed activities of the national STORM program and the budgetary requirements needed to meet the program's goals and objectives; (3) such plan should contain a statement of the activities to be conducted and specify the department or agency of the Government which will conduct the activities; and (4) on or about January 1, 1987, the President shall transmit to the Congress a report on progress made in implementing the national STORM program.

Be it further resolved, that the Administration shall place a high priority upon reinstating the two-GOES satellite system at the earliest opportunity; shall compensate for the absence of a second GOES satellite and the present diminished satellite capability to forecast hurricanes, by taking such actions as increasing hurricane reconnaissance flights; and shall undertake an immediate analysis of the steps necessary to enhance the prospects of maintaining a two-GOES system.

Mr. HEFLIN. Mr. President, today I am submitting legislation, on behalf of Senator HOLLINGS and myself, to improve the Government's ability to predict storm scale weather through a national storm program. Legislation very similar to this was submitted by Senator HOLLINGS and myself in the 98th Congress and passed the Senate on August 10, 1984.

On Saturday evening the National Aeronautics and Space Administration launched a Delta rocket carrying a weather satellite, called GOES-7, to be placed in geostationary orbit. Unfortunately, the Delta rocket's main engine abruptly shut off 71 seconds into flight causing the vehicle to veer off course and burst apart over the Atlantic Ocean. As it tumbled out of control, the rocket and the weather satellite it was carrying were destroyed on command by the Air Force. NASA investigators are currently investigating the accident and examining all relevant data in an effort to determine what caused the main engine to shut down.

The satellite launched by NASA on Saturday would have scanned the area from the West Coast of Africa to the mid-Pacific Ocean providing vital weather information to the United States including detection of violent storms, such as hurricanes. It was to replace the GOES-5 satellite which failed in the summer of 1984.

With the loss of the GOES-7 satellite the United States will continue to have only one satellite in geostationary orbit to provide weather information. When the GOES-5 satellite failed in 1984 the National Oceanic and Atmospheric Administration, which operates the satellites, moved its one remaining weather satellite over the middle of the country. This allows coverage of the entire continental United States, but provides limited coverage of the Pacific and Atlantic Oceans and the Gulf of Mexico. Also, it provides less detection of the origin, development and movement of hurricanes.

The problem of hurricane forecast is of particular concern to me and my fellow citizens in Alabama. Like other parts of the Southeast, Alabama's coast is vulnerable to these disastrous storms. Over the years, timely hurricane warnings from NOAA satellites and forecasters have saved many lives. And even though the remaining satellite has been moved eastward to cover the continental United States in my opinion the Southeast is left without full satellite coverage. My colleagues from other States, both in the Southeast and along the Pacific, should have similar concerns about our ability now to detect major storm systems.

It is uncertain when the United States will be able to launch a second geostationary weather satellite. Furthermore, if the GOES satellite currently in use were to fail forecasters would lose much of their ability to detect today the early stages of a hurricane. This concurrent resolution we submit today, would call for the implementation of the technology needed to forecast and pinpoint storm-scale weather. I believe it is mandatory that the Federal Government move expeditiously to replace our current obsolete weather radar system with long overdue new weather radar technology. The weather radar system we use today was installed in 1958. Under the leadership of the National Oceanic and Atmospheric Administration, the Federal Aviation Administration and the Department of Defense, the United States has made a commitment to replace this obsolete weather radar with a modern radar network called NEXRAD. However, the development and deployment of this new system has been stalled by lack of funds with final installation most likely not occurring until the 1990's.

The NEXRAD weather radar system is one important component of the Storm-Scale Operational and Research Meteorology Program, or STORM which our resolution calls for. STORM is aimed at increasing knowledge of and our ability to respond to dangerous storm-scale weather. STORM would use state-of-the-art technology to observe, analyze, predict and disseminate storm scale weather. It would also conduct research to develop better conceptual and mathmatical models of storm scale weather. The STORM Program would include the final development and deployment of NEXRAD and other technologies, including additional remote sensors for existing weather satellites, ground-based remote sensors to measure wind motion, automated surface weather stations, refined communications systems that yield rapid forecast and warnings, and digital computer systems for analysis and prediction. In addition, our resolution calls upon the administration to place a high priority on reinstating the two-GOES satellite system as soon as possible and to compensate for the lack of two satellites by increasing weather reconnaissance flights.

Tornadoes, severe thunderstorms, flash floods, severe squall lines, downbursts, and heavy snows cause more than 20 billion dollars worth of damage each year and the average annual loss of lives of 1,000. However, we have technology available to us today with which to do a much better job of protecting life and property and save our citizens much grief and hardship. Our concurrent resolution would merely expedite the deployment of that technology. I urge my colleagues to support this needed legislation.

Mr. HOLLINGS. Mr. President, the United States has some of the world's most turbulent weather. Every year our citizens encounter a wide variety of violent weather events. These range from large-scale disturbances like the hurricanes that come our way each summer and fall, to smaller-scale events like tornadoes, downbursts, severe squalls or thunderstorms, flash floods, and heavy local snows.

Thousands of lives and billions of dollars in property damage have resulted from such violent acts of nature. And there is frequently a link between large-scale events like hurricanes and so-called storm-scale weather like tornadoes and flash floods. For example, tornadoes are often spawned by hurricanes and large tropical storms as they break up over land.

Further, as in the case of Hurricane Agnes in 1972, hurricanes frequently bring ashore huge volumes of rainfall that can lead to life-threatening flooding in the mountains and on inland rivers.

We South Carolinians are, of course, no strangers to tornadoes and hurricanes. And although we don't have a lot of experience with some of the other kinds of storm-scale events, for example, sudden and heavy snowfalls, we have a good deal of empathy for our fellow Americans who do. In my view the Federal Government has an obligation to the people of this country to provide weather forecasting and warning services that help to minimize loss of life and property from these storms and other occurrences.

In the 98th Congress with Senator HEFLIN and seven other Senators, I submitted a concurrent resolution aimed at implementing a national STORM Program to improve our capability to predict storm-scale weather. That measure passed the Senate by voice vote on August 10, 1984.

Today Senator HEFLIN and I are submitting a slightly modified version of that resolution to address the present serious difficulties with the National Oceanic and Atmospheric Administration's geostationary-orbiting environemntal satellite [GOES] system. The GOES satellites have become a virtually indispensable element of our hurricane warning and forecasting capability. Ideally there should be two GOES satellites, one to cover the Pacific Ocean and Western portion of the United States and the second to cover the Atlantic Ocean and Gulf of Mexico and Eastern United States. Regrettably, one of these satellites failed prematurely in orbit 2 years ago, and only a single GOES satellite has been in operation since while replacement spacecraft were being constructed. To cope with the absence of the companion spacecraft, NOAA has had to shift the existing satellite eastward during the hurricane season and then westward after the hurricanes have ceased, to detect winter storms coming from the Pacific.

We have been extraordinarily lucky that this single GOES satellite continues to function. Its failure would leave forecasters with very little ability to detect the advance stages of a hurricane. As we all know, the GOES spacecraft that was to reinstate a two-satellite system was lost this past Saturday, after the main engines shut down on the Delta rocket that was to transport it into space.

Mr. President, my modified STORM concurrent resolution calls for implementation of the technology needed for improved forecasting of storm-scale weather. This includes the triagency next-generation weather radar program—known as NEXRAD—and such upgraded processing and communications systems as NOAA's Advanced Weather Interactive Processing System [AWIPS] and Automated Surface Observations system [ASOS]. It would seek coordinated implementation by all affected Federal agencies, from NOAA, NASA, NSF, and EPA, to the Defense, Interior, and Transportation Departments. In addition, the concurrent resolution calls for the administration to place a high priority upon reinstating the two-GOES satellite system at the earliest opportunity; to compensate for a less than complete satellite capability to forecast hurricanes, by taking such actions as increasing weather reconnaissance flights; and to undertake an immediate analysis of the steps necessary to enhance the prospects of maintaining a two-GOES system.

I look forward to working with Senator HEFLIN and my other Senate colleagues in developing a consensus on this legislation.

SENATE RESOLUTION 397—REGARDING CERTAIN WORLD BANK LOANS

Mr. QUAYLE submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 397

Whereas a loan to Argentina in the amount of $350,000,000 (United States dollars) was approved by the International Bank for Reconstruction and Development (hereafter in this resolution referred to as the "World Bank") on April 3, 1986, for the purpose of facilitating the reduction of taxes now levied against exports of Argentine agricultural commodities;

Whereas the loan made to Argentina will serve purposes other than those for which United States contributions were made to the World Bank and represents a departure from traditional World Bank project development lending;

Whereas the loan will not directly improve the living standards of the Argentine people and, further, ignores economic signals discouraging additional agricultural production, such as a lack of world market demand and low commodity prices;

Whereas the United States is the single largest contributor to the World Bank and other multilateral development banks, providing $1,142,512,240 in cash subscription and pledged an additional $2,858,979,330 in callable capital to the various multilateral development banks for the fiscal year 1986;

Whereas the United States depends greatly on agricultural exports, agriculture being the largest single industry of the United States, employing one in five Americans and representing in its various forms over 20 percent of the Gross National Product of the United States;

Whereas United States agricultural exports have declined precipitously since 1981 due to several factors, including increased world production, barriers to United States farm exports, the high value of the dollar, the increased use of export subsidies, and other unfair trade practices and, as a result, the value of United States agricultural exports has fallen from more than $43,000,000,000 in 1981 to $29,000,000,000 in 1985;

Whereas United States law, as set forth in Public Law 98-181, Public Law 95-481, and Public Law 95-118, restrict the ability of a representative of the United States to a multilateral development bank to support certain loans, if such loans would result in harm to United States interests; and

Whereas Article I of the Articles of Agreement of the International Bank for Reconstruction and Development sets forth the purpose and priority of the Bank, including "the long-range balanced growth of international trade" and "that the more useful and urgent projects, large and small alike, will be dealt with first": Now, therefore, be it

Resolved, That it is the sense of the Senate that the Secretary of the Treasury should instruct each United States Executive Director to the various multilateral development banks to use the voice and vote of the United States to urge the respective bank, when considering the approval of a loan application, to—

(1) avoid lending practices which provide or encourage the use of export subsidies or other unfair competitive advantages for purposes of gaining export sales;

(2) encourage open access to markets so as to serve the objective of liberalized trade and economic growth which is of mutual benefit to all participants;

(3) follow the instruction of the law with regard to votes of support for loans made to countries for purposes of increasing production of commodities;

(4) adhere to the priorities and purposes of the charter of such bank or otherwise consult with the Congress regarding departures from traditional lending activities not previously contemplated; and

(5) oppose loans which result in the production of any commodity determined to be in oversupply.

SEC. 2. For purposes of this resolution, the term "multilateral development banks" includes the International Bank for Reconstruction and Development, the International Development Association, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, and the African Development Fund.

SEC. 3. The Secretary of the Senate shall transmit a copy of this resolution to the Secretary of the Treasury.

● Mr. QUAYLE. Mr. President, on April 3 of this year, the World Bank approved a $350 million loan to the Republic of Argentina in order to facilitate the dismantling of certain taxes now applied to that country's agricultural exports. Today, I am introducing a sense of the Senate resolution expressing my objection to that loan and to the trend toward similar lending practices by the various multilateral development banks.

It is my firm belief that such loans encourage damaging trade practices, stray greatly from the primary purpose of the multilateral banks, and in some cases are contrary to U.S. laws governing our support for certain projects.

Let me be perfectly clear at the outset of my remarks that I do not oppose U.S. support for legitimate and sound economic development efforts throughout the world. Nor is my purpose to criticize the bank for lending practices which might result in addi-

tional competition to the United States, for economic development can be beneficial to all and additional agricultural production may be inevitable. But the product of economic development, at least that financed by multilaterals, must continue to be of mutual benefit to both the recipient of assistance and the rest of the world. This principle of mutual consideration demands an examination of many factors other than whether the consequence of a loan will be to increase export earnings.

The assistance in question, a 15-year variable-rate loan, will be used to finance a reform of the mechanism now used by the Republic of Argentina to raise a significant amount of revenue. The loan allows the Argentines to replace an existing tax on agricultural exports, primarily wheat and soybeans, and hence decreases returns to Argentine farmers from export sales, with a federal land tax which is to be gradually introduced. This loan is one of many which are planned to finance an overhaul of the Argentine economy in order to reduce raging inflation and high interest rates and to revive stagnant economic growth.

I object to this loan and others like it for a variety of reasons. First, such loans often contribute directly to an oversupply of agricultural commodities by encouraging exports without regard to contradictory economic signals. Second, such lending practices ignore the fact that, by design, limited development resources should be directed first and foremost at economic development initiatives representing the highest and most immediate need. Third, this specific use of development resources represents misguided economic development policy. And finally, U.S. laws prohibit U.S. support for certain loans which would result in additional production of commodities deemed in oversupply on world markets.

Most generally, I object to the use of World Bank funds, to which the United States as principal donor contributed over $874 million in direct cash and over $1 billion in callable capital for fiscal year 1986 alone, for uses that in effect amount to an export subsidy. Multilateral development banks should closely examine trade patterns when considering additional lending in order to ensure that market access is maintained, to weigh the effect of additional agricultural production on world markets, and to avoid the negative effect further trade imbalances would have on world trade patterns and relations.

By providing Argentina with resources on the most appealing of credit terms, regardless of their creditworthiness, we finance and encourage activities which neither the Argentine economy nor commercial lenders would otherwise allow. This type of lending consistently has the effect of producing structural trade imbalances between the less-developed, major debtor countries and the industrialized West.

For example, between 1981 and 1983, U.S. exports to 11 major debtor nations, including Mexico, Brazil, Venezuela, Argentina, and South Korea, dropped by over $15 billion. On the other hand, 19.5 percent of all exports from non-OPEC less-developed countries, or about $60 billion, went to the United States in 1982. While the advocates of additional credit support these loans on the grounds that they result in additional markets for exports, the evidence is somewhat different. Clearly, economic growth in developing countries, combined with an ability for that country to buy and sell products in an open world market would be mutually beneficial. But the end result of such loans may be altogether different from that envisioned by their proponents if the multilateral development banks continue these practices without careful forethought.

Almost everyone who has studied the international debt problem and its impact on international trade agrees that the effect of a growing debt on less developed countries is to force them to increase exports, while discouraging the purchase of imports—to run trade surpluses—in order to service debt. Exports provide the hard currency earnings needed to pay their debt obligations, while purchases of imported goods compete for scarce resources needed to service foreign debt. More to the point of my argument: if misapplied, the ultimate result of additional debt, especially if it brings about additional export dependency, will be to aggravate structural trade imbalances and inflame trade relations.

Theoretically, a nation's debt limitations should reflect the limit of its capacity to repay those loans. Economic development initiatives financed by outside capital should proceed at a rate consistent with the country's ability to service those obligations. This natural rate of economic development, accompanied by market access to products not competitively produced in that country, provides economic benefit to all parties involved, and furthers the objectives of liberalized international trade.

In the case of the loan made to Argentina, additional debt obligations appear to be made on the proposition that the resulting economic growth will not only serve as the means to service the additional debt, but will contribute to a solution of that country's overall debt troubles. I would suggest that we ought to take another look at the assumptions upon which such a plan is based, especially growth rate estimates, before we blindly accept the premise of this proposition. While additional credit may be necessary for the much-needed structural adjustment of debt-ridden economies, loans designed to increase exports may well increase agricultural production while doing little to provide a lasting and sound solution to Argentina's international debt problems. Such risk should not be borne by U.S. taxpayers and other contributors to multilateral development organizations without careful forethought.

I don't believe I need to remind my colleagues of the impact additional agricultural export subsidies would have on farmers around the world—including those in America's heartland. Because of a variety of factors—the most notable of which are overly generous agricultural production subsidies and strict barriers to international trade—the world is awash in surplus agricultural commodities. Prices are still on the downswing, and farmers in the United States are being asked to bear the brunt of the problem. Giving incentives to further production and dumping more products on the world market will only exacerbate this situation.

Furthermore, I feel strongly that the loan made recently to Argentina for the specific purpose of allowing that country to reform fiscal policies is outside the primary role of the World Bank or other MDB's to which the United States subscribes. The World Bank and other multilateral development banks, should bear in mind the objective set forth in article I, sections 3, 4, and 5, of the World Bank's articles of agreements, stating that in developing the Bank's lending program, the "more useful and urgent projects * * * will be dealt with first."

I am concerned about lending priorities because loans such as this do not represent effective economic development policy, which is the primary purpose of the multilateral development banks. In my opinion, sound economic development policy requires a well-planned approach to the needs of a developing economy, based upon conditions limiting that country's economic growth. A close attention to the educational level and technical capabilities of the country's work force, the infrastructure needed to adequately accommodate brisk growth, anticipated returns to the recipient economy resulting from the investment, and improvement in living standards brought about by the assistance, should all be considered when planning a development program. The loan made to Argentina appears to be designed to address other concerns such as foreign debt troubles, rather than the purposes for which the World Bank was designed, namely legitimate economic development.

While one could certainly assume that a change in the manner by which

Argentina collects public revenue would bring about an improvement in the performance of that economy, that question of economic philosophy is not at issue. Rather, the question I would pose to this Body is whether the World Bank should be involved? Should such a reform be partially financed by an organization designed to promote economic development? Is a World Bank loan such as this the proper way to approach domestic fiscal policy reform or international debt problems? And as importantly, what are the effects of such lending practices?

If in fact the role of the World Bank has evolved in a manner that provides for such expanded lending practices, then I would argue it has done so without the consent of this Congress. Further, I would argue, the World Bank has done so without consideration of the possible effect such lending might have on world trade. We should also keep in mind that we have another international lending institution, the International Monetary Fund, whose intended role is to make loans to address balance of payments difficulties. The United States and other donors contribute to the World Bank in order to support its stated purposes. An expansion of their role should be debated in advance of such a departure from approved practices.

Finally, a vote of support by the United States for a loan like that made to Argentina, if the result is increased production of ceratin commodities, is illegal under current United States law. Public Laws 98-181, 95-118, and 95-481, prohibit the U.S. representatives from supporting loans which will result in production of agricultural commodities in surplus, or in additional production of palm oil, citrus, or other commodities specified in those laws.

From an economic sense, few would argue with the logic of promoting economic reform in Argentina, or any other indebted country. But this rationale for fiscal policy reform does not by itself justify the role of the World Bank in this matter of interest to the people of Argentina. By structuring loans in this way, the World Bank encourages the dumping of agricultural products on a surplus-ridden marketplace. I'm convinced the World Bank could find a more appropriate use for development funds without foregoing critical economic development opportunities.

Of course the United States and other members of the multilateral development banks have a tremendous stake in the outcome of efforts to resolve the debt crisis plaguing much of the developing world. This is precisely the reason I offer this resolution today. Misguided international development or debt policies based on good intentions will neither solve the debt problem facing the less-developed countries, nor will it further the goals of increased world trade. What it may well achieve is to further exacerbate current international trade difficulties.

Let me summarize and tie together my arguments against certain multilateral development bank loans like that recently made to Argentina. I do not object to development practices which have the effect of increasing a country's ability to produce. Obviously, this is a requirement of economic growth.

Further, I do not object to the notion that certain outside credit may be required to facilitate the reform of debt-ridden developing countries. Certainly, financial institutions should encourage prudent economic reform of the less-developed countries.

Specially, I object to loans made using funds partially donated by U.S. taxpayers, to reform an economy on the basis that increased agricultural exports will bring about a dramatic level of economic growth. While economic growth must be the foundation for a solution to the debt problem facing Latin America, the use of World Bank funds for such an experimental undertaking certainly deserves more attention and discussion by this body than it has received to date.

The success or failure of such a lending program toward alleviating the debt problem facing Latin America and the rest of the developing world is yet unclear, but there is little question of the effect such practices will have on world agricultural production and international trade.

Loans like that made to Argentina on April 3 of this year represent a risk to our objectives of free and open trade, they risk adding to already troublesome agricultural supplies, they represent a departure from past lending practices with little consent by the principal donor to the multilaterals, and finally, U.S. support for certain such loans may be illegal under current U.S. law.

For these reasons, Mr. President, I offer this sense of the Senate resolution today in hopes that it will bring about a thorough debate of the appropriate role of the multilateral development banks in addressing the important needs of our friends in the developing world. The outcome of these lending activities will have a profound impact on the United States, our farmers and manufacturers, and the direction of our multilateral trading relationship with the developing world.

I would ask my colleagues to consider cosponsorship of this resolution, and I would welcome the suggestions and input of my colleagues who might have suggestions or differences with my observations.●

AMENDMENTS SUBMITTED

DEFENSE REORGANIZATION ACT

GOLDWATER (AND NUNN) AMENDMENT NO. 1826

Mr. GOLDWATER (for himself and Mr. NUNN) proposed an amendment to the bill (S. 2295) to amend title 10, United States Code, to reorganize and strengthen certain elements of the Department of Defense, to improve the military advice provided the President, the National Security Council, and the Secretary of Defense, to enhance the effectiveness of military operations, to increase attention to the formulation of strategy and to contingency planning, to provide for the more efficient use of resources, to strengthen civilian authority in the Department of Defense, and for other purposes; as follows:

On page 9, line 19, insert "and" after the semicolon.

On page 9, line 20 strike out "and" after the semicolon.

On page 9, strike out line 21.

On page 29, beginning with line 22, strike out all down through line 3 on page 31 and insert in lieu thereof the following:

"(d)(1) Unless otherwise directed by the President or the Secretary of Defense, forces assigned to combatant commands are under the full operational command of the commander of the combatant command to which they are assigned. Full operational command includes all aspects of military operations and joint training.

"(2) In addition to the full operational command provided for under paragraph (1), the commander of a combatant command shall have authority as assigned by the Secretary of Defense, after consultation with the Secretaries of the military departments and the combatant commander, for coordination and approval of those aspects of administration and support, including planning for wartime logistics, necessary for the accomplishment of the missions assigned to the command.

"(e) Unless otherwise directed by the President or the Secretary of Defense—

"(1) commanders of commands and forces assigned to a combatant command are under the authority, direction, and control of, and are responsible to, the commander of the combatant command on all matters for which the combatant commander has been assigned full operational command under subsection (d)(1) or other authority under subsection (d)(2);

"(2) the commander of a command or force referred to in clause (1) shall communicate with other elements of the Department of Defense on any matter for which the combatant commander has been assigned full operational command under subsection (d)(1) or other authority under subsection (d)(2) in accordance with procedures, if any, established by the commander of the combatant command; and

"(3) if directed by the combatant commander, the commander of a command or force referred to in clause (1) shall advise the combatant commander of all communications with other elements of the Department of Defense on any matter for which

the combatant commander has not been assigned full operational command under subsection (d)(1) or other authority under subsection (d)(2).

On page 31, after the period in line 9, insert the following: "However, the Secretary of Defense may waive the requirement for the concurrence of the commander of a combatant command with regard to the selection of a particular commander if the Secretary of Defense determines such action is necessary in the national interest.".

On page 32, line 14, strike out "vested in" and insert in lieu thereof "and other authority assigned to".

On page 33, line 1, strike out "vested in" and insert in lieu thereof "and other authority assigned to".

On page 34, line 8, strike out "President the evaluation of the Chairman" and insert in lieu thereof "Secretary of Defense the Chairman's evaluation".

On page 34, lines 10 and 11, strike out "Chairman shall submit the" and insert in lieu thereof "Secretary of Defense shall submit the Chairman's".

On page 38, lines 13 and 14, strike out, "and the Director of Central Intelligence shall jointly" and insert in lieu thereof ", in consultation with the Director of Central Intelligence, shall".

On page 38, line 17, insert "and other officials of the Department of defense" after "Staff".

On page 39, line 23, strike out "below" and insert in lieu thereof "of".

On page 43, strike out lines 10 through 13 and insert in lieu thereof the following:

(a) IN GENERAL.—(1) Chapter 303 is amended—

(A) by striking out section 3039;

(B) by redesignating section 3040 as section 3039; and

(C) by redesignating section 3015 as section 3040, transferring such section (as redesignating) to chapter 305, and inserting such section immediately after section 3039 (as redesignated by clause (B) of this paragraph).

On page 49, line 13, strike out "not".

On page 52, strike out line 10.

On page 52, line 11, strike out "(11)" and insert in lieu thereof "(10)".

On page 52, line 13, strike out "(12)" and insert in lieu thereof "(11)".

On page 55, line 8, strike out "vested in" and insert in lieu thereof "and other authority assigned to".

On page 58, beginning with line 14, strike out all down through line 24 and insert in lieu thereof the following:

(2) Subsection (a) of section 3039 (as redesignated by section 201(a) of this Act) is amended by striking out "sections 3036 and 3039" and inserting in lieu thereof "section 3036".

On page 59, between lines 3 and 4, strike out the item relating to section 3039 and redesignate the items relating to sections 3040 and 3041 as 3039 and 3040, respectively.

On page 73, line 20, strike out "vested in" and insert in lieu thereof "and other authority assigned to".

On page 82, line 4, strike out "vested in" and insert in lieu thereof "and other authority assigned to".

On page 93, line 16, strike out "not".

On page 99, line 11, strike out "vested in" and insert in lieu thereof "and other authority assigned to".

STEVENS AMENDMENT NO. 1827

Mr. STEVENS proposed an amendment to the bill S. 2295, supra; as follows:

On page 33, strike lines 16 through 24.

GOLDWATER (AND NUNN) AMENDMENT NO. 1828

Mr. GOLDWATER (for himself and Mr. NUNN) proposed an amendment to the bill S. 2295, supra; as follows:

On page 109, strike out lines 10 through 15.

Redesignate paragraphs (6) through (12) of section 503(b) as paragraphs (5), (6), (7), (8), (9), (10), and (11), respectively, and redesignate paragraphs (14) through (75) of such section as paragraphs (16), (18), (19), (20), (21), (22), (23), (24), (25), (26), (27), (28), (29), (30), (31), (32), (33), (34), (35), (36), (37), (38), (39), (40), (41), (42), (43), (44), (45), (46), (50), (52), (53), (54), (55), (56), (57), (58), (59), (60), (61), (62), (63), (64), (65), (67), (68), (69), (70), (71), (72), (73), (74), (75), (76), (77), (78), (79), (80), (81), (82), (83), and (84), respectively.

On page 110, between lines 13 and 14, insert the following:

(12) The semiannual report required by section 2357 of such title, relating to contracts in excess of $50,000 entered into by the military departments for research and development.

On page 110, between lines 16 and 17, insert the following:

(14 The annual report required by section 2397(e) of such title, relating to the names of certain employees and former employees of defense contractors.

(15) The notifications required by clauses (B) and (C) of section 2401(b)(1) of such title, the cost analyses required by section 2401(e)(1) of such title, and the reports required by section 2401(e)(2) of such title, all relating to the long-term lease or charter of vessels and aircraft by the military departments.

On page 110, between lines 21 and 22, insert the following:

(17) The notifications required by paragraphs (1) and (2) of section 2407(d) of such title, relating to certain contracts awarded by the Department of Defense in connection with NATO cooperative agreements.

On page 112, between lines 3 and 4, insert the following:

(26) The reports required by section 2803(b) of such title, relating to emergency military construction projects carried out under section 2803 of such title.

On page 115, between lines 13 and 14, insert the following:

(47) The notifications required by section 7307(b)(2) of such title, relating to the disposition of naval vessels to foreign nations.

(48) The quarterly report required by section 7434 of title 10, United States Code, relating to the production from the naval petroleum reserve.

(49) The annual report required by section 406(i) of title 37, United States Code, relating to dependents accompanying members of the Armed Forces stationed outside the United States.

On page 115, between lines 19 and 20, insert the following:

(51) The notifications, summaries, certifications, and reports required by subsections (a), (b), and (c) of section 502 of the Department of Defense Authorization Act, 1981 (10 U.S.C. 2304 note), relating to conversion of performance of commercial and other type functions from Department of Defense personnel to private contractors.

On page 118, between lines 14 and 15, insert the following:

(66) The report required by section 1002 of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 705), relating to Soviet compliance with arms control commitments.

On page 124, between lines 6 and 7, insert the following:

(c) CHANGE FROM QUARTERLY TO ANNUAL REPORT.—Section 406(i) of title 37, United States Code, is amended—

(1) by striking out "quarter" in the matter preceding clause (1); and

(2) by striking out "quarter" in clauses (1) and (2) and inserting in lieu thereof "fiscal year".

LEVIN AMENDMENT NO. 1829

Mr. LEVIN proposed an amendment to the bill S. 2295, supra; as follows:

On page 27, line 14 strike "the channel of command".

NUNN (AND OTHERS) AMENDMENT NO. 1830

Mr. NUNN (for himself, Mr. GRAMM, Mr. WARNER, Mr. LEVIN, Mr. THURMOND, Mr. HUMPHREY, Mr. COHEN, Mr. QUAYLE, Mr. EAST, Mr. WILSON, Mr. DENTON, Mr. STENNIS, Mr. HART, Mr. EXON, Mr. KENNEDY, Mr. BINGAMAN, Mr. DIXON, Mr. GLENN, Mr. DECONCINI, and Mr. RIEGLE) proposed an amendment to the bill S. 2295, supra; as follows:

On page 2, strike out lines 4 and 5 and insert in lieu thereof the following:

This Act may be cited as the "Barry Goldwater Department of Defense Reorganization Act of 1986".

WARNER AMENDMENT NO. 1831

Mr. WARNER proposed an amendment to the bill S. 2295, supra; as follows:

On page 66, at line 6, strike "of their length of service as such" and insert therefor "as prescribed by the Secretary of the Service".

WARNER (AND GRAMM) AMENDMENT NO. 1832

Mr. WARNER (for himself and Mr. GRAMM) proposed an amendment to the bill S. 2295, supra; as follows:

On page 61, after line 8, insert:

"(11) Constructing, arming, equipping, and employing naval vessels."

On page 61, at line 9, strike "(11)" and insert therefor "(12)".

On page 61, at line 13, strike "(10)" and insert therefor "(11)".

DECONCINI (AND OTHERS) AMENDMENT NO. 1833

Mr. DECONCINI (for himself, Mrs. KASSEBAUM, Mr. CHAFEE, Mr. ANDREWS, Mr. CRANSTON, Mr. HART, Mr. RIEGLE, Mr. METZENBAUM, and Mr. KERRY) proposed an amendment to the bill S. 2295, supra; as follows:

On page 124, between lines 6 and 7, insert the following new section:

SEC. 504. RESTRICTION ON TRANSFER OF STINGER MISSILES.

(a) RESTRICTION.—Notwithstanding any other provision of law, no STINGER anti-aircraft missiles may be sold, donated, or otherwise provided, directly or indirectly, to democratic resistance forces in Afghanistan and Angola unless the President certifies to the Congress that the proposed recipient has agreed to the following conditions:

(1) Physical security of such missiles shall consist of the following:

(A) Magazines of reinforced concrete, arch-type, and earth-covered whose construction is at least equivalent in strength to the requirements of the Chief of Engineers (Department of the Army) drawings, 652-686 through 652-693, 27 Dec 1941 as revised 14 Mar 42, shall be provided.

(B) Lighting shall be provided for exterior doors and along perimeter barriers.

(C) Exterior doors shall be class 5 steel vault doors secured by two-key operated high security padlock and hasp (mil spec P-43607), and keys shall be secured separately to insure effective two-man control of access.

(D) Fencing shall be 6-foot (minimum) steel chain link on steel or reinforced concrete posts over firm base, and clear zones shall be established inside and outside fencing.

(E) A full-time guard force or combination guard force and intrusion detection system shall be provided.

(2) Such missiles shall be accounted for as follows:

(A) A 100 percent physical count shall be taken monthly with two-man verification, and records shall be available for United States inspection.

(B) A United States Military Training Mission shall conduct the United States inspection and inventory annually, and weapons expended outside of hostilities shall be accounted for.

(3) Movements shall meet United States standards for safeguarding classified material in transit.

(4) Access to such missiles and to classified information relating thereto shall be as follows:

(A) Access to hardware and related classified information shall be limited to military and civilian personnel who have the proper security clearance and who have an established need-to-know. Information released shall be limited to that necessary for assigned functions or operational responsibility and, where possible, shall be oral or visual only.

(B) No maintenance shall be authorized which required access to the interior of the operational system. Such maintenance shall be performed under United States control.

(5) The recipient shall report to the United States by the most expeditious means any instance of compromise, loss, or theft of any material or related information. This report shall be followed by prompt investigation and the results provided to the United States.

(6) The recipient shall agree that no information on Basic STINGER shall be released to a third government or any other party without United States approval.

(7) The security standards applied by the recipient to protection of Basic STINGER information and material shall be at least equivalent to those of the United States at the identified security classification.

(8) The recipient shall use the information on Basic STINGER only for the purpose for which it was given.

(9) United States officers shall be allowed to inspect and assess physical security measures and procedures established for implementation of these security controls on an announced random access basis.

(10) Damaged launchers shall be returned to United States Armed Forces for repair or demilitarization prior to disposal by United States authorities.

(11) Two principal components of the STINGER system, the gripstock and the missile in its disposable launch tube, shall be stored in separate locations. Each location shall meet all physical security requirements applicable to the STINGER system as a whole. The two locations shall be physically separated sufficiently so that a penetration of the security at one site shall not place the second at risk.

(12) The principal components of the STINGER system, the gripstock, missile, and launch tube, may be brought together and assembled only under the following circumstances:

(A) In the event of hostilities or imminent hostilities.

(B) For firing as part of regularly scheduled training (only those rounds intended to be fired shall be withdrawn from storage and assembled).

(C) For lot testing (only proof round(s) shall be withdrawn and assembled).

(D) When STINGER systems are deployed as part of the point of defenses of high priority installations or activities.

(13) Field exercises or deployments wherein the use of STINGER system is simulated shall not create conditions for the assembly of the system.

(b) EFFECTIVE DATE.—This section shall take effect on the date of enactment of this Act.

On page 124, line 7, strike out "SEC. 504." and insert in lieu thereof "SEC. 505.".

WARNER (AND GRAMM) AMENDMENT NO. 1834

Mr. WARNER (for himself and Mr. GRAMM) proposed an amendment to the bill S. 2295, supra; as follows:

On page 44, between lines 16 and 17, insert the following:

"(11) The construction, outfitting, and repair of military equipment.".

On page 44, line 17, strike out "(11)" and insert in lieu thereof "(12)".

On page 44, line 21, strike out "(10)" and insert in lieu thereof "(11)".

On page 46, after line 25, insert the following:

(A) in subsection (a), by striking out clause (2) and inserting in lieu thereof the following:

"(2) The Assistant Secretaries of the Army in the order prescribed by the Secretary of the Army and approved by the Secretary of Defense.".

On page 49, line 1, strike out "(A)" and insert in lieu thereof "(B)".

On page 49, line 3, strike out "(B)" and insert in lieu thereof "(C)".

On page 61, between lines 8 and 9, insert the following:

"(11) The construction, cutfitting, and repair of military equipment.".

On page 61, line 9, strike out "(11)" and insert in lieu thereof "(12)".

On page 61, line 13, strike out "(10)" and insert in lieu thereof "(11)".

On page 66, strike out line 6 and insert in lieu thereof the following: "the order prescribed by the Secretary of the Navy and approved by the Secretary of Defense.".

On page 88, after line 25, insert the following:

"(11) The construction, outfitting, and repair of military equipment.".

On page 89, line 1, strike out "(11)" and insert in lieu thereof "(12)".

On page 89, line 5, strike out "(10)" and insert in lieu thereof "(11)".

On page 93, between lines 3 and 4, insert the following:

(A) in subsection (a), by striking out clause (2) and inserting in lieu thereof the following:

"(2) The Assistant Secretaries of the Air Force in the order prescribed by the Secretary of the Air Force and approved by the Secretary of Defense.".

On page 93, line 4, strike out "(A)" and insert in lieu thereof "(B)".

On page 93, line 6, strike out "(B)" and insert in lieu thereof "(C)".

DIXON AMENDMENT NO. 1835

Mr. DIXON proposed an amendment, which was subsequently modified, to the bill S. 2295, supra; as follows:

On page 7, line 17, delete all through line 25 and insert the following:

(a) the title of the section is changed to read:

"§ 135. Under Secretaries of Defense: appointment, powers and duties;"

(b) in subsection (a), by striking the entire subsection and substituting in lieu thereof the following:

"(a) There are two Under Secretaries of Defense, one of whom shall be the Under Secretary of Defense for Acquisition and one of whom shall be the Under Secretary of Defense for Policy. The Under Secretaries of Defense shall be appointed from civilian life by the President, by and with the advice and consent of the Senate."

(c) in subsection (b), by striking all after the first sentence.

(d) in subsection (c), by striking all after the first sentence.

QUAYLE AMENDMENT NO. 1836

Mr. QUAYLE proposed an amendment to amendment No. 1835 proposed by Mr. DIXON, and subsequently modified, to the bill S. 2295, supra; as follows:

(a) Section 135 of title 10, United States Code, is amended to read as follows:

"§ 135. Under Secretaries of Defense: appointment; powers and duties; precedence

"(a) There are two Under Secretaries of Defense, one of whom shall be the Under Secretary of Defense for Acquisition and one of whom shall be the Under Secretary of Defense for Policy. The Under Secretaries of Defense shall be appointed from civilian life by the President, by and with the advice and consent of the Senate.

"(b)(1) The Under Secretary of Defense for Acquisition shall be a person who is well qualified by reason of education, training, and experience in industry. He shall perform such duties and exercise such powers relating to acquisition as the Secretary of Defense may prescribe, including—

"(A) supervising the performance of the entire Department of Defense acquisition system;

"(B) establishing all policies for acquisition, procurement, research and development, logistics, testing, contract audit, and contract administration for all entities of the Department of Defense;

"(C) establishing all policies for maintenance of the defense industrial base of the United States;

"(D) serving as the acquisition executive of the Department of Defense;

"(E) serving as the senior procurement executive of the Department of Defense (as provided in section 16 of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3));

"(F) supervising all personnel (civilian and military) in the Office of the Secretary of Defense with regard to matters for which the Under Secretary of Defense for Acquisition has responsibility, unless otherwise provided by law; and

"(G) the authority to direct the military departments and other entities of the Department of Defense to comply with programmatic and policy decisions made by the Under Secretary relating to acquisition.

"(2) The Under Secretary of Defense for Policy shall perform such duties and exercise such powers as the Secretary of Defense may prescribe.

"(c) The Under Secretary of Defense for Acquisition takes precedence in the Department of Defense after the Secretary of Defense, the Deputy Secretary of Defense, and the Secretaries of the military departments. The Under Secretary of Defense for Policy takes precedence in the Department of Defense immediately after the Under Secretary of Defense for Acquisition.".

At the appropriate place insert:

(b) EXECUTIVE SCHEDULE II PAY GRADE FOR UNDER SECRETARY OF DEFENSE FOR ACQUISITION.—Section 5313 of title 5, United States Code, is amended by adding at the end the following new item:

"Under Secretary of Defense for Acquisition."

SEC. 102. ESTABLISHMENT OF POSITION OF DIRECTOR OF DEFENSE RESEARCH AND ENGINEERING

(a) IN GENERAL.—Chapter 4 of title 10, United States Code, is amended by inserting after section 136a the following new section:

"§ 136b. Director of Defense Research and Engineering

"(a) There is a Director of Research and Engineering in the Department of Defense, appointed from civilian life by the President, by and with the advice and consent of the Senate.

"(b) The Director of Defense Research and Engineering shall perform such duties relating to research and engineering as the Under Secretary of Defense for Acquisition may prescribe.".

"(c) The Director of Defense Research and Engineering shall take precedence in the Department of Defense as prescribed by the Secretary of Defense.".

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 4 of such title is amended by adding at the end the following new items:

"136b. Director of Defense Research and Engineering.".

(c) Executive Schedule III Pay Grade for Under Secretary of Defense for Policy and Director of Defense Research and Engineering.—Section 5314 of title 5, United States Code, is amended by striking out "Under Secretaries of Defense (2)" and inserting in lieu thereof the following:

"Under Secretary of Defense for Policy.

"Director of Defense Research and Engineering.".

SEC. 103. DIRECTOR OF OPERATIONAL TEST AND EVALUATION TO REPORT TO UNDER SECRETARY OF DEFENSE FOR ACQUISITION

(a) IN GENERAL.—Section 136a of title 10, United States Code, is amended—

(1) in subsection (b)—

(A) by striking out "Secretary of Defense" in the matter preceding clause (1) and inserting in lieu thereof "Under Secretary of Defense for Acquisition"; and

(B) in clauses (1), (2), (5), and (6), by striking out "Secretary of Defense" and inserting in lieu thereof "Under Secretary of Defense for Acquisition";

(2) in subsection (c)—

(A) by inserting "Secretary of Defense and the" before "committees";

(B) by striking out "to the Secretary" and inserting in lieu thereof "to the Under Secretary of Defense for Acquisition"; and

(C) by striking out "Secretary of Defense" and inserting in lieu thereof "Under Secretary of Defense for Acquisition";

(3) by striking out subsection (d) and inserting in lieu thereof the following:

"(d) The Director reports directly to the Under Secretary of Defense for Acquisition. The Director shall consult closely with, but the Director and the Director's staff are independent of, the Director of Defense Research and Engineering and all other officers and entities of the Department of Defense responsible for research and development.";

(4) in subsection (f)(2), by inserting "and the Under Secretary of Defense for Acquisition" after "Secretary of Defense"; and

(5) in subsection (g)(1)—

(A) by inserting ", through the Under Secretary of Defense for Acquisition," after "concurrently" in the second sentence; and

(B) by striking out "Secretary" in the last sentence and inserting in lieu thereof "Under Secretary of Defense for Acquisition".

SEC. 104. AMENDMENT TO THE SMALL BUSINESS ACT

Section 15(k)(3) of the Small Business Act (15 U.S.C. 644(k)(3)) is amended by inserting ", except in the case of the Department of Defense the Director of the Office of Small and Disadvantaged Business shall be responsible only to, and report directly to, the Under Secretary of Defense for Acquisition".

ADDITIONAL BANKRUPTCY JUDGES

DENTON (AND SIMON) AMENDMENT NO. 1837

Mr. THURMOND (for Mr. DENTON (for himself and Mr. SIMON)) proposed an amendment to the bill (S. 1923) to provide for additional bankruptcy judges; as follows:

At an appropriate place in the bill, add the following:

"SEC. . Section 523(a)(5) of title 11, United States Code, is amended by inserting after "or other order of a court of record or" the following: "and order, rule, or determination made pursuant to a State administrative process for obtaining and enforcing support orders, or".

GRASSLEY AMENDMENT NO. 1838

Mr. GRASSLEY proposed an amendment to the amendment No. 1837 proposed by Mr. THURMOND (for Mr. DENTON (for himself and Mr. SIMON)) to the bill S. 1923, supra; as follows:

At the end of the pending amendment, add the following:

SEC. 2. (a) Title 11 of the United States Code is amended by inserting between chapters 11 and 13 the following new chapter:

"CHAPTER 12—FAMILY FARMER REORGANIZATION

"Sec.

"1201. Definitions.

"1202. Application of certain sections of this title.

"1203. Trustee.

"1204. Rights and powers of debtor.

"1205. Authorization to operate farming and other businesses.

"1206. Creditor's committee.

"1207. Powers and duties of a committee.

"1208. Right to be heard.

"1209. Removal of debtor as debtor in possession.

"1210. Conversion or dismissal.

"1211. Who may file a plan.

"1212. Contents of plan proposed by debtor.

"1213. Plan by party other than debtor, impairment of claims; postpetition disclosure and solicitation; acceptance.

"1214. Modification of plan.

"1215. Confirmation hearing.

"1216. Confirmation of a plan proposed by the debtor.

"1217. Confirmation of a plan by a party other than the debtor.

"1218. Limitations on confirmation.

"1219. Effect of confirmation.

"1220. Implementation of plan; distribution; exemption from securities laws.

"1221. Aircraft equipment and vessels.

"1222. Adequate protection.

"1223. Sales free of interests.

"1224. Claims and interests.

"1225. Emergency care of stock.

"§ 1201. Definitions

"For purposes of this chapter—

"(1) 'family farmer' means a person whose aggregate debts do not exceed $1,500,000 if not less than 80 percent of the aggregate noncontingent, liquidated amount of those debts, at the time the case commences, arise out of a farming operation owned or operated by such person and, if such person is a corporation—

"(A) more than half of the aggregate value of the outstanding equity securities of such corporation are held by one family or by one family and the relatives of the members of such family; and

"(B) if such corporation issues stock, such stock is not publicly traded;

except that such aggregate amount does not include a debt incurred for the acquisition or improvement of a principal residence of such person unless such debt arises out of a farming operation;

"(2) 'debtor' means family farmer; and

"(3) 'debtor in possession' means debtor except to the extent that the court orders otherwise.

"§ 1202. Application of certain sections of this title

"Provisions of sections of other chapters of this title shall apply to this chapter as provided by such section.

"§ 1203. Trustee

"(a) If the court has appointed an individual under section 1302(d) to serve as standing trustee in cases under chapter 13, and if such individual qualifies as a trustee under section 322 of this title, or if a trustee has been appointed pursuant to chapter 15, then such individual shall serve as trustee in any case filed under this chapter. Otherwise, the court shall appoint a person to serve as trustee in any case.

"(b) The trustee shall—

"(1) perform the duties specified in sections 704(2), 704(3), 704(5), 704(6), 704(7), 704(9), 1106(a)(3), and 1106(a)(4) of this title;

"(2) appear and be heard at any hearing that concerns—

"(A) the value of property subject to a lien;

"(B) confirmation of a plan;

"(C) modification of the plan after confirmation; or

"(D) the sale of property of the estate;

"(3) distribute any rental payments received pursuant to section 1222(b)(3) as determined by the court;

"(4) advise, other than on legal matters, and assist the debtor in performance under the plan;

"(5) ensure that the debtor commences making timely payments required by a confirmed plan; and

"(6) if the debtor ceases to be a debtor in possession, perform the duties specified in section 704(8) and section 1106(a).

"(c) If the number of cases under this chapter commenced in a particular judicial district so warrants, the court may appoint one or more individuals to serve as standing trustee for such district in cases under chapter 13 or, in appropriate cases, appoint a trustee under chapter 15.

"(d) The compensation for individuals appointed under subsection (a) shall be authorized and limited by section 1302(e) and the percentage fee provided in section 1302(e)(1)(B) for cases under this chapter shall not exceed three percent of payments made under the plan of such debtor, with respect to payments made after the aggregate amount of payments made under the plan exceeds $450,000.

"§ 1204. Rights and powers of debtor

"(a) Subject to any limitations on a trustee serving in a case under the chapter, or a case under chapter 11, and to such limitations or conditions as the court prescribes, a debtor in possession shall have all the rights, other than the right to compensation under section 330, and powers, and shall perform all the functions and duties, except the duties specified in paragraphs (3) and (4) of section 1106(a), of a trustee serving in a case under chapter 11.

"(b) A debtor in possession shall perform the duties of the trustee specified in section 704(8).

"(c) Notwithstanding section 327(a), a person is not disqualified for employment under section 327 by a debtor in possession solely because of such person's employment by or representation of the debtor before the commencement of the case.

"§ 1205. Authorization to operate farming and other businesses

"(a) Unless the court, on request of a party in interest and after notice and a hearing orders otherwise, the debtor in possession may operate the debtor's farming and other businesses.

"(b) If the debtor ceases to be a debtor in possession, the trustee may operate the debtor's farming and other businesses unless the court, on request of a party in interest and after notice and a hearing, orders otherwise.

"§ 1206. Creditor's Committee

"(a) On request of three creditors holding unsecured claims, the court may order the appointment of a committee on unsecured creditors, except that if a United States trustee had been appointed pursuant to chapter 15, such United States trustee shall appoint the committee of such creditors.

"(b)(1) A committee of creditors appointed under subsection (a) shall ordinarily consist of the persons willing to serve that hold the five largest unsecured claims against the debtor.

"(2) On request of a party in interest and after a hearing, the court may change the membership or size of a committee appointed under subsection (a) if the membership of the committee is not representative of the different kinds of claims or interests represented.

"§ 1207. Powers and duties of a committee

"(a) At the scheduled meeting of a committee appointed under section 1206 at which a majority of the members of such committee are present, with the court's approval, the committee may select and authorize the employment, by the committee, of an attorney. If the debtor's financial records have not been adequately maintained, or the debtor's financial affairs are deemed by the court to be unduly complex, the committee may select and authorize the employment, by the committee, of an accountant.

"(b) An attorney or an accountant employed pursuant to subsection (a) may not, while employed by the committee, represent any other entity in connection with the case.

"(c) A committee appointed under section 1206 may—

"(1) consult with the debtor in possession of the case;

"(2) investigate the acts, conduct, assets, liabilities, and financial condition of the debtor, the operation of his farming and other businesses, the means required to maintain the farming or other business, and any other matter relevant to the case or to the formulation of a plan;

"(3) participate in the formulation of a plan, advise those represented by the committee of the committee's determinations as to any plan formulated, and collect and file with the court acceptances of a plan;

"(4) request the dismissal of the case if there is no possibility of a feasible plan being accepted or if the debtor fails to comply with final orders of the court;

"(5) request that the debtor not be a debtor in possession; and

"(6) perform such other services as are in the interest of those represented.

"(d) As soon as practicable, after the appointment of a committee under section 1206, the debtor and the trustee shall meet with the committee to transact such business as is necessary and proper.

"§ 1208. Right to be heard

"(a) A party in interest, including the debtor, the trustee, a creditor's committee, a creditor, or any indenture trustee, may raise and may appear and be heard on any issue in a case under this chapter.

"(b) The Department of Agriculture, the Attorney General, or the director or similar chief officer of the agricultural department or agency of any State in which property of the debtor is located, may raise, and appear and be heard on, any issue in a case under this chapter, but may not appeal from any judgment, order, or decree entered in the case.

"§ 1209. Removal of a debtor as debtor in possession

"(a) On request of a party in interest, and after notice and a hearing, the court shall order that the debtor shall not be a debtor in possession—

"(1) for cause, including fraud, dishonesty, incompetence, or gross mismanagement of the affairs of the debtor, either before or after the commencement of the case, or similar cause; or

"(2) if it is not in the best interest of creditors for the debtor to be a debtor in possession.

"(b) On request of a party in interest, and after notice and a hearing, the court may reinstate the debtor in possession.

"§ 1210. Conversion or dismissal

"(a) The debtor may convert a case under this chapter to a case under chapter 7 at any time. Any waiver of, or attempt to waive, such right to convert a case under this subsection is unenforceable.

"(b) If a person, in good faith, files a petition for relief under this chapter, but is not a family farmer, such person may convert the case to a case under chapter 7, 11, or 13 if such person may be a debtor under the chapter to which the case is being converted.

"(c) If a person files a petition for relief under this chapter, but is not a family farmer, on request of a party in interest, and after notice and a hearing, the court may convert the case to a case under chapter 7 unless such person is a farmer or a corporation which is not a moneyed business or commercial corporation, or may dismiss the case, whichever is in the best interest of creditors.

"(d) The court may not convert a case under this chapter to a case under chapter 7 of this title if the debtor is a family farmer.

"(e) On request of a party in interest, and after notice and a hearing, the court may dismiss a case under this chapter, for cause, including—

"(1) continuing loss to or diminution of the estate and absence of a reasonable likelihood of rehabilitation;

"(2) inability to effectuate a plan;

"(3) Unreasonable delay by the debtor that is prejudicial to creditors;

"(4) failure to propose a plan within any time fixed by the court;

"(5) denial of confirmation of every proposed plan and denial of a request made for additional time for filing another plan or a modification of a plan;

"(6) revocation of an order of confirmation under section 1144 of this title, and denial of conformation of another plan or a modified plan under section 1216 or 1217 of this title;

"(7) inability to effectuate substantial consummation of a confirmed plan;

"(8) material default by the debtor with respect to a confirmed plan;

"(9) termination of a plan by reason of the occurrence of a condition specified in the plan other than completion of payments under the plan; or

"(10) nonpayment of any fee and charges required under chapter 123 of title 28.

"§ 1211. Who may file a plan

"(a) The debtor may file a plan with a petiton commencing a case, or at any time thereafter.

"(b) Except as otherwise provided in this section, only the debtor may file a plan until after 240 days after the date of the order for relief under this chapter.

"(c) Any party in interest, including the debtor, the trustee, a creditor's committee, a creditor, or any indenture trustee, may file a plan only if—

"(1) the debtor is not a debtor in possession;

"(2) the debtor has not filed a plan before 240 days after the date of the order for relief under this chapter; or

"(3) the debtor has not filed a plan that has been confirmed before 300 days after the date of the order for relief under this chapter.

"(d) On request of a party in interest made within the respective period specified in subsections (b) and (c), and after notice and a hearing, the court may, for cause, reduce or increase the 240-day period or the 300-day period referred to in this section.

"§ 1212. Contents of plan proposed by debtor

"(a) Notwithstanding any otherwise applicable provision of nonbankruptcy law, a plan proposed by a debtor shall—

"(1) designate, as provided in section 1122, classes of claims, other than claims of a kind specified in section 507(a)(1) or 507(a)(7) and classes of interests;

"(2) provide the same treatment for each claim or interest of a particular class, unless the holder of a particular claim or interest agrees to a less favorable treatment of such particular claim or interest;

"(3) provide adequate means for implementation of the plan such as—

"(A) retention by the debtor of all or any part of the property of the estate;

"(B) transfer of all or any part of the property of the estate to one or more entities, whether organized before or after the confirmation of such plan;

"(C) merge or consolidation of the debtor with one or more persons;

"(D) sale of all or any part of the property of the estate, either subject to or free of any lien, or the distribution of all or any part of the property of the estate among those having an interest in such property;

"(E) satisfaction or modification of any lien;

"(F) cancellation or modification of any indenture or similar instrument;

"(G) curing or waiving of any default;

"(H) extension of a maturity date or a change in interest rate or other term of outstanding securities;

"(I) amendment of the debtor's charter; or

"(J) issuance of securities of the debtor, or of any entity referred to in subparagraph (B) or (C) of this paragraph, for cash, for property, for existing securities, or in exchange for claims or interests, or for any other appropriate purpose; and

"(4) contain only provisions that are consistent with the interests of creditors and equity security holders and with public policy with respect to the manner of selection of any officer, director, or trustee under the plan and any successor to such officer, director, or trustee.

"(b) Subject to subsection (a) of this section, a plan proposed by a debtor may—

"(1) designate a class or classes of unsecured claims, as provided in section 1122 but may not discriminate unfairly against any class so designated, however, such plan may treat claims for a consumer debt of the debtor if an individual is liable on such consumer debt with the debtor differently than other unsecured claims;

"(2) modify the rights of holders of secured claims, or of holders of unsecured claims, or leave unaffected the rights of holders of any class of claims;

"(3) provide for the curing or waiving of any default;

"(4) provide for payments on any unsecured claim to be made concurrently with payments on any secured claim or any other unsecured claim;

"(5) provide for the curing of any default within a reasonable time and maintenance of payments;

"(6) subject to section 365, provide for the assumption, rejection, or assignment of any executory contract or unexpired lease of the debtor not previously rejected under such section;

"(7) provide for the payment of all or part of a claim against the debtor from property of the estate or property of the debtor;

"(8) provide for the sale of all or substantially all of the property of the estate, and the distribution of the proceeds of such sale among holders of claims or interests;

"(9) provide for the vesting of property of the estate, on confirmation of the plan or at a later time, in the debtor or in any other entity; and

"(10) include any other appropriate provision not inconsistent with this title.

"§ 1213. Plan by a party other than the debtor; impairment of claims; postpetition disclosure and solicitation; acceptance

"(a) Sections 1123 and 1125 apply, as the court for cause may require, to plans proposed by a party in interest, including the debtor.

"(b) Section 1126 applies to plans proposed by a party in interest other than the debtor, except that for purposes of this chapter, the phrase 'that have accepted or rejected such plan' in subsection (c) and subsection (d) of such section shall not apply to this chapter.

"§ 1214. Modification of plan

"(a) The proponent of a plan may modify such plan at any time before confirmation, but may not modify such plan so that such plan as modified fails to meet the requirements of—

"(1) section 1212 if the proponent is the debtor; or

"(2) sections 1122 and 1123 if the proponent is a party in interest other than the debtor.

After the proponent of a plan files a modification of such plan with the court, the plan as modified becomes the plan.

"(b) At any time after confirmation but before the completion of payments under a plan proposed by the debtor, the plan may be modified by the debtor to—

"(1) increase or reduce the amount of payments on claims of a particular class provided for by the plan;

"(2) extend or reduce the time for such payments; or

"(3) alter the amount of the distribution to a creditor whose claim is provided for by the plan to the extent necessary to take account of any payment of such claim other than under the plan.

Modifications under this subsection are subject to the requirements of section 1216 and the plan as modified becomes the plan unless, after notice and a hearing, such modification is disapproved.

"(c) The proponent of a plan, other than the debtor, may modify such plan at any time after confirmation of such plan and before substantial consummation, as defined in section 1101(2), of such plan, but may not modify such plan so that, as modified, such plan fails to meet the requirements of sections 1122 and 1123. Such plan as modified under this subsection becomes the plan only if circumstances warrant such modification and the court, after notice and a hearing, confirms such modified plan, in accordance with the requirements of section 1129(a). Any holder of a claim or interest that has accepted or rejected a plan is deemed to have accepted or rejected, as the case may be, a plan as modified, unless, within the time fixed by the court, such holder changes such holder's previous acceptance or rejection.

"(d) The proponent of a modification under subsection (c) shall comply with section 1125 with respect to the plan as modified, for any material modification.

"§ 1215. Confirmation hearing

"After notice, the court shall hold a hearing on confirmation of the plan. A party in interest may object to the confirmation of the plan.

"§ 1216. Confirmation of a plan proposed by the debtor

"(a) The court shall confirm a plan proposed by the debtor if—

"(1) the plan complies with the provisions of this chapter and with the other applicable provisions of this title;

"(2) any fee, charge, or amount required under chapter 123 of title 28, or by the plan, to be paid before confirmation, has been paid;

"(3) the plan has been proposed in good faith and not by any means forbidden by law;

"(4) any payment made or to be made by the debtor, or by a person issuing securities or acquiring property under the plan, for services or for costs and expenses in or in connection with the case, or in connection with the plan and incident to the case, has been approved by, or is subject to the approval of, the court as reasonable;

"(5)(A)(i) the debtor has disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the plan, as a director, officer, or voting trustee of the debtor, an affiliate of the debtor participating in a joint plan with the debtor, or a successor to the debtor under the plan; and

"(ii) the appointment to, or continuance in, such office of such individual, is consistent with the interests of creditors and equity security holders and with public policy; and

"(B) the debtor has disclosed the identity of any insider who will be employed or retained by the reorganized debtor, and the nature of any compensation for such insider.

"(6) except to the extent that the holder of a particular claim has agreed to a different treatment of such claim, the plan provides—

"(A) for the full payment, in deferred cash payments, of all claims entitled to priority under section 507, except section 507(a)(7); and

"(B) with respect to a claim of a kind specified in section 507(a)(7), the holder of such claim will receive, on account of such claim, deferred cash payments, over a period not exceeding six years after the date of assessment of such claim, of a value, as of the effective date of the plan, equal to the allowed amount of such claim;

"(7) the value, as of the effective date of the plan, of property to be distributed under the plan, on account of each allowed unsecured claim, is not less than the amount that would be paid on such claim if the estate of the debtor were liquidated under chapter 7 of this title on such date;

"(8) with respect to each allowed secured claim provided for by the plan—

"(A) the holder of such claim has accepted the plan;

"(B)(i) the plan provides that the holder of such claim retain the lien securing such claim; and

"(ii) the value, as of the effective date of the plan, of property to be distributed under the plan on account of such claim, is not less than the allowed amount of such claim; or

"(C) the debtor surrenders the property securing such claim to such holder;

"(9) with respect to the holder of an interest provided for by the plan, the value, as of the effective date of the plan, of property to be distributed under the plan on account of such interest is not less than the lesser of—

"(A) the amount that would be paid on account of such interest if the estate of the debtor were liquidated under chapter 7 on such date; or

"(B) any fixed price at which the debtor, under the terms of any security representing such interest, may redeem such security from such holder;

"(10) the debtor will be able to make all payments under the plan, comply with the plan, and the plan complies with the provisions of section 1325(b) without reference to time period; and

"(11) confirmation of the plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the debtor or any successor to the debtor under the plan, unless such liquidation or reorganization is proposed in the plan.

"(b) After confirmation of a plan, the court may order any entity from whom the debtor receives income to pay all or any part of such income to the trustee.

"(c) Except as otherwise provided in the plan or in the order confirming the plan, the trustee shall make payments to creditors under the plan.

"§ 1217. Confirmation of a plan by a party other than the debtor

"The court shall confirm a plan proposed by a party in interest other than the debtor if the plan and the proponent meet the requirements of section 1129(a).

"§ 1218. Limitations on confirmation

"(a) The court may confirm only one plan, unless the order of confirmation in the case has been revoked under section 1144. If the requirements of sections 1216 and 1217 are met with respect to more than one plan, the court shall consider the preferences of the debtor, creditors, and equity security holders in determining which plan to confirm.

"(b) Notwithstanding any other provision of this chapter, on request of a party in interest that is a governmental unit, the court may not confirm a plan if the principal purpose of the plan is the avoidance of taxes or the avoidance of the application of section 5 of the Securities Act of 1933 (15 U.S.C. 77e). In any hearing under this subsection, the governmental unit has the burden of proof on the issue of avoidance.

"§ 1219. Effect of confirmation

"(a) Except as provided in subsections (d)(2) and (d)(3), the provisions of a confirmed plan bind the debtor, and entity issuing securities under the plan, any entity acquiring property under the plan, and any creditor, equity security holder, or general partner in the debtor, whether or not the claim or interest of such creditor, equity security holder, or general partner is impaired or provided for under the plan and whether or not such creditor, equity security holder, or general partner has objected to, has accepted, or has rejected the plan.

"(b) Except as otherwise provided in the plan or the order confirming the plan, the confirmation of a plan vests all of the property of the estate in the debtor.

"(c) Except as provided in paragraphs (2) and (3) of subsection (d), and except as otherwise provided in the plan or in the order confirming the plan, after confirmation of a plan, the property dealt with by the plan is free and clear of all claims and interests of creditors, equity security holders, and of general partners in the debtor.

"(d)(1) Except as otherwise provided in this subsection, in the plan, or in the order confirming the plan, the confirmation of a plan—

"(A) discharges the debtor from any debt that arose before the date of such confirmation, and any debt of a kind specified in section 502(g), 502(h), or 502(i) whether or not—

"(i) a proof of claim based on such debt is filed or deemed filed under section 501;

"(ii) such claim is allowed under section 502; or

"(iii) the holder of such claim has accepted the plan; and

"(B) terminates all rights and interests of equity security holders and general partners provided for by the plan.

"(2) The confirmation of a plan does not discharge an individual debtor from any debt excepted from discharge under section 523.

"(3) The confirmation of a plan does not discharge a debtor if—

"(A) the plan provides for the liquidation of all or substantially all of the property of the estate;

"(B) the debtor does not engage in business after consummation of the plan; and

"(C) the debtor would be denied a discharge under section 727(a) of this title if the case were a case under chapter 7 of this title.

"(4) The court may approve a written waiver of discharge executed by the debtor after the order for relief under this chapter.

"§ 1220. Implementation of plan; distribution; exemption from securities laws

"Sections 1141, 1143, 1144, and 1145 shall apply to plans confirmed pursuant to sections 1216 and 1217 of this title.

"§ 1221. Aircraft equipment and vessels

"Section 1110 shall apply to cases under this chapter.

"§ 1222. Adequate protection

"(a) Section 361 does not apply in a case under this chapter.

"(b) In a case under this chapter, when adequate protection is required under section 362, 363, or 364, such adequate protection may be provided by—

"(1) requiring the trustee to make a cash payment or periodic cash payments, to the extent that the stay under section 362, use, sale, or lease under section 363, or any grant of a lien under section 364 results in a decrease in the value of property securing a claim or of an entity's ownership interest in property;

"(2) providing an additional or replacement lien to the extent that such stay, use, sale, lease, or grant results in a decrease in the value of property securing a claim or of an entity's ownership interest in property;

"(3) paying to the trustee for the use of farmland the reasonable rent customary in the community where the property is located, based upon the rental value, net income, and earning capacity of the property; or

"(4) granting such other relief as will adequately protect the value of property securing a claim or of an entity's ownership interest in property.

"§ 1223. Sales free of interests

"In addition to the authorization contained in section 363(f), the trustee in a case under this chapter may sell property under section 363 (b) and (c) free and clear of any interest in such property of an entity other than the estate if the property is farmland or farm equipment.

"§ 1224. Claims and interests

"(a) A proof of claim or interest is deemed filed under section 501 for any claim or interest that appears in the schedules filed in a case under this chapter except a claim or interest that is scheduled as disputed, contingent, or unliquidated.

"(b) For purposes of voting and distribution in a case under this chapter, a claim, secured by a lien on property of the estate shall be allowed or disallowed under section 502 the same as if the holder of such claim had recourse against the debtor on account of such claim, whether or not such holder has such recourse.

"§ 1225. Emergency care of stock

"The court may authorize the obtaining of credit pursuant to section 364 for the case, including feeding of stock owned by, or in the possession of, a debtor without notice or a hearing where the court finds that credit is needed to obtain funds to care for stock, an emergency exists and that immediate and irreparable injury, loss, or damage, will result if authorization to obtain credit for the care of stock is delayed, and that it is in the best interests of the estate to obtain credit and care for the stock. Notice shall be immediately given, by mail, to all creditors of entry of the order authorizing credit under this subsection and a copy of the order entered by the court hereunder shall be attached to the notice.".

(b) The table of chapters for title 11, United States Code, is amended by inserting between the items relating to chapter 11 and chapter 13 the following new item:

"12. Family Farmer Reorganization .. 1201"

SEC. 3. Section 103 of title 11, United States Code, is amended by—

(1) in subsection (a) by inserting "12," after "11,";

(2) by adding at the end thereof the following:

"(i) Chapter 12 of this title applies only in a case under such chapter.".

SEC. 4. Section 1930(a) of title 28, United States Code, is amended by inserting between paragraph (4) and the matter that follows such paragraph, the following:

"(5) For a case commenced under chapter 12 of title 11, $200.".

SEC. 5. Title 11, United States Code, is amended—

(1) in sections 327(c) and 347(b), by striking out "or 11" each place it appears and inserting in lieu thereof ", 11 or 12";

(2) in sections 329(b)(1)(B) and 363(1), by striking out "or 13" each place it appears and inserting in lieu thereof ", 12 or 13";

(3) in sections 362(c)(2)(C), 365(d)(2), 365(g)(1), 365(g)(2), and 502(g), by inserting "12," after "11," each place it appears;

(4) in section 326(b), by inserting "chapter 12 or" before "chapter 13";

(5) in section 328(a), by inserting "or section 1206" after "section 1102";

(6) in sections 328(a), 328(c), 330(a), and 331, by striking out "or 1103" each place it appears and inserting in lieu thereof "1103, or 1207";

(7) in section 328(c), by striking out "or 1107(b)" and inserting in lieu thereof "1107(b), or 1204(c)";

(8) in section 327(b), by striking out "or 1108" and inserting in lieu thereof "1108, or 1205";

(9) in sections 363(c)(1) and 364(a), by inserting "1205," after "1108," each place it appears;

(10) in sections 348(b), 348(c), and 348(e), by inserting "1210," after "1112," each place it appears;

(11) in section 348(d) and paragraphs (A) and (B) of section 365(g)(2), by inserting ", 1210," after "1112" each place it appears;

(12) in section 347(b), by striking out "or 1173" and inserting in lieu thereof "1173, 1216, or 1217";

(13) in sections 523(a), 524(a)(1), 524(c)(1), and 524(d), by inserting "1219," after "1141," each place it appears;

(14) in sections 322(a) and 546(a)(1), by inserting "1203," before "or 1302" each place it appears;

(15) in section 326(b) by inserting "section 1203(a) or" before "section 1302(a)";

(16) in section 348(b), by inserting "1211(b), 1211(c), 1219(d)(4), 1221," after "1146(b),";

(17) in section 706(a), by striking out "or 13" and inserting in lieu thereof ", 12, or 13";

(18) in section 1112(a), by inserting "or chapter 12" after "7"; and

(19) in section 1307(a), by inserting "or chapter 12" after "7".

SEC. 6. (a) This Act is an emergency measure and this Act and the amendments made by this Act shall apply with respect to cases commenced under title 11, United States Code, after the date of the enactment of this Act but before 5 years after such date.

(b) This Act and the amendments made by this Act shall be repealed on the date 5 years after the date of enactment of this Act.

DECONCINI AMENDMENT NO. 1839

Mr. DECONCINI proposed an amendment to the bill S. 1923, supra; as follows:

Insert at the appropriate place in the bill:

TITLE II—TECHNICAL CORRECTIONS

SEC. 201. (a) Section 101(33) of title 11, United States Code, is amended to read as follows:

"(33) 'person' includes individual, partnership, and corporation, but does not include governmental unit, provided, however, that effective as of October 1, 1979, any agency, department, or unit of the United States, or any corporation chartered by the United States, that acquires assets in a receivership capacity, or purchases, or otherwise acquires, assets from any entity shall be considered a person for purposes of section 1102 of this title.".

(b) Section 101(41)(A)(xv) of title 11, United States Code, is amended by striking out "secuity" and inserting in lieu thereof "security".

(c) Section 101(49) of title 11, United States Code, is amended by striking out the semicolon at the end thereof and inserting in lieu thereof a period.

SEC. 202. (a) Section 303(b) of title 11, United States Code, is amended by striking out "subject on" and inserting in lieu thereof "subject of".

(b) Section 303(c) of title 11, United States Code, is amended by inserting "as to liability or the subject of a bona fide dispute" after "contingent."

(c) Section 303(h)(1) of title 11, United States Code, is amended by striking out "that".

SEC. 203. Section 346(j)(7) of title 11, United States Code, is amended by striking out "owned" and inserting in lieu thereof "owed".

SEC. 204. Section 362(b) of title 11, United States Code, as redesignated by section 392(a) of Public Law No. 98-353, is amended—

(1) in paragraph (6) by striking out "financial institution," each place it appears and insertion in lieu thereof ", financial institutions";

(2) striking "or" after the semicolon in the first paragraph (9);

(3) striking out "(9)" in the second paragraph (9), and "(10)" in paragraph (10) and inserting in lieu thereof "(10)" and "(11)", respectively, and

(4) in paragraph (10) as redesignated, by striking out the period at the end thereof and inserting in lieu thereof "; or".

SEC. 205. (a) Section 363(a) of title 11, United States Code, is amended by inserting "or their cash equivalents" after "property".

(b) Section 363 of title 11, United States Code, is amended by striking out "value" and inserting in lieu thereof "amount".

SEC. 206. (a) Section 365(c) of title 11, United States Code, is amended by—

(1) striking "or an assignee of such contract or lease" in subparagraph (1)(A); and

(2) in paragraph (3) by—

(A) inserting "is" after "lease"; and

(B) inserting "and" after "property".

(b) Subparagraph (2)(A)(i) of section 365(e) of title 11, United States Code, is amended by striking out "the trustee or to an assignee of such contract or lease" and inserting in lieu thereof "an entity other than the debtor or debtor in possession".

(c) Paragraph (1) of section 365(h) of title 11, United States Code, is amended by inserting "or timeshare plan" after "lease" the fourth place it appears.

(d) Section 365(m) of title 11, United States Code, is amended by striking out "362(b)(9)" and inserting in lieu thereof "362(b)(10)".

SEC. 207. Section 502(b)(6)(A)(ii) of title 11, United States Code, is amended by striking out "repossessed" and inserting in lieu thereof "repossessed".

SEC. 208. Section 502(i) of title 11, United States Code, is amended by striking out "507(a)(6)" and inserting in lieu thereof "507(a)(7)".

SEC. 209. Section 503(b) of title 11, United States Code, is amended—

(1) in subparagraph (1)(B) by striking out "507(a)(6)" and inserting in lieu thereof "507(a)(7)".

(2) in paragraph (5) by inserting "and" after the semicolon; and

(3) in paragraph (6) by striking out "; and" and inserting in lieu thereof a period.

SEC. 210. Section 507(d) of title 11, United States Code, is amended by striking out "or (a)(6)" and inserting in lieu thereof "(a)(6) or (a)(7)".

SEC. 211. (a) Section 452 of the Bankruptcy Amendments and Federal Judgeship Act of 1984 (Public Law 98-353), amending section 521(3) of title 11, United States Code, is repealed.

(b) Section 521(4) of title 11, United States Code, is amended by inserting ", whether or not immunity is granted under section 344 of this title" after "estate" the second place it appears.

SEC. 212(a). Section 522(h)(1) of title 11, United States Code, is amended by striking out "tittle" and inserting in lieu thereof "title".

(b) Section 522(c)(2)(A) of title 11, United States Code, is amended by • • •

SEC. 213. Section 522(i)(2) of title 11, United States Code, is amended by striking out "his" and inserting in lieu thereof "this".

SEC. 214. Section 523(a) of title 11, United States Code, is amended—

(1) in subparagraph (1)(A) by striking out "507(a)(6)" and inserting in lieu thereof "507(a)(7)"; and

(2) by redesignating the second paragraph (9) as paragraph (10).

SEC. 215. Section 523(b) of title 11, United States Code, is amended by striking out "Services" and inserting in lieu thereof "Service".

SEC. 216. Section 524(c)(6)(B) of title 11, United States Code, is amended by inserting "business debt or" before "consumer".

(b) Section 524(d)(2) of title 11, United States Code, is amended by striking out "subsection" the second place it appears and inserting in lieu thereof "section".

SEC. 217. Paragraph (3) of section 544(a) of title 11, United States Code, is amended by striking out "transfer" the second place it appears and inserting in lieu thereof "purchaser's interest".

SEC. 218. Section 546(e) of title 11, United States Code, is amended by inserting a comma after "stockbroker".

SEC. 219. Section 547(b)(4)(B) of title 11, United States Code, is amended by inserting "and" after the semicolon.

SEC. 220. Section 548(d)(2)(B) of title 11, United States Code, is amended by striking out "financial institution," and inserting in lieu thereof ", financial institution".

SEC. 221. (a) Paragraphs (3), (4), and (5) of section 464(a) of the Bankruptcy Amendments and Federal Judgeship Act of 1984 (Public Law 98-353), amending section 549(a) of title 11, United States Code, are repealed.

(b) Section 549(b) of title 11, United States Code, is amended by—

(1) striking out "of" after "to the extent"; and

(2) inserting "is" after "commencement of the case,".

SEC. 221A. Section 553(a)(1) of title 11, United States Code, is amended by striking out "other" through "title" at the end thereof.

SEC. 222. Section 554(c) of title 11, United States Code, is amended by—

(1) striking out "521(a)(1)" and inserting in lieu thereof "521(1)"; and

(2) striking out "to the debtor" after "abandoned".

SEC. 223. The items relating to sections 557, 558, and 559 in the table of sections for subchapter III of chapter 5 of title 11, United States Code, are amended to read as follows:

"557. Expedited determination of interests in, and abandonment or other disposition of grain assets.
"558. Defenses of the estate.
"559. Contractual right to liquidate a repurchase agreement.".

SEC. 224. Section 724(b)(2) of title 11, United States Code, is amended by—

(1) striking out "or"; and

(2) inserting ", or 507(a)(6)" after "507(a)(5)".

SEC. 225. Section 726(b) of title 11, United States Code, is amended by striking out "or (6)" and inserting in lieu thereof "(6) or (7)".

SEC. 225A. Section 743 of title 11, United States Code, is amended by striking out "(d)".

SEC. 226. Section 1121(d) of title 11, United States Code, is amended by striking out "subsection" and inserting in lieu thereof "subsections (b) and".

SEC. 227. Section 1129(a) of title 11, United States Code, is amended—

(1) in paragraph (7) by striking out "of" the first time it appears;

(2) in subparagraph (9)(B) by striking out "or 507(a)" the first time it appears and inserting in lieu thereof "507(a)(5) or 507(a)(6)"; and

(3) in paragraph (9)(C) by striking out "(6)" and inserting in lieu thereof "(7)".

SEC. 228. (a) Section 525(b)(1) of the Bankruptcy Amendments and Federal Judgeship Act of 1954 (Public Law 98-353) amending section 1302(e)(4) of title 11, United States Code, is repealed.

(b) Section 1302(b)(1) of title 11, United States Code, is amended by striking out "704(3),".

(c) Section 1302(e)(1) of title 11, United States Code, is amended by striking out "fix" and inserting in lieu thereof "set for such individual".

SEC. 229. Section 1324 of title 11, United States Code, is amended in the second sentence by striking out "the" the first place it appears.

SEC. 230. Section 1325(b)(2)(A) of title 11, United States Code, is amended by striking out "or" after the semicolon and inserting in lieu thereof "and".

SEC. 231. Section 1326(a)(2) of title 11, United States Code, is amended by striking out "payments" and inserting in lieu thereof "payment".

SEC. 232. Official Bankruptcy Form No. 1, referred to in Rule 1002 of the Bankruptcy Rules, is amended—

(1) in paragraph (6) by striking out "7 or 13" and inserting in lieu thereof "7, 11, or 13"; and

(2) by striking out "7 or 13" and inserting in lieu thereof "7, 11, or 13" in the statement to be made by the attorney in "Exhibit 'B' ".

SEC. 233. The table to sections of chapter 15 of title 11, United States Code, is amended by striking out "this" in the item relating to section 1501.

SEC. 234. Section 15701(a) of title 11, United States Code, is amended by striking out "trustee" the second time it appears and inserting in lieu thereof "trustees".

SEC. 235. Section 15703(b) of title 11, United States Code, is amended by striking out "truste" and inserting in lieu thereof "trustee".

SEC. 236. Section 151102(b) of title 11, United States Code, is amended by striking out "of" the second time it appears and inserting in lieu thereof a comma.

SEC. 237. (a) Section 311(b)(4) of the Bankruptcy Amendments and Federal Judgeship Act of 1984 (Public Law 98-353), amending section 151301(b)(1) of title 11, United States Code, is repealed.

(b) Section 151302(b)(1) of title 11, United States Code, is amended by striking out "704(8)" and inserting in lieu thereof ", 704(7), and 704(9)".

SEC. 238. Section 156 of title 28, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) For purposes of financial accountability in a district where a bankruptcy clerk has been certified, such clerk shall be accountable for and pay into the Treasury all fees, costs, and other monies collected by such clerk except uncollected fees not required by an Act of Congress to be prepaid. Such clerk shall make returns thereof to the Director of the Administrative Office of the United States courts under regulations prescribed by such Director.".

SEC. 239. Section 157(b)(2)(B) of title 28, United States Code, is amended by striking out "interest" and inserting in lieu thereof "interests".

SEC. 240. Section 157(b)(2)(G) of title 28, United States Code, is amended by inserting a comma after "annul".

SEC. 241. Section 1334(d) of title 28, United States Code, is amended by striking out "and of the estate" and inserting in lieu thereof "and of property of the estate".

SEC. 242. Section 1930(a) of title 28, United States Code, is amended by striking out "of the court" and inserting in lieu thereof "of the district court or the clerk of the bankruptcy court, if one has been certified pursuant to section 156(b),".

SEC. 243. Section 2041 of title 28, United States Code, is amended by inserting "or any bankruptcy court" after "court of the United States".

SEC. 244. Section 2043 of title 28, United States Code, is amended by inserting ", and each clerk of the bankruptcy courts," after "United States courts".

NOTICES OF HEARINGS

SUBCOMMITTEE ON NATURAL RESOURCES DEVELOPMENT AND PRODUCTION

Mr. WARNER. Mr. President I would like to announce for the information of the Senate and the public, that the Subcommittee on Natural Resources Development and Production of the Committee on Energy and Natural Resources has postponed the hearing it had scheduled on Thursday, May 15, at 10 a.m. This hearing will be rescheduled on a future date yet to be announced. The purpose of this hearing was to receive testimony regarding the prospects for exporting American coal.

For further information regarding this hearing, you may wish to contract Ms. Ellen Rowan on the subcommittee staff at (202) 224-5205.

AUTHORITY FOR COMMITTEE TO MEET

COMMITTEE ON THE JUDICIARY

Mr. QUAYLE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, May 7, 1986, in order to receive testimony on the nomination of Patricia C. Fawsett, to be a U.S. district judge, for the middle district of Florida.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. QUAYLE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, May 7, in order to receive testimony concerning S. 2162, the Antitrust Remedies Improvement Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

JUNK BOND DEFAULTS

● Mr. DOMENICI. Mr. President, the past 2 years have seen a phenomenal proliferation in the high yield, high risk debt securities known as junk bonds. Although the takeover craze which generated the issuance of a great number of these junk bonds seems to have subsided somewhat—due in part to the specter of congressional regulation of junk bonds, the Federal Reserve placing restrictions on the use of junk bonds for takeovers, the increase in stock prices over the past few months, and the increasing knowledge of investors about the risks of junk bonds—the risks that junk bonds pose to the safety and soundness of our Nation's financial institutions and to the integrity of our credit markets have not abated.

A recent article in Business Week reported that junk bonds are beginning to live up to their name. Despite the assurances of junk bond issuers, junk bonds have demonstrated increasing levels of default. For instance:

There were 15 junk bond defaults last year.

The dollar value of junk bond defaults skyrocketed in 1985 and exceeded $1 billion for the first time ever.

The default rate on new issue junk bonds, those bonds issued as junk bonds, is approximately 11 percent.

The default rate on all junk bonds last year increased by 126 percent.

Most of these defaults have involved junk bonds issued by oil companies, and the recent troubles in the oil industry would indicate that we can expect more of the same. Yet, this phenomenon is not restricted to the oil industry, and no junk bond issue is safe from the danger of default. We can expect to see an increase in junk bond defaults when the economy takes a downturn, as companies which have taken on increased debt loads through junk bonds find themselves without the assets or income to service that debt.

The default rates now being experienced seems to have caught a number

of investors by surprise. To those who have carefully monitored the proliferation of junk bonds in recent years, however, the current upswing in junk bond defaults comes as no surprise. When I first started speaking out against the increasing use of junk bonds for corporate takeovers more than a year ago, I noted that the past offered no guide to the risks of the new breed of junk bonds and that the default rates of today's junk bonds could far exceed the historical default rate of junk bonds. This is because in the past junk bonds were issued by growth companies which had no proven track record or were the bonds of established companies which were downgraded for one reason or another. Conversely, many of today's junk bonds were issued by ongoing concerns to finance risky ventures, such as corporate takeovers. Thus, I argued that the default rates of this new breed of junk bonds could be greater than that seen previously. It now seems that this prediction, unfortunately, is coming true.

It is because the danger of default is always present with junk bonds that Congress should take the steps necessary to insure that neither innocent depositors at our Nation's financial institutions nor the Nation's taxpayers end up picking up the bill for a junk bond default. A significant number of federally insured financial institutions, primarily State chartered, federally insured savings and loans, own junk bonds. These institutions are attracted to junk bonds because of the high yields that they promise. But, as the Business Week article points out, "To earn higher yields, you must take higher risks." Because the Federal Deposit Insurance Corporation and the Federal Savings and Loan Insurance Corporation insure the deposits at these institutions and the Federal Government guarantees the FDIC and FSLIC funds, the Federal Government has a responsibility to depositors and taxpayers to take steps to prevent the loss of deposits resulting from the default of junk bonds owned by member institutions.

Mr. President, junk bond ownership presents a threat to the security and soundness of financial institutions. To counter that threat, I introduced last year the Junk Bond Limitation Act, which would limit junk bond ownership to only the most financially secure federally insured banks and savings and loans and which would restrict the amount of junk bonds that a federally insured institution could own. The need for enactment of this measure has increased as the danger of junk bond defaults has increased. Accordingly, I look forward to Congress addressing this issue in the near future.

I ask that the article from Business Week to which I referred earlier be printed in the CONGRESSIONAL RECORD.

The article follows:

[From Business Week, Feb. 17, 1986]

JUNK BONDS ARE STARTING TO LIVE UP TO THEIR NAME

(By Anthony Bianco)

When the Federal Reserve Board clamped down recently on the use of low-rated, high-yield bonds in takeover financing, some Wall Streeters wailed in protest. It's becoming increasingly evident, however, that the real threat to the fast-growing market in junk bonds lurks not in Washington but in the oil patch.

The prices of junk bonds issued by many oil producers and oil-service companies are falling almost as fast as the price of oil itself, saddling investors with big losses. Four companies in the oil sector were unable to make debt payments due in 1985, as junk-bond defaults soared above $1 billion for the first time. Global Marine Inc. alone accounted for $340 million of the total. The oil-service giant hasn't made interest payments on its bonds since mid-1985. On Jan. 27, Global sought the protection of Chapter 11 of the bankruptcy code.

Two small, oil-related issuers have defaulted already this year, and another half-dozen—which collectively have at least $800 million in bonds outstanding—are in precarious condition. "We could see an even higher default rate in 1986," predicts Warren K. Greene, president of American Investors Income Fund Inc., one of the first junk-bond mutual funds, which is heavily invested at the moment in savings and loan issues. "You have to be especially careful now to avoid weakening industries."

Most junk-bond investors, however, are probably benefiting from the oil-price plunge. According to Morgan Stanley & Co., oil-related issues account for only about 8% of all bonds rated BB or lower by Standard & Poor's Corp. Utilities, on the other hand, which typically benefit from slumping oil prices, constitute 26% of the junk market. Moreover, falling oil prices are helping push interest rates generally lower, which in turn sends bond prices generally higher.

Even so, investor worries about the deteriorating financial condition of oil companies and other junk-bond issuers appear to be taking their toll on the market's overall performance. Drexel Burnham Lambert Inc.'s index of 110 high-yield issues produced a seemingly impressive total return (including appreciation) of 22.5% in 1985. Meanwhile, though, U.S. Treasury bonds produced a total return of 31.5% on average, according to Salomon Brothers. The performance gap was also evident in 1984, when the DBL Composite Index gained 8.5% and Salomon Brothers' long-term government index jumped 14.9%

"If I had just bought 30-year Treasuries and held on to them, I'd be ahead of the game without having to go through all this aggravation," says Robert S. Dow, fixed-income director for Lord, Abbett & Co., an early junk-bond fund manager. Dow intends to stick it out, but he suspects that many pension fund sponsors are losing their taste for junk. "There were a lot of plan sponsors that really got hyped up on the high-yield market based on the performance numbers of the late 1970s and early 1980s," he says. "Now they are shrugging their shoulders and looking for a new fad."

D FOR DEFAULT

For investors, the allure of junk bonds is twofold: The bonds pay a high current yield, yet—historically, anyway—have rarely gone into default. Junk-bond yields remain high—in fact, right now they are higher relative to Treasury bonds than was the case a year ago. But at the same time, defaults are soaring beyond expectations.

According to Drexel Burnham, bonds rated below investment grade totaled $82 billion at yearend 1985. In addition, there were $16 billion in convertible bonds rated BB or lower, says Salomon Brothers. Of this $98 billion in total junk debt, $1.2 billion was downgraded to D (as in default) by Standard & Poor's in 1985. That works out to a default rate of 1.22%, up from 0.54% in 1984.

However, the default rate would be much higher if one looked only at what might be called "pure" junk bonds—those that were classified below investment grade upon issuance. About half of the existing bonds now classified as junk started life as blue-chip bonds and were downgraded as the condition of their issuers deteriorated. In 1985 alone, some $9 billion in bonds—including $2 billion in Union Carbide Corp. issues—were lowered to BB-status. Until recently, in fact, the junk market consisted solely of such "fallen angels."

Over the past few years, though, Drexel Burnham and other investment banks made a lucrative business out of underwriting bond issues for fledgling companies with noninvestment-grade credit ratings. Since 1978, $46 billion of this original-issue junk has been sold—$31 billion in the past two years alone. A sizable chunk of last year's sales helped pay for takeovers. But companies used the vast majority of these funds to finance their existing operations—often with less than sterling results.

NOBODY'S BIDDING

All but one of the 15 companies that defaulted in 1985 were rated below investment grade from the start. So far, issuers have now defaulted on about $2.3 billion of the high-yield debt brought to market from 1977 to 1983. During this period, $16 billion in new junk bonds were sold. A precise figure for convertible junk is not available but is thought to be about $5 billion. That works out to a default rate of about 11%. From 1978 to 1984, the comparable rate for all corporate debt issuers was only 0.07%, according to a study by Edward I. Altman of New York University.

The junk bond issuers currently in default are a fairly diverse group, including Elsinore Corp., a gaming company; Oak Industries Inc., a cable television operator; Sharon Steel Corp.; and Brock Hotel Corp. Besides Global Marine, last year's oil-related defaulters include Buttes Gas & Oil, American Quasar Petroleum, and Oxoco. In January, Argo Petroleum Corp. and ICO Inc. were dropped to D by S&P.

The bonds of the high-yield market's two largest oil issuers, Occidental Petroleum Corp. and Unocal, are holding up pretty well. But the recent sharp drop in crude prices has virtually paralyzed the market for smaller, oil-related junk, says Glori Holzman, an analyst for Morgan Stanley: "There just aren't any bids on this paper." Says a Drexel Burnham analyst: "I think most of the oil stuff will be O.K. as long as prices don't fall too much further. But there are some companies in more serious trouble than they were before." Heading every analyst's distress list is Crystal Oil

Corp., which has at least $190 million in bonds.

Last fall, Crystal offered its bondholders $125 million in new bonds paying 15 percent and secured by oil leases in exchange for previously issued, unsecured debt. The new bonds give Crystal the option of using shares of its common stock instead of cash to meet its interest payments—an option the company exercised in December. This maneuver, however, hasn't bolstered investors' confidence in Crystal. The new bonds, issued at 90, are now trading around 43. Crystal's stock has plummeted to ¼, down from a 1985 high of 17.

The Crystal swap was only one of $3 billion worth of junk-bond exchange offers completed last year, according to Drexel Burnham. Most of them were done by ailing companies looking to lighten a crushing debt load. Petro-Lewis Corp., for example, shaved $9 million off its annual interest costs by swapping $180 million in old subordinated bonds for secured debt. Over the years, Petro-Lewis has been one of the most active junk-bond issuers, with a total of at least $280 million now in circulation.

DISTRESS SALE

Most junk-bond mutual funds have sold off whatever oil issues they held and want nothing to do with that part of the market. Some money managers, however, say the initial, widespread drop in the prices of junk oil debt as an opportunity to snap up the issues of companies that stand to benefit from falling crude prices. Tesoro Petroleum Corp., for example, functions mainly as a refiner and should see its raw-material costs fall.

The junk-bond market's oil-patch nightmare demonstrates anew two fundamental tenets of investing. The first is the value of diversification: Shareholders of junk-bond mutual funds with only a smattering of oil issues can count themselves smart—or at least lucky. But the leap in junk-bond defaults illustrates the even more basic notion that there is no free lunch. To earn higher yields, you must take higher risks.●

THE RURAL HEALTH CARE IMPROVEMENT ACT

● Mr. BAUCUS. Mr. President, yesterday I and Senator GRASSLEY introduced the Rural Health Care Improvement Act, S. 2410. Today, I want to underscore why this legislation is needed to help preserve quality health care in rural America.

THE IMPORTANCE OF RURAL HOSPITALS

The backbone of rural health care is the small hospital. In many towns throughout the Nation, the small hospital is not only the central provider of health care. It is often the largest employer as well. Even in times of faltering rural economies, small rural hospitals are backed by tremendous community pride and support.

Small rural hospitals are not simply the places where people go in times of illness or accidents. These are the places where people were born. And these are the places where many expect to return when their work is done and the end of life is near.

Go to any of these small communities and ask people what makes their town so special compared with the place down the road. Ask them why future employers should locate in their community. Ask them if this town is a good place for retirees to live. Ask them where the good paying jobs can be found. And ask them where the community leaders come from.

The point is that just about everybody will tell you that their small hospital is something special. It sets their town apart from others and makes it a better place to live. And nobody is quite sure what the town would be like without it.

RURAL HEALTH AND COMPETITION

Before we rush headlong into the age of competition in health care, we need to ask some basic questions: Competition for whom? And competition over what? In some parts of the country, the proposed cure-all of competition in health care may turn out to be worse than the disease.

Anytime a national program is proposed, in my judgment it must meet one critical test: Is the problem this program would solve, really a national problem? Or is the problem more a regional one, unique to certain areas and conditions?

The fundamental assumption about competition in health care, or competition in any other industry, is that a choice exists between at least two alternatives and that smart consumers eventually will select the lower cost option.

For people who live in Washington, DC, or many other urban areas, it may be just a short ride to numerous acute care facilities. But for many rural Americans, it can be more than a hundred miles to the nearest hosptial.

In urban areas, we tend to take price competition for granted. The wise consumer shops around for the best price for everything, once around the beltway, whether it's for a new car, the best deal on groceries, or a bucket of paint.

For health care and many other services, rural Americans have fewer choices, And continued access to any health care is still the greatest issue confronting many small towns.

What's more, the rural economcy faces a crisis. Its workers often earn lower-than-average wages, and many more are either out of work or they are elderly and living on fixed incomes.

Think of the reality of many workers who live in rural areas. Many work on the farm or on a ranch, where health insurance benefits are the exception, not the norm. And those who have health coverage are often forced to drop it when the rural economy goes into a tailspin.

THE TYRANNY OF AVERAGES

Rural health care suffers from another problem: "The tyranny of averages."

Small hospitals account for only a fraction of the health costs and patient admissions on which broad national policy decisions are based. As a result, rural America is usually overlooked by those who examine health care with a broad brush.

As Jack Owen of the American Hospital Association recently reminded the Senate Finance Committee, "the problem with averages is that they often conceal as much as they reveal."

And I have heard it said that people have been known to drown in rivers that "on the average" are only two feet deep.

All too often, the health care concerns of small rural communities are ignored in the rush to make Federal budgets balance and in the sweeping changes in health payment policy initiated by those who assume that the greater competition is the answer to all of our problems.

THE QUALITY OF CARE IN RURAL HOSPITALS

There are those who seem to believe that quality health care is only to be found in comprehensive urban hospitals. They associate health care with all of the high technology equipment and the glaring lights of crowded emergency rooms where teams of specialists and consultants attend to every patient.

Their answer to those who depend on rural hospitals for quality health care, is "go to the cities." It's an easy answer if you already happen to live in or near a big city.

Small rural hospitals are different. Their specialty is usually primary care, delivered close to home by small numbers of health professionals who live and work in the community and who know most of their patients by their first names.

GEOGRAPHY AND DEMOGRAPHIC CONCERNS

Many small rural hospitals are different for another reason. In Montana and other Western States, vast distances often separate towns from one another. The small hospitals in these areas serve people who live throughout an entire region.

If hospitals such as these are forced to close their doors, access to health care will be denied to thousands of rural Americans. There is simply nothing nearby to take their place.

Western States are not the only ones concerned about maintaining quality health care between great distances and among sparse populations. It is a concern for all Americans who live far beyond our urban centers. Small hospitals located in isolated rural communities can be found in nearly every part of the Nation.

THE FINANCIAL VULNERABILITY OF RURAL HOSPITALS

There is now growing and alarming evidence that rural health care is under severe strain.

Rural hospitals are highly vulnerable to wide swings in patient volume and in the mix of patients served. And the financial risks are often overwhelming when even a few patients, whose health problems are much worse than expected, require extremely high levels of services that are not fully reimbursed. In other words, the margin of financial safety for most rural hospitals is extremely small.

Small rural hospitals are also particularly sensitive to changes in the Federal Medicare Program, since higher portions of their patients are elderly. In Montana, for example, Medicare patients account for over 50 percent of the total hospital admissions in many of the State's smallest hospitals. Even minor fluctuations in the Medicare Program often translate into major policy changes for these health care providers.

Larger urban hospitals are better able to make up for occasional Medicare losses because they draw in greater numbers from more of a cross-section of the population. Often, larger hospitals also have greater outside investments and additional revenue-gaining operations.

Large urban hospitals also benefit from Medicare payment policies that were enacted to recognize their particular circumstances. For example, all urban hospitals, regardless of hospital size or the patient's condition, are paid higher amounts by Medicare for each admission.

Large teaching hospitals, few of which are located outside of major metropolitan areas, also receive extra Medicare payments. These payments help to support the important work of medical education, but they are also provided to help offset the losses associated with the less efficient delivery of care by medical residents. And just last year, Congress enacted a new Medicare payment which is expected to primarily benefit the large public hospitals in urban areas that serve a disproportionate number of low income Medicare patients.

But small rural hospitals have fewer alternatives. The smallest and most isolated may opt for sole community provider status. But this special status benefits only about 360 hospitals and recent HHS regulations will make it difficult for even these few to receive appropriate adjustments to their Medicare payments in the future. Others have chosen to take advantage of the swing bed program which is one of the few examples of Medicare flexibility that helps to diversify health care in rural communities.

THE LAW OF LARGE NUMBERS

But the central problem facing small rural hospitals is that they are simply not able to take advantage of the "law of large numbers." Sharp revenue declines often cannot be made up by offsetting personnel reductions or by other cost saving measures. Small hospitals have fewer opportunities to absorb losses because a higher percentage of their costs tend to be fixed.

Last month, the Prospective Payment Assessment Commission [ProPac], the independent agency assigned to oversee Medicare's new payment policy, questioned whether the DRG payment system is really appropriate for all rural hospitals. Even more recently, the American Hospital Association recommended to HHS that the remote, "sole community providers" hospitals be removed from Medicare's prospective payment system before their condition further deteriorates.

The commissioners of ProPac told the Secretary of HHS that it may be time for Medicare to change its payment policy for care in certain small rural hospitals so that "rural patients are not required to seek care in distant urban hospitals where the care is less accessible and more costly."

SHARP DECLINES IN PATIENT ADMISSIONS

Behind the conclusions of these groups are some startling statistics. Small rural hospitals experienced nearly a 16-percent decline in patient admissions between 1984 and 1985. The decline in hospital admissions as a whole was only 6.2 percent for the same period.

Health care expenses in small rural hospitals remain relatively low compared with the industry as a whole. However, the sharp decline in admissions meant that the costs per admission in small hospitals increased dramatically last year. The per admission costs in small hospitals were up by 13 percent, while the same figure rose by just over 9 percent for all hospitals in the Nation.

Other indicators of the financial condition of small rural hospitals are just as disturbing. According to a recent survey by the American Hospital Association, in over 44 percent of the Nation's rural hospitals with fewer than 50 beds, patient revenues in 1984 fell short of operating costs by 6 percent or more. In other words, the operating deficit for these small hospitals was 6 percent or greater. In total, nearly 70 percent of the Nation's small rural hospitals failed to cover their costs with patient revenues in 1984.

LEGISLATION IS NEEDED NOW

We believe that S. 2410 will begin to address many of the unique concerns of small rural hospitals and help to preserve access to health care for rural Americans.

This bill is only a starting point. We hope that this legislation will also serve as a stimulus to a new debate on the impact of Federal health care policy on communities far beyond the urban boundaries.

On May 9, the Senate Finance Committee will be holding hearings on the impact of Medicare's payment policy on rural hospitals. I hops that the witnesses at that hearing will let us know whether the various provisions of the Rural Health Care Improvement Act are sound and a step in the right direction. I would also welcome additional suggestions on other areas which should be considered by Congress in the months ahead.

ANALYSIS OF REGULATORY IMPACT ON SMALL HOSPITALS

First, our bill would require the Secretary of HHS to analyze the impact of all regulations on the Medicare and Medicaid Program for their potential effect on small rural hospitals. Under current law, all executive agencies are required to perform a "regulatory flexibility analysis" whenever they propose rules that would have a significant economic impact on a substantial number of small entities. The purpose of this existing requirement is to make sure the broad national standards do not result in unforeseen adverse consequences on the smallest of the small enterprises of the country.

Unfortunately, HHS rarely performs regulatory flexibility analysis. In HHS, they define all hospitals, regardless of size, as small. By that standard, Humana Hospital and Massachusetts General Hospital are lumped into the same category of concern as the 17 bed hospital in Roundup, MT. It simply makes no sense. And it misses the point for why certain analyses are required routinely before rules are issued in final form.

Our amendment strengthens current law to require front-end analyses whenever a proposed health financing rule would significantly affect a small rural hospital. Without this standard, we believe that the pattern of neglect for rural health concerns will only worsen in the rush to issue broad changes in the name of health care reform.

MEDICARE PAYMENTS FOR CAPITAL TO SOLE COMMUNITY PROVIDERS

Next, we propose to continue current law for the Medicare payments to sole community provider hospitals for their capital-related expenses. The Senate Finance Committee is currently examining various proposals to reform the way Medicare pays hospitals for their capital costs.

Officials from HHS have told me that they have a proposal to pay sole community hospitals differently for their capital costs in the future. They believe that many of these small, remote hospitals would actually do better under their proposal than under current law.

But we have not yet seen the facts to back up the statement. I believe that until we see the facts and analyze the alternatives, sole community hospitals should be assured that their Federal payments for land, buildings, and equipment will not suddenly

change. I also believe that Congress should carefully consider whether current laws should be maintained for the Medicare payments for capital expenses of other low-volume, remote rural hospitals whose concerns are similar to those of sole community hospitals.

PAYMENTS FOR EXTREMELY HIGH COST CASES

Our third proposal is to require the Secretary of HHS to develop standards that ensure that Medicare "outlier" payments to small rural hospitals and small sole community provider hospitals are no more or less than the percentage of payments made to all others.

Currently, the Medicare statute provides that hospitals should receive no less than 5 percent and no more than 6 percent of their total PPS payments for outlier cases. Outliers are cases that turn out to be significantly more expensive to treat than the average patient with the same diagnosis.

The current standards do not benefit small rural hospitals. The Congressional Budget Office estimates that small rural hospitals receive only about 1 percent of their PPS payments in the form of outliers. The payments for all other hospitals approach the minimum standard of 5 percent.

Our amendment for outlier payments is both budget neutral and it contains a sunset provision, so that the amendment would expire after the Secretary delivers to Congress his recommendations on this subject as mandated in last year's budget reconciliation bill.

SET-ASIDE FOR RURAL HEALTH RESEARCH

Next, we propose to set-aside a small portion of existing funds to provide for research and demonstration program activities on improvements in rural health care. Each year, the Health Care Financing Administration devotes up to $30 million to conduct studies on Medicare and Medicaid payment issues. Increasingly, these funds have been used on research proposals to promote greater competition for health care services. Few of the resources are ever used to explore questions of critical concern to rural Americans.

This amendment requires no new funds. It merely mandates that 10 percent of existing funds be used to explore rural health concerns. Several research issues could be explored under this authority, including maintaining access to care in rural communities, examining staffing requirements for small rural hospitals, and attracting and retaining physicians and other health professionals in rural areas.

This amendment would further require HHS to develop an annual agenda of projects funded under the set-aside authority.

TIMELY PAYMENTS TO SMALL RURAL HOSPITALS

Another provision in our bill would require the Secretary to make timely payments of Medicare claims to small rural hospitals. Slowdowns in the payments made by Medicare for services that have already been provided are a major issue of concern to all health care providers. Recently, the House Ways and Means Committee's Health Subcommittee devoted an entire hearing to examine the problems caused by payment slowdowns.

Our amendment sets a 30-day standard for the payment of all Medicare claims submitted in proper form by small rural hospitals. And if the Medicare contractor pays other, non-Medicare bills, faster than 30 days, the standard would be set at the lower level.

We believe that it is critical that small rural hospitals with high Medicare patient volumes be paid on time. These institutions have fewer sources of outside revenues on which to rely. Late payments by Medicare can have devastating effects on these vulnerable institutions who must meet their payroll obligations and pay their supplies on fixed schedules.

ESTABLISHMENT OF AN OFFICE ON RURAL HEALTH CARE

The final provision in our bill calls for the establishment of an office on rural health care to be located within the office of the Administrator of Health Care Financing in HHS.

This office would be responsible for advising the Administrator on the effects of HHS rules, budgets and legislative proposals on rural health care. It would further oversee HCFA's compliance with the regulatory analyses and research and demonstration project agenda provisions of this act.

This rural health office is not intended to become a large, bureaucratic organization. In fact, we believe that HHS should be able to establish this office within its current staffing levels. However, it is clear to us that health financing must have an in-house counsel on the special concerns of rural health care. Without this office, we believe that HHS will continue to overlook the pressing concerns of rural health care in their rapid push to reform national health care payment systems.

SUMMARY

Mr. President, action is needed now on the pressing concerns of rural health care. Congress and the Department of Health and Human Services must begin to seriously address how quality health care will be preserved in rural America.

I look forward to hearing from those in the health care community who share our concerns about the need to improve health care in rural areas. Together, we can work to make sure that the health needs of all Americans remain one of our most important national commitments.●

S. 1874, THE EDUCATION OF THE DEAF ACT

● Mr. WEICKER. Mr. President, I am pleased that the Senate has now passed S. 1874, the Education of the Deaf Act. The passage of this bill reaffirms the Senate's commitment to supporting educational programs for the deaf. This act combines the authorizing legislation for Gallaudet College and the National Technical Institute for the Deaf to make them consistent with other existing special education statutes. The bill also strengthens congressional oversight of the schools, and changes the name of Gallaudet College to Gallaudet University. The authorization levels for Gallaudet and the National Technical Institute for the Deaf are increased over the next 5 years to maintain current services. The bill also establishes an ad hoc National Commission on Education of the Deaf to study and evaluate the current state-of-the-art in deaf education, and make appropriate recommendations to Congress.

With Senate passage of this bill, we turn the Nation's attention to the special education needs of our deaf citizens, and ensure that the programs we support can continue to make world class contributions to the field of deaf education. Most importantly, we reaffirm our commitment to ensuring that quality education opportunities are available to all.●

● Mr. KERRY. Mr. President, I rise today to express my support for the passage of S. 1874, The Deaf Education Act of 1985. This legislation continues model educational programs and national outreach for the deaf by Gallaudet University and the National Institute for the Deaf. The leadership and service provided by these institutions in assisting countless deaf individuals have been exemplary as measured by national and international standards.

This act has improved on previous legislation by establishing a commission to study the status of deaf education including findings and recommendations that will produce creative solutions for advancing deaf education. The provision for technical assistance and outreach to train parents of deaf infants and that which provides early childhood education takes into account a number of critical factors. According to a recent study, over 80 percent of the students served at Gallaudet University and the National Technical Institute for the Deaf were deaf before the age of 1. Second, the positive effects of early intervention in reducing negative results of deafness are significant.

Mr. President, this legislation represents an investment in the future of state-of-the-art education for America's young deaf individuals. This is an investment that I am proud to be a part of.

SHIPMENT OF MILK TO POLAND

● Mr. SIMON. Mr. President, last night, the Senate passed a resolution calling upon the administration to begin shipping United States surplus dried milk to Poland. Again, I would like to thank Senator HELMS for his support for this bill, along with Senators DIXON, DOLE, and BYRD.

I would also like to thank the other cosponsors of the bill who moved quickly to get this resolution through the Senate: Senators LEVIN, PROXMIRE, HART, METZENBAUM, BENTSEN, ABDNOR, BRADLEY, BURDICK, GORE, RIEGLE, SARBANES, LEAHY, and PELL.●

SENATE JOINT RESOLUTION 20—THE ENGLISH LANGUAGE AMENDMENT

● Mr. SYMMS. Mr. President, I would like to bring to the attention of my colleagues a new and important publication dealing with national unity. As the sponsor of the English language amendment, I recommend this book to all Members of Congress and every citizen who is interested in the role of a common language in the United States.

Language is a vital component of any society. Arguments about language are often explosive, sometimes bloody, and always emotional. At the very least, language related issues are so important that 64 of the 161 national constitutions of the world have explicit provisions declaring an official language; many others have a "national" language or languages; some nations have both.

Several versions of a proposed constitutional amendment to designate English the official language of the United States have been introduced in Congress since 1981. There are additional bills before Congress dealing with bilingual ballots and the education of children who are not proficient in English.

State legislatures have also faced language issues. Earlier this year, Georgia became the sixth State to declare English its official language, and other States are considering such a move.

While this is a relatively new debate in the United States, the topic has so quickly grown into a major national issue that it has taken legislators and legal practitioners by surprise.

What guidelines are there for such decisions? What precedents? How do countries in which more than one language is tradition handle the legal aspects of multiple language usage?

What does it mean to have an "official" language? What is a "national" language?

What accommodations are made in the judicial system for different languages? In what language are laws promulgated?

What, indeed, can the United States learn about language policy from the other 161 national constitutions?

Until now, there was a void in information on this subject. No compendium of international laws relating to language was available. Scholars and legislators had to go through numerous sources to find any information at all. And once located, these texts remained obscure, without explanation and outside their historic contexts.

Now, we have many of the answers and the background as well. In cooperation with Prof. Albert P. Blaustein and Dana Blaustein Epstein, U.S. English has published a guide and reference work on the treatment of language issues in the world's constitutions. Professor Blaustein is well-known for his 18-volume work on "Constitutions of Countries of the World."

The resultant volume, while unique in legal literature, is long called for. "Resolving Language Conflicts: A Study of the World's Constitutions" combines insightful analysis of various approaches to language conflict resolution with a complete listing of the language provisions found in the world's constitutions.

This work has already been aclaimed both by scholars in the United States and around the world. Anyone interested in language, immigration, social cohesion, and cultural and ethnic politics would be well advised to include it in their library or research.

"Resolving Language Conflicts: A study of the World's Constitutions" is available from U.S. English.●

BASEBALL STRIKEOUT CAPITAL

● Mr. KERRY. Mr. President, I rise today to make a pitch to further underscore Massachusetts' standing as the strikeout capital of the Nation.

That standing was reconfirmed Monday by Dave Howell's 26-strikeout performance. The Swampscott High senior paced the Big Blue to a 3 to 2 victory over rival Beverly High. In the entire history of American high school baseball, only 11 pitchers have struck out more.

But the Swampscott southpaw's achievements were not limited to the mound. He had a great day at the plate as well. He had a double, a triple, a homerun and two RBI's. He even scored the winning run.

His effort is the latest in the rotation of Massachusetts pitchers that was led off by Roger Clemens. Last week the Senate supported a resolution Senator KENNEDY and I offered to recognize the 20 strikeouts thrown by the Red Sox ace.

At this time I would like to add another name to the strikeout roster. In defeat, Beverly High's Chris Peter's hurled the best game of his career, striking out 18 Swampscott batters.

I hope my Senate teammates will not balk at recognizing Dave Howell's accomplishment. Anyone who cries foul is off base and can take a walk, because Dave Howell is a hit in Swampscott.●

NAUM AND INNA MEIMAN

● Mr. SIMON. Mr. President, I have made a statement about the plight of Inna and Naum Meiman every day that the Senate has been in session since March 6, 1986. The Meimans are friends of mine in the Soviet Union who have been denied permission to emigrate to Israel.

Some have asked me why I have chosen such an unorthodox method of publicity for the Meimans. The answer is that devices that worked in the past have not proven effective in recent times. There are many excuses that the Soviets offer when pressed to explain why they slammed the exit doors on Soviet Jews. None of them justify keeping an elderly, sick couple, who no longer hold any secrets, captive in Moscow.

The Meimans deserve, as all nationalities in the Soviet Union are guaranteed, the opportunity to live in their national homeland—Israel.

I strongly urge Soviet officials to permit the Meimans to emigrate to Israel.●

A WAY OUT OF THE DEBT CRISIS

● Mr. KERRY. Mr. President, the Tokyo Economic Summit meeting is now over. While some progress has been made on curbing terrorism, and improving monetary coordination among the major Western industrial democracies, the Summit leaders have failed to address one of the most important problems facing the world today—the impact of the Third World debt crisis on international development. This neglect is symptomatic of the failed policies of this administration in dealing with this issue.

This administration has been late in responding to the debt crisis. And when it did respond, with the "Baker Plan", this administration simply reinforced an already failed strategy of dealing with the international debt. This administration's economic policies have brought us a trillion dollar national debt, a $200 billion deficit, a mounting international debt, and a trade deficit. It is time for a new approach.

Under the Baker plan, the administration simply asked the financial establishment for the continuation, and a slight increase, in international lending, as if the debt crisis could be solved by a new financial influx, over and above the current levels of external debt, in the developing countries. It also asked the major industrial countries to coordinate decisions on exchange rates, as if the stabilization of the international monetary system could be undertaken without considering the interests, and involving the participation, of the whole community of nations, including the developing nations of the Third World.

Mr. President, it is time to face reality. The United States, perhaps more than any other industrialized nation, is close to, and affected by, the economic difficulties of the Third World. Indeed, the United States-Mexico border, which stretches for 2,000 miles, is the only place in the world where an advanced industrial nation directly borders on a poor, underdeveloped nation. The recent drop in oil prices, while benefiting American consumers, threatens our Mexican neighbors with economic crisis. The Latin debt crisis on our doorstep is, in fact, a greater threat to American security in the long run than either Libya or Nicaragua.

This crisis cannot be solved by this administration's policies of gunboat diplomacy and military confrontation. The debt crisis can only be solved by involving the participation of the affected countries in the decisions which affect international trade and finance.

Mr. President, the solution to the debt crisis is not a simple one. The crisis itself was the result of a complex process, and it calls for fresh, creative approaches in response. The underlying factor which created the present debt crisis was a $500 billion increase in the debt of non-oil exporting developing countries from 1974 to 1982. Of this amount, $240 billion was used to pay for the increase in the price of oil. $100 billion represents losses from deterioration of terms of trade, and $40 billion was due to the rise in floating interest rates. It is evident, therefore, that a series of structural conditions in trade and international finance, and a responsibility shared by both developing and developed nations, led to the spread of bankruptcy throughout the economies of many developing nations. Any effective solution to the crisis must therefore recognize this shared responsibility.

I have been concerned for some time that we in the United States have not paid sufficient attention to the debt crisis, which effects us so directly. Because of this concern, I have asked Prof. Eduardo Dutra Aydos, a member of my staff this year, to prepare a study on the causes and consequences of the debt crisis, and to present his conclusions and recommendations. Prof. Aydos is a visiting scholar from Brazil, and is a legislative fellow of the National Democratic Institute for Foreign Affairs.

Prof. Aydos' study goes beyond a mere analysis of the origins and impact of the crisis on United States-Latin American relations. He has drafted a program designed to be an alternative approach to dealing with the requirements of a solution to the debt crisis, which integrates the different dimensions of the problem, and includes the trade and financing tools for dealing with the debt challenge. While I am not an economist, and am not prepared to fully endorse all of Prof. Aydos' proposals, I believe that his approach is both realistic and creative, and his proposals merit serious consideration.

Mr. President, the Senate Foreign Relations Committee will soon hold hearings on the Latin debt crisis. This is a very important subject which merits careful study and close attention from all of us in the U.S. Senate. Prof. Aydos' study is an important contribution to the international discussion of these issues. I ask that Prof. Aydos' proposal for the creation of an International Development Program, comprising the conclusions and recommendations of his study, be printed in the RECORD.

The material follows:

A WAY OUT OF THE DEBT CRISIS: OUTLINE OF AN INTERNATIONAL DEVELOPMENT PROGRAM

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3. A WAY OUT OF THE CRISIS: A DEMOCRATIC ALTERNATIVE FOR COPING WITH THE DEBT CHALLENGE

Despite the potential advantages of freer trade and more stable financial markets, current policies of dealing with the debt crisis lead to large imbalances of trade flow and defensive strategies, already put in motion by major world commercial partners, threaten the stability of international financing. A new approach to international trade and financing is necessary for seriously facing solutions for this crisis.

The current strategy for dealing with the debt crisis has already floundered because of the unfeasibility of its political assumptions and consequences—there is no doubt about this. Evidence to support such a statement is in the increasing sensitivity of the public to the issue, from the North to the South. If one still refuses, however, to recognize the obvious, it would be enough to look to the undermining of the IMF in the most recent debt reschedulings. It was not be accident that developing countries, such as Venezuela and Brazil, negotiated with their bank creditors, without the formal approval of the Fund. Even when adopting "IMF-like" austerity policies, governments are incerasingly concerned with escaping from support by the Fund. All of this clearly expresses the institutional crisis underlying the debt bargain. Despite its potential contribution for breaking the strangleholds and formulating altenatives, political engineering has seldom been called for by the central financial decision-makers. Most advising and policy formulation for the debt crisis continue the monopoly of a strictly economic anlysis.

Policy analysis—the alternative approach which borne the recommendations on this study—opposes these traditional views by facing the necessity of a comprehensive proposal. Its focus is the initiative and political feasibility of an emergency solution for the debt problem. A resolution was designed for the consideration of the U.S. Senate, which, if agreed to, implies that the United States shall propose to other nations and support the implementation of an International Development Program (IDP) to cope with the debt challenge. It was based on the recognition that mutual interests, from the North and the South, may work a consensus on the immediate requirements to prevent another peak of the crisis. The following remarks detail some features of this draft legislative proposal: the International Trade and Finance Development Act of 1986.

3.1. PURPOSE OF THE INTERNATIONAL DEVELOPMENT PROGRAM

This Program was designed as an alternative, not necessarily a substitute for the mere continuation of lending to Third World countries, which was the explicit goal of the "Baker Plan". Countries participating in this Program are allowed for continuing to negotiate loans with the financial establishment outside its umbrella. A case-by-case approach to specific and emergency lending is not ruled out. In Contrast with Secretary Baker's proposal, however, this Program would establish predictable and general criteria for the renegotiation of the consolidated Third World public outstanding debt and would simply ask debtor countries to balance gross trade flows. It would support such a demand with the positive incentives of particularly privileged conditions for debt rescheduling. On the one hand, this anticipates concessions that would be surely imposed on them, under the unfavorable conditions of a case-by-case debt bargain. It is assumed that these countries agree with enhancing trade reciprocities, as development imposes on them resumption of imports. It is recognized, however, that they would probably want to maintain control of what is imported. Therefore, how they manage their economies, to meet this Program's targets, it is not spelled out. Under this proposal, such a minimal basis of understanding prevents the imposition of illegitimate pressures on debt renegotiations. It also assures that reciprocities rely on mutual interests of all trade partners.

(a) This Program's major innovations with respect to the current proposals for dealing with the debt crisis are the specific linkages it establishes between net trade performance (as reflected by the conditions on

Clauses One and Two), and relief of debt-service payments. It develops a more complex approach to what has been already proposed and implemented by Peru and tentatively backed by Nigeria: a formula for conditioning external payments to some criteria of availability of resources. It shares the political consensus that financial dues cannot be honored at the cost of the impoverishment of developing countries.

This proposal establishes a progressive "cap" on public debt-service payments, increase of which is proportional to the net results of the merchandise trade balance of the debtors. This would stimulate coordination of trade and financial policies and by consequence make more predictable the international flows of commerce.

Although it is not a definitive response to the crisis, this Program brings together an opportunity to survival for the heavy indebted economies. These nations and their creditor partners are given, therefore, the time they need for rethinking and reforming the international financial and monetary system.

Establishing a "cap" on external *public* debt-service payments, this Program works the reciprocity for the extension of public warrants which the developing countries allowed for on the last round of debt renegotiations. Benefit from this Program is positively correlated to the proportion of the debt which was publicly guaranteed. Although this would not exhaust the controversy on the issue, it offers an argument to making easier future commitment by the debtor governments to meeting the requirements of the financial establishment with respect to debt public guarantees.

(b) The second innovation of this proposal relies on its positive incentive to freer and fairer trade. On the one hand, adoption of this Program, as stated by Clause One, would reschedule debt payments above a given ceiling on particularly privileged conditions. As the benefit was designed to be higher in proportion to the merchandise trade balance of debtors reaching a point of equilibrium, developing countries running a trade surplus are encouraged to expand imports. On the other hand, implementation of Clause Two would alleviate difficulties of balance of payments for most low-income developing countries. Under Clause Two, their huge trade deficits would justify postponement of debt-service payments. Pursuit of timely repayment of international investments would give incentive to coordinating efforts from industrial economies to increasing imports from the poorest economies in the world. This Program inhibits trade barriers, therefore, without the need for establishing penalties and producing the legal conficts which its enforcement would cause.

(c) Voluntary adhesion and positive incentives to universal participation converge in this Program. Developed countries are asked to share the burden of immediate relief of debt-service payments for the Third World countries. If this was the only feature of this proposal, a simple rational calculation would undermine its feasibility. If one nation is allowed to refuse to cooperate and still expect to benefit from the stabilization of financial markets prepared by this Program, the well-known paradox of public goods and private costs would simply show another face of its essential conflict, that is, the possibility of someone benefiting from public goods without assuming the related costs. Such a logic of behavior, which inhibits collective action, is prevented because trade results counted for relief of debt-service payments include only IDP country-members merchandise flows. This is a strong incentive, therefore, to support this Program's plea for universal membership. It is supposed that countries on its outside would not benefit from the resulting enhancement of international trade. Even more, it would be rational for a debtor, which is running a trade surplus, to increase its imports from IDP member-country and try to export more aggressively to non-member-countries. This Program was, therefore, designed to have inclusive dynamics. Nobody would be willing to stay outside. And if someone does, it would not affect the relative position of those on the inside, but to improve their competitive advantage in trade performances.

(d) A fourth characteristic of this proposal comprises the redistribution effect of its enclosed international taxation. A preliminary estimation of costs found that a 5 year, 1% import tax from all developed countries, would be enough to support this Program's 15 year long financial responsibilities. Under such an assumption, given the 65% of world merchandise imports and exports which flows into the industrial market economies, redistribution of income to developing countries is expected. It assures conformity of this proposal to the interests of the South. Yet, on the grounds of national economic policies, such an indirect taxation subsidizes domestic production, because it increases the cost of imported goods. In this respect, this proposal responds to demands of protection from domestic industries in the North, which contributes to increasing its political feasibility. Its particular policy mix compensates tariff protection with income distributing purposes.

One objection, however, must be faced. This taxation proposal may cause inflationary pressures. Given the cost multiplication effect of imported raw materials, such as oil, evaluation of exemptions on this proposal is still an open question. A preliminary appraisal, however, minimizes such a concern. The recent drop of oil prices and the continued deterioration of terms of trade, which have lowered prices for commodities to unprecedented postwar levels, minimizes the fear of international price inflation. An import tax on oil was already proposed to stabilize prices in the U.S. market and limit damages to the domestic oil network. Within the scope of this Program, nothing appears to support the adoption of safeguards against inflationary pressures. To the contrary, its contribution to the stabilization of financial and trade markets is expected to largely compensate for such a risk. Otherwise, the eventual undertaking of anti-inflation precautions would not affect the essentials of this proposal.

(f) Differing from the strategies already adopted for dealing with the debt crisis, this Program would improve the creditworthiness of developing countries. The simple continuation of "involuntary lending" cannot assure such a result. If the total relief of debt-service payments under this Program would not differ from what could be supplied within the prospect of the current strategy of debt renegotiations—or the "Baker Plan"—its effect is designed to be substantively different from what might be a simple "tourist money." From the perspective of the financial institutions, it would distress their international portfolio of operations, working out their unwillingness to invest abroad. Concurrently, it would improve the ratio of payments to exports of the debtor countries, one main condition to improving their financial credibility. This Program was, therefore, designed to satisfy some of the subjective and objective conditions, which underlie the resumption of international commercial lending.

Because it assumes emphatically that the debt crisis is a public concern, this Program was designed to lay the groundwork for collective negotiations of governments with the private financial institutions. The intrinsic importance of this process of institution-building cannot be disregarded. It brings together the opportunity to inaugurate an international forum for debate of trade and financial issues and make it an effective tool for development. Given its operational capacities and financial support, it steps up multilateral efforts to a real cooperation among sovereign nations.

3.2. A PROGRESSIVE "CAP" ON SERVICE PAYMENTS

The first step in implementing this Program involves the consolidation of the current external debt of developing countries. This would make it more feasible to reschedule service payments, allowing for the parallel, although gradual, resumption of normal commercial lending. The second step implies the establishment of general and consensual criteria to resolve such a consolidated debt account. If the first step presents no difficulties, the second involves the management of conflicting interests, the consequences of which have prevented agreement on a solution for the debt crisis.

A simple ceiling on debt service payments, based on a fixed ratio of export earnings, as undertaken by the government of Peru and apparently backed by Nigeria, is not capable of satisfying the requirements of generality and consensus in the solution for the debt problem. The first difficulty emerges from its reliance on sovereign unilateral decisions, costs and benefits of which are also unilaterally charged and appropriated. Technically, if the nonpayment part of the debt is merely capitalized, that is aggregated to the principal, this would not resolve the strangleholds on the debtors. To the contrary, alleviation of immediate costs will burden the mid and long-range prospects of their balance of payments. On the other hand, if the nonpaying part of the debt is simply repudiated, the burden would be unilaterally charged to the creditor banks.

A second major shortcoming relies on its inability to become a general criteria for the assessment of technical difficulties on debt-service payments. The difference between Peru's 10% "cap" and Nigeria's suggestion of 30%, is just a symptom of what mainly undermines this policy. A gross percentage on export earnings is not an adequate barometer to account for the real financial situation of nations, mainly because it does not reflect the net results of trade performance. Generalizing such a criteria, the same "cap" on debt-service payments, say 10% or 30% of export earnings, would apply for a country running a 100% trade surplus as well as for another with a 100% deficit on the merchandise trade balance. The same ceiling which may be objected to as too low for one country would be surely too high for the other. If a compromise is agreed to on a raw percentage of export earnings to limit debt-service payments, a hard choice would necessarily follow between the whole inconvenience of a case-by-case approach to its determination and the vulnerability of a fixed percentage to the arguments of inequality and inefficacy. A solution for the debt crisis is a bit more complex, no matter

how politically appealing the merge of simplicity with the appearance of generality could be on the simple "cap" solution. Otherwise, it calls for the legitimacy of a global and consensual criteria to face the needs of debtors and creditors.

Clause One of this Program faces these needs. Based on the concept of a 20% ratio of export earnings as a "cap" for external public debt-service payments, this proposal is conditioned to the net results of the merchandise trade balance. Debtors should not go over 20% of trade surplus to apply for the full benefit of the "cap" solution. Out of this margin, such a "cap" allows the increase of a progressive percentage of the country's merchandise trade surplus. For example, if a country is running more than 20% to 30% of trade surplus (calculated as the ratio of merchandise trade surplus to exports of goods), its "caps" is increased by the absolute value of 20% of its trade balance surplus, as determined on Table 2 below.

TABLE 2.—PROGRESSIVE CEILINGS ON DEBT-SERVICES PAYMENTS

Countries with merchandise balance surplus of	Ceiling on service payments as percentage of exports	Plus Ceiling on service payments as percentage of trade surplus
20 percent or less	20	none
21 percent to 30 percent	20	20
31 percent to 40 percent	20	40
41 percent to 50 percent	20	60
51 percent to 60 percent	20	80
61 percent or more	20	100

The progressive "cap" solution combines the flexibility to deal with the complexity of the scene and a general principle, as supplied by clearly defined and universally applied criteria. The proposed percentages and intervals in Table 1, represent preliminary estimations with special focus on its economic feasibility, which emerge from the cost-effectiveness of this proposal. They are to be negotiated and adjusted by the process of implementation of this Program. Especially relevant in this bargain are two categories of debtors, which would emerge from the operation of this proposal:

(a) A first group is comprised of debtor countries running more than a 20% trade surplus, participation of which would result in immediate improvements on the balance of world trade, because their willingness to maximize relief of debt-service payments would cause the increasing of their imports;

(b) A second group is comprised of debtor countries with less than 20% merchandise trade surplus, participation of which is not supposed to result in an increment of Third World imports.

Much of the feasibility of this Program depends on the evidence that its probable results in trade reciprocities, would effectively balance its embedded costs. Attention should be paid, however, to the limits of negotiation which maintain the essential configuration of this proposal. The preliminary analysis warned against improving the feasibility of this Program by imposing selective restrictions on the eligibility of developing-country membership. Limiting participation to the first group of debtors, those which are potentially capable of responding to demands on trade reciprocities, would maximize its cost-effectiveness. It should be recognized at, pressures to deviate from the original purpose of this Program are expected to arise, entrenched in the current financial strategies. They would surely try to restrict participation on the grounds of a strictly economic appraisal. Selective treatment to collaborative debtors was already implied in the redirection of attitudes contained in the "Baker Plan," which focus was to continuing lending for 15 debtor countries. Following this tendency, deviation of this Program would be damaging to the prospects of world development. It would be reduced to the simple configuration of a trade block to the exclusion of the poorer nations of the world. Besides affecting its main purpose of a general and comprehensive solution for the debt crisis, the whole credibility of this initiative would be, therefore, compromised.

3.3. PRELIMINARY EMPIRICAL FINDINGS ON THE PROGRESSIVE "CAP" SOLUTION

Using World Bank's 1983 data, a simulation of the impact of the progressive "cap" proposal was undertaken. The analysis surveyed 77 developing countries. The major figures for this universe totaled $308,627 million exports of goods, $23,763 million aggregated deficit on trade merchandise balance, $489,696 external public debt and $63,515 million service payments of the debt. Working with country-by-country calculations of the progressive "cap" on service payments resulted in important insights, analysis of which suggested further improvements of this proposal.

3.3.1. POTENTIAL TRADE RECIPROCITIES

Only eight countries would satisfy the hypothetical condition of exchanging relief of debt-service payments for reducing trade surpluses (i.e., increasing imports). These were Uruguay, Burma, Bolivia, Chile, Ecuador, Argentina, Brazil and Mexico. Their economic figures totaled $62,717 million exports of goods, $35,411 million imports of goods, $27,306 million trade surplus, $170,177 million external public debt, and $21,744 million service payments of the debt. Of these eight countries, only Uruguay and Burma would have modestly benefited from the minimum "cap" on debt-service payments, without the need for increasing the relative weight of imports on their merchandise trade balances. Assuming these eight countries would want to maximize their relief of debt-service payments, reducing their trade surpluses to a maximum of 20% of total exports of goods, it was found that $9,203 million would not had been paid on time, but their imports would have risen by $14.762 million. Although limiting this Program to these countries is the most rational choice, on a strict cost-effectiveness approach, this is not a solution for the debt crisis.

A second group of countries, despite running large trade surpluses, would not be affected by Clause One's incentives to balancing net trade performances, because their current payments due fall below the 20% of exports minimum "cap." This was the case of Venezuela, Indonesia, Liberia, Zambia, Guinea and Zaire. If a comprehensive solution could be engineered, extending to them incentives to limit trade surplus to 20% of export earnings, their imports would increase by $6,442 million.

Of these 14 countries running trade surplus over 20% of export earnings, eight were also enrolled on the list of 15 debtors which have been the focus of the "Baker Plan," which makes its targeting of trade reciprocities obvious. Under this Program too, the major debtors would get the largest benefit. Reading 1983 data, Brazil's automatic reschedulings of debt-service payments would have reached $1,957.6 million, under the condition of a $3,257 million increase of imports (i.e., a 28% relief of debt-service payments compensate by a 39% decrease of trade surplus). Mexico's reschedulings would have reached $5,720.4 million, under the condition of a $8,733.4 million increase of imports (i.e., a 57% relief of debt-service payments compensate by a 67% decrease of trade surplus).

3.3.2. THE HIDDEN DIMENSIONS OF THE DEBT THREAT TO INTERNATIONAL TRADE

The simulation exercise developed showed that 30 countries which satisfied the working conditions of Clause One would benefit from an immediate debt relief, under the 20% of exports "cap," without the need of increasing their imports from developed countries. That was because their net trade performance had already fallen below the margin of a 20% surplus. These countries had current exports earnings of $65,493 million, but an imports portfolio of $102,957 million, this resulting on a $37,464 million chronic trade deficit. Their external public debt totaled $159,401 million and their service payments in 1983 reached $23,952 million.

It was found that 33 countries, would not benefit from participating in this Program, because their debt-service payments fall below the 20% minimum "cap." These countries were comprised by two distinct subgroups, which jointly had exports of goods earnings of $104,656 million and an imports portfolio of $168,652 million, resulting this on a $27,996 million trade deficit. Their external public debt was $116,947 and they had honored $12,317 million on debt-service payments in 1983.

Focusing the subgroup differences, on the one hand, there were the average mostly poorer countries, service payments of which have been already limited by the relatively lower amount of their debt, the special conditions of lending they have benefited—in this case from multilateral agencies—and their own inability to get commercial international loans. Yet, a comprehensive international development program must include these countries as a first priority target. They urgently need to fight against poverty and famine, to the point that, even when this means a relative modest amount of debt, to relieve part of their external duties becomes a real emergency. On the other hand, a second subgroup was comprised of countries that had strongly relied upon export-led development strategies and have succeeded in preventing the worsening of their debt-to-exports ratio. That was the case, for example, of the Republic of Korea, Hong Kong and Nigeria. Although some of these countries, particularly those comprised by the Asian New Industrial Countries (NICs), represent the most stabilized developing economies, recent successes of protectionism in the industrial markets pointed out their weaknesses. Even for Korea, the model for private investment export-led model of development, service of debt payments could represent a concern in the foreseeable future.

Improving trade relations was not to be expected under the progressive "cap" solution, for these last 63 countries. Highlights from the analysis of their economic figures, however, were extremely significant for the prospects of international development. A rationale supporting their inclusion in a comprehensive proposal for dealing with

the debt crisis become transparent. Difficulties in their balance of payments, given the orthodox remedies to these troubles, threatens to undermine a global $271,609 million imports market. Assuming these countries may be pushed to facing the crisis by cutting off imports, as the major debtors did, their reaching an equilibrium in merchandise trade balances would represent a loss of opportunity to sell of $65,460 million by major exporters. Reaching an average 20% trade surplus would increase this amount to $106,689 million. Even if this total figures represents an improbable scenario, the prospects of even its partial realization raises a good deal of concern. Attention, therefore, must turn from the traditional focus on major debtors, to the global solution of the Third World debt problem. International trade and financial development calls for support to economic growth on the periphery of the industrial developed countries.

3.4. SUBSIDIZING THIRD WORLD IMPORTS: A COMPLEMENTARY CONDITION TO COPING WITH THE DEBT CRISIS

Given the importance of incentives to the participation of all developing countries in this Program, a second step was needed. Clause Two, therefore, establishes an optional five year effective discount on a progressive raw percentage of debt payments. A minimum 20% relief of debt-service payments would apply for developing countries which reached a near-to-balance situation (i.e., a net trade balance result between −20% and +20% of exports of goods). Such a discount would increase proportionally to the percentage of a developing country's trade deficit, as determined on Table 3.

Table 3.—Progressive discounts on debt-service payments

Countries with a merchandise trade balance of:	*Percent* [1]
less than −100 percent	40
−20 percent to −100 percent	30
−20 percent to +20 percent	20

[1] Percentage of service payments automatically rescheduled

The progressive discount of Clause Two was designed to engage the whole structure of this Program in a coordinated action to support the chronic trade imbalances of the poorer developing economies. On the one hand, it would represent an effective way to subsidize Third World import markets. This is an additional argument supporting the feasibility of this proposal, because it contributes to stabilizing markets for the developed economies. It is also appealing to developing countries, which would reinforce this Program's purpose of inclusiveness. All developing countries would have good reasons for joining this initiative, even those which, running huge trade surpluses, would not be affected by the "cap" on debt-service payments established by Clause One. On the other hand, the eventual response of economic growth to such an strategy, bringing together improvements in relative weight of exports on the merchandise trade balance of developing countries, would result in decreasing financial costs of this Program and more immediate repayment of international lending. As it calls for coordinated efforts from developed economies to establish a worldwide balance of trade flow, such an argument supports their current plea for global trade fairness with real and mutual interests of all trade partners.

The preliminary findings of the simulated impact of this proposal are promising.

(a) All developing countries included in this study would immediately or at less potentially benefit from one of the options of Clause One or Two. Universality of the proposal was assured, therefore, which enhances its political appeal.

(b) As the major debtors would have the earlier benefit from Clause One's conditions, the operation of Clause Two would only slightly increase this Program's expenses. The relative costs, therefore, are far less than its potential benefit.

The progressive "cap" proposal would apply for only 44 countries, and cause the rescheduling of a minimum $10,950 million, and a maximum $20,057 million external public debt-service payments—this last amount tied to the increase of Third World imports by $14,762 million. Once the optional progressive discounts of Clause Two are adopted, all developing countries would potentially benefit from this Program. Its costs, however, would modestly increase to support the co-financing liabilities of a minimum $19,627 million to a maximum $24,580 million debt rescheduling—this last amount tied to the increase of Third World imports by $21,205 million. Considering its contribution to the stability of trade flows and the political appeal of a global solution, the potential gains of Clause Two far exceed its cost [see table 4, below].

TABLE 4.—PRELIMINARY RESULTS OF THE SIMULATED IMPLEMENTATION OF PROGRAM'S CLAUSES 1 AND 2 BASED ON 1983 DATA

	Results from clause 1 progressive "CAPS" solution			Results from clause 2 progressive discounts solution		
	Minimum debt relief	Minimum debt relief	LDC's imports increase	Minimum debt relief	Minimum debt relief	LDC's imports increase
30 countries which benefit only from clause 2	0.0	0.0	0.0	3,028.1	3,028.1	0.0
33 countries which benefit only from condition 1 of clause 1	10,853.4	10,853.4	0.0	11,195.4	11,195.4	0.0
14 countries which may impact on the trade deficits of industrial economies	97.4	9,203.6	14.762	5,449.2	10,356.6	21,205
Total 77 debtor countries	10,950.8	20,057.0	14.762	19,672.7	24,580.1	21,205

Source: Simulation exercise (see appendix II), using the World Bank data.

An insight from the simulation exercise showed that developing countries, which were not running trade surpluses might increase their benefit from both the progressive "cap" and the progressive discount solutions, by simply worsening their export shortages. Such findings raised questions on the whole design of this Program. Would it not contribute to underdevelopment, by displaying conformism regarding poverty? A risk that any development program must face is discouragement of initiative and self-reliance. Making an industry from poverty is a syndrome to be avoided either for social action or international aid. Preventing these objections implied the need of engineering conditions that could assure this Program effectiveness on stimulating the willingness of poorer countries to develop. One solution is to require, as a working condition of Clauses One and Two, that developing countries applying for the minimum "cap" of Clause One or for the benefit of Clause Two, improve their balance of trade. Such a condition would reinforce the necessity of growth, as a Third World strategy of development. Also, it stresses the emergency character of this proposal, pointing out the need of its reappraisal, after a limited length of time, to determine direction of further improvements.

3.5. AUTOMATIC RESCHEDULING OF DEBT-SERVICE PAYMENTS

Under this Program, relief of debt service payments was designed as a capitalization solution. Rescheduled interests and repayments would be added to the principal of the debt. In this respect, there is no difference from most current proposals. The mechanics of these rescheduling, however, respond to demands from debtor countries and necessities of the creditor economies in a very particular policy mix.

The total relief of service payments under the provisions of Clauses One and Two would be rescheduled in a specific account. This Program would pay for the total interests on these rescheduled service payments, for the first 5 years of the grace period, plus the interests above a fixed 3% annual rate, until reaching their market values, for the last 10 years of maturity period. Under this Program's administration and warrant, it would be unnecessary to charge developing countries with commissions and "spreads." This would rule out of debt reschedulings the exploitative fiction of risk coverage by increasing interests above normal market rates. Even the creditor banks would be better off getting improved public guarantees on these payments, instead of charging them with the weaker substitutive of effective, but expensive, insurance premiums. Regarding the reinforcement of such provisions, the debtors are asked to deposit reserves in a Program account, mobilization of which is allowed for covering eventual default of rescheduled payments by any country-member. This would represent a warrant of the collective commitment of debtors to the reimbursement of creditor institutions. It is unnecessary to emphasize what this would mean as a contribution to legitimacy and stabilization of the international financial system. As their benefit from this Program would be higher by the proportion that merchandise trade balances adjust to equilibrium, developing debtor countries running trade surpluses would be encouraged to expand imports. This would effectively realize what has been called for by developed economies, by current demands on freer and fairer international trading (i.e., a worldwide equilibrium of merchandise trade balances).

Important constraints on debt renegotiations are caused by the participation of the roughly 80% local and regional banks which share 20% of total international private lending. Besides the administrative difficulties of reaching consensus dealing with several hundreds of financial institutions, these small and middle lenders do not have the same flexibility for rescheduling their expected repayments as the big money-center banks. Their political influence, however, spreading from their place in the political strongholds of the U.S. electoral precincts, is inversely proportional to their shares of Third World financing. Concurrently, it must be considered that public opinion in the U.S. still reacts to the specter of the Great Depression. Taxpayers would probably refuse to support bailout of those giant financial corporations, which had been fed by the widespread bankruptcy of farms and small business. They would probably favor and even actively support, however, measures for stabilizing the capillary structure of the financial establishment. The immediate and direct connection of these financial institutions with the economic interests of investors and shareholders, which underlay the formation of the American public opinion and direct its political influence, deserves attention. That is why this Program was designed to explicitly targeting protection of local and regional banks. A condition was conceived, therefore, which allows for the inclusion of financial institutions under this Program's guarantees in debt rescheduling operations. The major creditors should buy and repay in a timely fashion the minor claims on due service payments. The money-center banks would have interest in buying these credits, because they are fully covered by this Program's guarantees and represent a little proportion of their own credits which would be granted with the same warrants. Putting additional money in this operation, therefore, would effectively decrease their direct exposure to sovereign debtors.

Most arguments against moratorium or service payments "cap" solutions have pointed out they would unilaterally charge the creditor banks or taxpayers of the industrial countries with the entire burden of the crisis. This Program accepts these objections and fully satisfies their correspondent requirements. This Program is not a substitute for proposals committed to the necessity of establishing conditions on tax legislation and banking regulation, which would make the partial writing-down of Third World loans easier. Under this Program's implementation, however, banks would not write off a series of ad loans as they would probably do without this umbrella. All debt-service payments, rescheduled under Clauses One and Two, would be fully paid and the creditworthiness of debtors would improve, because this Program works out their major balance of payments difficulties. Concurrently, funding of this Program would be charged to industrial developed economies, but proportionally with the benefits they earn from effective trade reciprocities. This would assure what the mere continuation of "involuntary lending" cannot guarantee, that public investment in the solution of the debt crisis return to the donor countries. As a real subsidy to their export performance, its multiplier of total GNP (i.e., employment and production network investment) largely justifies the original appropriation.

3.6. INSTITUTIONAL DESIGN

Developing countries have asked for government-to-government negotiations on the debt problem, because they lose bargaining power when discussing development with multiple institutions, for example: trade with GATT, development projects with The World Bank and other multilateral financial institutions, adjustment policies with the IMF, and trade, again with the UNCTAD. These institutions are ruled by complex estatutes with regard to their composition, rights of country-members and operational procedures. Their balance of power reflects different aggregates of interests in the world economic order. Such a political fragmentation has sometimes functioned as a democratic constraint on the crystalization of power relations; most of the time, however, it was an obstacle to the world enfranchisement of nations. Concurrently, developed countries have been indirectly affected by these difficulties, because they undermine the international climate which is required for freer and fairer trade and financial stability.

This approach to the process of debt negotiations favors public solutions and supports the involvement of political leadership from both sides, debtor and creditor countries, in these dealings. Its corollary is the idea of collective negotiation of the debt. Although in the past the major debtors had not supported it, because of the expectation of getting privileged conditions of debt rescheduling, failure to provide effective solutions to the crisis in successive rounds of negotiations undermined such a strategy.

The institutionalization of an International Development Council (IDC), comprised of the Ministers of Foreign Affairs of this Program's member-countries, as an interface for negotiations with the bank creditors, would both conform to the need of strengthening public financial policy-making and would provide integration of multilateral efforts on development. IDC members would have equal votes on statutory provisions and equal votes for electing 4 of the 7 members of the Program's Board of Directors. The other three would be representatives of the IMF, World Bank and GATT. To prevent the absorption of this Program by one of those established institutions, the Executive-Secretary is to be appointed from the elected members by vote of the seven.

3.7. POLITICAL AND ECONOMIC FEASIBILITY

A preliminary estimation of costs showed that a 5 year, 1% import tax from all developed countries would be enough to support this Program's 15 year operational cost ($11,842 million per year in 1983 terms). This is surely an overestimated cost, which was based on conservative assumptions, such as that international interest rates would be steady at 11% and that all developing debtors would immediately adjust trade balances to get full benefit from this Program. It was also assumed the fixed values of trade flow in 1983 as the parameter for the calculation of revenues. As trade developed faster than external indebtedness in the last three years, such an assumption is even more conservative. All of this, however, served to increasing confidence on the results of the analysis.

Several other hypothesis of funding of this Program were also tested, with regard to the composition of donor and debtor countries. A summary of the results is displayed on Table 5.

TABLE 5.—RESULTS OF SIMULATIONS ON PROGRAM BUDGETING

Donor countries contributing to program financing expenditures	Debtor countries getting full benefits from clauses 1 and 2	Estimated program's gross revenues (5 year, 1 percent import tax)	Estimated program's costs (15-year interest payments)	Balance (including capitalization on gross revenues)	Estimated total debt-service payments relief
All industrial market economies	All 77 surveyed developing countries	$59,213.0	$83,572.3	+$8,873.2	$122,900.5
Group of five coordinated industrial market economies	15 developing countries included on the Baker plan.	37,475.5	41,860.5	+35,129.2	61,559.5
Trade-deficit industrial market economies	15 developing countries included on the Baker plan.	36,308.0	41,860.5	+30,545.9	61,559.5
Only the United States (alternative No. 1 5 percent import tax)	All 77 surveyed developing countries	66,992.0	83,572.3	+39,413.2	122,900.5
Only the United States (alternative No. 2 2 percent import tax)	15 developing countries included on the Baker plan.	26,797.0	41,860.5	−6,791.4	61,559.5
Only the United States (alternative No. 3 2 percent import tax)	14 countries with potential impact on trade flow.	26,797.0	35,212.4	+10,993.9	51,783.5

Note.—The analysis on table 5 considered as gross revenues the result of a 1 percent import tax from the industrial market economies in the first three hypothesis. Assuming the unilateral undertaking of this program by the United States, this contribution was adjusted to 5 percent or 2 percent in the last three alternatives. Data displayed as balance does not express the mere subtraction of estimated costs from estimated gross revenues because it considered the result of capitalization on program's revenues, which appropriation is concentrated in the first five years of Program's operation while payments are extended through 15 years.

In summary the simulation budgeting of this Program showed that it would be feasible to extending its benefits for all of the 77 countries surveyed in the study, either on the basis of a 1% import tax contribution from the industrial market economies [The World Bank classification], or a 5% import tax contribution from the United States. It also showed that a 1% import tax contribution from either the Group of Five coordinated developed countries [United States, Great Britain, France, West Germany, and Japan] or from those industrial market economies running trade-deficits, would be sufficient to support the extension of this Program benefits for the 15 debtor countries which were comprised on the "Baker Plan". Highlights from the analysis demonstrated, however, that in a strictly cost-effectiveness perspective the 15 countries included on the "Baker Plan" do not repre-

sent the best choice for investment of the First World money in view of expected trade reciprocities. Considering the hypothesis of reduction of their trade surpluses to the limit of 20%, those 15 debtor countries would have increased their imports by $20,092.0 in 1983 [a five year $100,460 in 1983 terms], while the 14 debtors which this analysis classified as countries with potential impact on trade flows, under the same conditions, would have increased their aggregated imports by $21,205.4 [a five year $106,027 in 1983 terms]. In contrast, a 2%, import tax from the United States alone, which was insufficient to cover the Program's expenditures to extend its benefit for the countries included on the Baker Plan, would be capable of supporting the rescheduling of debt-service payments of the group of 14 countries which emerged from this analysis as the potential trade flow impactors.

In the process of implementation of this proposal, such a taxation alternative is a negotiating objective, which served to make visible the roughly expected contribution of developed countries to the operation of this Program. Some governments would prefer to appropriate budget expenditures to facing their contribution. The final ratio of the proposed import tax would also depend on the number of industrial countries joining this initiative. Also, the timing of the appropriation of revenues is something to be more closely considered to diminish the immediate impact on industrial market economies.

The undertaking of an international taxation experience as proposed on this Program, however, is appealing. And the opportunity for its implementation is singular. As the industrial market economies consume roughly 65% of the world merchandise imports, and roughly 65% of this merchandise trade flow has its origins in developed industrial countries, an indirect tax on imports would redistribute income to developing countries. Yet, on the grounds of national economic policies, such a taxation represents a subsidy to domestic production, as it increases the cost of imported goods. In this respect, this proposal responds to demands for industry protection in the developed countries, which contributes to increasing its political feasibility. It results, therefore, in balancing tariff protection with distributive purposes.

The political feasibility of a U.S. Senate initiative on this proposal relies on the particular mechanics of its trade reciprocities. All the percentages of trade balances, which condition access to the Program's benefits, refer exclusively to trade flows among the member-countries. This would allow participating developed-countries to exclusively benefit from the increase of Third World imports from industrial market economies originated by the Program's incentives. Also, each developed-country tax contribution to financing this Program, at the end of each year, would be balanced proportionally to the increase of its exports to the developing member-counties. This proposal, however, avoids privileging trade relations on a North-South pattern, because its incentives would also apply to balancing of trade performances based on enhancing of South-South commercial flows.

From the perspective of the developed countries, this proposal satisfies the most basic axiom of the theory of collective action: it is sufficiently interesting to have its costs assumed and therefore, its economic feasibility supported by only one paying actor—in this case, the United States. Simultaneously, it is open to broader sharing of its particular advantages with whoever accepts assuming its financial responsibilities. Cooperation and co-participation of most industrial countries would be expected, therefore, stimulated by the positive coercion of its exclusionary benefits and the correspondent losses of not joining this initiative. Such a design of an effective trading block proposal, however, is tempered by this Program's condition of universal eligibility. This would prevent such inaugurated dynamics of commercial reciprocities from being stamped with the seal of discriminatory trade.

A final remark points out the entire consequence of this proposal. It was designed to impact out of the limits of its own political feasibility as a U.S. Senate resolution. Agreed to, it would provoke the U.S. government's initiative to propose and negotiate with the other nations an Agreement to implementing this Program. If the current U.S. strategy prevails, however, in the management of the debt crisis, it is still possible to imagine that other trade partners might assume and make it feasible, on their own and exclusive benefit.

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18/19. The World Bank: *World Development Report 1985* [annual report], Oxford University Press, New York, May 24, 1985, page 44, Figure 4.1 and page 206, Table 17.●

RETIREMENT OF BOB COOK EXEMPLARY PUBLIC SERVANT

● Mr. MATHIAS. Mr. President, on Wednesday, April 30, 1986, Bob Cook, retired after 48 years of service to his country. In these days of the fast spinning revolving door, we too seldom hear of the men and women who proudly serve and who keep their eye on the flag with little concern over daily remuneration.

Bob Cook joined the Navy in 1938. He later attended the Naval Academy, graduating in 1943 just in time to see action in the Pacific theater in World War II. During the ensuing 20 years, he saw combat in Korea and served in a variety of assignments. Most of his duty was at sea on destroyers. These duties involved sacrifice of creature comforts and time away from his family.

Bob Cook retired from the Navy in 1964. He then joined the Applied Physics Laboratory at the Johns Hopkins University where he has served for the past 22 years. His record is distinguished by the high regard in which he is held by the professionals with whom he has served for the past half century.

Bob Cook, and other men and women like him are the bedrock of America. George Marshall was once asked if he could name the indispensable qualities of a public servant. He replied, "courage, wisdom, tolerance and an understanding of democratic procedures." These are qualities Bob Cook has exemplified throughout his career and our country is better for it. We in Maryland are proud of him and all Americans should be grateful to him.●

AMERICA'S SCHOOL SYSTEM STILL AT RISK

● Mr. SIMON. Mr. President, 2 weeks ago, this body voted by a 60 to 38 margin to increase the budget for education programs during debate on the budget resolution for fiscal year 1987.

Considering education an investment not an expense has become a trite sentiment, but it is as true today as it has

been in years past. The need for continued investment has not decreased as David Gardner, president of the University of California, points out in a recent article in U.S. News and World Report. Dr. Gardner headed the national commission which depicted troubled high school programs in the United States in the report a Nation At Risk, published in 1983. That report is credited with focusing State and local attention on education and leading to various reforms to improve educational quality.

In Dr Gardner's May 5 article, he addresses his continuing concerns about secondary education, and discusses incentives for teachers in a system he describes as still "at risk."

Mr. President I ask that this article be printed in the RECORD.

The article follows:

AMERICA'S SCHOOL SYSTEM STILL "AT RISK"

Three years ago, our report *A Nation At Risk* warned that society's educational foundations were being eroded by "a rising tide of mediocrity." Some people ask whether we still face that tide today. The tide has started to move *out*, not *in* any further. But whether it will continue to recede depends upon continued determination to improve our high schools. The problems remain as urgent as they were—despite substantive progress in correcting them—because we will lose those gains if we don't continue to build on them. We saw a 10-year period of needed improvement, and we're but a third of the way there.

States and local school districts have responded far more positively and with more enthusiasm and effect than any of us had dreamed possible. They must maintain their active participation. But the reform movement is at a point where initiatives by the federal government would have far more impact than even three years ago.

Secretary of Education William Bennett has a concern about the quality of undergraduate education and elementary schools and is trying, quite rightly, to call attention to those areas. But we don't have to diminish our focus on secondary schools to do so. Secondary schools are the linchpin for reform. If we do a better job at the secondary level, we can do a better job at the freshman and sophomore levels of college. This also will have a corresponding impact on elementary schools. To the extent the federal interest in improving high schools is less vigorously pursued today than it was during the first two years following our report, it suggests less urgency about the problems of the high schools—which is incorrect.

THE FEDERAL GOVERNMENT SHOULD DO MORE

The federal government should inventory state and local initiatives to discover what it might do to reinforce them and fill in gaps that states on their own simply are not in a position to cover.

We know that there's going to be a very substantial shortage of teachers in the U.S. and a crisis in terms of mathematics and science teachers. My own state will have to hire a minimum of 100,000 new teachers in the next decade, and that's the most optimistic forecast. This is not just a problem for the 50 states. It's national problem that the federal government should help to address.

One way would be to offer various initiatives that encourage young people to enter teaching. At present, most financial aid for undergraduates comes as loans, not grants. Young people are graduating with as much as $15,000 worth of debt. If you're entering a field where you will be able to pay back that debt over a reasonably short period of time, you go ahead and borrow. But if you're planning to enter a low-paying career such as teaching, you tent to borrow less and extend your period of schooling—or choose another field.

The federal government could help correct this distortion by providing fewer loans and more grants to students planning to become teachers or by forgiving one year of a loan for every year the student teaches after graduation.

"THERE NEEDS TO BE A STRONGER PARTNERSHIP"

Teachers' salaries are well short of what they need to be, both to attract able young people and to keep them. Given the market, starting salaries need to be $22,000 to $25,000 a year, up from about $17,000 on average. We must see improvement in the quality of teacher-education programs, with more emphasis on subject-matter preparation and less on the pedagogic course work that has been predominant in schools of education.

We should also expect to see a career ladder develop. As it is now, a teacher is a teacher is a teacher, regardless of competence or years of service. At least in higher education, you have assistant professors, associate professors and full professors. Schools should develop a cadre of master teachers—superior teachers who will serve as role models for junior members of their profession.

There needs to be a stronger partnership between elementary and secondary schools and higher education. It's not sufficient for me to describe the flaws in the schools and then walk away. We need to be there helping. The schools, by the students they send to us, have a direct impact on the education we can offer our undergraduates.●

EXTENSION OF DAYLIGHT SAVINGS TIME

● Mr. CHAFEE. Mr. President, the Fire Prevention and Control Act [S. 2180] will come to the floor in a few days. I am pleased to join with Senator GORTON as a cosponsor of an amendment [No. 1793] to the reauthorization to begin daylight savings time the first Sunday in April.

Under current law, daylight savings time does not begin until the last Sunday in April. As a result, April mornings are brightened by the earliest sunrises of the year. The effect of the amendment would be to transfer an hour of daylight from the early morning to the early evening for 3 weeks in April. During these 3 weeks the Sun would rise and set about the same time it does now in mid-August and early September.

In 1974 and 1975 Congress temporarily extended daylight savings time for 6 months to 8 months of the year to conserve energy. The U.S. Department of Transportation found that extended daylight savings time saved 100,000 barrels of oil per day by reducing electricity consumption, discouraged violent crime, and reduced traffic fatalities in April by 1.5 percent.

Public opinion polls consistently show that by more than 2 to 1, Americans favor an extension of daylight savings time. And why not? It would give us an extra hour of daylight at the end of the day for safer commuting, for play time for children, for shopping, and for leisure time with our families. For those 400,000 Americans who suffer from retinitis pigmentosis, or night blindness, the extra evening hour of daylight is especially significant.

An extension would also lead to important economic benefits. More than 8,300 companies from a wide variety of industries (e.g. sporting goods and barbecue manufacturers, travel, convenience stores) have joined forces as the Daylight Savings Time Coalition. The coalition estimates that an extension could generate billions of dollars in additional revenues and result in the creation of thousands of new jobs.

The House of Representatives has already passed a bill to extend daylight savings time from the first Sunday in April to the first Sunday in November. We have not included the November extension because those who live on the western edge of a time zone are concerned that their children would then have to leave for school in the dark. This is a legitimate concern and we have tried to take it into account by limiting the extension to April. Under this amendment, average sunrises in these areas during the first week in April would occur at 7:15 a.m., no later than those that now occur in September under the existing daylight savings time system.

Benjamin Franklin once wrote, "Does thou love life? Then do not squander time; for that's the stuff life is made of." That is what this amendment is about: To enable Americans to use and enjoy their time more fully. And that is why the time has come for the Senate to support an extension of daylight savings time.

REVIEW OF ENERGY DEPARTMENT REACTORS

● Mr. HOLLINGS. Mr. President, the tragic nuclear accident in the Soviet Union has led to new concern about the safety of American reactors, including the reactors operated by the Department of Energy. We have four such reactors in South Carolina, at the Government's Savannah River Plant. None of these reactors has a containment structure, the kind of concrete dome that covers civilian nuclear plants. The reactor at Chernobyl also lacked a containment dome, a factor that contributed to the spread of radioactivity at that site.

Over the years, we have not seen any real evidence that Energy Department reactors require containment domes. They are very different from commercial reactors, operating at much lower temperatures and pressures. That is because they produce nuclear materials instead of creating steam to drive turbines that generate electricity. Their safety systems are called confinement systems—airtight buildings designed to hold in radioactivity. Containment domes offer an additional protection; they are designed to withstand the kind of hydrogen and steam explosions that can occur in high-temperature, high-pressure commercial reactors. The experts have always thought these kinds of explosions will not occur at Energy Department reactors. Hence, they have not recommended containment domes.

However, in light of the Chernobyl accident, this seems a prudent time to review safety systems at the Energy Department reactors. We cannot afford to be too careful when it comes to nuclear safety questions. Too many lives are at stake.

As a result, I have called upon the Department of Energy to undertake a comprehensive safety review of the reactors at Savannah River. I also have asked them to include an analysis of possible accidents, using new methodologies developed by the Nuclear Regulatory Commission.

Mr. President, I am not convinced at this point that Energy Department safety systems are inadequate. But given the new questions raised by the Soviet disaster, I want a new, comprehensive, and expeditious review of these reactors. Anything less may jeopardize the safety of our systems and the reliability of our defense nuclear programs.●

CONCURRENT BUDGET RESOLUTION

● Mr. BOSCHWITZ. Mr. President, early Friday morning of last week the Senate passed Senate Concurrent Resolution 120, the fiscal year 1987 budget resolution. The resolution passed with a large bipartisan vote. We were successful in producing that budget in large part due to the tireless efforts of our colleague PETE DOMENICI.

PETE's efforts continue to be tireless despite his advancing age. You see, today is PETE's 54th birthday. I am hesitant to recognize this event because I had organized a campaign to ignore his birthday and even had buttons made up to promote my efforts.

However, I wanted to share with my colleagues an article from the April edition of the Federal Managers Quarterly. PETE had told me about the conversation with his cabbie that's mentioned in the article. The article describes PETE's analysis of the deficit problem and his prescription to resolve it, which is largely reflected in Senate Concurrent Resolution 120.

So, despite my previous intention, I want to commend my friend, and colleague, PETE DOMENICI on his foresight and leadership and congratulate him on his birthday.

I ask that the article be printed in the RECORD.

[From the Federal Managers Quarterly, April 1986]

TEXT OF REMARKS DELIVERED BY SENATOR PETE DOMENICI TO FMA NATIONAL CONVENTION MONDAY, MARCH 3, 1986

Thank you very much. Let me tell you, Irv really exaggerated in terms of any records I have as a senator. I would tell you though I have one that's absolute, unequivocal, and historic. On September 10 of last year when all of the colleges finally had their doors open and all the young people from households like mine were well within the halls of the various universities, on that particular day I had the record. I had more children in college on that day than any senator in the history of the republic—seven.

Four days ago I was leaving the Four Seasons Hotel up here on the fringe, a periphery of Georgetown, in a cab. I had spoken to a large group of people and I told them and I needed a cab because I didn't have a ride. They sent a little man outside and he had gotten a cab for me. I noticed that he had given the man $5 and the rate was $3, so I figured he ought to be reasonably happy.

He said, "I'm going to have to make a U turn here because the road's kind of blocked up." Well, I thought this is going to be a nice gabber, gabber of a cabber. But anyhow, we got down underneath to get on Rock Creek and he's driving along—he doesn't know who I am—he says, "Did you hear the chief last night?" (That was the defense speech of the president.)

I said, "Oh, you mean the Commander-in-Chief."

He said, "Yes. I call him the chief." So he drives along a little bit and he said, "What did you think about his speech?"

I said, "Well, you know, I'm kind of prodefense. I worry about some other things, but I don't think it was as effective as he might have thought."

He drives a little further and he says—now get this, this is the cabbie—"The chief perplexes me sometimes."

I said, "Oh, perplexes you sometimes? What do you mean, cabbie?"

He said, "The chief wants more defense and I'm one of those that's sort of worried, so I think maybe he's half right. But I don't understand why the chief doesn't want to raise some taxes to pay for defense."

I said, "What do you mean?"

He said, "Well, it's obvious. The deficit keeps growing. The chief wants more defense and yet he doesn't want to raise any taxes and there are a lot of things we could tax. We don't want to raise everybody's taxes, but the chief ought to pay for a little bit of those defense increases with some new revenues and taxes."

I thought maybe he was a plant.

As you all know, I'm trying to fit the numbers together and the cabbie happens to be absolutely right. But in any event, we proceeded to talk about so many things. I made only one mistake. I forgot to get his name. I've got somebody out looking for him because I think in the next week or so I'm going to have to go see the president, I'm going to have to give him the bad news that defense just doesn't fit with any increase at all, maybe even has to be decreased unless he's willing to put some revenues on. I may just instead of reading a letter like the president does from a constituent, I was hopeful I might bring the cabbie along.

He was so articulate, and I think he'd hold up. It would just be marvelous. I'd start that conversation very profoundly and then say, "Mr. President, I have somebody who would like to share a few of his thoughts with you," and bring him in.

Well, let me tell you all, things are awful for you, I would assume, whether you're on the defense side or on the domestic side. Most of us understand that the United States government for one year could easily take a 4.3 percent reduction in domestic expenditures, and most of us understand that for one year most people could easily manage a 4.9 percent defense cut. But actually we do everything the hard way up here. I mean five months into a year we impose a deficit reduction package of 11.7 billion dollars in outlays, about 21 or 22 in programmatic cuts, and we do it in such a way that there is little flexibility for the top managers and little for the program managers. So I'm sure instead of a 4½ percent headache, this kind of fiscal activity has created very major headaches for a lot of people trying to run the day-to-day operation of government.

Nonetheless, I'm not here to apologize. I'm here to suggest that as long as this country's leaders—the president, the speaker and his staff and others in the U.S. Senate—insist, number one, that the deficit is a serious problem; and, number two, that we ought to do something significant about it and yet insist that defense must go up, no taxes can be levied! The major entitlement programs cannot be touched and yet run around and say, "We can indeed in four or five years reduce the federal deficit to zero," so long as that continues. Perhaps one way to say it is that we deserve Gramm-Rudman-Hollings because there's no way to address the fiscal policy problem of this country by taking three-fifths of the budget off budget and then suggesting that revenues can't be touched under any circumstance under some premise that 10, 15, or 20 billion in revenue on an 80 billion dollar revenue base as part of a package to put this thing in shape, that something like that will cause havoc and be ruinous to the American economy. Actually, the positions are absolutely inconsistent with the rhetoric. And from the standpoint of anyone that is rationally looking at it, you can't possibly conclude that you can get this job done the way they are saying it ought to be done.

Now frankly, this makes my life a little more palatable, Gramm-Rudman-Hollings, because I don't have to produce a budget. The appropriators don't have to appropriate in any orderly manner. We can wait this year until August, about two months before the U.S. House gets reelected, one-third of the Senate goes out to the hustings to see if they're wanted back here by the populace. We can wait until then. And we can let OMB and CBO take the proverbial snapshot of current law at the moment and they'll balance it for us with another across the board. This time it will be two and a half to three times that amount. The very same domestic programs will be hit over again in an arbitrary and almost ridiculous way, and defense will get hit—not 4.9 but maybe 11, maybe 12. Sure enough, that will get it to 144 billion, the amount that we have in

mind under the Gramm-Rudman-Hollings for the first installment on a five-year plan.

Now my friends, the process was born of frustration. It is the creature of stalemate. It is there because we had absolute gridlock. And consequently, it is like a planned train wreck waiting to occur. But I would remind you of one thing. For those who are running around saying, "The mandatory targets under Gramm-Rudman-Hollings are bad," for those who are saying, "If you have to get to that deficit, the sky's going to fall in," for those who are saying, "We couldn't defend ourselves right under Gramm-Rudman-Hollings mandatory targets, we can't provide for environmental protection under Gramm-Rudman-Hollings mandatory targets," and a whole other litany depending upon who's talking about what activity of your government, I would submit that that's absolutely crazy.

A 144 billion dollar deficit in the fourth year of a recovery happens to be the fourth largest deficit in history. The first year's deficit—144—the mandatory target, forget the trigger, forget the planned train wreck, just that size of deficit is the fourth largest in history. To me what that means is that this country and its leaders ought to be able to find a way to put together a set of policies, a set of programs, a set of increases and decreases within the 3,500 programs that are America today, within the defense establishment, and yes, even on the revenue side; but we ought to be able to put that together in an orderly manner and achieve a 144 billion dollar deficit. Frankly, anybody that believes America cannot live on a 144 billion dollar deficit in the fourth year of a recovery is committed to the proposition that this land must live forever with deficits exceeding 150 billion dollars, 160 to 180, maybe even 190, and that there is no desire on the part of the American people to fix that and that there's no way within the best leadership we can muster that we can solve that.

Now I will acknowledge that some very strange currents come together that are the result of many, many years of government activity. They fall on our shoulders in this particular day and time. The largest of which unequivocally and absolutely is the 20 year change in American policy which has caused us to look out at the American demographics and feel rather proud because as of today somewhere between 15 and 12 percent of the senior citizens of America are now in poverty and 85 to 88 are no longer poor. Just 20 years ago it was the reverse—85 percent of the seniors of America were in poverty and 15 percent were not. A gradual but dedicated American policy turned that around. As a consequence, fully 40 percent of the American unified budget is for senior citizens, and that wasn't the way it was.

And then the decade of the '70s saw a shrinking of defense money for our national security to the lowest percentages, to the lowest growth in the decade of any decade since the Second World War. And it was destined, it was inevitable that a leader would arrive on the scene, if not in 1980, in 1984, but sooner or later—and in my opinion, preferably sooner—a leader would arrive on the scene that would say you must reverse that and start to spend more on defense just to make sure that the concept of deterrence works in this very troubled world. That came upon us at the same time, and then we had an 18 month to two year recession while those plans are still in fruition and materializing.

As a consequence, you can't add up leaving all senior citizen programs as you must, and Gramm-Rudman-Hollings solidifies the political position of both Houses and the president to leave that alone. You can't have that and have defense growing even at 1 or 2 percent real growth after 1986 where it actually went down in real terms to a negative 6 percent. You can't have that and all the other programs that we seem to want in our national inventory of domestic activities and do that without the deficit being between 150 and 190 billion dollars unless either programs give, defense gives, and revenue gives. The status quo is apparently an American position on social security and other programs for the seniors. They will stay as is.

I could tick off the numbers for you. You all know them. If you don't they're easy to come upon. They just don't fit. So I'm going to try for the next two weeks as hard as I can to get 12 members of the Budget Committee to put together a sensible budget that gets to the 144 so we don't have the planned train wreck occurring in August and September.

It seems like it ought to be a little bit easier. It seems like the pressure from back home, the pressure from our own conscious effort as leaders ought to do it. But I'm not sure that we're getting any kind of compromise along the way, so I'm not sure it can be done.

It seems like it ought to be a little bit easier. It seems like the pressure from back home, the pressure from our own conscious effort as leaders ought to do it. But I'm not sure that we're getting any kind of compromise along the way, so I'm not sure it can be done.

Let me say from your standpoint I understand that simultaneous with this kind of problem and a sequester five months into the year which should never be done, followed on year after year of inability to get appropriations completed on time which obviously makes your job as managers more and more difficult, that there are some other issues that bother you. Clearly they have to do with those people who work for you, those people that you manage that have to see to it that the business of our government is accomplished.

So coming in at the same time is a major tax reform law. All of a sudden we are going to, in the midst of this kind of difficult and fragile, American economy, totally reform the tax code. And I understand your workers, men and women, are worried about changes in the taxation policy that will affect their retirement. It seems to me that there is a growing concern in the U.S. Senate about whether we can even do the tax reform in the way that's been suggested. But there also is a growing notion that we ought to leave the pensions alone, make sure that people are excited about saving rather than the reverse because the two things wrong, with tax reform today as proposed by the U.S. House is, one, instead of promoting saving capital, it demotes it; instead of promoting the expenditure of capital by American business, it takes a whole spectrum of American business off the table and says, "We don't care whether you invest because we're going to give you no incentive to invest capital in productive things." So I think we're in for some tough sledding!

There are a number of other issues, and I know they concern you—the issues of contracting out, the issues of new people coming on who are joining the work force in terms of their pension and the continuity of their services, and I guess in an overall way, the concern of the retired civilian force with reference to their pensions. One reason that I think it's imperative that we get a planned budget is because we ought not be freezing the cost of living for the retired civilians and military year after year. This year they got it in the first up front trial run sequester absent the budget that takes the place of the mandated sequester. It happened for five successive years in a row. We can't let that happen. We won't let that happen. But nonetheless, a budget that succeeds would take the place of that and that wouldn't happen.

So we could go on with more and more of those issues, but I think ultimately it should be on all of your minds that government is not going to get bigger. It obviously is going to get smaller, it's going to get more productive, and it's going to be more difficult. But you do have somebody—not that you need me or that I need you—but you do have somebody who is genuinely concerned. I think we may be able to work it out where it is done in the most orderly and realistic manner consistent with decent management which all of you strive for and work hard for and do an excellent job at performing for your country.

Thank you very much. It's good to be with you.●

STRIKING AT TERRORISM

● Mr. ARMSTRONG. Mr. President, in these weeks after the U.S. airstrike against the Libyan headquarters of state-sponsored international terrorism, it is fitting to take a moment and reflect on what this action means in the larger context of America's willingness to use force abroad in defense of freedom. This action also has significance for observers of the Middle East generally; the United States has indicated a preparedness to intervene in the region where our national interests and commitments are clearly at stake. For supporters of Israel, this action was especially significant.

One of America's foremost observers of the Middle East, the National Jewish Coalition, makes these and other points in a recent statement on the aftermath of the U.S. air raid in Libya. In a superbly written and clearly reasoned article, the Coalition observes that President Reagan's election marked the end of America's foreign policy paralysis; we have finally learned what Israel has long known—namely, that appeasement and weakness only encourage the cowardly adversary that is terorrism.

They say in adversity you learn who your friends really are, and this is true for nations no less than for individuals. The prompt and unequivocal support shown by Israel for the U.S. action was particularly gratifying considering the appalling lack of public support shown by some of our NATO allies. We have seen once again the great value of our special relationship that has made Israel our strongest ally and surest friend in the Middle East.

So, Mr. President, I would like to draw the attention of my colleagues to

this important statement by the National Jewish Coalition, and, ask that it be printed in the RECORD.

The material follows:

STRIKING A BLOW FOR U.S. POWER
(Statement of the National Jewish Coalition)

After the defeat of Hitler's forces in the battle of El Alemein, British prime minister, Winston S. Churchill, reflected on the implications of the allied victory. "This is not the end," he said of the war against Nazi Germany, "it is not even the beginning of the end. But it is, perhaps, the end of the beginning."

President Reagan's election in 1980 marked "the end of the beginning" of the debilitating effects of the Vietnam syndrome, the paralysis that overcame U.S. defense and foreign policy after the Vietnam War. The American people had elected in President Reagan a man whom they believed would restore American pride, American strength and the primacy of America among the world's democracies.

But Ronald Reagan's election did not bring with it the reckless use of military force anticipated by his opponents on the left. For five years, his administration went to great lengths to avoid using force when U.S. interests could be protected by other means. The President tried numerous peaceful means to combat the increasingly frequent terrorist attacks against American citizens, fearing perhaps that military action might provoke a public outcry that would undermine his support in the nation.

But these approaches repeatedly failed to bear fruit, as our allies refused to join the effort to curtail the growing scourge of state-sponsored terror. As Colonel Qadhafi continued to call America's bluff over the President's threats of a military response, and continued to direct terrorist attacks against Americans, Mr. Reagan recognized that the United States had to respond, and had to respond with force.

For years, the fear of public opposition restrained the use of military force even in the most testing of circumstances. When attacked, the Marines withdrew from Lebanon; when the TWA 847 and the Achille Lauro were hijacked, America's response was limited. By ordering a carefully-planned and executed strike against terrorist training and support facilities in Libya, President Reagan has helped change the perception of America from that of a power whose hands are tied to that of one willing and able to use force when provoked.

However, President Reagan's measured and skillful use of force against Libya did more than show that the U.S. government is willing to exercise power. It also demonstrated that the American people will strongly support military action when their patience has been exhausted and alternatives yield no result.

Opinion polls taken since the strike show that an overwhelming majority of Americans—79 percent—approve of the President's action, 76 percent approve of the President's handling of foreign policy overall, while on Capitol Hill, leaders of both parties have hurried to support the strike. Such popular backing serves further to reinforce the perception that the U.S. armed forces are a credible tool of American foreign policy that can and will be used when necessary.

The air strike may not bring an immediate end to Qadhafi's sponsorship of terrorism. But by acting when talking no longer proved a reasonable alternative, the Reagan administration has put Qadhafi and his allies in Damascus, Teheran and even in Moscow, on notice that the United States will defend herself when attacked.

The Kremlin has recognized the implications of the American action. Unwilling to risk a confrontation with a U.S. administration committed to the defense of its citizens, the Soviet Union withdrew its ships from Libyan ports, and allowed the American strike to proceed unhindered by Soviet forces. In the face of American determination to fight the terrorism that the Kremlin had encouraged, the Soviet Union pulled back. The price of confrontation was simply too high.

It is instructive that Israel, the nation with the greatest experience in combatting terrorism, was among the few U.S. allies to give unequivocal support the President. The Israelis recognize that appeasement and weakness serve only to embolden one's adversary.

Despite the reticence of most of or other allies, the strike against a declared enemy of "America, Great Britain and NATO," will engender the recognition by friend and foe alike, that America will not engage in appeasement, but can and will use her power in defense of freedom. This recognition will be particularly reassuring to friends of Israel. The demonstration of American willingness to use force in the Middle East will send a strong message to any adversary of Israel, that the Israeli people can look for, and receive, U.S. support in the event of a conflict in the region.

America has now reached, if not the end of the post-Vietnam era of paralysis, then at least the beginning of the end. Monday, April 14th, 1986, will be remembered as a glad day for democracy.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHNICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

● Mr. RUDMAN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35, for Ms. Mary Eccles, a member of the staff of Senator JOHN D. ROCKEFELLER IV, to participate in a program in Taipei, Taiwan, sponsored by Tamkang University, from March 29 to April 5, 1986.

The committee has determined that participation by Ms. Eccles in the program in Taipei, Taiwan, at the expense of Tamkang University, was in the interest of the Senate and the United States.●

DEATH OF FORMER REPRESENTATIVE DEWITT S. HYDE

● Mr. MATHIAS. Mr. President, I was saddened to learn of the death of DeWitt S. Hyde, a friend of many years and a former Representative from the State of Maryland. In 1952, he was elected to the House of Representatives where he served three consecutive terms. During his congressional years we became close friends and I learned a great deal from his example.

DeWitt Hyde died on April 25, 1986, at the age of 77. In addition to his service in the Congress, he also served as a judge in the District of Columbia Court of General Sessions and later in the Superior Court of the District of Columbia.

Mrs. Mathias and I join in extending our sympathy to Mrs. Hyde.

I ask that the obituary of DeWitt Hyde, which appeared in the Washington Post on April 30, 1986, be inserted in the RECORD.

The obituary follows:

[From the Washington Post, Apr. 30, 1986]

DEWITT S. HYDE, 77, DIES; FORMER JUDGE, LAWMAKER

(By Bart Barnes)

DeWitt S. Hyde, 77, who served 20 years as a municipal court judge in Washington, six years as a Republican congressman from Montgomery County and Western Maryland and six years in the Maryland General Assembly, died of pneumonia April 25 at Suburban Hospital.

As a member of the House of Representatives during the mid-1950s, Judge Hyde was vice chairman of the Joint Committee on Washington Metropolitan Problems. In that capacity he was instrumental in setting up extensive studies of transit, traffic and bridges and public financing problems in the area. He was a sponsor of legislation that created a Washington area transit regulatory commission, a step toward today's Washington Metropolitan Area Transit Authority.

A resident of Bethesda, Judge Hyde was appointed to a 10-year term on the old D.C. Court of General Sessions by President Eisenhower in 1959, less than a year after he was defeated in his bid for a fourth term in the House. He was named to a second 10-year term by President Nixon in 1969, and he retired in 1979 from what by then had become the D.C. Superior Court.

During his tenure on the bench he served as chairman of the Judicial Council Committee to study the operation of the Bail Reform Act in Washington. His reputation in the legal community was that of a reserved, hard-working and diligent jurist who rarely became involved in controversy.

A native Washingtonian, Judge Hyde was a graduate of the old Central High School and attended George Washington University and its law school. From 1933 to 1937 he was a legal correspondence clerk with the Farm Credit Administration, then opened a private law practice.

He served in the Navy in the South Pacific during World War II and for a year was the only officer in charge of 35 men stationed on the tiny island of Amadee, about the size of a city block, off the coast of New

Caledonia. Their assignment was to watch for enemy submarines.

"All I had to do was sit and watch instruments and see that the men sat and watched instruments," Judge Hyde recalled. "It was terrifically boring."

But it was also during that period that Judge Hyde decided that a political career was one of the more worthwhile things a person could do. In Montgomery County after the war, he was part of a wave of veterans and new suburban dwellers ready to challenge the Democratic establishment. In 1946 he accepted the Republican nomination to the Maryland House of Delegates and was elected to the General Assembly. Four years later he was elected to the State Senate. In 1952 he won the first of his three terms in Congress.

At the time his congressional district included most of Western Maryland, and Judge Hyde was the first resident of Montgomery County to be elected to Congress in 53 years.

While Judge Hyde supported Eisenhower's general policies and programs in Congress, a large portion of his activity was related to local issues and problems. His committee also was among the first to call for an extensive study of pollution in the Potomac River, and the judge supported increased federal payments to the District of Columbia.

Judge Hyde was a founder of Christ Lutheran Church in Bethesda. He was a former chairman of Christ Child Church Center school for retarded children in Bethesda and a member of the Columbia Country Club, the Capitol Hill Club, the Veterans of Foreign Wars and the Bethesda Lions Club.

He is survived by his wife of 50 years, Mildred Hyde of Bethesda.

ORDERS FOR THURSDAY

RECESS UNTIL 11:30 A.M.

Mr. THURMOND. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 11:30 a.m. on Thursday, May 8, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. THURMOND. Mr. President, I further ask unanimous consent that, following the recognition of the two leaders under the standing order, there be special orders in favor of the following Senators for not to exceed 5 minutes each: Senators HAWKINS, CRANSTON, PRESSLER, FORD, SASSER, PROXMIRE, and MURKOWSKI.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. THURMOND. Mr. President, following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business, not to extend beyond the hour of 12:30 p.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESUME CONSIDERATION OF S. 1923

Mr. THURMOND. Mr. President, at the conclusion of routine morning business, the Senate will resume consideration of S. 1923, the bankruptcy judges bill.

Votes can be expected throughout the day on Thursday, May 8.

RECESS UNTIL TOMORROW AT 11:30 A.M.

Mr. THURMOND. Mr. President, in accordance with the previous order, I move that the Senate now stand in recess until tomorrow, Thursday, May 8, 1986, at 11:30 a.m.

The motion was agreed to; and the Senate, at 6:27 p.m. recessed until Thursday, May 8, 1986, at 11:30 a.m.

NOMINATIONS

Executive nominations received by the Senate May 7, 1986:

DEPARTMENT OF DEFENSE

M.D.B. Carlisle, of the District of Columbia, to be an Assistant Secretary of Defense, vice Russell A. Rourke, resigned.

DEPARTMENT OF ENERGY

A. David Rossin, of California, to be an Assistant Secretary of Energy (Nuclear Energy), vice Shelby Templeton Brewer, resigned.

NATIONAL ADVISORY COUNCIL ON WOMEN'S EDUCATIONAL PROGRAMS

The following-named persons to be members of the National Advisory Council on Women's Educational Programs for terms expiring May 8, 1989:

Marge Bodwell, of New Mexico, reappointment.

Naomi Brummond, of Nebraska, vice Mary Jo Arndt.

Lilli K. Dollinger Hausenfluck, of Virginia, reappointment.

Marcilyn D. Leier, of Minnesota, reappointment.

Virginia Gillham Tinsley, of Arizona, reappointment.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

John Agresto, of the District of Columbia, to be Archivist of the United States, new position.

CORPORATION FOR PUBLIC BROADCASTING

R. Kenneth Towery, of Texas, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1991, reappointment.

FARM CREDIT ADMINISTRATION

Marvin Duncan, of Missouri, to be a member of the Farm Credit Administration Board, Farm Credit Administration, for a term of 4 years.

Frank W. Naylor, Jr., of Virginia, to be a member of the Farm Credit Administration Board, Farm Credit Administration, for a term of 6 years.

IN THE COAST GUARD

The following officers of the U.S. Coast Guard for appointment to the grade of rear admiral:

Alan D. Breed.

John W. Kime.

Robert L. Johanson.

EXTENSIONS OF REMARKS

NATIONAL CONFERENCE ON COMPETITIVENESS

HON. HOWARD WOLPE
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. WOLPE. Mr. Speaker, recently, with 11 of my congressional colleagues, I participated in a National Conference on Competitiveness cosponsored by the Northeast-Midwest Congressional Coalition, the Business-Higher Education Forum, and the Congressional Clearinghouse on the Future. This conference demonstrated clearly the level of concern the leaders of our business and higher education sectors have about declining U.S. economic competitiveness, and their determination to work with Members of Congress to do something about it.

As cochair of the coalition with my esteemed colleague from New York, FRANK HORTON, I want to stress the importance of the process that was followed leading up to this conference—a process that bridged the political and ideological differences that otherwise might separate the participants. The conference focused on those measures on which consensus could be reached—measures that would enhance our competitive posture in concrete, effective ways. FRANK HORTON and I believe it is vital that we pursue the agenda established at the conference, and that the coalition should continue in the leadership role it already has established on this issue.

I would like to introduce into the RECORD the comments FRANK HORTON and I offered to open the conference. These comments better explain the background of the process and identify the congressional participants. Representative HORTON's comments also establish a clear context for importance of a cooperative effort to attack our competitiveness problem.

OPENING REMARKS, REPRESENTATIVE FRANK HORTON, NATIONAL CONFERENCE ON COMPETITIVENESS, APRIL 18, 1986

I want to thank the members of the Northeast-Midwest Congressional Coalition, the Business-Higher Education Forum, and the Congressional Clearinghouse on the Future for covening this National Conference on Competitiveness.

Since 1962, when I was first elected to Congress, we have seen dramatic changes in the American economy—changes that have posed enormous challenges for our political system. Government policies in relation to those changes have not kept pace. Neither Congress nor the executive branch has dealt well with the "internationalization" of the economy, or its harmful effects on various regions of the country. Only recently did we realize that much of American industry had ceased to be competitive; that the jobs and markets we had lost might never be regained; and that the future would bring much of the same.

Our domestic economy increasingly is being influenced by decisions made elsewhere around the world. Beginning with the 1973 OPEC oil embargo, we learned the hard way just how closely our domestic economy and foreign policy were intertwined. Now, we are much more aware that what we usually think of as domestic economic decisions—on interest rates, taxes, and the deficit—reverberate around the globe. They shape the economies of other nations as well as our ability to achieve international objectives.

We in Congress are engaged in much debate over issues relating to those points at which the domestic and international economies intersect. The price of oil, the value of the dollar, trade policy, the health of the banking system, the farm crisis—these are issues that go beyond our borders.

Those debates have been characterized by deep ideological and political differences. That is why our efforts here this weekend are so important. This joint project has involved Republicans and Democrats, moderates, liberals, and conservatives. We are joined in a consensus-building process with leaders of major corporations and academic institutions. By focusing on those areas where we can reach agreement and take action, we will be bridging gaps that have separated us. And we will be doing it in the national interest.

If this process works—and the Coalition is committed to making it work—it will be a significant step toward a better integration of our domestic and foreign economies.

REPRESENTATIVE HOWARD WOLPE, OPENING COMMENTS, NATIONAL CONFERENCE ON COMPETITIVENESS, APRIL 18, 1986

I want to welcome all of you to this National Conference on Competitiveness. First let me thank the members of the joint steering committee who have guided this process for the past year and a half. Ruben Mettler of TRW and Bob Edgar of Pennsylvania have co-chaired the effort to bring the groups together to work on common concerns. Participants from the Forum included Doug Danforth of Westinghouse, Bob Rosenzweig of the American Association of Universities, Frank Rhodes of Cornell, and David Saxon of MIT; members of Congress who participated included Claudine Schneider of Rhode Island, who is a member of the executive committee of the Northeast-Midwest Congressional Coalition and Buddy MacKay of Florida, a leader of the Sunbelt Council and the Congressional Clearinghouse on the Future. Their combined vision and practicality produced this extraordinary collaborative process.

Of course, we owe a lot to Father Ted Hesburgh of Notre Dame, who chaired the Forum during the first year of this effort and gave it a strong push; and to Ed Donley of Air Products and Chemicals, the current chair, who has participated extensively.

This really is a special occasion. We have with us this weekend leaders of most of the national organizations involved in the effort to enhance our nation's competitiveness: the foremost higher education associations—the American Council on Education and the American Association of Universities—and the top business groups—the Business Roundtable, the Chamber of Commerce, and the National Association of Manufacturers. In fact, Ed Donley this year is president of the U.S. Chamber as well as chair of the Forum, which gives him another pulpit from which to preach the competitiveness gospel.

And from the Congress, in addition to Claudine Schneider and Buddy MacKay, we have Representative Frank Horton, a 23-year veteran of the House, my co-chair of the Northeast-Midwest Congressional Coalition, and the senior Republican on the House Government Operations Committee;

Senator Jeff Bingaman, who chairs the Senate Democratic Working Group on Economic Competitiveness;

Representative Don Bonker, chairman of the Foreign Affairs Subcommittee on International Economic Policy and Trade, of the House Export Task Force, and of the House Democratic Trade Task Force;

Representative Don Ritter, co-chair of the Republican Task Force on High Technology Initiatives;

Representative Stan Lundine, who chairs the House Task Force on Industrial Innovation and Productivity and the Banking Subcommittee on International Development Institutions and Finance;

Representative Sandy Levin, who chairs the Democratic Task Force on Employment and Training;

And Representatives Nancy Johnson, Ron Packard, and Pat Schroeder, who have been pursuing these same concerns through major committees like Public Works, Science and Technology, and Armed Services.

To make sure that these members of Congress who have participated in the process leading up to this conference but could not be here this weekend are kept in the loop, I would like to invite the leasers of the higher education and business organizations to a breakfast the Coalition will host when the report from this conference is published. That should be an excellent opportunity to give our effort an added push.

At this point let me thank the staffs of the Business-Higher Education Forum, the Northeast-Midwest Congressional Coalition, and the Congressional Clearinghouse on the Future for the hard work they have put in organizing this event for us.

All three of these organizations are unique in their own way. But even more unique is the notion that chief executives of our leading corporations, heads of colleges and universities, and members of Congress from both parties could recognize their common interest in the nation's competitive posture and organize a process, not simply to generate another report, but to devise an action agenda to which they would commit themselves. I doubt that there is a peacetime precedent for such an effort.

Those of us in the Congress who have been active in the Northeast-Midwest Congressional Coalition know how important a cooperative approach is in addressing difficult economic problems. For the past ten years our region—which includes all the other Northern industrial states—has been

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

going through a dramatic economic shift. Increasingly, members of the Coalition have realized that we must respond to the global forces that are causing economic distress and dislocation—but we must do so in very specific terms. This requires flexible federal policies that are targeted to those places and people who need the most help adjusting to economic change. By following this guideline, the Coalition has carved out an important role on issues like economic development, energy, tax and budget policy, and employment and training.

This is one reason collaboration between members of Congress and leaders of corporations and academic institutions on the issue of competitiveness is so valuable: Your insights and priorities can help us make better policy. At the same time, of course, we can help the private and education sectors identify those actions they can and should take on their own.

A year ago January, almost 30 members of Congress—from all regions and both parties—attended the initial joint meeting with the Forum is Scottsdale, Arizona. There we held an initial set of discussions to identify those areas related to U.S. economic competitiveness where our interests joined. The subsequent meetings we held in Cambridge, Pittsburgh, and Palo Alto helped further narrow the focus of our concerns. Each of these drew excellent representation from the business and higher education communities and from members of Congress.

Even before formal adoption of any of the recommendations developed at the regional meetings, this relationship has paid off in a number of ways. Since our meeting in Scottsdale, two delegations of Coalition members have visited Japan for discussions on trade and other issues related to competitiveness. On one of those trips they were joined by Frank Rhodes and David Saxon. Both delegations received a great deal of planning and logistical support from TRW's offices in Washington and Tokyo.

Besides the knowledge they gained, members identified specific areas on which to work. For example, Sandy Levin and Marcy Kaptur have led a drive to open the Japanese market to American auto parts. In fact, Marcy became famous in Japan as the woman who carried a sparkplug—an American-made sparkplug—with her wherever she went.

As a result of their efforts, Japanese companies decided to participate in an auto fair held in Chicago shortly after their trip. Sandy and Marcy also hosted a conference on trading with Japan for automotive product manufacturers that was attended by executives from almost 100 American companies. Every major Japanese auto firm sent representatives to the conference, which was sponsored by the Coalition and carried out with financial support and a great deal with staff assistance from TRW.

On top of all that, we learned last week that—at least partly at the Coalition's urging—auto parts almost certainly will be included in the next round of MOSS talks between the U.S. and Japan.

Let me close by saying that with this record of action and success, we come to this conference in a very optimistic frame of mind. We believe the recommendations we make here will be enacted—that they will increase the competitiveness of American industry and enhance the contribution of our colleges and universities.

Of course, that will require continued effort from all of us. But the excellent work we've done over the past year and a half has laid the necessary foundation. Now we just need to build on it.

NORM AUGUSTINE

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. WIRTH. Mr. Speaker, I would like to call Members' attention to an excellent article regarding my good friend Norm Augustine which appeared in the April 27 New York Times.

As many of our colleagues know, Norm is not only one of this country's top executives, he is also one of its masters of aphorisms and trenchant guidelines for business—and life in general. I can think of no better way to describe the man who gave us the law of propagation of misery: "If a sufficient number of management layers are superimposed on top of each other, it can be assured that disaster is not left to chance."

Mr. Speaker, it has been said that truths are self-evident, but I believe that it is extremely helpful to be reminded of these "truths" every once in a while. Norm Augustine provides us that service with his witty and incisive aphorisms and laws. I commend his writings to our colleagues and ask that the Sunday Times article be printed at this point in the RECORD.

TEACHING MARIETTA THE LAW OF DIVERSITY

(By Nathaniel C. Nash)

WASHINGTON.—In the 1960's, as a rising middlelevel manager in the aerospace business, Norman R. Augustine felt like a frustrated prophet of doom. Everywhere he saw projects taking pratfalls, efficiency being destroyed by too many authors, too many Government regulations, and too many managers demanding too many meetings and too much paperwork.

"I'd make speeches and write articles about the evils of bureaucracy," Mr. Augustine recalls. "Everyone would nod yes, and promptly forget what I said."

Then, Mr. Augustine discovered the power of exaggerated truth. Sitting down one night and projecting cost trends for the development of new military aircraft, he concluded that "by the year 2054 the entire defense budget would buy only a single plane." A little hyperbolic, he admits—but when he used it in his next speech, people got the point.

After that, he sprinkled his speeches with aphorisms. "The optimum committee has no members," he would tell his audiences. "The more one produces, the less one gets." "The last 10 percent of performance generates one-third of the cost and two-thirds of the problems." "It cost a lot to build bad products."

Augustine's Laws were born. In 1983, a collection of them was published by a specialty publishing house. The volume became a best seller at the Pentagon bookstore. This year an expanded version of Augustine's Laws was published by Viking Penguin Inc. for the mass market.

Now, as the president and chief operating officer of the Martin Marietta Corporation and the likely successor to chairman Thomas G. Pownall, the 50-year-old Mr. Augustine will have ample opportunity to put his principles into action. The former engineer, who assumed Marietta's presidency on April 1, says that he will fight excessive management—not a surprising plan for the creator of the Law of Propagation of Misery: "If a sufficient number of management layers are superimposed on top of each other, it can be assured that disaster is not left to chance."

Through its association with the nation's space program, Marietta has indeed had two brushes with disaster this year. Though the company enjoys considerable prestige as a military contractor, and is at the forefront of many of the Government's most sophisticated weapons programs, the recent Challenger and Titan mishaps have at least temporarily shaken the company and affected its earnings potential.

In the aftermath of the space shuttle disaster in January, management breathed a sigh of relief since the shuttle's external fuel tank, built by Marietta, was apparently not the cause of the explosion. However, to the extent that the tragedy delays the next launching, it means fewer tanks will be made for NASA. Analysts say the external fuel tank accounts for almost 10 percent of the company's $4.4 billion in revenues per year, and an even larger chunk of its profits.

"That business is not going to go away entirely, but it is going to be slowed," said Wolfgang Demisch, an analyst with the First Boston Corporation in New York.

Of greater concern, perhaps, was the explosion nine days ago of a Marietta-built Titan rocket at the Vandenberg Air Force Base in California. It was the second consecutive launching in which the $150 million Titan exploded right after takeoff. "The trouble," said Mr. Demisch, "is now you have to go back through the lengthy process of finding out what went wrong before you launch again."

Mr. Augustine says the shuttle and the Titan launching are off-limits for comment because both incidents are under investigation by NASA, and any public statement might undermine the space agency's efforts.

Analysts are less reluctant to speak out, and some defend the company as a victim of bad luck. Paul Nisbet, an analyst for Prudential-Bache Securities Inc., said, "There have been 134 Titan launches, with 98 percent reliability. I don't see that they could consider anything fundamentally wrong with the design." Mr. Nisbet says that the Government has not ruled out sabotage in both incidents.

On top of the two launching mishaps, experts in the aerospace industry say that the Department of Justice is currently investigating bribery allegations against Marietta by subcontractors. But Mr. Nisbet again defends the company. "As many as several dozen such investigations are going on at any one time," he said. "Usually the problems involve one crook, not the whole company."

Clearly, the Government is not turning its back on either Marietta or the Titan. The company has been granted a $2.5 billion contract to build 10 high-powered versions of the Titan to launch 10,000-pound satellites and a $600 million contract for scaled-down versions of the Titan to launch payloads of $4,200 pounds.

Few analysts expect the current problems to have a huge long-run effect on the company. But Marietta is going through another form of transition that promises to have far more impact on the company in the years down the road. The giant manufacturer of missiles, rockets and guidance systems is branching heavily into the design of computer systems and the art of tying together highly complex operations through

computer software—elements that will be increasingly critical in weaponry.

While companies like Boeing will remain major competitors, as we move into information systems, more and more we will be taking on the I.B.M.'s the A.T.&T.'s E.D.S.'s nd Honeywell's," Mr. Augustine said. The thought seems not to daunt Mr. Augustine at all. "We may be smaller than the I.B.M.'s but we know the U.S. Government, and we know Government contracting, and we have a good reputation, so we think we can do it," he said. Marietta already has semiconductor facilities that are producing customized chips for its computer systems, and "we're writing millions of lines of computer code a year," he noted.

Having read Mr. Augustine's book, a stranger might expect its author to be an Art Buchwald type. Mr. Augustine, in fact, is quite the opposite. In his spare but spacious corner office in Martin Marietta's corporate headquarters in Bethesda, Md., the tall, dark-haired executive does seem relaxed, making a light reference to going bald, talking easily about the company and himself. But there is no trace of his literary personality—the pundit, the scold who attacks Government shortcomings with witty vengeance.

"You could work with Norm for six months and see nothing but the serious, business-like side," said Robert H. Callaway, chairman of the Colorado Republican Committee and Secretary of the Army in the Ford Administration when Mr. Augustine was Army Under Secretary. "He's not the kind of guy who would break up a crowd with humor."

MARTIN MARIETTA

(All dollar amounts in thousands, except per share data)

	1986	1985
3 months ended Mar. 31:		
Revenues	$1,084,198	$1,006,791
Net income	46,202	27,753
Earnings per share	.84	.47
	1985	1984
Year ended Dec. 31		
Revenues	4,410,064	3,920,400
Net income	249,392	(191,764)
Earnings per share	4.36	

Total assets, Dec. 31, 1985..	$2,258,069
Current assets	968,969
Current liabilities	771,027
Long-term debt	220,413
Book value per share, Dec. 31, 1985	32.39
Stock price, Apr. 24, 1986 N.Y.S.E. consolidated close	42⅝
Stock price, 52-wk range	44½-31¼
Employees, Dec. 31, 1985	66,000

Headquarters in Bethesda, MD.

However, former associates are quick to list, Mr. Augustine's other assets—a careful tact, an engineer's caution, a military contractor's secrecy, and the ability to say no with a smile. Donald H. Rumsfeld, Secretary of Defense during the Ford Administration, says those attributes are among the reasons Mr. Augustine was tapped to be Army Under Secretary. "I was not at all surprised to see Norm selected," Mr. Rumsfeld said. "He's a roll-up-your-sleeves, work-it-out type of person. He dealt easily with people above him, below him and sideways."

Mr. Augustine's private-sector colleagues and competitors also speak admiringly of his ease with people. He is "a great salesman in person," said Sanford N. McDonnell, chairman of the McDonnell Douglas Corporation in St. Louis.

Mr. McDonnell says that, although "we've lost a number of competitions to him," Mr. Augustine has been a charming winner. Mr. McDonnell recalls running into Mr. Augustine and his wife in the Tahitian Islands a couple of years ago, when both their companies were bidding for a contract. "While we were having a drink together, he got a phone call. He came back and said, 'Sorry to tell you this, but we just won a contract in which you were a bidder.' "

However, the creator of the Law of Propagation of Misery practices what he preaches about removing excessive management, Mr. Callaway recalled: "We had a couple of real problem personnel cases in high Army positions—the type in Government that you tend to leave in place because it's so hard to do anything about. Norm jumped right in and carefully nudged the people out, without creating a storm."

Martin Marietta's country-club-like headquarters, with its duck pond, rolling lawns and winding drives, is a long way from the Denver of Mr. Augustine's youth. In the wake of the Western gold rush, his great-grandfather left the East and headed for the Rockies, eventually becoming the assistant county clerk in the small central Colorado town of Buena Vista.

In the early 1950's, when Norman Augustine was a lanky senior graduating from East Denver High School, his ambition was to be a forest ranger. He confided this to a crusty old English teacher, who took strong exception to this career plan. After swearing at the bright young student, the teacher handed him applications to Princeton University and Williams College. Mr. Augustine chose Princeton, and eventually earned a bachelor's and a master's degree in aeronautical engineering.

After briefly studying business at Columbia and U.C.L.A., the young engineer ended up working for what was then the Douglas Aircraft Company in Santa Monica, Calif. While there, his former Princeton roommate asked Mr. Augustine to show his Swedish girlfriend, Margareta Engman, around California. Mr. Augustine did more than that: He fell in love and married her.

They have two children, Gregory, 22, who is studying electrical engineering at Texas A.&M. University, and René, 20, a junior at Duke.

In 1965, he joined the Department of the Army, as head of research and development, "I intended to serve for only two years, but I stayed for five," he said. He left in 1970 to join the LTV Aerospace Corporation, but three years later was recruited back to the Defense Department by Mr. Callaway.

"That was a hard period for the Army," Mr. Augustine said. "Morale was not great and public support was low. We were pulling out of Vietnam, trying to get the Vietnamese army on its feet. Whenever you flew out of Andrews Air Force Base, you saw the wounded soldiers coming home with no welcome. I could never understand that."

During that time, Mr. Augustine played a key role in developing the volunteer army, as well as a host of new weapons systems such as the M-1 tank, the Bradley fighting vehicle, the Patriot air defense system, and the Apache attack helicoper.

Early on, he learned to deal with Congress. Two and a half hours into his first day as Army Under Secretary. Mr. Augustine was called to Capitol Hill to testify on the Vietnam War effort. "I spent the first three days in the job on the Hill and many days thereafter," he said.

The Marietta opportunity was totally unexpected. In 1977, after his second five-year stint with the Army, Mr. Augustine had just handed in his resignation as Under Secretary, and was due to start work the next day for another military contractor.

While attending a luncheon gathering of air force officials, he found himself sitting next to Thomas G. Pownall, then president of the Martin Marietta Corporation. He mentioned his new job. As Mr. Augustine recalls Mr. Pownall's reaction: "Gee, don't do that. Let's talk about it."

Mr. Augustine was more than open to discussion. He remembered Martin Marietta favorably from his days in the aerospace industry. "I had competed with this company and knew they were very tough," Mr. Augustine said. "And Marietta, along with FMC and Bell Helicopter were the three best contractors the Army dealt with."

Mr. Augustine did, in fact, join Martin Marietta in 1977 as a vice president for aerospace technical operations. By 1982, he was running the company's all-important Denver Aerospace division, which makes the external shuttle tank and the Titan rockets. Then, in 1985, he moved back to headquarters as senior vice president of information systems.

He now is running a company that is the 11th largest defense contractor, and considered one of the healthiest ones. Analysts say that Marietta has made a strong recovery since 1982, when it fought off a hostile takeover bid from the Bendix Corporation. Marietta emerged from that battle with its independence intact, but burdened by $1.3 billion in debt. By the end of last year, that debt had been reduced to $220 million. The company had earnings of $249 million, and its stock, after plunging as low as $20 a share in 1984, was trading around $42 on Friday.

Mr. Augustine appreciates the relative calm now after the turbulence of the Bendix imbroglio. "Most people who take over don't have the luxury of going in when things are very healthy and management is stable," he said. "Often a transition like this is during a time of turbulence." His succession, by contrast, was an orderly one; his immediate predecessor, Laurence J. Adams, turned 65 and faced mandatory retirement.

Away from the office, the former Coloradan spends a lot of time outdoors. Besides skiing, snorkeling, riding and hiking, Mr. Augustine has taken vacations by canoe, by dogsled, by covered wagon and by camel, usually with his family.

Mr. Augustine credits his daughter René with pestering him to put his thoughts and droll comments into book form. Though he made his acerbic comment about the rising price of military aircraft in 1967, it wasn't until 1980, and some dozens of laws later, that he began the process of putting his speeches and articles into book form. While on a West Coast trip, he contracted an acute case of appendicitis and faced a number of days in the hospital recuperating.

"The day after the operation, my daughter bundled up all my notes and shipped them out to me and told me to start working," he said. That initial burst, plus "a lot of writing on airplanes," produced the first edition of his book of laws in 1983.

He also credits René with inspiring what has become an absorbing hobby for the whole family: building doll houses. These are no ordinary playthings. "We do everything from scratch, no kits involved," Mr. Augustine said. "We make our own furniture, have electrical wiring, dumbwaiters

going up and down, doorbells, the works. Each one represents thousands of hours of work, and both my children get very involved in them also." The Smithsonian Institution has even asked to display a couple of them, he said.

He added, however, that on these projects, he abandons the concern for managerial efficiency that has made him famous: "I do it to unwind."

REMEMBERING THE BHOPAL TRAGEDY

HON. J. ROY ROWLAND

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. ROWLAND of Georgia. Mr. Speaker, in these past 2 weeks while the world has focused its attention on Chernobyl and the yet inestimable tragedy that has occurred there, we should not forget the disaster that befell the people of Bhopal, India, 18 months ago.

Recently I received a report on "Health Effects of the Bhopal Gas Tragedy," issued by the Indian Council of Medical Research. While space constraints do not permit the printing of the entire report in the CONGRESSIONAL RECORD, I have excerpted the introduction and the conclusion for the benefit of the Members and others interested in the devastating effects of this toxic gas leak. The full report is available in my office for those wishing to review the clinical implications of exposure to methyl isocyanate [MIC].

I commend to the Members the reading of this brief statement on the devastating health effects of this highly toxic gas:

HEALTH EFFECTS OF BHOPAL GAS TRAGEDY

PREFACE

On the fateful night of the 2nd of December, 1984, a sleeping community estimated to be around 400,000 was woken up to face a disaster of unprecedented magnitude and suddenness caused by the leakage of gas from a storage tank containing tons of methyl isocyanate (MIC) at a Union Carbide Plant in Bhopal. Government estimates placed the number of dead at around 1900 whereas unofficial estimates placed this figure at 2000 plus. Survivors in large numbers still exhibit a wide range of respiratory, occular, behavioural and other morbidities. Certain pertinent questions arise in this regard: how long will they last? What permanent disabilities can be expected? what is the outlook for these victims? What of their offspring?

In the midst of a human tragedy with relief measures mounted at great speed, studies were organised within a few days of the occurrence of the tragedy and gradually increased in scope and depth. Published information on the toxic effects of MIC in man was almost non-existent; means of detoxification of exposed persons were unknown. To date, 25 major research projects ranging from epidemiology to molecular biology are in progress; 15 institutions, 24 principal investigators and over a hundred other scientists are engaged in a nation-wide research effort on the health consequences of the Bhopal Gas Tragedy under the auspices of the Indian Council of Medical Research (ICMR). A systematic orchestrated approach to Bhopal studies has by now been established.

It must be recognised that while the eyes and respiratory system showed striking disturbances from the beginning, widespread multi-organ involvement in the exposed population was also observed. There were cases of coma, a striking feature in the acute phase; gastrointestinal disturbances were common; there were significant lesions in the central nervous system; above all psychological trauma and behavioural disturbances continued to be a dominant feature without abatement to this day. Both sexes, all ages from the conceptus *in utero* to old age were affected. There were early indications of immunological disturbances with as yet unforeseeable effects on host susceptibility to environmental infections and other hazards; chromosomal abnormalities were noted in the early acute phase; their significance and persistance in the future is under study. Abortions were more frequent and intra-uterine growth was retarded in proportion of babies born to exposed mothers. It is clear that monitoring of ill effects and care of the afflicted have to be carried out for years.

The propensity of the cyanates in forming reactive compounds with active groups in biological materials such as proteins and amino-acids is well known. Of considerable significance are some of the studies being conducted which shed light on the occurrence of the phenomenon of carbamylation of haemoglobin amongst the exposed population in Bhopal.

In the accompanying document prepared by the ICMR, the grim story of the human effects of exposure to gas in Bhopal as it unfolded itself, based on autopsy, toxicological and experimental studies has been presented. In addition, the dimensions of the clinical problems amongst the survivors and their sequaelae and management in future are discussed.

V. RAMALINGASWAMI,
Director-General,
Indian Council of Medical Research.

INTRODUCTION

The Bhopal Gas Disaster caused by a run-away chemical reaction of Methyl Isocyanate stored in a stainless steel tank on 2nd-3rd December, 1984, in the Union Carbide factory is undoubtedly the biggest known chemical disaster. The loss of human life and life-long crippling of many survivors have been unprecedented and the sheer magnitude of the catastrophe in the industry has roused the conscience of the world. In many cases, the sole bread earner of the entire family died; many have been widowed; and many of the survivors are either infants or minor children.

The medical profession at Bhopal faced a situation which few others in their fraternity ever had to in the annals of history. In the early hours of the morning of 3rd December, 1984 hundreds and soon thousands of innocent people crowded in on the doctors in the Hospitals—gasping for breath, frothing in the mouth, retching, fear and panic writ on their faces hoping against hope to cling on to life. The helpless doctors, neither were aware about the killer gas which had escaped into the air from the Union Carbide India Ltd. factory, nor could they have an idea about antidotes to be administered. They did whatever they could—symptomatic treatment to make the last minutes on earth more comfortable for the victims. The nature of the killer gas that descended on the unfortunate citizens of Bhopal on that fateful night remains to be established, but the suffering of the afflicted continues unabated. Several thousands of families have to be helped to recover from the trauma of the disaster, the loss of their dear and near ones, loss of cattle and to be rehabilitated.

The medical community of Bhopal in particular and the country at large rose to the occasion and met the challenges posed by the grave threat to human and animal life and the long-term and persistent effects on the survivors. Soon the Indian Council of Medical Research (ICMR) organized teams of Indian scientists and medical research workers to grapple with the problems. As a result of these concerted efforts including autopsies, toxicological studies, clinical management of the victims and epidemiological investigations, many positive results have been obtained which have helped to unravel some of the mysteries of this major industrial disaster.

DEATH RATES

In the immediate wake of the disaster in the first 48 hrs, the death rate in some of the worst affected areas ranged as high as 20 per thousand of population. For the month of December 1984 the death rate was about 24 per thousand as compared with the national average of 1 per thousand for a corresponding period. The worst affected victims belonged to the age group less than 5 years, with death rate of 33 per thousand, followed by a figure of 15 per thousand both in the age group of 15–40 years and above 45 years. Mortality in children and young and active adults was very high affecting the future of many families.

Although all dead bodies were not brought to the morgue, 311 bodies were received on 3.12.1984 followed by 250 bodies on 4.12.1984. Thereafter the number of dead bodies brought into the morgue declined. A total of 837 dead bodies were received in the morgue in December 1984 following the gas disaster. The most poignant of the effects is total disruption of a large number of families, in some with all children dying, in others with both parents dying leaving the children as orphans.

SUMMARY

The gas released into the atmosphere as a result of the run-away reaction at Union Carbide India Ltd. factory at Bhopal, took a heavy toll of human lives, leaving behind a large number of survivors with a variety of morbidities and disabilities.

The intense human suffering this accident has produced among the victims cannot be described sufficiently. The anguish of parents who lost their children, deprivation of children with deceased parents, the void in the lives of those who lost their spouses and all the severe trauma of these sufferings are beyond any description or compensation.

Autopsies showed widespread damage to a number of organ systems, besides lungs and eyes. The brain, for example, showed oedema and haemorrhages. The demonstration of carbamylated haemoglobin in the systemic circulation indicated that MIC had entered the circulation and reacted with blood proteins.

Increased thiocyanate levels in the urine of the victims and symptomatic relief of therapy with intravenous sodium thiosulphate solutions were observed in the initial stages, but these effects tapered off later.

Impaired lung functions, muscular fatiguability, work incapacity and a variety of behavioural disturbances are evident amongst other problems in the surviving victims. Studies in experimental animals supplemented the observations being made in humans.

The question of persistence with attendant consequences of the immunological and cytogenetic disturbances observed in the earlier phases of the gas exposure is being studied. The surveillance system to detect emerging cancers in the affected population and late sequelae of ocular defects has been established. The effects on growth and development of infants and growing children are being monitored. Years of further study and observation will be needed to unravel the full dimension of the effects of human exposure to the gas at Bhopal, a problem about which the world knew next to nothing, when that tragedy took place.

ISSUES ON NICARAGUA

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. RICHARDSON. Mr. Speaker, there are those who read history, write it, or make it. In the case of the Nicaragua issue, the individual who has made a difference in the entire debate has been Robert Leiken of the Carnegie Endowment for International Peace. Whether we agree with him or not, he has approached the issue with intellectual honesty, dispassion, and commitment to what is in the best interest of the United States.

The article about Robert Leiken in Time magazine follows:

CONVERSION OF A TIMELY KIND

A LIBERAL ANALYST FANS CONTROVERSY WITH HIS PRO-CONTRA VIEWS

Some Americans see Nicaragua drenched in a dangerous sea of red. Others view the country as bathed in a brilliant aureole of white light. Forget gray. Much as in the debate that polarized Americans during the war in Viet Nam, cool heads and dispassionate judgments seldom prevail in a discussion of U.S. Nicaraguan relations. The Sandinistas are either hard-core Communists with a cruelly totalitarian agenda or committed revolutionaries with a uniquely Latin American vision of the future. The U.S.-backed *contras*, on the other hand, are either brave freedom fighters or treacherous mercenaries. WARNING: entry into the debate may be hazardous to your reputation.

No one knows that better than Robert Leiken, 47, a Central American analyst at the Carnegie Endowment for International Peace in Washington. For years he toiled anonymously on the intellectual left, pursuing liberal causes and scholarly studies. While working at a succession of jobs, including posts at some prestigious think tanks in Mexico City and Washington, Leiken produced papers on Soviet strategies in Latin America. His work, however, rarely received much public notice. In early 1984 he edited a collection of essays called *Central America: Anatomy of a Conflict*, which took the Reagan Administration to task for promoting confrontation rather than negotiation in Central America. It aroused notice among Democratic Congressmen who opposed Reagan's policies, but Leiken's reputation remained limited mainly to the specialized world of Latin American policy.

Then came the deluge. In October 1984 Leiken (rhymes with bacon) published an article in the *New Republic* titled "Nicaragua's Untold Stories." It was a searing indictment of the Managua regime that accused the Sandinistas of repression, corruption, political manipulation and fealty to Moscow.

The idea that a well-respected liberal analyst would launch such a strong attack on the Sandinistas caused considerable stir in Washington. Leiken's apparent conversion was seen by the entrenched left as a betrayal and by Reaganites as a vindication of their long-held views. Most important, many Democrats who had relied on Leiken's analyses began to reconsider their Sandinista sympathies. Senator Edward Kennedy had the article read into the Congressional Record. Suddenly, Leiken became as controversial as Nicaragua itself.

Since then, Leiken has assessed the Sandinista issue in other articles, including two pieces in the *New York Review of Books*. After two trips this year to Nicaragua, the most recent with Democratic Congressman Les Aspin of Wisconsin, he has changed his assessment of the *contras*. He argues that while the rebels were initially a small mercenary force made up of supporters of ousted Dictator Anastasio Somoza Debayle, they have, as a result of widespread disenchantment with the Sandinistas, grown into a diverse army of 20,000 that is now a popularly based van-guard for a widespread and growing rebellion. Most scholars in the field reject Leiken's assessment, but he argues that popular perception of the *contras* in both the U.S. and the cities of Nicaragua has not yet registered this change because the rebels have failed to embrace "democratic leadership."

Leiken says his conversion was not of the light-blinding sort experienced by St. Paul on the road to Damascus. Rather, he claims, it was based on numerous trips to Nicaragua, during which the true nature of the Sandinista regime gradually became apparent even as his study of the *contras* convinced him of their potential. The changes in the Nicaraguan situation, he feels, have not been adequately reported by the U.S. and international press.

The analyst is now urging the *contras* to shed their "CIA-imposed leadership." He says that it is resented by the combat troops, considered "hostile to democracy" and is damaging to the unity of the various *contras* factions. He believes that if the *contras* unite under a common political banner, with such respected democrats as Arturo Cruz and Alfonso Robelo at the top, Nicaraguans, and Americans will support the rebels as a legitimate democratic resistance force.

If his condemnations of the *contras* leadership do not please White House officials, his calls for "military pressure" to force the Sandinistas to the bargaining table do. Thus Leiken has been accused of being a mouthpiece for the Reagan Administration. Yet he has condemned Reagan's failure to forge a bipartisan consensus. "I think the Administration has chosen to divide the country farther than unite it by using inflated, hyperbolic rhetoric," he says. "The struggle within the elite in the U.S. has taken precedence over what's going on in Nicaragua."

The charge that he is a turncoat particularly rankles Leiken, who still considers himself a member of the left. His credentials are impeccable. In the 1960s he joined the Ban-the-Bomb movement and agitated against the Viet Nam War. In 1975, briefly interrupting an eight-year period of work and study in Mexico, he weighed in with the pro-busing factions in Boston. "No one is going to force me out of the left," Leiken vows. "They may call me a defector and an impostor, but they're not going to force me to change the things that I believe."

Many liberal scholars and journalists have come down hard on their former ally. Alexander Cockburn has charged in the Nation that Leiken's writings are packed with "calumnies and falsehoods." Kevin Kelley of the *Guardian*, a small radical newspaper in New York, fumed in an article that "Leiken has clearly perfected a political formula that appeals to neoliberal publications." Leiken has been called a press agent for various *contra* leaders, and his willingness to testify before congressional committees has brought charges of opportunism. Even analysts who respect Leiken's knowledge of Nicaragua are disturbed by his strong advocacy posture, Says Peter Bell, president of the Edna McConnell Clark Foundation in New York City: "I don't believe that anyone who presents himself as an analyst ought to be as involved as he is in a partisan way."

Leiken has vocal supporters. Mark Falcoff of the conservative American Enterprise Institute in Washington defends Leiken's analysis and argues that his colleague is attacked because he has deviated from the leftist line popular among academics. Others who knew Central America well defend Leiken, if not always his point of view. "Bob probably knows more about Nicaragua than any other non-Nicaraguan," says Nina Shea of the New York based International League for Human Rights. "He's tireless in his pursuit of the facts and lets the chips fall where they may."

Whatever others think of him, there is no denying that Leiken is, as Elliott Abrams, the Assistant Secretary of State for Inter-Americans Affairs, put it, "an important player." This week the House of Representatives reconsiders the Reagan Administration's *contra* aid package. If it is passed, the White House will owe a measure of thanks to Leiken. Through his testimony on the Hill and his published arguments, he has played a significant role in developing the compromise bill that was passed three weeks ago by the Senate. The Reagan Administration hopes that this bill will be similarly palatable to Republicans and Democrats in the House.

THERE IS DEEP, DEEP OPPOSITION

After Robert Leiken returned last week from a five-day trip to Nicaragua with Les Aspin, a Democratic Congressman from Wisconsin, he spoke with *Time* White House Correspondent Barrett Seaman. Excerpts from his remarks:

ON THE SANDINISTAS

It is now clear to me that from the beginning the overwhelming majority of this group was not just Marxist-Leninist but strongly pro-Soviet and particularly pro-Cuban. In the *contra* camps, we visited, they used the term engano, which means "we were tricked, we were hoaxed. "The Sandinistas have not only lost popular support, I think they are detested by the population.

ON CONTRA SUPPORT WITHIN NICARAGUA

I have gone to a number of towns in Nicaragua where I have found that the youth are simply not there. I ask their parents where they've gone, and they say they've gone off to join the *contras*. We stopped at a breadline in Managua. There were about 250 people. We asked them how long they had been there. About three hours. Had they had breadlines like this before the Sandinistas? No, just in the past two years. We asked who was responsible and finally

one woman said, "Come on, tell the truth: the Sandinistas are responsible." And everyone said, "That's right." It is very, very clear there is deep, deep opposition to the Sandinistas.

ON THE SIZE OF THE CONTRA FORCE

Despite their shortcomings, the *contras* are an authentic army of Nicaraguans, mainly peasants, fighting for their liberty against a repressive tyranny supported and maintained in power by the Soviet Union. The *contras* are many times larger than the Sandinistas ever were. If you put the major leftist insurgencies in Latin America together, they still wouldn't add up to as many as the *contras*.

ON WHY THE CONTRAS NEED U.S. SUPPORT

They're facing a military machine that, after the Cubans, is the most sophisticated and best trained in Latin America, far and away the biggest in Central America. You need people, but you've also got to have equipment. Another way of looking at it is that it's stunning that they've done as well as they have in the face of a very sophisticated state security system. There's a morale factor too. They feel the other side has got a superpower committed to it, whereas the U.S. is ambivalent.

ON CONTRA REFORM

Right now, the Nicaraguan Democratic Force [F.D.N., the largest *contra* army] and United Nicaraguan Opposition [the main *contra* political organization] are a little bit like the tail wagging the dog. The military has to become subordinate to U.N.O. It's also important that the military be represented, so it's not just a bunch of politicians running the army. There is also a need for unity with other groups. One reason for the success of the Sandinistas is that they've been fighting a one-front war.

Reform is most important in the F.D.N., which has been accused of human rights violations. Reform would have a very practical military and diplomatic effect on a lot of Nicaraguans who left the country. These are middle- and working-class people who have expressed a desire to fight but who are afraid that the F.D.N. would create another dictatorship. Beyond Nicaragua, if the *contras* were acceptable to Latin Americans, then the Latin Americans would stop using Central America as their way to express anger at the U.S.

ON THE ROMAN CATHLOIC CHURCH

The church has been a traditional refuge for national patriotic sentiment in Nicaragua, but it is now in deep trouble. The Sandinistas have taken over their welfare office and shut down their radio and press.

ON A POSSIBLE U.S. INVASION

It would be an enormous historical mistake. It would completely polarize the U.S. It would set back the American image in Latin America and in Europe. But I don't think the Sandinistas would put up the kind of resistance most people think. This idea that we're getting dragged into a military situation that can't be won is based too much on historical analogies. It's understandable; the U.S. went through a real trauma over Viet Nam.

ON THE ANALOGY TO VIET NAM

More and more, my sense is the Nicaraguans feel that the outside imperialist powers are the Soviet Union and Cuba. This is a popular struggle, but the people are on the U.S. side this time. Plus you've got rugged terrain, and you've got countries on two borders that supply sanctuaires. Finally, the geopolitical situation is favorable to the U.S. It's the Soviets who have long logistical lines, not us. I think the *contras* have a chance of winning if we have a stable, bipartisan policy of support.

FEDERAL RETIREES ENTITLED TO EQUAL TREATMENT

HON. CONNIE MACK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. MACK. Mr. Speaker, throughout the fiscal year 1986 budget cycle, I argued that all Federal retirees should be treated equally. During my town meetings, retirees from Sarasota in the north of my district to Naples in the south told me they were most concerned about equity. Put everyone in the same boat, they said, whether the retirees receive benefits from Social Security or either the Civil Service or Military retirement system. At least then fairness would be guaranteed.

The House passed a budget resolution last August that told all of America's retirees they would receive a cost-of-living-adjustment [COLA] for the present year. Because the budget was based on some questionable "smoke and mirror" calculations, the advertised $172 billion deficit proved to be a wildly optimistic promise. But the point is, regardless of the merits of that budget, Congress made a commitment to our retirees—Social Security beneficiaries as well as pensioners from both the Civil Service and Military retirement systems—that they would receive their COLA. Families in every one of our districts made financial plans based on that promise.

As the original House sponsor of the Balanced Budget and Emergency Deficit Control Act of 1985 (H.R. 3520)—or Gramm-Rudman-Hollings—I believe this new law means that Congress must begin to choose priorities. Nobody wants government by sequester. Indeed, the only thing worse than a sequester itself is no deficit reduction at all.

In the process of conference negotiations on Gramm-Rudman-Hollings, House Democrats insisted on an immediate sequester, even though the Congress had just passed a budget several months earlier. The House also loaded the bill up with a variety of exemptions to make the sequester more palatable. The final product, passed last December, called for a sequester effective March 1.

In the spirit of Gramm-Rudman-Hollings, I offered an alternative plan in February to yield the same savings as the March 1 sequester. My alternative would have restored the lost COLA, added back money for the Coast Guard, Drug Enforcement Agency and other key agencies, and provided offsets in less important grant programs. Unfortunately, the House leadership did not see fit to consider my proposal or any other, preferring instead to let the sequester stand.

I firmly believe that Gramm-Rudman-Hollings represents the most significant step to date in the congressional battle against deficits. At the same time, however, it clearly is not a perfect bill. The inconsistency in COLA treatment combined with the widespread exemptions from the sequester is the most conspicuous weakness of the law.

To rectify this weakness, I am cosponsoring legislation to ensure that Federal retirees will receive their COLA's in January 1987. I am submitting for the record a letter I received from the National Association of Retired Federal Employees following up on an inquiry I made about national COLA policy over the last decade. The letter presents an excellent synopsis of the issue.

Mr. Speaker, as we move forward in deliberations for the fiscal year 1987 budget, I urge my colleagues to work toward real budget savings that will prevent a sequester. Moreover, I hope this body is ready to adopt a national COLA policy so that all our retirees are treated fairly.

NATIONAL ASSOCIATION OF RETIRED FEDERAL EMPLOYEES,
Washington, DC, April 25, 1986.

Hon. CONNIE MACK,
U.S. House of Representatives,
Washington, DC.

DEAR CONGRESSMAN MACK: As the House Budget Committee deliberates a budget resolution for fiscal year 1987, NARFE urges you to restore equal inflation protection for all older Americans.

As you are aware, the Gram-Rudman-Hollings Amendment eliminated the 1986 cost-of-living adjustment on federal annuities. However, the Social Secrity COLA was protected. Consequently, federal retirees did not receive a COLA while their neighbors received one simply because they worked in the private sector. NARFE firmly believes this grave inequity must be corrected.

Automatic cost-of-living adjustments (COLAs) based on the movement of the Consumer Price Index (CPI) were established by Congress in 1962 for the Civil Service Retirement System to protect the value of annuities against inflation. Before that time, occasional increases in annuity payments had been provided to account for changes in economic conditions.

However, in the early 1960's legislators saw a need to establish a consistent approach to inflation protection that would not be subject to political machinations. Ten years later in 1972, a similar automatic adjustment formula was adopted for social security, and again the action was taken primarily to assure adjustments based on inflation rather than on political whims.

Although the COLA formulas for the Federal retirement systems and Social Security differed slightly, both were closely linked to the movement of the CPI, and both worked well to provide the intended inflation protection of retirement dollars. But in recent years, COLAs have once again been subject to ad hoc tampering and have become veritable political footballs.

While Congress and the Administration have placed Social Security COLAs off limits to cutbacks, inflation protection for federal annuitants has been severely curtailed. Consequently, an ever widening gap in inflation protection has developed between two groups of older Americans, Federal retirees and Social Security recipients.

Examples of the disparity in inflation protection which has occurred as the result of differing COLA policies for Federal retirees and others can be best seen by reviewing the actual COLAs received under the two systems during the past ten years.

The COLA percentages and their effective dates for an individual who retired in 1976

and is still on the retirement rolls would be as follows under the two systems:

Federal retirement:	(Percent)
Mar. 1, 1977	4.8
Sept. 1, 1977	4.3
Mar. 1, 1978	2.4
Sept. 1, 1978	4.9
Mar. 1, 1979	3.9
Sept. 1, 1979	6.9
Mar. 1, 1980	6.0
Sept. 1, 1980	7.7
Mar. 1, 1981	4.4
Mar. 1, 1982	8.7
Apr. 1, 1983	3.9
Dec. 1, 1984	3.5
Dec. 1, 1985—(Eliminated)	
Social Security:	(Percent)
June 6, 1977	5.9
June 6, 1978	6.5
June 6, 1979	9.9
June 6, 1980	14.3
June 6, 1981	11.2
June 6, 1982	7.4
Dec. 12, 1983	3.5
Dec. 12, 1984	3.5
Dec. 12, 1985	3.1

During the period of time from the first quarter of 1976 through the third quarter of 1985, for which the COLAs listed above assumedly reflect change, inflation measured by the CPI-W rose 91.3 percent, from 167.1 to 319.7. A Federal annuitant who had received all of the COLAs awarded under his or her retirement system would have recognized an annuity increase of 80.4 percent; the social security beneficiary receiving all of the above awarded COLAs would have recognized an increase of 85.7 percent in the social security check.

Looking at these results another way, the Federal retiree is 10.9 percent behind measured inflation, or has been compensated for about 88 percent of inflation incurred since 1976; the social security recipient is 5.6 percent behind inflation, and has been compensated for 94 percent of the inflation since 1976.

It is imperative to note, however, that almost all of the disparity between the inflation protection granted retirees under the two systems has occurred since 1981, and again the figures tell the story. From the first quarter of 1976 through the first quarter of 1981, the CPI-W increased 57.5 percent. Over the same measured period social security benefits rose 56.8 percent because of COLAs, and Federal annuities increased 54.5 percent. The slight variances at this point were due only to slightly dissimilar measuring and computation formulas, and for all intents and purposes, the automatic adjustment formulas of both systems were protecting the respective beneficiaries from erosion of their retirement incomes.

In 1981, Congress began approving changes of law to reduce, delay, and then in 1985, to deny COLAs to Federal annuitants. In 1983 they approved legislation for a six month delay in social security. As a result of this tampering with COLAs, all retirees have lost some of their inflation protection, but Federal retirees have lost considerably more than others.

Again, the numbers prove the point. between the first quarter of 1983 and the third quarter of 1985 (the last base index period), the CPI-W rose from 292.5 to 319.7, an increase of 9.3 percent. For the time covered between those cited periods, social security benefits have increased 6.7 percent, compensating social security beneficiaries for 72 percent of inflation, and denying them 28 percent. However, for the same measured period of time during which inflation increased 9.3 percent, Federal annuitants have received only one COLA of 3.5 percent, thereby being compensated for only 38 percent of inflation over the past two and one-half years. They have had to absorb 62 percent of the price increases accrued since the beginning of 1983.

With this wide gap already existing in inflation protection and with Federal annuitants' COLAs subject to automatic cutbacks or total elimination under the sequestration provision of Gramm-Rudman-Hollings, retired civil service and military personnel stand to be subjected to further discrimination. We urge you and your colleagues to adopt a consistent national policy of equitable inflation protection for all retirees. Inflation does not discriminate, neither should inflation protection.

Your consideration of our position is greatly appreciated.

Sincerely,

JUDITH E. PARK,
Legislative Director.

H.R. 4755—TO AMEND THE IMMIGRATION AND NATIONALITY ACT

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. WHITEHURST. Mr. Speaker, on May 6 I introduced H.R. 4755, which would amend the Immigration and Nationality Act to provide for the naturalization of alien service members who enlist outside the United States and who have not been admitted for lawful permanent residence. It would, after 4 or more years of honorable service in the Armed Forces of the United States, grant special immigrant status to such individuals and their accompanying spouses and children, upon the recommendation of the executive department under which they served.

The granting of such status would remedy the situation under which many nationals of the Republic of the Philippines serving in the U.S. Navy are not given the same opportunity to apply for U.S. citizenship as other alien service members in the Armed Forces of the United States. It would thus solve the naturalization problems faced by many of our loyal Filipino service members.

At present, two provisions of law provide for the naturalization of alien service members who have served honorably in the Armed Forces of the United States. The first, section 329 of the Immigration and Nationality Act (8 U.S.C. 1440), relates to aliens who have served during periods of declared hostilities, provided that they were inducted or have enlisted or reenlisted within the United States, the Canal Zone, American Samoa, or Swains Island. That section waives certain basic requirements set forth in 8 U.S.C. 1427 (section 316 of the Immigration and Nationality Act: First, addmission for lawful permanent residence; second, residence in the United States for 5 years; third physical presence in the United States for at least half that time; and fourth, residence in the State of filing for 6 months. The second provision, section 328 of the act (8 U.S.C. 1439), intended for the benefit of alien services members who served honorably for at least 3 years, waives all but the requirement that alien service members be lawfully admitted for permanent residence.

The provisions of 8 U.S.C. 1440 do not apply to aliens who enlisted on or after October 15, 1978, because Executive Order 12081, 43 Fed. Reg. 42273 (1978), ended the application of that section to aliens based on service during the Vietnam hostilities.

The majority of Filipinos in the Navy are unable to avail themselves of the benefits of 8 U.S.C. 1439, even though they may be qualified in all other respects, because they are enlisted in the U.S. Navy within the territorial jurisdiction of the Republic of the Philippines under the terms of the military base agreement between the United States and the Republic of the Philippines of March 14, 1947, and have not first been admitted to the United States for permanent residence. As a result, they are enlisted without having acquired an immigrant visa and obtain no immigrant status of any kind. All other aliens who want to serve in this country's Armed Forces must enlist in the United States after having been admitted for lawful permanent residence.

At present the Navy is the only branch of the service which uses the authority granted under the United States-Philippines Military Base Agreement. The Coast Guard terminated its Filipino enlistment program in 1972; the Army and Air Force are prohibited by law (10 U.S.C. 3253 and 8253) from enlisting, in peace time, any aliens who have not been admitted to the United States for permanent residence. As a result, Filipinos are the only significant group enlisting in the Armed Forces of the United States without having first gained permanent residence status. A few Filipino service members may qualify for immigrant visas under the various preference categories and thereby qualify for citizenship under 10 U.S.C. 1439. The majority, however, are unable to qualify in this way given the preference criteria established and the huge backlog of immigrant visa applications now existing in the Philippines. Thus Filipinos would be the principal beneficiaries of the passage of H.R. 4755.

Enactment of H.R. 4755 would place Filipinos on an equal footing with permanent resident aliens who enlist in the military, ensure that they receive equal treatment and comparable benefits for identical services rendered the United States, end the perceived discrimination against Filipinos who enlist in the military, and help enhance a good relationship with the Republic of the Philippines. I would add that passage of this legislation would simply restore the situation which prevailed under the Nationality Act of 1940, which included a waiver of the requirement of permanent resident status for alien service members who served honorably in the Armed Forces of the United States; it would not confer any advantage to Filipino service members beyond that already granted by law to other alien service members, who differ only in having been admitted for permanent residence. It should not result in any major increase in the number of immigrants from the Philippines. A large number of Filipinos presently in the U.S. Navy already qualify under 8 U.S.C. 1440 as wartime veterans, and a few will be covered

by the provisions of 8 U.S.C. 1439. Some, for a variety of reasons, may not wish to become citizens of the United States.

Mr. Speaker, H.R. 4755 is intended to recognize faithful service in the Armed Forces of the United States by permitting all service members who have served honorably to obtain citizenship. Let me quote from letters which I have received from several Filipinos who have served, or are presently serving, in the United States Navy:

I have been awarded the following decorations [in my nearly six years in the Navy]: Navy Achievement Medal (2 awards), Navy Good Conduct Medal and Sea Service Deployment Ribbon (4 awards) . . . I wish to become a naturalized citizen so that I can apply for commissioning.

Since the United States is once again in conflict with the Middle East, once again Filipinos are on board U.S. Navy ships ready to defend our country's principle.

I hurt immensely to read about an immigration bill that would eventually make illegal aliens permanent residents and U.S. citizens . . . We're [Filipinos] serving this country faithfully and one of our Filipino comrades died in Beirut to fight for America and he wasn't a U.S. citizen nor a permanent resident.

Mr. Speaker, between 1978 and 1982, the number of Filipinos who enlisted in the U.S. Navy was 300 per year; since then it has been 400 per year. I am privileged to represent an area, the Second District of Virginia, which has a large Filipino population and a major Navy presence, and I can attest to the fact that there are no more loyal citizens nor dedicated military personnel than the Filipino community, and I am delighted to take this step towards ending what I consider an inequity and recognizing the honorable service and devotion to duty of Filipino service members.

I earnestly hope that prompt and favorable action will be taken on H.R. 4755, and I would welcome the cosponsorship of this bill by my colleagues.

TRIBUTE TO DR. WAYNE ANDERSON

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. DUNCAN. Mr. Speaker, Dr. Wayne Anderson will be leaving his position as president of Maryville College, in Maryville, TN, to become the president at Illinois Wesleyan. The following tribute by Tutt S. Bradford appeared in the Daily Times. I believe the article reveals the powerful influence Dr. Anderson had on Maryville College and the students in residence during his tenure.

[From the Daily Times, Maryville, TN, Apr. 7, 1986]

ANDERSON BRINGS COLLEGE TO STRENGTH AND GROWTH IN THE YEARS AHEAD

(Editor's note: The following article was written by Tuff S. Bradford, chairman of the board of The Daily Times, and was prepared prior to Dr. Wayne Anderson's appointment as president of Illinois Wesleyan University and his resignation as president of Maryville College. It provides an overview of Dr. Anderson's years as president of the small Presbyterian affiliated institution.)

In a period in which small independent colleges are taking their lickings from the lowered bith rates of the late '60s and early '70s, Maryville College has done remarkably well.

The chief reason for this is Wayne Anderson, the college's president.

When Anderson arrived at the institution, the financial background was murky and only after diligent study was it learned that the college had suffered deficits for 16 of the past 17 years. Imagine how this looked in supposedly great financial years to the new president when faced with declining collegiate populations.

In addition to the poor financial background and declining enrollments, Anderson faced two other major problems besides the thousands that beset other college presidents

The endowment of the college was pitifully small and had been squeezed to get maximum revenue to fund deficits. Student attitude toward the college was negative and surveys showed that it must be improved if the college was to survive.

The other problems consisted of such things as outmoded and dilapidated buildings, tremendous fuel costs, weak library facilities, vanishing sports program, shaky community relations, staff shortages in some areas and overstaffing problems in others, and lack of confidence in the future of the college all over the campus.

"There comes a time in the life of every institution when unusually gifted leadership must be sought to meet the demands of the moment and of the future," past chairman of the board of directors Carl Davis has said.

"In 1977, Maryville College found just that kind of a president in Wayne Anderson," he continued.

Things have changed and the directors of the institution give full credit to the energy, leadership capabilities and fund-raising efforts of Wayne Anderson.

While the background of Anderson contained experience in all these factors, nowhere had he ever been which called into play such a strain on his administrative capacities, his unruffled leadership in the face of crisis after crisis and his potential for raising money for an institution whose whole collegiate category was in deep financial trouble.

Yet Anderson began to move, slowly and surely finding his feet in the morass of problem after problem. He attacked administrative crises, setting new goals and making major changes which drew both criticism and admiration for his course of action. He sought and found a vice president for development, setting up means to preserve the endowment and a program to begin to improve on it.

Fuel costs were running the college out of cash during the beginning of the energy crisis and he worked with TVA and an energy entrepreneur to design a woodburning heating plant than now saves the college some $250,000 a year in energy costs.

He began to work on enrollment, setting new patterns for student search, slowing the trend here which was decimating the number of independent colleges. Enrollment turned around with a 10 percent increase last fall.

Anderson, undoubtedly, was the right man for the right job, Davis stated.

"His abundant talents have been vigorously devoted to financing and administering excellence in education," he declared.

Adult classes were initiated in 1983 to enable residents to achieve a degree on nights and weekends under a new Office of Continuing Education.

The college budget was balanced this year, the eighth consecutive year that this has been done under Anderson's leadership.

A Toward Century II financial campaign was launched which ended in 1984 with well over $12 million secured to make major campus improvements and add to the endowment.

Such foundations as the ALCOA Foundation, the Mellon Fundation and the Pew Memorial Trust made major commitments to the institution.

A graduate nurse's course was established with a baccalaureate degree as a registered nurse not only for students but for those nurses who want a collegiate degree.

Anderson established a Quality Circle in 1985 which assists in administrative decision making. The entire staff is involved in identifying college problems, brainstorming alternative solutions spelling out implications of alternatives and recommending anwsers and evaluating efforts.

Community relations were more firmly established with a fulltime staff whose responsibility it is to see that the community uses college facilities and schedules these activities. The sports facilities are used yearround.

Work has now begun on rehabilitation of the library and Thaw Hall, a focal point on the campus. Willard House has been extensively remodeled and the new International House is almost ready for full use.

All of these projects are the end result of the funding by individuals upon whom Wayne Anderson has exerted his influence.

Dormitories have been repaired and renovated. A $1 million program was set up to rid them of asbestos for which funding had to be acquired. Pearsons, Bartlett, Fayerweather and the Fine Arts Center were extensively redone.

New steam lines were installed to make the new woodburning plant more efficient. Anderson turned student protests against the inconvenience of dodging deep cuts in the campus to an acknowledged hope for a better future.

The former home of the president, Morningside, has been leased for an inn, has been renovated on the ground floor and is operating successful.

An attractive new entrance into the institution was achieved when the U.S. 321 inner-city connector was constructed in front of the college. Higher visibility was achieved and many campus roads were repaved by the state which had to use campus roads as detours during construction.

In spite of the drastic shifts in emphasis in some directions. The college has lost none of its institutional influence which it has held for decades.

Two positive examples of this have been the Caroline Bender gift of nearly $500,000 through her relationship with a retired professor, Dr. Elizabeth Jackson, and the $400,000 gift by Delmar Green of Cleveland.

A recent study by Randolph Macon College in Virginia ranked Maryville College fourth in a study of 110 private liberal arts institutions in the South in percentage of graduates receiving PhD's between 1920 and 1980.

Athletic programs have had their ups and downs but the appointment of Randy Lambert as the new athletics director and new fund support from alumni and the area show considerable promise.

Student attitudes toward the college's athletic programs have vastly improved.

The college achieved national prominence in the musical field when Delores Ziegler, a 1973 Maryville graduate, sang on national television with Luciano Pavorotti.

The Affiliate Artist Program with the ALCOA Foundation is continuing each year with artists who are going on to international recognition, such as Faith Esham.

A strategic planning committee has been established to refocus on the mission of the college from which it will turn to bearing down on various areas of academic and student affairs.

Student activities have improved as they realize that some credit is being given their feedback on campus affairs.

An advisory council has been formed of community leaders in the Maryville-Alcoa area. Another such council is being considered for Knoxville since this area is included in the major student recruitment effort for the school.

This statement of Edwin J. Best, present chairman of the board, sums it all up:

"Each college president puts on the institution he serves the imprint of this personality, his prior experience, and his aspirations. Wayne Anderson is Maryville College's first non-minister president, and because of this, the college is not as it was before he came.

"He brought to Maryville an understanding of and appreciation for modern corporate organization and practice and has applied them here with great success.

"He has a feel of the political features of business, education, industry and religion and has utilized the best of them to promote the interests of the college in the larger community.

"With his grasp of the practical and the ideal, President Anderson guides Maryville College as a quality educational institution that follows good business principles.

"As a result, Maryville College has known a succession of balanced budgets and with sound fiscal policies has improved its resources while enhancing the quality of its faculty, student body and curriculum.

"New programs and opportunities have been added on the campus, and the college and extended and strengthened its community services.

"Thanks to Wayne Anderson, Maryville College is equipped and oriented to meet the needs of the final years of the 20th Century and to move into the century ahead without sacrificing the mission and traditions of earlier years."

Both Best and Davis agree that Maryville College is well prepared for the future. It will continue to grow, they state unequivocally, as a solid, positive force among liberal arts institutions of higher learning.

Few of these things would have been done, agree the long-time directors, had not Wayne Anderson been at the helm.

They feel that his administration has made a tremendous impact on the college's escape from the sharp downturn which had started and that the future of the institution never looked better.

VOICE OF DEMOCRACY CONTEST WINNER

HON. ROBERT F. (BOB) SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. ROBERT F. SMITH. Mr. Speaker, I rise today to bring to my colleagues attention an essay written by a young woman from my congressional district for the Veterans of Foreign Wars annual Voice of Democracy Contest. This past year over a quarter million students participated in this contest.

The winning essay from Oregon was submitted by Danielle Marie Lyon, a resident of Rogue River, OR, located in the southern portion of my district. Danielle, daughter of Gerald and Margaret Lyon, is a senior at the Christian Life School and plans to attend the University of Oregon in the fall. She hopes to pursue a career in journalism and I believe my colleagues will agree after reading her winning essay that she is well on her way to developing the necessary skills to be a good one.

It is my distinct pleasure to submit Danielle's essay for insertion in the CONGRESSIONAL RECORD:

NEW HORIZONS FOR AMERICA'S YOUTH

The lid of the old, blue dress-box lifted off easily. Inside were layers of crisp, yellowed tissue paper. Lifting them revealed an old nursing uniform, once worn by my grandmother. Slipping it over my head, I spun toward the full length mirror, letting the folds of the cotton skirt settle about my ankles.

The attic was warm and dry. Grandmother had invited me to play there on a childhood visit to her home. I had not been admonished to stay out of things, or not to open the boxes. "In fact", she told me, "Do be curious".

And so, I was on an adventure of exploration, piecing together visually the stories grandmother had told me about the war. How she and grandfather met while serving their country in a foreign land. I had a child-like realization about the sacrifices men and women made to preserve our country's freedom.

The next box I opened was a plastic case. My mother's discarded microscope from high school was inside. I looked through its clouded lens, and wondered what it would be like to discover a cure for a dread disease.

In a shiny, copper trunk I found my grandfather's military uniform. Rolling up the long sleeves, I slipped my tiny shoes into his large, shiny black one and standing straight and tall, saluted proudly to an imaginary general passing by.

On the top of an oak desk was a pad of paper, a pencil, and a pair of eyeglasses. With the glasses sliding off my nose, the paper and pencil in hand, I took important dictation from the President.

This weekend, my grandmother passed away. After the funeral, my family and I went to grandmother's house to sort her belongings. I asked to clean the attic.

The attic door was smaller than I remembered as I stooped to climb in. Once inside, I was flooded with childhood memories of play-acting. I saw the blue dress-box, the plastic case, and the copper trunk. I picked up the eyeglasses and smiled when I noticed they no longer slid off my nose. Then I saw something I missed years earlier, a white box on the floor next to the desk. Inside was my high school graduation gown. I shook the garment out and pulled it over my clothes. I carefully placed the mortar board on my head. Turning around, I caught a glimpse of myself in the full length mirror and I stared at my reflection. I would soon be wearing a gown very much like this. I wouldn't wear that gown for the rest of my life, but I could exchange it for anything I wanted it to be. Anything I could dream to be, for my possibilities are boundless.

America's youth have just that: unlimited possibilities, new, individual horizons. We have been blessed with a land that provides the opportunity for education, and have parents as well as authorities to assist us in reaching our goals. Our forefathers—like my grandparents—fought to keep our freedom secure. They wanted the very best for us, and they gave the ultimate sacrifice: themselves. They gave by fighting in wars, helping their fellowman, and taking a stand for what they knew to be right and true.

Many young Americans take for granted their freedom and opportunity. Some don't realize how fortunate we are to live in a land that not only allows—but encourages us to make our own decisions. We're given tools to help us, but it's up to us to learn how to use them to our best advantage.

Youth in America today are truly fortunate. We owe a debt to countless people who gave their lives, so that our horizons are broadened. We owe to future generations the same promises and opportunities given to us. Jonas Salk, an American bacteriologist, developed a vaccine for polio. Polio was the dread disease of my parent's generation. Perhaps my generation will find a cure for cancer.

It is up to each one of us to stretch ourselves, to reach for new horizons, not to take for granted what has been left to us as a legacy.

New sciences, space travel, technology, and communications add new horizons for America's youth. Exploration of new galaxies, and the human need for knowledge add to the excitement of what my generation has to look forward to. The future may seem very far away, but in reality—it is closer than we may realize.

My horizon is approaching rapidly. My chance to do something and be someone special for America is at hand.

TRAVELING KREMLIN SALESMEN

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. YATRON. Mr. Speaker, a former staff member of the House Foreign Affairs Committee, Lawrence Sulc, wrote an informative column in the Washington Times, regarding techniques of Soviet infiltration into foreign countries by use of "traveling salesmen" and athletes.

I commend this article to the attention of my colleagues.

[From the Washington Times, Feb. 4, 1986]

TRAVELING KREMLIN SALESMEN

(By Lawrence Sulc)

In the Soviet Union, sports and athletes are dedicated to enhancement of the party and state. That's not surprising, certainly,

but now, it seems, "traveling salesmen" have joined the athletes.

When Soviet sports teams are fielded abroad, the athletes composing them are members of professional sports organizations, the Dinamo Sporting Club and the Central Army Sports Club (ZSKA). The former belongs to the KGB, the Soviet foreign intelligence and internal security organization, and the latter to the GRU, Soviet armed forces intelligence.

Sport jaunts abroad provide cover and training for Soviet special forces (*spetsnaz*) teams and their KGB counterparts, whereby they gain area-familiarization and the opportunity to case their targets. In the event of war, these elite fighting units are dedicated to operations in enemy territory—behind the lines, in a manner of speaking—where they would engage in guerrilla strikes, sabotage, terrorism, and assassination. The *spetsnaz* are supposed to take out the military targets. The KGB goes after the political and economic ones. These objectives, of course, include human targets—VIPs and others of special interest.

Where do the "traveling salesmen" come in? Stockholm newspapers not long ago revealed the preoccupation of Swedish security officials with the series of suspicious visits to the homes of more than 100 Swedish pilots by, of all people, "traveling salesmen." These "agents of the East" or "illegals," as the Swedish officials referred to them, clearly wanted to locate and learn about key elements of Swedish defense (fighter pilots) to be able to "liquidate" them in the event of an invasion.

In the same vein, the Swedish navy is concerned about its submarine crews, who have also been checked out by suspicious strangers and probably "marked" for elimination.

Carmen Villar Mir, of ABC, the respected Spanish publication, called it "a systematic and massive infiltration of Sweden by Soviet agents." She quoted a Swedish paper to the effect that the security service had cautioned Swedish fighter pilots to make themselves "anonymous." Apparently the GRU spetsnaz and the KGB are targeting not only VIPs, which is to be expected, but mid-level key personnel as well—in the military, in the government. "and even in industry" the Swedes say.

The British, for their part, Drew Middleton writes in the Army Times, recently completed exercises against a mock spetsnaz attack. The British believe NATO nuclear forces personnel would be the ultimate Soviet objective. In an impending crisis, analysts speculate, spetsnaz soldiers would position themselves abroad for operational deployment by replacing embassy and trade personnel. "Tourists and cultural and trade delegations" would also provide cover, Mr. Middleton writes.

Agents in place would have to supply logistical support for the larger units that would follow once hostilities began. "The GRU," says Mr. Middleton, "would take advantage of the KGB's global network of agents. . . ." Perhaps so, but the GRU has its own agents abroad for this purpose, while the KGB has its own requirements for its own agents. No matter. Identifying the service—GRU or KGB—is distinctly secondary.

Identifying the problem and taking precautions is much more important. And as low-intensity warfare and Soviet active measures assume greater importance in the protracted conflict between East and West, Soviet spetsnaz forces are something Western planners must do something about.

The Swedes and our British partners in NATO, apparently, are taking the threat seriously.

SEXUALLY HARASSED—IN THE WRONG BUILDING

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. EDWARDS of California. Mr. Speaker, as is so often the case, sometimes those outside this Chamber can more clearly see the consequences of our acts and omissions than we can. The latest example of this comes from columnist Ellen Goodman, in an article which appeared in yesterday's Washington Post.

In her perceptive essay, Ms. Goodman explores the consequences of Congress' failure to reverse the Supreme Court's Grove City decision. Ms. Goodman notes, in what she correctly terms "just one tale in the current annal of civil rights follies," that Federal dollars continue to flow to numerous institutions which are discriminating in some of their programs.

We can plug up the loopholes created by the Supreme Court's 1984 Grove City decision by passage of H.R. 700, a simple civil rights restoration bill.

Ms. Goodman's article follows:

SEXUALLY HARASSED—IN THE WRONG BUILDING

(By Ellen Goodman)

BOSTON.—Let me begin with the story of the undergraduate who was sexually harassed in the wrong building. She didn't know this when she filed a complaint to the federal government. After all, Title 9 banned any form of sex discrimination in a college receiving tax dollars, and hers had plenty of those dollars.

The government, however, demurred. It wouldn't even investigate the incident because the scene of the alleged civil rights violation was a building that had been constructed without a single federal penny. If she claimed to have been harassed in the dorm, a dorm spruced up by the taxpayers, she would have had a case.

This is just one tale in the current annals of civil-rights follies. There are a host of others featuring the handicapped, minorities, older workers, you name it. They all came into being after the Supreme Court decision in the *Grove City College* case.

In 1984, the court ruled that laws banning discrimination applied to the specific program receiving federal aid, not to the entire institution. If a school had federal money in the engineering department and discriminated against you in the athletic department, tough luck.

This ruling, a judicial cluster bomb, was dropped onto 20 years of civil-rights legislation, blasting loopholes everywhere. Any school, government, hospital, airport that received tax dollars for some programs could still discriminate against assorted Americans in other programs.

The results alarmed civil-rights supporters, who formed a coalition to overturn the decision and get things back to where they were. Their Civil Rights Restoration Act was passed by the House in 1984 by a margin of 375 to 34. But the bill was derailed in the Senate. When it was re-introduced last year, it was suddenly stopped cold. It got stuck on abortion.

The Catholic Conference of Bishops, long a stalwart supporter of civil rights, withdrew its support for the bill. It didn't like one old regulation in Title 9 that made it possible to sue a college that excluded abortion from its health services. Catholic colleges were already exempt from this ruling, but the church wants everyone exempt. Instead of restoring the civilrights laws—the cohesive principle of the various groups in this coalition—the church wants to rewrite them.

Others in the coalition, pro- and anti-abortion, understand the church's position. But, as Judith Lichtman of the Women's Legal Defense Fund says, "This isn't the place to fight on the abortion issue." Like many others, she is convinced that "the Catholic church is being used by the far right and by this administration. They are running interference for people who want to ruin the bill."

At the moment, there are actually two bills in Congress. The original bill can't pass because of anti-abortion opposition. The amended bill, favored by the church, could possibly pass, but is isn't acceptable to the bill's original sponsors.

Two decades of civil-rights law now hang on what is called, on Capitol Hill, "language," the acceptable words of compromise. Among the leaders of this linguistic search brigade is Mary Rose Oakar (D-Ohio), who is Catholic, a strong women's rights supporter and an opponent of federal finding for abortion.

Both groups, the Catholic church and the women's groups are in favor of civil rights", says Oakar, who has played umpire here before. "We're down to one isolated issue holding up the works. The major thrust is too important to let the whole thing go down the drain. We are trying to get some language that is acceptable to both groups."

Oakar believes that she is "very close" to those magic words. But a congressional aide working on this issue says, "I have gone from cautious optimism to cautious pessimism." If there are magic words, no one I spoke to on either side of the issue would utter them.

The search stopwatch is ticking away. In a few weeks it will be too late even to process a bill through this term. Civil-rights opponents could win just by watching and grinning. Meanwhile, if you know an undergraduate who's about to be sexually harassed, tell her she better make sure it's in the right building.

MEMORIAL FOR 6 MILLION JEWISH MARTYRS

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. GREEN. Mr. Speaker, I would like to share with my colleagues the statement made by Benjamin Meed, Chairman, United Commemoration Committee of Metropolitan New York, president, Warsaw Ghetto Resistance Organization on Sunday, May 4, 1986. His statement was made at the 43d annual commemoration of the Warsaw Ghetto Uprising:

MEMORIAL FOR 6 MILLION JEWISH MARTYRS

(By Benjamin Meed)

We have gathered together again to remember, to recall the Six Million Kedoshim. We have come together to recite Kaddish Betzibur, to light the memorial candles, and to let the world know that we remember.

We are together again because we need each other to remember. When we are alone, our memories turn to nightmares of a world that is no longer. When we are together, our memories can better alert the world that the impossible is possible. Because we remember, the Holocaust is now taught in universities, in high schools and in religious schools across the United States. It is now part of the very identity of American Jews. Had we survivors walked away from our obligation to the past, who would have remembered the Holocaust?

Last year we met while our history was being threatened at Bitburg. Together we issued a cry and a plea. From Madison Square Garden to the White House, from the Liberty Bell to Arlington Cemetery, to the very gates of Bergen-Belsen, survivors, their children, and the Jewish people came together as one. The American people and the media understood our pain.

For forty years, survivors struggled to remember and not let others forget. For forty years, by his own admission, former U.N. Secretary General Kurt Waldheim tried to hide his ugly past and thereby deceived the world about his three years of military service as a Nazi Officer of a special unit in the Balkins known for its brutality. Now the sage of Bitburg, Chancellor Helmut Kohl of Germany, went to Austria to help his close personal friend, Waldheim. With these supporting words, Kohl said "I may say for the civilized world, Waldheim is a great "patriot."

Let us not forget this same civilized nation which Mr. Kohl represents today built gas chambers and ovens yesterday as millions of our people were marched to their deaths accompanied by the music of Beethoven and Bach.

This year, Claude Lanzmann released his film entitled "SHOAH", in which survivors, perpetrators and bystanders told the story of what happened. Ten years ago, it would have been too painful, ten years from today it will be impossible. To those who say they didn't know what was happening during the Nazi era, eyewitnesses and historians have established how much was known and how soon it was known—about the ghettos—about concentration camps—the mass murder of men, women and children—starvation and the gas chambers of The Final Solution.

Our leaders knew. Our neighbors knew. Rome, London, Moscow and Washington—knew, but they had different agendas and six million of our brothers and sisters, parents and children, husbands and wives perished.

This year, our battle against the lies of our enemies was fought in the Superior Court of the State of California. In Los Angeles, Judge Robert Wenke told a simple truth that defeated the revisionists. "The Holocaust," the judge ruled, "is not subject to dispute, its truth cannot be denied by reasonable people. It is beneath the dignity of the court to debate whether or not the Holocaust happened."

This year again, we are asked: "Why must you remember? Isn't it time to forgive and to forget? Aren't you obsessed with the Holocaust?"

Yes, we are obsessed in not letting the world forget. To a Jew, remembrance is natural. To a survivor and their children, it is an obligation. We must remember the good and the bad. Our friends, our enemies even the bystanders. Remembrance is the foundation of our national existence.

We remember because memory is all we have. The German Nazis and their collaborators took not only our lives, but all our possessions. Our homes were destroyed or taken over by others. Our synagogues are empty or ruined. Our yeshivas are now theaters or warehouses; our libraries are without books—and worse still, without readers. All that remains are some desecrated cemeteries.

All that we have are memories: of a world thriving with Yiddishkeit and menschlichkeit, of homes filled with family and dignity. And painful memories of betrayal by friends, abandonment by allies, the indifference of neighbors and the collaboration of many nations.

When survivors remember, it is neither for the sake of vengeance nor in anger. We remember in order to preserve history, to warn of what can happen if we forget our common humanity, to insist that Israel and the Jewish people not be abandoned or sacrificed—and not only Israel, but all of humanity.

Our memory protects those we do not know and shelters those who may never know us. We transmit the pain in order to heal, we recall suffering in order to bring an end to indifference, and we invoke evil to bind ourselves closer to goodness.

We gather on the 43rd anniversary of the Warsaw Ghetto Uprising to recall that in the ghettos and in the camps, in the forests and in the cities there was resistance. The resistance of a partisan in battle and of a mother teaching her child to read; of a Chasid davening and a Zionist singing songs of the promised land. There was the resistance of the historians writing chronicles; of the pious walking to their death chanting Ani-M'amin or Sh'ma Israel of the socialists dreaming of a better world just a few feet from the crematorias. We speak of Jewish dignity, preserved in the inner chamber of hell.

Each year at this time, we pause in pain and solidarity to remember those Jews who are not free and those who still languish in Soviet Union prisons—the Asiraytzion—The Prisoners of Zion—who want to join the People of Israel, but cannot. We say to them all today, we are with you and we will not let others forsake you.

No, we are not obsessed with the Holocaust. We are bound by our obligation to remember and to transmit it medor ledor, from generation to generation.

Zachor, Gedenk, let us remember.

DAYS OF REMEMBRANCE OF THE VICTIMS OF THE HOLOCAUST

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. ROE. Mr. Speaker, we gather in the House and across America to remember and to commemorate the 6 million Jewish victims of the Holocaust during this year's national observance of the Days of Remembrance of Victims of the Holocaust. These days are set aside so that we and all generations to come will never forget the tyranny and massive cruelty of the Nazis and their systematic and brutal annihilation of 6 million Jewish people, including 1½ million Jewish children.

Forty one years ago, when the concentration camps were liberated, and the world came to realize the horrible and terrible enormity of the Holocaust. When the Allied soldiers opened the gates to the camps and liberated those relatively few who had survived, remembrance became a duty for those who endured, for those who participated in the liberation of the camps, and for those who witnessed the horror from afar. I was among those who witnessed the Holocaust as a young allied soldier, and I can never forget what I saw there.

Mr. Speaker, the destruction of European Jewry was the work of a government that used the full power of the state to destroy life, and not to enhance or preserve human dignity. Nor was the Holocaust a random outbreak of uncontrolled terror. To the contrary, the destruction of 6 million Jews was the rigorous, systematic, officially sanctioned murder of millions of innocent people whose only crime was the identity of their ancestors. The extermination did not begin overnight. First, the Nazis kicked the Jews out of their careers and professions. Then, they passed laws stripping them of all rights of citizenship. Then, they moved on to the "Final Solution," and we all know what that meant: Auschwitz, Begen-Belsen, Dachau, Maidanek, Treblinka, countless other concentration camps, Babi-Yar, the Warsaw Ghetto, and the list goes on and on.

By commemorating this anniversary, we can see ahead more clearly. We must double and redouble our efforts to combat bigotry and injustice whenever and wherever it appears, so that never again will such atrocities and crimes against humanity occur. And on this occasion, we must renew our efforts to pursue and bring to justice those Nazi murderers and killers who actively participated in the Holocaust and for whatever reasons have never been brought to justice.

Today, we also remember the survivors, and their courage, their faith, and their indomitable spirit. The Nazis destroyed them physically, but they could not extinguish their devotion to their heritage, to their legacy, and to their religion. Even as we recall the courage of those who survived Hitler's hell on earth, we must pause and bring to mind the words of the Jews of Europe, who, as they marched to death they knew was inescapable, recited this ages old Jewish expression of faith: I firmly believe in the coming of the Messiah, and even though he may tarry, nevertheless, I still believe.

TRIBUTE TO JOSEPH TOMASI

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Ms. KAPTUR. Mr. Speaker, this week my district will be honoring one of Ohio's finest labor leaders, Mr. Joseph Tomasi, director of

region 2–B, United Auto Workers Union. My friend, for more than four decades, Joe Tomasi has exemplified the best in American trade unionism. He is a leader.

In northwest Ohio, Joe Tomasi has always been a voice of reason, compassion, and progress. His respect goes far beyond his trade union brothers and sisters. Whether it be from the business community, academia, the nonprofit sector, or the media. Joe Tomasi has always received high praise for his integrity, fairness and foresight.

The list of Joe's accomplishments following a lifetime of commitment to his family, his trade union, his church and his community, is long and impressive. Suffice it to say in the limited space available to me here, that Joe Tomasi has left his mark on virtually every civic endeavor which has improved life in the Greater Toledo area.

It has been written that:

The final test of a leader is that he leaves behind him in others the conviction and the will to carry on.

Joe Tomasi is just such a man. Thanks to him, future UAW leaders will have a solid foundation upon which to build an even stronger trade union.

For me, Joe has always been a trusted advisor and an invaluable friend. His wisdom and insight have helped me since I began my career as an elected official.

Joe is retiring this year as director of region 2–B. Somehow I have a feeling that this just means Joe will be getting involved in even more civic activities. All of us in the Greater Toledo area can only hope that this is the case.

I know my colleagues in the House of Representatives join me in congratulating Joe Tomasi on his retirement and wish him the very best. To his lovely wife Evelyn and the entire family, thank you for sharing Joe with us over the years. We are grateful for all that he has done. You have all been generous.

1986 DAYS OF REMEMBRANCE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. BIAGGI. Mr. Speaker, I would like to take this opportunity to join my colleagues in commemorating the 6 million Jews who were killed in the Holocaust at the hands of the Nazis.

The Holocaust is a grim reminder of a terrible period in recent history. We take this time out every year to commemorate the victims of the Holocaust so that through their memory we can ensure that never again will a people face a threat to their existence like the Holocaust.

In 1933 there was an estimated Jewish population of more than 8.8 million in Europe. By 1945 nearly 6 million Jews or 67 percent of that population had been wiped out. This didn't happen over night. It occurred in a slow, institutionalized process that separated the Jews from the larger population in Europe. They were systematically removed from positions of respect and dignity, forced into a second class status, used for slave labor, abused in medical experimentation, and finally senselessly murdered in concentration camps and buried without dignity in mass graves. This process was instituted under the Nurenberg laws in 1935. These laws declared Jews to be second class citizens, unable to maintain any type of wealth, forbidden to fraternize with non-Jews, and forced out of professional careers. This process culminated in the mass elimination of the Jewish population through the use of six extermination camps whereby the victims were marched into gas chambers and killed, often times being required to dig their own graves beforehand. In one 2-month period, during the summer of 1942, 300,000 Jews from the ghetto of Warsaw were gassed at the Treblinka death camp. Those who survived the camps were subject to lifelong psychological and physical trauma. The memory of those who were lost in the Holocaust shall live on as a reminder to all of those who cherish freedom, democracy, and human dignity.

As Jews around the world every spring teach their children of their historical freedom from slavery in their holiday of Passover, so do we teach our children about the Holocaust. For the next generation, the Holocaust will become just one more event in history, if we do not continue to remind and teach our children of the tragic proportions of its significance. For it is only through awareness that we can ensure that it will never occur again.

To those who say that such an event could never happen again, let us not be either complacent or naive. An examination of certain countries and policies should cause us concern. Consider the Soviet Union where Jews are unable to practice their religion. When they seek to emigrate to achieve religious freedom they are often denied and sometimes even imprisoned. Witness the fact that today 350,000 Jews are seeking to emigrate.

Consider the scourge of anti-Semitism which rears its ugly head in too many places in the world. In our own Nation we continue to be appalled at the high number of anti-Semitic incidents—which have been occurring at a rate of almost two a day for the past several years. These include heinous acts of violence and vandalism and harassment.

We cannot rest until we have apprehended those individuals responsible for the Holocaust—those who participated in the slaughters. Those who have escaped prosecution these years. The pursuit of these criminals must be vigorous and relentless. Our Office of Special Investigations has made important contributions in this effort and must continue. The world continues to be shocked and angered over revelations of involvement in Nazi activities by former United Nations Secretary General Kurt Waldheim. The extent of his involvement continues to be the subject of intense investigations which we hope can be concluded before the voters of Austria return to the polls in the runoff election for President. A person involved in these types of atrocities deserve repudiation not rewards by voters and the public.

The message we must carry forward from today is that the Holocaust and all its horrors are not in issue. There is great pain associated with reviving the issue, it is vital that it be continued for one basic reason. And those are found in the words so important to this movement "never again."

A TRIBUTE TO WALTER E. FAUNTROY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. RANGEL. Mr. Speaker, I rise today to honor our colleague and my friend Representative WALTER E. FAUNTROY, from the District of Columbia.

WALTER FAUNTROY is celebrating his 25th year of public service this year. He began his career as a young 18-year-old marching with Dr. Martin Luther King, and closely tied himself to the civil rights revolution when it was still in its infancy. His absolute dedication to defending the legal rights of others has never diminished, and in fact has been tempered by an uncompromising compassion for all people.

I can honestly say, Mr. Speaker, that WALTER FAUNTROY has made a difference to people. With a seemingly inexhaustable reserve of energy, WALTER has organized, networked, protested, negotiated, and debated on behalf of the common man. People know him, and they trust him. It has been my great pleasure to work with him on numerous occasions.

I would urge my colleagues to read the following article which I have submitted for inclusion in the CONGRESSIONAL RECORD.

[From the Washington Post, Mar. 2, 1986]

FAUNTROY NEVER SLOWS DOWN

(By Courtland Milloy)

Occasionally, people ask me about Walter E. Fauntroy. What does he do? And how does he do it? After all, everybody knows, the District's delegate to Congress doesn't even have a vote on the House floor.

The answers to these questions, as best as I can determine, are that Fauntroy runs for Congress, and wins; and that to do this, he sings "The Impossible Dream," preaches the gospel, goes to jail, helps people who can't pay their utililty bills, practices karate, plays softball and at 5-foot-6 makes 6-foot-8 Federal Reserve Board Chairman Paul A. Volcker sit down and listen up.

Some people say Fauntroy wins because nobody else wants the job. I say it's because Fauntroy runs a 100-yard dash in 10.2 seconds. Imagine having a 53-year-old man challenge you to a foot race two days before a primary and then beats the hell out of you.

Fauntroy. The name is synonymous with District politics and, after 25 years of public service, which he celebrated with a prayer breakfast and reception yesterday, the man looks like he could go 25 more.

How, indeed, does he do it?

"Fauntroy is a marathon runner," says Johnny Barnes, Fauntroy's legislative assistant. "The staff has to form a relay team, passing the baton, just to keep up with him."

"He's just a likable guy, always chipper," said Ted Prahinski, a former member of the D.C. Home Rule Committee. "He's like his father in that he knows how the system works."

Fauntroy's father was a railroad employe who later became a clerk at the U.S. Patent Examiner's Office.

"He'd always help out a newcomer, show him where things were located, how things worked," said Prahinski, who is now a lawyer for the patent office. "Fauntroy is like that, too."

That sounds about right, especially if you look at what became of Delano Lewis, Fauntroy's first legislative assistant. Lewis is now a vice president at C&P Telephone Co. and a bigwig in local politics. Look at Robert Johnson, a former Fauntroy press secretary: He is now president of Black Entertainment Television.

You can call Fauntroy a lot of things, but stingy isn't one of them.

Maybe it's his background. His mother was a housewife, always providing love and attention to little Walter and his four brothers and two sisters. She is credited with turning him into a bookworm, and making him spend almost as much time in the local library as he did in church.

The church is where his life really unfolded. He became a member of the New Bethel Baptist Church in 1944, and by 1959 he was leading the congregation as its pastor. In between, he attended Virginia Union and received a degree in divinity from Yale, thanks to the generous donations from the church.

More important, he met the Rev. Martin Luther King Jr., who was touring Southern and East Coast colleges in search of the men who would become his disciples.

(If you think Fauntroy looks young for his age now, you should see those early photographs of him at 18, marching with King, who was 23.)

As a local organizer for the 1963 "March on Washington," Fauntroy became well known around town. In the aftermath of the assassination of King, Fauntroy confronted Stokely Carmichael, urging him to cool the "burn, baby, burn" rhetoric.

Fauntroy lost that fight, but established himself as a voice of moderation. In 1967, he was rewarded with an appointment as vice president of the first D.C. City Council. In 1971, he became the first congressional representative from the District in more than 100 years. He has held the post ever since.

Today, Fauntroy still uses those 1960s-style tactics in protests against the South African regime, staging sit-ins at embassies and oil company offices, still going to jail in the name of freedom. But as chairman of the House Banking Committee's subcommittee on domestic monetary policy and ranking member of the House District Committee, he also has moved smoothly into the 1980s, pushing behind the scenes for self-determination for the District.

One day he may get to vote. Until then, he'll just continue to seek reelection, as he announced he would yesterday, and probably win, as he always has.

GRADE-A SCHOLAR

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. BRYANT. Mr. Speaker, 7 years ago, Yen Hoang Voung was a Vietnamese refuge. This June she is graduating with honors and is class salutatorian. Today's Dallas Morning News contains a heart-warming story about this young woman who, through hard work and determination, has made remarkable accomplishments in her adopted country. She realizes that the opportunities she has in Texas are not available to her in her former—now Communist controlled—country.

We sometimes take for granted, or do not recognize, the opportunities a democracy creates. This young woman is a prime example of a person who has taken advantage of these opportunities and is making the system work for her. The following article will serve as an inspiration to those who read it.

GRADE-A SCHOLAR

AMBITIOUS TEEN FROM VIETNAM WILL GRADUATE 2ND IN HER CLASS

(By Bill Lodge)

MESQUITE.—Seven years ago, at age 11, Yen Hoang Vuong survived a raid by pirates off the coast of Thailand after being smuggled out of Vietnam by her father.

Settling in a strange and faraway country, she learned English partly by watching the children's television program *Sesame Street.*

Last year, along with her father and younger brother, Yen achieved U.S. citizenship.

But her most remarkable accomplishment, her friends say, will come next month when the 18-year old West Mesquite High School senior is honored as the school's salutatorian.

She finished her four years of high school—two at Sam Houston in Arlington—with a perfect 4.0 grade-point average and membership in the National Honor Society.

"It's just really amazing what all she has accomplished in such a short time," said Bruce Shelton, a close friend of Yen's and runner-up for salutatorian.

"I really think this is the highest thing she's gotten so far. She's just something."

Yen finished second to Joseph Starr Fagner in the competition for valedictory honors. Starr also had a 4.0 average, but his freshman curriculum included an honors English course. Yen could not take the course because she skipped the eighth grade, school officials said.

Yen said she always had an overwhelming desire for achievement, and it was nurtured by her grandfather, Thuong Vuong, who immigrated to Texas from Saigon in April 1975, just days before that city was overrun by the North Vietnamese army.

Vuong required his granddaughter to watch educational programs on television every day, Yen said.

"My grandfather made me watch Channel 13 every day—Sesame Street and all that kind of stuff," Yen said. "That helped to learn English a lot."

Yen's father, Tro Vuong, and 17-year-old brother, Lawrence Vuong, live in Corsicana because her father likes his job there as a mechanic, she said. When her father and brother decided to move to Corsicana two years ago, Yen chose to remain in Mesquite because she had grown close to her grandfather and liked the schools.

After her high school career ends next month, Yen said, she wants to enter Baylor University in Waco to take pre-medical courses. Eventually, she hopes to become a plastic surgeon.

She has applied for a scholarship but said she will achieve her career goals with or without it. Her friends and teachers at West Mesquite High said they have no doubt that she will succeed.

"I think that she will do whatever she is determined to do," said Debbie Gilbert, Yen's school counselor. "If she decides she wants to stay in the medical profession, she'll get there."

"She's just one of the most outstanding students I've ever taught," said Peggy Arundale, who taught Yen calculus and analytical geometry the past two years.

"Her command of the language just floors me. I've taught students with more ability, but not with that determination, that drive, that ambition."

Zarina Delawala, a native of India and a junior at West Mesquite High, met Yen last year, and the two became fast friends.

Miss Delawala said she admires Yen "because she's so talented and versatile" and has a flair for designing and sewing clothes.

"She's the kind of person who will listen to you," Miss Delawala said.

Yen said she is happy with her life in the United States but often thinks of her mother, Chat Nguyen, and 20-year-old sister, Hang Vuong, who have been prohibited by the Vietnamese government from leaving the country.

She last saw her mother and sister the night she left Saigon with her father and brother in May 1979.

"My mom woke me up about 2 or 3 o'clock in the morning, and she didn't even tell me why," Yen said. "We had to take off our shoes so we wouldn't make any noise."

That night, she and her brother and father boarded a bus that took them to a small port on the Vietnamese coast. They spent two weeks at sea with nearly 500 other people packed onto a fishing vessel.

She was 11 at the time and did not understand a word of English. But now Yen considers herself an American and is looking only to the future.

"I can do anything I want (in the United States)," Yen said. "No one can stop me."

SATELLITE TELEVISION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, April 7, 1986 into the CONGRESSIONAL RECORD:

SATELLITE TELEVISION

A new issue for Congress, and a new feature of the rural landscape in southern Indiana is the dish-shaped antenna used to receive satellite TV. This ten-year-old invention, a common sight along country roadways, sits in thousands of Indiana backyards and points to a spot in space known as the Clarke Belt.

That location is named for Arthur C. Clarke, author of the science fiction novel *2001: A Space Odyssey* and the father of satellite television. In 1945, Clark theorized that a satellite placed at a distance of 22,300 miles above the Equator would be "geostationary," appearing to stand still in space. Television signals beamed at such a satellite could be made to bounce back to receiving stations around the globe, permitting instantaneous television communication.

American engineers didn't take long to act on Clarke's theory, and in 1964 U.S. television audiences saw the Tokyo Olympics on the first "live by satellite" broadcast. A decade later, developers of the fledgling cable television industry began to see how

satellites could transform their business. In its infancy, pay TV used trucks or AT&T lines to deliver movies to area distributors who fed them into the cable. One company began in 1975 to send movies to distributors via the new Westar I satellite and in the process created a nationwide cable network called HBO, Home Box Office.

It also created a hobby that has turned into an industry. In 1976, the first home earth station was sunk in the backyard of H. Taylor Howard, a Stanford professor of electrical engineering who built it for himself to watch HBO. More and more hobbyists began to build earth stations and then to sell them to others. It is currently estimated that 2 million home dish antennas are used to watch HBO and the over 100 other pay and network broadcasts now delivered by satellite across the United States. This brushfire of growth happened amidst controversy, and Congress has been hearing about home satellite issues almost as long as there have been home satellite viewers.

At the start, no one knew for certain whether receiving satellite signals at home was legal. A handful of earth station owners had "experimental" licenses from the FCC, but almost all dish owners who tapped into private-TV broadcasts without paying were in apparent violation of the Communications Act of 1934. These violators included thousands and late millions of suburban and rural homeowners who bought a dish to get better reception or more channels. As the price for a dish dropped to within reach of middle class families, Congress could see that what the law viewed as electronic piracy was becoming a useful and convenient form of entertainment for people living outside metropolitan TV-viewing areas.

In the late 1984, Congress passed the Cable Communications Policy Act which made it legal to own and operate noncommercial home earth stations. It also allowed private or pay-TV networks to cut off home dish viewers by scrambling their signals. Initially, many of the pay-TV networks saw home earth stations as a nuisance; they took business away from cable distributors and didn't pay for the signals they received. Now these same networks recognize the profitable market to be found among earth station owners. HBO and others went ahead with plans to scramble their signals but determined to develop a system that would allow descramblers to be sold to individual earth-stations owners. The Massachusetts-based company M/A-Com developed a system that allows HBO to start or stop service to a single dish owner with a minor adjustment in the signal sent to all viewers. HBO is using the system, and Showtime, The Movie Channel, and other subscriber systems plan to completely switch over to the M/A-Com system by the end of this year.

Technology changes the satellite television industry with blinding swiftness. Scrambling created two entire markets that didn't exist last year. To receive scrambled signals, an earth station owner will have to purchase a descrambler and then pay a monthly fee. The first market, descramblers, is dominated by M/A-Com, the sole producer of the unit. Subscription fees, the second of the two markets, can be paid directly to the network, to a cable distributor, or in some areas to dealers who specialize in selling subscription service to dish owners.

Dish owners reacted sharply to scrambling. Many felt it was premature: descramblers weren't available at competitive prices, and in many areas the cable distributor had no competition in the subscriber service market. Bills were introduced in Congress to ban scrambling until competition could be assured. Other bills proposed judicial or regulatory means to assure competition. The House held hearings in March on these proposals.

I have spoken to many satellite owners at public meetings in southern Indiana. My understanding is that their principal interest is in getting a fair competitive price for the services they receive. This means giving M/A-Com competition in the descrambler market. It also means bringing competition in the market for subscriber services. Dish owners should be able to choose between a number of subscriber service agents to buy the channels they want at rates comparable to those charged to cable subscribers.

Congress should support competition in the two markets. A simple ban on scrambling would only delay the problem and could cut down on the number of channels available on satellite. I support reinforceing competition with regulation and judicial remedies where they apply. Subscriber service is already beginning to show competitiveness, and M/A-Com, which is under obligation to share its descrambling technology with other producers, may soon have challengers in the market. Despite the current controversy, I expect satellite dishes will continue to spring up in the countryside bringing affordable television viewing in abundant variety.

HIS EXCELLENCY THE MOST REVEREND ANTHONY SABLAN APURON, ARCHBISHOP OF AGANA

HON. BEN GARRIDO BLAZ

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. BLAZ. Mr. Speaker, on May 11, 1986, the people of Guam, the Northern Mariana Islands and Micronesia as well as Catholics throughout the Western Pacific will celebrate the joyous occasion of the installation of the Most Reverend Anthony Sablan Apuron, OFM–Cap. as Archbishop of Agana. The elevation of Bishop Apuron to archbishop marks the second time that His Holiness, Pope John Paul II, has selected a native son of Guam as archbishop.

The rise of His Excellency from a humble beginning as a Capuchin friar in 1972, to auxiliary bishop in 1983 and to archbishop in less than 3 years at age 40 is unprecedented in the history of the Catholic Church in the Pacific Basin. It is indeed a record of great achievement, success, and recognition.

This auspicious occasion is but the latest recognition by the church of our proud American Territory of Guam. In a relatively short period of time—the last 5 years—the following events have brought recognition and honor to our community:

His Holiness, Pope John Paul II, visited Guam on February 22-23, 1981;

Pope John Paul II. appointed Father Anthony S. Apuron auxiliary bishop to Bishop Felixberto C. Flores, D.D., Bishop of Agana on December 8, 1983;

On January 13, 1985, the Most Reverend Tomas A. Camacho of Saipan was consecrated Bishop of Chalan Kanoa;

On September 9, 1985, the Catherdal of Dulce Nombre De Maria in Agana was designated Cathedral-Basilica; and

On October 6, 1985, Blessed Diego Luis San Vitores was beatified in St. Peter's Basilica in Rome.

Bishop Apuron is replacing the man who ordained him as a priest—the late and beloved Archbishop Felixberto C. Flores. When Archbishop Flores' health failed and he selected Father Apuron to be his trusted assistant; and ultimately, Father Apuron became auxiliary bishop and successor.

The rise of Bishop Apuron in the hierarchy of the church and his elevation to archbishop come as no surprise to our people. He is admired and respected for his eloquence, for his dynamic and charismatic personality, and for his deep pastoral love for his people. He is a true leader of the people of Guam.

When Bishop Apuron assumes his new post this Sunday, he will also assume many challenges as well as opportunities in this developing region of the Western Pacific. Like the region he represents, he is young, determined and healthy and the future beckons for his strong spiritual and pastoral leadership.

The motto: "Servus Tuus" ("your servant") on Bishop Apuron's Coat of Arms perhaps best describes the quality and dignity of this future archbishop. It stands not only for his 11 years of pastoral and community services as a priest in Guam and the Northern Marianas, but also for his pledge of future service to the people of the archdiocese in the teachings of the Savior Jesus Christ.

The 40-year-old bishop was born in Agana, Guam, on November 1, 1945, the son of Manuel Tajito Apuron and Ana Santos Sablan (deceased). His paternal ancestors are from Ilocos Sur, a northern Luzon province in the Philippines; his maternal ancestors are from Guam.

Bishop Apuron comes with a rich educational background. He completed his high school education at Father Duenas Memorial School and thereafter attended the Capuchin Franciscan Novitiates and St. Lawrence Friary in Milton, MA. His academic degrees include a bachelor of arts degree in scholastic philosophy from St. Anthony Capuchin College, Hudson, NH; a masters in theology from Maryknoll School of Theology in Ossining, NY; and a masters of arts in Liturgical Studies from the University of Notre Dame, South Bend, IN.

Bishop Apuron's many and varied responsibilities included: associate pastor of Mount Carmel Church, Saipan: June 1975–76; elected first councilor to Capuchin Franciscan Friars: May 1976–79; a pastor of Mount Carmel Church, Agat: June 1976–78; appointed rector of Dulce Nombre de Maria Cathedral: June 1978 to present: appointed auxiliary bishop to Bishop Felixberto C. Flores, DD., Bishop of Agana, by His Holiness Pope John Paul II, December 8, 1983; chairman of Diocesan Liturgical Commission for the Diocese of Agana, 1974 to present; chaplain to Guam Legislature: July 1978 to present; first councillor to Capuchin Franciscan Friars: January 1982–83; elected member of Diocesan Board of Consultors: January 1982 to present; and

as master of ceremonies for the diocese during the Papal visit to Guam in February 1981. During the Eucharistic Liturgy Father Apuron assisted His Holiness, Pope John Paul II, in practical and helpful ways.

I join the people of Guam, the Northern Mariana Islands and the Micronesian region in fervent prayers for his success as Archbishop of Agana.

FIGHTING APARTHEID

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. RANGEL. Mr. Speaker, I rise to commend John E. Jacob, president of the National Urban League, for his insightful commentary on the situation in South Africa. His article, which appeared in a recent edition of the Carib News, goes to the heart of the problem in South Africa.

As Mr. Jacob points out, the ultimate issue is not whether blacks will be permitted to live in integrated neighborhoods or enjoy integrated facilities. Rather, blacks are now demanding full political empowerment under a system of universal franchise. The young black men and women of South Africa are completely committed to this goal, and it is unlikely that the Pretoria regime's half-hearted reforms will appease their legitimate rage.

One point stressed by Mr. Jacob is that American corporations must understand that black South Africans are beginning to view them as impediments to the antiapartheid movement. Multinationals which profess to have the best interests of blacks at heart by adoption of the Sullivan Principles are fooling themselves. Black people view this argument with suspicion, and ask themselves whether the people who use this rationale are really apologists for apartheid.

I would commend the Jacob article to my colleagues, and urge them to read it carefully.

FIGHTING APARTHEID

South Africa is aflame with a spontaneous, grass-roots revolt against a white supremacist system that relegates 85 percent of the population to brutalizing oppression.

The struggle is no longer about segregated facilities or even the visible aspect of apartheid. Today, the struggle is about power.

That realization is prompting many U.S.-based multinational corporations to reconsider their presence in South Africa.

Multinational companies say they have to do business in countries even when they disapprove of the host country's policies. But apartheid isn't just another bad policy—it is a vicious moral outrage.

The only way for U.S.-based companies to continue to operate in South Africa is for apartheid to end. And one way to help end it is for the U.S. government to join the worldwide movement to make South Africa end its racism.

Corporate America can best help this process by lobbying the White House and the State Department to take a pro-active, anti-apartheid South Africa policy stance.

Such a move would not absolve companies with South African operations from their responsibility to fight apartheid in that country, but it would put the basic responsibility for foreign policy where it belongs—on the Administration.

I'm surprised corporate leaders haven't caught on to the bind their governments put them in.

U.S.-based multinationals have been under pressure to withdraw from South Africa and have begun to take a more activist stance, as can be seen by the formation of the U.S. Corporate Council on South Africa, organized to work with South African businesses to end apartheid.

That's fine, as far as it goes, but I'm inclined to think it is not enough. While the message is right, the mailing address may be the wrong one. Along with pressuring Pretoria, those companies would be better advised to put the heat on Washington.

They ought to be complaining to the State Department and the White House that the failure of their government to identify itself with the aspirations of the Black majority in South Africa leaves U.S. business interests high and dry.

It is in America's interest to be on the side of South Africa's future, not its past. Without a drastic shift in U.S. policy, a future Black government of South Africa may adopt anti-U.S. policies that could destroy U.S. corporate interests there.

The Administration is forcing U.S. companies to choose between voluntarily withdrawing from that country now or being expelled from it later.

South Africa is moving dangerously close to a civil war that could sweep away both white and Black moderates and throw the country into prolonged turmoil and ultimate enmity toward the U.S.

The policy of constructive engagement that implicitly endorsed South Africa's racist policies has backfired badly. All it did was to give South Africa's masters the feeling they could get away with their terrible violations of human rights without any pressures from abroad.

There should be maximum U.S. pressure on South Africa, including sanctions, establishing friendly ties with the anti-apartheid forces there, and identifying with the interests of the Black South African majority.

Corporate leadership has to get that message across to policymakers in Washington—the sooner the better.

CITY OF HOPE HONORS JOHN HENRY WEIDNER MAY 18

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. MARTINEZ. Mr. Speaker, I rise to share with my colleagues the story of John Henry Weidner. John is an outstanding businessman and a leader in the business community who now lives in Monterey Park, CA. However, the Partners for Hope chapter of the city of Hope will honor this member of my district on May 18 for another reason. On that day they will honor his role as a leader of the Dutch-Paris underground resistance to the Nazis during World War II.

In the words of Pierre Sauvage, who is chairman for the event—

John will receive the "Spirit of Life," the most prestigious honor given on behalf of the City of Hope Medical Center and Beckman Research Institute. It is a well-earned honor and most appropriately named as John Weidner represents the very essence of the spirit of life.

Two of the people who were given sanctuary from the Nazis were Sauvage's parents.

Of Dutch descent, John Henry Weidner was born October 22, 1912, in Brussels. His father was a minister of the Seventh-day Adventist Church and held pastorates in Holland, Belgium, Switzerland, and France; and John followed his family. He had two sisters and one brother. John studied at the Seminaire Adventiste at Collonge near Geneva, and graduated in theology, classics and business. He took further studies in law and business at the University of Geneva and later in Paris. After his studies, he entered the business field and operated an import-export business in Paris.

When the Nazis invaded Holland, John was in Paris. When the Germans reached Paris he tried to reach England to join the Allied armies but was unsuccessful. He stayed in Lyons which was in the nonoccupied zone of France under the regime of the government of Vichy. As many refugees, especially Jewish people, arrived from Holland in the free zone of France, John started to help them; and little by little he developed an escape line from Holland through Belgium and France to the free countries of Switzerland and Spain. More than 1,000 people, among them Jewish people, Allied airmen, Catholic priests, and political refugees, were helped through this line to safety.

John Weidner was arrested several times during his activities and was successful in escaping each time, but a high price was put on his head and he was one of the most wanted men of the Gestapo. He worked in close cooperation with Dr. W.A. Visser 't Hooft, general secretary of the World Council of Churches, in order to help the refugees and bring messages from Geneva to World Council member-churches of the occupied countries. This courier line also helped bring news from the Allied command to the underground of the occupied countries and vice versa. More than 300 people were used in this organization, called Dutch-Paris. Many of the organization were arrested, and 40 died in concentration camps, among them John's sister.

At the end of the war the Allied governments decorated John: The American Government honored him with the Medal of Freedom, the highest civilian award of the United States; the English Government gave him the Order of the British Empire, called O.B.E.; the Dutch Government gave him the Order of Orange-Nassau; the French Government, the Legion of Honor, the Croix de Guerre, and the French Medaille de la Resistance. In September 1982, Prince Bernard of the Netherlands, decorated John with the Netherlands Medal of Resistance.

The Government of Israel honored Weidner through the entering of his name among those of the heroes in the Golden Book of Jerusalem, and planting a tree in the alley of the Righteous Gentile in Jersusalem, and awarded him the Medal of the Righteous Gentile. The Rotary Club awarded him the Paul Harris Medal.

After the war, John was asked by the Dutch Government to enter diplomatic service and help the Minister of Justice in the prosecution

of war criminals. He stayed in diplomatic service with the Dutch Embassy in Paris and traveled throughout Europe in this capacity. During this same time John took the responsibility of setting the social and economic problems of the widows and orphans of the members of his group, who had suffered from the consequences of the activities of the Resau Dutch-Paris.

In 1950 John asked the government to relieve him from his duties as he felt that his task was fulfilled. In 1955 he came to the United States where he met and married a registered nurse from the White Memorial Hospital in Los Angeles.

Today John and Naomi Weidner are living in Monterey Park, CA. He is president of a corporation that manufactures vitamins, and he owns a chain of health food stores. John Weidner is or has served as board member of the Rotary Club, board member and president of the Chamber of Commerce of Monterey Park, elder in the Seventh-Day Adventist Church, executive board member of the TV-Radio Divison of the general conference of Seventh-day Adventists, of the Netherlands American Society, et cetera.

A book called "Flee the Captor" was written by Herbert Ford, telling the story of John Weidner, first in hardback and now in paperwork. The book has been translated in Dutch and French.

"John Weidner is known as a very modest man, but he is a true hero living in our very midst," said Partners in Hope chapter presidents Stanley and Deannie Denn of Arcadia. Dinner committee members include Fred Hsieh, Ben Keiner, and Sol and Reva Kaspin, all of Monterey Park. Dinner proceeds will be used for capital projects at the medical center.

COMMEMORATING 25 STERLING YEARS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. FLORIO. Mr. Speaker, I would like to bring to the attention of my colleagues a very important event which will be taking place in my congressional district.

Sterling High School of Somerdale, which includes students from the neighboring towns of Magnolia, Stratford, and Laurel Springs, in Camden County, will be celebrating its silver anniversary on Friday, May 9, 1986. This 25th anniversary celebration will take place as part of Sterling's annual Greater Arts Festival.

In an age when we are increasingly concerned about the ability of our children to meet the needs of our advancing technological society, it is heartening to note that Sterling High School continues to provide an outstanding, well-rounded education. The following is a historical summary of Sterling High School, appropriately titled "Twenty-Five Sterling Years," which I respectfully request be inserted into the RECORD:

TWENTY-FIVE STERLING YEARS: 1961-1986

In the early 1950's, South Jersey was little more than farmland with rural homes and woodlands. Toward the end of the 1950's, this farmland, among the richest land in this part of the Garden State, was rapidly being replaced by new homes.

The influx of new residents placed heavy demands on the boroughs of Magnolia, Somerdale and Stratford and their schools systems.

A new high school was needed to serve the educational needs of the three communities. The Board of Education of the newly-formed Central Camden County Regional High School District with its first president, Mrs. Mary A. Haines, supervised the selection of a site and appointed Architect F. Herbert Radey to design the new school.

By January 1960, the S. Levy General Contracting Company had laid the foundations in a spacious piece of acreage in Hi-Nella and Somerdale. Work progressed rapidly. By the year's end, the building had been completed.

On January 14, 1961 at 7:30 p.m., Monsignor Charles P. McGarry of St. Greory's Roman Catholic Church in Magnolia, began the invocation ceremonies. That night, Sterling Regional High School, re-named for the area's telephone exchange, as suggested by Mrs. Bertha Smith, was dedicated.

Superintendent Dr. John R. Worrell and Principal Henry B. Cooper led the development of the new school. With twenty-six teachers—including present faculty members Joan Daniels, Ralph Townsend, Robert Wirtz, and Joanne Wrigley—they welcomed, in September 1961, Sterling's first students including the Juniors who became Sterling's first graduating class in 1962.

With the talented professionals, eager students, abundant resources, and a modern ranch-style construction. Sterling was off to a running start.

In the past 25 years, Sterling has undergone many changes including additional property, a building addition, a varied curriculum, extensive interscholastic and intrascholastic athletic programs, and a variety of clubs and other activities.

Its many graduates can attest to the fact that Sterling has become a quality high school in its short existence.

The Class of 1986, the Silver Anniversary Class, is further evidence that Sterling's 25-year quest has been a most productive one.

Sterling has established a prominent tradition in its first 25 years—a tradition that will be enhanced with each succeeding year by its student body, staff, Board of Education and community.

ACID RAIN

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. SIKORSKI. Mr. Speaker, the Health and Environment Subcommittee is in the midst of hearings on the most strongly supported acid rain bill in the history of Congress. Nearly 160 Representatives make up its strong, bipartisan, geographically broad base of support.

Yet, the administration still cries out for more studies, more proof, that acid rain is the most serious environmental menace of our day. How many destroyed forests, premature deaths and acidified lakes will it take to convince them?

The Minneapolis Star and Tribune calls the administration's argument "laughable," and I am inserting into the RECORD an editorial from today's paper that clearly articulates why action is needed now.

A LAUGHABLE ACID-RAIN ARGUMENT

In the early 1980s, the argument that more study was needed before acid rain could be controlled was at least plausible. Now it is laughable. A flood of scientific evidence shows that imposing emissions limits on coal-fired power plants will curb acid rain. But science hasn't swayed the Reagan administration, which still holds fast to the tired "more study" argument. Lawmakers should sidestep the administration, compromise on their disagreements and pass legislation to address this serious environmental threat.

In the House, the road to such a compromise was paved last month when Minnesota Rep. Gerry Sikorski introduced a bill that would cut sulfur-dioxide emissions by 10 million tons annually within a decade. That measure quickly won support from 150 House members of both parties, many of whom liked Sikorski's novel financing approach: forcing most cleanup costs on polluting utilities, but imposing a modest tax on all electricity users to help buffer the inevitable "rate shock."

Whether Sikorski's plan is the best way to assign the costs of acid-rain control deserves vigorous debate. But the administration seems not to want to enter the discussion. When Environmental Protection Agency Administrator Lee Thomas appeared before the House Energy and Commerce health subcommittee last week, he neglected the details of Sikorski's plan in favor of an age-old plea: Lawmakers should wait for a "sounder scientific foundation" before acting against acid rain.

Congress has already waited too long. As several incredulous House members observed at last week's hearing, the research the administration believes is necessary was long ago completed by its own panel of scientists. A recent report by the National Academy of Sciences should dispel any remaining doubt about the proper answer to the acid-rain threat. The academy's meticulous analysis of acid rain and its effects affirms the link between sulfur emissions and environmental damage. It confirms what the Reagan administration refuses to acknowledge: that emission controls would diminish the harm. Lawmakers should heed the academy's findings and ignore the administration's temporizing.

VA TESTIMONY

HON. KEN KRAMER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. KRAMER. Mr. Speaker, I offer this statement, which I gave during testimony before the Veterans Housing Subcommittee, on an issue that is vital to veterans in Colorado:

VETERANS HOME LOAN HEARING

Mr. Speaker, Mr. Chairman and members of the committee: Thank you for permitting me to make this brief statement.

Owning a home is part of the American dream. Thanks to lower interest rates, thousands of Americans who faced the dim prospect of never owning their own home now have that chance. Thousands of other Americans are taking advantage of the lower rates to

refinance their mortgage. All in all, the picture seems positive.

Nonetheless, some people are having problems, particularly with the Veterans Administration home loan offices. Because of the attractive rates, more and more veterans are deciding to refinance existing loans or are buying a new home. With that increase has come backlogs at regional VA offices, including the Denver office. Some veterans are waiting up to four months for an appraisal, with the total number of cases passing the 4,000 mark now and growing daily. It is a situation that concerns me greatly, which is why I am here today.

The problems in the Denver office are particularly acute, since the number of veterans who are seeking to refinance in Colorado is significantly higher than the national average.

I hope we can look at several suggestions that have been made to deal with the problem. If the Veterans Administration is able to delegate to qualified lenders the appraisal process, we might be able to reduce the backlog of loan applications that are awaiting an appraisal. That change also makes sense in that it is similar to the way FHA handlers appraisals.

We also might explore the possibility of the VA hiring qualified retirees or other workers to help ease the load in this peak period. Although this is but a temporary solution, it could serve to help remove some of the backlog and to reduce the pressure on the VA staff. I know that the people in the Denver office have said they would welcome any assistance that would augment their staff and help process loans.

On a more permanent level, we might consider a proposal in which Ginny Mae drops its requirement for an appraisal prior to refinancing. That alone could greatly reduce the time required to process a loan and could be potentially beneficial to veterans and to realtors alike. One can argue for or against such a policy, but it is worth considering.

We have taken one step in that we raised the VA loan guaranty limit to more than $17 billion. I am happy to say that I voted for the increase. At the same time, we must ensure that veterans receive the best service we can provide and that they enjoy the benefits of home ownership. Thank you.

LANG SECREST AND LOUISE HINES NAMED CITIZENS OF THE YEAR

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. KOLBE. Mr. Speaker, I rise today to honor two residents of my district—Lang Secrest and Louise Hines. These two women have been named Citizens of the Year for 1985 by the Greater Sierra Vista Chamber of Commerce. Both of these extraordinary women have donated countless hours of service to their community and richly deserve the honor that has been bestowed upon them.

Over the past 16 years Lang Secrest has proven time and again that she can be depended upon to get the job done. She was appointed to the Sierra Vista Public Library Board of Trustees in 1974. As a three-term member, Lang was instrumental in expanding the old library building which now holds a collection that has tripled in size. Lang has served as the local Girl Scout chairman for 7 years and helped organize the Camp Fire, Inc., in Sierra Vista. On top of all this she has been active in the community church where she teaches Sunday school, is treasurer of the Women's Fellowship, and has directed two of the church's bazaars. Through extended services at Phoenix College she received her library certification, and currently works as a librarian in one of our local elementary schools. Lang has accomplished all this while raising two daughters.

Louise Hines is a native of Germany who has been a U.S. citizen for 34 years. Louise has been a major force in our local community college, where she is an honor student, past president of the student government, and a tutor for German citizens enrolled in English at the college. For years, Louise has helped organize the children's Christmas gift exchange with Sierra Vista's sister city, Cananea, Mexico. Her interests extend throughout the community. She is actively involved in the Girl Scouts of America, the American Cancer Society, and the American Red Cross. On top of all this, Louise has managed to work on both the city and county election boards for over 15 years.

I am particularly honored to have both of these women residing in my district. It is Americans such as these two women, who selflessly volunteer their time and energies, that strengthen our communities nationwide. Lang Secrest and Louise Hines are excellent examples of Americans who care enough to give their most valuable personal resource and result in making our world a nicer place to live. In times of world unrest it is reassuring to know that there are American citizens like Lang Secrest and Louise Hines who are working to make our communities safe havens for our children.

It is with great honor and pleasure that I congratulate these two women on their accomplishments and the recognition of them.

OPPOSED TO SAUDI MISSILE SALE

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. BREAUX. Mr. Speaker, On Wednesday, May 7, 1986, the House of Representatives passed House Joint Resolution 589, legislation to prohibit the proposed sale of certain missiles to Saudi Arabia. Though I was unable to vote, I was paired to vote in favor of the legislation and in opposition to the proposed sale.

As a cosponsor of House Joint Resolution 589, I oppose the sale because it is unjustifiable in light of events in the Middle East. First, the emergency declared by the administration with regard to the Iraq-Iran war cannot be as serious as it is made to be as the proposed delivery period is 1989–91. Additionally, Saudi Arabia already has a number of missile weapon systems in its arms inventory. Furthermore, the Saudis have orchestrated and manipulated crisis conditions in the United States with regard to the availability and price of oil supplies. Most recently, they have been in the forefront of efforts to drive down world market oil prices for the purpose of crushing competition and, ultimately, to reaffirm domination over the world market. What appears to be a blessing in terms of low oil prices has been devastating to oil-producing States, such as Louisiana, and to the industry in the State. As a result of the Saudi actions, the United States domestic capability for oil exploration and production has been severely hurt. It portends harmful and costly experiences for the future because it means our dependence on imported oil will increase again, due to the reduced size and capability of America's oil industry. That increased dependence has grave implications for the Nation's security and its economy.

Finally, the Saudis have not played a significant role to contribute to achievement of peace in the Middle East and they have been critical of the United States efforts to oppose and counter terrorist activities. Security is important to the Saudis. By their actions, it has not been demonstrated that they understand how important security is to the United States, nor have they been willing to contribute nor participate with our Government in matters vital to our security.

For these reasons, Mr. Speaker, I have cosponsored the resolution of prohibition of the missile sale and am recorded as being paired in support of it. Had I been able to vote, I would have voted in favor of the bill's passage.

DEDICATED TEAM SAVES LIFE OF 3-YEAR-OLD CHILD

HON. GUY V. MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. MOLINARI. Mr. Speaker, on the night of April 9, 1986, 3-year-old Jacqueline Williams had been trapped underwater off the coast of Stapleton, Staten Island, and had stopped breathing and had no heartbeat. Nonetheless, the combined efforts of medical, police, and fire department personnel were able to revive Jacqueline and bring her "back to life."

I recently rose before the House to pay tribute to the very special group of people in my congressional district through whose valiant and sustained efforts the life of this trapped and drowning 3-year-old girl was saved. Mr. Speaker, today I would like to enter here the names of additional people whose dedication and service helped to save the life of this child.

Members of the North Shore Rescue Squad who assisted include Matthew Partinope, John Mendez, Patricia Scaduto, and Michael Wentworth.

Also helping were members of the New York City Fire Department: Lt. Jack Pritchard, Salvatore Messina, John Carroll, Anthony Errico, Gustave Tripoli, Neal Fredericksen [Rescue Company 5]; Lt. Thomas Nixon, Alfred Bocchetti, Joel Fox, Vito Brinzo, Louis Magnotti [Engine 153]; Capt. Ray Kane, John Craig, Donald Morio, Thomas Andreano,

Edgar Wooley, Steven Pantozzi [Ladder 77]; Capt. Michael Marinelli, Gerard Huntzinger, George Civelli, Philip Caccese, Louis Maira, Patrick Fitzsimmons [Ladder 78]; and Battalion Chief Thomas Fawcett, Gerard Nugent [21st Battalion].

Michael Carew of the police department played a critical role in rescuing the child from the water.

Mr. Speaker, it is my privilege to bring the outstanding accomplishments of these brave and valiant people to the attention of my colleagues in the House. I know that they join me in commending the outstanding service that led to the saving of a young child's life.

TRIBUTE TO GEORGE EVERETTE

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. HUBBARD. Mr. Speaker, I rise today to pay tribute to George Everette of Princeton, KY, a friend who passed away on March 27, at the age of 63.

I, along with many other western Kentuckians, were deeply saddened by the loss of George Everette.

For the past 34 years, George Everette worked as a tobacco specialist for the University of Kentucky at the College of Agriculture's Research and Education Center in Princeton. He was an agronomist with the University of Kentucky College of Agriculture, where he received his B.S. degree in agricultural economics and his M.S. degree in agronomy. He was a member of Alpha Zeta Epsilon Sigma Phi, and the University of Kentucky Agriculture Alumni Association.

George Everette will long be remembered for his tireless work in behalf of his community and church.

He excelled in his endeavors with the Shrine and their work dedicated to helping crippled children. He served as past president, 1984–85, of the Southeastern Shrine Association. George also was a past member of the board of directors of the Lexington Shriners Hospital for Crippled Children and had served as potentate in 1976 of the Rizpah Temple at Madisonville. He also served the Southeastern Shrine Association for 5 years as membership chairman, was a past president of the Kentucky Shrine Association and charter president of the Princeton Shrine Club.

George Everette was also active in the Wickliffe, KY, Masonic Lodge, the Clay Chapter, York Rite Body, and Princeton Council and Commandery. He was also a life member of the Madisonville Consistory of the Scottish Rite Bodies.

In addition, George held membership in the Princeton Elks Lodge 1115 and was a past president of the Princeton Golf and Country Club.

George was an active member of Princeton's First Baptist Church where he taught a men's Sunday school class and was chairman of the church budget committee.

The people of Princeton paid tribute to George Everette in 1984 by choosing him as grand marshal of the annual Black Patch Festival Parade at Princeton.

A native of Wickliffe in Ballard County, George was born there on May 20, 1922, the son of Sherman Everette and the late Maude Landou Everette.

Survivors include his wife, Mrs. Virginia Cocke Everette; his father, Sherman Everette, Wickliffe; a son, Randall B. Everette, and a daughter, Mrs. JoAnn Coleman, both of Princeton; a sister, Mrs. Bill Cosby, Wickliffe, and four grandchildren.

My wife Carol and I join with the many friends of this outstanding Kentuckian in extending our sympathy to the family of George Everette. He will be missed by all of us.

AFRICAN DROUGHT MONITORING AND RESEARCH ACT OF 1986

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. SCHEUER. Mr. Speaker, today I am introducing legislation, the "African Drought Monitoring and Research Act of 1986," that will provide a research and infrastructural base to predict droughts and to monitor the food crises that often accompany them.

The bill is an outgrowth of several days of hearings held last fall on African famine by the Subcommittee on Natural Resources, Agriculture Research, and Environment of the Committee on Science and Technology. These hearings demonstrated that the inability of African countries and relief agencies to predict drought and to monitor its impacts extracted a great cost, in terms of both emergency food aid and human life. Fortunately, these problems are solvable. Our expert witnesses testified that an international research program focused on African drought could dramatically enhance our capability to predict drought. Furthermore, proper coordination of existing satellite technology with ground observations could significantly improve allocation and disbursement of emergency food aid.

The legislation that I am introducing today would create two specific programs that will help us to prepare for the next drought—and the ones after that as well. First, the National Oceanic and Atmospheric Administration [NOAA] is directed to foster a research program focused on the causes and prediction of drought. This research program will help to answer the critical question of whether man's impacts on the environment—decertification, deforestation, and overgrazing—feedback and exacerbate natural cycles of drought. Second, the legislation calls for development of an interagency program to monitor food crises more effectively by coordinating satellite-based observations with ground observations of health and demographic factors.

Spurred by the recent crisis in Africa, the Agency for International Development [AID] and NOAA developed a pilot project, the famine early warning system [FEWS], that has already demonstrated the potential of an effective monitoring program. In Mali, for example, FEWS helped to avert disaster last year by providing an accurate estimate of the total food needed to avoid starvation. However, FEWS is an ad hoc, underfunded program lacking a statutory base. Now that the rains have resumed and famine has abated in Africa for a time, FEWS will be very vulnerable to budgetary pressures.

We must not allow long-range programs like FEWS to wither away. The effectiveness of any predictive and monitoring program depends on its being in place before the next African drought—a drought that scientific monitoring tells us is inevitable. The "African Drought Monitoring and Research Act" would create just such a prospective program. The legislation would foster systematic and continuous anticipation, analysis, and prevention of, rather than post-hoc reaction to, the food crisis that will inevitably accompany the next African drought.

A CLEAR VOICE OF DEMOCRACY

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. MARLENEE. Mr. Speaker, it is with great pleasure I offer to my colleagues the winning Montana entry of the VFW Voice of Democracy writing contest.

Corbit Harrington, who in 2 days will celebrate his 18th birthday, has written a dramatic account of a visit to Washington, DC. Corbit, from a ranch near Ekalaka in the southeastern corner of Montana, writes about "New Horizons for America's Youth" with convincing and profound emotion.

Mr. Speaker, I encourage my colleagues—and the youth of America—to take to heart these "new horizons."

NEW HORIZONS FOR AMERICA'S YOUTH

It was a soft, quiet night in Washington, D.C. My friend and I approached the Vietnam Memorial, the Wall. I had read many things about this awe inspiring monument, but it has been written one cannot truly realize what an impact it makes until one has been there, until one has actually touched it, until one has actually experienced it. What was written is true.

As we began to search for a single name in a list of thousands, my feelings began to overcome me. It was a feeling of pride in our nation and its people mixed with a great despair over a tremendous loss of life. It was a loss which seems to go on and on as if never to end.

We found the name we had searched for, yet it was more than just a name. That name represented a man, a son, a husband, who had died for what he believed to be right. It represented a man who had sacrificed his life so that his fellow man could experience the most precious gift of all, the gift of freedom. Every name on that monument represented a martyr.

As we left the Wall, the future seemed hopeless. Thoughts of terrorism, and nuclear war, so many of the seemingly endless problems our nation faces, began to fill my mind. I wondered whether there would ever be a future. How could our nation survive?

Not far away, I could see the Lincoln Memorial in its glorious splendor, a monument of a hero. I wondered whether Lincoln, at

time, had pondered whether the United States could ever survive. He was plagued by a civil war. A division of our nation which, at time, I am sure, seemed irreparable. But somehow our nation survived.

I could see the Washington Monument in the distance, a tribute to the founding father of our country. In this time, the United States was but an infant surrounded by countries with uncomparable amounts of power and wealth. How could a group of people made of every race, culture, and religion, possibly survive? But our country did survive, and became the most powerful and wealth nation of all.

How has America survived the trials it has faced?

The answer lies in the heart of every citizen of this fantastic nation. It is the dream of a better tomorrow and the ability to make it better.

Each day is a time for improvement. Each day is an opportunity. As a young citizen, it is my duty to go out and use my abilities to better our nation and prepare the way for future generations. It is my duty to help create jobs, to help pave the way for better international relations, to help keep America great.

The people of Washington and Lincoln's times did not stand by and watch our country fall apart. They picked themselves up, picked up the pieces, united themselves, and bravely forged ahead to face the future.

That night in Washington, D.C., passed, and its passing brought on a new, bright, clear day. There is a future for America, and each new day will bring on new opportunities and new problems to face. We must grasp the opportunities, triumph over the problems, and proceed. There are new horizons for America's youth, and they are as bright and promising as the sunrise which comes up with each new day.

THE CHILDHOOD VACCINE SUPPLY PROTECTION ACT

HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. TAUKE. Mr. Speaker, I have today introduced by request the administration's "Childhood Vaccine Supply Protection Act." It is the product of a careful effort by the administration, through a Working Group on Vaccine Supply and Liability of the Cabinet Council on Human Resources, to address some of the major threats to our Nation's continued supply of safe, effective and reasonably priced vaccines against childhood diseases.

As we, in Congress, are very well aware, our country is in the midst of a crisis created by the mushrooming cost of liability insurance and, in some instances, by the total inability of manufacturers to obtain this insurance. This crisis threatens our very supply of vaccine, is retarding efforts to develop safer vaccines, and is dramatically increasing the cost of vaccines.

I need not emphasize to my colleagues the important benefits of childhood immunization. In this country, diphtheria has been essentially eliminated, polio has been reduced to a few cases per year, and whooping cough (or pertussis) is under control. Childhood vaccines are rigorously tested and manufactured under the most stringent regulations and conditions and are generally safe, and the dangers of not administering them far outweigh the dangers of administering them. But some children do experience side effects, some of which are quite serious.

These reactions to the vaccines are not due to unsound products or to fault on the part of the manufacturer. Yet they have given rise to large and unpredictable liability judgments (including awards for noneconomic damages and punitive damages) against manufacturers. The unpredictability and size of the amounts involved have made insurers unwilling to provide adequate coverage—or any coverage at all—for vaccine-related claims. Several pharmaceutical companies have withdrawn from manufacturing vaccines, and the few remaining firms have experienced difficulty in obtaining liability coverage. The cost of vaccines has risen sharply over the past several years as manufacturers face higher and higher liability insurance costs.

We have already experienced one DPT vaccine shortage, and another may occur if the major manufacturer of DPT vaccine cannot renew its liability insurance, which expires this July. Congressional action is needed now to keep manufacturers in the market, remove disincentives to the development of safer vaccines, and restrain the cost of vaccines.

The legislation I have introduced today takes several important steps to achieve the goals of ensuring a stable supply of vaccines, promoting research into safer vaccines, and restraining the cost of vaccines in a manner least intrusive upon our existing system of remedies based on the laws of individual States. This legislation places no limits on court awards for economic damages. It does:

First: Eliminate punitive damages for claims arising from the administration of the major childhood vaccines;

Second: Limit damages for noneconomic loss to $100,000 per series of vaccinations;

Third: Create an Advisory Commission on Childhood Diseases to review compensation policies under current law for vaccine-related injuries; the current public and private systems for supplying safe and effective childhood vaccines; the status of current childhood vaccine research; the dissemination of information concerning childhood vaccines; and childhood vaccine programs in other countries.

The limits this legislation places on noneconomic damages would enable insurers to more accurately predict losses and so more readily provide insurance. At the same time, because this legislation does not place limits on awards for economic damages, the courts can continue to award whatever sums may be necessary to pay for the costs of lifetime care, for example, for a seriously disabled child.

This legislation provides us with a good starting point and several sound steps to reach our goal of a stable, safe, effective, and reasonably priced supply of childhood disease vaccines.

A SPECIAL TRIBUTE TO KENT AMOS

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. DIXON. Mr. Speaker, on Friday, May 16, 1986, friends and colleagues will gather in Los Angeles to pay a special tribute to Kent Amos for his achievements, leadership, dedication to professional excellence, and commitment to public service. As a friend and an admirer I am pleased to join in saluting Kent. Through his dedicated and generous spirit and his sense of purpose, he has become a role model of achievement in the business world and the black community.

Kent is president of the Triad Group, a company which specializes in personal management, consulting services, and marketing. A native Washingtonian, he is a graduate of the D.C. public school system and of Delaware State College where he received a baccalaureate degree in business administration. He is a member of the Alpha Kapa Mu Honor Society and the Omega Psi Phi fraternity.

Early in his career, Kent established himself as a determined advocate of service in the community. After serving two tours in Vietnam and receiving several combat honors, he became one of the distinctive student leaders of the 1960's. Kent cofounded and served as the first chairman of the National Association of Black Students [NABS] and served on Delaware's Governor's Council on Campus Unrest. He was selected as alumnus of the year from both Calvin Coolidge High School and Delaware State College, with scholarship funds created at both schools in his name.

In 1971, Kent began his career at Xerox Corp. as a sales representative in Washington, DC. His outstanding performance excelled him rapidly through Xerox from a sales and marketing representative to management. Kent received numerous Presidential Achievement Awards, including the President's Sales Recognition Award, which he won three times.

Throughout his 15 years at Xerox, Kent displayed that unique ability to integrate his professional experience and his commitment to enhancing educational opportunities and advancing career development of black youths. He was promoted to the level of corporate director in May 1978 as the corporation's equal employment/affirmative action director. From May 1981 to July 1983, he was assigned to the office of the president where he was in charge of special outreach programs. In July 1983, he assumed the position as corporate director of urban affairs, which he held until January 1986.

Kent's career is testament to the fact that along with success comes a strong measure of responsibility. Kent is active in numerous professional organizations and community service groups. He is founder and chairman emeritus of the Federation of Corporate Professionals and a board member of the Urban Youth Investment Program and the National Black Leadership Roundtable. He holds life memberships in the NAACP, National Urban

League, National Council of Negro Women, and the Delaware State Alumni Association.

His untiring service to the community and his many outstanding accomplishments have not gone unnoticed. Kent has been the recipient of several distinguished awards for his public service contributions: the 1979 Congressional Black Caucus Chair's Award, the National Council of Negro Women's Legacy Award, the NAACP Image Award, Whitney Young Urban League Award, and the Roy Dykes Memorial Award for dedicated service from his coworkers at Xerox. He was also honored by the D.C. School Board, National Association for Equal Opportunity in Higher Education, Outstanding Young Men of America, WMAL-Radio/TV Black History Week Award, and Alpha Kappa Mu's National Honor Society Award. He was selected for Who's Who in Black America and was named by Washingtonian Magazine as a Washingtonian of the Year for 1984.

Kent has received numerous accolades from his peers for his level of commitment to his cause and his ability to mobilize the untapped resources in the black community. He used his professional and personal abilities to reach back into the community and give young blacks a hand up. Their success has been his reward.

I commend Kent for his deep and lasting commitment to our Nation's youth. He has given much to the community. He is a man consumed with a desire to help his fellowman and has been an inspiration to all having enjoyed the privilege of his association. I join his friends, colleagues, and members of the Congressional Black Caucus in saluting this outstanding young man for his impressive career and his service to humanity. I wish him continued success in his professional and personal endeavors.

HUMAN RIGHTS IN CHINA

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. YATRON. Mr. Speaker, today I have introduced a resolution concerning the political and human rights situation in the People's Republic of China.

Over the last several years the People's Republic of China has undergone many significant changes and United States relations with that Government have grown and become increasingly complex. The Subcommittee on Human Rights and International Organizations, which I chair, and the Subcommittee on Asian and Pacific Affairs have conducted hearings on human rights and political developments in the PRC.

The hearings revealed that human rights conditions in China are better now than at any time since 1949, and that economic reforms have significantly improved the life of the Chinese people. In addition, the current Chinese leadership has apparently made substantial progress in instituting legal reforms, creating a more orderly and stable process of leadership and expanding opportunities for public participation in Government.

These positive developments were tempered by the realization that the PRC remains essentially a closed and repressive socialist state where fundamental freedoms of press, speech, religion, assembly, association, and travel are tightly restricted. Abuse of basic human rights, including forced abortions and infanticide, routinely occur in connection with China's strict family planning policy. Repression is reported in Tibet. Trials are often staged-managed, sentencing hearings. The 1982 Constitution and other legal reforms do not incorporate some important elements of the Universal Declaration of Human Rights. The Government continues to engage in population mobilization campaigns, which result in the arbitrary denial of basic human rights. Although not as intensive and brutal as under Chairman Mao, these mobilization activities, including the anticrime, spriritual pollution, and birth control campaigns have had serious implications regarding the Government's respect for fundamental freedoms and liberties.

Thus, there is a mixed picture for China. It is unclear how much further Chinese leaders can or will continue with reforms, particularly those relating to human rights, and whether reforms currently in place will survive after leader Deng has left the political scene.

It is not realistic of course to believe that Chinese leaders have ever harbored any intention of abandoning Marxism as their official ideology. Nevertheless, they have redefined this ideology to accommodate certain initiatives which are inconsistent with Maoist teachings.

Therefore, United States policy toward China should, I believe, encourage Chinese leaders toward further ideological modifications necessary to continue the economic, political, and legal reform process. Particularly important is to ensure that new reforms accept the full range of internationally recognized human rights and the development of mechanisms to guarantee that these laws will be respected by all government leaders and organs.

I believe that my resolution accomplishes these goals. It calls on the leaders of the PRC to continue and accelerate the progress they have made toward a more open economic and political system, with expanded opportunities for political participation for all citizens and guaranteed greater protection for the fundamental rights and liberties such as freedom of press, speech, religion, assembly, association, travel, due process, and other basic rights as enunciated in the Universal Declaration of Human Rights. The bill clearly conveys to the Chinese that our relations with them would improve with a positive approach on human rights issues.

Trade, economic and military relations with the PRC have improved significantly to the benefit of both countries. Clearly, expanding exports to the PRC and enlisting them in efforts to thwart Soviet expansionism are highly desirable. Nevertheless, in our haste to accomplish certain strategic and economic objectives, we must make sure that human rights remains a fundamental component of United States-Chinese relations.

TOUGHER LAWS FOR ACTS OF ESPIONAGE

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. TALLON. Mr. Speaker, the amount of spending for defense and its effect on our national security is currently a subject of extensive debate. Yet one of our national security's most damaging sources of vulnerability—espionage—can be addressed without spending a penny. Today's spies can jeopardize our national security with an ease and ability never before imagined. The destructive potential of even one case of espionage is terrifying.

Espionage, like every other aspect of our society, has benefited from the technical revolution and the resulting improved accessibility and transmission of information. Now, vast stores of information can be stored on a chip so small that it is almost impossible to detect. And it is equally difficult to determine the extent to which our technological advantage has been impaired.

As the value and importance of technological know-how have increased so has the price nations and individuals are willing to pay for it. These prices have been enough to prompt more and more individuals to betray their country for their pocketbook. Even now, we are still waiting to learn the extent of the actions and damages of the Walker spy case. And the Walkers are not alone. According to the Department of Justice and Federal Bureau of Investigation, never before have so many individuals been awaiting trial on espionage in the United States.

Right now the sentence for any one convicted of espionage is uncertain. Death is presently one of the sentences which might be imposed upon an individual who is convicted of espionage. However, since 1972, the Supreme Court has issued a series of rulings which make it clear that it would be a violation of our Constitution to make the death penalty automatic with respect for any crime. Because of these rulings and the serious implications of spying, I am a cosponsor of H.R. 2697 to clarify and strengthen the sentence for espionage.

I believe H.R. 2697 is an effective and necessary measure which addresses oversights in the judicial treatment for espionage in order to reduce the episodes and incentives for espionage. This measure would impose a true life sentence for espionage if the death penalty was not handed down. Under this bill, the sentence for life could not be suspended and the defendent would not be granted a probationary sentence or be eligible for parole. If the Supreme Court in the future reinstates the death penalty, H.R. 2697 would still allow a life sentence to be imposed.

Presently, the law permits a judge to sentence a defendant in an espionage case either with the death penalty, life imprisonment, or any terms of years. This legislation would add an entirely new sentencing provision which would apply to those individuals who transmit our defense secrets for the advantage of another nation, group or individual

to "any term of years" but would have to impose the death penalty or true life imprisonment.

This measure would send a clear and undeniable signal to anyone engaging in espionage that he does so at a great price—life-time imprisonment or death. It is my hope that this severe and consistent sentence may deter future acts of espionage as well as provide us with greater national security. I encourage my colleagues to join me in cosponsorship of this important measure.

THE 40TH ANNIVERSARY

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. DORNAN of California. Mr. Speaker, I rise today in an expression of support for the celebration of the 40th anniversary of CARE, the Cooperative for American Relief Everywhere. As an international nonprofit organization whose purpose is to assist underprivileged people and the victims of natural disasters, CARE represents all the best humanitarian ideals of this country.

CARE was born in the District of Columbia in 1945 under the jurisdiction of 22 American agencies working on foreign relief projects. Today CARE has some 25 member agencies, 16 regional offices in the United States and several other branch offices in foreign countries. Not only has the organization matured structurally but CARE's scope of responsibility has increased correspondingly. The organization today implements relief programs in food distribution, technical assistance, medical training, emergency feeding, and reconstruction or rehabilitation. Mr. Speaker, CARE has without a doubt been one of America's success stories.

Typical of the humanitarian ideals which guide this organization, CARE was first created as a mechanism of transportation and distribution of foodstuffs which Americans were anxious to send to Europe following the devastation of World War II. There was clearly a need for a reliable channel for person-to-person aid and CARE filled that gap. The first CARE packages of food were delivered to Le Havre, France on May 11, 1946. Since that time CARE has delivered over 610 million dollars' worth of humanitarian supplies to foreign countries. Its services have been extended to four continents and more recently has combined relief aid with the lasting benefits of self-sufficiency through agricultural and medical training.

CARE's day-to-day efforts to bring relief to famine victims throughout the world are well documented but the efforts of this organization have been particularly stellar on the continent of Africa. Throughout the famine relief operations in Ethiopia CARE was the key player in food delivery and oversight of distribution. The organization's involvment in primary health care and the construction of emergency water systems have been second to none. I also understand that the organization was responsible for providing computer equipment and technical assistance to establish a system of food tracking and control. Mr. Speaker, we both know that Congress and the American people are among the world's most generous. But our generosity would not go very far without the efforts of CARE. I would characterize the people that make up the organization not as soft and gentle people who dream about world unity but rather as workers who are tough, hardheaded businessmen. Ninety-five cents of every dollar contributed to CARE goes for goods or services, and only 5 cents for combined administrative expenses or fundraising. However, one of the most important characteristics of the CARE organization is that the agency operates free from the political or bureaucratic restraints that hobble many aid programs conducted by governments or the United Nations.

Mr. Speaker, again I would like to reiterate my expression of heartfelt congratulations to CARE for 40 great years of exemplary performances. I would also like to let the distinguished chairman of CARE know just how honored I am to have been considered the honorary chairman for CARE's 40th celebration dinner. To all members and associates of CARE, the Congress of the United States wishes you a Happy Birthday!

CARE: 40 YEARS OF HUMANITARIAN SERVICE

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. LELAND. Mr. Speaker, developmental agency program officers and project managers will often tell you the litmus test of a successful project is the degree to which the indigenous population accepts its premise and results. The energy local residents put into a program is determined by tangible evidence that it will favorably impact their quality of life.

CARE has been able to do this in Latin American and African countries with their Care for the Earth campaign. By teaching the rural poor the value and benefit of agroforestry, a combination of farming, forestry, and grazing technologies, CARE has helped stop the frightening cycle of deforestation in many areas.

Agroforestry increases the productivity of land, and thereby improves the well-being of the rural poor. The plantation techniques includes windbreaks, small wood lots, perimeter planting, village shade trees, and home gardens of fruit trees for domestic use. When used properly, an agroforestry program can turn back some of nature's most destructive forces and change a forbidding, barren landscape into a green oasis.

The Majjia Valley in Niger was losing topsoil to the hot winds of the Saharan Desert a dozen years ago; 15,000 of the valley's 62,000 acres were targeted for the planting of windbreaks to decrease the wind erosion. With the combined efforts of a forestry administrator native to the valley, a Peace Corps volunteer, and the Niger Government, a plan was initiated to solicit the support of the local inhabitants, and save the valley from its continuing degradation.

Long lines of indigenous, fast growing, hardwood trees were planted across the valley. The windbreaks were spaced 330 feet apart, each break two rows planted 13 feet apart. While the local residents provided the labor and land, CARE supplied the support services and financing. This is an especially important program characteristic of self-help projects that are sustainable and that make a permanent difference. After CARE has left the valley, these good people will continue to protect their natural resources on their own. CARE has acted as the catalyst for a sustained behavioral change that will improve the lives of 33,000 people in this valley alone.

This is the kind of work and effort that we should encourage. International aid organizations and private volunteer organizations are most effective when they are not the sole benefactors to a population, but when they can train and educate the poor to make a better future for themselves and by themselves. This is what CARE is about, and I hope we all can continue to support their work whenever and where ever we can. We are currently seeing the 40th anniversary of CARE's humanitarian efforts being celebrated. It is because of projects such as the Care for the Earth campaign that that 40-year effort has been so important to so many.

"NO LICENSING OF JOURNALISTS"—A HISTORIC LEGAL OPINION

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. FASCELL. Mr. Speaker, the Inter-American Court of Human Rights has just rendered a historic opinion against the licensing of journalists. It is an opinion which will be welcomed by all who value freedom of communications and human rights.

As Members are aware, the licensing issue has long been debated within UNESCO, albeit inconclusively. While no such proposals have been officially adpoted, the threat was a constant one for the United States and its allies and clearly was one factor in the decision of both the United States and the United Kingdom to withdraw from the organization. The Court's decision on this matter should, and I believe will, take precedence in future licensing discussions and shape the final outcome.

BACKGROUND

The Costa Rican Government, at the request of the Inter-American Press Association [IAPA], asked the Court for an advisory opinion on the 5-year-old case of Stephen Schmidt, a former reporter for the Tico Times who was convicted by the Costa Rican Supreme Court in June, 1983 and given a 3-month suspended sentence for working without permission of the local state-authorized journalists association, the Colegio de Periodistas. Schmidt had been accused by the Colegio in 1980 of "the illegal practice of journalism" after challenging the authority of the official group at a forum of IAPA Directors in San Jose.

The Court in its advisory opinion said the compulsory licensing of journalists was incompatible with article 13 of the American Convention on Human Rights, if it denies any person access to the full use of the news media as a means of expression or of imparting information. It also said that the Costa Rican Law of the Association of Journalists is incompatible with article 13 of the Convention.

Although the United States has not ratified the American Convention on Human Rights, which sets up the Inter-American Human Rights Commission as well as the Inter-American Court of Human Rights, most Latin American States have done so and both institutions now exist. Despite United States nonratification, the President of the 7-member Court that rendered this historic decision is an American legal authority of international reputation, Thomas Buergenthal. Judge Buergenthal was invited several years ago by several Latin American jurists to serve on the Court, because of his expertise in international law in both Europe and Latin America. It is particularly noteworthy that he served as President of the Court during these historic proceedings.

The World Press Freedom Committee has published and circulated the proceedings of the Court in this case, in its report, entitled: "Licensing of Journalists Violates Human Rights." Leonard Marks, Treasurer and Legal Counsel to the World Press Freedom Committee, writes in the introduction to the report that in the Court's proceedings, 13 free press and human rights groups joined in briefs opposing the licensing proposals. The Court's ruling is, therefore, a landmark for human rights and fundamental freedoms—especially press freedoms—and I commend both the opinion and the WPFC report to the attention of my colleagues.

APRIL 15 BUDGET TARGET SHOULD NOT HAVE BEEN MISSED

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. COLEMAN of Texas. Mr. Speaker, it is with a great deal of regret that I observe that the Congress has once again missed, for one reason or another, an important budget deadline. On April 15, 1986, we should have acted to produce a budget outline, as required by the Gramm-Rudman deficit reduction process that this House passed late last year.

Congress needs to pass a budget that meets the Gramm-Rudman deficit reduction targets now. Millions of first-time home buyers, millions of small businesses, millions of farmers across America will benefit from the lower interest rates and sustained economic growth that will ensure from meaningful deficit reduction.

We need to avoid the most dangerous procrastination of all—erosion of confidence by the American people that the U.S. Congress is serious about cutting the Federal deficits. As a member of the Appropriations Committee, it is obvious that Congress has failed in meeting its fiscal deadlines and responsibilities. Not only have we failed with regard to the budget process, but more importantly, we have failed to meet our appropriations deadlines. Continuing resolutions are a symbol of our failure to discharge our responsibilities, and unfortunately, they have become the rule rather than the exception.

Mr. Speaker, we need to quit wasting time and make a commitment to fulfill the responsibilities of governing our Nation. I hope we can move forward by working together, Republicans and Democrats alike, to produce a budget that meets the Gramm-Rudman targets. The Senate has acted, and so must the House. As a cornerstone of this effort, I look forward to working with my colleagues to craft a new, streamlined budget process that will get us back on track in making the important funding decisions so we can do our job to reduce Federal deficits and ensure a strong and thriving national and broader economy.

INTERSTATE CHILD SUPPORT ENFORCEMENT

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mrs. KENNELLY. Mr. Speaker, I am pleased to introduce legislation which will bar the retroactive modification of child support debts. This is a companion bill to S. 2404, introduced by Senators BRADLEY and LONG.

The 1984 Child Support Enforcement Amendments represented a significant reform of the child support collection system. While we have seen a great deal of progress made, some problems still remain.

One of the most distressing exists in the area of interstate collections. What often happens is that a parent with child support obligations will move away from the State where the child support order was issued. Frequently, the parent refuses or neglects to pay support and a large debt accrues. When the parent seeks relief from this debt, a number of States will allow the debt to be reduced, even to the point of wiping out the entire prior obligation, and without even providing notice to the custodial parent or the State which initiated the order.

This situation allows some parents to evade their financial responsibilities to their children. Our bill would close this loophole by requiring the States to give full faith and credit to the child support orders of other States. It would prohibit retroactive modifications of support orders but does not rule out the possibility of modifications completely. Certainly, circumstances can change and it may become impossible for a parent to fully meet his or her support obligations. If child support cannot be paid for some reason, the bill would require the parent to officially notify both the custodial parent and the court or other entity which issued the support order. Then, modifications of the support order would be permitted only on the obligations due after the date of notification.

In the best of all possible worlds, no parent would not have any child support obligations in arrears. In the meantime, this bill will insure that those obligations will not be evaded and that there will be an orderly process for the prospective modification of support orders when necessary.

A TRIBUTE TO MRS. DEBBIE LINDNER

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. GALLO. Mr. Speaker, I rise today to recognize the commitment and dedication of Mrs. Debbie Lindner, of Livingston, NJ. In recognizing her efforts, it is my hope that my fellow Members will be reminded that one person can really make a difference.

For the last 10 years, Mrs. Lindner has been the driving force against drug abuse in Livingston. Her approach to the problem of teenaged drug abuse has been straightforward. In short, it has been an approach based on the notion that with enough understanding, compassion, and most importantly, by taking steps at home with the family, drug abuse can be prevented.

Mrs. Lindner initiated the Livingston Tough-love Program. She has begun a Safe Home Program which encourages families to take a stand against drug and alcohol abuse by minors in their homes. Education is the cornerstone of understanding, and with this in mind, Mrs. Lindner has been an integral part of the Livingstonites for Education Against Drug Abuse which conducts parent and student drug education and prevention programs.

Beyond her commitment to program-oriented drug abuse prevention efforts, it has been her personal involvement with families that has made a difference.

Debbie Lindner should stand as an example to all of us here, and to all who follow our proceedings. There is no substitute for personal involvement. There are no grand schemes, no short cuts, and no quick fixes that can ever replace personal involvement and commitment in the fight against drug abuse.

On Thursday evening, the Livingston Youth Service Bureau will install Debbie Lindner into its Hall of Fame. Mrs. Lindner will be the first person to be inducted into the Hall of Fame. I would like the Members of this body to join with the Livingston Youth Service Bureau and recognize her leadership and example.

Thank you.

AMERICAN LEGION AUXILIARY OF PENNSYLVANIA HONORS ITS NATIONAL PRESIDENT

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. GEKAS. Mr. Speaker, on May 14, 1986, the American Legion Auxiliary of Pennsylvania will honor its national president, Mrs. Josie Melgard of Reedley, CA, at a luncheon at the Lawnton American Legion Post 998, Harrisburg, PA. Miss Ferne Saler, presently presi-

dent of the auxiliary of the Department of Pennsylvania American Legion from Somerset, PA, will also be honored for her dedicated service to the auxiliary.

Mrs. Melgard was elected 65th national president of the American Legion Auxiliary at the organization's national convention in New Orleans last August. Prior to the election, Mrs. Melgard has been active in the auxiliary for many years, serving successfully at every level of leadership in the auxiliary and continues her active involvement in her hometown unit No. 36 in Reedley.

Elected department president of California in 1971, she has served on and chaired many national committees and was elected national vice president at the 1984 National Convention of the auxiliary in Salt Lake City, UT.

Mrs. Melgard has chosen as her presidential theme "Stars and Stripes Forever." With three of her daughters as members of the auxiliary and five granddaughters as junior members, Mrs. Melgard once said that "babies like my grandchildren represent the future of the Amercan Legion Auxiliary and the future of America. What greater legacy can we leave all our children than the guarantee that we will keep the Stars and Stripes forever above an America that is safe from those who would destroy their innocence and take their lives."

I wish to extend my congratulations to Mrs. Josie Melgard and Miss Ferne Saler with the backing of the entire Congress for their many jobs well done.

BELIZE, CENTRAL AMERICA

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. DYMALLY. Mr. Speaker, during my recent visits to Central America, I found emerging from the midst of this troubled region a country possessing a real hope for success in democracy. I thought my observations would be of interest to the Members of the House.

In troubled Central America, Belize is an oasis of tranquility. Its governmental institutions are democratic and vibrant. Its social system epitomizes cohesiveness in pluralism. Belize could therefore be a bridge between the common law and civil law cultures of the region.

The fertile and ideally located country has impressive economic potential. However, former colonial policies and Guatemala's territorial claim seriously curtailed the development of Belize's infrastructure and industry.

Paradoxically, Belize's tranquility, democracy, and social system have made the country a haven for numerous refugees from Central America. This places a strain on the weak economy.

At the same time, the country's potential as a cultural bridge is often overlooked by outside agencies, which fail to direct levels of benefits equivalent to those directed to Belize's immediate neighbors.

The Congress of the United States of America could significantly advance democracy and peace in the region by rendering increased assistance to Belize, and conditioning further assistance to Guatemala by requiring the conclusion of the negotiations relating to Guatemala's disputed claim to Belize land.

THE DAYS OF REMEMBRANCE FOR VICTIMS OF THE HOLOCAUST

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. SMITH of Florida. Mr. Speaker, year after year we have commemorated the special day of "Yom Hashoa," the Day of Remembrance for those who perished in the Holocaust, and yet the importance of this event will never diminish. It is our duty, as public servants to pay homage to the memory of millions who were slaughtered at the hands of the Nazis and to the survivors who carry the burning images of the horrors and atrocities with them always. My family personally suffered losses. I know the pain of remembering the Nazi genocide committed against our people. I share the sorrow of the survivors and their families.

Events such as these serve a greater purpose for our society. Through education we can prevent this tragedy from ever occurring again. We must see to it that never again will people be subjected to the horror of being separated from their families and loved ones, or watching their family members being beaten or murdered, and seeing their homes ransacked and their belongings confiscated.

Yom Hashoa becomes increasingly important as the years pass. It is painfully obvious that many Americans are unaware of the horrors of the Holocaust. I, therefore, cosponsored two resolutions, House Concurrent Resolution 133 and House Concurrent Resolution 121, that call for the study of the Holocaust as part of the educational curriculum for schoolchildren.

We must educate present and future generations in the lessons of the Holocaust. Survivors of the Holocaust must never live to see the day again when another American President honors those directly responsible for the deaths of millions of American soldiers and Jews. Civilization cannot survive a repeat of this nightmare. We must not condone, but rather must continue to condemn, the Nazi barbarism so that it may never happen again.

As a member of the Human Rights Caucus, I encourage my colleagues to stop by the "Days of Remembrance Exhibit" sponsored by the caucus this week in the rotunda of the Cannon Building. The exhibit highlights many Jewish communities which were destroyed in the Holocaust.

KATHARINE GIBBS SCHOOL CELEBRATES 75TH ANNIVERSARY

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. GREEN. Mr. Speaker, I rise to recognize the Katharine Gibbs School, which recently marked its 75th anniversary.

Mrs. Katharine Ryan Gibbs founded the school in 1911 shortly after the tragic death of her husband. Espousing the philosophy that if education is to be any good, it must be good for something, Mrs. Gibbs created a business school for women which would increase the number of opportunities for them in the world of business as well as equip them to support themselves.

Mrs. Katharine Ryan's pioneering vision has produced an educational institution which is renowned worldwide for its commitment to excellence and quality of education. For 75 years Katharine Gibbs School has set the standard for the secretarial profession throughout the worldwide business community.

Mr. Speaker, I ask that my colleagues join me in congratulating Katharine Gibbs School for its 75 years of dedication to education excellence.

DAY OF REMEMBRANCE

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. OWENS. Mr. Speaker, once again we come to the Day of Remembrance. We are asked to look at our history and remember the Holocaust in Europe during World War II as well as genocides which came before and after. It is not a pleasant day when we can congratulate ourselves on some job well done or victory attained. It is a time to look at the darker side of human nature and to recognize that such horrors continue. It is a time to commit ourselves to ending the destruction of people both now and in the future.

As we speak from the relative safety of this country, it is hard to imagine how any group could decide to simply destroy another. It is hard to imagine how total populations could be condemned to death. How can anyone simply kill small children? And yet this is happening today.

In South Africa, for example, over 1,500 people have been killed since the latest protests against the crime of apartheid. This is but the tip of the iceberg there. How many more die who are not officially noted? Who cares to think of the infants who die in the bantustans for lack of food and safe drinking water. Are their deaths somehow small because their bodies are so tiny?

Closer to home, we are faced with the results of the Duvalier regime in Haiti. The land is badly eroded and the country cannot

produce enough food to feed the population. In a land of black people, an astounding number of the children have red hair. This is the obvious sign of malnutrition which gives warning that they will not be able to develop fully and that their entire lives will be blighted by poor health. At the same time, the Duvalier government and its appointed successor, the military junta, has repeatedly fired into crowds randomly killing civilians who have the audacity to want some form of elected democratic government.

Recent examples of genocide in nations such as Kampuchea make it clear that the direct destruction of massive numbers of people as well as the indirect destruction of people by starvation continues. This destruction must stop and we have an obligation to at least withdraw support from governments which destroy their own people.

Destruction of peoples is also occurring unintentionally. As governments pursue the use of nuclear energy, it is clear that accidents will happen. The recent disaster in the Soviet Union should not be regarded as only a Soviet problem, but it should put us all on notice that the use of dangerous technologies—and nuclear power is certainly a dangerous technolgy—can lead to massive destruction. Although we would like to believe that we would not be subject to such an accident, the practical reality is that it can happen anywhere.

Looking back to the Holocaust of World War II, we must recognize that it was directed at people who were believed by the Nazi authorities to be inferior to others. How easy it is to label any group the enemy and then to view them as somehow subhuman. The Nazi's aimed their particular animus toward Jews, Gypsies, Slavs, and Russians. All were reduced to subhuman characteristics and portrayed as enemies. Today, we tend to look at those who come from less technologically developed societies in this way. It is easy to ignore their history, culture, and contributions to knowledge. It is easy to dismiss their sufferings as not really important because "they don't value human life the way we do" or "they don't even have the sense to adopt our ways," and so forth. I recently received a letter from Christian leaders deploring the recent characterizations of Moslems as fanatics which ignored the historic ties among Christians, Jews, and Moslems. They saw, in recent statements, the characterization of millions of people based on the misdeeds, outrageous as they are, of a very few. This is precisely the kind of ignorance which paves the way for destruction. Once a group has been pushed into the subhuman category, then it becomes acceptable to destroy them.

Survivors of the Holocaust in World War II tell a harrowing story of degradation and destruction. Individual behavior did not lead to their suffering. Merely baring a label was enough. There is no answer to the question of why they were called upon to suffer. Simply existing was enough to bring this down upon their heads. Today, others suffer for not having the good sense to be born in a safer society to parents who were able to protect them. This pattern of destruction must end. We cannot bring back the dead and we cannot undo the suffering of the survivors. We can only build to them a living memorial of good will which demands that we support the forces of reconciliation and deny support to the forces of destruction.

Now, I am sure that there are those who believe that it is impractical to proceed as an international power with the aim of simply stopping destruction. However, our ability to destroy has increased substantially since World War II and it is about time that we began to realize that we who cannot create life have certainly done well on the destruction side. We have the ability to destroy all of mankind. Surely, we have the ability to save our world and ourselves from destruction. It simply requires the will to begin to develop more life sustaining ways to deal with one another. Such an effort is surely the most fitting memorial to the victims who have perished as well as the way to ensure that our children and grandchildren will survive.

BERNARDO SEPULVEDA, FOREIGN MINISTER OF MEXICO

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. RICHARDSON. Mr. Speaker, recently I attended as a congressional observer the Contadora meetings in Panama City. I was most impressed with the commitment to peace exhibited by the Contadora Foreign Ministers as they pursued a peaceful agreement in Central America.

The intellectual father and motivating force behind Contadora has been Bernardo Sepulveda Amor, the Foreign Minister of Mexico. He has worked tirelessly to achieve peace and he's been fair to all sides.

Mr Speaker, Contadora is not dead. We mustn't let it die. There are individuals like Bernardo Sepulveda that are desperately trying to bring all sides together, despite overwhelming odds.

TARIFFS AND INTERNATIONAL TRADE

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. LOWRY of Washington. Mr. Speaker, today I am introducing legislation that I hope will help to eliminate tariffs and increase international trade. I am opposed to general or blanket tariffs and believe that tariffs, whenever possible, should only be enacted on a specific product or item, on a case-by-case basis, in response to a tariff imposed by a foreign nation. In this instance, I am proposing a reciprocal duty on the importation of surimi which is a fish-derived product, which has a very large potential market in the United States, and which can be produced from the widely abundant pollock resource in the North Pacific.

This legislation is identical to S. 1981, which was introduced by Senator MURKOWSKI except for a slight reduction in the tariff level imposed to reflect the fact that Japan has recently dropped its tariff on surimi from 6.5 percent to 6 percent following a tariff reduction schedule implemented at the 1979 GATT Tokyo round. Therefore, this legislation proposes a 6 percent tariff but is otherwise identical to the Senate version.

I support free trade and the intent of this legislation is not to erect barriers to world trade for surimi. Rather, the intent of this legislation is to encourage the Japanese to reduce its trade barriers by imposing a reciprocal duty, which is identical to the tariff imposed by the Japanese, thus providing an incentive for the Japanese to also reduce barriers to world trade for surimi products.

IN RECOGNITION OF THE HARMONY SENIOR DRUM CORPS

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. GALLO. Mr. Speaker, this year marks the 100th anniversary of the founding of the Harmony Senior Drum Corps. Of course this is an important date for the past and present members of the corps. It should be important to all of us because it gives us cause to reflect on the role that organizations of this sort play in our communities.

The Harmony Senior Drum Corps has been a source of pride for the residents of Boonton, NJ since the corps' founding on August 6, 1886. Whether the corps was performing in Boonton, throughout our State, or in other States, the people of the community were well represented.

The Harmony Senior Drum Corps teaches patience and dedication. Members of the corps practice tirelessly in a effort to always improve on the last performance. And isn't that what excellence is all about?

Being a member of the corps, and other similar organizations, teaches responsibility. It teaches the members that they are the ambassadors of their community, and that they have an obligation to their fellow residents to put the community's best foot forward, everytime.

The Harmony Senior Drum Corps has met this responsibility for 100 years, and there is every indication that the corps will continue to do so for another 100 years.

Mr. Speaker, I am proud to know the members of this important arm of the Boonton community. I would like to thank the members of the The Harmony Senior Drum Corps for their efforts, and I would hope that my fellow Members would join with me in congratulating them on 100 years of excellence.

PENNSYLVANIA ECONOMY LEAGUE MARKS 50 YEARS

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. GEKAS. Mr. Speaker, I would like to bring to the attention of my colleagues in the

Congress the celebration of the Pennsylvania Economy League's 50th anniversary this year. The Pennsylvania Economy League was incorporated in 1936 as a nonprofit association of citizens with a common goal in mind. These citizens have joined forces in an effort to promote the sound financing of Government operations and the effective delivery of necessary public services in the most economical efficient manner possible. The league plays an active role in encouraging and assisting Pennsylvania's State and local government officials in the formulation and implementation of sound policies and practices.

The Pennsylvania Economy League assists public officials and citizens in arriving at important public policy decisions by conducting thorough research and analysis of the management and financing of government programs. By making their findings available, this information is often used to arrive at informed and intelligent public policy decisions. In addition to conducting formal research, the league also works with public officials on a day-to-day consulting basis and participates in the work of governmental advisory commissions.

These research programs and activities are made possible by the support of more than 1,500 corporate and individual members representing a broad cross-section of Pennsylvania's taxpayers and citizens.

I would like to extend my congratulations to the Pennsylvania Economy League for its concerns and efforts for a maximum efficient state government in its 50 years of existence.

HONORING PRINCIPAL LINCOLN CHING OF THE JELLICK ELEMENTARY SCHOOL IN THE ROWLAND UNIFIED SCHOOL DISTRICT

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. TORRES. Mr. Speaker, I ask my colleagues in Congress to join me in recognizing the distinguished service and dedication of Mr. Lincoln Ching.

For the past 7 years Mr. Ching has served as principal to the students and faculty of the Jellick Elementary School in the Rowland Unified School District. On June 5, 1986, Mr. Ching will retire as principal after completing 26 years of service in public education as an educator and administrator.

As principal at Jellick Elementary, he implemented the School Improvement Program and the Asian Bilingual Education Program. Prior to coming to Jellick Elementary he was principal at La Seda Elementary School also in the Rowland District. At La Seda he began one of the first Early Childhood Education Programs.

Mr. Ching is a native of Hawaii and comes from a family of 13. After serving with the Marines in the Korean war, he received a bachelor's degree from Whittier College and a master's degree from California Polytechnic University. On June 23, he and his wife will celebrate 30 years of marriage. They have three boys and one girl.

Mr. Speaker, I commend the dedication and service Mr. Lincoln Ching has given to the students the Rowland Unified School District. Through his assistance hundreds of students have strived for the highest personal and academic goals. It is my pleasure to congratulate him and wish him the best on his well deserved retirement.

PERSONAL EXPLANATION

HON. ALFRED A. (AL) McCANDLESS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. McCANDLESS. Mr. Speaker, earlier today, during rollcall 111, the vote on H.R. 4021, the vocational rehabilitation amendments, I was unavoidably detained on official business in my role as ranking minority member on the Subcommittee on Government Activities and Transportation of the Committee on Government Operations.

I have long been a supporter of vocational education, and had I been present, I would have voted "yea."

A TRIBUTE TO BOB CASEY

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 30, 1986

Mr. ROSTENKOWSKI. Mr. Speaker, I rise out of respect and admiration for our former colleague, and my very good friend, Bob Casey. His recent death saddens me greatly.

Bob and I met soon after our respective first elections to Congress in November of 1958. We eventually ended up with offices across the hall from each other. Over the 17 years between our freshman term and Bob's resignation in 1976, I spent a lot of time with Bob, comparing notes about Chicago and Houston, discussing the issues of the day, and just plain enjoying his company.

I recall when Bob was elected to serve on the Appropriations Subcommittee on Labor and HEW. I remember saying to him that I thought that to be one of the toughest assignments in the House. Well, nobody has tackled that job with more energy, more compassion, and more effective advocacy than Bob Casey. His work there is his legacy.

Bob and I stayed in touch after he left the Congress, first during his stewardship at the Federal Maritime Commission, and later during his return to the practice of law in Houston, a city which owes him so much.

His passing marks an end of a remarkable life. The House honors itself in honoring Bob in this fashion. I will continue to think of him as a model of public service, and as a friend. I extend my sympathy to his entire family. May he rest in peace.

CENTENNIAL BIRTHDAY OF MONROVIA, CA

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. MOORHEAD. Mr. Speaker, I would like to call to the attention of my colleagues the celebration of the centennial birthday of the city of Monrovia, CA. To celebrate this historic event, the Monrovia City Council has appointed a centennial committee of active citizens, and plans are currently underway to commemorate the history of Monrovia.

To understand Monrovia's roots, it is important to begin with the guiding spirit behind the town, William N. Monroe. Monroe, a railroad-construction engineer, purchased 240 acres of land in the San Gabriel Valley in 1885 from the silver baron, E.J. "Lucky" Baldwin, and with the help of Edward Spence, John Bicknell and James Crank, Monroe laid out the town of Monrovia in the spring of 1886. As a result of their careful planning, one of the most successful small boom towns of the San Gabriel Valley was established.

In November 1887, Monrovia became the fourth town to incorporate in Los Angeles County as a general law city. One of the first acts of business for the local leaders was to prohibit the sale of alcohol. Subsequently, in the early 1900's, the development of the city council/city manager form of government was established, and a new high school facility was erected to accommodate students from Monrovia, Arcadia and Duarte. The building still stands and is still used by Monrovia students.

For 1986, the centennial celebration will be a year long event with the variety of themes planned to educate the citizens of Monrovia of its historical heritage. This month, the Monrovia Day Association will be sponsoring a "Centennial Parade" for all the residents of the city, and in September, the Monrovia Centennial Committee will be turning back the clock to the year 1886 for a community-wide celebration.

As one of several cities in the 22nd Congressional District which will be celebrating their centennial birthday, it is my pleasure to offer congratulations to the residents of Monrovia and extend best wishes for another 100 years of success and prosperity.

SUPPORT FOR H.R. 4208—COAST GUARD AUTHORIZATION

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Ms. KAPTUR. Mr. Speaker, I was detained in my district yesterday on official business and inadvertently missed the vote on H.R. 4208, the Coast Guard Authorization, had I been present, Mr. Speaker, I would have voted in the affirmative.

PERSONAL EXPLANATION

HON. BRUCE A MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. MORRISON of Connecticut. Mr. Speaker, due to an unavoidable absence, I was not present for the vote on H.R. 4021, the Vocational Rehabilitation Amendments. Had I been present, I would have voted "aye."

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, May 8, 1986, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MAY 9

9:00 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings to examine the Department of Justice handling of the Jackie Presser ghostworkers case.
SD-342

Labor and Human Resources
To hold hearings on the nomination of John A. Pendergrass, of Minnesota, to be Assistant Secretary of Labor.
SD-430

9:30 a.m.
Energy and Natural Resources
To hold hearings on S.J. Res. 325, to approve the "Compact of Free Association" between the United States and the Government of Palau.
SD-366

Finance
Health Subcommittee
To hold hearings to examine the condition of rural hospitals under the Medicare program.
SD-215

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Strategic Defense Initiative.
SD-192

MAY 12

9:30 a.m.
Judiciary
To resume hearings on S. 2160, to clarify and improve the analysis of mergers under the antitrust laws.
SD-226

2:00 p.m.
Finance
International Trade Subcommittee
To hold hearings on proposed legislation authorizing funds for the International Trade Commission, U.S. Customs Service, and the Office of the United States Trade Representative.
SD-215

Labor and Human Services
To hold hearings on the nomination of Lynne V. Cheney, of Wyoming, to be Chairperson of the National Endowment for the Humanities.
SD-430

3:00 p.m.
Foreign Relations
Western Hemisphere Affairs Subcommittee
To hold closed hearings on the situation in Mexico.
S-116, Capitol

MAY 13

9:00 a.m.
Office of Technology Assessment
The Board, to meet to consider pending business items.
EF-100, Capitol

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Banking, Housing, and Urban Affairs
To hold hearings on S. 2372, the Financial Institutions Emergency Acquisitions Amendments of 1986.
SD-538

Governmental Affairs
To hold hearings on S. 2230, bills to improve financial management in the Federal Government and reduce the Federal budget deficit.
SD-342

Select on Intelligence
Closed business meeting, to mark up proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

10:00 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on proposed legislation authorizing funds for the U.S. Coast Guard, and H.R. 1362, to revise, consolidate, and enact certain laws related to load lines and measurement of vessels as parts C and J of subtitle II of title 46, U.S. Code.
SR-253

Energy and Natural Resources
Business meeting, to resume mark up of S. 372, S. 570, S. 913, and S. 946, bills to improve the administration of the Federal coal leasing program.
SD-366

Environment and Public Works
Nuclear Regulation Subcommittee
To resume hearings on S. 445, S. 1225, and S. 1761, bills to revise certain provisions of the Atomic Energy Act of 1954 regarding liability for nuclear incidents.
SD-406

Foreign Relations
Western Hemisphere Affairs Subcommittee
To continue hearings on the situation in Mexico.
SD-419

Judiciary
To hold oversight hearings on the forfeiture of attorneys fees.
SD-226

Select on Indian Affairs
Business meeting, to consider pending calendar business.
SR-428

2:00 p.m.
Foreign Relations
East Asian and Pacific Affairs Subcommittee
To resume hearings to review the services trade between the United States and Japan.
SD-419

Judiciary
Administrative Practice and Procedure Subcommittee
To hold hearings on S. 673, to establish a specialized corps of judges necessary for certain Federal proceedings required to be conducted, and S. 580, to ensure the independence of certain administrative law judges.
SD-226

MAY 14

9:00 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Health Resources and Services Administration, Department of Health and Human Services.
SD-116

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Legal Services Corporation, and for the Securities and Exchange Commission.
S-146, Capitol

Banking, Housing, and Urban Affairs
To hold hearings on the effect of exchange rate volatility and the debt problems of developing countries on U.S. trade competitiveness, and related provisions of Title V of S. 1860, proposed Trade Enhancement Act.
SD-538

Select on Intelligence
Closed business meeting, to continue markup of proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the De-

partment of Transportation and certain related agencies.
SD-138

Environment and Public Works
To hold hearings on H.R. 2403, to require that public buildings constructed or altered under the Public Buildings Act shall be in compliance with nationally recognized building codes and State and local zoning laws, and proposed legislation authorizing funds for fiscal year 1987 for public buildings program of the General Services Administration.
SD-406

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on S. 525, to provide for the transfer to the Secretary of Health and Human Service the authority of the Secretary of Energy to conduct epidemiological studies of radiation effects.
SD-342

Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To resume hearings on S. 1327, to establish higher minimum rates of basic pay in geographic areas where the Federal Government is experiencing significant recruitment and retention problems, S. 1727, to establish alternative personnel management systems for scientific and technical employees, and provisions of S. 2082, to improve the management of major defense acquisition programs, to establish a Defense Acquisition Service, and to limit employment contacts between senior officials of the Department of Defense and defense contractors.
SD-124

Judiciary
Criminal Law Subcommittee
To hold hearings on S. 2312, to revise certain provisions of title VII of the Omnibus Crime Control and Safe Streets Act of 1968, relating to armed career criminals, to include a serious drug offense and any crime of violence as an offense subject to enhanced penalties.
SD-226

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

3:00 p.m.
Governmental Affairs
To continue hearings on S. 2230 and S. 2142, bills to improve financial management in the Federal Government and reduce the Federal budget deficit.
SD-342

May 15

9:00 a.m.
Veterans' Affairs
To resume hearings on the reported sightings of live military personnel missing in action in Southeast Asia.
SD-628

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 and for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Banking, Housing, and Urban Affairs
Housing and Urban Affairs Subcommittee
To hold oversight hearings on the affordability and availability of liability insurance for local governments, housing industries, and transit systems.
SD-538

Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To hold hearings on S. 2083, to promulgate regulations for asbestos hazard abatement in the nation's schools, and S. 2300, to set standards for identification and abatement of hazardous asbestos in Federal and other buildings.
SD-406

Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 2050, to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers.
SD-430

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on voluntary contributions to international organizations programs, and for the Office of the U.S. Representative to the United Nations.
SD-124

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for the National Science Foundation.
SD-253

Foreign Relations
To hold hearings to examine issues related to the 1984 Protocols Amending the Civil Liability and Fund Conventions on Oil Pollution Damage (Treaty Doc. 99-12), which establish a liability limit on tanker owners for damage caused by oil from their vessels.
SD-419

1:00 p.m.
Judiciary
Security and Terrorism Subcommittee
To resume hearings in closed session to examine legal mechanisms to combat terrorism.
S-407, Capitol

2:00 p.m.
Judiciary
Administrative Practice and Procedure Subcommittee
To hold hearings on the prosecution of Soviet Embassy demonstrators.
SD-226

2:30 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for fossil energy and clean coal technology.
SD-192

4:00 p.m.
Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

MAY 16

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on the nominations of Vice Admiral Paul A. Yost, Jr., to be Commandant, U.S. Coast Guard, with the grade of admiral, and Rear Admiral James C. Irwin, to be Vice Commandant, U.S. Coast Guard, with the grade of vice admiral.
SR-253

10:15 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on proposed legislation authorizing funds for the Maritime Administration, Department of Transportation, and proposed legislation authorizing funds for the Federal Maritime Commission.
SR-253

MAY 20

9:00 a.m.
Energy and Natural Resources
To hold hearings on S. 1302, proposed Natural Gas Regulatory Reform Act of 1985, S. 1251, proposed Natural Gas Utilization Act of 1985, S. 2205, to eliminate certain restrictions on the use of natural gas and petroleum, S. 2285, to promote competition in the natural gas market, to ensure open access to transportation services, to encourage production of natural gas, to provide natural gas consumers with adequate supplies at reasonable prices and to eliminate demand restraints, and S. 834, to increase competition in the transportation of natural gas.
SD-366

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

Foreign Relations
To hold hearings to review the results of the Economic Summit and the implementation of the Baker plan designed to meet the global debt crisis.
SD-419

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Indian Health Service, Department of Health and Human Services.
SD-192

MAY 21

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Information Agency, and the National Endowment for Democracy.
S-146, Capitol

Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

10:00 a.m.
Appropriations
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366
Labor and Human Resources
To hold oversight hearings on strategies to reduce hunger in America.
SD-430
Select on Indian Affairs
To hold oversight hearings on certain issues resulting from a decision of the 10th Circuit Court of Appeals in the case of the Ute Indian Tribe v. the State of Utah.
SD-538

MAY 29

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary and Office of the Solicitor, Department of the Interior.
SD-192

JUNE 3

9:30 a.m.
Energy and Natural Resources
To hold oversight hearings on the implementation of the Public Utility Regulatory Policies Act (P.L. 95-617).
SD-366
10:00 a.m.
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on statistical policy for an aging America.
SD-342

JUNE 4

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Commerce, Justice, and State, the Judiciary, and certain related agencies.
S-146, Capitol
10:00 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on S. 1935, to provide for certain vessels to be documented under the laws of the United States to entitle them to engage in domestic coastwise trade.
SR-253
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366
Labor and Human Resources
To hold oversight hearings to review the imposition of user fees in FDA approval procedures for new drugs.
SD-430

JUNE 5

10:00 a.m.
Energy and Natural Resources
To resume oversight hearings on the implementation of the Public Utility Regulatory Policies Act (P.L. 95-617).
SD-366

JUNE 11

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366
Labor and Human Resources
To hold hearings on pending nominations to the National Advisory Council on Women's Educational Programs.
SD-430

JUNE 12

9:30 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 2204, to permit the use of park entrance, admission and recreation use fees for the operation of the National Park System.
SD-366
Select on Indian Affairs
To hold hearings on S. 830, to expand Indian education programs to include Native Hawaiians.
SR-485
10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume joint oversight hearings with the House Committee on Education and Labor's Subcommittee on Elementary, Secondary and Vocational Education on illiteracy in America.
2175 Rayburn Building

JUNE 17

9:30 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 2055, to establish the Columbia Gorge National Scenic Area.
SD-366
10:00 a.m.
Labor and Human Resources
To resume hearings on S. 1804, to establish a program to provide development and incentive grants to States for enacting medical malpractice liability reforms.
SD-430
Select on Indian Affairs
To resume hearings on S. 902, to establish Federal standards for gaming activities on Indian lands.
SD-106

JUNE 18

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

JUNE 25

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366
Labor and Human Resources
To hold hearings on the administration of the Mine Safety and Health Review Commission.
SD-430

JULY 16

10:00 a.m.
Labor and Human Resources
To hold hearings on measures to improve the health of children.
SD-430

JULY 17

9:30 a.m.
Finance
Social Security and Income Maintenance Programs Subcommittee
To hold joint hearings with the Committee on Labor and Human Resources' Subcommittee on Employment and Productivity on work and welfare issues.
SD-430
Labor and Human Resources
Employment and Productivity Subcommittee
To hold joint hearings with the Committee on Finance's Subcommittee on Social Security and Income Maintenance Programs on work and welfare issues.
SD-430

JULY 22

9:30 a.m.
Finance
Social Security and Income Maintenance Programs Subcommittee
To resume joint hearings with the Committee on Labor and Human Resources' Subcommittee on Employment and Productivity on work and welfare issues.
SD-430
Labor and Human Resources
Employment and Productivity Subcommittee
To resume joint hearings with the Committee on Finance's Subcommittee on Social Security and Income Maintenance Programs on work and welfare issues.
SD-430

JULY 29

10:00 a.m.
Labor and Human Resources
Employment and Productivity Subcommittee
To hold hearings to review the response for home health care services.
SD-430

JULY 30

10:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

AUGUST 13

10:00 a.m.
Labor and Human Resources
To hold hearings to review the private sector initiatives in human services.
SD-430

SEPTEMBER 10

10:00 a.m.
Labor and Human Resources
To hold hearings to review the human resources impact on drug research and space technology.
SD-430

SEPTEMBER 16

10:00 a.m.
Labor and Human Resources
To hold hearings on pending nominations.
SD-430

SEPTEMBER 24

10:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

CANCELLATIONS

MAY 8

10:00 a.m.
Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To hold oversight hearings on the government approval of the release of genetically-engineered organisms.
SD-406

MAY 15

10:00 a.m.
Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold oversight hearings on prospects for exporting American coal.
SD-366

SENATE—*Thursday, May 8, 1986*

(Legislative day of Monday, May 5, 1986)

The Senate met at 11:30 a.m., on the expiration of the recess, and was called to order by the Honorable FRANK H. MURKOWSKI, a Senator from the State of Alaska.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Eternal Father, Sunday we celebrate Mother's Day and we take this opportunity to express our deep gratitude for our mothers. Mention of mother awakens precious memories which continue to release or restrain behavior even today. We praise You, Lord, for the profound influence of mothers which is still felt by men and women holding responsible positions in government, business, industry, and the professions. Thank You for the lives that have been turned around from tragedy to triumph long after adulthood because of the memories of a mother. Thank You for lonely hours of decision during which a mother's early influence awakens conscience and guides constructively. With a sense of gratitude and pride, we thank You, O Lord, that it was the uncle of Senator HOWELL HEFLIN, Congressman J. Thomas Heflin, who 70 years ago initiated the congressional resolution which set apart the second Sunday in May as Mother's Day. With all our hearts, we thank You God for all our mothers. Help us to love them, honor them, serve them, in the name of the Lord. Amen.

The PRESIDING OFFICER. Thank you, Chaplain. We appreciate the message as we reflect on this American holiday, Mother's Day.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, May 8, 1986.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable FRANK H. MURKOWSKI, a Senator from the State of Alaska, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. MURKOWSKI thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

Mr. DOLE. Mr. President, I thank the distinguished Presiding Officer, Senator MURKOWSKI.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each followed by special orders in favor of Senators HAWKINS, CRANSTON, PRESSLER, FORD, SASSER, PROXMIRE, and MURKOWSKI for not to exceed 3 minutes each.

There will be a period for routine morning business not to extend beyond the hour of 12:30 p.m., with statements therein limited to 5 minutes each.

At the conclusion of morning business, we shall return to consideration of S. 1923, the bankruptcy judges bill. Pending is a Grassley amendment. Votes can be expected throughout the day.

I hope we can complete action on this bill sometime today or this evening. This is normally the late evening, so I alert Members; they are now on notice that it could be a late evening.

Following that, it is my hope that we can turn to the drug export bill. We are trying to make certain, but I am advised that there may be two or three amendments offered on that bill tomorrow which will require rollcall votes. In response to Members who were earlier inquiring about rollcall votes, we hope to have that nailed down quite soon.

It is also my understanding that the Banking Committee will mark up the Shcharansky gold medal proposal at 2:30 today. As soon as that is reported to the floor, I assume we can take care of that immediately after the bankruptcy judges bill. I know of no objection on either side.

Also, there is the Newman nomination we would like to dispose of. I do not believe there is any objection on the side of the distinguished minority leader. We would like to do that even before we move into the bankruptcy bill.

WELCOME BACK, MR. PRESIDENT

Mr. DOLE. Mr. President, we certainly want to welcome President Reagan back. He arrived yesterday afternoon. I assume it will take some time to overcome the jet lag of any long trip, but from what we have been able to learn, the President had a very successful trip.

I must say that, not because of his absence but during his absence, we made some progress on a number of items important to the President—whether it is the budget, which the Senate took care of; whether it is tax reform, which has now left the committee, which I believe has enough momentum to pass this body in a matter of a couple of weeks. We hope to schedule that in early June.

I cannot recall a bill ever having that much impact in the time I have been here, and I know that tax bills go up and down. We experienced that in the Finance Committee, but in the final analysis, even though there are probably some areas that need to be addressed on the Senate floor and will be addressed, the basic structure of the bill, the 33-percent corporate rate and 15- and 27-percent rates for individuals will likely remain intact. If that is the case, those who offer amendments will be hard pressed to determine how they are going to pay for their amendments.

Again, Mr. President, I think this was a step in the right direction. I certainly want to commend the President for a very successful summit. In my view, the President of the United States, Ronald Reagan, came back with just about what he wanted. I commend the leaders of the other nations and all those who participated in what I consider to be a very worthwhile effort.

PRELIMINARY ASSESSMENT OF THE SUMMIT

NEW HOPE FROM TOKYO

Mr. DOLE. Mr. President, the just-concluded Tokyo summit is grounds for some new hope of enhanced cooperation with our principal allies on two of the most important issues we confront today—international terrorism and global economic problems.

ALLIED COOPERATION AGAINST INTERNATIONAL TERRORISM

The summit produced a strong—and I might say candidly, surprisingly strong—statement condemning inter-

national terrorism. The statement is particularly noteworthy for two things. First, it cites Libya by name as a major source of international terrorism, further isolating Qadhafi. Second, the statement makes clear that there is no justification whatsoever for terrorism. Whatever grievances people may have, no matter how legitimate those grievances may be, they do not constitute any justification for wanton attacks on innocent men, women, and children, who are in no way responsible for the condition of the aggrieved.

Now, of course, comes the hard part. Strong words are one thing, and in this case they are most needed and welcome. But strong action is quite another. And strong, concerted action is needed even more.

Some of our allies have already made it clear they are prepared to join in serious, effective, counterterrorism action. Britain and Canada, especially, have stood with us, four-square, when it counted. Now, hopefully, our other allies are ready to join us, too. At least, that is our hope—a somewhat brighter hope in the aftermath of the Tokyo communique.

INTERNATIONAL ECONOMIC PROBLEMS

The other major agenda item in Tokyo was international economic problems. Under a plan devised by Treasury Secretary Baker and adopted by the summit, the finance ministers of the newly formed group of seven—the United States, Japan, Great Britain, Canada, France, West Germany, and Italy—will meet for periodic consultations on economic issues of common concern.

In this forum, the ministers will have the opportunity for frank discussions on the international impact of their various national economic strategies—that is, how the economic policies and performance of each of the seven will affect the others. One issue, in particular, sure to come in for intense discussion is international currency exchange rates—a key to righting the global trade imbalance and getting U.S. trade deficits down.

As with the issue of terrorism, the proof will be in the pudding. To deal successfully with the exchange rate problem, or any of the host of other problems on the international economic scene, will require cooperative action and some tough decisions. The group of seven can be the vehicle for such decisions. Now it's up to the ministers and the governments they represent to make the vehicle run.

USEFUL AGENDA

Mr. President, the summit has laid out a useful agenda for cooperation among the major allied nations. The seven national leaders now have the opportunity, and the responsibility, to followup on the good intentions of the summit with concrete action.

President Reagan provided outstanding leadership at the summit, and I know he's prepared to continue that kind of alliance leadership in the months ahead. We have a job to do in Congress, too. If we work together in this country, and with our major allies, we can turn some of the promise of the Tokyo summit into reality.

THE HOUSE BUDGET RESOLUTION

Mr. DOLE. Finally, Mr. President, as I conclude my remarks, let me add that I hope the House will come forth with a budget. We are advised that if we took responsible action, which we did—bipartisan action—we would have a House budget resolution within 72 hours. That time has long since passed. I commend the House Democrats and Republicans who are working on this rather difficult issue but I hope that we would be able to get a budget resolution passed by the House and go to conference so we will have a budget resolution completed by the time we take up the tax bill.

That would be very helpful for a number of reasons. First, it would indicate to those who want to do the budget resolution first that we are making progress and, second, it would help us as far as the lengthy debate on amendments on the tax bill itself.

FINANCIAL DISCLOSURE STATEMENTS DUE MAY 15, 1986

Mr. DOLE. Mr. President, financial disclosure reports required by the Ethics in Government Act of 1978 and Senate Rule 34 must be filed no later than close of business on Thursday, May 15, 1986. The reports must be filed with the Senate Office of Public Records, 232 Hart Building, Washington, DC 20510. The Public Records Office will be open from 9 a.m. until 9 p.m. for the purpose of accepting these filings. Written acknowledgements will be provided automatically for Senators' reports, and upon request for staff members. Any written request for an extension should be directed to the Select Committee on Ethics, 220 Hart Building, Washington, DC 20510.

All Senators reports will be made available simultaneously on Monday, May 19. Advance written requests for copies of these reports are now being accepted by that office. Any questions regarding the availability of reports or their purchase should be directed to the Public Records Office, 224-0322. Questions regarding interpretation of the Ethics in Government Act of 1978 should be directed to the Select Committee on Ethics, 224-2981.

APPOINTMENT OF AD HOC COMMITTEE TO ASSESS BROADCAST TRIAL PERIOD

Mr. DOLE. Mr. President, now that the Senate has had the opportunity to experience live gavel-to-gavel coverage of Senate proceedings on a trial basis, I believe that it would be useful to assess this coverage. I have heard several informal recommendations from colleagues and I suspect that a formal solicitation of views from Members might elicit still a few more suggestions.

I am aware that the Democratic leader has appointed Senators from his side of the aisle to form an ad hoc group for the purpose of assessing the trial period. Likewise, I appoint Senators CHAFEE, QUAYLE, MATHIAS, ARMSTRONG, KASSEBAUM, and WILSON to consider and evaluate the broadcasting of Senate floor proceedings. Should the Senate determine that broadcasting of Senate proceedings will proceed on a permanent basis, these recommendations will undoubtedly aid this Chamber in producing the best technical product—note I did not say most interesting product—for the viewing public.

□ 1140

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The minority leader is recognized.

THE ECONOMIC SUMMIT

Mr. BYRD. Mr. President, I have, of course, joined before in complimenting the results of the economic summit, and I do so again. I am glad there were stronger statements than we have heard before and there seemed to be unanimity among the seven industrialized democracies that state-supported terrorism has to be dealt with, and firmly, and that it takes the coordinated efforts and the cooperation not only of those seven nations but also of other nations to deal with it. I am heartened by this.

As to the carry through, I hope we will see that as well.

As to trade, I think some progress was made. Too many times I have heard the Prime Minister of Japan and other Japanese officials say that the Japanese Government, the business community, and the consumers of Japan are going to take action to open Japanese markets to American goods. We have heard good public relations speeches, but all too few follow-throughs. Now we have had a good speech by the Prime Minister again, and I have to compliment the Prime Minister; it takes courage to say what he has said and to attempt to take the actions he has outlined. But I would

hope that this time we will not have been treated to fine speeches and ingratiating promises. I am hoping for the followthroughs, and I am sure our fellow Americans are doing the same.

We have already seen much of the manufacturing base of this country transferred abroad, and millions of American jobs have been exported abroad because Japan has not opened its markets to fair competition by American products. I hope that we will see action this time and follow-through—not just good PR.

AMENDMENT OF THE WAR POWERS ACT

Mr. BYRD. Mr. President, on Monday, April 14, I was invited, with others of the leadership, to a meeting with the President at the White House. Leaders on both sides of the aisle from both Houses were present, and there were top-ranking members of the Foreign Relations and Intelligence and Armed Services Committee. When we arrived, the President indicated that he had already ordered a bombing raid on targets in Libya. We were informed that already en route to their destinations were F-111's based in England; that they would reach their targets about 7 p.m., Washington, DC, time. As I recall, they had already been in flight 2 hours.

And so I asked the question, "Has any other Member of Congress been told about this action, or plans for it prior to this meeting that is going on now?" And the answer was, "No." I said, "Well, it is obvious then that we have been called here today to be notified of the action, not consulted—to be told of a decision that has already been made." I said, "I am not complaining at this point." I said that military actions may have to be taken from time to time that require secrecy, that require the element of surprise if such actions are to be successful in minimizing American losses and in maximizing the chances of the operation's success.

I think we have to be realistic in that regard. And I believe that an operation such as we were being told about was such an operation. It should be apparent to anyone that the element of surprise, the element of secrecy was an element of utmost importance in the military action that was taken against Libya.

Now, having said that—and I will not go into this further at this time—there were many indications that the administration itself had consulted others, had notified others countries, and that the leaders of the Congress were certainly not the first to be informed of what was going to happen.

Now, I will leave that here for now. The War Powers Act—and I read only one paragraph—section 3 says:

> The President, in every possible instance, shall consult with Congress before introducing United States armed forces into hostilities or into situations where eminent involvement in hostilities is clearly indicated by the circumstances and, after every such introduction, shall consult regularly with the Congress until United States armed forces are no longer engaged in hostilities or have been removed from such situations.

Now, Mr. President, there have been those who have said we have to amend the War Powers Act to allow the President to have more flexibility in order to deal with state-supported terrorism. In this particular situation I am talking about, I made no argument then or subsequent thereto that the War Powers Act had been violated. The language says, "The President in every possible instance shall consult."

The word "possible" is the key word here. Obviously, that word was put there by Congress for some reason. The language does not say, "in every instance." It says, "in every possible instance." So I think the President had the flexibility in that word to act then under the circumstances, and to act effectively and forcibly against state-sponsored terrorism under such similar conditions if the national security interest requires again. In the case of Libya, I am not charging now and have not so charged at any time that the War Powers Act was violated in the consultation requirement.

Obviously the President cannot consult with 535 Members of the House and Senate. He cannot do that. And Congress ought to make this clear. Congress has said the President shall consult "in every possible instance." Congress ought to make it clear what it means in a situation such as we are talking about, in which obviously the President cannot consult with 535 Members of Congress. We do not want the President to violate the act. We do not want the law to be such that it will be so inflexible that the national security interests of this country will be in danger; and if we want to make it possible for a President to act in the national security interests of this country without violating the act—and I am sure we ought to—I think we ought to say just what we mean when we say "consult with Congress."

On April 18, 1986, I sent the President a letter—with the signatures of Senator PELL, Senator LEAHY, and Senator NUNN—in which we proposed the creation of a small, permanent consultative body to which the President can look in situations similar to that with which we were confronted with Libya.

What was proposed is simply this: That that consultative body in such situations be composed of the Speaker of the House; the President pro tempore of the Senate; the majority leaders and the minority leaders in both Houses; the chairman and the ranking members of the Intelligence Committees; the Armed Services Committee; and the Foreign Relations or the Foreign Affairs Committees in both Houses. That would be a small group of 18 Members of both Houses.

These Members, by virtue of their positions, as I have set forth, will have had long experience in the Congress. Certainly, they will have, on many occasions, had access to military and intelligence secrets, and they will have attained high seniority. That is evident from their identities as set forth in the letter.

As I said at the White House, there are some people on Capitol Hill who are as capable of keeping a secret as anyone in the White House or in the State Department or in the Department of Defense or anywhere else. I have been here long enough to know that; I believe it.

I think we owe it to the President—this President, any President—to set forth the clear identity in such a situation as the Libyan situation of what we mean by consulting Congress, and the letter proposes such a consultative group.

Mr. President, I ask unanimous consent to have printed in the RECORD the letter to which I have referred.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC.

THE PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: We are hopeful that the purposes of the military action you ordered for Monday, April 14, 1986, in regards to Libyan military and terrorist support facilities have been accomplished. Specifically, we join you in the hope that a powerful incentive has been provided to Colonel Khaddafi, as well as to other terrorist elements, against the use of their tools of violence against the civilized world. Secondly, it would be a very positive step if our allies could now take a second look at the question of sanctions against the Libyan government and join with us in a tightly coordinated policy whereby economic actions provide additional incentive to the Libyan government to renounce the use of terrorism.

In discussions with a number of our colleagues, the question of the flow of information between the Executive branch and the Congress has been repeatedly raised. We are very cognizant of the tight requirements of secrecy needed in order to ensure that operations of this type have the maximum opportunity for success, and in order to safeguard the lives of the courageous men and women who put themselves in harm's way to accomplish the goals of national policy.

Taking all this into account, we would like to call your attention to the following factors: first, advance information as to the intentions of your Administration was the subject of continuous press attention for over a week prior to the military action, leading to reports of advance defensive action taken by Khaddafi which could have endangered American lives. Much of this was the result of substantial public commentary by Administration officials. Second, your special emissary, Ambassador

Walters, apparently briefed our allies prior to the provision of information to responsible members of Congress. Third, the first indication of your decision was at a meeting Monday afternoon at the White House, after the operation was already underway, and this amounted to a notification of your actions rather than the consultation required by law—Section 3 of the War Powers Act provides that the "President in every possible instance shall consult with Congress before introducing United States Armed Forces into hostilities. . . ."

We believe a strongly bipartisan foundation is the only guarantor of success in our nation's foreign affairs. It is in the spirit of further developing this foundation that we would suggest that together we refine the section on consultation in the Act. Specifically, we would suggest that a consultative body, composed of the Speaker of the House, the President Pro Tempore of the Senate, the Majority and Minority Leaders of both Chambers and the Chairmen and Ranking Minority members of the Armed Services, Foreign Relations, and Intelligence Committees in both Chambers be designated. These 18 members, then, would have the responsibility of fulfilling the consultative duties required by the Act before introducing United States Armed Forces into hostilities or situations of imminent hostilities and would be the body to which you could look with more predictability for the purpose of fulfilling the obligations of your office under the Act.

We hope that you take these views into consideration, and that we can discuss making more satisfactory arrangements than have sometimes been the case in the past.

Sincerely,

CLAIBORNE PELL.
ROBERT C. BYRD.
SAM NUNN.
PATRICK LEAHY.

Mr. BYRD. Mr. President, at this point I offer this joint resolution for the consideration of the committee which would legislatively formalize such a consultative group. I ask unanimous consent that the text of the joint resolution be printed in the RECORD. It, too, is joined in by Senator CRANSTON, Senator PELL, Senator LEAHY, Senator INOUYE, and Senator EAGLETON.

I hope that Senators on both sides of the aisle will consponsor the joint resolution.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 340

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Public Law 93-148, also known as the War Powers Resolution, is amended—

(1) by inserting "(a)" after "Sec. 3."; and

(2) by adding at the end thereof the following:

"(b) For purposes of consultation as required in subsection (a), there is established within the Congress a permanent consultative body composed of—

"(A) the Speaker of the House of Representatives and the President pro tempore of the Senate;

"(B) the Majority Leader and the Minority Leader of the House of Representatives and the Majority Leader and the Minority Leader of the Senate;

"(C) the chairman and ranking minority member of each of the following committees of the House of Representatives:

"(i) the Committee on Foreign Affairs;

"(ii) the Committee on Armed Services; and

"(iii) the Permanent Select Committee on Intelligence; and

"(D) the chairman and ranking minority member of each of the following committees of the Senate:

"(i) the Committee on Foreign Relations;

"(ii) the Committee on Armed Services; and

"(iii) the Select Committee on Intelligence.".

COUNTER-TERRORISM AND THE WAR POWERS RESOLUTION

Mr. LEAHY. Mr. President, recent weeks have seen U.S. military forces engaged in Libya in response to acts of terrorism committed against Americans around the world.

In the days prior to the raid, the probability that U.S. military action was imminent was evident to everyone. Certain Members of Congress and congressional committees also had advance knowledge of the intelligence underlying the President's decision to initiate the U.S. military operation and perhaps some of the planning for it. But, in my view, insufficient time and attention was paid by the administration to keeping Congress informed and obtaining congressional viewpoints on this grave issue.

The Congress has the authority, under article I, section 8 of the Constitution, "To declare War, grant letters of Marque and Reprisal, and make rules concerning Captures on Land and Water." This is balanced by the power of the President under article II, section 2, to conclude treaties (with the advice and consent of the Senate), conduct foreign policy, and serve as Commander in Chief of the Armed Forces.

In the course of our history, the President has acquired ever greater powers to conduct the foreign policy of the United States, including the deployment of U.S. military forces in crises abroad. Presidents have increasingly committed the United States to conflicts overseas without consulting fully with Congress and without obtaining a declaration of war or similar resolution of congressional support. When a resolution of support was obtained in the Gulf of Tonkin Resolution, the executive branch used it as a basis for even broader authority to wage an undeclared war for several years.

Mr. President, my predecessor in this seat in the U.S. Senate, the greatly respected former Senator from Vermont, George Aiken, emphasized the dangers inherent in granting such blanket approval to the executive branch to engage in hostilities overseas. In a speech on the floor on January 31, 1966, he said:

. . . I never for an instant regarded my vote for the concurrent resolution of August 1964 as a vote to give the President authority to wage war at will in Southeast Asia."

The Vietnam war was the breaking point for the erosion of congressional responsibility over warmaking. Extensive U.S. involvement in Vietnam finally led to a legislative reaction by Congress. In 1973, Congress passed the War Powers Resolution. It requires the President to consult with Congress prior to the introduction of U.S. military forces into situations of hostilities or in which the likelihood of hostilities is clearly indicated by the circumstances. Explicit notification and reporting requirements were also enacted.

The executive branch has always regarded the War Powers Resolution as an intrusion into the President's power to conduct foreign policy. Presidents have complied only reluctantly and minimally with the War Powers Resolution. To a considerable degree, this poor record has actually occurred in connection with military operations conducted in response to international terrorism.

When President Carter ordered United States forces into Iran to attempt a rescue of the hostages being held at the United States Embassy in Tehran, his legal advisers provided an opinion that essentially said the war powers provisions were not applicable. Their argument was that because, as of the time of the termination of the mission at "Desert One," the rescue forces had supposedly not reached a position in which hostilities were imminent—despite the fact that they were hundreds of miles inside Iranian territory.

When President Reagan directed United States naval forces to undertake operations inside waters claimed by Libya in the Gulf of Sidra—below Qadhafi's "Line of Death"—the President did notify Congress but pointedly avoided any reference to the provisions of the War Powers Resolution. The President appears to have taken the position that since the U.S. forces were in international waters, no consultation was necessary despite the fact that the situation certainly appeared to indicate that hostilities were probable.

The other major statute under which executive branch plans for counterterrorism operations are reported to Congress is the Intelligence Oversight Act of 1980, Title V of the National Security Act. Under this act, the Congress must be kept "fully and currently informed," through the intelligence oversight committees, of all intelligence activities. The committees must in particular be informed of significant anticipated intelligence activities, including ones which require a Presidential finding—that is, covert ac-

tions. Such counterterrorist activities could, under certain circumstances, involve elements of U.S. military forces.

Full reporting to Congress under the Intelligence Oversight Act is essential if the intelligence on international terrorism, especially state support to terrorism, is to be understood by Congress. When the administration begins, on the basis of such information, to plan for an active response through some form of military or other counterterrorist operations, it is also necessary that the intelligence oversight committees be informed of any related special intelligence operations.

The Intelligence Oversight Act provides Congress the ability to review the intelligence information upon which decisions to deploy military force is made. The events of recent days with respect to the United States air operation against Libya illustrate the crucial role of intelligence information as the basis for the decision to commit U.S. military forces abroad. The Oversight Act also provides a basis for notification of the deployment of U.S. intelligence units in connection with such actions.

Finally, with respect both to intelligence information and intelligence operations, the Intelligence Oversight Act allows the executive branch to seek the support and endorsement of Congress for related intelligence activities. If the President had asked the oversight committees for their view of the adequacy of the intelligence on which proposed military action is based, additional protection could have been provided for sensitive intelligence collection sources and methods. Committee confirmation of the intelligence basis for the action could have obviated the necessity for the President or his advisers to describe such information publicly. The intelligence information disclosed recently concerning Libyan involvement in terrorism, while essential to obtaining support at home and abroad for the military action against Libya, undoubtedly jeopardized highly sensitive U.S. intelligence methods.

Mr. President, the consultative framework established by the War Powers Resolution and the Intelligence Oversight Act affords Congress the opportunity to exercise its role under the Constitution to oversee the decision to deploy U.S. forces into hostilities overseas.

Mr. President, I have joined with the distinguished minority leader and the ranking Democratic member of the Armed Services and Foreign Relations Committees as an original sponsor of a resolution to amend the War Powers Act by establishing a permanent body in Congress for the consultation required under the act. The creation of such a special group would provide a forum for the President to consult with Congress under the provisions of the act in exceptional circumstances such as those which prevailed just prior to the air strike against terrorist facilities in Libya. It would also ensure that consultations with Congress in connection with the exercise of war powers occurs on a fully bipartisan basis.

The recent Libya raid shows the importance of obtaining the views and advice of Congress in advance of the commitment of U.S. forces overseas. Deciding on this course of action and planning the mission involved the most delicate considerations of policy and public acceptability. The administration would greatly benefit in situations such as this by having the views of key Members of Congress. There should be a firm consensus between the President and Congress on the necessity for and appropriateness of a planned military action against terrorism.

The resolution we have introduced identifies the following Members of Congress as constituting the consultative body for war powers: The Speaker of the House and President pro tem of the Senate; the majority and minority leaders of both Houses; and the chairmen and ranking minority members of the Foreign Relations, Armed Services, and Intelligence Committees of both Houses. It might be argued that this body would be cumbersome and could potentially jeopardize the security of planned operations. My response would be that the members of the consultative body could be asked to take extraordinary security precautions and make other arrangements to facilitate expeditious and secure consultation. The body would be composed of Members of Congress accustomed to dealing with sensitive classified matters in confidence. Also, the resolution would not define at exactly what stage in planning, or in what detail, consultation should occur; it simply creates a permanent body for consultation.

Mr. President, I would also like to comment on a related bill introduced recently by Senators DOLE and DENTON of consultation with Congress in planning counterterrorist operations. In contrast to our bill, the Dole-Denton bill is apparently designed to give the President total power to order any counterterrorist operation, regardless of any provision of law that might otherwise restrict such action, either substantively or procedurally. This specifically includes the War Powers Resolution and, by the implied reach of the Dole-Denton bill, the Intelligence Oversight Act as well.

By its terms, the Dole-Denton bill would remove all limits on Presidential authority to use American military force for counterterrorism purposes. It would simply separate this whole sensitive and controversial area of activity from the constitutional allocation of powers in connection with warmaking. It seeks to have Congress abdicate its consultative role in this crucial area. Apparently, it would eliminate even the requirement to notify Congress of counterterrorist activities under the War Powers Act and the Intelligence Oversight Act.

The Dole-Denton bill would create a strong presumption in favor of military response to terrorism. It does so by specifying that organizing or supporting terrorist acts against U.S. persons constitutes aggression against the Nation, which justifies the use of deadly force. The purposes section makes clear that the bill is to be read broadly so as to grant virtually complete authority to the President to act with full discretion is using American military force in response to terrorism.

The late Senator George Aiken, whose views on Vietnam were well known and respected to many Americans, reflected on the importance of regular consultation with Congress on war powers and the importance of not making unlimited delegations of authority to the executive branch in this area. In a speech on the floor on November 24, 1970, he said:

> The only safe way to grant the necessary priority in foreign policy is to restore bipartisanship, not on a political party basis alone but between the branches of Government before decisions are made.
>
> That, in turn, means restoring the habit of consultation between the White House and the Congress, for only consultation gives substance to the idea of bipartisanship.
>
> For a while, there was consultation after the Tonkin Gulf Resolution was passed. But consultation [soon] ended . . .
>
> The aim of preventing defeat . . . was replaced by the aim of military victory—and the great escalation started, without consultation with the Senate.
>
> Consultation between the White House and the Senate is not so much a matter of law, though the Senate's role in foreign policy is rooted in our Constitution.
>
> More importantly, consultation ought to be a matter of policy; it is the element without which [administration policy] cannot become what I hope it will become—the ground of a new, strong, bipartisan foreign policy.

Mr. President, Congress lost the ability to participate in fundamental decisions to become militarily engaged in Vietnam by passing the Gulf of Tonkin Resolution. What the majority leader and the other sponsors are proposing is that we now enact a "Gulf of Terrorism" Resolution that would take Congress completely out of the act when decisions are made to commit U.S. forces overseas to combat international terrorism.

By incorporating the notion of "deadly force" from the law enforcement arena, furthermore, the Dole-Denton bill appears to be encouraging the assassination or execution of for-

eign leaders or other persons abroad who conspire in terrorism against Americans. This would be an extremely unfortunate precedent, and contrary to the moral norms of this country. This, alone, would make the Dole-Denton bill unacceptable.

The bill would also suspend the relevant provisions of the War Powers, Intelligence Oversight and other acts for an undetermined period of time—for as long as there are terrorists and they pose a threat to U.S. persons. The Congress cannot again afford to grant such indefinite authority to the President over the power to make war.

Mr. President, the events of recent days show that the country needs more, not less, cooperation between the branches of Government in designing effective responses to international terrorism. As the elected representatives of the American people, the Congress must continue to play an important role in formulating policy to combat terrorism. We cannot forfeit our responsibilities in participating, through consultations, in so fundamental an issue as the commitment of American military forces in combat abroad.

The views and advice of Congress cannot be overlooked in seeking wise ways to deter and punish international terrorists. Only by full notification and consultation with Congress can the necessary basis be created for broad public support for difficult actions against foreign terrorists.

SENATOR HAWKINS' SPECIAL ORDER

The ACTING PRESIDENT pro tempore. Under the previous order, the Chair recognizes the Senator from Florida [Mrs. HAWKINS].

Mr. PRESSLER. Mr. President, on behalf of the distinguished Senator from Florida [Mrs. HAWKINS], I shall make her statement under her special order this morning.

DRUG TESTING IN THE NUCLEAR INDUSTRY

Mrs. HAWKINS. Mr. President, in the afterglow of the nuclear disaster at Chernobyl, we have cause to ponder the safeguards we have adopted in our own nuclear industry. The social, economic and biological consequences of error in this industry are clearly stupendous. Our society and all of its institutions have an enormous stake in the fail-safe operation of our nuclear industry.

It is therefore with some dismay that I have learned of our Nuclear Regulatory Commission's (NRC) continued deferral of prescriptive rulemaking for our nuclear power industry in the area of drug abuse problems at nuclear power plants. While the Federal Railroad Administration requires drug testing for certain railroad employees, and even Washington D.C.'s METRO Authority requires drug testing in certain instances for its employees, the NRC has not defined a national policy on drug testing in the nuclear workplace. What drug testing does occur in the nuclear industry is left to the discretion of each company in the nuclear industry. I have today written a letter to the NRC urging their prompt action in issuing appropriate drug testing regulations to our nuclear power industry.

While the NRC acknowledges that there is a drug problem in our nuclear power plants, it has left to the companies themselves direct responsibility to deal with the problem. I do not like to see unnecessary government regulation of private industry, but drug testing for critical employees of our nuclear industry is certainly one area where the government's presence would be well advised.

Some private nuclear power companies are doing an excellent job in the area of drug testing. However, they could clearly use a helping hand from the Nuclear Regulatory Commission. Georgia Power's Alvin W. Vogtle nuclear power project is an excellent case in point.

Much to the credit of Georgia Power, this company declared war on drugs three years ago, and meant it. This came after troubling statistics on job-related accidents involving aberrant employee behavior at the Vogtle nuclear power plant construction site. A urinalysis program to screen employees and potential employees was set up, along with a telephone hotline to receive confidential information about drug use of any employees at the nuclear power project site.

The results of Georgia Power's drug testing program have been remarkably successful. The accident rate at the plant has dropped steadily since drug testing was instituted, from 5.4 accidents for every 200,000 man hours in 1981 before testing began, to .49 accidents per 200,000 man hours in 1985.

Despite Georgia Power's exemplary care in assuring accuracy of test results, requiring not one but two confirmatory tests for each positive result, the American Civil Liberties Union has rushed in to join the opposition to Georgia Power's actions of barring from the work site some of the 200 employees who tested positive for illegal drug use.

The ACLU has been routinely subjecting companies who conduct drug testing of employees to expensive and frustrating legal challenges. These ACLU legal challenges clearly have a chilling effect on private companies decisions to order drug testing, even where vitally necessary, such as the nuclear power industry. If Georgia Power and other private nuclear companies could cite policy guidance or rules on drug testing from the Nuclear Regulatory Commission clearly the hand of Georgia Power would be strengthened in dealing with the unwarranted legal challenges of the disgruntled employees who test positive, their union leadership which reflexively comes to their defense, and narrow interest advocacy groups like the ACLU. An NRC rule would serve to centralize the litigation.

Those parts of our nuclear industry which are trying to do the right thing and adopt drug testing for nuclear employees need the help and support of the NRC in this vital area. There are also some parts of our nuclear industry which are not doing drug testing of employees. According to testimony on May 7 before the House Select Committee on Narcotics, over 90 percent of our nuclear power companies do drug test employees which show problem cause for suspicion of drug use. What about those nuclear power companies who do not drug test? Clearly here is a disaster waiting to happen.

In my own state of Florida, we learned recently that 5 security guards at Florida Power's Crystal River nuclear power plant left their jobs last month following the institution of a drug testing program by their company. According to newspaper accounts, one of the guards said that about a third of the security guards used marijuana at the nuclear plant site while on duty. One guard allegedly sold marijuana and cocaine at the nuclear plant itself.

I sincerely hope that the NRC reassesses its position on deferral of rulemaking on drug testing, especially in the light of these recent revelations of drug use at our nuclear power plants coming on the heels of the Chernobyl disaster. This juxtaposition should prompt quick action on the part of the NRC to safeguard our society's, indeed the world's, vital interests in assuring employee fitness at our nuclear power plants. If not, then the Congress will have to step into this vacuum.

Mr. PRESSLER. Mr. President, that concludes the special order by Senator HAWKINS, of Florida, which I have read in her absence.

EXECUTIVE SESSION

Mr. PRESSLER. Mr. President on behalf of the majority leader, Senator DOLE, I inquire of the minority leader if he is in a position to confirm any of the following nominations on today's Executive Calendar: No. 735, Donald M. Newman; No. 769, Roger M. Olsen; No. 770, Herman W. Rodriquez; No. 771, Evan G. Galbraith; No. 772, William L. Roper; No. 773, J. Michael Hudson.

Mr. BYRD. Mr. President, the nominees just identified have been cleared on this side of the aisle, and we are ready to proceed.

I say to the distinguished Senator that I will ask the able minority whip, Mr. CRANSTON, to take my place at the moment and to conduct business with his staff and mine.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations just identified.

There being no objection, the Senate proceeded to the consideration of executive business.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the nominations identified be considered and confirmed en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered en bloc and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Donald M. Newman of Indiana, to be Under Secretary of Health and Human Services.

DEPARTMENT OF JUSTICE

Roger Milton Olsen, of Virginia, to be an Assistant Attorney General.

Herman Wirshing Rodriquez, of Puerto Rico, to be United States Marshal of the District of Puerto Rico for the term of four years.

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

Evan Griffith Galbraith, of Connecticut, to be a Member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1987. (New Position)

DEPARTMENT OF HEALTH AND HUMAN SERVICES

William L. Roper, of Alabama, to be Administrator of the Health Care Financing Administration. (New Position)

DEPARTMENT OF THE TREASURY

J. Michael Hudson, of Texas, to be a Deputy Under Secretary of the Treasury.

SENATE CONFIRMATION OF DON NEWMAN TO BE UNDER SECRETARY OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

Mr. BAUCUS. Mr. President, I am pleased to support the nomination of Don Newman to become the Under Secretary of the Department of Health and Human Services.

Over the past several years, the health and social policy of our Nation has been the unwitting captive of the pressures to reduce the skyrocketing Federal budget deficit.

Congress continues to work hard to develop a responsible, fair and balanced plan to lower the deficit burden from the backs of our citizens. No other problem confronting us deserves more attention than that issue.

In terms of the overall Federal budget, the Department of Health and Human Services is where much of the money goes. With nearly $350 billion a year going to the programs administered by HHS, the Federal Government makes an enormous commitment each year to fundamental efforts to improve the health and well being of all Americans.

Too often, the best intentions of the appointed leaders in HHS are confronted by an Office of Management and Budget which only seems to view HHS programs as an endless source for budget reductions.

And too often, it has been left to Congress to strike the appropriate balance between deficit reduction and the need to maintain our basic commitments as a nation that cares deeply about our elderly, the poor, the disabled, the ill, and all families struggling to preserve their dignity and independence.

I wish Don Newman all the best as he begins to tackle these problems as the Under Secretary of Health and Human Services. And I hope that he will continue to work hard to keep the lines of communication open between Congress and the administration as he assumes his new position.

It's important that the Under Secretary of a department as large as Health and Human Services be a person who has the confidence of the Secretary. In his close association with Dr. Otis Bowen over many years, Don Newman has earned the Secretary's respect and trust.

Now the Senate is saying that we share the confidence that the Secretary places in Don Newman. What we ask in return is to be a good steward of the programs that affect the daily lives of millions of our citizens and that he keep in mind that, here in Congress, trust is a two way street.

I look forward to working with Don during his tenure at HHS. He has shown that he is sensitive to the concerns raised by Members of Congress. And, most importantly, he understands the importance of quickly rebuilding the trust of Congress by providing sound management and promoting fair and responsible policies for the essential programs administered by HHS.

APPOINTMENT OF DR. WILLIAM ROPER AS ADMINISTRATOR OF THE HEALTH CARE FINANCING ADMINISTRATION

Mr. DURENBERGER Mr. President, I sincerely believe that Dr. Bill Roper will be an excellent administrator of the Health Care Financing Administration, and I want to offer him a warm welcome to that post. His extensive experience in the health care field, coupled with his sound reputation and impeccable character, have prepared him well for this position.

Dr. Roper came to Washington in 1982 from Alabama where he had taught health policy and public health administration at the University of Alabama, and also was the assistant State health officer and the legislative liaison for the Alabama Department of Public Health. In 1982 he was selected as a White House Fellow where he helped fashion the administration's health policy agenda. Most recently, he has been the Special Assistant to the President for Health Policy.

I mention all this to point out, Mr. President, that in Dr. Roper, we have a new HCFA administrator with experience as a thoughtful, well-rounded health leader who can step right in and discharge the responsibilities of his office in an excellent manner. I look forward to working with him in this new capacity.

Mr. PRESSLER. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PRESSLER. I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. PRESSLER. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

RECOGNITION OF SENATOR PRESSLER

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from South Dakota is recognized for not to exceed 5 minutes.

THE HOMELESS AMERICANS

Mr. PRESSLER. Mr. President, the plight of the homeless has recently been brought into the consciousness of many Americans. Scenes of people dressed in rags, sitting on sidewalk grates hoping to warm themselves from the steam escaping from below, have filled the morning newspapers and television screens during the nightly news. Feature articles abound on tragic, horrible deaths of those who lives in the streets. Shelter facilities in major cities overflowed last winter when the temperature dipped and bitterly cold winds blew, and many were forced to brave the elements because there were many more bodies than beds. A very disheartening sight, to say the least.

When visiting with constituents from my home State of South Dakota, I often hear comments about the number of people they see lying on the streets and in the alleys of the city of Washington. I am asked why people exist in such impoverished, inhumane conditions in a nation of great wealth and prosperity like the United States. In Washington, DC, alone, there are an estimated 10,000 people who call a street corner, a sidewalk grate, or a vacant alley their place or residence. Nationwide, some approximations indicate as many as 2 to 3 million people in such condition.

The dramatic increase in the numbers of homeless people can be attributed to several factors, ranging from the increase in unemployment in the late 1970's and early 1980's, and cuts in public assistance programs, to an increase in personal crises and chronic alcohol and drug abuse. While no single factor can be targeted as the cause of homelessness, a major contributor has been the deinstitutionalization of the mentally ill.

Since 1955, the population of State mental institutions has decreased by more than 75 percent, while the total U.S. population increased significantly. At the end of 1968 there were 399,000 patients in State mental hospitals. Within a decade, the hospital population fell 64 percent to 147,000. This purging of State mental institutions was the result of judicial consciousness-raising efforts to guarantee the mentally ill personal liberties, and the right to choose from alternative

treatment options. Several Federal district court class action suits challenged the fairness of the civil commitment laws in various States. This was an effort to decrease the dependency on large institutions for care of the mentally ill, and to replace many of these hospitals with comprehensive community facilities that offered home health care as well as separate day and night treatment. In addition, the choice and responsibility to seek treatment was placed, in large part, upon the person suffering from an impairment. Unfortunately, this approach is not working.

The National Institute of Mental Health reports that as many as 50 percent of the homeless may have severe and persistent mental disorders. A task force report on the mentally ill homeless from the American Psychiatric Association states that a substantial portion of the homeless are mentally ill men and women who, in years past, would have been long-term residents of State mental hospitals but now have no place to live. The civil commitment standards have become so restrictive, in efforts to protect the potential patient's right to freedom, that many are continuing to suffer from mental illness without treatment. In addition, the establishment of comprehensive community care facilities has lagged far behind the need to create a replacement for State mental hospitals. Therefore, many of the Nation's mentally ill have now become the Nation's homeless.

Beginning in the late 1960's, a legal principle known as the least restrictive alternative was applied throughout the field of mental health law in efforts to prevent the problem of overbreadth in the States' commitment standards. The U.S. Supreme Court decision in *Shelton* v. *Tucker* 364 U.S. 479 (1960), was used as a precedent to strike down or severely weaken many State civil commitment standards, on the grounds that they curtailed fundamental rights. In the Shelton case the Court ruled that even though the Government's purpose is legitimate and substantial, that purpose cannot be achieved by means that broadly stifle personal liberties when the end can be more narrowly achieved. From that point forward, massive reforms in civil commitment standards were wrought by judicial decisions.

Brewster v. *Dukakis* 76-4423 (D. Mass., Dec. 6, 1978) was a class action suit to force the Massachusetts State Legislature to carry out the statute it enacted in 1966 giving the State department of mental health the power to create community based residential programs as alternatives to large institutions. The intention was to provide a way out of the institution and into more normalized care, allowing patients to exercise their fundamental right to personal freedom, including the enjoyment to the right to privacy, travel, and association. What resulted was "dumping" of the State hospital population. Mentally ill people were discharged enmasse with little or no aftercare, leaving them with their personal freedoms and a debilitating mental impairment. A similar case occurred in Wisconsin when a Federal court ordered massive changes in that State's hospitalization process. *Lessard* v. *Schmidt* 414 U.S. 473 (1974) challenged the constitutionality of Wisconsin's civil commitment law, and the Federal court redefined the State's commitment criteria, suggesting a number of less restrictive alternatives to commitment.

The changes that began 20 years ago in civil commitment standards may have been brought about by good intentions, but in attempting to preserve the mentally ill person's right to liberty, we have robbed him or her of something equally important—a decent standard of living. The time has come to undo this damage.

Can we in good conscience, in the name of liberty, defend hunger, squalor, cold, and the other unpleasant realities of living without a home? I believe it is our duty as lawmakers and as human beings to take more decisive steps to get the homeless off the streets and into some kind of treatment program. There is no panacea for this complex problem in our Nations' cities. But we can consider such things as modifying existing programs for the homeless, creating protective services laws emanating from the States' parens patriae powers, and reviewing commitment standards and their consequences. Such action could mark the beginning of a serious effort to aid the homeless, especially those who have been victims of misguided mental health treatment reforms.

City shelter programs currently provide food and a place to sleep for those who seek assistance. The suggestion has been made to include a work requirement for those who seek the aid of a shelter to help those clients regain some type of independence and prepare them for life outside of the shelter system. By performing simple tasks to assist with the upkeep and functioning of the shelter, the homeless person would gain a sense of accomplishment and, perhaps, some restored self-confidence. This minor adjustment in city shelter policies could help the homeless who are not suffering from a severe mental deficiency gain independence and the desire to become a contributing member of society.

The severe or chronic mentally ill, make up half of the Nation's homeless, require specialized treatment by mental health professionals. However, their diminished reasoning capabilities prevent those afflicted people from seeking treatment on a voluntary basis. The States should take the initiative by enacting statutes to provide involuntary protective services for persons in situations or conditions which pose an imminent risk of death or serious physical harm to themselves, and are lacking the capacity to comprehend the nature and consequences of remaining in that situation.

The doctrine of parens patriae, an inherent power vested in each State legislature, provides sufficient legal background and rationale for an involuntary protective social services law. As an inherent State power, parens patriae vests the State with the authority to protect the person and property of someone suffering under a disability. Parental, rather than criminal in nature, parens patriae lends States officials the right and the duty to do whatever is most conducive to the interests of one suffering from a disability. In 1982, the New York Times featured an article about an elderly woman who lived in a cardboard box. She repeatedly refused help from private and public agencies, and it took 8 months to get a court order to take her forcibly to a city shelter or hospital. For 8 months, officials, concerned about violating her civil rights, demanded proof that every effort was made to assist the elderly lady on a voluntary basis. Tragically, the woman died of hypothermia hours before a State supreme court order was issued.

Mr. President and distinguished colleagues, this tragedy could have been prevented with a protective social services law that adequately assists those in the same position as that unfortunate woman, without months of legal redtape. Authorizing police officers to take a homeless person who appears to suffer from mental illness or is incapable of caring for himself into custody, for at least a temporary period, is an example of the type of statute needed. This person could be transported to the nearest designated center for a brief psychiatric and medical examination. If found to be irrational and incapable of making decisions, the person would be transferred to a mental health facility. Those not in immediate need of hospitalization could be taken to a shelter and given the opportunity to participate in a mental health care program. Either avenue removes that person from the dangers of street life.

A third, but by no means final, possible solution is a study of the effects on the mentally ill of trends in civil commitment laws in the past 20 years. The application of the least-restrictive alternative and the severe restraints placed upon mandated treatment in a State mental hospital cannot be ignored as the major contributing factors in the dramatic incease in mentally ill homeless. Instead of receiving less restrictive care, the mentally ill

dumped from State hospitals are receiving no care. The havoc wrought by liberal judicial decisions in the 1960's and early 1970's are now surfacing with serious repercussions. Perhaps such a study would spur a more realistic consideration of overly narrow commitment standards and their consequences for current and potential patients.

Homelessness cannot be attributed to one cause or factor. One solution will not erase the plight of the homeless from our midst. However, taking the first step, getting these people off the streets, is a beginning. If the statistics of the National Institute of Mental Health are accurate, 50 percent of the homeless in the United States desperately need mental health treatment. There are no counselors in the alleys, parks, and streets of America's cities. We must bring those who cannot find the way to help, those who cannot make the rational choice, to a place where they may obtain real freedom—freedom from squalor, hunger, cold, and the prison of severe mental illness. Until the homeless acquire these basic rights, the term freedom may carry a very hollow ring.

NOMINATION OF DR. RONALD F. LEHMAN II AS U.S. NEGOTIATOR FOR STRATEGIC NUCLEAR ARMS

Mr. PRESSLER. Mr. President, I believe President Reagan has made a very wise choice in his selection of Dr. Ronald F. Lehman II as the U.S. negotiator for strategic nuclear arms.

At the relatively young age of 40, Dr. Lehman already has compiled a highly distinguished record of public service. As a volunteer, he served in combat as an officer with the U.S. Army in Vietnam from August 1970 to August 1971, and continued to serve in the Army Reserve until February 1986.

Upon completion of his doctoral program at Claremont Graduate School in 1975, and following 1 year as a public affairs fellow at Stanford University's Hoover Institution, he came to our Nation's Capital. Here he served on the staffs of Senator McCLURE of Idaho, Senator Scott of Virginia, Senator Bartlett of Oklahoma and, for 4 years, with Senator Tower of Texas and other members of the Armed Services Committee. I recall with appreciation his great knowledge of defense issues and his helpfulness to me during Senate floor consideration of defense authorization bills. Since 1982, he has worked in the Department of Defense, the Department of State and on the National Security Council, primarily in the fields of arms control and United States-Soviet relations. Since last year, he has been the deputy U.S. negotiator for strategic nuclear arms.

Now Dr. Lehman is replacing former Senator John Tower at the arms reduction talks in Geneva. I commend him as a dedicated, capable and effective public servant and negotiator and wish him the very best in his efforts to preserve and enhance U.S. national security while striving for a balanced and verifiable nuclear arms reduction agreement. He has mastered the art and science of negotiation, and we look forward to the fruits of his labor in the Geneva arms reduction talks vineyard.

RECOGNITION OF SENATOR CRANSTON

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from California is recognized.

TAX REFORM

Mr. CRANSTON. Mr. President, the majority leader declared this morning that the tax reform bill now has great momentum. I beg to differ. The committee's unanimous vote I believe to be misleading. I know that there are members of that committee who have every intention of offering major amendments on the floor. They simply voted for the measure to get it out to the floor where they will have that opportunity.

The more I learn about this measure, the more I have concerns about many of its features and none of us know all about that bill yet because it is still in the process of being drafted and details have not yet been filled in. The bill reported by the Finance Committee is being called a fair, equitable tax reform bill. It is nothing of the sort.

Both the fairness and equity of this proposal were destroyed right out of the starting gate when the Finance Committee agreed to the total exemption of income from tax-exempt municipality and State bonds from the corporate and personal minimum taxes.

By so doing, the committee extended tax favoritism to a class of taxpayers who will be able to continue to pay no tax at all on their incomes. I believe in the principle of tax exempt bonds when the proceeds are used for legitimate public purposes. But a minimum tax should apply to the earnings from the exempt bonds. Otherwise, the American people will continue to learn each year that several hundred Americans have earned millions of dollars and paid no income taxes at all. And that undermines confidence in the tax system. It leads many American who have, for example, money deducted from their paychecks to feel that there is something wrong with the system. They know that they are paying their fair share.

By continuing this Government-sponsored tax shelter for the rich, the tax bill lost all credibility. It can no longer credibly be argued that IRA's, independent retirement accounts, should be eliminated for many Americans. IRA's are the only tax-favored retirement savings plan for middle-income Americans. IRA's are particularly important to new, young Americans, to new families.

Furthermore, when the bill encourages tax-free incentives to encourage investment in worthwhile State and local projects, it can no longer argue the capital gains differential incentive for risk investment should be repealed.

By these three steps alone, accepting tax favoritism for the rich but undermining independent retirement accounts for young and middle-income Americans and wiping out the incentive for risk investment, the Finance Committee has made inevitable a prolonged debate on each element of the tax bill when it reaches the Senate floor.

Let me make several points about this bill. First, the bill is antinew business. The capital gains differential should be preserved on its own right, its proven merits. The loss of the capital gains differential will severely injure long-term investment in new businesses in developing technology and force a shift from equity financing to borrowing financing. New startup businesses cannot borrow. These entrepreneurs must rely on equity financing raised from investors with capital.

The capital gains differential stimulated and promoted the Silicon Valley in my State and high technology all across America. Capital gains investments are the prime engine for new businesses and for new jobs in America.

Point 2, the bill is antiyouth. The wiping out of 20 million out of 28 million IRA's is bad enough. Young people embarking on their careers are further hurt by this bill. The highly touted 27-percent rate for a single professional kicks in at $17,600 taxable income under the bill. Under current law, the 27-percent rate does not kick in until approximately $26,000 of taxable income.

Point 3, the bill is anti low- and moderate-income housing. It abolishes tax incentives for private investment in new and rehabilitated housing for low- and moderate-income families and elderly persons. In these days of Gramm-Rudman, there is no way the Government can do the job with direct subsidies. Under the bill, it will be impossible for private enterprise to do the job.

Point 4, the committee proposal would be extremely disruptive to the economy. It contains many retroactive provisions. It changes the conditions

under which many contracts to invest were entered into, and that is very unfair. To give you an example, existing contracts to invest in real estate, like investing $10,000 a year for 5 years, now use the tax advantages, but the payments still have to be made.

The PRESIDING OFFICER. The 5 minutes of the Senator from California have expired.

Mr. CRANSTON. Mr. President, I ask unanimous consent for 2 additional minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CRANSTON. Point 5, the bill is antiretirees by eliminating the 3-year recovery rule. Under present law, there will be no tax. The bill hits pensioners and retirees who paid taxes on the contributions to pension plans. Many thousands of Californians who retired from government service planned their retirement on the ability to save on taxes in the early years of retirement when they can still work in part-time jobs.

Point 6, the bill pressures the ability of State and local governments to attract low-cost capital for purchases by placing restrictions on the amount of bonds the State may issue and by defining the terms that reduces the per capita volume of such sales.

Point 7, the bill eliminates legitimate employee business expenses, like tools, hammers for carpenters, and materials, ditto paper for teachers. This hits middle-income America.

I and others, Mr. President, will seek to remedy these and other inequities that are in this bill that will soon be before us.

I yield the floor.

RECOGNITION OF SENATOR FORD

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Kentucky is recognized for 5 minutes.

MAILING OUT OF THE TAXPAYER'S POCKET

Mr. FORD. Mr. President, I was very disturbed, recently, to hear that some among us prefer to do nothing about the rising costs of Senate mailings. Rather than take immediate action to restrict Senate mailings, there is some discussion of taking advantage of an obscure provision of 39 U.S.C. 3216 in order to continue unrestricted mailing. That, in my opinion, is a betrayal of the taxpayers.

In effect, 39 U.S.C. 3216 says that the Postal Service must absorb whatever deficit the Congress runs up through unlimited mailings. The Postal Service will have no choice but to pass that cost along to our constituents in the form of higher postage rates. If would be the height of irresponsibility if the Congress, which invented the Gramm-Rudman Antideficit Act, itself runs up a $50 million deficit and then ignores it. I want no part of that, and I do not believe my colleagues do either.

Mr. President, 2 weeks ago the Rules Committee reported a resolution which would eliminate the possibility of the Senate running up a deficit at the Postal Service this year, and would make a supplemental for Senate mail unnecessary. No deficit, no supplemental, just self restraint. We could complete action on that resolution in 20 or 30 minutes, and save our constituents $50 million.

Mr. President, in my opinion, it is time the Senate learned to live within its means and so I call upon the majority leader and the Senate to let us pass Senate Resolution 374 as soon as possible.

I yield the floor.

RECOGNITION OF SENATOR SASSER

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Tennessee is recognized for not to exceed 5 minutes.

RESOLUTION TO MAINTAIN THE SMALL BUSINESS ADMINISTRATION AS AN INDEPENDENT AGENCY

Mr. SASSER. Mr. President, many of my colleagues may have been puzzled, as I have been, by the actions and statements of the new Acting Administrator of the Small Business Administration, Charles Heatherly. In a series of invectives, Mr. Healtherly has made crystal clear his desire to see the programs which are presently operated by the Small Business Administration abandoned to the Commerce Department. Indeed, Mr. Heatherly has already sent strong signals underscoring his determination to shut down the only office in the Federal bureaucracy devoted exclusively to the concerns of small businesses.

He has fired 6 of the 10 regional Small Business Administration administrators on his first day on the job. He dismissed the voluntary chairman of the Small Business Administration's Private Sector Advisory Council and also dismissed the executive committee of that advisory council. He proclaimed that 50 percent of the employees at the SBA would be out of work once the transition to Commerce was complete. Finally, Mr. President, he assailed former SBA Administrator Jim Sanders, who had done an exemplary job, as unwilling to support the President's plan for the SBA. Finally, he contacted Members of Congress, urging them to support transferring SBA programs to the Commerce Department.

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These actions are very puzzling. They are puzzling for one very simple reason, Mr. President. On April 7, of this year, President Reagan signed into law the Consolidated Omnibus Budget Reconciliation Act. This act included a 3-year reauthorization for the Small Business Administration. While achieving significant savings and streamlining some SBA programs, this law makes it abundantly clear that the SBA will remain open as an independent agency through 1988.

As put so well by the chairman of the Small Business Committee, my friend, Senator WEICKER from Connecticut, Congress has indicated its preference for an independent SBA and the President has concurred in this judgment of the Congress. Unfortunately, Mr. Heatherly seems to put little stock in the work of legislators generally. In a recent interview, he termed Congressmen "singularly inept" at meeting their responsibilities.

Mr. President, the ramblings of Mr. Heatherly may strike some of my colleagues as comical. Yet, there is nothing comical about an officer of the executive branch attempting to thwart congressional intent. I see no humor in pursuing an agenda which demoralizes Federal employees who have wondered about their future for the past year or more. There is nothing comical or funny about the sense of outrage felt by members of the small business community who find Mr. Heatherly's actions very, very unsettling.

Mr. President, throughout my service in the Senate, advice from this country's small business leaders has stood me in good stead. More and more, I am hearing from small business leaders in Tennessee and elsewhere that Mr. Heatherly must go. Their anger reflects the growing level of disdain in the small business community for Mr. Heatherly's antics. Indeed, several of the White House conferences on small business being held across the country have passed resolutions calling for Mr. Heatherly's resignation.

I believe we should heed the advice of the small business community on a matter this important to their well being. I join the call for the resignation or removal of Charles Heatherly as Acting Administrator of the Small Business Administration.

It is imperative not only that Mr. Heatherly be removed, but we must also end the uncertainty and confusion surrounding the SBA. We can take several steps toward this end. Members of this body can send a strong signal that we stand firmly behind our legislative decision to keep

the SBA open as an independent agency. I am today introducing a resolution to that effect Mr. President. It is critical that the U.S. Senate go on record in support of the only office in the entire Federal bureaucracy which devotes itself exclusively to small business issues. My resolution stresses the need for an SBA Administrator who is committed to this agency's survival.

The PRESIDING OFFICER. The Senator's 5 minutes has expired.

Mr. SASSER. Mr. President, I ask unanimous consent that I be allowed to go on for an additional 30 seconds.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SASSER. The administration can aid our efforts to remove any uncertainty about the future of the Small Business Administration. The President can do this by submitting to the Senate a nominee for Administrator of the Small Business Administration who is interested in the future of the SBA and this Nation's small business community. My resolution strongly urges the President to do just that. It is my hope that the administration will move quickly on this point.

Mr. President, the Acting Administrator of the Small Business Administration falls far short of the mark on both of these points. I urge my colleagues to join with me in calling for the resignation of Mr. Heatherly. I would also urge my colleagues who share my concern for this Nation's small business community to join as a cosponsor of my resolution. Finally, Mr. President, I ask unanimous consent that the text of my resolution on the Small Business Administration appear in the RECORD immediately following my remarks.

I ask unanimous consent that the resolution (S. Res. 399) be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S. RES. 399

Resolution to express the sense of the Senate that the Small Business Administration be maintained as an independent agency and to urge the President to nominate an Administrator of the Small Business Administration who is dedicated to America's small business community and the United States Small Business Administration

1. Whereas on April 7, 1986, President Reagan signed the Combined Omnibus Budget Reconciliation Act, P.L. 99-272, which authorized funding for the Small Business Administration through 1988,

2. Whereas Congress and the President have clearly expressed a strong desire to preserve the carefully crafted core of business development programs operated by the Small Business Administration,

3. Whereas the programs operated by the Small Business Administration have helped the most vital sector of our economy to create the lion's share of new jobs in our economy over the last several years,

4. Whereas the best interests of this nation's small business community are served through maintaining an independent Small Business Administration with both management assistance and financial programs,

5. Whereas the Small Business Administration and America's small business community are deserving of a Small Business Administration Administrator who is dedicated to both the Small Business Administration and the future of small business,

6. Whereas certain actions and statements of the Acting Administrator of the Small Business Administration appear designed to undermine the morale of personnel within the Small Business Administration,

7. Whereas the actions of the Acting Administrator of the Small Business Administration seeking to undermine the morale of the Administration and eliminate major small business programs directly contradict the course of action for the Small Business Administration agreed upon by Congress and the President in the Combined Omnibus Budget Reconciliation Act,

8. Whereas the Acting Administrator's name has not been submitted to the Senate for its advice and consent, pursuant to Article II, Section 2, of the Constitution of the United States,

Resolved, therefore that it is the sense of the Senate that the Small Business Administration be maintained as an independent agency to assist the Nation's small businesses. *Further resolved* that the members of the United States Senate strongly urge the President of the United States to submit a nomination to be Administrator of the Small Business Administration who is dedicated to the Small Business Administration and the future of America's small business community.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may yield 1 minute to the Senator from Connecticut without being counted out of my time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Connecticut.

Mr. WEICKER. I thank my good friend, the Senator from Wisconsin.

I want to commend the distinguished Senator from Tennessee for his statement.

As he knows, neither I nor any of the Republican members of the committee are on his resolution, which does not mean to say the sentiments that he expressed are not shared by many of us on the Republican side of the committee.

I also have the obligation, as chairman of the Small Business Committee, to try to negotiate a way out of this very difficult and unacceptable situation vis-a-vis Mr. Heatherly. I am in the process of trying to do that.

And I can assure the Senator from Tennessee that should those efforts come to no avail in the very near future—so we are not talking about something that is going to be postponed—I, and I think many of my colleagues, will join with him on his resolution. In the meantime, I will continue to try to pursue this matter to a more satisfactory conclusion with the White House.

I appreciate the courtesy of my distinguished colleague from Wisconsin, and I thank him.

RECOGNITION OF SENATOR PROXMIRE

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin, Mr. PROXMIRE, is recognized for not to exceed 5 minutes.

WHY SOVIET STONEWALLING THE CHERNOBYL MELTDOWN IS A BLOW TO ARMS CONTROL

Mr. PROXMIRE. Mr. President, the meltdown of the Soviet nuclear reactor at Chernobyl was a human tragedy that saddens all of us. The most serious, long-term aspect of that tragedy was the way the Soviet Union suppressed its details. As I said in a previous speech on the floor, President Reagan handled the situation well by promptly offering humanitarian and technical aid. The Soviets just as promptly refused the aid.

But by far the worst aspect of the Russian behavior was their stony silence about the critical details of this disaster. Here was a major tragedy that had the potential for radioactive diseases including cancer for citizens of neigboring countries as well as for the people of the Soviet Union. Scandinavian countries as well as Eastern European countries were threatened. Here was a genuine international crisis. This country, Western European countries, and others had the knowledge and the capability to help those threatened inside and outside the Soviet Union. So what happened? There was a modest, minor amount of exchange with some nearby Western European countries. But by and large the Soviet Union slammed shut the Iron Curtain and told the rest of the world to butt out.

Mr. President, I think this silence and stonewalling by the Soviets has a great deal to do with the future of arms control.

On Friday, the Washington Post carried an excellent lead editorial that discussed the serious implications this Russian behavior has for arms control.

What has the silence and stonewalling by the Soviets on this peacefull nuclear reactor disaster to do with arms control?

Has this Senator not repeatedly said that we do not have to trust the Soviet Union as long as we have the technical capacity to verify compliance with nuclear weapons arms control treaties. Why is that not enough? If the Soviets lie and cheat, cannot our seismologists, our satellites, and whatever provision we rivet into the treaty for on-the-spot inspection permit us to deter-

mine without relying on the Soviets whether they are cheating or not, and whether their cheating has any military significance? Yes, indeed. This Senator has said all of that.

This Senator still believes that arms control can succeed whether the superpowers trust each other or not. But obviously, it will be far, far more difficult for these reasons.

First, the United States itself is divided over the wisdom of arms control with the Soviet Union. And what is the principle objection to making arms control agreements with the Kremlin? That is obvious. It is always the same: You cannot trust the Soviets. They will lie. They will cheat. Any arms control agreement will be unilateral. We keep it. They do not. They build up. We do not. So it is a loser for this country. We will comply with the treaty. They will not.

That is the line of a large number of Americans, including many who serve in this Congress and in key positions in the administration. It is a prime reason why progress in arms control has been dead for more than 5 years. It is also a principle reason why past arms control agreements with the Soviet Union may be dying.

The second reason this Russian stonewalling on the Chernobyl disaster is a blow to arms control is that it provides more than a grain of truth to the position of the arms control foes. The fact is we cannot always rely strictly on technology of verification no matter how good that technology has become and it has become very good and is getting better. The fact is that the United States is an open society. Unlike the Soviet Union, the United States has a critical and probing press. Much of that press would as vigorously explode American cheating on arms control as it would expose Soviet cheating. This country also has a Congress, including opposition Members like this Senator, who do our best to keep our country in strict compliance with our treaty obligations, especially with respect to arms control. And we have in this country a critical, as well as informed, public that will not truck at least for long with government officials who lie or stonewall on information of critical importance.

This Senator has taken the consistent position for several years now that the Soviet Union has been willing to negotiate arms control to stop nuclear weapons testing. They favor continuing and strengthening the SALT II Treaty. They obviously want to continue the ABM Treaty. The Soviets also have the most compelling economic reasons to want to slow down the arms race. Their economy is only about half as productive as ours. They simply cannot afford the arms race.

The Reagan administration, on the other hand, has been flatly opposed to the negotiation of an end to nuclear testing. It has twice been on the verge of renouncing the SALT II agreement. It is pushing as hard and fast as it can for a Star Wars Program that will make the ABM Treaty a dead letter. After more than 2 years of negotiations with the Soviet Union in Geneva the Reagan administration has failed to reach any new arms control agreement. Arms control has great support in this country and in the Congress. But between the Reagan administration's consistently dismal arms control record and the Soviet stonewalling the Chernobyl disaster with its haunting implications for Russian noncompliance with arms control treaties, arms control is in more serious trouble than ever.

Mr. President, I ask unanimous consent that the editorial to which I have referred from the May 2 issue of the Washington Post be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHERNOBYL AND ARMS CONTROL

The Chernobyl meltdown affords the American public a somber glimpse into the Soviet approach to arms control. Here is a case where openness and candor were naturals: the event was bound to become known, no treaty violation or security secret was involved, and immediate full notice was imperative and would have brought great returns in health and diplomacy. Yet the Soviet Union suppressed the news altogether until foreigners queried them about the fallout. It has since supplied only the most terse and incomplete explanations, some of these so strained (they could not inform the Swedes because it was the weekend) as to be laughable if they were not tragic at the same time.

It is commonly said that the United States pursues arms control on the theory that it can rely on its own capacity to check compliance and to detect noncompliance, and not on "trust." It is plenty disturbing nonetheless to consider that the government with which Americans seek agreement cannot tell the simple truth in a timely fashion when it is obviously to its own immense advantage to do so. Perhaps this should be considered in the capacity of old knowledge confirmed, not new knowledge gained. It is significant all the same, and it cannot fail to affect the threshold readiness of Americans to engage in sensitive dealings with the Soviet Union.

Anyway, it is not exactly true that there is no consideration of trust or good faith at all in properly negotiated arms control text. Nuclear circumstances are never without some degree of ambiguity. Not all contingencies can be fully anticipated. Questions of interpretation arise in the most heavily lawyered contract. In the end, the verification of arms control is not self-executing. There is at least a residual requirement of confidence. The openness of American society enforces a standard of probity—not a perfect standard but a high one—for which there is no match in the closed Soviet system. There it all hinges on how the authorities choose to play it.

It is Mikhail Gorbachev, supposedly a new, modern kind of Soviet leader, who has to be regarded as the man in charge of information policy. In some of his earlier approaches, he had hinted at a new standard of accountability, but in this crisis so far he has clung to the old standard of denial and secrecy. Had he deliberately set out to devise a scenario to undermine his own credibility as a suitable arms control partner, he would have proceeded exactly as he has at Chernobyl.

THE MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, the myth of the day is that the Senate no longer faces the automatic budget cuts mandated by the Gramm-Rudman law.

In my hand I have a copy of the headline that appeared in the paper in that connection. It says: "After Gramm-Rudman Therapy, Better Prognosis for '87 Budget. Senate Finds Antideficit Medicine Not So Bitter After All."

As you know, that law sets a maximum deficit amount and if we exceed it, then automatic cuts are made to bring us to that deficit level.

The Senate recently passed a budget which projects a deficit of $144 billion for 1987—the Gramm-Rudman target. You could hear the sighs of relief echoing around this Chamber at the thought that no automatic cuts were going to be required.

Our complacency reminds me of a story told about Abraham Lincoln. To make a point, Mr. Lincoln pointed to a dog on the fringes of a crowd and said:

"If I told you that dog had five legs, how many legs would you say it had?"

Back came the answer from the crowd, "Five."

"Not so," said Mr. Lincoln. "Because I say it's true, doesn't make it so."

The Senate has now said that the deficit in 1987 will be $144 billion, but that does not mean that it is true. We have a number of difficult choices to make before it will come true.

Look first at the economy. The budget assumes healthy, very healthy, economic conditions. If inflation or interest rates are a little higher than projected or if the economy grows a little slower, then the deficit will be higher. Late next summer, we will have to take another look at these projections, and if the economy is not performing as projected, we will be facing those automatic cuts.

Second, our budget is based on a number of assumptions about spending and revenues. Will we be able to sell Conrail, as assumed in the budget. Will we be able to terminate general revenue sharing and raise the revenues assumed?

If we fail to make these hard decisions by late next summer, and we often have in the past—then the deficit will be higher than projected. Once again, the automatic cuts will be there to remind us of our failure.

So, Mr. President, I give the budget we passed two cheers. It moves us in

the right direction. But we have a lot of work to do before we earn a third cheer for really reducing the deficit.

Mr. President, I yield the floor.

RECOGNITION OF SENATOR MURKOWSKI

The PRESIDING OFFICER (Mr. COHEN). Under the previous order, the Senator from Alaska [Mr. MURKOWSKI] is recognized for not to exceed 5 minutes.

VETERANS' ADMINISTRATION QUALITY ASSURANCE PROGRAMS—PART II

Mr. MURKOWSKI. Mr. President, as chairman of the Veterans' Affairs Committee, the quality of care provided in Veterans' Administration medical facilities is a matter of great concern to me.

Since becoming chairman a little more than a year ago, I have authored legislation mandating a comprehensive VA Quality Assurance Program. Under my direction, the committee held a hearing on VA health care and quality assurance. My staff has met on numerous occasions with VA officials responsible for implementing quality assurance programs. And I have requested the General Accounting Office to conduct reviews of the VA's Patient Injury Control Program and of the VA's program to monitor the quality of veterans' nursing home care.

I call attention to this matter today because articles recently published by a Fort Lauderdale News and Sun-Sentinel investigative reporter alleged poor quality of patient care at certain VA hospitals. The articles charged that dozens of VA hospital patients have died unexpectedly and hundreds of others have received additional injuries during their treatment. These charges may or may not be accurate. But what concerns me most is that we do not know for sure. We do know that in fiscal years 1983 and 1984 the VA paid $34.5 million in medical malpractice claims and that the General Accounting Office found that VA medical centers have not fully implemented quality assurance programs. And now these articles, relying on the VA's own patient incident report statistics, have raised additional worrisome questions.

Mr. President, I believe there is no single aspect of patient care delivery that is more important than the quality of that care. Even though I believe that the VA's care is generally of the highest caliber, it is shocking that reports of unexpected deaths, suicides, medication errors, and other serious incidents cannot be checked out because an adequate quality assurance program with specific analyses of patient care incidents, malpractice claims data, and mortality trends does not exist.

The VA needs to establish a comprehensive quality assurance program, a program which would serve as the foundation of health care delivery throughout its vast network of hospitals, nursing homes, outpatient clinics and domiciliaries. In my view, a quality assurance program means the setting of standards by health professionals, the establishment of norms defining an acceptable performance, and the collection and analysis of data to prospectively evaluate a particular clinician, service, or institution. Surgical mortality rates, surgical complication rates, and morbidity rates—such as hospital infection rates and the rate of adverse drug reactions—should be collected and analyzed to determine trends or problems in procedures, services, or care provided. The analysis of patient care incidents, such as unexpected deaths, and malpractive claims data should be part of this effort.

In an effort to address these important matters, Public Law 99-166, the Veterans' Administration Health-Care Amendments of 1985, legislation which I authored, required the VA to set standards for, and collect and analyze morbidity and mortality statistics in order to detect what, if any, quality of care problems exist in VA health care services. In designing this legislation I was particularly sensitive to the acknowledged limitation of statistics and therefore the law encourages the VA to take into account factors such as patients age, severity of illness, difficulty of the surgical procedure performed, and other complicating illnesses. To date, the VA has not implemented the mandate of Public Law 99-166 which contains a vital component of a necessary quality assurance program. They should do so immediately. Only through the implementation of a comprehensive quality assurance program can the VA demonstrate that it is a health care delivery system second to none.

VETERANS' COMPENSATION AND BENEFITS IMPROVEMENT ACT OF 1986—S. 2422

Mr. MURKOWSKI. Mr. President, I introduce today, on behalf of myself and my distinguished colleague, Senator ALAN CRANSTON, the ranking minority member of the Committee on Veterans' Affairs, S. 2422, a bill that would provide a cost-of-living adjustment [COLA] for veterans with service-connected disabilities, their dependents and survivors, and that would help to alleviate certain problems in the VA Home Loan Guaranty Program as well as provide for the establishment of a revolving fund for the purpose of funding parking structures in VA medical centers.

In addition to Social Security, the non-service-connected disability and death pensions paid to needy wartime veterans and their survivors because of disability or death not incurred while the veteran was on active duty is automatically adjusted each year to keep up with inflation.

There is no automatic COLA for disability compensation and related benefits paid to veterans and their dependents and survivors for disabilities or diseases incurred while on active duty. When the Congress recognized the most pressing need to reduce the skyrocketing deficits by adopting Gramm-Rudman-Hollings, I made a commitment that COLA's for veterans receiving compensation for service-connected disabilities would not be frozen unless all other such COLA's were also frozen. This bill would keep that commitment.

It would provide a 3.4-percent COLA, effective December 1, 1986, for the compensation paid to veterans for disabilities or diseases incurred while they were on active duty. It would provide the same increase to the survivors of veterans who died while on active duty or due to a disease or injury incurred while they were on active duty. The same increase would be provided in the additional allowance paid to these beneficaries for their dependents and in the clothing allowance paid to veterans whose service-connected disabilities require the use of prosthetic devices which cause wear and tear of clothing.

The 3.4-percent COLA is the same as the Congressional Budget Office [CBO] baseline estimate for fiscal year 1987 inflation. This bill would provide that if a different increase is actually provided to Social Security and other such indexed programs, either through application of the indexing provision in the law or congressional action, the Veterans' Administration [VA] will administratively recompute the cost-of-living adjustment to provide the same increase for veterans' disability compensation and related benefits.

This bill would also address a serious problem now facing the VA Home Loan Guaranty Program with respect to its inventory of property acquired as a result of the high rate of default on loans made and guaranteed by the VA.

We have been made keenly aware of the VA's inability or unwillingness to prevent the acquired property inventory from reaching an unmanageable level. The most recent example of this costly situation exists in Houston, TX, where the VA is currently holding over 5,000 foreclosed properties. The Houston Regional Office is still acquiring over 500 properties each month, while only disposing of 170 per month. When the inventory is allowed to grow

faster than the VA's ability to dispose of it, the cost to the taxpayer is unnecessarily high. The VA, however, at the current time, does not consider its ability to dispose of the property when deciding whether to take title to it.

Mr. President, section 201 of this bill would prohibit the VA from accepting conveyance of the title to a property unless it could be determined that the property could be sold within 1 year of the date of foreclosure at a price which would be economically advantageous to the Federal Government.

The proposed legislation would also include three provisions proposed by the Veterans' Administration. The first would waive the "notice and wait" provision of 38 U.S.C. 210(B) with regard to a proposed realignment of certain functions of the VA's Office of Administration. This would allow VA to proceed immediately to transfer the staff administering the Presidential Memorial Certificate Program to the Department of Veterans' Benefits and the staff of the Audio Visual Service to the Office of the Associate Deputy Administrator for Public and Consumer Affairs. These changes would transfer the control of 39 FTEE, all within Veterans' Administration Central Office in Washington, DC. No VA employees would change their duty station.

The second VA-endorsed proposal would give VA the authority to collect overpayments from the disability compensation of military retirees who have waived their retirement pay in order to receive disability compensation. This provision would not change the requirements for notice and due process before an overpayment could be collected. It would provide a mechanism to recover debts owed by a military retiree to the service department when there is no money being paid to the retiree by the service department. The same provision would allow deductions for the survivor benefit plan [SBP] or retired servicemember family protection plan [RSFPP] to be made from VA compensation. Under current law a retiree who has waived retired pay to receive VA compensation must write regular checks to pay his or her part of SBP or RSFPP. If these payments are not made, the debt is not collected until the retiree dies, at which time the debt is collected from payments to the survivor. The provision would correct this unfair and unnecessary burden on the veterans' surviving spouse.

The final VA-supported provision of this bill would require complete accounting to the VA for the funds of an incompetent veteran by the fiduciary entrusted with the responsibility for managing the veterans' funds on his or her behalf. This would help ensure the funds of an incompetent veteran are expended in the veteran's behalf.

Mr. President, on December 3, 1985 the Senate passed S. 1887. The COLA provided for in that bill was later passed separately as part of H.R. 1538 and signed into law as Public Law 99-238. S. 1887, currently pending in House Veterans' Affairs Committee, includes important reforms in the underwriting, appraisal and property management policies of the VA Home Loan Guaranty Program. It also includes important provisions concerning veterans' education and the national cemetery system. I wish to assure my colleagues that I will continue to work for the enactment of these provisions which were adopted by the Senate without dissent.

Mr. President, section 303 of the bill would revise the Administrator of Veterans' Affairs current discretionary authority to construct, alter, operate and maintain garages and parking facilities at VA medical facilities and to charge fees for the use of such garages and parking facilities by substantially revising section 5009 of title 38. On a nationwide basis, the VA has never established a fee parking system at its medical centers although it has had the authority to do so.

This bill would require the VA to establish a schedule of reasonable parking fees at medical centers where a garage is constructed, altered or acquired, if the cost exceeds $500,000 and the garage opens for use, or alterations are completed, after September 30, 1986. Discretionary authority to charge reasonable parking fees would continue at all other VA medical centers. Collection of fees in accordance with the schedule, once established, would be required for employees, visitors and all other individuals, except veterans who are transported to or from a medical facility for examination or treatment at the facility.

For those medical centers where fees would be mandatory after September 30, 1986, the parking fees charged must, at a minimum, be sufficient to cover at least the operation and maintenance costs of all parking facilities located at the medical center.

The VA would be authorized to acquire land necessary for the construction or alteration of a parking facility and may acquire a facility for use as a parking facility.

The current restriction on authorization of appropriations for construction or alteration of garages or parking facilities, the cost of which exceeds $2 million, would be removed. However, any expenditure from the revolving fund in excess of $2 million would be subject to the section 5004(a)(2) (title 38) requirements for appropriations for major medical facility projects.

The VA would be prohibited from using any funds other than funds from the revolving fund to be established by this bill for the construction, alteration, or acquisition of a parking facility after September 30, 1986. All expenditures of funds from the revolving fund would be subject to approval by an Appropriation Act.

Finally, this bill makes clear the congressional intent that appropriation act approval is not a requisite to the establishment of a revolving fund for purposes of this section, nor is it a requisite to the VA's establishing a parking fee schedule and charging fees in accordance with the schedule, the income of which would be deposited in the revolving fund.

I have scheduled a hearing on May 14 to receive testimony on this measure. I urge my colleagues to join me in supporting this legislation when it is considered on the floor of the Senate.

Mr. President, I ask unanimous consent that the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2422

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND REFERENCES.

(a) SHORT TITLE.—This Act may be cited as the "Veterans' Compensation and Benefits Improvements Act of 1986".

(b) REFERENCES.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—DISABILITY COMPENSATION AND DEPENDENCY AND INDEMNITY COMPENSATION RATE INCREASES

SEC. 101. DISABILITY COMPENSATION.

(a) IN GENERAL.—Section 314 is amended—

(1) by striking out "$68" in subsection (a) and inserting in lieu thereof "$70";

(2) by striking out "$126" in subsection (b) and inserting in lieu thereof "$130";

(3) by striking out "$191" in subsection (c) and inserting in lieu thereof "$197";

(4) by striking out "$274" in subsection (d) and inserting in lieu thereof "$283";

(5) by striking out "$388" in subsection (e) and inserting in lieu thereof "$401";

(6) by striking out "$489" in subsection (f) and inserting in lieu thereof "$506";

(7) by striking out "$617" in subsection (g) and inserting in lieu thereof "$638";

(8) by striking out "$713" in subsection (h) and inserting in lieu thereof "$737";

(9) by striking out "$803" in subsection (i) and inserting in lieu thereof "$830";

(10) by striking out "$1,335" in subsection (j) and inserting in lieu thereof "$1,380";

(11) by striking out "$1,659" and "$2,325" in subsection (k) and inserting in lieu thereof "$1,715" and "$2,404", respectively;

(12) by striking out "$1,659" in subsection (l) and inserting in lieu thereof "$1,715";

(13) by striking out "$1,829" in subsection (m) and inserting in lieu thereof "$1,891";

(14) by striking out "$2,080" in subsection (n) and inserting in lieu thereof "$2,151";

(15) by striking out "$2,325" each place it appears in subsections (o) and (p) and inserting in lieu thereof "$2,404";

(16) by striking out "$998" and "$1,487" in subsection (r) and inserting in lieu thereof "$1,032" and "$1,538", respectively;

(17) by striking out "$1,494" in subsection (s) and inserting in lieu thereof "$1,545"; and

(18) by striking out "$289" in subsection (t) and inserting in lieu thereof "$299".

(b) SPECIAL RULE.—The Administrator of Veterans' Affairs may adjust administratively, consistent with the increases authorized by this section, the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85-857 who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

SEC. 102. ADDITIONAL COMPENSATION FOR DEPENDENTS.

Section 315(1) is amended—

(1) by striking out "$81" in clause (A) and inserting in lieu thereof "$84";

(2) by striking out "$136" and "$43" in clause (B) and inserting in lieu thereof "$141" and "$144", respectively;

(3) by striking out "$56" and "$43" in clause (C) and inserting in lieu thereof "$58" and "$44", respectively;

(4) by striking out "$66" in clause (D) and inserting in lieu thereof "$68";

(5) by striking out "$147" in clause (E) and inserting in lieu thereof "$152"; and

(6) by striking out "$124" in clause (F) and inserting in lieu thereof "$128".

SEC. 103. CLOTHING ALLOWANCE FOR CERTAIN DISABLED VETERANS

Section 362 is amended by striking out "$360" and inserting in lieu thereof "$372".

SEC. 104. DEPENDENCY AND INDEMNITY COMPENSATION FOR SURVIVING SPOUSES

Section 411 is amended—

(1) by striking out the table in subsection (a) and inserting in lieu thereof the following:

"Pay grade	Monthly rate	Pay grade	Monthly rate
E-1	$508	W-4	$727
E-2	522	O-1	642
E-3	536	O-2	662
E-4	571	O-3	709
E-5	585	O-4	750
E-6	598	O-5	826
E-7	628	O-6	931
E-8	662	O-7	1,006
E-9	[1] 692	O-8	1,103
W-1	642	O-9	1,184
W-2	667	O-10	[2] 1,298
W-3	687		

"[1] If the veteran served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps, or master chief petty officer of the Coast Guard, at the applicable time designated by section 402 of this title, the surviving spouses' rate shall be $747.

"[2] If the veteran served as Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, at the applicable time designated by section 402 of this title, the surviving spouses' rate shall be $1,391.";

(2) by striking out "$57" in subsection (b) and inserting in lieu thereof "$59";

(3) by striking out "$147" in subsection (c) and inserting in lieu thereof "$152"; and

(4) by striking out "$72" in subsection (d) and inserting in lieu thereof "$74".

SEC. 105. DEPENDENCY AND INDEMNITY COMPENSATION FOR CHILDREN

Section 413 is amended—

(1) by striking out "$247" in clause (1) and inserting in lieu thereof "$255";

(2) by striking out "$356" in clause (2) and inserting in lieu thereof "$368";

(3) by striking out "$460" in clause (3) and inserting in lieu thereof "$476"; and

(4) by striking out "$460" and "$93" in clause (4) and inserting in lieu thereof "$476" and "$96", respectively.

SEC. 106. SUPPLEMENTAL DEPENDENCY AND INDEMNITY COMPENSATION FOR CHILDREN

Section 414 is amended—

(1) by striking out "$147" in subsection (a) and inserting in lieu thereof "$152";

(2) by striking out "$247" in subsection (b) and inserting in lieu thereof "$255"; and

(3) by striking out "$126" in subsection (c) and inserting in lieu thereof "$130".

SEC. 107. EFFECTIVE DATE

Except as provided in section 108 of this Act, the amendments made by section 101 through 106 of this Act shall take effect on December 1, 1986.

SEC. 108. ALTERNATIVE RATE INCREASES

(a) IN GENERAL.—(1) If the percentage of the increase in benefit amounts under title II of the Social Security Act that will take effect on December 1, 1986, as a result of a determination under section 215(i) of such Act or as a result of any other law is not 3.4 percent—

(A) sections 101 through 106 of this Act shall not take effect; and

(B) the Administrator of Veterans' Affairs shall (i) compute alternative increased rates and limitations that are equal to those that would be arrived at by increasing, by the same percentage as the percentage by which such benefit amounts will thus be increased, each dollar amount that would have been increased by the amendments that would have been made by such sections, and (ii) effective December 1, 1986, pay benefits under Chapters 11 and 13 of title 38, United States Code, in accordance with such alternative increased rates and limitations.

(2) In the computation of alternative increased rates and limitations pursuant to paragraph (1)(B), amounts of $0.50 or more shall be rounded to the next higher dollar amount and amounts of less than $0.50 shall be rounded to the next lower dollar amount.

(b) SPECIAL RULE.—The Administrator may adjust administratively, consistent with the increases authorized by this section, the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85-857 who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

(c) PUBLICATION REQUIREMENT.—If, under subsection (a) of this section, the Administrator is required to compute alternative increased rates and limitations, the Administrator shall publish in the Federal Register such alternative increased rates and limitations and the rates and limitations being increased. The Administrator shall publish such matters at the same time as the matters required by section 215(i)(2)(D) of the Social Security Act (42 U.S.C. 415(i)(2)(D)) are published by reason of a determination under section 215(i) of such Act.

TITLE II—IMPROVEMENT IN THE ADMINISTRATION OF THE VETERANS' HOME LOAN GUARANTY PROGRAM

SEC. 201. VETERANS' ADMINISTRATIOIN ACQUISITION OF FORECLOSED PROPERTY

Section 1816(c) is amended—

(1) by striking out "In" in paragraph (5) and inserting in lieu thereof "Except as provided in paragraph (10) of this subsection, in";

(2) by striking out "In" in paragraph (7) and inserting in lieu thereof "Except as provided in paragraph (10) of this subsection, in"; and

(3) by adding at the end thereof the following new paragraph:

"(10)(A) The holder of a defaulted loan shall not have the option of conveying the property securing the loan to the United States under paragraph (5) of this subsection and the Administrator may not except conveyance of such property under paragraph (7) of this subsection unless the Administrator determines, on the basis of the considerations prescribed in subparagraph (B) of this paragraph, that the Administrator is likely to be able, within one year after the date of the liquidation sale of the property, to sell the property for a price which would make it economically advantageous to the United States for the Administrator to acquire and dispose of the property.

"(B) In making a determination with respect to a particular property for the purposes of subparagraph (A) of this paragraph, the Administrator shall consider—

"(i) the size of the inventory of properties held by the Veterans' Administration (after acquisition under this section) which are located in the same general real estate market area as such property;

"(ii) the current and projected conditions of the real estate market in such area; and

"(iii) the current and projected general economic conditions in such area.".

TITLE III—IMPROVEMENTS IN OTHER VETERANS' PROGRAMS

SEC. 301. ADMINISTRATIVE DEBT COLLECTION BY OFFSET OF BENEFITS

Section 3101 is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(2) by inserting after subsection (b) the following new subsection (c):

"(c)(1) Notwithstanding any other provision of this section, the Administrator may, after receiving a request under paragraph (2) of this subsection relating to a veteran, collect by offset of any compensation or pension payable to the veterar. under laws administered by the Veterans' Administration the uncollected portion of (A) the amount of any overpayments of retired or retainer pay (for service in a uniformed service named in section 101(3) of title 37) made to the veteran, and (B) the amount of any indebtedness associated with the veteran's participation in a plan prescribed in subchapter I or II of chapter 73 of title 10.

"(2) If the Secretary concerned (as defined in section 101(5) of title 37) has tried under section 3711(a) of title 31 to collect an amount described in paragraph (1) of this subsection in the case of any veteran, has been unable to collect such amount, and has determined that the uncollected portion of such amount is not collectible from amounts payable by the Secretary to the veteran or that the veteran is not receiving any payment from the Secretary, the Secretary may request the Administrator to make collections in the case of such veteran as authorized in paragraph (1) of this subsection.

"(3)(A) A collection authorized by paragraph (1) of this subsection shall be conducted in accordance with the procedures prescribed in section 3716 of title 31 for administrative offset collections made after attempts to collect claims under section 3711(a) of such title.

"(B) For the purpose of subparagraph (A) of this paragraph, as used in the second sentence of section 3716(a) of title 31—

"(i) the term 'records of the agency' shall be considered to refer to the records of the department of the Secretary concerned; and

"(ii) the term 'agency' in clauses (3) and (4) shall be considered to refer to such department.".

SEC. 302. DISCLOSURE OF FINANCIAL INFORMATION BY FEDERAL FIDUCIARIES

The second sentence of section 3202(b) is amended by striking out "beneficiary," and inserting in lieu thereof "beneficiary and any additional information about the beneficiary's financial circumstances required by the Administrator (unless unknown by the fiduciary),".

SEC. 303. CONSTRUCTION, ALTERATION, AND ACQUISITION OF PARKING FACILITIES AT VETERANS' ADMINISTRATION MEDICAL FACILITIES

(a) IN GENERAL.—Section 5009 of title 38, United States Code, is amended to read as follows:

"§ 5009. Parking facilities

"(a) For the purposes of this section—

"(1) the term 'garage' means a structure (or part of a structure) in which vehicles may be parked; and

"(2) the term 'parking facility' include a surface parking lot and a garage.

"(b) In order to accommodate the vehicles of employees of medical facilities, vehicles used to transport veterans to or from such facilities for the purpose of examination or treatment, and the vehicles of visitors and other individuals having business at such facilities, the Administrator—

"(1) may construct or alter parking facilities on reservations of medical facilities, and may acquire, by purchase, lease, condemnation, donation, exchange, or otherwise, such land or interests in land as the Administrator considers necessary for use as the site for any such construction or alteration;

"(2) may acquire, by purchase, lease, condemnation, donation, exchange, or otherwise, any facility that the Administrator considers necessary for use as a parking facility (including the site for a parking facility); and

"(3) may operate and maintain parking facilities.

"(c)(1) Except as provided in paragraph (2) of this subsection, each employee, visitor, and other individual having business at a medical facility for which parking fees have been established under subsection (d) or (e) of this section shall be charged the applicable parking fee for the use of a parking facility at such medical facility.

"(2) A parking fee shall not be charged under this subsection for the accommodation of any vehicle used to transport a veteran to or from any medical facility for the purpose of examination or treatment.

"(3) The Administrator shall collect (or provide for the collection of) parking fees charged under this subsection.

"(d)(1) For each medical facility where—

"(A) a garage constructed or acquired at a cost exceeding $500,000 is first opened for use after September 30, 1986; or

"(B) a project for the alteration of a garage at a cost exceeding $500,000 is completed after September 30, 1986.

the Administrator shall prescribe a schedule of parking fees to be charged at all parking facilities used in connection with such medical facility.

"(2) The parking fee schedule prescribed for a medical center referred to in paragraph (1) of this subsection shall be designed to establish fees which the Administrator determines are reasonable under the circumstances and will provide sufficient revenues to recover the costs of operating and maintaining all parking facilities at such medical facility.

"(e) The Administrator may prescribe a schedule of parking fees for the parking facilities at any medical facility not referred to in subsection (d) of this section. Any such schedule shall be designed to establish fees which the Administrator determines to be reasonable under the circumstances. The Administrator may consider the costs of operating and maintaining such parking facilities in prescribing any such fee schedule.

"(f) The Administrator may contract, by lease or otherwise, with persons, firms, or corporations for the operation of parking facilities at medical facilities under such terms and conditions as the Administrator shall prescribe and without regard to laws requiring full and open competition.

"(g) Subject to subsections (h) and (i) of this section, there are authorized to be appropriated such amounts as are necessary to finance (in whole or in part)—

"(1) the construction, alteration, and acquisition (including site acquisition) of parking facilities; and

"(2) the operation and maintenance of parking facilities.

"(h)(1) Amounts appropriated pursuant to subsection (g) of this section and parking fees collected under subsection (c) of this section shall be administered as a revolving fund and shall be available without fiscal year limitation to carry out this section.

"(2)(A) Except as provided in subparagraph (B) of this paragraph, the revolving fund shall be deposited in a checking account with the Treasurer of the United States.

"(B) The Administrator may deposit in depositories selected by the Administrator such amounts as the Administrator determines necessary to establish and maintain account for the purposes of the operation and maintenance of parking facilities.

"(3) No funds other than funds from the revolving fund may be used for the construction, alteration, or acquisition (including site acquisition) of a parking facility at a medical facility after September 30, 1986.

"(i)(1) The expenditure of funds from the revolving fund for the construction, alteration, acquisition (including site acquisition), operation, maintenance of parking facilities may be made only as provided for in appropriation Acts.

"(2) For the purpose of section 5004(a)(2) of this title, a bill, resolution, or amendment which provides that funds in the revolving fund (including any funds proposed in such bill, resolution, or amendment to be appropriated to the revolving fund) may be expended for a project involving a total expenditure of more than $2,000,000 for the construction, alteration, or acquisition (including site acquisition) of a parking facility or facilities at a medical facility shall be considered to be a bill, resolution, or amendment making an appropriation which may be expended for a major medical facility project.".

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 81 of such title is amended by striking out the item relating to section 5009 and inserting in lieu thereof the following:

"5009. Parking facilities.".

SEC. 304. WAIVER OF CONGRESSIONAL NOTICE AND WAITING PERIOD FOR ADMINISTRATIVE REORGANIZATION OF CERTAIN VETERANS' ADMINISTRATION ACTIVITIES

(a) WAIVER.—The Administrator of Veterans' Affairs may undertake the administrative reorganization described in subsection (b) without regard to the requirements of section 210(b)(2) of title 38, United States Code.

(b) COVERED ADMINISTRATIVE REORGANIZATION.—The administrative reorganization referred to in subsection (a) is a reorganization that—

(1) involves the transfer of certain functions from the Office of Administration of the Veterans' Administration to the Department of Veterans' Benefits and to the Office of the Associate Deputy Administrator of Veterans' Affairs for Public and Consumer Affairs; and

(2) is described in letters dated February 5, 1986, that were submitted by the acting Administrator of Veterans' Affairs to the President of the Senate and the Speaker of the House of Representatives.

Mr. MURKOWSKI. Mr. President, I yield the floor.

S. 2422: THE PROPOSED "VETERANS' COMPENSATION AND BENEFITS IMPROVEMENTS ACT OF 1986"

Mr. CRANSTON. Mr. President, as the ranking minority member of the Committee on Veterans' Affairs, I am pleased to join with the distinguished chairman of the committee (Mr. MURKOWSKI) in introducing S. 2422. The purpose of this measure is to provide for a cost-of-living increase in the rates of disability compensation for veterans who suffer from service-connected disabilities and the rates of dependency and indemnity compensation [DIC] for the survivors of veterans who have died from service-connected causes. In addition, the bill would modify provisions relating to the administration of the VA's home-loan guaranty program, revise the Administrator's authority to operate parking facilities at VA medical centers and to establish and collect fees at such facilities, and authorize an administrative reorganization in the VA. The measure also includes two provisions, derived from administration-proposed legislation, relating to the collection of certain debts and to information required from certain fiduciary agents of veterans.

The VA's service-connected disability compensation program is at the very heart of our system of veterans' benefits. The Committee on Veterans' Affairs has consistently attached the highest priority to the needs of service-connected disabled veterans and the survivors of those who have made the ultimate sacrifice. The more than 2.2 million veterans who suffer from disabilities resulting from their service and the 340,000 survivors of those who died from service-connected disabilities are and will remain my number one priority insofar as my activities on the committee are concerned.

Mr. President, I'm delighted that the legislation we are introducing today would provide for a compensation and DIC cost-of-living adjustment [COLA] equal to the COLA percentage to be provided for Social Security and VA pension benefits, effective December 1, 1986. According to the most

recent estimate by the Congressional Budget Office, that COLA percentage will be 3.4 percent. As I and other members of the committee have noted on numerous occasions, our commitment to this approach remains strong.

With respect to the provisions in the measure we are introducing that relate to parking facilities at VA medical centers, I want to note that I am hopeful that enactment of these provisions will help produce a satisfactory solution to a very difficult situation at a number of VA facilities. For more than 2 years, the proposal for construction of a 120-bed nursing home care unit and parking structure at the VA's medical center in San Francisco has been stymied by an impasse that has developed in the appropriation process. This has prevented a terrible parking problem at that facility from being resolved through the construction of an adequate parking garage. In addition, much-needed parking facilities proposed by the VA for VA medical centers in Durham, NC, Syracuse, NY, and Philadelphia, PA—for which the VA sought funding in fiscal year 1986—have been denied by the Appropriations Committees.

The approach proposed in the measure Senator MURKOWSKI and I are introducing represents our efforts to resolve this very complex and controversial problem in an equitable and effective fashion. Specifically, the bill would provide that future funding for the construction, operation, and maintenance of parking facilities would be drawn from a revolving fund, which has been authorized by law since 1979, in which fees required to be collected at medical centers where parking garages are constructed would be deposited. As is the case under current law, no fees would be permitted to be charged for a vehicle being used for the transportation of a veteran-patient. We have been in contact with the Appropriations Committees regarding this proposal and believe that a cooperative approach will be forthcoming to resolve this problem.

Mr. President, the measure we are introducing today will be the subject of hearings now scheduled for May 14. At that time, I look forward to examining in detail the issues addressed in the measure in detail with the witnesses who will be testifying at those hearings.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, for not to exceed 30 minutes, with statements limited therein to 5 minutes.

□ 1240

The Senator from Montana.

ANALYSIS OF THE NEW TAX BILL

Mr. MELCHER. Mr. President, before June 1, in anticipation of Senate consideration of the Senate Finance Committee's recently passed tax bill approved in committee by a vote of 20 to nothing, let me express some words of caution and common sense.

Come June, I am not going to be "busting out all over" to pass several hundred pages of new Tax Code without prudent analysis to find out whose tax payment is gored. No analysis of its effect on jobs, economic growth, or on coverage and capital investment has yet been made.

At first blush, we are hearing from the committee and the media glowing accounts of how we are all going to get a tax break, but the bill is, even so, revenue-neutral.

For myself and my 99 colleagues—all 100 of us—it is estimated that we will get at least a $2,000 individual tax cut. That means the rest of the 3.8 million taxpayers with incomes similar to ours will also get a $2,000 individual income tax cut. For every other citizen of lesser income, they are going to average out about $150 better off on their taxes.

Well, is that not just wonderful?

But hold on—the bill is revenue-neutral, so does that not mean someone else has to pay more?

We have all become aware of the preponderance of lobbyists who have been tracking this bill, obviously to protect their clients large and small who, we assume, are mostly large. There are some lobbyists from some basic industries, who have not been visible because they are not here. Farm groups have not been pounding the corridors lobbying on this tax bill; they do not have any money because farmers are not making any money, so they cannot send lobbyists here. The mining industry, shrunken by losses, has not been able to put out even a skirmish line of lobbyists. In fact, ASARCO, one of the mining companies still alive although not prospering, closed their Washington office a month ago. The forest products industry, decimated by closing mills or conglomerates into fewer companies, has not fielded a lobbying force of significant size for the past year or two. And the independent energy producers seem to be evaporating. I do not know where the truckers are, except for those I see humping along on the interstates, trying to make enough money to keep up with the payments on their rigs.

There are others of these representatives of basic industries who seem to be fading away proportionately to the fading away of the numbers in their particular industries.

But on behalf of the basic industries of Montana and the people whose jobs, livelihood, and businesses depend upon those basic industries, I am going to have this new tax bill analyzed to see how much of the goring to get extra funds has to come from them—even though they now have little or no income or, worse yet, losses, in order to make this a revenue-neutral bill.

In addition, I want to review an analysis on the effects of the bill on the elderly, the retirees, and housing for the working families of this country.

I shall consult with the General Accounting Office, the Association of Tax Accountants, and others, using the data that is supplied by the Joint Tax Committee and the Internal Revenue Service. These basic industries that produce commodities so important to the economic well-being of the United States cannot be ignored, although they have been on a long stretch of losses, mortgages and liquidations. They are the basic industries of this country and any worsening of their economic plight would be devastating for the entire country.

If they are going to be treated badly—as I suspect—by this bill, it would be driving several more nails into their coffins.

The bill must be measured for height, width, and depth to determine whether it is pro-growth or anti-growth because the only chance these basic industries have to survive is by a turnaround in the policies that have been dooming them into oblivion. Part of that is tax policy, part of it is fiscal policy, and part of it is trade policy.

Of special note is the need for capital investment sufficient to supply credit at lower rates of interest. This tax bill may not move in that direction and at first glance, with the loss of Individual Retirement Accounts, it seems to be discouraging savings; with the reduction in capital gains it would seem to be discouraging investment for jobs and economic recovery while ironically losing tax revenue. For job opportunities for the Nation's youth, for the unemployed or underemployed, and for retirees, this bill may not smell so good.

So if there is some thought of making June bust out all over in the Senate by just taking this tax bill without analysis, that would be a foolish thought.

FORTY YEARS OF CARE

Mr. MELCHER. Mr. President, about 6 weeks ago I had the rare privilege of catching a "red-eye" flight from Seattle, WA, to Washington, DC. Now, you might think that something like that is hardly a privilege—and, in truth, the flight was not.

What was a privilege was the occasion that prompted those travel plans. I had the chance to address the Board of Directors of CARE International.

Those distinguished and concerned men and women from around the world are the guiding hand of what is to my mind one of the most successful examples of private voluntary action the world has ever seen.

I feel equally privileged today to speak out on the occasion of the 40th anniversary of the delivery of the first CARE package. Forty years ago, CARE was a loose coalition of religious, service, and cooperative organizations that were committed to the concept of a people-to-people response to assist war ravaged Europe.

In that first year of operation, 40 years ago, 3,380,000 people in war ravaged Europe were fed and the specter of starvation was somewhat checked.

Today, CARE is a cooperative organization owned by 23 national, economic, religious, and ethnic organizations that has grown into the largest private voluntary relief and development organization in the world. It has programs in 35 countries benefitting as many as 40 million individuals. Over the past 40 years, CARE has delivered over $3 billion in goods and services around the world.

In 1986 alone, CARE delivered and monitored 611,084 tons of food through supplementary and emergency food distribution programs. That is the same thing as 5 billion quarter-pounders by the well-known hamburger purveyor.

One of the things that is not often mentioned about CARE is that it is a marvelous example of the expression "doing well by doing right." CARE has been an innovator in using our huge American agricultural surpluses for relief and rehabilitation. At the same time it attempts to use our God given bounty to help local organizations and local individuals use their own resources better. CARE focuses on immediate people needs, such as adequate diet and nutrition, as well as long term community needs, such as infrastructure development.

Amazingly, the combined management and fund-raising costs of CARE represent less than 5.9 percent of the total value of goods and services that CARE delivers worldwide.

Whether one talks about wastewater drainage systems in Indonesia or deep sea fishing training in Belize or developing wood-burning stoves in Sudan or reforestation in Peru or a school nutrition program in the Philippines, it is clear that CARE continues around the world in fulfilling that wonderful humanitarian impulse that began 40 years ago in the attempt to deal with the devastation of World War II in Europe.

"Happy Birthday CARE!" I'm glad that I've had the chance to see some of your work around the world. I know that while need exists, CARE will be there to help.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

□ 1320

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, what is the pending order of business?

The PRESIDING OFFICER. We are still in morning business.

SOVIET EMIGRATION POLICIES

Mr. METZENBAUM. Mr. President, I rise today once again to speak about the plight of thousands of Jews and other members of religious and national groups held against their will in the Soviet Union. To the dismay and anger of millions of concerned individuals throughout the free world, the Soviet Union continues its relentless campaign of systematic persecution of Jews, Pentecostals, Germans, Armenians, and a host of other religious and nationalistic minorities who wish to emigrate or freely practice their religion and ethnic heritage.

Mr. President, Soviet emigration policies amount to repression—pure and simple. The process for obtaining formal permission for emigration is extremely cumbersome and designed to discourage applications. Family reunification is the only recognized legal basis for individuals and families seeking exit visas.

Several years ago I and a number of my colleagues were in the Soviet Union and we met with many of the so-called refuseniks, those who wanted to leave the country who had committed no crime, who had taken no actions against their country except that they wanted to be reunited with their families in other parts of the world. And they were told not only that they could not leave but, the mere fact that they had applied for a visa was sufficient basis to cause them to lose their jobs.

We met mathematicians, we met engineers, we meet people trained in the professions who wanted nothing more than to be able to leave their country—a right which I might point out is guaranteed them under a document to which the Soviets have affixed their signature, the Helsinki accords.

But under rules implemented in 1979, only those people with first-degree relatives presently in the West are eligible for emigration. That is not the way the Helsinki accords reads. And I for the life of me have difficulty in understanding the Soviet Union on this issue.

Would-be emigrants in the Soviet Union today characteristically face the obstacle of Soviet bureaucracy and long delays. Their applications are subject to the arbitrary decisions of Soviet authorities who may have no standard emigration procedure to guide their actions. Should the applicant be fortunate enough to obtain initial approval, the ultimate success of his or her appeal will depend on the current state of affairs between the two superpowers.

Now, why? Is there some reason that the state of relations between our country and the Soviet Union should be determinative of whether or not a Soviet Union individual has the right to leave that country? That is absurd. It just does not make sense.

For those who are brave enough in the Soviet Union to fight the system, there is little reward—the fact that they promptly—promptly—upon making their application face the likely prospect of dismissal from their jobs, the loss of an academic degree, conscription into the Soviet Army, public denunciations and harassment, illegal searches and seizures, and imprisonment. Why? Why would the Soviet Union come down so hard on those who want to do nothing more than to leave their country? They are not looking to do harm to their country. They have a right to leave. We have people leave the United States, people leave West Germany, people leave Brazil. People do emigrate. Most of the times they emigrate so that they might be with their beloved ones who are living in a different country.

But the fact is that the Soviet Union has made their policy directly related to the temperature that exists between this country and their country. In recent years, the number of exit visas issued to Soviet Jews desiring to emigrate to Israel has dropped precipitously.

Now, is that not illogical? That because they are somehow unhappy with the United States—and I wish they were not, because I believe all freedom-loving people in this country really would like to see détente, would like to see movement forward and finding the Soviet Union and this Nation being able to live together and work together and, yes, hopefully, to disarm together—why should that relationship have such an impact upon those who are in the Soviet Union regardless of their religion? And I point out many of them are Jews, but many of them are Pentecostals, some are Baptists, and some are members of various and sundry other groups.

I remember when we were in the Soviet Union a man and a woman who were Pentecostals were sharing with us their concern and the kind of persecution they were suffering. Why? Because they wanted to leave the coun-

try. I remember on a Saturday evening literally being besieged by hundreds of so-called refuseniks. Why? Because they wanted to leave the country and they wanted somebody to talk to to hear of their plight.

In 1979, 51,333 Jews were permitted to leave the Soviet Union. In 1980, that number had decreased to 21,472, and by 1981, the number had fallen further to 9,448. Last year, only 1,140 Soviet Jews were allowed to emigrate. Similarly, only 460 Soviet Germans were given permission to emigrate West in 1985, down from the 1976 peak of 9,704, and a mere 50 Armenians received exit visas in 1985, well below the 6,103 who departed in 1980. Clearly, the Soviet Union has become considerably more restrictive about granting Jews and other minorities permission to emigrate.

□ 1330

By conservative estimates—and I believe these estimates to be very conservative—over 700,000 Soviets have shown an interest in emigrating and the number of refuseniks grows annually. They remain despite a multitude of human rights conventions to which the Soviet Union supposedly adheres.

The universal declaration of human rights, adopted by the General Assembly of the United Nations in 1948,—that is 38 years ago—expressly guarantees that:

"Everyone has the right to leave any country including his own, and return to his country." They are a party to that agreement.

The Helsinki accords, signed by the Soviet Union in 1975, stresses that the parties are to "expedite" and "facilitate" the "reunion of families" and that those applying for exit visas should not be deprived of their rights.

The Helsinki accords also mandate that individuals will not be deprived of their right to worship. Principle seven of the Helsinki Final Act states:

In those States in which ethnic, religious or linguistic minorities exist, persons belonging to such minorities shall not be denied the right, in community with other members of their group, to enjoy their own culture, to profess and practice their own religion, or use their own language.

The reality of the situation, as we all know, is far different. This is why concerned Members of this Senate must continually draw attention to the plight of Soviet Jews and other minority groups and our efforts must continue as long as all religious and national minorities are held hostage to an increasingly restrictive Soviet emigration policy.

I would say to the Soviet Union, there are many of us who believe that the negotiations with respect to nuclear disarmament should move forward. We feel, and have said publicly, that we support that proposition. But when it is evident that the Soviet Union's commitment and obligation is not lived up to in the agreements that they have heretofore signed, it makes the problem that much more difficult.

When Mr. Gorbachev came into office, there was a feeling that perhaps he would bring new light and new perspective to many of these sticky issues. It is not enough for Mr. Gorbachev to say this is an internal problem and it is not a problem of the rest of the world. But indeed it is a problem for all peoples in the world when any one country, no matter how large or how small, takes acts that are repressive of the human rights, and human dignity of the individual. I would say to Mr. Gorbachev it is high time for you, sir, to bring about some leadership in your own country on this very difficult issue.

There is no reason for a nation as powerful as the Soviet Union to continue these repressive practices. There is no reason for a nation as strong as the Soviet Union, one that wishes to enter into international agreements at various and sundry points, to fail to live up to an obligation to which it has heretofore affixed its signature.

PROTECTING OUR AGRICULTURAL TRADE BALANCE

Mr. DIXON. Mr. President, I rise today to address a problem which has plagued our Nation's agricultural sector for many years: the continual decline of U.S. agricultural exports.

This morning, members of the Senate Agriculture Committee met with Sir Roy Denman, head of the Washington office of the delegation of the European Communities, in an effort to address the problem of agricultural trade between the United States and the European Community.

This issue is of critical importance to the American farmer and to the citizens of the United States. It is of special importance to my own State of Illinois.

As the ranking member of the Senate Subcommittee on Foreign Agricultural Policy, I am well aware of the history of our Nation's agricultural trade problems. In fact, in 1983, the European Community proposed restrictions on imports of nongrain feed ingredients, including corn gluten feed, and a consumption tax on vegetable oils and fats, including soybean products. At that time, I sponsored an amendment, with a number of my colleagues from both sides of the aisle, which passed the Senate unanimously. The resolution expressed the sense of the Senate regarding the European Community's common agricultural policy and encouraged the President to take every action in his power to combat these measures.

The European Community has again proposed a number of import restrictions, as part of the terms under which Spain and Portugal joined the EEC in January, 1986, which seriously impact on as much as $1 billion worth of United States agricultural exports.

The restrictions in United States agricultural trade with Portugal include quotas on the importation and consumption of oilseeds and oilseed products, and a requirement that Portugal purchase at least 15.5 percent of its grain from the EEC.

Between 1984 and 1985, United States exports of soybeans and soybean products to Portugal have decreased in value by 32 percent; to Spain by 43 percent; and to the European Economic Community by 24 percent.

Spain's 20-percent tariff on imports of corn and sorghum was replaced with the EEC's variable levy, currently equivalent to a tariff of more than 100 percent. However, Spain had agreed in previous trade negotiations not to raise its tariffs on these two items. International trade rules require the European Community to compensate the United States for the injury to our exports caused by the higher levies. It is possible that the new variable levy system will increase by 30 to 80 percent the cost of buying American grain.

United States exports of corn to the European Community declined 50 percent in value between 1984 and 1985.

The adoption of these proposed restrictions by the European Economic Community would impair access of United States agricultural products to the EEC and would shift the burden of these adjustments to other nations. It would severely impact the economies of large grain States, such as Illinois. It is my understanding that the European Community has delayed the imposition of these restrictions.

As the senior Senator from Illinois, one of the Nation's largest agricultural exporting States, whose two largest crops are corn and soybeans, I well understand the effect these restrictions would have on the Illinois economy. I would urge the United States and the European Community to pursue those avenues and forums that will result in the expeditious resolution of differences in agricultural trade policy between the United States and the European Economic Community.

Our meeting this morning was a first step in opening up lines of communication and expanding the negotiations be'ween in the United States and the European community.

It is vital that an agreement on this matter be reached quickly so that our farmers do not suffer more than they have already.

BC&T 100TH ANNIVERSARY

Mr. FORD. Mr. President, it is with extreme pleasure that I salute the

Bakery, Confectionery and Tobacco Workers International Union on the occasion of this centennial.

This labor organization had its origins in the Journeymen Bakers National Union which was formed on January 13, 1886, and the National Tobacco Workers of America which was founded on May 20, 1895.

These pioneer trade unions played a significant role in the social and economic life in my State of Kentucky, working to win recognition of workers' rights of the job and to secure for those workers a fair share of the wealth they helped to produce.

I am pleased that the tobacco union and its employees also forged common bonds to defend an industry that has been under remitting attack in recent years. I refer, of course, to the anti-smoking climate that followed the Surgeon General's report on cigarette smoking and all of the consequences that have flowed from that report.

In rapid succession, the industry endured steep increases in cigarette taxes, the denial of access to the television advertising medium, and the requirement that each package of cigarettes carry a warning concerning the Surgeon General's report. In addition, consumers have had their right to smoke in public places curtailed.

But while these events have had a troubling impact on the economics of the tobacco industry, they have also led to the opening of new avenues of communication and cooperation between workers and their employers.

The harmony that exists in the tobacco industry is matched by a similar spirit of cooperation between bakery and confectionery workers and their employers.

The merger of these two pioneer unions into the Bakery, Confectionery and Tobacco Workers International Union runs a parallel course to the mergers which are uniting tobacco companies and bakery companies to better serve the needs of a growing public.

It is my privilege to take this time to reflect on the 100 years of progress made by tobacco workers and bakery workers, to extend my congratulations and best wishes to the officers and members on the occasion of their union's 100th birthday, and to wish them well in their second century of service to workers, their industry, their States, and their Nation.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

ADDITIONAL BANKRUPTCY JUDGES

The PRESIDING OFFICER. The Senate will now resume consideration of the pending business, S. 1923, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 1923) to provide for additional bankruptcy judges.

The Senate resumed consideration of the bill.

Pending:

(1) Thurmond (for Denton and Simon) Amendment No. 1837, to prevent discharge of administratively ordered support obligations.

(2) Grassley Amendment No. 1838 (to Amendment No. 1837), of a perfecting nature, relating to family farm reorganization.

Mr. THURMOND. Mr. President, as I understand, an amendment by the distinguished Senator from Alabama [Mr. DENTON] was offered yesterday. It has been amended by an amendment by the distinguished Senator from Iowa, and that is the pending business.

So we are ready to go forward if there is no opposition to that now. Senator GRASSLEY may have a statement to make further on that.

The PRESIDING OFFICER. The President pro tempore is correct.

The Chair recognizes the Senator from Iowa.

Mr. McCONNELL. Mr. President, I want to start by commending the Senator from Iowa, Senator GRASSLEY, for offering this commonsense proposal to deal with a problem which is reaching epidemic proportions in rural America. His amendment is a good starting point for discussions on how best to meet the needs of farm families who, for one reason or another, are forced to seek help from bankruptcy laws to reorganize their debt. Without a doubt, Mr. President, it is a much more reasonable proposal than others that I have seen. There were, however, some legitimate concerns on the part of some Kentucky farmers who are not in a bankruptcy position, that they would be forced to shoulder the burdens of these bankruptcies. A particular concern of mine was the impact on the borrowers of the cooperative Farm Credit System.

There is no doubt that the Farm Credit System is an integral part of the infrastructure which serves the family farmer. Any bankruptcy legislation enacted by the Congress must recognize that FCS borrowers who are current in their payments will carry the burden for FCS borrowers who file a chapter 12 bankruptcy. My intent is to see that only family farmers can take advantage of this provision. One of the biggest criticisms that I hear from Kentucky farmers is that nonfarmers who are only in farming to offset income from some other source are distorting agriculture. My proposal would provide a definition of what constitutes a family farm that I believe is consistent with the overall intent of this legislation. I thank my friend from Iowa, Senator GRASSLEY, with whom I've worked closely on this issue, for accepting this compromise.

The important change that I propose involves the very definition of "family farmer" in section 1201 of the original Grassley bill. In the original bill, a doctor or lawyer who is using farm losses to protect off-farm income could have debts up to $1.5 million, with 80 percent of the debt arising from the farm, and still be eligible to file for bankruptcy under chapter 12. Clearly, anyone who can service a $1.5 million debt doesn't meet my definition of family farmer.

The language that I propose to add to Senator GRASSLEY's bill would establish more reasonable guidelines to insure that the use of chapter 12 bankruptcy is restricted for family farms and corporations, not for corporations involved in farming just for the tax shelter that farming has provided in the past. There would be a requirement added to the definition of "family farmer" that requires that, for the purposes of this definition, that a farmer must receive at least 50 percent of his gross income from farming. In addition, a corporation who seeks to file under chapter 12 must have 50 percent of its stock or equity owned by a person who is actually farming.

Again, Mr. President, I think this proposal is a very fair compromise. I thank my friend from Iowa for working with me on this issue.

Mr. GRASSLEY. Mr. President, I appreciate some of the concerns expressed by the lending community, especially with regard to those farm reorganizations that are simply doomed to fail due to absolutely dire financial straits.

There are some situations where all hope is gone, and the bankruptcy code can't—and maybe shouldn't—save it. The question is: "How will the court know what situations are really hopeless?"

I have made some very recent changes to the bill that would aid the court in this regard. This is a change supported by the lending community and it is a fair and equitable way to approach this issue.

Section 1204 of the amendment requires a farm debtor to file periodic, interim reports during the 240-day exclusive filing period. These reports will provide a snapshot of the farm debtor's intention with respect to his farming operations. The reports would describe the scope of farm operations and state, for example, what property the farm debtor plans to sell and when he plans to sell it.

The material failure to comply with this provision shall constitute cause to remove the debtor in possession under sections 1205 and 1209, or to dismiss the case under section 1210.

The report will, of course, not be as detailed as a plan of reorganization, but it will be a helpful snapshot to all the parties—including the debtor himself—and the court of the chances of success.

The bottom line is that we will ferret out of our sometimes overburdened courts system, those cases that clearly can't make it. At the same time, we do this without placing an undue burden on the debtor.

AMENDMENT NO. 1838, AS MODIFIED

Mr. President, I modify my amendment as follows, and send it to the desk.

The PRESIDING OFFICER. The pending amendment is modified.

The amendment, as modified, is as follows:

At the end of the pending amendment, add the following:

SEC. 2. (a) Title of the United States Code is amended by inserting between chapters 11 and 13 the following new chapter:

"CHAPTER 12—FAMILY FARMER REORGANIZATION

"Sec.
"1201. Definitions.
"1202. Application of certain sections of this title.
"1203. Trustee.
"1204. Rights and powers of debtor.
"1205. Authorization to operate farming and other businesses.
"1206. Creditor's committee.
"1207. Powers and duties of a committee.
"1208. Right to be heard.
"1209. Removal of debtor as debtor in possession.
"1210. Conversion or dismissal.
"1211. Who may file a plan.
"1212. Contents of plan proposed by debtor.
"1213. Plan by party other than debtor, impairment of claims; postpetition disclosure and solicitation; acceptance.
"1214. Modification of plan.
"1215. Confirmation hearing.
"1216. Confirmation of a plan proposed by the debtor.
"1217. Confirmation of a plan by a party other than the debtor.
"1218. Limitations on confirmation.
"1219. Effect of confirmation.
"1220. Implementation of plan; distribution; exemption from securities laws.
"1221. Aircraft equipment and vessels.
"1222. Adequate protection.
"1223. Sales free of interests.
"1224. Claims and interests.
"1225. Emergency care of stock.

"§ 1201. DEFINITIONS

For purposes of this chapter a "family farmer" means—

(1) A person engaged in the production of agricultural products whose aggregate debts do not exceed $1,500,000 if not less than 80% of the aggregate noncontingent, liquidated amount of those debts, at the time the case commences, arise out of a farming operation owned or operated by such person and the person receives from such farming operation more than 50% of such person's gross income for the taxable year preceding the commencement of the case, or

(2) A corporation in which more than 50% of the outstanding stock of or equity is held by a person conducting the farming operation, and

(A) more than 80% of the value of its assets consists of assets related to the production of agricultural products;

(B) its aggregated debts do not exceed $1,500,000 if not less than 80% of the aggregate noncontingent, liquidated amount of those debts, at the time the case commences arise out of the farming operation of such legal entity; and

(C) if such corporation issues stock, such stock is not publicly traded.

(3) "Debtor" means family farmer; and

(4) "Debtor in possession" means debtor except to the extent that the court orders otherwise.

"§ 1202. Application of certain sections of this title

"Provisions of sections of other chapters of this title shall apply to this chapter as provided by such section.

"§ 1203. Trustee

"(a) If the court has appointed an individual under section 1302(d) to serve as standing trustee in cases under chapter 13, and if such individual qualifies as a trustee under section 322 of this title, or if a trustee has been appointed pursuant to chapter 15, then such individual shall serve as trustee in any case filed under this chapter. Otherwise, the court shall appoint a person to serve as trustee in any case.

"(b) The trustee shall—

"(1) perform the duties specified in sections 704(2), 704(3), 704(5), 704(6), 704(7), 704(9), 1106(a)(3), and 1106(a)(4) of this title;

"(2) appear and be heard at any hearing that concerns—

"(A) the value of property subject to a lien;

"(B) confirmation of a plan;

"(C) modification of the plan after confirmation; or

"(D) the sale of property of the estate;

"(3) distribute any rental payments received pursuant to section 1222(b)(3) as determined by the court;

"(4) advise, other than on legal matters, and assist the debtor in performance under the plan;

"(5) ensure that the debtor commences making timely payments required by a confirmed plan; and

"(6) if the debtor ceases to be a debtor in possession, perform the duties specified in section 704(8) and section 1106(a).

"(c) If the number of cases under this chapter commenced in a particular judicial district so warrants, the court may appoint one or more individuals to serve as standing trustee for such district in cases under chapter 13 or, in appropriate cases, appoint a trustee under chapter 15.

"(d) The compensation for individuals appointed under subsection (a) shall be authorized and limited by section 1302(e) and the percentage fee provided in section 1302(e)(1)(B) for cases under this chapter shall not exceed three percent of payments made under the plan of such debtor, with respect to payments made after the aggregate amount of payments made under the plan exceeds $450,000.

"§ 1204. Rights and powers of debtor

"(a) Subject to any limitations on a trustee serving in a case under the chapter, or a case under chapter 11, and to such limitations or conditions as the court prescribes, a debtor in possession shall have all the rights, other than the right to compensation under section 330, and powers, and shall perform all the functions and duties, except the duties specified in paragraphs (3) and (4) of section 1106(a), of a trustee serving in a case under chapter 11.

"(b) A debtor in possession shall perform the duties of the trustee specified in section 704(8).

"(c) Notwithstanding section 327(a), a person is not disqualified for employment under section 327 by a debtor in possession solely because of such person's employment by or representation of the debtor before the commencement of the case.

"(d) Within sixty days after the date of the filing of a petition under this chapter, and at sixty-day intervals thereafter, or within such time as the court, for cause, may allow, the debtor shall file with the clerk a report which shall include a statement of intention with respect to the disposition of property of the estate, projections of income and expenses for the debtor's farming operation, and, in general terms, a statement of the debtor's strategy for reorganization.

"§ 1205. Authorization to operate farming and other businesses

"(a) Unless the court, on request of a party in interest and after notice and a hearing orders otherwise, the debtor in possession may operate the debtor's farming and other businesses.

"(b) If the debtor ceases to be a debtor in possession, the trustee may operate the debtor's farming and other businesses unless the court, on request of a party in interest and after notice and a hearing, orders otherwise.

"§ 1206. Creditor's Committee

"(a) On request of three creditors holding unsecured claims, the court may order the appointment of a committee on unsecured creditors, except that if a United States trustee had been appointed pursuant to chapter 15, such United States trustee shall appoint the committee of such creditors.

"(b)(1) A committee of creditors appointed under subsection (a) shall ordinarily consist of the persons willing to serve that hold the five largest unsecured claims against the debtor.

"(2) On request of a party in interest and after a hearing, the court may change the membership or size of a committee appointed under subsection (a) if the membership of the committee is not representative of the different kinds of claims or interests represented.

"§ 1207. Powers and duties of a committee

"(a) At the scheduled meeting of a committee appointed under section 1206 at which a majority of the members of such committee are present, with the court's approval, the committee may select and authorize the employment, by the committee, of an attorney. If the debtor's financial records have not been adequately maintained, or the debtor's financial affairs are deemed by the court to be unduly complex, the committee may select and authorize the employment, by the committee, of an accountant.

"(b) An attorney or an accountant employed pursuant to subsection (a) may not, while employed by the committee, represent any other entity in connection with the case.

"(c) A committee appointed under section 1206 may—

"(1) consult with the debtor in possession of the case;

"(2) investigate the acts, conduct, assets, liabilities, and financial condition of the debtor, the operation of his farming and

other businesses, the means required to maintain the farming or other business, and any other matter relevant to the case or to the formulation of a plan;

"(3) participate in the formulation of a plan, advise those represented by the committee of the committee's determinations as to any plan formulated, and collect and file with the court acceptances of a plan;

"(4) request the dismissal of the case if there is no possibility of a feasible plan being accepted or if the debtor fails to comply with final orders of the court;

"(5) request that the debtor not be a debtor in possession; and

"(6) perform such other services as are in the interest of those represented.

"(d) As soon as practicable, after the appointment of a committee under section 1206, the debtor and the trustee shall meet with the committee to transact such business as is necessary and proper.

"§ 1208. Right to be heard

"(a) A party in interest, including the debtor, the trustee, a creditor's committee, a creditor, or any indenture trustee, may raise and may appear and be heard on any issue in a case under this chapter.

"(b) The Department of Agriculture, the Attorney General, or the director or similar chief officer of the agricultural department or agency of any State in which property of the debtor is located, may raise, and appear and be heard on, any issue in a case under this chapter, but may not appeal from any judgment, order, or decree entered in the case.

§ 1209. Removal of a debtor as debtor in possession

"(a) On request of a party in interest, and after notice and a hearing, the court shall order that the debtor shall not be a debtor in possession—

"(1) for cause, including fraud, dishonesty, incompetence, or gross mismanagement of the affairs of the debtor, either before or after the commencement of the case, or similar cause; or

"(2) if it is not in the best interest of creditors for the debtor to be a debtor in possession.

"(b) On request of a party in interest, and after notice and a hearing, the court may reinstate the debtor in possession.

"§ 1210. Conversion or dismissal

"(a) The debtor may convert a case under this chapter to a case under chapter 7 at any time. Any waiver of, or attempt to waive, such right to convert a case under this subsection is unenforceable.

"(b) If a person, in good faith, files a petition for relief under this chapter, but is not a family farmer, such person may convert the case to a case under chapter 7, 11, or 13 if such person may be a debtor under the chapter to which the case is being converted.

"(c) If a person files a petition for relief under this chapter, but is not a family farmer, on request of a party in interest, and after notice and a hearing, the court may convert the case to a case under chapter 7 unless such person is a farmer or a corporation which is not a moneyed business or commercial corporation, or may dismiss the case, whichever is in the best interest of creditors.

"(d) The court may not convert a case under this chapter to a case under chapter 7 of this title if the debtor is a family farmer.

"(e) On request of a party in interest, and after notice and a hearing, the court may dismiss a case under this chapter, for cause, including—

"(1) continuing loss to or diminution of the estate and absence of a reasonable likelihood of rehabilitation;

"(2) inability to effectuate a plan;

"(3) Unreasonable delay by the debtor that is prejudicial to creditors;

"(4) failure to propose a plan within any time fixed by the court;

"(5) denial of confirmation of every proposed plan and denial of a request made for additional time for filing another plan or a modification of a plan;

"(6) revocation of an order of confirmation under section 1144 of this title, and denial of confirmation of another plan or a modified plan under section 1216 or 1217 of this title;

"(7) inability to effectuate substantial consummation of a confirmed plan;

"(8) material default by the debtor with respect to a confirmed plan;

"(9) termination of a plan by reason of the occurrence of a condition specified in the plan other than completion of payments under the plan; or

"(10) nonpayment of any fee and charges required under chapter 123 of title 28.

"§ 1211. Who may file a plan

"(a) The debtor may file a plan with a petition commencing a case, or at any time thereafter.

"(b) Except as otherwise provided in this section, only the debtor may file a plan until after 240 days after the date of the order for relief under this chapter. The court may not extend this time period unless substantially justified.

"(c) Any party in interest, including the debtor, the trustee, a creditor's committee, a creditor, or any indenture trustee, may file a plan only if—

"(1) the debtor is not a debtor in possession;

"(2) the debtor has not filed a plan before 240 days after the date of the order for relief under this chapter; or

"(3) the debtor has not filed a plan that has been confirmed before 300 days after the date of the order for relief under this chapter.

"(d) On request of a party in interest made within the respective period specified in subsections (b) and (c), and after notice and a hearing, the court may, for cause, reduce or increase the 240-day period or the 300-day period referred to in this section.

"§ 1212. Contents of plan proposed by debtor

"(a) Notwithstanding any otherwise applicable provision of nonbankruptcy law, a plan proposed by a debtor shall—

"(1) designate, as provided in section 1122, classes of claims, other than claims of a kind specified in section 507(a)(1) or 507(a)(7) and classes of interests;

"(2) provide the same treatment for each claim or interest of a particular class, unless the holder of a particular claim or interest agrees to a less favorable treatment of such particular claim or interest;

"(3) provide adequate means for implementation of the plan such as—

"(A) retention by the debtor of all or any part of the property of the estate;

"(B) transfer of all or any part of the property of the estate to one or more entities, whether organized before or after the confirmation of such plan;

"(C) merge or consolidation of the debtor with one or more persons;

"(D) sale of all or any part of the property of the estate, either subject to or free of any lien, or the distribution of all or any part of the property of the estate among those having an interest in such property;

"(E) satisfaction or modification of any lien;

"(F) cancellation or modification of any indenture or similar instrument;

"(G) curing or waiving of any default;

"(H) extension of a maturity date or a change in interest rate or other term of outstanding securities;

"(I) amendment of the debtor's charter; or

"(J) issuance of securities of the debtor, or of any entity referred to in subparagraph (B) or (C) of this paragraph, for cash, for property, for existing securities, or in exchange for claims or interests, or for any other appropriate purpose; and

"(4) contain only provisions that are consistent with the interests of creditors and equity security holders and with public policy with respect to the manner of selection of any officer, director, or trustee under the plan and any successor to such officer, director, or trustee.

"(b) Subject to subsection (a) of this section, a plan proposed by a debtor may—

"(1) designate a class or classes of unsecured claims, as provided in section 1122 but may not discriminate unfairly against any class so designated, however, such plan may treat claims for a consumer debt of the debtor if an individual is liable on such consumer debt with the debtor differently than other unsecured claims;

"(2) modify the rights of holders of secured claims, or of holders of unsecured claims, or leave unaffected the rights of holders of any class of claims;

"(3) provide for the curing or waiving of any default;

"(4) provide for payments on any unsecured claim to be made concurrently with payments on any secured claim or any other unsecured claim;

"(5) provide for the curing of any default within a reasonable time and maintenance of payments;

"(6) subject to section 365, provide for the assumption, rejection, or assignment of any executory contract or unexpired lease of the debtor not previously rejected under such section;

"(7) provide for the payment of all or part of a claim against the debtor from property of the estate or property of the debtor;

"(8) provide for the sale of all or substantially all of the property of the estate, and the distribution of the proceeds of such sale among holders of claims or interests;

"(9) provide for the vesting of property of the estate, on confirmation of the plan or at a later time, in the debtor or in any other entity; and

"(10) include any other appropriate provision not inconsistent with this title

"§ 1213. Plan by a party other than the debtor; impairment of claims; postpetition disclosure and solicitation; acceptance

"(a) Sections 1123 and 1125 apply, as the court for cause may require, to plans proposed by a party in interest, including the debtor.

"(b) Section 1126 applies to plans proposed by a party in interest other than the debtor, except that for purposes of this chapter, the phrase 'that have accepted or rejected such plan' in subsection (c) and subsection (d) of such section shall not apply to this chapter.

"§ 1214. Modification of Plan

"(a) The proponent of a plan may modify such plan at any time before confirmation,

but may not modify such plan so that such plan as modified fails to meet the requirements of—

"(1) section 1212 if the proponent is the debtor; or

"(2) sections 1122 and 1123 if the proponent is a party in interest other than the debtor.

After the proponent of a plan files a modification of such plan with the court, the plan as modified becomed the plan.

"(b) At any time after confirmation but before the completion of payments under a plan proposed by the debtor, the plan may be modified by the debtor to—

"(1) increase or reduce the amount of payments on claims of a particular class provided for by the plan;

"(2) extend or reduce the time for such payments; or

"(3) alter the amount of the distribution to a creditor whose claim is provided for by the plan to the extent necessary to take account of any payment of such claim other than under the plan.

Modifications under this subsection are subject to the requirements of section 1216 and the plan as modified becomes the plan unless, after notice and a hearing, such modification is disapproved.

"(c) The proponent of a plan, other than the debtor, may modify such plan at any time after confirmation of such plan and before substantial consummation, as defined in section 1101(2), of such plan, but may not modify such plan so that, as modified, such plan fails to meet the requirements of sections 1122 and 1123. Such plan as modified under this subsection becomes the plan only if circumstances warrant such modification and the court, after notice and a hearing, confirms such modified plan, in accordance with the requirements of section 1129(a). Any holder of a claim or interest that has accepted or rejected a plan is deemed to have accepted or rejected, as the case may be, a plan as modified, unless, within the time fixed by the court, such holder changes such holder's previous acceptance or rejection.

"(d) The proponent of a modification under subsection (c) shall comply with section 1125 with respect to the plan as modified, for any material modification.

"§ 1215. Confirmation hearing

"After notice, the court shall hold a hearing on confirmation of the plan. A party in interest may object to the confirmation of the plan.

"§ 1216. Confirmation of a plan proposed by the debtor

"(a) The court shall confirm a plan proposed by the debtor if—

"(1) the plan complies with the provisions of this chapter and with the other applicable provisions of this title;

"(2) any fee, charge, or amount required under chapter 123 of title 28, or by the plan, to be paid before confirmation, has been paid;

"(3) the plan has been proposed in good faith and not by any means forbidden by law;

"(4) any payment made or to be made by the debtor, or by a person issuing securities or acquiring property under the plan, for services or for costs and expenses in or in connection with the case, or in connection with the plan and incident to the case, has been approved by, or is subject to the approval of, the court as reasonable;

"(5)(A)(i) the debtor has disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the plan, as a director, officer, or voting trustee of the debtor, an affiliate of the debtor participating in a joint plan with the debtor, or a successor to the debtor under the plan; and

"(ii) the appointment to, or continuance in, such office of such individual, is consistent with the interests of creditors and equity security holders and with public policy; and

"(B) the debtor has disclosed the identity of any insider who will be employed or retained by the reorganized debtor, and the nature of any compensation for such insider.

"(6) except to the extent that the holder of a particular claim has agreed to a different treatment of such claim, the plan provides—

"(A) for the full payment, in deferred cash payments, of all claims entitled to priority under section 507, except section 507(a)(7); and

"(B) with respect to a claim of a kind specified in section 507(a)(7), the holder of such claim will receive, on account of such claim, deferred cash payments, over a period not exceeding six years after the date of assessment of such claim, of a value, as of the effective date of the plan, equal to the allowed amount of such claim;

"(7) the value, as of the effective date of the plan, of property to be distributed under the plan, on account of each allowed unsecured claim, is not less than the amount that would be paid on such claim if the estate of the debtor were liquidated under chapter 7 of this title on such date;

"(8) with respect to each allowed secured claim provided for by the plan—

"(A) the holder of such claim has accepted the plan;

"(B)(i) the plan provides that the holder of such claim retain the lien securing such claim; and

"(ii) the value, as of the effective date of the plan, of property to be distributed under the plan on account of such claim, is not less than the allowed amount of such claim; or

"(C) the debtor surrenders the property securing such claim to such holder;

"(9) with respect to the holder of an interest provided for by the plan, the value, as of the effective date of the plan, of property to be distributed under the plan on account of such interest is not less than the lesser of—

"(A) the amount that would be paid on account of such interest if the estate of the debtor were liquidated under chapter 7 on such date; or

"(B) any fixed price at which the debtor, under the terms of any security representing such interest, may redeem such security from such holder;

"(10) the debtor will be able to make all payments under the plan, comply with the plan, and the plan complies with the provisions of section 1325(b) without reference to time period; and

"(11) confirmation of the plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the debtor or any successor to the debtor under the plan, unless such liquidation or reorganization is proposed in the plan.

"(b) After confirmation of a plan, the court may order any entity from whom the debtor receives income to pay all or any part of such income to the trustee.

"(c) Except as otherwise provided in the plan or in the order confirming the plan, the trustee shall make payments to creditors under the plan.

"§ 1217. Confirmation of a plan by a party other than the debtor

"The court shall confirm a plan proposed by a party in interest other than the debtor if the plan and the proponent meet the requirements of section 1129(a).

"§ 1218. Limitations on confirmation

"(a) The court may confirm only one plan, unless the order of confirmation in the case has been revoked under section 1144. If the requirements of sections 1216 and 1217 are met with respect to more than one plan, the court shall consider the preferences of the debtor, creditors, and equity security holders in determining which plan to confirm.

"(b) Notwithstanding any other provision of this chapter, on request of a party in interest that is a governmental unit, the court may not confirm a plan if the principal purpose of the plan is the avoidance of taxes or the avoidance of the application of section 5 of the Securities Act of 1933 (15 U.S.C. 77e). In any hearing under this subsection, the governmental unit has the burden of proof on the issue of avoidance.

"§ 1219. Effect of confirmation

"(a) Except as provided in subsections (d)(2) and (d)(3), the provisions of a confirmed plan bind the debtor, and entity issuing securities under the plan, any entity acquiring property under the plan, and any creditor, equity security holder, or general partner in the debtor, whether or not the claim or interest of such creditor, equity security holder, or general partner is impaired or provided for under the plan and whether or not such creditor, equity security holder, or general partner has objected to, has accepted, or has rejected the plan.

"(b) Except as otherwise provided in the plan or the order confirming the plan, the confirmation of a plan vests all of the property of the estate in the debtor.

"(c) Except as provided in paragraphs (2) and (3) of subsection (d), and except as otherwise provided in the plan or in the order confirming the plan, after confirmation of a plan, the property dealt with by the plan is free and clear of all claims and interests of creditors, equity security holders, and of general partners in the debtor.

"(d)(1) Except as otherwise provided in this subsection, in the plan, or in the order confirming the plan, the confirmation of a plan—

"(A) discharges the debtor from any debt that arose before the date of such confirmation, and any debt of a kind specified in section 502(g), 502(h), or 502(i) whether or not—

"(i) a proof of claim based on such debt is filed or deemed filed under section 501;

"(ii) such claim is allowed under section 502;

"(iii) the holder of such claim has accepted the plan; and

"(B) terminates all rights and interests of equity security holders and general partners provided for by the plan.

"(2) The confirmation of a plan does not discharge an individual debtor from any debt excepted from discharge under section 523.

"(3) The confirmation of a plan does not discharge a debtor if—

"(A) the plan provides for the liquidation of all or substantially all of the property of the estate;

"(B) the debtor does not engage in business after consummation of the plan; and

"(C) the debtor would be denied a discharge under section 727(a) of this title if

the case were a case under chapter 7 of this title.

"(4) The court may approve a written waiver of discharge executed by the debtor after the order for relief under this chapter.

"§ 1220. Implementation of plan; distribution; exemption from securities laws

"Sections 1141, 1143, 1144, and 1145 shall apply to plans confirmed pursuant to sections 1216 ans 1217 of this title.

"§ 1221. Aircraft equipment and vessels

"Section 1110 shall apply to cases under this chapter.

"§ 1222. Adequate protection

"(a) Section 361 does not apply in a case under this chapter.

"(b) In a case under this chapter, when adequate protection is required under section 362, 363, or 364, such adequate protection may be provided by—

"(1) requiring the trustee to make a cash payment or periodic cash payments, to the extent that the stay under section 362, use, sale, or lease under section 363, or any grant of a lien under section 364 results in a decrease in the value of property securing a claim or of an entity's ownership interest in property;

"(2) providing an additional or replacement lien to the extent that such stay, use, sale, lease, or grant results in a decrease in the value of property securing a claim or of an entity's ownership interest in property;

"(3) paying to the trustee for the use of farmland the reasonable rent customary in the community where the property is located, based upon the rental value, net income, and earning capacity of the property; or

"(4) granting such other relief as will adequately protect the value of property securing a claim or of an entity's ownership interest in property.

"§ 1223. Sales free of interests

"In addition to the authorization contained in section 363(f), the trustee in a case under this chapter may sell property under section 363 (b) and (c) free and clear of any interest in such property of an entity other than the estate if the property is farmland or farm equipment.

"§ 1224. Claims and interests

"(a) A proof of claim or interest is deemed filed under section 501 for any claim or interest that appears in the schedules filed in a case under this chapter except a claim or interest that is scheduled as disputed, contingent, or unliquidated.

"(b) For purposes of voting and distribution in a case under this chapter, a claim, secured by a lien on property of the estate shall be allowed or disallowed under section 502 the same as if the holder of such claim had recourse against the debtor on account of such claim, whether or not such holder has such recourse.

"§ 1225. Emergency care of stock

"The court may authorize the obtaining of credit pursuant to section 364 for the case, including feeding of stock owned by, or in the possession of, a debtor without notice or a hearing where the court finds that credit is needed to obtain funds to care for stock, an emergency exists and that immediate and irreparable injury, loss, or damage, will result if authorization to obtain credit for the care of stock is delayed, and that it is in the best interests of the estate to obtain credit and care for the stock. Notice shall be immediately given, by mail, to all creditors of entry of the order authorizing credit under this subsection and a copy of the order entered by the court hereunder shall be attached to the notice.".

(b) The table of chapters for title 11, United States Code, is amended by inserting between the items relating to chapter 11 and chapter 13 the following new item:

"12. Family Farmer Reorganization .. 1201".

SEC. 3. Section 103 of title 11, United States Code, is amended by—

(1) in subsection (a) by inserting "12," after "11,";

(2) by adding at the end thereof the following:

"(i) Chapter 12 of this title applies only in a case under such chapter.".

SEC. 4. Section 1930(a) of title 28, United States Code, is amended by inserting between paragraph (4) and the matter that follows such paragraph, the following:

"(5) For a case commenced under chapter 12 of title 11, $200.".

SEC. 5. Title 11, United States Code, is amended—

(1) in sections 327(c) and 347(b), by striking out "or 11" each place it appears and inserting in lieu thereof ", 11 or 12";

(2) in sections 329(b)(1)(B) and 363(1), by striking out "or 13" each place it appears and inserting in lieu thereof ", 12 or 13";

(3) in sections 362(c)(2)(C), 365(d)(2), 365(g)(1), 365(g)(2), and 502(g), by inserting "12," after "11," each place it appears;

(4) in section 326(b), by inserting "chapter 12 or" before "chapter 13";

(5) in section 328(a), by inserting "or section 1206" after "section 1102";

(6) in sections 328(a), 328(c), 330(a), and 331, by striking out "or 1103" each place it appears and inserting in lieu thereof "1103, or 1207";

(7) in section 328(c), by striking out "or 1107(b)" and inserting in lieu thereof "1107(b), or 1204(c)";

(8) in section 327(b), by striking out "or 1108" and inserting in lieu thereof "1108, or 1205";

(9) in sections 363(c)(1) and 364(a), by inserting "1205," after "1108," each place it appears;

(10) in sections 348(b), 348(c), and 348(e), by inserting "1210," after "1112," each place it appears;

(11) in section 348(d) and paragraphs (A) and (B) of section 365(g)(2), by inserting ", 1210," after "1112" each place it appears;

(12) in section 347(b), by striking out "or 1173" and inserting in lieu thereof "1173, 1216, or 1217";

(13) in sections 523(a), 524(a)(1), 524(c)(1), and 524(d), by inserting "1219," after "1141," each place it appears;

(14) in sections 322(a) and 546(a)(1), by inserting "1203," before "or 1302" each place it appears;

(15) in section 326(b) by inserting "section 1203(a) or" before "section 1302(a)";

(16) in section 348(b), by inserting "1211(b), 1211(c), 1219(d)(4), 1221," after "1146(b),";

(17) in section 706(a), by striking out "or 13" and inserting in lieu thereof ", 12, or 13";

(18) in section 1112(a), by inserting "or chapter 12" after "7"; and

(19) in section 1307(a), by inserting "or chapter 12" after "7".

SEC. 6. (a) This Act is an emergency measure and this Act and the amendments made by this Act shall apply with respect to cases commenced under title 11, United States Code, after the date of the enactment of this Act but before 5 years after such date.

(b) This Act and the amendments made by this Act shall be repealed on the date 5 years after the date of enactment of this Act.

Mr. GRASSLEY. Mr. President, I believe that all the discussion that is necessary about my amendment has been taken care of yesterday. I have no further comments to make. I see other Senators desiring to speak.

Mr. HEFLIN. Will the Senator yield?

Mr. GRASSLEY. Yes. I yield.

Mr. HEFLIN. The other modifications that the Senator has—are those the three amendments that we have previously discussed? Some Senators requested the amendment be modified to include those.

Mr. GRASSLEY. The Senator from Alabama is correct.

I have no further discussion on my part, Mr. President.

Mr. BRADLEY. Mr. President, in 1985 the Judicial Conference undertook a study of the bankruptcy courts. They studied the backlog in the courts at that time, as well as the pattern of change in all of the jurisdictions. They assessed the total number of petitions filed per judge and it calculated the total number of chapter 11 petitions filed per judge. In the case of New Jersey and a few other jurisdictions where the workload is high, the Judicial Conference actually looked first hand at the kind of cases being heard. Based on that survey, the Judicial Conference recommended that 48 new bankruptcy judges be appointed. Their recommendation included a proposal to create two new judgeships in the New Jersey district.

In reviewing the request of the Judicial Conference, the Senate Judiciary Committee recommended that only 34 new bankruptcy judges be created. While I believe that our judicial system is one of the responsibilities of government that cannot be compromised, I recognize the constraints all committees are under to reduce our budget deficits. My particular concern is that the committee undertook to distribute those 34 new positions solely based on the number of adversary proceedings terminated with court action per judge, the number of such proceedings terminated without court action per judge, and the number of modified total filings per judge. They did not assess the complexity of the cases, the number of motions filed per case, the number of different litigants per case, the size of the estates, and then give weight to those differences. The Judicial Conference took into account those factors when it made its initial recommendations.

Mr. President, I believe it is unwise to second-guess the Judicial Conference. They had good reason to decide that New Jersey needed two new bankruptcy judges. Our courts have had to handle many complicated chemical companies that have gone out of busi-

ness as a result of toxic waste problems. These proceedings have involved complicated liability issues and environmental problems. Our courts have also faced a number of trucking company reorganizations, hospital closures, and other extremely large and complicated cases. The results are evident in the rise of motions which have increased 1,000 percent over the last 5 years alone. Our courts have set aside 2 days each week just to hear motions. The number of proceedings filed has grown 500 percent in 6 years and in the same period the time taken to hear these matters has increased 300 percent.

In short, New Jersey needs and deserves the two bankruptcy court positions which the Judicial Conference requested. Senator LAUTENBERG and I have requested that the Judicial Conference recommendations pertaining to our State be recognized and adopted.

I am pleased that the committee has recognized the legitimacy of this request and is prepared to accept the Judicial Conference recommendations.

Mr. HELMS. Mr. President, it goes without saying that I am sympathetic to the concerns of family farmers, and I favor taking all reasonable steps to assist those who find themselves in financial difficulty. I do not believe, however, that the Grassley amendment will have the intended effects.

The amendment will, in fact, limit credit availability for farmers. The major agricultural lenders have indicated to me that adoption of this amendment will have dire consequences for farmers, since lenders will be much more wary of lending to any farmer who is perceived to be in any sort of financial difficulty. The provision injects uncertainly into the decision to lend, since it makes repayment of any such loan more unlikely.

Mr. President, we should not forget that many agricultural lenders are under stress. To impose greater restrictions on the ability of these lenders to manage their businesses certainly does not serve the agricultural community well.

Mr. President I have other objections to specific provisions in this amendment, but my principle concern is that the amendment may well inhibit the extension of credit to the very farmers who need it most. I urge my colleagues to reject this amendment.

Mr. THURMOND. Mr. President, I support the amendment offered by the able Senator from Iowa and urge my colleagues to accept it.

I have long been concerned about the increasing economic problems that have confronted family farmers. In my home State of South Carolina, net farm income averaged about three times greater during the last 4 years of the 1970's than in the first 4 years of the 1980's. These figures are not unique to South Carolina. They are representative of what is happening throughout the United States. Small farmers are finding it increasingly difficult to remain solvent. The reasons are complex, and Senators GRASSLEY and EAST are to be commended for holding a series of hearings in the Judiciary Committee to study the issues. Those hearings gave us much needed insight into the dire economic problems of our Nation's farmers. Careful consideration has been given to this legislative effort. We have worked closely with the farming community, experts in bankruptcy and financial institutions. I am satisfied that this amendment seeks to ease the burden on the family farmers without jeopardizing the solvency of the affected financial institutions. Our farmers need this reform. We can't let them down.

Mr. HARKIN. Mr. President, family farmers are facing the most difficult era of economic dislocation since the Depression. Thousands of families have been forced to leave farming and they may soon be joined by tens of thousands more whose income cannot cover their costs of operation. Our farmers have looked to the protection of bankruptcy laws only as a last resort but, unfortunately, as an increasingly important one if they are to be able to continue to make a living through farming.

In the northern district of the State of Iowa, for example, there was not a single farm bankruptcy in 1975. In 1980, there were seven. In 1984, there were 258 farm bankruptcies and in 1985, there were 435. I think those figures illustrate just how serious the problem is.

Poor farmers in my State are struggling to protect their equity in foreclosure proceedings or in negotiated refinancings. But current bankruptcy law makes that extremely difficult, if not impossible.

In an effort to address this problem, last year I introduced a bill, S. 1342, as a companion to the farm bankruptcy bill which passed the House on June 24. This bill would allow a great many more farmers to file under the simpler and less expensive provisions of chapter 13. It would significantly streamline the process, allowing farmers to get into the process quickly, reorganize and get out. It offers a much more flexible system than is now available to farmers under current law.

While I prefer the approach contained in S. 1342, I do think that the Grassley amendment is superior to existing law and I thus support it. The amendment recognizes that adjustments to the bankruptcy code are needed to address the inequities now faced by hard-pressed farm debtors.

Nevertheless, I do have some concerns about the Grassley amendment, the foremost of which is the 5-year sunset. While I would sincerely hope that in 5 years time the farm situation will have eased, I think this sunset provision is putting the cart before the horse. The Office of Technology Assessment has predicted that almost 50 percent of all farms in the United States will fail in the next decade. We should wait until the farm crisis has passed before removing this measure from the code.

I am also concerned about the creditor committee provision in Senator GRASSLEY's amendment. While I understand that there must be some safeguards for the people whose investments are on the line, I fear that this process will be too cumbersome and slow. The bill that I introduced and the one which passed the House does not contain such a provision, and in fact disallows a creditor from being able to veto a farm reorganization plan. I recall the story of an Iowa farmer who offered a creditor $66,500 more in a reorganization plan than the creditor would have realized under a chapter 7 liquidation. Nevertheless, the creditor vetoed the proposed plan and the farmer went under. Nobody wins in a situation like that.

Despite my concerns, I do support Senator GRASSLEY's amendment and I commend him for bringing it to the floor. I also strongly support the underlying bill, S. 1923, providing for additional bankruptcy judges. Unfortunately, this bill is sorely needed, especially in the farm States. I hope that this bill can move quickly to conference with the House where I look forward to a positive compromise on the Grassley amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Iowa.

The amendment (No. 1838), as modified, was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GRAMM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that two letters and one telegram on the pending bill be included in the RECORD.

Mr. President, I would like to give special thanks at this point to the Honorable Judges A. Thomas Small, and Thomas Moore, bankruptcy judges from North Carolina, for their great help in the drafting of my family farmer bankruptcy amendment.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL FARMERS UNION,
Washington, DC, May 7, 1986.

Hon. CHARLES E. GRASSLEY,
Chairman, Subcommittee on Administrative Practice and Procedure, Committee on the Judiciary, U.S. Senate, Washington, DC.

DEAR CHAIRMAN GRASSLEY: At a time in which this nation's agricultural economy is going through its greatest crisis since the Great Depression, the National Farmers Union would like to thank you for moving ahead with legislation that would correct some of the problems farmers have found in trying to utilize the U.S. bankruptcy law in order to successfully reorganize their operations into financially sound institutions.

The Farmers Union believes there are a number of elements in S. 2249 which would help correct many of the deficiencies in the bankruptcy code which have surfaced. Enactment of those corrections in the bankruptcy code would give farmers a better opportunity to develop reorganization plans that would enable many farmers to operate viable economic businesses that would enable them to meet their financial obligations to their creditors.

The Farmers Union hopes the U.S. Senate will act expeditiously and favorable on this important piece of legislation. We look forward to working with you and the Senate and House conferees on working out any differences between the Senate and House passed bills so that this legislation can become available to farmers as quickly as possible.

Sincerely,

ROBERT A. DENMAN,
Legislative Assistant.

Senator CHARLES GRASSLEY,
U.S. Senate,
Washington, DC.

I write to register my endorsement of Senate bill 2249 and Senate amendment 1923. Acute need for a bill addressing farm bankruptcies and additional judgeships is best evidenced by our recent filing statistics. In April alone, we had over 380 cases filed in the southern district of Iowa. This represents nearly a 50-percent increase over year ago filing. If this trend continues (and there's no reason to think it will not), I will, by years end, be responsible for over 4,000 new cases and a 1,000 or so cases held over from previous years. I add that my case load is not unique; my colleagues throughout the Midwest are experiencing similar statistics. I firmly believe that there is need for additional judgeships to allow judges to spend the necessary time on each and every case and to insure that justice is done. I also firmly believe that the bill addresses the major problems of existing legislation and will assist many struggling farm operations in their effort to rehabilitate. I am, therefore, endorsing Senate bill 2249 and Senate amendment 1923.

RICHARD F. STAGEMAN,
Judge.

AMERICAN BANKRUPTCY INSTITUTE,
Washington, DC, May 8, 1986.

Hon. CHARLES GRASSLEY,
Chairman, Subcommittee on Administrative Practice and Procedure, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As you already know from your leadership on the issue of aiding family farmers, the time is now for action to assist in resolving the business and financial straits in which family farmers find themselves. Since early last year, Congress has been striving to formulate solutions. The Family Farm Bankruptcy bills have emerged as the leading vehicles in this regard.

The American Bankruptcy Institute urges that Congress bring these bills to closure now. Through several hearings in the Senate and House of Representatives, the bills have been carefully considered and the language refined. Although your bill, S. 2249, varies somewhat from that which the House has already passed, a conference can certainly resolve the differences. But the time for favorable action is now.

Over the past five months, ABI has conducted seminars throughout the Nation on agricultural bankruptcies and workouts. Our conferees have been briefed on the bills and have found them to address the problems in responsible and useful fashion.

The American Bankruptcy Institute is a professional association providing a multidisciplinary forum for the exchange of ideas and information on bankruptcy, insolvency and reorganization issues. Through the Institute, accountants, attorneys, bankers, clerks, consumer specialists, credit managers, finance and insurance executives, judges, legislators, professors and others pursue mutual professional and academic interests.

Feel free to call upon ABI's Executive Director Tim Leighton if we can be of further service. Thank you for your leadership on this important issue.

Sincerely,

HARRY D. DIXON, Jr.,
Chairman.

AMENDMENT NO. 1840

(Purpose: To add 14 additional bankruptcy judges to the bill as amended)

Mr. NICKLES. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Is this amendment to the first-degree amendment?

Mr. NICKLES. It is an amendment to the underlying amendment, the Denton amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Oklahoma [Mr. NICKLES], for himself and Senators GRAMM, WILSON, QUAYLE, LUGAR, WARNER, HATFIELD, PACKWOOD, BOREN, TRIBLE, KASTEN, CRANSTON, GORTON, BENTSEN, LAUTENBERG, HEFLIN, and BRADLEY proposes an amendment numbered 1840 to amendment No. 1837.

Mr. NICKLES. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of amendment No. 1837, as amended, proposed by Mr. Thurmond, add the following:

SEC. (a) Notwithstanding any other provision of this bill, there shall be appointed, pursuant to section 152(a)(1) of title 28, United States Code, additional United States bankruptcy judges.

(b) To reflect the changes made by this section in the table of judges for each of the judicial districts, section 152(a)(2) of title 28, United States Code, is amended by striking the following:

California	
Northern	8
Central	17
Southern	3
Illinois	
Northern	9
Indiana	
Northern	2
New Jersey	5
Oklahoma	
Northern	1
Oregon	4
Texas	
Southern	5
Virginia	
Eastern	3
Washington	
Western	4
Wisconsin	
Eastern	3".

and inserting in lieu thereof the following:

California	
Northern	9
Central	19
Southern	4
Illinois	
Northern	10
Indiana	
Northern	3
New Jersey	7
Oklahoma	
Northern	2
Oregon	5
Texas	
Southern	6
Virginia	
Eastern	4
Washington	
Western	5
Wisconsin	
Eastern	4".

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Mr. NICKLES. Mr. President, I am submitting this amendment on behalf of myself, Senators GRAMM, WILSON, QUAYLE, LUGAR, WARNER, HATFIELD, PACKWOOD, BOREN, TRIBLE, KASTEN, CRANSTON, GORTON, and HEFLIN. It would add 14 urgently needed bankruptcy judges to the committee reported bill.

During the Judiciary Committee's consideration of the bankruptcy judges, the chairman encouraged additional input on the staff recommendation. He indicated that such input would be considered in determining any alterations to the bill as reported. This amendment is the result of a review of the case loads and needs of the judges added by our amendment. For example, in the northern district of Oklahoma, the bill does not provide for an additional judge. My contention is that the allocation under the bill did not take into consideration all the pertinent factors and included partial data which does not adequately reflect the current activity of the districts.

Data given to the committee indicate 2,053 filings were made in the northern district of Oklahoma for fiscal year 1985. However, the filings for calendar year 1985 were 2,453, a substantial increase over the fiscal year filings. That same data showed 89 chapter 11 filings for fiscal year 1985, cal-

endar year 1985 filings were 110, again a substantial increase. Chapter 11 filings for the first 6 months of fiscal year 1986 have increased 92 percent over the same period for 1985. The data for the 13 other judgeships included in the amendment is similar to the Oklahoma experience.

The impact of this downturn in the northern district of Oklahoma is more fully shown by the explosion of bankruptcy filings in 1986. Bankruptcy filings for March of this year increased 65 percent over March of 1985. For the first 3 months of this year, filings increased 42 percent. It is projected that 3,800 cases will be filed in fiscal year 1986, including adversary filings.

It should also be mentioned that 718 adversary proceedings are presently pending as well as 3,497 cases pending with manufacturing companies, motels, trucking companies as well as oil and gas companies and oil-related companies seeking relief under the Bankruptcy Code, many as recently as January and February 1986. To put this in perspective, the proper level of adversary proceedings for the court should be only about 200.

An additional bankruptcy judge is needed in the northern district to accomplish some semblance of timely adjudication of the problems facing that district. This also applies to the other districts contained in the amendment whose case load merits the additional judgeship.

(By request of Mr. DOLE, the following statement was ordered to be printed in the RECORD:)

● Mr. PACKWOOD. Mr. President, I rise today as a cosponsor of the amendment offered by the Senator from Oklahoma [Mr. NICKLES] to the bankruptcy judges legislation, S. 1923. The amendment authorizes eight bankruptcy judgeships. A question that I am sure is on the mind of my colleagues is why the Senate should authorize these additional positions. The answer is simple, these positions are desperately needed.

Mr. President, Oregon currently has 4½ authorized bankruptcy judge positions. However, the half-time position will terminate on July 10, 1986 due to the Bankruptcy Amendments of 1984. This will cause Oregon to be one of only three districts that would actually lose a presently sitting judge. The pending amendment will reauthorize a full-time position to replace the expiring half-time position.

In Oregon, we have several meritorious reasons for the need to upgrade this part-time judgeship to a full-time one. To begin with, we have the hard caseload statistics that meet two out of the three statistical thresholds set by the Senate Judiciary Committee. Other reasons that contribute to Oregon's critical need for the fifth full-time bankruptcy judge position include:

First. The burdens created by travel throughout one of the largest geographic districts in the Nation. Travel time averages 11 court days a month. More than 50 hours of bankruptcy judge time is consumed in nonproductive round-trip travel.

Second. The complex nature of chapter 11 cases filed. Statistics for the ninth circuit show that while on the average, 17 percent of chapter 11 cases are consumer types; in Oregon this figure is only 2 percent.

Third. The minimal increased cost to the Government. The only additional governmental cost would be one-half of a bankruptcy judge's salary because the current half-time judge is currently served by a full-time secretary and a full-time law clerk.

To summarize, Mr. President, while the statistics justify five bankruptcy judge positions in the district of Oregon, additional factors applicable to Oregon include time spent in travel, the complex nature of chapter 11 cases, and the relatively small cost to the Federal Government. The people of my State deserve to have fair and ready access to the judicial system. Authorization of a fifth bankruptcy judge will enable the citizens of the State of Oregon to be adequately served.

I strongly urge my colleagues to support the amendment of the Senator from Oklahoma.

Mr. HEFLIN. If the Senator will yield, this amendment goes back to the full number that the Administrative Office of the Courts, along with the Judicial Conference, recommended as to the number of bankruptcy judges to be created.

Mr. NICKLES. The Senator is correct.

Mr. HEFLIN. That includes Oklahoma and New Jersey and what other States by the additional 14?

Mr. NICKLES. It includes California, Illinois, Indiana, New Jersey, Oklahoma, Oregon, Texas, Virginia, Washington, and Wisconsin. The Senator is correct, it does go back to the number originally recommended.

Mr. THURMOND. Mr. President, the amendment proposed by my distinguished colleague from Oklahoma, Senator NICKLES, and others would add 14 bankruptcy judgeships to the 34 currently proposed to be created under S. 1923. I support this amendment and we are accepting its inclusion in the bill.

Mr. President, of the bankruptcy judgeships which were recommended by the Judicial Conference, but excluded by the Judiciary Committee, the 14 judgeships proposed by this amendment were those which were the borderline cases. Two of these judgeships, Oklahoma and Virginia, actually qualified under all of the criteria added by the Judiciary Committee in making its recommendation. In those cases, however, an adjacent district within the State was identified as an underutilized district. It was determined that, rather than creating new positions, bankruptcy judges from the underutilized adjacent districts should be designated to serve in the affected districts, pursuant to existing statutory authority.

Of the remaining, 12 judgeships proposed by this amendment failed to meet the criteria by narrow margins. Significant need for relief appears to be evident in these cases.

Mr. President, the Judiciary Committee believed that in the interest of budgetary restraint, there had to be a cutoff point on the creation of these judgeships. However, I believe an argument can be made—indeed, has been made—for inclusion of the 14 positions and I, therefore, support the amendment.

I would hasten to add, Mr. President, that I do not believe that the justification exists for new bankruptcy judgeships in addition to these. It is my intention, therefore, to oppose amendments proposing further additions.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I am happy to join my colleague, Senator NICKLES of Oklahoma, in this amendment. I thank the chairman for his help in dealing with this problem.

I ask unanimous consent that my colleague, Senator BENTSEN, be added as a cosponsor to the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. Mr. President, I wish that we were here creating more bankruptcy judges in another State. Nothing would make me happier than helping one of the States of my colleagues by adding new bankruptcy judges to deal with their bankruptcy problems. Unfortunately, we are here increasing the number of bankruptcy judges in Texas by 50 percent. We are doing that because of the problems we face with the collapsed oil prices and the agriculture problems that plague the Nation as a whole.

One of the basic functions of Government is providing access to justice. I believe in taking this important step today, we will not solve our economic problems in Texas but we will assure access to justice for those who are waiting years now to get that access.

I appreciate the support of our distinguished chairman. I appreciate the leadership of Senator NICKLES, whose State is plagued by the same problem that mine is and whose State will benefit in terms of improved access to justice as mine will under this amendment. I appreciate his leadership on this matter. I am happy to join him as

a cosponsor. I commend this amendment to my colleagues.

Mr. BENTSEN. Mr. President, I am pleased to cosponsor the Nickles-Gramm amendment which would add an additional bankruptcy judgeship for the Southern District of Texas. This judgeship was originally requested by the U.S. Judicial Conference, but was eliminated during the Judiciary Committee's review of this bill. I know that in this period of concern for budget overruns, that all committees are looking at ways to trim the Federal budget.

I would like to take a few moments to explain why this bankruptcy judgeship for south Texas should be included in this bill. The Judiciary Committee, in eliminating this judgeship for south Texas, relied principally on the low number of adversary proceedings terminated by the bankruptcy court in south Texas during the statistical period measured. The reason for this was not inattention by current judges to the business of the court, but rather resulted from their press to hear the flood of emergency motions for relief from automatic stay orders and motions to avoid liens that have inundated this court since the dramatic downturn in the oil industry and from the lingering effects of a devalued Mexican peso.

In addition, the district has the Nation's fifth highest number of business filings and has the seventh highest number of pending caseload in the Nation. During the past 2 years the district has had the misfortune of having two of the largest bankruptcies in the United States filed before it: Continental Airlines bankruptcy with 40,000 claims, $250 million in secured claims and $750 million in unsecured claims; and the Good Hope Oil Refinery bankruptcy with 5,000 claims, $750 million in secured claims and $450 million in unsecured claims.

From August 1985 through February 1986, when a visiting judge was appointed to provide caseload relief in south Texas, 2,747 adversary proceedings were terminated. The Southern District of Texas comprises six divisions and covers an area greater than 450 miles—east to west. For these reasons, I ask my colleagues to support this amendment, which will add an urgently needed bankruptcy judgeship for south Texas.

Mr. HEFLIN. Mr. President, I ask unanimous consent that Senator LAUTENBERG be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HEFLIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HEFLIN. Mr. President, I ask unanimous consent that Senator BRADLEY be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HEFLIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, I want to commend the chairman of the committee and the distinguished Senator from Alabama for accepting this amendment to incorporate the judgeships recommended by the Judicial Conference.

As the managers of the bill know, I was quite concerned about the Judiciary Committee's decision to drop the two proposed judgeships for New Jersey. I had discussed offering an amendment to address my concern.

This amendment is quite simple. It would provide for additional bankruptcy judgeships as recommeded by the Judicial Conference.

The Judicial Conference, based on a 1985 study, found that there was a need for 48 new bankruptcy judgeships, to complement the 232 already authorized.

Mr. President, these bankruptcy judgeships are needed. Our courts are straining under increased workload. Bankruptcy filings increased from 277,000 in 1980 to 365,000 in 1985.

The Judicial Conference is the highest policymaking branch of the judicial branch. It is nonpartisan. It is expert in these matters. It determined that there was a need for more judgeships.

The recommendations of the Judicial Conference should be respected.

The Judicial Conference took great care in assessing the needs around the country. It used a two-pronged measure of bankruptcy court activity. It looked at the total number of petitions filed per judgeship. It looked at the total number of chapter 11 petitions filed per judgeship.

But the Conference did not stop there. It recognized that those criteria were not a perfect measure of workload. So, in the case of New Jersey, Oregon, Wisconsin, and Michigan, the Conference went further. It looked behind the numbers. It looked at the character of the caseload. What kinds of cases are being tried. What kinds of litigants. What kinds of companies. The Judicial Conference sent a person out to visit the district of New Jersey. He saw first hand the needs out in the district.

The Judicial Conference found that typical of the caseload in New Jersey are large, protracted chapter 11 reorganization cases. These are highly sophisticated. They require extensive litigation and motions work. They reflect the urban, industrial and commercial economy of New Jersey.

We have chemical industry failures involving toxic waste cleanup sites. Interpreting environmental laws complicate the cases.

There have been large hospital chapter 11 cases, trucking company business reorganizations, and construction company and building cases.

There have been casino hotel reorganizations. Two of them are pending right now, the Dunes and the Elsinore. These are complex cases.

These complex cases take time. Mr. President, one statistic is quite telling on this point. In 1984, New Jersey had 21 trials per judge, compared to 31 trials per judge nationally, but New Jersey judges had 264 hours in trial, compared to just 130 trial hours per judge nationally. Our judges have to spend more time, trying complex cases. It is as simple as that.

Complex cases generate motions. The judges have to rule on them.

The U.S. Trustee adds to the motion activity. That is clear. The total number of motions has gone up 1,000 percent in the last 5 years. The judges in Trenton and Newark have to schedule 2 days each week, just to hear motions. New Jersey has 53 percent more than the national average for motions.

Mr. President, I should note that the committee conceded that the number of motions is important. It should be looked at. But, the committee did not have the numbers. And the committee did not use the numbers. But, the committee report states:

> Other data which the subcommittee feels would be relevant in determining the best measures of workload would include: stay litigation, motions relating to sale, lease or use the property, use of cash collateral, motions to obtain credit and motions to assume unexpired nonresidential leases. Motions are relevant.

One other point should be made. The committee looked at output data. It looked at adversary proceedings terminated per judge, with and without court action. That is a measure of how much each judge is producing. If the number is low, then, it might be argued, the judges are not working too hard. Well, the numbers are misleading in New Jersey. That is because the bench in New Jersey has been shorthanded. Since March 1984, the bench has been at full force for just 5 months. Much of the time, only three judges were sitting. But, the proceedings per judgeship have been comput-

ed as if five were sitting. But three or four judges were doing the work of five judges. They were turning out a lot of work. And that does not mean that we could get by with three or four judges. Because while their output was high, the number of unfinished, pending cases has been rising.

The total number of proceedings filed has increased over 500 percent since 1980. The time actually hearing these matters has gone up 300 percent.

Mr. President, New Jersey needs these judgeships. The Judicial Conference says we need these judgeships.

In conclusion, Mr. President, this amendment would add bankruptcy judgeships, to conform to the Judicial Conference recommendations. It adds judgeships for Oregon, Indiana, Wisconsin, Virginia, California, Oklahoma, Texas, Washington, Illinois, and New Jersey. The total added is 14.

Mr. President, I urge my colleagues to support this amendment.

Mr. President, I ask unanimous consent that a letter from the chief bankruptcy judge of the district of New Jersey be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. BANKRUPTCY COURT,
Newark, NJ, April 30, 1986.

Hon. FRANK R. LAUTENBERG,
Gateway 1, Suite 1510, Newark, NJ, April 30, 1986.

DEAR SENATOR LAUTENBERG: I am writing to you in support of the two bankruptcy judgeships for New Jersey which were provided in H.R. 4128 and H.R. 4140 and deleted from S. 1923.

First, I would like to thank you on behalf of our Court for your unsolicited support. It was very encouraging to hear of your actions. I am enclosing copies of memoranda which we supplied to the Third Circuit Judicial Council supporting our requests for additional judgeships. I believe they are self-explanatory and deal with the first two prongs of the Senate Committee's test. Implicit in these two prongs is the assumption that one bankruptcy petition looks like any other regardless of the number of creditors or the size of the estate. This ignores the reality of the situation and the third prong cannot balance the analysis.

The first two prongs, Chapter 11 filings and raw filings, assume a homogeneous case. This is simply not so. A thorough, analytic approach would not only include raw filings, but also the number of claims and the size of the estate and liabilities. The addition of a third prong which would analyze adversary proceedings is useful but not determinative.

We realize that in the absence of a true case weight system the three prong test will be used. The District of New Jersey does not satisfy the first two prongs. The Budget Committee to the Judicial Conference directed that an audit be performed by a member of the Bankruptcy Division of the Administrative Office. The author looked at the size and type of our business filings and reported to the Budget Committee that the additional two judgeships were warranted even though the two prongs were not satisfied.

The third prong of analysis of adversary proceedings indicates that there is judicial involvement in 76 percent of all adversary proceedings terminated in the District of New Jersey. The national average is 55 percentage. Please also consider that there have been very few adversary proceedings that have made it past the pretrial stage. This is a direct result of New Jersey not having a full complement of bankruptcy judges since April 1984. Illnesses and vacancies have allowed the Court to tread water. It is certainly possible that judicial involvement in terminations of adversary proceedings could have been a much higher percentage of the total if all judges had been sitting.

There is very little else to be added. We believe that we have presented the best possible case for additional judgeships. The pending case and adversary totals speak for themselves (see attached). The Federal Bankruptcy Court in New Jersey handles a wide, complex litigation base, ranging from farm cases to casino cases. We currently have two large pending casino cases and a multitude of large Chapter 11 cases. Please feel free to call if you need any additional information.

Thank you for your help.

Very truly yours,

VINCENT J. COMMISA,
Chief Judge.

Mr. QUAYLE. Mr. President, I want to commend Senator THURMOND for bringing S. 1923 to the floor for consideration. This bill addresses a serious nationwide problem of a shortage of bankruptcy judges. The judicial branches of many districts have become overloaded with complex bankruptcy filings. This bill would provide relief to the districts most in need.

I am a cosponsor and a strong supporter of an amendment by Senator NICKLES, to add a number of additional bankruptcy judges to those contained in S. 1923. These judges will be allocated to States that have a proven need for help, but were not granted new slots in the committee bill.

One of the judicial regions that will be assisted under Senator NICKLES' amendment is the northern district of Indiana. Because of the difficult economic conditions in the northern area of Indiana, many businesses, including many smaller businesses, and many individuals have been forced into bankruptcy through no fault of their own. I have received numerous letters from businesses, individuals, the judiciary, and members of the bar in northern Indiana attesting to the need for another bankruptcy judge in the northern district.

Briefly, Mr. President, let me describe the situation in northern Indiana which demands that an additional judge be placed there. In the northern district, there are currently two bankruptcy judges, compared to five district court judges for the same region. Recently, one of the bankruptcy judges was ill, and there was a lag time in the swearing-in of the new judge, which has resulted in a large backlog of cases. More importantly, however, is the substantial increase in the number of bankruptcy filings in the northern district. The total filings for the cities of Gary and Lafayette increased from 2,412 in 1984 to 2,789 in 1985, or by 21.3 percent. The filings in South Bend and Fort Wayne increased from 2,412 in 1984 to 2,666 in 1985, or by 10.5 percent. It should be particularly noted that the most difficult and time-consuming matters also increased substantially; that is, chapter 11 filings show a 53.45-percent increase in Gary and Lafayette and a 9.1-percent increase for South Bend and Fort Wayne. Other adversarial proceedings have increased similarly for those areas.

Consequently, the number of cases pending in the bankruptcy court in the northern district at the end of 1985 is 2,993 for Gary, 821 for Lafayette, 1,460 for South Bend and 1,271 for Fort Wayne. Because of the major increases in the number of cases filed, and the large number of cases pending, it is clear that the northern district of Indiana deserves an additional bankruptcy judge.

Let me finally note for the record, that the northern area of Indiana includes major steel mills and companies, auto suppliers, machine tool manufacturers, and foundries that have experienced difficult economic prospects in the 1980's. The northern district also encompasses a large and varied agricultural economy which has also been victim of an adverse business climate.

Mr. President, I support a nationwide increase in the number of bankruptcy judges. I am also strongly in support of increasing the number of bankruptcy judges for the northern Indiana judicial district for the reasons cited above. It does not serve our citizens who want to make a clean start to be tied up in bankruptcy procedures for so long that they are effectively prevented from trying again or from engaging in productive work.

I strongly urge my colleagues to support this amendment to S. 1923.

Mr. WILSON. Mr. President, I am privileged to represent a State that has experienced phenomenal growth over the past two decades. Unfortunately, one result of this growth has been an increased demand on Government agencies. Most agencies have been able to expand to meet the increased needs. However, because of the way in which the Congress authorizes an increase in judicial positions, our response has always lagged by a number of years.

Such is the case with our bankruptcy courts, and for this reason I am pleased that the Committee on the Judiciary has brought before the Senate S. 1923, a bill to provide for additional bankruptcy judges.

Mr. President, I commend the committee for its willingness to review the caseloads of our bankruptcy judges across the Nation and for its recommendation to increase the number of judges authorized. Of course, all of this work was done with an eye toward the need for fiscal restraint.

Nevertheless, Mr. President, I believe that the committee cut back too far on the recommendations of the Judicial Conference. I, too, appreciate dearly the need for fiscal restraint. Nevertheless, I find that the present caseload burden in the bankruptcy courts in the southern district of California compels me to support the amendment of the Senator from Oklahoma [Mr. NICKLES] to restore the one judgeship which the Conference had recommended for the southern district. Likewise, statistics for the central and northern districts compel support for the amendment of the Senator from New Jersey [Mr. LAUTENBERG].

With specific reference to the bankruptcy court in San Diego, I do want to bring to the Senate's attention a few telling facts. It is worth noting, for example, that the caseload for their court has increased by 242 percent since 1975. That was the year that the southern district was granted its third judgeship. Also, each of the sitting judges must handle 2,425 cases per year, compared with 984 cases per judge in the neighboring State of Nevada. This just is not fair for the judges, and it is not fair for those who must come before the court.

Mr. President, rather than going further to provide my own detailed explanation as to why these additional judgeships are warranted, at this point I ask unanimous consent that a letter from the chief judge of the District Court for the Southern District Court of California, Gordon Thompson, Jr., and a letter from the chief bankruptcy judge of the central district of California, William J. Lasarow, be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. DISTRICT COURT,
SOUTHERN DISTRICT OF CALIFORNIA,
San Diego, CA, March 17, 1986.

Hon. PETE WILSON,
U.S. Senator, Senate Office Building, Washington, DC.

DEAR SENATOR WILSON: This is to alert you to a developing problem regarding the United States Bankruptcy Court here in San Diego, which as you know is a unit of the United States District Court for the Southern District of California. Currently pending before the Senate is S. 1923 which would provide the first national increase in the number of bankruptcy judges since 1978, the year of the passage of the Bankruptcy Code.

Since 1978 the uncertainty concerning the status of the Bankruptcy Court has delayed consideration of legislation for additional judgeships, even though the enactment of the Bankruptcy Code has resulted in a virtual avalanche of increased case filings throughout the country. This increase in filings has been particularly heavy in California, with the 1985 case filings in San Diego being up 242 percent over 1975, the year in which a third judge was added to the local bankruptcy bench. Since the 1980 fiscal year, the first full year under the Code, we have seen a 173 percent increase in filings.

On July 10, 1984, the Bankruptcy Amendments and Federal Judgeship Act of 1984 became effective. These amendments reestablished the Bankruptcy Court in a manner consistent with the dictates of the Supreme Court as announced in *Northern Pipeline Construction Co.* v. *Marathon Pipe Line Co.*, 458 U.S. 50 (1982). With the Constitutional crisis having been resolved, the Judicial Conference's Bankruptcy Committee undertook to survey the need for additional judges. While the Committee saw a great need for a general increase in judgeships nationwide, it recognized that current budgetary restrictions required that any recommendations submitted to Congress under 28 U.S.C. § 152(b)(2) be kept to the absolute minimum consistent with its responsibility to assure that the Bankruptcy Courts can continue to function. With this understanding, the Committee conducted an extensive review of the requests of the various districts. To better judge these requests, the Committee formulated a two-prong test. This standard applied initial criteria of 1,800 to 2,000 total petitions filed and 100 Chapter 11 petitions filed, per judgeship, before any additional judge would be recommended for a district. These criteria were easily satisfied by the filings found here in San Diego, which has one of the highest levels of Chapter 11 reorganization filings in the nation. Typical examples of the cases currently being handled in the local bankruptcy court are: Nucorp, Inc.; Westgate-California Corp.; Imperial Airlines; San Pasqual Vineyards, Inc.; the Radisson Hotel; and J. David Dominelli.

After conducting its extensive review, the Judicial Conference of the United States recommended that only 48 new Bankruptcy judgeships be created at this time. This included one additional judge for San Diego. These recommendations were reflected in S. 1923 when it was introduced in the Senate. However, when the Senate Judiciary Committee reported S. 1923 on February 27, 1986, it only provided for 34 new judgeships, with the additional judge for San Diego being one of those eliminated.

The Administrative Office of the United States Courts has informed us that the Judiciary Committee determined that in addition to considering total case filings, it would also look at the number of adversary proceedings terminated "with court action" as an additional factor to be considered in evaluating need. Apparently it was on this prong that the San Diego request floundered.

We believe that use of this last factor contributes little to an objective analysis of the relative need among the various districts and in fact is misleading. The statistics regarding case filings are prepared in a timely and accurate manner throughout the country. However, the BC-6 forms which report termination of adversary proceedings, are not timely prepared in all districts because of the lack of personnel in the various clerks' offices. The clerical work in closing an adversary proceeding file is not crucial to the adjudicative process and can be delayed until personnel have free time to prepare the form. In fact, due to personnel shortages here in San Diego, we had a backlog of 515 adversary proceedings ready for closing and the preparation of the BC-6 form as of June 30, 1985. Also, there has been no survey conducted to insure that the information is being reported on a consistent basis throughout the system.

Perhaps the most disheartening aspect of reference to this termination factor is that adversary proceedings can only be terminated by judicial action when there are judges available to take action. In San Diego we have had long periods of vacancy in two of our current judgeships over the last three years. Both Chief Bankruptcy Judge Herbert Katz and his successor. Chief Bankruptcy Judge Ross Pyle, have recently left office after long periods of service. They both noted that the continued upward spiral of case filings was a major factor in their decisions to leave. Naturally it took a considerable period of time to fill these vacancies. During this time little judicial attention was devoted to their pending adversary proceedings, given that no judges were available. No adjustment has been made to the statistics used by the Judiciary Committee to reflect this vacancy condition. It would be a supreme irony if San Diego is deprived of a needed judge based on statistics that reflect a lack of judicial action caused by vacancies created by jurists who have thrown in the towel because of the high increase in case filings.

Further, in distiricts such as San Diego, which has a high level of Chapter 11 reorganizations pending, the judges must spend most of their time dealing with the myriad motions filed in Chapter 11 cases and therefore cannot process adversary proceedings as quickly as they would like. In fact, a high level of terminations of adversary proceedings is more likely to reflect a court without a pressing need for new judges than to the contrary.

If S. 1923 is approved without amendment, it will create an unfair allocation of judicial resources, much to the disadvantage of this community. Based on filings for the year ended June 30, 1985, the average case load for the 266 bankruptcy judges to be authorized by S. 1923, as compared with the then judges allocated for San Diego, shows a significant understaffing for the local bankruptcy court.

	Per judge average for		
	All 266 judges nationwide	Three San Diego judges	San Diego as percent of national average
Total cases pending as of June 30, 1985	2,189	3,489	152
Total chapter 11 cases as of June 30, 1985	241	583	242
Total cases filed year ending June 30, 1985	1,270	1,941	142
Chapter 11 cases filed year ending June 30, 1985	81	191	236
Total adversary proceedings filed year ending June 30, 1985	211	339	161

It is anticipated that this disparity will increase in the future for the first five months of fiscal 1986 reflects that case filings in San Diego are up over 25% compared to the prior fiscal year. The monumental Chapter 11 burden which would be placed on our local bankruptcy bench can be seen by a comparison with the other California districts and Nevada (see statistical table enclosed). This comparison demonstrates that while San Diego has experienced the largest increase in case filings, under the Code, of

any California district, it is the only district not receiving relief under S. 1923.

Anything you can do to remedy this unfortunate result would be greatly appreciated. If I can be of any assistance, please call on me at any time.

Very truly yours,
GORDON THOMPSON, Jr.,
Chief Judge.

COMPARISON OF BANKRUPTCY FILINGS FOR SELECTED COURTS

[12-month periods ended June 30]

Court location	1980	Number of judges	Weighted case load	1985	Number of judges	Weighted case load	Percent increase	Proposed judges	Weighted case load	Percent increase
Southern California:										
Chapter 7 petitions	2,283	3	761	3,013	3	1,004	132	3	1,004	132
Chapter 11 petitions	104	3	35	573	3	191	551	3	191	551
Chapter 13 petitions	1,107	3	369	2,239	3	746	202	3	746	202
Adversary proceedings [1]	454	3	151	1,018	3	339	224	3	339	224
Total	3,948	3	1,316	6,843	3	2,281	173	3	2,281	173
Central California:										
Chapter 7 petitions	16,497	12	1,375	22,797	12	1,900	138	17	1,341	98
Chapter 11 petitions	265	12	22	1,905	12	159	719	17	112	507
Chapter 13 petitions	1,847	12	154	9,131	12	761	494	17	537	349
Adversary proceedings [1]	4,085	12	340	3,707	12	309	91	17	218	64
Total	22,694	12	1,891	37,540	12	3,128	165	17	2,208	117
Northern California:										
Chapter 7 petitions	8,392	7	1,199	6,736	7	962	80	8	842	70
Chapter 11 petitions	199	7	28	827	7	118	416	8	103	364
Chapter 13 petitions	3,328	7	475	4,466	7	638	134	8	558	117
Adversary proceedings [1]	1,361	7	194	1,684	7	241	124	8	211	108
Total	13,280	7	1,897	13,713	7	1,959	103	8	1,714	90
Eastern California:										
Chapter 7 petitions	5,529	4	1,382	7,281	4	1,820	132	6	1,214	88
Chapter 11 petitions	110	4	28	863	4	216	785	6	144	523
Chapter 13 petitions	1,626	4	407	2,000	4	500	123	6	333	82
Adversary proceedings [1]	759	4	190	1,161	4	290	153	6	194	102
Total	8,024	4	2,006	11,305	4	2,826	141	6	1,884	94
Nevada:										
Chapter 7 petitions	1,821	2	911	2,187	2	1,094	120	3	729	80
Chapter 11 petitions	69	2	35	344	2	172	499	3	115	332
Chapter 13 petitions	92	2	46	356	2	178	387	3	119	258
Adversary proceedings [1]	200	2	100	267	2	134	134	3	89	89
Total	2,182	2	1,091	3,154	2	1,577	145	3	1,051	96

[1] 1985 figures for adversary proceedings do not include motions for relief from stay nor section 522(f) motions.

U.S. BANKRUPTCY COURT,
CENTRAL DISTRICT OF CALIFORNIA,
Los Angeles, CA, March 11, 1986.

Re: Additional bankruptcy judges for Central District of California.

Hon. PETER WILSON,
U.S. Senator, Hart Bldg., Washington, DC.

DEAR SENATOR WILSON: I learned that the Senate Judiciary Committee has recommended only five additional bankruptcy judges for the Central District of California. That recommendation would reduce by two the number recommended by the Judicial Conference. Last week I received from the Administrative Office of the United States Courts the official filing statistics for the calendar year 1985. These are the most recent statistics available and should support a great number of bankruptcy judges for the Central District of California than recently recommended.

According to the latest statistics the number of bankruptcy cases commenced in the entire country in 1985 was 412,431. Included in that number were 23,374 Chapter 11 filings. There were 65,070 adversary proceedings filed during that 12 month period. In the Central District of California during calendar year 1985 total new case filings were 36,934, Chapter 11 filings were 1,925 and adversary proceedings filings were 7,292. If the Central District of California had 17 bankruptcy judges during 1985 as recommended by the Senate Judiciary Committee the average number of new cases filed in calendar year 1985 per judge in the Central District of California would have been 2,173 and the average new Chapter 11 filings per judge would have been 113. The Judicial Conference recommended additional judges for those districts having a minimum of 1,800 to 2,000 new cases per judge during the 12 month period ending June 30, 1985 or 100 new Chapter 11 cases per judge for that same period. With 17 judges as recommended by the Judiciary Committee and based upon the filings for the 12 month period ending December 31, 1985, the Central District of California would have qualified for even more additional judges under both of those two categories.

I understand that the Senate Judiciary Committee also considered the average number of terminations of adversary proceedings with court action. According to the statistics for the 12 month period ending June 30, 1985 the average adversary proceedings terminations with court action among the 12 judges in the Central District of California was 139. I have received no statistics as to the terminations with court action for the 12 month period ending December 31, 1985. However, the total terminations for adversary proceedings, both with and without court action, for the Central District of California increased almost 300 percent from 4,083 for the 12 month period ending June 30, 1985 to 12,012 for the 12 month period ending December 31, 1985. The cumulative statistics for the past five years show that in the Central District of California terminations of adversary proceedings with court action represented 49 percent of the total proceedings terminated. If this ratio prevails, then the average terminations of adversary proceedings in the Central District of California for each of the 12 judges for the 12 month period ending December 31, 1985 would be 490. Examining new filings as opposed to terminations of adversary proceedings for the 12 month period ending December 31, 1985, we find that the nationwide average of new filings of adversary proceedings per judge is 280 while the average for each of the 12 judges in the Central District of California is 608. The most recent statistics for adversary proceedings covering the 12 month period ending December 31, 1985 would indicate the need for an increase over the 7 additional bankruptcy judges for the Central District of California recommended by the Judicial Conference.

The number of bankruptcy judges, then known as referees, in our district was increased from 11 to 12 in 1964. That was 22 years ago. We were then known as the Central Division of the Southern District of California, and the area covered by the Central Division was substantially the same as our present Central District. We still have 12 bankruptcy judges, the same number as in 1964, despite the enormous increase in filings and the greatly enlarged trial jurisdiction over the past 22 years.

I hope that the most recent statistics set forth in this letter will justify the restoration of the additional judges which the Judiciary Committee recommended to be cut.

Respectfully yours,
WILLIAM J. LASAROW,
Chief Bankruptcy Judge.

Mr. WILSON. Mr. President, each of these letters make strong cases for full

restoration of the recommendations of the Judicial Conference. So, I urge support for the amendments.

Mr. HATFIELD. Mr. President, today I am pleased to join as a cosponsor of the amendment offered by the distinguished Senator from Oklahoma [Mr. NICKELS]. This amendment, to S. 1923, authorizes an additional bankruptcy judge for 14 judicial districts with particularly heavy bankruptcy workloads which are not included in the bill as reported by the committee. An important component of this amendment is the authorization of an additional full-time bankruptcy judge position for the district of Oregon.

Currently Oregon has 4½ authorized bankruptcy judge positions. Even under this situation, Oregon bankruptcy judges have an extremely heavy workload. Unfortunately, however, as a result of the Bankruptcy Amendments of 1984, authorization for the half-time position will expire in July of this year. Should this be allowed to occur, the ability of the courts in Oregon to respond to bankruptcy filings will be significantly impaired.

Mr. President, instead of eliminating the part-time position it should be upgraded to a full-time one. Such an upgrade is essential to providing timely service to the people of Oregon. The increasing caseloads, the large geographic area which Oregon's bankruptcy judges serve, and the continued poor economic forecast for much of the State, all lead to the conclusion that an additional bankruptcy judgeship for Oregon is both warranted and necessary.

Oregon has seen a steady increase in bankruptcy case filings in recent years. For example, case filings rose from 3,295 in 1978 to 6,455 by June 1985, practically double the number filed in 1978. Caseloads in Oregon for bankruptcy judges averaged 1,614 for 1984–85. More important, however, is the fact that while filings nationally in 1984 were down approximately 1 percent from the previous year, filings in Oregon increased by 4.8 percent during the same period. During the period from March 1, 1985, through February 28, 1986, there were 8,146 petitions filed. This represents a per judge caseload of 2,036 for that year period, clearly a substantial increase over the previous year.

A second factor which contributes to the need for a fifth bankruptcy judge in Oregon is the large geographic area which the judges must serve. In addition to the central offices in Eugene and Portland, there are 13 other official places of holding court in the Oregon district. The distances between the two central offices and the out of town locations range from a low of 50 miles to a high of 259 miles each way. The average distance is 126 miles one way. It is estimated that over 50 hours per month of bankruptcy judge time is consumed in travel between judges' headquarters and out of town court locations. The travel time encompasses an average of 11 court days each month. Additionally, because of the distances between out of town court locations and the often makeshift conditions of courtrooms, judicial time on the road is, necessarily, less efficient than time spent holding court at his or her principal office.

Finally, the third contributing factor to Oregon's need for an additional bankruptcy position is the continued poor economic forecast for the State. While much of our Nation has recovered from the recession of the early eighties, Oregon has yet to experience such a recovery. Unemployment figures in the State continue to run above the national average. Three of the major industries of the State, timber, agriculture, and fishing, are depressed and there appears to be no relief in the foreseeable future. Unfortunately, failures in these industries undoubtedly will lead to increases in debtors seeking relief through the bankruptcy courts.

In conclusion, Mr. President, I wish to thank the Senator from Oklahoma for his work on this amendment and the chairman of the committee for his support and I urge my colleagues to vote favorably on the amendment. If the fifth position for Oregon is not retained and upgraded to fulltime, the four remaining judges will not be able to adequately serve the needs of debtors and creditors. It is expected that the judges would, in order to cope with the work of the court, be compelled to greatly curtail, if not eliminate, travel away from headquarters. This would result in a significant increase in cost to debtors and creditors and serve to aggravate a growing bankruptcy problem in Oregon.

Mr. HELMS. Mr. President, at a time when the national debt exceeds $2 trillion, and at a time when Congress is struggling to bring deficit spending under control, I am reluctant to agree to adding more bankruptcy judges to the Federal bench. It seems to me that, except in cases of extreme need, we should not be adding additional judges at this time. With some extra effort and hard work by those already on the bankruptcy bench, we could avoid relatively easily, it seems to me, the added cost to Federal taxpayers of significantly expanding the bankruptcy bench.

Mr. President, in North Carolina, we now have five bankruptcy judgeships: two in eastern district, two in the middle district, and one in the western district. The judge in the western district is clearly carrying an extremely heavy load, even excessive at times. This judge, the Honorable Marvin R. Wooten, however, is a dedicated public servant, and he has indicated to my office that, in a spirit of trying to curtail Federal spending for the good of the country, he would be willing to continue carrying his heavy load, working nights and weekends, as necessary. I commend him for his attitude.

To illustrate the extent of Judge Wooten's load, in comparison to other jurisdictions, let's look briefly at the recommendation of the Judiciary Committee for 34 new judgeships. The committee applied seven criteria:

First, total filings per judge;

Second, total chapter 11 filings per judge;

Third, total adversary proceedings terminated with court action per judgeship;

Fourth, total adversary proceedings terminated with or without court action per judgeship;

Fifth, modified total filings (chapter 7 asset cases, chapter 11 asset cases, plus 10 percent of chapter 13 filings);

Sixth, unique and/or extenuating factors; and

Seventh, availability of neighboring underutilized judges.

Mr. President, the first five of these criteria can be reduced to raw figures, and what follows is the ranking of the western district of North Carolina in comparison to all the other jurisdictions in the country:

First, 38th; second, 34th; third, tie for 14th; fourth, 8th; and fifth, tie for 18th.

It is clear from these rankings that, on objective factors alone, the western district of North Carolina is one of the neediest jurisdictions in the country. In fact, in averaging these five factors, the western district would rank overall about 22d.

Mr. President, in the final recommendation of the Judiciary Committee, 34 new judgeships were agreed upon, and the western district of North Carolina was not included among them. There were two reasons given me for this: First, the western district was not included among the original list of 48 recommended by the Judicial Conference of the United States; second, the seventh criterion, underutilized judges in adjoining districts, cut against the western district.

Mr. President, that the western district was not included in the original recommendation of the Judicial Conference was not persuasive to me. This recommendation was not accepted by the Judiciary Committee, and the Judicial Conference did not stick closely to its own chosen criteria. Many of the jurisdictions it recommended for new judgeships did not meet its own two-pronged test: 1,800 to 2,000 total filings per judgeship, and 100 or more chapter 11 filings.

Mr. President, the second reason given me for not including the western district was persuasive: that is, that the western district adjoins a district

with an underutilized judge. I found this persuasive, particularly in light of the fact that two other jurisdictions similarly situated with the western district, the northern district of Oklahoma and the eastern district of Virginia, were cut from the list for the same reason.

Given my analysis of the workload data and the representation of Judge Wooten, I concluded that if 34 judgeships were going to be created—and no more than 34—then the western district of North Carolina could reasonably do without an additional judge at this time.

But now, Mr. President, the Senate is going to agree to increase the total from by 48, not 34. The problem I now confront is that if Congress is going to increase the number of judgeships by 48, then it is abundantly clear, that on the objective factors alone, the western district of North Carolina should be included. Under these circumstances, even though I believe the overall figure is too high, I am obliged to seek another judgeship for the western district of my home State because, without such a judgeship, I believe that North Carolina will have been treated unfairly, in comparison to the treatment given other jurisdictions, by the Senate. I cannot agree to that.

Therefore, Mr. President, I suggest that the Nickles amendment be modified to add one bankruptcy judge for the western district of North Carolina.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

□ 1400

Mr. NICKLES. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. Mr. President, I ask unanimous consent to modify my amendment.

The PRESIDING OFFICER. The Senator will send the modification to the desk, and the amendment will be so modified.

The modification is as follows:

SEC. . (a) Notwithstanding any other provision of this bill, there shall be appointed, pursuant to section 152(a)(1) of title 28, United States Code, additional United States bankruptcy judges.

(b) To reflect the changes made by this section in the table of judges for each of the judicial districts, section 152(a)(2) of title 28, United States Code, is amended by striking the following:

California	
Northern	8
Central	17
Southern	3
Illinois	
Northern	9
Indiana	
Northern	2
New Jersey	5
North Carolina	
Western	1
Oklahoma	
Northern	1
Oregon	4
Texas	
Southern	5
Virginia	
Eastern	3
Washington	
Western	4
Wisconsin	
Eastern	3".

and inserting in lieu thereof the following:

California	
Northern	9
Central	19
Southern	4
Illinois	
Northern	10
Indiana	
Northern	3
New Jersey	7
North Carolina	
Western	2
Oklahoma	
Northern	2
Oregon	5
Texas	
Southern	6
Virginia	
Eastern	4
Washington	
Western	5
Wisconsin	
Eastern	4".

Mr. NICKLES. Mr. President, the effect of this modification is to add one additional bankruptcy judge in the western district of North Carolina. We have been in consultation with the recomendation officials. It has come to our attention that under the criteria used, the caseload and also the bankruptcy load in this district would exceed several of the districts for the judgeships that we will be adding under my amendment. That was brought to our attention by the Senator from North Carolina. [Mr. HELMS]. I have consulted with Senator THURMOND and also Senator HEFLIN in this additional judgeship.

Mr. THURMOND. Mr. President, we have no objection to the modification.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

Mr. HELMS. Mr. President, will the Senator withhold for just one moment?

The PRESIDING OFFICER. Does the Senator withhold?

Mr. HEFLIN. Yes, I withhold if I will get the floor back for my quorum call.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I thank the Chair. I wanted to express my appreciation to the Senator from Oklahoma [Mr. NICKLES], and also to the managers of the bill, Senator THURMOND and Mr. HEFLIN. I thank the Senators very much.

Mr. HEFLIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I ask unanimous consent that we temporarily lay aside the Nickles amendment to take up another amendment and then we will come back to the Nickles amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 1841

(Purpose: To require a study of bankruptcy court fees)

Mr. WILSON. I thank the Chair and I thank the distinguished manager and my colleague from Oklahoma for his courtesy.

Mr. President, I will take a brief instant. I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from California (Mr. WILSON) for himself and Mr. RUDMAN, proposes an amendment numbered 1841.

Mr. WILSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following new section:

"SEC. . Within four months of the date of enactment, the Administrative Office of the United States Courts shall submit to the Congress a report on the feasibility of a court fee system that would recover all costs of operating and maintaining the Bankruptcy Courts of the United States, and shall include other relevant analyses and recommendations.".

Mr. WILSON. Mr. President, I find it regrettable that we cannot meet the requests of each of our judicial districts for increases in authorized bankruptcy judgeships. Indeed, it is my understanding that some districts which submitted requests to the Judicial Conference were turned down. And, it is even more disturbing that, under the constraints of Gramm-Rudman-Hollings, we may not be able to fund the bankruptcy court even at its present size. But such is the result of limited financial resources.

There is a way to rectify this problem.

For the coming fiscal year, the cost of operating and maintaining our bankruptcy courts will be approximately $120 million. While this

amount is something less than the amount of money we may spend on congressional mail this year—at the present rate we are cranking out newsletters—it is still a lot of money.

Unlike the newsletter problem, which we can solve by banning their mailing, we cannot just abolish our bankruptcy courts. However, we can—and should—levy court fees to make the bankruptcy courts self-financing.

Some may say that a user fee would be unfair, both to bankrupts and to their creditors. However, what the bankruptcy courts do is handle strictly commercial disputes. As we try to provide necessary services under difficult fiscal constraints, it is only fair that we maintain services to those needing them, but make those receiving the benefits pay for the privilege.

Mr. President, it is my understanding that the Administrative Office of U.S. Courts has proposed an increase in fees. However, the increase would not even support the new judgeships authorized by this bill, and it is therefore inadequate, though commendable. We must go further, but only after we have enough information on which to base a reasonable proposal.

Mr. President, my amendment authorizes the Administrative Office of U.S. Courts to perform a study on the feasibility and effects of a user fee plan. The study would consider many aspects of such a plan, including what types of fees might be charged, whether there should be a progressive scale for larger cases—those which are necessarily more complex—and what impact a user fee plan might have on filings and the proceedings themselves. The study would be submitted to the Congress within 4 months of the date of enactment.

According to the Judiciary Committee's report, there were 365,000 bankruptcy cases filed in 1985. If all filers were charged the same fee, my rough arithmetic tells me that the entire bankrupcty system could be funded by a payment of $329 by each. However, for the many consumer, no-asset cases, this obviously would not be fair. On the other hand, for the exceptionally large cases—involving hundreds of millions of dollars—a $5,000 to $10,000, or more, filing fee would be rather modest. Perhaps, for corporate cases, a fee could be set as a percentage of the attorneys' fees charged to the parties, for these fees would reflect the complexity of the case and, therefore, the burden on the court.

Mr. President, I trust that my colleagues will understand the need for such a study of user fees in our bankruptcy courts, and I move the amendment's adoption.

Mr. THURMOND. Mr. President, we agreed to accept the amendment on this side.

Mr. HEFLIN. While I have reservations about user fees, I am willing for the study to be made and we are agreeable to accepting it.

The PRESIDING OFFICER (Mr. BOSCHWITZ). The question is on agreeing to the amendment of the Senator from California [Mr. WILSON].

The amendment (No. 1841) was agreed to.

Mr. WILSON. I thank the Chair. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

□ 1410

AMENDMENT NO. 1840, AS MODIFIED

Mr. THURMOND. Mr. President, we are now ready to act on the Nickles amendment.

Mr. NICKLES. Mr. President, first, I should like to extend my "thank you" for the cooperation we have had from the chairman of the Judiciary Committee, Senator THURMOND, and Senator HEFLIN. I also thank Senator HATCH and Senator DECONCINI, who have done a considerable amount of work.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1840), as modified was agreed to.

Mr. HEFLIN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1837

Mr. THURMOND. Mr. President, I ask that we now take up the Denton amendment, which is pending.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1837) was agreed to.

Mr. HEFLIN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Are there further amendments?

AMENDMENT NO. 1842

(Purpose: To amend the provisions of section 524 of title 11, United States Code, regarding discharge)

Mr. HEFLIN. Mr. President, I rise to offer an amendment to eliminate a statutory problem existing in Alabama and, I am advised, throughout the entire bankruptcy court system.

The amendment would allow the bankruptcy court to schedule a hearing at the outset of the bankruptcy case to advise debtors about their rights, responsibilities, and duties relating to the discharge of debts. The Bankruptcy Act of 1978—Public Law 95-593—requires the debtors to attend a discharge hearing subsequent to the granting of the discharge, where the bankruptcy judge would explain the meaning of the discharge which had been entered by the court. In many instances, and for practical reasons due to administration of the case, the discharge hearing could not be scheduled for 1 year or even later form the filing of the case. The debtors may have moved and have not informed the court of their new whereabouts. The court would have no alternative but to set aside the discharge, forcing the debtors to have gained nothing. The original purpose of the hearing was tied into the court's hearing application for reaffirmation of secured debts. The Bankruptcy and Federal Judgeship Act of 1984—Public Law 98-353—eliminated the requirement of the court's approval of reaffirmation agreements, but did not modify the requirement of the discharge hearing.

This amendment would restructure the timing of the discharge hearing to allow the court to inform the debtor at the early stages of the bankruptcy case of the rights, responsibilities, and duties regarding the discharge and provisions for reaffirming secured debts, by amending 11 U.S.C. 524(d) and bankruptcy rule 4008. The debtors, with this information, would be better acquainted with the meaning of the filing of the bankruptcy case and would alleviate inequities caused by the revocation of the discharge as may now be the case. The court would also be permitted to schedule additional hearings, if necessary, to review reaffirmation agreements and other matters relating to the discharge.

Mr. President, this is a minor change that will eliminate inequities to the debtors and alleviate administrative problems for our already burdened bankruptcy court.

The amendment is not intended to require a burdensome additional court appearance by debtors. It is intended that any hearing just to advise the debtor of rights under title 11 would be held at the same time as the first meeting of creditors under section 341. Moreover, the word "court" is used rather than "judge." That enables

judges to delegate the giving of the advice to the person who presides at the 341 meeting where that person is truly neutral and disinterested.

Mr. President, I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Alabama [Mr. HEFLIN] proposes an amendment numbered 1842.

Mr. HEFLIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill add the following new section:

SEC. 3. Section 542(d) of title 11 United States Code, is amended to read as follows:

"(d) In a case, concerning an individual, the court shall hold a hearing at which the debtor shall appear in person and the court shall inform the debtor of the rights and duties of the debtor relating to a discharge, which may be entered under Section 727, 1141 or 1328 of this title. The court may, at such time as the court determines, hold such additional hearings as the court determines necessary when the court has determined whether to grant or not to grant a discharge under Section 727, 1141 or 1328 of this title. At such additional hearing as the court may hold, the debtor shall appear in person and the court shall inform the debtor that a discharge has been granted or the reason why a discharge has not been granted. If a discharge has been granted and if the debtor desires to make an agreement of the kind specified in subsection (c) of this section, then at such hearing the court shall:

"(1) inform the debtor:

"(A) that such an agreement is not required under this title, under non-bankruptcy law, or under any agreement not made in accordance with the provisions of subsection (c) of this section; and

"(B) of the legal effect and consequences of:

(i) an agreement of the kind specified in subsection (c) of this section; and

(ii) a default under such an agreement;

"(2) determine whether the agreement that the debtor desires to make complies with the requirements of subsection (c)(6) of this subsection, if the consideration for such agreement is based in whole or in part on a consumer debt that is not secured by real property of the debtor."

Mr. THURMOND. Mr. President, we are willing to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1842) was agreed to.

Mr. HEFLIN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1843

(Purpose: To provide that court may be held in Lawrence, Kansas)

Mr. THURMOND. Mr. President, I send to the desk an amendment on behalf of the distinguished majority leader, Senator DOLE.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 5, after line 5, add the following new section:

SEC. 3. Section 96 of title 28, United States Code, is amended by inserting "Lawrence," after "Kansas City,".

Mr. DOLE. Mr. President, this amendment would statutorily qualify Lawrence, KS, as a place where chambers may be provided for a circuit judge. The Administrative Office of the U.S. Courts has advised this change is necessary before they can permit our newly appointed 10th circuit judge, Deanell Tacha, to lease office space in Lawrence, her place of residence. No additional costs are involved.

Mr. THURMOND. Mr. President, I think the amendment is res ipsa loquitur. It speaks for itself.

Mr. HEFLIN. "Res ipsa loquitur?" What does that mean?

Mr. THURMOND. In Latin, it means "the thing speaks for itself."

Mr. HEFLIN. I have had my Latin lesson for today. I have no objection. We are willing to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1843) was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HEFLIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

□ 1420

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1844

(Purpose: To amend title 28 and title 11 of the United States Code to authorize a new United States Trustee System by providing for the appointment of United States trustees to supervise the administration of bankruptcy cases, and for other purposes)

Mr. THURMOND. Mr. President, on behalf of myself, Senator DECONCINI, and Senator HATCH, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. THURMOND] for himself, Mr. DECONCINI, and Mr. HATCH, proposes an amendment numbered 1844.

Mr. THURMOND. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Insert at the appropriate place in the substitute the following:

TITLE II—UNITED STATES TRUSTEES PROGRAM

PART A—AMENDMENTS TO TITLE 28, UNITED STATES CODE

SEC. 201. Section 156 of title 28, United States Code, is amended by—

(1) redesignating subsection (c) as subsection (d); and

(2) inserting after subsection (b) the following new subsection:

"(c) In a judicial district where a bankruptcy clerk has been appointed pursuant to subsection (b), the bankruptcy clerk shall be the official custodian of the records of the bankruptcy court and of the dockets of all bankruptcy cases and proceedings.".

SEC. 202. (a) Section 519 of title 28, United States Code, is amended by striking out "United States attorneys, assistant United States attorneys, and special attorneys" and inserting in lieu thereof "United States attorneys and United States trustees, assistant United States attorneys and assistant United States trustees, and special attorneys".

(b) The section heading for section 519 is amended to read as follows:

"§ 519. Supervision".

(c) The table of sections for chapter 31 of title 28, United States Code, is amended by amending the item relating to section 519 to read as follows:

"519. Supervision.".

SEC. 203. Section 526 of title 28, United States Code, is amended—

(1) in the heading thereof by striking out "trustee" and inserting "trustees" in lieu thereof:

(2) in subsection (a)—

(A) by striking out "and trustees" and inserting in lieu thereof ", trustees, including trustees in cases under title 11" in paragraph (1); and

(B) by striking out "courts of the Canal Zone and the Virgin Islands, probation officers, trustees in cases under title 11," and inserting in lieu thereof "court of the Virgin Islands, probation officers," in paragraph (2).

SEC. 204. Section 581 of title 28, United States Code, is amended to read as follows:

§ 581. United States trustees

"(a) The Attorney General shall appoint one United States trustee for each of the thirty bankruptcy regions of the United States. Such regions are constituted of Federal judicial districts (without regard to chapter 5 of this title) as follows:

"(1) The judicial districts established for the States of Maine, Massachusetts, New Hampshire, and Rhode Island.

"(2) The Northern and Western Districts of New York and the judicial districts established for the States of Connecticut and Vermont.

"(3) The Southern and Eastern Districts of New York.

"(4) The Eastern District of Pennsylvania and the judicial districts established for the States of Delaware and New Jersey.

"(5) The Middle and Western Districts of Pennsylvania.

"(6) The District of Columbia and the judicial district established for the State of Maryland.

"(7) The judicial districts established for the States of Virginia and West Virginia.

"(8) The judicial districts established for the States of North Carolina and South Carolina.

"(9) The judicial districts established for the State of Alabama.

"(10) The judicial districts established for the State of Georgia.

"(11) The judicial districts established for the State of Florida, for the Commonwealth of Puerto Rico and for the Virgin Islands of the United States.

"(12) The judicial districts established for the States of Louisiana and Mississippi.

"(13) The judicial districts established for the State of Texas.

"(14) The judicial districts established for the State of Ohio.

"(15) The judicial districts established for the State of Michigan.

"(16) The judicial districts established for the States of Tennessee and Kentucky.

"(17) The Northern District of Illinois.

"(18) The judicial districts established for the State of Wisconsin.

"(19) The Central and Southern Districts of Illinois and the judicial districts established for the State of Indiana.

"(20) The judicial districts established for the States of Minnesota, North Dakota, and South Dakota.

"(21) The judicial districts established for the States of Iowa and Nebraska.

"(22) The judicial districts established for the States of Arkansas and Missouri.

"(23) The judicial districts established for the States of Colorado, Utah, and Wyoming.

"(24) The judicial districts established for the States of New Mexico, Oklahoma, and Kansas.

"(25) The Southern District of California and the judicial districts established for the State of Hawaii, for Guam, and for the Commonwealth of the Northern Mariana Islands.

"(26) The judicial district established for the State of Arizona.

"(27) The Central District of California.

"(28) The Eastern District of California and the judicial district established for the State of Nevada.

"(29) The Northern District of California.

"(30) The judicial districts established for the States of Alaska, Idaho, Montana, Oregon, and Washington.

"(b) Each United States trustee shall be appointed for a term of four years. On the expiration of his term, the United States trustee shall continue to perform the duties of his office until a successor is appointed, qualifies, and takes office.

"(c) Each United States trustee is subject to removal by the Attorney General.".

SEC. 205. Section 582 of title 28, United States Code, is amended—

(1) in subsection (a), by striking out "district" and inserting in lieu thereof "region"; and

(2) in subsection (b), by striking out "for cause".

SEC. 206. Section 584 of title 28, United States Code, is amended by striking out "districts" and inserting in lieu thereof "regions".

SEC. 207. Section 585 of title 28, United States Code, is amended to read as follows:

"§ 585. Vacancies

"(a) The Attorney General may appoint an acting United States trustee for a region in which the office of the United States trustee is vacant. The individual so appointed may serve until the date on which the vacancy is filled by appointment under section 581 of this title or by designation under subsection (b) of this section.

"(b) The Attorney General may designate a United States trustee to serve in more than one region for such time as the public interest requires, and may authorize such United States trustee to remain at his original official station.".

SEC. 208. (a) Section 586 of title 28, United States Code, is amended to read as follows:

"§ 586. Duties

"(a) Each United States trustee, within his region shall—

"(1) establish, maintain, and supervise a panel of private trustees that are eligible and available to serve as trustees in cases under chapter 7 of title 11;

"(2) supervise the administration of cases and trustees in cases under chapter 7, 11, or 13 of title 11;

"(3) deposit or invest under section 345 of title 11 money received as trustee in cases under title 11;

"(4) perform the duties prescribed for the United States trustee under titles 11 and 28 and such duties as may be prescribed by the Attorney General; and

"(5) make such reports as the Attorney General directs.

"(b) If the number of cases under chapter 13 of title 11 commenced in a particular region so warrants, the United States trustee for such region may, subject to the approval of the Attorney General, appoint one or more individuals to serve as standing trustee, or designate one or more assistant United States trustees to serve in cases under such chapter. The United States trustee for such region shall supervise any such individual appointed as standing trustee in the performance of the duties of standing trustee.

"(c) The Attorney General shall prescribe by rule qualifications for membership on the panels established by United States trustees under paragraph (a)(1) of this section, and qualifications for appointment under subsection (b) of this section to serve as standing trustee in cases under chapter 13 of title 11. The Attorney General may not require that an individual be an attorney in order to qualify for appointment under subsection (b) of this section to serve as standing trustee in cases under chapter 13 of title 11.

"(d)(1) The Attorney General, after consultation with a United States trustee that has appointed an individual under subsection (b) of this section to serve as standing trustee in cases under chapter 13 of title 11, shall fix—

"(A) a maximum annual compensation for such individual, not to exceed the annual rate of basic pay in effect for step 1 of grade GS-16 of the General Schedule prescribed under section 5332 of title 5, except that the Attorney General may increase the maximum compensation of such individual to an annual rate not in excess of that for step 6 of GS-16 of the General Schedule prescribed under section 5332 of title 5 upon a determination that such individual has significantly decreased actual expenses resulting in a decrease of the percentage fee; and

"(B) a percentage fee, not to exceed 10 per centum, based on such maximum annual compensation and the actual, necessary expenses incurred by such individual as standing trustee.

"(2) Such individual shall collect such percentage fee from all payments received by such individual under plans in the cases under chapter 13 of title 11 for which such individual serves as standing trustee. Such individual shall pay to the United States trustee, and the United States trustee shall pay to proprietary receipts in the general fund of the Treasury—

"(A) any amount by which the actual compensation of such individual exceeds 5 per centum upon all payments received under plans in cases under chapter 13 of title 11 for which such individual serves as standing trustee; and

"(B) any amount by which the percentage for all such cases exceeds—

"(1) such individual's actual compensation for such cases, as adjusted under subparagraph (A) of paragraph (1); plus

"(ii) the actual, necessary expenses incurred by such individual as standing trustee in such cases. Subject to the approval of the Attorney General, any or all of the interest earned from the deposit of payments under plans by such individual may be utilized to pay actual, necessary expenses without regard to the percentage limitation contained in subparagraph (d)(1)(B) of this section.".

(b) The table of sections for chapter 39, comprising items relating to sections 581 through 589 is amended by amending the item relating to section 586 to read as follows:

"596. Duties.".

SEC. 209. (a) Section 587 of title 28, United States Code, is amended to read as follows:

"§ 587. Salaries

"Subject to sections 5315 through 5317 of title 5, the Attorney General shall fix the annual salaries of United States trustees and assistant United States trustees at rates of compensation not in excess of the rate of basic compensation provided for Executive Level IV of the Executive Schedule set forth in section 5315 of title 5, United States Code.".

"(b) Section 589 of title 28, United States Code, is amended by inserting before the period at the end thereof "without regard to the provisions of title 5, governing appointments in the competitive service".

SEC. 210. (a) The heading for chapter 39 of title 28, United States Code, as added by the Ethics in Government Act, is amended by striking out "CHAPTER 39" and inserting in lieu thereof "CHAPTER 40".

(b) The table of chapters for part II of title 28, United States Code, is amended by striking out the item relating to Independent Counsel and inserting in lieu thereof the following:

"40. Independent Counsel.. 591".

(c) Section 49(f) of title 28, United States Code, is amended by striking out "chapter 39" each place it appears and inserting in lieu thereof "chapter 40".

SEC. 211. Subsection (f) of section 604 of title 28, United States Code, as added by the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2549), is repealed.

SEC. 212. (a) Section 1930(a) of title 28, United States Code, is amended—

(1) in paragraph (1) by striking out "$60" and inserting in lieu thereof "$100, plus such additional amount as is specified in regulations issued by the Attorney General. To convert, on a motion by the debtor, the case under chapter 7 or 11 to a case under chapter 11, the debtor shall pay an additional $400";

(2) in paragraph (3), by striking out "that does not concern a railroad, as defined in section 101 of title 11, $200" and inserting in lieu thereof ", $500, plus such additional amount as is specified in regulations issued by the Attorney General";

(3) in paragraph (4), by striking out "$500" and inserting in lieu thereof "$1,000"; and

(4) by adding at the end thereof the following: "The clerk of the court may collect only the fees authorized under this section. The clerk shall transmit to the Treasury of the United States for deposit into proprietary receipts in the general fund $55 from the filing fee prescribed under paragraph (1), $300 from the filing fee prescribed under paragraph (3), and the additional amounts prescribed in the regulations issued by the Attorney General under this section, including such amounts as may arise from conversion of a case under one chapter of title 11 to a case under a different chapter of title 11.".

(b) Section 1930 is amended by striking out subsection (e) and inserting in lieu thereof the following new subsections:

"(e)(1) In addition to the filing fee paid to the clerk, a monthly charge shall be paid to the United States trustee in each case under chapter 11 of title 11 as an administrative expense under section 503(b) of title 11, until a plan is confirmed or the case is converted or dismissed, whichever first occurs. The charge shall be $100 for each month in which disbursements total less than $20,000, $250 for each month in which disbursements total $20,000 or more but less than $100,000, $750 for each month in which disbursements total $100,000 or more but less than $1,000,000, and $1,000 for each month in which disbursements total $1,000,000 or more. The Attorney General may, by regulation, increase or decrease the amount of these charges, and in a case in which the debtor is a farmer, as defined in section 101(17) of title 11, United States Code, the court, for cause, may modify the monthly charge.

"(2) The United States trustee shall transmit to the Treasury of the United States for deposit into proprietary receipts in the general fund all the charges collected under this subsection.

"(f) Any regulations promulgated pursuant to subsection (e) shall be based on the amount necessary to ensure repayment to the Treasury of the amounts appropriated for the United States trustee system, but also shall take into account changes in the cost of living and other related factors.".

PART B —AMENDMENTS TO TITLE 11 OF THE UNITED STATES CODE

SEC. 221. Section 101 of title 11, United States Code, is amended—

(1) in paragraph (14) by striking out "and government unit" and inserting in lieu thereof "governmental unit, and United States trustee" before the semicolon at the end thereof; and

(2) in paragraph (24) by inserting "(but not a United States trustee while serving as trustee in a case under this title)" after "United States" the second place it appears.

SEC. 222. Section 102 of title 11, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (7) thereof;

(2) by striking the period at the end of paragraph (8) and inserting in lieu thereof "; and"; and

(3) by inserting at the end thereof the following:

"(9) 'United States trustee' includes a designee of the United States trustee.".

SEC. 223. (a) Section 104 of title 11, United States Code, is amended by inserting "except as to those charges and portions of fees to be specified in regulations issued by the Attorney General and deposited in the general fund of the Treasury" before the period at the end thereof.

(b) Section 105(a) of title 11, United States Code, is amended by adding at the end thereof the following new sentence: "No provision of this title providing for the raising of an issue by a party in interest shall be construed to preclude the court from, *sua sponte*, taking any action or making any determination necessary or appropriate to enforce or implement court orders or rules, to prevent an abuse of process, or to ensure the proper and expenditious dispositon of a case or proceeding.".

SEC. 224. Section 303 of title 11, United States Code, is amended—

(1) in subsection (g), by inserting "order the United States trustee to" after "may", the first time it appears; and

(2) in subsection (i)—

(A) by adding "or" at the end of subparagraph (1)(A);

(B) by striking out subparagraph (1)(C);

(C) by striking out the period at the end of subparagraph (2)(B) and inserting in lieu thereof "; or"; and

(D) by adding at the end thereof the following new paragraph:

"(3) against a party requesting the appointment of a trustee under subsection (g) or section 1104, for any damages proximately caused by the taking of possession of the debtor's property by such a trustee.".

SEC. 225. Subchapter I of chapter 3 of title 11, United States Code, is amended by adding at the end thereof the following new section:

"§ 307. United States trustee

"The United States trustee may raise and may appear and be heard on any issue in any case or proceeding under this title but may not file a plan pursuant to section 1121(c) of this title.".

SEC. 226. The table of sections for subchapter I of chapter 3 of title 11, United States Code, is amended by adding at the end thereof the following new item:

"307. United States trustee.".

SEC. 227. Section 321 of title 11, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) The United States trustee for the judicial district in which the case is pending is eligible to serve as trustee in the case.".

SEC. 228. Section 322 of title 11, United States Code, is amended—

(1) at subsection (a), by striking out "A person" and inserting in lieu thereof "Except as provided in subsection (b)(1), a person"; and

(2) by amending subsection (b) to read as follows:

"(b)(1) The United States trustee qualifies wherever such trustee serves as trustee in a case under this title.

"(2) The United States trustee shall determine—

"(A) the amount of a bond required to be filed under subsection (a) of this section; and

"(B) the sufficiency of the surety on such bond.".

SEC. 229. Section 324 of title 11, United States Code, is amended to read as follows:

"§ 324. Removal of trustee or examiner

"(a) The court, after notice and a hearing, may remove a trustee, other than the United States trustee, or an examiner, for cause.

"(b) The United States trustee, after notice and a hearing and unless the court orders otherwise, may remove a trustee in a case under chapter 7, 11, or 13, or an examiner in a case under chapter 11, for cause.

"(c) Removal for cause under subsection (b) of this section in any case shall be deemed cause for removal in all cases in which such trustee or examiner is serving.".

SEC. 230. Section 326 of title 11, United States Code, is amended in subsection (b) by inserting "of the United States trustee or" after "expenses".

SEC. 231. Section 327(c) of title 11, United States Code, is amended by inserting "or the United States trustee" after "another creditor".

SEC. 232. Section 330 of title 11, United States Code, is amended—

(1) in subsection (a) by inserting "to any parties in interest and to the United States trustee" after "notice"; and

(2) by inserting at the end thereof the following new subsection:

"(d) In a case in which the United States trustee serves as trustee, the compensation of the trustee under subsection (b) of this section shall be paid into proprietary receipts in the general fund of the Treasury.".

SEC. 233. Section 341 of title 11, United States Code, is amended—

(1) in subsection (a), by striking out "there shall be a meeting of creditors" and inserting in lieu thereof "the United States trustee shall convene and preside at a meeting of creditors";

(2) in subsection (b), by striking out "court may order" and inserting in lieu thereof "United States trustee may convene"; and

(3) in subsection (b), by inserting "including any final meeting of creditors" before the period at the end thereof.

SEC. 234. Section 343 of title 11, United States Code, is amended to read as follows:

"§ 343. Examination of the debtor

"The debtor shall appear and submit to examination under oath at the meeting of creditors under section 341(a) of this title. Creditors, any indenture trustee, any trustee or examiner in the case, or the United States trustee may examine the debtor. The United States trustee may administer the oath required under this section.".

SEC. 235. Section 345 of title 11, United States Code, is amended—

(1) by striking out "court" in subsection (b)(1)(B) and inserting in lieu thereof "United States trustee"; and

(2) by adding at the end thereof the following:

"(d) The United States trustee may aggregate money of estates for which such United States trustee serves as trustee for deposit or investment under this section, in order to increase the return on such money,

taking into account the safety of such deposit or investment. The United States trustee shall maintain complete records identifying separately the money of each estate included in such an aggregation. Any return on any such deposit or investment shall be paid by the United States trustee into proprietary receipts of the general fund of the Treasury.".

SEC. 236. Section 701(a) of title 11, United States Code, is amended to read as follows:

"(a)(1) Promptly after the order for relief under this chapter—

"(A) the United States trustee, other than an officer or employee of the court, shall appoint one disinterested person that is a member of the panel of private trustees established under section 586(a)(1) of title 28, or

"(B) an officer or employee of the court shall appoint one disinterested person that is a member of a panel of private trustees established under section 255(d)(1)(A) of the United States Trustees Act of 1986 or,

either the United States trustee or such officer or employee, as the case may be, shall appoint one disinterested person that was serving as trustee in the case immediately before the order for relief under this chapter to serve as interim trustee in the case.

"(2) If none of the members of such panel is willing to serve as interim trustee in the case, then the United States trustee may serve as interim trustee in the case.".

SEC. 237. Section 703 of title 11, United States Code, is amended by amending subsections (b) and (c) to read as follows:

"(b) Pending election of a trustee under subsection (a) of this section, if necessary to preserve or prevent loss to the estate, the United States trustee may appoint an interim trustee in the manner specified in section 701(a).

"(c) If creditors do not elect a successor trustee under subsection (a) of this section, or if a trustee is needed in a case reopened under section 350 of this title, then the United States trustee may serve as a trustee in the case or shall appoint one disinterested person that is a member of the panel of private trustees established under section 586(a)(1) of title 28 to serve as trustee in the case. An officer or employee of the court shall appoint a disinterested person that is a member of the panel of private trustees established under section 255(d)(1)(A) of the United States Trustees Act of 1986 as trustee in the case, but may not serve as trustee in the case.".

SEC. 238. (a) Section 704 of title 11, United States Code, is amended—

(1) in paragraph (8), by—

(A) inserting ", with the United States trustee," after "court" the first place it appears;

(B) inserting "the United States trustee or" after "information as"; and

(C) striking out "and" at the end thereof;

(2) in paragraph (9), by striking out the period at the end thereof and inserting in lieu thereof the following: "and with the United States trustee; and"; and

(3) by adding at the end thereof the following:

"(10) bring to the attention of the court such additional information as may enable the court to carry out its responsibilities under sections 523, 707, and 727.".

SEC. 239. Section 705(b) of title 11, United States Code, is amended—

(1) by inserting "or the United States trustee" after "trustee" each place it appears; and

(2) by inserting "or the United States trustee" immediately after "court".

SEC. 240. Section 707(a) of title 11, United States Code, is amended—

(1) by striking out "or" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof the following: "; and"; and

(3) by adding at the end thereof the following:

"(3) failure of the debtor in a voluntary case to file, within fifteen days or such additional time as the court may allow after the filing of the petition commencing such case, the information required by paragraph (1) of section 521.".

SEC. 241. Section 726 of title 11, United States Code, is amended in subsection (b) by inserting ", except as to fees and charges under chapter 123 of title 28" after "paragraph (1)".

SEC. 242. Section 727 of title 11, United States Code, is amended by amending subsections (c), (d), and (e) to read as follows:

"(c)(1) The trustee, a creditor, or the United States trustee may object to the granting of a discharge under subsection (a).

"(2) On request of a party in interest, the court may order the trustee or the United States trustee to examine the acts and conduct of the debtor to determine whether a ground exists for denial of discharge.

"(d) On request of the trustee, a creditor, or the United States trustee, and after notice and a hearing, the court shall revoke a discharge granted under subsection (a) if—

"(1) such discharge was obtained through the fraud of the debtor, and the requesting party did not know of such fraud until after the granting of such discharge;

"(2) the debtor acquired property that is property of the estate, or become entitled to acquire property that would be property of the estate, and knowingly and fraudulently failed to report the acquisition of or entitlement to such property, or to deliver or surrender such property to the trustee; or

"(3) the debtor committed an act specified in subsection (a)(6).

"(e) The trustee, a creditor, or the United States trustee may request a revocation of a discharge—

"(1) under subsection (d)(1) within one year after such discharge is granted; or

"(2) under subsection (d)(2) or (d)(3) before the later of—

"(A) one year after the granting of such discharge; and

"(B) the date the case is closed.".

SEC. 243. Section 1102 of title 11, United States Code, is amended—

(1) by amending subsection (a) to read as follows:

"(a)(1) As soon as practicable after the order for relief under chapter 11 of this title, the United States trustee shall appoint a committee of creditors holding unsecured claims and may appoint additional committees of creditors or of equity security holders as the United States trustee deems appropriate.

"(2) On request of a party in interest, the court may order the appointment of additional committees of creditors or of equity security holders if necessary to assure adequate representation of creditors or of equity security holders. The United States trustee shall appoint any such committee."; and

(2) by repealing subsection (c).

SEC. 244. Section 1104 of title 11, United States Code, is amended—

(1) in subsection (a), by inserting "or the United States trustee" after "party in interest";

(2) in subsection (b), by inserting "or the United States trustee" after "party in interest";

(3) in subsection (c), by striking out "court" the second place it appears and inserting in lieu thereof "United States trustee, after consultation with parties in interest"; and

(4) in subsection (c), by striking out "one disinterested person" and inserting in lieu thereof ", subject to the court's approval, one disinterested person other than the United States trustee".

SEC. 245. Section 1105 of title 11, United States Code, is amended by inserting "or the United States trustee" after "party in interest".

SEC. 246. Section 1112 of title 11, United States Code, is amended in subsection (b)—

(1) by inserting "or the United States trustee" after "party in interest";

(2) by striking out "or" in paragraph (8);

(3) by striking out the period at the end of paragraph (9) and inserting in lieu thereof a semicolon; and

(4) by adding at the end thereof the following:

"(10) nonpayment of any fees or charges required under chapter 123 of title 28;

"(11) failure of the debtor in a voluntary case to file, within fifteen days after the filing of the petition commencing such case, the information required by paragraph (1) of section 521, including a list containing the names and addresses of the holders of the lesser of all unsecured claims or the 20 largest unsecured claims, and the dollar amounts of such claims; or

"(12) failure to timely file the information required by paragraph (2) of section 521.".

SEC. 247. Section 1163 of title 11, United States Code, is amended by adding the following new sentence at the end thereof: "The United States trustee shall appoint one of such persons to serve as trustee in the case.".

SEC. 248. Section 1302 of title 11, United States Code, is amended—

(1) by amending subsection (a) to read as follows:

"(a) If the United States trustee has appointed an individual under section 586(b) of title 28, or if an officer or employee of the court has appointed an individual under section 255(d)(1)(D) of the United States Trustee Act of 1986, to serve as standing trustee in cases under chapter 13 of this title and if such individual qualifies under section 322 of this title, then such individual shall serve as trustee in the case. Otherwise, the United States trustee shall appoint one disinterested person to serve as trustee in the case or a United States trustee other than an officer or employee of the court may serve as a trustee in the case.";

(2) by repealing subsection (d) and redesignating subsection (e) as subsection (d); and

(3) by amending subsection (d), as redesignated herein, by striking out "under subsection (d) of this section" and inserting in lieu thereof "pursuant to the United States Trustees Act, in districts other than districts in which section 586 of title 28 is effective.".

SEC. 249. Section 1307 of title 11, United States Code, is amended—

(1) in subsection (c) by—

(A) inserting "or the United States trustee" after "party in interest"; and

(B) striking out "or" at the end of paragraph (7) and inserting a semicolon in lieu thereof; and

(C) adding at the end thereof the following:

"(9) failure of the debtor to file, within fifteen days, or such additional time as the court may allow, after the filing of the petition commencing such case, the information required by paragraph (1) of section 521; or

"(10) failure to timely file the information required by paragraph (2) of section 521."; and

(2) in subsection (d) by inserting "or the United States trustee" after "party in interest".

SEC. 250. Section 1326(b) of title 11, United States Code, is amended to read as follows:

"(b) Before or at the time of each payment to creditors under the plan, there shall be paid—

"(1) any unpaid claim of the kind specified in section 507(a)(1) of this title; and

"(2) if a standing trustee appointed under section 586(b) of title 28 or section 255(d)(1) of the United States Trustees Act of 1986 is serving in the case, the percentage fee fixed for such standing trustee under section 586(e)(1)(B) of title 28 or pursuant to such section of the United States Trustees Act of 1986.".

PART C—TRANSITION AND REPEALER

SEC. 251. Section 408(c) of the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2549, 2686-87), is amended—

(1) by striking out "and chapter 39 of title 28 of the United States Code are repealed, and all references to the United States trustee contained in title 28 of the United States Code are deleted, as of September 30, 1986" and inserting in lieu thereof "is repealed"; and

(2) by repealing the last sentence thereof.

SEC. 252. The service of any United States trustee and of any assistant United States trustee appointed under the authority of the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2549), is terminated upon the earlier of the expiration of his term or March 31, 1987, except that the Attorney General—

(1) may appoint any such United States trustee to serve for such period, not to exceed two years, as the Attorney General deems necessary to facilitate the transition from the bankruptcy administration program established in chapter 15 of the Act of November 6, 1978, to the United States trustee system established by this title; and

(2) may appoint any such assistant United States trustee under the provisions of section 582 of title 28, United States Code, as amended by this title.

SEC. 253. (a) Except as otherwise provided in this part, this title and the amendments made by parts A, C, D, E, and F of this title shall become effective upon enactment of this title.

(b) The amendment made by subsection (b) of section 212 of this title shall become effective in a region thirty days after the certification of the Attorney General under section 256 of this title or, in those districts making an election under section 255(b)(2) such section 212(b) shall become effective thirty days after the provisions of section 255(d) become effective. Such section 212(b) shall apply to cases in each district filed on or after the date of the enactment of this title.

(c) The amendments made by section 212 other than by subsection (b) of such section shall become effective thirty days after the date of the enactment of this title.

(d) Section 255(d) of this title becomes effective six months after the date of an appropriation for the judicial branch to implement the provisions of section 255(d). Until section 255(d) becomes effective, the United States trustee serving in such district shall continue to serve in that district, notwithstanding the provisions of section 252.

SEC. 254. (a) Except as otherwise provided in subsection (b), the amendments made by part B of this title shall become effective on the date two years after the date that the initial appropriation authorized under section 271 of this title is enacted or thirty days after the Attorney General certifies the last region under section 256 of this title, whichever first occurs.

(b) During the two-year period following the date of the enactment of the initial appropriation authorized under section 271 of this title, the amendments made by part B of this title shall apply in each district in which a United States trustee was authorized by the Act of November 6, 1978 (Public Law 95-598; 92 State 2549), and, thirty days after the Attorney General's certification under section 256 of this title in those remaining districts established pursuant to this title, except for those districts making the election pursuant to section 255(b)(2). In such districts making an election under section 252(b)(2), the amendments made by part B shall take effect on the effective date of section 255(d): *Provided*, That, in any case commended under chapter 7 of title 11, United States Code, prior to the date of the enactment of this title, the failure of a trustee to file the final report and account required by section 704 of title 11 prior to one year following certification of the district in which such trustee serves shall be deemed cause for removal under section 324 of title 11, as amended by section 229 of this title, and in any case under chapter 11 in which a trustee was appointed prior to the date of the enactment of this title, the failure to obtain approval of a plan prior to one year after certification shall also be deemed cause for removal. In such cases, the United States trustee may remove the trustee by filing a notice of the appointment of a successor trustee.

(c) The court shall continue to have responsibility for the supervision of cases in a district in which a revocation under section 255(b)(4) has been made or in which no election has been made pursuant to section 255(b)(2) until thirty days after the district is certified by the Attorney General.

SEC. 255. (a) The United States trustee system herein established shall be phased in over a two-year period beginning on the date that the initial appropriation authorized under section 271 of this title is enacted. The regions encompassing districts for which United States trustees were appointed pursuant to the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2549), shall be certified by the Attorney General pursuant to section 256 of this title not later than two hundred and seventy days after the date of the enactment of the initial appropriation authorized under section 271 of this title.

(b)(1) Section 204 of this title shall not apply to any judicial district which specifically elects not to be included in the bankruptcy regions established by section 204. Notwithstanding section 252 of this title, as to districts for which the United States Trustee was provided in section 224 of the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2549) such election shall terminate the services of such trustee in that district upon the effective date of section 255(d) in that district.

(2) Any election under this section shall be granted upon request by any bankruptcy judge after a majority vote of the Chief district judge and each bankruptcy judge in such judicial district in favor of such election. A judicial district shall have sixty days after the date of the enactment of this title in which to make an election under this section. If a district falls to make an election within such sixty days, such district shall be deemed to have chosen to participate in the bankruptcy regions set forth in section 204 of this title.

(3) Notice that an election has been made under this section shall be given, within ten days after such election, to the Attorney General and the appropriate Federal Circuit Court of Appeals for the judicial district.

(4) An election under this section not to participate in the bankruptcy regions set forth in section 204 of this title may be revoked at any time under the same procedures set forth in paragraphs (2) and (3) but not subject to the time limitations provided in paragraph (2). A decision to participate in a bankruptcy region may not be revoked.

(5) The Attorney General shall have not less than ninety days after the date of notification of revocation under paragraph (4) to certify that the district is included in the bankruptcy region. The courts shall promptly publish notice of this certification.

(c) The Attorney General may, through regulation, reconstitute any bankruptcy region wherein a judicial district has made an election under subsection (b) by providing for an increase in the number of currently established judicial districts within such bankruptcy region.

(d)(1) In any judicial district making an election under subsection (b) of this section, the duties and functions granted in the United States trustee, except as otherwise provided in paragraph (2), shall be performed by officers and employees of the courts. Such duties and functions include—

(A) the duty to establish, maintain, and supervise a panel of private trustees that are eligible and available to serve as trustees in cases under chapter 7 of title 11, United States Code;

(B) the duty to supervise the administration of cases and trustees in cases under chapter 7, 11, or 13 of title 11, United States Code;

(C) the duties prescribed for the United States trustees under title 11, United States Code; and

(D) the duty to appoint and supervise standing trustees, if the number of cases under chapter 13 of title 11, United States Code, commenced in a particular region so warrants, subject to the approval of the judicial council of the circuit for which such officer or employee serves.

The Judicial Conference shall promulgate regulations for the appointment and removal of such officers and employees. Such regulations shall provide that the appointment shall be made by the court of appeals for the judicial circuit in which such officer or employee serves, and the removal of an officer or employee shall include the initiation of proceedings for removal by the bankruptcy judges of the district. Such removal shall be subject to the approval of the judicial council of the circuit in which such officer or employee serves.

(2)(A) For purposes of title 11 of the United States Code, the term "United States trustee", as such term is used in title 11, shall include an officer or employee of the court appointed under this subsection, except as otherwise provided in this title.

(B) For purposes of sections 102(9), 321, 322, and 701(a)(2) of title 11, United States Code, a United States trustee, as such term is used in such sections 102(9), 321, 322, and 701(a)(2), shall not include an officer or employee of the court appointed pursuant to this subsection.

SEC. 256. The Attorney General shall certify, to the appropriate Federal Circuit Courts of Appeals, Federal district courts, and bankruptcy courts, his intention to establish offices in a United States trustee region thirty days prior to the assumption of the responsibilities prescribed by this title in that region. The courts promptly shall publish notice of such certification and of the implementation of section 212(b) of this title and for the districts within the region.

SEC. 257. (a) A case commenced under the Bankruptcy Act, and all matters and proceedings in or relating to any such case, shall be conducted and determined under such Act as if this title had not been enacted. The substantive rights of parties in connection with any such bankruptcy case, matter, or proceeding shall continue to be governed by the law applicable to such case, matter, or proceeding as if this title had not been enacted, except that at one end of one calendar year following the certification of a district in which any case is still pending under the Bankruptcy Act, the district court shall withdraw the reference of any such case and, after notice and a hearing, determine the status of the case. Such case shall be remanded to the bankruptcy judge with such instructions as are necessary for the prompt closing of the case and with a requirement that a progress report on the case be provided by the bankruptcy judge after such interval as the district court deems appropriate.

(b) A case commenced under the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2549), and all matters and proceedings in or relating to any such case, shall be conducted and determined under the provisions of this title: *Provided, however,* That the amendments made by parts A and B of this title relating to the authority and responsibilities of the United States trustees, except in those districts for which United States trustees were appointed pursuant to the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2549), shall not apply to a case under chapter 7 or chapter 11 of title 11, United States Code, commenced prior to the date of the enactment of this title, until one year after the region encompassing the district in which such case has been filed has been certified under section 255 or 256 of this title. Such provisions shall not apply to such cases thereafter, if—

(1) in a case under chapter 7 of title 11, United States Code, the case trustee has filed the final report and account of the administration of the estate required by section 704 of title 11, United States Code, prior to or within the year after certification; and

(2) in a case under chapter 11 of title 11, United States Code, a plan has been confirmed under section 1129 of title 11, United States Code, prior to or within the year after certification.

SEC. 258. The Attorney General and the Director of the Administrative Office of the United States Courts shall consult in an attempt to achieve optimal coordination and may enter into agreements under which the United States trustees may use the services, equipment, personnel, records, reports, and data compilations, in any form, and the facilities of the Federal judiciary. The United States trustees may cooperate in the use by the Federal judiciary of services, equipment, personnel, records, reports, and data compilations, in any form, and the facilities of the United States trustees in order to prevent duplication during the phasein period.

SEC. 259. The Director of the Administrative Office of the United States Courts shall make available to the United States trustees on a current basis, all records, reports, and data compilations, in any form, relating to cases and proceedings under title 11, United States Code, or the United States trustees' duties under title 11 and 28, United States Code, as prescribed by this title, and shall instruct all clerks to cooperate in the orderly transfer of functions, documents, and data compilations, in any form, to the United States trustees system, except that no such transfer shall be made without the consent of the Attorney General, and United States trustees shall not be required to give any notice provided for in cases under title 11, United States Code.

SEC. 260. (a) The Executive Office for United States Trustees, in consultation with the Administrative Office of the United States Courts, shall, within twelve months after the date of the enactment of an appropriation therefor under section 271 of this title, take such steps as are necessary to establish an electronic case management demonstration project for three judicial districts in the United States having a sufficient caseload to provide a meaningful test of such system. A contract for such case management demonstration project shall be awarded by the Director, Executive Office for United States Trustees, upon competitive bids by qualified private sector entities able to design an automated joint information system for use by the courts and the United States trustees, and to provide that level of expertise in the design and implementation of automated case management systems that is required for purposes of this demonstration project.

(b) The demonstration project required by subsection (a) shall continue as provided in subsection (c) but for a period of not less than two years after the date of its implementation. One year after the implementation of such project, the Congress shall cause a study to be performed of the cost effectiveness of such demonstration project in comparison to (1) judicial districts that do not have electronic case management systems in place, and (2) judicial districts that participate in such electronic case management systems as are maintained by the Administrative Office of the United States Courts.

(c) The demonstration project required by subsection (a) shall continue for a period of two years or until such time as the Congress evaluates the success of such project and acts upon its continuance, its expansion to all judicial districts, or its termination, whichever period is longer.

(d) The electronic case management system required by subsection (a) shall provide the clerk of court, in each district in which it may be operated, with a means of maintaining a complete electronic case file of all relevant information contained in the petitions and schedules filed by debtors and any amendments thereto, including—

(1) a complete list of creditors in the case as listed by the debtor;

(2) a complete listing of all assets scheduled by the debtor, showing the manner in which each item is scheduled, the value thereof, and any action taken by the trustee or debtor in possession with regard to that item during the pendency of the case; and

(3) the debtor's statement of current expenses and income.

(e) The demonstration system shall provide the United States trustee in each district in which it may be completed with a means of maintaining a complete electronic case file which shall contain in addition to the information listed in subsection (d) the following:

(1) a record of all motions, complaints, appointments, pleadings, and responses, as well as a record of the responses by the United States Trustee Office to those motions, appointments, and pleadings;

(2) automated generation of motions, complaints, appointments, pleadings, and responses;

(3) automated generation of standard management reports and letters on an exception basis;

(4) those accounting records, reports, and information required to be maintained by debtors in possession and trustees in cases under title 11, United States Code, by the Executive Offices for United States Trustees;

(5) an accurate record of bankruptcy case openings, case milestones, and case closings; and

(6) the calculation of distribution to creditors, final applications and orders for distribution, final case closing reports, and all forms to insure prompt payment of statutory fees to trustees in asset and no asset cases.

(f) The demonstration system shall further provide the clerk of court with a means of electronically maintaining all calendars and dockets, and of producing all notices required to be sent in cases under title 11, United States Code.

(g) The demonstration system shall maintain the information specified in subsections (a) and (f) in a format easily accessible by electronic means, or otherwise, to all entitles within the district in which such system is maintained with an interest in a case pending under title 11, United States Code. A charge of $5 shall be collected for each case accessed by such entity and all such charges shall be paid to proprietary receipts in the general fund of the Treasury to help defray the cost of operating the demonstration system.

(h) Notwithstanding subsection (d), unlimited access to the information maintained in the demonstration system shall be provided at no charge to the following:

(1) The Congress.

(2) The Executive Office for United States Trustees.

(3) The Administrative Office of the United States Courts.

(4) The clerks of the court in each judicial district in districts in which the demonstration system is operated.

(5) The judges of the bankruptcy and district courts in which the demonstration system is operated.

(6) Trustees in cases pending in those districts involved in operation of the demonstration system.

(i) Access as provided in subsection (h) shall be subject to such security limitations as may be imposed by the officials in charge of each of the respective offices specified in

paragraphs (1) through (5) of such subsection. Access to the information maintained in the electronic case management system by trustees, attorneys or record, and parties in interest in proceedings and attorneys admitted practice before the courts of participating districts shall be limited to review of the information on file which constitutes information of public record as provided in section 107 of title 11, United States Code.

SEC. 261. If any provision of this title or any amendment made by this title, or the application thereof to any entity or circumstances is held invalid, the provisions of every other part, and their application shall not be affected thereby.

PART D—AUTHORIZATION FOR APPROPRIATIONS FOR BANKRUPTCY ADMINISTRATION

SEC. 271. There hereby are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title, except that such amounts as are collected pursuant to the amendments made by section 212 of this title shall be utilized to reimburse the Treasury for such appropriations. Appropriations authorized under this section shall remain available for obligation until expended.

PART E—THE RULES OF BANKRUPTCY PROCEDURE

SEC. 281. Part X of the Rules of Bankruptcy Procedure applies in any district in which a United States trustee is serving until such Part is superseded by Rules of Bankruptcy Procedure promulgated under the authority of section 2075 of title 28, United States Code.

PART F—SHORT TITLE

SEC. 291. This title may be cited as the "United States Trustees Act of 1986".

Mr. THURMOND. Mr. President, this amendment, in part, would expand and make permanent the U.S. Trustee Pilot Program for Bankruptcy Administration. This excellent pilot program was established by title I of the Bankruptcy Act of 1978 (Public Law 95-598). The initial period for the project was 4½ years, but it was extended twice: first until September 30, 1984 (Public Law 98-166), and again until September 30, 1986 (Public Law 98-353).

The U.S. trustees would be charged with overseeing the administration of bankruptcy cases filed under chapters 7, 11, and 13 of the Bankruptcy Code. Under the aegis of the Justice Department, the U.S. trustee system would effect a separation of the administrative and case-monitoring functions from the adjudicative functions carried out by the bankruptcy judges and the judiciary. In the nonpilot areas, the bankruptcy judges have continued to adjudicate legal issues and to supervise the administration of bankruptcy cases.

Pursuant to the 1976 act, an independent study to compare the pilot and nonpilot programs was undertaken by Abt Associates, Inc., of Cambridge, MA. The findings of that study indicate that the pilot program has resulted in "enhanced honesty and efficiency in bankruptcy administration" in the pilot districts.

Mr. President, this amendment is very similar to legislation, S. 1961, which I introduced on behalf of the administration on December 17, 1985. S. 1961 has received widespread support since its introduction. However, in an effort to address some of the concerns which have been expressed about S. 1961 by the Judicial Conference of the United States, and by several of our colleagues, several changes are proposed to the language of that bill. My distinguished colleague from Arizona, Senator DECONCINI, has been a strong supporter of the U.S. Trustee Program and has provided excellent leadership in developing this proposal.

Mr. President, this amendment also contains an important provision which would clarify the responsibility of a bankruptcy trustee in a chapter 7 case to bring to the attention of the court such information as may enable it to carry out its responsibilities under sections 523, 707, and 727 of the code.

I strongly support this provision, which was suggested by my distinguished colleague from Utah, Senator HATCH.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. COCHRAN. Mr. President, I think it should be pointed out that there is a strong feeling of opposition in the Judicial Conference to the program that is being extended by this amendment. There is concern not only about the added cost that this is going to mean in the bankruptcy system, but also about the possibility of a conflict of interest on the part of those who are supervising the trustees because the Department of Justice represents agencies of the Federal Government who have claims against bankrupt estates. It is a matter of concern that at the same time the Department of Justice is representing the Federal Government's interest before a bankruptcy court, it is also supervising the trustee in the administrative functions as the representative of the estate.

These are concerns that have been expressed to Congress by communications from the Administrative Office of the United States Courts in a letter dated April 25, addressed to the chairman of the Judiciary Committee, signed by L. Ralph Mecham, who is the Director of that Office. He sets out several reasons why the Judicial Conference is opposed to the program.

I think we should have that letter included in the RECORD along with a copy of a letter that Mr. Mecham sent to the chairman of our Appropriations Committee, Mr. HATFIELD, a copy of which was given to all members of the Appropriations Committee.

The reason that I think it is important to bring this up is that we are concerned about the expenses of operation of the Federal judiciary. I know that it is going to be difficult to continue a level of quality service given the constraints of the budget. Cutbacks are being proposed in the Federal judiciary funds in our budget resolution, and this creates a very serious problem.

If this program is going to add to current cost levels then I think the Senate needs to know about it and needs to understand what it is about to approve if it does approve this amendment.

It is suggested in this letter that the costs are not insignificant. I hope that the changes that the managers are seeking to make in the amendment whereby there will be an opportunity for certain district courts to opt out from this program will help minimize the cost problem.

If it will, that certainly is a welcome change in the amendment and I hope it does serve that purpose.

I ask unanimous consent, Mr. President, that copies of the letters to which I referred from L. Ralph Mecham to Chairman HATFIELD and Chairman THURMOND be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ADMINISTRATIVE OFFICE OF THE
UNITED STATES COURTS,
Washington, DC, April 25, 1986.

Hon. MARK O. HATFIELD,
Chairman, Committee on Appropriations, Dirksen Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN: I am enclosing for your information a copy of my letter to Senator Thurmond concerning an amendment that may be proposed to the Bankruptcy Judgeship Bill, S. 1923, when it is considered on the Senate floor. Your Committee may be interested in our concerns as to the cost and budget implications of the amendment.

The proposed amendment would make permanent the pilot U.S. trustee program in the Department of Justice for the administration of bankruptcy estates pending before the courts. The Judicial Conference of the United States supports the urgently needed additional bankruptcy judgeships that S. 1923 would provide. However, the Conference is fundamentally opposed to the proposal for a Department of Justice program to administer the estates of debtors in pending bankruptcy cases. The Conference's opposition is based on the increased costs of such a program as well as a concern over the clear conflicts-of-interests situation created when the Department of Justice, which frequently represents Government agencies with creditor claims against the estate, also assumes the role of supervisor of the representative of the estate. The Conference has proposed an alternative program, within the Judiciary, to assume the administrative duties of which bankruptcy judges were relieved in 1978 at far less cost.

I am also enclosing copies of a statement prepared on behalf of the Judicial Conference which more fully explains the Conference position.

Sincerely,

L. RALPH MECHAM,
Director.

ADMINISTRATIVE OFFICE OF THE
UNITED STATES COURTS,
Washington, DC, April 25, 1986.

Hon. STROM THURMOND,
Chairman, Committee on the Judiciary, Dirksen Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN: I understand that the Senate may shortly take up S. 1923, a bill to provide additional bankruptcy judgeships. The legislation was introduced at the request of the Judicial Conference of the United States following a survey of the need for additional bankruptcy judgeships across the country. That survey resulted in a recommendation for 48 additional positions. Your Committee carefully evaluated the Conference's request in light of prevailing budget constraints and the difficulty of accurately assessing bankruptcy workloads. These deliberations are a positive and constructive contribution to the process of determining bankruptcy judgeship needs, and the Judicial Conference of the United States supports the urgently needed additional positions included in S. 1923.

We are concerned, however, about a potential amendment that may be offered to the bill on the Senate floor to expand and make permanent the pilot United States trustee program under the Department of Justice. As our witnesses have testified, the Judicial Conference is fundamentally opposed to housing the program for basic administration of bankruptcy estates in the Department of Justice. Earlier this month we submitted an alternative proposal for bankruptcy administrators within the Judiciary, and we had been anticipating working with the Subcommittee on Courts which had tentatively scheduled mark-up sessions on the issue. We understand that circumstances over which you have little control may now bring the issue to a vote on the Senate floor in the next few days.

The recent consideration of the bankruptcy judgeship bill suggests that the Senate would take a close look at the costs involved in any new program such as the U.S. trustee proposal. Our existing estate administrators, operating on an ad hoc basis without adequate staffing, cover judicial districts that now receive about 70 percent of the total bankruptcy workload. The budget estimate for these existing positions for the fiscal year 1987 is about $8.5 million. In contrast, the 1987 budget estimate for the pilot U.S. trustee program operating in districts with 30 percent of the caseload is $11.7 million. If we were to project costs only on the basis of cases now handled, existing estate administrators would require $12.1 million to expand nationally and U.S. trustees would require $39 million.

Of course, the actual process of developing cost estimates is more sophisticated than that and we recognize that the existing estate administrators alone cannot do the full job that is needed. We have just completed a full cost estimate of the alternative proposal for bankruptcy administrators submitted earlier this month. The annual recurring cost of that proposal would be $21.5 million—about $1.3 million more than is now being spent by the Judiciary and the Justice Department combined. We have not been able to determine exactly what the Department of Justice's detailed cost estimate for a national U.S. trustee program is. However, I understand that their estimate is about $35 million—about $15 million above what is now spent and about ten times the additional cost involved in establishing bankruptcy administrators. The $14 million difference in additional costs of the U.S. trustee program over the bankruptcy administrator system is more than the annual recurring cost of the entire package of 48 additional judgships the Judicial Conference initially recommended.

Some may argue that the issue of costs is irrelevant because the U.S. trustee program will be "self-funding" through increased charges against bankruptcy litigants. We believe that the costs of operating the program should be carefully examined to insure that litigants are not charged more than what is fair and reasonable. Why should bankruptcy litigants pay more to accommodate an inefficient system of estate administration? Virtually any objective observer would have to agree that a bankruptcy administrator program within the Judiciary could provide the same basic services as a United States trustee program under the Department of Justice at less cost. Precisely how much less may be subject to debate, but what reasons exist to incur any additional expenditures? If the fees for bankruptcy litigants can fairly be raised to a higher level than at present and the system for estate administration can be operated at less cost than the revenue received from the increased fees, the additional payments could be retained by the Treasury to offset other costs of the Government.

I would also note that the Senate is presently considering the Budget Resolution. The amounts allocated for outlays in Function 750, Law Enforcement and the Administration of Justice, are very tight as it is. The resolution does not include additional amounts for this program. That will limit the availability of funds when the Appropriations Committee attempts to apportion the Budget Resolution total among the programs involved, even if revenues have been increased separately. In an account as small as ours, 14 million dollars is a lot of money. We certainly don't expect reductions in the Border Patrol or the Investigation and prosecution of drug trafficking in order to accommodate a new U.S. trustee program within the limits of the Budget Resolution. The Marshal's Service is already facing serious problems that affect the security of our courts. That leaves little else in Function 750 except the courts themselves. Further budget cuts beyond those already made may well threaten the ability of all litigants—civil, criminal, and bankruptcy—to receive prompt resolution of their cases.

There may well be additional costs of the U.S. trustee program that have not as yet been quantified. While we have not seen any detail on their current cost estimate, we have reviewed other cost statements from the past. These statements do not appear to reflect an adequate provision for the extensive clerical staff that will be needed if the program is to operate fully in every case. Much of that clerical staff would duplicate existing staff functions of the clerks' offices, but that will be unavoidable if the operation is housed in another branch of the Government. The Department plans an ambitious computer program to reduce the need for such a large clerical staff, but that program has not yet been developed and will certainly take time. It will also cost a lot of money that does not appear to have been included.

Our experience in the recent judgeship survey also suggests that the United States trustee program may generate a need for additional judgeships. The Judicial Conference recommended two additional judgeships for the District of New Jersey beyond what our statistical threshold test would have allowed. That recommendation was based on an onsite survey of the judges' workload which identified, among other factors, a heavier than usual volume of motions activity requiring judicial hearings and resolution resulting from the United States trustee program. We have not fully assessed the potential of an increased need for judges arising from the program, but the possibility clearly exists.

I have mentioned the cost concerns that we have with this legislation. Judicial Conference witnesses in their testimony also raised other concerns, particularly the conflicts-of-interests issue. The basic work of estate administration is the appointment and supervision of trustees and the monitoring of reports from trustees and debtors in possession. Claims and applications will come to the administrator's attention to which there should be an objection. In some instances—such as a claim by the I.R.S.—the trustee, as representative of the estate, may have a legitimate objection to the claim. However, the trustee's supervisor will be employed by the Department of Justice which is already representing the I.R.S. That type of situation creates a conflict-of-interests for the Department for whom the trustee's supervisor and the I.R.S.'s attorney both work. Legitimate claims and legitimate objections may be compromised in an effort to avoid having two Department of Justice attorneys taking conflicting positions before a judge. That type of conflict-of-interests situation can and should be avoided.

The Department of Justice has highlighted in its arguments to the potential for increased co-ordination of criminal prosecutions and representation of Governmental interests by having a corps of specialists in bankruptcy law and proceedings. That position, of course, only heightens the conflicts-of-interests concerns mentioned above when that form of "bankruptcy strike force" is combined with the day-to-day supervision of estate administration. It also suggests that the situation that existed in 1978 may recur. In 1978 Congress relieved bankruptcy judges of many administrative duties because those duties interfered with their more important judicial duties and because the performance of their judicial duties often pre-empted giving full and regular attention to the administrative duties. The Department's highlighting of this aspect of their program in their argument raises the concern that the less glamorous tasks associated with supervising the administration of each and every bankruptcy petition may not be properly performed. Finally, a simple answer to this part of the Department's argument is that the U.S. trustee program was never designed for that purpose. The Department can readily provide a corps of bankruptcy specialists in United States attorneys' offices in districts with heavy bankruptcy caseloads. In fact, the Department is already doing so in the Eastern District of Virginia, notwithstanding the presence of a U.S. trustee in that same district. (Wash. Legal Times, April 7, 1986, at 2). Representation of the Government's interests may be better served, and more economically, through such programs and through improved I.R.S. monitoring of whether taxes are actually paid than through a system of U.S. trustees who are not always available locally and who only monitor the reports of what taxes debtors say they have paid.

Many bankruptcy proceedings are chapter 7 cases with no assets in the estate. Clearly

many of these proceed with little judicial involvement. In the early 1970's the Bankruptcy Commission had recommended that a separate agency be established to receive all bankruptcy filings initially, and that only where actual disputes arose would the matters be brought into court. Clearly it would be expensive to establish such an agency with the convenience to individual participants in bankruptcy proceedings that the courts now provide. However, such an agency could administer the underlying estates without duplicating the efforts of the courts. Congress has chosen to retain the initiation of all bankruptcy proceedings with the courts, and the estates are administered under the court's authority. During the course of bankruptcy proceedings, estate administration inevitably becomes intertwined with judicial decision-making and case management. Any proposal to place the administration of estates in another Branch of the Government while retaining the jurisdiction of the courts over the entire bankruptcy process will inevitably result in duplication of a consideration amount of paperwork and effort. There will also be numerous opportunities for disagreements as to their respective roles that will hinder the court's ability to manage their dockets effectively.

I understand that your staff has worked to provide districts which do not want to participate in the United States trustee program an opportunity to opt out of the program. Such an option may create some uncertainty among bankruptcy practitioners, but it would ease the costs associated with the U.S. trustee program and possibly render the proposal somewhat less objectionable if included in the final enactment. Of course, we are concerned that such a provison may well not survive in the House of Representatives and thus not be in the final bill. Moreover, any option provision should meet several criteria to represent a truly viable option. The judges must have the ability to provide for the administration of estates in the districts that opt out. That requires that some position exist to perform at least most of the functions to be performed by the U.S. trustees. Because the jurisdiction over bankruptcy cases is placed in the district court generally under 28 U.S.C. § 1334, any exercise of an option should include both the district and bankruptcy judges of the district. The judges should have a reasonable time after enactment of the law in which to study the option and decide whether to exercise it. A period of approximately six months may be about right. Once a district has opted out of the program, there should be a review of any determination to revoke the option and come under the U.S. trustee program, to avoid undue disruption. The judicial councils of the circuits are charged with oversight of the administration of the business of the courts in each circuit and their approval should be required to revoke the exercise of the option.

Since the issue of a United States trustee program was first addressed in 1977, the Judicial Conference of the United States has consistently opposed the proposal because of the conflicts-of-interests created and the costs inevitably associated with attempting to administer in the Justice Department estates that are pending before the courts while the courts themselves are managing their dockets. There are clearly going to be overlaps in the performance of the two functions. Until just recently the Department had supported that position. As recently as the Attorney General's 1984 report on the trustee program, the Department had indicated that an administrator in the Judicial Branch would be an acceptable alternative as long as the trial judges did not select or supervise the individual. (at 61). Earlier this year Mr. Stanton, at your request, presented the Department's position to the Bankruptcy Committee of the Judicial Conference which carefully considered the issue. The Bankruptcy Committee and the Judicial Conference determined that they could not support the Department's new position and reaffirmed their own long-standing position. It is unfortunate that the Department apparently no longer considers a Judicial Branch position, such as our alternative, to be an acceptable solution.

You have always been a thoughtful and considerate friend of the Judiciary whenever you could do so. We are always anxious to accommodate your desires whenever we can do so; however, in this case the Judicial Conference simply cannot agree to any extension of the United States trustee program in the Department of Justice. Please be assured that the Judiciary has given the matter considerable thought and attention. Our judges have studied the issue and are convinced that the Department's proposal is not an acceptable solution.

Sincerely,

L. RALPH MECHAM,
Director.

Mr. THURMOND. Mr. President, this amendment provides for what the able Senator just suggested, that the districts have the power to opt out from it if they wish, and they roughly have the same powers as the trustee.

So I think that overcomes the objection of the Senator from Mississippi.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. HEFLIN. Mr. President, I share the concern of the distinguished Senator from Mississippi, Senator COCHRAN, concerning the structure of this U.S. trustee system and I was opposed to it until we worked out his provision dealing with allowing the districts to opt out. It is a compromise.

My judges in the northern district of Alabama do not like it. The bankruptcy judges, with the exception of one in that district, do not like the trustee system.

The northern district of Alabama was one of the 10 pilot programs that were conducted.

One argument against the trustee system is that, it basically violates the concept of separation of powers. It allows the Department of Justice, which is an executive branch Department, to come in and to participate in many administrative functions that should be within the control and purview of the judicial branch of Government.

It has been expressed that conflicts arose under the pilot program with the trustee.

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There are problems that exist concerning the U.S. trustee system. There is another problem of cost that the distinguished Senator from Mississippi has brought out. And there is the other matter involved here that the Justice Department represents the executive branch and many times the executive branch has claims that they file, secured and unsecured claims, that are filed in the bankruptcy court. Therefore this causes a conflict of interest issue to arise.

Now, it is my understanding that there is a great deal of support for the trustee system in some of the other areas where the pilot program operated, and it operated successfully and without conflicts there. But I think it is going to be incumbent upon the Attorney General to see that the U.S. trustee in these districts cooperates with the bankruptcy judges and the judges of the court. If he takes an attitude that they cannot in effect supervise or give him orders, we may be faced with a rash of contempt proceedings against the trustees that are appointed.

There is another aspect that worries me and that is that this U.S. trustee is appointed for a 4-year term and serves at the pleasure of the Attorney General. He appoints the individual trustees in the individual cases and this can allow for a patronage system, a spoils system to develop. And it could be used politically if the Attorney General wanted to do so. I hope that the Attorney General will come forward with guidelines established to prevent the usage of the trustee system as a form of patronage and to prevent the spoils system, in effect, from occurring in the bankruptcy courts under this trustee system.

Now, we have agreed to a compromise, largely because we understand there is tremendous support in the House for the trustee system, and we know because of the strong support of Senator DECONCINI and Senator THURMOND and others here, that we would have a difficult time defeating this system. But, nevertheless, I think there are questions about it. In the compromise that has been worked out, a judicial district, by the vote of the chief district court judge and the bankruptcy judges can opt out of this system and opt into a system which in effect gives this same authority and powers to employees and officers of the courts. Therefore, this opt-out system allows for the judicial branch of the service to operate it without the inherent dangers and inherent abuses that could occur.

Now, for those judicial districts which opt out, the judicial conference is empowered, under this compromise, to promulgate rules and regulations which will, in effect, state how the officers and employees are to be selected and how they are appointed. The "opt-out" provision provides that the officers of the opt-out system will be ap-

pointed by the court of appeals for the judicial circuit in which an officer or employee serves. That is the same way the bankruptcy judges are appointed today. This is to eliminate the politics that could become involved in the selection.

So, under the circumstances, while I concur with the distinguished Senator from Mississippi of the dangers that are involved here, and while I realize that my judges in the northern district of Alabama are opposed to the U.S. trustee system, and that the pilot program has not worked well there, nevertheless, I believe a compromise that allows a judicial district to opt out is a reasonable compromise, and because of that, I am willing to go along with this proposed amendment.

Mr. President, I wish to further comment on the amendment concerning the U.S. Trustee Program.

Prior to the Bankruptcy Reform Act of 1978, bankruptcy judges were responsible for both administrative and judicial duties. In fulfilling these duties the judges often became too involved in the day-to-day working of a case, causing questions of conflict of interest and judicial impropriety to arise. In an effort to respond to these criticisms and to improve the efficiency of the bankruptcy system, the 1978 Bankruptcy Act separated the administrative and judicial duties of the bankruptcy judges. This left a vacuum of responsibility and the necessity for the appointment of individuals to assume these duties. As a result, the U.S. Trustee Pilot Program was established in 1979, on an experimental basis, encompassing 18 of the 94 Federal judicial districts.

The U.S. Trustee Program has been extended twice but will sunset on September 30, 1986, unless there is congressional action.

The administration has proposed legislation in S. 1961, which was introduced, by request, by the distinguished chairman of the Judiciary Committee, Senator STROM THURMOND. This legislation would establish 30 bankruptcy regions encompassing the 94 judicial districts. The Attorney General would appoint U.S. trustees for 4-year terms. The Attorney General would also have the authority to remove a U.S. trustee without cause.

The U.S. trustee will be responsible for administering bankruptcy estates. The U.S. trustee will establish, maintain, and supervise panels of private trustees in chapter 7 bankruptcy cases (liquidation of assets), appoint and supervise standing trustees in chapter 13 cases (reorganization of debt for individuals with regular income), and will monitor the debtor in chapter 11 cases (business reorganization). The U.S. trustee will also be authorized to serve as a case trustee, to call meetings of creditors, and may raise and be heard on any issue in cases filed under title 11.

The U.S. Trustee Program is currently under the jurisdiction of the Department of Justice. The Department firmly believes that not only should the U.S. trustee system be expanded, but also that the program should remain under its supervision. The Department of Justice visualizes the U.S. trustee not only as a monitor of bankruptcy cases, but also as a watchdog over the integrity of the bankruptcy system.

The Department of Justice contends that housing the program within the Justice Department provides closer supervision of possible criminal activity and fraud by providing greater interaction with the enforcement agencies of the Department. It is argued that creditors have recovered more on their claims in pilot districts than in nonpilot districts, because there is a more aggressive monitoring of cases. The program has also been within the Department for the past 6 years and there is a desire to maintain this institutional history. Furthermore, the Department contends it is able to attract high caliber individuals necessary to assure the success of the program.

Independent studies conducted by ABT associates at the request of DOJ, determined that the U.S. Trustee Pilot Program was successful and recommended the program be expanded nationwide.

However, while the Department of Justice holds strongly to the belief that the office of U.S. trustee should fall within the executive branch, the Judicial Conference believes equally as strongly that any such program should be housed within the judicial branch.

Part of this belief by the Judicial Conference, I am sure, is based on an institutional preference, but there is also genuine concern, which I share, that placing the Office of the U.S. Trustee within the Department of Justice creates an inherent conflict-of-interest. The Attorney General has the appointive power and may remove a U.S. trustee without cause. The U.S. Government is not only a frequent party in bankruptcy cases, but is one of the largest creditors. The Department represents the Government's interest in its claims for taxes and debts owed by debtors to agencies of the United States. This concern has been labeled "more theoretical than real," but it raises, at the very least, the appearance of impropriety.

Concern has also been raised about the appointment of U.S. trustees for a 4-year term, which creates the possibility of a political patronage system.

I am aware that concerns have been raised about the cost of expansion of the U.S. trustee system, but the administration asserts that the increase in fees, which this legislation contains, will fund the costs of extending the program nationwide.

With the increasing number of bankruptcy filings, there is little question that the bankruptcy judge should be free of administrative duties, and while I do not support extension of the U.S. trustee system nationwide—I know many of my colleagues do not share my concerns with the program and have found the pilot program very successful.

We each must form our opinion based on our own experiences. The northern district of Alabama, is the third largest of the 10 groups of the 18 pilot districts. This pilot program has not met with the same level of success as in other areas. Both the district judges and a majority of the bankruptcy judges within this district believe the program should not be expanded nationwide. The judges believe there is a duplication of effort between the bankruptcy clerk's office and the U.S. trustee's office, and believe that a position developed within the judiciary would provide a more efficient and cost-effective system for the improvement of bankruptcy administration.

These are opinions that have developed after a "hands-on" experience with the U.S. trustee system.

I realize there are judicial districts which were part of the pilot program and those in nonpilot districts which would welcome extension of the U.S. trustee system. I know there are other districts which would prefer to establish or continue existing systems on a local level with statutorily defined duties. Because of the concern in some areas of extending the U.S. trustee system, we have reached a compromise allowing an "opt-out" for those judicial districts which choose not to be a part of the U.S. trustee system. In those districts, electing to "opt-out" the duties and functions of the U.S. trustee will be assumed by an employee or officer of the courts. The Judicial Conference will be charged with promulgating regulations for the appointment and removal of such officers and employees, and such appointment shall be made by the court of appeals of the circuit where the officer or employee serves.

The decision to "opt-out" will be made based on a majority vote of the bankruptcy judges and the chief district judge within a judicial district. This leaves the decision where it should be—within the judicial districts which will be most affected by the decision.

I hope this will allow us to fulfill our fundamental purpose, the more effective administration of bankruptcy laws. I believe we can accomplish our goal if both systems are allowed a chance to develop the personnel and

funding to meet needs of the bankruptcy system.

I commend the efforts of the distinguished Senator from South Carolina, Senator THURMOND, and the leadership provided in this effort by Senator EAST and Senator DECONCINI. I would also like to compliment the work of the fine staffs of the Senators.

It is my hope this compromise will offer a workable solution for all.

Mr. DECONCINI. Mr. President, I want to speak in favor of this amendment. First, I want to say that the Senator from Alabama has very aptly pointed out some of the objections, but there are also stories of successes. The southern district of New York is one that has felt that this pilot program was extremely successful.

We have had hearings on the U.S. trustee pilot program over a long period of time and I introduced a bill to make it mandatory. I think the Senator from Alabama and now the Senator from Mississippi and others have put forth a good case that there ought to be a procedure and a way to have an alternative to this program. What works in Alabama may work well also in Mississippi but it may not work in the southern district of New York, or California or Arizona for that matter.

The U.S. Trustee Program has been studied for a number of years in an effort to come up with something to take away from one of the things that the Senator from Alabama mentioned; namely, potential cronyism. Cronyism is always possible and this bill does not eliminate it by any means. It puts the appointment with the Attorney General rather than right there at the district.

So I thank the Senator from Alabama, even though he is opposed to this amendment, for working this compromise out, because I think it moves us in a very positive way as to the costs that were raised by the Senator from Mississippi.

Let me point out that this amendment also increases slightly the chapter 7 costs to bring them up to inflation. So we are not talking about an increase in total expenditures for the U.S. trustee appointment system if it is implemented. The costs for chapter 11, which are usually corporations, go up substantially. And I think it is important to know that CBO has advised us orally, and they will give us a written document which we will attempt to file here before the close of this bill, indicating that there is no net additional costs to the Government based on these fees.

Now that might have been before the Senator from Mississippi had his letter and I will be glad to share CBO's estimates with him. I was concerned about that also.

Mr. President, I am pleased that we are finally considering on the U.S. Trustee System amendment. With the expiration date of the current program just over 4 months away, the Congress must act quickly if it is to avoid some of the last minute legislating that has become all too common in this area of the committee's jurisdiction.

I support the U.S. Trustee System and I am a coauthor and cosponsor of the pending bill. This is not to say that the U.S. Trustee System could not be improved upon or that I wouldn't favor certain amendments to S. 1961. We have had 7 years, and the experience of over 600,000 cases in the pilot programs, upon which to base our judgments; on the whole, the Trustee Program has been a success in my judgment.

I see the Trustee Program as striving to meet two goals: First, for the integrity of the bankruptcy system, the administrative functions of a case must be handled by someone other than the judge; and second, the trustee must serve as a watchdog to prevent fraud, dishonesty, and other shady practices that are detrimental to the interests of creditors debtors, and the public. I believe the U.S. Trustee Program has generally met both of these goals.

It is easy for me to conclude that these goals have been met, but what is most telling is that people and institutions such as the Department of Justice, bankruptcy judges familiar with the Trustee Program, the National Bankruptcy Conference, the Commercial Law League, the National Association of Credit Managers, and the chamber of commerce, would also have reached this conclusion based on their years of experience in the bankruptcy courts.

I have certainly been impressed with the accountability that the U.S. Trustee Program has brought to the bankruptcy system. It would be a shame to return to the era of bankruptcy practice which this very committee heard testimony about in the mid-1970's criticizing the cronyism, "clubby" atmosphere, and scandal, that surrounded much of bankruptcy practice. Although it may be left largely unsaid in polite conversation, nevertheless, one of the critical questions underlying this legislation is who will control the patronage. To be blunt, it makes me very, very, uncomfortable to think that it is judges—supposedly impartial judges—who are controlling that patronage with all the opportunities created thereby which smack of the appearance of potential improprieties.

Mr. HATCH. Mr. President, this is a rather technical, but nonetheless important amendment to the bankruptcy code. It is a relatively simple amendment which would clarify the responsibility of a bankruptcy trustee in a chapter 7 case to bring to the attention of the court such information as may enable it to carry out its responsibilities under sections 523, 707, and 727 of the code. These sections deal with objections to discharge or dismissal of a chapter 7 petition for fraud or other abuse.

This amendment is intended to address a sense of growing frustration by members of the bankruptcy community, including some judges and trustees, that the amendments made in 1984 have not entirely fulfilled their promise in restoring balance in the area of consumer debt. Much of this frustration stems from the continuing high volume of chapter 7 filings by individuals. Due to demands on the courts' time of other more complex cases under other chapters, they are frequently unable to devote the degree of time and attention to chapter 7 consumer cases which might otherwise be desirable. As a result, the impetus is on the trustee to assure that information required by the court to carry out its responsibilities is made available to it in a timely and efficient manner.

One instance in which the ability of the trustee to meet this responsibility has been unnecessarily restricted is in the context of sectionhnty 707(b). As added by the 1984 act, section 707(b) permits the court to dismiss a chapter 7 petition if it determines that granting relief would constitute a substantial abuse of the bankruptcy process. Due to a defect in the wording of section 707(b), however, several courts which have considered the issue have taken the position that the bankruptcy trustee, because he is technically a party in interest in a case may not bring to the attention of the court evidence of possible abuse. By foreclosing the most logical source of impartial information on the existence of possible bankruptcy abuse, the result is that the courts themselves must sift through the mass of chapter 7 filings if they are to pursue seriously the charge given them by the Congress under section 707(b).

Several courts have expressed frustration with the current process. One court conceded its "uneasiness with being cast in the dual role of adducer as well as arbiter of the evidence" in a section 707(b) case and specifically invited unsecured creditors to participate in a proceeding which it had initiated on its own motion. In *re Almendinger*, 56 B.R. 97 (Bankr. N.D. Ohio 1985). Another court, faced with the fact that evidence of abuse had been brought to its attention by a creditor, declined to terminate a section 707(b) inquiry for that reason alone, but expressed frustration with the procedural dilemma resulting from the language of the section. In *re Hudson*, 56 B.R. 415 (Bankr. N.D. Ohio 1985).

Clearly, this is an absurd result and hardly in keeping with the congressional intent in passing the 1984 amendments. This amendment would

clarify the responsibility of the trustee as an officer of the court and the person charged with hands-on day-to-day administration of chapter 7 cases, to bring to the court's attention any and all information or evidence which he believes will aid the court in reaching a fair result. By clarifying this responsibility on the part of the trustee, the amendment will help bring the administration of chapter 7 by the bankruptcy court into line with the original congressional intent of the 1984 amendments.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 1844) was agreed to.

Mr. HEFLIN. I move to reconsider the vote by which the amendment was agreed to.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND. Mr. President, I understand the distinguished Senator from Mississippi wants to be recorded as opposing the amendment, and I would like the RECORD to show that.

Mr. COCHRAN. The amendment was agreed to by voice vote. I voted no.

Mr. THURMOND. The distinguished Senator from Mississippi wishes to be recorded as voting no, as I understand it, on this amendment.

Mr. President, the distinguished Senator from Georgia has an amendment he wishes to take up now.

AMENDMENT NO. 1845

(Purpose: To perfect provisions of the Homestead Protection amendments of the Food Security Act of 1985, and for other purposes)

Mr. MATTINGLY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Georgia [Mr. MATTINGLY], for himself and Mr. KENNEDY, proposes an amendment numbered 1845.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

On page 5 of the bill, strike the period at the end of line 5 and insert in lieu thereof the following: "; and Section 352(c)(3) is amended by striking out "$40,000" and inserting in lieu thereof "$15,000"; and Section 352(c)(4) is amended by striking out "60" and inserting in lieu thereof "50.".

Mr. MATTINGLY. Mr. President, the amendment Senator KENNEDY and I are offering today is a simple modification of language included in the Judiciary Committee bill.

□ 1440

Senator KENNEDY submitted a motion during the Judiciary Committee's consideration of the present bill. The committee amendment that he proposed on our behalf restores the mandatory nature of the provisions of the family farm homestead provisions as adopted by the Senate during the consideration of the 1985 farm bill.

When I offered the original measure, it required the Secretary of Agriculture or the Administrator of the Small Business Administration to allow a farm program borrower facing foreclosure, forced liquidation, or bankruptcy to retain his family home and a few adjoining acres of land so that he and his family would have a place to live while trying to reorganize their lives.

During the conference with the House of Representatives, the provision was made discretionary. Senator KENNEDY introduced our amendment in the present bill in the committee to restore the original Senate language that I proposed. The amendment we have sent to the desk is an additional modification, the need for which has become apparent since the Department of Agriculture recently began implementing the family farm homestead provisions.

Among other factors, the original legislation required the farm family seeking this homestead exemption to have earned from farming a minimum of $40,000 in 2 out of the past 5 years. We are incorporating in today's amendment a lower threshold of $15,000 in gross farm earnings for 2 out of the past 5 years as one of the eligibility criteria rather than the original $40,000 figure. The Department of Agriculture is amenable to this suggestion, and agrees that the current threshold is preventing numerous bona fide farmers from qualifying to keep their homes under the program.

The Department of Agriculture indicates that this charge will allow them to give full effect to the original intent of the Senate when my homestead amendment to the farm bill was first adopted. Yet, they will retain sufficient means to limit benefits to real farm producers, and not "hobby" or "tax shelter" farmers.

Mr. President, at a time when many farm families are facing severe economic distress through no fault of their own, this is the very least we can do to provide a more orderly transition. This keeps a roof over the family's head while they readjust to the harsh realities of bankruptcy. Unfortunately, much of their hardship has been caused by misguided attempts to meddle in farm economics and production. This program certainly is not a magic cure-all for all the financial woes of our agricultural sector, but it does allow the farm producer a reasonable opportunity to retain some dignity and family stability during his time of extreme stress, and it preserves for him the option of redeeming the family home place if and when he can get back on his feet financially.

Mr. President, I ask for the adoption of this amendment. I feel strongly that it needs to be supported by the full Senate and hopefully the managers will accept this provision.

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

Mr. THURMOND. Mr. President, did we act on the Mattingly amendment first?

Mr. MATTINGLY. We have a pending amendment.

Mr. DECONCINI. I apologize. I withdraw my request.

Mr. THURMOND. Mr. President, we will accept the Mattingly amendment.

Mr. KENNEDY. Mr. President, the 1985 farm bill approved by the Senate contained an important provision to protect farmers from losing their homes and land in the severe depression that is blighting America's heartland. Under this provision, farmers were enabled to retain their homes and the adjoining land for 5 years following foreclosure, bankruptcy, or forced liquidation.

During this period, the farmers would pay a reasonable rent to the Federal lender—the Farmers Home Administration or the Small Business Administration—and at the end of that time they would have a chance to redeem the farm if their financial condition had improved.

As originally introduced by Senator MATTINGLY last year and adopted by the Senate by unanimous consent, this provision was mandatory. Unfortunately, there was no comparable House provision; the Senate-House conferees accepted the program, but unwisely chose to make it discretionary rather than mandatory.

In its markup of the Bankruptcy Judges Act, the Senate Judiciary Committee corrected this mistake and accepted an amendment I offered to restore the mandatory language and provide real protection to bankrupt farmers.

Now, because of the continuing dire straits that plague American agricul-

ture, Senator MATTINGLY and I are offering an additional amendment. Under our provision, the minimum farm income required to take advantage of the homestead exemption would be reduced from $40,000 to $15,000.

This change has been suggested by the Department of Agriculture, whose officials believe that the $40,000 threshold is too high, and would exclude many needy full-time farmers from protection for their homes.

At the present time, the FmHA is in the process of sending out foreclosure notices to over 70,000 farmers across the country, and 30,000 of these face immediate eviction. I know that my colleagues from rural and agricultural areas, particularly in the Midwest and South, are familiar with the great social tragedy that is unfolding in their States. In a visit to Missouri last year, I personally saw scores of farm homes unoccupied, deserted, and gradually deteriorating, and I met scores of families who told me it never had to happen.

There is no easy answer to the pervasive depression in American agriculture. But we don't have to accept harsh foreclosure laws that arbitrarily drive hardworking families from their homes and land because of economic forces beyond their control. That's why we have bankruptcy laws—to provide a reasonable cushion against such human emergencies. For many farm families facing bankruptcy, this modest amendment offers a chance to keep their lives together, and it's a chance they deserve to have.

Mr. HEFLIN. Mr. President, we are willing to accept the Mattingly amendment. We think it is a very fine amendment and clarifies.

Mr. THURMOND. It is a very fine amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Georgia.

The amendment (No. 1845) was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HEFLIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DECONCINI addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. DECONCINI. Mr. President, I yield to the distinguished Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. RUDMAN. Mr. President, I thank my friend from Arizona. I just want the opportunity for a few moments to put something in the record. I will consume no more than 2 or 3 minutes.

Mr. President, I rise as chairman of the Commerce, Justice, State, Judiciary Subcommittee of the Senate Appropriations Committee, the subcommittee that has the appropriations jurisdiction over the pending matter.

I intend to vote for the pending matter because I believe it is very important. But I wanted the record to show today, and I particularly wanted the distinguished chairman and ranking member of the Judiciary Committee to recognize, that there is a fiscal impact to what we are doing here. That is fine. There is a fiscal impact on most things we do here. But I do not want anyone to think for a moment that we are not going to have a bit of a problem because of the budget resolution as adopted. The budget resolution as adopted essentially put the Judiciary at freeze levels.

Yesterday, the committee had before it the distinguished Associate Justices of the U.S. Supreme Court, Sandra Day O'Connor and Associate Justice Powell as well as Judge Charles Clark who heads the Budget Committee of the Judicial Conference. They made it very clear that under the present budget resolution, they are going to have a very difficult time in discharging their responsibilities.

As we improve law enforcement, as we improve many things within the system to which the Senate Judiciary Committee deserves great credit, we also increase the workload on the judiciary.

Now, that brings us to the current matter which we are about to pass in the Senate, I am sure overwhelmingly.

I just want the record to show that we are now in a situation with the Nickles amendment having been added where there will be approximately $16.1 million of additional judiciary costs the first year and about $12.3 to $12.5 million additional to be spent on the judiciary during the next 3 years following this year.

That being the case, it certainly seems to me that we will have to find some accommodation in the budget resolution as it returns to the Senate floor from the House, hopefully sometime in the next 30 to 45 days.

I would point out that the Senate-passed resolution before passage of this bill assumed a freeze level of $1.063 billion which is $158 million less than the judiciary estimates it will need to meet its present workload.

So I would simply ask that the record show that this is all fine and I am going to vote for it. But I also am going to vote to pay for it.

Mr. President, the Senate is considering legislation to create 49 new bankruptcy judgeships. In doing so, I think we should stop and look at where we are in terms of the needs of the Federal judiciary for fiscal year 1987.

The Senate-passed budget resolution assumes a freeze level of $1,063,000,000 for the Federal judiciary in fiscal year 1987. This is $158 million less than the level the judiciary estimates it will need to meet its increased workload. Unless the budget resolution ultimately provides some relief for the Federal judiciary or the Commerce, Justice, State Appropriations Subcommittee cuts into other vital law enforcement functions, the Federal judiciary may be required to take the following actions to meet a freeze level:

Defer the appointment of bankruptcy judges;

Defer the appointment of new full-time magistrates and conversion of part-time magistrates to full-time status which have been authorized;

Staff clerks' offices in the courts of appeals, district courts, and bankruptcy courts at 85 percent of the formula allowance established by the judicial conference—clerks offices are currently staffed at 94 percent of the formula allowance;

Staff pretrial services and probation offices at 85 percent of the formula—currently staffed at 94 percent of formula;

Reduce compensation for court-appointed attorneys, which may adversely affect the quality of representation provided;

Suspend or defer civil jury trials;

Defer equipment, furniture and lawbook purchases;

Limit travel, which could also limit the frequency of court sessions in outlying locations, thus making the courts less accessible to the public and the bar.

The above scenario sets forth the situation that currently exists in terms of a freeze level and the request of the Federal judiciary for 1987. If we authorize an additional 49 bankruptcy judgeships, with additional cost estimates of $16.1 million in fiscal year 1987, and $12.25 million in subsequent years, we further aggravate the problem.

This does not dispute the serious need for additional bankruptcy judges. It only asks that if we are going to create new judgeships with all the resulting costs involved of staffing those judges and providing courtrooms and offices, we realistically assess the costs involved and find a way to fund them. It does us no good to create judgeships if we are faced with deferring the appointment of existing bankruptcy judgeships because of budget constraints.

Mr. President, Chief Judge Charles Clark, chairman of the Budget Committee of the Judicial Conference made a special trip to Washington to call upon Members of the Senate and the House of Representatives to ex-

plain the special problems the judiciary faces if forced to live with a budget freeze. The major point Judge Clark tried to make is that the judiciary's workload is driven by forces beyond its control. We are pleased to see the results of increased law enforcement efforts—increases in arrests, prosecutions and convictions. But, we do not often stop to think of the burden we place on our judicial system as we strengthen our law enforcement efforts. Such items as defender services and jury trials are legislatively or constitutionally mandated. As prosecutions increase, the costs for these areas must also increase.

If we are to create new judgeships, realistically we must provide those judges with places for holding court, offices, a small staff, and facilities for keeping track of pleadings, trial transcripts, evidence and prisoners.

In short, at some point we must stop and realize that the cost of our judicial system is not one that we can freeze, nor is it one that we can control. It is, however, a system that must be supported and I am hopeful that we will be able to accommodate the increased workload of the Federal judiciary in terms of providing a realistic level for the operation of our judicial system in the budget resolution.

I yield the floor.

I thank again my friend from Arizona.

Mr. DECONCINI addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. DECONCINI. I want to compliment the Senator from New Hampshire. As usual, he is bringing to the attention of this body each step we take of spending dollars and urging us to also find the money if we are going to spend it. Quite frankly, I, as one Member, had some hesitancy about the Nickles amendment. But in light of how we work, and in the spirit of compromise, I was not going to oppose it. Besides, I would have been beaten had we called for a vote on it.

But I thank the Senator from New Hampshire for raising the issue because I think that is why the bill as reported out from the committee did not have those 14 judges in it, because it was the committee judgment that we needed to restrain the expenditures in the judiciary area and the cost of the judiciary. Now we have done what we ought to do on the floor, and added just a tad bit here and there. We have to pay for that tad bit.

The Senator from New Hampshire knows it better than I do.

AMENDMENT NO. 1846

(Purpose: To amend section 156 of title 28)

Mr. DECONCINI. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. DECONCINI] proposes an amendment numbered 1846.

Mr. DECONCINI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place add the following new section:

SEC. . Section 156 of title 28, United States Code, is amended by adding at the end thereof the following:

"(d) No office of the bankruptcy clerk of court may be consolidated with the district clerk of court office without the prior approval of the Judicial Conference and the Congress.".

□ 1450

Mr. DECONCINI. Mr. President, this is a relatively simple amendment. It requires that before the bankruptcy clerks office can be folded in or united with the district court clerks office that it must be approved by the Judicial Conference and the Congress.

The simple reason is because there is sometimes a slight conflict between the clerks of the bankruptcy courts and the clerks of the U.S. district courts. We think there should be a process moving forward to have this approved by the judicial process and sent here for our final approval.

I think it makes good sense. It does not prohibit the uniting of these offices and the real cost benefits to be had, but it does prohibit it being done without some approval.

I hope the managers of the bill can accept the amendment.

Mr. THURMOND. Mr. President, we are willing to accept the amendment.

Mr. HEFLIN. Mr. President, we will accept the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1846) was agreed to.

Mr. DECONCINI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HEFLIN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DECONCINI. Mr. President, I want to pay particular thanks to the Senator from Alabama, the Senator from Utah, and the Senator from South Carolina for the work they have put together in getting this bill here. It has not been an easy task. It has taken about a year since we were prepared to move on this bill. We did work on this bill in the last Congress.

The chairman of the committee has taken a great deal of time to attend hearings, and his staff, my staff, and the staffs of many others have put in countless hours, as has the Senator from Alabama, in getting this measure before the Senate.

Bankruptcy is not one of those subjects that interests many of us here, which brings out great headlines or great interest from the public. But it is very important.

The work that these Senators have put forth should not go unnoticed. I hope the record will so show. My compliments go to them. It would not happen without their outstanding work.

Mr. President, in addition to Senators THURMOND and HEFLIN, I want to particularly thank Senator EAST, the chairman of the Courts Subcommittee, and Senator HATCH for their diligent efforts in bringing this bill to the floor.

A bill like this does not make headlines but it is an extremely difficult, arcane area of the law. The staff and those who consulted with them did a tremendous job in tying all the loose ends together. Bob Fiedler of my staff has played a vital role in all major bankruptcy legislation of the past 7 years; his technical expertise is a great asset to the committee as is his unique ability to work out compromises between vastly dissimilar points of view. Roberta Mann was of great assistance to me and the committee in compiling and analyzing endless quantities of statistics relating to bankruptcy workload.

I also want to single out Diana Waterman of Senator THURMOND's staff for her professional, and always cheerful, approach to this legislation. Recently, she has been ably assisted by Joe Buzhardt.

Karen Kremer of Senator HEFLIN's staff has distinguished herself in assisting the Senator from Alabama and in working in a most competent and gracious manner with all concerned.

Four other individuals from the Department of Justice deserve great praise. They are Thomas Stanton, Vincent Lobisco, and Barbara O'Connor and Jean Fitzsimon. They have been tireless in assisting our staff on the various technical details of this bill.

Mr. THURMOND. Mr. President, before the Senator from Arizona leaves the Chamber, I want to take this opportunity to express gratitude for his fine cooperation in connection with bankruptcy matters in general and this bill in particular. He has rendered great service to this country.

I would also like to thank his staff members, Bob Fiedler, and Roberta Mann, for their assistance.

Mr. President, while I am speaking, I want to take this opportunity to also thank the able Senator from Alabama [Mr. HEFLIN] for the outstanding service he has given in this matter. He is a former chief justice of the Supreme Court of Alabama. He is well-versed in

legal and judicial matters. His advice and assistance have been of great help.

I want to express my appreciation to his staff member, Karen Kremer, for the work she has done on this matter.

I thank Senator HATCH for his important contributions to this measure. He was of tremendous assistance in the committee in preparing this bill. His able assistant, Randy Rader, also was of great help.

I want to thank Senator GRASSLEY for the amendment he offered and the service he rendered, and also his staff members, Ally Milder and Sam Gerdano.

A special expression of thanks is due to Senator EAST and David Anderson of his staff. As chairman of the Courts Subcommittee, Senator EAST held comprehensive hearings on the issues involving farm bankruptcy reform and the U.S. trustee program. Those hearings provided us with much needed insights in order to press forward with these legislative efforts.

I thank Senator NICKLES for the amendment he offered today, which we accepted, and I also thank his staff member Bret Bernhardt for the services he rendered.

I thank my own staff: Mr. Dennis Shedd, my chief counsel on the Judiciary Committee; Diana Waterman, the general counsel on the committee, and Mr. Joe Buzhardt, the legislative counsel on the committee. I thank them for the great work and attention they have given. They have worked tirelessly for long hours. They have attended many conferences. I am indebted to them.

Mr. President, I also wish to express my appreciation to the majority leader and to the minority leader. The able majority leader has been most helpful in getting this bill before the Senate. There is a lot of legislation pending on the agenda, but he realized the great importance and timeliness of this particular bill. We are deeply indebted to him. I also want to thank his staff for their cooperation.

Mr. President, I also thank the able Democratic leader for his cooperation in allowing this bill to come up, and I also thank his staff assistant.

Mr. President, I believe we are ready for third reading.

Mr. HEFLIN. Mr. President, I would like to commend the outstanding and tireless work of the chairman of the Judiciary Committee who continues to be a marvel to all of us. He is one of the few who, as President pro tempore, opens almost every session of the Senate and also chairs the various hearings of the Judiciary Committee personally. He spends a great deal of time in the work of the Judiciary Committee and on the floor. He is a tireless worker. I commend him for his work, for his insight into these matters, and for his cooperation.

I would also like to commend Dennis Shedd, of his staff, and Diana Waterman and Joe Buzhardt, of Senator THURMOND's staff, for their work on this legislation.

Senator DECONCINI has been of great help to us on this matter. Bob Fiedler and Roberta Mann of his staff have also been of invaluable help.

I commend Senator GRASSLEY and his staff, Ally Milder and Sam Gerdano, who have worked hard and tirelessly on this measure.

I also thank Senator EAST, who is not in the Chamber at the moment. Senator EAST has been very helpful in this matter as chairman of the Subcommittee on Courts of the Judiciary Committee. He has had great input into this bill. We thank him.

We also thank David Anderson of Senator EAST's staff.

Randy Rader, of Senator HATCH's staff, has been of immense help, as well as Senator HATCH.

Jan Wilson, from the legislative counsel's office, should be thanked for her long hours and outstanding draftsmanship.

Mr. President, sometimes we do not realize how much the legislative counsel help us, but they really draft the language that we review. They spend hours in that work and are the true draftsmen of legislation that comes before the Senate.

I want to thank Karen Kremer, of my staff. She has worked very diligently on this. This is sort of her baptism under fire. She has done an outstanding job and I appreciate her good work on this legislation.

Mr. President, I also appreciate the courtesies extended to me and my staff by the members of the staff of the majority leader and the minority leader. They have been very helpful to us as we have proceeded.

This will conclude the remarks I desired to make at this time.

Mr. DOLE. Mr. President, I would like to commend Senator THURMOND for the careful and thoughtful way his committee processed this legislation. As the former chairman of the Subcommittee on Courts, I am fully aware of how easily a judgeship bill can rapidly expand to include a new position for every Senator's State unless firm standards are set and stringently followed. In this instance, Chairman THURMOND has accomplished the remarkable feat of staving off Senators' requests for additional judges and staying within the number recommended by the Judicial Conference.

Insofar as Kansas is concerned, I am satisfied, for now, with the explanation provided by the Judicial Conference as to why an additional bankruptcy judgeship could not be justified for our district. I ask unanimous consent that at the end of my remarks, the written analysis the Judicial Conference provided at my staff's request be printed in the CONGRESSIONAL RECORD. I am, however, concerned about the unusually high number of bankruptcy filings in Kansas last year and will continue to closely monitor the situation. Should the workload continue to increase, I may seek an additional judgeship at a later date.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

JUDICIAL CONFERENCE CONSIDERATION OF ADDITIONAL BANKRUPTCY JUDGESHIP FOR KANSAS

After enactment of the Bankruptcy Amendments and Federal Judgeship Act of 1984 (Public Law 98-353; 98 Stat. 332), the Judicial Conference of the United States undertook a comprehensive study of the need for additional bankruptcy judgeships nationwide through its Bankruptcy Committee. The Bankruptcy Committee consists of ten Federal judges, including three bankruptcy judges. The response to the Bankruptcy Committee's initial survey of local judges' perceptions of the need for additional positions in each judicial district produced requests for 81 new positions—an increase of one-third over the 232 judgeships established in the 1984 legislation. The Bankruptcy Committee recognized the need to develop some standard measure to assess the judicial workload in each district to ensure that only the meritorious cases were recommended to the Congress.

After reviewing the initial requests and workload data for each judicial district over a five-year period, the Bankruptcy Committee developed a two-pronged "threshold test" for use in initial consideration of requests for new judgeships. The Committee established a combined benchmark of 1,800-2,000 total filings and 100 chapter II petitions, per judgeship, to establish a presumption that a district needed an additional position. The Committee also recognized that the evaluation of judicial workloads is a very sophisticated process requiring substantial input as to local conditions affecting judges' ability to hear and resolve the number of disputes coming before them. Because the bankruptcy laws are closely interrelated with the laws of the individual States, the Committee was particularly sensitive to the need to have input from local judges on the nature of the district's caseload.

Statistically, the District of Kansas met neither prong of the Bankruptcy Committee's "threshold test". For the year ended June 30, 1985, the district's caseload—on a per judgeship basis—was 1,603 total filings and only 65 chapter II petitions. Moreover, the filings for that year were unusually high. In the four preceding years, the caseload per judgeship in Kansas had been much less as reflected in the following table:

[Years ended June 30]

	1981	1982	1983	1984
Total filings	1,508	1,430	1,433	1,425
Ch. 11 petitions	14	22	32	55

Statistically the district did not demonstrate the existence of a long-term need warranting an additional judgeship to serve a fourteen year term. The Bankruptcy Committee therefore required that the local judges present a strong showing as to the

impact of local conditions and special factors to overcome the raw statistical data. The Committee held open the period for the submission of additional materials beyond the formal session of the Judicial Conference in September 1985 to ensure that each district had a full and fair opportunity to present the case in support of its request.

The argument in support of the Kansas position involved two points: (1) the district had a heavier workload than the national average; and (2) the caseload at Wichita, taken alone, would justify a position under the Committee's standards. The Bankruptcy Committee specifically rejected measuring the need for additional judgeships against the national average caseload per judgeship because that figure reflected particularly low caseloads in some districts. Were the national average standard to be employed, the addition of new judges would immediately reduce the average caseload and thereby create a justification for new judgeships in districts that had been just below the previous average. The Committee believed that its standard should be a more constant measure of workload, and one that assured that any new judgeships created would have a substantial workload. The Committee also rejected fragmenting the district's workload, reasoning that the Congress would authorize judgeships for the district as a whole and would expect judges with lighter caseloads to assist their colleagues within the same district.

DISTRICT OF KANSAS: PRESENT NUMBER OF BANKRUPTCY JUDGESHIPS: 3

[Workload data—year ended June 30, 1985]

	Total	Per judgeship—	
		District	National
All filings	4,808	1,603	1,571
Ch. 7	3,815	1,272	1,055
Ch. 11	194	65	92
Ch. 13	799	266	482
Business (percent)	22	22	18
Adversary proceedings	1,160	387	242
Terminations	3,909	1,303	1,436
Ch. 7	3,128	1,043	1,058
Ch. 11	19	6	30
Ch. 13	762	254	349
No asset (percent)	76	76	75
Adversary proceedings	945	315	220
Court action	305	102	122
Trials completed	61	20	23
Other proceedings	19,541	6,514	3,787

Mr. NICKLES. Mr. President, a key provision of the bill before us today, S. 1923, is the homestead protection provision for farm and ranch borrowers. It is my pleasure to be an original cosponsor of this measure as it will allow many farm families to maintain their place of residence and their pride as they experience some of the most difficult economic times of their lives.

Let me briefly describe the specifics of the homestead protection provisions we are putting before the Senate today. First, this section applies to farmers and ranchers who borrowed from the Farmers Home Administration or the Small Business Administration and who are faced with foreclosure, bankruptcy or liquidation. The homestead property is considered the principal residence and a reasonable amount of adjoining land. Under this provision, FmHA and SBA would be required to permit a borrower to retain possession and occupancy of the homestead property for the purpose of family maintenance. This is a change from provisions of the 1985 farm bill which gave FmHA and SBA this authority but did not require such action.

The value of the homestead property would be determined by an independent appraisal. During the period of occupancy, which could not exceed 5 years, the borrower would provide rent payments based on rent charged for similar properties in the area. At the end of the occupancy period, the borrower would be granted the first right of refusal to repurchase the homestead property.

To be eligible to occupy homestead property, statutes require the borrower to:

First, apply for occupancy; second, have exhausted all other remedies for extension or restructuring of the loan; third, have made gross annual farm sales of at least $15,000 in at least 2 of the last 5 calendar years; fourth, have received from farming operations at least 60 percent of the family's gross annual income; fifth, have occupied the homestead property and engaged in farming or ranching during the 5-year period; and sixth, maintain the property in good condition during the period of occupancy.

Mr. President, the need for these homestead protection provisions reflect the crisis which has gripped the Nation's agriculture community. Agriculture is in a crisis unparalleled since the Great Depression. I hope my colleagues will not forget that there are many Americans, a number who reside in my State of Oklahoma, that have not shared in the upturn of the general economy. With this in mind, I urge the Senate to lend its support to the homestead protection provisions we are setting forth today.

Mr. HATCH. Mr. President, I would like to particularly commend the chairman of the Judiciary Committee, Senator STROM THURMOND, for his tireless efforts on behalf of America's judiciary. In this instance, he has not hesitated to provide the leadership to resolve the growing bankruptcy caseload.

Earlier this year, at the request of the Judicial Conference, he introduced S. 1923 to provide 48 new bankruptcy judges. The Judicial Conference based its recommendation on two indicia of growing caseload—total bankruptcy filings and total filings under chapter 11—the type of bankruptcy case that generally demands court time.

During Judiciary Committee deliberations on this recommendation, Senator DECONCINI and others pointed out that these input statistics did not indicate how much work was actually coming out of the various bankruptcy courts. They suggested that the amount of work done ought to be factored into the equation when deciding whether more judges are necessary.

At this juncture, Chairman THURMOND graciously appointed me to lead an ad hoc subcommittee to consider the need for additional judges. After seeking the advice of numerous leading bankruptcy authorities, this subcommittee developed additional criteria to ascertain the actual workload in various districts. In addition to the two criteria employed by the Judicial Conference, we considered five more criteria:

Total adversary proceedings terminated per judgeship;

Total adversary proceedings terminated without court action per judgeship;

Modified total filings, chapter 7 asset cases, chapter 11 asset cases, and 10 percent of chapter 13 filings—this modification reflects the ease with which most chapter 13 filings can be resolved while asset cases generally require in-court resolution;

Unique or extenuating factors applicable to particular jurisdictions, such as complexity of caseload in certain areas or singular but massive cases or travel distances;

Availability of underutilized judges in neighboring jurisdictions.

On the basis of these critera, we deleted some of the judgeships that the Administrative Office had recommended. The bill approved by the Judiciary Committee thus contained 34 judgeships, rather than 48.

In light of these factors and the priority attention now being given to budget constraints, I can vouch for these 34 as clearly required. Their creation is imperative. Beyond these I might note that the perpetual creation of new bankruptcy judgeships is not wise policy. Relief from a growing bankruptcy caseload in some cases will require another judge. I particularly cite the Utah district as an example of this kind of situation. In other cases, however, a new judge may not be the best way to deal with the burgeoning caseload. We ought to consider changes in the substantive law of bankruptcy, additional support personnel, better case management, and other measures to deal with this problem. Bankruptcy filings tend to be cyclical. One year they rise, the next they may taper off. They also tend to be geographical. One area may have more cases one year and less the next depending on local economic conditions. These factors argue against creating a new judgeship every time the caseload may be peaking.

I commend the Judiciary Committee chairman and look forward to working with him and the rest of my colleagues and the rest of the Federal judiciary to determine when more judges are warranted as the relief of last resort.

UTAH BANKRUPTCY JUDGE

Mr. Chairman, I commend the chairman for his leadership in setting the bankruptcy courts of the United States on a firm constitutional footing. The adoption of the Landmark Bankruptcy Act in 1984 inaugurated a period of renewed commitment to sound judicial administration of our article I insolvency courts. This sound judicial administration, however, is jeopardized in some districts by inadequate resources to meet the needs. Accordingly, I once again commend the chairman for undertaking the important task of reviewing the need for additional judgeships to keep our bankruptcy system working smoothly.

In this connection, I introduced in March of 1985 S. 618, a bill to provide for the appointment of an additional bankruptcy judge for the district of Utah. The need for enactment of this measure has been recently confirmed by the Administrative Office of the U.S. Courts which also requested creation of a new Utah bankruptcy judgeship to prevent disruption of the administration of justice in that part of the tenth circuit.

In making that request, the Administrative Office presented some alarming statistics regarding the massive caseload of the bankruptcy court of the State of Utah. Among the most reliable statistics in assessing the caseload of bankruptcy courts is the number of chapter 11 filings. Chapter 11 cases generally require extensive contested court hearings and adversary proceedings, while chapter 7 and 13 proceedings are generally very administrative and handled out of court. In 1981, the first year that applicable statistics were available, the total number of chapter 11 bankruptcy filings per judgeship in the State of Utah were 139—a figure many times in excess of the national average of 35. By 1985, the number of chapter 11 filings per judge has risen astronomically to 213—a figure still far above the national average of 92 per judge.

When compared with the national average of filings per bankruptcy judgeship in other categories, Utah's Bankruptcy Court must still be considered blatantly overburdened. For instance, the average number of petitions filed per judgeship in the Nation during 1985 was 1,586, while in Utah, the number stood at 1,979.

A clear indication that Utah's two bankruptcy judges are overworked is that they terminate an average of 77 of the complicated chapter 11 cases yearly, while national average for bankruptcy judges is 30—less than half the Utah totals.

This rigorous caseload clearly disrupts the administration of justice in this vital area of law. Utah bankruptcy judges must spend very long hours on the bench. Utah must often rely on visiting judges. And most distressing, Utah citizens and businesses must occasionally endure costly delays in seeking resolution of their claims.

In article I, section 8 of the U.S. Constitution we find that Congress has been empowered to create uniform bankruptcy laws. The efficiency of uniform bankruptcy laws, however, is imperiled when article I bankruptcy courts are presented with enormous caseloads. In fact, when compared with other districts in the tenth circuit, Utah falls even further behind in the acquisition of necessary bankruptcy adjudicatory resources.

Judge Ralph R. Maybey, a former Utah bankruptcy court judge with a national reputation, has often mentioned Utah's troubled position in the tenth circuit. The Utah district, in 1984, was dealing with almost four times the number of chapter 11 filings, more than two times the number of chapter 13 filings, and just under three times the number of adversary filings per judgeship as compared with other districts in the tenth circuit. Mr. Maybey, referring to the previous statistics, said, "Utah's problem is by far the worst of any in the circuit—and I dare say as bad as anywhere."

The Honorable Aldon J. Anderson, former chief judge of the U.S. District Court, district of Utah, prior to his recent resignation, repeatedly requested a third bankruptcy judgeship position in Utah. His pleas became increasingly emphatic as he saw the "trial calendars * * * backlogged approximately 2 years." He affirmed that the delay of appointment has not only been an inconvenience to the two presently overburdened judges, but also, the delay "has worked injustice on litigants."

This situation is certainly worthy of congressional attention. If our court systems are to maintain the respect they require to dispense impartial and efficient justice, they must not fall into the dilemma currently facing the Utah bankruptcy bench. Accordingly, I urge my colleagues to join me in correcting this Utah situation and the same problems that have arisen in other districts that warrant this corrective legislation.

The PRESIDING OFFICER. If there are no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill was engrossed for a third reading and was read the third time.

Mr. THURMOND. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of H.R. 2211, the House companion bill, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2211), to amend title XI of the United States Code with respect to bankruptcy proceedings involving debtors or family farmers, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed immediately to the consideration of the bill.

Mr. THURMOND. Mr. President, I move to strike all after the enacting clause and to substitute the text of S. 1923, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 2211) as amended, was passed, as follows:

Strike out all after the enacting clause and insert:

TITLE I—BANKRUPTCY JUDGES

SEC 101. APPOINTMENT OF BANKRUPTCY JUDGES.

(a) There shall be appointed, pursuant to section 152(a)(1) of title 28, United States Code, additional United States bankruptcy judges.

(b) To reflect the changes made by this section in the table of judges for each of the judicial districts, section 152(a)(2) of title 28, United States Code, is amended by striking the following:

"Arkansas:	
Eastern and Western	*2*
California	
Northern	*7*
Eastern	*4*
Central	*12*
Florida	
Middle	*2*
Georgia	
Northern	*4*
Southern	*1*
Idaho	*1*
Illinois	
Northern	*8*
Central	*2*
Iowa	
Northern	*1*
Southern	*1*
Kentucky	
Western	*2*
Maryland	*2*
Michigan	
Western	*2*
Nebraska	*1*
Nevada	*2*
Oklahoma	
Western	*2*
South Carolina	*1*
Tennessee	
Eastern	*2*
Western	*2*
Texas	
Northern	*4*
Southern	*3*
Western	*2*
Utah	*2*

Washington	
Eastern	1"

and inserting in lieu thereof the following:

"Arkansas	
Eastern and Western	3
California	
Northern	8
Eastern	6
Central	17
Florida	
Middle	4
Georgia	
Northern	6
Southern	2
Idaho	2
Illinois	
Northern	9
Central	3
Iowa	
Northern	2
Southern	2
Kentucky	
Western	3
Maryland	3
Michigan	
Western	3
Nebraska	2
Nevada	3
Oklahoma	
Western	3
South Carolina	2
Tennessee	
Eastern	3
Western	3
Texas	
Northern	5
Southern	5
Western	3
Utah	3
Washington	
Eastern	2".

SEC. 102. HOMESTEAD PROTECTION.

Section 352(b)(1) of the Consolidated Farm and Rural Development Act (as added by section 1321 of the Food Security Act of 1985 (Public Law 99-198)) is amended by striking out "may" and inserting in lieu thereof "shall"; and section 352(c)(3) is amended by striking out "$40,000" and inserting in lieu thereof "$15,000"; and section 352(c)(4) is amended by striking out "60" and inserting in lieu thereof "50".

SEC. 103. SUPPORT OBLIGATIONS.

Section 523(a)(5) of title 11, United States Code, is amended by inserting after "or other order of a court of record or" the following: "any order, rule, or determination made pursuant to a State administrative process for obtaining and enforcing support orders, or".

SEC. 104. FAMILY FARMER REORGANIZATION.

(A) Title 11 of the United States Code is amended by inserting between chapters 11 and 13 the following new chapter:

"CHAPTER 12—FAMILY FARMER REORGANIZATION

"Sec.
"1201. Definitions.
"1202. Application of certain sections of this title.
"1203. Trustee.
"1204. Rights and powers of debtor.
"1205. Authorization to operate farming and other businesses.
"1206. Creditor's committee.
"1207. Powers and duties of a committee.
"1208. Right to be heard.
"1209. Removal of debtor as debtor in possession.
"1210. Conversion or dismissal.
"1211. Who may file a plan.
"1212. Contents of plan proposed by debtor.
"1213. Plan by party other than debtor, impairment of claims; postpetition disclosure and solicitation; acceptance.
"1214. Modification of plan.
"1215. Confirmation hearing.
"1216. Confirmation of a plan proposed by the debtor.
"1217. Confirmation of a plan by a party other than the debtor.
"1218. Limitations on confirmation.
"1219. Effect of confirmation.
"1220. Implementation of plan; distribution; exemption from securities laws.
"1221. Aircraft equipment and vessels.
"1222. Adequate protection.
"1223. Sales free of interests.
"1224. Claims and interests.
"1225. Emergency care of stock.

"§ 1201. Definitions

"For purposes of this chapter a "family farmer" means—

"(1) A person engaged in the production of agricultural products whose aggregate debts do not exceed $1,500,000 if not less than 80 percent of the aggregate noncontingent, liquidated amount of those debts, at the time the case commences, arise out of a farming operation owned or operated by such person and the person receives from such farming operation more than 50 percent of such persons's gross income for the taxable year preceding the commencement of the case, or

"(2) A corporation in which more than 50 percent of the outstanding stock or equity is held by a person conducting the farming operation, and

"(A) more than 80 percent of the value of its assets consists of assets related to the production of agricultural products;

"(B) its aggregated debts do not exceed $1,500,000 if not less than 80 percent of the aggregate noncontingent, liquidated amount of those debts, at the time the case commences arise out of the farming operation of such legal entity; and

"(C) if such corporation issues stock, such stock is not publicly traded.

"(3) "Debtor" means family farmer; and

"(4) "Debtor in possession" means debtor except to the extent that the court orders otherwise.

"§ 1202. Application of certain sections of this title

"Provisions of sections of other chapters of this title shall apply to this chapter as provided by such section.

"§ 1203. Trustee

"(a) If the court has appointed an individual under section 1302(d) to serve as standing trustee in cases under chapter 13, and if such individual qualifies as a trustee under section 322 of this title, or if a trustee has been appointed pursuant to chapter 15, then such individual shall serve as trustee in any case filed under this chapter. Otherwise, the court shall appoint a person to serve as trustee in any case.

"(b) The trustee shall—

"(1) perform the duties specified in sections 704(2), 704(3), 704(5), 704(6), 704(7), 704(9), 1106(a)(3), and 1106(a)(4) of this title;

"(2) appear and be heard at any hearing that concerns—

"(A) the value of property subject to a lien;

"(B) confirmation of a plan;

"(C) modification of the plan after confirmation; or

"(D) the sale of property of the estate;

"(3) distribute any rental payments received pursuant to section 1222(b)(3) as determined by the court;

"(4) advise, other than on legal matters, and assist the debtor in performance under the plan;

"(5) ensure that the debtor commences making timely payments required by a confirmed plan; and

"(6) if the debtor ceases to be a debtor in possession, perform the duties specified in section 704(8) and section 1106(a).

"(c) If the number of cases under this chapter commenced in a particular judicial district so warrants, the court may appoint one or more individuals to serve as standing trustee for such district in cases under chapter 13 or, in appropriate cases, appoint a trustee under chapter 15.

"(d) The compensation for individuals appointed under subsection (a) shall be authorized and limited by section 1302(e) and the percentage fee provided in section 1302(e)(1)(B) for cases under this chapter shall not exceed three percent of payments made under the plan of such debtor, with respect to payments made after the aggregate amount of payments made under the plan exceeds $450,000.

"§ 1204. Rights and powers of debtor

"(a) Subject to any limitations on a trustee serving in a case under this chapter, or a case under chapter 11, and to such limitations or conditions as the court prescribes, a debtor in possession shall have all the rights, other than the right to compensation under section 330, and powers, and shall perform all the functions and duties, except the duties specified in paragraphs (3) and (4) of section 1106(a), of a trustee serving in a case under chapter 11.

"(b) A debtor in possession shall perform the duties of the trustee specified in section 704(8).

"(c) Notwithstanding section 327(a), a person is not disqualified for employment under section 327 by a debtor in possession solely because of such person's employment by or representation of the debtor before the commencement of the case.

"(d) Within sixty days after the date of the filing of a petition under this chapter, and at sixty-day intervals thereafter, or within such time as the court, for cause, may allow, the debtor shall file with the clerk a report which shall include a statement of intention with respect to the disposition of property of the estate, projections of income and expenses for the debtor's farming operation, and, in general terms, a statement of the debtor's strategy for reorganization.

"§ 1205. Authorization to operate farming and other businesses

"(a) Unless the court, on request of a party in interest and after notice and a hearing orders otherwise, the debtor in possession may operate the debtor's farming and other businesses.

"(b) If debtor ceases to be a debtor in possession, the trustee may operate the debtor's farming and other businesses unless the court, on request of a party in interest and after notice and a hearing, orders otherwise.

"§ 1206. Creditor's committee

"(a) On request of three creditors holding unsecured claims, the court may order the appointment of a committee of unsecured creditors, except that if a United States trustee had been appointed pursuant to chapter 15, such United States trustee shall appoint the committee of such creditors.

"(b)(1) A committee of creditors appointed under subsection (a) shall ordinarily consist of the persons willing to serve that hold the five largest unsecured claims against the debtor.

"(2) On request of a party in interest and after a hearing, the court may change the

membership or size of a committee appointed under subsection (a) if the membership of the committee is not representative of the different kinds of claims or interests represented.

"§ 1207. Powers and duties of a committee

"(a) At the scheduled meeting of a committee appointed under section 1206 at which a majority of the members of such committee are present, with the court's approval, the committee may select and authorize the employment, by the committee, of an attorney. If the debtor's financial records have not been adequately maintained, or the debtor's financial affairs are deemed by the court to be unduly complex, the committee may select and authorize the employment, by the committee, of an accountant.

"(b) An attorney or an accountant employed pursuant to subsection (a) may not, while employed by the committee, represent any other entity in connection with the case.

"(c) A committee appointed under section 1206 may—

"(1) consult with the debtor in possession of the case;

"(2) investigate the acts, conduct, assets, liabilities, and financial condition of the debtor, the operation of his farming and other businesses, the means required to maintain the farming or other business, and any other matter relevant to the case or to the formulation of a plan;

"(3) participate in the formulation of a plan, advise those represented by the committee of the committee's determinations as to any plan formulated, and collect and file with the court acceptances of a plan;

"(4) request the dismissal of the case if there is no possibility of a feasible plan being accepted or if the debtor fails to comply with final orders of the court;

"(5) request that the debtor not be a debtor in possession; and

"(6) perform such other services as are in the interest of those represented.

"(d) As soon as practicable, after the appointment of a committee under section 1206, the debtor and the trustee shall meet with the committee to transact such business as is necessary and proper.

"§ 1208. Right to be heard

"(a) A party in interest, including the debtor, the trustee, a creditor's committee, a creditor, or any indenture trustee, may raise and may appear and be heard on any issue in a case under this chapter.

"(b) The Department of Agriculture, the Attorney General, or the director or similar chief officer of the agricultural department or agency of any State in which property of the debtor is located, may raise, and appear and be heard on, any issue in a case under this chapter, but may not appeal from any judgment, order, or decree entered in the case.

"§ 1209. Removal of debtor as debtor in possession

"(a) On request of a party in interest, and after notice and a hearing, the court shall order that the debtor shall not be a debtor in possession—

"(1) for cause, including fraud, dishonesty, incompetence, or gross mismanagement of the affairs of the debtor, either before or after the commencement of the case, or similar cause; or

"(2) if it is not in the best interest of creditors for the debtor to be a debtor in possession.

"(b) On request of a party in interest, and after notice and a hearing, the court may reinstate the debtor in possession.

"§ 1210. Conversion or dismissal

"(a) The debtor may convert a case under this chapter to a case under chapter 7 at any time. Any waiver of, or attempt to waive, such right to convert a case under this subsection is unenforceable.

"(b) If a person, in good faith, files a petition for relief under this chapter, but is not a family farmer, such person may convert the case to a case under chapter 7, 11, or 13 if such person may be a debtor under the chapter to which the case is being converted.

"(c) If a person files a petition for relief under this chapter, but is not a family farmer, on request of a party in interest, and after notice and a hearing, the court may convert the case to a case under chapter 7 unless such person is a farmer or a corporation which is not a moneyed business or commercial corporation, or may dismiss the case, whichever is in the best interest of creditors.

"(d) The court may not convert a case under this chapter to a case under chapter 7 of this title if the debtor is a family member.

"(e) On request of a party in interest, and after notice and a hearing, the court may dismiss a case under this chapter, for cause, including—

"(1) continuing loss to or diminution of the estate and absence of a reasonable likelihood of rehabilitation;

"(2) inability to effectuate a plan;

"(3) unreasonable delay by the debtor that is prejudicial to creditors;

"(4) failure to propose a plan within any time fixed by the court;

"(5) denial of confirmation of every proposed plan and denial of a request made for additional time for filing another plan or a modification of a plan;

"(6) revocation of an order of confirmation under section 1144 of this title, and denial of confirmation of another plan or a modified plan under section 1216 or 1217 of this title;

"(7) inability to effectuate substantial consummation of a confirmed plan;

"(8) material default by the debtor with respect to a confirmed plan;

"(9) termination of a plan by reason of the occurrence of a condition specified in the plan other than completion of payments under the plan; or

"(10) nonpayment of any fee and charges required under chapter 123 of title 28.

"§ 1211. Who may file a plan

"(a) The debtor may file a plan with a petition commencing a case, or at any time thereafter.

"(b) Except as otherwise provided in this section, only the debtor may file a plan until after 240 days after the date of the order for relief under this chapter. The court may not extend this time period unless substantially justified.

"(c) Any party in interest, including the debtor, the trustee, a creditor's committee, a creditor, or any indenture trustee, may file a plan only if—

"(1) the debtor is not a debtor in possession;

"(2) the debtor has not filed a plan before 240 days after the date of the order for relief under this chapter; or

"(3) the debtor has not filed a plan that has been confirmed before 300 days after the date of the order for relief under this chapter.

"(d) On request of a party in interest made within the respective periods specified in subsections (b) and (c), and after notice and a hearing, the court may, for cause, reduce or increase the 240-day period or the 300-day period referred to in this section.

"§ 1212. Contents of plan proposed by debtor

"(a) Notwithstanding any otherwise applicable provision of nonbankruptcy law, a plan proposed by a debtor shall—

"(1) designate, as provided in section 1122, classes of claims, other than claims of a kind specified in section 507(a)(1) or 507(a)(7) and classes of interests;

"(2) provide the same treatment for each claim or interest of a particular class, unless the holder of a particular claim or interest agrees to a less favorable treatment of such particular claim or interest;

"(3) provide adequate means for implementation of the plan such as—

"(A) retention by the debtor of all or any part of the property of the estate;

"(B) transfer of all or any part of the property of the estate to one or more entities, whether organized before or after the confirmation of such plan;

"(C) merger or consolidation of the debtor with one or more persons;

"(D) sale of all or any part of the property of the estate, either subject to or free of any lien, or the distribution of all or any part of the property of the estate among those having an interest in such property;

"(E) satisfaction or modification of any lien;

"(F) cancellation or modification of any indenture or similar instrument;

"(G) curing or waiving of any default;

"(H) extension of a maturity date or a change in interest rate or other term of outstanding securities;

"(I) amendment of the debtor's charter; or

"(J) issuance of securities of the debtor, or of any entity referred to in subparagraph (B) or (C) of this paragraph, for cash, for property, for existing securities, or in exchange for claims or interests, or for any other appropriate purpose; and

"(4) contain only provisions that are consistent with the interests of creditors and equity security holders and with public policy with respect to the manner of selection of any officer, director, or trustee under the plan and any successor to such officer, director, or trustee.

"(b) Subject to subsection (a) of this section, a plan proposed by a debtor may—

"(1) designate a class or classes of unsecured claims, as provided in section 1122 but may not discriminate unfairly against any class so designated, however, such plan may treat claims for a consumer debt of the debtor if an individual is liable on such consumer debt with the debtor differently than other unsecured claims;

"(2) modify the rights of holders of secured claims, or of holders of unsecured claims, or leave unaffected the rights of holders of any class of claims;

"(3) provide for the curing or waiving of any default;

"(4) provide for payments on any unsecured claim to be made concurrently with payments on any secured claim or any other unsecured claim;

"(5) provide for the curing of any default within a reasonable time and maintenance of payments;

"(6) subject to section 365, provide for the assumption, rejection, or assignment of any executory contract or unexpired lease of the debtor not previously rejected under such section;

"(7) provide for the payment of all or part of a claim against the debtor from property of the estate or property of the debtor;

"(8) provide for the sale of all or substantially all of the property of the estate, and the distribution of the proceeds of such sale among holders of claims or interests;

"(9) provide for the vesting of property of the estate, on confirmation of the plan or at a later time, in the debtor or in any other entity; and

"(10) include any other appropriate provision not inconsistent with this title.

"§ 1213. Plan by a party other than the debtor; impairment of claims; postpetition disclosure and solicitation; acceptance

"(a) Sections 1123 and 1125 apply, as the court for cause may require, to plans proposed by a party in interest, including the debtor.

"(b) Section 1126 applies to plans proposed by a party in interest other than the debtor, except that for purposes of this chapter, the phrase 'that have accepted or rejected such plan' in subsection (c) and subsection (d) of such section shall not apply to this chapter.

"§ 1214. Modification of plan

"(a) The proponent of a plan may modify such plan at any time before confirmation, but may not modify such plan so that such plan as modified fails to meet the requirements of—

"(1) section 1212 if the proponent is the debtor; or

"(2) sections 1122 and 1123 if the proponent is a party in interest other than the debtor.

After the proponent of a plan files a modification of such plan with the court, the plan as modified becomes the plan.

"(b) At any time after confirmation but before the completion of payments under a plan proposed by the debtor, the plan may be modified by the debtor to—

"(1) increase or reduce the amount of payments of claims of a particular class provided for by the plan;

"(2) extend or reduce the time for such payments; or

"(3) alter the amount of the distribution to a creditor whose claim is provided for by the plan to the extent necessary to take account of any payment of such claim other than under the plan.

Modifications under this subsection are subject to the requirements of section 1216 and the plan as modified becomes the plan unless, after notice and a hearing, such modification is disapproved.

"(c) The proponent of a plan, other than the debtor, may modify such plan at any time after confirmation of such plan and before substantial consummation, as defined in section 1101(2), of such plan, but may not modify such plan so that, as modified, such plan fails to meet the requirements of sections 1122 and 1123. Such plan as modified under this subsection becomes the plan only if circumstances warrant such modification and the court, after notice and a hearing, confirms such modified plan, in accordance with the requirements of section 1129(a). Any holder of a claim or interest that has accepted or rejected a plan is deemed to have accepted or rejected, as the case may be, a plan as modified, unless, within the time fixed by the court, such holder changes such holder's previous acceptance or rejection.

"(d) The proponent of a modification under subsection (c) shall comply with section 1125 with respect to the plan as modified, for any material modification.

"§ 1215. Confirmation hearing

"After notice, the court shall hold a hearing on confirmation of the plan. A party in interest may object to the confirmation of the plan.

"§ 1216. Confirmation of a plan proposed by the debtor

"(a) The court shall confirm a plan proposed by the debtor if—

"(1) the plan complies with the provisions of this chapter and with the other applicable provisions of this title;

"(2) any fee, charge, or amount required under chapter 123 of title 28, or by the plan, to be paid before confirmation, has been paid;

"(3) the plan has been proposed in good faith and not by any means forbidden by law;

"(4) any payment made or to be made by the debtor, or by a person issuing securities or acquiring property under the plan, for services or for costs and expenses in or in connection with the case, or in connection with the plan and incident to the case, has been approved by, or is subject to the approval of, the court as reasonable;

"(5)(A)(i) the debtor has disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the plan, as a director, officer, or voting trustee of the debtor, an affiliate of the debtor participating in a joint plan with the debtor, or a successor to the debtor under the plan; and

"(ii) the appointment to, or continuance in, such office of such individual, is consistent with the interests of creditors and equity security holders and with public policy; and

"(B) the debtor has disclosed the identity of any insider who will be employed or retained by the reorganized debtor, and the nature of any compensation for such insider.

"(6) except to the extent that the holder of a particular claim has agreed to a different treatment of such claim, the plan provides—

"(A) for the full payment, in deferred cash payments, of all claims entitled to priority under section 507, except section 507(a)(7); and

"(B) with respect to a claim of a kind specified in section 507(a)(7), the holder of such claim will receive, on account of such claim, deferred cash payments, over a period not exceeding six years after the date of assessment of such claim, of a value, as of the effective date of the plan, equal to the allowed amount of such claim;

"(7) the value, as of the effective date of the plan, of property to be distributed under the plan, on account of each allowed unsecured claim, is not less than the amount that would be paid on such claim if the estate of the debtor were liquidated under chapter 7 of this title on such date;

"(8) with respect to each allowed secured claim provided for by the plan—

"(A) the holder of such claim has accepted the plan;

"(B)(i) the plan provides that the holder of such claim retain the lien securing such claim; and

"(ii) the value, as of the effective date of the plan, of property to be distributed under the plan on account of such claim, is not less than the allowed amount of such claim; or

"(C) the debtor surrenders the property securing such claim to such holder;

"(9) with respect to the holder of an interest provided for by the plan, the value, as of the effective date of the plan, of property to be distributed under the plan on account of such interest is not less than the lesser of—

"(A) the amount that would be paid on account of such interest if the estate of the debtor were liquidated under chapter 7 on such date; or

"(B) any fixed price at which the debtor, under the terms of any security representing such interest, may redeem such security from such holder;

"(10) the debtor will be able to make all payments under the plan, comply with the plan, and the plan complies with the provisions of section 1325(b) without reference to time period; and

"(11) confirmation of the plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the debtor or any successor to the debtor under the plan, unless such liquidation or reorganization is proposed in the plan.

"(b) After confirmation of a plan, the court may order any entity from whom the debtor receives income to pay all or any part of such income to the trustee.

"(c) Except as otherwise provided in the plan or in the order confirming the plan, the trustee shall make payments to creditors under the plan.

"§ 1217. Confirmation of a plan by a party other than the debtor

"The court shall confirm a plan proposed by a party in interest other than the debtor if the plan and the proponent meet the requirements of section 1129(a).

"§ 1218. Limitations on confirmation

"(a) The court may confirm only one plan, unless the order of confirmation in the case has been revoked under section 1144. If the requirements of sections 1216 and 1217 are met with respect to more than one plan, the court shall consider the preferences of the debtor, creditors, and equity security holders in determining which plan to confirm.

"(b) Notwithstanding any other provision of this chapter, on request of a party in interest that is a governmental unit, the court may not confirm a plan if the principal purpose of the plan is the avoidance of taxes or the avoidance of the application of section 5 of the Securities Act of 1933 (15 U.S.C. 77e). In any hearing under this subsection, the governmental unit has the burden of proof on the issue of avoidance.

"§ 1219. Effect of confirmation

"(a) Except as provided in subsections (d)(2) and (d)(3), the provisions of a confirmed plan bind the debtor, any entity issuing securities under the plan, any entity acquiring property under the plan, and any creditor, equity security holder, or general partner in the debtor, whether or not the claim or interest of such creditor, equity security holder, or general partner is impaired or provided for under the plan and whether or not such creditor, equity security holder, or general partner has objected to, has accepted, or has rejected the plan.

"(b) Except as otherwise provided in the plan or the order confirming the plan, the confirmation of a plan vests all of the property of the estate in the debtor.

"(c) Except as provided in paragraphs (2) and (3) of subsection (d), and except as otherwise provided in the plan or in the order confirming the plan, after confirmation of a plan, the property dealt with by the plan is free and clear of all claims and interests of creditors, equity security holders, and of general partners in the debtor.

"(d)(1) Except as otherwise provided in this subsection, in the plan, or in the order confirming the plan, the confirmation of a plan—

"(A) discharges the debtor from any debt that arose before the date of such confirmation, and any debt of a kind specified in section 502(g), 502(h), or 502(i) whether or not—

"(i) a proof of claim based on such debt is filed or deemed filed under section 501;

"(ii) such claim is allowed under section 502;

"(iii) the holder of such claim has accepted the plan; and

"(B) terminates all rights and interests of equity security holders and general partners provided for by the plan.

"(2) The confirmation of a plan does not discharge an individual debtor from any debt excepted from discharge under section 523.

"(3) The confirmation of a plan does not discharge a debtor if—

"(A) the plan provides for the liquidation of all or substantially all of the property of the estate;

"(B) the debtor does not engage in business after consummation of the plan; and

"(C) the debtor would be denied a discharge under section 727(a) of this title if the case were a case under chapter 7 of this title.

"(4) The court may approve a written waiver of discharge executed by the debtor after the order for relief under this chapter.

"§ 1220. Implementation of plan; distribution; exemption from securities laws

"Sections 1141, 1143, 1144, and 1145 shall apply to plans confirmed pursuant to sections 1216 and 1217 of this title.

"§ 1221. Aircraft equipment and vessels

"Section 1110 shall apply to cases under this chapter.

"§ 1222. Adequate protection

"(a) Section 361 does not apply in a case under this chapter.

"(b) In a case under this chapter, when adequate protection is required under section 362, 363, or 364, such adequate protection may be provided by—

"(1) requiring the trustee to make a cash payment or periodic cash payments, to the extent that the stay under section 362, use, sale, or lease under section 363, or any grant of a lien under section 364 results in a decrease in the value of property securing a claim of or an entity's ownership interest in property;

"(2) providing an additional or replacement lien to the extent that such stay, use, sale, lease, or grant results in a decrease in the value of property securing a claim or of an entity's ownership interest in property;

"(3) paying to the trustee for the use of farmland the reasonable rent customary in the community where the property is located, based upon the rental value, net income, and earning capacity of the property; or

"(4) granting such other relief as will adequately protect the value of property securing a claim or of an entity's ownership interest in property.

"§ 1223. Sales free of interests

"In addition to the authorization contained in section 363(f), the trustee in a case under this chapter may sell property under section 363 (b) and (c) free and clear of any interest in such property of an entity other than the estate if the property is farmland or farm equipment.

"§ 1224. Claims and interests

"(a) A proof of claim or interest is deemed filed under section 501 for any claim or interest that appears in the schedules filed in a case under this chapter except a claim or interest that is scheduled as disputed, contingent, or unliquidated.

"(b) For purposes of voting and distribution in a case under this chapter, a claim, secured by a lien on property of the estate shall be allowed or disallowed under section 502 the same as if the holder of such claim had recourse against the debtor on account of such claim, whether or not such holder has such recourse.

"§ 1225. Emergency care of stock

"The court may authorize the obtaining of credit pursuant to section 364 for the case, including feeding of stock owned by, or in the possession of, a debtor without notice or a hearing where the court finds that credit is needed to obtain funds to care for stock, an emergency exists and that immediate and irreparable injury, loss, or damage, will result if authorization to obtain credit for the care of stock is delayed, and that it is in the best interests of the estate to obtain credit and care for the stock. Notice shall be immediately given, by mail, to all creditors of entry of the order authorizing credit under this subsection and a copy of the order entered by the court hereunder shall be attached to the notice.".

(b) The table of chapters for title 11, United States Code, is amended by inserting between the items relating to chapter 11 and chapter 13 the following new item:

"12. Family Farmer Reorganization ..... 1201".

SEC. 105. APPLICABILITY OF CHAPTERS.

Section 103 of title 11, United States Code, is amended by—

(1) in subsection (a) by inserting "12," after "11,";

(2) by adding at the end thereof the following:

"(i) Chapter 12 of this title applies only in a case under such chapter.".

SEC. 106. BANKRUPTCY COURTS.

Section 1930(a) of title 28, United States Code, is amended by inserting between paragraph (4) and the matter that follows such paragraph, the following:

"(5) For a case commenced under chapter 12 of title 11, $200.".

SEC. 107. TITLE II CHANGES.

Title 11, United States Code, is amended—

(1) in sections 327(c) and 347(b), by striking out "or 11" each place it appears and inserting in lieu thereof ", 11 or 12";

(2) in sections 329(b)(1)(B) and 363(1), by striking out "or 13" each place it appears and inserting in lieu thereof ", 12 or 13";

(3) in sections 362(c)(2)(C), 365(d)(2), 365(g)(1), 365(g)(2), and 502(g), by inserting "12," after "11," each place it appears;

(4) in section 326(b), by inserting "chapter 12 or" before "chapter 13";

(5) in section 328(a), by inserting "or section 1206" after "section 1102";

(6) in sections 328(a), 328(c), 330(a), and 331, by striking out "or 1103" each place it appears and inserting in lieu thereof "1103, or 1207";

(7) in section 328(c), by striking out "or 1107(b)" and inserting in lieu thereof "1107(b), or 1204(c)";

(8) in section 327(b), by striking out "or 1108" and inserting in lieu thereof "1108, or 1205";

(9) in sections 363(c)(1) and 364(a), by inserting "1205," after "1108," each place it appears;

(10) in sections 348(b), 348(c), and 348(e), by inserting "1210," after "1112," each place it appears;

(11) in section 348(d) and paragraphs (A) and (B) of section 365(g)(2), by inserting ", 1210," after "1112" each place it appears;

(12) in section 347(b), by striking out "or 1173" and inserting in lieu thereof "1173, 1216, or 1217";

(13) in sections 523(a), 524(a)(1), 524(c)(1), and 524(d), by inserting "1219," after "1141," each place it appears;

(14) in sections 322(a) and 546(a)(1), by inserting "1203," before "or 1302" each place it appears;

(15) in section 326(b), by inserting "section 1203(a) or" before "section 1302(a)";

(16) in section 348(b), by inserting "1211(b), 1211(c), 1219(d)(4), 1221," after "1146(b),";

(17) in section 706(a), by striking out "or 13" and inserting in lieu thereof ", 12, or 13";

(18) in section 1112(a), by inserting "or chapter 12" after "7"; and

(19) in section 1307(a), by inserting "or chapter 12" after "7".

SEC. 108. EFFECTIVE DATES.

(a) This Act is an emergency measure and this Act and the amendments made by this Act shall apply with respect to cases commenced under title 11, United States Code, after the date of the enactment of this Act but before 5 years after such date.

(b) This Act and the amendments made by this Act shall be repealed on the date 5 years after the date of enactment of this Act.

SEC. 109. APPOINTMENT OF BANKRUPTCY JUDGE.

(a) Notwithstanding any other provision of this Act, there shall be appointed, pursuant to section 152(a)(1) of title 28, United States Code, additional United States bankruptcy judges.

(b) To reflect the changes made by this section in the table of judges for each of the judicial districts, section 152(a)(2) of title 28, United States Code, is amended by striking the following:

"California	
Northern	8
Central	17
Southern	3
Illinois	
Northern	9
Indiana	
Northern	2
New Jersey	5
North Carolina	
Western	1
Oklahoma	
Northern	1
Oregon	4
Texas	
Southern	5
Virginia	
Eastern	3
Washington	
Western	4
Wisconsin	
Eastern	3".

and inserting in lieu thereof the following:

"California	
Northern	9
Central	19
Southern	4
Illinois	
Northern	10
Indiana	
Northern	3
New Jersey	7
North Carolina	
Western	2
Oklahoma	
Northern	2
Oregon	5
Texas	
Southern	6

Virginia
Eastern 4
Washington
Western 5
Wisconsin
Eastern ..... 4".

SEC. 110. BANKRUPTCY COURT STUDY.

Within four months of the date of enactment, the Administrative Office of the United States Courts shall submit to the Congress a report on the feasibility of a court fee system that would recover all costs of operating and maintaining the Bankruptcy Courts of the United States, and shall include other relevant analyses and recommendations.

SEC. 111. DISCHARGE.

Section 524(d) of title 11, United States Code, is amended to read as follows:

"(d) In a case, concerning an individual, the court shall hold a hearing at which the debtor shall appear in person and the court shall inform the debtor of the rights and duties of the debtor relating to a discharge, which may be entered under section 727, 1141 or 1328 of this title. The court may, at such time as the court determines, hold such additional hearings as the court determines necessary when the court has determined whether to grant or not to grant a discharge under section 727, 1141 or 1328 of this title. At such additional hearing as the court may hold, the debtor shall appear in person and the court shall inform the debtor that a discharge has been granted or the reason why a discharge has not been granted. If a discharge has been granted and if the debtor desires to make an agreement of the kind specified in subsection (c) of this section, then at such hearing the court shall:

"(1) inform the debtor:

"(A) that such an agreement is not required under this title, under nonbankruptcy law, or under any agreement not made in accordance with the provisions of subsection (c) of this section; and

"(B) of the legal effect and consequences of:

(i) an agreement of the kind specified in subsection (c) of this section; and

"(ii) a default under such an agreement;

(2) determine whether the agreement that the debtor desires to make complies with the requirements of subsection (c)(6) of this subsection, if the consideration for such agreement is based in whole or in part on a consumer debt that is not secured by real property of the debtor.".

SEC. 112. COURT IN LAWRENCE, KANSAS.

Section 96 of title 28, United States Code, is amended by inserting "Lawrence," after "Kansas City,".

SEC. 113. DIVISION OF BUSINESS AMONG BANKRUPTCY JUDGES.

Section 156 of title 28, United States Code, is amended by adding at the end thereof the following:

"(d) No office of the bankruptcy clerk of court may be consolidated with the district clerk of court office without the prior approval of the Judicial Conference and the Congress.".

TITLE II—UNITED STATES TRUSTEES PROGRAM

PART A—AMENDMENTS TO TITLE 28, UNITED STATES CODE

SEC. 201. Section 156 of title 28, United States Code, is amended by—

(1) redesignating subsection (c) as subsection (d); and

(2) inserting after subsection (b) the following new subsection:

"(c) In a judicial district where a bankruptcy clerk has been appointed pursuant to subsection (b), the bankruptcy clerk shall be the official custodian of the records of the bankruptcy court and of the dockets of all bankruptcy cases and proceedings.".

SEC. 202. (a) Section 519 of title 28, United States Code, is amended by striking out "United States attorneys, assistant United States attorneys, and special attorneys" and inserting in lieu thereof "United States attorneys and United States trustees, assistant United States attorneys and assistant United States trustees, and special attorneys".

(b) The section heading for section 519 is amended to read as follows:

"§ 519. Supervision".

(c) The table of sections for chapter 31 of title 28, United States Code, is amended by amending the item relating to section 519 to read as follows:

"519. Supervision.".

SEC. 203. Section 526 of title 28, United States Code, is amended—

(1) in the heading thereof by striking out "trustee" and inserting "trustees" in lieu thereof;

(2) in subsection (a)—

(A) by striking out "and trustees" and inserting in lieu thereof ", trustees, including trustees in cases under title 11" in paragraph (1); and

(B) by striking out "courts of the Canal Zone and the Virgin Islands, probation officers, trustees in cases under title 11," and inserting in lieu thereof "court of the Virgin Islands, probation officers," in paragraph (2).

SEC. 204. Section 581 of title 28, United States Code, is amended to read as follows:

"§ 581. United States trustees

"(a) The Attorney General shall appoint one United States trustee for each of the thirty bankruptcy regions of the United States. Such regions are constituted of Federal judicial districts (without regard to chapter 5 of this title) as follows:

"(1) The judicial districts established for the States of Maine, Massachusetts, New Hampshire, and Rhode Island.

"(2) The Northern and Western Districts of New York and the judicial districts established for the States of Connecticut and Vermont.

"(3) The Southern and Eastern Districts of New York.

"(4) The Eastern District of Pennsylvania and the judicial districts established for the States of Delaware and New Jersey.

"(5) The Middle and Western Districts of Pennsylvania.

"(6) The District of Columbia and the judicial district established for the State of Maryland.

"(7) The judicial districts established for the States of Virginia and West Virginia.

"(8) The judicial districts established for the States of North Carolina and South Carolina.

"(9) The judicial districts established for the State of Alabama.

"(10) The judicial districts established for the State of Georgia.

"(11) The judicial districts established for the State of Florida, for the Commonwealth of Puerto Rico and for the Virgin Islands of the United States.

"(12) The judicial districts established for the States of Louisiana and Mississippi.

"(13) The judicial districts established for the State of Texas.

"(14) The judicial districts established for the State of Ohio.

"(15) The judicial districts established for the State of Michigan.

"(16) The judicial districts established for the States of Tennessee and Kentucky.

"(17) The Northern District of Illinois.

"(18) The judicial districts established for the State of Wisconsin.

"(19) The Central and Southern Districts of Illinois and the judicial districts established for the State of Indiana.

"(20) The judicial districts established for the States of Minnesota, North Dakota, and South Dakota.

"(21) The judicial districts established for the States of Iowa and Nebraska.

"(22) The judicial districts established for the States of Arkansas and Missouri.

"(23) The judicial districts established for the States of Colorado, Utah, and Wyoming.

"(24) The judicial districts established for the States of New Mexico, Oklahoma, and Kansas.

"(25) The Southern District of California and the judicial districts established for the State of Hawaii, for Guam, and for the Commonwealth of the Northern Mariana Islands.

"(26) The judicial districts established for the State of Arizona.

"(27) The Central District of California.

"(28) The Eastern District of California and the judicial districts established for the State of Nevada.

"(29) The Northern District of California.

"(30) The judicial districts established for the States of Alaska, Idaho, Montana, Oregon, and Washington.

"(b) Each United States trustee shall be appointed for a term of four years. On the expiration of his term, the United States trustee shall continue to perform the duties of his office until a successor is appointed, qualifies, and takes office.

"(c) Each United States trustee is subject to removal by the Attorney General.".

SEC. 205. Section 582 of title 28, United States Code, is amended—

(1) in subsection (a), by striking out "district" and inserting in lieu thereof "region"; and

(2) in subsection (b), by striking out "for cause".

SEC. 206. Section 584 of title 28, United States Code, is amended by striking out "districts" and inserting in lieu thereof "regions".

SEC. 207. Section 585 of title 28, United States Code, if amended to read as follows:

§ 585. Vacancies

"(a) The Attorney General may appoint an acting United States trustee for a region in which the office of the United States trustee is vacant. The individual so appointed may serve until the date on which the vacancy is filled by appointment under section 581 of this title or by designation under subsection (b) of this section.

"(b) The Attorney General may designate a United States trustee to serve in more than one region for such time as the public interest requires, and may authorize such United States trustee to remain at his original official station.".

SEC. 208. (a) Section 586 of title 28, United States Code, is amended to read as follows:

"§ 586. Duties

"(a) Each United States trustee, within his region shall—

"(1) establish, maintain, and supervise a panel of private trustees that are eligible and available to serve as trustees in cases under chapter 7 of title 11;

"(2) supervise the administration of cases and trustees in cases under chapter 7, 11, or 13 of title 11;

"(3) deposit or invest under section 345 of title 11 money received as trustee in cases under title 11;

"(4) perform the duties prescribed for the United States trustee under titles 11 and 28 and such duties as may be prescribed by the Attorney General; and

"(5) make such reports as the Attorney General directs.

"(b) If the number of cases under chapter 13 of title 11 commenced in a particular region so warrants, the United States trustee for such region may, subject to the approval of the Attorney General, appoint one or more individuals to serve as standing trustee, or designate one or more assistant United States trustees to serve in cases under such chapter. The United States trustee for such region shall supervise any such individual appointed as standing trustee in the performance of the duties of standing trustee.

"(c) The Attorney General shall prescribe by rule qualifications for membership on the panels established by United States trustees under paragraph (a)(1) of this section, and qualifications for appointment under subsection (b) of this section to serve as standing trustee in cases under chapter 13 of title 11. The Attorney General may not require that an individual to be attorney in order to qualify for appointment under subsection (b) of this section to serve as standing trustee in cases under chapter 13 of title 11.

"(d)(1) The Attorney General, after consultation with a United States trustee that has appointed an individual under subsection (b) of this section to serve as standing trustee in cases under chapter 13 of title 11, shall fix—

"(A) a maximum annual compensation for such individual, not to exceed the annual rate of basic pay in effect for step 1 of grade GS-16 of the General Schedule prescribed under section 5332 of title 5, except that the Attorney General may increase the maximum compensation of such individual to an annual rate not in excess of that for step 6 of GS-16 of the General Schedule prescribed under section 5332 of title 5 upon a determination that such individual has significantly decreased actual expenses resulting in a decrease of the percentage fee; and

"(B) a percentage fee, not to exceed 10 per centum, based on such maximum annual compensation and the actual, necessary expenses incurred by such individual as standing trustee.

"(2) Such individual shall collect such percentage fee from all payments received by such individual under plans in the cases under chapter 13 of title 11 for which such individual serves as standing trustee. Such individual shall pay to the United States trustee, and the United States trustee shall pay to proprietary receipts in the general fund of the Treasury—

"(A) any amount by which the actual compensation of such individual exceeds 5 per centum upon all payments received under plans in cases under chapter 13 of title 11 for which such individual serves as standing trustee; and

"(B) any amount by which the percentage for all such cases exceeds—

"(i) such individual's actual compensation for such cases, as adjusted under subparagraph (A) of paragraph (1); plus

"(ii) the actual, necessary expenses incurred by such individual as standing trustee in such cases. Subject to the approval of the Attorney General, any or all of the interest earned from the deposit of payments under plans by such individual may be utilized to pay actual, necessary expenses without regard to the percentage limitation contained in subparagraph (d)(1)(B) of this section.".

"(b) The table of sections for chapter 39, comprising items relating to sections 581 through 589 is amended by amending the item relating to section 586 to read as follows:

"586. Duties.".

SEC. 209. (a) Section 587 of title 28, United States Code, is amended to read as follows:

"§ 587. Salaries

"Subject to sections 5315 through 5317 of title 5, the Attorney General shall fix the annual salaries of United States trustees and assistant United States trustees at rates of compensation not in excess of the rate of basic compensation provided for Executive Level IV of the Executive Schedule set forth in section 5315 of title 5, United States Code.".

"(b) Section 589 of title 28, United States Code, is amended by inserting before the period at the end thereof "without regard to the provisions of title 5, governing appointments in the competitive service".

SEC. 210. (a) The heading for chapter 39 of title 28, United States Code, as added by the Ethics in Government Act, is amended by striking out "CHAPTER 39" and inserting in lieu thereof "CHAPTER 40".

(b) The table of chapters for part II of title 28, United States Code, is amended by striking out the item relating to Independent Counsel and inserting in lieu thereof the following:

"40. Independent Counsel ..... 591".

(c) Section 49(f) of title 28, United States Code, is amended by striking out "chapter 39" each place it appears and inserting in lieu thereof "chapter 40".

SEC. 211. Subsection (f) of section 604 of title 28, United States Code, as added by the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2549), is repealed.

SEC. 212. (a) Section 1930(a) of title 28, United States Code, is amended—

(1) in paragraph (1) by striking out "$60" and inserting in lieu thereof "$100, plus such additional amount as is specified in regulations issued by the Attorney General. To convert, on a motion by the debtor, the case under chapter 7 or 11 to a case under chapter 11, the debtor shall pay an additional $400";

(2) in paragraph (3), by striking out "that does not concern a railroad, as defined in section 101 of title 11, $200" and inserting in lieu thereof ", $500, plus such additional amount as is specified in regulations issued by the Attorney General";

(3) in paragraph (4), by striking out "$500" and inserting in lieu thereof "$1,000"; and

(4) by adding at the end thereof the following: "The clerk of the court may collect only the fees authorized under this section. The clerk shall transmit to the Treasury of the United States for deposit into proprietary receipts in the general fund $55 from the filing fee prescribed under paragraph (1), $300 from the filing fee prescribed under paragraph (3), and the additional amounts prescribed in the regulations issued by the Attorney General under this section, including such amounts as may arise from conversion of a case under one chapter of title 11 to a case under a different chapter of title 11.".

(b) Section 1930 is amended by striking out subsection (e) and inserting in lieu thereof the following new subsections:

"(e)(1) In addition to the filing fee paid to the clerk, a monthly charge shall be paid to the United States trustee in each case under chapter 11 of title 11 as an administrative expense under section 503(b) of title 11, until a plan is confirmed or the case is converted or dismissed, whichever first occurs. The charge shall be $100 for each month in which disbursements total less than $20,000, $250 for each month in which disbursements total $20,000 or more but less than $100,000, $750 for each month in which disbursements total $100,000 or more but less than $1,000,000, and $1,000 for each month in which disbursements total $1,000,000 or more. The Attorney General may, by regulation, increase or decrease the amount of these changes, and in a case in which the debtor is a farmer, as defined in section 101(17) of title 11, United States Code, the court, for cause, may modify the monthly charge.

"(2) The United States trustee shall transmit to the Treasury of the United States for deposit into proprietary receipts in the general fundall the charges collected under this subsection.

"(f) Any regulations promulgated pursuant to subsection (e) shall be based on the amount necessary to ensure repayment to the Treasury of the amounts appropriated for the United States trustee system, but also shall take into account changes in the cost of living and other related factors.".

PART B—AMENDMENTS TO TITLE 11 OF THE UNITED STATES CODE

SEC. 221. Section 101 of title 11, United States Code, is amended—

(1) in paragraph (14) by striking out "and governmental unit" and inserting in lieu thereof "governmental unit, and United States trustee" before the semicolon at the end thereof; and

(2) in subparagraph (24) by inserting "(but not a United States trustee while serving as trustee in a case under this title)" after "United States" the second place it appears.

SEC. 222. Section 102 of title 11, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (7) thereof;

(2) by striking the period at the end of paragraph (8) and inserting in lieu thereof "; and "; and

(3) by inserting at the end thereof the following:

"(9) 'United States trustee' includes a designee of the United States trustee.".

SEC. 223. (a) Section 104 of title 11, United States Code, is amended by inserting "except as to those charges and portions of fees to be specified in regulations issued by the Attorney General and deposited in the general fund of the Treasury" before the period at the end thereof.

(b) Section 105(a) of title 11, United States Code, is amended by adding at the end thereof the following new sentence: "No provision of this title providing for the raising of an issue by a party in interest shall be construed to preclude the court from, sua sponte, taking any action or making any determination necessary or appropriate to enforce or implement court orders or rules, to prevent an abuse of process, or to ensure the proper and expeditious disposition of a case or proceeding.".

SEC. 224. Section 303 of title 11, United States Code, is amended—

(1) in subsection (g), by inserting "order the United States trustee to" after "may", the first time it appears; and

(2) in subsection (i)—

(A) by adding "or" at the end of subparagraph (1)(A);

(B) by striking out subparagraph (1)(C);

(C) by striking out the period at the end of subparagraph (2)(B) and inserting in lieu thereof "; or", and

(D) by adding at the end thereof the following new paragraph:

"(3) against a party requesting the appointment of a trustee under subsection (g) or section 1134, for any damages proximately caused by the taking of possession of the debtor's property by such a trustee.".

SEC. 225. Section Subchapter I of chapter 3 of title 11, United States Code, is amended by adding at the end thereof the following new section:

"§ 307. United States trustee

"The United States trustee may raise and may appear and be heard on any issue in any case or proceeding under this title but may not file a plan pursuant to section 1121(c) of this title.".

SEC. 226. The table of sections for subchapter I of chapter 3 of title 11, United States Code, is amended by adding at the end thereof the following new item:

"307. United States trustee.".

SEC. 227. Section 321 of title 11, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) The United States trustee for the judicial district in which the case is pending is eligible to serve as trustee in the case.".

SEC. 228. Section 322 of title 11, United States Code, is amended—

(1) at subsection (a), by striking out "A person" and inserting in lieu thereof "Except as provided in subsection (b)(1), a person"; and

(2) by amending subsection (b) to read as follows:

"(b)(1) The United States trustee qualifies wherever such trustee serves as trustee in a case under this title.

"(2) The United States trustee shall determine—

"(A) the amount of a bond required to be filed under subsection (a) of this section; and

"(B) the sufficiency of the surety on such bond.".

SEC. 229. Section 324 of title 11, United States Code, is amended to read as follows:

"§ 324. Removal of trustee or examiner

"(a) The court, after notice and a hearing, may remove a trustee, other than the United States trustee, or an examiner, for cause.

"(b) The United States trustee, after notice and a hearing and unless the court orders otherwise, may remove a trustee in a case under chapter 7, 11, or 13, or an examiner in a case under chapter 11, for cause.

"(c) Removal for cause under subsection (b) of this section in any case shall be deemed cause for removal in all cases in which such trustee or examiner is serving.".

SEC. 230. Section 326 of titlel 11, United States Code, is amended in subsection (b) by inserting "of the United States trustee or" after "expenses".

SEC. 231. Section 327(c) of title 11, United States Code, is amended by inserting "or the United States trustee" after "another creditor".

SEC. 232. Section 330 of title 11, United States Code, is amended—

(1) in subsection (a) by inserting "to any parties in interest and to the United States trustee" after "notice"; and

(2) by inserting at the end thereof the following new subsection:

"(d) In a case in which the United States trustee serves as trustee, the compensation of the trustee under subsection (b) of this section shall be paid into proprietary receipts in the general fund of the Treasury.".

SEC. 233. Section 341 of title 11, United States Code, is amended—

(1) in subsection (a), by striking out "there shall be a meeting of creditors" and inserting in lieu thereof "the United States trustee shall convene and preside at a meeting of creditors";

(2) in subsection (b), by striking out "court may order" and inserting in lieu thereof "United States trustee may convene"; and

(3) in subsection (b), by inserting "including any final meeting of creditors" before the period at the end thereof.

SEC. 234. Section 343 of title 11, United States Code, is amended to read as follows:

"§ 343. Examination of the debtor

"The debtor shall appear and submit to examination under oath at the meeting of creditors under section 341(a) of this title. Creditors, any indenture trustee, any trustee or examiner in the case, or the United States trustee may examine the debtor. The United States trustee may administer the oath required under this section.".

SEC. 235. Section 345 of title 11, United States Code, is amended—

(1) by striking out "court" in subsection (b)(1)(B) and inserting in lieu thereof "United States trustee"; and

(2) by adding at the end thereof the following:

"(d) The United States trustee may aggregate money of estates for which such United States trustee serves as trustee for deposit or investment under this section, in order to increase the return on such money, taking into account the safety of such deposit of investment. The United States trustee shall maintain complete records identifying separately the money of each estate included in such an aggregation. Any return on any such deposit or investment shall be paid by the United States trustee into proprietary receipts of the general fund of the Treasury.".

SEC. 236. Section 701(a) of title 11, United States Code, is amended to read as follows:

"(a)(1) Promptly after the order for relief under this chapter—

"(A) the United States trustee, other than an officer or employee of the court, shall appoint one disinterested person that is a member of the panel of private trustees established under section 586(a)(1) of title 28, or

"(B) an officer or employee of the court shall appoint one disinterested person that is a member of a panel of private trustees established under section 255(d)(1)(A) of the United States Trustees Act of 1986 or,

either the United States trustee or such officer or employee, as the case may be, shall appoint one disinterested person that was serving as trustee in the case immediately before the order for relief under this chapter to serve as interim trustee in the case.

"(2) If none of the members of such panel is willing to serve as interim trustee in the case, then the United States trustee may serve as interim trustee in the case.".

SEC. 237. Section 703 of title 11, United States Code is amended by amending subsections (b) and (c) to read as follows:

"(b) Pending election of a trustee under subsection (a) of this section, if necessary to preserve or prevent loss to the estate, the United States trustee may appoint an interim trustee in the manner specified in section 701(a).

"(c) If creditors do not elect a successor trustee under subsection (a) of this section, or if a trustee is needed in a case reopened under section 350 of this title, then the United States trustee may serve as a trustee in the case or shall appoint one disinterested person that is a member of the panel of private trustees established under section 586(a)(1) of title 28 to serve as trustee in the case. An officer or employee of the court shall appoint a disinterested person that is a member of the panel of private trustees established under section 255(d)(1)(A) of the United States Trustees Act of 1986 as trustee in the case, but may not serve as trustee in the case.".

SEC. 238. (a) Section 704 of title 11, United States Code, is amended—

(1) in paragraph (8), by—

(A) inserting ", with the United States trustee," after "court" the first place it appears;

(B) inserting "the United States trustee or" after "information as"; and

(C) striking out "and" at the end thereof;

(2) in paragraph (9), by striking out the period at the end thereof and inserting in lieu thereof the following: "and with the United States trustee; and"; and

(3) by adding at the end thereof the following:

"(10) bring to the attention of the court such additional information as may enable the court to carry out its responsibilities under sections 523, 707, and 727.".

SEC. 239. Section 705(b) of title 11, United States Code, is amended—

(1) by inserting "or the United States trustee" after "trustee" each place it appears; and

(2) by inserting "or the United States trustee" immediately after "court".

SEC. 240. Section 707(a) of title 11, United States Code, is amended—

(1) by striking out "or" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof the following: "; and"; and

(3) by adding at the end thereof the following:

"(3) failure of the debtor in a voluntary case to file, within fifteen days or such additional time as the court may allow after the filing of the petition commencing such case, the information required by paragraph (1) of section 521.".

SEC. 241. Section 726 of title 11, United States Code, is amended in subsection (b) by inserting ", except as to fees and charges under chapter 123 of title 28" after "paragraph (1)".

SEC. 242. Section 727 of title 11, United States Code, is amended by amending subsections (c), (d), and (e) to read as follows:

"(c)(1) The trustee, a creditor, or the United States trustee may object to the granting of a discharge under subsection (a).

"(2) On request of a party in interest, the court may order the trustee or the United States trustee to examine the acts and conduct of the debtor to determine whether a ground exists for denial of discharge.

"(d) On request of the trustee, a creditor, or the United States trustee, and after notice and a hearing, the court shall revoke a discharge granted under subsection (a) if—

"(1) such discharge was obtained through the fraud of the debtor, and the requesting party did not know of such fraud until after the granting of such discharge;

"(2) the debtor acquired property that is property of the estate, or became entitled to

acquire property that would be property of the estate, and knowingly and fraudulently failed to report the acquisition of or entitlement to such property, or to deliver or surrender such property to the trustee; or

"(3) the debtor committed an act specified in subsection (a)(6).

"(e) The trustee, a creditor, or the United States trustee may request a revocation of a discharge—

"(1) under subsection (d)(1) within one year after such discharge is granted; or

"(2) under subsection (d)(2) or (d)(3) before the later of—

"(A) one year after the granting of such discharge; and

"(B) the date the case is closed.".

SEC. 243. Section 1102 of title 11, United States Code, is amended—

(1) by amending subsection (a) to read as follows:

"(a)(1) As soon as practicable after the order for relief under chapter 11 of this title, the United States trustee shall appoint a committee of creditors holding unsecured claims and may appoint additional committees of creditors or of equity security holders as the United States trustee deems appropriate.

"(2) On request of a party in interest, the court may order the appointment of additional committees of creditors or of equity security holders if necessary to assure adequate representation of creditors or of equity security holders. The United States trustee shall appoint any such committee."; and

(2) by repealing subsection (c).

SEC. 244. Section 1104 of title 11, United States Code, is amended—

(1) in subsection (a), by inserting "or the United States trustee" after "party in interest";

(2) in subsection (b), by inserting "or the United States trustee" after "party in interest";

(3) in subsection (c), by striking out "court" the second place it appears and inserting in lieu thereof "United States trustee, after consultation with parties in interest"; and

(4) in subsection (c), by striking out "one disinterested person" and inserting in lieu thereof ", subject to the court's approval, one disinterested person other than the United States trustee".

SEC. 245. Section 1105 of title 11, United States Code, is amended by inserting "or the United States trustee" after "party in interest".

SEC. 246. Section 1112 of title 11, United States Code, is amended in subsection (b)—

(1) by inserting "or the United States trustee" after "party in interest";

(2) by striking out "or" in paragraph (8);

(3) by striking out the period at the end of paragraph (9) and inserting in lieu thereof a semicolon; and

(4) by adding at the end thereof the following:

"(10) nonpayment of any fees or charges required under chapter 123 of title 28;

"(11) failure of the debtor in a voluntary case to file, within fifteen days after the filing of the petition commencing such case, the information required by paragraph (1) of section 521, including a list containing the names and addresses of the holders of the lesser of all unsecured claims or the 20 largest unsecured claims, and the dollar amounts of such claims; or

"(12) failure to timely file the information required by paragraph (2) of section 521.".

SEC. 247. Section 1163 of title 11, United States Code, is amended by adding the following new sentence at the end thereof: "The United States trustee shall appoint one of such persons to serve as trustee in the case.".

SEC. 248. Section 1302 of title 11, United States Code, is amended—

(1) by amending subsection (a) to read as follows:

"(a) If the United States trustee has appointed an individual under section 586(b) of title 28, or if an officer or employee of the court has appointed an individual under section 255(d)(1)(D) of the United States Trustees Act of 1986, to serve as standing trustee in cases under chapter 13 of this title, then such individual qualifies under section 322 of this title, then such individual shall serve as trustee in the case. Otherwise, the United States trustee shall appoint one disinterested person to serve as trustee in the case or a United States trustee other than an officer or employee of the court may serve as a trustee in the case.";

(2) by repealing subsection (d) and redesignating subsection (e) as subsection (d); and

(3) by amending subsection (d), as redesignated herein, by striking out "under subsection (d) of this section" and inserting in lieu thereof "pursuant to the United States Trustees Act, in districts other than districts in which section 586 of title 28 is effective,".

SEC. 249. Section 1307 of title 11, United States Code, is amended—

(1) in subsection (c) by—

(A) inserting "or the United States trustee" after "party in interest"; and

(B) striking out "or" at the end of paragraph (7) and inserting a semicolon in lieu thereof; and

(C) adding at the end thereof the following:

"(9) failure of the debtor to file, within fifteen days, or such additional time as the court may allow, after the filing of the petition commencing such case, the information required by paragraph (1) of section 521; or

"(10) failure to timely file the information required by paragraph (2) of section 521."; and

(2) in subsection (d) by inserting "or the United States trustee" after "party in interest".

SEC. 250. Section 1326(B) of title 11, United States Code, is amended to read as follows:

"(b) Before or at the time of each payment to creditors under the plan, there shall be paid—

"(1) any unpaid claim of the kind specified in section 507(a)(1) of this title; and

"(2) if a standing trustee appointed under section 586(b) of title 28 or section 255(d)(1) of the United States Trustees Act of 1986 is serving in the case, the percentage fee fixed for such standing trustee under section 586(e)(1)(B) of title 28 or pursuant to such section of the United States Trustees Act of 1986.".

PART C—TRANSITION AND REPEALER

SEC. 251. Section 408(c) of the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2549, 2686-87), is amended—

(1) by striking out "and chapter 39 of title 28 of the United States Code are repealed, and all references to the United States trustee contained in title 28 of the United States Code are deleted, as of September 30, 1986" and inserting in lieu thereof "is repealed"; and

(2) by repealing the last sentence thereof.

SEC. 252. The service of any United States trustee and of any assistant United States trustee appointed under the authority of the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2549), is terminated upon the earlier of the expiration of his term or March 31, 1987, except that the Attorney General—

(1) may appoint any such United States trustee to serve for such period, not to exceed two years, as the Attorney General deems necessary to facilitate the transition from the bankruptcy administration program established in chapter 15 of the Act of November 6, 1978, to the United States trustee system established by this title; and

(2) may appoint any such assistant United States trustee under the provisions of section 582 of title 28, United States Code, as amended by this title.

SEC. 253. (a) Except as otherwise provided in this part, this title and the amendments made by parts A, C, D, E, and F of this title shall become effective upon enactment of this title.

(b) The amendment made by subsection (b) of section 212 of this title shall become effective in a region thirty days after the certification of the Attorney General under section 256 of the title or, in those districts making an election under section 255(b)(2) such section 212(b) shall become effective thirty days after the provisions of section 255(d) become effective. Such section 212(b) shall apply to cases in each district filed on or after the date of the enactment of this title.

(c) The amendments made by section 212 other than by subsection (b) of such section shall become effective thirty days after the date of the enactment of the title.

(d) Section 255(d) of this title becomes effective six months after the date of an appropriation for the judicial branch to implement the provisions of section 255(d). Until section 255(d) becomes effective, the United States trustee serving in such district shall continue to serve in that district, notwithstanding the provisions of section 252.

SEC. 254. (a) Except as otherwise provided in subsection (b), the amendments made by part B of this title shall become effective on the date two years after the date that the initial appropriation authorized under section 271 of this title is enacted or thirty days after the Attorney General certifies the last region under section 256 of this title, whichever first occurs.

(b) During the two-year period following the date of the enactment of the initial appropriation authorized under section 271 of this title, the amendments made by part B of this title shall apply in each district in which a United States trustee was authorized by the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2549), and, thirty days after the Attorney General's certification under section 256 of this title in those remaining districts established pursuant to this title, except for those districts making the election pursuant to section 255(b)(2). In such districts making an election under section 252(b)(2), the amendments made by part B shall take effect on the effective date of section 255(d): Provided, That, in any case commenced under chapter 7 of title 11, United States Code, prior to the date of the enactment of this title, the failure of a trustee to file the final report and account required by section 704 of title 11 prior to one year following certification of the district in which such trustee serves shall be deemed cause for removal under section 324 of title 11, as amended by section 229 of this title, and in any case under chapter 11 in which trustee was appointed prior to the date of the enactment of this title, the failure to obtain approval of a plan prior to one year after certification shall also be deemed

cause for removal. In such cases, the United States trustee may remove the trustee by filing a notice of the appointment of a successor trustee.

(c) The court shall continue to have responsibility for the supervision of cases in a district in which a revocation under section 255(b)(4) has been made or in which no election has been made pursuant to section 255(b)(2) until thirty days after that district is certified by the Attorney General.

SEC. 255. (a) The United States trustee system herein established shall be phased in over a two-year period beginning on the date that the initial appropriation authorized under section 271 of this title is enacted. The regions encompassing districts for which United States trustees were appointed pursuant to the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2549), shall be certified by the Attorney General pursuant to section 256 of this title not later than two hundred and seventy days after the date of the enactment of the initial appropriation authorized under section 271 of this title.

(b)(1) Section 204 of this title shall not apply to any judicial district which specifically elects not to be included in the bankruptcy regions established by section 204. Notwithstanding section 252 of this title, as to districts for which a United States trustee was provided in section 224 of the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2549) such election shall terminate the services of such trustee in that district upon the effective date of section 255(d) in that district.

(2) Any election under this section shall be granted upon request by any bankruptcy judge after a majority vote of the chief district judge and each bankruptcy judge in such judicial district in favor of such election. A judicial district shall have sixty days after the date of the enactment of this title in which to make an election under this section. If a district fails to make an election within such sixty days, such district shall be deemed to have chosen to participate in the bankruptcy regions set forth in section 204 of this title.

(3) Notice that an election has been made under this section shall be given, within ten days after such election, to the Attorney General and the appropriate Federal Circuit Court of Appeals for the judicial district.

(4) An election under this section not to participate in the bankruptcy regions set forth in section 204 of this title may be revoked at any time under the same procedures set forth in paragraphs (2) and (3) but not subject to the time limitations provided in paragraph (2). A decision to participate in a bankruptcy region may not be revoked.

(5) The Attorney General shall have not less then ninety days after the date of notification of revocation under paragraph (4) to certify that the district is included in the bankruptcy region. The courts shall promptly publish notice of this certification.

(c) The Attorney General may, through regulation, reconstitute any bankruptcy region wherein a judicial district has made an election under subsection (b) by providing for an increase in the number of currently established judicial districts within such bankruptcy region.

(d)(1) In any judicial district making an election under subsection (b) of this section, the duties and functions granted to the United States trustee, except as otherwise provided in paragraph (2), shall be performed by officers and employees of the courts. Such duties and functions include—

(A) the duty to establish, maintain, and supervise a panel of private trustees that are eligible and available to serve as trustees in cases under chapter 7 of title 11, United States Code;

(B) the duty to supervise the administration of cases and trustees in cases under chapter 7, 11, or 13 of title 11, United States Code;

(C) the duties prescribed for the United States trustees under title 11, United States Code; and

(D) the duty to appoint and supervise standing trustees, if the number of cases under chapter 13 of title 11, United States Code, commenced in a particular region so warrants, subject to the approval of the judicial council of the circuit for which such officer or employee serves.

The Judicial Conference shall promulgate regulations for the appointment and removal of such officers and employees. Such regulations shall provide that the appointment shall be made by the court of appeals for the judicial circuit in which such officer or employee serves, and the removal of an officer or employee shall include the initiation of proceedings for removal by the bankruptcy judges of the district. Such removal shall be subject to the approval of the judicial council of the circuit in which such officer or employee serves.

(2)(A) For purposes of title 11 of the United States Code, the term "United States trustee", as such term is used in title 11, shall include an officer or employee of the court appointed under this subsection, except as otherwise provided in this title.

(B) For purposes of section 102(9), 321, 322, and 701(a)(2) of title 11, United States Code, a United States trustee, as such term is used in such sections 102(9), 321, 322, and 701(a)(2), shall not include an officer or employee of the court appointed pursuant to this subsection.

SEC. 256. The Attorney General shall certify, to the appropriate Federal Circuit Courts of Appeals, Federal district courts, and bankruptcy courts, his intention to establish offices in a United States trustee region thirty days prior to the assumption of the responsibilities prescribed by this title in that region. The courts promptly shall publish notice of such certification and of the implementation of section 212(b) of this title in and for the districts within the region.

SEC. 257. (a) A case commenced under the Bankruptcy Act, and all matters and proceedings in or relating to any such case, shall be conducted and determined under such Act as if this title had not been enacted. The substantive rights of parties in connection with any such bankruptcy case, matter, or proceeding shall continue to be governed by the law applicable to such case, matter, or proceeding as if this title had not been enacted, except that at the end of one calendar year following the certification of a district in which any case is still pending under the Bankruptcy Act, the district court shall withdraw the reference of any such case and, after notice and a hearing, determine the status of the case. Such case shall be remanded to the bankruptcy judge with such instructions as are necessary for the prompt closing of the case and with a requirement that a progress report on the case be provided by the bankruptcy judge after such interval as the district court deems appropriate.

(b) A case commenced under the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2549), and all matters and proceedings in or relating to any such case, shall be conducted and determined under the provisions of this title: Provided, however, That the amendments made by parts A and B of this title relating to the authority and responsibilities of the United States trustees, except in those districts for which United States trustees were appointed pursuant to the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2549), shall not apply to a case under chapter 7 or chapter 11 of title 11, United States Code, commenced prior to the date of the enactment of this title, until one year after the region encompassing the district in which such case has been filed has been certified under section 255 or 256 of this title. Such provisions shall not apply to such cases thereafter, if—

(1) in a case under chapter 7 of title 11, United States Code, the case trustee has filed the final report and account of the administration of the estate required by section 704 of title 11, United States Code, prior to or within the year after certification; and

(2) in a case under chapter 11 of title 11, United States Code, a plan has been confirmed under section 1129 of title 11, United States Code, prior to or within the year after certification.

SEC. 258. The Attorney General and the Director of the Administrative Office of the United States Courts shall consult in an attempt to achieve optimal coordination and may enter into agreements under which the United States trustees may use the services, equipment, personnel, records, reports, and data compilations, in any form, and the facilities of the Federal judiciary. The United States trustees may cooperate in the use by the Federal judiciary of services, equipment, personnel, records, reports, and data compilations, in any form, and the facilities of the United States trustees in order to prevent duplication during the phasein period.

SEC. 259. The Director of the Administrative Office of the United States Courts shall make available to the United States trustees on a current basis, all records, reports, and data compilations, in any form, relating to cases and proceedings under title 11, United States Code, or the United States trustees' duties under titles 11 and 28, United States Code, as prescribed by this title, and shall instruct all clerks to cooperate in the orderly transfer of functions, documents, and data compilations, in any form, to the United States trustee system, except that no such transfer shall be made without the consent of the Attorney General, and United States trustees shall not be required to give any notice provided for in cases under title 11, United States Code.

SEC. 260. (a) The Executive Office for United States Trustees, in consultation with the Administrative Office of the United States Courts, shall, within twelve months after the date of the enactment of an appropriation thereof under section 271 of this title, take such steps as are necessary to establish an electronic case management demonstration project for three judicial districts in the United States having a sufficient caseload to provide a meaningful test of such system. A contract for such case management demonstration project shall be awarded by the Director, Executive Office for United States Trustees, upon competitive bids by qualified private sector entities able to design an automated joint information system for use by the courts and the United States trustees, and to provide that level of expertise in the design and implementation of automated case management systems that is required for purposes of this demonstration project.

(b) The demonstration project required by subsection (a) shall continue as provided in subsection (c) but for a period of not less than two years after the date of its implementation. One year after the implementation of such project, the Congress shall cause a study to be performed of the cost effectiveness of such demonstration project in comparison to (1) judicial districts that do not have electronic case management systems in place, and (2) judicial districts that participate in such electronic case management systems as are maintained by the Administrative Office of the United States Courts.

(c) The demonstration project required by subsection (a) shall continue for a period of two years or until such time as the Congress evaluates the success of such project and acts upon its continuance, its expansion to all judicial districts, or its termination, whichever period is longer.

(d) The electronic case management system required by subsection (a) shall provide the clerk of court, in each district in which it may be operated, with a means of maintaining a complete electronic case file of all relevant information contained in the petitions and schedules filed by debtors and by any amendments thereto, including—

(1) a complete list of creditors in the case as listed by the debtor;

(2) a complete listing of all assets scheduled by the debtor, showing the manner in which each item is scheduled, the value thereof, and any action taken by the trustee or debtor in possession with regard to that item during the pendency of the case; and

(3) the debtor's statement of current expenses and income.

(e) The demonstration system shall provide the United States trustee in each district in which it may be completed with a means of maintaining a complete electronic case file which shall contain in addition to the information listed in subsection (d) the following:

(1) a record of all motions, complaints, appointments, pleadings, and responses, as well as a record of the responses by the United States Trustee Office to those motions, appointments, and pleadings;

(2) automated generation of motions, complaints, appointments, pleadings, and responses;

(3) automated generation of standard management reports and letters on an exception basis;

(4) those accounting records, reports, and information required to be maintained by debtors in possession and trustees in cases under title 11, United States Code, by the Executive Offices for United States Trustees;

(5) an accurate record of bankruptcy case openings, case milestones, and case closings; and

(6) the calculation of distribution to creditors, final applications and orders for distribution to creditors, final applications and orders for distribution, final case closing reports, and all forms to insure prompt payment of statutory fees to trustees in asset and no asset cases.

(f) The demonstration system shall further provide the clerk of court with a means of electronically maintaining all calendars and dockets, and of producing all notices required to be sent in cases under title 11, United States Code.

(g) The demonstration system shall maintain the information specified in subsections (a) and (f) in a format easily accessible by electronic means, or otherwise, to all entities within the district in which such system is maintained with an interest in a case pending under title 11, United States Code. A charge of $5 shall be collected for each case accessed by such entity and all such charges shall be paid to proprietary receipts in the general fund of the Treasury to help defray the cost of operating the demonstration system.

(h) Notwithstanding subsection (d), unlimited access to the information maintained in the demonstration system shall be provided at no charge to the following:

(1) The Congress.

(2) The Executive Office for United States Trustees.

(3) The Administrative Office of the United States Courts.

(4) The clerks of the court in each judicial district in districts in which the demonstration system is operated.

(5) The judges of the bankruptcy and district courts in which the demonstration system is operated.

(6) Trustees in cases pending in those districts involved in operation of the demonstration system.

(i) Access as provided in subsection (h) shall be subject to such security limitations as may be imposed by the officials in charge of each of the respective offices specified in paragraphs (1) through (5) of such subsection. Access to the information maintained in the electronic code management system by trustees, attorneys of record, and parties in interest in proceedings and attorneys admitted to practice before the courts of participating districts shall be limited to review of the information on file which constitutes information of public record as provided in section 107 of title 11, United States Code.

SEC. 261. If any provision of this title or any amendment made by this title, or the application thereof to any entity or circumstances is held invalid, the provisions of every other part, and their application shall not be affected thereby.

PART D—AUTHORIZATION FOR APPROPRIATIONS FOR BANKRUPTCY ADMINISTRATION

SEC. 271. There hereby are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title, except that such amounts as are collected pursuant to the amendments made by section 212 of this title shall be utilized to reimburse the Treasury for such appropriations. Appropriations authorized under this section shall remain available for obligation until expended.

PART E—THE RULES OF BANKRUPTCY PROCEDURE

SEC. 281. Part X of the Rules of Bankruptcy Procedure applies in any district in which a United States trustee is serving until such Part is superseded by Rules of Bankruptcy Procedure promulgated under the authority of section 2075 of title 28, United States Code.

PART F—SHORT TITLE

SEC. 291. This title may be cited as the "United States Trustees Act of 1986".

TITLE III—TECHNICAL CORRECTIONS

SEC. 301. (a) Section 101(33) of title 11, United States Code, is amended to read as follows:

"(33) 'person' includes individual, partnership, a corporaton, but does not include governmental unit, provided, however, that effective as of October 1, 1979, any agency, department, or unit of the United States, or any corporation chartered by the United States, that acquires assets in a receivership capacity, or purchases, or otherwise acquires, assets from any entity shall be considered a person for purposes of section 1102 of this title.".

(b) Section 101(41)(A)(xv) of title 11, United States Code, is amended by striking out "secuity" and inserting in lieu thereof "security".

(c) Section 101(49) of title 11, United States Code, is amended by striking out the semicolon at the end thereof and inserting in lieu thereof a period.

SEC.. 302. (a) Section 303(b) of title 11, United States Code, is amended by striking out "subject on" and inserting in lieu thereof "subject of".

(b) Section 303(c) of title 11, United States Code, is amended by inserting "as to liability or the subject of a bona fide dispute" after "contingent."

(c) Section 303(h)(1) of title 11, United States Code, is amended by striking out "that".

SEC. 303. Section 346(j)(7) of title 11, United States Code, is amended by striking out "owned" and inserting in lieu thereof "owed".

SEC. 304. Section 362(b) of title 11, United States Code, is redesignated by section 392(a) of Public Law No. 98-353, is amended—

(1) in paragraph (6) by striking out "financial institution," each place it appears and inserting in lieu thereof ", financial institutions";

(2) striking "or" after the semicolon in the first paragraph (9);

(3) striking out "(9)" in the second paragraph (9), and "(10)" in paragraph (10) and inserting in lieu thereof "(10)" and "(11)", respectively, and

(4) in paragraph (10) as redesignated, by striking out the period at the end thereof and inserting in lieu thereof "; or".

SEC. 305. (a) Section 363(b) of title 11, United States Code, is amended by inserting "or their case equivalents" after "property".

(b) Section 363 of title 11, United States Code, is amended by striking out "value" and inserting in lieu thereof "amount".

SEC. 306. (a) Section 365(c) of title 11, United States Code, is amended by—

(1) striking "or an assignee of such contract or lease" in subparagraph (1)(A); and

(2) in paragraph (3) by—

(A) inserting "is" after "lease"; and

(B) inserting "and" after "property".

(b) Subparagraph (2)(A)(i) of section 365(e) of title 11, United States Code, is amended by striking out "the trustee or to an assignee of such contract or lease" and inserting in lieu thereof "an entity other than the debtor or debtor in possession".

(c) Paragraph (1) of section 365(h) of title 11, United States Code, is amended by inserting "or timeshare plan" after "lease" the fourth place it appears.

(d) Section 365(m) of title 11, United States Code, is amended by striking out "362(b)(9)" and inserting in lieu thereof "362(b)(10)".

SEC. 307. Section 502(b)(6)(A)(ii) of title 11, United States Code, is amended by striking out "repossessed" and inserting in lieu thereof "repossessed".

SEC. 308. Section 502(i) of title 11, United States Code, is amended by striking out "507(a)(6)" and inserting in lieu thereof "507(a)(7)".

SEC. 309. Section 503(b) of title 11, United States Code, is amended—

(1) in subparagraph (1)(B) by striking out "507(a)(6)" and inserting in lieu thereof "507(a)(7)".

(2) in paragraph (5) by inserting "and" after the semicolon; and

(3) in paragraph (6) by striking out "; and" and inserting in lieu thereof a period.

SEC. 310. Section 507(d) of title 11, United States Code, is amended by striking out "or (a)(6)" and inserting in lieu thereof "(a)(6) or (a)(7)".

SEC. 311. (a) Section 452 of the Bankruptcy Amendments and Federal Judgeship Act of 1984 (Public Law 98-353), amending section 521(3) of title 11, United States Code, is repealed.

(b) Section 521(4) of title 11, United States Code, is amended by inserting ", whether or not immunity is granted under section 344 of this title" after "estate" the second place it appears.

SEC. 312. (a) Section 522(h)(1) of title 11, United States Code, is amended by striking out "tittle" and inserting in lieu thereof "title".

(b) Section 522(c)(2)(A) of title 11, United States Code, is amended by striking out "(g)" and inserting in lieu thereof "(h)".

SEC. 313. Section 522(i)(2) of title 11, United States Code, is amended by striking out "his" and inserting in lieu thereof "this".

SEC. 314. Section 523(a) of title 11, United States Code, is amended—

(1) in subparagraph (1)(A) by striking out "507(a)(6)" and inserting in lieu thereof "507(a)(7)"; and

(2) by redesignating the second paragraph (9) as paragraph (10).

SEC. 315. Section 523(b) of title 11, United States Code, is amended by striking out "Services" and inserting in lieu thereof "Service".

SEC. 316. (a) Section 524(c)(6)(B) of title 11, United States Code, is amended by inserting "business debt or" before "consumer".

(b) Section 524(d)(2) of title 11, United States Code, is amended by striking out "subsection" the second place it appears and inserting in lieu thereof "section".

SEC. 317. Paragraph (3) of section 544(a) of title 11, United States Code, is amended by striking out "transfer" the second place it appears and inserting in lieu thereof "purchaser's interest".

SEC. 318. Section 546(e) of title 11, United States Code, is amended by inserting a comma after "stockbroker".

SEC. 319. Section 547(b)(4)(B) of title 11, United States Code, is amended by inserting "and" after the semicolon.

SEC. 320. Section 548(d)(2)(B) of title 11, United States Code, is amended by striking out "financial institution," and inserting in lieu thereof ", financial institution".

SEC. 321. (a) Paragraphs (3), (4), and (5) of section 464(a) of the Bankruptcy Amendments and Federal Judgeship Act of 1984 (Public Law 98-353), amending section 549(a) of title 11, United States Code, are repealed.

(b) Section 549(b) of title 11, United States Code, is amended by—

(1) striking out "of" after "to the extent"; and

(2) inserting "is" after "commencement of the case,".

SEC. 322. Section 553(a)(1) of title 11, United States Code, is amended by striking out "other" through "title" at the end thereof.

SEC. 323. Section 554(c) of title 11, United States Code, is amended by—

(1) striking out "521(a)(1)" and inserting in lieu thereof "521(1)"; and

(2) striking out "to the debtor" after "abandoned".

SEC. 324. The items relating to sections 557, 558, and 559 in the table of sections for subchapter III of chapter 5 of title 11, United States Code, are amended to read as follows:

"557. Expedited determination of interests in, and abandonment or other disposition of grain assets.
"558. Defenses of the estate.
"559. Contractual right to liquidate a repurchase agreement.".

SEC. 325. Section 724(b)(2) of title 11, United States Code, is amended by—

(1) striking out "or"; and

(2) inserting ", or 507(a)(6)" after "507(a)(5)".

SEC. 326. Section 726(b) of title 11, United States Code, is amended by striking out "or (6)" and inserting in lieu thereof "(6) or (7)".

SEC. 327. Section 743 of title 11, United States Code, is amended by striking out "(d)".

SEC. 328. Section 1121(d) of title 11, United States Code, is amended by striking out "subsection" and inserting in lieu thereof "subsections (b) and".

SEC. 329. Section 1129(a) of title 11, United States Code, is amended—

(1) in paragraph (7) by striking out "of" the first time it appears;

(2) in subparagraph (9)(B) by striking out "or 507(a)" the first time it appears and inserting in lieu thereof "507(a)(5) or 507(a)(6)"; and

(3) in paragraph (9)(C) by striking out "(6)" and inserting in lieu thereof "(7)".

SEC. 330. (a) Section 525(b)(1) of the Bankruptcy Amendments and Federal Judgeship Act of 1954 (Public Law 98-353) amending section 1302(e)(4) of title 11, United States Code, is repealed.

(b) Section 1302(b)(1) of title 11, United States Code, is amended by striking out "704(3),".

(c) Section 1302(e)(1) of title 11, United States Code, is amended by striking out "fix" and inserting in lieu thereof "set for such individual".

SEC. 331. Section 1324 of title 11, United States Code, is amended in the second sentence by striking out "the" the first place it appears.

SEC. 332. Section 1325(b)(2)(A) of title 11, United States Code, is amended by striking out "or" after the semicolon and inserting in lieu thereof "and".

SEC. 333. Section 1326(a)(2) of title 11, United States Code, is amended by striking out "payments" and inserting in lieu thereof "payment".

SEC. 334. Official Bankruptcy Form No. 1, referred to in Rules 1002 of the Bankruptcy Rules, is amended—

(1) in paragraph (6) by striking out "7 or 13" and inserting in lieu thereof "7, 11, or 13"; and

(2) by striking out "7 or 13" and inserting in lieu thereof "7, 11, or 13" in the statement to be made by the attorney in "Exhibit 'B'".

SEC. 335. The table of sections of chapter 15 of title 11, United States Code, is amended by striking out "this in the item to section 1501.

SEC. 336. Section 15701(a) of title 11, United States Code, is amended by striking out "trustee" the second time it appears and inserting in lieu thereof "trustees".

SEC. 337. Section 15703(b) of title 11, United States Code, is amended by striking out "truste" and inserting in lieu thereof "trustee".

SEC. 338. Section 151102(b) of title 11, United States Code, is amended by striking out "of" the second time it appears and inserting in lieu thereof a comma.

SEC. 339. (a) Section 311(b)(4) of the Bankruptcy Amendments and Federal Judgeship Act of 1984 (Public Law 98-353), amending section 15130(b)(1) of title 11, United States Code, is repealed.

(b) Section 151302(b)(1) of title 11, United States Code, is amended by striking out "704(8)" and inserting in lieu thereof ", 704(7), and 704(9)".

SEC. 340. Section 156 of title 28, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) For purposes of financial accountability in a district where a bankruptcy clerk has been certified, such clerk shall be accountable for and pay into the Treasury all fees, costs, and other monies collected by such clerk except uncollected fees not required by an Act of Congress to be prepaid. Such clerk shall make returns thereof to the Director of the Administrative Office of the United States courts under regulations prescribed by such Director.".

SEC. 341. Section 157(b)(2)(B) of title 28, United States Code, is amended by striking out "interest" and inserting in lieu thereof "interests".

SEC. 342. Section 157(b)(2)(C) of title 28, United States Code, is amended by inserting a comma after "annul".

SEC. 343. Section 1334(d) of title 28, United States Code, is amended by striking out "and of the estate" and inserting in lieu thereof "and of property of the estate".

SEC. 344. Section 1930(a) of title 28, United States Code, is amended by striking out "of the court" and inserting in lieu thereof "of the district court or the clerk of the bankruptcy court, if one has been certified pursuant to section 156(b),".

SEC. 345. Section 2041 of title 28, United States Code, is amended by inserting "or any bankruptcy court" after "court of the United States".

SEC. 346. Section 2043 of title 28, United States Code, is amended by inserting ", and each clerk of the bankruptcy courts," after "United States courts".

Mr. HEFLIN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. THURMOND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

□ 1500

Mr. THURMOND. Mr. President, I move that the Senate insist on its amendments and request a conference with the House on the disagreeing votes thereon and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to.

Mr. THURMOND. Mr. President, I move to indefinitely postpone consideration of S. 1923.

The motion was agreed to.

Mr. THURMOND. Mr. President, I think that completes the action on this matter. I express appreciation to all concerned.

THANK YOU TO MR. AND MRS. HOWARD GREENE

Mr. THURMOND. Mr. President, I want to take this opportunity to express my appreciation to Mr. Howard Greene and his wife, Elizabeth, for being so helpful to the Senate. I find they are both very competent, very cooperative, very efficient, and we appreciate all the work they do to promote the work of the Senate. Likewise, I thank Abbey Safford, Charles Kinney, and Martin Paone for their efforts and cooperation.

Mr. HEFLIN. Hear, hear. I concur in the remarks and even though they are newlyweds, they do not show too much evidence of that fact. We congratulate them on their recent marriage. We hope that they continue to get along well on the floor as they do off the floor.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. DOLE. Mr. President, I thank the distinguished chairman of the Committee on the Judiciary [Mr. THURMOND] and the distinguished Senator from Alabama [Mr. HEFLIN] for their fine work on the bankruptcy judges bill. We have completed action on that.

We started last evening, completed today by 3 o'clock. That is an indication of coordination, cooperation and compromise. It was all done without a single rollcall vote, which I am certain my colleagues appreciate, because they are all busily engaged in committee hearings this afternoon and otherwise with their regular duties.

I do particulary thank the distinguished chairman of the committee [Mr. THURMOND]. He has been wanting this bill up for some time. It is up, it has been passed.

We shall soon be ready to move onto the drug export bill. I understand some of the principals are on the way.

Also, there will be no objection on this side until he has had an opportunity to visit with the distinguished Senator from Utah [Mr. HATCH].

□ 1510

The PRESIDING OFFICER (Mr. SPECTER). Does someone suggest the absence of a quorum?

Mr. HATCH. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

□ 1520

PHARMACEUTICAL EXPORT AMENDMENTS OF 1986

Mr. DOLE. Mr. President, I have cleared the following request with the distinguished minority leader, Senator BYRD.

I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 493, S. 1848, the drug export bill.

Mr. METZENBAUM. Mr. President, reserving the right to object—and I have already told the majority leader that I do not intend to object—I just wanted to be certain that I repeat what I think is the understanding we have reached, and that is that assuming we get on the bill, the Senator from Ohio and other Senators who have an interest in this measure would have an opportunity to debate the subject and to offer amendments for a couple of days; that the majority leader does not intend to file a cloture motion at least for a couple of days. The Senator from Ohio indicated previously that he has no intention to filibuster the matter, but thinks the matter will take 3 or 4 days, once we are on it.

I just want to reassert what I think our understanding is, and I think the majority leader has indicated the same in public statements heretofore made.

Mr. DOLE. The Senator is correct. There is some hope that we might reach some agreement, since we are starting on the bill fairly early today and are prepared to stay on the bill for 5 or 6 hours today. Thursday is usually a late day.

Then, if we can work out some agreement to have final passage by the close of business on Tuesday, whatever the time, we will not be in session tomorrow. If we cannot, I have no alternative, because we are getting within 10 days of a 10-day recess, and we need to get ready for a supplemental appropriation bill, I am advised, and one or two others, before we recess, including the vote on the Saudi arms bill veto.

I think that once we start and see what happens, we may dispose of three or four amendments of the Senator from Ohio or other Senators this afternoon.

Mr. METZENBAUM. I do not know whether the majority leader indicated anything about concluding by Tuesday, since we very seldom work very much around here on Friday or Monday, and everybody wants to be protected. I am not sure Tuesday is logical, but I had indicated earlier to the majority leader's assistant, Mr. Greene, that I thought probably sometime Wednesday we would be bringing the matter to a vote.

There was some talk about a consent agreement. That has not yet been worked out. I do not want to give any assurances about Tuesday, because it could be Wednesday or Thursday. I repeat that I am not looking for delay.

The PRESIDING OFFICER. Is there objection to the request of the majority leader? The Chair hears none, and it is so ordered.

Mr. DOLE. Mr. President, I thank the Senator from Ohio and the Senator from West Virginia [Mr. BYRD].

I hope we can start opening statements and move along. There are a number of amendments that I think we can deal with today. I know that Senator GLENN, Senator METZENBAUM, and Senator SIMON have amendments.

The bill is before us, and there is no intention to file a cloture motion today.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 1848) to amend the Federal Food, Drug, and Cosmetic Act to establish conditions for the export of drugs.

The Senate proceeded to consider the bill, which had been reported by the Committee on Labor and Human Resources with an amendment to strike out all after the enacting clause and insert the following:

That this Act may be cited as the "Pharmaceutical Export Amendments of 1986".

SEC. 2. (a) The Congress finds that—

(1) the development and international distribution of safe and effective pharmaceutical products by United States-based firms promotes world health and is important to the national economy;

(2) the policy governing worldwide distribution of pharmaceutical products manufactured in the United States should promote the public health;

(3) the full public health benefits that could be afforded by new drugs manufactured in the United States are at times unnecessarily limited by the export restrictions which exist under United States law;

(4) the current law of the United States does not permit the export of such drugs prior to approval in the United States;

(5) there are other developed countries which have sophisticated health regulatory authorities which protect the health and safety of their citizens;

(6) many new drugs developed by United States pharmaceutical companies are approved for marketing in such foreign countries prior to approval in the United States;

(7) the inability to export such drugs to countries which have adequate regulatory authorities especially hinders the international competitiveness of smaller United States firms and firms in the biotechnology field from entering foreign markets directly, and often such entrance is only possible through technology licensing agreements with foreign competitor manufacturers;

(8) it is appropriate to permit the export of new drugs to countries in which they are approved under circumstances that protect

against harm to the health or safety of citizens in the importing country;

(9) the inability to export drugs approved abroad discourages investment in the United States, results in the loss of employment opportunities in this country, and erodes the favorable balance of trade in pharmaceuticals; and

(10) it is appropriate to provide sufficient safeguards to ensure that drugs so exported are not diverted to countries that may not have adequate drug regulatory authorities.

(b) The purposes of this Act are—

(1) to permit the shipment of new drugs prior to approval in the United States to certain developed countries that meet certain specified regulatory standards;

(2) to protect against the diversion of such drugs to countries that do not have highly sophisticated health regulatory authorities;

(3) to encourage the development and availability of drugs to treat diseases or health conditions which are rare in the United States;

(4) to encourage new capital investment, the creation of new job opportunities in the United States, and maintain the favorable trade balance in pharmaceuticals; and

(5) to enable the United States biotechnology industry to enter foreign markets to the extent permitted by foreign law without licensing their technology to foreign firms.

SEC. 3. Section 801 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 381) is amended by adding at the end thereof the following new subsection:

"(e)(1)(A) A drug (including a biological product) intended for human or animal use which—

"(i) requires approval by the Secretary under section 505 or section 512, or

"(ii) requires licensing by the Secretary under section 351 of the Public Health Service Act or by the Secretary of Agriculture under the Act of March 4, 1913 (known as the Virus Serum Toxin Act),

before it may be shipped in interstate commerce to a country and which does not have such approval or license shall be deemed misbranded, adulterated, and in violation of such sections or Acts unless the drug is shipped by a person only to a country described in paragraph (2) and if the drug meets the requirements of subparagraph (B) and paragraph (3).

"(B) If a drug (including a biological product) described in subparagraph (A) that is manufactured, processed, packaged, or held in conformity with current good manufacturing practice and that is not adulterated under subsection (a)(1), (a)(2)(A), (a)(3), (c), or (d) of section 501 is shipped by a person to a country in accordance with this subsection, such drug shall not be considered to be in violation of section 505 or 512, section 351 of the Public Health Service Act, or the Act of March 4, 1913 (known as the Virus Serum Toxin Act), and shall not be deemed to be adulterated or misbranded for purposes of this Act.

"(2)(A) A drug described in paragraph (1) may be shipped to—

"(i) a developed country which is on the list established by the Secretary of countries which have an adequate governmental health authority to approve drugs including—

"(I) regulatory procedures to assure adequate scientific review of the animal and clinical studies relating to the safety and effectiveness of drugs before drugs are approved for marketing;

"(II) regulatory procedures to assure that labeling information provided in such country to physicians, pharmacists, and patients is accurate and conforms with the laws of such country;

"(III) regulatory procedures to detect and to record serious problems with respect to the safety of the drug, including adverse drug reactions; and

"(IV) procedures and trained personnel to administer and to enforce the policies of that authority, including the capability to remove or cause to be removed from the market drugs which present a serious safety problem in such country; or

"(ii) a developed country which is on the list established by the Secretary of countries which have an adequate governmental health authority—

"(I) to assure that labeling information provided in such country to physicians, pharmacists, and patients accurately reflects, and is consistent with, the labeling for the drug approved or licensed by a country on the list established by the Secretary under clause (i);

"(II) to detect and to record serious problems with respect to the safety of the drug, including adverse drug reactions; and

"(III) which has procedures and personnel sufficient to administer and to enforce the policies of that authority, including the capability to remove or cause to be removed from the market drugs which present a serious safety problem in such country; or

"(iii) a country which is not included on the list established by the Secretary under clause (i) or (ii) if the Secretary determines that, on the basis of scientific evidence including clinical investigations, the shipment of such drug to such country is justified to promote the public health in such country because of diseases (such as tropical diseases) or particular health conditions in such country which do not exist to a significant extent in the United States.

"(B) Within ninety days after the date of enactment of this subsection, the Secretary shall establish the lists of countries required by clauses (i) and (ii) of subparagraph (A).

"(C) The Secretary shall periodically revise the lists of countries established under clauses (i) and (ii) of subparagraph (A).

"(D) In establishing and revising the lists of countries under clauses (i) and (ii) of subparagraph (A), the Secretary—

"(i) shall consult with independent experts in the field of drug regulation; and

"(ii) shall provide reasonable opportunity for public comment before such lists are established or revised.

"(3) A drug described in paragraph (1) may be shipped by a person to a country on a list established under clause (i) or (ii) of paragraph (2)(A) or a country described in clause (iii) of such paragraph only if—

"(A) the drug meets the requirements of subparagraphs (A) through (D) of subsection (d)(1);

"(B) the drug is not the subject of final action by the Secretary or the Secretary of Agriculture denying, withdrawing, or suspending approval or licensing or otherwise banning the drug on the basis of safety and effectiveness;

"(C) the drug is not the subject of a notice by the Secretary or Secretary of Agriculture of a determination that the manufacture of the drug in the United States for shipment to a country is contrary to the public health and safety in the United States;

"(D) in the case of a drug to be shipped to a country on the list established under clause (ii) of paragraph (2)(A) or a country described in clause (iii) of such paragraph, the drug (or a drug containing the same active ingredient or ingredients) is the subject of—

"(i) a current application for exemption for investigational use from the approval or licensing requirements described in paragraph (1)(A);

"(ii) an application for approval or licensing as described in paragraph (1)(A); or

"(iii) a current drug master file containing all safety information required to be included in an application for an exemption for investigational use from the approval or licensing requirements described in paragraph (1)(A);

"(E) in the case of a drug to be shipped to a developed country on the list established under clause (ii) of paragraph (2)(A)—

"(i) the drug has been approved or licensed by a country included on the list established under clause (i) of paragraph (2)(A);

"(ii) the labeling of the drug accurately reflects and is consistent with the labeling for such drug approved or licensed by a country on the list established under clause (i) of paragraph (2)(A);

"(iii) the labeling is in an appropriate language for the importing country; and

"(iv) the drug is not the subject of an action by a governmental health authority in a country on the list established under clause (i) of paragraph (2)(A) denying or withdrawing approval or licensing or otherwise banning the drug on the basis of safety;

"(F) the person seeking to ship the drug has complied with paragraph (4) with respect to such drug; and

"(G) the outside of the shipping package of such drug is labeled with the following statement: 'This drug may be sold or offered for sale only in the following countries: .', the blank space therein being filled with a list of the countries to which shipment of the drug is authorized under this subsection.

"(4)(A) A person seeking to ship a drug pursuant to this subsection shall submit to the Secretary or the Secretary of Agriculture, at least ninety days prior to the date of the first shipment of the drug, a notice of intent to ship such drug. Within fifteen days after receipt of such notice of intent to ship, the Secretary or Secretary of Agriculture shall publish in the Federal Register a notice which identifies the drug to be shipped and states each country to which the drug will be shipped.

"(B) A person who has met the requirements of this subsection with respect to a drug including the submission of a notice under subparagraph (A) and who seeks to ship such drug to a country on the list established under paragraph (2)(A)(i), which country was not included in the notice submitted under subparagraph (A), shall submit to the Secretary or Secretary of Agriculture, at least fourteen days prior to the date of the first shipment of the drug to that country, a notice of intent to ship.

"(C) A person who has met the requirements of this subsection with respect to a drug and who seeks to ship such drug to a country on the list established under paragraph (2)(A)(ii) for which such person has not submitted a notice under subparagraph (A) with respect to such drug shall submit to the Secretary or Secretary of Agriculture, at least thirty days prior to the date of the first shipment of the drug to that country, a notice of intent to ship. Within fifteen days of receipt of such notice of intent to ship, the Secretary or Secretary of Agriculture shall publish in the Federal Register a notice which identifies the drug to be shipped and

states the country to which the drug will be shipped.

"(D) Any notice of intent to ship submitted to the Secretary or Secretary of Agriculture under this paragraph shall—

"(i) identify the drug to be shipped;

"(ii) identify the establishment where the drug has been or will be manufactured;

"(iii) identify each country to which such person will ship the drug;

"(iv) in the case of a drug to be shipped to a country on the list established under paragraph (2)(A)(ii), include a copy of the labeling described in paragraph (3)(E)(ii);

"(v) include, to the extent not in conflict with the laws of the country to which the drug is intended for export, a written agreement from each importer to whom the drug is to be shipped from the United States that such importer will not ship the drug to a country to which the drug may not be shipped under the requirements of paragraph (2)(A) unless prior written consent to the contrary has been obtained from the Secretary or the Secretary of Agriculture; and

"(vi) include assurances that, to the extent not otherwise required under this Act, reports of serious adverse drug reactions known to the person shipping the drug from the United States shall be transmitted promptly to the Secretary for inclusion in a drug master file.

The written agreement required under clause (v) shall be renewed annually or upon the next shipment if such shipment occurs later than one year from the date of the first agreement submitted under this paragraph.

"(5)(A) Within sixty days after a person submits a notice of intent to ship with respect to a drug under paragraph (4)(A), the Secretary or the Secretary of Agriculture may determine that a proposed shipment of a drug does not comply with all the requirements of paragraphs (1) through (4). If the Secretary or the Secretary of Agriculture makes such a determination, the Secretary or the Secretary of Agriculture shall, at the time of such determination, provide such person with a written statement specifying—

"(i) the deficiencies which such person must correct in order to enable such shipment to comply with such requirements; and

"(ii) that such person has a reasonable opportunity to correct such deficiencies within sixty days after receiving such statement.

"(B) If a person who has received a statement under subparagraph (A) does not correct the deficiencies specified in such statement within sixty days after receiving such statement, the Secretary or the Secretary of Agriculture may issue an order stating that the shipment of a drug with respect to which such statement was made does not comply with all the requirements of this subsection and prohibiting such shipment.

"(6)(A) Except as provided in subparagraphs (B) and (C), at any time after the shipment of a drug to a country is permitted under this subsection, the Secretary or the Secretary of Agriculture may determine that such shipment is unlawful because such shipment does not comply with any requirement of paragraph (3), and may issue an order to prohibit such shipment.

"(B) If, at any time after the shipment of a drug to a country is permitted under this subsection, the Secretary or the Secretary of Agriculture determines that such shipment does not comply with subparagraph (A) of paragraph (3) or subparagraphs (C) through (F) of such paragraph, the Secretary or the Secretary of Agriculture shall, prior to issuing an order with respect to such shipment under subparagraph (A) of this paragraph, provide the person who submitted the notice under paragraph (4) with respect to such shipment with a written statement which—

"(i) specifies such determination; and

"(ii) states that such person may, within thirty days after receiving such statement, take such action as the Secretary or the Secretary of Agriculture determines necessary to comply with the requirements of subparagraph (A), (C), (D), (E), or (F) of paragraph (3), as the case may be, in order to permit the shipment of such drug.

"(C) If the Secretary or the Secretary of Agriculture determines that the person who receives a statement under subparagraph (B) does not take the action required by the Secretary or the Secretary of Agriculture under clause (ii) of such subparagraph, or that such person took an action which is inadequate to comply with the requirement of subparagraph (A), (C), (D), (E) or (F) of paragraph (3), as the case may be, the Secretary or the Secretary of Agriculture shall issue an order under subparagraph (A) with respect to such drug. Any such order shall be accompanied by a written statement—

"(i) specifying each requirement of paragraph (3) which has not been complied with relating to such shipment; and

"(ii) stating that the person who is the subject of such order will be provided, on request, with an opportunity for an informal hearing with respect to such order.

"(7) The Secretary or the Secretary of Agriculture, or in the absence of either such Secretary, the officer acting as such Secretary, may prohibit the shipping of a drug to a country or countries authorized under this subsection if the drug has been determined by such Secretary or officer to present an imminent hazard to the public health in such country or countries. A determination by such Secretary or officer under this paragraph shall not be stayed pending final action by a reviewing court. The authority conferred by this paragraph to prohibit the shipment of a drug shall not be delegated by the Secretary or the Secretary of Agriculture, except that in the case of the absence of either such Secretary, such authority may be delegated to the officer acting as such Secretary.

"(8)(A) If at any time the Secretary or the Secretary of Agriculture, or in the absence of either such Secretary, the officer acting as such Secretary, determines that—

"(i) a person is shipping a drug from the United States to an importer;

"(ii) such importer is shipping the drug to a country to which shipment is not authorized under this subsection; and

"(iii) such shipment presents an imminent hazard to public health in the country to which shipment is not authorized under this subsection,

such Secretary or officer shall immediately prohibit the shipment of the drug to such importer, give the person shipping the drug from the United States prompt notice of the determination, and afford such person an opportunity for an expedited hearing.

"(B) If the Secretary or the Secretary of Agriculture, or in the absence of either such Secretary, the officer acting as such Secretary, receives credible evidence that a drug shipped to a country to which shipment is authorized under paragraph (2)(A) has been or is being shipped to a country to which shipment is not authorized under paragraph (2)(A) and if, upon investigation, such Secretary or officer determines that there is a reasonable basis to believe that such drug has been so shipped, such Secretary or officer shall immediately—

"(i) notify the governments of the countries involved; and

"(ii) notify any person shipping the drug from the United States of the shipment of the drug to a country to which shipment is not authorized.

"(C) Any person receiving notification under subparagraph (B) shall investigate the matter and report to the Secretary or the Secretary of Agriculture within fourteen days the findings of such person, if any, regarding the source and cause of the shipment of the drug to a country to which shipment is not authorized under this subsection and the steps the person is taking to remedy any noncompliance with the terms of the importer agreement required under paragraph (4)(D)(v).

"(D) If, sixty days after receiving the findings under subparagraph (C), the Secretary or the Secretary of Agriculture, or in the absence of either such Secretary, the officer acting as such Secretary, determines that despite the efforts taken under subparagraph (C), the person who imported the drug from the United States is continuing to ship the drug to a country to which shipment is not authorized under this subsection, then such Secretary or officer shall prohibit the shipping of the drug to such importer.

"(E) If—

"(i) a person shipping a drug from the United States has been notified under subparagraph (A) that the shipment of the drug presents an imminent hazard, and such person continues to ship such drug from the United States to a prohibited importer, or

"(ii) sixty days after the Secretary receives the findings under subparagraph (C), a person continues to ship a drug from the United States to an importer knowing that the importer is continuing to ship the drug to a country to which shipment is not authorized,

then the drug shall be deemed to be misbranded and shall not be shipped unless prior written consent to the contrary has been obtained from the Secretary or the Secretary of Agriculture.

"(F) The authority conferred by this paragraph shall not be delegated by the Secretary or the Secretary of Agriculture.".

SEC. 4. The list of countries initially established by the Secretary of Health and Human Services under section 801(e)(2)(A)(i) of the Federal Food, Drug, and Cosmetic Act (as added by section 3 of this Act) shall include the following countries unless the Secretary determines that a country should not be included on such list because the country does not have an adequate health authority to approve drugs:

Australia.
Austria.
Belgium.
Canada.
Denmark.
Federal Republic of Germany.
Finland.
France.
Japan.
The Netherlands.
New Zealand.
Norway.
Sweden.
Switzerland.
The United Kingdom.

SEC. 5. (a) Within two years after the date of enactment of this Act and every two years thereafter, the Comptroller General of the United States shall complete a study of, and transmit to the Congress and to the Secretary of Health and Human Services the find-

ings and recommendations of the Comptroller General on—

(1) the extent to which drugs shipped under section 801(e) of the Federal Food, Drug, and Cosmetic Act (as added by section 3 of this Act) are introduced into countries not authorized to receive such drugs by such section, and the effect of such shipment, if any, on the health of the population of such country; and

(2) the extent to which labeling of drugs shipped under such law to countries included on the list established under section 801(e)(2)(A)(ii) of the Federal Food, Drug, and Cosmetic Act (as added by section 3 of this Act) is consistent with the labeling for such drugs approved or licensed by countries on the list established under section 801(e)(2)(A)(i) of such Act (as added by section 3 of this Act).

(b)(1) The Secretary of Health and Human Services shall enter into a contract with the National Academy of Sciences whereby the National Academy of Sciences will undertake a study of—

(A) the economic impact of the provisions of section 801(e) of the Federal Food, Drug, and Cosmetic Act (as added by section 3 of this Act) on employment, capital investment, and trade; and

(B) the effect upon international health of the provisions of such section 801(e).

(2) The contract entered into under paragraph (1) shall contain provisions requiring the National Academy of Sciences to transmit its findings under this subsection to the Congress within five years after the date of enactment of this Act.

(3) The contract entered into under paragraph (1) shall be to such extent or in such amounts as are provided in appropriation Acts.

SEC. 6. (a) Section 526(a)(2) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360bb(a)(2) is amended by inserting "(including a disease or condition prevalent in a developing country)" after "any disease or condition".

(b) Section 5(b)(2) of the Orphan Drug Act (21 U.S.C. 360ee(b)(2) is amended by inserting "(including a disease or condition prevalent in a developing country)" after "any disease or condition".

SEC. 7. Section 402(d)(2) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 342(d)(2)) is amended by inserting before the semicolon "except that this clause shall not apply to confectionery which is introduced or delivered for introduction into, or received or held for sale in, interstate commerce if the sale of such confectionery is permitted under the laws of the State in which such confectionery is intended to be offered for sale".

SEC. 8. The provisions of this Act and of the amendments made by this Act do not authorize the appropriation of any funds for fiscal year 1986.

Mr. HATCH. Mr. President, I am pleased to speak in support of S. 1848, the Pharmaceutical Export Amendments of 1986. This legislation will save American jobs, prevent the export of American biotechnology, and decrease our balance-of-payments deficit, without increasing the health risk to foreign consumers, without erecting trade barriers that invite retaliation, and without costing the taxpayer money.

That is a good set of claims, and I believe every one of those things is true.

□ 1530

Our current, misguided policy under the Food, Drug, and Cosmetic Act forbids the export of most pharmaceuticals until they receive approval from the Food and Drug Administration or the USDA, even though the destination is a country where the drugs have been already approved.

This is not the policy governing other products subject to the Food, Drug, and Cosmetic Act. Nor is the restriction on the export of unapproved new drugs or new animal drugs followed for other types of products which are subject to Federal regulation. Even the export of admittedly hazardous chemicals, for example, while subject to certain conditions, is not banned. In such cases the United States, instead, notifies the importing country of its findings, but permits export to the country if the substance can be marketed there lawfully.

Under the law presently governing these pharmaceuticals, problems arise when drug approval is granted in foreign countries before it is received from FDA, as is often the case. In such a situation, the U.S. manufacturer has a potential foreign market which it cannot serve from a U.S. production facility. It naturally is compelled under those circumstances to locate that production facility in a foreign country from which the drug can be shipped to any nation allowing its import. No other nation in this world imposes a similar ban like ours on the export of unapproved drugs that have been approved by other nations. Thus jobs and capital investment are forced overseas and our potential balance of payments diminishes. Indeed, once the pharmaceutical is approved by FDA, the foreign plant often has the capacity to meet U.S. demand, so the domestic market is served by importing a drug produced abroad by a U.S. manufacturer, again worsening our balance of payments. It is ridiculous but that is the way the law is, and this bill is intended to resolve these particular problems.

S. 1848 would modify this counterproductive policy by permitting the export of not-yet-approved drugs to a limited set of developed countries under restrictions and safeguards designed to ensure that unsafe drugs will not be "dumped" on undeveloped countries ill equipped to deal with them. I hasten to add that in no case could drugs be exported by any American company from our shores if such drug has been rejected by the Food and Drug Administration or USDA—we are only talking here about drugs which have not yet been approved by these U.S. agencies. Chief among the bill's protections are the requirements that each drug has been approved for safety and efficacy by a foreign regulatory agency comparable to our FDA and that each be produced in conformity with the same quality standards as domestically approved drugs.

Opponents of changing our current policy attack the bill on health grounds, claiming that it will permit unsafe unapproved drugs to be sold in undeveloped countries. Senator KENNEDY, the ranking minority member of the Labor and Human Resources Committee, which I chair, and I have been sensitive to those charges and have built into the bill protections that will assure that no U.S. company is involved in unauthorized shipments and that the drugs exported under these amendments have first passed muster before responsible foreign officials.

But the fundamental response to critics is that, when judged by its impact on foreign consumers, this bill will have no negative effect compared to the situation under current law. This is a point that the critics of this bill never really address.

Under current law, any drug, approved or unapproved, may be made overseas and shipped to any country in the world where it is permitted. Get that point. Under current law, a U.S. company can move offshore and produce any drug it wants to and export it to any other country in the world with no restrictions, no regulations, no guidance, no checks on it whatsoever. And many companies have indeed moved offshore, forced there by current law.

Thus drugs not approved by the FDA are, under current law, circulating freely abroad and are available right now to foreign consumers. It follows that to the extent drugs exported from the United States under these amendments find their way to unauthorized countries, the situation is no different than it would have been had not the bill passed. In other words, current policy does not keep so much as one unapproved drug out of the hands of foreign consumers, so it is quite unfair to criticize this bill because the same result may possibly occur at times if it passes. This bill will not expose foreign consumers to a single drug they will not be exposed to under current law. Conversely, there is no evidence that a single drug will be kept off the world market or a single consumer protected if this bill is defeated. This fact clearly exposes the empty rhetoric of those who find the present status quo so appealing.

Indeed, this bill is an improvement for foreign consumers when compared to current law. Foreign consumers have no protection right now under current law. This bill provides for protection.

These foreign-produced drugs are not subject to FDA jurisdiction or requirements at all. However, to the extent future production facilities are located in this country under the authority of these amendments, S. 1848

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would for the first time make these drugs subject to FDA's Good Manufacturing Practices Code, its inspections and recordkeeping safeguards, and would require responsible labeling of these products, all of which is not required today but would be required under this bill.

The bill also recognizes the need for drugs to treat diseases peculiar to developing nations, drugs which are rarely submitted to FDA for approval for the U.S. market. It encourages the development of such drugs by permitting their export after a case-by-case determination by the Secretary of Health and Human Services that the public health in the foreign country would be advanced by the drug, and it makes such drugs eligible for the benefits of the Orphan Drug Act. This and other important provisions of the law are the result of Senator KENNEDY's vital involvement in its development. I thank him for his commitment to making this a good bill and I thank him in particular for his support and strong cosponsorship of this bill.

S. 1848 is a very responsible bill. It is even more restrictive than the approach called for in relevant United Nations policy statements. It is supported by the Food and Drug Administration. It has deep bipartisan backing, having passed out of committee with a favorable vote of 13–2.

I note here that the committee amendment remains faithful to S. 1848 as introduced, with a few minor changes. It reflects the adoption of two amendments by Senator SIMON, one shortening the initial return date of a GAO study, and an unrelated provision concerning confections containing alcohol, which has been superseded by enactment of the same language in the smokeless tobacco bill. The committee substitute also specifies that no fiscal year 1986 funds are authorized to be expended under the amendments.

This bill is a positive step in all respects. By reasonable estimates, it will increase our exports by $400–500 million per year. We feel that is the minimum it will increase our exports, and that is important with the balance of payments deficits that we presently are facing. And it will add to our economy between 8,000 to 10,000 jobs—some would estimate as many as 50,000 jobs. We are going to be very conservative here and indicate it would add to the economy somewhere between 8,000 and 10,000 jobs, jobs that are badly needed in a critical industry, traditionally high-paying jobs that will do a lot for our people and jobs which, I might add, otherwise will continue to be located overseas because current law compels our companies to move overseas.

This particular bill encourages them to stay here. It brings regulatory control over the things that they are doing and it makes certain requirements that really provide safety for people in other countries.

I ask the Senate to join Senator KENNEDY and me and our colleagues on the Labor and Human Resources Committee who have supported this bill, an overwhelming majority of them.

I hope we can move to amendments as soon as we can and go on from here.

I understand the distinguished Senator from South Carolina has a statement he would care to make at this time.

So I yield the floor for that purpose.

□ 1540

Mr. THURMOND. Mr. President, I am very pleased to be an original cosponsor of S. 1848, the Pharmaceutical Export Amendments of 1986. As a member of the Senate Labor and Human Resources Committee, I commend the leadership which Chairman ORRIN HATCH has demonstrated in bringing this important legislation to the Senate floor today.

Throughout the course of the debate on the Textile and Apparel Trade Enforcement Act, I repeatedly stated that imports capture a larger share of our domestic market because foreign manufacturers do not compete with domestic textile/apparel producers on a level playing field. A similar situation is occurring in the domestic pharmaceutical industry. Under current law, pharmaceuticals may not be exported for sale abroad unless they have already been approved by the Food and Drug Administration. This restriction applies even if the particular drug has been approved in the country of destination.

An example of the type of problem which results under current law is found in my home State. Norwich Eaton Pharmaceutical Co., which operates its primary manufacturing plant in Greenville, SC, has the capacity to manufacture certain drugs which are in demand and have been approved by foreign countries. In order to supply this need, pharmaceutical manufacturers, like Norwich Eaton, must build plants and manufacture abroad. This is extremely detrimental to the American economy.

The huge national trade deficit is a major crisis which Congress must address through appropriate legislation. The Commerce Department has predicted that although we currently enjoy a positive balance of trade in the pharmaceutical manufacturing industry, if the present trend continues, a negative balance of trade will exist by the end of 1986.

This bill will promote health by increasing worldwide access to quality pharmaceuticals which are manufactured in America. It will benefit the economy by creating an estimated 8,000 to 10,000 jobs in the United States. Furthermore, it will improve our balance of trade position by an estimated $400 to $500 million per year. The merits of this legislation are clearly illustrated by the strong, bipartisan support which it has received. Accordingly, I urge its speedy passage.

Mr. President, I wish to thank the able Senator from Utah for his leadership in this important matter. It means a great deal to the economy of this country. It means a great deal to the balance of trade. I think it is important to the people abroad who could get these drugs manufactured here in this country rather than have to have our manufacturers go abroad and lose jobs here. To me it makes sense. The bill should be passed.

Mr. HATCH. Mr. President, I thank my colleague from South Carolina. As usual, he is at the forefront on most of these issues. He has stated it quite well. Literally, why should we be giving up our jobs to foreign lands when we could have those jobs here, have added protection, and still, it seems to me, benefit our country from a balance of payments standpoint? This bill makes a lot of sense and I look forward to working with him on the floor.

Mr. METZENBAUM. Mr. President, I have heard some say that this is a jobs bill. Let us not kid anybody. There is one basic issue with this bill. It is not complicated. That issue? Is the U.S. Senate going to pass a piece of legislation that makes "Made in America" a dirty word throughout the world. That is all that is involved with this bill.

There are some jobs, but pharmaceutical companies are not going to bring their foreign operations back here and they are not even going to keep from taking all their operations overseas. They want to be able to export to foreign countries, pharmaceuticals that they cannot sell in this country.

I want to be honest with the body. The pharmaceutical lobby has done a very effective job. But the vast body of the American public has no idea what is in this bill. They do now know that this bill will make it possible to export drugs to 1 of 15 named countries, or to one of a group of other countries that have not as yet been designated by the Secretary of Health and Human Services. And then that country, or somebody in that country or some business person in that country, will be in a position to reexport the drugs from that country to all the other nations of the world. This bill cannot prevent this reexport or transshipment from talking place.

□ 1350

When people in other countries use those drugs and a tragedy occurs, such as occurred in the case of thalidomide,

or a tragedy occurs such as that occurred in Bhopal, India, or a tragedy occurs such as the one recently we learned about in Peru, where children died after ingesting an American-made "medical food"—again, our Nation will be embarrassed. There will be those who say well, it was those profit hungry Americans that sent us over these drugs to either provide illness or to cause the loss of life of hundreds of thousands or perhaps of tens of thousands of people.

When this legislation was first introduced the editorial opinion in connection with it was scathing. The New York Times warned of an American-made thalidomide. The Boston Globe said the legislation imposed an immoral double standard. The Philadelphia Inquirer called it a greed bill. And the L.A. Times said it would turn the rest of the world into guinea pigs.

Mr. President, the drug export bill before the Senate is the most disturbing piece of special interest legislation to pass the Labor and Human Resources Committee this year. Designed to enhance the bottom line of the country's most profitable industry, this bill would in fact jeopardize the health and safety of millions of foreign consumers and Americans traveling abroad. It would prevent the "Made in America" label.

You know all those ads we are seeing on television now with so many of the famous actors and actresses whom we know and love—Bob Hope, Sammy Davis, Carol Channing, and I do not know how many others—and they are opening up their jackets and saying "Made in America." That is great. But made in America is not going to be that great if we pass this bill. This bill would codify an immoral double standard in our food and drug laws, and in the process it would grant the pharmaceutical industry a blank check to export nearly any type of drug to countries which they wish to choose around the world.

Of course, we will take care of our own people. These drugs would not be allowed for sale in the United States because they have not met our own strict standards for safety and efficacy. Aside from enriching certain drug companies, this so-called reform legislation fails to live up to its proponents' claims.

This bill will not help promote world health, nor will it bring new cures for tropical diseases. That is just kidding the Members of this body. If you want to promote new cures for tropical diseases, get them approved, and then sell them abroad. But this bill would say, "No, we are not going to have those approvals. We are just going to sell them abroad and we can make a few dollars out of that. For that reason, the U.S. Congress should not stand in our way."

This is not a massive jobs bill nor a dramatic cure-all for the trade deficit. You know what is amazing to me? Every time I turn around, I find that something else is a new cure-all for the trade deficit. Emasculate the antitrust laws; that is a new cure for the trade deficit. Pass legislation permitting drugs that cannot be sold in this country to be sold overseas; that is a solution to the trade deficit. I have heard every reason under the Sun as to why we should take certain action all in the name of being concerned about the massive trade deficit.

Mr. President, even if all the proponent's claims are true, they could not justify placing the safety of millions of people at risk. Moreover, the supposed safeguards in S. 1848 are only cosmetic devices to gloss over danger inherent in this legislation.

The bill prohibits reexport of unapproved drugs to Third World countries which do not have the resources to protect their citizens from drug-related hazards. Yet, the FDA which must enforce this ban has warned that it cannot police such a restriction. When the representatives of the Food and Drug Administration were up before our committee, the question was put to them. If there is a ban on the resale of these drugs from one country to other countries in the world, will you be able to enforce that ban? And they very properly responded in the only way they could possibly respond, and they said no, of course not.

This bill has engendered more international concern than any piece of legislation that the Ohio Senator remembers since I have been in this body. Fifty-two members of the European Parliament have written to tell us there is no way they can keep these drugs from being transshipped to the Third World. That does not happen often where 52 members of the European Parliament would see fit to write us and tell us of their concerns about a pending piece of legislation. And then the so-called imminent hazard safeguard in the bill does not solve the problem at all because it actually precludes the FDA from acting to control an export until the damage has already been done.

In reality, this bill is not about jobs, and it is not about trade. It is not about safeguards. It is, as the Philadelphia Inquirer stated, a greed bill.

Of course, there are those who say every other major country exports unapproved drugs. So why should we not? My response is since when does this great Nation follow the leader in questions of international morality? And since when is it an unrealistic statement to recognize the fact that what a lot of other nations in this world try to get by with, and mistakes they don't care if they make, this Nation is different. We prize our values and stick by them in the international arena.

The conduct of other countries does not negate our obligation to ensure to the best of our ability that drug companies operating in the United States do not export risks and hazards to consumers abroad.

Mr. President, this legislation not only is opposed by 52 members of the European Parliament, but it is opposed by an unbelievable number of consumer and religious groups both here and abroad.

I will at a later point in the debate be very happy to share with my colleagues communications from all over the world concerning the opposition of those very groups.

I would like to spend some time examining some of the purported benefits of this legislation, for the proponents of this bill make many claims on its behalf. Contrary to what some proponents assert, this bill does not promote world health. It is claimed that this bill will promote world health by halting the current practices of U.S. firms going overseas to manufacture drugs which are not approved in this country.

Instead, they say these drugs will be manufactured in the United States with all the protections that that implies. The one protection they will not provide is the important one—FDA approval.

□ 1600

What kind of problems will there be when these drugs are made here, sold overseas and transshipped to some foreign nation that does not have the facilities to check whether they are or are not safe?

There is no provision in S. 1848 which will prevent U.S. drug companies from continuing to locate their operations abroad.

That seems to be the suggestion. If you pass this bill, all the pharmaceutical operations in the world are going to be done here in this country. There is nothing in the bill that says that. That is just wishful thinking.

Given the existing production facilities which exist abroad, it is a sure bet that the pharmaceutical industry will continue its practice of production overseas.

But even if the bill offered such a provision to stop overseas production, unapproved, unscrutinized drugs made on safe soil are still unapproved, unscrutinized drugs.

S. 1849 actually takes away the only real protection this country offers: approval of safety and effectiveness of our own Food and Drug Administration.

The proponents of S. 1848 cite the tropical diseases provision as a significant contribution to world health. Yet, lifting the ban on unapproved drugs

exports will not alleviate the scarcity of tropical disease drugs since it is not the FDA approval process which inhibits American companies from developing and marketing tropical disease drugs. Currently, one U.S. drug company has already applied for and received approval from the FDA for a drug to treat the tropical disease known as river blindness. Two other tropical disease drugs are currently in the FDA approval pipeline and a third is expected to be submitted for testing and approval shortly.

In addition, the Office of Technology Assessment has recently published a major study on medical technology for tropical diseases.

Their findings do not cite any need for a change in our drug export laws. The report, instead, cites poverty of Third World countries as the major factor which inhibits American drug companies from developing tropical disease drugs.

In other words, it is not profitable to market drugs for rare diseases endemic only to impoverished nations.

Mr. President, I asked the Office of Technology Assessment in December the following question: Do you have any evidence that the enactment of legislation permitting American drug companies to export drugs not approved by the FDA will have an important impact in stimulating greater efforts by American drug companies to develop tropical disease medicines?

The reply from the Office of Technology Assessment:

Based on this brief investigation and the work that was done for our recent assessment, the status of biomedical research and related technology for tropical disease, we know that there are relatively few U.S. pharmaceutical companies committed to carrying out research toward developing tropical disease drugs. The reasons for investing in such research are not merely economic but include humanitarian desires to alleviate suffering. While the need for FDA approval raises the cost of developing and marketing tropical disease drugs, it is unlikely that it would make a difference between a commercially viable drug and a money loser. As stated in the above-mentioned OTA assessment, the lack of an assured market for tropical disease drugs appears to be a major constraint to increased research and development in the area of tropical diseases. Even though a tropical disease may affect millions of people, a new drug may still be too expensive for those who need it. For companies already in the tropical disease field, there undoubtedly would be some economic advantage if the FDA approval process could be bypassed. While we could obtain no direct evidence to support this conclusion, it appears unlikely that simply removing FDA approval requirement would catalyze a search in tropical disease research programs.

That is the end of the quotation from the Office of Technology Assessment.

The OTA report suggests a number of options, including increased funding for research and getting private companies to develop medical technologies by guaranteeing purchases of products and assisting in field trials.

The FDA, acting under the current orphan drug law, has already designated two tropical disease drugs as orphan drugs and is expected to designate a third shortly.

Proponents of S. 1848 are using the tropical disease issue as a screen to cover their real intent, which is to evade the safety standards of our own FDA for drug exports.

Mr. President, I intend to speak for a considerably longer period of time on this subject, but I see one of the authors of the legislation on the floor and I am very happy to yield the floor in order that Senator KENNEDY may address himself to the subject at this time if he cares to do so.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER (Mr. EVANS). The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, today, together with the chairman of the Senate Labor and Human Resources Committee, Senator HATCH, we are proposing a bill that will promote international health and bolster the economic growth of our Nation. The legislation that we are sponsoring removes the restrictions in current law that unnecessarily deny foreign populations access to pharmaceuticals produced in the United States.

The legislation will have major significance for one of our country's newest and most promising industries—the biotechnology industry. It will also stimulate research and production of new pharmaceuticals for tropical diseases and health conditions which are rampant in the Third World but which are virtually unknown in this country. And, it will encourage this country's highly successful pharmaceutical industry to remain within our borders and to keep American jobs at home as it continues to expand.

The United States is the only country in the world that does not allow the export of drugs, regardless of whether competent foreign regulatory authorities have already approved them. In short, if a drug is not fully approved by the FDA, it may not be shipped to any other country even though the nation may have given excellent scientific review and full regulatory approval to use the drug in that country. The legislation eliminates this unwarranted anomaly in United States law, without jeopardizing public health.

This legislation permits those countries which are clearly able to, to decide for themselves whether a drug manufactured in the United States may be imported to their shores. Without this legislation, the drugs in question would still be approved overseas. And they would still be marketed in those countries. The only difference is that they would also be manufactured abroad by foreign-based companies.

I want to commend Senator HATCH for his responsiveness to the health and safety concerns that I have raised. We have worked long and hard to guarantee that worldwide distribution of U.S. drugs is governed by the overriding need to promote public health. The legislation we are introducing has been carefully tailored to safeguard the quality and proper use of U.S. manufactured pharmaceuticals sold overseas.

U.S. based pharmaceutical companies are preeminent in discovering, developing, and distributing health-giving products throughout the world. Last year alone, this country exported over $2.6 billion worth of pharmaceutical products that account for a net favorable trade surplus of almost $1 billion. This long-standing leadership position cannot be taken for granted. Hearings have documented the need to avert loss of American jobs, investment capital, and the favorable balance of export trade to foreign competitors. Such losses would be unjustifiable when the drugs are readily available from sources outside the United States and the products are sought by the governments of importing countries.

□ 1610

In the case of the biotechnology industry, the current policy specifically retards the opportunity to deliver biologic products to foreign markets. The biotechnology industry is a most ingenious result of American biomedical research and economic opportunity. This industry has emerged in the last 15 years and is growing quickly. The first biologic products of this industry are only now becoming available. There is such excitement about the availability of these products within the medical and scientific communities around the world that many countries are literally waiting for the products of this unique and promising industry.

Foreign businesses are taking initiative to complete the drug regulatory approval processes in their own countries with great speed—in many cases before the Food and Drug Administration will complete approval in this country. In these cases, because export from our shores is contingent on complete FDA approval for these biologic products, the biotechnology industry will not be able to supply foreign markets from the United States.

The first negative effects of this policy for the biotechnology industry have recently materialized. In a few cases, the unusual technology of this industry has already been exported to Japan and to other countries. If this continues, exclusive American trade secrets will be exported overseas.

This legislation protects against the dangerous and unethical practice by some unscrupulous companies of dumping inferior products in the lesser developed countries. For example, it makes it illegal to export unadulterated or contaminated drugs, and requires that a company comply with the tough FDA regulations for manufacturing, processing, packing, and holding drugs that are applicable to drug products sold in this country.

This legislation specifically prohibits diverting authorized drug exports to countries that lack sufficient regulatory authority to protect their own populations from unsafe, ineffective, or improperly used drugs. This legislation has multiple provisions designed specifically to prevent this possibility. This legislation will not add to these problems. In fact, this legislation has provisions which specifically address the difficult health conditions in such countries.

Before being allowed to export a U.S. drug, a company must have a written agreement with its foreign importer prohibiting re-export of shipments, and the agreement must be renewed each year. In addition, the packaging of drug exports will clearly list the specific countries where sale is legal. If diversion occurs, and creates an imminent hazard to public health in any country, there is clear authority for FDA to stop further exports of the drugs involved.

Moreover, FDA is required to notify the countries involved and the company shipping the drug of the illegal diversion. The U.S. company must promptly investigate the diversion and report its findings to FDA and enforce its importer agreements to choke off any illegal shipments. Any company knowingly diverting drugs is subject to the full civil and criminal penalties of the Federal Food, Drug and Cosmetic Act, and is barred from exporting the drug to any country.

Regular GAO reports at 2-year intervals will determine whether these reexport controls are effective or need to be strengthend. The GAO studies will make it possible to evaluate whether this important legislation is achieving its dual objectives of promoting world health and maintaining this country's long-standing leadership in supplying the world with safe and effective pharmaceuticals.

In many countries with scarce resources, money is being squandered on pharmaceuticals that do not contribute to solving real health problems. Some multinational giants and local pharmaceutical companies contribute to this terrible misuse of resources by making false claims about the efficacy of their products. This issue has been raised by many individuals and organizations concerned about issues of international development. I have given careful consideration to these problems and I deplore the unsavory practices which these responsible citizens identify.

Incentives are created under the Orphan Drug Act to encourage research and full development of much needed drugs for tropical diseases. The drugs currently available to treat diseases like malaria, river blindness, and Chagas disease are woefully inadequate. New drugs are needed. Permission to export new drugs for such diseases will be granted on the basis of a demonstrated health need, after FDA reviews scientific and clinical evidence. We hope this will increase the availability of safer drugs for these tropical scourges.

Mr. President, this bill was crafted with careful attention to the existing statutes governing the Food and Drug Administration. It will reform our export laws in accordance with the most intelligent and responsible approach to health and economic issues. Safety concerns were uppermost in our minds as we sought approaches that would benefit American industry while protecting the international consumer. I believe we have found an excellent balance between these concerns. I urge my colleagues to support this legislation.

Basically, to sum up, the justification or the reason for this legislation is relatively simple. I can put it this way: Whether this country is going to be arrogant enough to say that because we do not have a risk-benefit ratio sufficient to justify the successful approval of a drug for use in this country even though we have a capability to produce successfully a drug that will meet that balance of risk-benefit in another country, we are going to deny the people in the other country having available to them that particular drug. What we are saying here is that there is a wide number of illnesses and diseases that we do not face in the United States. Effectively, we are saying that under our FDA approval system, there may be some danger of use of a certain drug if it is approved here, because it does provide some risk and the health benefit may be more obscure because we do not have that disease here, and another country may have a very significant amount of that disease in their country and still it might provide some risk to the health of the people in that country, but when you look at the risk-benefit, it is going to benefit a great number more people in their country than will be at risk—this is, I think, commonsensical.

Without this bill, what we are basically saying is that we know best with regard to this issue for countries all over the world. Mr. President, I think that is an arrogant attitude, first of all. It does not make sense from a health point of view. And, quite frankly, it will, I believe, set back the enormous possibilities that exist in a new industry such as the biotechnology industry, with all of its implications for improving health and also commercial aspects.

I believe, Mr. President, even though those who are opposed to this legislation point out the difficulties that will be faced in enforcement, we have not treated that issue lightly. We have an extremely elaborate system which I think provides an important degree of protection from abuse. If these are going to be transshipments, and we have spent a great deal of time in reviewing that area, I think the provisions which have been crafted for this legislation will meet the task.

Finally, Mr. President, let me point out that there are some important additional advantages to this legislation, because we provide a very strict code for the advertising for the use of these various drugs.

That is extremely important. Many of the problems countries are facing come from the misuse of drugs. We have extremely important provisions in this legislation to deal with that issue which I think can have an important positive effect on the quality of health in these countries.

Mr. President, I look forward to debating the various provisions of the bill.

□ 1620

I notice my good friend and colleague from Ohio was busy quoting the Office of Technology Assessment which did a very fine study on this issue in 1985.

Basically, their first recommendation is that we create the capacity here in the United States through the FDA so that these drugs can be used where they are necessary, where the health conditions in these other countries require them. That I think is an important recommendation. That is effectively what it is saying. There is an elaboration of it and perhaps in the course of the broader debate on issues or amendments we will have a chance to move through it. But I would hope the Members and the staffs, as we are going to be addressing this issue over the period of these next few days, have a chance to review the OTA study. It has a great deal of important information on this issue and the need for this type of program.

Mr. METZENBAUM. Will the Senator from Massachusetts agree to yield for a question?

Mr. KENNEDY. Yes.

Mr. METZENBAUM. As I understand what the Senator just read, it is my understanding that the OTA was saying that there is a need to create an ability to produce drugs of this kind. Am I correct in my understanding of the essence of what was just read?

Mr. KENNEDY. The Senator I would say would be correct if he included not only the manufacture and the creation but attendant to that would be the question of ensuring that those drugs are going to be available in areas where there would be a need.

Mr. METZENBAUM. Yes. We would agree that to merely manufacture them and not be able to make them available would not solve much of a problem. But the fact is that there is nothing in the OTA report which indicates that exporting drugs, which have not been approved in this country, to another country in the hope that they will not be transshipped to a third country, there is nothing in the OTA report that suggests that that is the way to make them available to the Third World.

Now, is it not implicit in their report, or perhaps it does not address itself to that subject, that drugs should be graded, should be approved and then shipped to these other nations that may need them?

Mr. KENNEDY. Well, I would say there is nothing in this about transshipment. Their number one recommendation is that we create this capacity and assumed in this would be that it would be available to those who have those needs. That is not where this body has always been. The Senator will remember under the Drug Act we passed probably 8 years ago we authorized the Medical Research Center at NIH to do research on the tropical disease drugs, without ever getting into the question about the distribution. But in this recommendation it is talking about creating the capacity for the approval of orphan drugs. And once you start talking about using orphan drugs, you are tying into that the whole question of the risk-benefit ratio because without that you do not have the issue of orphan drugs and we would not, obviously, use those here in the United States.

One has to logically assume that you are talking about using those drugs where the need would be, and that I think is really what this legislation is all about. That is what this legislation is all about. I think the Senator is quite correct that there is a distribution issue; when various drugs are shipped to one country, that they can be transshipped. I believe that is a problem, and it is a matter of concern certainly to me and the chairman of the commmittee. That is a very legitimate problem, and I think the Senator from Ohio has added greatly to the general understanding when he has quoted some of the concerns of the Europeans. But that is not what this particular provision addresses.

Mr. METZENBAUM. The Senator from Massachusetts is aware of the fact we both have supported the concept of producing orphan drugs. Just recently the Senator from Ohio actually offered an amendment that picked up an additional $4 million for research in that area, so I am sure we are in total agreement with respect to the matter of the creation of orphan drugs.

Now, some of those orphan drugs are distributed in this country and they would be distributed only after the FDA approval had been forthcoming. But what is implicit in this bill, what is specific in this bill is that these orphan drugs, which are for tropical diseases or for other kinds of diseases that are not endemic to this part of the world, or to our own Nation, is how they will be protected, to see to it that they do not get into the hands of people who are harmed by them, possibly losing their lives.

The whole issue of this bill really ties itself down to transshipment. If there were no issue of transshipment, I think there would be no problem. I would not be concerned about selling these drugs to England, which has a system of checking for itself, or West Germany that can check for itself, or Switzerland that can check for itself, or Italy that can check for itself, but the whole problem revolves around the fact that those four countries or any one of 10 or 12 others are in a position and cannot be stopped from permitting those drugs to be shipped to other nations of the world where there are no protections whatsoever.

And you could have a situation under this bill where, with there being no intention of use in any one of the 15 countries named, or any one of the second tier countries that are to be named by the Secretary of Health and Human Services, we have no way of assuring that they will come into those countries, boxes not even opened and immediately transshipped to some other nation and perhaps some children or adults becoming very ill or losing their lives. That is the reason I am on the floor opposing this legislation. I believe that if they are transshipped and if something happens to those people who ingest those drugs, we, in America, will suffer a real blotch on our reputation and will be embarassed throughout the world.

Mr. KENNEDY. Mr. President, we had this discussion in our committee, and I have trouble following, with all due respect, the logic of my good friend from Ohio. What we have today is the possibility of American companies going overseas—and most of them have gone overseas. Then they produce the product there and they can ship them anyplace in the world. These are American companies. And they can be abused today, and in some instances they are.

If the Senator can find some degree of satisfaction that if they are going to be abused and they are coming from a company that everyone in the world understands is an American company, if his own conscience is going to be relieved that they are going to say, "Well, it is an American company but it is not really American and, therefore, I am not mad at America but I am mad at the American company," I think that is extending your logic when we have an opportunity to have some impact.

We know in the fashioning and shaping of any legislation, it is not perfect, but this is a good piece of legislation. What we are trying to do is to get the needed drugs out into the areas that can make a difference to the people in those countries, to say OK, you are going to be able to manufacture and produce them here in the United States under the most careful kinds of conditions to ensure quality. Then there is a procedure by which those drugs can be used in other parts of the world, according to the various provisions of the legislation.

□ 1630

The fact is that today you have a problem, and you have a whole new industry with all kinds of possibilities—all kinds of possibilities for mischief, perhaps, but all kinds of possibilities for benefit in the health area. To say that we are going to let the whole industry go overseas and then for them to be able to export, when they are overseas, to any other country in the world, rather than having them do it back here, with certain conditions and certain protections, I find it very difficult to understand.

Second, the clear result, if we accept the position of the Senator from Ohio, is that we are going to say that unless there is some kind of encouragement—I believe there should be encouragement to those companies that are going to be exporting overseas, but we have not come to that point yet. We may pass it in the Senate, but I hope that once we get this step done, we will find a way of encouraging pharmaceutical companies to do the research that can be useful overseas. But they have big problems in Third World countries, and, as I mentioned earlier, they have entirely different health benefit risks.

When the FDA looks at a particular drug, they have to evaluate it as to how much benefit and how much risk, and the Senator from Ohio is familiar with that.

We use live vaccines in the United States to fight polio. We immunize the whole population. We know that out of all those, 10 or 14 individuals will get polio. We know that. It is a predictable amount. On the one hand, there is the benefit of immunizing all the children of this country, and we know that about 12 children are going to get polio. That is a health benefit risk.

You have thousands of diseases all over the world that have health risks that are different. Thirty thousand children around the world die every day, most from preventable diseases and because of bad water—30,000 a day die around the world. So if you are going to be able to save a number of those, there may be some risk to others, but that health benefit risk is going to be different from that in the United States.

I must say, with all deference to my good friend from Ohio, that there is—not in him and not in his argument, but if he can convince the Senate of his argument—a sense of arrogance in a country's policy such as this, to say: "We are the only ones in the world who are going to be able to decide whether children in Africa or in the Far East are going to be able to take certain drugs. We have the knowledge. We have the expertise. We have the scientific capability to develop drugs that can save children in that country, but we are not going to do it. We are not going to do it because we don't know whether they might be diverted to some other area or some misuse. We don't think you people around the world can make those decisions yourself. We, the United States, say no."

That will be the result, if the Senate accepts that position. I find that completely unacceptable as a matter of policy.

I think what is a creditable argument is, if we find these abuses, to assure that we are going to deal with them. The Senator has given assurances that, if it does develop over a period of time that there are abuses, we are going to take action. But it seems to me that we ought to be able to move in this direction and be able to walk down this road. I believe it can have an important implication in improving the quality of life and preserving life in many other parts of the world.

I think the Senator has identified that they will have to do more than just the approval. We will have to be serious, as a country, in terms of distribution. We ought to be doing a great deal.

It has been said that it costs the United States $250 million to inoculate children all over the world for polio through the World Health Organization. That is the estimate by the World Health Organization—$250 million.

Why we are not championing that particular cause, instead of what we have seen in other areas with the expenditures around here, is another argument for another time.

It seems to me that we miss an extraordinary opportunity to move our country into leadership on health internationally if we fail to accept this legislation, if we fail to deal with some of the other obvious international health issues. I hope that during the course of this debate we can focus some attention on international health issues, because they are of enormous importance and consequence. We have an extraordinary opportunity, as a country, to make an extremely important contribution; and, rather than reject that, we should grasp it and move forward. This is a very marginal step in that direction, but I believe it is a very important one.

We will have a chance, as well, during the course of the debate, to talk about the various provisions and protections I touched on briefly in my formal statement, but I should like to get into those in greater detail during the course of the debate.

I yield the floor.

Mr. METZENBAUM. Mr. President, my good friend from Massachusetts talks about a kind of arrogance in saying that the United States has the capacity to manufacture proper drugs and see to it that they are safe for people throughout the world.

Well, I am very proud of the fact that certain drugs and certain other products are made in America, and I do not want any blot on that label. I cannot help it if certain drug companies, which are international companies even though they may be headquartered here, manufacture some products overseas. Nothing in this bill is going to cause them to bring back those manufacturing operations to this country. That is a figment of the imagination. Where is anything in this bill that says they will bring back those operations? They will go overseas and continue making their products, and then maybe they will bring back a part of it for assembly or something of that kind and put a stamp on, "Made in America."

When you talk about arrogance, what could be more arrogant than naming 15 countries in the bill and saying they have great FDA's? The great American Nation is going to tell 15 nations they are OK and the rest of the world is not OK.

Who decided that the authors of this bill knew which 15 nations were safe and which 15 nations are not safe? Did somebody come up on high and look down and say to the authors of this measure: "Yes, this country is all right and this country is all right and this country is all right, but that country is not all right"?

If that is the case, I wonder why I received a call from Italy asking me why Italy was not included. I do not know that Italy should or should not be included, and I doubt very much whether the authors of this bill know which countries should or should not be included.

If you think this measure will not embarrass us throughout the world, let me read some of the excerpts from the Australian Parliament. Mr. Duncan said:

□ 1640

Is the Minister for Health aware of proposals to introduce a bill into the United States Senate designed to repeal section 801 of the 1938 United States Food, Drug and Cosmetics Act which prohibits the export of drugs which have not been approved for use in the United States?

It goes on. Mr. Duncan says:

Is the Minister aware that the dumping of unapproved drugs takes a devastating toll on the health and safety of consumers in the Third World and that the proposed bill will aggravate this already dismal situation? In light of the recent experience with the import of heart valves from the United States to this country, has the government formed a view toward this proposed bill and, if so, what is the government's attitude?

The Minister for Health responds in the Australian Parliament. Said Dr. Blewett:

In responding to the questions from the honorable member for Makin, I would first point out that the government would not presume to advise the legislatures of other countries on measures before them. However, I am aware that a Member of the United States Congress has introduced a bill in relation to the export of pharmaceutical goods from the United States. I am not aware of the attitude of the American Government to the measure. What I can say is that the Australian Government has been active within the World Health Organization in striving for standards of conduct in relation to the manufacture, sale and export of pharmaceutical goods for very much the same reasons that were noted in the question by the honorable member for Makin. We, as a government, would be very concerned indeed if any measure led to an increased export of non-approved drugs, particularly, to developing countries.

What kind of arrogance is that to say to the Australian Government we are going to sell drugs that are not approved in this country but we will sell them to 1 of 15 named countries?

Is it understandable that those who speak for the consumers of Nigeria to say that:

The new bill would certainly result in an increase in the number of inessential and or hazardous drugs in world trade, with severe consequences in the health and safety of consumers in the developing countries.

From the Federation of Malaysian Consumers Association:

We are unhappy and disappointed to know that Senator Orrin Hatch is preparing to introduce a new bill to permit the export of drugs unapproved by the U.S. Food and Drug Administration (FDA).

Malaysia being a Third World country has over 25,000 brands of medicines available in the market. The dumping of unapproved drugs in the Third World is bad enough, and we believe that the new bill would only serve to aggravate the already dismal situation.

This is arrogance to say to the people of Malaysia, Australia, and to

the Consumers Consultative Committee of the European Economic Commission, and all the others that I will mention shortly, "We don't care whether you like it or not, we are going to send our drugs over there because conceivably, arguably it might mean more jobs for the rich Americans."

Oh, I am sure that will help our image throughout the world. I am sure they will think so much of us that we are considerate enough to send our drugs throughout the world that we could not sell in this country.

What can be more arrogant than to say to the residents of any other nation, "Here, take this drug, use it, it is not good enough for Americans but it is good enough for you."

The Consumers Consultative Committee of the European Economic Community Commission stated:

Through the International Organization of Consumers Unions and its affiliates in the United States we have heard that it is contemplated to introduce a bill permitting export of drugs which are not approved by the U.S. Food and Drug Administration (FDA).

Consumers in consumer organizations all over the world have been proud to mention the section 801 of the Federal Food, Drug and Cosmetic Act, and will greatly deplore any steps taken weakening this act.

We have a lot of respect for England, and we also have respect for the University College of London, and its department of medicine said:

I would ask you to reconsider the decision to support this bill. The FDA regulatory system has saved many Americans from drug damage, and is the envy of many countries in the industrialized, as well as the underdeveloped world. The ban on exporting unapproved drugs protects Third World citizens by the application of FDA regulations to the drugs available to them. To remove this protection is a retrograde step.

Ask representatives of the consumers in Greece, if they think opposition to this legislation is arrogant. They talked about this legislation and said:

We severely protest for introduction of new bill to permit the export to "adequate" countries of drugs unapproved by the U.S. Food and Drug Administration.

Ask the International Organization of Consumer Unions in the Netherlands, ask them how they feel about the arrogance of America sending out its drugs throughout the world without their being approved. Said the International Organization of Consumers Unions in Netherlands:

The International Organization of Consumer Unions, representing more than 130 consumers' organizations in over 50 First and Third World countries, urges you not to support Senator Hatch's proposed bill to permit the export of FDA-unapproved drugs from the United States.

IOCU urges you to do everything in your power to ensure that Third World consumers receive the same protection that U.S. consumers have come to expect, by retaining section 801 of the 1938 Food, Drug and Cosmetic Act intact. U.S. controls on drugs exports are an admirable example to the rest of the world, where consumers are fighting to introduce them. Enactment of this bill would be a giant step backward.

Mr. HATCH. Will the Senator yield on that?

Mr. METZENBAUM. Not at this point.

Mr. HATCH. Just——

Mr. METZENBAUM. Not at this point. I will be pleased to yield at a later point. Not at this point. I am very sorry.

Ask those from Canberra. We never hear from Canberra in connection with the legislation on the floor of the U.S. Senate.

But people throughout the world, in every segment of the world, are afraid of what we are doing here today. They are afraid of our arrogance in trying to put through legislation making it possible for a few drug companies to send their products all over the world that cannot be sold in this country.

Canberra consumers said:

We urge you to consider the effects on people in other countries, especially in those countries without the necessarily sophisticated controls that are needed today, of such a move.

The short-term effect will be increased profits for some American manufacturers. The long-term effects will be detrimental to the health of many, many people which will for the rest of their lives know who to blame.

Mr. HATCH. Will the Senator yield at this particular point? I have an important question to ask.

Mr. METZENBAUM. I do not wish to lose my train of thought because I have a number of other countries that wanted to be heard from. As soon as I conclude I will be happy to yield.

Is the Senator rising for a question?

Mr. HATCH. No. I just wanted to rise to say: Every country in the world is sending their drugs all around the world today. These countries the Senator claims these letters come from are all selling their drugs everywhere and our companies are going offshore to do exactly the same thing. We have to manufacture onshore, subject to these restrictions of this bill. We can control the situation.

For the life of me, I cannot understand the Senator's arguments. I cannot understand some of the organizations that he is quoting because they have to understand that it is wide open today with no restriction, no regulations.

Mr. METZENBAUM. I will be glad to hear from the Senator at the conclusion of my remarks.

Mr. HATCH. I want to make these arguments.

Mr. METZENBAUM. I say to the Senator, my good friend from Utah, I want to say to him what I have known in the years that I have served here with him what a prominent, nationwide image he has. Senator ORRIN HATCH is known throughout this country. But in one fell swoop, without much more than introducing one bill, he has made himself into an international figure.

□ 1650

They are writing from all over the world in opposition to ORRIN HATCH's bill. I did not know that they knew that Senator ORRIN HATCH even existed in Canberra.

Mr. HATCH. There are few people in the world that do; but I am grateful that people recognize that perhaps we are doing something here that is noteworthy.

Mr. METZENBAUM. My colleague may be in a position to become the international president of the United Nations or something.

Mr. DOLE. Roving ambassador.

Mr. METZENBAUM. I did not hear the leader.

Mr. DOLE. Roving ambassador.

Mr. METZENBAUM. He will be known in every part of this world.

Let me read from the Histadrut Consumers Protection Authority in Israel:

We feel that the export of drugs not approved for domestic use is a gross act of disregard for human welfare in the pursuit of profit and amounts to the wanton exploitation of populations with little means to defend themselves against such threats.

We urgently appeal to you not to accept this proposal especially as it would contradict major initiatives by the U.N. and other international agencies to curb the export of such drugs.

I say to my colleague from Massachusetts, the real arrogance is on the part of those who have introduced this bill and are prepared to tell the rest of the world what is good for them. In some instances it has been stated what is good for America is good for the rest of the world. But in this instance, it is what is good for American business so that some corporations may make a little more profit and not many more jobs, and that that is good for the rest of the world. Well, I think not.

It is interesting that the Voluntary Health Association of India writes and says:

Voluntary Health Association of India and all of India drug action network appeal to you as the friend of the Third World not to permit any bill in your Senate which will allow exports of products not marketed in U.S.A. to our country.

I met with a very prominent member of the Bangladesh community involved in the manufacture of drugs in Bangladesh, very well educated, very concerned about this legislation here in order to express the concern of Bangladesh to the passage of the Hatch-Kennedy bill.

From the Environmental Action Group in Kalpavriksh, India, they say:

It is well-known that products exported to countries with adequate regulatory procedures are often reexported to countries which have not yet developed such procedures. Already the health of millions of

people in the 3rd World countries is endangered due to the dumping of dangerous drugs by multinational companies or other agencies into these countries, either directly or through devious channels like the one above.

Again, in Kalpavriksh, what do they say?

The "Hatch bill" will only increase the danger manifold and, must thus be condemned.

I do not think that in the years I have been here, and I had some relationship with this body before I came here, I do not think I have ever heard of another piece of legislation that has caused so much attention and concern worldwide as this particular Hatch-Kennedy bill.

From the Israeli Consumers Association. Said they:

We have reason to believe that although the export of these drugs will be permitted to countries with so-called "adequate" drug regulatory procedures, this will not preclude the subsequent re-export of such drugs to other countries.

With this aim in mind we approach you, not to approve introduction of the new bill, so that section 801 of the 1938 Federal Food, Drug and Cosmetic Act, be not weakened.

From Kimidi Multi-Sectoral Development Society:

As the citizens of the Third World we take the honor to express the public opinion and to make you hear our weak hum of voices to consider with a great humane and to safeguard our interests.

We request your export production and sales should give priority to essential life saving drugs over irrational and hazardous drugs and stop that U.S. "Hatch bill" which allows exporting of dangerous products from United States and stop the flow of hazardous drugs into the Third World by which millions of people can be saved.

From Health Action International—Pakistan Coordinator:

HAI-Pakistan is opposed to legislation which would permit the export to developing countries or elsewhere of drugs deemed unfit for consumption by the U.S. citizens. We oppose a double standard whereby the lives of foreigners would somehow be considered less worthy of protection than those of the American public. The law banning export of U.S. FDA unapproved drugs was set up to protect human beings and we hope you keep it that way. If the bill becomes law, it would run counter to international efforts to control world trade in hazardous products.

Listen to that phrase again:

We oppose a double standard whereby the lives of foreigners would somehow be considered less worthy of protection than those of the American public.

Think of the significance of that. And what they are saying already, and the bill is not enacted into law, is that the American Senate thinks less of and has less concern for the lives of foreigners than we do about our own people. And what other conclusion could be reached except that, when you recognize that you are permitting the sale of products that cannot be sold in this country to be shipped, exported overseas, and then transferrred from that country that is listed, or is to be listed, by the Secretary of Health and Human Resources to some other far-off nation? And those people, when they use the drugs and do not realize the limits of the drugs, or do not realize that they should not take that drug after eating certain foods or after drinking certain drinks—and maybe they do not realize that because they cannot read and maybe the language on the medicine is printed in a foreign language—and then they take the medicine and they become very ill.

Who amongst us on the floor of the United States Senate is not familiar with the fact that there are many drugs on which it is stated: Do not take after something; do not take before something? They would never know that in the Third World countries. They would not be able to read it.

Why are we doing it? What is there so important about this legislation? There is not anybody around here who can argue that we are talking about more than 8,000 or 9,000 jobs. We are a country of over 230 million people. How can we conceivably argue that 8,000 or 9,000 jobs—maybe; usually these estimates are higher than the reality—how can we argue that 8,000 or 9,000 jobs warrants our jeopardizing the lives and the health of millions of people throughout the world?

But even more than that, how can we go about passing something that causes such concern by the people of the world? We have a good reputation. We are proud of it. They even know the section of our laws that protects them. And now they are talking about the Hatch bill; they are afraid of the Hatch bill.

And why, why would we want to pass something of that kind? Certainly the argument is this is a massive jobs bill. There is more than jobs at stake with this legislation, as can be gathered from the following quote from the International Chemical Workers' Union, which represents 5,600 members at 19 pharmaceutical plants around the country.

□ 1700

In commenting on drug export legislation, they said—and this is the union that represents the employees—"Even if a few jobs would be created through this legislation the International Chemical Workers Union does not agree that this advantage outweighs the tremendous ethical disadvantages of the bill."

I, for the life of me, do not understand how this bill got up such a great head of steam. I cannot for the life of me believe that the pharmaceutical manufacturers association is that powerful a lobby. Yet, it would appear that indeed it is that powerful a lobby because this bill came out of the committee with an overwhelming majority. But we are frightening the peoples of the world. They are afraid, and are we not concerned about that?

My colleague from Massachusetts talks about arrogance. What kind of arrogance is it for us to be jamming this down their throats saying no longer can you look to the United States to protect your health? Take a chance on our drugs. Maybe they are OK, maybe you will get sick, maybe you will get a tummy ache, and maybe you will get a death killing disease. Take a chance. Roll the dice with America. Maybe our drugs are safe, and if you come up with the wrong numbers, that is your problem, not ours.

I have a letter from Gujareet, India. These places, in the remotest corners of the world, they know about the Hatch bill.

The Gujareet Voluntary Health Association advises us that it is a secular federation of voluntary health organizations involved in primary health care in both the rural areas and the slums of Gujareet, India. The Gujareet GVHA annual general body which met early in December of this year has unanimously condemned the bill, and hopes it will not be voted upon.

Let me say to those in Gujareet, and those in Australia, and those in other parts of the world wherever they may be, this bill is moving. I am hopeful that it can be slowed down in the House. I am not sure and optimistic that we can stop it in the Senate. But whether we stop it in the Senate or not is not the question. A bill may have the votes but that does not make it right.

We will live to rue the day, and I say to my colleagues they will live to rue the day they pass this bill if it becomes law. You will not be able to talk about jobs when there are people dead in some far removed corner of the world and they show a little box on television that says "Made in America." Made in America is a source of pride to us. But it can become an evil and a dirty term.

The Health Action International in Brussels, not a small remote part of the world, but they say we are a Belgian health association whose aim is to promote development in the Third World, especially in the health sector, rational use of drugs, and justice in health. Our members—doctors, nurses, chemistries—think this new legislation is contrary to the interests of welfare of the Third World consumers. The latter will be exposed to hundreds of unapproved, useless or nonessential medical products in the United States.

A number of international institutions—the United Nations, the European Parliament, the Organization of

American States, the World Health Organization—are working toward the tightening up of drug exports from developed countries to developing countries. If the bill becomes law, say they, it would run counter to current efforts by the United Nations and other international agencies to control world trade in hazardous products—that from the Health Action International in Brussels.

In the Scarboro Foreign Mission Society, say they—I do not know all the details about the problem, but I want to give you a couple of experiences; "When I was visiting our people in Lima, Peru, in 1975 an American priest at whose house I stayed overnight was asked to go to a local drug store to see how many drugs he could buy which were not FDA approved for American use. And if my memory serves me right, he came back with 32 items."

"A number of years ago"—the same person writes us and says—"a sister of one of our priests was visiting in Mexico and took some drug for some 'bug' she picked up while traveling and because of taking this medication she ended up with a blood disease that caused her death within a year. I understand that drug would not have been available in Canada."

And the implications of that letter are that if this bill passes, if we ship it to, Canada, to England, to Germany, or wheresoever and it is then transshipped again, again that sister might be able to obtain the same drug.

Then we hear from Brazil, from the Conselho Federal de Farmacia-Brasilia. Said they, "As you may clearly see our health authorities are less than immune to the pressure from the 'pharmaceutical establishment' having at the same time very little capacity to really control the drug market in our country. We have therefore to rely on actions taken by health authorities from developed countries. The Kennedy-Hatch bill if we may call it so"—say they—"will indirectly create more difficulties for the Brazilian health authorities to effectively control our drug market."

I would like to respond to the Conselho Federal de Farmacia concerns about the pressure from the pharmaceutical establishment in Brazil. We have that problem here in the United States, and we have it in the U.S. Senate as well. That has much to do with the fact that this bill is on the floor this afternoon.

Then we hear from the Coordinating Committee for Primary Health Care of Thai NGO's [CCPN]:

The Kennedy-Hatch bill is one immense factor that increases hazards to Third World people's health since the Third World countries are dumped with low-quality goods particularly drugs from the developed countries. A lot of on-trial drugs, double standard drugs (both in quality and information given) and drugs that were banned in many countries are dumped into the Third World due to marketing tactics and tricks of multinational corporations. The lacking of adequate information as well as weakening of legislation, measures, and enforcement of law, that make all these drugs exist legally here. A good example for this is that injectable contraceptive depoprovera which until now has been discussed and considered if it is proper for use or not in U.S.A., has been used widely in Thailand for 20 years. Recently, MNC's also opposed the national list of essential drugs in Thailand, since they realized that the market share of brand named drugs would be decreased and effect to their profit, too.

And from that very well organized and very civilized and very much advanced nation of Norway, we hear from the Health Action International:

If the proposed bill should be passed, it would mean a setback to international efforts to control trade of dangerous drugs. The people of the United States and the people of Norway would not suffer, they are still granted their quality drugs by national laws, but peoples of the Third World would feel the bad effects if the bill is passed.

The other major objection to such a law is the detrimental effects it would have on the efforts made to introduce equivalent laws to the existing one in the United States in other industrialized countries, in this way the negative effects although partly under control in your country might be expensive and long lasting.

Please note that from Norway.

They are saying that not only is there concern about what will happen by reason of the action of our body in permitting these unapproved drugs to be shipped overseas and then transshipped, but they are equally concerned that once we pass legislation of this kind, other nations in the world of the industrialized nations might be called upon to pass similar legislation.

□ 1710

And then the Australian Conference for Overseas Aid. I had read previously about the exchange with the Health Minister of Australia, a member of their Parliament. Let me read you what this Council for Overseas Aid says:

The council is shocked that the proposed bill would promote a double standard in safeguards on drugs. The immorality of a situation in which overseas customers are offered a lesser level of protection than their American counterparts is a major concern. The dumping of unapproved drugs already takes a devastating toll on the health of consumers in the third world, and the proposed bill will aggravate this situation.

Then in Australia there is a consumers organization called the Australian Consumers Association. Say they, "Despite the inclusion of purported safeguards, the proposal creates a double standard: one for the American consumers and a lesser one for consumers of other countries."

Then from the Chinese Dominican General Vicariate:

We are a group of religious (Dominicans) living in and serving the people of Taiwan, Republic of China. Recently we have become aware of bill S. 1428, which would allow for the export of unapproved drugs from the United States to other countries and are not concerned about this issue. Thank you for your opposition to this bill which means that many unsafe, mislabeled and dangerous drugs from the U.S. would find their way to many unknowing consumers. Such a bill is an unjust double standard involving dangerous consequences where one set of regulations apply for a developed country and another to uprotected consumers elsewhere.

Then from the Voluntary Health Association of India:

We realize the U.S. drug industry must be allowed to make its profits. It can very well do so by exporting essential and lifesaving drugs. There is no burning need for products not approved by U.S. FDA to be exported and reexported. Third World health professionals and consumers are becoming increasingly resentful of such policies, no matter to which country the policy belongs. With increasingly availability about form and double standards and with experiences like Bhopal, you, too, would react very strongly.

How much more do we need to hear. From how many more nations do I have to read to you their remarks and their concerns? They are resentful. They are afraid. They dislike the double standard. They are concerned. Why? Why would we at this point be pushing a piece of legislation of this kind? There is so much more important legislation that is waiting to be acted upon by the U.S. Congress. Why are we pushing this measure so that we can embarrass ourselves throughout the world, so that we can make America, a country that other people no longer have confidence in?

I am proud of the America that I live in and which I represent as a U.S. Senator. I am very proud of that fact. But I am not proud of the fact that this legislation would make it possible to sell drugs to people unprotected and very much concerned when those drugs have not been approved for sale in this country. There is no rhyme, there is no reason, there is no logic. There is a total lack of caring in this bill.

I hope my colleagues will really look at this bill, will really consider what it is all about, will take a look at the letters which I am about to put into the RECORD from these other nations throughout the world.

Mr. President, at this time I ask unanimous consent that copies of those letters be printed in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follow:

NATIONAL CONSUMERS NIGERIA,
November 4, 1985.

JOE GOFFMAN,
Public Citizen Congress Watch, 215 Pennsylvania Avenue, Washington, DC.

DEAR GOFFMAN, we are the Consumer Interpol Correspondent member of IOCU Netherland. We the members of the Consumer Interpol Correspondent in Nigeria

have appealed to Senator Kennedy not to accept the new bill.

The new bill would certainly result in an increase in the number of inessential and or hazardous drugs in world trade, with severe consequences on the health and safety of consumers in the developing countries.

We also stress that the new bill contradicts major initiatives by the United Nations and other International agencies to curb the export of products, including drugs deemed unfit for domestic consumption. We need your co-operation.

Yours sincerely,

S.U. OBOT,
President (CI CORR).

October 30, 1985.

HON. SENATOR EDWARD M. KENNEDY, U.S. SENATE, 113 RUSSELL SENATE OFFICE BUILDING, WASHINGTON DC.

October 30, 1985.

DEAR SENATOR, greetings to you. The Federation of Malaysian Consumers Association (FOMCA) and her affiliates are independent, non-political, civic organizations. Our main objectives are to inform, educate and protect the consumers.

One area in which we are campaigning is against hazardous drugs.

We are unhappy and disappointed to know that Senator Orrin Hatch is preparing to introduce a new bill to permit the export of drugs unapproved by the US Food and Drug Administration (FDA).

Malaysia being a Third World Country has over 25,000 brands of medicines available in the market. The dumping of unapproved drugs in the Third World is bad enough, and we believe that the new bill would only serve to aggravate the already dismal situation.

We kindly appeal to you not to support this new bill as it would certainly result in an increase in the number of inessential and hazardous drugs in world trade, with severe consequences on the health and safety of consumers in Third World Countries.

This new bill contradicts major initiatives by the United Nations to curb the export of products like drugs deemed unfit for consumption.

We thank you for your support and kind cooperation.

Thank You.

Yours sincerely,

BISHAN SINGH BAHADUR AMN,
President, FOMCA.

October 23, 1985.

Hon. Senator EDWARD M. KENNEDY,
U.S. Senate, 113 Russell Senate Office Building, Washington, DC.

October 23, 1985.

DEAR SENATOR KENNEDY, please allow me to be so bold as to bring forward a matter of great concern to consumers.

Through the International Organization of Consumers Unions and its affiliates in the United States we have heard that it is contemplated to introduce a bill permitting export of drugs which are not approved by the U.S. Food and Drug Administration (FDA).

Consumers in consumer organizations all over the world have been proud to mention the section 801 of the Federal Food, Drug and Cosmetic Act, and will greatly deplore any steps taken weakening this act.

Rumours will have that you might want to co-sponsor a bill to this extent, something which consumers all over the world and in Europe and Scandinavia, where I come from, will feel is a big step backwards.

Forbrugerrådet in Denmark shall therefore ask you seriously to consider whether it is appropriate of you to lend your name to such a weakening of important legislation, which might affect consumers all over the world.

Yours sincerely,

BENEDICTE FEDERSPIEL,
Director.

October 14, 1985.

Hon. Senator EDWARD M. KENNEDY,
U.S. Senate, 133 Russell Senate Office Buildings, Washington, DC.

DEAR SENATOR KENNEDY: I have read that a bill submitted by Senator Hatch is proposing to lift restrictions on the export of drugs not approved by the FDA, and that you may act as a cosponsor of this bill.

I would like to urge you not to act as cosponsor on this bill. I have worked for four years in East Africa and have documented many instances of hazardous compounds being exported by industrialised countries in the pretext of health care delivery but in the name of profitability. There are virtually no instances when the export of a drug which is not approved by the FDA is likely to benefit the health of a sick person in the underdeveloped world except when such a drug is specifically to treat a tropical disease. Any pretence of limiting the sale of such unapproved drugs to countries with adequate health care systems to guarantee adequate labeling and information is bound to founder, mainly because of the possibility of re-exportation to underdeveloped countries. Any financial benefit that would accrue to U.S. companies would be at the potential cost of health in the underdeveloped world.

I would ask you to reconsider the decision to support this bill. The FDA regulatory system has saved many Americans from drug damage, and is the envy of many countries in the industrialized, as well as the underdeveloped, world. The ban on exporting unapproved drugs protects Third World citizens by the application of FDA regulations to the drugs available to them. To remove this protection is a retrograde step.

Yours sincerely,

DR. JOHN S. YUDKIN, MD MRCP,
Consultant/Senior Lecturer in General Medicine and Diabetes.

OCTOBER 24, 1985.

Hon. Senator EDWARD M. KENNEDY,
U.S. Senate, 113 Russell Senate Office Building, Washington, DC.

HON. SENATOR EDWARD M. KENNEDY, we severely protest for introduction of new bill to permit the export to "adequate" countries of drugs unapproved by the U.S. food and drug administration.

In addition the new bill contradicts major initiatives by the United Nations and other international agencies to curb the export of products, including drugs, deemed unfit domestic consumption.

We hope you will not disappoint us.

Sincerely yours,

PROF. L. HADJIPETROU-KOUROUNAKIS,
Representative of Center of Consumer Protection.

OCTOBER 30, 1985.

Hon. Senator EDWARD M. KENNEDY,
Russell Senate Building 113, Washington, DC.

DEAR SENATOR KENNEDY, the International Organization of Consumers Unions, representing more than 130 consumers' organizations, in over fifty first and third world countries, urges you not to support Senator Hatch's proposed bill to permit the export of FDA-unapproved drugs from the U.S.

This bill would frustrate current international efforts to control trade in dangerous products. If the bill became law it would permit drugs withdrawn or not approved in the U.S. to be sold freely to third world consumers to the detriment of their health. Attempts to limit such exports to countries with "adequate" approval regulations or health authorities are doomed to failure: there can be no effective safeguards to preclude re-exportation from listed countries, despite all good intentions.

U.S. consumers have come to depend on the FDA to ensure that the drugs Americans use are effective and reasonably safe. Forcing third world consumers to accept less would perpetrate a morally unacceptable double-standard. Developing countries often have inadequate or non-existent drug laws, and potent "prescription only" products can be bought freely in corner grocery stores.

IOCU urges you to do everything in your power to ensure that third world consumers receive the same protection that U.S. consumers have come to expect, by retaining section 801 of the 1938 Food, Drug and Cosmetic Act intact. U.S. controls on drug exports are an admirable example to the rest of the world, where consumers are fighting to introduce them. Enactment of this bill would be a giant step backwards.

Yours sincerely,

LARS BROCH.
Director.

November 1, 1985.

Hon. Senator EDWARD M. KENNEDY,
U.S. Senate, 113 Russell Senate Office Building, Washington, DC

DEAR SENATOR KENNEDY, we have been informed that you are being asked to sponsor a Bill that will permit the export of drugs that have not been approved for domestic use by the Food and Drug Administration.

We urge you to consider the effects on people in other countries, especially in those countries without the necessarily sophisticated controls that are needed today, of such a move.

The short-term effects will be increased profits for some American manufacturers, the long-term effects will be detrimental to the health of many, many people, who will, for the rest of their lives, know who to blame.

We ask that your involvement with this Bill be limited to voting against it.

With best wishes,

M.J. VERNON, AM,
Honorary Secretary.

December 1, 1985.

Hon. Senator EDWARD M. KENNEDY,
U.S. Senate, 113 Russell Senate Office Building, Washington, DC.

DEAR SIR, our attention has been drawn to the disturbing issue of the efforts of Senator Orrin Hatch in preparing to introduce a new bill for exporting drugs which have not been approved by the U.S. Food and Drug Administration (FDA) to the Third World.

Along with other members of the International Organisation of Consumer Unions, we would like to voice our strong disapproval of any such moves, as the export of such drugs to underdeveloped countries would severely, endanger the health of their citizens. We feel that the export of drugs not approved for domestic use is a gross act of disregard for human welfare in the pursuit of profit

and amounts to the wanton exploitation of populations with little means to defend themselves against such threats.

We urgently appeal to you not to accept this proposal especially as it would contradict major initiatives by the U.N. and other international agencies to curb the export of such drugs.

Yours faithfully,

NUZHAT KATZAB,
CHAIRMAN. RAZIEL ZWANG, SPOKESMAN.

VOLUNTARY HEALTH ASSOCIATION OF INDIA,
New Delhi, October 14, 1985.

Sen. EDWARD KENNEDY,
U.S. Senate,
Washington, DC.

Voluntary Health Association of India and all India drug action network appeal to you as the friend of the Third World not to permit any bill in your Senate which will allow exports of products not marketed in USA to our country. Drug controls and drug information will not be able to safeguard our people against hazardous irrational products exported from USA or re-exported from elsewhere. Hatch bill is against our interest. Kindly do not co-sponsor it.

DR. MIRA SHIVA,
Coordinator, All India Drug Action Network.

ENVIRONMENTAL ACTION GROUP,
November 20, 1985.

Sen. EDWARD KENNEDY,
U.S. Senate,
Washington, DC.

DEAR SEN. KENNEDY: We have just heard about the recent move to introduce into the U.S. Senate a bill (The "Hatch Bill") which will allow export of pharmaceuticals not approved for use in USA to countries with drug enforcement and regulatory procedures which the F.D.A. considers adequate. To us this move is considerably alarming. It is well-known that products exported to countries with adequate regulatory procedures are often re-exported to countries which have not yet developed such procedures. Already the health of millions of people in the 3rd World Countries is endangered due to the dumping of dangerous drugs by multinational companies or other agencies into these countries, either directly or through devious channels like the one above. The "Hatch Bill" will only increase this danger manifold, and must thus be condemned.

It appears that there is a move to get you to co-sponsor this bill. We are therefore writing to you to urge you not only to refuse to do this, but also to actively oppose the move to introduce the bill into the Senate. We are sure your concern for the people of the Third World will lead you to such action.

Thanking you,
Sincerely,

ASHISH KOTHARI,
On behalf of Kalpavriksh.

ISRAEL CONSUMERS' ASSOCIATION,
Tel Aviv, Nov. 27, 1985.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, DC.

HON. SENATOR: Being a member of the IOCU (Int. Org. of Consumers Unions), the latter have alerted us to the fact that Senator Orrin Hatch is preparing to introduce a new bill to permit the export of drugs unapproved by the US Food & Drug Administration (FDA).

We have reason to believe that although the export of these drugs will be permitted to countries with so-called "adequate" drug regulatory procedures, this will not preclude the subsequent re-export of such drugs to other countries.

The Israel Consumers' Association, a non-profit voluntary organization, is a non-governmental independent body, engaged in the furthering of public interests, including prevention of distributing inessential and/or hazardous drugs.

With this aim in mind we approach you, not to approve introduction of the new bill, so that Section 801 of 1938 Federal Food, Drug and Cosmetics Act, be not weakened.

Trusting that our appeal will have positive results, we are,

Yours sincerely,

ISRAEL CONSUMERS' ASSOCIATION.

KIMIDI MULTI-SECTORAL DEVELOPMENT SOCIETY,
Orissa, India, 29.10.'85.

Senator EDWARD KENNEDY,
U.S. Senate,
Washington, DC.

SIR: As the citizens of the Third World we take the honour to express the public opinion and to make you hear our weak hum of voices to consider with a great humane and to safeguard our interests.

Health is still regarded as basically an individual or personal responsibility and not a product of social factor. The sales of medical technologies and drugs is a commercial enterprise, the motivation is profit making and not service or social work.

Drug companies demonstrate a total lack of social responsibility in promoting potent. The drugs freely promoted in the absence of distribution controls, can be dangerous. So the next effect is that the poor are encouraged to buy drugs for totally inappropriate uses and irrational self medication—particularly of antibiotics leading to serious problems of drug resistance—can be fatal. Deaths from adverse reaction go unreported in our Third World where as in USA they are estimated at more than 30,000 per year.

We request your export production and sales should give priority to essential life saving drugs over irrational and hazardous drugs and stop that US "HATCH BILL" which allows exporting of dangerous products from United States and stop the flow of hazardous drugs into the Third World by which millions of people can be saved.

Awaiting to see your humanation action on the "Hatch bill".

Thanking you,

Yours in solidarity,

A.J. JAGANNADHA RAJU.

HEALTH ACTION INTERNATIONAL,
Karachi-1, Pakistan, January 1, 1986.

Sen. HOWARD METZENBAUM,
U.S. Senate,
Washington, DC.

DEAR SENATOR METZENBAUM: First of all, a very Happy New Year!

I congratulate you on behalf of HAI-Pakistan on your courageous stand re the Kennedy-Hatch Drug Export Bill. We in Pakistan were shocked to know that Sen. Kennedy has co-sponsored the Bill. But at the same time we are happy to know that all is not lost and that you are opposing the Bill. We would like to extend our whole-hearted support to you and pray for your success.

HAI-Pakistan is opposed to legislation which would permit the export to developing countries or elsewhere of drugs deemed unfit for consumption by the U.S. citizens. We oppose a double standard whereby the lives of foreigners would somehow be considered less worthy of protection than those of the American public. The law banning export of U.S. FDA unapproved drugs was set up to protect human beings and we hope you keep it that way. If the Bill becomes law, it would run counter to international efforts to control world trade in hazardous products.

HAI-Pakistan urges you to do everything in your power to ensure that Third World consumers receive the same protection that U.S. consumers have come to expect, by retaining Section 801 of the 1938 Food, Drug and Cosmetic Act intact.

While wishing you all the best for the year ahead, I look forward to your continued support to the Third World cause.

Congrats once again.

Best regards.

Sincerely,

SYED RIZWANUDDIN AHMAD.

GUJARAT VOLUNTARY HEALTH ASSOCIATION,
Ahmedabad, December 21, 1985.

Sen. EDWARD KENNEDY,
U.S. Senate,
Washington, DC.

RESPECTED SENATOR:

GVHA is a secular federation of voluntary health organizations involved in Primary Health Care in both the rural areas and the slums of Gujarat, India.

We have been alarmed by the so called "Hatch Bill", a bill allowing export of U.S. FDA unapproved drugs (in USA) to Third World countries. After its initial failure last year to be voted upon, it seems to have reared its ugly head again with some "modifications" hoping to gain entry into the Senate with a change of strategy but with the same unethical and immoral objectives in mind.

The GVHA Annual General Body which met early in December this year has unanimously condemned the Bill and hopes it will not be voted upon for several reasons, the main ones however being:

(1) It betrays a sense of perverted values of discrimination and what has been alluded to as "double standards" by the International Organization of Consumer Union Director, Lars Broch.

(2) Secondly, it smirks of blatant exploitation since the Third World countries may not only have reached adequate standards of Drug Control but also because vested interests may well manipulate the governments of Third World Countries to turn a blind eye to the marketing of unsafe drugs.

(3) Finally from a viewpoint of the phenomenon of poverty, firstly the harmful side effects of certain drugs may take a heavier toll on a malnourished population (apart from the principle that nobody should consume these drugs). Secondly, it violates the spirit of the UN Consolidated list of hazardous drugs and finally since doctors in Third World countries are rather poorly trained in pharmacology, a "persuasive" salesman and trade-off inducements could possibly start a "Thalidomide" nightmare all over again.

In light of all these considerations and many more that you are surely aware of by now, we the GVHA General Body request you to please withdraw the Bill before it becomes a law.

Relying on your Democratic and Christian principles towards society at large,

We remain,
Yours sincerely,
FR. JERRY FERNANDEZ S.J.,
Secretary, GVHA.

HEALTH ACTION INTERNATIONAL
Brussels, January, 8, 1986.

The Honorable HOWARD METZENBAUM,
U.S. Senate, 140 Russell Senate Office Building, Washington, DC.

HONORABLE MR. METZENBAUM: We write you to inform you about our deep concern and disagreement about the new legislation project allowing the export of unapproved drugs.

We are a Belgian Health Association whose aim is to promote development in the Third World, especially in the health sector, rational use of drugs and justice in health. Our members (doctors, nurses, chemistries, . . .) think this new legislation is contrary to the interests and welfare of the Third World consumers. The latter will be exposed to hundreds of unapproved, useless or non essential medical products from the U.S.

A number of international institutions—the United Nations the European Parliament, the Organization of American States, the World Health Organization—are working towards the tightening up of drug exports form developed countries to developing countries.

If the bill becomes law, it would run counter to current efforts by the United Nations and other international agencies to control world trade in hazardous products.

As you know, an attempt has been made to include certain measures to safeguard against trans-shipment of pharmaceuticals by contract between the U.S. exporter and the importer, but in fact no real safeguards exist because these provisions are unenforceable by the U.S. FDA. This is a dangerous lack in this legislation.

U.S. consumers have come to depend on the FDA to ensure that the drugs Americans use are effective and reasonably safe. Forcing Third World consumers to accept less would perpetrate a morally unacceptable double-standard. Developing countries often have unadequate or non-existent drug laws, and potent "prescription only" products can be bought freely in corner grocery.

We urge you to do everything in your power to ensure that Third World consumers receive the same production that U.S. consumers have come to expect, by retaining section 801 of the 1938 food, drug and cosmetic act intact. U.S. controls on drug exports are an admirable example to the rest of the world, where consumers are fighting to introduce them.

Sincerely yours,
Dr. MARC BOUNITON, M.D.,
Coordinator.

SCARBORO FOREIGN MISSION SOCIETY
Canada, January 28, 1986

The Honorable HOWARD METZENBAUM,
United States Senate, 140 Russell Senate Office Building, Washington, DC.

DEAR SENATOR METZENBAUM: This is in reference to what is now known as the Kennedy-Hatch Bill. As a Canadian I don't know whether I have a right to write to a United States senator, but I would just like to support you in your stand against this bill as it is now written.

Legislation is required, but the legislation needs to protect the lives of innocent people.

I don't know all the details about the problem, but I want to give you a couple of experiences.

When I was visiting our people in Lima, Peru in 1975, an American priest at whose house I stayed overnight, was asked to go to a local drug store to see how many drugs he could buy which were not FDA approved for American use and, if my memory serves me correct, he came back with 32 items.

A number of years ago a sister of one of our priests was visiting in Mexico and took some drug for some "bug" she picked up while traveling and because of taking this medicine she ended up with a blood disease that caused her death within a year. I understand that that drug would not have been available in Canada.

I'm sure that many such stories have crossed your desk. Anything that can be done to prevent the indiscriminate sale of nonapproved drugs is greatly to be encouraged.

Thank you for your kind attention to this matter.

Sincerely yours,
(REV.) CLAIR A. YAECK.

Brasilia, January 9, 1986

DEAR MR. GOFFMAN: We are fowarding to you copies of the letters we sent to Senator Metzenbaum and handed to Senator Kennedy on occasion of his visit to Brazil.

We are sending these copies to the Brasilian Health, Foreign office, Trade and Industry, Science and Technology, and Labor Ministries; the Senate and House of Representatives Health Committees, and concerned Senators and Federal Representatives.

We hope, with this, that Brasilian authorities will take a stand on the subject.

Yours truly,
PROF. RENATO BARUFFALDI, PROF. LUIZ MARQUES DE SA, and PROF. BRUMO CARLOS DE ALMEIDA CUNHA,

Brasilia, January 9, 1986

SENATOR METZENBAUM: First of all, as human beings living in a third world country, we congratulate you heartily on your stand against the S. 1848 bill.

We really feel uncomfortably worried with the possibility that drugs, which the FDA has not approved for American use be ultimately exported to Brazil.

This, as you so well stated, amounts to a double standard, since third world consumers will not be afforded the same protection that American citizens have come to expect as a human right.

Clearly if this bill becomes law, it would run counter to current efforts by the United Nations and other International agencies to control world trade in hazardous products.

As Senator Kennedy came to Brazil, we took the opportunity of handing him a letter asking him to reconsider his position on the S. 1848 bill. Unfortunately it was not possible to hand it to him personally. The letter was handed to James C. Dickmeyer of the American Consulate in Sao Paulo, Brazil.

Mr. Dickmeyer assured us that the letter would be handed to Senator Kennedy.

Hoping that you will be fully successful in your efforts against the S. 1848 bill, we thank you in name of third world consumers.

Yours truly,
PROF. RENATO BARUFFALDI, PROF. LUIZ MARQUES DE SA, and PROF. BRUNO CARLOS DE ALMEIDA CUNHA,

Brasilia, January 7, 1986.

SENATOR KENNEDY: We, representatives of the Pharmaceutical community in Brazil, come to you to express our grave concern with the possible implications of the S. 1848 bill upon individual and collective health in our country.

It is our point view that, despite purported safeguards, the S. 1848 proposal opens the way for dangerous and injustifiable double standard, as to the safety and efficacy of drugs, offering one level of protection to the American consumer, while conceding a lesser level of protection the Brazilian—and other third world countries consumers.

Uncounted are the occasions where the pharmaceutical industries, from developed countries, operating in third world countries have adopted a lackadaisical attitude toward marketing practices in less developed countries. To mention just one practical example we may refer to the declaration of Dr. Dale Console, former medical director of E.R. Squibb Sons, before a U.S. Senate sub-commission, as reported in "Advertising and Promotion of Drugs" in the "Study of Administered Prices in Drug Industry"—U.S. Senate, 1961. Dr. Console stated in essence, that as it is not possible to control the incidence of disease the increase in sales volume of the pharmaceutical industry depends, at least partially, in the utilization of drugs in cases where they are not useful or really needed.

We could bring forth several other examples of the pressure that pharmaceutical concerns exert to increase sales of the drugs that they produce.

In the U.S.A. the F.D.A. has a strong and listened to voice in drug marketing practices. In countries like Brazil, the health authorities do not have the way and means to effectively influence these affairs.

Just for your information the 1985 budget for the "Secretaria National de Vigilância Sanitária" equivalent in Brazil, to the American F.D.A., amounted to less than US $1,050 000, whereas the pharmaceutical market in the same year was estimated around US $1,500,000,000, in Brazil.

As you may clearly see our health authorities are less than immune to the pressure from the "Pharmaceutical establishment", having, at the same time, very little capacity to really control, the drug market in our country.

We have therefore, to rely on actions taken by health authorities from developed countries.

The Kennedy-Hatch bill, if we may call it so, will, indirectly, create more difficulties for the brazilian health authorities to effectively control our drug market.

We know you were worried about the trans-shipment problem. This is, indeed, a major loophole since our authorities, and some legislative effort have been directed towards a reliance on the stance adapted by health authorities from the countries from which the drug is bought.

As to this aspect we call your attention to the testimonies of Thomas Scarlett—Assistant General Counsel of the F.D.A.—and of Frank E. Young, Commissioner of the F.D.A. concerning the hearings on the Labor and Human Resource Committee of the U.S. Senate on the S. 1848 bill, that expressed the opinion that it would be very "difficult to police an established regulation against transshipment".

We, therefore, come to you to ask you to reconsider your position on the S. 1848 bill since it may have unforeseeable implica-

tions on the health of third world countries consumers.

Yours Truly,

PROF. RENATO BARUFFALDI, PROF. LUIZ MARQUES DE SA, and PROF. BRUNO CARLOS DE ALMEIDA CUNHA

THE CO-ORDINATING COMMITTEE FOR PRIMARY HEALTH CARE OF THAI NGOs (CCPN),
Bangkok, Thailand, January 20, 1986.

Hon. HOWARD METZENBAUM,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SIR: On behalf of CCPN, The Co-ordinating Committee for Primary Health Care of Thai NGOs, consisted of 17 consumer and health development organizations in Thailand, we do thank you very much for your oppose to "Kennedy-Hatch Bill, S 1848" on 19 November 1985. We also very much appreciate your act as the representative of consumers all over the world particularly those in the Third World Countries who have been exploited and been affected by this bill. And we would feel more secure if your amendment would not permit exports to "Tier 1" countries too.

Kennedy-Hatch Bill is one immense factor that increases hazards to Third World people's health since the Third World Countries are dumped with low-quality goods particularly drugs from the developed countries. A lot of on-trial drugs, double standard drugs (both in quality and information given) and drugs that were banned in many countries are dumped into the Third World due to marketing tactics and tricks of Multinational Corporations. The lacking of adequate information as well as weakening of legislation, measures, and enforcement of law, that make all these drugs exist legally here. A good example for this is that injectable contraceptive Depo-provera which until now has been discussed and considered if it is proper for use or not in U.S.A., has been used widely in Thailand for 20 years. Recently, MNCs also opposed the National List of Essential Drugs in Thailand, since they realized that the market share of brand named drug would be decreased and effect to their profit, too.

Another reason, we are confident that there is an adequate number of drug item available in the markets, and that the new one would be carefully proved before use.

Therefore, Kennedy-Hatch Bill is the important cause that encourages an unethical double standard drug dumping into Third World Countries. Although the countries are divided into different groups as the bill states, it seems that there is no guarantee to prevent drug re-shipping to Third World Countries, eventhough the issue of avoiding re-export to other countries lacking adequate regulatory system will be counted by the General Accounting Office (GAO). Moreover, consumer protection system in Third World itself is not so strong and efficient as in U.S.A. The Third World People're not guinea pigs for GAO's experiment, however.

So, to oppose this bill until it is banned is the first priority. Again, we do appreciate your work very much and we believe that you will keep on being the active representative to protest the bill.

We all wish you the best and success with the opposition to the bill and with your precious good intentions.

Yours sincerely,

Asst. Prof. Sumlee Joidee, Chairperson, Drug Study Group; Mrs. Netnapa Khumthong, Chairperson, Social science of Public Health Group; Assoc. Prof. Chanpen Wiwat, Executive Secretary CCPN; Miss Ladda Thitikiattipong, Chairperson, Voluntary Group for Consumers; Dr. Sanguan Nittayaramphong, Chairperson, Rural Doctor Society; Dr. Komatre Chuensathianthrab, Chairperson, Chumpaung Primary Health Care Group; Dr. Supattra Srivanitchakorn, Chairperson, Buayai Primary Health Care Group; Dr. Prapoj Petrakard, Chairperson, Community Health Group; Vittaya Kulsomboon, Chairperson, Sungnoen Primary Health Care Group; Rosana Tositrakul, Chairperson, Traditional Medicine in Self-Curing Project.

AUSTRALIAN COUNCIL FOR OVERSEAS AID,
Canberra City, Australia.

Senator EDWARD KENNEDY,
U.S. Senate, Senate Office Building, Washington, DC.

DEAR SIR: I am writing to you with regard to the Bill which you have co-sponsored with Senator Orrin Hatch to permit the export of FDA unapproved drugs. The Australian Council For Overseas Aid is a body which represents over seventy non-governmental aid and development organizations in Australia. It has a particular concern for the health of people in developing countries.

The Council is shocked that the proposed Bill would promote a double standard in safeguards on drugs. The immorality of a situation in which overseas customers are offered a lesser level of protection than their American counterparts is a major concern. The dumping of unapproved drugs already takes a devastating toll on the health of consumers in the Third World and the proposed Bill will aggravate this situation.

The supposed protection against re-export to Third World countries is quite inadequate. The provisions relating to transshipment are useless in the absence of active policing by the FDA. The Bill confers on the Secretary no powers to enable him to "determine" or "receive credible evidence" that the law has been broken. In any case, he is only able to act after such an event has occurred; too late to protect the welfare of consumers in the recipient country. Mr. Frank E. Young, Commissioner of the FDA has himself admitted that it is very difficult to police regulation against transshipment.

Further, the Bill would do nothing to prevent marketing in Third World countries which exploits the "Made in the U.S.A." label. Whilst warnings that the drugs were for export would be required on the *outside* of shipping packages this would offer no protection to the ultimate users. Physicians, pharmacists and patients would rarely see such warnings.

Finally, the Council notes that as it stands, the proposed Bill does not include antibiotics. Authorities on international drug marketing have shown that antibiotics are frequently the focus of the most dangerous and exploitative practices of international drug companies operating in the Third World. The export of unapproved antibiotics should be halted if safety standards expected by American citizens as a right are to be in practice elsewhere in the world.

If this Bill becomes law it will run counter to current efforts by the United Nations and other international agencies to control world trade in hazardous products. Dr. Blewett, the Australian Minister for Health, recently stated in the Australian Senate (Hansard, November 25, 1985) that his Government "would be very concerned indeed if any measure led to an increased export of non-approved drugs, particularly to developing countries". ACFOA shares his concern and believes that this bill should be withdrawn.

As one of the Bill's co-sponsors, ACFOA urges you to reconsider your position on this matter.

Yours sincerely,

RUSSELL ROLLASON,
Executive Director.

AUSTRALIAN COUNCIL FOR OVERSEAS AID,
Canberra City, Australia, January 29, 1986.

Senator HOWARD METZENBAUM,
U.S. Senate, Russell Office Building, Washington, DC.

DEAR SIR: I am writing to congratulate you on your strong stand against the proposed Kennedy-Hatch Bill. The Australian Council For Overseas Aid is a body which repesents over seventy non-governmental aid and development oranisations in Australia. It is naturally concerned in particular with the health of people in developing countries.

The dumping of unapproved drugs already takes a devastating toll on the health of consumers in the Third World. The proposed Bill will aggravate this situation. It runs counter to the efforts of many non-government organisations working in the "Third World" for proper safeguards and warnings on drugs and for standards applicable in many "First World" countries to apply throughout the world.

Dr. Blewett, the Australian Minister for Health, recently stated in the Australian Senate (Hansard, November 25, 1986) that his Government "would be very concerned indeed if any measure led to an increased export of non-approved drugs, particularly to developing countries".

ACFOA shares his concern and believes that this Bill must be defeated. Your efforts to achieve this have ACFOA's strongest support.

Yours sincerely,

RUSSELL ROLLASON,
Executive Director.

AUSTRALIAN CONSUMERS' ASSOCIATION.

Re Kennedy-Hatch Drug Export Bill S. 1848.

Hon. HOWARD METZENBAUM,
U.S. Senate, Washington, DC

DEAR SENATOR METZENBAUM: The news of the passage of Senator Orrin Hatch's Bill was of great disappointment to the Australian Consumer's Association. We had hoped that with increasing awareness of the pharmaceutical situation in developing countries internationally, the voting would be passed in favour of Senator Hatch's proposal.

We congratulate you for the strong position you took, however must once again reiterate the dire implications the Kennedy-Hatch Bill will have if passed by the full Senate and the House of Representatives for the developing countries and ask for your support in seeking amendments. You would no doubt also be aware of the current efforts being made by the United Nations and other international agencies to curb the global trade in hazardous products.

In viewing the amended version of the original bill, we find that there are a number of loopholes i.e.

Despite the inclusion of purported safeguard, the proposal creates a double standard, one for the American consumers and a lesser one for consumers of other countries;

U.S. drug companies are not facing any loss of profit and/or the prospect of retrenching workers by not marketing FDS unapproved drugs;

The attempt to avoid the re-shipment of drugs to the Third World seem meaningless where there is no provision made for any agency (i.e. FDA) to police this movement

The Third World countries do not have the resources to police the above;

Examples of FDA unapproved drugs marketed in so-called "first-tier countries" where consumers were put in severe risk can be seen for UK and France;

The definitions of "middle tier" countries does not address the realities of the lack of socio-economic and technological resources to evaluate drugs for their own consumption;

The proposal will also allow the export of "voluntarily withdrawn" drugs by the companies themselves usually done due to lack of sufficient evidence;

The labelling of the shipments are not adequate misleading the prescribers and users of its status.

We hope that you will again re-iterate your previous position and seek amendments to strengthen the Bill as it now stands in the coming debate. Please be assured that you have the support of many public interest and consumer groups throughout the world.

Yours sincerely,

PHILIPPA SMITH,
Manager,
Public Affairs Department.

HEALTH ACTION INTERNATIONAL,
Oslo, Norway.

Hon. HOWARD METZENBAUM,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SIR: Health Action International Norway, a network of health professionals, social scientists, consumer groups and third world interest groups in Norway want to support you in your struggle to fight the Kennedy-Hatch Bill.

We think the present act served the consumers of drugs in a beneficial way, ensuring consumers of drugs in all countries a safe supply of approved drugs by the FDA. This law helps not only people in countries with adequate drug legislation, but also those from countries where the regulations are poor or missing. If the proposed bill should be passed, it would mean a setback to international efforts to control trade of dangerous drugs. The people of the US and the people of Norway would not suffer, they are still granted their quality drugs by national laws, but peoples of the third world would feel the bad effects if the bill is passed. We know the bill is meant to keep drug export within certain limits, but feel there is still a dangerous opening for third party trading and that FDA will not be able to keep a proper control.

The other major objection to such a law is the detrimental effects it would have on the efforts made to introduce equivalent laws to the existing one in the US in other industrialized countries, in this way the negative effects although partly under control in your country might be extensive and long lasting.

We wrote a letter 11.10.85 to senator Edward M. Kennedy on the same topic only to experience that he to our surprise has cosponsored the Bill. HAI-Nor want to give you our most sincerely support in your attempts to fight the laws.

Yours sincerely,

DAG BRUSGAARD.

ORISSA VOLUNTARY HEALTH ASSOCIATION.

Senator EDWARD KENNEDY,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR: We understand, to our great dismay, that there is a move to get a bill passed in the U.S. Senate, which would permit the export of pharmaceuticals not approved for use in the United States of America. We also understand that your support for this bill is being actively sought. It would be really shocking to the third world if you do lend your support to a bill that U.S. manufacturers are pressurizing in order to gain "filthy lucre" with a cynical disregard of human life in the developing countries.

The move is sinister because overtly it is designed to give the impression that these pharmaceuticals are to be exported to countries with regulatory standards and drug enforcement procedures considered adequate by the F.D.A. But, the underlying surreptitious aim in re-export of these products to countries which do not have adequate legal safeguards against importation and sale of such products to their unsuspecting masses.

In order to give a false impression regarding such products, unwanted in the U.S.A., the bill stipulates the exclusion of (1) brand names and (2) manufacturing data from drugs now in U.N. banned list of hazardous and useless drugs, and that great pressure is being brought to bear upon U.N. personnel to exclude such products from the banned list.

Therefore, in the name of humanity, we beseach you, a friend of the poor, not to lend your support to this bill, but rather oppose its introduction to the U.S. Senate.

Yours sincerely,

DR. D.K. SANTRA,
Secretary.

THIRD WORLD NETWORK,
Penang, Malaysia, July 18, 1985.

Hon. Senator EDWARD M. KENNEDY,
113 Russell Building, Washington, DC, 20510, U.S.A.

DEAR SENATOR EDWARD M. KENNEDY: The Third World Network is greatly disturbed and concerned that the U.S. Congress is considering legislation to permit the export of drugs that have not been approved by the U.S. FDA. We also know that Genentech has proposed that the exports of drugs not approved by the FDA be limited to Europe only.

This proposal is most dangerous because exports of unapproved drugs to Europe can easily be re-exported to the Third World as no European country restricts the exports of pharmaceuticals. Labelling restrictions which limit distribution of drugs solely to European countries are ineffective because drug multinationals can easily repackage their products and reship it to the Third World. Even the International Federation of Pharmaceutical Manufacturers Associations (IFPMA) admits there is no way to limit potential reshipments. Thus this would enable the drug companies to take advantage of the weak and ineffective regulatory and monitoring standards and safeguards available in Third World countries. This would put the health and safety of Third World consumers in great jeopardy.

The Third World Network appeals to you and members of the Committee to reject this bill (Bill #S. 2878) for the health and safety of Third World consumers.

We seriously urge you:

(1) To oppose the Genentech proposal that seeks to allow the export of unapproved and dangerous drugs.

(2) Not to permit the US government to be used by the multinational drug companies to exploit and incur death and suffering to innocent Third World consumers.

We hope you will seriously consider our request as it comes from the peoples of the Third World.

Yours sincerely,

S.M. MOHD. IDRIS,
Coordinator, Third World Network.

INDIAN SOCIAL INSTITUTE,
New Delhi, October 31, 1985.

Senator EDWARD KENNEDY,
113 Russell Senate Office Building, Washington, DC, 20510, U.S.A.

DEAR SENATOR KENNEDY: With great concern we have come to know that the United States Government is planning to introduce a Bill to allow export from the United States of material not marketed in USA. We hear that you have been approached to cosponsor this Bill and this will make it easier for the Bill to become a Law.

I am writing this to protest against such a Bill which will in fact Water Down the UN consolidated list of hazardous drugs and chemicals. The bill will allow export of pharmaceuticals not approved for use in USA to countries with regulatory and drug enforcement procedures considered adequate by F.D.A. The problem for the Third World countries will be that re-export of these products from the above mentioned countries cannot be regulated.

Ours is an Institute supporting the poor who are often victims of the profit orientation of pharmaceutical and other companies. We fear that this Bill if it becomes law will ensure that harmful drugs will reach the poor who will have no choice but to use them in order to ensure the profits of multinationals. But our commitment is to the poor.

I hope that with the good of the people in mind you will not co-sponsor this Bill and that you will oppose it if it comes to the Senate.

With best wishes, I remain,

Sincerely yours,

DR. WALTER FERNANDES, S.J.,
Director.

EUROPEAN PARLIAMENT,
Strasbourg, February 18, 1986.

Hon. EDWARD M. KENNEDY,
U.S. Senate, Washington, DC, USA.

DEAR SENATOR KENNEDY: We, the undersigned Members of the European Parliament, wish to express our profound concern that your Committee on Labor and Human Resources has passed on to the full Senate the "Pharmaceutical Export Amendments of 1985," S-1848.

It seems you have been persuaded that the reshipment of unapproved drugs to the Third World can be prevented by the provisions outlined in the Bill; but we want to assure you that this is simply not possible. No state in the European community, nor the EEC as a whole, has laws to prevent the rerouting of such imports to other countries. Thus, we can guarantee you that if you allow unapproved drugs to leave your country, we will not be able to keep them in ours.

We acknowledge with regret that the drug approval standards of our Member States

are not yet as high as those of the U.S. Food and Drug Administration. In recent years, for example, a number of drugs which had been approved by the appropriate national authorities in Europe had to be withdrawn from the market because of unforseen side effects, including death. The U.S. was spared these tragedies because of the more stringent regulations of the FDA, which had not permitted the sale of these products there.

Allowing unapproved U.S. pharmaceuticals, particularly biotechnology products, to be exported would thus expose Europeans to more potentially hazardous drugs than they have been previously. In other words, it would represent a deterioration of the status of European public health.

In particular, we have admired the drug export policy of the United States, which applies the same standards to pharmaceuticals intended for sale outside the U.S. as it does to products for the domestic market (with the unfortunate exception of antibiotics). Partly as a result of the influence of the U.S. model, efforts are currently underway within the European Community to make our own regulations consistent with the concept of "no double standard". For this reason, we find it particularly disturbing that just at the moment when we are reaching to join you in the refusal to subject foreign consumers to hazards from which our own citizens are protected, the United States appears to be abandoning its time-honored principle of international conduct. We can assure you that passage of the "Pharmaceutical Export Amendments of 1985" would seriously undermine our work to tighten controls within the EEC and its Member States on the export of hazardous, ineffective, and inappropriate drugs to the Third World.

If, on the other hand, the U.S. will maintain its current commitment to prohibiting the export of unapproved drugs, we pledge that we will do everything in our power to enact similar restrictions within our own countries and the EEC as a whole.

We are well aware that much of the impetus for this change in U.S. drug export policy is coming from the new biotechnology companies such as Genentech and Cetus, and would allow them to enter the world market more quickly and with less regulation. Here we have two main points of concern. You must realize that most of our Member States and the EEC as a whole are still in the process of establishing a regulatory framework for industrial applications of genetic engineering. For that reason, we do not feel prepared to protect our citizens from imported biotechnology pharmaceuticals.

Furthermore such a change in your drug export policy would give an economic advantage to your biotechnology industry, and thereby generate acute pressure on our national and EEC authorities to expedite establishing regulatory mechanisms before we have had a chance to fully examine the problems associated with this new technology.

Although we are currently attempting to standardize drug approval structures within the European Community, at the present time the regulations differ greatly among Member States, each framework having its own particular strengths and weaknesses. Because a U.S. firm would need approval from only one of the developed countries in order to export its unapproved pharmaceuticals, drug export standards for the Third World would be reduced to the lowest common denominator. It could even encourage some Member States to compete as havens for U.S. drug companies to obtain rapid approval of their products.

In light of the grave international implications of lifting the current restrictions on the export of unapproved drugs from the United States, we urge you to personally reconsider your position and to begin using your considerable influence to prevent any relaxation of the existing U.S. drug export policy.

With thanks for your consideration of these concerns.

(List of the Members of the European Parliament who signed the letter to Senator Kennedy.)

(52 Members from 10 States)

Benedikt Haerlin, Germany.
Dorothee Piermont, Germany.
Alberto Tridente, Italy.
Herman Verbeek, Netherlands.
Frank Schwalba-Hoth, Germany.
Undine Bloch v. Blottniz, Germany.
Geoffrey W. Hoon, Great Britain.
John E. Tomlinson, Great Britain.
Carole Tongue, Great Britain.
Stephen Hughes, Great Britain.
Friedrich Wilhelm Graefe zu Bahringdorf, Germany.
Paul Staes, Belgium.
Francois Roelands du Vivier, Belgium.
Jan Vandemeulebroucke, Belgium.
Willy Kuijpers, Belgium.
Michele Columbu, Italy.
Glyn Ford, Great Britain.
Ken Steward, Great Britain.
George W. Stevenson, Great Britain.
Michael Hindley, Great Britain.
Alexander C. Falconer, Great Britain.
Brigitte Heinrich, Germany.
Beate Weber [1], Germany.
Alain Bombard, France.
Heinke Salisch, Germany.
Dieter Rogalla, Germany.
Kurt Vittinghoff, Germany.
Mechtild Rothe, Germany.
Gerhard Schmid, Germany.
Kurt Peters, Germany.
Hedy D'Ancona, Netherlands.
Pieter Dankert [2], Netherlands.
Luciana Castellina, Italy.
Jośe Barros Moura, Portugal.
Jośe Antonio Brito Apolonia, Portugal.
Juan Bandres, Spain.
K. Filinis, Greece.
Heidemarie Wieczoreck-Zeul, Germany.
Magdalena Hoff, Germany.
Vera Squarcialupi, Italy.
Vassilios Efremidis, Greece.
Dimitrios Adamou, Greece.
Janis Sakkelariou, Germany.
Alexandros Alavanos, Greece.
Bodil Boserup, Denmark.
Sergio Segfe, Italy.
Marco Panella, Italy.
Chrysantos Dimitriadis, Greece.
Marcel Remacle, France.
Barbara Castle, Great Britain.
Jef Ulburghs, Belgium.
Marijke van Hemeldonk, Belgium.

Mr. METZENBAUM. I say to Members of the Senate, you may have decided yesterday or in the last few days to vote for this bill. I am not certain how many of you hear my voice. Perhaps some of your staffs do. But I urge you to think about what this bill is all about and take a look at the letters from throughout the world indicating concern, indicating resentment, being resentful of the double standard. Protection for our people, yes; no protection for their people. Do not let that happen.

I yield the floor.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. QUAYLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. QUAYLE. Mr. President, I rise in support of S. 1848, legislation which will reform our Nation's troublesome policy on the export of drugs.

I would like to compliment my distinguished colleagues, Senators HATCH and KENNEDY, for all their hard work in developing this carefully crafted compromise. I am confident that this proposal represents an agreement that merits bipartisan support.

S. 1848 would have the effect of eliminating our restrictive policy on drugs by permitting their export in specific instances with certain very important safeguards. S. 1848 permits the export from the United States of not-yet-approved human and animal drugs and biologicals to specified countries under very restrictive conditions. Generally, these drugs may only be exported to developed nations which have adequate drug regulatory mechanisms and where health ministries have approved the drug. To encourage U.S. companies to develop drugs for diseases which are rare in this country, the bill permits the export to developing nations of yet-to-be-approved drugs to treat tropical diseases.

S. 1848 also provides important safeguards regarding the manufacture and labeling of yet-to-be-approved products which are to be sold abroad. It would require that drugs exported from the United States be properly manufactured and labeled for safe and effective use. It would also authorize FDA to halt the sale of a drug which poses an imminent hazard to health in the importing country.

The issue involved in this legislation is not whether drugs not approved in this country by the Food and Drug Administration will reach foreign markets. When a drug is approved in a foreign country first, a U.S. drugmaker has only two choices under the present law: One, manufacture the drug in a foreign country resulting in a loss of U.S. jobs; or two, if the U.S. company cannot afford to build a manufacturing plant overseas, which is the case for biotechnology and small pharmaceutical companies, license the

[1] President of the Environmental Committee of the Parliament.
[2] Chairman of the Parliaments Delegation to the United States of America.

technology to a foreign competitor resulting in a loss not only of U.S. jobs but also of our lead in technological know-how. We all know that such drugs may be produced and distributed abroad. The products are simply made overseas, perhaps by a foreign licensee. In fact, such products, when manufactured overseas, may not be subject to regulation regarding quality control and labeling to the high U.S. standards.

The question is whether or not the U.S. economy will be able to reap the benefits involved. I am hopeful that we can enact this legislation that will work toward keeping the economic benefits of U.S. research and technology—the jobs, the plants, and tax base—at home.

Many of us have risen on the Senate floor in recent months to deplore our trade policies and problems. I believe that this bill represents a positive and an aggressive step in our trade policy that we can all support because it gains us access to markets overseas instead of building up protectionist barriers.

Moreover, as we consider reform of our drug export laws, it is vitally important to remember that time and technology have not stood still. While the United States still retains the lead in pharmaceutical development, this lead is not as secure as it once was. It is important to work to retain our competitive edge and I believe the reform of our drug export laws will help us do this. I urge my colleagues to support this important legislation.

Mr. HATCH. Mr. President, I have to admit that Senator METZENBAUM is a person who feels very deeply about many subjects and often takes a lot of time on the floor to express his feelings. He feels very deeply about this subject. I respect that.

On the other hand, I think he is basically and totally wrong, and has misstated, I believe, a lot of what this bill means.

One of his criticisms is that drug export legislation will not prompt American companies to establish new operations in the United States.

This really flies in the face of reason.

U.S. companies are united in their vigorous support of this legislation, and many have testified that additional manufacturing facilities would be located here if the bill is enacted.

Granted, not every new facility will be located in this country, but the U.S. siting will become an option for the first time. Business factors will lead to some foreign locations for production plants, but the testimony is clear that in many cases those factors will result in U.S. siting of manufacturing facilities and plants if it is permitted, if this bill is passed. Right now, they just locate offshore and sell anywhere they want to with no restrictions, no regulations, no overseeing by the FDA or anybody else.

The argument of the Senator from Ohio just doesn't wash. If you want to protect people, this bill is the way to do it.

The facts are clear: Even the bill's opponents concede that $200 to $300 million of additional export income would flow into this country if this bill were to pass, and I think they have to concede this. How is this to occur but by the location here of new facilities, or expansion of already existing facilities?

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One of the other criticisms raised by the distinguished Senator from Ohio is that S. 1848 raises a dangerous double standard. That obviously is ridiculous. First, Mr. President, no drug exported under this bill would be "dangerous" in the normal sense of the word. Each drug will have been approved for safety and effectiveness by a sophisticated foreign drug approval agency adequate to undertake the review and equivalent to our own FDA.

I agree with Senator KENNEDY that it is arrogance to say that the United States is the only Nation in the world that has the degree of sophistication necessary to approve drugs. It is arrogance.

I just have to be honest about a number of the organizations the distinguished Senator from Ohio has cited, that they always overstate everything. Frankly, some of them are very sincere, but their sincerity flies in the face of reality, flies in the face of what we are trying to do. It shows an underlying misunderstanding of what is going on here.

Despite the emotionalism which the bill's opponent invokes with the use of the term "double standard," this bill does not set up a double standard. Rather, it recognizes different standards and judgments. There are no absolute standards of safety and efficacy and there are relatively few if any absolutely safe and effective drugs, very few.

Each country assesses the relative safety and efficacy of drugs based on its balancing of risks of using the drug versus the benefits conferred by its use. Different countries will properly reach different conclusions from time to time, based on their peculiar disease and demographic profiles, and on the quality of their health care delivery systems, their resources, and other factors. Further, because a balancing is involved rather than a measurement against an absolute standard, similar countries will sometimes legitimately reach different conclusions.

Third, academic and governmental experts around the world—including the United Nations—recognize these differences and see them as proper, legitimate, even necessary differences; not as "double standards."

Fourth, I might add, S. 1848 does not send a message that, "these drugs are not good enough for us but they are good enough for you," as the distinguished Senator from Ohio states.

First, the bill clearly prohibits the export of drugs which have been rejected by the Food and Drug Administration, drugs which we have determined to be not up to our requirements. It speaks only to drugs which have not yet been shown to be safe and effective to the FDA. On the other hand, while making no findings on whether "they are good enough for you," the bill says we feel that certain advanced foreign countries should have been given the opportunity to make their own judgments about these drugs.

Fifth and finally, it is incorrect to say that such organizations as the United Nations or the European Parliament or the Organization of American States are working to tighten up drug exports from developed countries into developing and underdeveloped nations. Even were this so, it is difficult to see how S. 1848 would run counter to these efforts since, with the exception of topical disease drugs, it authorizes shipments only to sophisticated or developed countries. But it is accurate to say that proposals to restrict exports from developed countries to developing and underdeveloped nations have been suggested to these organizations and are supported by the activist groups identified by the Senator in his minority views. It is enlightening to know that the broader agenda of these groups is to undermine patent protections, to greatly restrict the types of pharmaceuticals available in the developing world, thereby condemning many Third World inhabitants to needless pain, suffering, and death; block the free enterprise system in key industries; curtail the activities of Western multinational corporations; and, most importantly, establish a global welfare state by the massive but shortsighted shift of resources from the developed to the developing countries.

Mr. President, that is really what is behind these obscure but vocal organizations that Senator METZENBAUM has been bringing to our attention. It sounds great to get up and talk about a letter here and a letter there from some of these groups. They may be important in the eyes of many people but let us understand what they are about. Their philosophy runs counter to the philosophy of almost everybody in the U.S. Senate and U.S. House of Representatives.

Frankly, it is difficult for me to understand how Senator METZENBAUM or any other Senator could stand on this floor and make the arguments he has

just made in light of the way this bill is written and in light of the way present law actually operates.

Another criticism he brought up is that the export of unapproved drugs under S. 1848 will undermine the integrity and the reputation of the "Made in America" label. Mr. President, now, come on. Drugs exported to first- and second-tier countries permitted under this bill will have been approved for safety and efficacy by the sophisticated regulatory agency of at least one developed country. It is arrogance to think that our FDA is the only one in the world that can do a good job.

Because of this and other safeguards in the bill, it is quite unlikely that any unapproved pharmaceutical exported under S. 1848 will pose a significant health risk abroad, so the argument is ridiculous.

The "Made in America" argument is completely speculative. The committee received no evidence that the term "Made in America" is commonly, if ever, found on pharmaceuticals made in America and shipped abroad. As the Senator has pointed out, in many—perhaps most—cases, a pharmaceutical whose active ingredients are manufactured in this country will be finished abroad, maybe tableted, encapsulated, and so on, and will be packaged abroad. Thus one would suppose it unlikely for these products to bear a "Made in America" label.

More to the point, however, is the realization that the world does not operate as assumed by those who make this ridiculous argument. The interference is that foreign consumers will assume that the product is either safe or approved because it is made in this country. However, we have no reason to believe that even sophisticated foreign consumers will draw this conclusion. I note here in general that we export many extremely and explicitly hazardous products from industrial chemicals to weapons and it is hard to imagine that consumers immediately conclude that such products are safe because they are produced in America. Indeed, even if we narrow the focus to pharmaceuticals, we should remember that some categories of unapproved drugs can currently be exported under section 801(d), complete with the "Made in America" label, if allowed by local law while others may not.

The conclusion that this lable-of-origin argument is speculative and manufactured is strengthened when we remember that "made in West Germany," "made in Japan," or "made in Switzerland" can be affixed to drugs not approved in those countries, and there is no evidence that foreign consumers believe those drugs to have been approved by their nations of origin. Nor is there any reason to believe that those countries' drug export policies have damaged the value of their labels of origin.

It is much more rational to conclude that a product which causes injury abroad will bring suspicion upon its manufacturer and that manufacturer's other branded products, and this is proper and deserved. This is related to the fact that "Made in America" is unlikely to appear on many drugs, whether approved or unapproved, which are marketed abroad by U.S. companies. Our own FDA does not permit country-of-origin designations on consumer containers of prescription drugs. Thus, I strongly suspect that comparative judgments by consumers are much more based on brand-name recognition. It seems much more likely to me that a consumer would perfer a drug because it is made by Merck or Upjohn or SmithKline, regardless of where the drug is made. And domestic companies are of course free under current law to manufacture unapproved drugs overseas and ship them abroad.

Thus, I believe S. 1848 would make no difference at all in the minds of foreign consumers. Again, this whole issue is contrived and without substance. It seeks to play upon our emotions, and I might say, upon some peoples' sense of chauvinism.

□ 1730

Another criticism by my colleague from Ohio. He claims that transshipment of unapproved drugs will not be prevented by S. 1848. Again, if you look at the bill, if you look at the arguments, it is a spurious argument. S. 1848 contains finely crafted provisions addressing transshipment. It does not purport to block any possible presence in unauthorized countries. It is simply not practical to try to control those drugs once they have left the control of the importer. However, this in no way detracts from the merits of this particular bill.

That is because even if this bill does not pass, a particular unapproved drug may be manufactured overseas and exported to any country where it is legal. If the bill passes, the same unapproved drug may or may not find its way to the same countries depending upon the acts of subsequent actors in the purchase chain. However, the situation is not different under this scenario from that under current law. Current law is unable, simply unable, to prevent the presence in any country of any drug since it simply leads to the production of unapproved drugs overseas. It is a consequence of current law that in moving abroad they also are not subject to any kind of regulation, any type of regulatory control or protection. Therefore, it makes no sense to criticize this bill because under some scenarios, extreme ones at that, the same thing could happen as happens now on a daily basis under current law. This bill actually corrects current law and has carefully crafted provisions in it to decrease transshipment.

Nor is the problem one of enforcement as the Senator has stated. Hearing testimony by the Food and Drug Administration and the Pharmaceutical Manufacturers Association reflect the impracticality of our trying to control the trade in pharmaceuticals among downstream independent purchasers in foreign countries. Such a task would consume enormous resources but would not succeed even if it were permitted by foreign governments. The Labor and Human Resources Committee, the committee which I chair, recognized this and instead imposed duties and corresponding penalties on exporters to take all measures in their control to ensure that neither they nor their importers were engaged in improper transshipment. However, we realized that it would be unfair and that it would gut the bill if we attempted to impose these heavy penalties on manufacturers for conduct which was beyond their control, all in a fruitless attempt to prevent a situation that occurs right now under current law with no protections whatsoever. This bill gives us protections. I really cannot understand why the Senator from Ohio prefers current law to the improvements on current law contained in S. 1848. Certainly it is not because current law affords consumers in the world any protection, because it does not. This bill does. And it clearly does.

Additional restrictions under S. 1848 occur in an imminent hazard situation. While it can be normally expected that drugs exported under these amendments and found in unauthorized countries will cause no harm there, having been already approved as safe and effective by at least one competent foreign agency from one of 15 of the greatest countries in the world from a drug approval standpoint, additional export restrictions may be imposed if the drug does pose an imminent hazard to health in those countries.

These duties and restrictions were carefully considered by the committee and are enforceable by the appropriate agencies in contrast with the impracticality and pointlessness of the across-the-board prohibition on all transhipment which the Senator from Ohio seems to feel necessary. The responsibilities this bill would place upon the Department of Health and Human Services and the Department of Agriculture are quite manageable. They are fully consistent with the statement by the Food and Drug Administration quoted in the Senator's minority views.

Let me just answer just one other criticism. The distinguished Senator

has indicated that S. 1848 will not assist the development of drugs that treat tropical diseases. I have to admit this bill has never been touted as a panacea or a cure-all for Third World health problems. Such an ambitious proposal certainly is beyond the U.S. Congress. However, as the committee report on S. 1848 points out, "There is no doubt that the provisions of S. 1848 will help." As pointed out in testimony by Third World health experts before the Labor and Human Resources Committee, "Export authority would make it feasible for U.S. manufacturers to undertake research in response to emergency situations, such as epidemics, arising overseas." In such situations, the country in need requires effective drugs as soon as possible. It will not have time to wait for a U.S. manufacturer to obtain FDA approval and will turn to foreign nations for remedies developed there. This has happened before, and it is expected that it will happen again.

The bill will make it more economical for U.S. manufacturers to focus on Third World drugs by making it possible for them to piggy-back on existing production facilities in this country and by assuring them that their production facilities can remain in close conjunction with their research centers. In some cases this may make a difference between whether a company decides to pursue development of a Third World drug or not.

The bill makes tropical drugs explicitly eligible for the developmental assistance and market protection of the Orphan Drug Act.

Finally, Senator METZENBAUM has noted in his minority views to the committee report that we should take comfort from the number of tropical disease drugs already in the pipeline. He lists four drugs, one said to be approved, two under review at the agency, and one not yet submitted. In fact, the one listed as approved has been approved only in livestock and the sponsoring manufacturer has no plans to submit it to FDA for approval in human use, precisely because of the lack of market in this country. Thus, we are talking about three remaining potential drugs that the distinguished Senator from Ohio has brought up. I am sorry, but I cannot take much comfort in those kinds of statistics. Compared with the hundreds, if not thousands, of severe, devastating diseases which plague the undeveloped world, the drugs submitted for FDA review simply will not count for much. Indeed, the paucity of tropical disease drugs submitted to FDA illustrates how great a damper current policy puts on their development. This bill will help them to develop more for the benefit of these undeveloped countries.

Also, I would like to address the European Parliament letter. This letter, which is illogical and disturbing in its claims, is signed by 52 members. This represents about one-tenth of the membership of that body. I might add that is not only a small minority, it is a pitiful minority, and you may be sure that the drafters of this document knocked on all 500-plus doors. Further, the political composition is informative. We find here a group of by-and-large radical activists opposed to Western free market capitalism. We find, of the 52, 9 Communists, 25 Socialists, and 15 of the so-called Rainbow Group. I might add a lot of the other so-called worldwide backing against this bill is of the same ilk. Just as significantly, the gist of the letter is that we should not ship to Europe drugs not yet approved in the United States, because their own European regulatory agencies are not trustworthy or competent.

□ 1740

This is the same rhetoric we hear from zero-risk activitists in our country who do not trust our own FDA. In fact, I would have to say that many of these people are zero-risk activists themselves, people who are not satisfied with anything, no matter what we do, and who would probably find lots of fault with our own FDA.

The view of these people concerning the adequacy of European agencies is certainly not adopted by the scientific community in this country or in Europe, regardless of support by a small minority of politicians—and I might add that they are politicians—in the European parliament. They deserve to be treated with respect, and I do not mean to imply in my remarks here today that I do not respect their right to speak out. But let us understand who they are.

Senator METZENBAUM makes it sound as though all the thinking people in the world are against this bill. I call to his attention to 13-to-2 vote against him in our committee; and our committee is a pretty good composite of this body.

There is no question that it is pretty well evenly divided. It goes from the far left to the far right, with everything in between, and the vote was 13 to 2.

In conclusion, let me point out that radical opposition to this bill is not hard to find. I do not mean to demean my dear friend from Ohio, but much of the offshore criticism is incited by anti-American, anti-Western, often pro-communist factions in many parts of the world. But I hope we would not let ourselves be influenced by the voices of Thai students, for example, who have little understanding of the issues involved or of the facts of the situation, or even of the operation of this particular legislation.

I hope that we would instead be influenced by more moderate, reasonable, respected voices like those of Dr. Donald Kennedy, former FDA Commissioner and now president of Stanford University, who supports this bill, or of Dr. Paulo Machado, former Health Minister of Brazil, who argues eloquently for the right and necessity of Third World authorities governing their own affairs.

If we pass this bill, we will be listening to people like that, we will be making good policy. I think those are facts.

Let us talk about the bottom line here. The real issue is ignored by the critics of this bill. The real issue is the impact of the bill, when compared to the results of current policy, on the foreign consumer. Under current policy, every drug which may be exportable under these amendments and all others besides can be manufactured in foreign plants under few, if any, controls and shipped anywhere in the world. Thus, all of the potential problems which the critics such as our friend from Ohio claim can happen if these amendments are passed are happening right now as we speak. And many of them will not happen if this bill is passed because the bill has plenty of protections in it.

There is, in short, no evidence that this bill will affect the types of drugs available to foreign consumers at all with the possible exception of the tropical disease drugs, while through its requirements it ensures greater quality and imposes much greater FDA control on those drugs produced in the United States and exported.

Is there any evidence that the current ban on the export of unapproved pharmaceuticals saves any lives? The answer is a resounding no. Is there evidence that the defeat of S. 1848 will prevent any injury to foreign consumers? The answer is a resounding no. As a matter of fact, will S. 1848 help consumers? The answer is a resounding yes.

This bill effects a net improvement in the situation for consumers. It will save American jobs, and it will lower our balance of payment deficit. I think we ought to cut through the rhetoric and pass this bill.

This is a very good bill. It has broad bipartisan support. For the life of me, as intelligent as the distinguished Senator from Ohio is, I have grave difficulty understanding his arguments and even understanding why he makes some of the arguments he does, or even why he thinks the way he does; but I give him credit for standing up for his beliefs, and taking the time of the Senate to do so.

I hope we can proceed to amendments and I am prepared to do so right now, if we can.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRADLEY. Mr. President, I rise today as a cosponsor of S. 1848, the "Pharmceutical Export Amendments of 1985," also known as the drug export bill.

S. 1848 will allow drugs which have not been approved in the United States but which have been approved for use by another country to be manufactured in the United States and then exported. The bill, which establishes a series of safeguards to ensure that the public is protected, carefully distinguishes which countries may import these drugs, and gives the Secretaries of Health and Human Services and the Department of Agriculture extensive regulatory power over the entire distribution process.

Mr. President, the bill before us allows export of drugs to several designated countries—the so-called first tier countries—which have sophisticated drug approval systems comparable to that of our own Food and Drug Administration. The first tier countries included are Australia, Austria, Belgium, Canada, Denmark, Finland, France, Japan, the Netherlands, Norway, Sweden, Switzerland, the United Kingdom, and West Germany. In addition, the bill provides that drugs approved by a first tier country may be exported as well to a group of "second tier" countries who have governmental health authorities adequate to insure proper labeling and to detect any serious problems with the safety of a drug. In order to provide for the special needs of Third World countries, the bill further gives the Secretary of the Department of Health and Human Services discretion to allow export to a country which suffers from diseases—especially tropical diseases—which do not exist in the United States.

Mr. President, I originally had serious reservations about the drug export bill. Specifically, I worried that drugs exported from the United States might be shipped illegally or surreptitiously to unauthorized countries. The drafters of S. 1848 shared my concern about such wrongful transshipment. In order to prevent such abuse, the bill was modified to include extensive safeguards, which appear in the version of the bill now before us. The sale of a drug may not conflict with the law of the importing country. The shipping packages must be carefully labeled that a drug is for export only and that it may be sold only in one of the authorized tier-1 or -2 countries.

No drug may be exported if it has been denied, suspended, or withdrawn in a final action by the United States or if the drug has been determined to be contrary to the public health and safety of the United States. In addition, the Secretaries of the Department of Health and Human Services and the Department of Agriculture can prohibit shipment of any drug which does not comply with the stringent requirements of S. 1848, and they can prohibit shipments to importers who breach the bill by shipping to unauthorized countries.

Mr. President, these extensive safeguards have alleviated my original concerns, and I now voice strong support for this bill.

Mr. President, some Members of this body still have concerns about this legislation. I believe these concerns are misguided. S. 1848 is not a "greed bill" as opponents have deemed it. S. 1848 does not create a dangerous double standard for the United States. It does not pervert the esteem of the "Made in the U.S.A." label or the value of the Food and Drug Administration's approved process. And, S. 1848 in no way will create guinea pigs out of innocent European, Japanese, or Third World citizens.

No, Mr. President, the drug export bill does none of these things.

The drug export bill will allow no untested drug loose on an ignorant populace. Every drug or biological to which the bill applies has been approved by a drug agency comparable to the FDA. The bill will allow American firms to produce these drugs and biologicals within the borders of the United States. The bill will encourage American firms to increase research and development of so-called tropical drugs, which can benefit those in the Third World who suffer from diseases and maladies unknown and unheard of by the average American. And, the drug export bill will allow citizens in developed countries to choose a product which has been approved by a respected drug agency and manufactured according to the good manufacturing practices demanded by our FDA.

Mr. President, there is no doubt that the United States has the tightest, most thorough drug approval process in the world. That fact is a credit to the unequalled prowess of the FDA, as well as to our honored tradition of consumer advocacy. On average, it takes 1 to 4 years longer for a drug to be approved by the FDA than by an equivalent agency elsewhere in the developed world. While this process certainly has saved countless lives and hardships, it has not come without cost. In an article in Clinical Pharmacology and Therapeutics, Drs. Olav M. Bakke, William M. Wardeli, and Louis Lasagna note that "the more lengthy and complex process in the United States and the ensuing drug lag have deprived patients in the United States of a number of useful and even life-saving medicines." I would not go nearly so far. My respect for the tough approval standards of the FDA is total.

And yet, Mr. President, I realize that other developed countries have standards which are both well-intentioned and efficient. It is no double standard for us to allow American firms to produce those drugs approved according to the standards of an England or a Germany, while preventing their sale here until approved by our standards. It is worth noting that no other nation in the world has such a prohibition. As the law stands now, American firms may produce the drugs to which this bill applies via foreign plants or partners. And, American citizens are free to go to other developed countries and there to purchase drugs legally salable. The drug export bill simply allows the drugs and biologicals, which are already out there, to be produced in the United States, according to the FDA's exacting standards.

By allowing production in the United States, of course, we will bring money and jobs to our shores. According to conservative estimates, the bill will bring $400 to $500 million and more than 8,000 jobs to the United States. These figures are significant, but certainly not phenomenal enough to deem S. 1848 a "greed bill."

More important than the revenues which this bill will produce are the principles which the bill embodies. Faced with an ever-expanding world marketplace the United States no longer can afford to give away jobs and technology. In contrast to the Nation as a whole, the pharmaceutical industry has maintained a positive balance of trade. However, absent this bill, that balance very well could turn negative in the near future.

Mr. President, opponents of S. 1848 are concerned that the bill will allow pharmaceuticals which are "Made in the U.S.A." to be dumped indiscriminately on Third World countries. I appreciate their concern, but I am confident that the extensive safeguards in the drug export bill will prevent such abuse, and, in that regard, I would like to commend my good friend Senator KENNEDY for his diligent efforts.

Mr. President, the drug export bill, S. 1848, will bring much-needed jobs and revenue to the United States. It will benefit our balance of trade. It eliminates an unneeded nontariff trade barrier, and it provides freedom of choice to American drug producers and to foreign consumers. In the words of Dr. Frank E. Young, Commissioner of the FDA, this bill provides "the sovereign right of individual countries to assess their own public health needs and to make their own

decisions with regard to the products which should be available to them in order to meet their specific needs."

Mr. President, the FDA has given the drug export bill its strong support, as has the World Health Organization, the pharmaceutical industry, and an overwhelming, bipartisan majority of the Labor and Human Resources Committee. I join them all in my support, and I urge my colleagues to do so as well.

Mr. BENTSEN. Mr. President, I am pleased to support S. 1848 as reported from the committee.

Pharmaceuticals is an area of high technology in which the United States still has a surplus, although that surplus is shrinking. I am convinced by the information developed in the committee that one of the reasons for this shrinking surplus in pharmaceuticals is a restriction imposed on exports of pharmaceuticals from this country. To the extent this bill removes this restriction in a responsible manner, I am anxious to support the bill as a way of removing an obstacle to American competitiveness internationally.

One of the most important aspects of the competitive impact of United States regulation on exports is the tendency of U.S. regulation to encourage U.S. firms to invest in foreign countries rather than here, in this country. They can always export to the United States, but they cannot always export from the United States. In testimony that was received concerning S. 1848, administration witnesses supported the industry's assertion that product which could have been exported were manufactured abroad because of the U.S. ban on the export of pharmaceuticals that have not been approved by the Food and Drug Administration.

We have been studying the problem of trade practices that encourage or even force American firms to move their manufacturing out of the United States in the Senate Democratic Working Group on Trade Policy, and I can assure Senators it is a very serious problem. Indeed, foreign governments are also a cause of our firms moving manufacturing from the United States. We have introduced legislation to clamp down on that practice. In my judgment eliminating foreign requirements for moving plants abroad is just as important as removing U.S. incentives for moving plants abroad.

On March 24, 1986, Senators DANFORTH, BAUCUS, BINGAMAN, BYRD, DIXON, DODD, GLENN, HARKIN, HOLLINGS, LAUTENBERG, LONG, MELCHER, METZENBAUM, RIEGLE, SIMON, and I introduced S. 2226, the Unfair Trade Concessions Requirements Act, which would explicitly provide authority for the President to retaliate against countries which refuse to accept American exports unless and until American firms either locate production in those countries or license their technology to those countries.

I support S. 1848 because it will help to expand U.S. exports, and, for the same reason, I urge Senators to support our trade access bill, S. 2226.

CEREMONY IN CAPITOL ROTUNDA TO WELCOME NATAN (ANATOLY) SHCHARANSKY TO THE UNITED STATES

Mr. DOLE. Mr. President, a parliamentary inquiry: Is there a resolution at the desk from the House with reference to the Shcharansky ceremony in the Rotunda on Tuesday next?

The PRESIDING OFFICER. There is such a resolution at the desk.

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Concurrent Resolution 329, welcoming Anatoly Shcharansky to the United States, which is being held at the desk.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, reserving the right to object, and I will not object, as I understand it, the distinguished majority leader is seeking at this point to call up a concurrent resolution that came over from the other body, which will provide for the ceremony in the Rotunda, and at the same time do the legislation that has been offered by Mr. LAUTENBERG to provide a congressional medal to Anatoly and Avital Shcharansky, and both will be done by unanimous consent, virtually at the same time, is that correct?

The PRESIDING OFFICER. The unanimous-consent request at this point includes the House concurrent resolution.

Mr. DOLE. I am trying to get the number.

Then proceed to the consideration of S. 2308.

The PRESIDING OFFICER. Is that part of the request?

Mr. DOLE. I do not think that is necessary.

I ask unanimous consent to temporarily set aside the pending business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution will be stated by title.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 329) welcoming Natan (Anatoly) Shcharansky to the United States.

Mr. BYRD. Mr. President, a parliamentary inquiry: Is the ceremony to be at 11 a.m.? I had understood earlier that it was to be at noon on Tuesday next. I hope it is 11 a.m.

The PRESIDING OFFICER. The minority leader is informed that the resolution does not include a time, only a date.

Mr. BYRD. Very well. That time can be set. I thank the Chair.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 329) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I am advised that the ceremony is planned for 11 a.m. on Tuesday.

Mr. BYRD. That is perfectly agreeable. I thank the majority leader.

CONGRESSIONAL GOLD MEDALS TO ANATOLY AND AVITAL SHCHARANSKY

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. 2308, to award congressional gold medals to Anatoly and Avital Shcharansky in recognition of their dedication to human rights, and to authorize the Secretary of the Treasury to sell bronze duplicates of those medals, which measure was reported today by the Committee on Banking, Housing, and Urban Affairs.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 2308) to authorize the President of the United States to award congressional gold medals to Anatoly and Avital Shcharansky in recognition of their dedication to human rights, and to authorize the Secretary of the Treasury to sell bronze duplicates of those medals.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking, Housing, and Urban Affairs, with an amendment:

On page 3, line 23, strike "is", through and including "necessary" on line 24, and insert "are authorized to be appropriated not to exceed $30,000".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress finds that—

(1) Avital Shcharansky and Anatoly Shcharansky have displayed immense courage and commitment to the preservation of individual human rights, regarded as among the highest of ideals by the American people;

(2) Anatoly Shcharansky, a prominent founding member of the Moscow Helsinki Monitoring Group and active spokesman for the human rights denied to Soviet Jews, was unjustly arrested by the Soviet Union in 1977 and imprisoned for almost nine years on the false charges of espionage and treason;

(3) Anatoly Shcharansky, during his lengthy incarceration and isolation, was subjected to ongoing emotional and physical deprivation of the highest magnitude, yet continued to display raw courage and the noblest commitment to his rights as an individual, thereby setting an example for others whose individual freedoms are being denied;

(4) freedom is the ideal held most dear by the American people, and Anatoly Shcharansky has become a symbol of that love of freedom;

(5) Avital Shcharansky, while her husband was kept silent by Soviet prisons and labor camps, waged an indefatigable campaign around the world on behalf of her husband and others similarly treated;

(6) Avital Shcharansky's earnest persistence and dedication to the precepts of freedom of thought, word, and deed raised the consciousness of the world while she valiantly worked for her husband's release, thus elvating human rights to a global concern; and

(7) their reunion is evidence of the triumph of the human spirit against all adversities.

SEC. 2. CONGRESSIONAL GOLD MEDAL.

(a) AWARD.—The President of the United States is authorized and requested to present, on behalf of the Congress, gold medals to Anatoly and Avital Shcharansky in recognition of their supreme dedication and total commitment to the cause of individual human rights and freedoms.

(b) DESIGN AND CONSTRUCTION.—For purposes of the presentation referred to in subsection (a), the Secretary of the Treasury (hereafter in this Act referred to as the "Secretary") shall cause to be struck two gold medals with suitable emblems, devices, and inscriptions, to be determined by the Secretary.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated not to exceed $30,000 to carry out the provisions of this section.

SEC. 3. DUPLICATE MEDALS.

(a) CONSTRUCTION AND SALE.—The Secretary may cause duplicates in bronze of the gold medals provided for in section 2 to be coined and sold under regulations prescribed by the Secretary, at a price sufficent to cover the cost of such duplicates and such gold medals, including labor, material, dies, use of machinery, and overhead expenses.

(b) REIMBURSEMENT OF APPROPRIATIONS.—Any appropriation made under section 2 shall be reimbursed out of the proceeds of the sales referred to in subsection (a).

SEC. 4. NATIONAL MEDALS.

The medals provided for in this Act shall be considered to be national medals for purposes of section 5111 of title 31, United States Code.

□ 1750

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

AMENDMENT NO. 1847

Mr. DOLE. Mr. President, I send an amendment to the desk in behalf of the distinguished Senator from New Jersey, Senator LAUTENBERG, the distinguished minority leader, Mr. BYRD, and myself, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE] for himself, Mr. LAUTENBERG and Mr. BYRD, proposes an amendment numbered 1847.

Mr. DOLE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out all after the enacting clause and insert:

The Congress finds that—

(1) Avital Shcharansky and Natan (Anatoly) Shcharansky have displayed immense courage and commitment to the preservation of individual human rights, regarded as among the highest of ideals by the American people;

(2) Natan (Anatoly) Shcharansky, a prominent founding member of the Moscow Helsinki Monitoring Group and active spokesman for the human rights denied to Soviet Jews, was unjustly arrested by the Soviet Union in 1977 and imprisoned for almost nine years on the false charges of espionage and treason:

(3) Natan (Anatoly) Shcharansky, during his lengthy incarceration and isolation, was subjected to ongoing emotional and physical deprivation of the highest magnitude, yet continued to display raw courage and the noblest commitment to his rights as an individual, thereby setting an example for others whose individual freedoms are being denied;

(4) freedom is the ideal held most dear by the American people, and Natan (Anatoly) Shcharansky has become a symbol of that love of freedom;

(5) Avital Shcharansky, while her husband was kept silent by Soviet prisons and labor camps, waged an indefatigable campaign around the world on behalf of her husband and others similarly treated;

(6) Avital Shcharansky's earnest persistence and dedication to the precepts of freedom of thought, word, and deed raised the consciousness of the world while she valiantly worked for her husband's release, thus elevating human rights to a global concern; and

(7) their reunion is evidence of the triumph of the human spirit against all adversities.

SEC. 2. CONGRESSIONAL GOLD MEDAL.

(a) AWARD.—The President of the United States is authorized and requested to present, on behalf of the Congress, gold medals to Natan (Anatoly) and Avital Shcharansky in recognition of their supreme dedication and total commitment to the cause of individual human rights and freedoms.

(b) DESIGN AND CONSTRUCTION.—For purposes of the presentation referred to in subsection (a), the Secretary of the Treasury (hereafter in this Act referred to as the "Secretary") shall cause to be struck two gold medals with suitable emblems, devices, and inscriptions, to be determined by the Secretary.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated not to exceed $30,000 to carry out the provisions of this section.

SEC. 3. DUPLICATE MEDALS.

(a) CONSTRUCTION AND SALE.—The Secretary may cause duplicates in bronze of the gold medals provided for in section 2 to be coined and sold under regulations prescribed by the Secretary, at a price sufficient to cover the cost of such duplicates and such gold medals, including labor, material, dies, use of machinery, and overhead expenses.

(b) REIMBURSEMENT OF APPROPRIATIONS.—Any appropriation made under section 2 shall be reimbursed out of the proceeds of the sales referred to in subsection (a).

SEC. 4. NATIONAL MEDALS.

The medals provided for in this Act shall be considered to be national medals for purposes of section 5111 of title 31, United States Code.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas.

The amendment (No. 1847) was agreed to.

Mr. DOLE. Mr. President, let me yield the floor to the distinguished author of the proposal, the distinguished Senator from New Jersey.

I am happy to join him as a cosponsor as is the distinguished minority leader. I hope that other Members who wish to become a cosponsor may do so.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. LAUTENBERG. I thank the majority leader and minority leader for their helpful assistance in getting this important resolution passed.

Mr. President, this bill grants a Congressional Gold Medal to "Natan" Anatoly and Avital Shcharansky. I want to express my deep appreciation to the leadership, Senators DOLE and BYRD, and to the chairman and ranking minority members of the Senate Banking Committee, Senators GARN and PROXMIRE, for their help in making possible the prompt consideration of this legislation.

I introduced this resolution to grant a Congressional Gold Medal to the Shcharanskys because of their outstanding and unwavering commitment to human rights, and their truly magnificent strength of spirit. "Natan" Shcharansky was one of the founding members of the Moscow Helsinki Monitoring Group. This group set up to oversee the Soviet Union's compliance with the human rights provisions of the Helsinki accords.

Within months of joining the group, he was arrested on charges of espionage as part of a Soviet campaign to taint the Jewish emigration movement with the charge of treason. In 1978, he was sentenced to 3 years in prison and 10 years of hard labor for anti-Soviet agitation, treason, and espionage.

"Natan" Shcharansky was not a spy. His real crime was his courageous activity on behalf of would-be Jewish immigrants. With his excellent command of English and his quick wit, he served as a spokesman and public relations person in Moscow for the Jewish emigration movement. Knowing his activi-

ty would probably lead to prison, he nevertheless contacted Western correspondents, arranged press conferences, and translated statements to win publicity for the plight of Soviet Jews seeking to emigrate.

Once imprisoned, he did not lose hope nor heart. Although he was in physical custody, his Soviet jailers never enslaved his spirit. He refused to inform on other prisoners or confess to crimes of which he was not guilty in order to receive better treatment in prison. Despite years of physical and psychological torture, his spirit remained in tact, and on the day he was set free, his first thought was of those he left behind. Avital Shcharansky deserves the Congressional Gold Medal for her tireless efforts to free her husband from jail and to elevate his plight into a global concern for human rights which raised the hope of freedom for all denied their basic human rights.

Avital left for Israel the day after she married Nathan expecting her husband to join her there soon. When it became clear that he would not be released she took up a vigil that spanned continents, lasted years, and was not relinquished until Anatoly joined her 12 years later.

Avital and "Natan" Shcharansky have already proven their credentials in the fight for human rights. They have demonstrated the kind of tenacity and strength of spirit and dedication of which heroes are born.

This gold medal is to recognize that incredible bravery. The Congressional Medal is an important way to recognizing their past contributions to the cause of human rights and freedom and to say thank you in advance for those who will be free in the future.

I urge adoption of the bill and recognition of the outstanding contribution the Shcharanskys have made to their fellow man.

I yield the floor.

Mr. DOLE. Mr. President, let me thank the distinguished Senator from New Jersey for his leadership in this effort and also the distinguished chairman of the Banking Committee, Senator GARN, who was able to accommodate the desires of the Senator from New Jersey and others in having a very rapid markup of this legislation which was only completed a few hours ago.

So in addition to thanking the distinguished Senator from New Jersey, Senator GARN, I thank all Senators for their interests and I hope that at 11 o'clock on Tuesday we will have most of our colleagues in attendance for what I believe will be a very, very appropriate ceremony.

Mr. President, today the Senate will approve a resolution authorizing the striking of the Congressional Gold Medal in honor of Natan (Anatoly) Shcharansky and his wife Avital. The timing is auspicious, since today Natan (Anatoly) Shcharansky arrives in the United States—his first trip outside Israel since February 11 when the Soviet Union finally let him go.

Comtemporary society produces few heroes—men and women of undeniable courage and strength. There are those who, in times of crisis, reach beyond themselves and show heroic qualities.

But the kind of heroism it takes to withstand 8 years in a Soviet prison camp—to withstand constant and prolonged interrogation, months in solitary confinement, hunger, lack of medical care, the ever-present threat of execution, and all this without communication from the outside world—is very rare indeed. Natan (Anatoly) Shcharansky is just such a hero.

Nor can we forget his wife Avital, who from the moment she left Russia right after they were married, began her relentless campaign to free her husband. As a result of Avital Shcharansky's crusade, the world and its leaders were educated about the plight of Soviet Jewry. Avital Shcharansky gave up all semblance of a personal life—her life became her drive to free Natan (Anotoly). And because of her persistence, and the public's awareness of her husband's struggle, Natan (Anatoly) Shcharansky was finally released.

But they are not alone.

While we were all overjoyed in February when Mr. Shcharansky was finally released from the Soviet prison camp, we did not forget the 15,000 Soviet Refuseniks who have applied for, but been denied, exit visas, and are tortured and castigated for their effort. Nor have we forgotten the 400,000 Soviet Jews who have indicated that they too want to emigrate.

The medals for Avital and Natan (Anatoly) Shcharansky will demonstrate this country's respect and esteem for these two modern heroes. But they will also symbolize our solidarity with the hundreds of thousands of Jews who remain in the Soviet Union living out a daily struggle to attain their freedom.

At the end of Mr. Shcharansky's trail he spoke for all these Jews when he said:

> For more than 2,000 years the Jewish people, my people, have been dispersed. But wherever they are, wherever Jews are found, every year they have repeated, "next year in Jerusalem."

Through their indomitable spirit, the Shcharansky's have achieved the dream of Jerusalem. May they soon be joined by many more.

HONORING NATAN (ANOTOLY) AND AVITAL SHCHARANSKY FOR THEIR DEDICATION TO THE CAUSE OF HUMAN RIGHTS

Mr. BYRD. Mr. President, I am pleased and honored to join Senator LAUTENBERG as a cosponsor of S. 2308, his legislation to authorize the award of Congressional Gold Medals to Natan (Anatoly) and Avital Shcharansky to recognize their courage and dedication to protecting international human rights.

I ask unanimous consent that I be added as a co-sponsor at this time.

I also am gratified to join with the majority leader to expedite passage of legislation authorizing use of the Capitol Rotunda on May 13, 1986, for a congressional ceremony to honor Natan Shcharansky in person, since he then will be visiting Washington, DC.

Both measures will permit the elected representatives of the American people to pay fitting tribute to two individuals who have labored so long, and suffered so much, to uphold the human freedoms all Americans hold dear.

I want to make special mention of the leading role played by our distinguished colleague from New Jersey, Senator LAUTENBERG, as author of the Shcharansky gold medal legislation, S. 2308.

Senator LAUTENBERG is one of the Senate's leading champions of human rights for Soviet Jews and others throughout the world who are denied their basic freedoms. He has been in the forefront of efforts to focus attention on the plight of the Shcharanskys.

Senator LAUTENBERG deserves high praise and commendation for this particular effort, and for his many other contributions to the causes of Soviet Jewry and international human rights.

Mr. President, since the American Revolution—a war our forefathers fought in the name of independence, individual liberties, and human dignity—congressional gold medals have been awarded as the highest expression of national appreciation for distinguished achievements.

I can think of no more worthy achievements to honor than the courage and dedication Natan and Avital Shcharansky demonstrated for so many years to promote human rights for Jews, and others, in the Soviet Union.

Few Americans are unaware of Natan Shcharansky's false imprisonment by the Soviet Government as that repressive regime tried to silence his voice in behalf of individual freedoms in the Soviet Union. The extreme emotional and physical deprivation he suffered at the hands of the Soviet authorities also is well-known.

Similarly, few Americans do not know about the untiring campaign Avital Shcharansky waged throughout the world to win freedom for her husband, and to promote the human rights of so many others in the Soviet Union.

I, myself, was honored to meet with Mrs. Shcharansky on several occasions to discuss how I and other Senators

could assist her human rights campaign.

Late last year, I met twice with her—before and after I led a delegation of eight Senators to meet with the new Soviet leader, General Secretary Mikhail Gorbachev, in Moscow. As the first Senators to meet with Mr. Gorbachev, we made a particular point of raising American human rights concerns and urging him to rectify the shocking Soviet human rights record.

I personally presented him with a letter, signed by our entire delegation, which urged the new Soviet leader to restore full human rights specifically to Natan Shcharansky and others suffering in the Soviet Union.

I also sponsored a presummit letter to President Reagan reaffirming our country's strong support for human rights, urging that human rights be an important focus of the summit with Mr. Gorbachev, and supporting the immediate release of all Soviet prisoners of conscience, such as Natan Shcharansky.

Senator DOLE joined me on that letter last November, as did all 98 other Senators, and we sent a strong message to the President and to the Soviet Union about American concerns for human liberties.

This February, the Soviet Government finally released Natan Shcharansky from incarceration and permitted him to leave the Soviet Union. I know all Senators shared Mrs. Shcharansky's joy at being reunited with her husband.

Mr. President, awarding congressional gold medals to Natan and Avital Shcharansky is more than just a tribute they richly deserve for their human rights campaign and for their personal courage in the face of Soviet-imposed repression.

Such awards would underscore Congress' continuing commitment to support the human liberties of all peoples while those freedoms still are being denied in many countries. As long as the struggle for human rights continues in the Soviet Union and elsewhere, Mr. President, we should emphasize this commitment and support those who are waging this struggle.

Speedy enactment of this legislation would accomplish those objectives, and I urge its passage by the Senate today.

Mr. LAUTENBERG. I thank the majority leader for his encouragement and support for seeing this legislation moved as rapidly as it did and also to our minority leader who took up the cause of the Shcharanskys and recognizing their contribution and supporting the awarding of this medal; I thank them both.

I yield back the floor.

Mr. KASTEN. Mr. President, I would like to take this opportunity to welcome Natan (Anatoly) Shcharansky to the United States and to our Capital. Mr. Shcharansky has been a leader in the emigration of Soviet Jews. He was also a founder of the Moscow Helsinki Monitoring Group.

The plight of Soviet Jewry is of national importance. In late July 1984, the Soviet Union began a substantial crackdown on Hebrew teachers and Jewish cultural activists. They are the major victims of what appears to be an official campaign to stop the current revival of Jewish culture in the Soviet Union. Their only crime is that they continue to speak out for such basic causes as self determination, freedom of religion, and the right of emigration.

Many of these people have been convicted on trumped up charges specifically designed to discredit them. Some have been savagely beaten following their arrests. In addition to the arrests and beatings, many Soviet Jews are being fired from their jobs, their homes have been searched, their phones disconnected, and their mail seized. Articles have appeared in Soviet newspapers and on Soviet television that are discrediting to the Jewish culture.

There can be no doubt that the campaign has been consciously directed by Soviet authorities to discredit and destroy the revival of Jewish culture in the Soviet Union. The methods of arrests, beatings, evidence planting, and the use of media to slander these people have created a renewed atmosphere of crisis in the Soviet Jewish community. My concern is: What lies ahead for the Jewish people of the Soviet Union?

Mr. President, I ask my colleagues to welcome Natan (Anatoly) Shcharansky. I also urge them to pressure the Soviet Union to live up to the commitments they have made with regard to human rights and stop this tragic campaign. Although we are limited as to what we can do to help Soviet Jews it is of the utmost importance that, as Americans, we stand firm and speak out against this injustice. We must never forget the basic human rights our forefathers fought for, that are so shamelessly lacking in the Soviet Union today.

Mr. BOSCHWITZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. BOSCHWITZ. Mr. President, I rise in support of the resolution striking and commissioning a Congressional Gold Medal in behalf of Anatoly Shcharansky and his wife Avital.

He really represents, Mr. President, the unquenchable desire of people for freedom. No matter what the circumstances or how much pressure is applied, the quest and the unquenchable desire remains in the breast of mankind.

He was subjected to all kinds of difficult treatment. He was subjected to the entire machinery of a Communist nation. But through it all his spirit survived, his will survived, and he was able to withstand the attacks upon him.

The absolutely essential element in it all was his wife. It was a wife who saw her husband for such a short period of time prior to their separation and her leaving for Israel. How often she walked in these halls, how often I remember seeing her sad face, how tenuous and how unrelenting she was in fighting for her husband's freedom. How successful she was and how happy she must now be.

It is extremely deserving and special that she, as well as her husband, be honored by this medal, and how important it is that she is an integral part of this commissioning of a special medal for the Shcharanskys.

Certainly, Avital Shcharansky was the reason that her husband was released, almost perhaps as much as his own strength and his own ability to repel the advances of the Communist society that wished to stamp out all of his individualism and his desire for freedom and for practicing religion, the religion which was the religion of his father.

I congratulate my friend from New Jersey for bringing this issue to the Senate. It is a most appropriate thing, to commission a Congressional Gold Medal. It is indeed the way of Congress for expressing national concern for the distinguished achievements of this remarkable man and woman.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (S. 2308) as amended, was passed, as follows:

S. 2308

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress finds that—

(1) Avital Shcharansky and Natan (Anatoly) Shcharansky have displayed immense courage and commitment to the preservation of individual human rights, regarded as among the highest of ideals by the American people;

(2) Natan (Anatoly) Shcharansky, a prominent founding member of the Moscow Helsinki Monitoring Group and active spokesman for the human rights denied to Soviet Jews, was unjustly arrested by the Soviet Union in 1977 and imprisoned for almost nine years on the false charges of espionage and treason;

(3) Natan (Anatoly) Shcharansky, during his lengthy incarceration and isolation, was subjected to ongoing emotional and physical deprivation of the highest magnitude, yet continued to display raw courage and the noblest commitment to his rights as an individual, thereby setting an example for others whose individual freedoms are being denied;

(4) freedom is the ideal held most dear by the American people, and Natan (Anatoly) Shcharansky has become a symbol of that love of freedom;

(5) Avital Shcharansky, while her husband was kept silent by Soviet prisons and labor camps, wages an indefatigable campaign around the world on behalf of her husband and others similarly treated;

(6) Avital Shcharansky's earnest persistence and dedication to the precepts of freedom of thought, word, and deed raised the consciousness of the world while she valiantly worked for her husband's release, thus elevating human rights to a global concern; and

(7) their reunion is evidence of the triumph of the human spirit against all adversities.

SEC. 2. CONGRESSIONAL GOLD MEDAL.

(a) AWARD.—The President of the United States is authorized and requested to present, on behalf of the Congress, gold medals to Natan (Anatoly) and Avital Shcharansky in recognition of their supreme dedication and total commitment to the cause of individual human rights and freedoms.

(b) DESIGN AND CONSTRUCTION.—For purposes of the presentation referred to in subsection (a), the Secretary of the Treasury (hereafter in this Act referred to as the "Secretary") shall cause to be struck two gold medals with suitable emblems, devices, and inscriptions, to be determined by the Secretary.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated not to exceed $30,000 to carry out the provisions of this section.

SEC. 3. DUPLICATE MEDALS.

(a) CONSTRUCTION AND SALE.—The Secretary may cause duplicates in bronze of the gold medals provided for in section 2 to be coined and sold under regulations prescribed by the Secretary, at a price sufficient to cover the cost of such duplicates and such gold medals, including labor, material, dies, use of machinery, and overhead expenses.

(b) REIMBURSEMENT OF APPROPRIATIONS.—Any appropriation made under section 2 shall be reimbursed out of the proceeds of the sales referred to in subsection (a).

SEC. 4. NATIONAL MEDALS.

The medals provided for in this Act shall be considered to be national medals for purposes of section 5111 of title 31, United States Code.

The PRESIDING OFFICER. The clerk will state the amendment to the title.

The legislative clerk read as follows:

Amend the title to read:

"To authorize the President of the United States to award congressional gold medals to Natan (Anatoly) and Avital Shcharansky in recognition of their dedication to human rights, and to authorize the Secretary of the Treasury to sell bronze duplicates of those medals."

The PRESIDING OFFICER. Without objection, the amendment to the title is agreed to.

□ 1800

Mr. DOLE. Mr. President, I understand that we did not move to reconsider the action on the previous legislation, is that correct? Parliamentary inquiry: Was there a motion to reconsider made following the passage of the bill?

The PRESIDING OFFICER (Mr. WILSON). No, there was not.

Mr. DOLE. Mr. President, I move to reconsider the vote on the Shcharansky gold medal bill.

Mr. BYRD. Mr. President, will the distinguished minority leader yield?

Mr. DOLE. Yes.

Mr. BYRD. I believe we had three votes there, including the vote on the amendment to the title. Would the distinguished majority leader allow us to have one motion to reconsider en bloc?

Mr. DOLE. Fine. I made the motion.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I am getting a number of inquiries about what may happen tonight, Friday, and Monday. Apparently there is a presumption that we do not do anything on Friday. My presumption is the opposite, that we work on Friday.

I know a number of Members have plans and we were trying to see if we could accommodate Members, to some extent, though I must say this is important legislation. I have no quarrel at all with the Senator from Ohio. He has a number of important amendments. He wants to discuss those amendments and get votes on those amendments, as do other Senators; and there may be a number of other amendments.

It had been my hope that, since Thursday night is the night that we may be in late, we could proceed on this measure—somebody might want to indicate there would be a window for some time—and go ahead and offer amendments and have some votes. Then, as far as I am concerned, there will be a session tomorrow. As I understand it, if there is a session tomorrow, the Senator from Ohio would be offering amendments and there would votes tomorrow.

Mr. METZENBAUM. Will the leader yield?

Mr. DOLE. I am happy to yield.

Mr. METZENBAUM. I am aware of the fact that some Members on his side and on this side are concerned about tomorrow and some are concerned about Monday. I would like to make the proposal to the leader that we bring the matter to a close about this point—two of our Members are trying to get away at this moment—and that we not be in on Friday or Monday and that I will go forward with my amendments early Tuesday morning and vote on as many of those as possible on Tuesday and be prepared, if the leader would give me sufficient opportunity, to move forward and bring the entire matter to a close at about 12 o'clock or 12:30.

Mr. DOLE. I think I need to get the agreement.

Mr. METZENBAUM. I think they want to go and we will protect their position.

Mr. DOLE. We might be in on Monday, but there would be no votes on Monday.

Mr. METZENBAUM. There would be no votes on Monday. And if the leader wants to be in, fine; if he wants to be on this matter or some other matter, whatever is convenient for him.

But I would like to have adequate time for a number of votes on Tuesday, and if I still have issues on Wednesday, I would like to have adequate time on that. But I just do not want to be foreshortened.

Mr. DOLE. So I will plan on coming in early on Tuesday morning.

Mr. METZENBAUM. And maybe, if necessary, Wednesday morning.

Mr. DOLE. Yes.

Mr. BYRD. Mr. President, I thank both the distinguished majority leader and the distinguished Senator from Ohio, Mr. METZENBAUM, for the understanding and the agreement that has been reached here. As I understand it, the distinguished majority leader may still call the Senate in on Monday, but there would be no rollcall votes.

Mr. DOLE. If I could announce now, there will be no votes this evening and we will not be in session tomorrow. We will be in session on Monday, but there will be no rollcall votes.

Mr. BYRD. I thank the distinguished majority leader.

Mr. DOLE. Mr. President, I thank my distinguished colleague from Ohio and also the minority leader. I hope we did not inconvenience a number of Senators. Sometimes you cannot tell. There is always somebody who is suspicious that we are not letting them know, but I think this is a situation where we did not know ourselves until about 2 minutes ago. We were prepared for a late evening tonight and probably three or four votes on tomorrow. But, because of the Senator from Ohio's generosity, we are going to work it out. We are prepared to do that to accommodate a lot of schedules where people are gone on official business. They are not off somewhere. They are on official business. They are back in their States. And it will permit other committees to meet tomorrow and on Monday.

We will be in session on Monday. We could turn to this bill on Monday. The Senator from Ohio may want to discuss it on Monday. But if any rollcall

votes are ordered, they will be postponed until Tuesday.

Mr. BYRD. Mr. President, I certainly want to support the distinguished majority leader in what he just said. This decision was reached right here on the floor within the last 5 minutes and it just came together. Again, I want to compliment the distinguished Senator from Ohio, Mr. METZENBAUM, and the distinguished majority leader.

Mr. METZENBAUM. I thank the majority leader. I want to say to my friend, the majority leader, my present inclination is to call up some of my amendments on Monday, probably debate them and, of course, set them aside and set them for votes on Tuesday.

□ 1810

Mr. DOLE. We might want to save a little time on Tuesday for a little debate on each one.

Mr. METZENBAUM. I will try to work with the majority leader. I do not think I ought to have adequate opportunity on Tuesday to give some time for debating them so that those who are not here on Monday will know.

Mr. DOLE. I will be prepared to turn to this bill on Monday. Amendments will be offered.

I alert the managers of the bill on both sides to be present. If any rollcall votes are ordered, they will be postponed until Tuesday.

The PRESIDING OFFICER. The Chair is prepared to live with the disappointment of not spending the hour that I had looked forward to spending in the chair.

Mr. DOLE. We will do everything we can to expedite the wrap-up.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

□ 1820

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, is the pending business the drug export measure?

The PRESIDING OFFICER. It is.

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business, not to extend beyond the hour of 7 p.m., with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROHIBITING THE SALE OF ADVANCED AVIONICS SYSTEM KITS TO THE PEOPLE'S REPUBLIC OF CHINA

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to Calendar Order No. 643, Senate Joint Resolution 331, prohibiting the proposed sale of integrated avionics system kits to the People's Republic of China.

Mr. BYRD. Mr. President, I reserve the right to object. It is my understanding that the 2-day rule has not been met. The report has not yet been filed. I also understand there are some problems on both sides of the aisle with respect to this matter. Certainly, I know there are some problems on my side of the aisle.

For these several reasons, on behalf of other Senators, and because of the rule, I do object.

Mr. DOLE. Mr. President, I indicated earlier to the Senator from West Virginia that, by statute, we are required to take action by a certain time, but that action, in effect, is negated by the fact that there has not been a report filed.

In this particular case, there was a mistake made by the Government Printing Office, calling the report back. We have no certainty as to when the report will be filed. The deadline for taking action on this matter is midnight tonight.

It would seem to me that any committee could frustrate the will of the Senate by reporting out a report, knowing it would not be printed. Maybe we should have thought of that in the Saudi arms sale.

It does seem to be an area that we ought to address.

The minority leader is exactly correct, that is the rule. But maybe when we have the final vote on television in the Senate, it may be something we can address.

Mr. BYRD. I am sure it is frustrating to the majority leader. When I was majority leader of this body, I was often frustrated by the 3-day rule. My frustrations in most instances came as a result of the fact that the then minority, exercising its right under the rule, would not agree to proceed to a matter until the 3-day rule had run its course. That was not always the case. Sometimes the then minority relented.

Fortunately for the distinguished majority leader and, I think, for the Senate, the 3-day rule has now been reduced to the 2-day rule. I am exercising this right under the rules on behalf of other Senators. As I indicated, I understand there are problems on both sides of the aisle. I cannot personally speak to that, but I can say I am exercising this right on behalf of other Senators.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I might inquire of the distinguished Senator from West Virginia, can he recall any incident when it was possible to bring up a privileged matter of this sort because of a delay in the delivery of a report.

Mr. BYRD. Mr. President, my good friend from North Carolina is a great debater. He resorts to one of those old, familiar tactics about "Does my friend remember an occasion when" this or that happened, because of this or that purpose.

I do not care to respond to that question. I can only say that I am exercising the rights of Senators under this rule, which has been exercised by the minority on many occasions, and rightly so. I am sure that my good friend will understand my having to do so.

Mr. HELMS. I understand. I just do not recall this set of circumstances before.

Mr. BYRD. I have no doubt, Mr. President, that if one would search the annals of history they could find precedents for a good many things that do not stick within the inner recesses of man's memory at a given moment.

I cannot answer the Senator's question, and I say that honestly at the moment, but that does not mean that such an objection may not have been raised at a previous time.

Mr. HELMS. Mr. President, I would say only for myself that I recall no such event in the rather short history involved in this special sort of privileged matter.

Mr. President, let us see where we are and what has happened, laying it out for the record.

We have had an objection, and I certainly understand the minority leader's position, his representing the other side in registering that objection.

□ 1830

Mr. President, the Senate, in its wisdom, established an expedited procedure under the Arms Export Control Act to deal with resolutions to disallow arms sales of a certain magnitude. Under that procedure, the President must send a notification to the Senate and to the House announcing a proposed sale, along with his reason for doing so. If Congress does nothing within 30 days, then the sale is allowed to proceed.

Obviously, Mr. President, it is difficult to get any measure through both Houses of Congress within 30 days, so Congress established a procedure to put such resolutions in a privileged status. If the Committee on Foreign Relations does not consider such resolutions in a timely manner, then the full Senate can act to discharge such a resolution from the committee. Once a

resolution gets on the calendar, the motion to proceed is privileged and is not debatable.

With regard to the proposed sale of avionics to Red China, a resolution to disallow the sale was introduced in the Senate as Senate Joint Resolution 331, and in the House as House Joint Resolution 593.

Mr. President, the resolution of disapproval relating to the avionics sale to Communist China is cosponsored by the distinguished Senator from Arizona [Mr. GOLDWATER], the distinguished Senator from Wyoming [Mr. WALLOP], the distinguished Senator from Georgia [Mr. MATTINGLY], the distinguished Senator from Alabama [Mr. DENTON], the distinguished Senator from South Carolina [Mr. THURMOND], the distinguished Senator from Oklahoma [Mr. NICKLES], and the distinguished Senator from South Carolina [Mr. HOLLINGS].

I want to commend the chairman of the Foreign Relations Committee [Mr. LUGAR], for holding hearings on the resolution in a timely manner. I have no criticism of him whatsoever. At the business meeting of the committee last Thursday, the committee voted against giving a favorable report to the resolution. However, in an unusual move which I believe represented the feelings of many members of the committee who reluctantly favored the sale, but had many misgivings, the committee turned around and voted unanimously to report the resolution to the floor with a negative recommendation.

The purpose of that was to get the resolution on the calendar so it might be called up on a privileged basis by the majority leader or by any other Senator, for that matter.

Here is where we are. The 30-day period runs out at midnight tonight. The Senate must act on the resolution by midnight tonight or the Senate gives up its opportunity to express its disapproval of the sale. Unfortunately, the staff of the Senate Committee on Foreign Relations failed to file the report in a timely manner. Whether it was some problem on the committee staff or in the Government Printing Office or whatever, in any case, it is a matter that effectively foreclosed any consideration of this resolution of disapproval of the sale of the avionics to Communist China.

Senate rules require the printed report to be available for 2 days before action. I suspect if it had been on the desks of Senators for 20 days, not one Senator would have read it, but that is neither here nor there. The fact is that an objection to a unanimous-consent request to proceed to the resolution of disapproval can be killed and was killed by the objection that was raised by the distinguished Senator from West Virginia.

Here is the point, Mr. President. Here is the fix we are in. The printed report will not even be available until tomorrow, 1 day too late. Whether the committee staff was derelict in its duty in not filing the report on Monday as had been promised is a matter of conjecture. It was reported to me that the staff was not able to file the report on time because the Senate went out of session at 3:39 p.m.

Mr. President, this Senator cannot perceive why the report was not prepared on a timely basis. The committee ordered the resolution reported about noon on Thursday. Thus the staff had Thursday afternoon, all day Friday, all day Saturday, all day Sunday even, if there had been a problem assembling the material. If they had come in at 8 a.m. to work on it, they would have had another 7 hours and 39 minutes. Frankly, Mr. President, the Senator from North Carolina fails to see why it would have taken so long to produce a four-page report.

Moreover, the Senate leadership in the past has been known to keep the Senate in session for an hour or so if it has been informed that a time-urgent report is about to be filed. But the Senate got no notice from the committee or anyone else. Instead, the staff elected to file the report on Tuesday, effectively rendering the action of the committee nugatory, and frustrating the will of the Senate.

I agree with the distinguished Senator from Kansas, our majority leader, when he suggested to me that we ought to take a look at this procedure to see that this will not happen again. I am going to urge him to do that. I recognize that it is statutory plus the rules of the Senate.

I will say further that even now, we could debate this resolution, if the Senate would give unanimous consent to waive the technicality of the 2-day rule. But maybe there is some apprehension on the part of some Senators to put this question to the test of the Senate's will.

Mr. President, the sale of avionics technology to Red China should not be viewed as an isolated event, but as part of a continuing State Department strategy to "solve the Taiwan problem."

This has come up in the Foreign Relations Committee, mostly in response to questions that I have raised. In any case, according to the China policy that has dominated the United States State Department for the past 15 years, the major obstacle to achieving "better relations" with Red China is "the Taiwan problem." The "Taiwan problem" is the refusal of the Republic of China on Taiwan to surrender its sovereignty and liberty to the Communist regime on the mainland. And I say God bless them; I hope they will continue to refuse.

Who will seriously fault our longtime and faithful ally for wanting to remain free?

Look at the history of the matter: Since 1971, the State Department has been engaged in a series of moves carefully designed to withdraw gradually United States support for the anti-Communist government of Taiwan, while at the same time increasing our relationship with the Communist government in Peking. This strategy has been managed with the clear goal in mind of avoiding an abrupt or chaotic transfer of power, but which would, nevertheless, impose Communist sovereignty over Free China—that is to say, Taiwan.

This is an unthinkable policy. I have resisted it with all the strength that I possess heretofore, and I shall continue to do so.

These steps have included a passive acquiescence in expelling the Republic of China from the United Nations.

Does anybody remember that? We kicked out our ally, a friend. We participated in that in the United Nations and brought in a Communist regime. And I say shame, shame.

The steps include the institution of trade and diplomatic contacts; the formal recognition of the Peking regime; the "derecognition" of the Government of Free China; the abrogation of the Mutual Defense Treaty with the Republic of China; the refusal to provide Taiwan with significant military capabilities, such as the F-16 or the F-20; and the initiation of a program to upgrade selected capabilities of Peking's People's Liberation Army.

Selling our friends down the river, just another example, an awesome example.

The transfer of military technology to Red China is an essential part of the strategy to sell out Taiwan. By denying Free China any significant qualitative upgrade of its defensive capability while continuing to sell quantities of lower grade materiel, the State Department effectively puts a freeze on Free China's options for independence. At the same time, by gradually increasing military cooperation with the Communists, we supposedly build up their confidence that we really do mean to deliver the citizens of the Republic of China—that is to say, Taiwan—into Communist slavery.

This policy was succinctly stated in the U.S.-PRC Joint Communique of August 17, 1982, issued on the occasion of Vice President GEORGE BUSH's trip to Red China. The communique said:

> Having in mind the foregoing statements of both sides, the United States Government states that it does not seek to carry out a long-term policy of arms sales to Taiwan, that its arms sales to Taiwan will not exceed, either in qualitative or in quantitative terms, the level of those supplied in recent years since the establishment of dip-

lomatic relations between the United States and China, and that it intends to reduce gradually its sales of arms to Taiwan, leading, over a period of time, to a final resolution.

The communique is not an executive agreement, and has no force in international law whatsoever. Moreover, it directly contradicts the Taiwan Relations Act, which sets the sole criterion for United States arms sales to Taiwan to be Taiwan's need for defense. The Taiwan Relations Act excludes any consideration of United States relations with Peking as a criterion for sales to meet Taiwan's defense needs. Indeed, the act specifically says that "the President and the Congress shall determine the nature and quantity of such defense articles and services based solely upon their judgment of the needs of Taiwan."

Now, then, Mr. President, it is noteworthy that the Taiwan Relations Act says that this determination shall be made both by the President and by Congress. So long as the administration is on record that its intention is to reduce Taiwan's side of the military balance to zero, Congress should refuse to allow any arms sales to the Peking side of the balance. That is just common sense, and that is precisely why the Senator from Arizona [Mr. GOLDWATER] and I introduced the resolution of disapproval, which the Senate will not be able to consider as a result of a technicality in the delivery of a printed report of four pages. This is outrageous, Mr. President. I say again to the Senate, shame, shame.

On September 13, 1982, the State Department wrote to my distinguished colleague from North Carolina, Senator EAST, and stated that, and I quote:

The Communique is not an executive agreement, and it creates no binding rights or obligations under international law. Its status under U.S. law is that of a statement of the policy of the President, and its implementation will be subject to all relevant Federal laws.

If Federal law mandates that no degradation of Taiwan's security may occur, and if the State Department recognizes that the communique cannot supersede Federal law and is not binding with respect to international law, then how can the sale of advanced avionics be justified?

Although the administration testified in the hearings on the sale that the avionics sale to Peking had no relation to the promise to reduce military sales to Taiwan to zero, the fact remains that the qualitative modernization of the People's Liberation Army significantly alters the military balance in Asia when Taiwan is under a qualitative freeze.

From a military standpoint, the significant factor is the need for Taiwan to maintain air superiority in the Taiwan Straits. Any technical upgrade to the Communist side would upset that balance in the long run. By improving the avionics of the People's Liberation Army aircraft, the United States would be complicating the defense problems of the Republic of China, and thereby adding an element of uncertainty to Taiwan's present air superiority. Even though the administration argues that the Communist F-8's with the improved avionics would be based in the north to give all-weather and night-time capability against Soviet forces, the fact remains that Soviet aircraft are so far superior to the Chinese that the additional capability is militarily meaningless in the northern context.

Deployed against Taiwan, however, the improved F-8's would have some meaning in an attempt to overwhelm Taiwan by sheer numbers. It should also be pointed out that the administration seems to view this sale in isolation, without revealing what other sales are planned down the line, or what other purchases from third countries may be available to the Communists. The avionics sale could become only one building block in a modernization effort that could seriously threaten Taiwan, and destroy its freedom of independence.

Moreover, the transfer of technology itself would be a significant factor for the Chinese Communist weapons industry. Nor have the Chinese Communists given sufficient guarantees against transfer of the technology to third parties. As always, the U.S. State Department is ever anxious to avoid making Red China live up to the minimal guarantees expected of agreements among civilized nations.

The sale of advanced avionics to Red China is another step in the U.S. State Department's long history of accommodating the interests of the United States and the interests of freedom to Communist goals and programs. The group of Owen Lattimores, Edgar P. Snows, and Richard K. Fairbankses who long argued for the glories of Mao Tse-tung and his agrarian reformers have had apt pupils in the group of State Department experts who are busily finishing off the Communist conquest of China. There may be those who really believe that accommodating with communism is good for the international banks and the multinational corporations, or who do not see any reason why we shouldn't compromise with communism if it will "reduce tensions," but the Senator from North Carolina is not among them.

Mr. President, that is why I think that it is important to look at this proposed sale not as a technical matter, but in the context of the whole geostrategic situation. What we want to know is not just the feasibility of the sale from a military standpoint, but how the sale will be perceived by China's neighbors, including the Republic of China on Taiwan. We ought to be examining whether or not there is anything in Red China's history that would give her neighbors cause for concern when we start supplying arms to a Communist regime.

For example, will common sense allow us to forget Red China's role against South Korea in 1950? Can we forget all the American boys who died in Korea because of Red China's actions there? Has Red China ever apologized, or admitted its guilt?

A few days ago, our President was in Indonesia. Can we ignore the role which Red China played in the attempt to overthrow the Indonesian Government in 1965? I would hope that the President asked the Prime Minister of Indonesia why Indonesia has never resumed diplomatic relations with Red China.

And what role did Red China play in the 10 years of civil war in Malaysia? It was only a few years ago that Malaysia's Prime Minister warned the United States against too close relations with Red China. And over the weekend, the ASEAN nations, including Malaysia, Thailand, and Singapore, and other nations in the region, said that they think the United States is preoccupied with the Red China relationship to the detriment of increased trading and security relations with the free nations of the Pacific Basin. After all, isn't freedom what it is all about?

Nor should we forget Red China's war with India in 1962. The sophisticates would like to call that a border dispute, but if you live in the area, and you know what Communists do, it is far more than a border dispute. If even 1 square foot of free territory falls under Communist control, we have a cause to worry that freedom is in danger.

Let's not forget that Red China has been supporting the Khmer Rouge since the 1960's in Cambodia, and they are still supporting them. And we should talk about Red China's subversion against Thailand in the 1970's. That was no border dispute. Nor was Red China's role in the Vietnam war in 1979. Frankly, Mr. President, I am getting a little tired of these people who say that Red China is not an aggressive state.

Finally, we ought to look a little more closely at the supposed rationale of this sale. We are told that it is necessary to strengthen Communist China's military forces against the Communist military forces of the Soviet Union. If we look back at the so-called border incursions of 1969, it is plain that these were part of Red China's aggressive policy of expansion. Everyone knows that Red China has coveted Siberia for years. I don't intend to take up the Soviet side, but I really don't blame them for the hostile reaction. If Red China is worried

about Soviet military actions, so be it; they asked for it.

It seems to me that the over-arching goal of our policy should be to achieve world peace. And we cannot achieve world peace as long as these two major countries are in the grip of totalitarian Communist regimes. What we ought to be doing is encouraging the break-up and destabilization of both Red China and the Soviet Union. If we want peace and stability in Asia in the long run, we should not be disturbed if the Soviet Union should attack Red China, and vice versa. Let the two Communist countries slug it out, or let the constituent parts fight among themselves.

No one has been noticeably bothered by the conflict between Iraq and Iran—it's kept both of them busy, and away from other nations. We should look at any supposed China/Soviet dispute in the same light.

The Soviet bear has not yet been able to swallow Afghanistan—let him try to swallow China. If the Soviets can take out Red China's military capability, it would be a constructive action for world peace, and weaken the Soviet Union as well.

So I don't think we should sell Red China one toothpick, much less avionics technology. Let's look at Red China's crimes against her own people. There is a question in a lot of people's minds as to whether or not China, a Communist-dominated country, is a country with which civilized nations ought to have a positive relationship. For example, in the forced collectivization of the 1950's, how many millions died? How many were executed? How many put in concentration camps? How many are still in concentration camps? For some reason, no one wants to look at these questions.

Can we dismiss this simply by saying that they have admitted the errors of the past, and, now that the Communists have consolidated their power, they won't do it again? Or is it something in the very nature of communism that makes them inherently unreliable?

What about the great leap forward? How many millions starved because of Communist policies?

How about the cultural revolution? How many more millions died? What about the gross abuse of human rights, and the devastation wrought against ordinary cultural and religious rights?

A year ago, the U.S. House of Representatives said that Red China's barbarous one-child policy constituted practices the House called "crimes against humanity." Has there been any significant changes in that policy in the past year? The answer is no. What I would like to know is how we can supply armaments in any way to a country that is currently implementing a policy of "crimes against humanity."

Red China is not a reliable ally. The West will rue the day that it did anything at all to strengthen China's Communist government.

Finally, Mr. President, we have to ask ourselves this question: Do Chinese officials view their interests as fundamentally the same as those of the United States, or as fundamentally different from those of the United States?

Let's look at a few criteria.

First. What about their attitude toward human rights violations of their own people—as opposed to the U.S. attitude? I think history speaks for itself.

Second. What about their attitude toward democratic institutions? We know the attitude of the Chinese people who have to live under Chinese communism—they have the same levels of escape attempts as Eastern Europe.

Third. What is Red China's attitude on the right of Israel to exist behind secure borders? We know that Red China has been a very strong supporter of the PLO, even supplying the PLO with weapons. We know that Red China is in the forefront of those condemning zionism and Israel.

Fourth. What is their attitude on terrorism? Just look at how Red China voted in the U.N. on Libya. Why did Red China rush to condemn the United States by name during the Libyan debate, but could not bring itself to support the mild U.N. resolution against the Soviets for shooting down the KAL 007 airline full of women and children?

Fifth. In fact, why don't we compare Red China's voting record at the United Nations with the Republic of China's support of the United States in the United Nations prior to 1972? What this would show is that the Republic of China shares our democratic values and Red China does not.

Sixth. Now here is another interesting question: Why did Red China refuse to include a secure nonproliferation clause in the recent nuclear treaty with the United States? Why didn't we insist on it? In the pending Tax Treaty with Red China, why didn't Red China agree to the same antitreaty shopping protection that we have in all our other recent tax treaties? Why didn't we insist on it?

Seventh. As for cooperation, why does Red China continue to abuse the United States at Panmunjom for being an ally of South Korea? Why is the Red Chinese general still sitting there next to their North Korean comrades?

No, Mr. President, there is no rationale for this sale other than the desire to appease the Chinese Communists. According to a recent unclassified CIA study, the economic growth prospects for Red China appear significantly less than was thought before. It is logical that Red China too could be a credible military threat to the Soviet Union only if it could obtain a full military modernization. Such a modernization would require an across-the-board economic modernization which some analysts say might cost as much as $600 billion.

How can Red China attain this level of economic modernization in the near term in order to be a credible military counterweight to the Soviet Union? We all know that that is impossible.

The total Soviet bloc debt to the West these days is in the area of $100 billion. Where is Red China going to find several hundred billion dollars for economic modernization? Certainly, Red China has no near or even medium term export potential to finance such a modernization

Last week, the New York Times carried an article reflecting the views of the Association of South East Asian Nations, the ASEAN Organization. These countries include such United States friends and allies as Thailand, Malaysia, and Singapore. One comment in the article illustrated the thinking in this part of the world with respect to our policy toward Red China. They perceive the United States as being preoccupied with the Red China relationship to the detriment of increased trading and security relations with the free nations of the Pacific basin.

The fact is that all of Red China's neighbors—including Japan—are opposed to the sale.

It is a historical fact that the Communist Party of Red China has been deeply involved in subversive activities throughout the Pacific basin with pro Red Chinese Communist parties and other movements. Nor is there evidence that these subversive activities have stopped today. If we are interested in maintaining strong alliances with our friends, we should not be selling arms to the Communists.

Mr. WALLOP. Mr. President, I, too, am a cosponsor of Senator HELMS' resolution, and I, too, regret the circumstance which we face tonight. The resolution is simple. It is to prohibit the sale of integrated avionics system kits to the People's Republic of China known to all as Communist China. I have urged the Senate in several items in the RECORD, and the Foreign Relations Committee, when I testified at its hearing on this sale last week, to consider carefully what this sale will mean to a buildup of the military capabilities of mainland China at the expense of our ally, Taiwan, as well as several Asean countries—all allies of America by treaty.

There is real reason to question the wisdom of this sale, which is part of an emerging policy in the administration to try to create some sort of military

alliance with Communist China. That policy has not been aired in the Senate in any way. Who, I ask, has pointed out its implications and ramifications for the strategic posture of the United States in Asia and for our alliance with Taiwan? I am told, Mr. President, that the avionics sale will be followed by even larger sales of sophisticated naval systems to the Communist Chinese. Is this a policy or a plot? If it is a policy, why not debate it? If it is a plot, it should be hidden. Why not begin by asking what reliability we have experienced in alliances with totalitarian states in the world of Marxists or anywhere else. Are we to place more reliance upon them than our democratic allies we listed above? Wouldn't that be some debate?

These are the Communist Chinese who recently told the Hong Kong people that they found municipal elections to be an offense against the future Communist rule of Hong Kong. Elections are an offense, and if they are to do that, they will certainly poison the atmosphere. There are to be no more elections. These are our new allies in Asia.

Approval of the avionics sale will set in motion a train of events and weapons sales which will result in a completely changed direction of U.S. foreign and defense policy toward Marxist mainland China and from democratic free Taiwan.

Mr. President, we must ask the question whether we want to approve a sale which will lead the United States into a military alliance with the People's Republic of China. I know the administration would like us to embark upon that path. First there was last fall's nuclear cooperation agreement with Communist China, an agreement which failed to include sufficient safeguards on U.S. origin nuclear material. We were told we could rely on oral assurances that such material would not be used by the mainland Chinese for military purposes. Now, I ask you, who has a way of verifying that? What are the chances of that?

And now we are asked to agree to sophisticated avionics sales to the Marxist Chinese, and soon, to agree to sell them naval systems, where the propeller technology is the state-of-the-art. All this amounts to a buildup of the Red Chinese military machine, funded and advanced by the U.S. taxpayer. That military machine, Mr. President, has our close and proven democratic ally, Taiwan, plainly worried. That military machine also worries our Asean allies. Those allies expressed their concerns to us during the President's trip to Asia last week, but we were so focused in this country on tax policy and the Soviet nuclear accident that the concerns of the Asean countries over this matter caused scarcely a ripple in media coverage of the President's Asia trip. But their concerns are real and their concerns understandable.

There are no nations which better know the threat of mainland Communist China than that country's closest neighbors. Listen to them and be forewarned, my colleagues. This is the country that excoriated us for retaliating against their Libyan brother, Mu'ammar Qadhafi.

Mr. President, we are being asked by this weapons sale request to enter into a military arrangement with a country whose Ambassador just 2 weeks ago launched vicious attacks on the United States and Israel in a speech he gave in Houston, TX. The Communist Chinese Ambassador said that the United States and Israel were the cause of world terrorism, presumably by being willing victims, and he accused us of State-sponsored terrorism for our defensive action in Libya. That Communist Ambassador reflected clearly the views of his Beijing government, which has been attacking us verbally all over the world for self-defense in Libya.

That Beijing government, to whom we now propose to sell avionics, joined with the Soviet Union in the U.N. Security Council vote condemning our action. And yet our diplomats say, our State Department says that the Communist Chinese do not really mean what they say and many Asia experts here downplay the importance of the Red Chinese vote with the Soviet Union in the Security Council. Are they naive? You bet. How can they be so very sure that the mainland Chinese mean what they say when they promise not to use the weapons we sell them against Taiwan? Let me tell you how. They protect their sweet diplomatic reputations by continuing to hide their past failures under the promise of a future we face more through hope than intellect. Should we trust those weapons to a country which votes with the Soviet against us on national security matters at the United Nations?

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Then, Mr. President, I want the Senate to remember who it is that is coming to us for these weapons. It is none other than Gen. Yang Dezhi, who was the Commander-in-Chief of the Communist Chinese Forces which fought us in the Korean war. He is now the top military man in mainland China, and he is visiting this country to promote these arms sales. Can we trust such a man? Should we trust such a man? Will the U.S. veterans who fought him in Korea welcome him here to collect the weapons some people in the administration want to sell him? I doubt it.

Worst of all, Mr. President, is the fact that while many are quick to want to promote this avionics sale to the PRC, they are reluctant to upgrade the Taiwan air force. But we promised—this Government, which makes promises we like to think we keep—we promised in the Taiwan Relations Act to support the defense of Taiwan. Taiwan is a trusted and proven ally of the United States in Asia. We must not let them down. But here, tonight, the Senate acquiesced in a plot to let them down. It is not in our interest to pursue an unbalanced policy in Asia. Once again, the Foreign Relations Committee smiles upon those who excoriate us in the United Nations, and even here at home, while those who embrace freedom with us are shoved to the sideline. It is vanity—Foreign Relations Committee vanity—to take such pride that we think we have seduced this totalitarian giant by sweet favors and turning our back on old and trusted friends. It is Foreign Relations Committee vanity to make certain that we cannot reach a vote by holding the report beyond time for the Senate to vote upon it.

Mr. President, I wish I could urge my colleagues to deny this sale of avionics packages to Communist China. It is an unwise policy and should be prohibited. But the Foreign Relations Committee would not permit it. Times are sad, Mr. President, when we cannot even vote for an old ally for fear of the very process we and they most cherish—democracy. How sad it is tonight.

UNANIMOUS-CONSENT AGREEMENT

Mr. SIMPSON. Mr. President, I have conferred with the Democratic leader, and I present to the Senate a unanimous-consent agreement with regard to the drug export measure which I believe is acceptable.

Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 noon on Monday, May 12, 1986. There will be no Friday session of the Senate this week.

I further ask unanimous consent that the Senate resume consideration of the pending business, S. 1848, at 1 p.m. on Monday; that any rollcall votes ordered with respect to amendments or motions thereto, to S. 1848, on Monday be postponed until an undetermined time on Tuesday, May 13.

I also ask unanimous consent that when the Senate completes its business on Monday, it stand in recess until 9:30 a.m., on Tuesday, May 13, and that the Senate resume S. 1848 at 10 a.m. on Tuesday, and the Senate stand in recess between 12 noon and 2 p.m., in order for the weekly party caucuses to meet.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, for the protection of the distinguished Republican leader, I hope the entire request could be made, lest part of it be agreed to and there be an objection to the rest of it. I think we all entered into it with the understanding that the whole package would be part of it.

Mr. SIMPSON. That would be protection on all sides. I thank the presiding officer for this swiftness. Ordinarily, that is very helpful. I ask unanimous consent that final passage occur on S. 1848, no later than 1 p.m. on Wednesday, May 14.

Finally, I ask unanimous consent that the following amendments be the only amendments in order, with the exception of the reported substitute, and no motions to recommit with instructions be in order, and the agreement be in the usual form:

Metzenbaum amendment dealing with infant formula;

An unlimited number of amendments offered by Senator METZENBAUM dealing with the subject of the bill;

Simon amendment clarifying the law with regard to the interstate transfer of liquored candy;

Ford amendment in the 2d degree to the Simon amendment dealing with liquored candy;

Simon amendment to prohibit the export of a drug to all tier 1 countries if one of the tier 1 countries has the drug under review for potential ban;

Glenn amendment to regularize notification procedures for the export of banned or severely restricted substances;

Gore amendment to strike tier II, and add countries to tier 1; and

Gore amendment to establish in statute the FDA with Senate confirmation of the Commissioner.

Mr. President, that is the extent of the unanimous-consent request.

Mr. LEAHY. Mr. President, reserving the right to object, and I shall not object, did the assistant majority leader say "liquored candies"?

Mr. SIMPSON. Mr. President, I say to my colleague from Vermont that it is "liquored candy," rather than "licked candy."

Mr. LEAHY. I wanted to make sure.

Mr. BYRD. Mr. President, this request has been cleared on this side and there is no objection.

Mr. SIMPSON. I thank the Democratic leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL GOLD MEDAL TO FAMILY OF HARRY CHAPIN

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader, I ask unanimous consent that the Senate proceed to the consideration of H.R. 1207, to award a special gold medal to the family of Harry Chapin, which was reported today by the Committee on Banking, Housing, and Urban Affairs.

The PRESIDING OFFICER. Is there objection?

Mr. LEAHY. Mr. President, I shall not object, as I am a sponsor of the resolution, but I should like to speak for 4 or 5 minutes on the resolution whenever the time is appropriate. If now is appropriate, I will do it now.

Mr. SIMPSON. Mr. President, the Senator from Alabama [Mr. HEFLIN] has been kind enough to defer for the activity here, so that we might conclude at least getting the unanimous-consent ageement.

I ask the Senator from Alabama if that is appropriate. We have a bit more business to conclude, but I ask if that is appropriate. I promised time to the Senator from Alabama.

Mr. LEAHY. Mr. President, I know that Senator HEFLIN was here before I was. I will be happy to let him speak first. Harry Chapin was a dear, close friend.

Mr. HEFLIN. Mr. President, I am perfectly willing for the Senator to proceed right now. I understand that the distinguished Senator from Vermont would like to speak, and I am delighted to defer to him.

The PRESIDING OFFICER. There being no objection, the bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 1207) to award a special gold medal to the family of Harry Chapin.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, Harry Chapin, a well-known folksinger, songwriter and poet, was killed in a tragic automobile accident in 1981 when he was only 38.

Harry's unique musical talents were only surpassed by his passionate concerns. He was a close friend of mine, and he was a friend to the millions of hungry people in the world to whom he dedicated his life. Not content to merely talk about victims of starvation and malnutrition, he set about to do something.

I remember well a few years ago when Harry Chapin came to me with an idea that came from his wife, Sandy, to create a Presidential Commission on World Hunger. He would come to the Congress with his colleagues Marty Rogol and Bill Ayres and many others, and we would meet with my distinguished colleagues who knew Harry, BOB DOLE, ALAN CRANSTON, GARY HART, DON RIEGLE, HOWARD METZENBAUM, DICK CLARK, and others and we would arrange for him to meet with people about preparing a joint resolution requesting the Commission.

There would come a day when we thought that he should meet with someone. We called up Harry. We said, "You know, Wednesday midmorning would be a good day to meet with certain Senators." Harry would always say, "Of course, I will be there. Tell me what time." What he never told us was that the night before he had a concert in California and maybe another concert that same Wednesday night back in California or somewhere else on the west coast. In between concerts he would fly here. He would spend an hour or two on Capitol Hill, meet with the people we wanted and then go back to the concerts, a mark of dedication, and he would usually be doing that totally at his own expense and in fact throughout his life he gave away what would be a fortune for anybody from the proceeds of his concerts to help the hungry.

Harry knew that millions of people would continue to be malnourished and would starve unless hunger became a matter of conscience to the rest of us who have never experienced it. He knew the enormity of his job, but I am convinced that never detered him or even allowed his inexhaustible energy to falter.

Harry's energy and determination were what convinced President Carter to establish the Commission on World Hunger, and he attended every single meeting of the Commission.

In fact, I remember very well the day we met in the Cabinet Room, several of the Senators from here. In fact Senator DOLE, who served on the commission with me, and I went down there to see the President along with Harry. Harry started in at great length about why we need the commission and the President kept saying "Harry, Harry, I am convinced we are going to do it." And we were trying to tell him "Harry, don't talk him out of it now. Just let him go ahead with the commission."

Harry made it clear he wanted him not just convinced he wanted him dedicated to it.

It was also Harry Chapin who was the catalyst behind the Food Policy Center, World Hunger Year and Food Monitor Magazine. Every year at least half of his hundreds of concerts were free, either for charity or to raise money to fight world hunger.

Harry's life and work were cut short 4 years ago, but the memory of his commitment to help others lives on. To commemorate his crusade and to celebrate his rare qualities, Senator DOLE and I introduced S. 2202, to award a special gold medal to Harry's family. Congressman DORGAN introduced a similar bill, H.R. 1207, in the House, and that bill passed the House on May 5, 1986. Rather than wait to

act on S. 2202, I asked Senator DOLE that we take up the House bill by unanimous consent. By passing this bill today, we hope to make it possible for President Reagan to sign it before the upcoming "Hands Across America" event which is expected to raise millions of dollars to help hungry people in our own country an event put on by Ken Kragen and Marty Rogol, who worked so hard with Harry.

Mr. President, in conclusion, Harry Chapin was truly a remarkable human being. He was probably the most selfless person I have ever had the privilege of knowing. He was that rare kind of person who was determined to make a difference in the lives of people who were suffering. He once said of his life that he hoped to "leave here thinking I mattered." Harry did matter—to his friends and to people everywhere who are alive today because he saw hunger and tried to end it.

Mr. President, I recall so well one night when Harry and his family came to our home in Middlesex, VT, and we sat on the side of the mountain and spent a pleasant evening.

Our youngest boy, who had not met Harry, who was then 4 or 5 years old, within a few minutes was saying, "Harry this" and "Harry that." I brought him aside and said, "It really should be 'Mr. Chapin'." He said, "No, Harry told me his friends called him Harry and I am his friend and I should call him Harry."

I remember so well that night with the candlelights, the soft summer breeze blowing through the curtains, my son Mark sitting on Harry's lap; my wife Marcelle, my other son Kevin, and my daughter Alicia, sitting there and Harry singing into the night, "The Cat's in the Cradle" and all the other songs that meant so much to us; "Taxi," of course. And he ended by singing, with his family sitting there and my family, the very moving song he wrote, "All My Life's a Circle," singing how all things come around again.

Well, I think with this medal we bring it around again. We cannot bring Harry Chapin back, but we can tell a good and dear friend how greatly he is missed by so many of us and that we will always remember what he so selflessly did to make a better world.

Mr. President, I was greatly privileged to have him as such a good friend. I mourn him to this day. But I applaud those Senators and those Members of the House who have worked to commemorate a life that was well worth living and a life that left a better world for having been lived.

Mr. SIMPSON. Mr. President, I move the passage of the bill.

The PRESIDING OFFICER. If there be no amendment to be offered, the question is on third reading and passage of the bill.

The bill (H.R. 1207) was ordered to a third reading, was read the third time, and passed.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RELIEF OF MS. CHANG AI BAE

Mr. SIMPSON. Mr. President, after conferring with the Democratic leader, I ask unanimous consent that the Senate turn to the consideration of H.R. 737, a private relief bill which we received from the House yesterday.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 737) for the relief of Ms. Chang Ai Bae.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 737) was ordered to a third reading, was read the third time, and passed.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HEFLIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, before recapping the agenda for Monday and concluding, I yield to my good friend from Alabama, Senator HEFLIN, who came to this Chamber when I did, and a man I have great admiration, respect and regard for. I appreciate his patience in deferring his matter until this time.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

□ 1910

MOTHER'S DAY

Mr. HEFLIN. Mr. President, Sunday, May 11, 1986, will mark the 72d celebration of Mother's Day. Mother's Day has become a great and beloved occasion in this Nation, in that it provides a specific opportunity for millions to show, in very personal ways, their appreciation for the many contributions that mothers have made to their lives.

On Sunday morning, in homes across the Nation, children will be cooking breakfast to serve their mothers. Families will be packing picnic lunches for outings to parks. Roses and candy will be given to Mothers everywhere and, as any mailman can testify, thousands upon thousands of greeting cards are at this very moment surging through our postal system. These exhibitions of love and family unity stem from the love which mothers give to their children, and the stability they provide for their families.

The 72d celebration of Mother's Day comes at a critical juncture in our Nation's history, a time when we need to work at strengthening the basic family unit, the major institution involved in molding values and attitudes. I am hopeful that this very special day will signal a return to the traditional values of American life. I also believe that we should all try to celebrate not only the particular date specified, but should extend our celebration to the spirit behind Mother's Day, and demonstrate our thanks and appreciation for the many small things which mothers have done that go unnoticed on a day-to-day basis.

As we observe Mother's Day this Sunday to honor the mothers of America, let us be mindful of the contributions to the greatness of this country made by American mothers, truly a great source of strength, pride, and inspiration throughout our history. Let us also work to strengthen the family as a molder of values. Let us show that, by honoring our mothers, we also honor our families and our Nation.

The famed writer Samuel Taylor Coleridge wrote that mothers are "* * * the holiest thing alive." Let our lives show, not only this Sunday but throughout the year, that these words live on.

Mr. President, I am very proud that it was my uncle, former U.S. Senator J. Thomas Heflin, who authored the Mother's Day Act which made this annual salute a reality. On May 10, 1913, then Congressman Tom Heflin introduced this piece of legislation, and succeeded in enacting this legislation into law on May 18, 1914.

I am told that the idea setting aside a day to honor the Nation's mothers came from a West Virginia woman, Anna Jarvis, who convinced my uncle of the idea's merit. For their efforts, Miss Jarvis came to be known as the "Mother of Mother's Day," and my uncle as the "Father of Mother's Day."

Mr. President, I would like to read the original resolution, as approved by Congress 72 years ago.

JOINT RESOLUTION RELATIVE TO THE OBSERVATION OF MOTHER'S DAY

Whereas the service rendered the United States by the American mother is the greatest source of the country's strength and inspiration, and

Whereas we honor ourselves and the mothers of America when we do anything to give emphasis to the home as the fountainhead of the state; and

Whereas the American mother is doing so much for the home, the moral uplift, and religion, hence so much for good Government and humanity: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is hereby authorized and requested to issue a proclamation calling upon the Government officials to display the United States flag on all Government building and the people of the United States to display the flag at their homes or other suitable places on the second Sunday in May as a public expression of our love and reverence for the mothers of our country: And be it further

Resolved, That the second Sunday in May shall hereafter be designated and known as Mother's Day and it shall be the duty of the President to request its observance as provided for in this resolution.

Mr. President, I also would like to have appear in the RECORD a reprint of the speech of the Honorable Jennings Randolph, former U.S. Senator from the State of West Virginia. Senator Randolph made a speech entitled "The Unapplauded Molders of Men" on May 11, 1933, which was the initial speech by then Congressman Jennings Randolph. Jennings Randolph has now left this Chamber, but he served his State and his Nation very ably, and he always made a speech on Mother's Day.

I have heard him speak on Mother's Day many, many times. I think we would be really lacking something this Mother's Day if we did not refer to his words.

I ask unanimous consent that his speech, "The Unapplauded Molders of Men," appear in the RECORD in full.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE UNAPPLAUDED MOLDERS OF MEN

Mr. RANDOLPH. Mr. Speaker, it is with a feeling that I am treading on holy ground that I ask you to turn with me today for a few minutes to honor the immortal builder of all heroes—mother. Too long have mothers been the unapplauded molders of men, too long the true but unsung architects of destiny.

Volumes have been written about kings and emperors; historians have told of the exploits of a thousand heroes of battle; biographers have packed into colorful words the life and death of our statesmen; while painters have filled galleries with likenesses of our living great; but it remained for Miss Anna Jarvis, a West Virginia woman, untold years after the first mother had given birth to a son, to immortalize mother by having the Congress of the United States give recognition to Mother's Day through the display of our flag. The Congress established this memorial in 1914, and since that year on Mother's Day men and women turn from the turmoil of labor and by silent communion with that mother, living or dead, receive again from her the strength of mind and the pureness of soul that only can be bred in that greatest of all loves—that of a mother for her child.

Oh, if the historians, the painters, and sculptors could see though the outward acts of men to the source from which they derive their power of greatness, how different might be the lists of the honored and successful! How different would be the story of our national progress!

Behold the settling of the New World. With the Pilgrim father who sought his religious liberty in a new and unknown land came also the Pilgrim mother. She it was who endured the same hardships as her stronger mate; she it was who steadfast to her duty of wife and mother battled with him the cold of the cruel New England winters; she with him sacrificed the comparative peace and safety of the Old World for the dangers of the New; she with him fought the savage Indian; she kept his house, cooked his meals, bore him sons and daughters, and earnestly and faithfully reared them into new pioneers destined to build America.

Write, ye historians, of the mother of George Washington faithfully training that great man in the paths of duty and service. Record the story of the brave mother from the hills of western Virginia who sent her three sons to fight in the Continental Army when the British under Colonel Tarleton, threatened invasion of the Shenandoah Valley with these words:

"Go, my sons, and keep back the foot of the invader or see my face no more."

When this story was related to Washington in the darkest hours of the Revolution he said:

"Leave me but a banner to plant upon the mountains of West Augusta and I will rally around me men who will lift our bleeding Nation from the dust and set her free."

Paint, ye artists, the settlement of the western America, but forget not that into that empire-building went not only the toil and blood of our pioneer men but that into it also went the immeasurable toil of pioneer women. Too often we visualize the skeletons that marked the trail across the prairies, the mountains, and deserts as the last remains of a Custer, a Lewis, a great frontiersman who died in glory defending his loved ones. Too often the true story written on the desert sands is the story of a mother's sacrifice, sometimes in the forefront of battle but more often in the burdensome strife of daily tasks that bent and broke her body. Too often the mute bones on the westward trail bespeak the death of a mother in childbirth. The story of the cradle rather than the report of the blunderbuss marks the westward course of empire.

O orators, if you would explain the greatness of Lincoln paint the vision of Nancy Hanks; fill your minds, if you can, with the glory of her mother love, catch the strains of the strange lullabies she sang to her unborn child. What fount of greatness can compare with hers? Biographers, if you would know from whence came the staunchness of Woodrow Wilson's soul, the breadth of his great vision, search out the secret gift of life and life's greatest ideals transmitted to him by his mother.

And so goes the story day in and day out, from the mothers of the great to the mothers of all men throughout the world. I wonder if any son ever knew the true depth of a mother's heart. Is there any force for righteousness and peace in the world equal to the force of a mother's daily teaching of obedience, of peace, of love, and of devotion to high ideals? Is there any nobler lesson taught than is taught by a mother's living example of sacrific, of duty, and of love?

One September evening, several years ago, I stood on the railroad-station platform in Charleston, the capital of our State, just before the night train for Clarksburg was ready to pull out.

It was a delightful twilight, and I did not want to board the sleeper until the last minute. Just then a young man came swinging toward the car steps carrying his luggage. I know the boy, and it happened that he was leaving for Morgantown to enroll as a freshman at West Virginia University. It was the beginning of his first great life's adventure.

Standing close by, I heard the final words of parting. The father shook his son's hand with a final admonition, "I hope you'll make the football team, but go easy on the money, for your old dad has to settle all the bills." And this was a remark that many a father has made to his son. The sister said she hoped he might be pledged to the best fraternity on the campus. And then his sweetheart murmured—but I shall not report what they said, for we should never tell what sweethearts speak at parting time.

But, seriously, I shall never forget the words spoken by that mother to her boy, as she put her loving arms around his stalwart shoulders and said, "My boy, like your father, I want you to make the football team, and like your sister, I want you to know the best people, but above all other things I hope you'll always remember to be a good boy."

When that mother spoke she did not mean "good boy" in the sense that she desired her son to be a wishy-washy sort of person. She meant what every mother has meant when she said those words. She simply wanted her boy to be honest, chivalrous, brave, and to stand four-square against the evil winds that blow.

And thus do mothers write the living stories of men and nations. Behind the storm and strife and blustering of the actors most vividly before our eyes do we see the power of mother love and the fashioning of manhood and womanhood in mother's heart and hands.

I once heard a friend telling a young woman that he did not believe in any hereafter; that so far as he was concerned heaven and hell consisted of the joys and sorrows that every person experienced in this world and that when death stopped the movements of this life his body became only so much decaying matter and nothingness was the end. The young woman answered him in these words, "Do you mean to tell me that I shall never again see my mother?" And in that simple and yet boundless faith that mother and immortality were one and inseparable; in the sureness of her knowledge that when she had become weary of the labors of life there would be waiting the radiant face of her mother to comfort her and the loving arms to enfold her once more—never again to be separated in all eternity—in the light of that abiding hope and faith, all of the scientific arguments of my friend were of the nothingness of which he spoke. Against that mother-love logic was but the mere exercise of dried-up mathematics. And it is the same mother love that has enthroned the highest ideals in the hearts of all men. It has been the inspiration of the great and the comfort and hope of the lowly. Before the voice of a mother telling her son to "be a good boy" all of the pomp and splendor of the outward world fades away and—

"The tumult and the shouting dies,
"The captains and the kings depart,
"Still stands thine ancient sacrifice,
"An humble and a contrite heart."

Mother's Day is the most fitting memorial that can be raised to mothers of men. When we drive about the city of Washington we proceed from circle to circle, from monument to monument. Here stands a statue of

Farragut, and here a likeness of Webster, and towering over them all is the giant spire honoring the great Washington. It if fitting that a nation should honor its heroes. But no statue can be raised to mother as enduring and as inspiring as the child each mother rears herself. No writer can enclose between the backs of any book all of the wisdom of a mother's teaching. No poet can capture all of the joys and sorrows of a mother's heart. No painter has the power to transmit to his canvas the beauty of a mother's face that glows in the memory of her dear ones, no matter how homely, how grotesque, or how blank and stupid that same face may have appeared to strangers. Even the wizardry of the sculptor's hand cannot endue his cold marble with the warmth of a mother's love. No; only a special day set apart for us, sons and daughters of mothers living and mothers dead, to commune again in our thoughts with those to whom we owe our all, is a fitting memorial to Mother. Memory alone holds for us the charm of her personality. Memory alone brings back the picture of those thousands of cares and daily tasks she did for us; the joyful laughter at our successes; the loving kindness of her manner. Memory along brings back the mother we knew, and to bring back any other mother is only to rear an unworthy monument.

Today we are living in a world of personalities. Europe bristles with names of men rather than names of nations. Stalin of Russia, Mussolini of Italy, Hitler of Germany—who knows what influence their mothers had upon them? From whence their courage, their vision, their power? A mother tapped the sources of their personality, taught them the duties and tasks of life, guarded their bodies, and filled their minds with great thoughts.

Today in our Western Hemisphere it has been said that our President Roosevelt is the outstanding and dominant personality. Fortunate are we Americans to have his mother alive. This splendid mother of our President sees him as he magnificiently commands our ship of state. She remembers daily the dreams she had for him in the yesteryears when with her aid and guidance he was equipping himself for just such a momentous task of leadership. Humble, yet justly proud, she walks securely down the remaining miles of her highway of life, knowing that there follows along the trail a son who is perhaps destined to become one of the truly great leaders of mankind. And even behind Roosevelt will remain his warm and glowing mother.

The late great poet, Henry Van Dyke, has expressed in tender words my wish and your wish when he says:

"I cannot pay my debt
"For all the love that she has given;
"But Thou, love's Lord,
"Wilt not forget
"Her due reward—
"Bless her in earth and heaven."

[Applause.]

Mr. HEFLIN. Mr. President, I thank the distinguished minority leader for yielding the floor to me for this opportunity to speak on Mother's Day.

□ 1915

Mr. SIMPSON. Mr. President, I thank the Senator from Alabama and the Senator from Minnesota for their sincere comments on issues of concern to me.

I would add, with regard to the issue of Mother's Day, that certainly, I, too, wish to express my complete accord with that lovely statement of Senator Heflin. Of all the influences in my own life, perhaps that of my mother had the greatest impact. She taught me and I sometimes failed the test. But she taught me patience and the ability to control my temper, which I sometimes forget, I have found.

But, nevertheless, she is a superb and courageous person as she cares for my invalid father, who holds a similar place in my heart. God bless her on this special day.

Mr. BOSCHWITZ. Mr. President, if the Senator will yield, I have met his mother and realize the problems she must have had with the Senator.

[Laughter.]

□ 1920

Mr. SIMPSON. A spirited colt makes the best horse and she watched and administered that in a most amazing way.

I thank my good colleague from Minnesota. I know his mother must have suffered some of the same problems, having known him as well as I do.

Mr. BOSCHWITZ. She did, Mr. President.

Mr. SIMPSON. God bless them both indeed.

SOLIDARITY SUNDAY

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Resolution 398, a resolution submitted by Senator MOYNIHAN. I have cleared this with the distinguished assistant Republican leader. The resolution is being held at the desk by unanimous consent, and it calls for a "Solidarity Sunday" for Soviet Jewry on May 11.

□ 1900

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 398) expressing the sense of the Senate in support of Solidarity Sunday.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 398) was agreed to.

The preamble was agreed to.

The resolution, with its preamble reads as follows:

S. RES. 398

Whereas on May 11, 1986, the constituent agencies of the Coalition to Free Soviet Jews will convene the fifteenth annual "Solidarity Sunday for Soviet Jewry" in reaffirmation of the American People's resolve to secure freedom for Soviet Jews and beleaguered persons everywhere;

Whereas Americans of all faiths will join in myriad activities on that day in public expression of solidarity with the long suffering Jewish community in the Soviet Union;

Whereas on February 11, 1986, Anatoly Shcharansky was finally released after nine years in the Soviet Gulag, reunited with his beloved Avital and welcomed in triumph to the land for which he had sacrificed so much;

Whereas Anatoly Shcharansky's tenacious devotion to his people and faith has been a source of inspiration to all Americans;

Whereas our election at his freedom must not allow us to forget or ignore the 2½ million Jews who remain in the Soviet Union.

Whereas the right to emigrate freely and to be reunited with one's family abroad is denied Jews and many others in the Soviet Union;

Whereas the Universal Declaration of Human Rights, adopted by the General Assembly of the United Nations, and the Helsinki Final Act explicitly assert guarantees of those rights;

Whereas the Government of the Soviet Union has nevertheless continued to restrict emigration, particularly in the last few months, when the number of Jews allowed to emigrate has declined to extremely low levels;

Whereas the Government of the Soviet Union is persecuting its Jewish citizens and denying them even those few rights and privileges accorded other recognized religions in the Soviet Union.

Whereas the Government of the Soviet Union discriminates against Jewish cultural activities by banning and suspending Hebrew and Jewish cultural classes, by arresting teachers of Hebrew, and by harassing those Soviet Jews who seek only to practice their religion;

Whereas a virulent anti-Semitic campaign continues unabated in the Soviet Union and Soviet Jews are increasingly deprived of occupational and educational opportunities;

Whereas thousands of innocent Jews and other persons, having applied to leave the Soviet Union, have been subjected to immediate induction into the armed forces, improper incarceration in mental institutions, expulsion from school, and constant surveillance and harassment;

Whereas the Government of the Soviet Union will not succeed in isolating Soviet Jews from their friends in the free world so long as those who cherish liberty continue to speak on behalf of beleaguered people everywhere;

Whereas "Solidarity Sunday for Soviet Jewry" shall provide vigorous expression of American determination to secure freedom for Soviet Jewish prisoners of conscience incarcerated solely for their desire to emigrate; and

Whereas the Government of the Soviet Union refuses to permit the free exercise of religious beliefs and cultural expression and also refuses to remove all obstacles to the free emigration of its Jewish citizens and others who wish to leave and live in other countries: Now, therefore, be it

Resolved, That the Senate hereby expresses its full support for "Solidarity Sunday for Soviet Jewry", to be held on May 11, 1986, and encourages Americans to participate in the activities of that day.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE HOUSE

At 4:42 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 2921. An act to authorize the Secretary of Agriculture to issue permanent easements for water conveyance systems in order to resolve title claims arising under acts repealed by the Federal Land Policy and Management Act of 1976, and for other purposes;

H.R. 3214. An act to provide for the use and distribution of funds awarded to the Cow Creek Band of Umpqua Indians in U.S. Claims Court docket numbered 53-81L, and for other purposes;

H.J. Res. 492. Joint resolution to designate the week beginning on June 1, 1986, as "National Neighborhood Housing Services Week"; and

H.J. Res. 526. Joint resolution to designate the week of May 25 through 31, 1986, as "Critical Care Week."

MEASURES REFERRED

The following bill, received from the House on May 6, 1986 was read the first and second times by unanimous consent, and referred as indicated:

H.R. 1207. An act to award a special gold medal to the family of Harry Chapin; to the Committee on Banking, Housing, and Urban Affairs.

The following bills and joint resolutions were read the first and second times by unanimous consent, and referred as indicated:

H.R. 2921. An act to authorize the Secretary of Agriculture to issue permanent easements for water conveyance systems in order to resolve title claims arising under acts repealed by the Federal Land Policy and Management Act of 1976, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 3214. An act to provide for the use of distribution of funds awarded to the Cow Creek Band of Umpqua Indians in U.S. Claims Court docket numbered 53-81L, and for other purposes; to the Select Committee on Indian Affairs.

H.J. Res. 492. Joint resolution to designate the week beginning on June 1, 1986, as "National Neighborhood Housing Services Week"; to the Committee on the Judiciary.

H.J. Res. 526. Joint resolution to designate the week of May 25 through 31, 1986, as "Critical Care Week"; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S.J. Res. 334. Joint resolution allowing qualified persons representing all the States to be naturalized on Ellis Island on July 3 or 4, 1986.

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

H.R. 1207. An act to award a special gold medal to the family of Harry Chapin.

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs, with an amendment:

S. 2308. A bill to authorize the President of the United States to award congressional gold medals to Anatoly and Avital Shcharansky in recognition of their dedication to human rights, and to authorize the Secretary of the Treasury to sell bronze duplicates of those medals.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary:

Andrew J. Kleinfeld, of Alaska, to be U.S. district judge for the district of Alaska;

John W. Gill, Jr., of Tennessee, to be U.S. attorney for the eastern district of Tennessee for the term of 4 years;

Frank W. Donaldson, of Alabama, to be U.S. attorney for the northern district of Alabama for the term of 4 years;

Breckinridge L. Willcox, of Maryland, to be U.S. attorney for the district of Maryland for the term of 4 years.

By Mr. GOLDWATER, from the Committee on Armed Services:

Walter J. Shea, of Maryland, to be a member of the Board of the Panama Canal Commission;

Michael P.W. Stone, of California, to be an Assistant Secretary of the Army; and

Eugene R. Sullivan, of Maryland, to be a judge of the U.S. Court of Military Appeals for a term of 15 years.

(The above nominations were reported from the Committee on Armed Services with recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. GOLDWATER. Mr. President, from the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of April 28, 1986, at the end of the Senate proceedings.)

*1. Maj. Gen. Frank E. Petersen, Jr., U.S. Marine Corps to be lieutenant general. (Ref. No. 1040)

*2. Maj. Gen. John Phillips, U.S. Marine Corps to be lieutenant general. (Ref No. 1041)

**3. In the Army National Guard there are 68 promotions to colonel and below (list begins with Philip J. Biondi). (Ref. No. 1043)

**4. Capt. Timothy W. Foley, U.S. Marine Corps, for appointment to the grade of major. (Ref. No. 1044)

**5. In the Marine Corps there are two appointments to the grade of second lieutenant (list begins with Joseph P. Davis). (Ref. No. 1045)

Total: 73.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MURKOWSKI (for himself, Mr. CRANSTON and Mr. THURMOND):

S. 2422. A bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans and the rates of dependency and indemnity compensation for surviving spouses and children of veterans; to improve the Veterans' Administration home loan guaranty program; to authorize certain debt collections; to authorize the Administrator of Veterans' Affairs to require additional information from certain fiduciary agents of veterans; to revise the authority of the Administrator of Veterans' Affairs to construct, alter, acquire, operate, and maintain parking facilities at Veterans' Administration medical facilities; and to authorize an administrative reorganization in the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. DECONCINI:

S. 2423. A bill to amend title 38, United States Code, to provide for certain Veterans' Administration benefits which are paid based on the service-connected disability or death of a veteran to be paid in accordance with laws administered by the Veterans' Administration and to provide for certain Veterans' Administration insurance programs and revolving funds generally to be administered, and Veterans' Administration home loan guaranties for certain refinancing loans to be provided, in accordance with such laws; to the Committee on Veterans' Affairs.

By Mr. THURMOND:

S. 2424. A bill to amend the interest provisions of the Declaration of Taking Act; to the Committee on the Judiciary.

S. 2425. A bill to amend section 3565 of title 18 of the United States Code to provide for the payment to the clerk of the court of fines or penalties imposed by a United States magistrate, and for other purposes; to the Committee on the Judiciary.

By Mr. COHEN (for himself and Mr. LEVIN):

S. 2426. A bill to amend the Contract Disputes Act of 1978 to require that a competitive examination process be used for the selection of members of boards of contract appeals of Federal Government agencies; to provide that the members of such boards shall be treated in the same manner as administrative law judges of the Federal Government for certain administrative purposes; and to revise the procedures for the collection of claims under Federal Govern-

ment contracts; to the Committee on Governmental Affairs.

By Mr. McCLURE:

S. 2427. A bill to amend the Mineral Leasing Act of 1920 to improve the administration of the Federal coal leasing program, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. HEINZ:

S. 2428. A bill to amend the Federal Financing Bank Act of 1973 to establish a Federal Credit Program Revolving Fund under the direction of the Secretary of the Treasury with overall authority for Federal credit activity, including borrowing and credit management; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. GRASSLEY (for himself and Mr. LAUTENBERG):

S. 2429. A bill to amend the Internal Revenue Code of 1954 to deny foreign tax credits attributable to activities conducted in foreign countries which repeatedly provide support for acts of international terrorism; to the Committee on Finance.

By Mr. NICKLES (for himself and Mr. BOREN):

S. 2430. A bill to protect the security of the United States by ensuring the quality of munitions manufactured at the McAlester Army Ammunition Plant, McAlester, Oklahoma, to clarify the meaning of the term "mission-essential material" and for other purposes; to the Committee on Armed Services.

By Mr. WARNER (for himself and Mr. TRIBLE):

S. 2431. A bill to amend the Atlantic Striped Bass Conservation Act to provide for the conservation and management of the Atlantic Striped Bass in a manner that imposes the most equitable burden among the citizens of the affected coastal states; to the Committee on Commerce, Science, and Transportation.

By Mr. GRASSLEY:

S. 2432. A bill to amend title XVIII of the Social Security Act to permit an increase in the payment amount for inpatient hospital services under part A of the medicare program for certain high cost hospitals located in a rural area near an urban area; to the Committee on Finance.

By Mr. BYRD (for himself, Mr. CRANSTON, Mr. INOUYE, Mr. PELL, Mr. LEAHY, and Mr. EAGLETON):

S.J. Res. 340. Joint resolution to amend the War Powers Resolution to establish a permanent body for the purpose of consultation as required in section 3 under the resolution; to the Committee on Foreign Relations.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MOYNIHAN (for himself, Mr. ANDREWS, Mr. ARMSTRONG, Mr. BOREN, Mr. BOSCHWITZ, Mr. BRADLEY, Mr. BUMPERS, Mr. CHAFEE, Mr. COCHRAN, Mr. COHEN, Mr. CRANSTON, Mr. D'AMATO, Mr. DECONCINI, Mr. DIXON, Mr. DODD, Mr. DOLE, Mr. DURENBERGER, Mr. EXON, Mr. GLENN, Mr. GORE, Mr. GORTON, Mr. GRASSLEY, Mr. HART, Mr. HATCH, Mr. HATFIELD, Mr. HECHT, Mr. HEINZ, Mr. HOLLINGS, Mr. HUMPHREY, Mr. INOUYE, Mrs. KASSEBAUM, Mr. KERRY, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN of Michigan, Mr. LONG, Mr. LUGAR, Mr. MATSUNAGA, Mr. MATTINGLY, Mr. MITCHELL, Mr. NICKLES, Mr. PELL, Mr. PRESSLER, Mr. PROXMIRE, Mr. QUAYLE, Mr. RIEGLE, Mr. ROCKEFELLER, Mr. ROTH, Mr. SARBANES, Mr. SASSER, Mr. SIMON, Mr. SPECTER, Mr. SYMMS, Mr. THURMOND, Mr. TRIBLE, Mr. WARNER, Mr. WEICKER, Mr. WILSON, Mr. ZORINSKY, and Mr. KENNEDY):

S. Res. 398. Resolution expressing the sense of the Senate in support of "Solidarity Sunday"; considered and passed.

By Mr. SASSER (for himself, Mr. BUMPERS, Mr. NUNN, Mr. LEVIN, Mr. DIXON, Mr. HARKIN, Mr. KERRY, Mr. BAUCUS and Mr. BOREN):

S. Res. 399. Resolution to express the sense of the Senate that the Small Business Administration be maintained as an independent agency and to urge the President to nominate an Administrator of the Small Business Administration who is dedicated to America's small business community and the United States Small Business Administration; to the Committee on Small Business.

By Mr. ROTH (for himself, Mr. D'AMATO, Mrs. HAWKINS and Mr. CRANSTON):

S. Res. 400. Resolution to retain current tax treatment of Individual Retirement Account; to the Committee on Finance.

By Mr. DOLE (for Mrs. HAWKINS):

S. Res. 401. Resolution to express the sense of the Senate regarding full deductibility of contributions to Individual Retirement Accounts; to the Committee on Finance.

By Mr. LAUTENBERG (for himself and Mr. SPECTER):

S. Res. 402. Resolution on minority set-aside programs; to the Committee on the Judiciary.

By Mr. WARNER (for himself and Mr. TRIBLE):

S. Res. 403. Resolution to express the sense of the Senate that the Federal Government should refund the part of the contributions which are made by certain officers and employees of the Federal Government to any retirement system for Federal Government officers and employees and which would not be made if the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 had been extended; to the Committee on Governmental Affairs.

S. Res. 404. Resolution to designate the college of William and Mary as the official U.S. Representative to the Tercentenary celebration of the Glorious Revolution; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MURKOWSKI (for himself, Mr. CRANSTON, and Mr. THURMOND):

S. 2422. A bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans and the rates of dependency and indemnity compensation for surviving spouses and children of veterans; to improve the Veterans' Administration home loan guaranty program; to authorize certain debt collections; to authorize the Administrator of Veterans' Affairs to require additional information from certain fiduciary agents of veterans; to revise the authority of the Administrator of Veterans' Affairs to construct, alter, acquire, operate, and maintain parking facilities at Veterans' Administration medical facilities; and to authorize an administrative reorganization in the Veterans' Administration; to the Committee on Veterans' Affairs.

(The remarks of Mr. MURKOWSKI and the text of the legislation appear earlier in today's RECORD.)

By Mr. DECONCINI:

S. 2423. A bill to amend title 38, United States Code, to provide for certain Veterans' Administration benefits which are paid based on the service-connected disability in death of a veteran to be paid in accordance with laws administered by the Veterans' Administration and to provide for certain Veterans' Administration insurance programs and revolving funds generally to be administered, and Veterans' Administration home loan guaranties for certain refinancing loans to be provided, in accordance with such laws; to the Committee on Veterans' Affairs.

PROTECTION OF CERTAIN VETERANS BENEFITS FROM SEQUESTRATION

● Mr. DECONCINI. Mr. President, I am introducing today S. 2423, a bill to amend title 38, United States Code, in order to provide for the exemption of certain veterans' benefits from sequestration under the provisions of the Balanced Budget and Emergency Deficit Control Act of 1985—the so-called Gramm-Rudman legislation, Public Law 99-177.

In introducing this measure, I wish to emphasize that it does not seek to undermine or alter the basic structure of Gramm-Rudman. Rather, the bill is designed to bring together in one bill the exemptions I proposed in S. 2187 for veterans service-connected benefits along with exemptions for certain other programs where sequestration entails an extremely insignificant or even adverse dificit impact. Thus, the bill would, first, exempt certain top-priority benefits based on service-connected death or disability which I believe should have been made exempt along with Veterans' Administration service-connected compensation benefits which are exempted in Gramm-Rudman as enacted. Second, the bill would remedy highly questionable interpretations made in applying Gramm-Rudman to veterans' insurance policy loans and the home loan guaranty program and provide for corrections with respect to Gramm-Rudman's applicability to two VA revolving funds which I believe Congress would have made before final passage if there had been the time and opportunity for more thorough-going deliberations in the Congress.

Exemptions for the same benefits that I am proposing to protect would, with one exception, be provided for in a bill that will soon be introduced in the House of Representatives by the distinguished chairman of the House Veterans' Affairs Subcommittee on Compensation, Pension, and Insurance, Representative DOUGLAS APPLEGATE. That one exception is the VA's loan guaranty program, for which an exemption has been proposed in H.R. 4775, which yesterday was introduced by the chairman of the House Veterans' Affairs Subcommittee on Housing and Memorial Affairs, Representative RICHARD SHELBY, and recommended by that subcommittee to the full committee.

BACKGROUND

Mr. President, under Gramm-Rudman, the only exemptions for veterans' programs from the across-the-board cuts entailed in Presidential sequestration orders are for compensation paid to service-connected disabled veterans, dependency and indemnity compensation [DIC] paid to the survivors of those who die from service-connected disabilities, and non-service-connected pension paid to needy wartime veterans who are totally disabled or elderly and to needy survivors of wartime veterans. In addition, Gramm-Rudman cuts in spending for VA direct health care services are limited to 1 percent in fiscal year 1986 and 2 percent in each of fiscal years 1987 through 1991.

However, Mr. President, under the terms of Gramm-Rudman, a wide range of VA benefits and programs are susceptible to sequestration and were reduced by the President's February 1 order. In many instances, I believe that sequestration of the programs is unwise or unfair, reflects a misinterpretation of Gramm-Rudman, or, as the VA's General Counsel has suggested, may violate the U.S. Constitution.

Legislative remedies of certain defects in the sequestration of veterans' programs have already been proposed and, in one case, enacted.

On March 7, legislation which I cosponsored, proposed by Senator CRANSTON and Representative SHELBY was enacted as Public Law 99-255. That measure was designed to protect the VA home loan guaranty program from a grossly disproportionate cut by correcting the fiscal year 1986 baseline estimate of VA loan guaranty activity and, thus, increasing from $11.5 billion to $17.4 billion the cap on the total amount of VA-guaranteed loan commitments in fiscal year 1986.

On April 29, I joined the distinguished chairman of the Veterans' Affairs Committee [Mr. MURKOWSKI], the ranking minority member [Mr. CRANSTON], and other members of our committee—Senators SIMPSON, THURMOND, SPECTER, DENTON, BOSCHWITZ, and ROCKEFELLER—in a bill introduced to make a further correction in the baseline, increasing it to $30.9 billion and the cap to $29.6 billion, based on information provided by the VA on April 28 indicating that the fiscal year 1986 program level in the absence of sequestration is now expected to be $30.9 billion. Yesterday, a substantively identical measure, S. 2416, was introduced and passed by the Senate.

On March 12, I introduced S. 2187, which currently is cosponsored by Senators SARBANES, SIMON, ANDREWS, MATSUNAGA, BURDICK, KENNEDY, and CHILES. This bill would exempt from any future sequestration order under Gramm-Rudman the following VA benefits based on service-connected disability or death—vocational rehabilitation; specially adapted housing grants; mortgage protection life insurance—available for recipients of the adapted-housing grants; adapted automobile and adaptive-auto-equipment grants; burial benefits; and educational assistance for the survivors of those who die from service-connected causes and the dependents of veterans with service-connected disabilities rated total and permanent, the so-called "war orphans and widows GI bill."

Also on March 12, Mr. President, the chairman of our committee [Mr. MURKOWSKI] introduced a bill, S. 2186—which is now cosponsored by Senators THURMOND, SPECTER, DENTON, ABDNOR, HAWKINS, MELCHER, SARBANES, SIMON, BURDICK, and ANDREWS—that would exempt these same benefits except for vocational rehabilitation for veterans whose service-connected disabilities are rated less than 50 percent and the war orphans and widows GI bill. S. 2186 would also provide an exemption for the VA's special therapeutic and rehabilitation activities revolving fund—but only for payments to service-connected disabled veterans. This fund is used to provide VA patients with compensated work therapy through contracts with private firms.

Both my measure, S. 2186, which is the companion to legislation introduced on the same day by the distinguished chairman of the House Committee on Veterans' Affairs—H.R. 4391—and Senator MURKOWSKI's measure are currently pending in the Committee on Governmental Affairs.

PROVISIONS OF THE BILL

BENEFITS BASED ON SERVICE-CONNECTED DEATH OR DISABILITY

As I indicated earlier, the bill I am introducing today would exempt the same benefits based on service-connected disability or death as my bill, S. 2187, and, as would that bill, would do so effective with respect to fiscal year 1987 and subsequent years. For a more complete discussion of those benefits and the cuts made in them in fiscal year 1986 under the President's February 1, 1986, sequestration order, I would refer my colleagues to my introductory statement on S. 2189, beginning on page S2557 of the RECORD for March 12.

I would, however, also note that in fiscal year 1986, sequestration cuts in the service-connected benefits for which I am proposing a sequestration exemption accounted for $10.6 million, or less than two-tenths of 1 percent, of the $5.85 billion sequestration in nondefense programs. Thus, if these programs had been exempt in fiscal year 1986, spreading that $10.6 million among the other nondefense programs would have increased the cuts in each of them by a nearly infinitestimal amount.

Mr. President, this bill also contains a provision designed to prevent the exemption of any of these service-connected benefits from resulting in a disproportionate cut in the other benefits paid from the same account as the protected service-connected benefit. Thus, since the entire account would not be exempted and since Gramm-Rudman generally requires uniform percentage reductions on an accountwide basis, the bill would preclude the exempted benefits from being counted for purposes of computing the amount of any sequestration of the account.

For example, in the VA's readjustment benefits account, where my measure proposes exemption for benefits that comprise 26 percent of the funds in the account, simply exempting certain benefits from sequestration would have the effect of requiring that funds in the account for the nonexempt benefits be cut by a greater percentage—in order for the percentage cut in the overall account to be the same percentage under sequestration as the other accounts. To illustrate, if the various benefits proposed for exemption had been exempt in fiscal year 1986, the nonexempt benefits in the readjustment benefits account would have been required to be reduced by an additional $10.6 million—or by 5.8 percent rather than 4.3 percent—in order to take up the slack. A similar provision was included in S. 2187.

SPECIAL THERAPEUTIC AND REHABILITATION ACTIVITIES FUND

Mr. President, the VA's special therapeutic and rehabilitation activities fund is a revolving fund established under legislation enacted in 1976, Public Law 94-581, amending section 617 of title 38, United States Code. It is an entirely self-sustaining fund that the VA uses as a mechanism for providing VA patients, typically long-term patients undergoing rehabilitation, with compensated work therapy. The VA contracts with private businesses for the performance of certain services by VA patients, pays the patients out of the revolving fund, and when the job, or a specified portion of it, is completed the VA receives

from the company a payment which it deposits in the fund. This therapeutic program thus provides disabled veterans with vital opportunities for enhanced functioning and self-esteem.

In each of the past 5 fiscal years, the fund has produced negative outlays—that is, more income than payments.

Although the fiscal year 1986 sequestration is likely to have little impact on the fund, in the case of any future sequestration, the effect of sequestering payments that would otherwise be made from the fund would be to require very ill-advised reductions in the program. Contracts with businesses would have to be terminated or foregone and, as a result, the number of patient-participants benefiting would be reduced. Their rehabilitation would thus be impeded and their need for more hospitalization or outpatient care increased.

Sequestration will not save the taxpayers a single penny; in fact, it would clearly seem likely to generate costs in the form of alternate rehabilitation activities or increased health care for the patients affected.

My bill would exempt this fund entirely from sequestration under Gramm-Rudman in fiscal year 1987 and sebsequent years. As I noted earlier, Chairman MURKOWSKI's bill, S. 2186, would exempt from sequestration under Gramm-Rudman payments from the fund only in the cases of service-connected disabled veterans.

CANTEEN SERVICE REVOLVING FUND

The VA's canteen service was established by Congress in 1946 to furnish at reasonable prices merchandise—such as personal items, snacks, cards, and tobacco in small shops in VA facilities—and services—such as are furnished in coffeeshops—necessary for the comfort and well-being of VA patients. Its operations are financed through a revolving fund authorized by section 4204 of title 38. The Congress appropriated $5 million to establish the revolving fund 40 years ago and has appropriated nothing to it since. Income to the fund consists of receipts from sales, and payments from the fund go to the purchase of goods for resale, equipment purchases and other capital investments, and employee wages and benefits.

A total of $12 million in excess of the needs of the canteen service has been returned to the Treasury from the fund.

Over the past 5 years, the revolving fund has produced negative outlays totaling $19 million.

The effect of the fiscal year 1986 sequestration on this fund was to cap fiscal year 1986 obligations at an amount equal to the estimated amount in the absence of sequestration—$190.4 million minus 4.3 percent—or $182.3 million. The VA's fiscal year 1987 budget documents indicated that the fiscal year 1986 outlay impact would reduce outlays by $8.1 million—from $2.7 million to minus $5.4 million.

Achieving these reductions in obligations and outlays is clearly a false economy. The cuts will have to be made in activities designed to generate income—that is, cuts in purchases of goods for resale or in the employment of personnel who conduct canteen operations. In response to a question posed by Senator CRANSTON in connection with the Veterans' Affairs Committee hearing on the VA's proposed fiscal year 1987 budget, the VA noted that the fiscal year 1986 sequestration may reduce fiscal year 1986 profits from $3 million to $1.5 million.

Thus, Mr. President, making reductions in canteen service spending is as counter-productive as trying to improve the financial picture of a profitable commercial enterprise by requiring its managers to buy less of the goods than they otherwise would, in the exercise of sound business judgment, in order to produce maximum sales and profits. The major difference is that the reduced sales in the case of the canteen service would mean not just smaller or no profits, but also less in the way of goods and services or convenience to veteran-patients.

My bill would exempt this fund in fiscal year 1987 and subsequent years.

INSURANCE POLICY LOANS

Mr. President, life insurance policies under various VA-administered life insurance programs include clauses giving the insured the right to borrow up to a specified percentage—for example, 94 percent in the case of certain World War II veterans' policies, called National Service Life Insurance—at generally favorable interest rates.

The sequestration order imposed on the making of insurance policy loans in fiscal year 1986 and on the estimated amount of interest that would accrue in fiscal year 1986 on all outstanding insurance loans totaling an amount equal to the estimated total of the loans and capitalized interest in the absence of sequestration—$129.1 million minus 4.3 percent—or $123.6 million.

In order to stay within these caps, the VA is taking two different types of actions to suppress the making of insurance policy loans. In certain cases it is, contrary to the express terms of the policies involved, reducing the percentage of the cash values that policy holders may borrow. For U.S. Government Life Insurance policies, for example, the reduction is from 94 to 10 percent. This approach to about 700 loans.

The second approach the VA is using to stay within the sequestration caps is to keep the interest rates on the loans at an artificially high level—11 percent rather than the approximately 9 percent at which they would ordinarily be set at present—in order to discourage loans. About 20,000 or more veterans are affected—either by having to pay unduly high interest or by being discouraged by the high interest rate from exercising their right to borrow on their policies.

Mr. President, there are a number of very good reasons for exempting these loans from sequestration. First, there are strong legal arguments that the sequestration of the loans is inconsistent with the provisions of Gramm-Rudman and violates the U.S. Constitution. Both arguments were set forth in an April 15, 1986, letter that the Senate and House Veterans' Affairs Committees Chairmen, Senator MURKOWSKI and Representative MONTGOMERY, and ranking minority members, Senator CRANSTON and Representative HAMMERSCHMIDT, sent to the Comptroller General urging him to reconsider his decision, in his January 21 report to the President, that the loans are sequesterable. Very briefly, the statutory argument contends that the making of these loans is exempt from sequestration under the Gramm-Rudman provision, in section 255(g)(2) of Public Law 99-177, exempting from sequestration "prior legal obligations of the Government in . . . [specified] budget accounts", including all of the accounts in question. This argument maintains that the Government's contractual obligations under the terms of these insurance policies, all of which were issued prior to the sequestration order, to make loans in certain amounts are "prior legal obligations" and should thus be considered exempt.

The constitutional argument—based on the fifth amendment prohibition against the Government depriving a person of property without due process of law—contends that the contractual right to a loan is a property interest and that a Gramm-Rudman sequestration of that property right does not satisfy the substantive due process requirements of the fifth amendment. The VA's general counsel seemed to reach that conclusion in a February 14 opinion which he later withdrew, but did not repudiate, on the grounds that the Comptroller General ought to have the first opportunity to rule on the question.

Mr. President, I ask unanimous consent that a copy of the April 15 letter that I have just discussed, together with enclosures, which include the VA general counsel's February 14 opinion, be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD as follows:

CONGRESS OF THE UNITED STATES,
Washington, DC, April 15, 1986.

Hon. CHARLES A. BOWSHER,
Comptroller General of the United States, General Accounting Office, Washington, DC.

DEAR CHARLES: We are writing in connection with the sequestration of direct loans that would otherwise be made to veterans in FY 1986 under the VA-administered insurance policies. This issue was among those raised by Representative MONTGOMERY, Chairman of the House Committee on Veterans' Affairs, in his January 16 and March 6 letters to you.

In Appendix C of your January 21, 1986, report, under section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), you determined that, with certain exceptions unrelated to any Veterans' Administration accounts, the "amount of the required sequestering for each account . . . is the amount shown in the [January 15 report of the Directors of the Office of Management and Budget and Congressional Budget Office]". The Directors of OMB and CBO, on pages 112-14 of their joint report to you, had provided for the FY 1986 sequestration of veterans' insurance-policy loans as follows:

Account title, category	Sequestration baseline	Sequestration
1. Veterans insurance and indemnities: Direct loan limitation	$115,000	$5,000
2. Veterans reopened insurance fund: Direct loan limitation	5,970,000	257,000
3. Service-disabled veterans insurance fund: Direct loan limitation	6,911,000	297,000
4. National service life insurance fund: Direct loan limitation	102,610,000	4,412,000
5. U.S. Government life insurance fund: Direct loan limitation	1,630,000	70,000
6. Veterans special life insurance fund: Direct loan limitation	11,870,000	510,000

With respect to the insurance policies in categories 1, 4, and 6, above, according to the VA, the demand for insurance policy loans in FY 1986 has been substantially less than projected when the baseline figure was estimated and the VA is staying within the limitations by keeping the interest rates at artificially high levels (11 percent).

In the other categories, in order to reduce the total amounts of the loans that would otherwise be made in accordance with the terms of the insurance policies affected, the VA has decided, contrary to the terms of the veterans' insurance policies, to reduce the percentage of the policies' reserve (cash) values that policy holders may borrow. For example, as described in the enclosed March 17, 1986, memorandum prepared by the VA Regional Office and Insurance Center in Philadelphia, the maximum amount for United States Government Life Insurance (USGLI) policy loans has been reduced to 10 percent of the reserve value—compared to 94 percent as specified in the USGLI policies.

Before the decision to restrict insurance policy loans was made, however, the VA's General Counsel issued a February 14, 1986, opinion (which was later withdrawn but the reasoning of which was not repudiated) analyzing issues relating to the constitutionality of the VA restricting or terminating USGLI and National Service Life Insurance (NSLI) policy loans and increasing policy-loan interest rates in order to discourage loan applications. The General Counsel concluded that "the proposed restriction of NSLI and USGLI policy loans would represent an unjustified intrusion on vested property rights and would be subject to challenge as violative of fifth-amendment protections." With respect to policy-loan interest rates, he concluded that, since USGLI rates are fixed by statute (38 U.S.C. 744(c)), the VA lacks authority to alter that rate administratively and that "an increase in NSLI policy-loan interest rates could not . . . be justified on the sole basis of reducing outlays to deal with the [federal] budget deficit." We see no distinction between a decision to increase policy-loan interest rates for such a reason and a decision made for that same purpose not to reduce the rates to the levels at which the VA would ordinarily reduce them in keeping with its legal responsibilities under the insurance programs. Copies of that opinion and the February 19 memorandum withdrawing it are enclosed.

We request that you reconsider, in light of the analysis and conclusions expressed by the VA General Counsel, your January 21 apparent determination that veterans' insurance policy loans were properly required to be sequestered. In doing so, we urge that you re-examine the question of whether the Federal Government's pre-existing contractual obligations under the involved insurance policies to make policy loans are, as we believe, "[p]rior legal obligations of the Government" and, therefore, exempt from sequestration under section 255(g)(2) of Public Law 99-177. In this regard, we note that, in your February 7, 1986, response to Chairman Montgomery, you stated that, in light of section 255(g)(2), you "do not anticipate that the requirements of the Act will violate the government's existing contractual commitments under these [insurance] programs." We have been unable to square this statement with your earlier determination that veterans' insurance policy loans must be sequestered.

If you determine that an exemption for these insurance policy loans is not provided for in section 255(g)(2), we ask that you determine whether the sequestration of these loans is, as the General Counsel's opinion indicates, a violation of the Constitution. In connection with any analysis of the constitutionality of sequestering veterans insurance-policy loans, we believe that it is important to note that sequestration of these loans will have extremely little or no impact on federal deficits.

We also request that you determine a narrower issue which was raised in the March 17, 1986, memorandum prepared by the VA Regional Office and Insurance Center. This issue concerns the propriety of including "capitalized interest" in the direct loan limitation sequester baseline for each of the VA insurance accounts. According to the VA, "[c]apitalized interest [which makes up a major portion of the USGLI and NSLI direct loan limitation sequester baselines] represents the annual interest charged on all outstanding loans issued to policyholders since the inception of the program. . . . The interest is automatically capitalized by the [Automated Data Processing] ADP system and the total amount, whether it is paid by the policyholder or not, is included . . . as part of the total loan obligation amount." We believe that the inclusion of any such capitalized interest in the insurance accounts' direct loan limitation sequester baseline, which resulted in a much larger reduction of new loans under the sequester order, reflected a misinterpretation of Public Law 99-177. Surely, a deficit reduction effort should not entail a reduction in the amount of interest payable to the Government.

Even should you consider that you have no authority to amend your January 21 report, we believe that the President clearly does have the authority and obligation to amend his sequestration order whenever he determines that it is contrary to law or in violation of the Constitution and that your views on these issues could be a strong influence in this regard.

In any event, we believe that it would be advisable for you to review these issues at the present time in order to help avoid any repetition of a mistake that you may find was made under the enormous time pressures under which you were required to prepare your January 21 report.

We appreciate your continuing cooperation on these matters and look forward to receiving your response at your earliest opportunity.

Cordially,

Senate Committee on Veterans' Affairs:
FRANK H. MURKOWSKI,
Chairman.
ALAN CRANSTON,
Ranking minority member.

House Committee on Veterans' Affairs:
G.V. (SONNY) MONTGOMERY,
Chairman.
JOHN PAUL HAMMERSCHMIDT,
Ranking minority member.

[Memorandum from the Veterans' Administration, Feb. 14, 1986]

Item: General Counsel (022).
Subject: Contemplated restrictions on NSLI and USGLI policy loans.
To: Chief Benefits Director (20).

1. You have requested our opinion as to whether the Veterans Administration has legal authority to restrict or terminate the granting of policy loans on contracts of National Service Life Insurance (NSLI) and United States Government Life Insurance (USGLI). You also ask whether the VA may increase policy-loan interest rates for the purpose of discouraging loan applications. In our view, constitutional and other considerations severely circumscribe the Agency's ability to alter current practices regarding NSLI and USGLI policy loans.

2. The Federal courts have long recognized that veterans' insurance policies are contracts of the United States. *E.g., Lynch* v. *United States*, 292 U.S. 571, 577 (1934); *White* v. *United States*, 270 U.S. 175, 180 (1926). The United States is bound by its contracts to the same extent as private individuals. *Perry* v. *United States*, 294 U.S. 330, 351 (1935), *Sinking Fund Cases*, 99 U.S. 700, 719 (1878). Such contracts "are property and create vested rights." *Lynch*, 292 U.S. at 577; *Cf. United States Trust Co.* v. *New Jersey*, 431 U.S. 1, 19 n.16 (1977) (private contract rights are a form of property). Although the clause of the Constitution prohibiting impairment of contracts, article I, § 10, does not apply to Federal action, *Sinking Fund*, 99 U.S. at 718, deprivation of contractual rights by the Federal Government is restricted by the due process and just compensation clauses of the fifth amendment. *Id.* at 718-19, *Lynch*, 292 U.S. at 579; *Thorpe* v. *Housing Authority*, 393 U.S. 268, 278 n.31 (1969). These restrictions apply to administrative as well as legislative action affecting contractual rights. *Thorpe*, 393 U.S. at 280 n.35. Contractual obligations may be impaired "by a law which renders them invalid, or releases or extinguishes them" or one which, without destroying the contract, "derogate(s) from substantial contractual rights." *Id.* at 279; *Home Building*

& Loan Association v. *Blaisdell*, 290 U.S. 398 431(1934).

3. The VA is obligated under its permanent policies of NSLI and USGLI to grant policy loans essentially on demand. Section 706 of United States Code title 38 authorizes the Administrator to promulgate regulations establishing NSLI policy provisions governing loan values and such other provisions as may be found reasonable and practicable. Similarly, section 744(a) of title 38 authorizes regulations to provide in USGLI contracts for loan values and such other provisions for the protection and advantage of insureds and beneficiaries as may be found reasonable and practicable. Regulations governing NSLI and USGLI policies, issued pursuant to this authority provide that under specified conditions "The United States *will* lend to the insured" any amount not exceeding 94 percent of the policy reserve or cash value. 38 C.F.R. §§ 6.100 and 6.101 (USGLI), and 8.28(a) (NSLI) (emphasis supplied). These directory regulations are considered a part of the Agency's contract of insurance. *See United States* v. *Williams*, 302 U.S. 46, 50 (1937); *Lynch*, 292 U.S. at 577, 38 C.F.R. § 8.108 (NSLI regulations constitute part of contract); *see also* policy provisions, *e.g.*, VA Form 9-1661-30 (Aug. 1948), para. 18, stating insurance is subject to regulations. Permanent NSLI and USGLI policies contain language specifically providing that the insured may obtain a loan not exceeding 94 percent of the policy reserve if certain conditions are met. *E.g.*, VA Form 9-1661-30, para. 8 (NSLI); VA Form 9-749 (Sept. 1956), para. 5(d) ("the United States will end") (USGLI).

4. Any attempt to modify these contractual obligations by restricting the availability or amount of policy loans must be considered in terms of its consistency with fifth amendment protections. The Supreme Court has generally accorded only minimal scrutiny to Federal actions affecting contractual obligations between private parties. *E.g.*, *National Railroad Passenger Corp.* v. *Atchison, Topeka & Santa Fe Railway Co.*, 105 S. Ct. 1441, 1455 (1985), *Fleming* v. *Rhodes*, 331 U.S. 100 (1947); *Norman* v. *Baltimore & Ohio Railroad Co.*, 294 U.S. 240, 307-10 (1935). However, the court has recognized that a stricter standard may be necessary where the Federal government seeks to repudiate or alter its own contractual obligations. *National Railroad Passenger Corp.*, 105 S. Ct. at 1455 n.24; *Perry*, 294 U.S. at 350-51, *Norman*, 294 U.S. at 306.

5. Some alteration of the Federal government's contractual obligations is permitted. Modifications have been approved by the Court where substantial contractual rights were not impaired. For example, in *White*, *supra*, the Court approved a statutory amendment retroactively enlarging the permitted class of War Risk Insurance beneficiaries. However, the Court reasoned that since beneficiaries had no contractual rights to insurance benefits, their interests were subject to the actions of the contracting parties. 270 U.S. at 180. Because the change was considered consistent with the intention of the insured no transgression of vested rights was found to have occurred. The Court noted that veterans' insurance was a new experiment in which changes might be found necessary or feasible to carry out the will of the insured. 270 U.S. at 180. The reasoning of *White* was relied on in *Singleton* v. *Cheek*, 284 U.S. 493 (1932), which also involved a retroactive amendment concerning payment of policy proceeds. As in *White*, the change, although it altered contract terms, could be considered an impairment of the insured's interest. In the later *Lynch* case, the Court noted a number of technical or liberalizing modifications to veterans' insurance statutes which did not implicate constitutionally-protected rights of policyholders. 292 U.S. at 577 n.3, 578 n.4; *see also* A.D. No. 762 (1947) (finding statutory enlargement of NSLI contract rights applicable to holders of existing contracts.)

6. However, in the *Lynch* decision, the Court proscribed statutory modification of contractual rights when the attempted modification would rescind rights granted the insured under a policy. *See also Perry*, *supra*, where the court invalidated a law altering the method of payment to the holder of a government bond. In so doing, the Court rejected the position that a contract provision making the policy subject to governing statutes and regulations, as amended, permitted amendments impairing rights granted insureds under the policies. 292 U.S. at 577-78. Similar language is found in present 38 C.F.R. §§ 6.40 and 8.108 and NSLI and USGLI policy terms. Although the Court has not in recent years overturned a Federal law as impairing contractual obligations, this is presumably attributable to careful statutory and regulatory draftsmanship rather than retreat from the principles relied on in *Lynch* and *Perry*. The continued validity of those principles was recognized in *United States* v. *Larionoff*, 431 U.S. 864, 879 (1977), where the Court indicated its reluctance to interpret a statute as depriving a servicemember of compensation for services already performed. *See also National Railroad Passenger Corp.*, 105 S. Ct. at 1455, 1455 n.24.

7. The Court has indicated that the fifth amendment's protection of contractual rights is not absolute, but may yield where paramount Federal power or important national interests are involved. *Larionoff*, 431 U.S. at 880; *Lynch*, 292 U.S. at 579. Such interests could include the Federal police power or national defense. *Lynch*, 292 U.S. at 579; *cf. Rhodes*, *supra*, (contractual obligation between private parties invalidated where national defense implicated). However, the financial interest of the Government is not considered a sufficient basis for impairment of contractual obligations. In *Lynch*, the Court stated flatly "Congress was without power to reduce expenditures by abrogating contractual obligations of the United States." 292 U.S. at 580 (quoted in *Perry*, 294 U.S. at 352), *cf. United States Trust Co.*, 431 U.S. at 29 (contract clause care—a state cannot refuse to meet its financial obligations simply because it would prefer to spend the money to promote the public good rather than the private welfare of its creditors).

8. Several additional factors may be relevant to the validity of Federal action affecting contractual rights, including the extent of the intrusion on established rights, *see Lynch*, *supra*, and the harshness or arbitrariness of the Government's action, *see Railroad Retirement Board* v. *Alton Railroad Co.*, 295 U.S. 330, 357 (1935); *United States Trust Co.*, 431 U.S. at 17 n.13. Whether the Government has sought to make accommodations to lessen the impact of its actions on those whose rights are affected may be of significance. *See United States Trust Co.*, 431 U.S. 29-31. In assessing administrative action affecting contractual rights, a court may consider whether the action is reasonably related to the purposes of enabling legislation under which the action is taken. *Thorpe*, 393 U.S. at 280-81. Finally, whether the presence of the affected contractual provision may have induced a party to enter a contract with the Government may be relevant in determining whether substantial rights are affected by modification of the provision. *See* Op. Sol. 70-53.

9. In light of the principles discussed above, this office has in the past expressed disapproval of several proposals thought to encroach on the Government's contractual obligations under the veterans' insurance programs, such as charging administrative costs or extra hazard costs to the NSLI and USGLI trust funds, or restricting conversion or renewal privileges. *See, e.g.*, Op. Sol. 81-53 (Government could enlarge but not restrict scope of coverage). Although the Department of Justice Office of Legislative Affairs raised no constitutional objections to legislation which became Pub. L. No. 97-66, § 403(a), 95 Stat. 1026, 1031 (1981), changing the manner of payment of benefits under NSLI and USGLI policies, that modification of contract terms is readily distinguishable from the current proposal concerning policy loans. In the former case, the modification in question was considered minor and a reasonable attempt to effectuate the intention of the typical policyholder. Further, notice was to be provided to insureds to permit them to alter beneficiary designations in contemplation of the proposed change.

10. In contrast, the proposal to restrict policy loans impairs what must be considered a substantial right of the policyholder under the insurance contract. In this regard, we note that literature describing the veterans' insurance programs makes reference to loan privileges which may have induced veterans to acquire or maintain their policies. *E.g.*, VA Pamphlet 29-3 (rev. 1970), p. 4. In any event, withdrawal or limitation of the loan privilege clearly conflicts with the understanding and intention of the insured upon entering the contract. The rationale of *White* that veterans' insurance is a new program requiring adjustment cannot now be considered relevant. Further, action based solely on budgetary factors cannot be considered reasonably related to the purpose of the veterans' insurance statutes, which are intended to provide a measure of financial security for veterans and their beneficiaries. *See Stafford* v. *United States*, 128 F. Supp. 435, 437 (W.D. La. 1955); A.D. No. 806 (1949). *See also* 38 U.S.C. § 744(a) (USGLI policy loan provisions to be established for the protection and advantage of the insured and beneficiaries). These considerations, as well as the apparent absence of measures to accommodate the interests of the insureds and the fact the funds available for policy loans were contributed by the insureds rather than Government appropriations, emphasize the arbitrary nature of the proposed action. Finally, the Governmental interest underlying the proposal, being financial in nature, cannot, under the principles discussed above, be considered adequate to justify derogation of contractual policy-loan rights. Thus, we believe the proposed restriction of NSLI and USGLI policy loans would represent an unjustified intrusion on vested property rights and would be subject to challenge as violative of fifth-amendment protections.

11. Turning to the alternative of raising interest rates on policy loans in order to discourage borrowing, we note policy-loan interest rates under the USGLI program are fixed by statute at an annual rate of 5 percent. 38 U.S.C. § 744(c). The VA is without authority to alter this rate administratively,

and any such action would be invalid. *See Miller* v. *United States*, 294 U.S. 435 (1935).

12. Statutes governing NSLI insurance do not prescribe policy-loan interest rates, leaving this to the discretion of the Administrator under the general rulemaking authority of 38 U.S.C. § 706. This discretion is preserved under implementing regulations, 38 C.F.R. § 8.28(a), and under the terms of permanent NSLI policies which state "[t]he loan will bear interest at a rate to be determined by the Administrator." Interest rates for new loans are currently fixed at 11 percent. 38 C.F.R. § 8.28(d).

13. Despite the Administrator's discretion to establish NSLI policy-loan rates, his authority in this area is not completely unfettered. Establishment of prohibitively high interest rates for the purpose of discouraging loan applications would likely be considered a derogation of substantial contractual rights of insureds to obtain loans and would be subject to challenge on the same basis as a flat restriction on policy loans. A moderate increase in loan rates, which could result in a marginal reduction in the number of loan applications, would be more defensible from a constitutional standpoint, but would be subject to some legal restrictions.

14. Under the terms of 38 U.S.C. § 706, regulations governing NSLI are required to be reasonable and practicable. In evaluating whether regulations meet this standard, we must consider the objective of the NSLI statutes, the purpose of policy-loan interest, and the Administrator's responsibility as trustee of the NSLI fund. As noted above, the principle objective of the NSLI program is to provide a measure of security to veterans and their beneficiaries. Modification of interest rates to meet Federal budgetary objectives unrelated to the NSLI program, rather than to aid policyholders or to preserve the integrity of the NSLI trust fund, could be considered inconsistent with the purposes of the program and thus unauthorized.

15. Reference to the purpose of policy-loan interest is instructive in assessing the reasonableness of any action affecting interest rates. As stated by Justice Holmes in *Board of Assessors* v. *New York Life Insurance Co.*, 216 U.S. 517, 522 (1910), policy-loan interest is intended to represent the estimated amount the borrowed funds would have earned had they been retained and invested by the insurer. *See also* 75 Op. Sol. 351 (1944). Thus, the interest insures that the granting of loans in no way impairs the funds available to pay insurance claims. Consistent with this principle, the VA, in establishing the current 11 percent interest rate, expressed its intention to maintain the interest rate on NSLI policy loans at slightly below rates charged in private money markets. 46 Fed. Reg. 38,690 (1981). Administrative action raising interest rates above the rate which could be obtained by investment of the funds would be inconsistent with the commonly accepted purpose of policy-loan interest.

16. Finally, section 720 of title 38 establishes the NSLI Fund as a permanent trust fund to be administered by the Administrator and the Secretary of the Treasury. The VA has recognized that as trustee of this fund the Administrator is subject to equitable trust principles applicable to trustees of private trusts. *See* A.D. No. 804 (1949). Among these principles is the requirement that, in matters affecting the trust, a trustee bear an unwavering loyalty to the trust beneficiaries, to the exclusion of all other interests. *N.L.R.B.* v. *Amax Coal Co.*, 453 U.S. 322, 329 (1981); *Restatement (Second) of Trusts* § 170 (1) (1957). Under this principle, the interests of NSLI insureds and beneficiaries must be the paramount consideration in setting policy-loan interest rates.

17. Accordingly, an increase in NSLI policy-loan interest rates could not in our view be justified on the sole basis of reducing outlays to deal with the budget deficit. Other considerations could, however, provide some basis for modification of NSLI loan rates. In particular, changes in the return available on trust-fund investments could provide a basis for amendment of loan rates. Other possible rationales include limitation of borrowing to preserve policy values for the protection of beneficiaries and enhancement of funds available as potential dividends for all policy-holders. We leave to your discretion whether these considerations would justify changes in NSLI policy-loan rates at the present time.

DONALD L. IVERS.

MAXIMUM LOAN VALUES AVAILABLE TO POLICYHOLDERS AS A RESULT OF THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT

As a result of the Gramm-Rudman legislation, an obligation limitation was imposed on the United States Government Life Insurance (USGLI) program for policy loans in the amount of $1,563,000. This line item in the budget consists of two components. The first is disbursed money, that is, new loans made to policyholders. The second item is interest which is charged on all outstanding loans in the program. This interest is automatically added to the loan on the anniversary date of the loan. The total amount of interest charged to all outstanding loans is included in the program's financial statement as part of the total loan obligation amount. The only way that this interest charged could be reduced would be by reducing the interest rate or by deferring the charging and billing of interest until after October 1.

In the USGLI program we currently estimate that $1,193,000 in interest has been or will be added during the current fiscal year. As of March 31, 1986, we will have lent out $313,000 in new loans to USGLI policyholders. Consequently, we are already committed to $1,506,000 in loan obligations for this program. That leaves us a balance of $57,000 which may be lent to policyholders from April 1, 1986 through September 30, 1986. We further estimated that the average reserve value for the policies that we receive loan applications on for the balance of the year is $3,400. In order to grant loans to each of the 138 policyholders whom we expect to submit applications during the remainder of the year, we could only lend them 10 percent of the maximum loan value to ensure that we do not lend more than $47,000 (with a $10,000 margin for errors in either the number of loans or amount of interest added) that is still available under the ceiling imposed by OMB.

A similar process was also used in arriving at maximum loan values that could be granted in the Veterans Reopened Insurance (VRI) program in order to continue lending money through the fiscal year. A spreadsheet is attached which provides a summary of the estimated amount of new money lent through March 31 of the fiscal year, together with the total estimated interest that will be charged in each program and how the combined total relates to the total obligation limitation for the year.

(Prepared by: VAROIC, Philadelphia, PA, March 17, 1986)

INSURANCE POLICY LOAN OBLIGATIONS

The loan obligation line item which was sequestered by the Gramm-Rudmann legislation consists of two components; disbursed money and capitalized interest. The disbursed money represents new loans made to policyholders during the year. Capitalized interest represents the annual interest charged on all outstanding loans issued to policyholders since the inception of the program. The interest is added (capitalized) to the principal balance on the anniversary date of the loan each year. The interest is automatically capitalized by the ADP system and the total amount, whether it is paid by the policyholder or not, is included in the program's financial statement as part of the total loan obligation amount.

Since capitalized interest is not controllable, all of the sequestered funds must be taken from disbursed money (new loans). For the USGLI program, new loans represented only 29 percent of the total estimated loan obligations in the FY 87 Budget Submission for the current fiscal year.

The attached chart represents the current status of the three programs that are expected to reach the ceiling.

	New loans through Feb. 28, 1986	Estimated capped interest fiscal year 1986	Total	Fiscal year 1986 obligation limitation	Balance available for new loan disbursements Mar. 1, 1986 to Sept. 30, 1986	Projected short fall
USGLI (K)	$255,000	$1,193,000	$1,448,000	$1,563,000	$115,000	$290,000
VRI (J)	1,623,000	2,412,000	4,035,000	5,715,000	1,680,000	647,000
SDVI (RH)	1,771,000	2,468,000	4,239,000	6,614,000	2,375,000	354,000

FEBRUARY 19, 1986.

General Counsel (022).

Return of February 14, 1986, memorandum re Contemplated Restrictions on NSLI and USGLI Policy Loans Chief Benefits Director (20).

1. Please return the original and all copies of my memorandum to you of February 14, 1986, captioned "Contemplated Restrictions on NSLI and USGLI Policy Loans."

2. Although we believe the memorandum presents a legal argument that might well prevail if raised in litigation, our continuing review of the provisions of the Balanced Budget and Emergency Deficit Control Act of 1985 convinces us that the authority for interpreting the Act of 1985 convinces us that the authority for interpreting the Act rests in the first instance with the Office of Management and Budget (OMB) and Congressional Budget Office (CBO) and, ultimately, with the Comptroller General of the United States. While the legal discussion in our memorandum may ultimately be found to be correct, the provisions of the Act, and any future Comptroller General interpretations may alter the legal framework within which our opinion was drafted. Furthermore, such an attempt to interpret the Act would contravene Congress' expressed intent to place the responsibility for deciding such questions solely within the authority of OMB and CBO and, ultimately, the Comptroller General.

3. Accordingly, please return the original and all copies of our February 14 memorandum and take appropriate steps to insure that the discussion therein is not viewed or expressed as the Agency's position on the issues presented.

4. Your cooperation in this matter is appreciated.

DONALD L. IVERS.

Mr. DECONCINI. Second, Mr. President, the exemption of these insurance loans would not cost the taxpayers anything. The loans are made from trust funds and are entirely risk-free. If the veteran dies before paying back the loan, the outstanding amount of the loan plus interest is deducted from the proceeds paid to the beneficiary. Also, once the outstanding amount of the loan plus interest rises to the amount of the cash value of the policy, the policy is canceled just as though the veteran had surrendered it for cash value.

Third, although from a bookkeeping standpoint sequestering these risk-free loans reduces outlays in the year of the sequestration, in the following years outlays would be increased as the result of interest payments and recoupments of principal—through repayments, reductions in proceeds, or cancellations of policies—not being realized in those years. Over the long term, the deficit impact would be virtually zero since any net increases or decreases in outlays resulting from sequestration would likely be offset by corresponding adjustments in dividends or premiums or both.

Fourth, some corrective legislation seems to be required to remedy certain very serious inequities arising from the manner in which sequestration has been implemented. The sequestration base includes a totally nonsensical component—the estimated amount of interest accruing during the year on all outstanding loans. The Congressional Budget Office, the Office of Management and Budget, and the Comptroller General all included this so-called capitalized interest in the sequestration baseline despite the fact that it would make no sense to try to combat the deficit by reducing the amount of interest payable to the VA for deposit in the insurance trust funds.

Since persons with insurance loans will continue to be charged interest without regard to the artificial Gramm-Rudman cap, the total VA-administered insurance sequester amount will have to be made up by reducing the amount that will be loaned, Hence, this reduction will be grossly disproportionate to the percentages by which sequestered programs generally will be reduced—4.3 percent. In the case of U.S. Government life insurance, for example, capitalized interest for fiscal year 1986 accounts for $1.19 million of the $1.63 million sequestration baseline and 76 percent of the maximum obligations, $1.56 million, permitted under the sequestration order. Because the entire sequestration must be taken from new direct loans, which constitute only 24 percent of the capped obligations, and the demand for loans this year has been greater than expected in this program, the VA recently estimated that sequestration will require a 44-percent reduction in the total amount of the loans that would otherwise be made under this program.

Mr. President, my bill would exempt veterans' insurance policy loans as of the date of the sequestration, March 1, 1986.

HOME LOAN GUARANTIES

In connection with the Veterans' Affairs Committee's February 20 hearing on the VA's budget and the consideration of legislation, enacted as Public Law 99-255 on March 7, 1986, to increase the fiscal year 1986 cap on VA-guaranteed loan commitments, the committee's ranking minority member [Mr. CRANSTON] expressed the view that the application of sequestration to the VA's home-loan guaranty program reflected a misinterpretation of Gramm-Rudman. In his statement upon introducing legislation, S. 2052, providing for the increase—beginning on page S1065 of the RECORD for February 5—he pointed out that, under Gramm-Rudman, sequestration is to be applied to various programs only where it achieves a reduction in the deficit during the year in which the sequestration order is in effect.

Mr. President, in the case of VA home loan guaranties, sequestration means an increase in the deficit by an amount approximately equal to 1 percent of the amount of the sequestration. This is so because fees are foregone when loans are sequestered and the fee is 1 percent of the loan amount. Thus, in fiscal year 1987, if the baseline estimate for VA-guaranteed loans were $20 billion, a 15-percent sequestration applied to VA-guaranteed loans would mean a $3 billion reduction in loans and, as a result, a nearly $30 million increase in the fiscal year 1987 deficit.

The counterargument, of course, is that sequestration would reduce the deficits in the outyears—as a result of reduced defaults in those years. However, I do not believe that it is reasonable to apply sequestration, nor do I believe Gramm-Rudman is intended to apply it, to a program for the sole purpose of achieving a deficit reduction in future years when it cannot be known whether sequestration will be required in any of those years.

Mr. President, I would also note that many of the loans—about 28 percent of the loan applications the VA received in March—are for the refinancing of VA-guaranteed loans with high interest rates. Allowing those loans to be refinanced at lower interest rates reduces the possibility of default. Thus, prohibiting VA-guaranteed refinancing loans would increase future deficits, not decrease them.

My bill would exempt the VA's home loan guaranty program from sequestration effective as of the date of the fiscal year 1986 sequestration, March 1, 1986. As I noted earlier, Representative SHELBY's bill, H.R. 4130, would do the same.

CONCLUSION

Mr. President, this legislation provides for fairer treatment of veterans' programs under Gramm-Rudman and corrects certain inequities and misinterpretations that have occurred in the implementation of that law. I wish to emphasize once again that this bill does not seek to undermine Gramm-Rudman or alter its basic structure.

In fact, in the cases of the revolving funds, the insurance policy loans, and loan guarantees, the provisions of my bill would remedy highly questionable interpretations made in implementing Gramm-Rudman and provide for corrections which I believe Congress would have made in Gramm-Rudman before final passage if there had been the time and opportunity for more thoroughgoing deliberations, including committee hearings and reports on that measure, in the Congress.

In the cases of the proposed exemptions for service-connected benefits, I believe they are fully consistent with the existing Gramm-Rudman exemptions for VA compensation for service-connected disabled veterans and dependency and indemnity compensation for the survivors of those who have died from service-connected causes.

Mr. President, I urge all of my colleagues to examine these issues very carefully and to join with me in support of this initiative. This legislation, along with S. 2422, which Senators MURKOWSKI and CRANSTON introduced today, and the subject matter of S. 2186 and S. 2187 will be covered along with other measures in a Veterans' Affairs Committee hearing on May 14.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2423

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REFERENCES TO TITLE 38, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SEC. 2. BENEFITS BASED ON SERVICE-CONNECTED DISABILITY OR DEATH.

(a) BURIAL BENEFITS.—Section 907 is amended—

(1) by inserting "(a)" before "In"; and

(2) by adding at the end the following new subsection:

"(b) Benefits under this section shall be provided, except as otherwise provided by a law enacted in express limitation of this section, in accordance with this chapter and other laws administered by the Veterans' Administration and without regard to any law provided for the cancellation of authority to make payments.".

(b) SPECIALLY ADAPTED HOUSING AND MORTGAGE PROTECTION LIFE INSURANCE.—(1) Chapter 21 is amended by adding at the end the following new section:

"§ 807. Laws governing benefits.

"Benefits under this chapter shall be provided, except as otherwise provided by a law enacted in express limitation of this section, in accordance with this chapter and other laws administered by the Veterans' Administration and without regard to any law providing for the cancellation of authority to make payments.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"807. Laws governing benefits.".

(c) REHABILITATION SERVICES AND ASSISTANCE.—(1) Chapter 31 is amended by adding at the end the following new section:

"§ 1522. Laws governing benefits.

"Benefits under this chapter shall be provided, except as otherwise provided by a law enacted in express limitation of this section, in accordance with this chapter and other laws administered by the Veterans' Administration and without regard to any law providing for the cancellation of authority to make payments.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"1522. Laws governing benefits.".

(d) SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE.—(1) Subchapter VI of chapter 35 is amended by adding at the end the following new section:

"§ 1764. Laws governing benefits.

"Benefits under this chapter shall be provided, except as otherwise provided by a law enacted in express limitation of this section, in accordance with this chapter and other laws administered by the Veterans' Administration and without regard to any law providing for the cancellation of authority to make payments.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1763 the following new item:

"1764. Laws governing benefits.".

(e) ADAPTED AUTOMOBILES AND ADAPTIVE AUTOMOBILE EQUIPMENT.—(1) Chapter 39 is amended by adding at the end the following new section:

"§ 1905. Laws governing benefits.

"Benefits under this chapter shall be provided, except as otherwise provided by a law enacted in express limitation of this section, in accordance with this chapter and other laws administered by the Veterans' Administration and without regard to any law providing for the cancellation of authority to make payments.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"1905. Laws governing benefits.".

(f) EXCLUSION OF CERTAIN BENEFITS FROM THE COMPUTATION OF REDUCTIONS IN BUDGET ACCOUNTS.—In the computation of the amount by which any budget account from which the payment of a benefit under section 907 or chapters 21, 31, 35, or 39 of title 38, United States Code, must be reduced during a fiscal year pursuant to a law providing for the cancellation of authority to make payments, the amount included in such account for the payment of such benefit during such fiscal year shall be excluded.

SEC. 3. VETERANS' INSURANCE-POLICY LOANS.

(a) Subchapter IV of chapter 19 is amended by adding at the end the following new section:

"§ 789. Laws governing making of loans.

"Loans under any insurance program administered by the Administrator shall be made, except as otherwise provided by a law enacted in express limitation of this section, in accordance with this chapter and other laws administered by the Veterans' Administration and without regard to any law providing for the cancellation of authority to make direct loan obligations.".

(b) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"789. Laws governing making of loans.".

SEC. 4. REVOLVING FUNDS.

(a) SPECIAL THERAPEUTIC AND REHABILITATION ACTIVITIES FUND.—(1) Section 618(c) is amended by inserting at the end the following new paragraph:

"(4) Moneys in the fund shall be paid, except as otherwise provided by a law enacted in express limitation of this paragraph, in accordance with this section and other laws administered by the Veterans' Administration and without regard to any law providing for the cancellation of authority to make payments.".

(b) CANTEEN SERVICE REVOLVING FUND.—Section 4205 is amended—

(1) by inserting "(a)" before "The"; and

(2) by adding at the end the following new subsection:

"(b) Moneys in the revolving fund shall be expended, except as otherwise provided by a law enacted in express limitation of this section, in accordance with this chapter and other laws administered by the Veterans' Administration and without regard to any law providing for the cancellation of authority to make payments.".

SEC. 5. HOME LOAN GUARANTIES.

(a) Subchapter III of chapter 37 is amended by adding at the end the following new section:

"§ 1831. Laws governing guaranties of home loans.

"A loan made for a purpose described in section 1810(a) or section 1819(a)(1) of this title shall be guaranteed, except as provided by a law enacted in express limitation of this section, in accordance with this chapter and other laws administered by the Veterans' Administration and without regard to any law providing for the cancellation of authority to make loan guarantee commitments.".

(b) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1830 the following new item.

"1831. Laws governing guaranties of home loans.".

SEC. 6. EFFECTIVE DATES.

(a) Except as provided in subsection (b), the amendments made by and provisions of this Act shall take effect on October 1, 1986.

(b) The amendments made by sections 3 and 5 shall take effect as of March 1, 1986.●

By Mr. THURMOND:

S. 2424. A bill to amend the interest provisions of the Declaration of Taking Act; to the Committee on the Judiciary.

S. 2425. A bill to amend section 3565 of title 18 of the United States Code to provide for the payment to the clerk of the court of fines or penalties imposed by a U.S. magistrate, and for other purposes; to the Committee on the Judiciary.

DECLARATION OF TAKING ACT AMENDMENTS AND AMENDMENT OF SECTION 3565 OF TITLE 18, UNITED STATES CODE

Mr. THURMOND. Mr. President, on behalf of the administration, I am introducing today two pieces of legislation.

The first proposal would replace the 6-percent interest rate with an award of judgment under the Declaration of Taking Act with a more appropriate figure based on yield rates of an average auction price of 1 year Treasury bills. This formula was used in the Federal Courts Improvements Act of 1982, and, according to testimony at the hearings and the legislative history of that act, it is a reasonable alternative to a fixed interest rate.

The Justice Department indicates that the judges favor a higher interest rate than 6 percent, but the judges do not agree on what should be done, or whether legislative action should be taken. It makes sense to have uniformity in establishing an interest rate rather than a set rate, so that no condemnee can claim that he may have

suffered discrimination. Such discrimination may be claimed if it were left up to the individual court or if an unrealistic figure were set.

The second proposal would resolve a problem foreseen in the legislative history to Public Law 98-596, the Criminal Enforcement Act. In that act, criminal fines were to be paid to the Department of Justice, rather than to the Clerk of Court. Further, in some instances, the clerk of court could collect fines and forward them to the Justice Department. The act did not specify what these instances were. This proposal clarifies that all criminal fines imposed by district courts are to be paid to the Department of Justice; fines imposed by magistrates will be paid to the magistrates' clerks and forwarded to the Department of Justice. Since magistrates' offices are often not physically near the district court office, it would not be cost-effective for the Justice Department to have staff present at all magistrate hearings.

Mr. President, I ask unanimous consent that the bills I am introducing and the letters of transmittal from the Department of Justice be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2424

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 258a of Title 40, United States Code, is amended by striking "interest at the rate of 6 per centum per annum on the amount finally awarded as the value of the property as of the date of taking, from said date to the date of payment", and inserting in lieu thereof "interest at a rate as provided by Section 258g of this title."

SEC. 2. Title 40 of the United States Code, is amended by adding after section 258f the following new section:

"258g. Same; interest rate formula to be applied to the amount awarded from the said date of the award to the date of payment

"Interest required to be paid under the foregoing provisions of this Act shall be calculated by the district court as follows:

"(1) Where the period for which interest is owed does not exceed one year, interest shall be calculated for such period from the date of taking at an annual rate equal to the coupon issue yield equivalent (as determined by the Secretary of the Treasury) of the average accepted auction price for the last auction of fifty-two week United States Treasury bills settled immediately prior to the date of taking.

"(2) Where the period for which interest is owed is more than one year, interest for each additional year shall be calculated on the combined amount of the principal (the amount by which the award of compensation exceeds the deposit) and accrued interest at an annual rate equal to the coupon issue yield equivalent (as determined by the Secretary of the Treasury) of the average accepted auction price for the last auction of fifty-two week United States Treasury bills settled immediately prior to the beginning of each additional year. The Director of the Administrative Office of the United States Courts shall distribute notice of those rates and any changes to all federal judges."

S. 2425

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (d)(2) of section 3565 of title 18 of the United States Code is amended by—

(a) adding the following as the first sentence thereof:

"The defendant shall pay to the clerk of the court any amount due as a fine or penalty as a result of a sentence imposed by a United States Magistrate."; and

(b) inserting the word "other" before the word "specified".

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AND
INTERGOVERNMENTAL AFFAIRS,
Washington, DC.

The VICE PRESIDENT,
U.S. Senate, Room S-212, The Capitol, Washington, DC.

DEAR MR. VICE PRESIDENT: In order to solve a long-standing problem encountered in eminent domain cases brought in district courts under the Declaration of Taking Act (40 U.S.C. 258a), the Department of Justice is recommending the attached proposal to define a uniform statutory rate of interest which should be fair to all condemnees as well as to the government. Specifically, our proposal amends the Declaration of Taking Act, which provides for a six-percent interest rate with an award of judgment.

While this rate of interest may have been satisfactory in 1931 (when the statute was enacted), it may no longer be satisfactory today in view of recent and current interest rates. In fact, in many recent cases, the principal issue has been how the appropriate interest rate should be determined and who should determine that rate. Although the courts have agreed that the six-percent interest rate should be considered as a floor rather than a ceiling, they have not agreed as to the appropriate interest and securities which should be examined to determine the interest rate. Also, the courts have recognized a countervailing policy of favoring a uniform interest rate applicable to all condemnees in order to avoid discrimination among condemnees. As is evident, a legislative remedy is both appropriate and necessary in order to resolve the problems inherent in deciding the interest rate question on a case-by-case, court-by-court basis.

Despite the possibility that courts may balk at a congressional solution to a long-standing judicial function, the Department believes that such instances will be extremely isolated, if not unlikely. In addition, as one court has noted, the rate of interest set by a statute can be applied to a claim for just compensation if such rate is reasonable and judicially acceptable.[1] Indeed, the Department believes that the recommended amendment provides a reasonable and judicially acceptable rate of interest and that the courts will defer to the formula.

Therefore, the Department of Justice recommends to the Congress that it amend 40 U.S.C. 258a in order to completely satisfy the requirement for just compensation. This could be accomplished by amending § 258a to provide for an interest rate similar to one previously approved by Congress and found at 28 U.S.C. 1961. The proposed amendment requires the district court to follow a statutory formula which is based on the yield rates of one-year Treasury bills, using the average accepted auction price of the last auction of the bills settled immediately prior to the date of the taking. If interest is owed for more than one year, our amendment provides for compounded interest using the same formula but based on the auction price for each additional year. This is patterned after the provisions of 28 U.S.C. 1961, providing for the calculation of post-judgment interest by reference to the rates on one-year Treasury bills. That Act further provides that the Director shall distribute notice of the one-year Treasury bill rates and any changes in it to all Federal Judges. Thus, an established mechanism exists for advising Federal Judges of these rates and changes therein.

I have attached a copy of our proposed amendment to 40 U.S.C. 258a which provides for the revised interest rate. The Department is available to provide further assistance, if necessary, to ensure the enactment of this proposed amendment.

The Office of Management and Budget has advised this Department that there is no objection to the submission of this legislative proposal to the Congress.

Sincerely,

PHILLIP D. BRADY,
Acting Assistant Attorney General.

U.S. DEPARTMENT OF JUSTICE,
Washington, DC, July 18, 1985.

The VICE PRESIDENT,
U.S. Senate,
Washington, DC.

DEAR MR. VICE PRESIDENT: Enclosed for your consideration and appropriate reference is a legislative proposal to amend section 3565 of title 18 of the United States Code to provide for the payment to the clerk of the court of fines or penalties imposed by a United States magistrate. Because of the nature of cases tried by United States magistrates, this proposal would provide for more effective and efficient procedures to assure the payment of fines and penalties imposed by magistrates than currently provided for in the law.

Procedures for the payment of fines were significantly changed by passage of the Criminal Fine Enforcement Act of 1984, Pub. L. No. 98-596. Prior to passage of that statute, fines were paid to the clerk of the court, who forwarded the payment to the United States Treasury. The Act provided, in 18 U.S.C. § 3565(d), for the payment of any amount due as a fine or penalty to the Attorney General, except to the extent that the Attorney General and the Director of the Administrative Office of the United States Courts jointly provided by regulation that fines and penalties for "specified categories of offenses" be paid to the clerk of the court. This provision applies with respect to offenses committed after December 31, 1984, according to section 10 of the Act. Offenses committed prior to that date are subject to the procedure that existed prior to the enactment of the Criminal Fine Enforcement Act.

The proposed legislation is needed because it is simply not cost-effective to the Government to have the United States Attorneys receive payment of fines and penalties imposed by magistrates. The key to successful collection in petty offense cases is

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[1] *County of Nassau v. Eneandra Enterprises, Inc.*, 42 N.Y. 2d 849, 397 N.Y.S. 627, 366 N.E. 2d 287 (1977) *appeal dismissed for want of substantial federal question*, 434 U.S. 804, 98 S.Ct. 34, 54 L.Ed 2d 62 (1977).

immediate, in-court payment. However, the United States Attorneys' offices have no physical presence, at least on a regular basis, in most magistrates' courts, and directing a representative of the United States Attorney to the courts to receive payment would in most instances not be cost-effective, given the relatively small amounts of the fines or penalties involved. In fact, in a majority of cases the United States Attorney's office is not located in the same city or town as the magistrate's court. On the other hand, without legislation providing for receipt of payment of fines and penalties in magistrate cases by the clerk of the court, the only options remaining would be for the magistrate to direct convicted defendants to the nearest United States Attorney's office for payment of a fine or penalty or the use of a mail-in system of payment. Not only would these procedures create unnecessary inconvenience for the defendant, but it is highly likely that many fines would go unpaid. We firmly believe that without a mechanism for in-court payment of fines and penalties in petty offense cases, costly collection efforts for relatively small fines would too often become the only recourse.

The clerks of court are best suited to perform the ministerial function of receiving payment of fines and penalties due as a result of a sentence imposed by a United States magistrate. Regardless of whether the Department of Justice or the clerks of court receive payment of fines, the services of clerks of court are necessary in magistrate cases for the maintenance of case records and related functions. Conversely, the Department would have to hire new personnel and create records for anywhere from 100,000 to 200,000 new cases a year.[1] The duplication of records alone would result in a serious waste of taxpayers' money at a time when Congress and the Administration are making an effort to reduce spending because of the budget deficit. Finally, the clerks of court can rely upon their existing procedures and expertise in carrying out a function they have carried out for years in the past to assure receipt of payment and the proper recording of transactions.

It should be pointed out that the transfer of responsibility to the Department for the receipt of fine payments occurred simultaneously with the creation of mandatory assessments in all cases to provide funds for the Crime Victims Fund.

There appears to be little reason for the Department to process fines for magistrate cases even if the additional staffing were to come from a transfer of positions from the courts. Unlike district court cases, magistrate cases are not evenly distributed among districts in a manner that is proportional to the population of the districts or to local United States Attorney staffing. Most districts have relatively low magistrate court caseloads; hence it would not be cost-effective to transfer court personnel, who must handle a variety of court functions anyway, to the United States Attorney's offices in these districts solely for the purpose of processing fines imposed by magistrates. Nor would it be cost-effective to send United States Attorney personnel to the outlying courts in these districts on a case-by-case basis to receive payment of fines and penalties. On the other hand, some districts, most with small United States Attorney's offices, have very large magistrate court caseloads due to the presence of a military base or federal park land. While it might be possible in those situations to transfer a fixed number of court personnel to the Department for this purpose, it would be disruptive to the courts and to the system of processing fines that has long been in place and would not result in increased overall efficiency in the processing of fine payments. Further, it makes sense to utilize the same fine payment system for all magistrate court cases. In short, the processing of fine payments by United States Attorney personnel is in neither instance more efficient than fine processing by court personnel. In most situations it is dramatically less efficient.

Assigning responsibility to the clerk of the court for the receipt of payment of fines and penalties imposed as a result of sentencing by the United States magistrates is not contrary to the concepts prompting the congressional amendment of 18 U.S.C. § 3565 in the Criminal Fine Enforcement Act of 1984. This section provides in subsection (d)(2) for payment to the clerk of the court of fines and penalties for "specified categories of offenses," as jointly provided by regulation by the Attorney General and the Director of the Administrative Office of the United States Courts. As noted in the House report which accompanied the bill enacted:

"There may be circumstances in which it would be better for the fine to be paid to court clerks. For example, the fine may be imposed by a United States Magistrate for a traffic offense on a Federal reservation, and the only officials present are the court personnel and the ticketing officer, who is from an agency outside of the Justice Department. Payment of the fine on the spot is more convenient for the defendant, more efficient for the Government, and likely to result in a higher rate of collection. H.R. Rep. No. 906, 98th Cong., 2d Sess. 8 (1984) citing appendix to prepared statement of Judge Gerald Bard Tjoflat."

Nonetheless, the Department and the Administrative Office of the United States Courts have not been able to reach an agreement, pursuant to 18 U.S.C. § 3565(d)(2), to maintain responsibility for fine receipt in magistrates' courts. Under the present statute, the Department of Justice would be constrained to receive payment of fines and penalties in these cases despite the difficulties cited above and the potential crises that may arise. The enclosed legislative proposal would solve these problems without creating any new uncertainties.

The Office of Management and Budget has advised this Department that there is no objection to the submission of this proposal from the standpoint of the Administration's program.

Sincerely,

(Signed) JACK E. PERKINS
(For Phillip D. Brady),
Acting Assistant Attorney General.

By Mr. COHEN (for himself and Mr. LEVIN):

S. 2426. A bill to amend the Contract Disputes Act of 1978 to require that a competitive examination process be used for the selection of members of boards or contract appeals of Federal Government agencies; to provide that the members of such boards shall be treated in the same manner as administrative law judges of the Federal Government for certain administrative purposes; and to revise the procedures for the collection of claims under Federal Government contracts; to the Committee on Governmental Affairs.

CONTRACT DISPUTES ACT AMENDMENTS

● Mr. COHEN. Mr. President, today Senator LEVIN and I are introducing legislation, the Contract Disputes Act Amendments of 1986, to enhance the independence and efficiency of the contract disputes process.

The first title incorporates revised language from a bill we introduced earlier this year, S. 2223, the Board of Contract Appeals Independence Enhancement Act, that would provide protections for administrative judges who serve on agency boards of contract appeals to insulate them from agency control.

The second title incorporates revised language from an administration bill, S. 2006, the Contract Disputes Act Amendments of 1985, that would impose reasonable deadlines for submitting contractor claims, as well as for appealing contracting officer's decisions.

Boards of contract appeals [BCA's], as my colleagues may know, are authorized under the Contract Disputes Act of 1978 to provide an administrative forum for resolving contract disputes.

Currently, BCA judges are selected by the individual agencies on whose boards they serve, and may be summarily removed without any independent review. Administrative law judges [ALJ's], by comparison, are selected from a Governmentwide register established by the Office of Personnel Management, and may only be removed for good cause after a hearing before the Merit Systems Protection Board.

These differences, according to the General Accounting Office, contribute to the perception that BCA judges are not as independent as ALJ's. In a September 1985 report, the GAO found that:

> Because no independent body, like the OPM, issues Governmentwide regulations for the selection and appointment of board members, and because the [Contract Disputes Act] is unclear concerning any removal protections, members of boards of contract appeals are not as insulated as they could be from agency control.

To alleviate this perception problem, the GAO recommended in its report that:

> The Congress may want to consider amending the Contract Disputes Act of 1978 * * * to give the Office of Personnel Management and the Merit Systems Protection Board roles in [the BCA judge's selection and removal] processes.

S. 2223, as originally introduced, effectively implemented the GAO's rec-

[1] This estimate is based on survey data provided to us by our 94 United States Attorneys' offices who obtained figures from local clerks' offices. These figures exclude uncontested forfeitures of collateral. We are currently reviewing the data provided so we can establish a more accurate estimate.

ommendation by extending to BCA judges the selection and removal protections afforded to ALJ's under the Administrative Procedure Act.

The bill was circulated to the following agencies and organizations for comment: the Office of Federal Procurement Policy, the Office of Personnel Management, the Department of Defense, the General Services Administration, the National Aeronautic and Space Administration, the Armed Services Board of Contract Appeals, the General Services Board of Contract Appeals, the NASA Board of Contract Appeals, the General Accounting Office, the Public Contract Law Section of the American Bar Association, the Federal Bar Association, and the National Conference of Boards of Contract Appeals Members.

The comments received to date supported S. 2223's objective, but recommended changes to clarify some provisions and to strengthen others. These changes, described below, are incorporated in the new bill we are introducing today.

Title I of the CDA amendments clarifies that BCA judges, like ALJ's, would be placed in the competitive service, subject to the competitive examination conducted by the Office of Personnel Management. Both the OPM and the GAO raised concern that S. 2223 was unclear about whether or not BCA judges would be placed in the competitive service. Our new bill clarifies any ambiguity.

The BCA chairman recommended that the examination for BCA judges should take into consideration the requirement under the Contract Disputes Act for 5 years public contract law experience, and also that those candidates qualified to serve as BCA judges should be placed on a register separate from ALJ's. To implement these recommendations, our new bill requires that the competitive examination for BCA judges be designed to demonstrate, among other appropriate qualifications, the applicant's public contract law experience, and a separate register be established and maintained for candidates eligible for appointment to agency boards.

It is our intent that individuals selected from the OPM register for appointment as BCA judges are to be career absolute appointments, as are ALJ's. This is necessary, according to the Federal Bar Association, because it has long been recognized that probationary or career-conditional appointments are incompatible with the judicial function and with the exercise of decisional independence. Our intent will be reflected in the report accompanying this legislation when voted from committee.

Several of the comments received also pointed out that present law permits OPM to delegate its responsibility for administering competitive examinations to the heads of agencies employing persons in the competitive service. There is a prohibition, however, against the delegation of this responsibility in the case of competitive examinations for ALJ's.

Absent any language prohibiting the delegation of responsibility for examining BCA judges, there is nothing to preclude agencies from conducting their own competitive exams—which would get us back to where we started. The OPM, BCA judges, GAO, FBA, and others recommended that the language should be revised to extend this prohibition to apply to the selection of BCA judges. Our bill adopts this recommendation.

In addition to the protections originally provided in S. 2223, the consensus among those who commented was that BCA judges should be afforded the full panoply of ALJ protections if they are to be truly insulated from agency control. The bill we are introducing today would exempt BCA judges from performance evaluations by their agencies, guarantee them periodic step increases, and permit their reemployment in certain cases, thus providing BCA judges with the protections afforded ALJ's.

Finally, both the BCA chairmen and the public contract law section of the ABA strongly recommended that present BCA judges should be "grandfathered in." Aside from the administrative expense of having to qualify the 70-plus existing BCA judges, the concern was raised that it was inappropriate to subject existing BCA judges to an exam. A separate section was added to the new bill which states that BCA judges serving on the date of enactment of this act would be considered to have been examined, selected, and appointed in accordance with the Contract Disputes Act of 1978, as amended.

Together, these provisions provide the security needed to ensure the independence of the BCA judges. This is not to be interpreted, however, as an indictment against those judges now serving on the various boards. Clearly, the decisional history of these boards demonstrate the integrity of the judges who serve on them. It is my belief, nonetheless, that the perceived independence of BCA judges would be enhanced if the protections provided in this legislation are adopted.

Title II of the bill, as I mentioned, incorporates revised language from S. 2006, introduced by request by Senator ROTH, which was the subject of a hearing earlier this year on the administration's management initiatives. Our bill includes the first two provisions of S. 2006, modified to reflect views expressed by the Justice Department, the General Accounting Office, and the ABA public contract law section.

The first provision of title II would require contractors to submit all claims to a contracting officer for resolution within 36 months of the date when such claims accrue. The administration's bill originally proposed a statute of limitation of 18 months.

Under the Contract Disputes Act, there currently is no deadline for the submission of claims—except for Navy shipbuilding contracts. As a result, the Justice Department finds that contractors often wait years before submitting claims for payment, thereby making adjudication of disputes difficult. The GAO had recommended in a January 1983 report that Congress should consider setting a time limitation for the submission of claims.

We agree with both the Justice Department and the GAO that a statute of limitations for the submission of contractor claims is necessary, but believe that 18 months may be an unrealistically short period for submission of claims, especially where complex contractual arrangements are involved. We, therefore, propose to establish a statute of limitations of 36 months.

The second provision of title II would establish a uniform time period of 6 months within which a contractor may appeal a contracting officer's decision to either the Court of Claims or a board of contract appeals. A contractor currently has 12 months to appeal a contracting officer's decision to the Court of Claims or 90 days to appeal to a BCA.

The administration's bill originally proposed to reduce the time—from 12 months to 90 days—in which a contractor may appeal a contracting officer's decision to the Court of Claims, consistent with the time period in which the contractor may appeal to a BCA. The Justice Department contends that there is no reason for having inconsistent time periods for appealing contracting officer's decisions to either the Court of Claims or the BCA's. In the Justice Department's judgment, the shorter the time period for appeal, the better.

Again, we agree with the Justice Department that there should be uniform timeframes for appealing contracting officer's decisions. Appealing a CO's decision before a BCA, however, requires only the filing of a one-page notice of appeal followed by a complaint; whereas the Claims Court, like other Federal courts, requires the filing of a full articulated complaint to commence an action. We, therefore, propose that the uniform time period for appeal should be 6 months instead of 3 months, as recommended by the administration.

Mr. President, the changes proposed in our legislation are long overdue, and I urge my colleagues to lend their support.●

By Mr. McCLURE:

S. 2427. A bill to amend the Mineral Leasing Act of 1920 to improve the administration of the Federal Coal Leasing Program, and for other purposes; to the Committee on Energy and Natural Resources.

FEDERAL COAL LEASING AND UTILIZATION ACT

● Mr. McCLURE. Mr. President, the Committee on Energy and Natural Resources is currently considering several bills which seek to amend current provisions of the Mineral Lands Leasing Act regarding the Federal Coal Leasing Program. Senator WALLOP, along with Senators JOHNSTON and FORD have provided the leadership on this issue by previously introducing bills which address in somewhat different ways current problems of the coal industry. The committee has held 2 days of markup on their bills which have generated considerable discussion on the pros and cons of each approach.

During our discussions, members of the committee, including myself, have raised new concerns or alternative solutions to issues presented by the bills sponsored by Senators WALLOP, JOHNSTON or FORD. Based on my perception of those concerns and discussions, I am introducing today, a bill which I believe will facilitate the committee's deliberations. I want to reiterate that this bill is introduced only to facilitate further consideration of issues. To the extent it incorporates sound ideas it is only as a result of the initiatives of Senators WALLOP, JOHNSTON and FORD. To the extent it represents bad ideas, I take the responsibility.

It is my intention to immediately place this bill on the committee agenda and use it as the markup vehicle for amendments which I expect members of the committee may wish to offer. Since our next scheduled business meeting is next Tuesday, May 13, I ask unanimous consent that the bill be printed in the RECORD. I also ask that printing of the bill be expedited. In addition, I am sending today a copy of the bill as introduced to each member of the committee, along with the following section-by-section analysis. In this manner, I hope all members of the committee will be given the maximum amount of time to focus on the solutions which I am recommending and to draft amendments which the committee can consider and vote on. Once the committee has completed action on this bill, it would be my intention to ask the committee to report Senator WALLOP's bill, S. 570 with an amendment in the nature of a substitute when the committee has perfected the text of my bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2427

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

(a) This Act may be cited as the Federal Coal Leasing and Utilization Act of 1986.

(b) Any amendment or repeal in this Act expressed in terms of an amendment to, or repeal of, a section or other provision of the Mineral Lands Leasing act, shall be considered to be a reference to a section or other provision of the Act of February 25, 1920, entitled "An Act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain" (41 Stat. 437), as amended.

TITLE I—ADMINISTRATION OF THE FEDERAL COAL LEASING PROGRAM

SECTION 101. Section 2(a)(2) of the Mineral Lands Leasing Act is amended by deleting subparagraph (A) and by inserting in lieu thereof the following:

"(A)(i) The Secretary shall not issue a competitive coal lease or leases under the terms of section 2(a) of the Mineral Lands Leasing Act, nor may he permit the assignment of any such lease or leases, to any person, association, corporation, or any subsidiary, affiliate, or persons controlled by or under common control with such person, association, or corporation, where any such entity holds a lease or leases issued prior to August 4, 1976, by the United States to coal deposits and has held such lease or leases for a period of ten years when such entity is not, except as provided in section 7(c) of this Act, producing coal from the lease deposits in commercial quantities or is making diligent development advance royalty payments pursuant to Section 7(b) of this Act. In computing the ten-year period referred to in the preceding sentence, periods of time prior to August 4, 1976, shall not be counted.

"(ii) The prohibition in subparagraph (A)(i) shall not apply if such entity agrees to relinquish and the Secretary has accepted such relinquishment of a noncompliance coal lease or leases issued pursuant to this Act containing estimated recoverable coal reserves equivalent to three times the estimated recoverable coal reserves from the lease or leases being issued. To the extent coal reserves relinquished under this subparagraph exceed the coal reserves to be acquired, the entity with the approval of the Secretary may, for the purposes of complying with this section, apply the amount of excess reserves toward future competitive lease sales.

"(iii) The prohibition in subparagraph (A)(i) shall not apply to any entity which has made a substantial investment in each noncompliance lease issued prior to August 4, 1976.

"(iv) The prohibition in subparagraph (A)(i) shall not apply to any entity which agrees to pay an additional annual rental on all noncompliance leases issued prior to August 4, 1976, on which substantial investment has not been made, of one-tenth of one cent per ton of recoverable coal reserves.

"(v) For the purposes of this section, the term 'noncompliance lease' means a coal lease issued prior to August 4, 1976, which has been held by the lessee for a period of ten years and has not produced coal from the lease deposits in commercial quantities. For the purpose of this section the term 'competitive coal lease' shall not include a lease issued pursuant to the emergency leasing provision contained in 43 CFR 3425.1-4(a)(1).

"(vi) Estimation of recoverable reserves for the purposes of this section shall be based on the estimate of the Secretary of recoverable coal reserves without regard to quality or location.

"(vii) Notwithstanding any other provision of this Act, the Secretary shall accept the relinquishment by the lessee of any coal lease or leases issued prior to August 4, 1976, where there has not been significant surface disturbance pursuant to a permit issued under section 506 of the Surface Mining Control and reclamation Act of 1977 (30 U.S.C. 1256)."

SEC. 102. (a) Section 2(d)(1) of the Mineral Lands Leasing Act is amended by adding after "contiguous" the following: "(except that non-contiguous areas within reasonable proximity of each other and which are determined by the Secretary to be incorporated into a single operation under the effective control of a single operator may also be included in a logical mining unit)".

SEC. 103. (a) Section 2 of the Mineral Lands Leasing Act is amended by inserting the following new subsection:

"(a)(4)(A) Notwithstanding any other provisions of law as to information that may be disclosed, in addition to information excluded from disclosure by the Freedom of Information Act, neither the Secretary nor any other officer, employee, contractor or agent of the Department of the Interior or bureau or agency thereof, before lease issuance shall disclose to anyone who is not an employee, contractor or agent of the Department of the Interior or bureau or agency thereof data relating to presale appraisal value and the identification of specific comparable sales data, if any, used by the Department in estimating coal tract value. This provision against disclosure shall not apply to descriptive data used by potential bidders to prepare bids such as tonnage, BTU's stripping rates, or, after a lease is issued, the fair market value estimate.

"(B) Any Federal employee, contractor or agent of the Department, including the Secretary, who willfully violates subsection (a)(4)(A) shall be guilty of a crime and subject to the penalties set forth in section 1905 of title 18, United States Code."

(b) Section 2(d)(2) of the Mineral Lands Leasing Act is amended by striking out "which shall not be more than forty years".

SEC. 104. Section 7 of the Mineral Lands Leasing Act is amended to read as follows:

"SEC. 7. (a) A coal lease be for a term of twenty years and for so long thereafter as the condition of continued operation is met. The Secretary shall by regulations prescribe annual rentals on leases. A lease shall require payment of a royalty in such amount as the Secretary shall determine of not less than 12.5 per centum of the value of coal as defined by regulation, except the Secretary may determine a lesser amount in the case of coal recovered by underground mining operations. The lease shall include such other terms and conditions as the Secretary may require. Such rentals and royalties and other terms and conditions of the lease will be subject to readjustment at the end of the primary terms of the lease of twenty years and at the end of each ten-year period thereafter if the lease is extended. With respect to a lease issued prior to August 4, 1976, upon the effective date of the first readjustment after the date of enactment of the Federal Coal Leasing and Utilization Act of 1986, the amount of the royalty required to be paid under such lease shall be readjusted automatically by operation of law to a rate of not less than 12.5 per

centum of the value of coal for surface mined coal, and to a rate of not less than 8 per centum in the case of coal recovered by underground mining operations, except as provided in section 39 of this Act.

"(b)(1) A lease which is not producing coal in commercial quantities at the end of ten years shall be terminated unless the lessee has either made a substantial investment in such lesase or chooses to extend the lease beyond the tenth lease year through the payment of diligent development advance royalties based on the production royalty which would otherwise be paid and assessed on assumed production of 0.3 per centum of total recoverable reserves.

"(2) A lease which is not producing coal in commercial quantities at the end of fifteen years shall be terminated unless the lessee has made a substantial investment in such lease and chooses to extend the lease beyond the fifteenth year through the payment of diligent development advance royalties based on the production royalty which would otherwise be paid and assessed on assumed production of 0.7 per centum of total recoverable reserves.

"(3) Payment by a lessee of advance royalties under subsection (b) of this section shall constitute compliance with Section 2(a)(2)(A) of this Act with respect to such lease.

"(4) The amount of any production royalty paid for any year shall be reduced (but not below the amount payable on one per centum of the recoverable coal reserves under such lease or within such logical mining unit) by the amount of any diligent development advance royalty paid under such lease to the extent that such diligent development advance royalties have not been used to reduce production royalties for a perior year. No diligent development advance royalty paid during the initial twenty-year term of a lease may be used to reduce a production royalty after the twentieth year.

"(c) Each lease shall be subject to the condition of diligent development and continued operation of the mine or mines, except where operations under the lease are interrupted by strikes, the elements, or casualties not attributable to the lessee. The Secretary of the Interior, upon determining that the public interest will be served thereby, may suspend the condition of continued operation upon the payment of advance royalties. Such advance royalties shall be no less than the production royalty which would otherwise be paid and shall be computed on a fixed reserve to production ratio (determined by the Secretary). The aggregate number of years during the period of any lease for which advance royalties may be accepted in lieu of the condition of continued operation may not exceed ten. The amount of any production royalty paid to suspend the condition of continued operation for any year shall be reduced (but not below zero) by the amount of any advance royalties paid under such lease to the extent that such advance royalties have not been used to reduce production royalties for a prior year. No advance royalty paid during the initial twenty-year of a lease shall be used to reduce a production royalty after the twentieth year of a lease. The Secretary may, upon six months' notification to the lessee cease to accept advance royalties in lieu of the requirement of continued operation.

"(d) Prior to taking any action on a leasehold which might cause a significant disturbance of the environment, the lessee shall submit for the Secretary's approval an operation and reclamation plan. The Secretary shall approve or disapprove the plan or require that it be modified. Where the land involved is under the surface jurisdiction of another Federal Agency, that other agency must consent to the terms of such approval."

SEC. 105. For the purposes of this Act the term—

"(1) 'commercial quantities' means one per centum of the recoverable coal reserves under lease or within a logical mining unit (LMU);

"(2) 'diligent development' means the production of recoverable coal reserves in commercial quantities;

"(3) 'continued operation' means the production of not less than commercial quantities of recoverable coal reserve in each year following the achievement of diligent development and an average amount of not less than commercial quantities of recoverable reserves each year thereafter, computed on a three-year basis consisting of the year in question and the two preceding years; and

"(4) 'substantial investment' means an expenditure of not less than five cents ($.05) per ton of recoverable coal reserves.".

SEC. 106. The Mineral Lands Leasing Act is amended by adding after section 8B the following new section 8C:

"SEC. 8C. The Comptroller General of the General Accounting Office shall monitor the management, supervision, and enforcement relating to the leasing and production of coal on coal lands subject to this Act for a period of five years after the date of enactment of the Federal Coal Leasing and Utilization Act of 1986.".

SEC. 107. Section 30 of the Mineral Lands Leasing Act (30 U.S.C. 187) is amended by inserting after the first sentence thereof the following: "Within one hundred and eighty days of enactment of the Federal Coal Leasing and Utilization Act of 1986, the Secretary of the Interior shall promulgate regulations which require, prior to his approval of any transfer of a record title interest or assignment of operating rights in a lease, that the transferor submit to the Secretary of the Interior a financial document describing the consideration or valued paid or promised for the transfer. Such regulations shall set forth both the extent and type of the information required to be filed in such financial document. The Secretary shall not consent to the assignment of any coal lease issued prior to August 4, 1976 unless such lease has been readjusted pursuant to section 7 of this Act after April 4, 1976 or unless the assignee agrees that such lease shall be readjusted in accordance with section 7 of this Act prior to the effective date of the assignment.".

SEC. 108. Section 39 of the Mineral Lands Leasing Act is amended:

(a) by inserting after "under the terms therein." the following: "*Provided*, That with respect to any coal lease issued under this Act, the Secretary shall notify the lessee at the same time as he provides notice of readjustment of a lease that the lessee may request relief under this section, and if the lessee requests such relief, the Secretary may not increase any royalty otherwise required by this Act until he has determined whether such relief should be granted. In considering any request for waiver, suspension, or reduction under this section with respect to a coal lease, the Secretary shall consider the impact which a failure to grant the requested relief would have on the lessee's ability to continue operation or commence production in commercial quantities.".

(b) by inserting after "In the event the Secretary of the Interior," and before "in the interest of conservation" the following: "for the purpose of encouraging the greatest ultimate recovery of the resource or".

(c) by deleting "suspend, or reduce advance royalties" and inserting in lieu thereof "suspend (except for diligent development advance royalties where he has assented to a suspension of operations and production), or reduce advance royalties or payments pursuant to section 2(a)(A)(iv) of this Act: *Provided*, That in the case of a lease issued before August 4, 1976, for that portion of the lease from which income is derived from a supply agreement with any nonprofit rural electric cooperative association, royalty or rental adjustments (if any) for each readjustment period shall be made on a reasonable basis and upon a complete evaluation of the facts and circumstances involved in each individual lease; such factors shall include, but are not limited to, the impact of any proposed increases upon wholesale electric rates of the affected nonprofit rural electric cooperative, the nature of the supply agreement with such cooperative, mining costs and other competitive and marketability factors, the relationship of the increases to historical royalties and rentals, and other relevant facts and circumstances."

SEC. 109. No lessee holding a lease which was eligible for readjustment after August 4, 1976 and prior to the date of enactment of this Act which was not readjusted to include the provisions of section 7 of the Mineral Lands Leasing Act as in effect prior to the enactment of this Act may be issued a lease or acquire a lease by assignment unless all leases which the lessee holds and which were eligible for readjustment and which were not readjusted are readjusted in accordance with the provisions of the Mineral Lands Leasing Act as amended by this Act prior to the date of issuance or assignment of the lease.

TITLE II

SEC. 201. Section 2(c) of the Mineral Lands Leasing Act is amended to read as follows:

"(c)(1) A common carrier railroad company or any company that controls, is controlled by, or is under common control with such company (hereinafter in this subsection referred to as a "railroad or affiliated company") may hold leases of coal deposits pursuant to this Act subject to the special conditions on (i) lease bidding in paragraph (2); (ii) lease holdings in paragraph (3); and (iii) transportation of leased coal in paragraph (4).

"(2)(A) No railroad or affiliated company shall be eligible to bid for a lease under this Act of coal deposits that are adjacent to coal deposits which (i) are in lands granted by the United States to such railroad or affiliated company or to a corporate predecessor thereof and (ii) are owned by such company (hereinafter in this paragraph referred to as "the federal lease") unless such company notifies the Secretary of its intention to bid by a date, established by regulation, prior to the sale of the federal lease. Whenever such a notification has been received and a tract for the federal lease has been delineated, the Secretary shall identify a potential mining unit containing the federal lease (hereinafter in this paragraph referred to as "the potential mining unit") and, if he finds that competition for the federal lease would be substantially enhanced

thereby, shall require as conditions to the right of the railroad or affiliate company to bid when and if the federal lease is offered for sale, that, prior to the sale, the railroad or affiliated company shall—

"(i) upon request, make available at reasonable cost to any potential bidder for the federal lease any and all exploration data in the possession of the company concerning the extent and nature of the land/grant coal deposits within the potential mining unit; and

"(ii) agree that, if not the successful bidder for the federal lease, it will offer for lease the land-grant coal deposits owned by the company in the potential mining unit on reasonable terms which are mutually agreed to by the Secretary and the company: *Provided*, That, whenever the Secretary makes a finding of significant competition enhancement pursuant to this subparagraph (A), he shall promptly enter into good faith negotiations with the railroad or affiliated company to establish such terms and shall not offer the federal lease until such terms are established or he and the company mutually agree in writing that the negotiations have concluded and no agreement on terms can be reached; in which latter event, the railroad or affiliated company shall not be eligible to bid on the federal lease; *Provided further*, That the Secretary may determine without company concurrence that no agreement on terms can be reached if, after publishing a complete statement of his final offer to the company in the Federal Register and allowing 30 days for a response, the company has failed to agree to such terms.

"(B) After notification to the Secretary pursuant to subparagraph (A), railroad or affiliated company may bid upon the federal lease without the conditions specified in said subparagraph whenever the Secretary does not make a finding of significant competition enhancement as provided in subparagraph (A), or when the railroad or affiliated company has a less than thirty percent interest in a joint venture which would own or control the federal lease, or where the coal deposits to be included in the federal lease—

"(i) constitute less than thirty-five percent of the recoverable reserves in the potential mining unit; or

"(ii) would be bypassed by or are required to maintain ongoing mining operations owned in whole or in part by the railroad or affiliated company and is located in the potential mining unit; or

"(iii) are within or adjacent to the permit area of a mining operation that is owned in whole or in part by the railroad or affiliated company and that is operating, and has coal committed to a purchase, prior to the date of enactment of this subsection.

"(3) Any railroad or affiliated company shall be subject to the acreage restrictions of section 27(a)(1) of this Act and, within these limitations, shall not take, hold, or control at one time, whether acquired directly from the Secretary or otherwise under this Act, lease of coal deposits adjacent to land-grant coal deposits which were granted by the United States to such railroad or affiliated company or to a corporate predecessor thereof and are owned by such company in an aggregate of more than twenty-three thousand and forty acres.

"(4)(A) Whenever a railroad or affiliated company obtains a lease under this Act of coal deposits situated within the exclusive service area of such railroad company, the railroad company my not thereafter enter into a contract to transport coal produced from said lease or from a mining unit that includes said lease (hereinafter in this paragraph referred to as "the Contract") except as provided in this paragraph.

"(B) In addition to any filing which may be required by any other provision of law, the railroad company shall submit the Contract to the Secretary, together with copies of any formal transportation bid notice or request from the purchaser of the coal to be transported pursuant to the Contact (hereinafter in this paragraph referred to as "the purchaser") to which the railroad company responded and all formal transportation bids submitted by the railroad company in response to such notice or request. The railroad or affiliated company shall also submit to the Secretary its supply contract with the purchaser. Within five days of submission of the Contract, the Secretary shall publish in the Federal Register notice of such submission, including identification of the contracting parties, the affected lease, and the lessee. The Contract shall not become effective until thirty days after the date of such publication.

"(c) Within that same thirty-day period, any coal producer (hereinafter in this paragraph referred to as "the complainant") may file a complaint with the Secretary alleging that the Contract is in violation of law and that it prevented complainant from selling its coal to the purchaser in lieu of the coal to be transported pursuant to the Contract. The complainant shall submit with its complaint a copy of its coal supply bid to the purchaser and any other information necessary for the Secretary to make the disclosure determination provided for in this subparagraph. If the Secretary determines that (i) the purchaser requested and received a timely and responsive supply bid from the complainant, the terms of which were substantially similar to those of the supply contract, (ii) the complainant had no reasonable alternative transportation available for its coal except that supplied in whole or in part by the railroad company (iii) the purchase requested a bid from the railroad company to transport in whole or in part the complainant's coal, and (iv) the Contract and the bids, if any, submitted by the railroad company to transport the complainant's coal are not identical in all material respects, the Secretary shall disclose the submissions of the railroad or affiliated company to the complainant and the submissions of the complainant to the railroad company (and to its affiliated company, if the latter holds the lease to the coal to be transported pursuant to the Contract).

"(D) The submissions to the Secretary pursuant to this paragraph shall be disclosed by him only pursuant to subparagraph (c) and, except as provided in subparagraph (E), shall otherwise remain proprietary and not be released to any other person or entity, any other provision of law notwithstanding.

"(E) The complainant may make use of the submissions of the railroad or affiliated company solely for the purpose of determining whether a cause of action may exist against the railroad or affiliated company may make use of and disclose the submissions of the complainant solely for the purpose of defending such cause of action. No other disclosure or use may be made of such submissions."

SECTION BY SECTION

Section 1. Provides a short title and a reference that amendments are to the Mineral Lands Leasing Act.

Section 101. This section modifies section 2(a)(2)(A) of the MLLA to retain the present prohibition on a person who holds and has held a coal lease for ten years without producing in commercial quantities from obtaining a new lease. The prohibition, however, consistent with the action of the Energy and Natural Resources on May 7, 1986, is limited to competitive coal leases only. This limitation conforms to the proposal in S. 913 offered by Senator Ford.

Some concern was expressed in the mark-up that what are referred to as maintenance and bypass leases should also be excluded since they serve a particular federal interest in maintaining ongoing operations and avoiding the loss of resources which must be developed within a limited time frame. Since these particular types of leases also involve ongoing operations, they are also distinct from the types of speculation which section 2(a)(2)(A) was enacted to address. Accordingly, the section excludes such leases from the prohibition on acquiring new competitive coal leases.

The Committee had also considered the question of assignments and there seemed to be a general feeling that if an individual could not be issued a new lease, neither should he be able to effectively end run the system by acquiring such a lease by assigment. The section adds to the current prohibition on the Secretary issuing leases a prohibition on agreeing to an assignment.

There was considerable discussion in the Committee that the present provisions of law do not reflect the real world. The provisions of current law assume that it is possible to achieve commercial production in ten years. That is demonstrably not the case. Although the leases which the Congress sought to encourage production on when the Federal Coal Leasing Amendments Act was passed in 1976 had been issued previously, the assumptions about the economic climate for coal have proved markedly in error. There was discussion of $70 per barrel oil and other forecasts which affected the Congressional decision. Several alternatives to avoid the present limitations of law have been proposed, including two by Senator Johnston of turn back or increased fees. The Committee also considered the issue of substantial investment as a mark of an intent to produce. This section incorporates a synthesis of these options. It would permit a holder of noncomplying leases to acquire new leases if he turns in three times the amount of reserves which he would acquire. Alternatively, where he can demonstrate a substantial investment in the lease those leases would not disqualify him even though he had not yet begun to produce in commercial quantities. Where he has not yet made a substantial investment, but desires to continue to hold the lease for future production, he would have the option of paying a holding fee. The combination of these elements would not only tighten the current restrictions by prohibiting assignments, but would modify the arbitrary nature of current law to conform it to the real world.

The section also would incorporate a provision included in Senator Johnston's legislation that where there had not been any surface disturbance, a lessee should be able to relinquish a lease.

Section 102. This section modifies the current restrictions on the formation of logical

mining units to permit the incorporation of leases in reasonable proximity provided they will be mined as a single operation under the control of a single operator.

Section 103. This section provides for penalties for disclosure of certain information relating to presale appraisal value of leases and also removes the current requirement of a 40 year mine-out contained in current law. Since an operator is only required to produce 1% of reserves per year to continue to hold a lease, the 40 year mine out does not make sense.

Section 104. This section amends section 7 of the MLLA based on the discussions in Committee and the concepts developed in the legislation offered by Senators Wallop and Johnston. It retains the current ten year drop dead requirement of diligent development and the achievement of production in commercial quantities, but it also recognizes that ten years is not realistic in today's world. Rather than the escalating advance royalty contained in the measures before the Committee, this section would permit the holder of a lease to continue to work towards commercial production for an additional five years if he had made a substantial investment in the lease. Alternatively, he could pay an advance royalty for that period. At the end of fifteen years, however the lease would automatically terminate unless the holder had made a substantial investment and paid a higher advance royalty. As in both measures, production in commercial quantities must be achieved by the end of the twentieth year of the diligence period and the advance royalty would not be recoupable against production royalties beyond the twentieth year. In addition, recoupment could not reduce any annual production royalty below the minimum required by law. The substantial investment element recognizes that it will likely take from 12 to 15 years to get a lease into production. A holder who is diligent will be able to comply with the requirements of the modified section 7, while those who for one reason or another take a longer period to initiate work will still be able to achieve production.

Section 105. This section defines the terms commercial quantities (1% of recoverable reserves), diligent development (production in commercial quantities), continued operation (production of commercial quantities each year on a three year average), and substantial investment (five cents per ton of recoverable reserves).

Section 106. This section provides for the GAO to monitor the leasing program for the next five years.

Section 107. This section amends section 30 of the MLLA to respond to concerns about assignments. It requires that as a condition of assignments certain financial information be furnished to the Secretry and that pre-76 leases which have not been readjusted be readjusted.

Section 108. This section amends section 39 of the MLLA to respond to concerns that the Secretary was not properly exercising his authority under section 39 to encourage resource recovery and that the 12.5 percent royalty was in certain situations unrealistic. The amendment would require the Secretary when he notifies the lessee of impending readjustment, he also notify him that section 39 is available. It also provides that if a request is made under section 39, rates will not be increased until the Secretary has made his determination under section 39. While this relief is available under existing law, there was some concern that it was not being exercised. The section also makes it clear that the same concerns apply to suspension of lease operations as to modifications of rates. It also specifically exempts any holding fee paid to comply with the 2(a) 2(A) limitation from modification.

Section 109. This section provides that as a condition of lease issuance or assignment, any pre-76 lease which missed readjustment after 1976 must be readjusted. This addresses a particular situation in which the courts have held that a failure of the Secretary to follow his regulations on notice constitutes a waiver of the right to readjust.

Title II. This title contains the text of Senator McClure's amendment 801 to S. 570. The amendment would modify section 2(c) of the MLLA to permit common carrier railroads an ability to bid for new coal leases subject to various restrictions.●

B Mr. HEINZ:

S. 2428. A bill to amend the Federal Financing Bank Act of 1973 to establish a Federal Credit Program Revolving Fund under the direction of the Secretary of the Treasury with overall authority for Federal credit activity, including borrowing and credit management; to the Committee on Banking, Housing, and Urban Affairs.

FEDERAL CREDIT PROGRAM REVOLVING FUND ACT

● Mr. HEINZ. Mr. President, today I am pleased to introduce a bill to correct serious deficiencies in the way we allocate and manage Federal credit. Federal credit programs are very large and have a prevasive influence on our economy and capital markets. It is therefore imperative that they be effectively controlled, that appropriate credit allocation decisions be made, and that these programs be managed efficiently.

The current situation could not be farther from these goals. Credit programs are counted in the budget in many different ways—fully appropriated programs, revolving funds, Government-capitalized public enterprises—and some escape budget control completely. Among programs included in the budget totals, guarantee programs tend to have their cost understated, while direct loan programs are scored the same as spending programs that yield no fees or reflows. It is unlikely that we will see much progress toward reform of these problems without fundamental changes in the way the Fedral Government accounts for and manages credit. I believe the true cost accounting methodology in this bill is the correct approach.

This would seem to be a fortuitous time at which to take up this issue for several reasons. First, the budget pressures all programs are feeling in the Gramm-Rudman era allow no room for sloppy accounting. In deciding budget cuts, it is essential that programs be compared based on uniform and accurate cost estimates. Second, the long history of congressional efforts to reform credit budgeting, culminating in movement of all programs on budget in the Gramm-Rudman legislation, has not succeeded in providing an accurate and comprehensive accounting of Federal involvement in the credit markets. Furthermore, a plethora of schemes to move programs back off-budget through Government guarnateed private sector borrowing has already materialized.

Serious congressional concern over the credit issue is well founded. Credit programs have undergone a geometric expansion, to the point that in 1985, 15 percent of all new credit raised in the United States was borrowed under the auspices of federally supported insurance, guarantee, or loan programs. In response to this growth, two important credit reforms have been instituted over the last dozen years.

In 1974, the Federal Financing Bank began operations to rationalize credit programs and reduce their cost, and in 1980, the Federal credit budget was instituted. Neither action has proven to be very effective at controlling Federal credit. The Federal Financing Bank did succeed in reducing cost of funds for Federal credit but it was quickly perverted into an off-budget funding dump where the costs of Federal credit activity could be hidden. The credit budget is a mechanism by which total Federal credit activity can be added up, but it misstates the true cost of the credit and, because it is not linked by meaningful appropriation limitations to the unified budget, it provides no useful credit control.

At the heart of the shortcomings of past reform efforts are two problems: the variety of credit funding mechanisms and off-budget alternatives that obscure the costs of the programs, and the lack of useful tools to measure credit program activity for budgetary purposes.

The variety of credit mechanisms originates, in part, in the variety of purposes for which credit programs have been established—from providing housing to lower-income families to protecting U.S. exporters from foreign government subsidies to promoting rural electrification. Depending on the purpose of the program, successive administrations and the Congress have proposed a menagerie of Government and public corporations, as well as revolving funds or annually appropriated loan funds within Cabinet departments. Such variety in itself tends to obscure budget costs and tradeoffs, but there is also a problem of deliberate funding gimmicks intended to hide the true costs of the programs. In the aftermath of the Gramm-Rudman reforms, we are seeing that the search for new ways to hide program costs is limited only by the human imagination.

The important point to remember is that, regardless of the laudable purpose of a credit program or the par-

ticular structure or funding mechanism put in place for it, the Federal Government is providing credit on terms more favorable than the market would have provided to the chosen borrowers. Thus, there is a subsidy cost associated with the social or economic objective of the particular credit program. Congress must be able to weigh accurately the cost of these programs to be sure that the benefits which come from meeting their objectives are sufficient to justify the costs.

This brings me to the second problem with current practices. There are no workable and universally accepted budget tools with which to measure credit program activity. Without consistent treatment of programs based on uniform concepts, the budget process does little to clarify the cost-benefit calculations or assist comparisons between credit programs or credit and spending programs.

The unified budget focuses on cash outlays of programs. As such, it does not reflect either the total level of new credit activity, as in the credit budget, or the real net cost of Government credit programs. New credit commitments add into the totals only to the extent that a Federal outlay occurs, so guarantees or programs based on market borrowing appear costless. A dollar spent for a direct loan disbursement appears as costly as a grant dollar, despite the fees and repayments associated with it.

In fact, forcing credit programs to fit into a budget structure designed for spending programs contributes to the multiplication of program types and budget gimmicks. A recent example of this with which I am very familiar is the administration's I-Match, or interest subsidy, program for the Export-Import Bank in which support for exports through Federal direct loans would be replaced by more expensive private borrowing supported by direct subsidy payments to commercial banks. This would be done in the name of budget savings because the higher cost borrowings would not add into the budget totals.

The bill I am introducing today will bring an end to the game-playing and end-runs around the budget process by introducing clarity and consistency to the credit budget. It will do this by getting the price right—scoring credit programs according to their subsidy cost—and by ensuring that all programs are counted in the budget totals. By instituting a uniform rule, the decision as to whether a program should be funded through the Treasury or by direct recourse to credit markets will be based on the requirements of the program and credit market conditions, not budget rules. The shift in incentives due to the proposed changes should, and I believe will, also promote more effective management of Federal credit programs.

To achieve these objectives, this bill amends the Federal Financing Bank Act to establish a central loan fund within the Treasury Department to serve as a financing mechanism for all Federal credit programs. This fund will serve as Federal credit manager, accepting subsidy payments and fees from agencies and raising funds for loan disbursements and claim payments under their programs. As an arm of the Treasury, the fund will have access to efficient Treasury borrowing and will be able to tap, and further develop, the agency's expertise about the credit markets. This type of expertise will be essential to the fund's ability both to assess accurately the subsidy costs agencies must pay for the fund's services and to sell or reinsure agency loans and guarantees in the market where this is deemed appropriate.

In addition to its role in managing financial aspects of Federal credit, the fund will be responsible for improved data collection on Federal credit, more effective debt collection efforts, and otherwise implementing improvements in Federal credit management practices as appropriate.

Each credit program would continue to service its loans or guarantees and to set credit program policies and eligibility guidelines according to its respective legislative mandate. The level of credit activity which could be undertaken by any program would be as provided in annual appropriations. Each program would seek budget authority to cover the subsidy cost of its planned level of credit activity, as well as a credit limitation on the total amount of new loan, guarantee, or insurance activity to be undertaken for the fiscal year. The subsidy appropriation would be paid to the central loan fund as loan disbursements were made or guarantees issued, in return for the fund taking on the credit obligation. All disbursements, claims, repayments, assets, and liabilities arising from the credit activity would be the responsibility of the fund. New credit activity could be undertaken by an agency only to the extent possible within the smaller of the limits set by the subsidy appropriation or the credit limitation provided by the Congress.

Through this mechanism, the full economic cost—the subsidy—of credit programs would be considered by the Congress when deciding on new credit activity levels. Congress would also be able to compare accurately the economic cost of spending and credit programs, permitting informed and accurate tradeoffs between these two types of Government activity.

Furthermore, making subsidy payments up front would ensure full advance funding of the credit programs, including provision for adequate reserves to cover loan or guarantee defaults without further recourse to appropriations. This pay-as-you-go approach for credit programs would ensure that Congress and the taxpayers are fully aware of the cost of Federal credit, with no costs hidden from view.

Principles for the operation of the central loan fund would be established so as to avoid abuses such as occurred with the original Federal Financing Bank. First, the fund would be counted within the budget totals. Second, payment of the appropriate subsidy would have to be made to the fund up front. Third, subsidy calculations would be updated regularly and, where appropriate, set throughmarket loan sales or reinsurance so that underpricing to hide costs would be extremely unlikely. Overall, these principles would ensure that the fund could impose no additional cost on U.S. taxpayers as a result of its operations that were not already reflected in appropriated subsidies for individual credit programs.

I believe that this plan represents the type of workable, sensible credit reform that is long overdue. It would make sense under any circumstances, but is especially critical at a time when we must make major reductions in Federal programs to meet budget deficit targets. We cannot permit programs to enjoy an advantage or suffer a disadvantage in the budget wars simply on the basis that their costs are hidden or they are inaccurately priced. A dollar cut from a loan program appears to save as much as a grant dollar cut, but it really saves only a fraction of a dollar net of fees and repayments. This overstatement of cost creates a bias against credit that could result in reductions in vital Federal activity in return for illusory budget savings.

We must have effective control of Federal credit. We must also ensure that our efforts to exercise control over Federal spending results in sensible budget choices and the intended deficit reductions. I urge the support of my fellow Senators for this comprehensive attempt to improve our current system of control and to manage effectively the Federal presence in the credit markets.●

By Mr. GRASSLEY (for himself and Mr. LAUTENBERG):

S. 2429. A bill to amend the Internal Revenue Code of 1954 to deny foreign tax credits attributable to activities conducted in foreign countries which repeatedly provide support for acts of international terrorism; to the Committee on Finance.

ANTI-TERRORISM ACT

Mr. GRASSLEY. Mr. President, first, I would like to commend my fellow Finance Committee colleagues for passing a true tax reform bill. The members of that committee have worked long and hard and I only hope

that the full Senate will follow suit and pass the committee bill as soon as possible.

Mr. President, today, I am introducing legislation on behalf of myself and my distinguished colleague, Senator LAUTENBERG, to deny tax advantages to companies for their operations in countries that actively support terrorists.

Mr. President, under current U.S. tax laws, U.S. corporations are permitted to credit, on a dollar-for-dollar basis, foreign taxes they pay against U.S. taxes that would otherwise be due on overseas earnings.

The intent behind these tax provisions is to prevent double taxation to those that work or invest abroad. I am not questioning the overall positive effect of this policy, but I do seriously question whether these tax benefits should be available to those whose activity, at least indirectly, provides economic support for state-sponsored terrorism.

Mr. President, a glaring example of the unintended effect of these tax credits can be seen in Libya, where these incentives benefit terrorists more than the American people. Five American oil companies have been specifically exempted from President Reagan's economic sanctions that were imposed against Libya in January. The State Department asserts that the companies were exempted in order to prevent Libya from gaining a $1 billion windfall from oil company assets that would be left behind under the order.

However, it is important to recognize that these assets have already been effectively nationalized by Libya who is reported to already officially own 51 percent of the American operations and taxes all but 5 percent of the leftover profit. Last year, these taxes amounted to $2 billion in revenue for Qadhafi and his state-sponsored terrorist program. Consequently, the greatest motivation for American oil firms to remain in Libya is to gain huge tax credits for taxes paid to the Libyan regime.

Mr. President, if the economic sanctions that were imposed against Libya in January are to be effective, there can be no exemptions.

It is no secret that Libya's economy and its ability to subsidize terrorism are totally dependent on oil revenues that are largely generated by these American firms. In order to destroy Libya's terrorist support capabilities, and encourage a rational Libyan foreign policy, Libya's oil production must be strictly curtailed. This cannot be done as long as there are American corporations pumping Libyan crude.

Mr. President, how can we expect our allies to participate in economic sanctions when we allow American companies and individuals to prop up Qadhafi's regime? We cannot permit some Americans to profit from revenues used to kill and terrify other Americans.

Mr. President, Congressman LOWERY has introduced similar legislation on the House side to deal with this problem. In addition, I intend to offer similar legislation as an amendment to the Finance Committee's tax overhaul bill when it reaches the Senate floor. Therefore, I urge my colleagues to join me and Senator LAUTENBERG in this bipartisan effort to kick the economic crutches out from under terrorists and the cowardly nations that support them.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2429

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Anti-Terrorism Tax Act of 1986".

SEC. 2. DENIAL OF FOREIGN TAX CREDIT.

(a) IN GENERAL.—Section 901 of the Internal Revenue Code of 1954 (relating to taxes of foreign countries and of possessions of the United States) is amended by redesignating subsection (i) as subsection (j) and by inserting after subsection (h) the following new subsection:

"(i) DENIAL OF FOREIGN TAX CREDIT ETC. WITH RESPECT TO COUNTRIES WHICH SUPPORT INTERNATIONAL TERRORISM.—

"(1) IN GENERAL.—Notwithstanding any other provision of this part—

"(A) no credit shall be allowed under subsection (a) for any income, war profits, or excess profits taxes paid or accrued (or deemed paid under section 902 or 960) during the taxable year to any country identified under paragraph (2) as repeatedly providing support for acts of international terrorism, and

"(B) income from sources within any country so identified shall not be taken into account as income from sources without the United States under section 904(a).

"(2) IDENTIFICATION OF COUNTRIES.—

"Paragraph (1) shall apply to countries which the Secretary of State, pursuant to section 6(i) of the Export Administration Act of 1979, as amended, has designated as countries that repeatedly support acts of international terrorism.

"(3) PART-YEAR RULE.—If an identification under paragraph (2) is in effect for less than an entire taxable year, paragraph (1) shall be applied by taking into account only that proportion of the taxes and income described in paragraph (1) for the taxable year as the portion of the taxable year for which such identification is in effect bears to the entire taxable year."

(b) The effective date of the amendments made under subsection (a) shall apply with respect to taxes paid or accrued after June 30, 1986.

Mr. LAUTENBERG. Mr. President, today I join with my distinguished colleague, Senator GRASSLEY, in introducing legislation to deny foreign tax credits to companies which operate in countries that actively support terrorism.

Our Tax Code permits U.S. corporations that do business in foreign countries to credit the taxes they pay to foreign governments against their U.S. tax bill. The purpose of this foreign tax credit is to prevent corporations that operate abroad, and those that invest in them, from being subject to double taxation. While I do not argue with this general principle, American taxpayers should not subsidize, even indirectly, governments that support and sponsor terrorism.

To prevent that subsidy, and to encourage companies to leave countries that sponsor terror, this amendment would deny the foreign tax credit to corporations that operate in countries that have exhibited a pattern of support for terror. Governments that support terror would be defined by reference to the terrorist list that is kept by the Secretary of State pursuant to the requirements of the Export Administration Act. Right now, there are five countries on that list—Libya, Syria, Iran, South Yemen, and Cuba. We prohibit tax credits if countries are involved in the dumping of goods on our market; why should we do less for countries that support terrorism?

This legislation will deny countries who practice terror the benefit of American tax dollars that often provide the financial foundation for a regime dedicated to terror. Libya is a case in point. Last year, Qadhafi garnered $2 billion in tax revenue from the taxes of American companies operating in Libya. Two billion dollars for the killing of innocent Americans and others around the globe. Two billion dollars to train and equip those who blow up discotheques and airplane passengers. If we are to destroy Libya's ability to foment terror around the world, we must undercut the oil revenues that keep her afloat by making it less profitable for American companies to pump oil in Libya. How can we expect the cooperation of our allies in our program to isolate Libya economically and diplomatically if we ourselves provide tax benefits to companies operating there.

The Senate Finance Committee has already voted to deny tax benefits to Americans who continue to work in Libya in defiance of President Reagan's orders. We should do the same for corporations who operate in terrorist countries. We must send a message that the U.S. Government will no longer credit taxes paid to terrorists against taxes owed to the U.S. Treasury.

By Mr. NICKLES (for himself and Mr. BOREN):

S. 2430. A bill to protect the security of the United States by ensuring the quality of munitions manufactured at

the McAlester Army Ammunition Plant, McAlester, OK, to clarify the meaning of the term "mission-essential materiel," and for other purposes; to the Committee on Armed Services.

AMMUNITION SECURITY ACT

● Mr. NICKLES. Mr. President, today my distinguished friend and colleague, the senior Senator from Oklahoma, and I are introducing S. 2430, a bill which would correct an erroneous Department of Defense interpretation of language in Public Law 99-145, the Department of Defense Authorization Act of 1986. I refer to the definition of "mission-essential materiel" necessary to maintain the logistics capability of the Department of Defense under the Department of Defense Authorization Act of 1985, Public Law 98-525; 98 Stat. 2514.

For the last 2 years, Congress has been struggling to define what logistics are mission-essential as far as exemption from the contracting-out provisions of OMB Circular A-76. The idea was to define those core missions which are essential for combat and combat support personnel to perform their missions and keep the manufacture and maintenance of these products under Government control. Unfortunately, just when we thought we had the problem licked, the Pentagon ignored the language in the Defense Authorization Act which specifically and clearly exempted depot-level maintenance at McAlester Army Ammunition Plant in McAlester, OK, by name from contracting out and started yet another expensive contracting-out study.

In addition to ignoring this specific language that set the maintenance and rework of ammunition at places like the McAlester Army Ammunition Plant as a core function which should not be contracted out, the Army also decided to study the contracting out of the initial manufacture of that ammunition, apparently on the mistaken belief that this too was not an essential function needed for the defense and support of our combat troops. While I must admit that the act was not as clear on the manufacture issue as it was on the depot-level maintenance issue, the Army interpretation meant that the manufacture of a Mark 84 bomb similar to that used in the Libyan strike would not be mission-essential, when the act clearly showed that maintenance or rework of that same bomb at the same depot would be.

In any event, while the language may have been ambiguous or misleading, it led the Army to an absurd conclusion. And based on this interpretation, the Army felt compelled to conduct yet another expensive study of contracting out at the McAlester Army Ammunition Plant on the heels of a 3-year, $750,000 study which was recently completed.

Mr. President, my bill would clarify that the Congress intended that both ammunition manufacture and depot level maintenance of ammunition were meant to be mission-essential in terms of contracting out and resolve this problem. And the bill Senator BOREN and I are offering today does this without upsetting any of the contractual or personnel relations now in place at McAlester.

It seems to me that this stability and security is the least we can do to support our combat troops when they are put in harm's way.●

● Mr. BOREN. Mr. President, I am pleased to join my friend and colleague from Oklahoma in this legislation which would place the functions of load, assemble, pack, renovate, demilitarize, receive, store, maintain, and issue ammunition at the Army Ammunition Plant at McAlester, OK, under core logistics to maintain the necessary flow of materiel to our troops in case of mobilization.

The defense functions placed under core logistics are kept in-house and not subject to contracting out. I totally support the concept of commercial activity reviews of functions that are readily available in the private sector, that can save taxpayer dollars and does not jeopardize national security.

This legislation is the result of the continued attempts of the Department of the Army to contract out all ammunition production capability in the United States at the cost of untold millions of dollars spent in studies the last few years.

For instance, the most recent initiation of a study at the McAlester Army Ammunition Plant is the third in the 7 years I have been a Member of the U.S. Senate. The study, conducted at McAlester in 1981, cost an estimated $2 million. A study at Pine Bluff Arsenal, started in 1981 and as yet incomplete, has incurred approximately $3 million in costs and only affects a total of 150 civilian spaces.

Mr. President, I would like to take a few moments and explain the uniqueness of McAlester, Crane, and Hawthorne. These three plants were built by the Navy before the Army took over the total conventional ammunition program in 1976. The Army built many separate plants to do production, warehousing, and reworking while the Navy incorporated all in one.

In the fiscal year 1986 defense authorization legislation, depot level maintenance was placed under the definition of core logistics but the actual production was not. I doubt the troops on the battlefield would agree with this strategy. The lack of a cohesive definition of core logistics has caused the contracting-out problems in connection with the three former Navy installations.

The many problems at Hawthorne, which was contracted out a few years ago, are documented by a GAO study. Apparently, some question on cost-saving and efficiency continue. During a specified period in fiscal year 1985, the number of man-hours to issue a ton of ammunition was 3.7 at Crane, 2.3 at McAlester, and 5.1 at Hawthorne. The number of man-hours to receive a ton of ammunition was 1.4 at Crane, 2.1 at McAlester, and 6.9 at Hawthorne.

I am convinced that the production of ammunition is mission essential and that there should be a proper balance of contracted out and Government operated ammunition production plants to ensure readiness in time of mobilization. I ask my colleagues to seriously consider this issue and support early action on this legislation.●

By Mr. WARNER (for himself and Mr. TRIBLE):

S. 2431. A bill to amend the Atlantic Striped Bass Conservation Act to provide for the conservation and management of the Atlantic striped bass in a manner that imposes the most equitable burden among the citizens of the affected coastal States; to the Committee on Commerce, Science, and Transportation.

ATLANTIC STRIPED BASS TEMPORARY FEDERAL MORATORIUM

● Mr. WARNER. Mr. President, I am today introducing the "Atlantic Striped Bass Temporary Federal Moratorium Act of 1986," along with my Virginia colleague, Senator TRIBLE.

Since 1979, the Federal Government has recognized the dramatically depleting stocks of Atlantic striped bass by authorizing the Emergeny Striped Bass Study under the Department of the Interior. The Atlantic States Marine Fisheries Commission was further charged with the task of developing recommendations to protect the fisheries of the striped bass.

As the Commission's recommendations had no enforcement power, the Congress followed, in 1984, with the enactment of the Atlantic Striped Bass Conservation Act to encourage the enforcement of interstate action to protect the striped bass in Atlantic coastal waters.

At its peak in 1973, the harvest of striped bass in Virginia was 3 million pounds per year, and in 1985 this level had dropped to 100,000 pounds per year. The Chesapeake Bay and its tributaries were once the spawning ground for 90 percent of the striped bass stocks. At present, only 50 percent of the stocks are from the Chesapeake Bay.

The Atlantic States Marine Fisheries Commission issued the "Interstate Fishery Management Plan for the Striped Bass" in 1981, and Virginia was the first State to immediately adopt its findings. This plan recognized the need for the enforcement of

uniform regulations in all waters of striped bass migration.

A major amendment was added to the plan in October 1985 to further protect the 1982 year class stocks to allow for females to mature and spawn. This amendment prevents fishing of at least 95 percent of the 1982 year class stocks. New minimum size standards of 25 inches of female stock from coastal waters were established to implement this protection. By July of 1987 this limit will increase to 33 inches.

While these minimum size limits will provide some protection, I believe further restrictions are essential to guarantee the survivability of striped bass. The Atlantic States Marine Fisheries Commission has endorsed further measures such as partially or fully closed seasons, and my legislation complements the Commission's findings.

In addition, by promptly implementing the 1981 plan and its subsequent amendments, the Commonwealth of Virginia has gone a step further than most other Atlantic Coast States by imposing a 6-month moratorium on the taking of any striped bass from the Chesapeake Bay.

Our stringent conservation measures, coupled with the diligent efforts to clean up the Chesapeake Bay that I have enthusiastically supported, have resulted in clear signs of progress in the resurgence of striped bass stocks in the Chesapeake Bay.

The Virginia Marine Resources Commission, the jurisdictional agency for the Commonwealth to implement these conservation regulations, finds that in Virgina's part of the Emergency Striped Bass Study the Chesapeake Bay has seen an increase in the recruitment index of juvenile fish. The lowest years of the State's estimates were 1980 and 1981, but since the State-imposed closed seasons, we are now seeing the benefits of the strict measures. In the Virginia waters of the Chesapeake Bay, 1984 showed the largest recruitment of juvenile fish since 1970, and 1985 was an equally successful year.

Mr. President, I recite Virginia's progress in protecting the 1982 year class of striped bass, and the comeback of the stocks to show that undoubtedly the combination of improvements in the conditions of the bay, minimum size limits, and closed seasons have worked. However, this progress has not come without severe economic hardship to our Virginia watermen whose livelihood depends on the striped bass.

Virginia's partial moratorium, and Maryland's year-round moratorium, are responsible measures to restore the fishery habitat for the striped bass in the Chesapeake Bay.

I believe this action is working.

Because of the migratory habits of striped bass and that other States have not implemented closed seasons similar to Virginia's, I am introducing legislation to prevent the taking of all Atlantic striped bass on a temporary basis.

The varying regulations among States is counterproductive and provides an advantage to watermen in States that have not adopted closed seasons over watermen in States with such restrictions.

A temporary moratorium would prevent the taking of all fish until the ASMFC can revise the long-term Interstate Fisheries Management Plan and ensure that all affected States are in compliance.

Virginia's efforts have proved effective, and if the Congress is sincere in bringing back striped bass in commercial quantities, I believe a temporary moratorium will be the most expeditious approach to achieve this goal.

Mr. President, I ask unanimous consent that the text of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2431

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION. 1. This Act may be cited as the "Atlantic Striped Bass Temporary Federal Moratorium Act of 1986".

FINDINGS

SEC. 2. The Congress finds that—

(1) over the past year, the Atlantic Striped Bass Conservation Act has successfully improved the health of the striped bass population along the East Coast;

(2) the implementation of the Act has resulted in an inequitable distribution of the burdens imposed by fishing restrictions resulting from the Act, among the citizens of the affected coastal states;

(3) the termination date of the Act should be delayed so that even more improvements to the stock can occur in the future; and

(4) a short-term, Federal moratorium on the capture of striped bass will—

(A) accelerate the improvements seen in the stock of the striped bass along the east coast;

(B) impose a temporary, but equal burden on the citizens of the affected coastal states; and

(C) give the Atlantic States Marine Fisheries Commission time to revise the long-term Interstate Fisheries Management Plan in a manner that will impose the most equitable burden reasonably possible among the citizens of the affected coastal states.

FEDERAL MORATORIUM

SEC. 3. The Atlantic Striped Bass Conservation Act (Public Law 98-613) is amended by inserting after Section 5 the following new section:

"TEMPORARY TOTAL MORATORIUM

"SEC. 5A. (a) Temporary Total Moratorium—

Notwithstanding any other provision of this Act and effective upon the date of enactment of the Atlantic Striped Bass Temporary Federal Moratorium Act of 1986, a moratorium is declared on fishing for striped bass within the coastal waters of all coastal states.

"(b) Revised Plan—(1) Within 6 months after imposition of the moratorium pursuant to subsection (a), the Commission shall issue—

"(A) a new version of the Plan revised as provided in paragraph (2); and

"(B) specific instructions to each coastal state concerning how to modify their striped bass fishing regulations to conform with the revised Plan.

"(2) The revised Plan and the instruction to the coastal States shall—

"(A) promote the long-term conservation of the striped bass, while

"(B) imposing the most equitable burden reasonably possible among the citizens of the coastal states.

"(c) Removal of Moratorium—(1) Within 9 months after imposition of the moratorium pursuant to subsection (a), the Secretaries, after consulting with the Commission, shall—

"(A) determine whether each coastal state is in compliance with the revised Plan issued pursuant to subsection (b); and

(B) based on such determination either—

"(i) remove the moratorium imposed on each state in compliance with the Plan; or

"(ii) notify each state not in compliance with the Plan and inform each such state why the state is not in compliance.

"(2) At any time after 9 months, the Secretaries may, either jointly or individually, remove a moratorium imposed on a state under this section if they determine, after consulting with the Commission, that the regulations of such state pertaining to the capture of striped bass are in compliance with this Act and the Plan as revised pursuant to this section.".●

● Mr. TRIBLE. Mr. President, along with Senator WARNER, I am today introducing legislation that seeks to encourage the protection of striped bass while treating commercial fishermen in each State equitably.

During the last decade, the Atlantic striped bass population has declined. The population decline has had an adverse economic impact on many fishermen, including those in Virginia.

We have made tremendous strides in our efforts to clean up the Chesapeake Bay. This is one step toward replenishment of the striped bass population. The next step, which is proposed in this legislation, is a moratorium on the taking of striped bass in all east coast waters. This moratorium would be short term, ending when the Atlantic States Marine Fisheries Commission completes State guidelines that will ensure the protection of the striped bass. An immediate moratorium would ensure that this valuable species is not at risk from commercial fishing.

Scientists indicate that the population is making a comeback, but the effort has been hampered by varying regulations from State to State. To be effective, regulations must achieve two goals. First, they must impose equal burdens on the watermen of each State. Second, each State must contribute equally to the long-term health of striped bass. The current

mix of regulation meets neither of these goals.

I introduce this legislation today, because I deeply care for the Chesapeake Bay and the families who have worked it generation after generation. This bill will enable us to protect the striped bass, and therefore, protect the livelihood of watermen. This short-term moratorium is essential for the survival of the striped bass, and I urge my colleagues to support it.●

By Mr. GRASSLEY:

S. 2432. A bill to amend title XVIII of the Social Security Act to permit an increase in the payment amount for inpatient hospital services under part A of the Medicare Program for certain high cost hospitals located in a rural area near an urban area; to the Committee on Finance.

INCREASED PAYMENT AMOUNTS FOR CERTAIN HOSPITALS LOCATED NEAR URBAN AREAS

● Mr. GRASSLEY. Mr. President, today I rise to introduce a bill which will help provide more equity for rural hospitals in the Medicare prospective payment system. In calculating reimbursement rates, the current prospective payment system treats all rural hospitals in a State as a single rural area. This treatment ignores differences in labor costs between rural areas within a State—particularly the problems of "border" rural hospitals which must compete with urban hospitals for labor.

Although these border hospitals have labor and nonlabor costs which are comparable to their urban neighbors, these rural hospitals are receiving much lower reimbursement rates. On average, these border hospitals in Iowa receive about 50 percent less for the same procedures performed by Iowa urban hospitals.

The April 1 Prospective Payment Assessment Commission report acknowledges the difficulties and inequities in how labor markets are defined. ProPAC found in a study that wage rates were significantly higher in rural hospitals adjacent to Metropolitan Statistical Areas compared to hospitals in nonadjacent rural counties. Yet, no matter how cost effective these border hospitals are, they cannot continue to compete and survive under the inequitable reimbursement system.

Therefore, Mr. President, I am introducing legislation that will allow rural hospitals located within 75 miles of an urban area to file with the Secretary of Health and Human Services for an increase in reimbursement reflecting their actual costs. To be eligible for this increase a hospital would have to demonstrate that:

First, the ratio of its unit inpatient costs for a cost-reporting period and the unit inpatient costs for hospitals in the nearest urban area exceeds the ratio of its average Medicare payment and the average Medicare payment for hospitals in the nearest urban area for that period;

Second, its average Medicare payment is less than 85 percent of what it would receive if it were located in the nearest urban area;

Third, there is a greater differential now in its reimbursement when compared with the reimbursement of nearby urban hospitals than existed in October 1983.

This legislation creates a board to which a hospital may appeal for reconsideration should the Secretary deny its request for an increase. The appeal board would be composed of representatives of the Health Care Financing Administration, an equal number of rural and urban hospital administrators, health care consumers, physicians, and others designated by the Secretary.

Mr. President, it is vital to the existence of our rural hospitals that we continue to review the impact of Federal policy on health care in rural America. I hope that my colleagues will join me and Congressman TAUKE, who is sponsoring this legislation in the House of Representatives, in seeking a more equitable reimbursement system for our rural hospitals.●

By Mr. BYRD (for himself, Mr. CRANSTON, Mr. INOUYE, Mr. PELL, Mr. LEAHY, and Mr. EAGLETON):

S.J. Res. 340. Joint resolution to amend the War Powers Resolution to establish a permanent body for the purposes of consultation as required in section 3 under the Resolution; to the Committee on Foreign Relations.

(The remarks of Mr. BYRD and the text of the resolution appear earlier in today's RECORD.)

ADDITIONAL COSPONSORS

S. 670

At the request of Mr. D'AMATO, his name was added as a cosponsor of S. 670, a bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, and to give to employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes.

S. 1380

At the request of Mr. GLENN, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of S. 1380, a bill to reform certain regulatory procedures governing the export of banned and severely restricted substances.

S. 1446

At the request of Mr. ANDREWS, the names of the Senator from South Dakota [Mr. ABDNOR] and the Senator from New Jersey [Mr. BRADLEY] were added as cosponsors of S. 1446, a bill to amend title 38, United States Code, to improve veterans' benefits for former prisoners of war.

S. 1640

At the request of Mr. GRASSLEY, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1640, a bill to amend title XVIII of the Social Security Act to provide for coverage under the Medicare Program of services performed by a physician assistant.

S. 2190

At the request of Mr. SARBANES, the name of the Senator from Montana [Mr. MELCHER] was added as a cosponsor of S. 2190, a bill to provide that the full cost-of-living adjustment in benefits payable under certain Federal programs shall be made for 1987.

S. 2209

At the request of Mr. DOLE, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 2209, a bill to make permanent and improve the provisions of section 1619 of the Social Security Act, which authorizes the continued payment of SSI benefits to individuals who work despite severe medical impairment; to amend such act to require concurrent notification of eligibility for SSI and Medicaid benefits and notification to certain disabled SSI recipients of their potential eligibility for benefits under such section 1619; to provide for a GAO study of the effects of such section's work incentive provisions; and for other purposes.

S. 2256

At the request of Mr. QUAYLE, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 2256, a bill to amend the Bilingual Education Act to make Federal financial assistance available for children of limited English proficiency without mandating a specific method of instruction, to encourage innovation at the State and local level through greater administrative flexibility, to improve program operations at the Federal level, and for other purposes.

S. 2273

At the request of Mr. KASTEN, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 2273, a bill to amend the Internal Revenue Code of 1954 to deny the tax exemption for interest on industrial development bonds used to finance acquisition of farm property by foreign persons.

S. 2274

At the request of Mr. KASTEN, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 2274, a bill to provide that certain individuals who are not citizens of the

United States and certain persons who are not individuals shall be ineligible to receive financial assistance under the price support and related programs administered by the Secretary of Agriculture.

S. 2305

At the request of Mr. KENNEDY, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 2305, a bill to amend title IV of the Public Health Service Act to require the Director of the National Cancer Institute to make grants and enter into contracts to support research on adoptive immunotherapy for cancer.

S. 2308

At the request of Mr. LAUTENBERG, the names of the Senator from New York [Mr. MOYNIHAN], the Senator from Maryland [Mr. SARBANES], the Senator from Michigan [Mr. LEVIN], the Senator from South Carolina [Mr. THURMOND], the Senator from Arizona [Mr. DECONCINI], and the Senator from Minnesota [Mr. BOSCHWITZ] were added as cosponsors of S. 2308, a bill to authorize the President of the United States to award congressional gold medals to Anatoly and Avital Shcharansky in recognition of their dedication to human rights, and to authorize the Secretary of the Treasury to sell bronze duplicates of those medals.

S. 2375

At the request of Mr. BENTSEN, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 2375, a bill to disapprove of certain deferrals of Strategic Petroleum Reserve budget authority, to authorize additional appropriations with respect to the Strategic Petroleum Reserve, and to increase oil import fees.

S. 2417

At the request of Mr. BYRD, the names of the Senator from Florida [Mr. CHILES] and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 2417, a bill to establish the Aviation Safety Commission, and for other purposes.

SENATE JOINT RESOLUTION 304

At the request of Mr. SIMON, the names of the Senator from Oklahoma [Mr. BOREN], the Senator from North Dakota [Mr. BURDICK], the Senator from Arkansas [Mr. BUMPERS], the Senator from Mississippi [Mr. COCHRAN], the Senator from California [Mr. CRANSTON], the Senator from Illinois [Mr. DIXON], the Senator from New Mexico [Mr. DOMENICI], the Senator from Utah [Mr. HATCH], the Senator from Florida [Mrs. HAWKINS], the Senator from Nevada [Mr. HECHT], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Michigan [Mr. LEVIN], the Senator from Indiana [Mr. LUGAR], the Senator from Ohio [Mr. METZENBAUM], the Senator from New York [Mr. MOYNIHAN], the Senator from Oklahoma [Mr. NICKLES], the Senator from Georgia [Mr. NUNN], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Maryland [Mr. SARBANES], the Senator from South Carolina [Mr. THURMOND], the Senator from Connecticut [Mr. WEICKER], the Senator from California [Mr. WILSON], and the Senator from Nebraska [Mr. ZORINSKY] were added as cosponsors of Senate Joint Resolution 304, joint resolution to designate the week of November 16, 1986, through November 22, 1986, as "National Arts Week."

SENATE JOINT RESOLUTION 314

At the request of Mr. QUAYLE, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of Senate Joint Resolution 314, joint resolution to designate the week beginning July 27, 1986, as "National Nuclear Medicine Week."

SENATE JOINT RESOLUTION 326

At the request of Mr. WALLOP, the name of the Senator from Colorado [Mr. ARMSTRONG] was added as a cosponsor of Senate Joint Resolution 326, joint resolution to proclaim May 21, 1986, as "Andrei Sakharov Honor and Freedom Day."

SENATE JOINT RESOLUTIONS 331

At the request of Mr. HELMS, the names of the Senator from South Carolina [Mr. THURMOND], the Senator from Oklahoma [Mr. NICKLES], the Senator from Alabama [Mr. DENTON], the Senator from Georgia [Mr. MATTINGLY], and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of Senate Joint Resolution 331, joint resolution prohibiting the proposed sale of integrated avionics system kits to the People's Republic of China.

SENATE JOINT RESOLUTION 334

At the request of Mr. LAUTENBERG, the names of the Senator from Wyoming [Mr. SIMPSON] and the Senator from Massachusetts [Mr. KENNEDY] were added as cosponsors of Senate Joint Resolution 334, joint resolution allowing qualified persons representing all the States to be naturalized on Ellis Island on July 3 or 4, 1986.

SENATE RESOLUTION 397

At the request of Mr. QUAYLE, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of Senate Resolution 397, resolution expressing the sense of the Senate regarding the lending practices of multilateral development banks.

SENATE RESOLUTION 398—EXPRESSING SUPPORT FOR SOLIDARITY SUNDAY

Mr. MOYNIHAN (for himself, Mr. ANDREWS, Mr. ARMSTRONG, Mr. BOREN, Mr. BOSCHWITZ, Mr. BRADLEY, Mr. BUMPERS, Mr. BYRD, Mr. CHAFEE, Mr. COCHRAN, Mr. COHEN, Mr. CRANSTON, Mr. D'AMATO, Mr. DECONCINI, Mr. DIXON, Mr. DODD, Mr. DOLE, Mr. DURENBERGER, Mr. EXON, Mr. GLENN, Mr. GORE, Mr. GORTON, Mr. GRASSLEY, Mr. HART, Mr. HATCH, Mr. HATFIELD, Mr. HECHT, Mr. HEINZ, Mr. HOLLINGS, Mr. HUMPHREY, Mr. INOUYE, Mrs. KASSEBAUM, Mr. KENNEDY, Mr. KERRY, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. LONG, Mr. LUGAR, Mr. MATSUNAGA, Mr. MATTINGLY, Mr. MITCHELL, Mr. NICKLES, Mr. PELL, Mr. PRESSLER, Mr. PROXMIRE, Mr. QUAYLE, Mr. RIEGLE, Mr. ROCKEFELLER, Mr. ROTH, Mr. SARBANES, Mr. SASSER, Mr. SIMON, Mr. SPECTER, Mr. SYMMS, Mr. THURMOND, Mr. TRIBLE, Mr. WARNER, Mr. WEICKER, Mr. WILSON, and Mr. ZORINSKY) submitted the following resolution; which was ordered held at the desk.

S. RES. 398

Whereas on May 11, 1986, the constituent agencies of the Coalition to Free Soviet Jews will convene the fifteenth annual "Solidarity Sunday for Soviet Jewry" in reaffirmation of the American People's resolve to secure freedom for Soviet Jews and beleaguered persons everywhere;

Whereas Americans of all faiths will join in myriad activities on that day in public expression of solidarity with the long suffering Jewish community in the Soviet Union;

Whereas on February 11, 1986, Anatoly Shcharansky was finally released after nine years in the Soviet Gulag, reunited with his beloved Avital and welcomed in triumph to the land for which he had sacrificed so much;

Whereas Anatoly Shcharansky's tenacious devotion to his people and faith has been a source of inspiration to all Americans;

Whereas our elation at his freedom must not allow us to forget or ignore the 2½ million Jews who remain in the Soviet Union;

Whereas the right to emigrate freely and to be reunited with one's family abroad is denied Jews and many others in the Soviet Union;

Whereas the Universal Declaration of Human Rights, adopted by the General Assembly of the United Nations, and the Helsinki Final Act explicitly assert guarantees of those rights;

Whereas the Government of the Soviet Union has nevertheless continued to restrict emigration, particularly in the last few months, when the number of Jews allowed to emigrate has declined to extremely low levels;

Whereas the Government of the Soviet Union is persecuting its Jewish citizens and denying them even those few rights and privileges accorded other recognized religions in the Soviet Union;

Whereas the Government of the Soviet Union discriminates against Jewish cultural activities by banning and suspending Hebrew and Jewish cultural classes, by arresting teachers of Hebrew, and by harassing those Soviet Jews who seek only to practice their religion;

Whereas a virulent anti-semitic campaign continues unabated in the Soviet Union and Soviet Jews are increasingly deprived of occupational and educational opportunities;

Whereas thousands of innocent Jews and other persons, having applied to leave the Soviet Union, have been subjected to imme-

diate induction into the armed forces, improper incarceration in mental institutions, expulsion from school, and constant surveillance and harassment;

Whereas the Government of the Soviet Union will not succeed in isolating Soviet Jews from their friends in the free world so long as those who cherish liberty continue to speak on behalf of beleaguered people everywhere;

Whereas "Solidarity, Sunday for Soviet Jewry" shall provide vigorous expression of American determination to secure freedom for Soviet Jewish prisoners of conscience incarcerated solely for their desire to emigrate; and

Whereas the Government of the Soviet Union refuses to permit the free exercise of religious beliefs and cultural expression and also refuses to remove all obstacles to the free emigration of its Jewish citizens and others who wish to leave and live in other countries: Now, therefore, be it

Resolved, That the Senate hereby expresses its full support for "Solidarity Sunday for Soviet Jewry", to be held on May 11, 1986, and encourages Americans to participate in the activities of that day.

Mr. MOYNIHAN. Mr. President, I am pleased to submit a resolution expressing the sense of the Senate that the Congress supports Solidarity Sunday for Soviet Jewry. This resolution is cosponsored by 59 Senators, including that of the distinguished chairman of the Judiciary Committee [Mr. THURMOND], whose willingness and friendly cooperation has made it possible for this measure to be considered immediately upon its introduction. This resolution is also submitted with the cosponsorship of the majority leader and the minority leader, as has been the case for the past 6 years.

Sunday, May 11, 1986 is Solidarity Sunday for Soviet Jewry. Tens of thousands of Americans of all faiths will gather in New York City for a march and rally, demonstrating their solidarity with the 2½ million oppressed Jews of the Soviet Union. Initiated 5 years ago by the organization now known as the Coalition to Free Soviet Jews, Solidarity Sunday has become something of a tradition. It is regrettable that this has been necessary, but also heartening that Americans have continued their support of the event.

For the 10th consecutive year I will be privileged to participate in Solidarity Sunday. But this year is different: the march will be graced by the presence of Anatoly and Avital Shcharansky. May 11 marks the third month of Anatoly Shcharansky's hard-won freedom. It was on February 11 that he was finally freed from the Soviet Gulag, reunited with his beloved Avital and welcomed in triumph to the land for which he had sacrificed so much.

During the 9 years since his arrest on the false charge of spying for the United States, Mr. Shcharansky came to symbolize the Soviet Union's embattled Jewry. His devotion to his people and faith was a source of inspiration to all Americans. Accordingly, it would be tragic if our elation at Anatoly Shcharansky's release allowed us to forget the 2½ million Jews who remain behind.

In 1979, 51,320 Soviet Jews were permitted to emigrate; 1,140 were allowed to leave in 1985, and more recent figures are equally depressing. Some 400,000 Soviet Jews have begun the difficult process of requesting exit visas; 20,000 have been refused; 380,000 remain in bureaucratic limbo. In March 1986, 47 Jews were permitted to leave the Soviet Union. This marked a precipitous drop from the 84 who left in February, and represented and emigration rate far below the rate of visa applications, which itself is depressed by the constant harassment of applicants.

The Government of the Soviet Union is the single largest and most powerful threat to human liberty in the world. Other regimes are more murderous than the U.S.S.R. is today, but none are as powerful or as devoted to the construction of a totalitarian world in which the individual has no status save what the state finds convenient to accord. So on the subject on human rights we inevitably and repeatedly return to the policies of the Soviet regime. And we find those policies wanting. Particularly in respect of the treatment accorded to ethnic minorities, and most especially with respect to its Jewish citizens, we find Soviet policies unacceptably intolerant of individual rights.

In order for the United States to begin to accord the Soviet Union the status of a civilized society with which we will find it acceptable to deal on a regular and regularized basis—engaging in international commerce and exchanges of information and ideas, for instance—the U.S.S.R. must meet certain minimum standards of behavior in the area of human rights. This is not the sole requisite to improved bilateral relations, but it is one such.

If the Soviet Government cannot abide with Jews living as Jews in the privacy of their homes and underground synagogues, the minimum decency would be to permit them to emigrate. Ten years ago, speaking at the last of the Solidarity Sunday rallies he would be able to attend, our revered former colleague in the Senate, Hubert H. Humphrey said, "Let them live as Jews or let them leave as Jews. It is as simple as that."

And so it is.

Mr. President, I am pleased to have the support of so many Members of this body in bringing this resolution to the floor.

● Mr. D'AMATO. Mr. President, I rise today to cosponsor the resolution offered by my distinguished colleague, the senior Senator from New York, which establishes May 11, 1986, as Solidarity Sunday for Soviet Jewry. I commend my colleague for his sponsorship of this important resolution as a show of support for the over 3 million Soviet Jews struggling to preserve their religious identity and cultural heritage.

Jews in the Soviet Union are harassed, imprisoned, and exiled for the sole reason of their religious beliefs. Jewish holiday celebrations are outlawed, Jewish history is deleted from the Soviet educational system, the teaching of Hebrew is prohibited, and Bibles and prayer books are confiscated. Such treatment was highlighted when Anatoly Shcharansky was pressured to give up his prayer book before he was released. His courageous refusal was nothing less than inspirational.

The release of the most celebrated refusenik, Anatoly Shcharansky, is a wonderful gesture by Moscow, but it is not nearly enough. The numbers continue to paint an awful picture. In 1979, the Soviet Union allowed over 51,000 Jews to emigrate. In the last 2 years combined, just over 2,000 Soviet Jews have been given permission to emigrate. Yet, the number who want to get out has not diminished, and the demand for freedom grows even larger.

The numbers are not the only sign of continued persecution of Jews in the Soviet Union. Any effort to preserve Jewish culture is met with harsh reprisals. By committing the "crime" of preserving their cultural heritage, Soviet Jews are harassed, threatened, and incarcerated, usually on trumped-up charges. Jews, like other citizens wishing to practice their religion, are severely restricted from practicing Judaism. In a nation with the third largest Jewish population, there are only 50 synagogues.

The treatment of Jews in the U.S.S.R. has not improved since the signing of the Helsinki Final Act nearly 11 years ago. Moscow's callous disregard for the rights of their Jewish community signifies the contempt Soviet leaders have for the Helsinki accords. I support the administration's attempts to improve relations with the Soviet Union. I question, however, Moscow's adherence to any future agreements with the United States, however, when they so bluntly ignore the Helsinki accords.

We cannot disregard the massive Soviet human rights violations. We must have a committed and staunch posture with regard to abuses of Soviet Jews. As Americans dedicated to the principles of individual freedom and liberty, we must continue to pursue the cause of human rights for Jewish community living in the Soviet Union.

Mr. President, I urge all of our Senate colleagues to join us in this effort.●

SENATE RESOLUTION 399—REGARDING THE MAINTENANCE OF THE SMALL BUSINESS ADMINISTRATION

Mr. SASSER (for himself, Mr. BUMPERS, Mr. NUNN, Mr. LEVIN, Mr. DIXON, Mr. HARKIN, Mr. KERRY, Mr. BAUCUS, and Mr. BOREN) submitted the following resolution; which was referred to the Committee on Small Business.

S. RES. 399

Whereas on April 7, 1986, President Reagan signed the Combined Omnibus Budget Reconciliation Act, P.L. 99-272, which authorized funding for Small Business Administration through 1988,

Whereas Congress and the President have clearly expressed a strong desire to preserve the carefully crafted core of business development programs operated by the Small Business Administration,

Whereas the programs operated by the Small Business Administration have helped the most vital sector of our economy to create the lion's share of new jobs in our economy over the last several years,

Whereas the best interests of this nation's small business community are served through maintaining an independent Small Businss Administration with both management assistance and financial programs,

Whereas the Small Business Administration and America's small business community are deserving of a Small Business Administration Administrator who is dedicated to both the Small Business Administration and the future of small business,

Whereas certain actions and statements of the Acting Administrator of the Small Business Administrator appear designed to undermine the morale and personnel within the Small Business Administration,

Whereas the actions of the Acting Administrator of the Small Business Administration seeking to undermine the morale of the Administration and eliminate major small business programs directly contradict the course of action for the Small Business Administration agreed upon by Congress and the President in the Combined Omnibus Budget Reconciliation Act,

Whereas the Acting Administrator's name has not been submitted to the Senate for its advice and consent, pursuant to Article II, Section 2, of the Constitution of the United States,

Resolved, therefore it is the sense of the Senate that the Small Business Administration be maintained as an independent agency to assist the Nation's small businesses. *Further resolved* that the members of the United States Senate strongly urge the President of the United States to submit a nomination to be Administrator of the Small Business Administration who is dedicated to the Small Business Administration and the future of America's small business community.

SENATE RESOLUTION 400—RETAINING CURRENT TAX TREATMENT OF INDIVIDUAL RETIREMENT ACCOUNTS

Mr. ROTH (for himself, Mr. D'AMATO, Mrs. HAWKINS, and Mr. CRANSTON) submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 400

Whereas, some 25 million Americans rely on Individual Retirement Accounts to save for their retirement; and

Whereas, Individual Retirement Accounts have proved to be an efficient savings device for middle class Americans; and

Whereas, the savings held in retirement accounts now total some $250 billion which contributes to the economic well-being of our country by providing capital for business growth; and

Whereas, capital formation in general and personal savings in particular is essential to international competitiveness; and

Whereas, the United States' major trading partners all have savings rates in excess of the United States; and

Whereas, Individual Retirement Accounts have proved effective in reducing the tax bias against saving in the tax code.

Then be it resolved that;

It is the sense of the Senate that current law treatment of Individual Retirement Accounts be retained and that this retention is fully consistent with the goals of basic tax reform.

Mr. ROTH. Mr. President, today I rise to submit a sense of the Senate resolution pertaining to individual retirement accounts.

The tax reform bill reported by the Finance Committee is a good bill and I voted for it. There is, however, one major issue that still needs to be addressed. The finance bill severely cuts back on individual retirement accounts. This is a terrible mistake.

The most important criterion by which to judge tax reform is whether or not it enhances our international competitiveness. There is nothing more crucial to competitiveness than capital formation in general and personal saving in particular.

Our savings rate, including business saving, is very low relative to our trading partners in large part because our Tax Code contains an inherent bias against saving.

The Japanese have grown and prospered as a direct result of their enormous pool of person saving. The Japanese, however, were not always prolific savers. It is only since the postwar, pro-saving tax changes that the Japanese have doubled their savings rate. The Canadians, our No. 1 trading partner, have had a similar experience with taxes and savings. By reducing the double taxation of saving, the Canadians have dramatically increased their savings rate, according to their Finance Minister, Mr. Wilson.

Individual retirement accounts have proved to be an effective savings vehicle, especially for middle-class Americans.

It is incorrect to say that IRA's are a rich person's shelter. The overwhelming majority of IRA holders are middle-class Americans.

IRA's have generated new savings. It was understood that, in the beginning, saving would be transferred out of existing accounts. But by 1984, at least $18 billion in new saving was created by IRA's, according to a study by the Investment Company Institute. And economists Charles McClure and David Wise agree that IRA's are now creating new saving. Professor Wise, who was conducted one of the only research studies, on IRA's, says that 50 percent of all IRA holders produce new saving.

IRA's are just beginning to accomplish their goals. They have only been in place effectively since 1982. But worse than the absurdity of repealing a provision so early is the signal it sends to middle-class savers. If we were to implement savings incentives in the future, who would believe us?

Mr. President, when the tax reform bill comes to the floor, I intend to offer an amendment that will retain the current law treatment of IRA's.

In fact, I will offer as many amendments as is necessary.

Mr. President, I encourage my colleagues to join me during the tax reform debate, and to cosponsor the sense of the Senate resolution I offer today.

Mr. D'AMATO. Mr. President, I am pleased to join the senior Senator from Delaware, Senator ROTH, as an original cosponsor of a resolution stating that it is the sense of the Senate that current law treatment of IRA's be preserved.

As you know, Mr. President, the Senate Finance Committee has reported out a comprehensive tax reform bill. I think that the committee, led by Senator PACKWOOD, did an excellent job. I am generally supportive of the basic principles of the bill, in particular that rates are lowered and all individuals and corporations will be forced to pay their fair share of taxes.

However, I have serious reservations with two or three specific aspects of the reform bill. I feel strongly that the deduction for contributions to an IRA must be preserved regardless if an individual qualifies for a private pension plan. The Finance Committee made this move in its thirst for additional revenues to pay for lower marginal tax rates. However, in the long run, loss of the deduction for IRA's will shrink this Nation's pool of capital and hurt working middle income families that desperately need to supplement their retirement savings.

On the floor of the Senate, there is tremendous talk about the necessity for encouraging savings. Since 1981, when IRA's were expanded, our $250 billion of new savings have been generated through this retirement vehicle. The overwhelming number of working middle-class families who have established IRA's would not have put this money aside without the deduction for contributions to an IRA.

I also feel that repeal of the deduction to an IRA is an antiwomen move. Under present law, a nonworking spouse, such as a homemaker, can only

contribute $250 to a spousal IRA. This is wrong. A homemaker works every bit as hard as a salaried professional. I think the Finance Committee should have increased the spousal IRA to $2,000. Instead the committee did just the opposite.

Mr. President, it is my belief that the Finance Committee should have expanded the use of IRA's to treat homemakers more fairly. I feel that the current law deduction for contributions to an IRA, at the least, must be preserved. I think, in the final analysis, the full Senate will agree with me and Senator ROTH.

Let me make one other point. Promising tax deferral on income earned on an IRA is not enough. Without the upfront deduction, the savings generated by IRA's will be greatly deminished. It is vital for the economy and middle income families that this savings vehicle be preserved.

Where do we get the revenues to preserve the deduction for IRA contributions? I think the Senate can come up with an appropriate offset if necessary. I am strongly supportive of the resolution of the senior Senator from Delaware. I hope my colleagues join with us so that we can keep this very vital program.

SENATE RESOLUTION 401—RELATING TO DEDUCTIBILITY OF INDIVIDUAL RETIREMENT ACCOUNTS

Mr. DOLE (for Mrs. HAWKINS) submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 401

Whereas legislation has been proposed by the Committee on Finance which would abolish the deductibility of contributions to an Individual Retirement Account (IRA) for any employee covered by an employer-sponsored pension plan;

Whereas the devastating effect of such legislation would prevent 20 million of the 28 million IRA-owning American households from planning individual retirement security;

Whereas the IRA has become a highly successful retirement program since Congress made IRA's universally available in 1981, the pool of assets growing from $26,000,000,000 in 1981 to over $250,000,000,000 presently;

Whereas the IRA has become the primary retirement savings vehicle of America's middle-income employment force, struggling to save for retirement, with over 77 percent of IRA contributions made in 1983 being made by individuals with incomes under $50,000; and

Whereas the most successful means of providing Americans with the ability to plan for retirement is being threatening with extinction: Now, therefore, be it

Resolved, That it is the sense of the Senate to honor its commitment of 1981 to the American people by retaining current law as such law applies to Individual Retirement Accounts, and specifically, by retaining the full tax deductibility status of contributions to such Accounts.

SEC. 2. The Secretary of the Senate is directed to send copies of this resolution to the President.

Mr. DOLE submitted the following statement on behalf of Mrs. HAWKINS:

● Mrs. HAWKINS. Mr. President, I am committed to restoring the full tax deductibility of the individual retirement account, IRA's. The recent action taken by the Senate Finance Committee to eliminate the tax deductibility for anyone enrolled in an employer sponsored pension plan, has created a whirlwind of confusion for the American taxpayer. This is accentuated by the various attacks made on employee retirement and pension programs, in both the House and Senate tax reform proposals. Tax reform should be simple but it should be fair.

The program enhanced in 1982 by the Economic Recovery Tax Act, has been virtually sold out by the Finance Committee action; 28 million household currently are enrolled in IRA's and a great majority these families earn under $50,000. Many of these people did so because of the tax advantage of the IRA's and because President Reagan personally lobbied the American public, calling for greater inducements to encourage savings, and allow Americans a personal retirement supplement after age 59. To millions of Americans the IRA will no longer be attractive without the annual $2,000 deduction. What are these people to do with the money they have already invested. They will not be able to withdraw that money without a heavy penalty, they will not be able to roll it over. How will they react to future programs, what confidence do we want to provide those Americans planning for the golden years, when we strip away a heralded program in less than 4 years.

The IRA program is a good program which has just begun to evolve, it is outrageous that any retirement program be so whimsically treated.

I call on my colleagues in the Senate to restore the full tax deductibility of the IRA's.●

SENATE RESOLUTION 402—RELATING TO MINORITY SET-ASIDE PROGRAMS

Mr. LAUTENBERG (for himself and Mr. SPECTER) submitted the following resolultion; which was referred to the Committee on the Judiciary.

S. RES. 402

Whereas the Civil Rights Commission has drafted a report calling for a one-year moratorium on federal set-asides for minorities, including women, and has recommended that the government seek alternative measures to address the scarcity of successful firms owned by women and minorities;

Whereas the use of set-asides to encourage formation of minority or women ownedfirms and to increase employment of minorities or women has a long history of bipartisan support in the Congress;

Whereas set-asides have received strong bipartisan support from several Administrations, including the current one, through the issuance of executive orders;

Whereas the United States Supreme Court has rejected a challenge to the program;

Whereas set-aside programs such as the Small Business Administration's 8(a) program account for only about 1 percent of total federal contract awards but make up well over 60 percent of all federal prime contract awards to minority businesses;

Whereas the credibility of the report's conclusions regarding the ineffectiveness of the Small Business Administration's 8(a) program has been repudiated by the SBA's statement that the number of firms successfully participating in the program has jumped dramatically since the passage of the set-aside;

Resolved, That it is the sense of the Senate that the recommendations of the Civil Rights Commission draft report should be rejected, and appropriate reforms to strengthen the program and correct any abuses that may have occurred should be undertaken.

● Mr. LAUTENBERG. Mr. President, today I am submitting a sense of the Senate resolution, with my colleague from Pennsylvania, Senator SPECTER, expressing opposition to a Civil Rights Commission draft report which called for a 1-year moratorium on Federal set-asides for minority and women-owned small businesses.

At its April 11 meeting, the Commission considered this report and voted, 5 to 3, to return it to staff for further review and expansion. I am concerned that an end to set-aside programs has been recommended to the Commission and believe it is important to demonstrate continued congressional support for these programs.

Set-asides to encourage the formation of minority or women-owned firms and to increase employment of minorities and women have a long history of bipartisan support in the Congress and the executive branch.

Mr. President, the origins of this report are unclear. Further, the validity of the report's conclusions has been questioned. SBA officials have refuted the report's charges of mismanagement and the lack of set-aside programs for women. The officials said the Commission staff was relying on outdated and inaccurate information.

Mr. President, I do not dispute the fact that there have been problems and some abuses of the set-aside programs. We are all familiar with incidents of firms which were not truly minority-owned enterprises or firms which used the set-aside to win a contract they were unable to fulfill. The important point, however, is that set-asides have been an important tool in the fight to eliminate discrimination—providing opportunities for minority or women-owned businesses to develop to the point where they can compete in the marketplace without any further assistance.

Mr. President, these programs are very important to New Jersey, where minority business accounts for $100 million in commerce. Of this total, $70 million involves Government set-asides. There are approximately 9,000 minority-owned businesses in New Jersey—at least 70 percent of which are located in urban areas. There are currently 72 firms which are active in the Small Business Administration's section 8(a) program. These firms employ approximately 2,500 people, most of whom are minorities. If the set-aside programs were suspended for a year, as recommended in the Commission's draft report, at least 1,200 of these employees would have to be laid off. The implementation of this suspension would have an extremely harmful impact on minority-owned businesses in New Jersey and would cause a ripple effect on employment in urban areas.

Mr. President, rather than suspend the programs, as recommended by the Civil Rights Commission draft report, we should concentrate on strengthening the programs and weeding out any fraudulent or abusive practices that have occured. I believe this approach will lead to much more positive results.

Mr. President, I ask unanimous consent that the letter from SBA's Associate Administrator for Minority Small Business and Capital Ownership Development to the staff director of the Civil Rights Commission, and several articles and editorials discussing this issue be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SMALL BUSINESS ADMINISTRATION,
Washington, DC.

Mr. J. AL LATHAM, Jr.,
Staff Director, U.S. Commission on Civil Rights, Washington, DC.

DEAR MR. LATHAM: Thank you for your March 28, 1986, letter requesting our Agency's comments on the accuracy of the Commission's report on minority and women set-asides.

After reviewing the segments of the report you submitted for our comments and meeting with Mr. Michael Gilman of your staff, we offer the following comments:

First, we are concerned with the fact that we have not been given the opportunity to comment on the report in its entirety but were only allowed to comment on parts of the report.

Second, we are concerned with the lack of accuracy and objectivity of those parts of the report dealing with the 8(a) program, since they appear to be based on dated 1970s General Accounting Office reports and existing program rules and regulations and not on a meaningful analysis on the present state of the 8(a) program or its performance over the last 4 years.

One particular issue I want to clarify is that contrary to the report's conclusion that one of the continuing problems of the 8(a) program is its inability to graduate firms, the opposite is true.

Since the passage of Public Law 96-481, 8(a) firms have indeed been graduating from the program. For example, in the 5 years prior to Public Law 96-481 (1977-1982) only 82 firms graduated from the program while, since the law's implementation in late 1982 through FY 1985, 468 firms have graduated. Through 5 months of the current FY, 117 firms have exited from the program.

In general, the problems identified in the report were dealt with by Public Laws 95-507 and 96-481. We are satisfied that the program is today being prudently managed and that the abuses of the 70s do not plague the program today. However, we remain eager to review, and if warranted, correct any problems that you can identify and document currently exist with the program.

Third, to rectify the misperception, the Small Business Administration does not have a set-aside for women business owners. Pursuant to Executive Order 12138 and Federal Acquisition Regulations, Federal agencies are directed to "take appropriate action to facilitate, preserve, and strengthen women business enterprise and to ensure full participation by women in the free enterprise system. Appropriate action includes the award of subcontracts under Federal prime contracts." This is manifested by satisfactory progress made over the years which is reflected in increased achievements by women business owners.

Fourth, we have already submitted corrections to the segment of the report given to us on the 8(a) program (Enclosure A). Also included (Enclosure B) are the corrections to the segment given to us on women business owners. We look forward to confirmation that these changes will be incorporated in the final report.

And finally, we anticipate reviewing the complete report and offering thorough comments which accurately reflect the present condition of the program and current policies of the Administration.

Sincerely,

WILFREDO J. GONZALES,
Associate Administrator for Minority Small Business and Capital Ownership Development.

[From the Washington Post, Apr. 11. 1986]

Reagan Backs Minority Set-Asides: Rights Panel Wants Business Aid Ended

(By David Hoffman)

The White House announced yesterday that President Reagan supports federal programs to aid companies owned by minorities and women, as the U.S. Commission on Civil rights prepares to take up a report today calling for suspending such programs.

"The administration's position is that we support the minority set-aside program," presidential spokesman Larry Speakes, adding that the commission is an independent "advisory" group.

Members of the group have been divided between Reagan appointees who share many of the president's views on civil rights and others who have been critical of Reagan.

A draft report scheduled to be taken up today by the panel calls for a one-year funding moratorium on existing set-aside programs for minorities. The draft suggests that all government procurement be "awarded on an equal-opportunity basis—without regard for the race, religion, sex or ethnic origin of the bidding firms' owners."

Such programs generally set-aside a portion of federal contracts for businesses owned by minorities or women.

The draft contends that the minority set-aside programs have not proven effective. The report claims that the programs have been marked by "rampant corruption" and fraud, and primarily benefited wealthier black and Hispanic employers.

The draft also contends that the set-asides have increased the cost of government procurement and led to bankruptcy for many businesses owned by whites.

The document further questioned whether set-asides had accomplished their purpose of encouraging the creation of more minority-owned firms or triggered an economic "ripple effect" leading to increased minority employment.

If the one-year moratorium were adopted, the report suggests that the government seek other ways to assist blacks, Hispanics and women in business.

Democrats criticized the draft report, which could be voted on by the commission today.

"The attack on minority set-aside programs is merely another attempt by the Reagan administration to turn back the clock on the advancements made by women and minorities in their struggle to overcome discrimination," Rep. Augustus F. Hawkins (D-Calf.) told a news conference, according to United Press International.

"I suppose we no longer should be surprised to learn that the Reagan administration wants to gut another minority assistance program," said Rep. Esteban E. Torres (D-Calif).

[From the Washington Post, Apr. 12, 1986]

CIVIL RIGHTS COMMISSION WITHDRAWS ITS REPORT ON MINORITY CONTRACTS: CHAIRMAN "UPSET" WITH WHITE HOUSE SUPPORT OF SET-ASIDE PROGRAMS

(By Howard Kurtz)

The U.S. Commission on Civil Rights, backpedaling in a dispute with the White House, voted yesterday to pull back a staff report urging suspension of federal programs that reserve contracts for minority-owned businesses.

The 5-to-3 vote directing the staff to revise the report had the effect of placing the controversial issue on the back burner a day after the White House publicly reaffirmed its support for minority set-aside programs.

Commission Chairman Clarence M. Pendleton, Jr. said he was "upset and disappointed with the House House" for endorsing set-aside programs. This administration has to make up its mind whether it wants opportunities for all or preference for some, and stop speaking with a double voice," he said.

Pendleton denied suggestions that he had succumbed to White House pressure in tabling the report. "The president does not direct me and never has," he said.

But Commissioner Mary Frances Berry, a leader of the faction critical of the Reagan administration, said Pendleton had beat "a tactical retreat" and that the report was "a public relations ploy that backfired."

The commission's liberal members wanted to kill the report, saying that it was one-sided and had never been authorized by the panel. But the commission's conservative majority appeared determined to pull back the report, reportedly at the urging of White House officials.

The debate carried echoes of the continuing fight within the administration over whether to abolish minority hiring goals for government contractors. In both instances, a leaked copy of the proposal sparked an

uproar among civil rights activists and members of Congress.

Federal agencies awarded more than $5 billion in work last year to companies headed by blacks. Hispanics and women under set-aside programs similar to those in many states and cities. The commission's draft report calls for a one-year moratorium to reexamine such programs, saying that they are costly, ineffective, rife with corruption and mainly benefit minority "fronts."

Legally, set-aside programs at the Small Business Administration and other agencies are aimed at "socially and economically disadvantaged" persons, but they generally aid minorities and women.

Berry accused Pendleton and staff director. J. Al Latham Jr. of trying to align the commission with Justice Department conservatives, such as Assistant Attorney General William Bradford Reynolds, who have sharply criticized set-aside programs as being too reliant on racial and sexual preferences.

Pendleton, a black who generally supports President Reagan, has challenged the White House on this issue. After Reagan repeated his support for set-asides in 1984, Pendleton wrote him that such programs "do mayhem to the Constitution and the civil rights laws."

Latham said yesterday's vote was a defeat for "those who favor racial quotas" and that "the basic principles" of "color-blind policies" will remain in the revised report.

The debate reflected the deep split in the commission since it was revamped in 1983 with four presidential and four congressional appointees. "This report provides fresh evidence of the credibility and management problems of the reconstituted U.S. Commission on Civil Rights . . . . The report is an example of commission work at its shoddiest," Berry said.

Pendleton and Vice Chairman Morris B. Abram, both Reagan appointee, endorsed the report. Abram called set-aside programs "blatant tokenism' that are "unworkable and un-American . . . . The idea that someone must be of a particular race to be granted the privilege of building a highway or bridge, in my judgment, is wrong."

But two other conservations, Robert A. Destro and John H. Bunzel, expressed misgivings about the reports. Destro called it "superficial" and said that while set-aside programs have been too strongly tied to race, they have "a very important symbolic value . . . of a nation's commitment to correct prior wrongs."

[From the New York Times, Apr. 22, 1986]

AFFIRMATIVE ACTION EFFORT ON AMTRAK CORRIDOR PRAISED AS EFFECTIVE

(By Robert Pear)

WASHINGTON, April 21.—A major Federal program to reserve contracts for businesses owned by members of minority groups and women in the Northeast has been highly effective, according to a regional advisory panel of the United States Commission on Civil Rights.

The study contradicts a report drafted by the staff of the commission, which said such programs were ineffective.

The new study focused on a $2.2 billion project to improve the main Amtrak rail line running through eight states in the Northeast Corridor, including New York, New Jersey and Connecticut.

Because of 10 years of strong commitment from top officials at Amtrak and the Federal Transportation Department, the study said, this project surpassed its goal of awarding 15 percent of all contracts to businesses owned by blacks, Hispanic people and women. The actual volume of such awards was 17.8 percent, it said.

"THE EXPERIENCE NEEDED"

The Northeast Corridor Improvement Project "provided experience to minority- and female-owned business enterprises, the experience needed for their future survival and competition in a free marketplace," said the study, by a 17-member advisory panel drawn from the Northeast region.

The panel, whose members were drawn from standing state panels, praises Transportation Secretaries running from William T. Coleman Jr., in the Ford Administration, to Elizabeth Hanford Dole, in the Reagan Administration, for vigorously enforcing the 15 percent goal set by Mr. Coleman.

The commission cleared the panel's report for publication last November, over the objections of several staff members, including the general counsel of the agency, James B. Mann. In a memorandum to the commission, Mr. Mann said the data in the report did not justify what he described as its "enthusiastic endorsement" of programs designed to assist businesses owned by women and members of minority groups.

The debate over such programs mirrors a larger philosophical clash over permissible forms of affirmative action. One side contends that it is improper for the Government or private industry to take account of race or sex in awarding contracts or hiring employees. By contrast, many civil rights groups contend that numerical goals for the selection of minorities and women are sometimes needed to help overcome the legacy of discrimination.

COMMENT IS SOUGHT

The report has not yet been issued. J. Al Latham Jr., staff director of the commission, said the agency had to obtain comment first from the Associated General Contractors of America, a trade association. Under Federal law, Mr. Latham said, if a report tends to "defame or degrade," the commission must give the target an opportunity to respond.

The study said the Associated General Contractors had taken an "unsympathetic stance" toward programs reserving work for businesses owned by members of minority groups.

Mr. Latham said that the commission, in approving publication of the study, did not discuss or endorse its content.

The study said that "the commendable level of minority and women business participation" was not a "statistical anomaly produced by one or two exceptional years," but rather a pattern sustained over 10 years.

BENCHMARK IS SEEN IN EFFORT

"Considering charges that the railroad and construction industries tend to be inhospitable" to such businesses, the study said, "most Federal agencies should be able to equal the minority/women participation rate" achieved on the project.

The study said that several techniques had been used to increase the involvement of women and minorities in the project. Their participation was one of the criteria used in selecting contractors, it said.

On contracts of $50,000 or more, it said, Amtrak generally required contractors to set goals for minority business and female subcontractors. Under a special procedure, it said, Amtrak could select a contractor who was not the lowest bidder if it had "a superior subcontracting plan and the bid is within 4 percent of the lowest."

In addition, the study said, Amtrak restricted bidding on some jobs to businesses owned by women and minority groups. Roland H. Jones, director of Amtrak's small-business development office, said he and his staff checked bidders to make sure "they were certifiable minority firms, not fronts."

THE GOALS WERE ENFORCEABLE

The report said the 15 percent figure was "a genuine goal, not a set-aside or quota." However, the report said: "Any goals included by a contractor as part of a bid became enforceable as a material part of the contract. Payments might be held up and various other remedies pursued."

The report suggests "revising procurement regulations so that Federal agencies may, where appropriate, reduce final payment on a contract in direct proportion to the degree of failure to achieve subcontracting goals."

The study said that "color-blind competition" was desirable, but added: "It is essential for Congress and Federal agencies to recognize that the problems of minority and nonminority small businesses are not the same, and that measures tailored to assist small businesses in general would not automatically benefit minority- or women-owned business."

The Northeast corridor also runs through Maryland, Delaware, Pennsylvania, Rhode Island and Massachusetts, as well as the District of Columbia.

[From the New York Times, Apr. 12, 1986]

RIGHTS STAFF TOLD TO REWORK MINORITY BUSINESS REPORT

(By Robert Pear)

WASHINGTON, April 11.—The United States Commission on Civil Rights today directed its staff to rework a report that recommended a one-year suspension of Federal programs that reserve contracts for black, Hispanic or female employers.

The panel did not specify what changes should be made. Several commissioners said the panel should propose some "positive alternatives" if it wanted to halt the set-aside programs, under which businesses owned by women and members of minority goups receive more than $5 billion a year in Government contracts.

Five of the eight commissioners expressed dissatisfaction with the draft report. The chairman of the commission, Clarence M. Pendleton Jr., strongly supported it.

CRITICISM OF WHITE HOUSE

Mr. Pendleton said the Reagan Administration was doing "mayhem to the Constitution" by endorsing programs that set-aside specified percentages of money or work for minority-owned businesses. He said he was "upset and disappointed with the White House" for reaffirming its support of such programs on Thursday.

"This Administration has to make up its mind whether it wants opportunity for all or preferences for some, and it has to stop speaking with a double voice and a double meaning," he said.

Albert R. Brashear, a White House spokesman, said he had no comment on Mr. Pendleton's remarks.

By a vote of 5 to 3, the commission defeated a motion to reject the report outright. Then, after impassioned debate, it voted by the same margin to send the report back to the staff to be rewritten. No deadline was set for completion of the next draft.

Voting in the majority on both motions were Mr. Pendleton, Morris B. Abram,

Esther Gonzalez-Arroyo Buckley, John H. Bunzel and Robert A. Destro. The three commissioners who wanted to scrap the report were Mary Frances Berry, Blandina Cardenas Ramirez and Francis S. Guess.

The draft report said there was "rampant corruption" in these programs. Mr. Bunzel, a senior research fellow at Stanford's Hoover Institution on War, Revolution and Peace, said: "I don't know what 'rampant' means. I do understand corruption. But I would like some further evidence as to precisely who believes there is that kind of corruption, where is it, to what degree, of what kind."

Mr. Abram, the vice chairman of the commission, joined Mr. Pendleton in defending the report. "Set-asides are nothing more than Government-granted monopolies, increasing costs, increasing taxes for all of us, and especially a burden on the poor, black, white and brown," Mr. Abram said.

Also, Mr. Abram said that set-asides were "unworkable and un-American" and often made no sense. "What advantage needs to be conferred upon a Japanese or a Korean in our country, or upon a Cuban?" he asked.

Mr. Destro, an assistant professor of law at Catholic University here, described the draft report as "superficial." The set-aside programs are supposed to focus on people who are "economically and socially disadvantaged," he said, and the Government should not "equate disadvantage with skin color, language or national origin."

DECISION TO PRODUCE REPORT

Mr. Guess, the Tennessee State Commissioner of Labor, said he could not understand why the staff had drafted the 96-page report because the members of the Civil Rights Commission had never received a formal "project proposal" from the staff and had not voted explicitly to authorize such a study. He said the commission and its staff tended "to play fast and loose" with the agency's procedures.

J. Al Latham Jr., the staff director of the commission, said there had been no irregularities in the drafting of the report. At a meeting of the panel last November, he said, "four commissioners expressed a desire" to adopt a statement on issues discussed at a conference held by the agency in March 1985. The conference dealt with affirmative action and set-asides.

The set-aside programs are operated under laws passed by Congress and under executive orders signed by Presidents Nixon, Carter and Reagan. To suspend the programs would require action by Congress and the President.

Two of the major set-aside programs are run by the Small Business Administration and the Transportation Department. In a letter to the Civil Rights Commission this week, Wilfredo J. Gonzalez, associate administrator of the small business agency, said, "We are concerned with the lack of accuracy and objectivity" in portions of the report relating to his agency.

Just before the end of today's meeting, Mr. Pendleton said it was "a blatant outright lie" for anyone to suggest that he had once tried to set up a minority business enterprise to take advantage of a Federal set-aside program. Representative Parren J. Mitchell, Democrat of Maryland, made such a suggestion on Thursday at a news conference, where he criticized the draft report.●

SENATE RESOLUTION 403—RELATIVE TO SAFEGUARDING PAY AND RETIREMENT FOR NEW FEDERAL EMPLOYEES

Mr. WARNER (for himself and Mr. TRIBLE) submitted the following resolution; which was referred to the Committee on Governmental Affairs.

S. RES. 403

Resolved, That it is the sense of the Senate that, upon the enactment of a law establishing a new retirement system for officers and employees of the Federal Government who would be subject to the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 if such Act had been extended with respect to Government service performed during the period beginning May 1, 1986, and ending on the effective date of such law, the Government should refund to each such officer or employee an amount equal to the excess of—

(1) the amount deducted and withheld from the pay of the officer or employee for such service under section 8334(a)(1) of title 5, United States Code, or any other provision of law that requires a deduction to be made and withheld from the pay of the officer or employee as a contribution to a retirement system for Federal Government officers and employees, over

(2) the amount that would have been deducted and withheld from the pay of the officer or employee for that service under such Act if the Act had been so extended.

● Mr. WARNER. Mr. President, I rise today to offer a resolution expressing the sense of the Senate that the 300,000 Federal employees hired since January 1, 1984, will not be held responsible for both the full 7.05 percent FICA tax and the standard 7 percent civil service retirement system [CSRS] contribution.

As those of my colleagues tracking the new supplemental Federal retirement plan are aware, Congress has been involved in a face-off with the Office of Management and Budget [OMB] on the final design of the program.

At stake is the work of more than 2 years in careful formulation and drafting of the most beneficial and cost-effective plan possible for new Federal employees.

Also at stake, and perhaps more important as a matter of timeliness, is the pending implementation of full FICA and CSRS withholding for new employees, a total of 14.5 percent of their pay.

Since January of 1984, new Federal employees have been asked to make only a minimal 1.3 percent contribution to the Federal retirement program.

This special provision has been in place to allow new employees to earn retirement credit without unduly burdening them during the design period of the new supplemental plan.

After a series of extensions since the first of the year, this interim retirement contribution agreement expired on May 1, 1986.

OMB has asked for a new 30-day extension for continued negotiations, but civil service policymakers in both Houses of Congress have agreed that the time for negotiations is over.

We have worked hard to gain support for and refine the new supplemental plan and feel that no further concessions should be made.

If necessary, a pay period will go forward with dual withholding in force.

This is something no one wants, but it may have to take place to focus attention on the issue.

Indeed, I have already heard from a large number of my constituents, stating what a hardship this may work on their closely accounted household budgets.

I have tried over and over to convey to them that dual withholding, if it goes into effect, will be for the short term only.

Congress needs the support of the new employees to gain the long-term benefit of the new retirement plan.

Once an agreement has been reached between Congress and the administration, a new extension should be approved retroactive to May 1, thus restoring the 1.3-percent interim Federal retirement contribution.

Due to the growing concern of the new employees, however, I felt that it was necessary to go on record with our assurance that they will be made whole for purposes of refunding any extraordinary payments.

I am pleased to be joined in this effort by Congressmen FRANK WOLF and STAN PARRIS, true friends of Federal employees, who are introducing the House version of the resolution.

In the Senate, my Virginia colleague, Senator PAUL TRIBLE is joining as an original cosponsor.

As civil service advocates, we welcome the support of all other concerned Members of Congress in sending this signal of support and assurance to new Federal employees.●

SENATE RESOLUTION 404—DESIGNATING THE OFFICIAL U.S. REPRESENTATIVE TO THE TERCENTENARY CELEBRATION OF THE GLORIOUS REVOLUTION

Mr. WARNER (for himself and Mr. TRIBLE) submitted the following resolution; which was referred to the Committee on Foreign Relations.

S. RES. 404

Whereas, the years 1988-1989 signify the 300th Anniversary of the accession of King William III and Queen Mary II to the throne of England; and

Whereas, the governments of the Netherlands and the United Kingdom have established a William and Mary Tercentenary Committee for the purposes of celebrating this event in all appropriate ways, including historical, educational, horticultural, mari-

time, artistic, scientific and performing arts activities; and

Whereas, the Tercentenary Committee has invited the College of William and Mary in Virginia, founded by their joint majesties under a royal charter granted in 1693, to be the new world representatives of the William and Mary Tercentenary celebration; and

Whereas, the historical and cultural ties of the 1688–1689 period to the constitutional history of the United States of America are profound, including the beginnings of the limited and constitutional government and the establishment of the English Bill of Rights; and

Whereas, the College of William and Mary desires to organize and participate in celebrations relating to the Tercentenary in this country and in the Netherlands and United Kingdom as appropriate.

Therefore, be it resolved, that the College of William and Mary in Virginia is hereby designated as the coordinating body for the 1988–1989 celebrations relating to the world of William and Mary and its relationship to the former British colonies now known as the United States of America.

● Mr. WARNER. Mr. President, today I am submitting, along with my distinguished colleague Mr. TRIBLE, a resolution designating the College of William and Mary the official U.S. representative to the tercentenary celebration of the glorious revolution. In 1988 celebrations begin for the tercentenary of the revolution, which marked a fundamental change in the relationship between man and government. The accession of King William III and Queen Mary II to the English throne in 1688 with the revolution, produced the Bill of Rights and the philosophical and political foundations upon which our forefathers built these great United States.

To celebrate this historical triumph, the Governments of the Netherlands and the United Kingdom have established the William and Mary Tercentenary Committee. The Tercentenary Committee has invited the College of William and Mary in Virginia to join the celebration as the New World representative because the college was chartered by King William and Queen Mary in 1693.

Mr. President, I believe it only appropriate for the Congress to designate the College of William and Mary as the official U.S. representative to the tercentenary celebration.

A year-long program is planned to fully investigate the ramifications of the glorious revolution and to educate the public of its importance to our Nation. Programs are being planned to make our citizens aware of the values England and the Netherlands held in the 17th century. Additionally, an international conference may address such areas as the proper extent of governmental authority, the colonial impact of the events in England, American perceptions of constitutionalism, the role the English Bill of Rights played in the adoption of bills of rights in America, and the impact of 17th century philosophers on the formation of colonial attitudes.

The United States will also begin celebrating the bicentennial of its Constitution in 1989. Opportunities to hold joint events with the Bicentennial Committee will enhance the celebrations of both our Constitution and the glorious revolution. The potential for public participation in these events is great.

Such a designation for the College of William and Mary will demonstrate to other participating nations America's strong support of this celebration. The College of William and Mary's enhanced ability to raise private funds would allow the United States to make a meaningful contribution to this event at no cost to Federal taxpayers. The required transatlantic logistics and communications network demand substantial private resources. This resolution will help William and Mary raise the funds to fulfill these demands. Furthermore, I am not aware of any other organization seeking such a designation, nor of any objections to this resolution.

Mr. President, as a Virginian with a deep respect for history, I would like to remind my colleagues how the Glorious Revolution is rooted in our history and the principles we cherish. Through English history, and at the time of the Glorious Revolution, the concepts of property right, privilege and immunity, due process, and the limitation of governmental power, were subject to the political expendiency of the throne, and the self-sufficing control of the parliament. Freedom or persecution, for many individuals, depended on the whim and conscience of the thrown and the majority party in Parliament.

In 1688, the accession of William and Mary set into motion great changes, establishing a pattern of events leading directly to the American Constitution. For the first time, the laws governing individuals and the Parliament's relationship with the monarchy—the Bill of Rights—were codified in written form. Its existence eventually led to the belief that individuals conducted themselves according to written laws, and not according to the changing desires of the monarch. The parliament learned to limit executive authority and abuse by directly controlling the Government's revenues and limiting the size of the army and its ability to abuse power.

Parliamentary laws further diluted the Crown's omnipotence. The Triennial Act of 1964 asserted the freedom of Parliament to assemble and ensured frequent elections, making permanent a crude system of checks and balances. Religious persecution was inhibited by the 1689 Toleration Act. Its implementation eventually helped erode the belief that the state should sanction certain religions. Freedom of the press flourished after the lapse of the Licensing Act in 1695, which the church had used to censor divergent views.

The personalities of King William and Queen Mary complemented the actions of Parliament: supporting moderation and pluralism in religious beliefs; breaking the long precedent of pressuring judges, thus promoting the idea of an independent judiciary; and, administering the electoral and legal systems as the Parliament wished, contrasting with their predecessors, who perverted those systems for personal gain. In short, no other event introduced or strengthened so many principles we now hold so dear—the written Constitution, individual rights, freedom of speech and assembly, and the limitation of Government power—than did the Glorious Revolution.

The accession of William and Mary moved John Locke to publish "Two Treatises of Government," in which he analyzed the characteristics of the accession and laid out a concise theory of government. John Locke's works were available to students at William and Mary, including Thomas Jefferson. Many of Jefferson's beliefs originated and were shaped during his years of higher education—at the College of William and Mary. The masters at the college were of the liberal spirit embodied in the enlightenment, and Locke's philosophy was taken for granted, so it is hardly a coincidence that Jefferson's beliefs closely mirrored Locke's. Locke's philosophy is deeply imbedded in the Declaration of Independence and our Constitution. For this, our great Nation is indebted to the Glorious Revolution.

Mr. President, it is my hope that my colleagues will support this admirable endeavor. Our forefather's education in the roots of democracy, as exemplified in the Glorious Revolution, proved indispensible for democracy. As our forefathers turned man's hopes into reality, so may these oppressed people realize their dreams of democracy. It is to these aspirations the Glorious Revolution's tercentenary celebrations are ultimately dedicated.

I urge my colleagues to support this resolution.●

AMENDMENTS SUBMITTED

ADDITIONAL BANKRUPTCY JUDGES

NICKLES (AND OTHERS) AMENDMENT NO. 1840

Mr. NICKLES (for himself, Mr. GRAMM, Mr. WILSON, Mr. QUAYLE, Mr. LUGAR, Mr. WARNER, Mr. HATFIELD, Mr. PACKWOOD, Mr. BOREN, Mr. TRIBLE, Mr. KASTEN, Mr. CRANSTON, Mr. GORTON, Mr. BENTSEN, Mr. HEFLIN, Mr. LAUTENBERG, and Mr. BRADLEY) pro-

posed an amendment which was subsequently modified, to amend No. 1837 proposed by Mr. THURMOND to the bill (S. 1923) to provide for additional bankruptcy judges; as follows:

At the end of the amendment proposed by Mr. THURMOND, add the following:

SEC. . (a) Notwithstanding any other provision of this bill, there shall be appointed, pursuant to section 152(a)(1) of title 28, United States Code, additional United States bankruptcy judges.

(b) To reflect the changes made by this section in the table of judges for each of the judicial districts, section 152(a)(2) of title 28, United States Code, is amended by striking the following:

California	
Northern	8
Central	17
Southern	3
Illinois	
Northern	9
Indiana	
Northern	2
New Jersey	5
North Carolina	
Western	1
Oklahoma	
Northern	1
Oregon	4
Texas	
Southern	5
Virginia	
Eastern	3
Washington	
Western	4
Wisconsin	
Eastern	3".

and inserting in lieu thereof the following:

California	
Northern	9
Central	19
Southern	4
Illinois	
Northern	10
Indiana	
Northern	3
New Jersey	7
North Carolina	
Western	2
Oklahoma	
Northern	2
Oregon	5
Texas	
Southern	6
Virginia	
Eastern	4
Washington	
Western	5
Wisconsin	
Eastern	4".

WILSON (AND RUDMAN) AMENDMENT NO. 1841

Mr. WILSON (for himself and Mr. RUDMAN) proposed an amendment to the bill S. 1923, supra; as follows:

At the appropriate place in the bill, insert the following new section:

"SEC. . Within four months of the date of enactment, the Administrative Office of the United States Courts shall submit to the Congress a report on the feasibility of a court fee system that would recover all costs of operating and maintaining the Bankruptcy Courts of the United States, and shall include other relevant analyses and recommendations.".

HEFLIN AMENDMENT NO. 1842

Mr. HEFLIN proposed an amendment to the bill S. 1923, supra; as follows:

At the end of the bill add the following new section:

SEC. 3. Section 524(d) of title 11, United States Code, is amended to read as follows:

"(d) In a case, concerning an individual, the court shall hold a hearing at which the debtor shall appear in person and the court shall inform the debtor of the rights and duties of the debtor relating to a discharge, which may be entered under Section 727, 1141 or 1328 of this title. The court may, at such time as the court determines, hold such additional hearings as the court determines necessary when the court has determined whether to grant or not to grant a discharge under Section 727, 1141 or 1328 of this title. At such additional hearing as the court may hold, the debtor shall appear in person and the court shall inform the debtor that a discharge has been granted or the reason why a discharge has not been granted. If a discharge has been granted and if the debtor desires to make an agreement of the kind specified in subsection (c) of this section, then at such hearing the court shall:

"(1) inform the debtor:

"(A) that such an agreement is not required under this title, under non-bankruptcy law, or under any agreement not made in accordance with the provisions of subsection (c) of this section; and

"(B) of the legal effect and consequences of:

(i) an agreement of the kind specified in subsection (c) of this section; and

(ii) a default under such an agreement;

"(2) determine whether the agreement that the debtor desires to make complies with the requirements of subsection (c)(6) of this subsection, if the consideration for such agreement is based in whole or in part on a consumer debt that is not secured by real property of the debtor.".

DOLE AMENDMENT NO. 1843

Mr. THURMOND (for Mr. DOLE) proposed an amendment to the bill S. 1923, supra; as follows:

On page 5, after line 5, add the following new section:

SEC. 3. Section 96 of title 28, United States Code, is amended by inserting "Lawrence," after "Kansas City,".

THURMOND (AND OTHERS) AMENDMENT NO. 1844

Mr. THURMOND (for himself, Mr. DECONCINI, and Mr. HATCH) proposed an amendment to the bill S. 1923, supra; as follows:

Insert at the appropriate place in the substitute the following:

TITLE II—UNITED STATES TRUSTEES PROGRAM

PART A—AMENDMENTS TO TITLE 28, UNITED STATES CODE

SEC. 201. Section 156 of title 28, United States Code, is amended by—

(1) redesignating subsection (c) as subsection (d); and

(2) inserting after subsection (b) the following new subsection:

"(c) In a judicial district where a bankruptcy clerk has been appointed pursuant to subsection (b), the bankruptcy clerk shall be the official custodian of the records of the bankruptcy court and of the dockets of all bankruptcy cases and proceedings.".

SEC. 202. (a) Section 519 of title 28, United States Code, is amended by striking out "United States attorneys, assistant United States attorneys, and special attorneys" and inserting in lieu thereof "United States attorneys and United States trustees, assistant United States attorneys and assistant United States trustees, and special attorneys".

(b) The section heading for section 519 is amended to read as follows:

"§ 519. Supervision".

(c) The table of sections for chapter 31 of title 28, United States Code, is amended by amending the item relating to section 519 to read as follows:

"519. Supervision.".

SEC. 203. Section 526 of title 28, United States Code, is amended—

(1) in the heading thereof by striking out "trustee" and inserting "trustees" in lieu thereof:

(2) in subsection (a)—

(A) by striking out "and trustees" and inserting in lieu thereof ", trustees, including trustees in cases under title 11" in paragraph (1); and

(B) by striking out "courts of the Canal Zone and the Virgin Islands, probation officers, trustees in cases under title 11," and inserting in lieu thereof "court of the Virgin Islands, probation officers," in paragraph (2).

SEC. 204. Section 581 of title 28, United States Code, is amended to read as follows:

§ 581. United States trustees

"(a) The Attorney General shall appoint one United States trustee for each of the thirty bankruptcy regions of the United States. Such regions are constituted of Federal judicial districts (without regard to chapter 5 of this title) as follows:

"(1) The judicial districts established for the States of Maine, Massachusetts, New Hampshire, and Rhode Island.

"(2) The Northern and Western Districts of New York and the judicial districts established for the States of Connecticut and Vermont.

"(3) The Southern and Eastern Districts of New York.

"(4) The Eastern District of Pennsylvania and the judicial districts established for the States of Delaware and New Jersey.

"(5) The Middle and Western Districts of Pennsylvania.

"(6) The District of Columbia and the judicial district established for the State of Maryland.

"(7) The judicial districts established for the States of Virginia and West Virginia.

"(8) The judicial districts established for the States of North Carolina and South Carolina.

"(9) The judicial districts established for the State of Alabama.

"(10) The judicial districts established for the State of Georgia.

"(11) The judicial districts established for the State of Florida, for the Commonwealth of Puerto Rico and for the Virgin Islands of the United States.

"(12) The judicial districts established for the States of Louisiana and Mississippi.

"(13) The judicial districts established for the State of Texas.

"(14) The judicial districts established for the State of Ohio.

"(15) The judicial districts established for the State of Michigan.

"(16) The judicial districts established for the States of Tennessee and Kentucky.

"(17) The Northern District of Illinois.

"(18) The judicial districts established for the State of Wisconsin.

"(19) The Central and Southern Districts of Illinois and the judicial districts established for the State of Indiana.

"(20) The judicial districts established for the States of Minnesota, North Dakota, and South Dakota.

"(21) The judicial districts established for the States of Iowa and Nebraska.

"(22) The judicial districts established for the States of Arkansas and Missouri.

"(23) The judicial districts established for the States of Colorado, Utah, and Wyoming.

"(24) The judicial districts established for the States of New Mexico, Oklahoma, and Kansas.

"(25) The Southern District of California and the judicial districts established for the State of Hawaii, for Guam, and for the Commonwealth of the Northern Mariana Islands.

"(26) The judicial district established for the State of Arizona.

"(27) The Central District of California.

"(28) The Eastern District of California and the judicial district established for the State of Nevada.

"(29) The Northern District of California.

"(30) The judicial districts established for the States of Alaska, Idaho, Montana, Oregon, and Washington.

"(b) Each United States trustee shall be appointed for a term of four years. On the expiration of his term, the United States trustee shall continue to perform the duties of his office until a successor is appointed, qualifies, and takes office.

"(c) Each United States trustee is subject to removal by the Attorney General.".

SEC. 205. Section 582 of title 28, United States Code, is amended—

(1) in subsection (a), by striking out "district" and inserting in lieu thereof "region"; and

(2) in subsection (b), by striking out "for cause".

SEC. 206. Section 584 of title 28, United States Code, is amended by striking out "districts" and inserting in lieu thereof "regions".

SEC. 207. Section 585 of title 28, United States Code, is amended to read as follows:

"§ 585. Vacancies

"(a) The Attorney General may appoint an acting United States trustee for a region in which the office of the United States trustee is vacant. The individual so appointed may serve until the date on which the vacancy is filled by appointment under section 581 of this title or by designation under subsection (b) of this section.

"(b) The Attorney General may designate a United States trustee to serve in more than one region for such time as the public interest requires, and may authorize such United States trustee to remain at his original official station.".

SEC. 208. (a) Section 586 of title 28, United States Code, is amended to read as follows:

"§ 586. Duties

"(a) Each United States trustee, within his region shall—

"(1) establish, maintain, and supervise a panel of private trustees that are eligible and available to serve as trustees in cases under chapter 7 of title 11;

"(2) supervise the administration of cases and trustees in cases under chapter 7, 11, or 13 of title 11;

"(3) deposit or invest under section 345 of title 11 money received as trustee in cases under title 11;

"(4) perform the duties prescribed for the United States trustee under titles 11 and 28 and such duties as may be prescribed by the Attorney General; and

"(5) make such reports as the Attorney General directs.

"(b) If the number of cases under chapter 13 of title 11 commenced in a particular region so warrants, the United States trustee for such region may, subjet to the approval of the Attorney General, appoint one or more individuals to serve as standing trustee, or designate one or more assistant United States trustees to serve in cases under such chapter. The United States trustee for such region shall supervise any such individual appointed as standing trustee in the performance of the duties of standing trustee.

"(c) The Attorney General shall prescribe by rule qualifications for membership on the panels established by United States trustees under paragraph (a)(1) of this section, and qualifications for appointment under subsection (b) of this section to serve as standing trustee in cases under chapter 13 of title 11. The Attorney General may not require that an individual be an attorney in order to qualify for appointment under subsection (b) of this section to serve as standing trustee in cases under chapter 13 of title 11.

"(d)(1) The Attorney General, after consultation with a United States trustee that has appointed an individual under subsection (b) of this section to serve as standing trustee in cases under chapter 13 of title 11, shall fix—

"(A) a maximum annual compensation for such individual, not to exceed the annual rate of basic pay in effect for step 1 of grade GS-16 of the General Schedule prescribed under section 5332 of title 5, except that the Attorney General may increase the maximum compensation of such individual to an annual rate not in excess of that for step 6 of GS-16 of the General Schedule prescribed under section 5332 of title 5 upon a determination that such individual has significantly decreased actual expenses resulting in a decrease of the percentage fee; and

"(B) a percentage fee, not to exceed 10 per centum, based on such maximum annual compensation and the actual, necessary expenses incurred by such individual as standing trustee.

"(2) Such individual shall collect such percentage fee from all payments received by such individual under plans in the cases under chapter 13 of title 11 for which such individual serves as standing trustee. Such individual shall pay to the United States trustee, and the United States trustee shall pay to proprietary receipts in the general fund of the Treasury—

"(A) any amount by which the actual compensation of such individual exceeds 5 per centum upon all payments received under plans in cases under chapter 13 of title 11 for which such individual serves as standing trustee; and

"(B) any amount by which the percentage for all such cases exceeds—

"(1) such individual's actual compensation for such cases, as adjusted under subparagraph (A) of paragraph (1); plus

"(ii) the actual, necessary expenses incurred by such individual as standing trustee in such cases. Subject to the approval of the Attorney General, any or all of the interest earned from the deposit of payments under plans by such individual may be utilized to pay actual, necessary expenses without regard to the percentage limitation contained in subparagraph (d)(1)(B) of this section.".

(b) The table of sections for chapter 39, comprising items relating to sections 581 through 589 is amended by amending the item relating to section 586 to read as follows:

"596. Duties.".

SEC. 209. (a) Section 587 of title 28, United States Code, is amended to read as follows:

"§ 587. Salaries

"Subject to sections 5315 through 5317 of title 5, the Attorney General shall fix the annual salaries of United States trustees and assistant United States trustees at rates of compensation not in excess of the rate of basic compensation provided for Executive Level IV of the Executive Schedule set forth in section 5315 of title 5, United States Code.".

"(b) Section 589 of title 28, United States Code, is amended by inserting before the period at the end thereof "without regard to the provisions of title 5, governing appointments in the competitive service".

SEC. 210. (a) The heading for chapter 39 of title 28, United States Code, as added by the Ethics in Government Act, is amended by striking out "CHAPTER 39" and inserting in lieu thereof "CHAPTER 40".

(b) The table of chapters for part II of title 28, United States Code, is amended by striking out the item relating to Independent Counsel and inserting in lieu thereof the following:

"40. Independent Counsel .....591".

(c) Section 49(f) of title 28, United States Code, is amended by striking out "chapter 39" each place it appears and inserting in lieu thereof "chapter 40".

SEC. 211. Subsection (f) of section 604 of title 28, United States Code, as added by the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2549), is repealed.

SEC. 212. (a) Section 1930(a) of title 28, United States Code, is amended—

(1) in paragraph (1) by striking out "$60" and inserting in lieu thereof "$100, plus such additional amount as is specified in regulations issued by the Attorney General. To convert, on a motion by the debtor, the case under chapter 7 or 11 to a case under chapter 11, the debtor shall pay an additional $400";

(2) in paragraph (3), by striking out "that does not concern a railroad, as defined in section 101 of title 11, $200" and inserting in lieu thereof ", $500, plus such additional amount as is specified in regulations issued by the Attorney General";

(3) in paragraph (4), by striking out "$500" and inserting in lieu thereof "$1,000"; and

(4) by adding at the end thereof the following: "The clerk of the court may collect only the fees authorized under this section. The clerk shall transmit to the Treasury of the United States for deposit into proprietary receipts in the general fund $55 from the filing fee prescribed under paragraph (1), $300 from the filing fee prescribed under paragraph (3), and the additional amounts prescribed in the regulations issued by the Attorney General under this section, including such amounts as may

arise from conversion of a case under one chapter of title 11 to a case under a different chapter of title 11.".

(b) Section 1930 is amended by striking out subsection (e) and inserting in lieu thereof the following new subsections:

"(e)(1) In addition to the filing fee paid to the clerk, a monthly charge shall be paid to the United States trustee in each case under chapter 11 of title 11 as an administrative expense under section 503(b) of title 11, until a plan is confirmed or the case is converted or dismissed, whichever first occurs. The charge shall be $100 for each month in which disbursements total less than $20,000, $250 for each month in which disbursements total $20,000 or more but less than $100,000, $750 for each month in which disbursements total $100,000 or more but less than $1,000,000, and $1,000 for each month in which disbursements total $1,000,000 or more. The Attorney General may, by regulation, increase or decrease the amount of these charges, and in a case in which the debtor is a farmer, as defined in section 101(17) of title 11, United States Code, the court, for cause, may modify the monthly charge.

"(2) The United States trustee shall transmit to the Treasury of the United States for deposit into proprietary receipts in the general fund all the charges collected under this subsection.

"(f) Any regulations promulgated pursuant to subsection (e) shall be based on the amount necessary to ensure repayment to the Treasury of the amounts appropriated for the United States trustee system, but also shall take into account changes in the cost of living and other related factors.".

PART B —AMENDMENTS TO TITLE 11 OF THE UNITED STATES CODE

SEC. 221. Section 101 of title 11, United States Code, is amended—

(1) in paragraph (14) by striking out "and government unit" and inserting in lieu thereof "governmental unit, and United States trustee" before the semicolon at the end thereof; and

(2) in paragraph (24) by inserting "(but not a United States trustee while serving as trustee in a case under this title)" after "United States" the second place it appears.

SEC. 222. Section 102 of title 11, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (7) thereof;

(2) by striking the period at the end of paragraph (8) and inserting in lieu thereof "; and"; and

(3) by inserting at the end thereof the following:

"(9) 'United States trustee' includes a designee of the United States trustee.".

SEC. 223. (a) Section 104 of title 11, United States Code, is amended by inserting "except as to those charges and portions of fees to be specified in regulations issued by the Attorney General and deposited in the general fund of the Treasury" before the period at the end thereof.

(b) Section 105(a) of title 11, United States Code, is amended by adding at the end thereof the following new sentence: "No provision of this title providing for the raising of an issue by a party in interest shall be construed to preclude the court from, *sua sponte*, taking any action or making any determination necessary or appropriate to enforce or implement court orders or rules, to prevent an abuse of process, or to ensure the proper and expenditious dispositon of a case or proceeding.".

SEC. 224. Section 303 of title 11, United States Code, is amended—

(1) in subsection (g), by inserting "order the United States trustee to" after "may", the first time it appears; and

(2) in subsection (i)—

(A) by adding "or" at the end of subparagraph (1)(A);

(B) by striking out subparagraph (1)(C);

(C) by striking out the period at the end of subparagraph (2)(B) and inserting in lieu thereof "; or"; and

(D) by adding at the end thereof the following new paragraph:

"(3) against a party requesting the appointment of a trustee under subsection (g) or section 1104, for any damages proximately caused by the taking of possession of the debtor's property by such a trustee.".

SEC. 225. Subchapter I of chapter 3 of title 11, United States Code, is amended by adding at the end thereof the following new section:

"§ 307. United States trustee

"The United States trustee may raise and may appear and be heard on any issue in any case or proceeding under this title but may not file a plan pursuant to section 1121(c) of this title.".

SEC. 226. The table of sections for subchapter I of chapter 3 of title 11, United States Code, is amended by adding at the end thereof the following new item:

"307. United States trustee.".

SEC. 227. Section 321 of title 11, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) The United States trustee for the judicial district in which the case is pending is eligible to serve as trustee in the case.".

SEC. 228. Section 322 of title 11, United States Code, is amended—

(1) at subsection (a), by striking out "A person" and inserting in lieu thereof "Except as provided in subsection (b)(1), a person"; and

(2) by amending subsection (b) to read as follows:

"(b)(1) The United States trustee qualifies wherever such trustee serves as trustee in a case under this title.

"(2) The United States trustee shall determine—

"(A) the amount of a bond required to be filed under subsection (a) of this section; and

"(B) the sufficiency of the surety on such bond.".

SEC. 229. Section 324 of title 11, United States Code, is amended to read as follows:

"§ 324. Removal of trustee or examiner

"(a) The court, after notice and a hearing, may remove a trustee, other than the United States trustee, or an examiner, for cause.

"(b) The United States trustee, after notice and a hearing and unless the court orders otherwise, may remove a trustee in a case under chapter 7, 11, or 13, or an examiner in a case under chapter 11, for cause.

"(c) Removal for cause under subsection (b) of this section in any case shall be deemed cause for removal in all cases in which such trustee or examiner is serving.".

SEC. 230. Section 326 of title 11, United States Code, is amended in subsection (b) by inserting "of the United States trustee or" after "expenses".

SEC. 231. Section 327(c) of title 11, United States Code, is amended by inserting "or the United States trustee" after "another creditor".

SEC. 232. Section 330 of title 11, United States Code, is amended—

(1) in subsection (a) by inserting "to any parties in interest and to the United States trustee" after "notice"; and

(2) by inserting at the end thereof the following new subsection:

"(d) In a case in which the United States trustee serves as trustee, the compensation of the trustee under subsection (b) of this section shall be paid into proprietary receipts in the general fund of the Treasury.".

SEC. 233. Section 341 of title 11, United States Code, is amended—

(1) in subsection (a), by striking out "there shall be a meeting of creditors" and inserting in lieu thereof "the United States trustee shall convene and preside at a meeting of creditors";

(2) in subsection (b), by striking out "court may order" and inserting in lieu thereof "United States trustee may convene"; and

(3) in subsection (b), by inserting "including any final meeting of creditors" before the period at the end thereof.

SEC. 234. Section 343 of title 11, United States Code, is amended to read as follows:

"§ 343. Examination of the debtor

"The debtor shall appear and submit to examination under oath at the meeting of creditors under section 341(a) of this title. Creditors, any indenture trustee, any trustee or examiner in the case, or the United States trustee may examine the debtor. The United States trustee may administer the oath required under this section.".

SEC. 235. Section 345 of title 11, United States Code, is amended—

(1) by striking out "court" in subsection (b)(1)(B) and inserting in lieu thereof "United States trustee"; and

(2) by adding at the end thereof the following:

"(d) The United States trustee may aggregate money of estates for which such United States trustee serves as trustee for deposit or investment under this section, in order to increase the return on such money, taking into account the safety of such deposit or investment. The United States trustee shall maintain complete records identifying separately the money of each estate included in such an aggregation. Any return on any such deposit or investment shall be paid by the United States trustee into proprietary receipts of the general fund of the Treasury.".

SEC. 236. Section 701(a) of title 11, United States Code, is amended to read as follows:

"(a)(1) Promptly after the order for relief under this chapter—

"(A) the United States trustee, other than an officer or employee of the court, shall appoint one disinterested person that is a member of the panel of private trustees established under section 586(a)(1) of title 28, or

"(B) an officer or employee of the court shall appoint one disinterested person that is a member of a panel of private trustees established under section 255(d)(1)(A) of the United States Trustees Act of 1986 or,

either the United States trustee or such officer or employee, as the case may be, shall appoint one disinterested person that was serving as trustee in the case immediately before the order for relief under this chapter to serve as interim trustee in the case.

"(2) If none of the members of such panel is willing to serve as interim trustee in the case, then the United States trustee may serve as interim trustee in the case.".

SEC. 237. Section 703 of title 11, United States Code, is amended by amending subsections (b) and (c) to read as follows:

"(b) Pending election of a trustee under subsection (a) of this section, if necessary to preserve or prevent loss to the estate, the United States trustee may appoint an interim trustee in the manner specified in section 701(a).

"(c) If creditors do not elect a successor trustee under subsection (a) of this section, or if a trustee is needed in a case reopened under section 350 of this title, then the United States trustee may serve as a trustee in the case or shall appoint one disinterested person that is a member of the panel of private trustees established under section 586(a)(1) of title 28 to serve as trustee in the case. An officer or employee of the court shall appoint a disinterested person that is a member of the panel of private trustees established under section 255(d)(1)(A) of the United States Trustees Act of 1986 as trustee in the case, but may not serve as trustee in the case.".

SEC. 238. (a) Section 704 of title 11, United States Code, is amended—

(1) in paragraph (8), by—

(A) inserting ", with the United States trustee," after "court" the first place it appears;

(B) inserting "the United States trustee or" after "information as"; and

(C) striking out "and" at the end thereof;

(2) in paragraph (9), by striking out the period at the end thereof and inserting in lieu thereof the following: "and with the United States trustee; and"; and

(3) by adding at the end thereof the following:

"(10) bring to the attention of the court such additional information as may enable the court to carry out its responsibilities under sections 523, 707, and 727.".

SEC. 239. Section 705(b) of title 11, United States Code, is amended—

(1) by inserting "or the United States trustee" after "trustee" each place it appears; and

(2) by inserting "or the United States trustee" immediately after "court".

SEC. 240. Section 707(a) of title 11, United States Code, is amended—

(1) by striking out "or" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof the following: "; and"; and

(3) by adding at the end thereof the following:

"(3) failure of the debtor in a voluntary case to file, within fifteen days or such additional time as the court may allow after the filing of the petition commencing such case, the information required by paragraph (1) of section 521.".

SEC. 241. Section 726 of title 11, United States Code, is amended in subsection (b) by inserting ", except as to fees and charges under chapter 123 of title 28" after "paragraph (1)".

SEC. 242. Section 727 of title 11, United States Code, is amended by amending subsections (c), (d), and (e) to read as follows:

"(c)(1) The trustee, a creditor, or the United States trustee may object to the granting of a discharge under subsection (a).

"(2) On request of a party in interest, the court may order the trustee or the United States trustee to examine the acts and conduct of the debtor to determine whether a ground exists for denial of discharge.

"(d) On request of the trustee, a creditor, or the United States trustee, and after notice and a hearing, the court shall revoke a discharge granted under subsection (a) if—

"(1) such discharge was obtained through the fraud of the debtor, and the requesting party did not know of such fraud until after the granting of such discharge;

"(2) the debtor acquired property that is property of the estate, or become entitled to acquire property that would be property of the estate, and knowingly and fraudulently failed to report the acquisition of or entitlement to such property, or to deliver or surrender such property to the trustee; or

"(3) the debtor committed an act specified in subsection (a)(6).

"(e) The trustee, a creditor, or the United States trustee may request a revocation of a discharge—

"(1) under subsection (d)(1) within one year after such discharge is granted; or

"(2) under subsection (d)(2) or (d)(3) before the later of—

"(A) one year after the granting of such discharge; and

"(B) the date the case is closed.".

SEC. 243. Section 1102 of title 11, United States Code, is amended—

(1) by amending subsection (a) to read as follows:

"(a)(1) As soon as practicable after the order for relief under chapter 11 of this title, the United States trustee shall appoint a committee of creditors holding unsecured claims and may appoint additional committees of creditors or of equity security holders as the United States trustee deems appropriate.

"(2) On request of a party in interest, the court may order the appointment of additional committees of creditors or of equity security holders if necessary to assure adequate representation of creditors or of equity security holders. The United States trustee shall appoint any such committee."; and

(2) by repealing subsection (c).

SEC. 244. Section 1104 of title 11, United States Code, is amended—

(1) in subsection (a), by inserting "or the United States trustee" after "party in interest";

(2) in subsection (b), by inserting "or the United States trustee" after "party in interest";

(3) in subsection (c), by striking out "court" the second place it appears and inserting in lieu thereof "United States trustee, after consultation with parties in interst"; and

(4) in subsection (c), by striking out "one disinterested person" and inserting in lieu thereof", subject to the court's approval, one disinterested person other than the United States trustee".

SEC. 245. Section 1105 of title 11, United States Code, is amended by inserting "or the United States trustee" after "party in interest".

SEC. 246. Section 1112 of title 11, United States Code, is amended in subsection (b)—

(1) by inserting "or the United States trustee" after "party in interest";

(2) by striking out "or" in paragraph (8);

(3) by striking out the period at the end of paragraph (9) and inserting in lieu thereof a semicolon; and

(4) by adding at the end thereof the following:

"(10) nonpayment of any fees or charges required under chapter 123 of title 28;

"(11) failure of the debtor in a voluntary case to file, within fifteen days after the filing of the petition commencing such case, the information required by paragraph (1) of section 521, including a list containing the names and addresses of the holders of the lesser of all unsecured claims or the 20 largest unsecured claims, and the dollar amounts of such claims; or

"(12) failure to timely file the information required by paragraph (2) of section 521.".

SEC. 247. Section 1163 of title 11, United States Code, is amended by adding the following new sentence at the end thereof: "The United States trsutee shall appoint one of such persons to serve as trustee in the case.".

SEC. 248. Section 1302 of title 11, United States Code, is amended—

(1) by amending subsection (a) to read as follows:

"(a) If the United States trustee has appointed an individual under section 586(b) of title 28, or if an officer or employee of the court has appointed an individual under section 255(d)(1)(D) of the United States Trustee Act of 1986, to serve as standing trustee in cases under chapter 13 of this title and if such individual qualifies under section 322 of this title, then such individual shall serve as trustee in the case. Otherwise, the United States trustee shall appoint one disinterested person to serve as trustee in the case or a United States trustee other than an officer or employee of the court may serve as a trustee in the case.";

(2) by repealing subsection (d) and redesignating subsection (e) as subsection (d); and

(3) by amending subsection (d), as redesignated herein, by striking out "under subsection (d) of this section" and inserting in lieu thereof "pursuant to the United States Trustees Act, in districts other than districts in which section 586 of title 28 is effective.".

SEC. 249. Section 1307 of title 11, United States Code, is amended—

(1) in subsection (c) by—

(A) inserting "or the United States trustee" after "party in interest"; and

(B) striking out "or" at the end of paragraph (7) and inserting a semicolon in lieu thereof; and

(C) adding at the end thereof the following:

"(9) failure of the debtor to file, within fifthteen days, or such additional time as the court may allow, after the filing of the petition commencing such case, the information required by paragraph (1) of section 521; or

"(10) failure to timely file the information required by paragraph (2) of section 521."; and

(2) in subsection (d) by inserting "or the United States trustee" after "party in interest".

SEC. 250. Section 1326(b) of title 11, United States Code, is amended to read as follows:

"(b) Before or at the time of each payment to creditors under the plan, there shall be paid—

"(1) any unpaid claim of the kind specified in section 507(a)(1) of this title; and

"(2) if a standing trustee appointed under section 586(b) of title 28 or section 255(d)(1) of the United States Trustees Act of 1986 is serving in the case, the percentage fee fixed for such standing trustee under section 586(e)(1)(B) of title 28 or pursuant to such section of the United States Trustees Act of 1986.".

PART C—TRANSITION AND REPEALER

SEC. 251. Section 408(c) of the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2549, 2686-87), is amended—

(1) by striking out "and chapter 39 of title 28 of the United States Code are repealed, and all references to the United States trustee contained in title 28 of the United States Code are deleted, as of September 30, 1986" and inserting in lieu thereof "is repealed"; and

(2) by repealing the last sentence thereof.

SEC. 252. The service of any United States trustee and of any assistant United States trustee appointed under the authority of the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2549), is terminated upon the earlier of the expiration of his term or March 31, 1987, except that the Attorney General—

(1) may appoint any such United States trustee to serve for such period, not to exceed two years, as the Attorney General deems necessary to facilitate the transition from the bankruptcy administration program established in chapter 15 of the Act of November 6, 1978, to the United States trustee system established by this title; and

(2) may appoint any such assistant United States trustee under the provisions of section 582 of title 28, United States Code, as amended by this title.

SEC. 253. (a) Except as otherwise provided in this part, this title and the amendments made by parts A, C, D, E, and F of this title shall become effective upon enactment of this title.

(b) The amendment made by subsection (b) of section 212 of this title shall become effective in a region thirty days after the certification of the Attorney General under section 256 of this title or, in those districts making an election under section 255(b)(2) such section 212(b) shall become effective thirty days after the provisions of section 255(d) become effective. Such section 212(b) shall apply to cases in each district filed on or after the date of the enactment of this title.

(c) The amendments made by section 212 other than by subsection (b) of such section shall become effective thirty days after the date of the enactment of this title.

(d) Section 255(d) of this title becomes effective six months after the date of an appropriation for the judicial branch to implement the provisions of section 255(d). Until section 255(d) becomes effective, the United States trustee serving in such district shall continue to serve in that district, nothwithstanding the provisions of section 252.

SEC. 254. (a) Except as otherwise provided in subsection (b), the amendments made by part B of this title shall become effective on the date two years after the date that the initial appropriation authorized under section 271 of this title is enacted or thirty days after the Attorney General certifies the last region under section 256 of this title, whichever first occurs.

(b) During the two-year period following the date of the enactment of the initial appropriation authorized under section 271 of this title, the amendments made by part B of this title shall apply in each district in which a United States trustee was authorized by the Act of November 6, 1978 (Public Law 95-598; 92 State 2549), and, thirty days after the Attorney General's certification under section 256 of this title in those remaining districts established pursuant to this title, except for those districts making the election pursuant to section 255(b)(2). In such districts making an election under section 252(b)(2), the amendments made by part B shall take effect on the effective date of section 255(d): *Provided*, That, in any case commended under chapter 7 of title 11, United States Code, prior to the date of the enactment of this title, the failure of a trustee to file the final report and account required by section 704 of title 11 prior to one year following certification of the district in which such trustee serves shall be deemed cause for removal under section 324 of title 11, as amended by section 229 of this title, and in any case under chapter 11 in which a trustee was appointed prior to the date of the enactment of this title, the failure to obtain approval of a plan prior to one year after certification shall also be deemed cause for removal. In such cases, the United States trustee may remove the trustee by filing a notice of the appointment of a successor trustee.

(c) The court shall continue to have responsibility for the supervision of cases in a district in which a revocation under section 255(b)(4) has been made or in which no election has been made pursuant to section 255(b)(2) until thirty days after the district is certified by the Attorney General.

SEC. 255. (a) The United States trustee system herein established shall be phased in over a two-year period beginning on the date that the initial appropriation authorized under section 271 of this title is enacted. The regions encompassing districts for which United States trustees were appointed pursuant to the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2549), shall be certified by the Attorney General pursuant to section 256 of this title not later than two hundred and seventy days after the date of the enactment of the initial appropriation authorized under section 271 of this title.

(b)(1) Section 204 of this title shall not apply to any judicial district which specifically elects not to be included in the bankruptcy regions established by section 204. Notwithstanding section 252 of this title, as to districts for which the United States Trustee was provided in section 224 of the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2549) such election shall terminate the services of such trustee in that district upon the effective date of section 255(d) in that district.

(2) Any election under this section shall be granted upon request by any bankruptcy judge after a majority vote of the Chief district judge and each bankruptcy judge in such judicial district in favor of such election. A judicial district shall have sixty days after the date of the enactment of this title in which to make an election under this section. If a district falls to make an election within such sixty days, such district shall be deemed to have chosen to participate in the bankruptcy regions set forth in section 204 of this title.

(3) Notice that an election has been made under this section shall be given, within ten days after such election, to the Attorney General and the appropriate Federal Circuit Court of Appeals for the judicial district.

(4) An election under this section not to participate in the bankruptcy regions set forth in section 204 of this title may be revoked at any time under the same procedures set forth in paragraphs (2) and (3) but not subject to the time limitations provided in paragraph (2). A decision to participate in a bankruptcy region may not be revoked.

(5) The Attorney General shall have not less than ninety days after the date of notification of revocation under paragraph (4) to certify that the district is included in the bankruptcy region. The courts shall promptly publish notice of this certification.

(c) The Attorney General may, through regulation, reconstitute any bankruptcy region wherein a judicial district has made an election under subsection (b) by providing for an increase in the number of currently established judicial districts within such bankruptcy region.

(d)(1) In any judicial district making an election under subsection (b) of this section, the duties and functions granted in the United States trustee, except as otherwise provided in paragraph (2), shall be performed by officers and employees of the courts. Such duties and functions include—

(A) the duty to establish, maintain, and supervise a panel of private trustees that are eligible and available to serve as trustees in cases under chapter 7 of title 11, United States Code;

(B) the duty to supervise the administration of cases and trustees in cases under chapter 7, 11, or 13 of title 11, United States Code;

(C) the duties prescribed for the United States trustees under title 11, United States Code; and

(D) the duty to appoint and supervise standing trustees, if the number of cases under chapter 13 of title 11, United States Code, commenced in a particular region so warrants, subject to the approval of the judicial council of the circuit for which such officer or employee serves.

The Judicial Conference shall promulgate regulations for the appointment and removal of such officers and employees. Such regulations shall provide that the appointment shall be made by the court of appeals for the judicial circuit in which such officer or employee serves, and the removal of an officer or employee shall include the initiation of proceedings for removal by the bankruptcy judges of the district. Such removal shall be subject to the approval of the judicial council of the circuit in which such officer or employee serves.

(2)(A) For purposes of title 11 of the United States Code, the term "United States trustee", as such term is used in title 11, shall include an officer or employee of the court appointed under this subsection, except as otherwise provided in this title.

(B) For purposes of sections 102(9), 321, 322, and 701(a)(2) of title 11, United States Code, a United States trustee, as such term is used in such sections 102(9), 321, 322, and 701(a)(2), shall not include an officer or employee of the court appointed pursuant to this subsection.

SEC. 256. The Attorney General shall certify, to the appropriate Federal Circuit Courts of Appeals, Federal district courts, and bankruptcy courts, his intention to establish offices in a United States trustee region thirty days prior to the assumption of the responsibilities prescribed by this title in that region. The courts promptly shall publish notice of such certification and of the implementation of section 212(b) of this title and for the districts within the region.

SEC. 257. (a) A case commenced under the Bankruptcy Act, and all matters and proceedings in or relating to any such case, shall be conducted and determined under such Act as if this title had not been enacted. The substantive rights of parties in connection with any such bankruptcy case, matter, or proceeding shall continue to be

governed by the law applicable to such case, matter, or proceeding as if this title had not been enacted, except that at one end of one calendar year following the certification of a district in which any case is still pending under the Bankruptcy Act, the district court shall withdraw the reference of any such case and, after notice and a hearing, determine the status of the case. Such case shall be remanded to the bankruptcy judge with such instructions as are necessary for the prompt closing of the case and with a requirement that a progress report on the case be provided by the bankruptcy judge after such interval as the district court deems appropriate.

(b) A case commenced under the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2549), and all matters and proceedings in or relating to any such case, shall be conducted and determined under the provisions of this title: *Provided, however,* That the amendments made by parts A and B of this title relating to the authority and responsibilities of the United States trustees, except in those districts for which United States trustees were appointed pursuant to the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2549), shall not apply to a case under chapter 7 or chapter 11 of title 11, United States Code, commenced prior to the date of the enactment of this title, until one year after the region encompassing the district in which such case has been filed has been certified under section 255 or 256 of this title. Such provisions shall not apply to such cases thereafter, if—

(1) in a case under chapter 7 of title 11, United States Code, the case trustee has filed the final report and account of the administration of the estate required by section 704 of title 11, United States Code, prior to or within the year after certification; and

(2) in a case under chapter 11 of title 11, United States Code, a plan has been confirmed under section 1129 of title 11, United States Code, prior to or within the year after certification.

SEC. 258. The Attorney General and the Director of the Administrative Office of the United States Courts shall consult in an attempt to achieve optimal coordination and may enter into agreements under which the United States trustees may use the services, equipment, personnel, records, reports, and data compilations, in any form, and the facilities of the Federal judiciary. The United States trustees may cooperate in the use by the Federal judiciary of services, equipment, personnel, records, reports, and data compilations, in any form, and the facilities of the United States trustees in order to prevent duplication during the phasein period.

SEC. 259. The Director of the Administrative Office of the United States Courts shall make available to the United States trustees on a current basis, all records, reports, and data compilations, in any form, relating to cases and proceedings under title 11, United States Code, or the United States trustees' duties under title 11 and 28, United States Code, as prescribed by this title, and shall instruct all clerks to cooperate in the orderly transfer of functions, documents, and data compilations, in any form, to the United States trustees system, except that no such transfer shall be made without the consent of the Attorney General, and United States trustees shall not be required to give any notice provided for in cases under title 11, United States Code.

SEC. 260. (a) The Executive Office for United States Trustees, in consultation with the Administrative Office of the United States Courts, shall, within twelve months after the date of the enactment of an appropriation therefor under section 271 of this title, take such steps as are necessary to establish an electronic case management demonstration project for three judicial districts in the United States having a sufficient caseload to provide a meaningful test of such system. A contract for such case management demonstration project shall be awarded by the Director, Executive Office for United States Trustees, upon competitive bids by qualified private sector entities able to design an automated joint information system for use by the courts and the United States trustees, and to provide that level of expertise in the design and implementation of automated case management systems that is required for purposes of this demonstration project.

(b) The demonstration project required by subsection (a) shall continue as provided in subsection (c) but for a period of not less than two years after the date of its implementation. One year after the implementation of such project, the Congress shall cause a study to be performed of the cost effectiveness of such demonstration project in comparison to (1) judicial districts that do not have electronic case management systems in place, and (2) judicial districts that participate in such electronic case management systems as are maintained by the Administrative Office of the United States Courts.

(c) The demonstration project required by subsection (a) shall continue for a period of two years or until such time as the Congress evaluates the success of such project and acts upon its continuance, its expansion to all judicial districts, or its termination, whichever period is longer.

(d) The electronic case management system required by subsection (a) shall provide the clerk of court, in each district in which it may be operated, with a means of maintaining a complete electronic case file of all relevant information contained in the petitions and schedules filed by debtors and any amendments thereto, including—

(1) a complete list of creditors in the case as listed by the debtor;

(2) a complete listing of all assets scheduled by the debtor, showing the manner in which each item is scheduled, the value thereof, and any action taken by the trustee or debtor in possession with regard to that item during the pendency of the case; and

(3) the debtor's statement of current expenses and income.

(e) The demonstration system shall provide the United States trustee in each district in which it may be completed with a means of maintaining a complete electronic case file which shall contain in addition to the information listed in subsection (d) the following:

(1) a record of all motions, complaints, appointments, pleadings, and responses, as well as a record of the responses by the United States Trustee Office to those motions, appointments, and pleadings;

(2) automated generation of motions, complaints, appointments, pleadings, and responses;

(3) automated generation of standard management reports and letters on an exception basis;

(4) those accounting records, reports, and information required to be maintained by debtors in possession and trustees in cases under title 11, United States Code, by the Executive Offices for United States Trustees;

(5) an accurate record of bankruptcy case openings, case milestones, and case closings; and

(6) the calculation of distribution to creditors, final applications and orders for distribution, final case closing reports, and all forms to insure prompt payment of statutory fees to trustees in asset and no asset cases.

(f) The demonstration system shall further provide the clerk of court with a means of electronically maintaining all calendars and dockets, and of producing all notices required to be sent in cases under title 11, United States Code.

(g) The demonstration system shall maintain the information specified in subsections (a) and (f) in a format easily accessible by electronic means, or otherwise, to all entities within the district in which such system is maintained with an interest in a case pending under title 11, United States Code. A charge of $5 shall be collected for each case accessed by such entity and all such charges shall be paid to proprietary receipts in the general fund of the Treasury to help defray the cost of operating the demonstration system.

(h) Notwithstanding subsection (d), unlimited access to the information maintained in the demonstration system shall be provided at no charge to the following:

(1) The Congress.

(2) The Executive Office for United States Trustees.

(3) The Administrative Office of the United States Courts.

(4) The clerks of the court in each judicial district in districts in which the demonstration system is operated.

(5) The judges of the bankruptcy and district courts in which the demonstration system is operated.

(6) Trustees in cases pending in those districts involved in operation of the demonstration system.

(i) Access as provided in subsection (h) shall be subject to such security limitations as may be imposed by the officials in charge of each of the respective offices specified in paragraphs (1) through (5) of such subsection. Access to the information maintained in the electronic case management system by trustees, attorneys or record, and parties in interest in proceedings and attorneys admitted to practice before the courts of participating districts shall be limited to review of the information on file which constitutes information of public record as provided in section 107 of title 11, United States Code.

SEC. 261. If any provision of this title or any amendment made by this title, or the application thereof to any entity or circumstances is held invalid, the provisions of every other part, and their application shall not be affected thereby.

PART D—AUTHORIZATION FOR APPROPRIATIONS FOR BANKRUPTCY ADMINISTRATION

SEC. 271. There hereby are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title, except that such amounts as are collected pursuant to the amendments made by section 212 of this title shall be utilized to reimburse the Treasury for such appropriations. Appropriations authorized under this section shall remain available for obligation until expended.

PART E—THE RULES OF BANKRUPTCY PROCEDURE

SEC. 281. Part X of the Rules of Bankruptcy Procedure applies in any district in which a United States trustee is serving until such

Part is superseded by Rules of Bankruptcy Procedure promulgated under the authority of section 2075 of title 28, United States Code.

PART F—SHORT TITLE

SEC. 291. This title may be cited as the "United States Trustees Act of 1986".

MATTINGLY (AND KENNEDY) AMENDMENT NO. 1845

Mr. MATTINGLY (for himself and Mr. KENNEDY) proposed an amendment to the bill S. 1923, supra; as follows:

On page 5 of the bill, strike the period at the end of line 5 and insert in lieu thereof the following:,"; and Section 352(c)(3) is amended by striking out "$40,000" and inserting in lieu thereof "$15,000"; and Section 352(c)(4) is amended by striking out "60" and inserting in lieu thereof "50"."

DECONCINI AMENDMENT NO. 1846

Mr. DECONCINI proposed an amendment to the bill S. 1923, supra; as follows:

At the appropriate place add the following new section:

SEC. . Section 156 of title 28, United States Code, is amended by adding at the end thereof the following:

"(d) No office of the bankruptcy clerk of court may be consolidated with the district clerk of court office without the prior approval of the Judicial Conference and the Congress.".

CONGRESSIONAL GOLD MEDALS TO ANATOLY AND AVITAL SHCHARANSKY

LAUTENBERG (AND BYRD) AMENDMENT NO. 1847

Mr. DOLE (for himself, Mr. BYRD, Mr. LAUTENBERG, and Mr. METZENBAUM) proposed an amendment to the bill (S. 2308) to authorize the President of the United States to award congressional gold medals to Anatoly and Avital Shcharansky in recognition of their dedication to human rights, and to authorize the Secretary of the Treasury to sell bronze duplicates of those medals; as follows:

Strike out all after the enacting clause and insert:

The Congress finds that—

(1) Avital Shcharansky and Natan (Anatoly) Shcharansky have displayed immense courage and commitment to the preservation of individual human rights, regarded as among the highest of ideals by the American people;

(2) Natan (Anatoly) Shcharansky, a prominent founding member of the Moscow Helsinki Monitoring Group and active spokesman for the human rights denied to Soviet Jews, was unjustly arrested by the Soviet Union in 1977 and imprisoned for almost nine years on the false charges of espionage and treason:

(3) Natan (Anatoly) Shcharansky, during his lengthy incarceration and isolation, was subjected to ongoing emotional and physical deprivation of the highest magnitude, yet continued to display raw courage and the noblest commitment to his rights as an individual, thereby setting an example for others whose individual freedoms are being denied;

(4) freedom is the ideal held most dear by the American people, and Natan (Anatoly) Shcharansky has become a symbol of that love of freedom;

(5) Avital Shcharansky, while her husband was kept silent by Soviet prisons and labor camps, waged an indefatigable campaign around the world on behalf of her husband and others similarly treated;

(6) Avital Shcharansky's earnest persistence and dedication to the precepts of freedom of thought, word, and deed raised the consciousness of the world while she valiantly worked for her husband's release, thus elevating human rights to a global concern; and

(7) their reunion is evidence of the triumph of the human spirit against all adversities.

SEC. 2. CONGRESSIONAL GOLD MEDAL.

(a) AWARD.—The President of the United States is authorized and requested to present, on behalf of the Congress, gold medals to Natan (Anatoly) and Avital Shcharansky in recognition of their supreme dedication and total commitment to the cause of individual human rights and freedoms.

(b) DESIGN AND CONSTRUCTION.—For purposes of the presentation referred to in subsection (a), the Secretary of the Treasury (hereafter in this Act referred to as the "Secretary") shall cause to be struck two gold medals with suitable emblems, devices, and inscriptions, to be determined by the Secretary.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated not to exceed $30,000 to carry out the provisions of this section.

SEC. 3. DUPLICATE MEDALS.

(a) CONSTRUCTION AND SALE.—The Secretary may cause duplicate in bronze of the gold medals provided for in section 2 to be coined and sold under regulations prescribed by the Secretary, at a price sufficient to cover the cost of such duplicates and such gold medals, including labor, material, dies, use of machinery, and overhead expenses.

(b) REIMBURSEMENT OF APPROPRIATIONS.—Any appropriation made under section 2 shall be reimbursed out of the proceeds of the sales referred to in subsection (a).

SEC. 4. NATIONAL MEDALS.

The medals provided for in this Act shall be considered to be national medals for purposes of section 5111 of title 31, United States Code.

CONSTRUCTION INDUSTRY LABOR LAW AMENDMENTS

HATCH AMENDMENT NOS. 1848 THROUGH 1947

(Ordered to lie on the table.)

Mr. HATCH submitted 100 amendments intended to be proposed by him to the bill (H.R. 281) to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and labor industry; as follows:

AMENDMENT NO. 1848

At the end of the bill, insert the following new section:

"SEC. . Section 2(5) of the National Labor Relations Act (29 U.S.C. § 152(5)) is amended by adding the following new sentence to the end thereof: "For the purposes of this Act, the term "labor organization" shall include all affiliates of a labor organization and the actions of any such affiliate shall be deemed binding on any parent or other affiliates."."

AMENDMENT NO. 1849

At the end of the bill, add the following new section:

"SEC. . Section 101(a) of the Labor-Management Reporting and Disclosure Act of 1959 (29 U.S.C. 411(a)) is amended by adding at the end thereof the following new paragraph:

"(6) EMPLOYMENT REFERRAL.—In the case of a labor organization that refers applicants to an employer for employment with such employer, such organization may not make such referrals in a manner that is inconsistent with the constitution and bylaws of such organization."."

AMENDMENT NO. 1850

At the end of the bill, add the following new section:

"SEC. . Section 8(d) of the National Labor Relations Act (29 U.S.C. § 158(d)) is amended—

(1) by inserting after the phrase "but such obligation does not compel either party to agree to a proposal or require the making of a concession:" the following new proviso:

"Provided, That nothing in this subsection shall require an employer to negotiate with a representative of a labor organization who has been convicted of violating the criminal laws of the United States, or any state, district or territory, or who has committed an act of violence against the employers, against any of its employees or agents, or against its property:" and

(2) by inserting *"further"* after *"Provided"* preceding the phrase "That where there is in effect a collective-bargaining contract . . .".".

AMENDMENT NO. 1851

At the end of the bill, insert the following new section:

"SEC. . Section 14 of the National Labor Relations Act (29 U.S.C. § 164) is amended by adding at the end thereto the following new subsection:

"(d) Nothing herein shall be construed to permit the Board to conclude that an employee, while in possession of a firearm or other deadly weapon, is engaged in activity protected under this Act. Unless such person is a guard under section 9(b)(3) of the Act." ."

AMENDMENT NO. 1852

On page 3, after line 18, add the following new section:

"SEC. 3. That (a) paragraph (2) of subsection 1951 of title 18, United States Code, is amended to read as follows:

"(2) The term 'extortion' means the obtaining of property from another, with his or her consent, induced by use of actual or threatened force, violence, or fear thereof, or wrongful use of fear not involving force or violence, or under color of official right.".

(b) Subsection (c) of such section is amended to read as follows:

"(c) Nothing in this section shall be construed as indicating an intent on the part of the Congress—

"(1) to repeal modify, or affect section 17 of title 15, the Act of March 23, 1932, popularly known as the Norris-La Guardia Act (47 Stat. 70; 29 U.S.C. 52, 101, 115, 151-166), or the Railway Labor Act (45 U.S.C. 151-188);

"(2) to exclude Federal jurisdiction over the offenses defined in this section on the ground that the conduct is also a violation of State or local law, or that the conduct, if it involves force, violence or fear of force or violence, takes place in the course of a legitimate business or labor dispute or in pursuit of a legitimate business or labor objective; or

"(3) to chill legitimate labor activity by authorizing Federal prosecution for offenses occurring during a labor dispute which do not involve extortion. This intent would preclude prosecution, under this section, of conduct which is incidental to peaceful picketing in the course of a legitimate labor dispute, as defined in section 2(9) of the National Labor Relations Act (29 U.S.C. 152(9)), and consists solely of minor bodily injury, or minor damage to property, or a threat of such minor injury or damage, and is not intended to obtain property. Such excluded offenses shall continue to be subject to prosecution by State and local authorities having jurisdiction over them.".

(c) Section 1951 is amended by adding at the end thereof the following:

"(d) It is a bar to a prosecution under this section that the conduct of the defendant—

"(1) was incidental to peaceful picketing in the course of a legitimate labor dispute, as defined in section 2(9) of the National Labor Relations Act, as amended (29 U.S.C. 152(9));

"(2) consisted solely of minor bodily injury, or minor damage to property not exceeding a value of $2,500, or a threat of such minor injury or damage; and

"(3) was not intended to obtain property.".

AMENDMENT No. 1853

At the end of the bill, insert the following new section:

"SEC. 4. No employer in the construction industry who withdraws from a collective bargaining agreement or multiemployer pension plan shall incur any withdrawal liability under subtitle E of subchapter II of the Employee Retirement Income Security Act, as amended, 29, USC section 1381, et seq., if such withdrawal has occurred or occurs after April 17, 1986, and prior to two years from the date of enactment of this act."

AMENDMENT No. 1854

On page 2, line 1, strike out "or in different".

AMENDMENT No. 1855

On page 2, line 1, beginning with the second comma, strike out through line 2, and insert in lieu thereof "—".

AMENDMENT No. 1856

On page 2, line 3, strike out "substantial".

AMENDMENT No. 1857

On page 2, line 3, strike out "substantial common ownership and insert in lieu thereof "common ownership as defined under the Internal Revenue Code".

AMENDMENT No. 1858

On page 2, line 3, beginning with the semicolon, strike out through page 2, line 5 and insert in lieu thereof ', or "(b) common management,'.

AMENDMENT No. 1859

On page 2, lines 13 and 14, strike out "section" and insert in lieu thereof "subsection".

AMENDMENT No. 1860

On page 3, line 6, beginning with "only", strike out through page 3, line 12 and insert in lieu thereof "after the Board certifies the results of an election conducted pursuant to section 9(c), in which a majority of employees in an appropriate bargaining unit selects a bargaining representative other than the labor organization with which such agreement was made or chooses to be represented by a labor organization: Provided further that nothing in this section shall prevent an employer from withdrawing recognition of a labor organization as a bargaining representative where the employer has a good faith doubt that a majority of the employees in a bargaining unit desire such labor organization as their representative".

AMENDMENT No. 1861

On page 3, line 8, beginning with "a majority of" strike out through "chooses" on page 3, line 11, and insert in lieu thereof "the employees in an appropriate bargaining unit select a bargaining representative other than the labor organization with which such agreement was made or choose".

AMENDMENT No. 1862

On page 3, line 8, beginning with the comma following "9(c)", strike out through page 3, line 12, and insert in lieu thereof".".

AMENDMENT No. 1863

On page 3, line 8, beginning after the comma, strike out through page 3, line 12, and insert in lieu thereof "in which the labor organization with which such an agreement is made is not certified as the representative"."

AMENDMENT No. 1864

On page 3, beginning with line 19, strike out through the end of the bill and insert in lieu thereof "Sec. 3. The requirements imposed by these amendments shall not apply to any collective bargaining agreement entered into prior to the date of enactment or on or within one year after the date of enactment."

AMENDMENT No. 1865

On page 3, beginning with line 19, strike out through the end of the bill and insert in lieu thereof "Sec. 3. The requirements imposed by these amendments shall not apply to any building or construction contracts for which the contract was entered into by an employer prior to the date of enactment or on or within one year after the day of enactment."

AMENDMENT No. 1866

At the end of the bill, insert the following new section:

"SEC. . Section 2(2) of the National Labor Relations Act (29 U.S.C. § 152(2)) is amended by inserting after the phrase, "or any State or political subdivision thereof," the following new phrase: "any employer which shares an intimate relationship or connection with the United States or any State or political subdivision thereof,"."

AMENDMENT No. 1867

At the end of the bill, insert the following new section:

"SEC. . "(a) Section 2 of the National Labor Relations Act (29 U.S.C. § 152) is amended by inserting in subsection (3) after "supervisor," and before "or any individual employed by an employer subject to the Railway Labor Act," the following: "or in an executive, managerial or confidential capacity".

"(b) Section 2 of the National Labor Relations Act (29 U.S.C. § 152) is amended by renumbering subsections (12), (13) and (14) as subsections (13), (14), and (15), respectively, adding a new subsection (12) as follows:

" "(12) the terms "executive" and "managerial" shall include any individual whose duties are of such nature as to ally and identify him with management or who participates in formulating, determining, or effectuating the policies of the employer. The term "confidential" shall include any individual who by the nature of his duties assists or acts in a confidential capacity to an executive or managerial employee and has authorized access in the course of his employment to information of a confidential nature which is not made available by the employer to the public, to competitors or to employees generally, and is not limited to confidential information relating to labor or employee relations." "

AMENDEMENT No. 1868

At the end of the bill, insert the following new section:

"SEC. . Section 2(13) (29 U.S.C. § 152(13)) of the National Labor Relations Act is amended by adding the following new sentence at the end thereof: "Any member of a labor organization shall be deemed to be an agent of said labor organization, and such members' actions shall be binding on said labor organization without regard to whether said action was authorized or subsequently ratified." "

AMENDMENT No. 1869

At the end of the bill, insert the following new section:

"SEC. .

(a) Section 2(5) of the National Labor Relations Act (29 U.S.C. § 152(5)) is amended by adding to the end thereof the following new sentence: "For purposes of this Act the term "labor organization" shall include all affiliates of a labor organization and the actions of any one affiliate shall be deemed binding on any parent and other affiliates."

(b) Paragraph 1(B) of Section 504(b) of Title 5, United States Code, is amended—

(1) by striking out the semicolon at the end thereof and inserting in lieu thereof a colon; and

(2) by adding to the end thereof the following new proviso:

"Provided, That the net worth of a labor organization shall be determined with reference to Section 2(5) of the National Labor Relations Act (29 U.S.C. § 152(5)).

(c) Paragraph B of Section 2412(d)(2) of Title 28, United States Code, is amended—

(1) by striking out the semicolon at the end thereof and inserting in lieu thereof a colon; and

(2) by adding to the end thereof the following new proviso:

"Provided, That the net worth of a labor organization shall be determined with refer-

ence to Section 2(5) of the National Labor Relations Act (29 U.S.C. § 152(5))."

AMENDMENT No. 1870

At the end of the bill, insert the following new section:

"SEC. . Section 3(d) of the National Labor Relations Act (29 U.S.C. § 153(d)) is amended—

(1) by striking the phrase "(other than trial examiners and legal assistants to Board members)" and

(2) by inserting in lieu thereof the following phrase:

"(other than trial examiners, legal assistants to Board members, attorneys responsible with presenting Board cases before the United States Supreme Court and Courts of Appeals, and the Solicitor"."

AMENDMENT No. 1871

At the end of the bill, insert the following new section:

"SEC. . Section 4(a) of the National Labor Relations Act (29 U.S.C. 154(a)) is amended by striking out the comma and the words "or for economic analysis" following the world "mediation" in the last sentence, and inserting in lieu thereof a period."

AMENDMENT No. 1872

At the end of the bill, insert the following new section:

"SEC. . Section 3(d) of the National Labor Relations Act (29 U.S.C. § 153(d)) is amended—

(1) by striking out the period at the end of the third sentence and inserting in lieu thereof a colon; and

(2) by adding the following new proviso: "Provided, That where the General Counsel shall delegate his authority to issue complaints under Section 10, he shall provide an appeal procedure with final review personally by the General Counsel of any decision to issue such complaints." "

AMENDMENT No. 1873

At the end of the bill, insert the following new section:

"SEC. . Section 8(a)(1) of the National Labor Relations Act (29 U.S.C. § 158(a)(1)) is amended—

(1) by striking out the semicolon at the end thereof and inserting in lieu thereof a colon; and

(2) by inserting the following new proviso at the end thereof:

"*Provided, however,* That an employer who disciplines any employee in a good faith belief that said employee has engaged in activity not protected by Section 7 of this Act (29 U.S.C. § 157) shall not be deemed to have committed an unfair labor practice." "

AMENDMENT No. 1874

"SEC. .

(a) Section 8(a)(3) of the National Labor Relations Act (29 U.S.C. § 158(a)(3)) is amended—

(1) by striking out the semicolon at the end thereof and inserting in lieu thereof a colon; and

(2) by adding the following new proviso at the end thereof:

"*Provided further,* That nothing in this subsection shall permit any employer who has contracts with an agency of the United States of American for the furnishing of supplies or services, or for the use of real or personal property, including lease arrangements, to require membership in or financial support to any labor organization as a condition of employment."

(b) Section 8(f) of the National Labor Relations Act (29 U.S.C. § 158(f)) is amended—

(1) by striking out the period at the end thereof and inserting in lieu thereof a colon; and

(2) by adding the following new proviso at the end thereof:

"*Provided further,* That nothing in this subsection shall permit any employer engaged in the construction industry who has contracts with an agency of the United States of America to require membership in or financial support to any labor organization as a condition of employment." "

AMENDMENT No. 1875

At the end of the bill, insert the following new section:

"SEC. .

(a) Section 8(a)(5) of the National Labor Relations Act (29 U.S.C. § 158(a)(5)) is amended—

(1) by striking out the phrase "of his employees" and inserting in lieu thereof a colon; and

(2) by adding the following new proviso at the end thereof: "Provided, That nothing in this Act shall be construed as requiring an employer to bargain collectively until a representative of his employees has been determined by means of a secret ballot election conducted in accordance with the provisions of Section 9(a) of this Act (29 U.S.C. § 159(a))."

(b) Section 9(a) of the National Labor Relations Act (29 U.S.C. § 159(a)) is amended—

(1) by striking out "designated or" immediately before "selected for the purposes of collective bargaining"; and

(2) by inserting between "selected" and "for the purposes of collective bargaining" the following: "by a secret ballot election"."

AMENDMENT No. 1876

At the end of the bill, insert the following new section:

"Sec. . Section 8(b)(1) of the National Labor Relations Act (29 U.S.C. § 158(b)(1)) is amended—

(1) by striking the semicolon after the phrase "with respect to the acquisition or retention of membership therein" and inserting in lieu thereof a colon; and

(2) by adding the following new proviso at the end thereof: "*Provided further,* That it shall be an unfair labor practice under this section for a labor organization to threaten or impose any fine or other economic sanction against any person in the exercise of rights under this Act (including but not limited to the right to refrain from any or all concerted activity or to invoke the processes of the Board)." "

AMENDMENT No. 1877

At the end of the bill, insert the following new section:

"SEC. . Section 8(b)(1) of the National Labor Relations Act (29 U.S.C. § 158(b)(1)) is amended by inserting after the phrase "to restrain or coerce" the following new clause:

"in any manner, including but not limited to, by acts of violence, threats of violence, or acts of intimidation, either at the place of employment or otherwise," "

AMENDMENT No. 1878

At the end of the bill, insert the following new section:

Sec. .

(a) Section 8(b)(1) of the National Labor Relations Act (29 U.S.C. § 158(b)(1)) is amended by inserting after the phrase "to restrain or coerce" the following new clause:

"in any manner, including but not limited to, by acts of violence, threats of violence, or acts of intimidation, either at the place of employment or otherwise,".

(b) Section 10(c) of said Act (29 U.S.C. § 160(c)) is amended by inserting after the phrase, "responsible for the discrimination suffered by him:", the following new proviso:

"*Provided further,* That the Board may order the restitution of money damages, including lost wages, to individual employees prevented from working through restraint or coercion as defined in Section 8(b)(1) of this Act (29 U.S.C. § 158(b)(1)), but nothing in this proviso shall be interpreted to preclude an injured individual from pursuing any other remedy available at law, in equity, or otherwise:"

AMENDMENT No. 1879

At the end of the bill, insert the following new section:

"Sec. . Section 8 of the National Labor Relations Act (29 U.S.C. § 158) is amended—

(1) by striking out the first proviso of subsection (b)(4) following subparagraph (D); and

(2) by striking out "further" from the phrase *"Provided further,* That the purposes of this paragraph (4) only, . . ."

AMENDMENT No. 1880

At the end of the bill, insert the following new section:

"Sec. . Section 8(b)(6) of the National Labor Relations Act (29 U.S.C. § 158(b)(6)) is amended by inserting after the second occurrence of the word "performed" and before the semicolon a comma and the following new clause:

"or for services for which the employer has no need or does not desire, or for services which are of no bona fide economic value to the employer"."

AMENDMENT No. 1881

At the end of the bill, insert the following new section:

"Sec. . Section 8(b) of the National Labor Relations Act (29 U.S.C. § 158(b)) is amended—

(1) by striking out the "and" at the end of subsection (6) of such section; and

(2) by striking out the period at the end of subsection (7) of such section and inserting in lieu thereof "; and"; and

(3) by adding the following new subsection at the end thereof:

"(8) to engage in a strike, or slowdown, or other refusal to work for any reason during the term of any collective bargaining agreement to which the labor organization is a signatory when such agreement contains a provision prohibiting strikes. For purposes of this subsection any such strike, slowdown or refusal to work by any member of a labor organization shall be deemed an act of said labor organization." "

AMENDMENT No. 1882

At the end of the bill, insert the following new section:

"SEC. . Section 8(d) of the National Labor Relations Act (29 U.S.C. § 158(d) is amended—

"(1) by inserting after the colon following the first occurrence of the word "concession" the following new proviso: *"Provided,* That it shall be an unfair labor practice for a labor organization to make a proposal which directly or indirectly affects employ-

ees outside the bargaining unit represented by such labor organization:"

"(2) by striking out the word *"Provided"* and inserting in lieu thereof the phrase *"Provided further,"*."

AMENDMENT No. 1883

At the end of the bill, insert the following new section:

"Sec. .

(a) Section 8(d) of the National Labor Relations Act (29 U.S.C. § 158(d)) is amended by inserting the following new paragraph at the end thereof:

"No employer shall be compelled to bargain with, and it shall not be unlawful under this Act for an employer to refuse to bargain with, any individual prohibited from representing a labor organization as provided in Section 504(a) of the Labor-Management Reporting and Disclosure Act (29 U.S.C § 504(a)).

(b) Section 504(a) of the Labor-Management Reporting and Disclosure Act (29 U.S.C. § 504(a) is amended by inserting after the clause, "assault which inflicts grievous bodily injury," the following new clauses: "assault or threat of assault upon any employee, serious strike misconduct,".

AMENDMENT No. 1884

At the end of the bill, insert the following new section:

"Sec. . Section 8(d) of the National Labor Relations Act (29 U.S.C. § 158(d)) is amended—

(1) by inserting after the colon following the word "concession" the following new proviso:

"*Provided*, That this Section shall not require any employer to bargain collectively with respect to any decision which affects the scope, direction, or nature of its business, and which is not prohibited by other provisions of this Act, to discontinue, contract out, relocate, sell, or otherwise change, modify, restructure, or dispose of its business, plant, equipment, or operations, or any part thereof, except that, on request, the employer (unless the collective bargaining agreement between the parties defines their duties in such circumstances) without having to defer the decision or any action pursuant thereto, shall after making such decision meet and bargain with the representatives of any affected employees concerning the effects, if any, of such action upon such employees:"; and

(2) by inserting before the comma preceding the phrase "That where there is in effect a collective-bargaining contract" the word "further."

AMENDMENT No. 1885

At the end of the bill, insert the following new section:

"Sec. . Section 8(d) of the National Labor Relations Act (29 U.S.C. § 158(d)) is amended by inserting after the colon at the end of paragraph (4) the following new provisos: *"Provided further*, That where there is in effect a collective bargaining contract covering employees in an industry affecting commerce, the duty to bargain collectively shall also mean that such employees shall not engage in a strike or other concerted refusal to perform work for any reason whatsoever during the term of such contract regardless of whether such strike or other concerted refusal to perform work is actually authorized by the representative of such employees subject to the provisions of Section 9(a): *And provided further*, that where such strike or other concerted refusal to perform work occurs, the duty to bargain collectively shall also mean that the representative of such employees subject to the provisions of Section 9(a) shall take all steps reasonably necessary to end such strike or other concerted refusal to perform work:" "

AMENDMENT No. 1886

At the end of the bill, insert the following new section:

SEC. —.

(a) Section 8(d) of the National Labor Relations Act (29 U.S.C. § 158(d)) is amended by adding the following new paragraph at the end thereof:

"Notwithstanding any of the foregoing, no employer shall have a duty to bargain collectively with any labor organization which has been determined, in whole or in part, to be an enterprise operated by a pattern of racketeering within the meaning of 18 U.SC. § 1961 et seq. by a court of the United States in any civil or criminal action for a period of ten years from the date of such determination."

(b) Section 9(c) of the National Labor Relations Act (29 U.S.C. § 159(c) is amended by adding the following paragraph at the end thereof:

(6) "Notwithstanding any of the foregoing, the Board shall not certify as a representative of employees under this Act any labor organization which has been determined to be, in whole or in part, an enterprise operated by a pattern of racketeering within the meaning of 18 U.S.C. § 1961 et seq. by a court of the United States in any civil or criminal action for a period of ten years from the date of such determination."

AMENDMENT No. 1887

At the end of the bill, insert the following new section:

SEC. —. Section 8(d) of the National Labor Relations Act (29 U.S.C. § 158(d)) is amended—

(a) by striking out the first period and inserting in lieu thereof a colon; and

(b) by adding at the end thereof the following new proviso:

"Provided further, That nothing in this subsection shall be construed to restrain an employer from reassigning work performed by employees of a particular bargaining unit to employees outside such unit unless the right to reassign such work is expressly waived in a collective bargaining agreement."

AMENDMENT No. 1888

At the end of the bill, insert the following new section:

SEC. —. Section 8(e) of the National Labor Relations Act (29 U.S.C. § 158(e)) is amended—

(1) by striking out the first proviso; and

(2) by striking out "further" where it appears in the phrase *"Provided further*, That for the purposes of this subsection (e) . . .".

AMENDMENT No. 1889

At the end of the bill, insert the following new section:

SEC. —. Section 9(a) of the National Labor Relations Act (29 U.S.C. § 159(a)) is amended by striking out "a" in the phrase "in a unit appropriate for such purposes" and inserting in lieu thereof "the most".

AMENDMENT No. 1890

At the end of the bill, insert the following new section:

SEC. —. Section 8 of the National Labor Relations Act (29 U.S.C. § 158) is amended by adding the following new subsection:

"(h) Any person who shall cause, aid or abet a labor organization to commit any unfair labor practice under subsection (b) of this section through threats of force or violence shall be subject to a fine of not more than $10,000 (ten thousand dollars) and imprisonment for not more than 10 years, or both."

AMENDMENT No. 1891

At the end of the bill, insert the following new section:

SEC. —. Section 9(c)(1) of the National Labor Relations Act (29 U.S.C. 159(c)(1)) is amended by adding at the end thereof the following new sentence: "Under no circumstances shall the Board find that a question of representation does not exist or fail conduct or delay an election by secret ballot due to the filing of a charge or the issuance of a complaint pursuant to Section 10 of this Act (29 U.S.C. 160b)."

AMENDMENT No. 1892

SEC.—. Section 10(b) of the National Labor Relations Act (29 U.S.C. 160(b)) is amended—

(1) by striking out the period at the end of the first sentence and inserting in lieu thereof a colon; and

(2) by adding the following new proviso at the end thereof: *"Provided further*, That no compliant shall issue based upon any unfair labor practice not specifically alleged in a timely charge".

AMENDMENT No. 1893

At the end of the bill, insert the following new section:

"SEC. —. Section 10(b) of the National Labor Relations Act (29 U.S.C. § 160(b)) is amended—

(1) by striking out the period at the end of the second sentence and inserting in lieu thereof a colon; and

(2) by inserting the following new proviso after the colon:

"Provided, That no such amendment shall relate back to the original filing of the complaint, for the purposes of this subsection, unless the claim asserted in the amended pleading arose out of the conduct, transaction, or occurrence set forth or attempted to be set forth in the original pleading."

AMENDMENT No. 1894

At the end of the bill, insert the following new section:

"Sec. . Section 10(c) of the National Labor Relations Act (29 U.S.C. § 160(c)) is amended by inserting after the first proviso the following new proviso: "Provided further, That no order of the Board shall issue requiring any employer to bargain with any labor organization unless such labor organization has been certified as the exclusive representative of his employees following a secret ballot election conducted pursuant to Section 9 of this Act (29 U.S.C. § 159)."

AMENDMENT No. 1895

At the end of the bill, insert the following new section:

"Sec. . Section 10(c) of the National Labor Relations Act (29 U.S.C. § 160(c)) is amended—

(1) by inserting after the colon following the phrase "as will effectuate the policies of this subchapter" the following new proviso:

"Provided, That the Board shall not find that an employer has committed an unfair labor practice by discharging or otherwise disciplining an employee, or by granting or denying a benefit to an employee unless it affirmatively appears from the record as a whole that such discharge or other discipline would not have occurred, or such benefit would not have been denied or granted but for that employee's activity protected by Section 157 or Section 158 of this title:"; and

(2) by inserting the word "further" after the word "Provided," "

AMENDMENT No. 1896

At the end of the bill, insert the following new section:

SEC. . Section 10(c) of the National Labor Relations Act (29 U.S.C. § 160(c)) is amended by inserting after the phrase, "responsible for the discrimination suffered by him:", the following new proviso:

"Provided further, That the Board may order the restitution of money damages arising out of and caused by a strike or other means of coercion or force which the Board shall determine to be an unfair labor practice under Section 8(b) of this Act (29 U.S.C. § 158(b)), but nothing in this proviso shall be interpreted to preclude an injured party from pursuing any other remedy available at law, in equity, or otherwise." "

AMENDMENT No. 1897

At the end of the bill, insert the following new section:

SEC. . Section 10(c) of the National Labor Relations Act (29 U.S.C. § 160(c)) is amended by inserting after the phrase, "responsible for the discrimination suffered by him:", the following new proviso:

"Provided further, That the Board may order the restitution of money damages to individuals or entities which the Board shall determine were the victims of violent acts during an otherwise lawful strike, but nothing in this proviso shall be interpreted to preclude an injured party from pursuaing any other remedy available at law, in equity, or otherwise." "

AMENDMENT No. 1898

At the end of the bill, insert the following new section:

"SEC. . Section 10(k) of the National Labor Relations Act (29 U.S.C. § 160(k)) is amended by adding the following new sentence at the end thereof:

"At a hearing pursuant to this subsection, the burden shall be upon the labor organization challenging the particular work assignment to demonstrate its entitlement to said work assignment by clear and convincing evidence." "

AMENDMENT No. 1899

At the end of the bill, insert the following new section:

"SEC. . Section 14(b) of the National Labor Relations Act (29 U.S.C. § 164(b)) is amended by adding at the end thereof the following new sentence: "Any such prohibitions by any state or territory shall apply to any property of the United States located within such state or territory." "

AMENDMENT No. 1900

At the end of the bill, insert the following new section:

"SEC. . Section 14(c)(1) of the National Labor Relations Act (29 U.S.C. § 164(c)(1) is amended—

(1) by striking the period and inserting in lieu thereof a comma; and

(2) by adding the following at the end thereof: "adjusted on August 1, 1960, and each year thereafter, to reflect changes in the Consumer Price Index (all items—United States city average) published by the Bureau of Labor Statistics for the one-year period ending the preceding July 31. No later than September 1, 1986, and each year thereafter, the Board shall publish such standards, as adjusted in accordance with the preceding sentence, in the Federal Register."

AMENDMENT No. 1901

At the end of the bill, insert the following new section:

"SEC. . Section 14(c)(1) of the National Labor Relations Act (29 U.S.C. § 164(c)(1)) is amended—

(1) by striking out the proviso thereto; and

(2) by adding after the colon the following new proviso:

"Provided, That the Board shall assert jurisdiction over any labor dispute involving any non retail enterprise which has an outflow or inflow across state lines of at least $1,000,000 per annum, whether such outflow or inflow is regarded as direct or indirect, and involving any retail enterprise which has a gross volume of business of at least $10,000,000 per annum. No later than September 1, 1986, and each year thereafter, the Board shall adjust and publish in the Federal Register such standards to reflect changes in the Consumer Price Index (all items—United States city average) published by the Bureau of Labor Statistics."

AMENDMENT No. 1902

At the end of the bill, insert the following new section:

"SEC. . Section 14 of the National Labor Relations Act (29 U.S.C. § 164) is amended by adding the following new subsection: "(d) Nothing herein shall require the presence of a union representative, or other individual, at any interview, conducted by an employer with any employee." "

AMENDMENT No. 1903

At the end of the bill, insert the following new section:

"SEC. . Section 19 of the National Labor Relations Act (29 U.S.C. § 169) is amended—

(1) by striking out the semicolon after the phrase, "as a condition of employment", and inserting in lieu thereof a period; and

(2) by striking the remainder of the Section."

AMENDMENT No. 1904

At the end of the bill, insert the following new section:

"SEC. . Section 19 of the National Labor Relations Act (29 U.S.C. § 169) is amended by inserting after the phrase "objections to joining or financially supporting labor organizations" the phrase, "or any employee who has a strongly held moral or personal conviction against joining or financially supporting labor organizations,"."

AMENDMENT No. 1905

At the end of the bill, insert the following new section:

"SEC. . Section 301(a) of the Labor Management Relations Act (29 U.S.C. § 185(a)) is amended by adding at the end thereof the following new sentence:

"This section shall not apply to, and a district court shall not have subject matter jurisdiction over, a non-signatory to a collective bargaining agreement, where no rights or duties of the non-signatory party are stated in the terms and conditions of the contract." "

AMENDMENT No. 1906

At the end of the bill, insert the following new section:

"SEC. . Section 301(b) of the Labor Management Relations Act (29 U.S.C. § 185(b)) is amended by striking out the period after the word "agents" and inserting therein the following: "or its members."."

AMENDMENT No. 1907

At the end of the bill, insert the following new section:

"SEC. . Section 301(b) (29 U.S.C. § 185(b)) of the Labor Management Relations Act is amended by adding the following new sentence at the end thereof:

"Any member of a labor organization shall be deemed to be an agent of said labor organization, and such members' actions shall be binding on said labor organization without regard to whether said action was authorized or subsequently ratified."."

AMENDMENT No. 1908

At the end of the bill, insert the following new section:

"SEC. . Section 301(b) of the Labor Management Relations Act (29 U.S.C. § 185(b)) is amended by inserting after the first sentence the following new sentence: "Any labor organization shall be responsible for the acts of its affiliates or subsidiaries, without regard to whether such labor organization authorized or ratified such acts."."

AMENDMENT No. 1909

At the end of the bill, insert the following new section.

"SEC. . Section 302(c) of the Labor Management Relations Act (29 U.S.C. § 186(c)) is amended by striking out the words "a period of more than one year, or beyond the termination date of the applicable collective agreement, whichever occurs sooner;" in clause (4) and inserting in lieu thereof the following: "any period;"."

AMENDMENT No. 1910

At the end of the bill, insert the following new section:

"SEC. . Section 302(c) of the Labor Management Relations Act (29 U.S.C. 186(c)) is amended—

(a) by striking out the semicolon in clause (4) and inserting in lieu thereof a colon; and by inserting the following new proviso at the end thereof:

"Provided, however, That nothing contained herein shall be construed as permitting such deductions in any state or territory in which such deductions are prohibited by State or Territorial law."."

AMENDMENT No. 1911

At the end of the bill, add the following new section:

"SEC. . Any person who is employed in the Office of Organized Crime and Racketeering (or its successor), Office of the Inspector General, Department of Labor, who conducts investigations of alleged or suspected felony criminal violations of statutes including but not limited to the Labor-Management Reporting and Disclosure Act of 1959, and the Employee Retirement Income Security Act of 1947, as administered by the

Secretary of Labor or any agency of the Department of Labor and who is designated by the Inspector General of the Department of Labor may—

"(1) make an arrest without a warrant for any such felony criminal violation if such violation is committed in his presence or if such employee has probable cause to believe such violation is being or has been committed, by the person to be arrested, in the presence of such employee;

"(2) execute a warrant for an arrest, for the search of premises, or the seizure of evidence if such warrant is issued under authority of the United States upon probable cause to believe that such violation has been committed; and

"(3) carry a firearm;

in accordance with rules issued by the Secretary of Labor, which such employee is engaged in the performance of official duties under the authority provided in section 6, or described in section 9, of the Inpector General Act of 1978."

AMENDMENT No. 1912

At the end of the bill, insert the following new section:

SEC. . Section 303(a) of the Labor Management Relations Act (29 U.S.C. § 187(a)) is amended by striking out "section 8(b)(4)" and inserting in lieu thereof "Section 8(b)".

AMENDMENT No. 1913

At the end of the bill, insert the following new section;

SEC. . Section 303(b) of the National Labor Relations Act (29 U.S.C. § 187(b)) is amended—

(1) by striking out the period at the end thereof and by inserting in lieu thereof a comma; and

(2) by adding the following new clause: "including any attorneys' fees incurred during any underlying National Labor Relations Board proceedings and an action under this section."

AMENDMENT No. 1914

At the end of the bill, insert the following new section:

SEC. . Section 439 of the Labor-Management Reporting and Disclosure Act (29 U.S.C. § 439) is amended—

(1) by striking out "one year" in subsection (1), and by adding in lieu thereof "five years";

(2) by striking out "one year" in subsection (b), and by adding in lieu thereof "five years";

(3) by striking out "one year" in subsection (c), and by adding in lieu thereof "five years."

AMENDMENT No. 1915

At the end of the bill, insert the following new section:

SEC. . The Labor-Management Reporting and Disclosure Act (29 U.S.C. §§ 401-531) is amended by adding the following new Section 484:

"§ 484. Mergers and Affiliations

"The merger of two independent labor organizations, the merger of an independent labor organization with an affiliated labor organization, or the affiliation of an independent labor organization with another entity shall not become effective until authorized by a majority of employees represented by both labor organizations pursuant to an election conducted in accordance with Section 9(c) of the National Labor Relations Act (29 U.S.C. § 159(c)).

AMENDMENT No. 1916

At the end of the bill, insert the following new section:

SEC. . Section 501 of the Labor-Management Reporting and Disclosure Act (29 U.S.C. § 501) is amended—

(1) by redesignating subsection (c) as subsection (d); and by adding the following new subsection (c):

"(c) CIVIL ACTIONS BY THE U.S. DEPARTMENT OF LABOR.—When any officer, agent, shop steward, or representative of any labor organization is alleged to have violated the duties declared in subsection (a) of this section, or where the Secretary of Labor is of the belief that such duties have been violated, the Secretary of Labor shall investigate the alleged violations and, where appropriate, institute a civil action in any district court of the United States to enforce the duties and requirements of subsection (a): Provided, That this subsection shall not act as a limitation on the rights of any member of a labor organization provided under subsection (b)."

AMENDMENT No. 1917

At the end of the bill, insert the following new section:

SEC. . Section 530 of the Labor-Management Reporting and Disclosure Act (29 U.S.C. § 530) is amended—

(1) by striking out "for the purpose of interferring with or preventing the exercise of" in the first sentence of the section;

(2) by striking out "$1,000" and "one year" in the second sentence of the section;

(3) by adding after the words "shall be fined not more than" in the second sentence the following: "$10,000"; and

(4) by adding after the words "or imprisoned for not more than" in the second sentence the following "five years."

AMENDMENT No. 1918

At the end of the bill, insert the following new section:

SEC. . Section 2(2) of the National Labor Relations Act (29 U.S.C. § 152(2)) is amended—

(1) by deleting the phrase "person acting as an agent of an employer, directly or indirectly,"; and

(2) by inserting in lieu thereof "owner, management official, or director of an employer,".

AMENDMENT No. 1919

At the end of the bill, insert the following new section:

SEC. . Section 2(2) of the National Labor Relations Act (29 U.S.C. §152.(2)) is amended—

(1) by striking out the period at the end thereof and inserting in lieu thereof a comma; and

(2) by adding the following clause at the end thereof: "or any eleemosynary institution whose purpose is primarily noncommercial,"

AMENDMENT No. 1920

At the end of the bill, insert the following new section:

SEC. . Section 2(11) of the National Labor Relations Act (29 U.S.C. §152(11)) is amended—

(1) by deleting the comma following the phrase "or effectively to recommend such action" and inserting in lieu thereof a period; and

(2) by deleting the phrase "if in connection with the foregoing the exercise of such authority is not of a merely routine or clerical nature, but requires the use of independent judgment."

AMENDMENT No. 1921

At the end of the bill, insert the following new section:

"SEC. . Section 2(13) of the National Labor Relations Act (29 U.S.C. § 152(13)) is amended by inserting at the end thereof the following new sentence:

"Any person engaged in a strike or other conserted refusal to perform work, or any other concerted activity, shall be considered an "agent" of all other persons with whom such action was taken, and as "agent" of the labor organization, if any, of which any such person is a member." "

AMENDMENT No. 1922

At the end of the bill, insert the following new section:

"SEC. . Section 2 of the National Labor Relations Act (29 U.S.C. § 152) is amended by adding the following new subsection: "(15) The term "employer in the construction industry" shall not include an employer engaged in the business of delivery or removal of materials to a site of construction work." "

AMENDMENT No. 1923

At the end of the bill, insert the following new section:

"SEC. . Section 3(d) of the National Labor Relations Act (29 U.S.C. § 153(d)) is amended—

(1) by adding a period after the parenthetical phrase in the second sentence; and

(2) by striking from the second sentence the clause "and over the officers and employees in the regional offices." "

AMENDMENT No. 1924

At the end of the bill, insert the following new section:

"SEC. . Section 8(a) of the National Labor Relations Act (29 U.S.C. § 158(a)) is amended by inserting in the first clause after the word "employer" and before the dash the word "intentionally".".

AMENDMENT No. 1925

At the end of the bill, insert the following new section:

"SEC. . Section 8(a) (3) of the National Labor Relations Act (29 U.S.C. § 158(a)(3)) is amended—

(1) by striking out the phrase "one year" and inserting in lieu thereof "three years"; and

(2) by striking out the words "at least a majority of the employees eligible to vote" in subsection (ii) of the first proviso and inserting in lieu thereof the following new phrase: "a majority of those employees voting"."

AMENDMENT No. 1926

At the end of the bill, insert the following new section:

SEC. . Section 8(a)(5) of the National Labor Relations Act (29 U.S.C. § 158(a)(5)) is amended—

(1) by striking out the period at the end thereof and inserting in lieu thereof a colon; and

(2) by adding the following new proviso to the end thereof:

"Provided, That after a strike in which substantial numbers of permanent replacement employees have been hired, it shall

not be presumed by the Board that said replacement employees support the incumbent labor organization in the same proportion as did the employees in the bargaining unit as a whole on the day immediately preceding the commencement of the strike."."

AMENDMENT: No. 1927

At the end of the bill, insert the following new section:

"SEC. . Section 8(a)(5) of the National Labor Relations Act (29 U.S.C. § 158(a)(5)) is amended—

(1) by striking out the period at the end thereof and inserting in lieu thereof a colon; and

(2) by adding the following new proviso at the end thereof:

"Provided, That any obligation arising under this subsection to furnish information shall not apply to information related directly or indirectly to an employer's production, trade secrets or other information of a confidential or sensitive nature."."

AMENDMENT No. 1928

At the end of the bill, insert the following new section:

"SEC. —. Section 8(d) of the National Labor Relations Act (29 U.S.C. § 158(d)) is amended—

(1) by inserting after the phrase "the making of a concession:" the following new proviso:

"Provided, That where there is in effect a collective-bargaining contract covering employees in an industry affecting commerce, the duties imposed by this section shall not be construed to require either party to discuss any matter not specifically covered by such collective-bargaining contract".

(2) by striking out the word "Provided" and inserting in lieu thereof *"Provided further,"*."

AMENDMENT No. 1929

At the end of the bill, insert the following new section:

"Section 8(d) of the National Labor Relations Act (29 U.S.C. § 158(d)) is amended—

(1) by inserting after the colon following the first occurrence of the word "concession" the following new proviso: *"Provided,* That it shall be an unfair labor practice for a labor organization or any of its members to engage in any activity not specifically protected by this title in support of a collective bargaining demand;" and

(2) by striking out the word *"Provided"* and inserting in lieu thereof *"Provided further"*."

AMENDMENT No. 1930

At the end of the bill, insert the following new section:

"SEC. —. Section 8(g) of the National Labor Relations Act (29 U.S.C. § 158(g)) is amended—

(1) by striking out "at any health care institution" from the title of said subsection;

(2) by striking out "at any health care institution" from said subsection;

(3) by striking out the word "institution" where it appears before the phrase "in writing" and inserting in lieu thereof "employer"; and

(4) inserting after the phrase "initial agreement" the following: "with a health care institution"."

AMENDMENT No. 1931

At the end of the bill, insert the following new section:

"SEC. —. Section 9(b) of the National Labor Relations Act (29 U.S.C. § 159(b)) is amended—

(1) by striking out the period at the end thereof and inserting in lieu thereof a colon; and

(2) by adding the following new proviso at the end thereof: *"Provided further,* That where the employees of one appropriate unit shall be merged into another appropriate unit, the Board shall not certify any labor organization as the representative of the combined appropriate unit and shall not issue a bargaining order concerning such combined unit without first conducting and certifying the results of secret ballot elections conducted in each affected unit pursuant to this Section, and the units shall not be merged unless the employees in each separate unit consent thereto." "

AMENDMENT No. 1932

At the end of the bill, insert the following new section:

"SEC. —. Section 9(c)(1)(A) of the National Labor Relations Act (29 U.S.C. § 159(c)(a)(A)) is amended—

(1) by striking out the phrase "a substantial number of employees"; and (2) by inserting in lieu thereof the following new phrase: "40 per centum or more of the employees in the bargaining unit"."

AMENDMENT No. 1933

At the end of the bill, insert the following new section:

"Section 9(c)(1)(A) of the National Labor Relations Act (29 U.S.C. § 159(c)(a)(A) is amended—

(1) by striking out the semicolon and inserting in lieu thereof a colon; and

(2) by inserting the following new provisos at the end thereof: *"Provided,* That any petition filed pursuant to this paragraph must be supported by valid request for election forms provided by the Board signed by at least 40 percent of the employees in an appropriate unit: *Provided further,* That any request for election forms provided pursuant to this section, in accordance with such regulations as may be prescribed by the Board, shall be revocable at will, but in any event shall be valid for no more than sixty (60) days and shall clearly so provide on their faces;"."

AMENDMENT No. 1934

At the end of the bill, add the following new section:

"SEC. —. Notwithstanding any other provisions of this Act, any employer in the construction industry, for a period of one year from the date of enactment of this Act, may withdraw from any collective bargaining agreement currently in force without incurring any liability thereto. Such withdrawal shall not constitute a breech of any construction or building agreement between an employer and an owner or customer which requires the employer to be a signatory to any collective bargaining agreement."

AMENDMENT No. 1935

At the end of the bill, insert the following new section:

"SEC. —. Section 10(c) of the National Labor Relations Act (29 U.S.C. § 160(c)) is amended by inserting after the first proviso the following new proviso: *"Provided further,* That no order of the Board shall issue requiring any employer to bargain with any labor organization unless such labor organization has been certified as the exclusive representative of his employees following a secret ballot election conducted pursuant to section 9 of this Act (29 U.S.C. § 159); or unless it affirmatively appears from the record as a whole by clear and convincing evidence, (1) that due to the employer's serious and sustained unfair labor practices, considering all relevant circumstances including the passage of time, not to exceed two years, and employee turnover since the commission of said unfair labor practices, a free and fair election is impossible, and (2) that immediately prior to such unfair labor practices an uncoerced majority of the employees in an appropriate unit had clearly and unequivocally designated or selected such labor organization as their representative for the purposes of collective bargaining:" "

AMENDMENT No. 1936

At the end of the bill, insert the following new section:

"Section 10(c) of the National Labor Relations Act (29 U.S.C. § 160(c)) is amended by inserting after the first proviso the following new proviso:

"Provided further, That the Board may order back pay to a striker who it finds was discharged for a discriminatory reason, but said back pay may only be computed from the date on which the individual requests reinstatement"."

AMENDMENT No. 1937

At the end of the bill, insert the following new section:

"SEC. . Section 10(c) of the National Labor Relations Act (29 U.S.C. § 160(c)) is amended by inserting after the sixth sentence the following new sentence:

"No order of the Board shall issue if the party alleged to have committed an unfair labor practice has ceased engaging in the alleged conduct and has remedied the impact of said conduct as to any affected employees."."

AMENDMENT No. 1938

At the end of the bill, insert the following new section:

"SEC. . Section 10(c) of the National Labor Relations Act (29 U.S.C. § 160(c)) is amended—

(1) by inserting after the phrase "as will effectuate the policies of this subchapter:" the following new proviso:

"Provided, That no finding of an unfair labor practice shall be made unless it is determined that an employer's act was intended to interfere with, restrain or coerce employees in the exercise of rights guaranteed under Section 7 of this Act, and that such, in fact, was reasonably calculated to achieve such result, and did, in fact, interfere with, restrain or coerce identified employees in the exercise of such rights.

(2) by striking the comma after the word *"Provided"* and inserting in lieu thereof the word *"further"*."

AMENDMENT No. 1939

At the end of the bill, insert the following new section:

SEC. . Section 10(e) of the National Labor Relations Act (29 U.S.C. § 160(e)) is amended—

(1) by striking out the period at the end of the third sentence of said subsection and inserting in lieu thereof a colon; and

(2) by adding the following new proviso at the end thereof:

"Provided, however, That full compliance with the Board order shall be an affirmative defense to a petition by the Board for enforcement, and the court shall not grant enforcement where such compliance is shown."

AMENDMENT No. 1940

At the end of the bill, insert the following new section:

"SEC. . Section 14 of the National Labor Relations Act (29 U.S.C. § 164 is amended by adding the following new subsection (d):

"(d) Picketing on private property

"Nothing herein shall be construed as authorizing picketing whether or not for a lawful purpose upon the property of another person without that person's consent." "

AMENDMENT No. 1941

At the end of the bill, insert the following new section:

"SEC. . Section 301(a) of the Labor Management Relations Act (29 U.S.C. § 185(a)) is amended—

"(1) by striking out the period at the end thereof and inserting in lieu thereof a colon; and

"(2) by adding the following new proviso:

"Provided, That no collective-bargaining contract shall be enforceable against any employer or labor organization that has not expressly agreed to be bound thereby." "

AMENDMENT No. 1942

At the end of the bill, insert the following new section:

"SEC. . Section 301 of the Labor Management Relations Act (29 U.S.C. § 185) is amended by adding the following new subsection (f):

"(f) Whenever considering a petition to enforce or for review of an arbitrator's award under this Title, a district court shall not issue an order granting such enforcement or denying such review unless it affirmatively appears from the record as a whole that the arbitrator's award is supported by substantial evidence." "

AMENDMENT No. 1943

At the end of the bill, insert the following new section:

"SEC. . Section 501(b) of the Labor-Management Reporting and Disclosure Act (29 U.S.C. § 501(b)) is amended by striking out the phrase "The trial judge may allot a reasonable part of the recovery in any action under this subsection to pay the" and inserting in lieu thereof the following new clause: "In addition to the recovery in any action under this subsection, if any, the trial judge shall award as damages from the labor organization any"."

AMENDMENT No. 1944

At the end of the bill, insert the following new section:

"SEC. . Section 102 of the Labor-Management Reporting and Disclosure Act (29 U.S.C. § 412) is amended by deleting the parenthetical clause in the first sentence and inserting in lieu thereof the following parenthetical clause: "(including injunctions, compensatory and exemplary damages, and reasonable costs and attorneys fees)"."

AMENDMENT No. 1945

At the end of the bill, insert the following new section:

SEC. . Section 8(e) of the National Labor Relations Act (29 U.S.C. § 158(e)) is amended—

(1) by striking out the colon at the end of the first proviso and inserting in lieu thereof a comma; and

(2) by adding the following new clause at the end thereof: "but this proviso shall not apply to the delivery or removal of materials to the site of such construction work:".

AMENDMENT No. 1946

At the end of the bill, insert the following new section:

"SEC. . (a) This section may be cited as the "Youth Employment Opportunity Wage Act of 1986".

(b)(1) The Congress finds that—

(A) one of the Nation's most serious and longstanding problems is providing adequate employment opportunities for our young people;

(B) many youth are unemployed because they lack the job skills to earn the minimum wage has the effect of pricing unskilled youth out of the job market;

(C) a youth employment opportunity wage could make it possible for employers to expand job opportunities for young people during a period of special need—when young people are looking for summer jobs; and

(D) such a program has never been adequately tested and that there should be a demonstration period for a youth employment opportunity wage in order to allay any doubts as to the ameliorative impact of the youth wage.

(2) It is therefore the purpose of this section to provide a period during which a youth employment opportunity wage can be paid by employers, and evaluated for its effectiveness in creating employment opportunities and helping young people develop job skills.

(c) Section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) is amended by adding at the end thereof the following new subsection:

"(g)(1) Notwithstanding any provision of this Act (except for the first sentence of section 18(a)), during the period from May 1 through September 30 of each year, an employer may employ any individual who is under 20 years of age at a wage not less than $2.50 per hour or 75 per centum of the otherwise applicable wage rates established pursuant to this section, section 8 or subsection (e) of section 5, whichever is less. No special certificate shall be required under section 14 for an employee who is employed in accordance with this subsection. All references in any other law to the Federal minimum wage under section 6(a)(1) of this Act shall be interpreted as referring to the wage established by this subsection with respect to the employment covered by this subsection.

"(2) This subsection shall not affect requirements for compliance with applicable child labor laws or recordkeeping requirements. This subsection shall only be applicable to hours worked by eligible employees in compliance with applicable child labor laws.

"(3) This subsection shall not, with respect to any year, be applicable to any youth who has been employed by the employer at any time during the 90-day period prior to May 1 of such year.

"(4) No employer shall discharge, transfer or demote any employee of such employer who is ineligible for the wage established by this subsection, on account of such ineligibility, for the purpose of empolying an individual eligible for such wage, and any such discharge, transfer or demotion shall be deemed a violation of section 15(a)(3).".

(d) Section 142(a) of the Job Training Partnership Act (29 U.S.C. 1552) is amended by adding after paragraph (3) the following new paragraph:

"(4) Notwithstanding paragraphs (2) and (3) of this subsection, individuals who would be paid wages during the period from May 1 through September 30 of any calendar year who have not attained 20 years of age before May 1 of the year shall be paid at not less than the higher of (A) the minimum wage provided under section 6(g) of the Fair Labor Standards Act of 1938, or (B) the minimum wage under the applicable State or local minimum wage law.".

(e) The Secretary of Labor shall monitor the implementation of this section and shall prepare and submit to the Congress a report concerning the employment effects of the youth employment opportunity wage, and such other information and recommendations as the Secretary of Labor determines to be appropriate.

(f) The amendments made by this section shall not apply with respect to hours worked after September 30, 1989.

AMENDMENT No. 1947

At the end of the bill, insert the following new section:

"SEC. . Section 11(d) of the Fair Labor Standards Act of 1938 is amended—

(1) by striking out the word "The" and inserting in lieu thereof "(1) Subject to the provisions of paragraph (2), the"; and

(2) by adding at the end thereof the following new paragraph:

"(2) Nothing in paragraph (1) of this subsection shall be construed to prohibit an individual from engaging in industrial homework (including sewing, knitting, jewelry or craftmaking) or performing any service in or about the individual's place of residence as an employee of any employer covered by the provisions of this Act if the employer pays the minimum wage rate prescribed by this Act and complies with the maximum hours provision of this Act."."

Mr. HATCH. Mr. President, H.R. 281, the Construction Industry Labor Law Amendments of 1985, is an oddly crafted bill that would arbitrarily overturn well-established legal practices and procedures, upset the balance of power between labor and management and force union representation on American workers regardless of their desires.

Despite assertions to the contrary, the bill is not a simple piece of legislation designed to increase the stability of collective bargaining in the construction industry. If fact, H.R. 281 is a blatant and heavy handed attempt to salvage the waning power base of construction unions through what amounts to private sector conscription.

Under a guise of stability and a shroud of simplicity, the legislation attempts to do three things. First, it would eliminate the court sanctioned practice of commonly owned but separately managed construction entities operating without ragard to each other's collective bargaining obligations. Known as dual shop operations

or double-breasting, this practice normally involves one entity which is unionized and one which is non-union.

H.R. 281 would destroy this legal practice. Under the bill the terms of a collective bargaining agreement with the unionized entity would cover all of the employees of both entities in the geographic area, covered by the agreement, regardless of whether the non-union employees want to be represented by a union. These employees would be forced to engage in the difficult, and in the construction industry, the virtually impossible process of decertifying the union if they wish to excercise their basic right to choose their own representative. In non right-to-work States most employees would be required to join the union or be fired.

Second, the bill would destroy existing law with regard to pre-hire agreements. Under section 8(f) of the National Labor Relations Act, a union can agree with a construction employer as to wages, hours and working conditions before any workers actually appear on the contractor's job site. In other industries such pre-hire agreements would be unlawful, but Congress recognized that in the construction industry pre-hire agreements would facilitate the use of hiring halls and simplify the setting of labor standards.

In 1978, in *NLRB* v. *Local 103, Ironworkers,* 438 U.S. 335, The Supreme Court ruled that before a union could enforce a prehire agreement, it would have to demonstrate that it actually had the support of a majority of workers in that particular craft on each job site. The Court fashioned a careful balance between the practical advantages of pre-hire agreements and the basic rights of American workers to choose their own bargaining representatives.

H.R. 281 would destroy this legal standard. Under the bill, prehire agreements would be considered final, negotiated, signed and ratified labor contracts. A union would be free to picket to enforce the agreement, again regardless of the desires of those actually hired.

This bill would eliminate the basic cornerstone of Federal labor policy—the right of the majority of employees to determine if they wish to be represented and to choose who those representatives will be. Today, approximately three-quarters of the construction industry is not unionized and perhaps this single fact is the most important clue as to why some feel we need to replace majority rule with minority domination.

Finally, H.R. 281 contains a sense of the Congress resolution that violence and coercion are inimicable to the collective bargaining process and that employers and labor organizations should never use or condone the use of violence. While it is a step for some to admit that there has been labor violence in the construction industry, I doubt that a sense of the Congress resolution will deter labor racketeers. The testimony that I have heard before my committee, the numerous hearings held by the Senate Permanent Subcommittee on Investigations and the recent report of the President's Task Force on Organized Crime all make one point quite clear. Effective laws and prosecutions are what is needed, not resolutions.

Mr. President, I had hoped that H.R. 281 would be referred to committee where it could be addressed in the traditional manner. Unfortunately, the supporters of this bill have chosen to circumvent the committee process and keep the bill on the Senate Calendar. I regret that I must warn my colleagues that if the bill is brought up without committee review, I will be forced to conduct the committee's business on the floor of the Senate.

Today, I am introducing the first 100 amendments I have drafted to H.R. 281, amendments which will restore a sense of balance to the bill, protect existing legal standards and prevent labor violence.

It is simply not possible to amend Federal labor laws in a vacuum. Given the delicate and often tenuous balance of power between management and organized labor, careful consideration must always be given to the impact an allegedly simply amendment will have on the collective bargaining process.

I am the first to admit that there are problems with our Federal labor laws, but I do not think they should be addressed in a segregated manner. If the Senate wishes to open up the National Labor Relations Act, it would be prudent and appropriate to address all of the problems confronting that statute and related Federal labor laws. By confronting the entire subject, we can avoid legislative new problems.

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HELMS. Mr. President, I wish to announce that the Committee on Agriculture, Nutrition, and Forestry has scheduled a full committee hearing to consider the nominations of Honorable Frank W. Naylor, Jr., of Virginia, and Dr. Marvin R. Duncan, of Missouri, to be members of the Farm Credit Administration Board, Farm Credit Administration. The hearing will begin at 9:30 a.m, Thursday, May 15, in 332 Russell Senate Office Building.

Also, following the nominations hearing is a full committee hearing on the possible impact on agriculture of the explosion of the Soviet nuclear plant at Chernobyl. The hearing will begin at 11 a.m., Thursday, May 15, in 332 Russell Senate Office Building.

For further information, please contact Darryl Nirenberg and Charlie Oellermann of the committee staff at 224-6901.

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER AND RESOURCE CONSERVATION

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of public hearings before the Subcommittee on Public Lands, Reserved Water and Resource Conservation on Saturday, May 24, 1986, in Fairbanks AK, and on Tuesday, May 27, 1986, in Anchorage, AK. The subcommittee will receive testimony on S. 2065, to amend the Alaska Native Claims Settlement Act to provide Alaska Natives with certain options for the continued ownership of lands and corporate shares received pursuant to the act and for other purposes.

The May 24 hearing will be held at the Federal Court Room, Federal Building, 101 12th Avenue, Fairbanks, AK, from 9 a.m. to 5 p.m. Those wishing to testify in Fairbanks should contact the Office of Senator MURKOWSKI, attention: Ms. Marcia Kozie; 101 12th Avenue, Box 7, Fairbanks, AK 99701. Telephone (907) 456-0233. Those wishing to testify in Fairbanks should sign up no later than Thursday, May 22, 1986.

The May 27 hearing will be held at the Federal Court Room No. 1, Federal Building, 701 C Street, Anchorage, AK, from 9 a.m. to 5 p.m. Those wishing to testify in Anchorage should contact the Office of Senator MURKOWSKI, attention: Ms. Mary Louise Faunce; 701 C Street, Box 1, Anchorage, AK 99513. Telephone (907) 271-3738. Those wishing to testify in Anchorage should sign up no later than Friday, May 23, 1986.

Because of the number of witnesses expected to testify, oral testimony will be limited to 3 minutes per witness. Written statements may be longer. Witnesses may be placed in panels. Witnesses are requested to bring 15 copies of their testimony with them to the hearing. Do not submit testimony in advance of the hearing. For further information, please contact Senator MURKOWSKI's offices or Mr. Tony Bevinetto of the Public Lands, Reserved Water and Resource Conservation Subcommittee staff at (202) 224-5161.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON RULES AND ADMINISTRATION

Mr. GRAMM. Mr. President. I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Thursday, May 8, 1986, in order to conduct a hearing on Security for Capitol grounds and buildings.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY, NUCLEAR PROLIFERATION, AND GOVERNMENT PROCESSES

Mr. GRAMM. Mr. President. I ask unanimous consent that the Subcommittee on Energy, Nuclear proliferation, and Government Processes, of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Thursday, May 8, 1986, at 10 a.m., to hold a hearing on international nuclear safety concerns.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. DOLE. Mr. President. I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, May 8, 1986, in order to conduct a hearing on the issue of white collar crime—specifically the E.F. Hutton matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

CARE—40 YEARS OF SERVICE

● Mr. KENNEDY. Mr. President, today is the 40th anniversary of one of America's leading voluntary agencies, whose hand of assistance and caring has reached around the world to those in need for four decades. That agency is CARE—and I am pleased to join my colleagues today in honoring CARE's extraordinary record of people-to-people programs that have helped many of the world's poorest.

Over the many years, I have followed the humanitarian problems of refugees and others in need; I have seen firsthand the outstanding work of CARE volunteers and field workers. In programs in Asia, Africa, and Latin America, I have seen their food distribution programs which are often the only lifeline to millions facing starvation—as in Africa this past year. I have seen their food-for-world and other development assistance programs which have helped people throughout the Third World build better lives.

Mr. President, the humanitarian problems and challenges we have faced in recent years have grown in severity and complexity—but so has CARE's capabilities and effectiveness.

One of the greatest challenges has been the drought and famine that swept across Africa in 1984. We saw the specter of millions of men, women, and children fleeing the countryside in a desperate search for food. We saw a flood of refugees pour across borders seeking shelter and help. And in every critical area, CARE was there.

I remember in particular, Mr. President, the beginning of the CARE program in Sudan last year—as the drought that had produced such a human catastrophe in neighboring Ethiopia was about to do the same in central Sudan. To help stem a threatened flow of rural villagers into urban shelters, CARE was asked to launch one of the most logistically difficult relief operations in its history: to feed Sudanese drought victims in their own villages while reviving their agricultural production.

There were few roads in the El Obeid area I visited in December 1984, and the logistical problems were, as I said, immense. But the alternative was worse—a famine in Sudan that could have rivaled the horror of that in Ethiopia at the time. Because if the Sudanese could not obtain food in their rural areas, they would have left their homes and lands—as the Ethiopians had—in search for food. They would have fled to the towns and cities, abandoning the countryside and destroying any hope for the next harvest, even if the rains did come—which, fortunately, they did.

But CARE was there—and it is still there in countries around the globe.

Mr. President, I am pleased to be an honorary member of the committee formed to celebrate CARE's 40th year of service, and to join today with other Members of Congress in calling attention to CARE's outstanding record of humanitarian service. In honoring its work in the past, we can use today's occasion to renew our commitment to help people in need in the future. It is in the finest American tradition.●

DECIDE NOW ON MACHINE TOOL 232 CASE

● Mr. GARN. Mr. President, for more than 2 years I have been sending letters, making statements on the floor, holding hearings, giving speeches and writing newspaper articles about machine tools and the national security. I have been trying to raise attention at the White House of a genuine crisis that has developed with the rapid demise of the U.S. machine tool industry.

Due to the unrelenting growth of imports, our Nation's ability to produce machine tools has diminished precipitously. The alarming fact is that we no longer have sufficient domestic machine tool capacity to mobilize quickly for war or national emergency. In the face of the import onslaught, our Nation's domestic manufacturers have begun to move their machine tool production facilities offshore or simply become importers of foreign machine tools.

This is a dangerous development. In every major conflict, beginning with World War II, a shortage of machine tools has been a major bottleneck in U.S. mobilization efforts. Today, with domestic capacity at its lowest in years, the bottleneck would surely be far more severe.

Sophisticated machine tools are one of the most militarily sensitive items we manufacture. We place severe restrictions on exports of machine tools to the Soviet bloc. If it is important enough to keep these machine tools out of the Soviet Union, then surely it must be important enough to keep them in the United States.

It is now approaching 2½ years since the Secretary of Commerce sent to the President a report on machine tool imports that, according to knowledgeable sources, makes this case in detail. Let me repeat that—2½ years that report has been pending. I'm not talking about an abstract report on an unimportant problem. I am talking about a report that identifies a genuine threat to our national security.

Now, I learn, the Cabinet finally met a month ago to brief the President on the issue. I am also told that the mobilization experts present unanimously agreed with the points I am making today.

Still, however, nothing is happening. What on Earth can we do to make people realize that this is a genuine problem that must be resolved now—not next week, next month, next year—but now?

I have just read in last Friday's CONGRESSIONAL RECORD a dialogue among three of my colleagues on this issue. All three—Senators HEINZ, GRASSLEY, and DANFORTH—serve on the Finance Committee and are heavily involved in trade issues. I agree wholeheartedly with each of their statements. Senator GRASSLEY termed the delay on this issue as "almost beyond comprehension" and Senator DANFORTH labeled it "unconscionable." They are both right. Polite dialogue is no longer sufficient. It is time for Congress to demand action.●

THE MIDGETMAN SMALL ICBM

● Mr. MOYNIHAN. Mr. President, when Gen. Brent Scowcroft submitted the report of the President's Commission on Strategic Forces in April 1983, we in the Senate thought a consensus had been achieved on how best to promote long-term ICBM survivability. The Scowcroft Commission proposed that we move toward a single warhead small ICBM and that we investigate deploying it on a hardened mobile launcher. The idea was to deploy a dispersed force, not in a first strike mode, secure from a preemptive strike and available for a deterrent response—survivability through mobility. Although costly, such a strategy would also be costly for the Soviets to counter. In terms of surviving warheads, Midgetman may be no more expensive than other systems.

Scowcroft and his Commission were dead right. Mobile missiles represent the next step toward strategic deterrence and balance. The Soviets appear to be moving in this direction themselves with the recent deployment of the road-mobile SS-25, and development of the rail-mobile SS-X-24. It took 20 years to reach this consensus; so it was with considerable concern that we learned on October 31, 1985, that the administration was willing to drop our mobile capability. More recently, critics within the Pentagon have suggested increasing the size of the Midgetman in order to accommodate more warheads. Such a modification would cripple the mobility and flexibility of the missile, which make it a stable deterrent and not a first strike weapon.

This past week, in an article in the New York Times, Brent Scowcroft, John Deutch and James Woolsey expressed concern about the apparent abandonment of the original Midgetman concept. General Scowcroft was, of course, Chairman of the President's Commission on Strategic Forces, a man respected on both sides of the aisle. John Deutch is provost of the Massachusetts Institute of Technology, a former Under Secretary of Energy, and chairman of a special Pentagon advisory panel on strategic weapons. James Woolsey, a member of the Packard Commission on Defense Management, served as Deputy Secretary of the Navy during the Carter administration.

Mr. President, in the world of strategic thought this is an august group, indeed, and we should heed their thoughts and concerns. I ask that an article appearing in the New York Times be printed in the RECORD.

The article follows:

MIDGETMAN: KEEP IT ON TRACK

Almost three years ago, the president and Congress agreed on a solution to a problem that has vexed this country for more than a decade—what to do about land-based missiles in an era of rapidly increasing missile accuracy.

The agreed solution was designed with a vitally important goal in mind: to increase the stability of the strategic balance and thus reduce the chances of nuclear war. The program to produce this result contained three elements: 1) deployment of 100 MX missiles in Minuteman silos; 2) deployment of a small, single-warhead missile now commonly known as Midgetman; and 3) an arms control agreement that, among other things, was based on counting not launchers, but warheads of roughly equivalent size. We strongly reiterate our support for all elements of this program.

Two elements of the program have not come to pass. An arms control agreement has not been achieved, although the administration did modify its negotiating approach. Congress has refused to deploy over half of the 100 MXs. It now appears that the future of the third and vitally important element—Midgetman—may be threatened by some, both within the administration and Congress.

The current assault on the Midgetman focuses on two elements—its mobility and its cost. The administration has proposed a ban on all mobile missiles, ostensibly because of the difficulty of verification. Mobility does worsen the problems of verification.

However, the motivation for barring mobile missiles becomes more understandable if the true intent of the administration is to provide survivability by defending with SDI an ICBM force deployed in super-hard silos. But while super-hardening may be attractive if it proves to be cheap, in the race between accuracy and hardening, accuracy will almost certainly win eventually.

SDI is not the only alternative for defending ICBMs. Conventional terminal Ballistic Missile Defense (BMD) can make an important contribution to improving the survivability of land-based ICBMs, especially in shelter-based modes. But with either SDI or conventional BMD as part of our survivability program for ICBMs we would be facing many unstable and dangerous transition years before arriving at convincing stability.

In any event, we should welcome, not fear, a Soviet move away from the behemoth SS-18 in its fixed silos toward smaller (though still MX-size) and initially less-accurate mobile missiles. In a more stable, small, mobile ICBM environment, even the requirements for verification become somewhat less rigorous.

The other principal criticism of the Midgetman relates to its cost. It is in truth expensive—but not more so than other ICBM systems for an equal number of surviving warheads, if one makes reasonable assumptions about Soviet- and U.S.-system performance. The objective of the Midgetman deployment, however, is not economy but survivability and stability.

Some advocates of scrapping the current Midgetman program propose as an alternative placing several warheads (MIRVs) on a considerably larger mobile missile. It has long been recognized that a silo-based missile carrying many warheads is destabilizing, because attack on one aim point can destroy many times the number of warheads used in the attack. However, when a missile is based deceptively or on mobile launchers, this dangerously destabilizing character of MIRVing is sharply attenuated. This is because the only present means of attack on such a deployment is to spread the attacking missiles evenly over the entire area in which the deployment occurs (barrage attack). Thus the only relevant number becomes the equivalent megatonnage of warheads in the deployment, not the number of warheads per missile.

While accepting the validity of this theoretical position, we believe there are two compelling counterarguments against a new three-warhead, 75,000-pound missile—one political and one substantive.

To abandon the present Midgetman program and start all over to build political support for yet another in the painful series of "solutions" to the ICBM problem would, in our opinion, put the entire future of ICBMs in the gravest jeopardy. Such a high-risk course might be justified were the substantive aspects of the issue strongly oriented in that direction. But the net of the substantive arguments also indicates continuation of the current Midgetman program.

A new missile program could lead to a two-year delay in the date for initial deployment. The larger MIRVed missile is not significantly cheaper than the Midgetman, especially if it is compared to a conceivable two-warhead modification that could be developed if future circumstances dictate. But most important, the larger missile sacrifices flexibility.

We are in an era of dynamic technological change, which argues powerfully for maintaining a high degree of flexibility. To risk that flexibility by shifting to a much larger, less mobile, MIRVed missile in the name of economy appears to us truly to be false economy. Flexibility includes, at a minimum, ability to make use of the road network as well as air transportability to other regions of the country, e.g., to areas where forests and other features could lend cover, if it were needed in the future.

A minimal increase in design weight of the Midgetman (on the order of 7,000 pounds) could be accommodated without loss of essential mobility or flexibility. This would be a prudent move, enabling the incorporaton of decoys or penetration aids if needed to cope with the possible deployment of Soviet ballistic missile defense. In our judgment, no other significant changes are needed in the progam at this time.

The question of ICBM modernization has been on the nation's agenda for nearly 20 years. This suggests that there is no unique technical solution that can simultaneously satisfy the objectives of an adequate capability to ensure deterrence low cost, and stability. In our view, the Midgetman system possesses the balance of capability, flexibility and broad political support that makes it the system of choice for the future.●

RESEARCH ON ADOPTION

● Mr. CRANSTON. Mr. President, in the past few years, there has been increased attention given to adoptions in this country. Having worked in the Senate for more than a decade on promoting adoptions and breaking down the barriers that have prevented many children caught in the foster care limbo from being placed in loving, adoptive homes, I am very gratified to see the growing interest in adoptions.

An article on adoption was recently published in the New York Times by William L. Pierce, who serves as president of the National Committee for Adoption and has a long history of involvement in adoption issues, including the two adoption measures which I authored in the 95th and 96th Congresses. Mr. Pierce's article discusses some recent research findings on adoptive families. As this article notes, there have been some popular myths developed suggesting that adopted individuals have more mental health problems than the rest of the population. These new studies conclude that adopted individuals function quite well and are not at greater risk for problems in later life.

I ask that the Pierce article, which appeared in the New York Times on April 19, 1986, be printed in the RECORD.

The article follows:

[From the New York Times, Apr. 19, 1986]

ADOPTEES, WITHOUT STIGMAS

(By William L. Pierce)

WASHINGTON.—In recent years, adopted persons, especially adolescents, have increasingly been described as dependent, fearful, hostile, insecure and abnormal. The popular myth has it that adopted children have more mental health problems than the nonadopted, simply because they are adopted.

There are two main reasons why the myth was created and kept alive. First, research studies of the early 1960's, which claimed to find the problem, were based on small samples taken from mental health clinics or psychiatric case studies. By definition, the samples were loaded in favor of finding mental health problems. Second, groups and individuals, often motivated by personal unhappiness, sought radical changes in standard adoption practices and used those studies and their own first-person stories to gain attention and popularize the misconception with the general public.

But those early and inadequate research studies have long been open to question. And now, on the basis of two recent, superior studies of nonclinical populations, we can lay to rest the myth that adopted persons have more mental problems than nonadopted.

One study, by Leslie Stein and Janet Hoopes, published by the Child Welfare League of America in 1985, was part of a project that tracked adoptive families for nearly 25 years. It concluded in part, "Evidence suggesting that the adoptee has greater or more sustained difficulty with the tasks of adolescence was not found, indicating that adoptive status, in and of itself, is not predictive of heightened stress among adolescents." It said that "as a group, the adolescent adoptees interviewed were doing quite well."

A second study, published in 1985 by Kathlyn Marquis and Richard Detweiler, was also based on a study of subjects drawn from a nonclinical—that is, "normal"—population. It found that "contrary to expectations, adopted persons are significantly more confident and view others more positively than their nonadopted peers," that they have a "more internal locus of control than their nonadopted peers" and that adoptive parents were "significantly" more "comforting, predictable, protectively concerned and helpful" than nonadoptive parents.

Leslie Stein and Janet Hoopes hoped their results would dispel some of the "dire myths" about the "identity problems in adolescent adoptees." Kathlyn Marquis and Richard Detweiler found no evidence of the "negative characteristics of dependency, fearfulness, tenseness, hostility, loneliness, insecurity, abnormality, inferority, poor self-image, or lack of confidence." Even a recent study of adopted persons drawn from a mental health setting, by Paul and Evelin Brinich, asserts that "the majority of adoptions can justly be characterized as successes."

The finding that adopted persons are not at risk simply because they are adopted should set the stage for a reaffirmation of the value of adoption in our society.

First, all of those most directly affected by adoption—adopted people, birth parents and adoptive parents—can be confident that adoption works well.

Second, the data should reinforce the commitment of the adoption field to a continuation of sound, traditional practice. After all, the primary client of the adoption service, the child, has been shown by research to be doing fine.

Third, the research should be helpful to the media, in that the adopted person will no longer be stigmatized as pathological—or inferior—simply because she or he is adopted. One hopes that in time we'll see fewer sensational, negative stories. One can even hope that the soap operas will stop using adoption as an elizir whenever the plot lags.

Finally, the public may come to realize that adopted people are generally like everyone else—individuals who are successes or failures largely on the basis of their own efforts. Adopted people are neither strange nor special. They are simply individuals who have joined families in a different way than most people. They want neither pity nor praise. They just want to be able to live their lives with the families that are very real and very permanent to them, without stigma or headlines.●

THE PERFORMING ARTS LABOR RELATIONS AMENDMENTS

● Mr. D'AMATO. Mr. President, I rise today to cosponsor S. 670, the performing arts labor relations amendments, introduced earlier this year by my distinguished colleague from Rhode Island. This legislation amends the Taft-Hartley Act to extend fundamental labor protections to musicians, actors, and other performing artists.

The protections that would be extended to performing artists would be no greater than those enjoyed by other labor groups. In fact, this legislation merely grants performing artists the right to bargain collectively over the terms and conditions of their employment.

Currently, performing artists are an anomaly under the labor laws due to the nature of their employment. The constant traveling from one city to another to play short engagements has rendered performing artists to be classified as independent contractors, not employees, by the National Labor Relations Board and, therefore, not eligible to bargain collectively.

Under this legislation, musicians, actors, and other performing artists would be considered as employees under Federal labor laws and, as such, would be permitted to enter into contractual agreements for employment. This change does not have any tax ramifications for the employers, but simply accords performing artists the right to negotiate collectively over the terms of their employment—a right that has been denied them for too long.

Mr. President, I urge my colleagues to support this important legislation and to act on it expeditiously.●

350TH BIRTHDAY OF SPRINGFIELD, MA

● Mr. KERRY. Mr. President, Massachusetts was among the first colonies to be settled in the United States, and many communities in the Commonwealth have celebrated birthdays of 300 years or more. I would like to bring to the attention of my colleagues a special celebration the week of May 11-18, 1986: the 350th birthday of the city of Springfield. We are especially proud on this occasion because of the central role this great city has played in shaping this Nation during the past 3½ centuries.

Founded in 1636 by William Pynchon, Springfield has played an important role in American military history and the preservation of freedom both here and abroad. George Washington first visited Springfield on his way to becoming Commander-in-Chief of the American Army in 1776, and was to visit the city again during the course of the Revolutionary War. Washington selected Springfield for the site of an arsenal, choosing it for its strategic location (more than 1 day's march from Boston) and for its foundry and blast furnace. Washington toured the arsenal in 1789, and in April 1794, Congress established the site as a U.S. armory. The armory provided valuable munitions during the Revolutionary War and Civil War.

By 1820, the armory had transformed the town of Springfield into a major manufacturing center in western Massachusetts, which led to the foundation of another great institution, the Springfield Republican. Its founder, Samuel Bowles, was not afraid to become one of the Nation's strongest public voices in support of Abraham Lincoln and the abolition of slavery.

Perhaps its most important military contribution has been the development of two rifles, the Springfield repeating rifle, adopted by the Armed Forces in 1903 and used extensively during World War I, and the Garand, or M-1, rifle, which John C. Garand spent over 20 years perfecting, and which Gen. George Patton called "the greatest weapon ever made." Adopted by the Army as a substitute for the Springfield rifle in 1936, the M-1 helped to cinch victory in World War II.

Springfield has further secured its place in American history by the individual contributions of its citizens. Charles E. and J. Frank Duryea built the first successful American gasoline-powered automobile in a factory on Russell Street in 1894, and in 1896, turned out 13 identical automobiles—the first to be mass-produced in the United States.

As the Boston Celtics continue on toward another NBA championship, it is fitting to remember that James Naismith, a teacher and physical education instructor at the YMCA School in Springfield, invented the game of basketball in December 1891. Springfield is now the proud home of the National Basketball Hall of Fame.

Like most urban manufacturing centers, Springfield fell victim to the changing economy during the 1960's and 1970's. The U.S. Government closed the armory, 2,500 people lost their jobs, and the downtown area deteriorated. However, during the past 15 years, Springfield has witnessed a remarkable transformation. City leaders have joined forces with an active business community to bring economic development, jobs, housing, and growth to the city. Congressman EDWARD BOLAND has led the public initiative, helping to win crucial Federal grants that connected public funds with private investment. He has been joined by a succession of outstanding mayors, including current Mayor Richard Neal, in advocating and articulating the need for the Federal Government to be a partner in Springfield's comeback. Today, the success of this public/private partnership is evident throughout Springfield. It is a vibrant, modern city which serves as the cultural and economic center of western Massachusetts.

As the city of Springfield takes this opportunity to reflect on its past, it has much to be proud of. Springfield has made significant contributions to the preservation of freedom and our cultural heritage. As Mayor Neal has aptly put it, the story of Springfield is "not so much as a city of bricks and mortar, but a city of people who have and reflect the principles, ideals, spirit, and pride that are America."

I ask my colleagues to join me in congratulating Springfield as the city celebrates its past and its future.●

SHARED VIEWING: A COMMENDATION FOR THE AMERICAN BROADCASTING CO.

● Mr. SIMON. Mr. President, yesterday I had the pleasure of viewing a new series of public service announcements put together by the American Broadcasting Co. [ABC]. Stars from ABC programs appear in 5 second spots urging parents to choose their children's television diet carefully and to then watch together. Linda Evans, Charleton Heston, Bruce Willis, and Cybil Shephard are among those promoting this worthy effort. These announcements appear during prime time and are a good tool in the fight against television violence.

Many studies have proven that there is a link between violence shown on television and aggression. Those who watch a steady flow of violence on television are more likely to grossly overestimate crime rates. One report discovered that teenagers in a small town in Arizona were fearful of big cities because their only exposure to large urban centers came from violent programs on their television sets.

Many parents use the television as a babysitter. Few parents are fully aware of the effects of watching too much violence on television. Physical dangers are given much attention, but dangers to mental health are often ignored. ABC is to be commended for acting responsibly to inform the public that all television is not for all viewers.

Television can appeal to the worst in us and to the best in us. I praise ABC and its staff for this important first step in the education process that is crucial to the mental health of Americans.●

THE 40TH ANNIVERSARY OF CARE

● Mr. DANFORTH. Mr. President, today I would like to take a few moments to commemorate the 40th anniversary of the Cooperative for American Relief Everywhere, known with great affection and respect to all of us as CARE. In today's world, CARE has become the very embodiment of American idealism. It is a unique cooperative owned by 23 national, economic, religious and ethnic groups, and is the largest private, voluntary, relief and development organization in the world.

On May 11, 1946, the first CARE packages were delivered to survivors of the carnage of World War II in Le Havre, France. One hundred of these original packages were purchased for international relief by President Harry S. Truman. Missouri's first citizen was one of the biggest supporters of CARE's work. Before their discontinuance in 1967, over 100 million CARE packages had reached people in need. To date, CARE has provided more than $4 billion in goods and services to the needy in 86 countries and territories worldwide.

In January 1984 I made a trip to sub-Saharan Africa. My purpose was to see firsthand the suffering that hunger and starvation had brought to millions of people. One of the countries that I visited was Mozambique, a nation victimized by drought, warfare and a Marxist government whose policies had run the country into the ground. At the time of my trip, no international relief organizations were operating in Mozambique and in many parts of the country, it had been 2 months since any emergency food supplies had been delivered.

In response to my visit, CARE signed an agreement with the Government of Mozambique in less than 2 months. That agreement formed a partnership between CARE and the Government to develop a systematic approach to managing the terrible human tragedy in Mozambique. This agreement was indicative of the philosophy and thinking that has made CARE one of the most effective relief and development organizations in history. Rather than being content to provide short-term emergency relief, CARE chose to build a foundation within the Government of Mozambique to serve as a base for market oriented long-term development strategies and as the beginning of a self-sufficient domestic relief organization.

Mr. President, it is only through forward looking programs that the underlying problems confronting underdeveloped nations can be solved. Emergency relief efforts are important, and without them many would die. To win the fight against hunger, however, requires a commitment to developing a nation's resources for the future, so that the next generation may never know the horrors of deprivation. For 40 years, CARE has worked to fulfill this commitment. Its efforts have made a difference in the lives of millions of people.

Mr. President, it is my great honor to salute CARE for its long history of accomplishments. I am humbled by the sacrifice and dedication of the nearly 5,000 men and women throughout the world who are the heart and soul of CARE., It stands as an everlasting inspiration to Americans everywhere.●

CARE AT 40

● Mr. PELL. Mr. President, on Sunday, May 11, CARE, the largest nonsectarian, nongovernmental U.S. voluntary agency working overseas will celebrate its 40th anniversary.

The story of CARE begins in the aftermath of World War II, when thousands of Americans and Canadians following the war's end searched for ways they could send food and supplies to relatives, friends, and other war victims in Europe whose lives had been devastated. To people involved in the reconstruction effort, some special organization was needed to be set up to handle such requests. Most of the existing private and governmental relief agencies were dealing government-to-government, and they were ill equipped to handle such a personalized service.

Meanwhile, the U.S. Army had stockpiled military 10-in-1 packages—so-called because they could feed 10 men for 1 day or 1 man for 10—and had no real plans for them. It seemed an ideal sort of package for Americans to deliver to the starving in Europe. Thus CARE was incorporated on November 27, 1945, as a cooperative nonprofit agency, representing a consortium of 22 American organizations. With an initial capitalization of $750,000, it purchased the first 2.7 milion 10-in-1 parcels. On May 11, 1946, the first packages reached Le Havre, France, on their way to thousands of war survivors—and ultimately into legend.

CARE has come a long way since then. Today it is the largest nonsectar-

ian, nongovernmental, nonprofit development and relief agency in the world. In the 40 years since inception it has delivered over $4 billion worth of goods and services to over 75 nations on 4 continents. In 1985 alone, $325 million in food and related development assistance, a new record, went to 35 countries, much of it to drought-stricken Africa. Its programs have encompassed virtually every field of development and emergency relief, including agriculture and livestock production, water systems, education, health and nutrition, agroforestry, large-scale food distribution, and small enterprise development.

In a sense, CARE's growth was almost accidental. It was conceived as a temporary agency, destined to disappear when Europe's needs were met. From those first parcels of simple military rations, CARE developed and customized new packages: Kosher packages, Polish food packages, among others. Later parcels contained textiles, agricultural tools, hand plows, soap, oxygen tents, and even iron lungs. The demand was overwhelming, and by 1951 7 million packages had been delivered. When the program finally ended in 1967 the figure had risen to over 100 million.

To distribute the CARE packages, offices were opened in many European countries. In 1949 the first non-European office was opened in Japan, but Europe remained a prime focus for distribution activities during those first busy years. With each new natural or manmade disaster CARE was on the front lines of the relief efforts. During those first formative years thousands of CARE packages were flown into Berlin when the Soviets blockaded the city, into Holland when the Danube flooded, into Greece when it was struck by earthquakes, into Austria when it was deluged with Hungarian refugees, and into numerous other disaster areas where relief was needed. Behind the closing Iron Curtain, however, it was a different story. Harassed CARE offices were shut down in Poland, Czechoslovakia, Hungary, and Romania.

Meanwhile, CARE's mandate was subtly beginning to shift. In 1949 the organization tried something new: distributing 34,000 vegetable and corn seed packages to Europeans recovering from the war. Before CARE left Korea 15,000 residents there were equipped with tools and seeds to plant gardens. These agricultural ventures were among the first attempts to foster self-help, a concept which has become the cornerstone of CARE's philosophy of assistance. Instead of simply distributing food and finished products to an impoverished world, thereby maintaining a vicious cycle of dependence, CARE set up programs so that aid recipients would eventually be able to support themselves. CARE fosters pride, assuming that people would rather feed themselves and their families rather than rely on someone else to do it for them.

In 1954 Congress passed a new law that radically altered CARE's focus and activities. Public Law 480, known as the "Food for Peace" law, enabled farm commodities for the first time to be used for humanitarian programs overseas. Suddenly America's enormous wealth of grains and other foods could be tapped to support all sorts of relief efforts and development programs. As a result, CARE expanded and revised its operations. Wherever feasible, food could be used as an incentive for self-help; people were paid with food for the work they performed in community development projects. Gradually, using this new technique, CARE shifted from package deliveries to longer term development, and food-for-work projects became a staple in CARE's overseas programs.

By the mid-1950's CARE had closed down all but three of its European operations, feeling the continent had recovered sufficiently from the war. Thus CARE established another philosophical cornerstone: leaving when a country is deemed able to handle its own problems.

As CARE entered its third decade it became increasingly involved in the Third World and the fundamental issues of hunger, illiteracy, poverty, and disease. No longer was it possible simply to rebuild what had been destroyed; it became necessary to create what never had existed before: modern agricultural, educational, economic, and heatlh facilities.

In 1962, CARE merged with MEDICO, the organization of doctors founded by Drs. Tom Dooley and Peter Comanduras to enable doctors to help Third World peoples. Teams of doctors were sent all over the world, establishing programs and treating thousands of people, many of whom had never seen a doctor before. Projects included an eye bank in Jordan, the first neurosurgical training program in Malaysia, and the first orthopedic training program in Tunisia.

At age 40 CARE has reached maturity, pushing ahead with complex, sophisticated programs that recognize the far-reaching consequences of even the simplest changes. A tree, for example, can help stop the enroaching desert and give new life to an agricultural region. CARE has helped local farmers plant over 7.3 million seedlings throughout the world, including in Niger's Majjia Valley in sub-Saharan Africa. There windbreaks of trees have transformed a dying, wind-eroded valley into an agricultural oasis, increasing crop yields by more than 25 percent.

In rural villages CARE helps dig new potable water wells, builds latrines, clinics and community centers, trains villagers in proper health care techniques, and pays villagers with nutritious food for their work. In Peru, for instance, where millions of squatters have surrounded the largest cities in shantytowns, CARE is embarking on an ambitious program integrating these and other elements in a community development effort. Schools are being built; sewer systems dug; thousands of trees planted; health care personnel trained and supplementary food programs are helping improve children's health.

In Sierra Leone, CARE is helping construct a good portion of that country's rural road system because better roads lead to community development by improving access to produce markets and health resources. In Egypt, CARE helped build homes for the only residents of Lake Nasser—isolated fishermen who until the homes were built lived for months in tiny boats along the edge of the lake. In the Philippines over 560,000 schoolchildren are being provided with Food-for-Peace food for school nutrition programs. In Lesotho women have been organized to manufacture mohair products for sale, thus providing a new source of income for them. And in Bangladesh thousands of other women are earning a steady income by keeping their communities' roads repaired under a program financed by CARE Canada.

At the same time, emergency programs remain a major concern for CARE. When Kampucheans fled the carnage in their country and surged across the border into Thailand, CARE helped set up food aid and support services. Similar help has been given to Afghan refugees who moved into Pakistan. When Somalia was inundated with 700,000 refugees from neighboring Ethiopia in the late 1970's, CARE stepped in at the request of the Somalia Government and organized a massive emergency food distribution program that continues to this day. CARE is also heavily involved in the drought-related relief efforts in virtually all the Sahelian countries. When the Mexican earthquake struck in 1985, CARE set up a funding channel so small business people whose shops had been damaged or destroyed could rebuild.

Since 1977 CARE has broadened its base of operations, opening fund-raising offices and program support services in several European countries. CARE Canada, which had operated essentially as an adjunct to CARE USA since the 1940's, was incorporated as a Canadian national organization. In 1980 CARE Germany was formed, and 2 years later the three national organizations incorporated as CARE International. Today CARE Italy and CARE France have joined as full members, while CARE Norway and CARE Brit-

ain, now associate members, are expected to become full members soon.

CARE has come a long way since those first packages in Le Havre 40 years ago. As the only Member of the Senate who actually once worked for a private voluntary organization [PVO], I take a special pride in the work of the PVO's. CARE is one of the best, and I congratulate them on their anniversary.●

JIM MATHERS: SUPERVISOR OF THE YEAR

● Mr. ABDNOR. Mr. President, I want to draw attention to the fact that James Mathers, forest supervisor of the Black Hills, has been recognized as Supervisor of the Year. I ask consent that a following article from the Custer County Chronicle be included as part of the RECORD.

Over the years, Mr. President, I have had many opportunities to work with Jim Mathers. The issues we have worked on varies from users' fees to timber sale programs. To say the least, we have had our differences of opinion, yet we have both worked in the public sector enough to know the importance of talking out those differences.

Jim Mathers has proved his knowledge, forthrightness, and leadership in the Black Hills. When Teddy Roosevelt was talking about public life, I believe he related a thought that hits home to many political leaders and to people like Jim Mathers. "Every man * * * takes an active part in political life * * * will be sure occasionally to commit mistakes and to be guilty of shortcomings. For these mistakes and shortcomings, he will receive the unmeasured denunciation of the critics who commit neither because they never do anything but criticize. Nevertheless, he will have the satisfaction of knowing that the salvation of the country ultimately lies, not in the hands of his critics, but in the hands of those who, however imperfectly, actually do the work of the Nation." It is the Jim Matherses of our Nation that manage many of our resources first hand, and to people like him, we owe a great deal.

The article follows:

[From Custer County Chronicle (Custer, SD), Apr. 9, 1986]

MATHERS SUPERVISOR OF THE YEAR

Jim Mathers of the U.S. Forest Service office at Custer this week was honored as Supervisor of the Year. At a routine employees meeting Friday Deputy Forest Supervisor Dick Estes announced Mathers' selection for the national recognition, and Phyllis Wheeler, procurement assistant. presented his "Special Achievement Award" plaque.

Estes reviewed from Mathers' nomination some reasons for his selection:

"He has provided positive and effective leadership in managing the Black Hills National Forest during his entire assignment on the Forest. Jim is a total manager who effectively uses human and financial resources in providing a balanced multiple resource program to accomplish the greatest good for the greatest number of people. He has tenaciously maintained this positive management style in the face of many national regional and local political issues such as Forest Plan development and implementation, Yellow Thunder Camp, and below cost timber sales. Jim's vision and style makes him a leader in National Forest Administration. He is respected and admired by his peers and employees."

Under his leadership the nation's first Land and Resource Management Plan in the Forest Service was developed on the Black Hills National Forest, and "his Forest is leading the pack again in implementing and monitoring the Forest Plan."

"Historical range trespass problems are being resolved with increased emphasis in management techniques such as ear tagging. Emphasis in timber sale administration has improved contract compliance. An active prescribed fire program has reduced fuel hazards and increased wildlife benefits. Old land management problems are being resolved with an aggressive program using the Small Tracts Act and Land Exchanges. An overweight order has been implemented to protect and maintain the public's investment in Forest roads and bridges."

Estes cited human resources and civil rights achievements: "Jim provides a healthy and productive work environment that offers all employees the opportunity to develop their skills and to mature. Employees are encouraged to try new ideas and to participate on National and Regional task forces. Special achievements and work improvements are quickly recognized by an awards program. The Forest has an excellent safety record because of Jim's concern for people which is reinforced through a unique safety awards program. The Concern program on the Black Hills is one of the best in the Nation in or out of Government because of Jim's total commitment in providing guidance to the Concern Coordinators 24 hours a day. Employees are kept informed on emerging issues and problems through personal family meetings with the Forest Supervisor.

Because of Jim's commitment, the Black Hills National Forest is a leader in Civil Rights accomplishments in employment and procurement. The Forest leads the Region in the number of women in higher graded positions due to an effective upward mobility program that provides opportunities for women and minorities.

Opportunities are also provided to Native Americans through the cooperative education and seasonal employment programs as well as the procurement program. An information and education program is being developed to educate Native Americans of the opportunities available to them on the National Forest.

"Political Relationships: The Black Hills has excellent working relationships with Congressional delegations in the States of South Dakota and Wyoming because of Jim's efforts to share information and resolve problems. These relationships have been especially valuable during the heat of emerging political issues such as Yellow Thunder Camp, below cost timber sales, timber industry economics, and recreation user fees.

"The Forest enjoys excellent working relationships with State and Federal agencies because of Jim's emphasis in this area. An interagency Black Hills Fire Team proved especially valuable during the long fire season of 1985. Our working relationship with South Dakota Game, Fish and Parks has improved through development of a Master Memorandum of Understanding, Interagency Placement Agreement, and a joint fisheries habitat inventory.

"Organization management: Under Jim's leadership the Black Hills started a work force management initiative when he first arrived. This effort resulted in an efficient and flexible contracting organization that can respond to rapid changes in programs. In 1983 the Black Hills led the Region in trimming their organization during the work force management initiative.

"The Black Hills started a shared services arrangement in procurement with the Nebraska National Forest before the idea became popular. That original agreement was expanded to include personnel services to the Nebraska, and procurement services to the Bighorn National Forests. The Forest continues to lead the Region in this area.

"The Forest Supervisor of the Year Award is an appropriate way to recognize the contributions Jim Mathers has made in National Forest Administration. He has sustained a high level of excellence throughout his career. No one could be more deserving of this award."●

DEATH OF DR. EDWARD O'CONNOR

● Mr. MOYNIHAN. Mr. President, it has come to my attention through the vigilance of a constituent that the Senate did not take proper notice last year of a very sad but significant event. The death of Dr. Edward Mark O'Connor, the widely respected U.S. Commissioner of Displaced Persons, was sobering news for so many who knew and admired him. Dr. O'Connor spent his life in public service and is greatly missed by all those whose lives he did touch.

Mr. President, I ask that Dr. Edward O'Connor's obituary from the New York Times be included in the RECORD.

The obituary follows:

DR. EDWARD O'CONNOR, LEADER OF DISPLACED PERSONS AGENCY

Dr. Edward Mark O'Connor, who served as United States commissioner of displaced persons after World War II, died Sunday at his home in Buffalo. He was 77 years old.

Dr. O'Connor headed war relief services for the National Catholic Welfare Council during World War II. In 1948 President Harry S. Truman appointed him commissioner of displaced persons. He served until 1951, helping to draft the Displaced Persons Act, which enabled thousands of Europeans who had been driven from their homelands to emigrate to the United States.

Dr. O'Connor was a member of the National Security Council staff from 1951 to 1960. He later served as staff director of the Joint Congressional Committee on Immigration Policy.

He is survived by his wife, the former Geraldine Marie Murphy; a son, Mark, of Buffalo; a daughter, Maureen Bailey of Silver Spring, Md.; eight grandchildren, and three great-grandchildren.●

THE 25TH ANNIVERSARY OF THE JOINT BALTIC AMERICAN NATIONAL COMMITTEE

● Mr. HUMPHREY. Mr. President, last Thursday marked the 25th anniversary of the Joint Baltic American National Committee. That committee, which is dedicated to the cause of freedom and self-determination for Estonia, Latvia, and Lithuania, celebrated the occasion by honoring several members of Congress and other Government officials with the Baltic Freedom Award.

Too often in recent years, we have seen freedom-loving people fall victims to Soviet adventurism. More than 45 years have passed since Soviet forces invaded the independent Baltic Republics of Estonia, Latvia, and Lithuania. The dedicated work of JBANC to Baltic and freedom related issues keeps the spotlight on Soviet atrocities against the Baltic people and sends a strong message that no criminal actions against a captive people will go unnoticed. I commend the Joint Baltic Committee on the occasion of their 25th anniversary, and I congratulate the committee for their outstanding work during the past year.●

NAUM AND INNA MEIMAN: VICTIMS OF REPRESSION

● Mr. SIMON. Mr. President, Inna Meiman is critically ill. Inna cannot go to a doctor who will offer her the best treatment available. She cannot search for another doctor who will offer her hope. She cannot even call an ambulance if she needs one. Inna and her husband, Naum, are Soviet Jews who have applied to emigrate from the Soviet Union to go to Israel.

Refuseniks, as those in the Meimans' position are called, are ostracized from society. Often, they will lose their jobs or be expelled from university or get harassed by the KGB. Naum and Inna have done nothing illegal. They simply want to leave the Soviet Union.

I strongly urge the Soviet authorities to grant permission to the Meimans to emigrate to Israel.●

CARE

● Mr. RIEGLE. Mr. President, for the past 40 years, millions of poor and disaster-stricken individuals, families, and communities have received assistance from the members of CARE, the world's largest nonprofit, nongovernmental nonsectarian development and relief organization. Today marks the 40th anniversary of Cooperative American Relief Everywhere which has earned great respect as an outstanding organization devoted to worldwide relief assistance. In an age when social assistance is hard sought and receipt seldom satisfies need, I wish to recognize the efforts of CARE.

Incorporated in 1945, CARE began the campaign to aid the needy in what has become the largest effort to promote community welfare in the world today. In 40 years, the relief organization has assisted millions of refugees, disaster victims, and persons suffering from drought and famine. Relief assistance has been provided by 270 individuals at 13 locations in the United States, 250 international staff members, and approximately 4,000 workers around the world. This significant membership has its base on the generous contributions of 900,000 persons who currently provide the material assistance essential to CARE's efforts to alleviate universal human suffering.

The first of many projects undertaken by CARE in its 40-year history was the distribution of food packages to European Survivors of World War II. This highly successful program, which assisted nearly 3,380,000 persons, soon led to the administering of plow and farm-tool packages and the institution of supplementary food programs to aid malnutritioned children. Self-help programs were started in Korea as early as 1952 to assist refugees through donations of equipment and seeds. In 1954, Congress passed legislation allowing CARE and other disaster relief organizations to sponsor large-scale food assistance programs for the Third World. This law, known as "Food for Peace," made emergency food relief, food-for-work programs, and other forms of valued food assistance available to millions.

Since then, Medico has affiliated with CARE to add medical assistance to CARE's other successful programs. This combination proved effective in aiding Tunisian flood victims in 1969. More recently, Medico spearheaded a number of programs in the Congo aimed at developing health care programs to train village health care officials.

In 1973, CARE was directly responsible for providing relief to refugees in South Vietnam, self-help reconstruction programs to refugees in India and Bangladesh, and immediate and simultaneous assistance to disaster victims in 10 impoverished nations. Two years later, CARE sponsored its "empty plate" campaign in which nourished persons ate less and sent money to CARE in an effort to stop world hunger.

In recent years, CARE's members have worked in Somalia on contract with the U.N. High Commissioner for Refugees and the Government of Somalia to feed 700,000 refugees and expand African drought assistance programs throughout the Sahel region. CARE has also worked in Peru to provide health, construction, and reforestation assistance to the residents of local shantytowns.

In 1985, in commemoration of the 40-year anniversary of the incorporation of CARE, it received the Presidential World Without Hunger Award in recognition of the outstanding role CARE has played in Third World relief and development assistance.

After 40 years of service, the Cooperative for American Relief Everywhere has delivered over $4 billion in goods and services, has assisted millions of persons in need, and has demonstrated the kind of good will and relief leadership that the world looks for in times of need. Members of the organization have served selflessly in many parts of the world, offering their time and energy to create a more healthy and humane world for everyone.

I join my Nation and the people of the world in applauding the important contributions of CARE.●

NAVY CELEBRATES 75TH ANNIVERSARY OF NAVAL AVIATION PROGRAM

● Mr. WILSON. Mr. President, this year our Navy celebrates the 75th anniversary of the birth of our Naval Aviation Program. Over the past 75 years, our naval airmen have been among the first to be called upon in defending our Nation. The recent events in Libya are a strong testimony to the wisdom of our leaders back in the early 1900's, who had the vision and foresight to see the military advantage that naval aviation would provide.

I have sent to the Secretary of the Navy a letter applauding his efforts to further strengthen and improve our land based Maritime Patrol Force. His recent decision to upgrade our P-3 fleet and initiate procurement of 125 advanced versions of the P-3C, the P-3D, and to accelerate its procurement is a clear signal of the important role this element of our force plays in our overall maritime strategy.

THE 75th ANNIVERSARY OF EAST TENNESSEE STATE UNIVERSITY

● Mr. GORE. Mr. President, I am pleased to bring to the attention of my colleagues the 75th anniversary of East Tennessee State University in Johnson City, TN. I would like to introduce into the CONGRESSIONAL RECORD, at this time a commemorative proclamation signed by ETSU President Ronald E. Beller citing this anniversary.

The proclamation follows:

Whereas, East Tennessee State University was established as a two-year normal school on October 2, 1911, to train educators for the public schools and has evolved into a leading multi-purpose regional university offering educational opportunities in the humanities, sciences, health sciences, business, technology, and education; and

Whereas, East Tennessee State University's 75th anniversary theme is a year-long

celebration of its educational traditions, the excellence the university now exemplifies, and its vision for the future; and

Whereas, The university's year-long anniversary is even more significant and memorable because it coincides with Tennessee Homecoming '86; and

Whereas, ETSU will offer its constituents the opportunity to help them rediscover their educational heritage and to participate in a personal and institutional revitalization effort to meet the challenge of the future;

Now, therefore, I, Ronald E. Beller, as President of East Tennessee State University, in commemoration of the original normal school dedication on October 10, 1911, do hereby proclaim October 10, 1985, as the official commencement of ETSU's 75th anniversary year.

In witness where, I have hereunto set my hand and caused the seal of East Tennessee State University to be affixed at Johnston City on the 10th day of October, 1985.

RONALD E. BELLER,
President, ETSU.●

LIBYA: THE CONSEQUENCES OF MILITARY ACTION

● Mr. SIMON. Mr. President, terrorism and its proponents are at the center of world issues now. And even though it has been some weeks since the United States retaliatory raids on Libya, it is not yet clear what effects, if any, those raids will have on halting future terrorist acts.

After the U.S. raids, I wrote a column on terrorism for the newspapers in my State. My questions concerning the consequences of our past actions are still pertinent today. Mr. President, I ask to print this column in the RECORD.

The column follows:

LIBYA: THE CONSEQUENCES OF MILITARY ACTION

(By U.S. Senator Paul Simon)

No recent U.S. involvement in foreign affairs has so focused the nation as our bombing raids on Libya. And I sense among the public some unease about it all, an unease that I share.

Here are the main questions I hear, and my answers on the basis of information at this time:

Was Khadafy really responsible for the Berlin terrorist bombing?

The proof that the Libyan government was involved is overwhelming. And since Libya has been a one-man show, with a harsh dictatorship, there is no doubt about Khadafy's direct responsibility not only for the Berlin bombing but for other planned terrorist activities.

Does that make what we did right?

Not necessarily, though our government has both the right and responsibility to protect our citizens. Those who promote terrorism cannot piously pretend that the United States has no basis for responding. But whether we pursued every other option before trying military action is less clear.

Our Western friends did not cooperate with an economic boycott. However, those friends have argued—with some reason—that while the U.S. was having an economic boycott, at the same time we are permitting U.S. oil companies to provide about one-third of the income for the Khadafy government. But we could have tried to get our friends to cut off all trade credits (not trade) and stop all sales of weapons to Libya. Sometimes our government has been too quick with the trigger, and sometimes the trigger is not effective.

Will our actions slow down terrorism?

From Libya, I doubt it. From two other sources of terrorism—Syria and Iran—the bombing may cause second thoughts. Whether our actions will slow terrorism or increase it overall, we will know with time. It is a close call.

What is the big danger of the Libyan raids?

There are a few dangers:

(1) We could become so preoccupied with Libya that we ignore the big problem in the Middle East and the ultimate cause of our current problems: the Palestinian issue. If getting distracted in Libya keeps us from getting Israel and Jordan together to work out the basic problems, our involvement in Libya will have been a failure and victory for the Khadafy regime. An action like that against Libya should fit into a grand strategy, not simply be a knee-jerk reaction to one tin-horn dictator. Former Secretary of Defense James Schlesinger has called the Libya attack "more visceral impulse than strategy."

(2) It is unclear whether we will strengthen Khadafy or weaken him. I asked Secretary of State George Shultz what he felt and he replied our action will weaken Khadafy. I hope he is right. Some experts on that country believe our action may have rescued him, rather than toppled him. Two days after the attack, I talked to highranking officials of a neighboring country hostile to Khadafy. Their feeling: the intent of the raid was good, but it was probably a mistake in the long run.

(3) There is the possibility—no one can know this answer—that the raids will cause more terroism. (There is also the possibility that they will reduce it.)

(4) The raids unfortunately underscore an image the United States now has in most of the world of being trigger-happy, inclined to use military muscle rather than diplomacy to solve problems.

There is also bipartisan concern that the President failed to adequately consult with Congress as is required by the War Powers Act. The War Powers act requires that the President consult with Congress in "every possible instance" before sending U.S. forces into situations where hostilities are clearly imminent. President Reagan consulted Congress only two hours before the bombs were dropped. Senator Sam Nunn and Robert Byrd characterized it as "notification" rather than consultation.

What has been the reaction of our friends?

Great Britian has been with us, as has Israel. But they are almost alone. Even the leadership of the Afghan freedom fighters let it be known they felt it was a mistake. But it should be added that France and the others who disapproved our conduct did strikingly little to assist in non-military presure on Khadafy.

Should the United States never use military force?

Every nation, great or small should be willing to use armed forces if necessary. The difficultly is that we have sometimes used the military option too quickly.

Do we know what will happen next?

The Libyan raids have increased some uncertainties. We cannot know how nations will respond.

If we had not sent our Navy into the Gulf of Sidra, would we have this mess today?

It is doubtful, but on one can know for sure. We had the legal right to be there, however.

How will history judge this raid?

Ask me ten years from now!●

FORTIETH ANNIVERSARY OF CARE

● Mr. MURKOWSKI. Mr. President, today CARE, the Cooperative for American Relief Everywhere, celebrates the 40th anniversary of the delivery of the first "CARE package."

CARE has come a long way since May 11, 1946, when the first food deliveries were made at La Havre, France. The "CARE packages," donated by citizens of the United States to citizens of war-ravaged Europe, rapidly became symbols of the generosity of Americans. Soon packages were being sent to Third World countries, and anywhere where natural diasters generated the need for food and supplies.

While the last package was delivered in 1967, CARE has continued its valuable work with a myriad of other activities to help needy people and help them help themselves. CARE field workers and administrators found that donors' dollars would go further if they were used to pay for clinics and food distribution centers instead of individual packages. Money would go further still if invested in local agricultural development projects. CARE's programs in famine relief, food-for-work, agriculture, infrastructure building, and training projects are well known for their cost-effectiveness. CARE's costs for fundraising and management make up less than 5.9 percent of the total value of goods and services that the organization distributes worldwide.

As the world's largest private, nonsectarian, voluntary, relief and development organization, CARE has developed into a far more extensive and effective relief agency than its originators first conceived of with their "CARE packages" to postwar Europe. By being dynamic and innovative, CARE continues to grow in the ways it provides relief throughout the world. On this anniversary, I congratulate all CARE employees and those Americans whose donations and support have made CARE's efforts possible.●

OUR FOREIGN POLICY IN ANGOLA

● Mr. CHILES. Mr. President, I join in support of Senate Resolution 381, a resolution introduced by Senator DENNIS DECONCINI. This resolution calls for the President to invoke his special authorities under the International Emergency Economic Powers Act to discourage United States business transactions which conflict with

United States security interests in Angola.

Our foreign policy in Angola seems to slap with one hand and give with the other. While we provide assistance to Jonas Savimbi and UNITA in the battle against the Angolan Marxist regime, another side of our policy permits American corporations to continue a business as usual relationship. This policy is inconsistent.

Angola derives 90 percent of its hard currency from the extraction and production of oil. Approximately 75 percent of this oil production is by United States corporations operating in Angola. The Angolan Government in turn uses these funds to procure Russian equipment and support the presence of well over 30,000 Cuban troops. In essence, American corporations are helping the Angolan Government pay for Soviet advisers and Cuban military forces at the same time our American tax dollars are being sent to assist the Savimbi freedom fighters.

One thing is certain. We cannot be accused of sitting on the fence. On this one we are actually on both sides of it. It is a policy which makes absolutely no sense.

This resolution recommends the President take action to ensure a cohesive foreign policy regarding Angola. And the time is right. By discouraging United States business transactions in Angola at a time when its oil revenue is being squeezed by a world oil glut and its Government pressured by Savimbi's freedom fighters, I believe we seize the opportunity to force the Marxist regime to change its ways. It is an opportunity to force them to seriously reevaluate the consequences of their actions.

Shortly after coming to power in 1975, promises of free and honest elections and greater civil liberties were made to the Angolan people. Over 10 years have passed and still no action has been taken by the Government on these promises. We must insist this Government keep its promises of free elections. We must pursue every effort to end Angolan dependency on the Soviets and Cubans whose real interest is not greater freedom for the Angolan people but the total domination of the African Government.

Mr. President, this resolution is a step toward that end. It aims to replace an inconsistent policy with one which seeks to apply the necessary pressure to compel the Angolan Government to grant greater freedoms to its people. It holds this Marxist regime accountable for its broken promises.●

NATIONAL INTEREST VS. NATIONAL PASSION

● Mr. SIMON. Mr. President, it has been almost 2 months since our Government's military forces first clashed with Libya in the Gulf of Sidra.

At that time, I had some questions as to the wisdom of our actions, and of the possible repercussions. I addressed these questions in a weekly column that I write. Mr. President, I ask that this column be printed in the RECORD.

The column follows:

LIBYAN CLASH: NATIONAL INTEREST VS. NATIONAL PASSION

(By U.S. Senator Paul Simon)

The Libyan incidents pose some questions and judgment calls, and there is, in the words of Sen. Bob Dole, "some uneasiness" on Capitol Hill about what we are doing.

The first question: Are we within international and domestic law in what we have done? While there are a few who differ, most of us believe the President's actions were legal. The only two nations that recognize Libya's claim on the Gulf of Sidra are Libya and Burkina Faso, formerly Upper Volta.

The second question: Was our action wise?

Here the answer is much less clear and I tend to agree with those who privately—almost all do privately at this point—believe our action is counter productive.

Here are a few reasons:

First, if we wanted to weaken Col. Khadafy, Libya's irresponsible leader, what we did had the opposite effect. He has become a hero to his people and to much of the Arab world that up to this point treated him like a relative with a social disease.

If we wanted to weaken him we should have quietly asked our Western European friends to cut off trade credits (not trade, which they have already rejected) and to cut off weapons sales. The small boat that came at our ships was made in France; its weapons made in Italy. Already weakened internally by the drop in oil prices, Khadafy was rescued politically by the U.S. fleet.

Second, the action reinforced the image that many countries have of this administration as one that is over-reliant on military answers to questions rather than diplomatic. For example, if we wanted to clarify that the Gulf of Sidra is in international waters, we could have a U.N. resolution simply declaring it, and we could have made clear that we followed world legal opinion on this matter. We have on eight occasions since 1981 "violated" Khadafy's "line of death" and done so openly.

Third, one of my Senate colleagues commented that Uncle Sam is "really tough with the littel guys." There is something of the big bully image that we are getting. The invasion of Grenada, for example, is viewed as a great thing by most Americans but not by most people in other countries. Grenada has the population of Rockford, Ill. It's like the United States successfully invading Rockford. It doesn't impress others much.

Fourth, there is the fear that what we have done will not reduce Khadafy's terrorist activities but increase them, putting in jeopardy more American lives needlessly.

What is legal is not always wise.

Flexing military muscle sometimes shows less toughness than using restraint.

What serves the national passion does not always serve the national interest.●

ADDRESS BY HIS EMINENCE FRANZ CARDINAL KOENIG

● Mr. PELL. Mr. President, 2 weeks ago His Eminence Franz Cardinal Koenig of Vienna, gave an address at the Wilson Center on religion in the future of East-West relations. I have a profound personal respect and affection for him. He is particularly qualified to speak on this subject. In addition to leading the Austrian Catholic community, he has played a major role in the Vatican's effort to sustain the religious belief of Catholics in Eastern Europe and to develop a dialog on the religious question with Eastern European governments.

The thesis of the cardinal's address is that the conflict between religious freedom, which the West regards as a basic human right, and state atheism in the East is one of the causes of tension between East and West. Anything that helps to reduce this tension, he argues, contributes to peace and international understanding.

As one who has known and admired the cardinal for many years, I have found his commitment to the cause of religious freedom inspirational as he has sought to promote religious rights for the peoples of the Soviet Union and Eastern Europe.

Mr. President, I believe that my colleagues will find the cardinal's address perceptive and thought-provoking. I ask that the text be inserted in the RECORD at this point.

The address follows:

RELIGION IN THE FUTURE OF EAST-WEST RELATIONS

(Address by His Eminence Franz Cardinal Koenig of Vienna at the Wilson Center, Washington, D.C., April 25, 1986)

I am grateful for this opportunity to be in this Center for Scholars from all over the world. Your contributions to the understanding of the Soviet Union and Eastern Europe are highly regarded in Europe and I understand you are making equally substantive contributions in other areas. In particular I respect very much the way you have facilitated dialogue and understanding not only between different countries and systems but also between different institutions and organizations within the American government and society.

Since 1945, the Church has been actively involved in the contest between East and West. The establishment of an atheist dictatorship in one of the largest countries on earth—starting with the October Revolution of 1917—was felt as a deep shock by the Church. The struggle against militant communism, especially in Poland, was therefore ab initio supported by the Church.

To be sure, there were discreet attempts on the part of the Vatican as well as of the Kremlin to establish contacts—despite all differences. For example, as early as February 1st, 1919, Cardinal Gasparri, then Secretary of State, undertook to intervene for an imprisoned bishop on behalf of Benedict XV by sending a telegram to Lenin. A few days later the Vatican received a politely worded telegraphic reply. In the course of the Rapallo Conference of 1923 Msgr. Pizzardo, acting on orders of Pius XI, had talks with the Soviet Commissioner for External Affairs, Tsitsherin. In consideration of public opinion, the Soviet leadership, at that time, too, wanted to avoid complete severance of ties with the Vatican. Among other things the Kremlin leadership let it be known that

it might be interested in the establishment of a Vatican diplomatic mission in Moscow.

After 1927, however, these contacts came to an end. Stalin had taken over after the death of Lenin and measures against the Church and religion in general became ever more militant.

A small episode which allegedly occurred toward the end of Lenin's life might be of interest. A Catholic journalist named Bede met Lenin while he was in exile, and went to see him several times in January of 1923. By that time Bede had already become a priest. Later he anonymously published what he remembered of these conversations relating the following: "Humanity will follow the Soviet course", said Lenin. "A hundred years from now there will exist no other form of government". But he added a note of comfort. "I believe, however, that under the wreckage of present institutions the Catholic hierarchy will still be living on . . . In the next century there will be only one form of government, namely the Soviet system and one religion—the Catholic. Too bad we shall not live to see it" (cf. Hans Jakob Stehle, Die Ostpolitik des Vatikans, p. 66).

The decisive turning point came with John XXIII—not that he invalidated what had earlier been said. He was not a doctrinaire and not even doctrinaire in being anti-doctrinaire. He was endowed with a special charisma and believed in the salutary effects of personal contacts—even with communists. In his encyclicals he called on Catholics to cooperate with all men in the interests of common aims such as peace, to cooperate with people adhering to other ideologies, even with those whose ideologies and political doctrines the Church condemned.

It was John XXIII who prompted me to contribute to relations between the Church and the East—though I was convinced that my role could only be a modest one. It was at one of my first audiences that he asked me to see Cardinal Mindszenty in his exile at the U.S. Embassy in Budapest. When I replied that this could not be easily done, he asked in his direct way: "What is so difficult about it? Walk to the station in Vienna, buy yourself a ticket to Budapest and simply go there". Well, I went by car instead of by train and it turned out to be the first of many trips not only to Budapest but to other countries as well.

Committed to the hospital after a car accident in Yugoslavia, I had ample opportunity to ponder the duties which history and geography suggest to a present day archbishop of Vienna. I became acutely aware of our concern for the East. In the years to come I undertook trips to Poland, Hungary (several times), Czechoslovakia, Bulgaria, Romania and Yugoslavia. I made these trips and established relevant contacts not on order of the Vatican but in my capacity as archbishop of Vienna still, however, with the knowledge of the Vatican. The great advantage was that since I came not as an official Vatican representative but as archbishop of Vienna I could declare these visits to be of a private nature.

In those days it was widely believed that each trip to an Eastern country would only enhance the prestige of the communist regime. Such a trip would be viewed particularly by the Catholics of those countries as a betrayal, as a stab in the back. Nothing could have been further from the truth. On each trip I felt the grateful joy of the people. The Catholics of these countries took my visits as proof that they had not been forgotten in the West, that we had not abandoned them. As a result of my visits and conversations I felt obliged to correct many a stereotype held in the West.

Journalists claim—not without justification—that the Vatican's Ostpolitik was initiated on February 7th, 1963. On this day John XXIII received Kruschev's daughter and her husband, Mr. Adjubej. A few months later the Pope issued his famous encyclical "Pacem in terris". Contrary to custom this was directed not merely to Catholic Christians but to all men of good will. In this encyclical he stated his principles concerning the peaceful coexistence of all men of good will. Paul VI continued this opening toward the East. In 1964 he published his encyclical 'Ecclesiam suam" in which he laid down his principles for dialogue with the separated Christians, the non-Christian religions and with the unbelieving. Three secretariats of the Catholic Church whose duty it is to promote dialogue and remove mistrust, correspond with this concept. In 1967 Paul VI granted an audience to Mr. Podgorny, then formal head of state of communist Russia. This audience had been preceded by visits from Foreign Minister Gromyko. John Paul II has continued the dialogue intensively. As head of the Catholic Church he has already visited one communist land twice, namely Poland and soon goes again. He emphasizes the importance of the Helsinki Accords of 1975 and the ensuing steps toward peace. He defends religious freedom of Christians in Eastern countries by urgent appeals directed to the world public.

The continuing conflict between religious freedom and state atheism is an integral part of the spectrum of human rights and therefore one far-reaching cause for the tension between East and West. Anything that helps to reduce this tension is also a contribution to peace and international understanding.

In my remarks, I will address briefly four questions:

(1) What do East and West understand by the words religious freedom and state atheism?

(2) Why does this contrast weigh upon the tension between East and West?

(3) What is the importance of the Acts of Helsinki (1975) and the following Helsinki Process?

(4) What can be done to diminish the conflict between religious freedom and state atheism and thus to contribute to the reduction of the tension between East and West?

(1) As you know well, East and West do not understand the same by religious freedom.

Concerning the Eastern states some excerpts of the law may be quoted, which seem to speak of the Western conception of religious freedom. For example, Article 52 of the 1977 constitution of the USSR reads, "The citizens of the USSR are granted freedom of conscience.

There are similar laws in other Eastern states. From the Western point of view there cannot be said much against the wording of these laws, but practice shows how they are to be understood. The communist governments try to eliminate any religious influence on public and social life by means of propaganda and discrimination against every religion. Therefore, as an example, it is unthinkable that an active member of a Christian religious community could apply for a job as a teacher, a higher official or an officer in the army. Those citizens who bear witness to any kind of religion are second-class citizens.

As an example I quote the official youth dictionary of the German Democratic Republic (East Germany):

"Religious belief stands in irreconcilable opposition to scientific thinking". "The religious formation of consciousness will finally disappear" in the fully developed communist society (p. 575).

However, as is evident to all, this has not happened during the last 60 years. Indeed, many things indicate the contrary. To quote from the London "Economist" of April 12th, 1986 in an article on religion in Eastern Europe, "Some people, indeed, reckon that religion has actually been growing stronger under Russia's gaze in recent years".

Antheism as a contrast to religion has always existed in the Western world as well, but not as an element of government. State atheism in the communist countries is something new in history. At the time of the Roman Empire up to Constantine, in various Islamic countries or at the time of National Socialism, Jews and Christians were brutally persecuted in the name of other religions or for political reasons. State atheism in the East is however, an instrument of the government to remove any religion and to make it die. That this conception of state atheism within the Marxist countries gets into trouble more and more is shown by the former chief ideologist of Poland Adam Schaff, who has once been a member of the Polish Academy of Science. In his last publication "Where does this way lead to?" he wrote the following text: I quote: "In connection with the problems of value, one very important question in my opinion still remains to be discussed, and that is religious belief as a value. I think this value will be of increasing importance".

What is meant by religious freedom and atheist propaganda may be seen in a long essay published by the Russian newspaper Pravda. On October 14th 1984, we read of their worries about the achievement of state atheism in a front-page article based on a sociological survey according to which a substantial part of the Soviet population is reportedly still religious. The paper draws the conclusion that this phenomenon is due to indifference and a lack of vigilance on the part of schools and trade unions. In other words: schools and trade unions have not devoted enough attention to the fight against religion in their educational work. The church is said to have taken advantage of that in order to "draw young people into its net". The article also points out the necessity of intensifying the propaganda for scientific materialism and atheism. Another statement in the same article is also worth mentioning; the imperialist West—that is, the non-communist world—is said to be using religion as a weapon against communism.

(2) Why does the question of religious freedom and state atheism weigh upon the relationship between East and West?

Let me quote first from a recent essay of Milovan Djilas. "The confrontation between religion and state atheism touches the roots of human existence. Today this results in sharp and irreconcilable contrasts of many kinds. The danger of breaking any link between these two mental worlds doesn't come from the religions or from religion itself any longer, but from the ideologies".

State atheism and religious freedom strongly influence the relationship between East and West, because fundamental human rights are linked with it. If religious freedom has an efficient legal protection then, peaceful relations and the harmony of man-

kind will be supported. Therefore the final acts of Helsinki are of special importance.

(3) Ten years ago the final acts of Helsinki were signed by all Eastern Bloc states and the participants of the Western neutral countries. These documents contain in principle nr. 7 and in basket nr. 3, as it is called, an express declaration to respect human rights and fundamental freedom. Principle nr. 7 reads literally: "The participating states will respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language or religion. . . . Within this framework the participating states will recognize and respect the freedom of individuals to profess and practise, alone or in community with others, religion or belief acting in accordance with the dictates of his own conscience." Through this statement in the final acts of Helsinki no basic change in the conception of religion and human rights in the East has yet been achieved.

The importance of the conference however lies in the fact that the signing of the acts in Helsinki by the participants of East and West is a proof that human rights are not internal affairs of the countries but a common matter of concern in favour of international understanding and peace.

Another sign of hope was given at last year's conference of experts in Ottawa. This meeting with representatives of the Helsinki signatory powers was exclusively dedicated to the topic "Respect to Human Rights and Fundamental Freedom."

Still it is a fact that the concept of fundamental freedom including freedom of religion is in the communist ideology basically different to Western ideas. According to the communist conception there are no innate, inalienable human rights but only the fundamental rights of the citizen, which require the agreement of the government. Nevertheless, the acts of Helsinki, which deal expressly with human rights in an international sense, bear the signatures of all Eastern states. This process initiated at Helsinki is of immense importance.

Let me return again to Milovan Djilas. In a very recent conversation, he said "I think that there is no spiritual weapon, no ideological weapon against Soviet expansionism and totalitarianism, better than the idea of human rights. Of course I don't believe that any communist country may practice these ideas immediately, but slowly, slowly, step by step the rest of humanity may influence them to be more and more moderate and realize those ideas. . . . Human rights must be connected with all other relations to the Soviet Union, in the areas of technology, economics and culture, but very carefully, not drastically, not in a propagandistic sense. It must always be done in a way that the Soviet Union can see that collaboration in every field, and on an equal basis, will be better, richer if they (the Soviets) are valuing and realizing more human rights".

(4) Let us look finally at last question: What can we do to decrease the contrast between religious freedom and state atheism?

Looking at the future we must bear in mind that we have to become more aware of the fact that we all, East and West, are in the same boat. There will always be contrasts. But life-menacing conflicts must be solved. We must try to reduce distrust and to set up an order of mutual confidence.

In this regard let me make a few comments:

(a) Talks and dialogues are an essential element. That means continual negotiations as between equal partners. New attempts of such a dialogue were begun in Hungary a few weeks ago. In a long essay in the Communist journal "Vilagossag" the secretary of the conference of bishops spoke of the possibility and the necessity of a dialogue with new arguments for both sides.

Referring to the Hungarian conditions the bishop writes that not only do leading Marxists take note of the existence of Christian belief among a great number of the people, but one can also recognize that the importance of religion in society is no longer judged only negatively but either neutrally or even positively. As an example he quotes a declaration from an essay of the well-known Hungarian communist Gyoyg Czel, who writes, "Concerning the humane values—which socialism serves as well—it is easier to get into accord with a religious man and to form a loyal contract with him than with an indifferent person, who no longer strives for anything and who denies every moral measure".

I know that this Institute is doing very effective work in promoting dialogues, as are other bodies. The representatives of Moral Re-Armament are also working all over the world to find solutions to conflicts of various kinds through common dialogues. At another level there was the Summit at Geneva in the Autumn last year. Now today we read of the talks between Cardinal Glemp and Polish leader Jaruzelski.

(b) Tolerance is needed, that is, the ability to respect the political and religious principles of the other side. It would be naive to count on a conversion of the communist countries. There is no use reproaching each other. The important thing is to consider a way of evolution on both sides possible. On the side of the Catholic Church, a good example of this may be seen in the Vatican document "Gaudium et spes" (Nr. 19-21), in which the issue of atheism is considered without polemics. What is required is not so much a tolerance which is expressed in legislation, it is rather a question of a tolerance applied to the social realities of everyday life.

Yesterday I had the chance to talk with an outstanding American leader concerned with East-West relations. He expressed his disappointment when Gorbachev had said to him in a very private conversation, "We will never change our system; we will never give in. We will match you dollar for dollar in military spending for as long as it takes." Seeing how taken back he was leads me to this observation. American or Western leaders should never speak with Soviet leaders as they would to other Western politicians, because the mentality is so very different. Eastern-bloc leaders can seldom express their personal convictions but have to defend their own system. So we should not take such conversations at face value, but rather try to find out what is really behind their statements.

(c) In order to have an effective dialogue, we must be sure to have our facts. Of course, the always well-informed Keston College in London reports of a publication in the journal of Moscow patriarchy. Because of a revision of the legal regulations concerning "rights and duties of religious communities" it has become possible for religious communities—which above all affects the Orthodox Church in Russia—to acquire property. Up to now church buildings have been owned by the state. The law that bans young people under 18 years from being a member of the parish seems to vanish. Religious acts are allowed—without the allowance of the local authorities—in hospitals, old people's homes and prisons from now on. Religious acts must no longer take place in separate rooms as they had to up to now. Information of this kind seems to indicate a progress in the sense of the final acts of Helsinki. They remarkably help to reduce the tension between East and West concerning human rights. But you can also read between the lines about the obstructions which have existed up to now.

(d) Ecumenism represents an important contribution for the future of East and West. Although ecumenical cooperation in the Eastern European countries is either not possible or is much hampered by the state, the ecumenical cooperation between East and West seems to me to be of great significance. In Vienna, we have the foundation "Pro Oriente", which is dedicated to such ecumenical tasks. The sense of unity and collaboration across all borders is advanced by such efforts.

(e) Finally, I draw hope from the developing situation in China, where the conflicts between state atheism and religious freedom have been reduced considerably. In fact you can notice a certain tolerance there. Sometimes you can hear in China the comment that Marx lived in the 19th century and that his thesis cannot be literally adopted for the 20th century. The relationship between religion and science has changed considerably since then as well.

In conclusion, I want to stress once more that the final acts of Helsinki are an extremely important basis for reducing the conflict between religious freedom and state atheism, within the whole complex of tension between East and West. The big task for the future is to reduce distrust by all means on both sides and to strengthen mutual confidence so serving our common search for peace.

I offered a few ideas about this and now await your remarks and further suggestions how to carry this forward. This distinguished gathering is already involved in moves to make our world a safer and more just place to live in and I take encouragement from discussing these questions with you tonight.●

AIDS: CONQUERING THE FEAR AND FINDING A CURE

● Mr. SIMON. Mr. President, as my colleagues can attest, we in Congress can often get caught up in the day-to-day routine of bureaucracy. Once in a while, we are deeply moved by a person's commitment to a cause.

I was fortunate enough to encounter two such persons who were witnesses to the Labor and Human Resources Committee on which I serve.

I was so impressed by their dignity and dedication to finding a cure for AIDS that I wrote a column on their courage. Mr. President, I ask that this column be printed in the RECORD.

The column follows:

AIDS: CONQUERING THE FEAR AND FINDING A CURE

(By U.S. Senator PAUL SIMON)

They were two of the most impressive witnesses before a congressional committee I have heard. I wish all Americans could have heard them.

One was Nathan Smith. He has AIDS (Acquired Immune Deficiency Syndrome). He has a blood disease that requires frequent transfusions, and through those transfusions he acquired AIDS. He has a wife and six children.

The other was Helen Kuschnick. Her 3-year-old son died of AIDS.

One lives with death he knows is coming early. The other lives with the tragedy of a death that has already happened.

They pointed out that by the end of 1988 the United States will have lost more lives to AIDS than the 57,000 lives we lost in Vietnam—with thousands more to come each year.

Mrs. Kuschnick spoke about the fears that people have because of AIDS—fears that are so great that many parents have literally abandoned their children who have AIDS in hospitals. Thse babies—perhaps hundreds of them—have been left in hospitals, never visited by their parents, in part because the parents fear the disease, in part because the parents fear the social stigma.

Among other things, these two witnesses asked for three things:

Public understanding that AIDS is known to be spread only through sexual relations, through injection by needles or through infected mothers to their babies before, during or shortly after birth. People who face the grim prospect of early death should not face the added burden of isolation from society.

A speedier delivery system in getting life-extending medicines to those who have AIDS. There are no cures yet, but it is frustrating for the victims to read or hear about new medicines that can help, and find them unavailable because of red tape, or fear of damage suits by drug companies, or failure to spread the word to the medical community.

AIDS victims are desperate people who know death is coming swiftly. They are willing to risk a great deal. They do not want to be "protected" from drugs that must be proven several years before they become generally available.

Continued, more intensive research must be pushed. The cure for AIDS is not likely to be found tomorrow or next year, but it should be found as quickly as possible so that this massive problem afflicting growing numbers of Americans can be ended.

The public impression is that this is a problem only affecting homosexuals, but about one-fourth who have the disease are not homosexual.

We are learning more and more about AIDS. But more needs to be done. The public needs accurate information. We should get help to the victims speedily. We need research to find real answers.

To do these things is not asking too much. To fail to do them will cause unnecessary misery and loss of life.●

40TH ANNIVERSARY OF CARE

● Mr. MOYNIHAN. Mr. President, for the past 40 years CARE has alleviated hunger and disease around the world. The first CARE packages were delivered at LeHavre, France on May 11, 1946; President Harry S. Truman, knowing a good idea when he saw one, paid for 100 packages to be sent that year. By the time the last CARE package was delivered in 1967, more than 100 million packages had been received by the world's hungry.

But CARE had done much else. In virtually every field of development and emergency assistance, CARE has been a leader in helping those who most need it, through projects ranging from bridge construction to earthquake relief. CARE has provided more than 4 billion dollars' worth of goods and services to 86 nations and territories during the past 40 years.

Today, far from resting on its laurels, CARE is pursuing innovative programs on a variety of fronts. One of the most important is that of combating child mortality and morbidity. In response to the underemphasis on women—as opposed to children—in typical maternal child health programs, CARE is directing specialized health services to this vulnerable group. The agency is also building water systems in rural areas, where water contamination often presents a severe threat to children.

Mr. President, thank goodness that CARE had been able to provide such assistance over the past 40 years. CARE deserves our continuing support so that its progress in battling hunger and disease can go on.●

ORDERS FOR MONDAY, MAY 12, 1986

Mr. SIMPSON. Mr. President, I ask unanimous consent that when the Senate convenes on Monday, May 12, the reading of the Journal be dispensed with; that no resolutions come over under the rule; that the call of the calendar be dispensed with.

RECOGNITION OF CERTAIN SENATORS

I ask unanimous consent that following the recognition of the two leaders under the standing order, there be special orders in favor of the following Senators for not to exceed 5 minutes each: Senators HAWKINS, CRANSTON, and PROXMIRE.

ORDER FOR MORNING BUSINESS

I ask unanimous consent that following the special orders, there be a period for the transaction of routine morning business, not to extend beyond 1 p.m., with Senators permitted to speak therein for not more than 5 minutes each; provided further, that the morning hour be deemed to have expired.

AUTHORIZATION FOR COMMITTEES TO FILE REPORTS ON FRIDAY

I ask unanimous consent that committees be authorized to file reports between 10 a.m. and 3 p.m. on Friday, May 9, 1986.

Mr. BYRD. Mr. President, there is no objection on this side.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECAP OF ORDERS FOR MONDAY, MAY 12, 1986

Mr. SIMPSON. Mr. President, under the eagle eye of the Senator from Minnesota, I shall recap the schedule for Monday, May 12.

We shall convene at 12 noon, following adjournment.

The two leaders under the standing order will have 10 minutes each.

There will be special orders in favor of the following Senators for not to exceed 5 minutes each: Senators HAWKINS, CRANSTON, and PROXMIRE.

There will be a period for routine morning business not to extend beyond the hour of 1 p.m., with the Senators permitted to speak therein for not more than 5 minutes each.

Following morning business, at 1 p.m., the Senate will resume consideration of S. 1848, the drug export bill. By a previous unanimous-consent agreement, any votes ordered to the drug export bill on Monday will be postponed to occur on Tuesday, May 13, at an undetermined time.

ADJOURNMENT UNTIL MONDAY, MAY 12, 1986

Mr. SIMPSON. Mr. President, if there be no further business, I move, in accordance with the previous order, that the Senate stand in adjournment until Monday, May 12, at 12 noon.

The motion was agreed to and, at 7:21 p.m., the Senate adjourned until Monday, May 12, 1986, at 12 noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 8, 1986:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Donald M. Newman, of Indiana, to be Under Secretary of Health and Human Services.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

Evan Griffith Galbraith, of Connecticut, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1987.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

William L. Roper, of Alabama, to be Administrator of the Health Care Financing Administration.

DEPARTMENT OF THE TREASURY

J. Michael Hudson, of Texas, to be a Deputy Under Secretary of the Treasury.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

DEPARTMENT OF JUSTICE

Herman Wirshing Rodriquez, of Puerto Rico, to be U.S. Marshal for the district of Puerto Rico for the term of 4 years.

Roger Milton Olsen, of Virginia, to be an Assistant Attorney General.

HOUSE OF REPRESENTATIVES—*Thursday, May 8, 1986*

The House met at 11 a.m. and was called to order by the Speaker pro tempore [Mr. WRIGHT].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
May 7, 1986.

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore on Thursday, May 8, 1986.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

Rev. Charles Mallon, permanent deacon, Holy Family Church, Mitchellville, MD, offered the following prayer:

May God be gracious to us and bless us and make His face to shine upon us, that Thy way may be known upon Earth, Thy saving power among all nations. Let the people praise Thee, O God; let all the people praise Thee!—Psalm 67:1–4.

Father we pray for the wisdom to understand Your power and strength among us. Teach us to recognize Your power and allow us to call upon it during times of uncertainty. Father we pray for all world leaders, that they, too, may recognize Your saving power and respond with praise to the God of creation who is calling all nations into one people.

Father we pray for good counsel from our secular and spiritual advisers that their insights will sustain Your influence within both our public and private lives. Let the legislative effort of this body reflect Your blessing and let the demands of our public lives not erode the family unity of our private lives.

We ask this through our Lord Jesus Christ, Your Son, who lives and reigns with You and the Holy Spirit, one God, forever and ever. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2416. An act to revise further the limitation applicable to chapter 37 of title 38, United States Code, for fiscal year 1986, for the purpose of implementing any order issued by the President for such fiscal year under any law providing for the sequestration of new loan guarantee commitments.

DEMOCRACIES RESPOND TO THE SOVIET NUCLEAR TRAGEDY

(Mr. LANTOS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANTOS. Mr. Speaker, as the entire globe watches in stunned anxiety the unfolding of the nuclear drama in the Ukraine—as the probability of history's first nuclear melt-through appears more likely, there is a little noticed but profoundly significant drama taking place in the crowded operating rooms of a Soviet hospital where the most severely threatened victims of the tragedy are receiving bone marrow transplants.

The two countries most maligned in Soviet propaganda—the United States and Israel—have teams of surgeons saving Soviet lives in a civilized gesture of humanitarian concern.

As state-supported terrorists plan the murder of innocent men, women, and children around the globe, medical specialists of two decent democracies are saving the lives of victims of a nuclear tragedy, in the face of so much hostility by the Soviet Government.

NO REACTOR FOR IRAQ

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, ever since the Israeli Air Force knocked out the French-produced Osiraq reactor in 1981, the Iraqis have been in the market for another one.

On Thursday, Israeli radio reported that they may have finally found someone who will sell them one: again, the French.

If this is true, the French "heroes" of the Libyan raid, who forced our pilots to fly thousands of miles out of their way, are now getting back in the business of supplying a dangerous technology to another unstable regime.

The Iraqi Government's record of support for the enemies of Israel is well known. The policies of the attacking Iranians, who might capture the new reactor, are even worse. Given the character of the two sides of the continual state of war in the area, I could not imagine a worse place nor a more inopportune time for nuclear proliferation.

Mr. Speaker, I am urging my colleagues to cosign a letter to President Mitterand calling on the French Government to cancel any negotiations concerning a new reactor for the Iraqis.

LET'S SAVE THE JOB CORPS CENTERS

(Mr. PERKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PERKINS. Mr. Speaker, yesterday I found out the Labor Department intends to close 6 out of the 106 Job Corps centers that we have stretching across this country. Now what that means is that we are going to eliminate a minimum of 2,500 openings per year for deserving, disadvantaged children. Now, this program has a proven record, and any suggestion to harm this program is ridiculous. What really galls me, Mr. Speaker, is the fact that they have the money to continue funding the centers as is without doing a thing to these centers. But because of some sort of rather ludicrous, ridiculous piece of trash that they call a study, that they are going to try to close these centers.

I have looked at some of the figures that they show in this study, and I find them utterly beyond belief. They are ludicrous and ridiculous.

I would urge my colleagues to stand up and take a strong stand against this type of thing to deprive our children, our disadvantaged youth of the ability to go forward in the future and make something out of themselves, because that is what we are doing. And that is what those bureaucrats down there at the Department of Labor, sitting there and looking out and not seeing what is going on in this country, are allowing to happen.

I strongly suggest my colleagues should look into this situation and do something about it.

EXPRESSING THE SENSE OF CONGRESS THAT SURPLUS DAIRY COWS AND SURPLUS SLAUGHTERED MEAT BE DONATED TO VICTIMS OF RUSSIAN NUCLEAR POWER ACCIDENT

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SMITH of Nebraska. Mr. Speaker, I rise to call attention to my resolution, House Concurrent Resolution 333, which would express the sense of Congress that we should donate our surplus dairy cows and surplus slaughtered dairy beef to the people of those countries contaminated by the nuclear accident at Chernobyl in the Soviet Union.

I urge you to read the resolution and cosponsor it with me to press the Reagan administration to take this action. This would aid our cattle industry devastated by the well meaning but poorly administered Dairy Termination Program and, simultaneously, help people who may be suffering long-term food production problems in several European countries affected by the nuclear accident.

The fact is, we are experiencing the fallout of a double disaster—one to our devastated cattle and livestock industry and the other to the people of many Eastern bloc nations in the sinister shadow of the nuclear accident at Chernobyl in the heart of the Russian breadbasket. Additionally, the people of Poland, Romania, and Italy also face potential loss of significant food-producing capabilities.

The surplus products are readily available as a result of the Food Security Act of 1985 through the Dairy Termination Program. The program has made available approximately 1 million live dairy cows and at least 2 million pounds of red meat. Furthermore, any feed grain required to feed the dairy cows could also be made available from the Commodity Credit Corporation.

These commodities can be made available to the affected countries through the Secretary of Agriculture under Public Law 480, from the Commodity Credit Corporation, Credit Guarantee Program, and the Export Enhancement Program

U.S. cattlemen have received little support from their Government in its operation of the Dairy Buyout Program. Their incomes have been severely, consistently, and adversely affected to the tune of at least $75 million.

Here we have a chance to attempt to minimize damage that may already be beyond recovery. I ask my colleagues to join me in cosponsoring House Concurrent Resolution 333.

ABORTION AND THE RIGHT TO LIFE

(Mr. SHUMWAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHUMWAY. Mr. Speaker, Minnesota recently passed the country's most comprehensive feticide legislation, making it a criminal offense to injure or kill an unborn child. This action followed the State Supreme Court's decision that an 8½-month-old unborn child who was killed when his mother's car was struck by a drunk driver was not a human being. Outraged citizens scoffed at this ridiculous ruling, demanding that, of course, the child was a human being and that the driver be tried accordingly.

In response, the legislature passed a law to require that an unborn child be considered the offspring of a human being during every stage of its development, and that the penalties are the same as if the child had already been born alive. It is significant that no attempt was made to determine the child's humanness on the basis of its viability, the quality of its life, or the degree of its development. Neither did the legislature speculate on the point at which a fetus begins to live. There is only the simple recognition that while not yet born, it is alive, a member of the human species, and thus, entitled to certain legal rights and protection.

Tragically, because of the Supreme Court's Roe versus Wade decision, abortion cannot be prosecuted under this law; congressional inaction toward overturning the decision thus forces Minnesota to make the contradictory statement that killing a fetus is a criminal offense when it violates the mother's will, but acceptable when done with her consent. Congress' inaction suggests acceptance of the notion that humans hold the right to make life and death decisions, rather than viewing men and women as the preservers of the God-given right to life, which is embodied in the Constitution. The injustice of permitting one person who has the right to life to deny that same right for someone else—even when the two are mother and child—should be obvious. Unfortunately, it is not always, and I believe it is the proliferation of legal abortion over the last 13 years which has clouded the perspective in which we view the sanctity of life.

Mr. Speaker, if human life is to remain a right in this country, Congress must have the courage to recognize and preserve it wherever and however it exists. Let's end the legal killing of innocent life by passing a constitutional amendment to prohibit abortion.

THE CHILD CARE ACT OF 1986, A SIGNIFICANT PIECE OF LEGISLATION

(Mr. CLINGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLINGER. Mr. Speaker, over the past few years, many Americans have experienced and benefited from the jobs and prosperity brought by the economy's growth. But, while the unemployment rate has dropped somewhat in the Northeast and Midwest, an unacceptably high rate of joblessness in these areas still exists.

One of the major barriers to women, as well as men being able to enter the work force is the availability and expense of child care services. Many families in my congressional district, for example, do not live near subsidized centers and simply cannot afford private or home-based day care centers. Beyond the establishment of a system of Government-run day care centers, this is a dilemma that has appeared unsolvable. That is why the introduction of Representative NANCY JOHNSON's day care initiative, called the Child Care Act of 1986, is so significant. Not only is this legislation cost free to the Federal Government—an important consideration in these budget-conscious times—but it uses existing Federal resources to assist families of low to moderate incomes, and gives potential wage earners the opportunity to escape the cycle of poverty, a treadmill on which many welfare mothers find themselves.

To this end, the Child Care Act takes three approaches: It caps the dependent care tax credit at $50,000, making only those families with incomes below $50,000 eligible for the credit; it creates child-care vouchers for low-income families to buy day-care services wherever they choose, and establishes an improved registration and certification program to provide parents with more information about the availability and quality of care. Equally as important, this legislation makes an important policy statement about the Federal Government's role in providing day care services. That is, the Government cannot and should not be in the business of providing assistance to those families in the upper-income range, while mothers who want to work, are unable to do so because of the expense and lack of child care services.

In summary, this bill is an inexpensive, and constructive way to put more people to work and to provide affordable and accessible day care. I am pleased to join with my colleague, Representative NANCY JOHNSON, in cosponsoring this innovative, landmark legislation.

□ 1115

FURTHER VIOLENCE BY SYRIA WILL RESULT IN SWIFT RETALIATION

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, each day the web of evidence grows tighter implicating Syria as a key leader in global terrorism.

Only yesterday, Israeli Defense Minister Yitzhak Rabin charged that high-ranking Syrian officials were behind the unsuccessful attempt to smuggle a bomb aboard an El Al Airlines flight bound from London to Tel Aviv.

And the Reagan administration has drafted additional economic sanctions against Libya.

I presume and I hope that these new sanctions will send a message to Syrian President Hafez El-Assad that his wide-ranging terrorist activities won't be tolerated.

Mr. Speaker, the United States is getting tough when it comes to terrorism.

And the administration recognizes that although Qadhafi is a threatening character, he is only a bit player in a global terrorist theater that is directed by President Assad.

Assad and his band of terrorist thugs have been responsible for numerous acts of terrorism in a band of bloodshed that spans Europe and the Middle East.

But Assad has been put on notice that he no longer will be able to hide behind the skirts of his hired killers.

Our Government knows where the explosives and the killers are coming from.

I hope Assad knows that further violence will result in swift retaliation.

OCCUPATIONAL HAZARD COMMUNICATION ACT OF 1986

(Mr. PETRI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PETRI. Mr. Speaker, toxic materials are present where many Americans work. This is an inevitable result of our modern technological society. All workers should be informed of toxic materials at their jobsite so that they can take appropriate precautions. Accordingly, today I am joining with the gentleman from Vermont [Mr. JEFFORDS] to introduce legislation requiring that employers inform their present and former employees of toxic materials in the workplace. This is a reasonable, responsible approach to a serious problem. The recent nuclear catastrophe in the Ukraine undoubtedly was worsened by the Soviet's failure to provide timely information. Fortunately, our free society operates differently. While some workers must handle toxic materials, with proper precautions made possible by timely information, the American workplace can be kept safe. That is our goal.

JAPAN-UNITED STATES NEGOTIATIONS—A MAJOR BREAKTHROUGH

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker, today I want to announce a major breakthrough on the trade front for jobs in America. When this body sets its mind and will to reach a national policy goal, our power is awesome. We have seen this throughout our history. We saw it again yesterday, as reported today in the Washington Post which has the major headline on the business page reading, "Japan Agrees to New Trade Talks With the United States."

Many of us, including my vigilant colleague, the gentleman from Michigan [Mr. LEVIN], and other Members like the gentlewoman from Connecticut [Mrs. JOHNSON], and the gentlewoman from Illinois [Mrs. MARTIN], waged a year-long struggle to move automotive parts as the top priority area for the next round of United States trade negotiations with Japan. We have been successful.

This breakthrough is a victory for our Nation and for communities across America like my own of Toledo whose economies thrive on the manufacture and sale of automotive parts and accessories.

The battle to move this issue was a long and arduous one. Though many details still need to be worked out before actual negotiations begin, I am optimistic about the chances for continued progress.

I am, however, aware of the great challenges that lie ahead in any negotiations dealing with auto parts and Japan, but we are finally at the bargaining table, the place from which great opportunities can arise.

SELF-INSURANCE ENHANCEMENT ACT OF 1986

(Mr. SCHULZE asked and was given permission to address the House for 1 minute.)

Mr. SCHULZE. Mr. Speaker, today I am introducing the Self-Insurance Enhancement Act of 1986, which addresses the insurance availability crisis now afflicting American business. This act offers a logical short-term alternative to a long-term and recurring problem—insurance availability and affordability.

This bill enhances insurance availability in two ways. First, by making changes in the Internal Revenue Code, it provides incentive for small businesses or professionals to self-insure. This act essentially establishes a self-insurance account similar to an IRA.

Second, it expands the product Liability Risk-Retention Act of 1981 to cover general liability and to allow similarly situated businesses or groups to form their own insurance cooperatives across State lines. This act will eliminate unjustified restrictions on full tax consolidation for insurance companies that offer administrative services or insurance to risk-retention groups.

I urge my colleagues to support this legislation as an immediate step to enhance insurance availability.

TRADE NEGOTIATIONS WITH JAPAN—A FIRST STEP

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, it was just last July that the dynamic Congresswoman from Ohio [Ms. KAPTUR] and I were in Japan. We were talking with the Japanese auto companies and we found out they sell over 13 billion dollars' worth of cars here. Americans sell less than 200 million dollars' worth of auto parts to Japan for their cars there.

We came home determined to try to do something about it. People in this Congress joined together, as the gentlewoman from Ohio [Ms. KAPTUR] said. We had help from NANCY JOHNSON and LYNN MARTIN from the Republican side. We had help from the Speaker, from BOB MICHEL, from JIM WRIGHT, DAN ROSTENKOWSKI, SAM GIBBONS and help from the Northeast-Midwest Coalition.

Yesterday there was an announcement there will be the highest level talks on auto parts.

That is the only way progress will come, by talking. But we all realize that negotiations are just a first step. Specifics are what count in trade negotiations, not broad generalities. And as we come to the bargaining table, we remember this, that the results of these negotiations are what auto suppliers in Michigan, Ohio, and across the country will be waiting for. Negotiations are just the first step, as pleased as we are that they are beginning.

OUR NATION'S WETLANDS

(Mr. SMITH of New Hampshire asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Hampshire. Mr. Speaker, I ask my colleagues to focus their attention on the wetlands in

their district: the wooded and shrubby swamps, coastal marshes and tidal flats, skating ponds, hidden bogs, and your favorite fishing streams. We lost 56 percent, over 100 million acres, of our country's original wetlands before we came to our senses and recognized that these areas are vital natural treasurehouses which we need to protect.

I would like to call this body's attention to an important decision expected from EPA Administrator Lee Thomas next week, which will set national precedent for interpretation of section 404, the wetlands protection provision in the Clean Water Act. While the controversy stems from the Army Corps desire to see a 32-acre New England wetland filled in for a developer's shopping mall, the outcome may affect the fate of every wetland in America.

The integrity of Congress' efforts to see wetlands preserved is at stake. The decision of EPA's talented and outstanding region one administrator to veto the Army Corp's wetlands filling permit must be upheld. I strongly urge Administrator Thomas to decide in favor of our wetlands, and I ask my colleagues to contact the Administrator and urge the same.

□ 1125

JOB CORPS TRAINING CENTERS SHOULD NOT BE CLOSED

(Mr. STRANG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRANG. Mr. Speaker, we have just been informed by the Department of Labor that it is their intention under their interpretation of Gramm-Rudman to close 6 of the 106 Job Corps training centers. The States affected are Oregon, Washington, Missouri, Kentucky, Oklahoma, and my own great State of Colorado.

Mr. Speaker, this is a preposterous attempt to save $20 million out of a budget which has plenty in it to do their mission without closing down the centers, without taking away jobs and without robbing opportunity of those people who need to use those centers.

Congress has a budget of $640 million for the Job Corps. This is supposed to save $20 million. They have $30 million in their construction fund. Why would they have a construction fund when they are closing centers, Mr. Speaker? They have $12.3 million in their pilot demonstration plan. What for?

I would urge my colleagues to cooperate with us this afternoon when we attempt to deal with this when we are talking about the supplemental.

MR. AND MRS. JAMES L. WRIGHT OF CHICAGO WILL CELEBRATE 50TH WEDDING ANNIVERSARY

(Mrs. COLLINS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. COLLINS. Mr. Speaker, I am delighted to have the opportunity to discuss a 50th wedding anniversary celebration that is going to be held in the city of Chicago this coming Saturday for Mr. and Mrs. James L. Wright.

Mr. and Mrs. James L. Wright are two of the most highly respected, civic minded, citizens of our great city. They have made major contributions to quality of life for minorities living in the city of Chicago. Mr. Wright, before his recent retirement, was a member of the United Auto Workers and the director of region IV for a number of years. Throughout his years of work within this union, he sought and obtained better working conditions, higher wages, and numerous employee benefits for those he represented.

Both of these fine people have been great leaders in their community. They are active civil rights activists who believe that every American ought to be able to realize their goals. I am personally grateful to them for the fact that they were the very first to endorse my candidacy to run for office some 13 years ago.

Throughout the years, they have amassed a strong record of endorsing and supporting qualified black people who consider running for office. As a matter of fact, a number of the elected officials who are today serving in Congress, who are today serving in the General Assembly, and in our city council would not be in those august bodies had it not been for these wonderful people. The city of Chicago, indeed the State of Illinois and our Nation, owe a real debt of gratitude to them, and I know we all congratulate them on their 50th wedding anniversary and wish them God's special blessing.

RUSSIAN PARANOIA: A DANGER TO THE WORLD AND TO THEMSELVES

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, the actions of the Russian Government in the handling of the recent tragic accident at the Chernobyl nuclear reactor plant displays a pattern of paranoid behavior which has threatened not only portions of the European Continent, but has endangered its own population.

Early efforts by the Soviets to cover up the extent of the threat and damage posed greater risk to the people of the Ukraine and that great agricultural region—so necessary to Russia's future—than it did to any of the Scandanavian countries or Western Europe.

It is as though once a government takes on a campaign of deception and lies as a policy, it is impossible to give up the "Big Lie"—even to protect its own.

In this tragic incident, the Russian Government responded with "politics as usual"—an attempted coverup. As the realization of the gravity of this situation spreads across Russia, its people will become more aware that the real enemy is not the Western World, but the Communist party which governs their own country.

The Soviet's despotic mind set may prove to carry the seeds of its own destruction.

IN SUPPORT OF THE STRICT INTERPRETATION OF THE ABM TREATY

(Mr. BUSTAMANTE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mr. BUSTAMANTE. Mr. Speaker, today I join Mr. DICKS in introducing a resolution which puts Congress on record in support of the strict interpretation of the 1972 Anti-Ballistic Missile Treaty

The ABM Treaty has been one of the most successful arms control agreements to date and has been effective in limiting superpower competition in defensive systems. Termination of the treaty will force us to engage in a dual arms race. U.S. National Security requires research that protects us against sudden advances in Soviet missile defense technologies. The treaty specifically allows each side to do this. We should take advantage of those provisions just as the Soviets have. But we should not protect against a Soviet breakout by staging a preemptive breakout of our own. This, of course, would seriously undermine the prospect for any arms control agreement between the United States and the Soviets—a result contrary to the very purpose of the strategic defense initiative.

I urge my colleagues to cosponsor this resolution to avoid actions that would undermine the ABM Treaty and our arms control efforts.

AMERICAN INTEREST IN SOVIET JEWISH EMIGRATION

(Mr. VALENTINE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VALENTINE. Mr. Speaker, the President has proposed to meet once

again with the leader of the Soviet Union.

When they meet, these two leaders will address a number of issues vital to the security of all the people of our planet. The question of Jewish emigration from the Soviet Union must assume its proper place on their agenda.

Thousands of Soviet Jews have sought to leave the U.S.S.R. rather than endure the arbitrary hardships their government imposes upon them. Their friends and relatives in the United States continue to press the Congress to help persuade Soviet leaders to change their policy on Jewish emigration.

In 1979, over 51,000 Jews were permitted to emigrate from the U.S.S.R.; by 1984, that number had sunk to less than 1,000.

The refusal by Soviet leaders to respect the freedom to emigrate offends the American sense of democracy. We must do all we can, through peaceful discussion, to persuade these leaders to change their policies.

The proposed summit offers us an opportunity. In the past, the Soviet Union has openly linked the right of emigration to the improvement of relations between the two superpowers. We are now striving to improve these relations.

As the leading advocate of liberty, democracy, and human rights, the United States has an obligation to seek freedom for the victims of oppression everywhere. Just as the Soviets claim the right to propagate their ideology, the United States must exert its right to speak for political freedom. The President must bear this responsibility in mind when he meets again with Secretary Gorbachev.

WE HAVE NOTHING TO KEEP MONEY AND CREDIT WITHIN LIMITS

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, the late Walter E. Spahr was a great American monetary scientist who gave early warning to the Nation about the dangerous consequences of our "Brave New World" of fiat money, a warning that went unheeded:

> The withdrawal from our monetary bloodstream of the gold corpuscles, which keep other money and credit corpuscles within limits, has produced the typical results • • •. It is very important that we gain such benefits as we may from a purified monetary bloodstream. It is a necessary prerequisite to economic health. It is our best single protection against a further pronounced depreciation of our dollar and a severe business reaction. In five out of our six resumptions, business expansion occurred promptly • • •. In the resumption of January 2, 1879—the only resumption in which our government was involved—more gold was turned in for paper money, than paper money for gold; gold flowed in from abroad; the demands for government securities swamped the staff of the Treasury; by March, business expansion was underway • • •. (The Commercial and Financial Chronicle, April 30, 1953.)

Our dollar is still in a great danger of a further depreciation, despite the whistling in the dark at the Tokyo Summit. We have nothing to keep money and credit within limits. We should resume the gold standard without delay, and get out of the danger zone.

HEALTH CARE FOR OUR ELDERLY

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, our elderly are facing higher and higher costs for health care. In 1980, senior citizens spent 12.7 percent of their income for health care. By 1986, that figure is up to 16 percent, and it is projected that by 1991, it will reach 18.5 percent, a 50-percent increase in the out-of-pocket expenses by the elderly for health care in a 10-year period of time.

There is one major reason: The Medicare deductible charges paid out-of-pocket by seniors have increased by 43 percent in the last 2 years. The Health Care Financing Administration is now calling for a 16-percent increase in 1987, at a time when the Social Security COLA is only increasing 3 percent.

I believe the vast majority of my colleagues have found, as I have, that health care is the No. 1 concern for senior citizens. I urge my colleagues to join me in resisting these unreasonable increases in out-of-pocket health costs for the elderly under Medicare.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1, HOUSING ACT OF 1985

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Report No. 99-590) on the resolution (H. Res. 450) providing for the consideration of the bill (H.R. 1) to amend and extend certain laws relating to housing, and for other purposes, which was referred to the House Calendar and ordered to be printed.

URGENT SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1986

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 448 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 448

Resolved, That all points of order for failure to comply with the provisions of section 302(f) of the Congressional Budget Act of 1974, as amended (Public Law 93-344, as amended by Public Law 99-177), and with the provisions of clause 2(l)(3)(B) of rule XI, are hereby waived against the consideration of the bill (H.R. 4515) making urgent supplemental appropriations for the fiscal year ending September 30, 1986, and for other purposes. During the consideration of the bill, all points of order against the bill for failure to comply with the provisions of clauses 2 and 6 of rule XXI are hereby waived, except against the following paragraphs: beginning on page 3, line 3 through 7; beginning on page 4, line 23 through page 5, line 10; beginning on page 6, lines 1 through 5; beginning on page 7, lines 1 through 8; beginning on page 7, line 15 through page 8, line 16; and beginning on page 25, lines 3 through 8. Amendments to strike out the following paragraphs in the bill shall be considered to have been adopted in the House and in the Committee of the Whole: beginning on page 5, lines 11 through 25; and beginning on page 28, line 19 through page 30, line 16. It shall be in order to consider the following amendments to the bill printed in the Congressional Record of May 7, 1986 by, and if offered by, the Members indicated: the amendment by Representative Hammerschmidt of Arkansas, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI and section 302(f) of the Congressional Budget Act of 1974, as amended, are hereby waived; an amendment by Delegate Fauntroy of the District of Columbia, and all points of order against said amendment for failure to comply with the provisions of clauses 2 and 6 of rule XXI, and clause 7 of rule XVI, are hereby waived; an amendment by Representative Mica of Florida, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI and clause 7 of rule XVI are hereby waived; an amendment by Representative Fazio of California, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI are hereby waived; and an amendment by Representative Rostenkowski of Illinois, and all points of order against said amendment of failure to comply with the provisions of clause 2 of rule XXI and clause 7 of rule XVI are hereby waived.

□ 1140

The SPEAKER pro tempore (Mr. MONTGOMERY). The gentleman from Massachusetts [Mr MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Mississippi [Mr. LOTT], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 448 waives certain points of order against consideration of H.R. 4515, the Urgent Supplemental Appropriations Act for fiscal year 1986. As my colleagues know, on April 22, 1986, the House rejected the previous rule waiving points of order against H.R. 4515.

Mr. Speaker, House Resolution 448 contains waivers of points of order against the consideration of H.R. 4515, the supplemental appropriations bill. The rule waives section 302(f) of the Congressional Budget Act of 1974, as amended, against consideration of the bill. In compliance with section 302(b) of the Budget Act, the Appropriations Committee issued a report subdividing the budget authority allocated to the full committee among its subcommittees. While the budget authority contained in H.R. 4515 would not breach the Appropriations Committee's budget authority allocation, it does violate the allocation made to some of its subcommittees. Section 302(f) of the Budget Act prohibits consideration of legislation if it violates the appropriate committee's subdivision and so the waiver is necessary in order for H.R. 4515 to be considered.

The rule also waives clause 2 (l)(3)(B) of rule XI against consideration of the bill. This provision of the House rules requires each committee to include in its report on any bill containing new budget authority a comparison of the spending levels in the bill to the subcommittee budget authority allocations.

The rule waives clauses 2 and 6 of rule XXI against the bill except for specified paragraphs of the bill. Clause 2 of rule XXI prohibits the inclusion of legislation and unuathorized appropriations in any general appropriations bill. H.R. 4515 contains a number of such paragraphs which are outlined in the Appropriations Committee's report on the bill. Clause 6 prohibits reappropriations in a general appropriation bill. H.R. 4515 includes transfers of previously appropriated funds.

House Resolution 448 does not contain waivers of clause 2 or clause 6 of rule XXI for specified paragraphs in the bill. Those paragraphs that are not protected are: A limitation on transfer of funds available to the Department of Agriculture; a paragraph relating to the Commodity Credit Corporation; restriction on the transfer authority from the CCC to the Federal Crop Insurance Corporation; a transfer of funds to the Cooperative State Research Service; a paragraph relating to farm policy; and, an administrative provision relating to the forest service.

As my colleagues are aware, one major reason that the rule waiving points of order against consideration of H.R. 4515 was defeated several weeks ago was a dispute between the Agriculture and Appropriations Committees. The waivers granted to specified paragraphs of H.R. 4515 in the rule currently before the Members reflect an agreement between the chairmen of these two committees.

As in the previous two rules relating to H.R. 4515, House Resolution 448 strikes out two provisions of the bill. The first provision pertains to modifications of the farmland conservation reserve program, established by the 1985 farm bill. The other provision stricken by the rule relates to standards and funds for congressional mailings.

The rule waives points of order to permit consideration of five amendments. Each of these amendments must be printed in the CONGRESSIONAL RECORD of May 7, 1986, by its author. The amendments specified in the rule are: An amendment by Representative HAMMERSCHMIDT of Arkansas relating to the dairy indemnity program; an amendment by Representative FAZIO relating to Federal Power Marketing Administrations; an amendment by Representative MICA relating to Embassy security funds; an amendment by Delegate FAUNTROY relating to funds for Haiti; and, an amendment by Representative ROSTENKOWSKI delaying capital cost recovery regulations for the Medicare Program.

Mr. Speaker, I want it to be clear that these are not the only amendments allowed during consideration of H.R. 4515. The rule mentions the five amendments because waivers are necessary to allow for their consideration. Any amendment to the bill, and any amendment to the specified amendments contained in the rule, are in order provided that they conform to House rules. The Rules Committee considered many requests for amendments to be made in order to the urgent supplemental appropriations bill. The committee felt that waiving points of order against the five amendments specified in the rule will allow for timely consideration of matter of urgent concern to Members.

Mr. Speaker, I urge adoption of this rule.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from Massachusetts [Mr. MOAKLEY] for yielding time to me.

Here we are once again. I guess this will very well be the third strike, and maybe this bill will be out, this so-called urgent supplemental that has already had two defeats by one form or another before we brought it back here again today.

This House Resolution 448 has been patched together with a little chewing gum, sealing wax, and a prayer—a prayer that the third time will be the charm. Well, it is pretty hard to charm a bill that basically abuses the whole process that we are supposed to honor here in this institution, both in the waivers that are granted, the amendments that are made in order, the amendments that are not made in order, and the amount of a so-called urgent supplemental. I remind my colleagues once again that this was supposed to be an urgent supplemental at about $400 or $500 million or something like that, but it is $1.7 billion, so no matter how many times we try to bring a rule up here that shuts certain people off and lets others through the door so we can politically get this abomination to the floor for consideration, it is still an exaggerated bill. It is not an urgent supplemental. It has got a lot of things in here that should not be in here, and if it goes to the President in this form, it certainly will be vetoed.

My colleagues will remember that the first rule we considered was back on April 15. It was barely adopted, by just four votes. The near defeat of that rule was due to the strong opposition to the rule's attempted hookup to the veto-bound supplemental with a resolution to provide assistance for the freedom fighters in Nicaragua. But after the rule was adopted by that close vote, the Democratic leadership junked the whole process when an anti-Contra aid substitute offered by the gentleman from Indiana [Mr. HAMILTON] was passed by a wide margin. That is probably the first time in history that a team picked up their ball and went home after they scored the first goal. But I guess that is what is meant by, "Quit while you're ahead."

In any event, the ball was punted back up to the Committee on Rules with the request, "Fix this thing to where we can bring it to the floor and get a rule through." So the Rules Committee took it back up there in a partisan buzz saw and did a little work on it and brought it back down to the floor making certain amendments in order.

But lo and behold, the rule was defeated by a 33-vote margin this time.

Well, what happened? The Members just basically did not feel that the rule was fair in a bipartisan way. You had 60 Democrats in addition to the overwhelming majority, in fact, all but about 6 of the Republicans, who voted against the rule. Twenty votes against it came from the Committee on Agriculture; 10 votes against it came from the Committee on Armed Services. Some six agricultural provisions which were previously protected under the rule now have been changed. Also, the so-called Schroeder-Downey amendment on barring U.S. nuclear testing has been shaved off. That will not be made in order under this rule.

I wonder what the gentlewoman from Colorado [Mrs. SCHROEDER] thinks about that. All of a sudden she is not going to be protected.

This is still basically not a fair rule on a humongous bill. An adequate job has not been done.

In addition to that, the gentleman from California [Mr. Bosco], who sits

on this side of the aisle, has been summarily, for some strange reason, excluded from having his amendment in order this time, the "Buy America" amendment. Wake up, America! Where is the Rust Belt Caucus? Where is the Steel Caucus? They are not going to stand up and be heard on the Bosco amendment? Well, OK, but remember, he was cut out for some reason by the majority in the Rules Committee, and I do not know why, but he is out.

Also, what has happened to the courtesy—the basic, fundamental courtesy—around here of allowing the leader of the Republican Party to have an opportunity to offer an amendment or a substitute? He is excluded. He was allowed last time; this time he is out. Why? What happened?

Mr. MOAKLEY. Will the gentleman yield?

Mr. LOTT. I am glad to yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Mr. Speaker, actually we put the amendment in the last time, and the minority leader voted against it, and we thought that he was not happy with it, so we did not put it back in this time.

Mr. LOTT. Well, he was happy that his amendment was made in order, which is common courtesy.

Mr. MOAKLEY. But he voted against the rule.

Mr. LOTT. But he was not pleased with the rest of the rule.

□ 1150

So I appreciate the gentleman pointing out exactly why the Republican leader's amendment dealing with a very important policy issue, and he has, by the way, a very moderate amendment, he is excluded. Why? Because a majority of his party did not vote for the previous unfair rule.

This bill also deals with the question of deferrals.

Mr. MOAKLEY. Mr. Speaker, will the gentleman yield further?

Mr. LOTT. I am glad to yield to the gentleman.

Mr. MOAKLEY. Actually, as the gentleman well knows, as a real student of the rules, the reason the Michel amendment was not put in this time was because it would make major changes in the Impoundment Act.

We feel our committee should take a careful look at it, whereas the Yates amendment simply freezes the status-quo, as we have understood it, to afford an opportunity for that review.

So we plan to look very closely at the purpose of the Michel amendment, and the reason it was filed, and I am sure the gentleman at the microphone will have a chance then to offer his input into it also.

Mr. LOTT. Well, I certainly hope so, but let me get my version of the record.

First of all, the Yates amendment purports to eliminate deferrals, but as a matter of fact what he was attempting to accomplish may not be what has been accomplished in the bill in section 201.

As a matter of fact, his proposal may only abolish the President's duty to report deferrals and not the deferral authority itself.

So there is controversy around, first of all, should this be done in a supplemental appropriations bill. This is a very fundamental change in law that the Rules Committee should be considering, that the Government Operations Committee should be considering, and yet we are going to do it in the urgent supplemental.

Once again we have language that changes the law for authorization or what the existing situation is in the law in an appropriation bill. We should not do that.

Second—I will be glad to yield to the gentleman in a moment—second, I agree that this deferral question needs to be addressed. I would like for us to find a solution to the uncertainty brought about by the Chadha decision. We should find a bipartisan way to deal with it.

I would like to work with my colleagues on the Rules Committee where I serve and where the issue should be addressed. We should not be addressing it in this particular urgent supplemental appropriations bill.

By the way, I would like to point out to my colleagues that yesterday in the Rules Committee in the discussion of this whole area, there was a bipartisan agreement. There were some Democrats as well as Members on my side of the aisle that said, "Look, this is not the way to do it. The Yates amendment doesn't do perhaps what it is purported to do. We basically just are not doing this right."

I certainly feel very strongly about that.

Now, there is one other point and then I will be glad to yield.

What the gentleman from Illinois [Mr. MICHEL] purports to do is not a drastic issue. It is a very narrow amendment. It certainly would be considered as a very mild amendment in which he would put a limit on the amount of deferrals that the President could go with in the policy area. So it is a very small nick at the issue, but it is a better solution than what is in the bill.

I would agree that we should not be voting in this area at all in this bill. That is why when the amendment of the gentleman from Illinois [Mr. MICHEL] was excluded, I did not offer it again in the Rules Committee. Instead, I said, "you're right. Let's take this whole issue out," and I had an amendment in the Rules Committee to strike automatically the deferral section which is the way we are handling the franking question.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I am happy to yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, I would like to point out to the gentleman that my amendment is much better than the gentleman thinks it is, for this reason. My amendment really strikes out deferrals that relate to policy questions. When we talk about policy questions, it is a question as to whether or not the particular program is one that the administration wants.

Mr. LOTT. That is what the gentleman intended. Will the gentleman concede there is some disagreement about what his amendment or his section would do on that deferral question?

Mr. YATES. No. The gentleman will not agree to that at all. What the gentleman wants to say is that if the administration wants to make a managerial deferral, a deferral based upon the need for a delay because it wants to save money, it can do that now under the Anti-Deficiency Act.

Those deferrals are still possible. If the administration wants to save money by delaying it, it can do that; but my amendment is directed solely to the question of policy deferrals.

Now, the Michel amendment is addressed to the question of policy deferrals as well and it says that rather than cutting out all policy deferrals, as my amendment does, he says that we will permit the administration to provide $5 billion in policy deferrals.

Mr. LOTT. In the policy area, that is right.

Mr. YATES. I tried to draw a distinction between the kind of Presidential action that the gentleman wants to sustain and which I want to sustain as well and which I think was possible before the Chadha decision took away the power of the House, and that is to permit the White House to manage the funds properly by deferring them and they can do that still under the amendment.

Mr. LOTT. Let me ask the gentleman, is this an urgent supplemental appropriations bill in which only very limited areas should be funded on an emergency basis, like funds for the Internal Revenue Service, disasters and embassy security, is that what this bill is?

Mr. YATES. That is correct.

Mr. LOTT. Is the gentleman's section a fundamental change in the law?

Mr. YATES. My section is not a fundamental change in the law. My section addresses, as I said, merely policy decisions.

Mr. LOTT. Is it a change in the law?

Mr. YATES. But it is important, because what the administration has done through its deferrals, which it

calls deferrals when they are actually rescissions, is to cut out funding that was urgently needed in this bill. That is why we put it in the bill.

Second, we on the Appropriations Committee have been dealing with this problem ever since it has been in existence in 1974. We have approved deferrals when we thought they were correct.

Mr. LOTT. And it has worked pretty well. Why is it now that we are going to move this into the urgent supplemental bill?

Mr. YATES. The Chadha decision has changed it and this OMB Director changed it. Under Stockman you did not have these abuses.

Mr. LOTT. The Chadha decision has been on the books for several years. Why has the Rules Committee not addressed this question?

Mr. MOAKLEY. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I am happy to yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Actually, the Rules Committee is looking at this matter, but to get right to the direct matter on the Yates language——

Mr. LOTT. Is the gentleman not troubled by the fact that this is being done in an urgent supplemental appropriation instead of through the normal process through the Rules Committee?

Mr. MOAKLEY. I think the gentleman made a good case that emergency money is being struck out by the deferral process.

Mr. LOTT. As a matter of fact, this bill attempts to eliminate deferrals.

Mr. MOAKLEY. But let us get beyond that. The gentleman at the microphone knows that there is an amendment that will be offered today to strike out this language, so everybody in the House will have a chance to strike it out if they feel as strongly as the gentleman at the microphone does.

Mr. LOTT. We will have an opportunity to debate it further in general debate. There will be an amendment by the gentleman from Texas [Mr. ARMEY] to knock out this section. I invite my colleagues to join me in supporting that, including especially my colleagues on the Rules Committee and the gentleman from Massachusetts, because this is not the place to address the issue. In my opinion it is not the way to do it.

We should do it. We should do it together, but let us do it in the way that it is normally done around here, not through the urgent supplemental.

Mr. YATES. Mr. Speaker, will the gentleman yield further?

Mr. LOTT. I am glad to yield.

Mr. YATES. As I told the gentleman when I appeared before the Rules Committee, I bring the problem to the Rules Committee because it has jurisdiction. I think it is essential that we act now and that the Rules Committee should go into it thoroughly and carefully; but temporarily, at least, the President is not hurt. The President's powers are not impaired as a result of the Yates amendment, except on matters of policy. He should not defer solely on the question of policy because the Congress has acted on that.

Mr. LOTT. This is an urgent supplemental. This is one of the reasons why we will not get an urgent supplemental, so we are not going to be dealing with it right away. This is going to contribute to dragging down the whole urgent supplemental. Let us take it out and try to get to the urgent supplemental.

Mr. YATES. Mr. Speaker, if the gentleman will yield further, on the contrary, if the President wants to manage money properly, he can do it without reference to the Yates amendment because of the provisions of the antideficiency law.

Mr. LOTT. Mr. Speaker, the rest of this new rule is identical to the two previous rules. It waives section 302(f) of the Budget Act and clause 2(l)(3)(B) of House rule 11 against consideration of the bill. These waivers are necessary because the Appropriations Committee has exceeded its section 302(b) allocations of budget authority pursuant to the fiscal 1986 budget resolution and it has failed to report a comparison of the levels of budget authority in this bill to its 302(b) allocations. These are serious Budget Act violations that should not be taken lightly, and they offer one more good reason to vote against this rule.

The other provisions of this rule which are identical to the two previous rules are the waivers of clause 2 of rule XXI against the remaining legislative and unauthorized provisions of the bill which are not exposed to points of order under the terms of the rule. The rule automatically removes the agriculture conservation and congressional franking provisions. It waives the necessary points of order against the amendments that have been mentioned already by the gentleman from Massachusetts; the Hammerschmidt amendment on dairy indemnity, the Fauntroy amendment on aid to Haiti, a Mica amendment on Embassy security, and a Fazio amendment on the sale of Federal power, and finally, the Rostenkowski amendment on hospital regulations.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I am glad to yield to my colleague.

Mr. WHITTEN. Mr. Speaker, may I say to my colleague, the gentleman from Mississippi, frequently it is argued that each subcommittee operates separately. The 302 allocation is an estimate that we use to try to get together with 13 subcommittees to stay within the total. This bill is within the 302 allocation. It may exceed the allocation in some subcommittees and be less in others, but we stay within the total. I would like to correct the gentleman on that.

Insofar as particular items in particular subcommittees, it may be, but that is adjusted in other subcommittees and in total we are under the allocation.

Mr. LOTT. Well. I assume that there must be some areas where they are exceeded or there would not be a waiver request on 302(b) allocations; right?

Mr. WHITTEN. As I said, it may exceed the allocation in some subcommittees and be less in others, but overall it is within the total. We have to adjust our recommendations to reflect our hearings, changing conditions, plus the requests of our colleagues in the Congress. We have to have it where we can adjust within or between subcommittees.

I repeat again, our committee is very proud of its record of staying below the budget. So within the section 302 allocation, we are definitely within it. We have adjusted the allocations between one subcommittee and another.

Mr. LOTT. Well, I am one Member who has always felt that as a matter of fact we should pay attention to the individual subcommittees and be very careful in this reallocating back and forth between subcommittees.

I am specifically interested in making sure that the Defense Appropriation Subcommittee comes up to the level of what we think it should.

Mr. WHITTEN. We have to retain that right of rearranging between subcommittee allocations.

Mr. LOTT. I think the whole House has an interest in how the Appropriations Committee rearranges those priorities between subcommittees.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I am happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

If I understand the gentleman from Mississippi correctly, we are in fact faced with a very grave Budget Act violation and we have protected that Budget Act violation in the rule.

Now I hear the chairman of the Appropriations Committee saying, "Well, we really didn't need that protection."

I wonder if the Rules Committee and the chairman of the Appropriations Committee then would entertain a unanimous-consent request to take that waiver out of the rule if it is not really needed? I do not see any reason why we should not just lift it out of the rule. I would be prepared to make that kind of unanimous-consent request. If it is not needed, if there is no Budget Act violation, then we ought to be able to take it out. If in fact it is needed, then it is going to stay in and

it is going to be a very, very serious indication that the supplemental is a real budget buster.

Mr. MOAKLEY. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I am happy to yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Actually, what I think the chairman of the Appropriations Committee said is that the overall budget is not violated. It is the transfer of the allocation between the subcommittees.

Mr. LOTT. That is exactly why section 302(b) exists.

Mr. MOAKLEY. So it is a technical thing. The committee needed it because it is a technicality and the waiver is necessary, but the overall amount of spending authority is within the budget, and the chairman did a great job staying below the figure.

Mr. Speaker, under the Budget Act, Congress is bound to an overall ceiling on spending.

In previous years we have made a largely informational allocation of that total permissible spending to committees, under section 302(a). In turn, committees have reallocated these amounts to their component subcommittee, under section 302(b).

During the conference on the Gramm-Rudman bill, the House was presented with a Senate proposal to establish binding ceilings, based on the 302(b) allocation.

The able gentleman from California [Mr. BEILENSON], who has provided leadership in the Committee on Rules in fashioning budget process reforms, proposed an alternative under which the enforcement level would be the full committee allocation under section 302(a). I thoroughly agree with my colleague from California that the level of micromanagement proposed by the Senate was counterproductive, and contributed to further balkanization of the funding process.

In the conference, we were faced with a choice between two proposals. One was the sound and responsible proposal which the gentleman from California fashioned in the course of 4 years of careful committee hearings and markup. The other was the proposal from the other body which had never been studied by any congressional committee.

Mr. Speaker, the final conference agreement, unfortunately, accepted the Senate language.

But the fact remains that H.R. 4515 is within the budget ceiling under section 311. It is within the committee allocation under section 302(a). If the spending in one area is a little over the level assigned to one subcommittee, and it is balanced—dollar for dollar—by funding below the amount allocated to another subcommittee, that is a matter of concern only to the subcommittees.

All that matters, on the floor today, is that the subcommittees worked together, under the able leadership of the gentleman from Mississippi [Mr. WHITTEN] and the gentleman from Massachusetts [Mr. CONTE], to present the House with a supplemental appropriation that is within the budget.

Mr. Speaker, it is easy to point to a bill and say its a budget buster. But the fact is clear that the rule contains no waiver of section 311 of the Budget Act, which absolutely prohibits consideration of a bill that breaches the spending ceiling under the budget resolution.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

That is what we always hear out here every time we get one of these budget-busting rules out here, that it is a mere technicality that we are dealing with. Those technicalities added up to $150 billion of spending over our own budget over the last 5 years and it is all because of the doggone technicalities.

Now, it seems to me that we have either got a Budget Act violation here or we do not. If we do not, we ought to take it out of the rule. If we do have a Budget Act violation, Members ought to know that they are voting for a budget buster when they vote for this rule.

Mr. MOAKLEY. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I do have some other requests for time, but I will yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Actually, the gentleman from Pennsylvania knows that, overall, the committee stayed below the appropriate funds, so it is not a budget buster.

The allocation that was made to the subcommittees of the Appropriations Committee stayed below the figure that it was assigned; so I just do not see how we can say that it is budget busting again, because it is not budget busting.

Mr. LOTT. But the section 302(b) does apply to individual subcommittees, right?

Mr. MOAKLEY. Yes.

Mr. LOTT. I want to emphasize again that that is one thing that concerns a lot of Members, including me. I am very concerned about how the reallocations occur between subcommittees. I think the whole House has a real interest in that. That is why that provision is in the budget.

Well, let me wrap up at this point and just remind my colleagues once again that there are waivers in this urgent supplemental. The majority of this bill is not urgent. It is things that have been put in for various reasons and by various specific Members to run it up to $1.7 billion.

I want to remind my colleagues on this side of the aisle that the major problems with the rule have not been corrected, so I would urge you to vote no on it.

I want to remind my colleagues that our distinguished leader, who had a very reasonable amendment, has been excluded.

On this side of the aisle, I would like to remind my colleagues that we are interested in the Schroeder-Downey amendment. That has been taken out.

Those of you who have any interest in the Buy America provision, you have lost that also.

So let us form another coalition here across the aisle in the best interests of the country and vote down this rule, because the crux of the matter is that it is a lead balloon that is going down sooner or later anyway. Let us do it now instead of later and have a genuine urgent supplemental appropriations bill.

□ 1205

Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. I thank the gentleman for yielding this time to me.

Mr. Speaker, I have to tell my colleagues quite frankly I am sorry to be back here discussing this. I know the Committee on Rules has worked very hard and certainly, the Committee on Appropriations has worked very hard and we do have an urgent supplemental appropriations bill that has been much beleaguered and, I imagine, much to the frustration of many Members of the House. I frankly regret that I am back here adding my voice to the burden of all that.

But I have to tell my colleagues quite frankly I am concerned about that section of the supplemental that does ask for a repeal of the deferral authority. There is no question that the deferral authority today is fraught with controversy. I understand there have been hearings on this subject and there are real concerns expressed on both sides of the aisle. I understand today that we even have ongoing litigation since the Chadha decision.

It seems clear to me, as I think the gentleman from California [Mr. PANETTA] made the case so eloquently yesterday before the Committee on Rules, and as the gentleman from Illinois [Mr. MICHEL] has also argued so well, that the time has come really for this body to take the deferral authority as separate legislation and to give it due consideration and due process through the normal procedures of this House and move forward.

For those of my colleagues who really would like to see some significant amending and reducing of that

deferral authority, I frankly think they are going to be disappointed if they vote for this. I have sought and have gotten an opinion from the American Law Division of the Congressional Research Service, and I know that is not definitive, but it is an opinion that I think we should not disregard. It says, "given this provision, effective repeal of the applicability of the reporting requirements imposed on the President when he defers spending." That is what we will get.

I, quite frankly, do not believe those people who are concerned about and who allege abuses in the deferral authority would be satisfied to have an amendment that gives them a repeal or a reduction in the President's reporting requirements. If I were prepared to act as a rubber stamp for our President, which I am not, if I were prepared to accept his decisions without question, which I am not, I would vote for this amendment because the amendment says to the President, "You do not have to come back and tell us or give us explanations for your deferral authority. We are going to relieve you of that burden in existing law."

For those who would argue that perhaps the American Law Division of the Congressional Research Service is not definitive here, the obvious next place for it to go then is for the President to test that, and then for us to end up back in the courts with more litigation. This Congress should not pitch its problems to the courts. There are a great many people, at least in my part of the world, who think a great many of the problems we have is that we spend too much of our time sending our problems to the courts. We are hopeful that in due course we will improve the performance of the courts, but as for now, the question that I would suggest is: Would we not better serve our own interests as a body protecting the prerogatives of our body, imposing the requirements for reporting in an orderly fashion if we went back into the legislative process, taking deferral reform up as a separate issue, one on which we already have so much good information garnered in these hearings that we have already held, and then craft a piece of legislation that really does address the concerns of so many Members of this body through that normal legislative process?

Last week we had a commemorative day up before this body as a separate piece of legislation. I may want some day to introduce a piece of legislation designating April 1 as Armadillo Appreciation Day. If I should do that, it will come to this body as a separate piece of legislation, and it may very well be a frivolous piece of legislation, but it will get more process, more singular consideration by this body, than this very important piece of legislation here by which we have saved $65 billion in the last 10 years. I think we owe this more consideration. I think we want seriously prepared and studied reform. I do not believe we want to throw the baby out with the bath water, as this deferral would do.

Mr. YATES. Mr. Speaker, will the gentleman yield for a question?

Mr. ARMEY. I yield to the gentleman from Illinois.

Mr. YATES. I thank the gentleman for yielding.

Mr. Speaker, how did the gentleman arrive at this figure of $65 billion of savings through this process?

Mr. ARMEY. We have looked up the deferrals in the past 10 years by three administrations by the way. The Presidents' total number of dollars in deferral or total number of deferrals has not exceeded previously, but we have looked that up and added that up.

The SPEAKER pro tempore. The time of the gentleman from Texas [Mr. ARMEY] has expired.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Texas.

Mr. YATES. Mr. Speaker, if the gentleman will yield further, you have added it up. Does the gentleman know whether that money was spent subsequently?

Mr. ARMEY. I appreciate the point, and it is a subtle point that is very well taken by the gentleman.

One of the things that we do, we always have to remember that when we look at spending on the margin in our current processes, and certainly supplemental appropriations are spending on the margin, we really have to clearly identify that that spending is coming out of the national debt, out of the borrowed money. So even if we have a subsequent expenditure of a deferral, we may still realize significant savings, especially at the rates of interest that our Government has been paying on our behalf for so many years.

This, of course, is a common practice. Business uses it all the time. They are aware of the time value of money and they realize that deferring payments, deferring cash-flow expenditures can, when you are spending borrowed money, result in significant savings.

Mr. YATES. Mr. Speaker, if the gentleman will yield further, the gentleman has said that there was $65 billion in savings and he said he totaled up the deferrals. My question was whether or not he knows whether that money was saved subsequently, and the gentleman has not responded.

Mr. ARMEY. Again, let me tell the gentleman that, first of all, I do not have all the expenditures and all the deferrals and all the chapter and verse on that, but I think the point the gentleman is making really goes back to the point that I made earlier.

Was it $65 billion? Was it $40 billion? Was it $20 billion? How significant has been the deferral authority? That is the sort of question we can get resolved through the Committee on Appropriations, or Committee on Government Operations, or Committee on the Judiciary, conducting hearings and carrying such a significant issue through the normal legislative process.

The thing that I regret here is that we are prepared today to bypass that process, vote on just a blatant throwing out of this authority without consideration, and to do that without having answers to these questions that are so important.

Mr. YATES. Mr. Speaker, if the gentleman will yield further, the gentleman has asserted to the House that the savings have been $65 billion. In response to my question, the gentleman said, "Let us have a hearing and see what the actual savings were."

So the gentleman does not actually know what the savings were.

Mr. ARMEY. Mr. Speaker, if I may reclaim my time that the gentleman so happily granted me, what I told the gentleman was that I do not have all the chapter and verse, all the millions and billions that we added up to get this figure, on hand to hand out. I am prepared to believe that my calculations may be in error, and I would not want to quibble over the date, but I would also like to return to my point that if that is a question significant enough for the gentleman to give me now 3 additional minutes, it is significant enough, I believe, for us to raise the specter of the greater possibility of us doing right by legislation if we take such a significant issue through the normal legislative process, rather than circumventing that today.

Mr. LOTT. Mr. Speaker, I would inquire if the gentleman from Massachusetts [Mr. MOAKLEY] has any further requests for time?

Mr. MOAKLEY. Mr. Speaker, I do not have any further requests for time.

Mr. LOTT. Mr. Speaker, I yield 5 minutes to the distinguished ranking member of the Committee on Appropriations, the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. I thank the gentleman for yielding this time to me.

Mr. Speaker, as I stated in the additional views which I submitted to the committee report along with my colleague, the gentleman from New Mexico, JOE SKEEN, there are a number of provisions in the agriculture chapter of this bill that I strongly oppose.

My primary objections had been to the legislative provisions proposed for the new Soil Conservation Reserve Program at USDA. But, at my chairman's request, this rule automatically

strikes the reserve restrictions upon its adoption. I strongly support this aspect of the rule, and thank my chairman for reconsidering his proposed limitations. Those restrictions would have had a devastating impact on our new nationwide conservation effort.

I wish that he had gone a little further though. I wish that the chairman had expanded his request to the Rules Committee so that other objectionable sections of this bill could be automatically struck. But this did not happen.

□ 1215

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. CONTE. Yes, I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, may I say those restrictions were written because the President's budget proposed that the new program replace the old program. The gentleman will remember in the conference we finally got an agreement that the new program could not eliminate or reduce the old program. Therefore, I withdrew the restriction under the provisions of the rule.

Mr. CONTE. I wish that the gentleman had gone a little further though. I wish he had expanded his request to the Rules Committee so that the other objectionable sections of this bill could be automatically stricken. But this did not happen.

Nevertheless, under the provisions of this new and vastly improved rule, the costly legislative language in this bill is no longer protected from points of order. I intend to raise the appropriate points of order to pare this urgent supplemental down to its more essential core.

Most language currently contained in the agriculture chapter of this bill is far too costly for the Congress to consider at a time when we are so desperate for spending reductions that we have to resort to Gramm-Rudman-Hollings triggers. In addition, as was evidenced by the vote defeating the previous rule, 37 distinguished members of the authorizing committee objected to this unjustified encroachment on their legislative jurisdiction.

The dramatic policy, program, and spending changes embodied in this language have not been examined or endorsed by the Agriculture Committees. And, based upon my review of USDA's analysis, it is clear that such changes are not in order under any rule of common sense.

Section 1 of title IV in chapter I relates to our old and familiar friend the CCC. This kind of language would bring us to the floor on a weekly basis with urgent CCC supplementals. We could have a special legislative day set aside for their consideration—Calendar CCC Day. This language was overwhelmingly rejected in conference on the CR last December. It is strongly opposed by the Agriculture Committee with jurisdiction because it requires the Secretary to establish new programs which dramatically change the 1985 farm bill. Finally, it entirely disregards the costs associated with the implementation of new programs. Although no formal hearings have been held in any committee to estimate these costs, USDA and OMB project that if the Secretary were to guarantee profits to producers, the cost of the farm bill would increase by as much as $17 billion over the next 3 years. And the export subsidies required to make U.S. surplus commodities competitive abroad could increase outlays by another $10 billion.

Section 3 of title IV again alters a farm bill provision relating to the Federal Crop Insurance Corporation. This language unravels a 5-month-old commitment of the Congress in the farm bill to allow the use of CCC funds for reimbursements to the Corporation for losses if appropriations are insufficient.

I oppose all of the language in title V of chapter 1 as well. These legislative provisions attempt to provide unlimited debt relief and new production loans to farmers while the Farmers Home Administration tries to determine on a case-by-case basis if any of their present debt was caused by embargoes under previous administrations, or because of insufficient export subsidies. To get an idea of the costs that could be involved in this effort, USDA estimates that they would need another 675 staff years and $30 million just to conduct a simple review with each of the 270,000 borrowers. At a minimum, this language could require Farmers Home to halt over $5 billion in anticipated collections of debt repayments this year.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts [Mr. CONTE] has expired.

Mr. CONTE. Mr. Speaker, will the gentleman yield me 1 additional minute?

Mr. LOTT. Mr. Speaker, I only have 1 minute left.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. I thank the gentleman.

Mr. Speaker, and distinguished colleagues, as you can tell, the legislative provisions in chapter 1 do not belong in this or any urgent supplemental. They are opposed by the authorizing committee, and by the administration. While most of the language requests rather than directs the Secretary to take certain actions, it is ambiguous for many to project multi-billion-dollar program costs and possible court orders similar to those made in State of Iowa versus Block and Allision versus Block.

For these reasons, Mr. Speaker, I plan to raise points of order to strike this language.

Mr. LOTT. Mr. Speaker, I yield myself my last 1 minute.

Mr. Speaker, I continue to oppose the rule and the bill because what started out as a $450 million truly urgent supplemental has ballooned to a $1.7 billion divergent supplemental, and we are not talking here about a helium balloon. We are talking about a lead balloon that is going to sink, and that is the crux of the matter.

I would urge my colleagues to vote down this rule so that we can have a truly trimmed down urgent supplemental that is not an embarrassment to us all.

I yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, as the floor manager for the committee with the legislative responsibility for the Budget Act, I would just like to clarify the efforts of the Yates amendment contained in the bill. The gentleman from Illinois [Mr. YATES] has ably explained the intent and the effect of his amendment, and I concur fully in his statements.

The Budget Act not only established the reporting and review procedure governing deferrals, but it also repealed the words "other developments," contained in the Antideficiency Act. That phrase was the only legal basis for any deferral for other than management purposes.

Enactment of the Yates amendment suspends not only the reporting requirement of the Budget Act, Mr. Speaker, but also suspends all legal basis for any policy deferral.

Mr. Speaker, with that I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LOTT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 212, nays 189, not voting 32, as follows:

[Roll No. 113]

YEAS—212

Ackerman	Bevill	Bustamante
Akaka	Biaggi	Byron
Anderson	Boland	Carper
Andrews	Bonior (MI)	Carr
Annunzio	Borski	Chapman
Applegate	Bosco	Chappell
Aspin	Boucher	Clay
Atkins	Breaux	Coelho
Barnes	Brooks	Coleman (TX)
Bedell	Brown (CA)	Collins
Beilenson	Bruce	Conte
Bennett	Bryant	Conyers
Berman	Burton (CA)	Cooper

Coyne	Kildee	Rose
Crockett	Kleczka	Rostenkowski
Darden	Kostmayer	Rowland (GA)
Daschle	LaFalce	Roybal
de la Garza	Lantos	Russo
Dellums	Lehman (CA)	Sabo
Derrick	Lehman (FL)	Savage
Dicks	Leland	Scheuer
Dingell	Levin (MI)	Schroeder
Dixon	Levine (CA)	Schumer
Dorgan (ND)	Lipinski	Seiberling
Downey	Lloyd	Shelby
Durbin	Long	Sikorski
Dwyer	Lowry (WA)	Sisisky
Dymally	Luken	Slattery
Dyson	Lundine	Smith (FL)
Early	Manton	Smith (IA)
Eckart (OH)	Markey	Smith (NE)
Edwards (CA)	Martinez	Solarz
English	Matsui	Spratt
Erdreich	Mavroules	St Germain
Evans (IL)	Mazzoli	Staggers
Fascell	McCloskey	Stallings
Fazio	McCurdy	Stark
Feighan	McHugh	Stokes
Flippo	Mica	Stratton
Florio	Mikulski	Studds
Foglietta	Miller (CA)	Swift
Foley	Mineta	Synar
Ford (MI)	Moakley	Tallon
Ford (TN)	Mollohan	Tauzin
Fowler	Montgomery	Taylor
Frank	Moody	Thomas (GA)
Garcia	Morrison (CT)	Torres
Gaydos	Mrazek	Torricelli
Gejdenson	Murtha	Towns
Glickman	Myers	Traxler
Gonzalez	Natcher	Udall
Gray (IL)	Neal	Valentine
Gray (PA)	Nelson	Vento
Green	Nichols	Visclosky
Guarini	Oakar	Volkmer
Hall (OH)	Oberstar	Walgren
Hamilton	Obey	Watkins
Hammerschmidt	Olin	Waxman
Hayes	Ortiz	Weaver
Hefner	Owens	Weiss
Heftel	Pease	Wheat
Hertel	Penny	Whitley
Howard	Perkins	Whitten
Hoyer	Pickle	Wilson
Huckaby	Price	Wise
Jenkins	Rahall	Wolpe
Jones (TN)	Rangel	Wright
Kanjorski	Reid	Wyden
Kaptur	Richardson	Yates
Kastenmeier	Rodino	Young (MO)
Kennelly	Roe	

NAYS—189

Anthony	Crane	Hopkins
Archer	Daniel	Horton
Armey	Dannemeyer	Hubbard
AuCoin	Daub	Hughes
Barnard	Davis	Hunter
Bartlett	DeLay	Hutto
Barton	DeWine	Hyde
Bateman	Dickinson	Ireland
Bates	DioGuardi	Jacobs
Bentley	Dreier	Jeffords
Bereuter	Duncan	Johnson
Bilirakis	Eckert (NY)	Jones (OK)
Billey	Edwards (OK)	Kasich
Boehlert	Emerson	Kemp
Boner (TN)	Fawell	Kindness
Boulter	Fiedler	Kolbe
Broomfield	Fields	Kolter
Brown (CO)	Fish	Kramer
Broyhill	Frenzel	Lagomarsino
Burton (IN)	Gallo	Latta
Callahan	Gekas	Leach (IA)
Campbell	Gilman	Leath (TX)
Carney	Gingrich	Lent
Chandler	Goodling	Lewis (FL)
Chappie	Gordon	Lightfoot
Cheney	Gradison	Livingston
Clinger	Gregg	Lott
Coats	Gunderson	Lowery (CA)
Cobey	Hall, Ralph	Lungren
Coble	Hansen	Mack
Coleman (MO)	Hendon	Madigan
Combest	Henry	Marlenee
Coughlin	Hiler	Martin (IL)
Courter	Hillis	Martin (NY)
Craig	Holt	McCain
McCandless	Regula	Snowe
McCollum	Ridge	Snyder
McDade	Rinaldo	Solomon
McEwen	Ritter	Spence
McGrath	Roberts	Stangeland
McKernan	Robinson	Stenholm
McKinney	Roemer	Strang
McMillan	Rogers	Stump
Meyers	Roth	Sundquist
Michel	Roukema	Sweeney
Miller (OH)	Rowland (CT)	Swindall
Miller (WA)	Rudd	Tauke
Molinari	Saxton	Thomas (CA)
Monson	Schuette	Traficant
Moore	Schulze	Vander Jagt
Moorhead	Sensenbrenner	Vucanovich
Morrison (WA)	Shaw	Walker
Murphy	Shumway	Weber
Nielson	Shuster	Whitehurst
O'Brien	Siljander	Whittaker
Oxley	Skeen	Williams
Packard	Slaughter	Wirth
Panetta	Smith (NJ)	Wolf
Parris	Smith, Denny (OR)	Wortley
Pashayan	Smith, Robert (NH)	Wylie
Petri	Smith, Robert (OR)	Yatron
Porter		Young (AK)
Pursell		Young (FL)
Ray		Zschau

NOT VOTING—32

Alexander	Frost	Lujan
Badham	Fuqua	MacKay
Boggs	Gephardt	Mitchell
Bonker	Gibbons	Nowak
Boxer	Grotberg	Pepper
Donnelly	Hartnett	Quillen
Dornan (CA)	Hatcher	Schaefer
Dowdy	Hawkins	Schneider
Edgar	Jones (NC)	Sharp
Evans (IA)	Lewis (CA)	Skelton
Franklin	Loeffler	

□ 1235

The Clerk announced the following pair:

On this vote:

Mr. Alexander for, with Mr. Badham against.

Mr. SMITH of New Jersey changed his vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4515 and that I be permitted to include extraneous and tabular matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4515) making urgent supplemental appropriations for the fiscal year ending September 30, 1986, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from Massachusetts [Mr. CONTE] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

□ 1243

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4515, with Mr. BROWN of California in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Mississippi [Mr. WHITTEN] will be recognized for 30 minutes and the gentleman from Massachusetts [Mr. CONTE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, I yield myself such time as I may consume.

EXPLANATION OF H.R. 4515

Mr. Chairman, the original bill began on March 12, 1986, when I introduced H.R. 4380, an urgent supplemental appropriations bill for fiscal year 1986. This bill provided $499 million for emergency disaster relief and several other urgently needed items as follows:

Disaster Relief (Federal Emergency Management Agency)	$250,000,000
Disaster Loan Fund (Small Business Administration)	52,000,000
Disaster Assistance (Impact Aid)	20,000,000
Flood Control and Coastal Emergencies	25,000,000
Watershed and Flood Prevention Operations	25,000,000
Emergency Conservation Program (Agricultural Stabilization and Conservation Service)	10,000,000
FAA (Air Traffic Operations and Safety)	60,000,000
Fees of Jurors (Judiciary)	3,800,000
Food Safety and Inspection Service	3,700,000

This bill (H.R. 4380) was considered by the full committee on March 20. When it became apparent that additional funding was needed for the Internal Revenue Service, the Customs Service, and Embassy Security, and that these and other items would probably be added by the Senate, various subcommittee chairmen and other members amended the bill by adding these and other items which were considered essential. As a result of these actions, both the size and scope of the original bill which I introduced was in-

creased from $449 million to $1,705 million. The bill as amended was reported to the House as original legislation—H.R. 4515.

RELATIONSHIP TO THE BUDGET RESOLUTION

I want to stress that both the bill which I introduced, and the bill which was reported by the committee are under the budget allocation given to this committee pursuant to the conference agreement on the fiscal year 1986 budget resolution. It has been pointed out to me that in the scorekeeping report to the Speaker submitted by the House Budget Committee, that our Committee on Appropriations is under its allocation for fiscal year 1986.

Mr. Chairman, we are proud of the historical record of the Appropriations Committee. Even after you account for the effect of this legislation (H.R. 4515), we are still under our budget allocation. This must be clearly understood in this era of fiscal restraint. Because of final action by the Congress affecting military spending and legislation which permits additional program funding to be drawn from the Commodity Credit Corporation, several of the individual 302(b) subdivisions adopted by the committee on October 28, 1985, have been affected. This reflects a change in our original priorities, however, without the total allocation to the committee being breached.

At the request of the House leadership, the committee delayed the consideration of the bill in order to accommodate certain possible amendments. This has caused the legislation to be scheduled after April 15. This slippage in scheduling created what I considered a technical violation of the so-called 302(b) subcommittee allocations, but not the overall ceiling. As I stated earlier, this legislation is within our committee's overall 302 budget allocation for fiscal year 1986. The Rules Committee considered this a technical matter arising out of new provisions in the Gramm-Rudman legislation, and in this rule waives the 302(f) requirement because the bill still is under the original 302 allocation.

CONGRESSIONAL MAIL

It should also be noted that the rule which was previously adopted eliminated $42 million and legislative provisions which deal with congressional mail.

CONSERVATION RESERVE

I would like to call to your attention the new conservation reserve program of the Department of Agriculture. As you know, I have been personally supportive for many years of the conservation programs of the Department of Agriculture as well as other conservation programs throughout the government. When the conferees met to consider House Joint Resolution 534—the urgent supplemental for the Commodity Credit Corporation—we addressed this specific item. The new program was intended by the authors of the farm legislation to be in addition to the existing soil conservation program. The Office of Management and Budget, however, has recommended a cut of 60 percent in the regular program and a reduction of 3,700 employees in the fiscal year 1987 budget which would lead to eventual program elimination. As a result, House Joint Resolution 543, as signed (Public Law 99-263) states that the new "* * * conservation reserve program shall not replace or reduce any existing conservation program." With the addition of this language in conference, the provisions of section 2 that I included in this legislation—before we had conference agreement—are no longer required since their goal has been achieved. When I appeared before the Rules Committee, I requested a self-executing rule which would delete section 2 of chapter 1 from the legislation. That was done by the adoption of the rule.

SUSPENSION OF DEFERRAL AUTHORITY

Also, I would like to call your attention to section 201 of the bill. This is provided as an emergency measure to deal with problems presented by the Chadha decision of the Supreme Court and actions of the administration.

As a temporary measure, the Appropriations Committee has included language which removes the administration's authority to defer future spending under title X of the Budget Act. In effect this suspends the process until something permanent can be worked out under the leadership of the Rules Committee led by Senator PEPPER and the Government Operations Committee led by our good friend, JACK BROOKS. We hope they will come up with the workable solution.

Mr. Chairman, in this bill. We only try to help the farmer. We have not attempted to take over any committee's jurisdiction. We try to turn back to the law which worked and which is still on the books. A law under which the farmer bought land but which he now loses under the new law and current conditions.

We call for a return to last year's requirements to qualify for production loans.

FARM CRISIS

American Agriculture is our biggest industry. Our best and most economic supplier to the consumer is our biggest employer and chief dollar earner in world trade. Farm income of course is volume times price less cost—$V \times P - C$. When you limit both his volume and his price. He cannot hope to cover his cost. The PIK Program, which cost $12 billion, was charged to the farmer, and transferred 11 percent of our production overseas to our competitors and did little to help the farmer other than provide some badly needed cash.

Since World War II, industry and labor's share of the consumer dollar increased from 49 percent to 73 percent under law. The farmers' share during this period, however, has decreased from 51 percent to 27 percent.

Mr. Speaker, today hundreds of thousands of farmers are bankrupt. They are rapidly losing their land, often land that has been in the family for more than a hundred years. More than 120 banks have failed this year and an additional 120 is said to be in danger of closing.

The Farm Credit Administration is on the ropes and is notifying farmers that they must look elsewhere for farm operating loans.

The Federal Land Banks are foreclosing. Banks in rural areas are hesitant to make any new loans.

Less than one-fourth of those who were approved for loans last year have been approved for loans this year.

In many areas we have seen suicides.

FARMERS PAY FOR FOREIGN POLICY

When we look for the cause we see that in 1973, farmers were urged to withhold exports. In 1974, 1975, and 1980, basic farm commodities were embargoed by the Government to punish Russia.

When the grain companies bought from the farmer and our Government refused to let them deliver, we paid the grain companies. But the Government did nothing for the producer and who produced and could not sell his crop. Our country is the only country which has failed to use its authority to make the offering price in world trade competitive. Yet the Commodity Credit Corporation, a $25 billion corporation, was set up to support domestic prices and to retain our foreign markets. Secretary Butz used the private world traders to restore our exports but now our Government will use neither traders or CCC.

Since 1980 we have continued to have our farmers finance our foreign policy, which results in giving their market to our competitors.

Under law, we are making advance deficiency payments because the farmers financial condition is so bad.

In view of present conditions, a big percentage of our production which should be moved into world trade by us will be lost to competitors as was 11 percent under PIK, and we will lose the dollars in export sales we could have made.

PERISHABLE COMMODITIES

Of course, perishables commodities are another matter. There we attempt to purchase the surplus and bring supply and demand into balance. Thereby maintaining a reasonable price for the farmer.

So far as livestock is concerned, under the new law, prices have

dropped by $6 to $8 dollars per hundredweight.

NEED TO RETURN TO OLD LAW

Mr. Chairman, under such conditions we have asked that the old laws which are still on the books be used, where loan rates were tied to costs, where the price was paid by the user, and the surplus moved into world trade at competitive prices.

We ask for a return to last year's requirement for production loans. This would save 75 percent of the borrowers.

Mr. Chairman, we have not attempted to take over any committee's jurisdiction. Conditions of American farmers are so bad that we would be glad to turn to any committee.

FARM PROGRAMS

Several things must be set forth here.

As many of you know, though I am chairman of the full committee, I have served on the subcommittees on Public Works, Defense, and all the rest of the subcommittees. I have, however, retained the chairmanship of the Subcommittee on Agriculture.

I had a meeting yesterday with the leadership on this new budget. Do you know that there is $8 billion or $10 billion in unanticipated spending which has occurred under the new farm bill which puts us in the position of coming out with a budget resolution which may terminate revenue sharing and may cause us not to be able to do many other essential things? We cannot do these things because of the $8 billion or $10 billion that has been paid already out of the Treasury under the new farm bill. I understand those on the Agriculture Committee, who are my friends, are not going to discuss this matter. But let me tell you what has happened under the new farm bill:

The Farmers Home Administration, without being told to by the Congress, or being required by law, is requiring applicants to show a cash-flow. That is, that they can pay all the money they owe, and break even this year under the new farm bill. Farmers Home is turning down nearly all of them because under the farm bill they cannot show that they can make a profit.

FARMER PAYS COST OF FOREIGN POLICY

Not only that, but I had a chance to tell the President of the United States in 1982 and also about 2 months ago that we have had American farmers to pay the cost of our foreign policy. In 1973 they urged us not to export. In 1974, 1975, and 1980, to punish Russia, we had to hold our products off the world markets.

Now, if you bought from the farmer and could not deliver, because of the embargo the Government would pay you, but the poor farmer sat there and incurred indebtedness because the Government refused to reimburse him for his loss. Now under the new farm law and under the administration of it, which is not called for by the law, they are requiring you to show that you can pay all those debts plus make money under the new farm bill. You cannot do it.

May I say, that I have been advised that they are transferring funds in the Department of Agriculture from one activity where they need money over to another where they don't need money so that they can say they have no money.

TRANSFER OF FUNDS

I added in this bill a provision to ask the Congress to give us authority to see that these transfers are proper by allowing us to approve them in advance. What they are doing, as it was reported to me, is defeating a program by transferring all the money out of the program to someplace where it would not be used.

Now, I can understand my friends on the Legislative Committee not wanting to get into this debate. I know that they did the very best they could with all the things they had to contend with. They were lucky to get any bill at all.

I heard the leader on the other side say the President demanded that they have the bill, he said, "We brought him a bill." That is all he said. He did not explain it, brag on it or describe it. That is all he said.

□ 1250

And that is the way it is now.

May I say again I have handled Agriculture as the chairman of the Appropriations subcommittee for many, many years. The old law that I asked them to use provides for the buyer of the product, in basic commodities, to pay the cost. If we had that, we would not have this $8 billion or $10 billion that may keep us from funding revenue sharing. It may knock us out of funding many other programs, because it uses up money that is available to us under the Senate Budget resolution and under the ones that our folks here in the House are thinking about.

So I say to you that we simply ask them when they could to return to the old law where the cost is paid by the user rather than by the Treasury.

Now, should those provisions go out on a point of order, it still does not prevent them from turning to a law that worked and is still on the books. Under the old law, what you did is you provided a loan through the Commodity Credit Corporation at the beginning of the year, where the borrower and lender could see approximately what they would get. That loan, if not paid, the title to the commodities would go to the Commodity Credit Corporation. That corporation was set up for the purpose of exporting our surplus production.

Now, the American farmer cannot pay the present costs and sell in world markets at any price that will return a profit to him. So the law provided that in order to sell in world markets where they do not have the higher labor or production costs, they could sell for what the traffic would bear.

Our records show that we are the only Nation in the world that does not sell what we have and cannot use for what it will bring. That is not a subsidy; that is a discount. And if they had followed that law, we would have billions of dollars from overseas sales, and we could help finance it. Instead of that, we give the farmers a check from the Treasury where they have to compete with the other 97.5 percent of America who don't farm.

So, again, all I did, using my experience, was urge them to return to the old law, under which farmers paid for the land they are now using. Over 100,000 farmers have left. We have had suicides. We have had move-outs. We have over a million acres of land that Farmers Home has foreclosed laying idle under the new law.

I want to repeat again that the man in charge of the lending program is doing this on his own. I do not know of any provision in the law that requires him to do what he is doing. When I checked as to how they were doing this, I found out it was by word of mouth, by telephone and meetings. You will not find any written order.

I am just telling you the farm economy is broken down. The quicker we turn back to the old law where the buyer paid the cost rather than the Treasury, the better off we'll be. The subsidies you see today is going to subsidize the buyer who gets the farm product at below the cost of production. I mention that in self-defense and so that you may know you better help me get the Government to do it. Whether my language stays or not, they should do it, and they know that.

So I want to say again that I did not change any law. I did not recommend that we change any law. I said they should use the law that has been on the books for years.

My friend from Massachusetts helped a whole lot of ways. The gentleman does not hesitate to talk against agriculture when he has a chance. But I notice those on the Agriculture Committee are not saying anything.

May I say again I am as sound as I can be on my own opinion. We are going to face this when we come to dealing with a budget ceiling, because that $8 billion or $10 billion that should have come from the buyer came out of the Treasury, and we are going to rue the day.

CONCLUSION

Mr. Chairman, as always, I appreciate the cooperation of all the members of the committee and the House and I urge your support of the bill.

At this time, I will include a table listing the various items in the supplemental

The table follows:

SUPPLEMENTAL

	Supplemental request	Recommendation	Recommendation compared with request
CHAPTER I			
DEPARTMENT OF AGRICULTURE			
TITLE I			
EMERGENCY FLOOD RELIEF			
Soil Conservation Service			
Watershed and Flood Prevention Operations		25,000,000	+25,000,000
Agricultural Stabilization and Conservation Service			
Emergency Conservation Program		10,000,000	+10,000,000
TITLE II			
AGRICULTURE PROGRAMS			
Food Safety and Inspection Service			
Food Safety and Inspection Service		3,700,000	+3,700,000
Farmers Home Administration			
Rural Housing Insurance Fund: (Deferral disapproval—D86–60)		(700,000,000)	(+700,000,000)
Agricultural Stabilization and Conservation Service			
Salaries and expenses (Transfer from Commodity Credit Corporation)	(71,598,000)	(71,598,000)	
TITLE III			
DOMESTIC FOOD PROGRAMS			
Food and Nutrition Service			
Feeding program for Women, Infants and Children (WIC)		20,000,000	+20,000,000
Commodity Supplemental Food Program			
(Transfer from Commodity Credit Corporation)		(3,950,000	(+3,950,000)
TITLE IV			
Commodity Credit Corporation			
Animal and Plant Health Inspection Service: Citrus Canker (by transfer)		(14,000,000)	(+14,000,000)
Cooperative State Research Service (by transfer)		(5,000,000)	(+5,000,000)
Avian Influenza (by transfer)		(10,000,000)	(+10,000,000)
Total, Chapter I:			
New Budget (obligational) authority		58,700,000	+58,700,000
(By transfer)	(71,598,000	(104,548,000)	(+32,950,000)
CHAPTER II			
DEPARTMENT OF COMMERCE			
Economic Development Administration			
Economic development assistance programs (deferral disapproval—D86–36)		(40,000,000)	(+40,000,000)
DEPARTMENT OF JUSTICE			
Federal Prison System			
Salaries and expenses	10,620,000	15,500,000	+4,880,000
DEPARTMENT OF STATE			
Administration of Foreign Affairs			
Salaries and expenses	237,494,000		−237,494,000
(By transfer)		(237,494,000)	(+237,494,000)
Acquisition and maintenance of buildings abroad	454,532,000		−454,532,000
(By transfer)		(454,532,000)	(+454,532,000)
Counterterrorism research and development	10,000,000		−10,000,000
(By transfer)		(10,000,000)	(+10,000,000)
Total, Administration of Foreign Affairs	702,026,000		−702,026,000
Other			
The Asia Foundation		2,000,000	+2,000,000
Total, Department of State	702,026,000	2,000,000	−700,026,000
THE JUDICIARY			
Supreme Court of the United States			
Care of the buildings and grounds	46,000	46,000	
Courts of Appeals, District Courts, and Other Judicial Services			
Salaries of supporting personnel	1,200,000	1,200,000	
Salaries of supporting personnel (by transfer)	(12,000,000)	(12,000,000)	
Fees of jurors and commissioners	3,800,000	3,800,000	
Study of construction of office building	2,000,000	2,000,000	
Total, Courts of Appeals, District Courts, and Other Judicial Services	7,000,000	7,000,000	
Total, The Judiciary	7,046,000	7,046,000	
RELATED AGENCIES			
Department of Transportation			
Maritime Administration			
Operations and training (deferral disapproval—D86–53)		(9,350,000)	(+9,350,000)

SUPPLEMENTAL—Continued

	Supplemental request	Recommendation	Recommendation compared with request
Board for International Broadcasting			
Grants and expenses	14,500,000	14,500,000	
Small Business Administration			
Salaries and expenses (by transfer)		(2,000,000)	+2,000,000)
Total, Chapter II:			
New budget (obligational) authority	734,192,000	39,046,000	−695,146,000
(By transfer)	(12,000,000)	(714,026,000)	(+703,026,000)
(Deferral disapproval)		(49,350,000)	(+49,350,000)
CHAPTER III			
DEPARTMENT OF DEFENSE—CIVIL			
Department of the Army			
Corps of Engineers—Civil			
Flood control and coastal emergencies		25,000,000	+25,000,000
General expenses (by transfer)	(3,000,000)	(3,000,000)	
Total, Department of Defense—Civil		25,000,000	+25,000,000
DEPARTMENT OF ENERGY			
Energy Supply, Research and Development			
(Deferral disapproval—D86–38)		(23,156,000)	(+23,156,000)
Atomic Energy Defense Activities			
(Transfer from Research, Development, Test, and Evaluation, Defense Agencies)	(62,000,000)	(62,000,000)	
Total, Chapter III:			
New budget, (obligational) authority		25,000,000	+25,000,000
(By transfer)	(65,000,000)	(65,000,000)	
(Deferral disapproval)		(23,156,000)	(+23,156,000)
CHAPTER IV			
FOREIGN ASSISTANCE AND RELATED PROGRAMS			
Bilateral Economic Assistance			
Agency for International Development			
Economic support fund		(50,000,000)	(50,000,000)
CHAPTER V			
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
HOUSING PROGRAMS			
Annual contributions for assisted housing (deferral disapproval—D86–41)		(2,722,876,000)	(+2,722,876,000)
Housing for the elderly or handicapped fund (deferral disapproval—D86–45)		(599,801,000)	(+599,801,000)
Nonprofit sponsor assistance (deferral disapproval—D86–46)	(500,000)	(500,000)	(+500,000)
COMMUNITY PLANNING AND DEVELOPMENT			
Community development grants (deferral disapproval—D86–48)		(500,000,000)	(500,000,000)
Rehabilitation loan fund (deferral disapproval—D86–50)		(131,133,000)	(+131,133,000)
MANAGEMENT AND ADMINISTRATION			
Salaries and expenses (by transfer)		(23,701,000)	(+23,701,000)
INDEPENDENT AGENCIES			
AMERICAN BATTLE MONUMENTS COMMISSION			
Salaries and expenses	235,000	1,533,000	+1,318,000
ENVIRONMENTAL PROTECTION AGENCY			
Salaries and expenses (by transfer)		(3,000,000)	(+3,000,000)
Hazardous substance response trust fund (repayable advance)		(150,000,000)	(+150,000,000)
FEDERAL EMERGENCY MANAGEMENT AGENCY			
Disaster relief	250,000,000	250,000,000	
Salaries and expenses (by transfer)		(2,920,000)	(+2,920,000)
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION			
Research and program management (by transfer)		(38,100,000)	(+38,100,000)
VETERANS ADMINISTRATION			
Compensation and pensions	272,000,000	272,000,000	
Readjustment benefits	91,000,000	91,000,000	
Medical care (by transfer)		(30,000,000	(+30,000,000)
General operating expenses (by transfer)		(6,000,000)	(+6,000,000)
Veterans job training (by transfer)		(35,000,000)	(+35,000,000)
Total, Veterans Administration	363,000,000	(363,000,000)	
CORPORATIONS			
Federal Home Loan Bank Board: (Limitation on administrative expenses, corporate funds)	(3,429,000)	(3,429,000	
Total, Chapter V:			
New budget (obligational) authority	613,235,000	614,553,000	+1,318,000
(Limitation on administrative expenses, corporate funds)	(3,429,000)	(3,429,000)	
(Deferral disapproval)		(3,954,310,000)	(+3,954,310,000)
CHAPTER VI			
DEPARTMENT OF THE INTERIOR			
Bureau of Land Management			
Land acquisition (effect of new deferral) [1]		(−3,000,000)	(−3,000,000)
United States Fish and Wildlife Service			
Resource management		90,000	+90,000

SUPPLEMENTAL—Continued

	Supplemental request	Recommendation	Recommendation compared with request
Land acquisition (effect of new deferral) [1]		(−4,432,000)	(−4,432,000)
National Park Service			
Operation of the national park system	13,470,000	13,900,000	+430,000
Land and water conservation fund (rescission of contract authority)	(−28,710,000)	(−28,710,000)	(−28,710,000)
Minerals Management Service			
Leasing and royalty management		800,000	+800,000
Payments to States from receipts under Mineral Leasing	800,000		−800,000
Office of Surface Mining Reclamation and Enforcement			
Regulation and technology (rescission)		−710,000	−710,000
Bureau of Indian Affairs			
Operation of Indian programs	26,500,000	31,368,000	+4,868,000
Territorial and International Affairs			
Compact of Free Association	178,750,000	178,750,000	
Total, Department of the Interior (net)	219,520,000	195,488,000	−24,032,000
RELATED AGENCIES			
DEPARTMENT OF AGRICULTURE			
Forest Service			
State and private forestry		161,000	+161,000
National forest system	165,700,000	165,700,000	
Land acquisition		4,436,000	+4,436,000
Timber salvage sales (deferral disapproval—D86–3)		(3,153,000)	(+3,153,000)
Total, Forest Service	165,700,000	170,297,000	+4,597,000
DEPARTMENT OF ENERGY			
Fossil energy research and development (deferral disapproval—D86–6A)		(62,205,000)	(+62,205,000)
Energy conservation (deferral disapproval—D86–9A)		(36,782,000)	(+36,782,000)
Strategic petroleum reserve (deferral disapproval—D86–37)		(197,940,825)	(+197,940,825)
SPR petroleum account (deferral disapproval—D86–10A)		(315,000,000)	(+315,000,000)
DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Health Resources and Services Administration			
Indian health services		20,000,000	+20,000,000
SMITHSONIAN INSTITUTION			
National Gallery of Art			
Salaries and expenses (by transfer)		(136,000)	(+136,000)
Total, Chapter VI:			
New budget (obligational) authority (net)	385,220,000	385,785,000	+565,000
Appropriations	(385,220,000)	(415,205,000)	(+29,985,000)
Rescissions	(−28,710,000)	(−29,420,000)	(−29,420,000)
(By transfer)		(136,000)	(+136,000)
(Deferral disapproval)		(615,080,825)	(+615,080,825)
CHAPTER VII			
DEPARTMENT OF EDUCATION			
Impact Aid		20,000,000	+20,000,000
Total, Chapter VII: New budget (obligational) authority		20,000,000	+20,000,000
CHAPTER VIII			
LEGISLATIVE BRANCH			
HOUSE OF REPRESENTATIVES			
Contingent Expenses of the House			
Standing Committees, Special and Select			
Salaries and expenses	350,000	350,000	
JOINT ITEMS			
Contingent Expenses of the House			
Joint Committee on Taxation	950,000	912,000	−38,000
Official Mail Costs			
Expenses	50,499,000	42,249,000	−8,250,000
Total, Joint items	51,449,000	43,161,000	−8,288,000
ARCHITECT OF THE CAPITOL			
Capitol Buildings and Grounds			
Capitol buildings	8,000,000	8,000,000	
Capitol Power Plant	2,000,000	1,583,000	−417,000
Total, Capitol buildings and grounds	10,000,000	9,583,000	−417,000
Total, Chapter VIII: New budget (obligational) authority	61,799,000	53,094,000	−8,705,000
CHAPTER IX			
DEPARTMENT OF TRANSPORTATION			
Coast Guard			
Operating expense		35,500,000	+35,500,000
Federal Aviation Administration			
Operations		80,000,000	+80,000,000
(By transfer)		(5,000,000)	(+5,000,000)

SUPPLEMENTAL—Continued

	Supplemental request	Recommendation	Recommendation compared with request
RELATED AGENCY			
Panama Canal Commission			
Operating expenses		20,000,000	+20,000,000
Total, Chapter IX:			
New budget (obligational) authority		135,500,000	+135,500,000
(By transfer)		(5,000,000)	(+5,000,000)
CHAPTER X			
DEPARTMENT OF THE TREASURY			
Internal Revenue Service:			
Processing tax returns	194,564,000	194,564,000	
Examinations and appeals	68,706,000	68,706,000	
Investigations, collections and taxpayer service	76,730,000	76,730,000	
Total, Internal Revenue Service	340,000,000	340,000,000	
United States Customs Service			
Salaries and expenses		30,831,000	+30,831,000
Operations and maintenance, air interdiction program		3,225,000	+3,225,000
Total, United States Customs Service		34,056,000	+34,056,000
Total, Chapter X: New budget (obligational) authority	340,000,000	374,056,000	+34,056,000
Total—New budget (obligational) authority	2,134,446,000	1,705,734,000	−428,712,000
Appropriations	(2,134,446,000)	(1,737,154,000)	(−397,292,000)
Rescissions	(−28,710,000)	(−29,420,000)	(−29,420,000)
(Deferral disapproval)		(5,341,896,825)	(+5,341,896,825)
(Effect of new deferral)		(−7,432,000)	(−7,432,000)
(By transfer)	(148,598,000)	(1,027,431,000)	(+878,833,000)
(Limitation on administrative expenses, corporate funds)	(3,429,000)	(3,429,000)	

[1] Originally proposed as rescission.

Mr. CONTE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I have some good news and some bad news. The good news is that this bill contains funding for a number of essential programs and Government activities, for which funding is in fact urgently needed. Those include IRS enforcement and processing activities; FEMA disaster relief; FAA air traffic control; Veterans' Administration benefits; Coast Guard operations; and security of our embassies overseas.

The bad news is that the bill also contains so much nonurgent funding that it is going to drag down the truly necessary programs right into the mud. And once we finish wallowing in that mud, it is going to be very difficult to get ourselves cleaned up enough in conference to get this bill signed. Unfortunately, this is not a "good news, bad news" joke. It is the current reality.

Mr. Chairman, I can understand the mood of my colleagues, and their desire to attach things to this bill.

I hate to say "I told you so," but what we are seeing is the reaction to the grip of Gramm-Rudman—a grip that my colleagues got into because they couldn't face up to making the hard choices and cuts.

Mr. Chairman, a large number of these supplemental items are simply restorations of Gramm-Rudman cuts. Oh, they may be dressed up a bit in terms of language about "new needs for additional funding." But when you get right down to it, we are talking Gramm-Rudman.

That part doesn't bother me, although it will be tough in the other body, where offsetting reductions will have to take place. There are a lot of programs where the Gramm-Rudman-Hollings cuts are disastrous and should be restored.

Take the Internal Revenue Service funding, for example. If the $340 million supplemental is further delayed or not approved, the IRS will face an unprecedented funding crisis. Thousands of workers will be let go. Computer services will be curtailed, and tax return processing paralyzed. By September, if the total amount is not available, the IRS will furlough 77,000 permanent employees.

Thanks to a Gramm-Rudman cut and an unwise Presidential veto of the Treasury bill, this funding shortfall will cost over $3.5 billion in lost revenue. That's the legacy of Gramm-Rudman.

How much better it would have been to have made the necessary cuts elsewhere in the first place, and avoid the need for across-the-board cuts.

Here we are, 3 weeks after the American taxpayers have checked their addition one last time and dropped their envelopes at the post office, in the annual taxpaying ritual. I hope they don't hold their breaths waiting for refund checks.

We have missed the deadline for completion of the budget resolution, under the new Gramm-Rudman schedule. In fact, a budget resolution hasn't even been reported from the House Budget Committee. Where is it?

Given the lack of direction on next year's budget, it is hard to blame people who want to tack their provisions on what may be the last train before the next Gramm-Rudman cuts. That is why we have a rewrite of the farm bill here, legislation that could add another $17 billion to the current cost of agricultural programs, and raise the domestic market price for wheat and cotton by 50 percent.

I am pleased that the rule does not waive points of order against that language, and I expect that before too long we will have it stricken from the bill.

Mr. Chairman, the administration is strongly opposed to the bill in its present form. Efforts will be made later in this process to try to clean it up. But it is clearly veto bait.

I will just say that I hate to see the really important and urgent things being tied up and bogged down by the rest of this package.

AGRICULTURE, RURAL DEVELOPMENT AND RELATED AGENCIES

Chapter I of this urgent supplemental contains $58.7 million in new budget authority, $100,598,000 in program transfers and the denial of a $700 million deferral proposed by the President for rural housing programs at the Farmers Home Administration. The bill also contains a substantial amount of legislative language limiting the Secretary of Agriculture's authority to transfer funds, requiring a report on contaminated milk and milk products, returning funds previously transferred from the Commodity Supplemental Food Program and language which I strongly oppose that attempts to completely rewrite the 1985 farm bill.

Among the increases recommended in this bill are $25 million for the watershed and flood prevention operations account of the Soil

Conservation Service and $10 million for the Emergency Conservation Program of the Agricultural Stabilization and Conservation Service. These funds are intended to provide emergency flood relief to several Western States.

The administration opposes these increases as being unnecessary. OMB has stated that $26 million in existing funds have been made available to meet all requests for the repair of conservation structures damaged by flooding, and notes that funds provided in other sections of the bill—including $25 million for the Army Corps of Engineers and $250 million for FEMA's disaster relief account—can be made available to meet any future needs.

Our committee has recommended an increase of $3.7 million for the Food Safety and Inspection Service. While no formal request for this supplemental was submitted, the administration has not indicated opposition to this increase. The FSIS has estimated that, without additional funds for inspections, a 3-day furlough of all employees will be required. It is our intention that these supplemental funds be used to avoid such a furlough and maintain our Federal requirements for meat and poultry inspections. I would point out to my colleagues that our committee has been concerned about the ability of FSIS to meet these requirements since last December.

During consideration of the continuing resolution, we added $5.735 million for inspection activities subject to the receipt of a budget request. No request has yet been received, but the service has attempted to absorb that shortfall in addition to the $15.6 million sequestered on March 1.

For the Special Supplemental Feeding Program for Women, Infants and Children, our committee has recommended an increase of $20 million. As my colleagues are aware, there is no fiscal year 1986 authorization in place for the WIC Program. We have provided this supplemental in order to meet a projected shortfall in fiscal year 1986 program costs, and intend that these funds be expended in accordance with the current allocation formula. I consider this to be one of the most valuable, cost-effective federally funded programs assisting women and children at nutritional risk, and support this supplemental. The administration, however, has expressed opposition to any increase over the $1.56 billion provided to date.

Among the program transfers recommended in this bill is $71,598,000 for salaries and expenses at ASCS from the Commodity Credit Corporation. This was a request of the administration and is intended to alleviate the increased workload of county offices involving loanmaking and the implementation of the 1985 farm bill. We have also recommended a transfer of $5 million from the CCC for the development of an international trade center at Oklahoma State University. The administration has not expressed any opposition to this transfer.

Our committee bill includes $14 million by transfer from the CCC to the Animal and Plant Health Inspection Service for citrus canker indemnity payments and for the ongoing canker eradication program. I strongly support this transfer for it is intended to meet our cost-sharing commitments to the State of Florida and the growers whose crops have been devastated by the canker outbreak. We have also included language restoring funds previously transferred from other USDA accounts.

For the benefit of my colleagues, I will note that the administration opposes this transfer as well as the $10 million which we have provided for the control and eradication of avian influenza by transfer from the CCC.

Chapter 1 also includes legislative language limiting transfers of funds by the Secretary of Agriculture unless such transfers are provided in advance in appropriations acts. The administration opposes this provision as being unnecessarily restrictive on the Secretary's authority to respond to emergencies. It is my hope that the Congress and the Department will be able to work out a mutually satisfactory agreement on this issue of transfers during further consideration of this bill, and I look forward to working with the Secretary to ensure that all concerns are fully addressed.

The bill directs the Secretary to immediately conduct a study of the reports of contaminated milk and milk products in Oklahoma, Arkansas, and Missouri.

The Secretary has already sent a task force out to these areas, and the President has submitted a supplemental of $6 million for the dairy indemnity program to be offset by reductions from Farmers Home rural housing programs. In addition to the request for a report, it is my understanding that an amendment will be offered to provide $10 million in new BA for the indemnity program specifically related to the finding of the pesticide heptachlor in dairy cows as well as humans in this tristate area.

This supplemental appropriations bill also contains language directing the Secretary to return $3.95 million in funds transferred to the CCC from the Commodity Supplemental Food Program. This transfer was made to partially reimburse the CCC for food items provided to the CSFP Program. USDA has expressed opposition to this language and explains that the transfer was made in an effort to reduce outlays from the CCC and insure that nonentitlement programs operate within appropriated levels without supplementing funds from the CCC.

With regard to the $700 million deferral of rural housing funds at the Farmers Home Administration, I am pleased to note that our committee has included language disapproving this action. This Congress has already agreed to a significant reduction in rural housing funds. A deferral of this magnitude would effectively terminate the FmHA programs halfway through the fiscal year. I believe that the restoration of these funds is critical to a number of families and rural communities without any other means to secure loans for the construction of safe, decent and affordable housing. I hope that these funds will soon become available for obligation so that those approved projects in the pipeline for fiscal year 1986 will receive FmHA loans in accordance with commitments made by the Congress and the administration last December.

In addition to the supplementals, transfers, limitations and deferral disapprovals, chapter I of this urgent supplemental appropriations bill also contains several legislative provisions that I strongly oppose. I would like to point out that this language is an attempt to completely rewrite the 1985 farm bill which we passed less than 6 months ago. This language is controversial; it is opposed not only by the administration, but by the chairman, ranking member, and a vast majority of our own Agriculture Committee.

I intend to raise the appropriate points of order on each of these provisions so that we can pare this bill down to its more critical and essential elements.

THE DIPLOMATIC SECURITY SUPPLEMENTAL AND THE LIBYAN THREAT

Mr. Chairman, I want to relay to our colleagues an urgent plea from the Secretary of State in regard to the diplomatic security funds in this bill.

In the Secretary's opinion, there is no higher priority in this bill than those funds. Colonel Qadhafi is reported to have targeted 30 of our Embassies for terrorist attack. This is an actual threat, according to our intelligence agencies.

Through one of his aides, the Secretary this afternoon strongly urged the Congress not to tie up the funds for the first year of the security improvement package. This first year will fund some of the most critical projects, including those in Jordan, Kuwait, Yemen, Oman, Bahrain, Qatar, Djibouti, Somalia, Sudan, and Tunisia.

While some of us have expressed reservations about some of the later projects recommended in the Inman report of diplomatic security, the funds in this supplemental are intended for the highest priority, highest threat posts abroad.

We all know this bill has many problems. I suggest, Mr. Chairman, that if this bill gets bogged down, that some vehicle be found to fund essential protection for U.S. personnel and interests in the Middle East and the Persian Gulf. Even if we have to do it in a separate bill, a way should be found to support this critical effort. We cannot prevent all acts of terrorism against us, but we must do all we can.

ENERGY AND WATER DEVELOPMENT

Within the energy and water development section of the supplemental, $25 million has been included for flood control and coastal emergencies of the Corps of Engineers. This amount will replenish the emergency fund and provide for anticipated spring flooding emergencies.

The supplemental provides for a disapproval of proposed deferrals for solar and renewable energy initiatives. These initiatives were included in the fiscal year 1986 energy and water development bill, and are an integral part of our national energy program.

Finally, the supplemental provides for a transfer of $62 million from the Department of Defense to the Department of Energy, to accelerate research and development related to the strategic defense initiative. These funds are not to be available until 30 days after the Committees on Appropriations have received a list of the specific sources of the funds to be used for this purpose.

HUD-INDEPENDENT AGENCIES

Chapter V of this urgent supplemental appropriations bill contains $614,553,000 in new

supplemental budget authority, $138,721,000 in program transfers, a $3,429,000 increase in limitation on administrative expenses and the denial of over $3.95 billion in deferrals requested for five housing and community development programs. We have also included language on the Superfund Program which is no longer necessary because of the enactment of House Joint Resolution 573 earlier last month; I understand that an amendment will be offered to strike this language later on today.

I am pleased that our committee, with my strong support, has taken action to deny the President's deferrals relating to the Department of Housing and Urban Development. It is our intention that $2.7 billion for assisted housing, $599.8 million for section 202, $500,000 for nonprofit sponsor assistance, $500 million for community development block grants and $133.1 million for the rehabilitation loan fund be made available in the near future.

I believe that our action is responsible and that it affirms the commitments which we made last November to our struggling communities, low-income families, and to our elderly and handicapped citizens in need of safe, decent, and affordable housing. I hope for the support of my colleagues on this language so that we can get these funds released to meet our fiscal year 1986 commitments.

Our committee has also recommended a number of internal transfers to the salaries and expenses accounts to permit, within the overall 4.3 percent reductions required by Gramm-Rudman, some adjustments to avoid agency furloughs and reductions-in-force. Among these transfers are $23,701,000 from various Federal Housing Administration funds and from the assets of the section 312 revolving fund to the salaries and expenses account at HUD; $3,000,000 from EPA's research and development account to salaries and expenses; $2,920,000 from FEMA's emergency management planning and assistance account for salaries and expenses; $38,100,000 from NASA's research and development and space flight control and data communications account to research and program management; and $6,000,000 from the VA's minor construction projects account to general operating expenses.

We have also recommended the transfer of $30,000,000 from VA's major construction projects account to medical care so that the VA will maintain the 193,941 FTEE staffing level authorized in the fiscal year 1986 Appropriations Act. And we have recommended the transfer of $35,000,000 from the VA's minor construction projects account for the Veterans Job Training Program.

We have recommended several supplementals requested by the administration. These include: $250,000,000 for FEMA's disaster relief account; $272,000,000 for VA compensation and payments; $91 million for VA readjustment benefits; $1,553,000 for salaries and expenses of the American Battle Monuments Commission; and a $3,429 million increase in the limitation on administrative expenses of the Federal Home Loan Bank Board.

For the record, I will point out that the administration has expressed opposition to the transfers which we have recommended for VA medical care, general operating expenses, and veterans job training. In its statement of administration policy dated April 15, the Office of Management and Budget points out that the transfers from the construction project accounts at the VA will have to be restored in order to maintain planned program levels; that the addition of fiscal year 1986 funds by transfer to medical care and general operating expenses accounts runs counter to the Gramm-Rudman-Hollings reductions; and that the Veterans Job Training Program has not used the $17 million in funds made available in 1983.

I support the recommendations of our committee for this chapter, and urge the support of my colleagues as well.

CHAPTER VI—INTERIOR AND RELATED AGENCIES

Aside from the Energy Department program deferrals, none of the supplemental items in this Interior chapter can be considered urgent.

Although not urgent, this chapter does contain many of the program supplementals requested by the administration. The Interior chapter contains $385,220,000 in program supplementals requested by the President. The committee added only $29.9 million to this amount, and most of this increase is to restore the Indian Health Service funding to the fiscal year 1985 level.

The supplementals, however, are not the major problem with this chapter. This bill overturns approximately $612 million of the $876 million proposed for deferral by the administration. This amount includes $315 million in oil acquisition funds for the strategic petroleum reserve and $198 million for the construction of SPR storage facilities. This bill also overturns $62.2 million of the $64.8 million proposed for deferral in the Fossil Energy R&D Program.

These deferral proposals do have some sense of urgency. In fossil energy, for example, the Department—on two occasions—has imposed unilateral deadlines on congressional action to overturn the proposed deferrals. In effect, unless there is positive action by Congress by a date certain, contracts will be abrogated and projects will be terminated. This process is extremely disruptive not only for the Department but for many of the private company sponsors that are forced to put research projects on hold until the deferral question is resolved.

Besides the deferrals, the administration has noticed that practically none of the proposed rescissions were adopted by the committee. This bill contains only $29.4 million in rescissions out of $189 million proposed, and almost all of this amount is rescinded contract authority for Park Service land acquisition.

The bill also contains several provisions regarding the interior chapter. Language was included to reauthorize the Cape Cod National Seashore Commission to restrict the transfer authority of the Secretary of Agriculture and to prohibit the closure of the National Park Service regional office in Seattle, WA.

CHAPTER VI—INTERIOR AND RELATED AGENCIES

UNREQUESTED ADD-ONS BY THE COMMITTEE

U.S. Fish and Wildlife Service	$90,000
NPS—western Pennsylvania survey	430,000
BIA—G/R/H restoration for social services programs	4,868,000
Forest Service, State and private forestry (spraying in NM)	161,000
Land acquisition—Lake Tahoe	4,436,000
Indian Health Service—restoration to fiscal year 1985 level	20,000,000
Total add-ons	29,985,000
Fiscal year 1986 deferrals:	
Deferrals proposed	$876,316,000
Deferrals overturned	611,927,000
Fiscal year 1986 rescissions:	
Rescissions proposed	189,028,000
Rescissions recommended	29,420,000

LABOR/HHS/EDUCATION

The bill also includes $20 million for the Impact Aid Disaster Assistance Program, together with three provisions to correct problems in other sections of the Impact Aid Program. One of those provisions corrects the Education Department's recent action to collect small overpayments made to school districts over 8 years ago. The Department is only now seeking to collect these overpayments, and their actions represent a sudden and significant burden to these districts.

Accordingly, the committee has included a provision limiting the Department's collection procedures to offsets of future impact aid payments to these school districts, and restricting those eligible for this provision to schools owing less than $5,000. While very few schools are involved, and the dollar impact is minimal, if at all, to allow the Department's present procedures to continue would represent an unfair and unnecessary burden to these schools.

LEGISLATIVE BRANCH

Mr. Chairman, the major issue concerning the legislative branch in this supplemental bill was stricken from the bill by the adoption of the rule. That issue was how Congress is going to deal with the burgeoning problem of our official mail costs.

In an effort to stimulate debate and hopefully action on this problem, the chairman formed an ad hoc committee last year. That committee came up with seven reform proposals on mailing practices for the House of Representatives. Those proposals were included in the committee-reported bill, along with a supplemental appropriation of $42.2 million to cover the most conservative estimate of the fiscal year 1986 shortfall in our payments to the U.S. Postal Service.

It was estimated that those seven reform proposals would save about $8.75 million over the remainder of this fiscal year. The changes dealt with using the 9-digit ZIP Code, more presorting, sending calendars and yearbooks at cheaper rates, cutting the number of newsletters sent out by members from six to four per year, closer screening or self-generated first class mailings of 500 or more pieces, and limiting the number of town meeting notices for the rest of this year.

Due to the intensifying heat generated by these proposals, the kitchen has now been abandoned; the entire package was dropped with the adoption of the rule on the bill. This type of self-executing rule is used rarely, but in this case it merely put off to another day the reckoning of increasing mail costs.

I urge the committees with primary jurisdiction over mailing practices, that is the Rules Committee, the House Administration Committee, and the Franking Commission, to address this problem before we run out of money to pay the Postal Service. It is estimated that funds will run out in May or June. I don't know about you, but I would not look forward to sending out my newsletters postage due. Or the alternative might be a press conference by the Postmaster General to announce a general increase in first class mail rates to make up for the congressional shortfall.

There is one thing I have learned in looking into this situation: There is no dependable information available about what the problem is, let alone what the solution might be. We don't know what types of mail are most at fault or who the abusers might be because no data are available. There are not even any firm estimates as to how much of a shortfall we will have this year. The best we could come up with is the $42.2 million we had in the bill before the rule knocked it out.

So again I urge the committees with jurisdiction to get cracking. This is not a problem which will go away by itself.

TRANSPORTATION

The transportation and related agencies section of the supplemental contains three funding items. First, $35.5 million is included for Coast Guard operating expenses. These funds are needed to permit the continuation of high-priority drug interdiction, coastal defense, and search and rescue operations. In addition, these funds will permit environmental and fisheries enforcement activities that had been downgraded in light of recent budgetary difficulties to be restored.

The bill also contains $85 million for the operations of the Federal Aviation Administration. These funds are required for the continued safe and efficient operation and maintenance of the air traffic control and air navigation systems. These funds will prevent a furlough of FAA employees that would otherwise occur in the near future, and will permit an increase in the air traffic controller staff to 14,806 positions as directed by the Congress last December.

Finally, the bill includes $20 million for Panama Canal Commission operating expenses. Since these funds are derived from the tolls collected from ships using the Panama Canal, this item has no budgetary impact. This supplemental is necessary in order to prevent a windfall payment to the Republic of Panama.

CHAPTER X—TREASURY—POSTAL SERVICE—GENERAL GOVERNMENT

Chapter X contains the most urgent aspect of this supplemental: $340 million for the Internal Revenue Service. Without these funds, the Service estimates that authority to spend will be exhausted in August and the administration has already taken steps to curtail services because the funding is delayed.

Just last week, Secretary Baker wrote to me describing the urgency of the eminent funding crisis. The Treasury also enclosed a contingency plan in the event these funds are further delayed or not approved. If you thought the processing disaster of last year was bad, listen to this scenario: this month, 6,000 temporary employees will be released and a hiring freeze imposed on the direct revenue producing programs. In July, 12,000 service center employees will be let go, and in September, the IRS would have to furlough 77,000 permanent employees. Delayed refunds won't be the only result of this delay. It's going to cost money—a lot of money. The total revenue loss due to this funding shortfall is "estimated to be in excess of $3.5 billion." That's $3.5 billion added right to the deficit.

I will submit for the RECORD a copy of Secretary Baker's letter and attachment outlining the IRS contingency plan.

Today we are facing a serious threat to the integrity of our voluntary tax system. The processing delays over the past year, along with decreased enforcement activity, have eroded the public confidence in the tax system. And this erosion has a big price tag: A 1-percent drop in voluntary compliance results in a revenue loss of almost $6 billion. In addition, the underground economy and tax evaders cost the Federal Treasury over $100 billion annually.

This $340 million supplemental will provide 6,950 FTE, along with computer services, to revitalize tax return processing, to improve taxpayer service and to strengthen enforcement. The IRS estimates that these additional resources will protect an extra $1 billion in revenue.

This request is urgent now. It's vital for a smooth running IRS, an agency that collects 90 percent of Federal revenue. The administration recognizes this urgency, and for the RECORD, I will insert a copy of a letter I received from Deputy OMB Director Joe Wright asking for speedy consideration of this request.

This chapter also contains $30.8 million for Customs Service "salaries and expenses" to restore the Gramm-Rudman fiscal year 1986 cut and another $3.2 million to restore the air program reduction. As expected, the administration considers these unrequested increases "highly objectionable".

The administration also objects to several language provisions included in this bill. Concerning the Customs Service, the bill prohibits the implementation of single 8-hour shifts at airports and establishes a 14,941-FTE floor for authorized personnel. In the general provision title, language was included to block OPM regulations governing eligibility for the Combined Federal Campaign.

THE SECRETARY OF THE TREASURY,
Washington, April 30, 1986.

Hon. SILVIO CONTE,
Ranking Minority Member, Committee on Appropriations, House of Representatives, Washington, DC.

DEAR SIL: Timely approval of the Fiscal Year 1986 IRS supplemental is essential to maintain current revenue production and the long-term integrity of the tax administration system.

The Administration strongly opposes H.R. 4515 in its present form because of unnecessary add-ons and certain language provisions. I hope that appropriate action will be taken to address the Administration's concerns about H.R. 4515, so that urgently needed funding, such as for the IRS, may be signed by the President in the near future.

If Congress does not approve the President's request for the IRS supplemental funding, or includes it in an unacceptable vehicle such as H.R. 4515 in its present form, the IRS will experience a funding crisis. Because IRS took dramatic management measures early in the filing season to ensure smooth processing, IRS may have to take drastic actions such as those outlined in the attachment, including severe staff impacts.

The IRS has not violated its appropriations. Instead, when the IRS funding situation became critical, the IRS had no choice but to request a deficiency apportionment, which OMB approved. Hiring for frontline activities has already been frozen and low priority expenditures sharply reduced. Little flexibility remains. Additional reductions must come out of revenue-sensitive operations. Total revenue loss from these actions over Fiscal Years 1986 and 1987 is estimated to be in excess of $3.5 billion.

I strongly urge your support for timely passage of the IRS supplemental request.

Sincerely,

JAMES A. BAKER III.

POSSIBLE IRS ACTIONS

The following are measures the IRS may have to take if supplemental appropriations are delayed or not approved. The total revenue loss from these measures over fiscal years 1986 and 1987 is estimated to be in excess of $3.5 billion. In addition, cancellation of ADP acquisitions will severely hamper IRS modernization initiatives, and massive furloughs will have a harmful effect on both IRS morale and its ability to perform its critical mission.

May 1, 1986: Eliminate all but returns processing overtime; defer acquisition of office equipment, supplies, and services; freeze hiring in direct revenue-producing programs (examination and collection) and in taxpayer service; reduce ADP acquisitions; reduce travel and training by 50 percent; and release 6,000 temporary employees in examination, collection, and taxpayer service.

July 1, 1986: Freeze permanent hiring, stop all overtime, and release 12,000 employees in service centers; cancel all remaining ADP acquisitions; and cancel all remaining travel and training.

September, 1986: Furlough 77,000 permanent IRS employees in service centers, collection, examination, appeals and litigation, and executive direction.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, March 13, 1986.

Hon. SILVIO O. CONTE,
Ranking Minority Member, Committee on Appropriations, House of Representatives, Washington, DC.

DEAR SIR: I am writing to reiterate the Administration's support for the $340 million in supplemental funds for the Internal Revenue Service (IRS) requested in the President's budget, and to urge quick action by the Committee.

Additional staff and computer resources are urgently needed to prepare for the rapidly approaching peak filing period and to ensure that the 1986 filing season runs smoothly. These resources are important to restoring the public's confidence in the ability of the IRS to process tax returns in a timely and accurate manner.

I am also seeking your support for funds to allow advance hiring of auditors and tax litigation and appeals staff in preparation for initiatives in these areas in 1987. Because of the high priority that must be

given to service center operations this year, any reductions from the requested amounts will directly affect these and other enforcement programs and could result in significant revenue loss.

The Administration fully supports this supplemental and seeks your assistance in speedy passage of the full $340 million requested. I appreciate your support and cooperation.

Sincerely,

JOSEPH R. WRIGHT, Jr.,
Deputy Director.

□ 1300

Mr. WHITTEN. Mr. Chairman, I yield 6 minutes to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, the Interior portion of this bill which has been brought to the floor contains deferrals totaling $615 million, two rescissions totaling $29,420,000, and appropriations totaling $415,205,000.

As has already been indicated in the debate that has taken place under the rule, one of the critical debates that will take place will be on the question of deferrals. The deferrals that were made by the administration on appropriations in this bill, although they were labeled "deferrals" by the administration, have all the characteristics of rescissions—and let me tell you why:

Specifically, the deferrals being overturned are in fossil energy research and development, energy conservation and the strategic petroleum reserve.

At first, the Department of Energy said it would terminate these programs which are labeled "deferrals," terminate them on March 21. Now the Department has, in response to requests that we have made, indicated it will wait until May 20.

Under the law, the proper procedure for terminating these programs is the rescission process. It was never envisioned that the deferral process would be used to terminate programs, and in order to undo what the administration has done in designating these as deferrals, we must have an entire appropriation process again for the appropriations that are the subject of the administration's so-called deferrals.

Important in this, Mr. Chairman, is the so-called Chadha decision of the Supreme Court.

Prior to the Chadha decision, either House of the Congress, under the Budget Impoundment Act, had the power to overturn a deferral made by the administration. The Chadha decision changed that, saying that in order for the Congress to overturn a deferral, it now required the approval of both Houses of Congress and also the signature of the President. This is totally uncalled for under the original law, totally unprecedented.

It is for that reason, Mr. Chairman, that I propose now to refer to the original law to show what was intended.

The original act which was passed in the House on July 24, 1973, turned upon the question not as to whether or not there ought to be any vetoes by one House, two Houses, and signature by the President, but only on the question as to whether or not the action by the Congress in overturning the deferral should be by one House or two Houses. On that question, the vote before the House was 205 to 206. By one vote, the House and subsequently the Congress approved a one-House veto for overturning deferrals.

In respect to this, I go back to the statements made by Senator Ervin of North Carolina, who was on the Government Operations Committee at that time. This is what he said. I should like to invite the attention of my friend, the gentleman from Texas [Mr. ARMEY], on this point that I made throughout the debate during the rule, on the question of being able to carry out what the administration wants to carry out under the antideficiency law by reserving for reasons other than policy but on good management, the use of the antideficiency law.

This is what Senator Ervin said at that time, and it appears in the report of the staff of the Committee on Government Operations, U.S. Senate, on Public Law 93-344, page 1990. This is what Senator Ervin said:

> The impoundment title is based on the assumption that the President has no power under the Constitution to impound lawfully appropriated funds in the absence of a delegation of such authority by the Congress. However, it recognizes that there are times when the proper exercise of the executive function might make the deferral or rescission of budget authority the best public policy.

It does that with three types of executive actions, and places restrictions on all of them.

> First, it retains the Senate's modification to the Antideficiency Act which provides for routine reservations of budget authority "solely to provide for contingencies, or to effect savings whenever savings are made possible by or through changes in requirements or greater efficiency of operations."

That is now possible under the law as it now exists. It is not changes by my amendment at all. That is now the law. And I suggest to the gentleman from Texas that, in order for the Congress to overturn a deferral under the Antideficiency Act, we have to go through the same process that is required now under the Chadha decision. You have to have a resolution that is passed by both Houses and a signature by the President in order for that deferral to be overturned rather than by one House or by two Houses, as was originally contemplated.

Then Senator Ervin says this:

> Second, it requires the President to request the rescission of all or part of an appropriation which he determines is unnecessary to carry out the full objectives and scope of a program or which should not be obligated for fiscal policy or other reasons, including the termination of programs.

In other words on policy questions, not deferrals, rescissions, he says.

In that case, when there is a policy question that is involved, the President should use the rescission process, not the deferral process. The deferrals sent down by the administration in connection with the Interior part of the bill were based on policy determinations and were called deferrals.

> Third, it delegates to the President a limited authority to defer the obligation of budget authority for a period not to exceed the expiration of the fiscal year in which they are deferred.
>
> * * * * *
>
> If either House passes a resolution of disapproval at any time, the President is thereby required to make the budget authority available for obligation.

So my amendment carries out the interpretation of Congress as shown by Senator Ervin, who, as the gentleman knows well, was no flaming liberal. He was a good constitutional lawyer. He points out the methods under which you can do it.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. YATES] has expired.

Mr. MYERS of Indiana. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. YATES].

Mr. YATES. I thank the gentleman for the 2 additional minutes.

So the law, as it will stand, I will point out to the gentleman from Texas, if my amendment passes, is the law that I think the gentleman wants. If you want a total reversal of policy, the law provides for the President to send it down by a rescission process. The Congress then, if it approves what the President wants to do, will be required to pass on that within 45 days. And any Member of Congress may bring it up, I point out to the gentleman; it is not only the members of the Appropriations Committee, but any Member of Congress may bring that rescission to the floor.

Second, if it is not a question of policy, if it is a question of good husbandry, of good management, the White House can send down any number of deferrals it wants to, under the antideficiency law, and if we want to overturn it, it requires the force of a full law or resolution. It requires both Houses of Congress to pass it and a Presidential signature in order to overturn the President's deferral under that section.

So I suggest to the gentleman that we have not acted in haste, that I think there is an element of wisdom in what we have done.

What the gentleman wants done, namely, the saving of money, the $65 billion to which he referred in his argument, is now possible under the antideficiency law. There is no need for

the President to still insist on retaining that power under the one-House or two-House veto provision that was originally sponsored. He can do it now. And all that we are saying is, please do not hide rescissions under the guise of deferrals. Please do not hold up funds that you are holding up for policy reasons that have no question of that.

We say the Congress has passed on this question once through its appropriations process, we ought not to be required to pass on it again under the guise of a so-called deferral.

In the Interior chapter, for the strategic petroleum reserve, overturning the deferral means continuing development of existing sites as well as the big hill storage facility to allow expansion of the reserve to 750 million barrels. It also means the reserve can be filled at a rate of 100,000 barrels per day at a time when oil prices are low. Currently, there are about 500 million barrels in storage.

Supplementals totaling $415,205,000 are also a part of the Interior chapter. Two items make up the bulk of the appropriation. Both could be considered mandatory. First, there is $200,200,000 to pay for last year's fire costs. This includes $9,500,000 for the National Park Service, $25,000,000 for the Bureau of Indian Affairs, and $165,700,000 for the Forest Service. The second item is $178,750,000 to carry out the Compact of Free Association which was enacted into law late in 1985. The compact also authorizes a permanent appropriation which is included in the supplemental.

An appropriation of $20,000,000 is recommended for the Indian Health Service in an attempt to continue the level of health services provided Indian people in 1985. Continuing increases in medical costs have eroded the ability of the Indian Health Service to provide a reasonable level of medical care. This amount will not allow for enhanced medical services but is an attempt to prevent a reduction in basic medical services.

The Interior chapter also includes two rescissions. One is $28,710,000 of land and water conservation fund contract authority. The other rescission is $710,000 from the Office of Surface Mining Reclamation and Enforcement. There were no plans to use the land and water conservation fund contract authority in fiscal year 1986. I know many of you have asked about the State grants under the land and water conservation fund. Although the administration had requested these funds be rescinded, the committee did not agree to this proposal. The rescission in the Office of Surface Mining covers two items. One is to control the addition of new staff for public affairs, congressional affairs, and external relations. The other is to compensate for the interpretation by the Department of Treasury of a provision in the 1986 appropriation.

It should also be noted that the chapter includes two deferrals of appropriations which had been proposed for rescission.

Finally, I think it is important to address a situation that has resulted from action on the fiscal year 1986 appropriation. In that appropriation, the Congress agreed to an initiative in the National Endowment for the Arts which provided an additional $3,000,000 for media programs. This included $2,000,000 for television and $1,000,000 for radio. In the conference report accompanying the continuing resolution, House Report 99-450, the $1,000,000 for radio was designated for National Public Radio. Mr. Chairman, it was the intent of the committee that there should be competition for these funds, that the $1,000,000 should be available for all public broadcasters, not just for one.

Mr. MYERS of Indiana. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. ROGERS], a member of the committee.

Mr. ROGERS. Mr. Chairman, I have mixed feelings about this bill in respect to a major portion of it, and that is the diplomatic security section that is included in the bill. The committee recommended a total of $702 million to upgrade the security of personnel facilities and communications involved in diplomatic operations around the world. Obviously, we all, I think, agree that we need to protect our diplomatic personnel to the maximum extent that we can afford and is possible.

In 1985, there were 800 terrorist attacks on our installations around the world. That is up 600 from 1984. And the number of fallen diplomats in the past 17 years now exceed all who were killed during the previous 180 years of our Republic.

But, nevertheless, in spite of that terror, we also have a need to protect the American taxpayer as we go about that project, and we must not allow the need of diplomatic security to become a blanket to cover a huge building program that may include some elements that we do not truly need for diplomatic security purposes.

The bill that is on the floor was changed in the committee so that the Department of State is allowed to go ahead with these projects, 23 building projects under this bill. But the money has to come from existing State Department accounts. It does not provide for new funding. And that was a key factor that changed a lot of our thinking about it.

Mr. MICA will later on during this debate be offering an amendment which I think is very much needed, which will even tighten up further on the State Department's ability to go ahead with those projects until we have had a chance in the Congress to examine them in detail. I would hope that you would give Mr. MICA your complete attention as he brings that amendment to the floor. I think it is desperately needed as we go through this process.

I would point out that this is the first installment, this $700 million is the first installment of a 5-year program costing $4.4 billion to implement this diplomatic security program. If the money is needed and the money is being spent right and it is spent for security purposes alone and there is no other way to protect our personnel, then I do not think anyone here would object to it. But I think, in my own mind, that the Department has collected up all of its heart's desires for the last several years and has put them all into one package and has been labeled "diplomatic security, terrorism," which catches the attention of all of us, and I think there are some projects in here that we do not need if we are talking solely of diplomatic security and protection of our information and personnel.

□ 1315

For example, in the State Department's justification for some of these building projects included in this bill is the facility in Doha, Qatar, which I think is hardly a trouble spot in the world; it is not on the evening news too much. They do say it is a security problem, but the main justification for the project there is not diplomatic security. They refer in their own language to the current building as having no room for expansion; they simply need more room in Qatar. Perhaps they do, but let us not justify it under the grounds that it is needed for diplomatic security. If they need more room, they should tell us. If it is a security problem alone, tell us, but do not try to mix the two together.

In Muscat, Oman, the State Department refers to the need for security, but also they say that their current facilities are crowded, and the new building would include an expanded personnel complement—hardly a security problem.

For that reason, I think there are many of the requests in this State Department grouping that have been placed there simply because they needed room for expansion or some other purpose, and it has been labeled "terrorism" in order to gain our attention and get the funding for those projects.

We have an obligation, of course, to upgrade security where we can, but there is just no human way that we can protect every single facility we have if we spent every last penny that we could borrow or steal, even.

Mr. Chairman, I hope that the body will listen closely to the Mica amendment when it comes up during the amending process, because the gentleman's amendment will help tighten up the spending of the money that you appropriate, if you do, in this bill. It would prevent cost overruns, and it would also maintain congressional control over each of those construction projects.

To summarize his amendment very briefly, it includes the same requirement as is already in the supplemental, applying reprogramming requirements to any capital project requirement. The effect of that would be to require the State Department to give to the Congress 15 days' notification

before they can begin construction on any of these projects, and give the appropriate committees the chance to scrutinize the project in detail. It prohibits State from reallocating any funds authorized for the security program to other programs at the end of the year. It also provides that only American businesses can submit bids for contracts over $5 million in those projects. It requires State to report to the Foreign Affairs Committee about the cost overruns in case there should be any, which would give the Congress the chance to further scrutinize those spending requirements.

Over the 5-year program, a good part of the $4.4 billion that is a part of the recommendation is for additional security personnel, and not buildings. I think $2.4 billion is for buildings, and the remaining portion is for equipment and security personnel at our various installations there and here in this country, as well as for the protection of foreign diplomats in this country. But for the current supplemental, $237 million is for salaries and expenses, and $454 million is for acquisition and maintenance of buildings abroad for 23 construction projects and some additional personnel.

I would hope as we go through the amending process that my colleagues will pay close attention to the Mica amendment when it is offered, and I would hope that after they listen to the debate on that amendment, they will feel inclined to give themselves a bit more scrutiny in the spending of this huge sum of money over a period of time on a very important and necessary program, and that is increased security for our people and our information. I am just hoping that we can spend that money wisely rather than give the Department complete authority to spend it without any scrutiny by this Congress.

Mr. WHITTEN. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN of Texas. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in strong support of H.R. 4515, the fiscal year 1986 urgent supplemental appropriations bill.

Mr. Chairman, this bill is correctly titled because it will meet several urgent needs of the people of this Nation, including the needs of the people I represent along the west Texas border.

I am sure that everyone in this chamber is well aware of the recent statements by U.S. Customs Commissioner William von Raab in which he asked the President to declare the United States-Mexico border, a crisis zone. Indeed, he further stated that more customs agents were needed along the border because drug smugglers had shifted their activities from Florida to Southwest.

Mr. Chairman, this comes as no shock to those of us along the Texas-Mexico border. For years we have been making that case. Yet every year, this administration has frozen hiring, sought to cut customs personnel, and refused to fill authorized and appropriated vacancies. In fact, when our Subcommittee on Treasury, Postal Service, and General Government requested a report on such vacancies, we were rebuffed, not once, but three times.

Mr. Chairman, we on the Treasury Subcommittee have recognized this problem and addressed it over the past year. Unlike the Commissioner, we have been well aware that cutting staff along the border to increase staff in Florida would solve the Florida drug problem but exacerbate the border situation. Unfortunately, the Commissioner just realized that. He has appropriately stated what the problem is, but when it comes to a solution, he has given us nothing but a blank page. We propose to fill in that page.

Last year, when the administration proposed cutting the Customs Service by some 800 positions, the committee wisely rejected that cut and added 800 positions above the fiscal eyar 1985 level. In conference, the other body agreed to go along with a real increase of 623 positions. Then came Gramm-Rudman-Hollings which the Customs Commission interpreted so as to cut 777 positions. Yet, even before that, a memorandum was being circulated within the Customs Service on ways to breach a personnel hiring floor the conference committee had placed in the bill to ensure that Customs hire the full amount authorized and appropriated by the Congress.

Mr. Chairman, this bill restores that cut of 777 positions. It also restores the cut of $3.2 million for the Air Interdiction Program. And it restores the personnel floor of 14,041 positions, a real increase of 623 positions over the fiscal year 1985 level. Yes, these cuts were made as a result of the March 1 sequestration. Yet, the Congress still has the ability to manuever within its budgetary authority under the act, which is exactly what this bill does. We would restore the 777 positions because those positions are necessary to prevent the flow of drugs pouring across our border with Mexico. We need to restore the $3.2 million for air interdiction to continue the modernization and flights of P-3A's to track the cocaine and heroin smugglers.

This is money well spent. For every $1 spent on Customs personnel, we raise $20 through increased enforcement of our trade laws. In fact, the Congressional Budget Office has estimated that without the restoration of 777 Customs personnel, the Treasury will lose $150 million in fiscal year 1986 and $3 billion between fiscal year 1986 through 1991. As we all know, this hardly is the time for us to be losing revenue due to understaffing and inefficient execution of Federal law.

Mr. Chairman, the Commissioner of Customs has affirmed the work of our committee, finally. He has admitted that there is a problem along our border with drug smuggling. He has admitted that his agency is dangerously understaffed and losing the war on drugs because of it. We, the Congress, now have the opportunity to act. To do what's right, and give the Customs Service the funds to do the job. Make no mistake about it, a vote for this bill is a vote for the war on drugs and for fair trade through enforcement of our trade laws. The people of west Texas know it, the people of America know it, and now even the Commissioner knows it.

Mr. Chairman, the bill also contains $20 million in additional funding for the Supplemental Food Program for Women, Infants, and Children [WIC] and report language to ensure that all available funds are distributed to States under the current formula.

The amount contained in the bill would enable the States to maintain their current participation levels. It would allow continuance of WIC supplements and nutrition services to 80,000 low-income pregnant women, infants, and children over the remainder of fiscal year 1986. Without this funding, these people would have to be dropped from the program.

Although the Congress chose to protect the WIC Progam from major funding reductions during the budget process, as well as exempting it from the Gramm-Rudman-Hollings Act, unforeseen problems have jeopardized the funding levels causing many States to cut back existing participation levels in the months ahead. This is a result of the President's threat to veto the continuing resolution last year unless $300 million was cut from domestic programs, of which WIC's share was $9.4 million. Another problem occurred when last year the Office of Management and Budget impounded part of the WIC funds for fiscal year 1985 and did not release the funds until late July. Historically, the base grant for WIC gets distributed in the spring and the States plan their budgets accordingly. However, as a result of this impoundment, and the late release of funds, many States had to return unspent funds. Therefore, stability grants for the WIC Program were computed in such a way, that, in many States, is not sufficient to maintain current participation levels. This has also led to the diminishing availability of equity funding from $30 million in fiscal year 1985 to $10 million in fiscal year 1986. At the same time,

infant formula companies have all raised their prices by 5 percent, well above the inflation rate.

Mr. Chairman, thousands of mothers and infant children, should not pay the price for bureaucratic mistakes that threaten their health and nutrition. In my own State of Texas, over 26,000 women, infants, and children have been dropped as a result of the aforementioned problems. This funding is within the fiscal year 1986 budget resolution, and it is not an increase or an expansion of the program, but rather a restoration of funds that the WIC Program was originally intended to have.

This bill also contains $340 million in supplemental funding for the Internal Revenue Service, at the request of the administration. Last year, the committee had the foresight to provide increased funding. As we know all too well, cut backs in IRS staffing have led to incredible backlogs in tax-return processing. The committee provided for a substantial increase for the IRS to address the 1985 backlog, albeit below the $340 million amount. However, at the time, the administration believed such funding was not necessary. Mr. Chairman, the funding was necessary. Every Member of this body is aware of the burden caused by that backlog. Not only did the taxpayers receive intolerable service, having to wait unprecedented lengths of time for their returns to be processed, but the Treasury lost millions of dollars due to increased interest costs as a result of those backlogs. The American people filed their returns only a short time ago. By passing this bill, we can ensure that they will receive the service they deserve.

Mr. Chairman, this bill also contains a provision relating to the President's authority to defer appropriations. Under the 1974 Budget and Impoundment Control Act, the President may defer funds for both the policy and management and efficiency reasons. Also under the act, the Congress could reject such a deferral through the legislative or one House veto. However, as we know, the 1983 Chadha decision ruled the legislative veto unconstitutional. As a result, the President now has virtual line-item veto authority. This was not intended by the Congress when it enacted the 1974 act and should be dealt with accordingly.

The bill would remove the authority for the President to defer appropriations on policy reasons. He would still have the authority to defer appropriations for reasons of management and efficiency. Without this provision, we would be placing great authority in the hands of the Executive beyond the scope envisioned by our Founding Fathers. The Founding Fathers in drafting the Constitution placed all legislative power in the hands of the legislative branch. The President has the authority to veto legislative bills, such as an appropriations bill. Yet, as a result of the Chadha decision, the President now has more authority than intended through the deferral process. If he decides to defer a project on policy grounds, both Houses may disapprove through joint resolution. However, if the President vetoes that resolution, a small minority of the elected Members of this and the other body are capable of blocking an override of that veto. This would give the President an expanded power over that which he already retains. Not only would he have the power of Commander in Chief of the Armed Forces, appointment of the judiciary, appointment of department and agency heads and ambassadors and the Federal Reserve Board, but also substantial control over the legislative and spending decisions of the Federal Government. This is not what the Founding Fathers intended, nor was it the intention of the Congress in granting deferral authority. That is why this provision contained in the supplemental is so necessary.

Mr. Chairman, this is a good bill. It is under the discretionary spending authority under the fiscal year 1986 budget resolution by $230 million. It correctly addresses the needs of the Nation. A vote for this bill is a vote for the war on drugs, a vote for women, infants, and children, a vote to combat terrorism, and a vote for upholding the intentions of the Constitution and the 1974 Budget Act.

Mr. WHITTEN. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. LELAND].

Mr. LELAND. Mr. Chairman, the bill before us today proposes sorely needed supplemental funding for a host of Federal programs. In some instances, these additional moneys will preclude the interruption of vital services. H.R. 4515 does not include supplemental funding for the Temporary Emergency Food Assistance Program [TEFAP] and it is my concern about a possible lapse in these services which prompts me to rise before you today.

Recently, I learned distributors in Texas will receive no reimbursements after the end of this month. Consequently, food distribution to more than 1.5 million monthly recipients will be halted. The situation in Texas is not unique. Information received by the Select Committee on Hunger, which I chair, indicates funding problems more serious than any of us might have anticipated. Of 45 States on which we have information, 22 project shortfalls during this fiscal year.

TEFAP administrators in Massachusetts report the need for $500,000 to maintain services through the end of September; in Mississippi, the figure is close to $250,000; in Arkansas, the program is short $300,000; and in Louisiana, projections run between $500,000 and $600,000. If these, and other affected States do not receive assistance, many poor people are going to suffer.

The system set up by States and local governments in cooperation with churches, community organizations, and other private groups to delivery commodities has worked well with limited financial support from the Federal Government. Each dollar appropriated is matched by countless volunteer hours. To bring this process to a halt is certainly not in the public interest.

Last year, the Congress approved supplemental funding for TEFAP. This money helped prevent the shut down of TEFAP operations in 29 States. Poverty problems in this country are not subsiding and unless we focus attention on the current funding crisis, low-income people in many States will be at risk of losing additional food they rely on each month.

Mr. WHITTEN. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. Pickle].

Mr. PICKLE. Mr. Chairman, this supplemental includes $340 million in funding for the Internal Revenue Service, which we all know is desperately needed. This money will provide funding for some 6,950 positions for the IRS.

If we do not approve this funding, according to the Treasury Department, this is what will happen: IRS will have to release 6,000 temporary employees in examination, collection, and taxpayer services that they have already had to hire to keep pace with the demands of the system. In the long run, however, IRS may have to take such drastic measures as furloughing 50,000 personnel if funding is not provided.

I can't emphasize strongly enough how urgent this appropriation is for the IRS. The Oversight Subcommittee has long recognized the folly of underfunding the IRS, the primary revenue producing arm of the Federal Government. It is a tragedy that we are faced with an IRS that is rapidly running out of money. In my opinion, the responsibility for this predicament lies with the administration which, until recently, repeatedly denied the need for additional IRS funding. Indeed, it is even more unfortunate that the President vetoed the Treasury appropriations bill last year which provided the additional funding for IRS.

Now, it is up to the Congress to provide enough funding to keep the IRS going. We must act on a bipartisan basis in a responsible manner on behalf of all taxpayers to make sure the IRS has the resources to do its job. Belatedly, the administration now recognizes the urgency of this situation and I can report to this House they are supporting this provision of the supplemental appropriation.

Mr. Chairman, in the full committee I wish to include in the RECORD the proposal that I sent to Congressman ROYBAL, chairman of the Subcommittee on Treasury, Postal Service, and General Government. The same letter was sent to Committee Chairman WHITTEN. It is attached. Congressman ROSTENKOWSKI signed also.

I also want to include in the RECORD the letter I recently received from Treasury Secretary Baker. He tells me that the IRS must have the emergency supplemental appropriation and what steps the IRS will take if the supplemental is not approved. These proposed actions will disrupt IRS operations, particularly in the areas of returns processing and service center operations and in overall enforcement of the tax laws.

COMMITTEE ON WAYS AND MEANS,
U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, March 13, 1986.

Hon. EDWARD R. ROYBAL,
Chairman, Subcommittee on Treasury, Postal Service and General Government, Committee on Appropriations, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: We are writing to you regarding a matter of continuing mutual concern, the adequacy of the Internal Revenue Service's staffing and funding levels. We are writing at this particular time to share with you our determination that the IRS's pending supplemental appropriation request for Fiscal Year 1986 should be approved on an expedited basis.

On March 4, 1986, the Subcommittee on Oversight held a hearing to review the progress of the 1986 tax return filing season. The Subcommittee particularly wanted to know whether the problems that plagued last year's filing season have been resolved in time to ensure a smoother processing of tax returns and issuing of refunds. At that hearing IRS Commissioner Roscoe Egger emphasized the urgent necessity for immediate passage of the $340 million supplemental request. The Commissioner testified that unless the supplemental request is approved early this year, IRS will have to take such drastic measures as furloughing 50,000 personnel. The U.S. General Accounting Office confirmed the urgent nature of the supplemental request. We concur. However, we do not recommend this action unless and until the Office of Management and Budget concurs that this is an "urgent—urgent" matter, and that it must be acted on now.

Your Committee—as ours—has long recognized the folly of underfunding the Internal Revenue Service, the primary revenue producing arm of the Federal Government. It is a tragedy that we are faced with an IRS that is rapidly running out of money. The responsibility for this predicament lies with the Administration which repeatedly denied the need for additional IRS funding during the Subcommittee's hearings last year. Indeed, it is reprehensible that the President vetoed the Treasury appropriations bill last year which provided the additional funding IRS needed.

It is up to the Congress now to provide enough funding to keep IRS going in 1986. We—on a bi-partisan basis—must continue to act responsibly on behalf of all taxpayers. We understand that the Office of Management and Budget has, in the last few days, classified the IRS's supplemental request as an urgent request. However, let us again emphasize that we do not recommend any action unless and until OMB formally informs the Congress that this is an official urgent request for supplemental funds.

We appreciate your continued interest and cooperation in making sure that IRS receives both the broad congressional support and material resources it needs to effectively administer our federal tax laws, and we are pleased to provide this assistance to you.

Sincerely,

DAN ROSTENKOWSKI,
Chairman.
J.J. PICKLE,
Chairman, Subcommittee on Oversight.

THE SECRETARY OF THE TREASURY,
Washington, April 30, 1986.

Hon. J.J. PICKLE,
Chairman, Subcommittee on Oversight, Committee on Ways and Means, House of Representatives, Washington, DC.

DEAR JAKE: Timely approval of the Fiscal Year 1986 IRS supplemental is essential to maintain current revenue production and the long-term integrity of the tax administration system.

The Administration strongly opposes H.R. 4515 in its present form because of unnecessary add-ons and certain language provisions. I hope that appropriate action will be taken to address the Administration's concerns about the H.R. 4515, so that urgently needed funding, such as for the IRS, may be signed by the President in the near future.

If Congress does not approve the President's request for the IRS supplemental funding, or includes it in an unacceptable vehicle such as H.R. 4515 in its present form, the IRS will experience a funding crisis. Because IRS took dramatic management measures early in the filing season to ensure smooth processing, IRS may have to take drastic actions such as those outlined in the attachment, including severe staff impacts.

The IRS has not violated its appropriations. Instead, when the IRS funding situation became critical, the IRS had no choice but to request a deficiency apportionment, which OMB approved. Hiring for frontline activities has already been frozen and low priority expenditures sharply reduced. Little flexibility remains. Additional reductions must come out of revenue-sensitive operations. Total revenue loss from these actions over Fiscal Years 1986 and 1987 is estimated to be in excess of $3.5 billion.

I strongly urge your support for timely passage of the IRS supplemental request.

Sincerely,

JAMES A. BAKER III.

POSSIBLE IRS ACTIONS

The following are measures the IRS may have to take if supplemental appropriations are delayed or not approved. The total revenue loss from these measures over fiscal years 1986 and 1987 is estimated to be in excess of $3.5 billion. In addition, cancellation of ADP acquisitions will severely hamper IRS modernization initiatives, and massive furloughs will have a harmful effect on both IRS morale and its ability to perform its critical mission.

May 1, 1986:

Eliminate all but returns processing overtime;

Defer acquisition of office equipment, supplies, and services;

Freeze hiring in direct revenue-producing programs (examination and collection) and in taxpayer service;

Reduce ADP acquisitions;

Reduce travel and training by 50 percent; and

Release 6,000 temporary employees in examination, collection, and taxpayer service.

July 1, 1986:

Freeze permanent hiring, stop all overtime, and release 12,000 employees in service centers;

Cancel all remaining ADP acquisitions; and

Cancel all remaining travel and training.

September 1986:

Furlough 77,000 permanent IRS employees in service centers, collection, examination, appeals and litigation, and executive direction.

□ 1325

Mr. WHITTEN. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Chairman, I will be very brief.

The issue which was addressed by the distinguished chairman of the Appropriations Committee and my friend earlier, we have no basic disagreement. Our problem is that there are areas of philosophical difference. We in the Agriculture Committee have to yield within the art of the possible, what is possible, where we can get consensus. It is not within one man's dominion to frame legislation, but rather a consensus through the Agriculture Committee, through the House, through the Senate, and therefore we have tried and done our best; but that is the forum where this issue should be debated and enacted and then come to the House.

So the disagreement that we have, unfortunately and regrettably, is how it is done and where it is done and who has the basic responsibility. We will insist that that responsibility be placed at the point where the rules and the law state it should be.

Mr. WHITTEN. Mr. Chairman, I yield myself such time as I may require.

At the meeting of those involved with the Farm Credit Administration yesterday, I said that they owed a great debt and the country does to our friend, the gentleman from Texas, and the Members who have worked with the Agriculture Committee. The glamour is not there as it is in many other areas in the Congress.

I firmly believe that no group could have done better than the Agriculture Committee did in bringing out a bill under all the difficult circumstances that we had. Right up until Christmas, it took everything we had.

With time we have seen the results of the administration's use of the law and a big part of the problem comes from the regulations that have been written requiring cash payments and a failure to sell and a whole lot of other things. But the gentleman is not aware that in our meeting on the

budget, $8 to $10 billion has been paid out by the Treasury as required by that bill. It forces us in trying to work out an agreement on the budget resolution.

This may be a philosophical difference, but a fair price ought to be paid by the fellow who buys it and not by a check from the Treasury.

May I say again, there is certainly no desire on my part to take over any jurisdiction. What I merely said was that technically it is subject to a point of order. I only urged them to return to the old law which I thought was within the rights of the minority and others. It is a technical disagreement.

The other thing I would like to ask my friend, I do not know that the gentleman is familiar with the fact as reported to me that folks in the Department of Agriculture are transferring all the money out of some programs to a program where it cannot be used so they can tell the Congress they are out of money. Certainly somebody should correct that. That is what we have tried to do in connection with some of these provisions, so the gentleman and I would know what happens when they transfer money.

So I want to tell my colleagues, I have the highest regard for the gentleman and for the great job that has been done, but time has proven that it is not working as well as we hoped it would.

Mr. DE LA GARZA. Mr. Chairman, if the gentleman will yield further briefly, we have a basic disagreement on that also, because under the law which we enacted the crops are just going in the ground; so we cannot say that it is not working when we have yet to test to see if the tools we give the Department are working or not. As far as way in the past, I cannot address the past.

Mr. WHITTEN. Well, we could argue all day in good humor, but when we start paying them half the money that is to be due this fall so they can get by until fall, I think that is a pretty good indication, that it is not working too well.

Mr. DE LA GARZA. Well, Mr. Chairman, if the gentleman will continue to yield, that was done because of the terrible crunch that the gentleman complains about as far as income. We tried not to reduce income.

But hopefully it will work and we will try to make it work.

We appreciate the gentleman's concern. We are always appreciative of the gentleman's concern and together I think we can address the issue properly under the rules and in the way that it should be addressed.

Mr. WHITTEN. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. FAZIO], a member of the committee.

Mr. FAZIO. Mr. Chairman, I rise in strong support of H.R. 4515, the urgent supplemental appropriations bill for fiscal year 1986. In particular, Mr. Chairman, I would like to thank Mr. WHITTEN, Mr. BEVILL, Mr. BOLAND, Mr. NATCHER, and Mr. SMITH for their strong support of the emergency flood relief funding provided in this measure. The West, and California in particular, suffered record flooding this past February, causing millions of dollars in damages to public and private property alike. While the Federal aid in this bill will in no way compensate individuals and State and local governments for all damages they have suffered, it will go a long way to helping communities rebuild and individuals put their lives back in order after these devastating floods.

Mr. Chairman, the need for this emergency package is clear and overwhelming. My office was just informed this morning that the Federal Emergency Management Agency [FEMA] is very close to running out of money. FEMA has only $10 million on hand, and has suspended the obligation of funding for all major projects for disaster relief throughout the country. That's no more money for the repair of public facilities such as roads and bridges, and no more money for assistance to individuals.

And despite the strong bipartisan support for the disaster assistance included in the supplemental, including support from the California congressional delegation and Gov. George Deukmejian, the Reagan administration continues to raise objections to several disaster assistance-related provisions of the bill.

The administration's position is a conscious effort to shirk Federal responsibilities for disaster relief. People in communities across the State are hurting. This is not the time for dilatory tactics.

According to the administration's own departments and agencies, each of the accounts we are seeking to replenish has already been or will soon be depleted. And in no instance, will providing funding in this emergency supplemental measure require the obligation of unneeded funds. The supplemental will simply ensure that the disaster resources are available as they are needed—no more, no less. Failure to authorize funds for these accounts will in most instances force Federal obligations to go unmet or require Federal agencies to divert resources from other necessary and essential operations to meet normal Federal disaster relief requirements.

This is shortsighted. If a shortfall in disaster funding is financed by neglecting normal flood prevention operations, we are just going to get ourselves up for more costly damages in the future due to inadequate maintenance of existing facilities. The administration seems to be instructing its agencies to do anything possible to hold down short-term costs regardless of the long-term risks.

The Congress won't be a party to this, and I am pleased that the Governor of California has shown his strong support for our efforts.

The administration's opposition to these emergency funds along with the recently announced FEMA regulations points to a policy of Federal withdrawal for disaster assistance. According to officials in my State, more than 50 percent of the Presidential disasters in the last 5 years would not have been declared if the new regulations had been in effect.

This is a drastic policy change that has not been explored by the Congress.

The administration has raised objections to the following disaster assistance funding in the supplemental:

Twenty million dollars for the Department of Education's Disaster Assistance Program. There is currently no money available for the program which is intended to reimburse schools for damages resulting from federally recognized disasters. Schools are ineligible for disaster assistance from any other source. Nine million dollars of the $20 million sought has already been obligated for damages from previous disasters; that is, the West Virginia flooding, the hurricanes which hit the Gulf States last fall. The California Department of Education has preliminarily identified $8.7 million in damages to schools in 21 counties. The department of education has requested the $20 million supplemental; OMB has held up the request.

Twenty-five million dollars for the Corps of Engineers' flood control and coastal emergencies account. The corps flood control account currently contains roughly $25 million; however, the corps estimates that its total obligations associated with the reconstruction of flood control levees in California could amount to $25 million. Thus, without the supplemental, all other costs associated with the February flooding in California and other disasters in other States would have to be diverted from ongoing flood control work. Further, California flood-related costs may exceed the $25 million the corps is officially predicting for its disaster assistance accounts. The corps has already begun diverting its normal project funding to cover flood damages to keep the emergency account expenditure below $25 million. Thus, the specific projects which suffered damages are also suffering significant maintenance delays as their regular funding gets diverted.

Twenty-five million dollars for the Soil Conservation Service [SCS] program to repair damages to its own conservation and the flood prevention projects. The California SCS office has been informed that after it ex-

pends $620,000 the national account will be exhausted. The State SCS office, however, estimates that California costs alone will exceed $4 to $6 million. There are no other resources available to SCS to make up for this funding shortfall. Other States are expected to make substantial demands on this account as well.

Ten million dollars for Agricultural Stabilization and Conservation Service [ASCS] emergency conservation activities. This program helps farmers get their fields back into production by providing assistance for debris removal, field leveling, and so forth. The account is currently depleted, although there are more than $2.5 million in claims from farmers in 16 California counties now awaiting funding. Farmers in four other counties—Solano, Sutter, Yuba, and Shasta—have yet to file their claims.

It is worth repeating, in each of these disaster assistance accounts any funds which are not needed will not be obligated.

Mr. RANGEL. Mr. Chairman, I rise in support of H.R. 4515, the urgent supplemental appropriations bill, 1986.

As chairman of the Select Committee on Narcotics Abuse and Control, I particularly want to commend the Appropriations Committee for including provisions to restore funds for the U.S. Customs Service and the U.S. Coast Guard, or two front-line agencies in narcotics interdiction.

For the Coast Guard, the bill provides an additional $35.5 million for operating expenses. While this restores just a little less than half of the 4.3-percent Gramm-Rudman cut ordered on March 1, it will provide some much needed relief to the Coast Guard.

At hearings the select committee held earlier this year on the impact of Gramm-Rudman on Federal drug programs, Admiral Gracey, the Coast Guard Commandant, testified that budget cuts had forced the Coast Guard into a squeeze down/slow down policy. As a result, the Coast Guard has curtailed routine drug enforcement patrols except in the Southeast United States where drug smuggling presents a very great threat. We know from our hearings in the Northeast and on the west coast, however, that maritime drug smuggling is a very real threat in these areas as well.

The Coast Guard has also had to absorb funding shortfalls by depleting its inventories of spare parts and reducing vessel maintenance. The Coast Guard cannot continue to do this without seriously eroding its operating capability in the future.

The additional funding provided for Coast Guard operations in H.R. 4515 will ease the pressures on the Coast Guard and hopefully enable them to get through the year without any serious detriment to their drug enforcement mission. For the fiscal year ahead, I urge the House to provide sufficient funding not only to restore the Coast Guard to full operating levels but also to expand significantly the Coast Guard's drug interdiction operations.

For the Customs Service, the bill includes $30.8 million more for salaries and expenses and a $3.2-million increase for the Air Interdiction Program. These are the full amounts needed to restore the March 1 Gramm-Rudman cuts, including the 777 positions that would have been eliminated otherwise. The bill also mandates the Customs Service to maintain the current level of services and establishes a minimum level of 14,041 Customs positions for this fiscal year.

In January, the select committee conducted a week-long study mission along our southwest border. This area has become a sieve for the movement of illicit drugs into our country. Drugs move freely through our ports of entry and at unguarded points in between. They also are smuggled into the United States in countless thousand of undetected air flights across the border. The lack of an effective Federal enforcement presence on our border creates not only a drug enforcement problem but also a serious risk or our national security.

In testimony before the select committee in March, Customs Commissioner von Raab confirmed our worst fears about the border. He said he is increasingly distressed and alarmed by what is now happening along our border, and he called the border a "modern-day horror story." Commissioner von Raab's concerns about the drug trafficking situation on our southwest border were aired again recently in a front-page Washington Post story.

The funding in this bill will not stop the flow of drugs into the United States from Mexico and other sources by air, land, and sea. It is a step in the right direction, however, and will provide much needed resources for increased Customs inspectors and air detection and surveillance capability. It will also aid Coast Guard drug enforcement. At a time when the threat of drug smuggling has never been greater, we need to be increasing our resources for interdiction, not cutting back.

Drug interdiction is a key element in our war against drugs. This bill provides funding to support this effort. More is needed, but this bill at least recognizes that we must give drug interdiction a higher budgetary priority. I urge the House to support it.

Mr. BONKER. Mr. Chairman, I rise in support of H.R. 4515, the 1986 urgent supplemental appropriations bill. In particular, I commend Chairman WHITTEN and Subcommittee Chairman BOLAND for adding provisions to the legislation that will overturn the administration's proposed deferrals of budget authority for the housing and community development programs of HUD.

As chairman of the Subcommittee on Housing and Consumer Interests of the Select Committee on Aging, I am specifically concerned about the effect the proposed deferrals will have on low-income older Americans. The administration has asked for a deferral of $2.3 billion of funds appropriated in fiscal year 1986 for the section 202 housing program for the elderly and handicapped, which would effectively reduce the construction of 202 units from 12,000 to 100. In addition, these deferrals would severely reduce funds for rental assistance which go to support these units, and may even threaten the viability of existing programs.

The combined impact of proposed fiscal year 1987 budget cuts and fiscal year 1986 deferrals will prove disastrous in the future. These reductions are being proposed at a time when long waiting lists exist for assisted housing units across the country. A recent congressional study revealed that the waiting list for a section 202 unit ranges anywhere from 2 to 5 years. The future expansion of our aging propulation will signal dramatic changes and new problems. Estimates available on need show that 6.7 million low-income older Americans will be seeking housing during the next 20 years. What kind of future will the next generation of older citizens face as they attempt to obtain housing within their means?

Although these budget and deferral proposals will largely affect future outlays, I am equally concerned about the 1.5 million elderly presently living in federally assisted housing units. People over age 62 comprise over 42 percent of those in assisted housing. While most residents are independent and healthy, we have recently discovered that many of them are aging in place. They will have an increased need for supportive services to continue to live independently. The Congregate Housing Services Program [CHSP], a HUD program designed to provide a network of supportive services to the elderly in public housing has proved invaluable. Early reports evaluating the CHSP indicate the program can reduce costs by keeping older tenants out of Medicaid institutions and on their own. The administration has slated the CHSP Program for termination.

The budget being proposed by the administration as a response to our looming national deficit seems frantic, desperate, and poorly strategized. Clearly, we need to lower the deficit. Unfortunately, I think we are being penny-wise and pound foolish in looking for short-term savings that ultimately endanger the future of Federal housing programs for a needy and rapidly aging population.

Mr. Chairman, this Congress has heard time and time again that one of the most intrinsic and vital needs of older Americans is housing that is safe and affordable. We have articulated this commitment and demonstrated our concern to those needy older citizens who look to us for help. We must not falter in this resolve, and I urge my colleagues to join me in supporting H.R. 4515. Thank you.

Mr. WALGREN. Mr. Chairman, the supplemental appropriations bill before us today includes a provision overturning President Reagan's deferral of $7.4 million for the Keyworth Steel R&D Initiative, a provision I heartily support.

Last year Congress approved these funds to begin research in the national laboratories on steel "leapfrog" technology. This is an effort to develop steel making technology that will "leapfrog" the manufacturing processes used by our competitors, like Japan. Although the President originally signed legislation committing these funds, they now seek to defer their use saying "not now."

The Keyworth Steel Initiative was developed in the administration and was supported on a bipartisan basis in the Congress. It is an important effort to improve the competitive position of the U.S. steel industry in the world economy by bringing industry, university, and Government scientists together in the national laboratories to do basic research on future technology.

The $7.4 million we appropriated can come none too soon. The National Academy of Sciences tells us that in the last 15 years there has been a global shift of technological leadership from the United States to Japan. With generous Government assistance and with the largest ferrous metals R&D Program in the world, Japan has constructed the most efficient steel mills in existence, says NAS. In the last 2 years, partly in response to public discussion about the Keyworth Initiative, the Japanese have spent $65 million on steel R&D. The total number of people involved in research in the United States Steel industry is less than are employed in that effort by one Japanese company.

These few facts ought to make it clear that action is needed. It was needed last year when we appropriated the funds to start the research. The Keyworth Initiative, in my view, is the way to go because it combines that talents of government, industry, and universities on what is truly a national problem. A strong domestic steel industry is fundamental to our economy and our national defense.

In view of the reluctance the administration has always had on this issue, I believe that the President's use of the deferral power was a way of refusing to carry out policy legislated by Congress. The 1974 Budget Act, granting the deferral power, attempted to balance spending power between the President and the Congress in a fair way, in response to repeated refusals to spend by then-President Nixon. In deferring the steel R&D money, this administration has come close to refusing to act as required by law. In the case of the steel initiative, this is clearly contrary to the will of Congress and must be overturned. This is a program that should not be delayed.

Mr. BONIOR of Michigan. Mr. Chairman, I would like to commend the distinguished members of the Appropriations Committee for their foresight by including in this legislation additional funding for flood prevention and aid to flood victims. Around the Nation, waterways are overflowing due to above average amounts of precipitation. Destruction by flooding, mudslides, and erosion is widespread.

In my own district, over abundant supplies of water in the Great Lakes are gravely threatening low-lying areas, and the coastal properties of many of my constituents. Last year, millions of dollars of damage occurred in my district.

This year, however, the water levels already exceed water levels experienced last year.

With the coming spring stories, and as more water enters the Great Lakes system from winter runoff, I am very concerned that this year's damage could far exceed last year's. If what we fear occurs, parts of my district might very well require Federal aid under the Federal Emergency Management Agency's Disaster Assistance Program.

Already, the Army Corps of Engineers has aided local communities in preparations to mitigate flood damage. This legislation takes into account the geat need for continued availability of funds for flood prevention programs.

I would like to urge my colleagues to support this legislation to provide continuing assistance and support for affected communities through FEMA, the Army Corps of Engineers, and disaster relief programs of USDA.

The importance of this assistance is brought home when first and second graders from Harsen's Island, MI, write in asking for help to save their school, or when an elderly couple from New Baltimore, MI, call in asking for help to save their retirement home—and only asset—from damage.

This assistance saves more than buildings, it saves homes and lives, schools and family traditions. I would urge my colleagues to support this legislation to help disaster victims cope with the emotional and financial stress caused by these acts of nature.

Thank you.

Mr. MACK. Mr. Chairman, when the Congress passed the Gramm-Rudman-Hollings deficit reduction law in December, we committed ourselves to living within set deficit targets, declining to zero by fiscal year 1991. More importantly, we formally recognized that the time had come to exercise significant fiscal restraint.

But here we go again. In my judgment, the American people don't want their legislators exacerbating the national debt. They believe we ought to live within our means, not dipping into the till every time we come up short for what our obviously pet projects.

Supplemental spending has been a key reason why our previous efforts to control spending failed so miserably. Moving forward with a supplemental surely is inconsistent with the public will to control runaway Federal spending.

Last year I introduced legislation requiring a two-thirds supermajority to pass supplemental appropriation bills. Mandating more than a simple majority would provide a procedural bias against excess spending. If a supplemental were truly urgent, clearly the House would respond with at least a two-thirds favorable vote.

The supplemental before us today provides about $1.7 billion in new budget authority, over a billion dollars in transfer authority and contains over $5 billion of disapproved deferrals. It funds a wide variety of governmental programs, some of which are worthy of additional support. For instance, I believe it makes sense to provide adequate funding to the Coast Guard, disaster relief, veterans' compensation, and the citrus canker program.

However, I will not be able to support final passage unless the bill is substantially amended, no matter how many worthwhile projects are included that I happen to think are important. In addition to spending yet even more hard-earned taxpayer dollars, this bill seeks to repeal the President's deferral authority. Making such a fundamental change in our budgeting procedures without any opportunity for a full and fair hearing is ludicrous, particularly in light of the fiscal challenge we face.

Mr. Chairman, it would be a travesty of fiscal discipline to pass this bill. Doing so is politics as usual, and politics as usual is why we are in this financial mess. H.R. 4515 is a recipe for bigger deficits and a higher national debt. It's a recipe I find distasteful!

Mr. CONTE. Mr. Chairman, I have no further requests for time.

Mr. WHITTEN. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to House Resolution 448, amendments to strike out the following provisions in the bill are considered as having been adopted: Beginning on page 5, lines 11 through 25; and beginning on page 28, line 19 through page 30, line 16.

The Clerk will read.

The Clerk read as follows:

H.R. 4515

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1986, and for other purposes, namely:

TITLE I

GENERAL SUPPLEMENTALS

CHAPTER I

DEPARTMENT OF AGRICULTURE

TITLE I

EMERGENCY FLOOD RELIEF

SOIL CONSERVATION SERVICE

WATERSHED AND FLOOD PREVENTION OPERATIONS

For an additional amount, for emergency measures under title IV of the Agricultural Credit Act of 1978 (16 U.S.C. 2201-2205), $25,000,000, to remain available until expended.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

EMERGENCY CONSERVATION PROGRAM

For an additional amount, for necessary expenses to carry out the program authorized under title IV of the Agricultural Credit Act of 1978 (16 U.S.C. 2201-2205), $10,000,000, to remain available until expended.

TITLE II

AGRICULTURE PROGRAMS

FOOD SAFETY AND INSPECTION SERVICE

For an additional amount, for "Food Safety and Inspection Service", to protect public health and safety in meat and poultry inspection operations and to meet workload increases resulting from the opening of new or expansion of existing processing plants, $3,700,000.

LIMITATION ON TRANSFER OF FUNDS

Funds made available to the Department of Agriculture in Appropriations Acts shall be available only for the purposes for which appropriated unless the transfer of funds from such accounts is provided in advance in Appropriations Acts.

POINT OF ORDER

Mr. CONTE. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. CONTE. Mr. Chairman, I make the point of order that the paragraph on page 3, lines 3 through 7, applies to funds in other acts, and therefore violates clause 2 of rule XXI.

Mr. WHITTEN. Mr. Chairman, I would like to be heard on the point of order.

The CHAIRMAN. The gentleman may be heard.

Mr. WHITTEN. May I say, Mr. Chairman, that I do not argue that it is in technical disagreement, but certainly it is not of major importance from my viewpoint.

I repeat again that the intention of the committee was to call attention to the fact that the law existing on the books of the Nation today where we cooperated for many years, that was the sole purpose and that was what was done.

While I have the floor, could I ask another question of my colleague, the gentleman from Massachusetts?

The other point has to do with reporting to Congress the transfer of funds. I would hope the gentleman would not make a point of order against that. Should the gentleman do so, I would have to say again that that is a technicality subject to a point of order.

What is involved is a report that they are transferring all the money from some programs somewhere else so that they can say they have no money.

I hope the gentleman will agree with me to make an investigation of that, since he and I occupy the same position, in case that should go out.

Mr. CONTE. The gentleman asks me to agree to make an investigation?

Mr. WHITTEN. Yes.

Mr. CONTE. Mr. Chairman, my point of order is raised against the language which has been included in our bill to limit the Department of Agriculture's authority to transfer funds between accounts unless such transfers are approved in advance in appropriation acts.

In addition to the severe limitation on the statutory authority of the Secretary of Agriculture to transfer funds to respond to emergencies threatening U.S. agriculture, this language violates existing rules of the House in that it applies to funds in other acts.

The CHAIRMAN. Does the gentleman from Mississippi desire to be heard further?

Mr. WHITTEN. Yes, Mr. Chairman.

I repeat again that if this is insisted upon, I cannot argue as to the technical correctness of the point.

I question seriously the point that was made, because I think it is highly important to the operation of the Department that we have knowledge about what happens in the way of transfers.

The CHAIRMAN (Mr. BROWN of California). The Chair is prepared to rule.

For the reasons stated by the gentleman from Massachusetts [Mr. CONTE], the Chair sustains the point of order raised by the gentleman from Massachusetts and the paragraph is stricken.

Mr. CONTE. Mr. Chairman, I move to strike the last word.

I just did not understand what the gentleman from Mississippi would like to have me do.

I yield to the gentleman.

Mr. WHITTEN. May I say, it was reported to me, and I think accurately, that funds are being transferred from some operations which the Congress approved and provided for to other places where they would not be used. The Department in turn is telling the Congress and those of us who have inquired that there are no funds and the reason they do not have them is that they have been transferred without our knowledge or consent. I have every reason to believe my information is accurate. I would hope my colleague would withdraw his point of order, but if the provision does go out, I would hope the gentleman would join me in an investigation of this policy. If they are transferring these moneys out so as thereby to defeat a program, certainly we in the Congress should know about it.

Mr. CONTE. Well, I think the best way to handle that is an investigation or a letter.

Mr. WHITTEN. Under our system, we both have to do it. I know the gentleman does not believe in that happening.

Mr. CONTE. We can do that.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. CONTE. Yes; I yield to my good friend, the gentleman from Texas.

Mr. DE LA GARZA. Mr. Chairman, I thank the gentleman for yielding.

In behalf of our committee, I would be happy to join with the two distinguished gentlemen, because this would negate our authorizing legislation also. It certainly is not right and proper. I will be happy to join with the two distinguished gentlemen to endeavor to find out if this is basically correct information or not.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. CONTE. Yes; I yield to my good friend, the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Chairman, as I understand what the chairman is saying, that they are reprogramming without using the authority under reprogramming and putting it back to the Appropriations Committee. Is that what the gentleman is saying?

Mr. WHITTEN. That is right. We want to know that is happening. I think it is sound and good, but I hate to see my colleague make the point of order. Of course, it is within his right.

Mr. MYERS of Indiana. If the gentleman will continue to yield, can we not do that through oversight in our committee and demand that any reprogramming that is beyond the dollar limitation would have to come back to the Congress?

Mr. WHITTEN. May I say that my information comes from the Department, so I have every reason to believe it is accurate. They are just transferring all the money out of a program so as to kill the program without telling the Congress they have made the transfer.

Mr. CONTE. Well, I will be glad to join the chairman, the gentleman from Mississippi, on that.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield further?

Mr. CONTE. I am happy to yield to the gentleman.

Mr. MYERS of Indiana. The problem here was that it was in advance of the Appropriations Act, that is where we run into trouble on this one.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

REPORT ON CONTAMINATED MILK AND MILK PRODUCTS

The Secretary shall immediately conduct a study of the reports of contaminated milk and milk products in the States of Arkansas, Missouri, and Oklahoma, and report on such contamination and the estimated losses suffered by dairy farmers and processors to the appropriate committees of Congress by April 15, 1986.

□ 1340

AMENDMENT OFFERED BY MR. HAMMERSCHMIDT

Mr. HAMMERSCHMIDT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Hammerschmidt: Page 3, after line 14, insert the following:

DAIRY INDEMNITY PROGRAM

For an additional amount, for "Dairy Indemnity Program", authorized by the Act of August 13, 1968 (82 Stat. 750), the Act of August 10, 1973 (87 Stat. 223), and the Act of December 23, 1985 (99 Stat. 1377) $10,000,000 to remain available until expended.

Mr. HAMMERSCHMIDT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HAMMERSCHMIDT. Mr. Chairman, today, I join my colleague, the gentleman from Missouri [Mr. TAYLOR] in offering an amendment to H.R. 4515 which would provide an emergency supplemental appropriation of $10 million to adequately fund the Dairy Indemnity Program so that financial assistance might be provided to those persons whose herds have been affected by the heptachlor contamination crisis.

This amendment would provide needed funding for a program that is already in place and that was designed precisely for the crisis at hand. Under this program, first established in 1968, dairy producers and manufacturers of dairy products who must destroy

chemically contaminated milk and products may be indemnified for the losses they have experienced and will experience while working to remove the contamination from their dairy herds.

Before I get much further, I would just like to commend my colleagues, Appropriations Committee Chairman JAMIE WHITTEN and Ranking Minority Member SILVIO CONTE, as well as Rules Committee Chairman CLAUDE PEPPER for their cooperation and support in allowing this amendment to be offered to the urgent supplemental so that aid might be provided to affected dairy farmers and processors in the most expeditious manner possible.

In addition, since this problem was first discovered, I have received full cooperation from Secretary of Agriculture Richard Lyng, who, shortly after hearing of the problem, sent a task force into Arkansas, Oklahoma, and Missouri to investigate the damage, economic and otherwise, which had resulted from the contamination. I received that wise advice from the chairman of the Committee on Appropriations, and he put the language for that study in his bill.

The White House, too, has been very supportive in trying to find a way to provide emergency assistance and the President has approved a supplemental request for this purpose. As a matter of fact, just last week, Secretary Lyng, testifying before the full Appropriations Committee, urged that Congress act expeditiously to provide financial assistance to those whose herds have been affected by the heptachlor contamination crisis.

While there is no doubt that this program is right on point, the problem is that it is to all intents and purposes out of funds. The Appropriations Act of 1985 provided $100,000 for this program of which $95,000 is currently available. This amount could not begin to indemnify the affected producers.

Dairymen in the three-State area of Arkansas, Oklahoma, and Missouri are facing a crisis involving heptachlor-contaminated milk and milk products—a situation brought about by their herds consuming contaminated feed. This once-popular pesticide was banned on most food crops in 1975 after being identified as a probable human carcinogen. Virtually all of its other uses on food or feed crops have been phased out and, for the last 3 years, the chemical's only use has been as a termite killer.

Four years ago, a similar situation in Hawaii led to quarantine of virtually all dairy operations there. Heptachlor was legal for use on pineapple fields until 1982, and pineapple leaves were a popular feed for dairy cattle. Mr. Chairman, I am including at the end of my remaks an article from the Arkansas Gazette which provides excellent background on heptachlor.

Mr. Chairman, it was on February 24 that health officials in Arkansas, Missouri, and Oklahoma first announced that some milk produced in these States contained traces of heptachlor. On March 7, the first dairy herd in Arkansas was quarantined. And on March 9, after being tested, 120,000 gallons of contaminated milk from an Arkansas dairy were recalled. Within a few days 117 dairy herds in Arkansas were quarantined and about 350,000 gallons of dairy products were recalled.

To date, in the three-State area, 144 herds have been quarantined and after extensive testing 53 herds have been found to be contaminated with unacceptable levels of heptachlor. All herds testing positive have had their origin of contamination traced back to the feeding of contaiminated mash sold illegally as livestock feed.

Farmers under a quarantine are unable to sell the milk produced by their cattle. However, the farmers must continue to milk their cattle to cure them of the heptachlor contamination. This means they must continue to feed their cattle even though they are receiving no milk revenues. Because of the contamination, the cattle cannot be sold for slaughter.

These losses are being experienced by farmers and dairy cooperatives that have dumped and will continue to have to dump millions of gallons of milk—an estimated 62 million pounds of milk in Arkansas alone, before the heptachlor contamination is eliminated.

Despite the fact that at least 91 farms have been released from quarantine, these farmers suffered daily financial loss during the time they were quarantined for which they are entitled to be compensated by this program. In Arkansas, State health authorities and FDA officials acted to place dairy farms on quarantine on the basis of positive sample results from milk on the route trucks.

Although these officials later went back and tested each herd on the route, no farm could be removed from quarantine until a negative test result on its herd was returned. Because of the time necessary to obtain test results and other causes beyond the control of the individual dairyman, thousands of gallons of milk had to be dumped by these producers who were ultimately found to have no contaminated cows.

Of course, the tragedy is not just the staggering economic loss, but the individual trauma also being experienced by dairymen and their families in the three-State area who are seeing everything they have worked a lifetime for go literally down the drain. These farmers and processors have had to absorb substantial economic loss through no fault of their own and for many of them this cruel blow could well be their undoing if financial assistance is not forthcoming quickly.

From the outset, I have urged the Department of Agriculture to try to reprogram funds which could be transferred into the Dairy Indemnity Program, since that would get money to the farmers much more quickly than waiting for Congress to take action. Although the Department was unable to locate unobligated funds which could be reprogrammed, the President has now indicated his support for a supplemental appropriation to replenish the fund.

However, recognizing the immediate need of dairy farmers who have had their herds withdrawn from production, Agriculture Secretary Lyng, as an interim measure, provided priority status to these farmers in seeking loans from the Farmers Home Administration while waiting for Congress to act. These loans permit those farmers who secure Federal credit to purchase feed and make other essential payments on an interim basis. However, without the Dairy Indemnification Program, these farmers and processors could have no way to repay the FmHA loans.

Mr. Chairman, a long-term response is needed, and the Dairy Indemnity Program is the only vehicle available. It is for this reason that I urge my colleagues to support this amendment appropriating the additional amount of $10 million to the Dairy Indemnity Program. Affected dairy farmers simply want a chance to sustain themselves until they can rebuild businesses which have been suddenly and arbitrarily devastated. Congress must join in examining all possible alternatives for aiding these producers.

[From the Arkansas Gazette, Mar. 25, 1986]

EPA SAYS HEPTACHLOR ONCE "WIDELY USED"

(By Carol Matlack)

WASHINGTON.—The pesticide heptachlor, blamed for the recent contamination of milk in Arkansas, was "very widely used" before its use was phased out starting in 1975, a spokesman for the Environmental Protection Agency at Washington said Monday.

The spokesman said the pesticide was used on many types of crops and seeds and was an ingredient in insect control products for home, lawn and garden use.

The Federal Food and Drug Administration, after the EPA's ban, ordered that heptachlor-treated seed and grain not be used for consumption by humans or animals.

Tests by the FDA recently found that two Van Buren companies, Valley Feeds, Inc., and J.E.W. Inc., used heptachlor-treated grain in their business operations.

J.E.W., Inc., used the grain, mostly corn, to produce gasohol. Valley Feeds then sold the byproduct of the gasohol process to a number of dairy farms in the state for use as cattle feed.

A spokesman at Velsicol Chemical Corporation at Chicago, the sole manufacturer of heptachlor, said the substance had been produced commercially since the early 1950s, and until the mid-1970s was widely

used on row crops and for many other "specialty purposes," such as garden and lawn treatments. Typically, it was applied to the soil to kill pests before planting. Generally, it was not applied directly to the crops themselves. Many countries in the world still permit use of heptachlor, and Velsicol continues to manufacture the pesticide and ship it overseas.

Also, Velsicol continues to manufacture heptachlor for underground termite treatment in this country.

The EPA provided this background on heptachlor:

In 1975, the EPA suspended the production of heptachlor for use on certain food items and for all home and garden uses. No heptachlor was to be used for these purposes, effective immediately. The decision was based on scientific evidence that heptachlor was "persistent in the environment and caused cancer in animals," the EPA spokesman said.

In 1978, the EPA canceled all other uses of heptachlor except for underground termite treatment. However, the EPA said heptachlor still could be used as a seed treatment, with production phased out.

Until 1982, it could be produced for use as a seed treatment on corn and small grains. In 1982, the last year that production was allowed for this purpose, manufacturers could produce only enough for use on that year's seed crop. Those stocks could be used by seed companies, but not by individual farmers, for treating seed. If any of those stocks or any of that treated seed is still around today, there is nothing illegal about using it, although it is illegal to use it for cattle feed as was done in the Arkansas case.

Until 1983, heptachlor could be produced for use as a seed treatment for sorghum and milo. This was the last aboveground use to be permitted; after 1983, it was illegal to produce heptachlor for any use in the United States except underground termite treatment. Manufacturers producing heptachlor in 1983 were allowed to produce only enough for treatment of that year's sorghum and milo seed. Those stocks could be used only by seed companies, not by individual farmers. If any of those stocks or treated seed are still around, it is legal to use it, but only for seed purposes.

Heptachlor can only be manufactured today for underground termite treatment or for shipment to other countries. However, if the foreign purchaser is in a country that has placed restrictions on heptachlor, the United States manufacturer would have to notify the purchaser of heptachlor's presence in the shipment.

NATIONAL MILK PRODUCERS FEDERATION—ESTIMATED LOSSES HEPTACHLOR CONTAMINATION INCIDENT, VAN BUREN, AR, WINTER/SPRING 1986 AS OF MAY 7, 1986

I. PRODUCERS LOSSES

Organization	Pounds dumped raw per farm	Pounds dumped raw per farm	Pounds dumped total per farm	Fair market value	Milk total fair market value
A. Milk dumped:					
Co-op A	2,322,000	717,000	3,039,000	12.00	$364,680.00
Co-op B	6,338,700		6,338,700	12.00	760,644.00
Co-op B		131,521	131,521	12.00	15,782.52
Co-op C			797,000		102,000.00
Arkansas [1]	12,357,000			12.00	1,482,840.00
Subtotal					2,725,946.52

	Cows above 3 ppm.[2]	Replacement value	Total
B. Compensation for highly contaminated cows destroyed:			
Arkansas	[3] 1,265	$1,100 per cow	$1,391,500.00
Other States	[4] 105	$1,100 per cow	115,500.00
Subtotal			1,507,000.00
Total producer			4,232,946.52

	Average herd size	Arkansas	Missouri	Oklahoma	Total
C. Number of producers quarantined:					
Co-op A	60	18	1	1	[5] 20
Co-op B	59		16		[6] 16
Co-op C	114	1			[7] 1
Propriety A		7			7

[1] Projected dumped milk for all Arkansas producers, except 8 Mid-Am producers including AMPI.
[2] Estimated critical level of heptachlor contamination for cost effective correction.
[3] 12 herds testing approximately about 3 ppm. on May 6, 1986.
[4] Estimated numbers Other States.
[5] As of April 14, 1986.
[6] As of April 14, 1986.
[7] As of April 21, 1986.

II. PLANT PRODUCT LOSSES

Organization	Loss value						Total
	Milk	Cheese	Butter	Evaporated milk	Ice cream	Whole cream	
Co-op A						$3,910	$3,910
Co-op B		$11,000	$154,000	$600,000			765,000
Co-op C:							
Plant A	$72,100	8,000					80,100
Plant B	8,500						8,500
Arkansas [1]	452,996						86,596
Arkansas [2]	2,489,028						[3] 1,133,591
Total Product							2,077,697

[1] Raw milk dumped by plants other than co-op (class I price).
[2] Total pounds of contaminated product.
[3] Without Kraft losses.

III. OTHER ASSOCIATED PLANT AND PRODUCT LOSSES

Organization	Sample and testing	Extra transportation	Lost sales	Add utilities	Total
Co-op A	$15,863				$15,863
Co-op B	100,000	63,000.00			163,000
Co-op C	276	20,640.00		$200	21,116
Arkansas	36,064	481,491.00	$583,722		1,101,277
Total plant [1]					1,301,256

[1] Product/plant total: $3,378,953.

IV. OVERALL PRODUCER AND PLANT/PRODUCT LOSSES [1]

	Total
Producer	$4,232,946.52
Product/plant	3,378,953.00
Total	7,611,899.52

[1] Does not include future liability estimated claims or lost sales.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HAMMERSCHMIDT. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I thank the gentleman for yielding.

Mr. Chairman, I wish to say that we on this side support the amendment offered by the gentleman from Arkansas.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. HAMMERSCHMIDT. I yield to the distinguished chairman of the authorizing committee, the gentleman from Texas.

Mr. DE LA GARZA. I thank the gentleman for yielding.

Mr. Chairman, I would like to inform the gentleman, if he was not apprised, that in deference to the gentleman and to the suffering and the hardship which the farmers in the dairy industry in that area have had, the legislative committee, the Committee on Agriculture, authorized me to yield on this issue and not to object because of the pain and the suffering and the need in the area which the gentleman represents.

It is for that reason that the gentleman is able to offer his amendment this afternoon. The Committee on Agriculture knew of the emergency, agreed with the emergency, and we are willing to yield on the technical jurisdictional problem to assist the gentleman from Missouri and all of the farmers in that area.

Mr. HAMMERSCHMIDT. I thank the gentleman. We appreciate that very much.

The CHAIRMAN. The time of the gentleman from Arkansas [Mr. HAMMERSCHMIDT] has expired.

(On request of Mr. SYNAR and by unanimous consent, Mr. HAMMERSCHMIDT was allowed to proceed for 2 additional minutes.)

Mr. SYNAR. Mr. Chairman, will the gentleman yield?

Mr. HAMMERSCHMIDT. I yield to the gentleman from Oklahoma.

Mr. SYNAR. I thank the gentleman for yielding.

Mr. Chairman, let me take this opportunity to congratulate you, JOHN, and also JAMIE WHITTEN, TONY COELHO, WES WATKINS, and all of their staffs for their leadership on this issue.

This is one of those unique problems that one can never anticipate when we are legislating, and it is one of those things that regrettably could not be included in Gramm-Rudman, the type of emergency that we have seen.

We have really failed in our responsibility to these groups of farmers, particularly the dairymen, in our inability to provide them the type of protection under the Food and Drug Administration to guarantee that the grain that they were purchasing was safe. I do not think the gentleman overexaggerated in his statement the suffering that is being incurred by the people in Arkansas and Oklahoma and Missouri with respect to this issue.

Mr. Chairman, I want to thank particularly KIKA, and also JAMIE and also the minority, SILVIO and others, for allowing us to come to the body today in this unique circumstance to take care of this problem. I hope today's action will send a message out to those farmers and ranchers in Arkansas and Oklahoma that we are concerned about their problem, that we are moving as quickly as possible to solve this problem, and that we are very much compassionate with respect to their problems. JOHN PAUL, you have done a darn good job on this.

Mr. Chairman, I want to urge my colleagues to support the amendment offered by the gentleman from Arkansas, JOHN PAUL HAMMERSCHMIDT, and I want to thank him for his leadership on this issue and for working in a bipartisan fashion to help dairy producers in the States of Oklahoma, Arkansas, and Missouri. My colleague from Missouri, GENE TAYLOR, is also to be commended for his work on this issue. I also want to thank Congressman WHITTEN and Congressman COELHO for their assistance on this matter and my fellow Oklahoman WES WATKINS for his support.

In February of this year, dairy producers in the three-State area of Oklahoma, Arkansas, and Missouri discovered they had been feeding their livestock grain contaminated with the pesticide heptachlor. The dairymen bought the grain at a feed company which also manufacturers gasohol and converts the byproduct of gasohol into animal feed. Little did these farmers know that seed milo, inoculated with heptachlor, had been used to make gasohol. As a result, the mash which is left over from gasohol production and is mixed with other grains to make livestock feed, contained substantial amounts of heptachlor.

The result has been a nightmare for public health officials throughout the South where contaminated dairy products have been pulled from store shelves and contaminated meat products have been discovered; for dairy producers who cannot sell their contaminated milk and have no income; and for livestock producers who cannot take their animals to slaughter.

The accepted level of heptachlor contamination in milk is 0.1 parts per million. When tested last month, one Oklahoma dairyman's milk had heptachlor levels at 12 parts per million, over 100 times the accepted contamination levels. Toxicologists report that the half life for heptachlor is 58 days or 2 months in lactating animals. The only hope dairy producers have to clear up their herds and resume business as usual is to continue milking their animals. For the producer with contamination at 12 parts per million, this could take almost 2 years. That's 2 years of feeding animals, paying for the electricity in the dairy barn and milking cows twice a day, but with one hitch: The milk the producer usually sells to meet his expenses and provide a living must be poured out on the ground.

Words cannot describe the despair and frustration these dairy producers and their families are experiencing. Many of them are facing bankruptcy. Without the income from selling milk, they are having extreme difficulty purchasing necessities let alone financing the continued operation of their dairies. With the agriculture economy the way it is today, dairying is a difficult proposition anyway. It is outright impossible to earn a living when your only source of income is literally being poured down the drain twice a day.

The tragedy of this whole incident is that the producers who fed the contaminated mash to their animals are victims just as surely as the homeowners whose property is destroyed by tornadoes, floods, or hurricanes.

To make the suggestion, as some have done, that these dairy producers are in some way responsible for their current problems, is insensitive. U.S. agriculture policy encourages and in fact rewards producers who improve efficiency. In an effort to reduce costs, these dairymen bought a cheaper feed they had every reason to believe was safe.

The past 2 months have been physically and emotionally draining on these hardworking men and women. We have a chance today to ease some of the burden by guaranteeing producers with contaminated herds that they will at least be repaid for their heptachlor tainted milk. It is precisely because of situations like this one that the dairy indemnity program was created.

Under the program, dairy producers are paid for their contaminated milk. This will provide producers with income so they can continue to milk their cows and clear up the contamination. While I am certainly mindful of our budget deficits and the need to reduce spending to reach the Gramm-Rudman deficit target October 1, dairy producers and milk processors who have been disposing of contaminated milk deserve compensation. In my mind, this situation is no different than any other natural disaster. The indemnities will not make these dairy producers rich, they will only allow them to meet their expenses and avoid bankruptcy.

It is essential that we act quickly. Every day we delay means more lost income for dairy producers. I am relieved that the administration has expressed its support for the indemnity program. In the President's last two budget proposals he recommended elimination of the program. The fund only has $95,000 in it now, which the President had proposed to rescind. After dispatching an emergency task force to Oklahoma, Arkansas, and Missouri, the administration recognized the seriousness of the problem and reversed its position.

Regrettably, Gramm-Rudman does not anticipate, nor does it make allowances for natural disasters like the heptachlor contamination problem. When you run Government by computer in a bureaucrat's basement, you do not have the flexibility to deal with situations like this. In the past, Congress could take swift action when an emergency occurred. In fact, that is precisely what Congress did earlier in this decade when heptachlor was found in Hawaiian milk supplies. Gramm-Rudman has changed all of that. It is not fair to leave these dairy producers and their families hanging in the balance.

This incident has raised serious questions about our current methods of ensuring that the food we eat is safe and free from dangerous substances. The individual who sold the contaminated grain had been warned previously by the Food and Drug Administration about a different contamination problem and had been warned about Federal law and the consequences of noncomplicance. FDA had received assurances from this firm of its intent to abide by the law. FDA took them at their word, because our system depends on voluntary compliance. In most cases that is enough to prevent situations of this kind from happening.

One thing is clear. The FDA simply does not have the resources available to conduct the same kind of regular inspections now conducted at meatpacking plants. For example, there are some 8,000 meat inspectors and only 2,600 FDA field staff nationwide. The budget cuts of the last 5 years have taken their toll on the FDA. Field staff have been cut by a third since 1979 and FDA's 1986 budget was cut 10 percent this year alone. While FDA was working double-time to test milk samples, it was also testing Gerber Baby Foods for glass and Tylenol capsules for poison.

Other questions have been raised in conjunction with this incident as well. For example, what role did the EPA have in keeping the pesticide-treated seed from being used in the production of gasohol and consequently in feed. These are all problems which require long-term review. Dairy producers in Oklahoma, Arkansas, and Missouri cannot wait that long.

I urge my colleagues to vote in favor of the Hammerschmidt amendment. The families affected by this crisis have been waiting patiently for Congress to act. They need assurances that the indemnity program will be available to compensate them for their losses. Most of them have had to take out additional loans from their milk companies, bankers, and Farmers' Home to help them through this tough time. These addtional loans have been made in anticipation that these producers will receive indemnities and will be able to repay. It is important that we give the affected producers the vote of confidence they need to make it through this difficult period.

Mr. HAMMERSCHMIDT. Mr. Chairman, I want to express my appreciation to the gentleman from Oklahoma [Mr. SYNAR] and the gentleman from Oklahoma [Mr. WATKINS], of course, as well as my cosponsor of this amendment, the gentleman from Missouri [Mr. TAYLOR], the gentleman from California [Mr. COELHO], and certainly the chairman of the authorizing committee, the gentleman from Texas [Mr. DE LA GARZA].

Mr. TAYLOR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to engage in a short colloquy with the gentleman from Arkansas [Mr. HAMMERSCHMIDT] about the intent of this amendment.

The gentleman from Arkansas and I drafted this amendment citing three specific public laws. One of these, the act of August 10, 1973 (87 Stat. 223), authorizes the Secretary of Agriculture to make indemnity payments for milk or cows producing such milk, at a fair market value.

Is it the gentleman's intent that this urgent supplemental appropriation be used by the Secretary of Agriculture to make indemnity payments to dairy farmers for cows that produce heptachlor contaminated milk as for the milk itself?

Mr. HAMMERSCHMIDT. If the gentleman will yield, the answer is affirmative. Yes.

Mr. TAYLOR. I thank the gentleman for his answer.

One further question: Is it the gentleman's intent that farmers who have heptachlor contaminated milk be allowed to apply for indemnity payments for their contaminated cows, if they choose to do so?

Mr. HAMMERSCHMIDT. If the gentleman will yield further, again, the answer is "yes."

Mr. TAYLOR. I thank the gentleman for his answer.

The intent, as expressed by the gentleman from Arkansas, will be important to the Department when it writes the rules under which eligible farmers may make claims.

Since it may take a long time for some of the farmers affected by this disaster to "milk out" the traces of heptachlor from their herds and return them to commercial market production, the Department may well find it cheaper to make indemnity payments for the cows.

Mr. Chairman, I strongly support the amendment offered by the gentleman from Arkansas [Mr. HAMMERSCHMIDT] to appropriate an additional $10 million in 1986 funds for the Dairy Indemnity Program.

Mr. HAMMERSCHMIDT and I worked together in drafting this amendment, which appropriates funds to indemnify dairy farmers who face disaster due to heptachlor contaminated feed.

Mr. Chairman, some 11 weeks ago, health officials in Arkansas, Missouri, and Oklahoma announced that some milk produced in these States contained traces of heptachlor. They ordered hundreds of thousands of gallons of milk and milk products to be removed from store shelves in eight States.

States affected by the dairy recall included Arkansas, Kansas, Louisiana, Mississippi, Missouri, Oklahoma, Tennessee, and Texas. Over 100 individual farmers in Arkansas, Oklahoma, and Missouri were ordered to remove their milk from commercial markets, and their dairy herds were quarantined.

Mr. Chairman, these farmers were unaware that the feed they purchased from a company in Van Buren, AR, was contaminated with the chemical, which is a pesticide suspected of causing cancer.

Fifty-three dairy herds were still under quarantine as of April 11, according to the Agriculture Department. Milk from the cows cannot be sold, and the financial losses threaten to bankrupt some of our Nation's finest farmers.

Mr. Chairman, this is a very, very traumatic experience for the 53 dairy farmers who are no quarantined from selling their milk or, in fact, selling their cows, and it is truly an unavoidable natural disaster which impacts heavily upon the economy of the States that are affected.

For nearly 21 years, the Secretary of Agriculture has been authorized by law to make indemnity payments in situations like this.

Mr. Chairman, the first Indemnity Payment Program was enacted on August 20, 1964, as a part of Public Law 88-452. Since that time, the Congress has reenacted the law several times, most recently by section 152 of the Food and Security Act of 1985.

The most recent enactment continued the Dairy Indemnity Program until September 30, 1990.

Mr. Chairman, when this problem arose in late February, only $94,000 was available in the dairy indemnity fund. Since the cost estimates far exceed the amount in the fund, there is an urgent need to provide additional funds.

As a result of our efforts, the Department of Agriculture has now requested an emergency supplemental appropriation.

Mr. Chairman, this is truly an urgent problem. These funds are authorized by current law, and they are needed as soon as possible. I urge my colleagues to agree to the amendment.

In order to permit our consideration of this amendment, the Committee on Rules provided two waivers. Without these waivers, the amendment could not be considered on the House floor today.

The Parliamentarian's office advised me that, because the amendment to the supplemental appropriations bill would be considered after April 15, and because the amount exceeds the committee's section 302(b) subcommittee allocation, the amendment required a waiver of section 302(f) of the Budget Act.

I was very pleased when the distinguished gentleman from Mississippi [Mr. WHITTEN], the chairman of the Committee on Appropriations, supported our request for this waiver during our hearing in the Committee on Rules.

The amendment includes the phrase, "to remain available until expended", in order to make sure that these funds remain available beyond September 30.

The Department of Agriculture has initially indicated to the Committee on Appropriations that it does not anticipate obligating all of the funds during the balance of the 1986 fiscal year.

Mr. Chairman, since the Department is not certain how long it will take to milk out some of contaminated cows, and since it could take as long as 2 years, we need to make certain that the Department can obligate these funds beyond September 30, 1986.

Without the phrase "to remain available until expended", the funds would lapse at the end of fiscal 1986, thus forcing us do this all over again in the regular 1987 appropriations bill if we are to continue funding beyond October 1.

The phrase "to remain available until expended" required a waiver of clause 2 of rule XXI, since it is legislative language that would otherwise be prohibited.

I am very pleased that the distinguished gentleman from Florida [Mr. PEPPER], the chairman of the Committee on Rules, agreed to my request that this waiver be included in the rule.

□ 1350

Mr. Chairman, I would also like to express my deep appreciation to the Chairman of the Appropriations Committee, the gentleman from Mississippi [Mr. WHITTEN]; to the ranking member, the gentleman from Massachusetts [Mr. CONTE]; to my chairman of the Rules Committee, the gentleman from Florida [Mr. PEPPER]; and to the chairman of the Agriculture Committee, the gentleman from Texas [Mr. DE LA GARZA], for their cooperation.

I urge support of the amendment of the gentleman from Arkansas.

Mr. Chairman, this is truly an urgent problem. These funds are authorized by current law, and they are needed as soon as possible. I urge my colleagues to agree to the amendment.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR. I am happy to yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, let me say that the concerns of the gentleman from Arkansas [Mr. HAMMERSCHMIDT] and the gentleman from Missouri [Mr. TAYLOR] are well known and shared by this committee and the Members of this House. We support your efforts to address the disaster suffered by producers in your area.

I would like to point out that, in testimony before our committee last week, Secretary Lyng emphasized the urgent need for Dairy Indemnity Program funding. The administration has requested $6 million for producer and manufacturer indemnity payments. That is said to be the minimum amount required. The $10 million provided in this amendment may be a little high, but it is a figure we can work with in our negotiations with the other body during the coming weeks.

Mr. Chairman, I support the amendment, and urge my colleagues' support for this effort to assist the farmers whose herds have been contaminated by the pesticide Heptachlor.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas [Mr. HAMMERSCHMIDT].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

FARMERS HOME ADMINISTRATION

RURAL HOUSING INSURANCE FUND

(DISAPPROVAL OF DEFERRAL)

The Congress disapproves the proposed deferral D86-60, relating to the Department of Agriculture, Farmers Home Administration, Rural Housing Insurance Fund, as set forth in the message of March 12, 1986, which was transmitted to the Congress by the President. The disapproval shall be effective upon enactment into law of the bill and the amount of the proposed deferral disapproved herein shall be made available for obligation.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

SALARIES AND EXPENSES

(TRANSFER OF FUNDS)

For an additional amount for "Salaries and expenses", $71,598,000, to be derived by transfer from the Commodity Credit Corporation.

TITLE III—DOMESTIC FOOD PROGRAMS

FOOD AND NUTRITION SERVICE

FEEDING PROGRAM FOR WOMEN, INFANTS AND CHILDREN

(WIC)

For an additional amount, for the special supplemental food program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), $20,000,000.

COMMODITY SUPPLEMENTAL FOOD PROGRAM

(TRANSFER OF FUNDS)

The Secretary shall return to the Commodity Supplemental Food Program from the Commodity Credit Corporation, $3,950,000, which had been transferred to the Corporation from the Program.

TITLE IV

COMMODITY CREDIT CORPORATION

SEC. 1. Since the agricultural economy is the foundation of our Nation's economic strength and since widespread foreclosure and bankruptcy is upon the Nation's farmers, it becomes apparent that the drain on the economy plus the danger of the Nation's stocks of food being caught in short supply make it essential that farmers look to the purchaser instead of the United States Treasury for a fair purchase price for basic farm commodities for domestic use. The Secretary should return as soon as possible to a farm program available under the Charter of the Commodity Credit Corporation and other law, as was spelled out in section 105 of H.J. Res. 465, which passed the House but died in conference in the first session of the 99th Congress.

POINT OF ORDER

Mr. CONTE. Mr. Chairman, I make the point of order that the paragraph beginning on page 4, line 23, through page 5, line 10, directs an executive officer to perform functions that are not authorized by law and, therefore, violates clause 2 of rule XXI.

The CHAIRMAN. Does the gentleman from Mississippi desire to be heard on the point of order?

Mr. WHITTEN. Mr. Chairman, I wish to be heard on the point of order. The gentleman has made a point of order against the provision in the bill because he states that it is legislative in character and gives new direction to the Department of Agriculture.

The language in question is advisory by its very nature because of the use of the modifier "should." It is a sense of the Congress regarding the activities of the officials of the Department to act within existing law. It is not new legislation.

I realize, that under the precedents of the House, any language, be it legislative in character or purely reflecting the sense of the Congress is not in order on an appropriation measure. As chairman of the Committee on Appropriations however, I am obligated to point out that this point of order is not against a new legislative matter and is merely a statement of congressional opinion.

There are many, many places where such things are very necessary, and I consider this one of them.

I cannot argue, however, against the technical point of order.

The CHAIRMAN (Mr. BROWN of California). The Chair is prepared to rule.

For the reasons stated by the gentleman from Massachusetts [Mr. CONTE], the gentleman's point of order is upheld. The language is stricken.

Mr. CONTE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this point of order is raised against section 1 of title IV pertaining to the Commodity Credit Corporation.

This language states that the Secretary of Agriculture should return as soon as possible to a farm program that was spelled out in section 105 of an early version of the fiscal year 1986 continuing resolution. That language not only died in conference, as described in the language on page 5, but it was killed by some of the more responsible members of the CR conference committee.

The intent of this language is that the Secretary of Agriculture provide nonrecourse loans for basic agricultural commodities at such levels as would provide a fair return above the cost of production.

What a "fair return" is, we can only guess. But it would certainly be far in excess of those loan levels announced for 1986 programs in accordance with the 1985 farm bill provisions.

USDA estimates that the loan rate for wheat would, under the terms of the language in H.R. 4515, be set at $4.80 a bushel. That's almost twice as much as the current law allows. For corn, USDA estimates that a rate of $2.90 a bushel might be required, almost a dollar above the current rate. For cotton, again the estimate would be 90 cents a pound, 35 cents more than the current law provides. And for rice, this language would likely set loan rates at $9 a hundredweight, which would be $1.80 more than we had approved.

USDA estimates that higher loan rates to guarantee profits would up the costs of the 1985 farm bill by $10 to $17 billion over the next 3 years. That is—unless we placed severe limits on production, action that we twice rejected last year during consideration of the farm bill. Because of higher domestic price support levels, CCC sales at world market prices could cost as much as $10 billion just to unload this extraordinary surplus overseas.

To conduct the program so as to use no appropriated funds for domestically consumed products, as could be required under this language, USDA would have to implement massive acreage reductions, idling millions more acres than the 47 million which we hope to idle under the farm bill. USDA estimates that government-financed stocks would have to be reduced to near zero through a costly combination of production cutbacks and export subsidies. Feed stocks for livestock producers would be at least 50 percent higher than anticipated under the 1985 farm bill. Consumer expenditures for meat, poultry and cereal would be billions of dollars higher. It doesn't take an economics wizard to figure out now harmful this action would be to main street businesses in rural towns already under stress.

In light of this clearcut directive to an executive officer to perform functions that are not authorized by law, I request that the Chair sustain my point of order that this language constitutues a violation of clause 2 of rule XXI.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 3. Effective for fiscal year 1987 and thereafter, funds available to the Commodity Credit Corporation may be used to carry out the programs of the Federal Crop Insurance Corporation only to such extent or in such amounts as provided in advance in Appropriations Acts.

POINT OF ORDER

Mr. CONTE. Mr. Chairman, I want to make a point of order that in paragraph 1, page 6, lines 1 through 5, applies to funds in other acts and, therefore, violates clause 2 of rule XXI.

Mr. WHITTEN. Mr. Chairman, I would like to be heard on this point of order.

Mr. Chairman, I am disappointed that my colleague makes this because this makes the sky the limit so far as the costs of the crop insurance program are concerned. We have had considerable trouble with the insurance program, but to say that it can just turn to the Commodity Credit Corporation for any amount whatsoever is certainly a step in the wrong direction, in my opinion. I do not see how we can live with giving them authority without reservation to spend whatever they desire without limit.

I have to admit that I think it is a bad point of order, if I may say so, and I trust that my colleague will understand why I say that.

Mr. CONTE. Mr. Chairman, my point of order is raised against the language in section 3, title IV, chapter 1, pertaining to the Federal Crop Insurance Corporation. This language restricts the Federal Crop Insurance Corporation from borrowing from the Commodity Credit Corporation after 1986 through levels approved through prior appropriation actions.

I will point out that similar language was killed only a few months ago in the conference in the other body in another urgent supplemental CCC funding bill because it would have reversed a basic funding agreement arrived at in conference in the 1985 farm bill after months of negotiation, reflected in section 1021 of Public Law 99-198, because this language applies to funds and other acts.

I request the Chair sustain my point of order that the paragraph violates clause 2 of rule XXI.

The CHAIRMAN. Does anyone else desire to be heard on the point of order?

Mr. WHITTEN. Mr. Chairman, I have nothing further to say.

The CHAIRMAN (Mr. BROWN of California). The Chair is prepared to rule.

For the reasons stated by the gentleman from Massachusetts [Mr. CONTE] the Chair upholds the point of order.

The paragraph is stricken.

The Clerk will read.

The Clerk read as follows:

CITRUS CANKER

(TRANSFERS OF FUNDS)

SEC. 4. In order to prevent extensive damage to the Nation's citrus industry and prevent a disruption of national and international commerce in citrus fruits, the Secretary of Agriculture shall use his authority under existing law to transfer not to exceed $14,000,000 from the Commodity Credit Corporation to the Animal and Plant Health Inspection Service to honor a commitment through a cost-sharing program between the Department of Agriculture and the State of Florida, to (1) compensate for infected nursery stock destroyed in fighting the outbreak of citrus canker—a bacterial disease which causes extensive damage to citrus fruits—found in Florida, in 1984, and (2) to cover current and continuing operating expenses of a citrus canker eradication and control program.

Any funds previously transferred to the citrus canker program, from accounts other than the Commodity Credit Corporation, shall be immediately returned to the account from which transferred.

COOPERATIVE STATE RESEARCH SERVICE

(TRANSFER OF FUNDS)

The Secretary of Agriculture shall use his authority under existing law to transfer $5,000,000 from the Commodity Credit Corporation to the Cooperative State Research Service to meet the matching funds requirement for development of an international trade center at Oklahoma State University.

AVIAN INFLUENZA

(TRANSFER OF FUNDS)

SEC. 5. In order to prevent widespread damage to the Nation's poultry industry, the Secretary shall use not to exceed $10,000,000 from the Commodity Credit Corporation to control and eradicate avian influenza.

TITLE V

FARM PROGRAMS

As authorized by existing law, in order to protect the national economy, to prevent the destruction of much of the agricultural industry, to keep farmers engaged in farming, and to prevent a further drastic decline in land values, those persons who were en-

gaged in agricultural production of basic commodities in calendar year 1985, and who have made a bona fide effort for the last two years to meet their financial obligations to the Farmers Home Administration should, upon a showing of inability to obtain financing from private sources, be eligible for a production loan from the Farmers Home Administration, whether such persons had been a prior borrower from the Farmers Home Administration or from private sources, and their debt, including principal and interest, if the Farmers Home Administration, should be deferred for 1986 and for such additional period as it may take to determine what part of their present debt is the result of Government embargoes declared in 1973, 1974, 1975, 1980, and what part of their debt is due to a virtual embargo due to failure to offer surplus commodities in world trade at competitive prices since 1980.

POINT OF ORDER

Mr. CONTE. Mr. Chairman, I make the point of order that the paragraph beginning on page 7, line 15, through page 8, line 10, directs an executive agency to perform functions not authorized by law and, therefore, violates clause 2 of rule XXI.

The CHAIRMAN. Does the gentleman from Mississippi [Mr. WHITTEN] desire to be heard on the point of order?

Mr. WHITTEN. Mr. Chairman, may I say that the Committee on Appropriations in the prior bill had called on the Department of Agriculture and had given them money to find out what the damages had been to the American farmer and to agriculture generally by the embargoes that were in effect in 1973, 1974, 1975, and 1980.

We have had over a year, as I recall it, and we still cannot get any information out of the Department. For that reason, I thought it well to make these points in this bill.

I have to agree again that technically this is in violation of the rules. And I would like to point out here that the points of order are made only on those things that affect the farmer. The other things in this bill, they waive the points of order in the rule. It is playing favorites, and again the sufferer is the American farmer.

The CHAIRMAN (Mr. BROWN of California). Does the gentleman have any additional statement to make with regard to the point of order?

If not the Chair is prepared to rule.

For the reasons stated by the gentleman from Massachusetts [Mr. CONTE], the Chair upholds the point of order made by the gentleman applying to the language down to line 10 on page 8, and that section will be stricken.

Mr. CONTE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, my point of order is raised against the language on farm programs appearing in title V of chapter 1.

This language would provide debt relief to agricultural producers proven to be adversely affected by embargoes during the 1970's and by policies which fail to offer surplus commodities in world trade at competitive prices. The administration considers that the language in this paragraph would require deferrals of fiscal year 1986 principal and interest repayments to Farmers Home—that's $5 billion in repayments that we expected to receive this year alone.

In redefining eligiblity for Farmers Home production loans and deferring repayments of debt while the agency attempts to do the impossible task of establishing some causal relationships, we are not only directing an executive to perform functions not authorized by law, but we are promoting the collapse of the entire farm lending system.

The size of outstanding farm debt in the United States is mindboggling—over $200 billion. And, as we are too well aware, most of it is held by the five major institutional lenders, including $28 billion by the Farmers Home and $12 billion by the CCC.

The answer to the debt crisis on the policy side is not to authorize new, substantial credit. That is reckless and irresponsible. According to the GAO and the ERS, 13.5 percent of our commercial farms are already technically insolvent, with debt-to-asset ratios of 143.6 percent. We'll be lucky if we ever see that $16 billion again, so let's not talk about more loans.

We can't afford to forgive all of the existing debt either. The GAO in a March 1986 report projected that if we were to balance each commercial farmer's cash flow, and discharged only 42 percent of their existing debts, it would cost the Federal Government $66 billion. The language in this bill would set us on that road by deferring anticipated principal and interest repayments of $5 billion.

Mr. Chairman, I respectfully request that the Chair sustain my point of order.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

The Administrator of the Farmers Home Administration should complete a determination by April 1, 1986, on a case-by-case basis, of farmers who are unable to continue making payments of principal and interest due to circumstances beyond their control and, thereby, qualify for assistance under this provision.

POINT OF ORDER

Mr. CONTE. Mr. Chairman, I make the point of order that the paragraph on page 8, lines 11 though 16, directs an executive agency to perform functions not authorized by law and, therefore, violates clause 2, rule XXI.

Mr. Chairman, let me start by saying that there are about 412,000 active borrowers in the Farmers Home portfolio of loans; 237,000 are delinquent in their payments, and owe over $8.4 billion.

Since January of this year, Farmers Home offices began meeting on an active basis with the borrowers to discuss servicing options. These options, of course, include deferrals, but also include consolidation, rescheduling, reamortization, subordination, and restructuring.

An additional, unauthorized case-by-case review to try to ascertain what part of the borrower debt is due to 13-year-old embargoes or the Federal Government's failure to offer massive export subsidies is at best a waste of time.

□ 1400

Another review with these and all borrowers would require, according to USDA estimates, 675 additional staff years and another $30 million in personnel costs.

Mr. Chairman, this language would not extend the eligibility for loans, but it would require an additional review based upon ambiguous criteria. More importantly, it would result in most Farmers Home borrowers thinking that they were eligible for a deferral. In that case, repayments even by those who are able to make them would be severely curtailed.

According to the USDA, at a minimum, this language could require Farmers Home to forego collections of principal and interest payments on agricultural loans causing an increase in the fiscal year 1986 outlays of $5 billion, and in the event that this language is not clarified, or repealed in fiscal year 1986, it could result in further outlay increases of $5.9 billion in fiscal year 1987; $6.6 billion in 1988; $7 billion in 1989; $7.9 billion in fiscal year 1990.

Finally, I would like to point out that the requirement that the individual reviews be conducted by April 1 is an impossible one to meet.

Mr. WHITTEN. Mr. Chairman, I would like to answer the point of order.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. WHITTEN. Mr. Chairman, May I point out that under the basic law, the Farmers Home Administration may waive principal, may cancel past indebtedness; may do all these things.

May I say that in the early seventies, we passed an emergency farm bill which became the subject of a 60-Minutes' program. Under that emergency bill if you had three farms and went broke or lost money on one, you could borrow unlimited money even if you got rich on the other two farms.

Our committee had an investigation, and much of today's debt was created back in that period when there again they had no ceiling on how much you could borrow. One farm operator in one of the Western States borrowed $24 million. It was terrible.

We got together with the legislative committee, at that time under Mr. FOLEY and worked out with the Department whereby under regulation they would put some limits on these things.

May I say the provision is subject to a point of order, but it is also greatly needed. I call attention here that when we pass a law, the regulations

and operations come under the control of the executive branch. It is very difficult, in our position, to see that they carry out that law and that they do not write regulations that completely disrupt the law.

This is the committee's effort, but I have to confess to the point of order.

The CHAIRMAN (Mr. BROWN of California). The Chairman of the Appropriations Committee graciously concedes the point of order; the Chair upholds the gentleman's point of order, and the language will be stricken.

The Clerk will read.

The Clerk read as follows:

Chapter II—DEPARTMENT OF COMMERCE

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

(INCLUDING DISAPPROVAL OF DEFERRAL)

The Congress disapproves the proposed deferral D86-36 in the amount of $40,000,000 for Economic Development Assistance Programs, as set forth in the message of February 5, 1986, which was transmitted to the Congress by the President. This disapproval shall be effective upon enactment into law of this Act and the amount of the proposed deferral disapproved herein shall be made available for obligation.

Of the total amount appropriated and available under this head in Public Law 99-180, $790,000 shall be obligated to supplement funds allocated pursuant to section 108(a)(2) of Public Law 99-190.

Of the total amount appropriated and available under this head in Public Law 99-180, $791,000 shall be obligated to supplement funds allocated pursuant to section 108(a)(5) of Public Law 99-190.

DEPARTMENT OF JUSTICE

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $15,500,000.

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

SALARIES AND EXPENSES

(TRANSFER OF FUNDS)

Notwithstanding section 15(a) of the State Department Basic Authorities Act of 1956, for an additional amount for "Salaries and expenses", $237,494,000, to remain available until September 30, 1987: *Provided*, That such funds shall be derived by transfer from funds previously appropriated or made available to the Department of Defense, or from unearmarked funds appropriated or made available to the President for International Financial Institutions, the Economic Support Fund, the Military Assistance Program, and for Foreign Military Credit Sales.

ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD

(TRANSFER OF FUNDS)

Notwithstanding section 15(a) of the state Department Basic Authorities Act of 1956, for an additional amount for "Acquisition and Maintenance of Buildings Abroad", to be available subject to the approval of the House and Senate Committees on Appropriations under said Committees' policies concerning the reprogramming of funds contained in Public Law 99-180, $454,532,000, to remain available until expended: *Provided*, That such funds shall be derived by transfer from funds previously appropriated or made available to the Department of Defense, or from unearmarked funds appropriated or made available to the President for International Financial Institutions, the Economic Support Fund, the Military Assistance Program, and for Foreign Military Credit Sales.

COUNTERTERRORISM RESEARCH AND DEVELOPMENT

(TRANSFER OF FUNDS)

Notwithstanding section 15(a) of the state Department Basic Authorities Act of 1956, for necessary expenses for "Counterterrorism Research and Development", $100,000,000, to remain available until September 30, 1987: *Provided*, That such funds shall be derived by transfer from funds previously appropriated or made available to the Department of Defense, or from unearmarked funds appropriated or made available to the President for International Financial Institutions, the Economic Support Fund, the Military Assistance Program, and for Foreign Military Credit Sales.

OTHER

THE ASIA FOUNDATION

Notwithstanding section 15(a) of the State Department Basic Authorities Act of 1956, for an additional amount for "The Asia Foundation", $2,000,000, to remain available until expended.

THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

CARE OF THE BUILDING AND GROUNDS

For an additional amount for "Care of the Building and Grounds", $46,000.

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

SALARIES OF SUPPORTING PERSONNEL

(INCLUDING TRANSFERS OF FUNDS)

For an additional amount for "Salaries of Supporting Personnel", $13,200,000, of which $2,000,000 is to be derived by transfer from "Salaries of Judges" and of which $10,000,000 is to be derived by transfer from "Expenses of Operation and Maintenance of the Courts".

FEES OF JURORS AND COMMISSIONERS

For an additional amount for "Fees of Jurors and Commissioners", $3,800,000, to remain available until expended.

STUDY OF CONSTRUCTION OF OFFICE BUILDING

For an amount to enable the Architect of the Capitol and the Secretary of Transportation, in consultation with the Chief Justice of the United States, to study alternatives for the construction of a building or buildings to meet the current and future needs of the Judicial Branch and such other commercial, governmental, cultural, educational, and recreational activities which may appropriately be located in such building or buildings, $2,000,000, to remain available until expended.

RELATED AGENCIES—DEPARTMENT OF TRANSPORTATION

MARITIME ADMINISTRATION

OPERATIONS AND TRAINING

(DISAPPROVAL OF DEFERRAL)

The Congress disapproves the proposed deferral D86-53 in the amount of $9,350,000 for Operations and Training, as set forth in the message of February 5, 1986, which was transmitted to the Congress by the President. This disapproval shall be effective upon enactment into law of this Act and the amount of the proposed deferral disapproved herein shall be made available for obligation.

BOARD FOR INTERNATIONAL BROADCASTING

GRANTS AND EXPENSES

For an additional amount for "Grants and Expenses", $14,500,000, to remain available until expended.

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

(TRANSFER OF FUNDS)

For an additional amount for "Salaries and Expenses" for disaster loan making activities, including loan servicing, $2,000,000 to be derived by transfer from unobligated balances in the Small Business Administration, "Disaster Loan Fund".

CHAPTER III—DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

CONSTRUCTION, GENERAL

Using available funds, the Secretary of the Army shall take such actions as may be necessary to remedy slope failure and erosion problems along the Tombigbee River in Alabama in order to protect the Highway No. 39 Bridge at Gainesville, Alabama, at an estimated cost of $1,500,000. Such actions shall be coordinated with the State of Alabama: *Provided*, That using available funds, $1,400,000 shall be available to initiate construction at Mount St. Helens, Washington.

FLOOD CONTROL AND COASTAL EMERGENCIES

For an additional amount, for "Flood Control and Coastal Emergencies", as authorized by section 5 of the Flood Control Act approved August 18, 1941, as amended, $25,000,000, to remain available until expended.

GENERAL EXPENSES

(TRANSFER OF FUNDS)

For an additional amount for "General Expenses" $3,000,000 to remain available until expended, and to be derived from "Operation and Maintenance, General".

DEPARTMENT OF ENERGY

ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES

(DISAPPROVAL OF DEFERRAL)

The Congress disapproves $23,156,000 of the proposed deferral D86-38 relating to the Department of Energy, "Energy Supply, Research and Development Activities", as set forth in the message of February 5, 1986, (House Document 99-161), which was transmitted to the Congress by the President. The disapproval shall be effective upon enactment into law of this bill and the amount of the proposed deferral disapproved herein shall be made available for obligation.

ATOMIC ENERGY DEFENSE ACTIVITIES

(TRANSFER OF FUNDS)

For an additional amount, for "Atomic Energy Defense Activities", $62,000,000, to be derived by transfer from the Department of Defense appropriation "Research, Development, Test and Evaluation, Defense Agencies", to be merged with this Account and remain available until expended: *Provided*, That the transfer of funds provided in this paragraph shall not become available for such transfer until 30 days after the Committees on Appropriations of the House of Representatives and the Senate receive from the Department of Defense a list of the specific sources of funds to be used for such transfer.

DEPARTMENT OF DEFENSE

ADMINISTRATIVE PROVISION

Of the funds previously appropriated or made available for research, development, test and evaluation for the Department of the Air Force and for the Defense Agencies for fiscal year 1986 pursuant to Public Law 99-190, the Secretary of the Air Force shall provide a grant or contribution of $13,500,000 for research activities, construction of research related facilities and for other related purposes at Northeastern University in Massachusetts identified in House Report 99-450 and the Secretary of Defense shall provide a grant or contribution of $11,100,000 for research activities, construction of research related facilities and for other related purposes at the Rochester Institute of Technology at Rochester, New York identified in House Report 99-450.

CHAPTER IV—FOREIGN ASSISTANCE AND RELATED PROGRAMS

BILATERAL ECONOMIC ASSISTANCE

AGENCY FOR INTERNATIONAL DEVELOPMENT

Of the funds made available for the "Economic Support Fund" in Public Law 99-190, not less than $50,000,000 shall be made available for the United States contribution to the International Fund established pursuant to the November 15, 1985, agreement between the United Kingdom and Ireland.

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: On page 16, on line 7, strike "$50,000,000" and insert in lieu thereof "$20,000,000".

Mr. WALKER. Mr. Chairman, so that we understand what we are talking about here, this is the foreign aid money for Ireland. It is money put into this bill, and pursuant to an agreement arrived at between the United Kingdom and Ireland last fall.

In that particular agreement, the United States has obviously made some commitments to helping to have that agreement move forward. However, it is clear what the administration felt was the needed amount of money to provide in foreign aid for that particular agreement, was $20 million.

This amendment would in fact go back to the administration's request. What you have in the bill is a decision by the Committee on Appropriations to raise the administration request by 250 percent. Let me say that again: The committee decided to raise the administration's request for foreign aid for Ireland by 250 percent.

Now, I think that we can probably get by with the $20 million that was originally requested by the administration; that we do not have to have a 250-percent increase in foreign aid for this particular program.

We are going to be told that this is just reprogram money; that it is not really an increase in foreign aid, it is not that kind of problem, that it is reprogram money. I would remind those who want to make that argument that it was not very long ago that some of them were on the floor talking about Contra aid, talking about money that we wanted to have go to anti-Communist forces, and they were making arguments on the floor that, to reprogram that money would take it out of the hide of America's farmers, out of the hide of small business, out of the hide of the poor, that there would be all kinds of devastating things happen as a result of reprogramming Defense Department money for the Contras.

I would suggest that the $30 million that we are talking about here, the 250-percent increase in foreign aid that we are talking about here, is precisely the same issue. If in fact it is true when you are arguing about anti-Communist forces such as the Contras; it is true when you are talking about raising the administration request by 250 percent with regard to foreign aid for Ireland.

I think that we can get along with $20 million. My amendment does not strike all of the money. It simply goes back to the administration request. I think that it is entirely rational to believe, in these days when we are trying to get a grip on Federal spending, that when we speak of foreign aid that we ought not spend more than the administration really wants.

Now let us understand: We justify these supplemental increases by the fact that the administration has come up here with emergency requests. In this particular case, what the administration wants is $20 million. Let us stick with $20 million; let us not increase it by 250 percent, and go to the $50 million that is in the bill.

I would ask approval of the amendment.

Mr. OBEY. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, I would like to correct some of the misstatements just made by the gentleman from Pennsylvania. The Committee on Appropriations' action on Ireland did not increase spending by one dime. What the Appropriations Committee action on Ireland did was to reduce overall foreign aid spending by $20 million. The administration's original request was for a $20 million supplemental. In addition to that, they suggested that $30 million in other funds could be provided for a series of loan guarantees and other such arrangements. I did not feel, as chairman of the subcommittee with jurisdiction, that we could justify one dime in new money for foreign assistance, not even the $20 million that the administration requested.

The authorizing committee felt the same way. So what happened is very simple: The authorizing committee brought to this House floor and this House passed without a single dissenting vote an authorization which said "No dice, we will not add $20 million in new spending to foreign aid which would go to Ireland." The authorizing committee said that we would earmark $50 million each year out of existing funds for ESF, the Economic Support Fund. That means that we are spending $20 million less under this proposal than the administration requested that we spend.

Now, what we are saying is that we ought to follow the judgment made by this House with no dissenting votes when they passed the authorization proposal which suggested that out of the existing Economic Support Fund moneys previously appropriated that $50 million could be made available to Ireland. We suggested that, for instance, because there is still $2 billion in unobligated funds left within ESF, there is still $750 million in unearmarked money left in the Economic Support Fund. In addition to that, there appears to be a $27 million amount in the trade credit insurance loss reserve program which will not be needed. There is also money which the Congress previously appropriated for Peru which we do not feel in a position to be able to use because Peru has not lived up to its obligations to repay their debts.

So the Committee on Appropriations is doing nothing except following the judgment previously made by the authorizing committee, which overall reduces spending by $20 million below administration levels and says to the administration we can take $50 million but it has to be out of existing funds, no new dollars.

I would also make the point, although I do not like to get into substance because this is supposed to be an appropriations rather than a substantive debate, but on the question of substance I would simply make the following observations: If the House wanted to object to the idea of earmarking $50 million for Ireland, the proper time to do it was when the authorization was before the House, not when we are following up on that obligation through the appropriations process.

If we now pull the plug on a commitment which the House with great fanfare appeared to make just a short 30 to 40 days ago, we would be sending a series of wrong signals around the world. We would be sending the wrong signals to the terrorists in Ireland, for instance, on our basic commitment to the Anglo-Irish accord.

Second, I would point out this is the beginning of a 5-year effort on the part of England, Ireland, the United States, Western Europe, and other countries to try to bring peace to that area of the world by attacking economic problems associated with the Irish situation.

We are providing $50 million this year, but that does not mean that the country is committed to any amount down the line. We are trying to pro-

vide a $50-million earmark this year to encourage other countries, other European countries to participate at a reasonable level.

If they are not forthcoming, we can reduce our future commitments, reduce our future appropriations, if we feel that our allies are not carrying their fair share of the load.

I would make the point: we are spending this year $5 billion to try to promote peace in the Middle East.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. OBEY] has expired.

(By unanimous consent Mr. OBEY was allowed to proceed for 2 additional minutes.)

Mr. OBEY. We are spending $5 billion, not million dollars, $5 billion this year in the Middle East to try to move the peace process forward. Is it really too much to suggest that $50 million ought to be spent to try to bring peace to Northern Ireland, which has been the scene of incredible violence over the last 20 years?

I would make the last point: the sponsorship of the authorization proposal which this committee is attempting to buttress today, is bipartisan sponsorship. The proposal was authored by Congressman FASCELL, Mr. WRIGHT, Mr. FOLEY, Mr. HAMILTON, Mr. YATRON, Mr. SOLARZ, Mr. MICA, Mr. LANTOS, Mr. SMITH of Florida, and Mr. WEISS on the Democratic side of the aisle, and by Mr. BROOMFIELD, Mr. GILMAN, Mr. HYDE, Mr. SOLOMON, Mr. BEREUTER, on the Republican side of the aisle.

I think this indicates that this is not a question of partisanship, it is a question of saving $20 million which you will do if you support the committee position as against the administration's original request, and it is a question of keeping an obligation which we announced to the world we intended to keep just about 30 days ago.

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I hope that this amendment is defeated. We debated this at great length with the Committee on Foreign Affairs. The House worked its will on the authorization bill. They decided that this was meritorious and therefore should go forward. We are just following what the authorization committee has done.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding because I realize that that is a suitable argument. However, we constantly get the arguments on the floor that we are simply approving authorizations and that the real spending will be decided when we get to the appropriations process. It seems to me that that is what we are doing here, that we are simply deciding that we are going to spend $20 million rather than $50 million despite the fact that the authorization said something different. And I cannot imagine that that is outside the bounds of what we typically do in this body.

I thank the gentleman for yielding.

Mr. CONTE. No; it is not outside the bounds. But we felt on the Appropriations Committee that this was warranted. The United States has expressed support for the agreement between Ireland and Great Britain to move toward a resolution of the conflict of Northern Ireland.

This House has voted to authorize $50 million in fiscal year 1986 as our first contribution.

Do you want to now tell Ireland and England—the England which came to our aid almost singlehandedly with regard to the raid on Libya—do you want to tell England today, "Hey, I am sorry, we have changed our minds now, and we are not going to cough up the $50 million"?

I do not think you want to do that.

Do you want to tell your Irish-American constituents—and you better believe me, there are going to be plenty of them who are going to be interested in this amendment—we could not use previously appropriated foreign funds to help bring peace and prosperity to Northern Ireland? Are you going to do that?

I would like to remind my colleagues that this money is very much going to be used in fighting terrorism in that part of the world.

Yesterday's headlines reported that a suspect was on the loose and was being hunted in connection with the gunrunning and financing of the IRA terrorist campaign.

In fact, there is positive proof that Colonel Qadhafi has been financing and providing guns to the IRA for some time now.

Let us not be inconsistent in our fight against terrorism. Let us use this opportunity today to go on record, loud and clear, that we support peace, as evidenced in the Anglo-Irish accord.

I hope that we will not prolong this debate; really I do not, because I think that the majority of this House, the overwhelming majority of this House, feels that we should honor this $50 million pledge.

Mr. GEKAS. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend from Pennsylvania.

Mr. GEKAS. I thank the gentleman for yielding.

I do not think there is anyone who is preparing to argue against the commitment made by our Nation with England vis-a-vis the subject matter of this money.

What I am still not clear about, notwithstanding the explanations of the distinguished chairman of the subcommittee and the statements of the Congressman from Pennsylvania, what is the originally committed amount by the United States to this proposal. Can the gentleman answer that question?

Mr. CONTE. $250 million.

Mr. OBEY. If the gentleman would yield; over a 5-year period.

Mr. CONTE. Over 5 years. Fifty million dollars is our first installment.

Mr. GEKAS. Then how is it that the chairman of the subcommittee—if he wants to explain, I would be glad to ask you to yield to him—say that with this amount of money, saving $20 million already or providing $20 million less than the administration first proposed?

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend from Wisconsin.

Mr. OBEY. I thank the gentleman for yielding.

The reason we are saving $20 million is that the administration's request to Congress came in the form of a request for a supplemental of $20 million of new money. We said we will meet the requests for Ireland over a 5-year period but the money is going to come out of funds previously appropriated. So if you want to give it to Ireland, it has to come out of some other accounts for which we have already appropriated money. So there is no new money in this proposal. There would have been $20 million in new money under the administration proposal.

Mr. GEKAS. Mr. Chairman, will the gentleman yield further?

Mr. CONTE. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. I thank the gentleman for yielding further.

What would be the adverse effect of adopting the Walker amendment?

Mr. CONTE. The adverse effect is you are going to give Ireland $30 million less. That is the adverse effect. Under the committee bill, we are going to give them $50 million. But none of that money will be new money; it will come out of an existing account of economic assistance.

Mr. GEKAS. Mr. Chairman, will the gentleman yield further?

Mr. CONTE. I yield to the gentleman.

Mr. GEKAS. I thank the gentleman.

Mr. Chairman, how would that differ from whence the money would come that the Congressman from Pennsylvania is proposing? That is not different, is it?

Mr. OBEY. Mr. Chairman, will the gentleman in the well yield to me?

Mr. CONTE. I would be glad to yield to the gentleman from Wisconsin.

Mr. OBEY. I thank the gentleman for yielding.

There are two points that must be understood. What I tried to point out earlier is that the gentleman from Pennsylvania left the impression that the committee had added to overall spending. We did not. We reduced overall spending by $20 million because we approved no new money.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. CONTE] has expired.

(By unanimous consent Mr. CONTE was allowed to proceed for 5 additional minutes.)

Mr. OBEY. Mr. Chairman, will the gentleman continue to yield?

Mr. CONTE. I yield to the gentleman from Wisconsin.

Mr. OBEY. I thank the gentleman.

The effect of the gentleman's amendment would be to reduce the earmarking within existing funds from $50 million down to $20 million. It will not result in any less spending out of the Treasury. It would simply mean there would be $30 million left in the ESF Fund to go to somewhere else. Meanwhile, we would have crossed up our signals in terms of our support for the Irish-British accord, and I do not think that is a sensible thing to do.

So the gentleman is not saving any money. All he is doing is creating a foreign policy problem.

□ 1425

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, the only point that I made in the course of my remarks in response to the gentleman who just spoke is that when we were debating the Contra aid, that is precisely opposite from the argument that was used time and time again on the House floor. At that point, we were told it was coming out of the hide of farmers and coming out of the hide of small business, coming out of the hide of the poor, and so on, despite the fact that it was all reprogrammed money, too.

So in the same sense that any savings made by the people who voted that way on Contra aid, my amendment is saving that money as well. We are saving $30 million in exactly the same sense. It seems to me that if we can save $30 million, we ought to save 30 million bucks. That is exactly what I am trying to do.

Mr. GEKAS. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. Mr. Chairman, I guess what I really want to know is if we adopt the Walker amendment, would we not be meeting the commitment of our Nation over the 5 years to the Irish plan?

Mr. CONTE. No; it would be $30 million less. It is very simple. It is $30 million less.

We are providing $50 million for Ireland. This is the first part of the installment of the $250 million. That is all part of the Irish-English accord that was signed. We agreed to provide $250 million over 5 years; $50 million is the first installment. The gentleman wants to chop it by $30 million.

Mr. GEKAS. If the gentleman will yield further, are we begging the question? Is the gentleman saying that the administration demands $50 million for this year, or is satisfied with $20 million? That is the real question.

I am not arguing about the $250 million. I am not arguing about the 5 years. I am asking whether or not the administration would be satisfied this first year with $20 million. That is the basic question on whether or not we should be supporting the Walker amendment.

Mr. CONTE. The gentleman did not ask that question. Yes; the administration would be satisfied with $20 million.

However, we feel that we have made a commitment for $50 million. We are talking about the U.S. House of Representatives. We have already debated this issue once. We feel that we should put up the money that we pledged here in the authorization bill.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, we did not really debate the question that the gentleman is stating the first time around. The bill was brought up under the Suspension Calendar which meant there was no chance for amendment on the $250 million.

What we decided to do under the authorization bill was to make the commitment to enforce the treaty, and so on. That is fine. That is the commitment we made.

But now we are being told that the specific amount of money is what we agreed to. The issue here is whether or not we are going to spend that amount of money. The administration says we only need $20 million. That is what I am saying. Let us have $20 million. The commitment remains the same, however.

Mr. CONTE. Mr. Chairman, let me just make one correction and help the gentleman.

In testimony before the Committee on Foreign Affairs, Assistant Secretary of State Ridgeway conceded that $50 million for each fiscal year likely would be the U.S. contribution.

Mr. GEKAS. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. Mr. Chairman, I understand that, and that is fine with me. I have no argument with the overall budgetary figure of $250 million spread over a number of years.

But I do not see how we, in reliance on the administration's request of $250 million, we therefore still go against the administration's request for the $20 million for this year. Why can we not follow the administration's request for this year while still implementing its overall policy and commitment of $250 million to which we all agree? That is what I do not understand.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

(On request of Mr. GEKAS and by unanimous consent, Mr. CONTE was allowed to proceed for 5 additional minutes.)

Mr. CONTE. The gentleman from Wisconsin came up with a very wise proposal of taking that money, that $50 million, out of existing funds that had been appropriated for other purposes. So it is not new budget authority.

Mr. BIAGGI. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I think we can deal with it on the merits, notwithstanding the author in this matter. Clearly, we are talking about a situation that has evolved over a number of years. We are talking about the question of freedom and justice and economic strife in Northern Ireland.

There was a very significant first step taken by the Republic of Ireland and the United Kingdom when they developed the Anglo-Irish accords. It was a fragile step, but it was a step forward.

The administration decided it wanted to help in some measure. It was their proposal and they supported economic assistance of $250 million.

A number of years ago and each Congress thereafter, I introduced legislation to provide economic assistance for the simple purpose, we know what the problems are in those six counties. In some areas there is 61 percent unemployment. It is the most economically distressed nation in Europe.

So, with the advent of this economic assistance, you develop a tripartite approach. You have the Republic of Ireland, the United Kingdom, and the United States, for the first time, working together to relieve the problems in Northern Ireland.

Yes; the proposal was $250 million, which the administration supported, $50 million each year. Originally, and I think the point was made and hopefully was explained but I will repeat it once again, the administration wanted $20 million new money. The committee thought otherwise, that $20 million new money was not necessary.

They suggested getting that money out of hide. That is where we are today.

So, clearly, the gentleman's amendment would vitiate the entire purpose of the initial authorizing legislation.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise to associate myself with the gentleman's remarks. Many of us have worked long and hard to try to find some solutions to the problems of Northern Ireland. The Anglo-Irish agreement appears to be a step in the right direction. It needs both political support and the monetary support that we have promised in prior legislation, H.R. 4329. I expect that when this earmark is actually expended, it will be subject to the conditions hammered out in that legislation by the Committee on Foreign Affairs and passed by the House, including Presidential certification that funds will be spent on programs that benefit all segments of the population and a Presidential report on the degree to which fund programs are carried out without discrimination on the basis of religion. The authorization also provides that no funds will be spent for security or intelligence purposes.

Mr. Chairman, I urge my colleagues to be supportive of the full funding for our aid program for Ireland and to vote in opposition to the proposed amendment.

Mr. BIAGGI. Mr. Chairman, I thank the gentleman for his remarks.

Mr. Chairman, I would like to deal with another point the author of this amendment makes. The gentleman said it is analogous to the Contra aid.

It is not. It clearly is not. The Contra aid was controversial. Here there is a sense of unanimity. Everyone is for it. The administration is for it, the House is for it, the Republic is for it, and the United Kingdom is for it. It is necessary. Hopefully, it will be the most significant step in trying to relieve the situation that we have in Northern Ireland, a situation that people have said over the years needed correction.

We have heard time and time again people on this floor talking about the conditions in Northern Ireland. The Dial in the Republic, the Parliament in England, the European Commission on Human Rights, and the European Parliament all have discussed this issue.

This amendment of this appropriation is critical. It is critical. It demonstrates good faith on the part of our Nation, and it would be embarrassing, not only to the Members of the Congress, but certainly to the administration and to the President.

Mr. GEKAS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I must set the record absolutely straight with respect to the comments of the gentleman from New York so that my motivation is made clear.

I state and restate that I have supported and will support the aims of the American foreign policy as it pertains to Northern Ireland, as I have in so many other regards.

I do not think it is a question, and I hope that the gentleman does not persist in questioning, the motivation of people who would seek to adjust the amount of money that should be paid the first year as to whether or not it is in nonrecognition of a problem it is intended to correct.

□ 1435

I want the very best possible solution to that problem. So does every Member of Congress. And I applaud the administration's initiative, and I want $250 million to be spent to try to correct those problems, and I want the commitment of England to subsist, and I want our aims there also to be sustained.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from New York.

Mr. BIAGGI. Mr. Chairman, I do not question anyone's motive in this connection. I just disagree with the amendment because it virtually emasculates the amount of money requested.

Mr. GEKAS. But that is the question. I am still not convinced that if the administration seeks only $20 million for this current year, whether or not it is wise not to adopt the Walker amendment. I still feel that, in my position, we are honoring American foreign policy in that regard.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, some of the discussion we have heard here seems to indicate that what we are doing is taking the money completely and thereby eliminating our commitment to the agreement. That is not the case at all. What we are doing is simply lowering the amount of money from the $50 million that is in this bill and taking it down to the $20 million that the administration said they originally needed to administer the program.

It seems to me that at a time when we are making all kinds of other crucial economic decisions, we ought not to make a decision here to raise the amount of the original administration request by 250 percent.

I agree with every point that has been made about the fact that we are now talking about reprogrammed money. That is fine. My amendment is reprogramming money, too. What we are doing is basically saving, though, $30 million in this particular program, and I think that any kind of savings we can get of that type is probably worthwhile.

I thank the gentleman for yielding.

Mr. GEKAS. Mr. Chairman, I simply restate: I support the administration's request for $250 million to implement the agreements as to Northern Ireland. I therefore feel that we should be supporting the administration's initial request for implementation or beginning implementation of the program at $20 million for the current fiscal year. Therefore, we ought to adopt the Walker amendment.

Mr. BOLAND. Mr. Chairman, I oppose the amendment offered by the gentleman from Pennsylvania [Mr. WALKER] to reduce the level of United States support for the Anglo-Irish agreement.

This issue was thoroughly debated on the House floor on March 11. After that debate, the House voted overwhelmingly to assist in the process of reconciliation in Northern Ireland that was begun by an unprecedented agreement reached last year by the leaders of the Government of the Republic of Ireland and the Government of Great Britain. That agreement provides a framework within which to begin the difficult process of addressing politically the problems in Northern Ireland which history has clearly shown cannot be solved by violence.

The bill we passed in March authorized $50 million per year for the next 5 fiscal years to further the goals of the Anglo-Irish agreement. We recognized that that money is crucial to addressing some of the economic problems which have frustrated the search for peace in Northern Ireland. We also recognized that our budget constraints were such that the first two installments of U.S. assistance should come from existing economic support fund [ESF] authorizations. The supplemental appropriations bill makes good on the pledge we made in March, both in terms of the dollar amount and the means of providing it. We appropriate no new money for this purpose. As the chairman of the Foreign Operations Subcommittee, Mr. OBEY, has indicated, the $50 million that this bill makes available comes from previously appropriated funds which have not been designated for a particular purpose. I want to compliment Mr. OBEY for his leadership on this issue and for the commitment which he has shown to following the dictates of the authorization legislation.

Mr. Chairman, we were on the right course on this issue in March, and the rejection of the Walker amendment will keep us on course. Our country has a proud tradition of assisting those working for peace in economies devastated by violence. Our support for the Anglo-Irish agreement is in that tradition and I hope that we will be steadfast in that support.

Mr. FISH. Mr. Chairman, the House expressed its will on March 11, when it voted to authorize contributions by the United States to

the international fund established pursuant to the November 15 agreement between the United Kingdom and Ireland. Furthermore, the House expressed its will that the aid, amounting to $250 million would be provided in $50 million increments annually.

Mr. Chairman, to alter the amount at this time would be in direct conflict with the expressed intention of the House. In addition, the $20 million the gentleman from Pennsylvania proposes to allow would be insufficient to initiate the economic and social reconstruction and redevelopment called for in H.R. 329. Furthermore, to back away from our stated intentions now, before we've even gotten started, would send a distorted and ambiguous signal to the United Kingdom and to Ireland, regarding our commitment to peace, stability, and reconciliation in Ireland and Northern Ireland, and regarding our resolve as a legislative body. Moreover, the $50 million for this year and for next year is already appropriated, and is merely a redirection of ESF funds. Cutting its year's aid to $20 million would not save any money.

Therefore, Mr. Chairman it is essential that the full $50 million be granted. We have already decided this, to do less would produce questionable results, we need to send a clear message to our friends across the sea, and we won't save any money by not doing so. Clearly, the amendment offered by the gentleman from Pennsylvania is not in our best interest, and I urge all of my colleagues to oppose it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WALKER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 157, noes 241, not voting 35, as follows:

[Roll No. 114]

AYES—157

Andrews	Crane	Henry
Applegate	Daniel	Hiler
Archer	Dannemeyer	Hillis
Armey	Daub	Hopkins
Bartlett	Davis	Hubbard
Barton	DeLay	Hunter
Bates	DeWine	Hutto
Bennett	Dickinson	Hyde
Bereuter	Dreier	Ireland
Bilirakis	Dyson	Jones (OK)
Bonker	Eckert (NY)	Kindness
Boulter	Edwards (OK)	Kolbe
Breaux	Emerson	Kostmayer
Brown (CO)	English	Kramer
Broyhill	Fawell	Lagomarsino
Burton (IN)	Fiedler	Latta
Byron	Fields	Leath (TX)
Campbell	Fowler	Lewis (CA)
Carper	Frenzel	Lewis (FL)
Carr	Gekas	Lightfoot
Chandler	Gingrich	Livingston
Chapman	Glickman	Lloyd
Chappie	Goodling	Lott
Cheney	Gradison	Lungren
Coats	Gregg	Mack
Cobey	Gunderson	Marlenee
Coble	Hall, Ralph	Martin (IL)
Coleman (MO)	Hammerschmidt	McCain
Combest	Hansen	McCandless
Craig	Hendon	McCollum
McCurdy	Roberts	Stangeland
McMillan	Roemer	Stenholm
Meyers	Roth	Strang
Michel	Rudd	Stump
Miller (OH)	Schaefer	Sundquist
Miller (WA)	Schroeder	Sweeney
Monson	Schuette	Swindall
Montgomery	Sensenbrenner	Synar
Moore	Shaw	Tallon
Moorhead	Shumway	Tauke
Murphy	Shuster	Tauzin
Neal	Siljander	Taylor
Nielson	Skeen	Thomas (CA)
Oxley	Slattery	Valentine
Packard	Slaughter	Volkmer
Pashayan	Smith (NE)	Vucanovich
Pease	Smith, Denny (OR)	Walker
Penny	Smith, Robert (NH)	Watkins
Petri	Smith, Robert (OR)	Weber
Pickle	Snyder	Whittaker
Porter	Stallings	Wylie
Ray		Young (FL)
Ridge		
Ritter		

NOES—241

Ackerman	Fish	McHugh
Akaka	Flippo	McKernan
Anderson	Florio	McKinney
Annunzio	Foglietta	Mica
Anthony	Foley	Mikulski
Aspin	Ford (MI)	Miller (CA)
Atkins	Ford (TN)	Mineta
AuCoin	Frank	Moakley
Barnes	Gallo	Molinari
Bateman	Garcia	Mollohan
Bellenson	Gaydos	Moody
Bentley	Gejdenson	Morrison (CT)
Berman	Gilman	Morrison (WA)
Bevill	Gonzalez	Mrazek
Biaggi	Gordon	Murtha
Bliley	Gray (IL)	Myers
Boehlert	Gray (PA)	Natcher
Boggs	Green	Nelson
Boland	Guarini	Nowak
Boner (TN)	Hall (OH)	O'Brien
Bonior (MI)	Hamilton	Oakar
Borski	Hayes	Oberstar
Bosco	Hefner	Obey
Boucher	Heftel	Olin
Brooks	Hertel	Ortiz
Broomfield	Holt	Owens
Brown (CA)	Horton	Panetta
Bruce	Howard	Parris
Bryant	Hoyer	Perkins
Burton (CA)	Huckaby	Price
Bustamante	Hughes	Pursell
Callahan	Jacobs	Rahall
Carney	Jeffords	Regula
Chappell	Jenkins	Reid
Clay	Johnson	Richardson
Clinger	Kanjorski	Rinaldo
Coelho	Kaptur	Robinson
Coleman (TX)	Kasich	Rodino
Collins	Kastenmeier	Roe
Conte	Kemp	Rogers
Conyers	Kennelly	Rose
Cooper	Kildee	Rostenkowski
Coughlin	Kleczka	Roukema
Courter	Kolter	Rowland (CT)
Coyne	LaFalce	Rowland (GA)
Crockett	Lantos	Roybal
Darden	Leach (IA)	Russo
Daschle	Lehman (CA)	Sabo
de la Garza	Lehman (FL)	Savage
Dellums	Leland	Saxton
Derrick	Levin (MI)	Scheuer
Dicks	Levine (CA)	Schulze
Dingell	Lipinski	Schumer
DioGuardi	Long	Seiberling
Dixon	Lowery (CA)	Shelby
Dorgan (ND)	Lowry (WA)	Sikorski
Downey	Luken	Sisisky
Duncan	Lundine	Smith (FL)
Durbin	MacKay	Smith (IA)
Dwyer	Madigan	Smith (NJ)
Dymally	Manton	Snowe
Early	Markey	Solarz
Eckart (OH)	Martin (NY)	Solomon
Edwards (CA)	Martinez	Spence
Erdreich	Matsui	Spratt
Evans (IL)	Mavroules	St Germain
Fascell	Mazzoli	Staggers
Fazio	McCloskey	Stark
Feighan	McDade	Stokes
Stratton	Visclosky	Wolf
Studds	Walgren	Wolpe
Swift	Waxman	Wortley
Thomas (GA)	Weaver	Wright
Torres	Weiss	Wyden
Torricelli	Wheat	Yates
Towns	Whitehurst	Yatron
Traficant	Whitley	Young (AK)
Traxler	Whitten	Young (MO)
Udall	Williams	Zschau
Vander Jagt	Wirth	
Vento	Wise	

NOT VOTING—35

Alexander	Fuqua	McEwen
Badham	Gephardt	McGrath
Barnard	Gibbons	Mitchell
Bedell	Grotberg	Nichols
Boxer	Hartnett	Pepper
Donnelly	Hatcher	Quillen
Dornan (CA)	Hawkins	Rangel
Dowdy	Jones (NC)	Schneider
Edgar	Jones (TN)	Sharp
Evans (IA)	Lent	Skelton
Franklin	Loeffler	Wilson
Frost	Lujan	

□ 1450

Mr. DERRICK, Mr. SHELBY, and Mrs. KENNELLY changed their votes from "aye" to "no."

Messrs. TAUKE, WATKINS, HUTTO, and COLEMAN of Missouri changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. MICA

Mr. MICA. Mr. Chairman, I ask unanimous consent to offer an amendment which has been printed in the RECORD.

The CHAIRMAN. The gentleman from Florida [Mr. MICA] asks unanimous consent to offer an amendment which is printed in the RECORD despite the fact that the point in the bill to which the amendment relates has been passed.

Is there objection to the request of the gentleman from Florida?

□ 1500

Mr. CONTE. Mr. Chairman, reserving the right to object, I want to ask the gentleman from Florida, is there controversy over this amendment? Otherwise, I am going to object, because we want to get this bill over with tonight.

Certainly, if the gentleman says there is no controversy, and the gentleman is just going to submit the amendment and very briefly speak to it, then I will not object.

Mr. MICA. Mr. Chairman, if the gentleman will yield, I have no knowledge of any controversy. The amendment has been printed in the RECORD and to my understanding it has virtual unanimous support. It should not even have a vote.

The gentleman does know that anyone can raise a question.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to my good friend, the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, I thank the gentleman for yielding.

This is the amendment about which some of us earlier spoke in general debate. Essentially, what the amendment does is tighten up the congressional oversight over the spending of the $700 million in this supplemental bill for terroristic protection of our embassies overseas. I do not think there is any controversy about it.

In fact, I want to compliment the gentleman for offering the amendment and the work that the gentleman has done to perfect the amendment.

Mr. CONTE. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida [Mr. MICA]?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. MICA: Page 11, after line 12, insert the following:

GENERAL PROVISION—DIPLOMATIC SECURITY PROGRAM

The funds made available by this chapter under the headings "Salaries And Expenses", "Acquisition And Maintenance Of Buildings Abroad", and "Counterterrorism Research And Development" shall be used in accordance with those provisions applicable to the diplomatic security program that are contained in H.R. 4151 (the "Omnibus Diplomatic Security and Anti-Terrorism Act of 1986") as passed the House of Representatives on March 18, 1986, except that this paragraph shall cease to apply upon the enactment of authorizing legislation (either H.R. 4151 or similar legislation) providing for enhanced diplomatic security.

Mr. MICA. Mr. Chairman, I rise in support of my amendment to H.R. 4515, the urgent supplemental appropriation for fiscal year 1986.

The purpose of my amendment is straightforward. In the absence of a law authorizing and providing the framework for the proposed appropriation of $700 million for the security of our Embassies abroad, my amendment directs that those funds must be spent in accordance with the terms and conditions of the Diplomatic Security Act as approved by the House 389 to 7 last March.

In the absence of such an enacted authorization, my amendment is necessary to ensure that, as it begins to implement the Diplomatic Construction Program, the administration do so within the limits prescribed by the House of Representatives until a proper authorization is enacted. I believe you will agree with me that the provisions relevant to the purpose of my amendment, contained in title IV of H.R. 4151, are indeed crucial to the oversight responsibilities of the Congress, and to the overall success of the program.

The key provisions:

Prohibits cost overruns without prior congressional review;

Prohibits the spending of funds above the President's request;

Prohibits the use of funds under the Diplomatic Security Act for any purpose other than diplomatic security;

Requires the inclusion of reward and penalty clauses in building contracts; and,

Requires that Congress review each Embassy project prior to implementation;

I should also add that the Diplomatic Security Act also contains a provision requiring that American contractors be used for any project over $5 million.

Mr. Chairman, the House-passed bill would act as the authorization until a standing authorization is signed into law. Clearly, this would not have been necessary if the Senate had acted as promptly as the House did.

Mr. Chairman, thank you for your consideration.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. MICA. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, just to supplement what the gentleman has said, the $702 million in this bill for the State Department's Diplomatic Security Program is also subject to our reprogramming procedures in the Appropriations Committee.

Mr. MICA. Yes; it is.

Ms. SNOWE. Mr. Chairman, will the gentleman yield?

Mr. MICA. I am happy to yield to the gentlewoman.

Ms. SNOWE. Mr. Chairman, I want to thank the gentleman for offering this amendment.

I rise in support of the amendment offered by the gentleman from Florida, the chairman of the Subcommittee on International Operations.

The gentleman's amendment will simply conform the diplomatic security funds contained in this bill to the authorization that passed the House last month, the Diplomatic Security Act. As ranking Republican on the International Operations Subcommittee, I coauthored that legislation with the gentleman from Florida.

The Diplomatic Security Act contains many important provisions relating to the use of these funds. It reorders the priority of posts to be rebuilt to ensure that we move quickly on posts most vulnerable to the physical threat of terrorism. The bill contains provisions requiring a penalty and awards system of contracting to provide incentives and disincentives for keeping projects on time and on budget. The bill also contains a provision prohibiting any project from moving forward if a cost overrun is projected without the express consent of the Foreign Affairs Committee.

I might point out that this amendment would be unnecessary if the other body had moved with appropriate dispatch on the authorization. The House of Representatives passed the authorization bill 2 months ago by 389 to 7, with the strong personal support of the President and the Secretary of State.

The other body's delay is troubling, given the clear evidence that terrorists are escalating their attacks and surveillance on U.S. diplomats and facilities abroad. I am pleased, however, that the appropriate committee in the other body is finally scheduled to mark up the House-passed bill on May 14. Let us hope that the authorization bill moves quickly to the floor after that markup.

The State Department is doing its best given its current resources and the extreme difficulty of defending some of our buildings and personnel from certain kinds of attacks. The first installment of the Diplomatic Security Act contained in this supplemental appropriations is desperately needed to give the State Department the immediate tools they need to cope better with this heightened threat. But the other body must not hide behind simple passage of a diplomatic security supplemental, and pretend it is a reasonable alternative for the comprehensive multiyear program authorized by the Diplomatic Security Act.

I urge adoption of the amendment.

Mr. MICA. Mr. Chairman, I thank the gentlewoman.

I might say to my colleagues that the provisions prohibiting cost overruns were the result of the gentlewoman's work.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. MICA. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, let me compliment the gentleman again for the amendment. On the appropriations side, we went through the expenditures at some length in our hearing process, but the amendment that the gentleman proposes here allows the Congress oversight on each specific building project of which there are 23 in fiscal year 1986 at an expense of somewhere around $400 million for the construction part.

I want to compliment the gentleman for allowing us this opportunity.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. MICA. I am happy to yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, the minority has no objection to this amendment to tie the obligation of the diplomatic security funds to the House-passed authorization bill, or to whatever authorization bill is finally signed into law.

While the administration is not entirely satisfied with all of the provisions in the House bill, I have not received any strong signal that they would oppose this amendment. I would think that we could accept this amendment, and then the administration can work in the Senate to make the changes they desire and work it out in conference on the authorization bill.

The House passed that authorization bill, H.R. 4151, on March 18 by a vote of 389 to 7. I voted for that bill, and I commend the gentleman from Florida and the entire Foreign Affairs Committee for putting together a very comprehensive diplomatic security package. That bill contained much more than the authorization for security-related construction projects at our posts abroad.

For one thing the bill defined for the first time clear lines of responsibility within our Government for diplomatic security. Hopefully, if that bill is signed into law, we will have no more multiple finger pointing when something happens at one of those posts.

The bill also dealt with such areas as nuclear terrorism, maritime security, security at our military bases abroad and multilateral cooperation to combat terrorism. And finally, it established compensation for the victims of terrorism.

I supported that authorization bill, and I support this amendment to tie the funds in this bill to it. I hope, along with the gentleman from Florida, that this will stimulate action in the other body in this critical area.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. MICA].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. FAUNTROY

Mr. FAUNTROY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FAUNTROY: Page 16, after line 11, insert the following:

ASSISTANCE FOR HAITI

Of the funds made available for the "Economic Support Fund" in Public Law 99-190, up to $21,700,000 shall be made available for assistance to Haiti. Of this amount, $1,700,000 shall be transferred to the Inter-American Foundation for use by the Foundation for programs for Haiti. The assistance made available pursuant to this paragraph shall be used to promote the transition to democracy by means such as generating local currency for use for literacy projects, rural development, and job creation. The assistance provided for Haiti pursuant to this paragraph shall be in addition to the assistance previously allocated for Haiti.

It is the sense of the Congress that the United States Government should cooperate with the Government of Haiti in recovering for the Haitian people the wealth that was illegally obtained by former president Jean-Claude Duvalier and his former government ministers and associates through diversions of funds and property, regardless of whether that wealth is located in the United States or abroad.

Mr. FAUNTROY. Mr. Chairman, the amendment which I offer to H.R. 4515, the urgent supplemental appropriation for fiscal year 1986 is designed to enable our Nation to assist the Haitian people in making a sharp departure from the policies and practices of the brutal and corrupt Duvalier dictatorship by providing additional resources, at a crucial and delicate moment in their quest for a transition to democracy.

It has been 3 months since the world was treated to one of the most refreshing examples even of the nonviolent overthrow of a dictatorship. For it was on the island of Haiti that the Haitian people achieved on February 7—"Dechokaj": The uprooting of 29 years of the Duvalier dictatorship.

The Haitian people's nonviolent revolution was inspired by the moral authority of the teachings of the religious community. It signaled not only their desire to establish in their exploited and poverty ridden land a genuine democracy free of stifling monopolistic and profiteering practices, but the carrying of the American flag in a number of peaceful demonstrations communicated as well a desire for the United States to join with the Haitian people in achieving that sharp departure from the policies and practices of the corrupt and totalitarian Duvalier regime.

Under this amendment up to $21.7 million in economic support funds shall be made available for assistance to Haiti. Of this amount $1.7 million shall be transferred to the inter-American foundation for the purpose of expanding the foundation's efforts in literacy education, food production, and community development among the rural poor of Haiti. The remaining $20 million in assistance through economic support funds made available by this amendment shall be used to promote the transition to democracy by means of generating local currency for use for literacy projects, rural development, and job creation.

A provision to supply nonlethal assistance for the Haitian Armed Forces is not contained in this amendment. This provision was withdrawn pending a careful assessment of remedial actions that would have to be taken to prevent incidents of violence such as that which took place at Fort Dimanche just days ago. Preliminary assessments do reveal a clear need for education and training especially with respect to internationally recognized human rights and proper and humane methods of monitoring demonstrations. Preliminary assessments also reveal a need for more understanding of the missions as well as command and control structures of the several units of the Haitian Armed Forces. There appears to be a need for dramatic reform and reorganization of the Haitian Armed Forces.

I would hope that these issues related to nonlethal assistance to the Haitian Armed Forces can be addressed in the context of the fiscal year 1987 appropriations for foreign assistance.

Finally, the amendment states that it is the sense of the Congress that the U.S. Government should cooperate with the Government of Haiti in recovering for the Haitian people the wealth that was illegally obtained by former President Jean Claude Duvalier and his former government ministers and associates through diversions of funds and property, regardless of whether that wealth is located in the United States or abroad.

The Haitian people are at a very delicate and precarious stage in what we all pray is a dramatic transition to a genuine democracy. This assistance is vitally needed. Every day that we delay, narrows this fleeting window of opportunity they have to make a sharp departure from past cruelty and want. Let us not fail them.

Please vote for the Fauntroy amendment.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. FAUNTROY. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I simply would say that as far as the subcommittee is concerned, because the gentleman's amendment provides the earmarking within existing funds and represents no new spending, we would accept the amendment.

Mr. LEHMAN of Florida. Mr. Chairman, will the gentleman yield?

Mr. FAUNTROY. I am very happy to yield to the gentleman from Florida.

Mr. LEHMAN of Florida. Mr. Chairman, I would like to speak in support of the Fauntroy amendment. Haiti is at a very critical period in its transition. There is a tremendous need, both psychologically and in real terms, for some progress toward democratization. Reports indicate a great wellspring of hope exists since the Duvalier regime ended. People are working together to organize support structures and to initiate self-help programs. But the Haitian people are increasingly frustrated, and unless we help to address some of their needs, the situation will continue to deteriorate.

Advantage must be taken during this critical time to ensure that the hopes of the Haitian people are not allowed to dwindle into renewed despair. The government does not yet represent the kind of change that the Haitians want and deserve. Much must be done to regain the confidence of the people. The existing military structure must be disbanded. Violence must be replaced by the emergence of democratic institutions—an independent judicial

system and respect for the law. Respect for human rights and accountability for abuses must commence. These difficult transitions must be supported by encouragement to the provisional government to set a date for elections.

Meanwhile, short-term problems must be addressed. This modest appropriation of $21.7 million will allow Haiti to meet some of its short-term energy needs and continue development assistance which will benefit local communities. The amendment will also signal the concern of Congress and the American people to Haiti that we want to work together toward improving their country and their lives.

I strongly urge my colleagues to support this amendment, and I commend the gentleman from the District of Columbia for his leadership on this issue.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. FAUNTROY. I am happy to yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, we have no objection to the amendment.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. FAUNTROY. I am happy to yield to the gentleman from California.

Mr. DELLUMS. Mr. Chairman, I thank my colleague for yielding.

I wish to rise to associate myself with the remarks of my distinguished colleague in the well, rise in support of his very thoughtful and timely amendment, and I thank the gentleman for yielding.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. FAUNTROY. I am happy to yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I rise to support the proposed amendment to H.R. 4515 offered by the gentleman from the District of Columbia [Mr. FAUNTROY] authorizing $21.7 million in economic assistance to Haiti.

The gentleman from the District of Columbia has recently been to Haiti at the head of the delegation and has firsthand information of the events taking place there.

Haiti, Mr. Chairman, remains one of the poorests nation in our hemisphere. Men, women, and children lacking the most basic needs of life, see a ray of hope in a new era for Haiti. With the departure of Duvalier, the Haitians are longing for a better future. The Haitian people have set an outstanding example by overthrowing a dictator with very little bloodshed. The end of long years of dictatorial rule has brought a sigh of relief for not only the people of Haiti but also for their friends here in the United States. The formation of a bipartisan Task Force on Haiti—on which I am pleased to serve, establishes that we are aware of the plight of the freedom-loving people of Haiti, concerned about their future and determined to help them.

While I fully support the proposed amendment, I do hope that the present government will work not only to set the country on the road to economic recovery but also to put Haiti on the democratic path and to respect the human rights of Haitian people to allow those Haitian refugees who had to leave Haiti to return to their homes if they so wish.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. FAUNTROY. I am happy to yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I thank my colleague for yielding. I, too, want to congratulate him on this amendment and support him and to identify myself with the very thoughtful remarks of the gentleman from the District of Columbia.

I rise in strong support of the gentleman's effort to help provide that type of democratic opportunity in Haiti, so important not just to that country, but to the whole Caribbean.

I salute the gentleman and join with him in this effort.

Mr. OWENS. Mr. Chairman, will the gentleman yield?

Mr. FAUNTROY. I yield to the gentleman from New York.

Mr. OWENS. Mr. Chairman, I rise in strong support of aid to Haiti. My district has the largest Haitian community in the United States. Many of my constituents have had the opportunity to visit Haiti since the Duvalier departure. They all report the dreadful conditions in Haiti which are result of neglect of the needs of the people over the last three decades. Deforestation has turned much of Haiti into a giant mudslide. Agriculture has been severely damaged leading to basic food shortages. Public services such as road systems are nonexistent or in poor repair. Public health conditions are appalling.

In addition to the physical decay of Haiti over the last three decades, the political and social impact of the hated Duvalier regime is apparent. The people saw the departure of Duvalier as a cause for great joy. After that immediate celebration was over, they found that they were left with a military dominated junta which had been designated by Duvalier as his final act. This is not the freedom that they sought and struggled for. This is not the beginning of a future of democratic government and rebuilding of their land—a land which they love and which they wish to see prosper. The people continue to demand change. They want to elect their own government and they wish to do it without outside interference. The Haitian people have suffered long and patiently. They are willing to make orderly progress toward elections but they demand that that process begin with a set timetable which will assure them that they will be able to live in their own country, in dignity with the leaders that they have chosen. They seek American aid and they need our assistance in their desparate situation which has come about as a result of decades of neglect. However, they do not seek American interference. They do not want their country run as a satellite of the United States. They do want to maintain friendly ties with the United States.

Aid to Haiti is desparately needed. It may appear that the Haitian lack of industrial development somehow means that they cannot manage their own affairs. However, we must accept the reality that the United States supported the Duvalier regime for its own reasons and precious little attention was paid to how the aid that we sent was spent or how the government used arms that we, in part, supplied to oppress the people and stiffle their cries for social, political, and economic justice.

We have the opportunity to once again have an impact on conditions in Haiti. We have the opportunity to support economic development in Haiti and to supply the immediate relief which is so desparately needed. We have the opportunity to earn the friendship of the Haitian people by the provision of genuine assistance while encouraging their movement toward an elected democracy. It is imperative that we make it clear to the junta that we take the demands of the Haitian people seriously and we share their desire to see open and fair elections take place within a timeframe which is established now. Tomorrow never comes. A set date does. It is time to move toward local and national elections on a timetable which is clearly and publically established now.

Mr. MONSON. Mr. Chairman, will the gentleman yield?

Mr. FAUNTROY. I yield to the gentleman from Utah, a member of the Congressional Task Force on Haiti, which incidentally was responding to the magnificent nonviolent Dechokaj there in Haiti and which embraces a genuinely bipartisan approach that stretches from such distinguished Members as the gentleman from Maryland [Mr. BARNES], to the gentleman from Minnesota [Mr. OBERSTAR] on the Democratic side and to the gentleman from New York [Mr. KEMP], and the gentleman from Georgia [Mr. GINGRICH] on the Republican side.

Congressman DAVID MONSON was among those of us who went to Haiti, reviewed the situation, and came back with a recommendation for this appropriation.

Mr. MONSON. Mr. Chairman, will the gentleman yield?

Mr. FAUNTROY. I yield to the gentleman from Utah.

Mr. MONSON. Mr. Chairman, I thank my distinguished colleague for yielding. I want to also congratulate the gentleman on the fine work that he is doing in this area and acknowledge to everyone the genuine concern that Mr. FAUNTROY has shown to the people of Haiti and for the establishment of democratic order in that country. I rise in strong support of this amendment.

Mr. Chairman, we have before us today a rather unique and exciting opportunity: To help a nation create a new democratic order in the wake of a deposed dictator. The departure of "Baby Doc" Duvalier from Haiti is a great triumph for democracy over tyranny. We now have the opportunity to give vital aid to this poverty stricken nation. It is our duty and moral imperative to help this emerging democracy and the people of Haiti to throw off the oppressive hand of poverty. The people have ousted the tyrannt Duvalier and now face the second challenge of defeating the tyrannt poverty.

The $21.7 million included in this amendment is an important step in helping the development of democracy during this critical period in Haiti. This small nation is beginning a new era and with our help the interim government will be greatly aided in seeing that the new government is a pluralistic, democratic and free government. The best way to fight the poverty which has devastated Haiti is to encourage and aid this democratic reform. It is very encouraging to note that is spite of 29 years of dictatorial rule by the Duvalier family that the Haitian people have held onto the hope of freedom. As a member of the delegation which visited Haiti in recent days, I am convinced that this interim government is dedicated to achieve this democratic reform. Haiti needs, deserves, and must have our economic support. I urge my colleagues to support the Fauntroy amendment.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. FAUNTROY. I yield to the gentleman from Florida.

Mr. MICA. Mr. Chairman, I rise, too, in strong support of this amendment and wish to be associated with the comments of the gentleman.

I might say, our Foreign Affairs Committee, of which I have been a member for some years, has been trying to get some action in Haiti. It was an amendment that we had reported out that we think brought about some of those changes and now we need to see this through, so I commend the gentleman for his fine work.

Mr. SAVAGE. Mr. Chairman, will the gentleman yield?

Mr. FAUNTROY. I yield to the gentleman from Illinois.

Mr. SAVAGE. Mr. Chairman, I rise in support of the gentleman's commendable resolution and I am going to vote for it, of course; but I feel compelled to just observe that I would have much preferred if there had been some condition in it that would have required free elections soon and would have required a greater distance between the present regime and the Duvalier regime; but I am with the gentleman.

Mr. FAUNTROY. I thank the gentleman and I assure the gentleman that this is a goal of the entire congressional delegation on Haiti.

Mr. Chairman, I yield to the distinguished gentleman from California [Mr. DYMALLY], likewise a member of the task force who made the trip to Haiti with us during the Easter break and who assisted us in developing this very relevant proposal.

Mr. DYMALLY. Mr. Chairman, I want to join my colleague, the gentleman from Utah, in commending the gentleman from the District of Columbia [Mr. FAUNTROY] for his outstanding leadership on this particular issue.

Mr. Chairman, I was a member of the bipartisan congressional task force on Haiti, chaired by my friend Mr. FAUNTROY, the gentleman from the District of Columbia.

If there is ever a case to be made for foreign aid, and to increase the opportunity for democracy, this is it. The country of Haiti can be likened to a newborn infant. Struggling to turn, desperate to walk, and anxious to grow. As we all have seen in our children, they needed care, guidance, and time.

My recent experience in Haiti struck me with pain and relief. Poverty in the worst form imaginable. There are no resources, no jobs, no schools, no health facilities—nothing. So many trees have been cut to use as energy sources that a serious rainstorm can sink Haiti quicker than an earthquake can sink California. On the Sunday we arrived, I was told that the bread we ate was prepared with grain shipped in on a wheat boat that weekend. Ironically, these impoverished circumstances presented some relief. As if it is any consolation, the fall of a dictatorship we have all conveniently ignored for years has temporarily halted further damage. However, more heartening is the thought that, hopefully, now our great country can proceed full steam ahead to instore hope and life back into this destitute country.

I commend the gentleman and my friend, Mr. FAUNTROY, for offering his much needed leadership on this critical measure. His decision to drop military assistance from the amendment should adequately ally fears of encouraging military and police scrutiny. Some of us were very concerned with the lack of assertiveness shown by the interim government. The initiatives, however, taken by General Namphy in the past few days should have addressed these worries. It was a pleasing new experience to read about human rights violators tried in Haiti; an incredible development. Somehow, under the dictatorships, Haiti and human rights never coexisted. The modest job performed by Radio Soleil to educate the Haitian people is the most important ingredient of Haiti's progress. I sense that the citizens of this country are finally realizing the necessity to allow the government to grow free of violent interruptions. I believe, as well, that for the very first time, the Haitians are appreciating and respecting a government—not a ruler. There are still some within this body that question money during times of deficit reduction; $21.7 million dollars is not new money, and will not add to the deficit. It is all economic. It is necessary to assist in debt payments, and to begin constructing a democratic foundation. And, it is nothing compared to the total purse we gave the Duvalier's who left Haiti with less than $1 million in its treasury.

Mr. Chairman, I urge all of you to support this amendment which undoubtedly will add wood to the fire behind Haiti's movement toward freedom. Democracies are our children growing healthier. Let us use our experience of two centuries and wisdom of our forefathers to nourish yet another offspring in the democratic family.

The CHAIRMAN. The time of the gentleman from the District of Columbia has expired.

(By unanimous consent, Mr. FAUNTROY was allowed to proceed for 2 additional minutes.)

Mr. TOWNS. Mr. Chairman, will the gentleman yield?

Mr. FAUNTROY. I yield to the gentleman from New York.

Mr. TOWNS. Mr. Chairman, I rise in support of the amendment of the gentleman from the District of Columbia. We have an opportunity to support a movement toward democracy in Haiti. In recent days, the interim government has moved to prosecute past abusers of human rights and to make an effort to recover the moneys stolen by the Duvaliers and their associates.

Unfortunately, we have also seen continuing acts of brutality and violence by various sectors of the Haitian security forces. While this amendment originally provided funds for training and equipment to update the Haitian military, the recent abuses by these forces clearly suggest that greater changes are needed in the Haitian military structure before any United States military assistance is provided.

The economic status of the country, however, is a wholly different matter.

When the Council of National Government came to power on February 7, Duvalier had left only $500,000 in the national treasury. The balance-of-payments deficit is estimated to be over $150 million. The country is struggling to pay its petroleum bill and to feed the starving masses of people in its capital city and the rural countryside. If we are truly committed to assisting Haiti to see a new day and to have a brighter future, then we must lend our support to the new government. This amendment specifically allocates $1.7 million to continue the grassroots development in community organization and literacy which is so necessary to Haiti's development. In addition, the remaining funds would be used to address the balance-of-payments problem, to address unemployment through the creation of public works jobs and other efforts. I certainly hope that my colleagues will embrace this opportunity to promote change in Haiti. If we could lend our support to a Duvalier government, certainly we can aid the Haitian people in their struggle for democracy. I urge the adoption of this amendment.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. FAUNTROY. I am very happy to yield to the distinguished chairman of our Foreign Affairs Committee, without whose support we would not have been able to expand the Congressional Black Caucus Task Force to a congressional task force on Haiti, a bipartisan effort to expand the perimeters of democracy in the land of Haiti.

Mr. FASCELL. Mr. Chairman, I rise in strong support of this amendment.

At the outset, I want to commend the principal sponsor, the gentleman from the District of Columbia [Mr. FAUNTROY], for his leadership in developing this important and timely initiative to assist Haiti at this crucial juncture in its heretofore tragic history.

The gentleman from the District of Columbia has thoroughly explained the specific provisions and intent of this amendment. I would like to take this opportunity to emphasize the important role of certain United States initiatives can play in the future of Haiti.

THE INTER-AMERICAN FOUNDATION

The amendment allocates an additional $1.7 million in existing appropriations to expand ongoing programs funded by the Inter-American Foundation [IAF] in Haiti. Since its inception by Congress in 1969, the IAF has made some 2,000 grants for over $212 million to support self-help, development efforts of local, private organizations throughout Latin America and the Caribbean. The IAF's grants support activities as diverse as agricultural development, fisheries, small enterprise development, legal aid, nonformal adult education, and literacy.

Such programs are particularly relevant in Haiti where the Foundation has been active since 1972. The funds provided in this bill, $1.7 million, will allow the IAF to expand ongoing grants to organizations linked to the Catholic Church and other organizations active in creating democratic grass-roots groups who are involved in agricultural production, marketing of crops and crafts, establishing credit unions, community health, cooperative development, and adult education, particularly the national adult literacy program in Creole. The literacy program is crucial to the development of democratic processes and elections in Haiti. The IAF grantees in Haiti complement the work of the United States Agency for International Development and other bilateral and multilateral donors.

These programs are highly respected by the American Embassy, the Inter-American Development Bank, church groups, and others familiar with the problems of development and democratization in Haiti. The impact of activities such as those of the Inter-American Foundation are much more far reaching than the small sums involved would indicate. What they do most effectively is to encourage the spirit of community cooperation and to foster the development of leadership at the grass-roots level. These activities develop the kind of local organization, initiative and leadership which ultimately must undergird any nation's enduring commitment to democratic values and processes.

RETURN OF TALENT TO HAITI

Mr. Chairman, one of the great tragedies of the Duvalier dictatorship was the drain of talent that occurred over the years as the best and the brightest were forced to flee their homeland for economic and political reasons. As a result, there are more Haitian doctors, lawyers, engineers, and other much-needed professional people in Miami, New York, Montreal, and Paris than there are in Haiti. I am today calling on the United Nations and other international organizations such as the World Bank, together with Haiti's transition government, to explore the feasibility of secunding Haitian international civil servants to Haiti in order to provide that government with sorely needed technical assistance in government finance and administration during this crucial period. I am also requesting that the Organization of American States initiate a program to encourage the return of talent to Haiti on both a temporary and a permanent basis where appropriate.

RETURN OF DUVALIER'S PLUNDER

Mr. Chairman, we have been told by church representatives and other human rights groups that the congressional mandate which directed most U.S. economic assistance through private voluntary organizations, rather than directly to Duvalier's regime and required the President to certify human rights progress in Haiti played an important role in convincing Duvalier to step down. President Reagan is to be commended for his decision pursuant to the amendment to not certify and to curtail aid to Haiti. That decision undoubtedly contributed to the Duvaliers' departure.

Likewise, we are informed that one of the best signals that we in the United States now could send to the Haitian people is the message that our Government will do everything in its power to help Haiti recover the ill-gotten gains of the Duvaliers, their former cabinet ministers and their associates. I am today requesting that the Department of State, in cooperation with the Departments of Justice and Treasury set up a task force to cooperate with the transition government in Haiti in this important quest.

Mr. Chairman, I would have preferred that the funding earmarked for Haiti in this amendment not be taken from other foreign assistance programs. However, given the constraints on the current budget brought on by the deficit and the Gramm-Rudman-Hollings requirements, it is necessary at this stage of the budget process to provide this emergency assistance from current appropriations. In my opinion this can and should be done without causing harm to other programs vital to U.S. interests.

Haiti occupies a position of great strategic importance to the United States and its other friends in the Caribbean region. Together with Cuba, Haiti forms the narrow Windward Passage, a vital choke point for legitimate maritime commerce, illicit drug trafficking and migration in the region. Thus, the development of stability, peace, prosperity, and democracy in Haiti is of importance to both the people of Haiti and the United States.

As I said at the outset, Haiti is at a crucial juncture. The voice of the Haitian people has been heard loud and clear. They demand an end to dictatorship and corruption. They long for a better future. While Haiti is an impoverished land, her people are rich in talent and energy. Haiti has a new opportunity which must not be lost because, for Haiti, time might be running out. Haiti stands on the brink of ecological disaster without parallel in this hemisphere. If Haiti's economy continues to be exploited and mismanaged, we may well face a disaster as shattering as that confronting the people of the Sahel, but this time on our own doorstep.

Whether or not the current opportunity for a new Haiti is seized is up to the Haitian people. But there is no doubt that they will need our help. Let us begin today to provide that help.

Mr. Chairman, this amendment was ably formulated by the congressional task force delegation, led by the gentleman from the District of Columbia, with the assistance of the Department of State's country team in Haiti, and a Foreign Affairs Committee staff team which visited Haiti last month. The assistance provided in this amendment is urgently needed if Haiti is to turn its back on dictatorship and tyranny and to make a successful transition to democracy.

Mr. Chairman, in conclusion, I will insert in the record at this point the text of a Miami Herald editorial dated May 3, 1986, which urges the adoption of their amendment.

HELP FOR HAITI

The struggle in Haiti now is not one to oust a long-time dictator. That has been accomplished. The questions now are more basic. What is the best way to establish a functioning democracy in the poorest country in the hemisphere? Is the provisional government of Lt. Gen. Henri Namphy really trying to do that? What should Washington do to further that cause?

Gregoire Eugene, leader of the Social Christian Party and one of the more moderate participants in Haiti's struggle to establish a democracy, said it best: "It's not wise to forgo what you have and go with something that you don't know. I know the [ruling] council now, and my best interest is to see the council organize elections.

The U.S. Government shares that interest. For in spite of the unfortunate weekend incidents in which at least three people were killed, General Namphy's provisional government is still Haiti's best hope for achieving a transition to democratic rule.

It won't be easy. No progress comes easily in a country that has the highest population density and illiteracy and infant-mortality rates and the lowest standard of living in the Western Hemisphere. It will take decades to ameliorate these problems.

So far the Reagan Administration has moved with celerity to restore $25 million in economic assistance cut off in the final days of the Duvalier regime. Moreover, the State Department has routed another $10 million in food to prevent starvation.

That, however, is not enough. A request for an additional $21.7 million by Democratic Congressman Walter Fauntroy of the District of Columbia, supported by Dade's Rep. Dante Fascell, is caught in a legislative logjam.

Congress and the Administration need to understand both the urgency and the opportunity in helping Haiti. Either this country makes a vigorous effort to promote Haitian democracy now, or the opportunity may be lost.

Mr. STENHOLM. Mr. Chairman, will the gentleman yield?

Mr. FAUNTROY. I yield to the gentleman from Texas.

Mr. STENHOLM. Mr. Chairman, I thank the gentleman for yielding.

It was my intention earlier today to oppose very strongly the gentleman's amendment. Having visited with the gentleman in private and with others, I am now convinced this would be the wrong time and the wrong place to oppose this aid.

The reason I would have opposed it is problems with the past Government of Haiti. I would serve notice that the concerns that I have regarding Haitian treatment of American businesses, which in my opinion are going to be extremely important to the development of the Haitian Government, but the gentleman from the District of Columbia has in his intention and in his amendment to help it along and I would like to do that also. It is my intention now, though, not to oppose it. This is an emergency bill and I agree with the intent of it, but I will be very interested in working with the gentleman and others on this committee in seeing that those things that have happened to American businesses in the past in Haiti will not occur in the future and that those who have been wronged in the past can somehow be made whole.

Mr. FAUNTROY. Mr. Chairman, I want to thank the gentleman from Texas and certainly invite him to join the task force, because we are as determined as the gentleman to see to it that justice is done, not only with respect to those who have been engaged in Haiti in the past, but for the people today and in the future.

Mr. STENHOLM. Mr. Chairman, will the gentleman yield further?

Mr. FAUNTROY. Yes.

Mr. STENHOLM. I would like very much to be a part of that effort and I thank the gentleman for that invitation.

□ 1515

Mr. CROCKETT. Mr. Chairman, will the gentleman yield?

Mr. FAUNTROY. I yield to the distinguished gentleman from Michigan.

Mr. CROCKETT. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman on his amendment and on his distinguished leadership of the task force on Haiti. I associate myself with the gentleman's comments.

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I certainly support the amendment offered by the Delegate from the District of Columbia.

Mr. Chairman, the administration has not taken a position in writing on this amendment to furnish aid to the new Government of Haiti. The unofficial word is that they support the concept of helping that government, but oppose taking these funds from other intended recipient countries.

I personally support the amendment, especially now that I understand that the military component has been deleted from an earlier version. All of us were grieved at the reports of terror and deprivation which reigned in Haiti during the regimes of "Baby Doc" and "Papa Doc." A very docile and innocent people were subjected to years of intentional neglect and abuse. Now, hopefully, a new day has dawned where freedom, economic opportunity, and the basic necessities of life can be provided.

So I support the symbol we would be sending by earmarking funds in this ill-fated bill for the people of Haiti. At the same time, I was concerned about the incident last month when several demonstrators were shot and killed by the government's law enforcement officers. The Haitian people have suffered enough. The new government should be on notice that the aid we are earmarking today should in no way be viewed as a blanket endorsement of such policies. One repressive regime shall not be replaced by another in Haiti.

But with that reservation, I support this amendment, and I commend the Delegate from the District of Columbia for his effort.

Mr. HALL of Ohio. Mr. Chairman, terrible human suffering is indeed occurring in the country of Haiti as a result of decades of acute poverty and neglect and as a direct result of the legacy left behind by the Duvaliers and their 30-year reign of terror. Haiti is, by any measure, the poorest, most desperate nation in the Western Hemisphere. The people of the island endure conditions not dissimilar from those borne by the famine victims of Ethiopia and the Sudan. The infant mortality rate is 130—in the United States the figure is 11; in Costa Rica 19; in Guyana 36. The per capita GNP is $300. Life expectancy rests at 53 years. Adult literacy is barely 35 percent. The poorest 40 percent of the population earn but 6 percent of the total household income of the country. Health standards—and health services—are extremely poor. The country has lost so much vegetation cover due to deforestation that soil erosion is rapidly destroying the current and future ability to grow food. Additionally, the loss of trees and vegetation is altering the very climate, inducing drought conditions that further limit the ability of the people to grow their basic food supply. Conditions in Haiti are indeed desperate.

What we must ponder, what we must reflect upon, is the appropriate and proper response from the U.S. Government to the plight of these 6½ million Haitians so close to our shores. The history of the American presence in Haiti is not entirely a story of which we can be proud. It, most unfortunately, was to a large extent American support which permitted the Duvaliers to rule the country with little regard for the well-being of its people for so long. Their priorities were clearly power, plunder and self-perpetuation, not democracy, development and decent living standards for the people. Due to this sorry legacy, it is extremely important, both practically and symbolically, that United States Government efforts in Haiti now center on programs that help, and are seen to help, those left behind, those excluded from human progress in the country.

There would seemingly be many humanitarian undertakings for the people of Haiti that are more appropriate for the people of the

United States to be supporting than security assistance measures. There are more appropriate symbols of our concern for the living standards of the vast majority of the population than more training of military and police forces.

Why cannot our enhanced aid to Haiti be a massive immunization-against-disease campaign for the children? Why could we not sponsor a crash effort to provide a safe water supply to the several million people in the country who now lack that? Why could we not assemble teams of doctors to travel village to village to treat the basic health needs of the people? Why not increase the security of the nation by doing whatever we can to get the factories and industries operating and providing the new jobs so urgently needed?

Mr. Chairman, no one is a more ready advocate for assisting the people of Haiti. I, however, assert that the proper way for us to respond to a genuine human tragedy such as we face there is to support measures that everyone can see directly benefits those neglected and indeed mistreated for so long.

Mr. GARCIA. Mr. Chairman, I rise in support of my friend and colleague from the District of Columbia and his most timely amendment on Haiti.

No one has done more to help the Haitian people than WALTER FAUNTROY. Now, his tireless efforts appear as if they are going to bear fruit. The Duvalier dynasty after nearly 30 years of keeping a stranglehold on the Haitian people is finished. What remains, however, is for the Haitian people to pick up the pieces and rebuild their nation.

And they are trying to do just that. But it has not been easy. Haiti does not have a democratic tradition to draw on as a source of guidance and inspiration. The Haitian people must build their democracy from scratch. It is our responsibility not to interfere with this process but to help them. That's precisely what this amendment would do—help the Haitian people help themselves.

This amendment would also undo some of the wrongs committed by the Duvalier regime, and make amends for the tacit support the United States gave that regime. It is a well balanced proposal providing for essentials from economic assistance to money for a literacy campaign. This aid is not simply helpful; it is necessary, if we want to prevent Haiti from sliding into anarchy.

These are difficult times ahead for us, here at home, economically. We must, therefore, be judicious in our allocation of foreign aid. I can think of few nations as worthy as Haiti for financial assistance. It is important to remember that during the upheaval of the Duvalier government, the Haitian people were waving American flags in the streets. Let's make certain that they continue to do so, that they continue to look upon us as friends, as they rebuild their nation. I urge my colleagues to support this important amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from the District of Columbia [Mr. FAUNTROY].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CHAPTER V

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PROGRAMS AND COMMUNITY PLANNING AND DEVELOPMENT

(DISAPPROVAL OF DEFERRALS)

The Congress disapproves the following proposed deferrals relating to the Department of Housing and Urban Development as set forth in the message of February 5, 1986, which was transmitted to the Congress by the President: (1) D86-41 relating to Housing Programs, "Annual contributions for assisted housing", (2) D86-45 relating to Housing Programs, "Housing for the elderly or handicapped fund", (3) D86-46 relating to Housing Programs, "Nonprofit sponsor assistance", (4) D86-48 relating to Community Planning and Development, "Community development grants", and (5) D86-50 relating to Community Planning and Development, "Rehabilitation loan fund". The five disapprovals shall be effective upon enactment into law of the bill and the amounts of the proposed deferrals disapproved herein shall be made available for obligation.

MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

(TRANSFERS OF FUNDS)

For an additional amount for "Salaries and expenses", $23,701,000, of which $15,066,000 shall be derived by transfer from the various funds of the Federal Housing Administration and $8,635,000 shall be derived from the assets of the Revolving Fund established pursuant to section 312 of the Housing Act of 1964, as amended (42 U.S.C. 1452b).

INDEPENDENT AGENCIES

AMERICAN BATTLE MONUMENTS COMMISSION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $1,553,000.

ENVIRONMENTAL PROTECTION AGENCY

SALARIES AND EXPENSES

(TRANSFER OF FUNDS)

For an additional amount for "Salaries and expenses", $3,000,000, to be derived by transfer from "Research and development".

HAZARDOUS SUBSTANCE RESPONSE TRUST FUND

Language under this heading in Public Law 99-160 is amended by deleting "as amended, including sections 111(c)(3), (c)(5), (c)(6), and (e)(4) (42 U.S.C. 9611), $900,000,000, to be derived from the Hazardous Substance Response Trust Fund," and inserting in lieu thereof "including sections 111(c)(3), (c)(5), (c)(6), and (e)(4) (42 U.S.C. 9611), $900,000,000, of which $750,000,000 shall be derived from the Hazardous Substance Response Trust Fund and $150,000,000 shall be derived from an advance from the general fund of the Treasury to the Hazardous Substance Response Trust Fund to be repaid in accordance with section 223(e)(3) of Public Law 96-510 and notwithstanding section 223(c)(2)(D) of Public Law 96-510,".

AMENDMENT OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BOLAND: On page 18, strike out lines 7 through 20.

Mr. BOLAND. Mr. Chairman, this amendment simply strikes the paragraph dealing with the short-term extension for the Superfund. Because the Superfund situation was so critical, almost identical language providing a $150 million repayable advance was passed by the House on March 20 in House Joint Resolution 573. The President signed that resolution on April 1, and the Superfund Program is now temporarily back in business until May 31.

This amendment strikes the language in this supplemental bill, which is no longer needed. What we do need, Mr. Chairman, now more than ever, is an agreement by the Superfund conference committee on a permanent, long-term authorization bill.

Mr. GREEN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I join the distinguished chairman of the HUD and Independent Agencies Subcommittee in supporting this amendment.

Obviously, we have taken care of the emergency in the previous legislation and we do not have to repeat that today.

I also join the gentleman in expressing my concern that the issues which our emergency appropriation addressed have not yet been resolved. The conference continues, apparently without a solution, and another emergency will soon be upon us unless the issues in the conference are resolved. Plainly, it would be better to get those issues resolved and to have a long-range program for dealing with these critical issues than to limp along every 2 months with emergency appropriations.

I hope that our withdrawal of this amendment today will not cause the conferees to think that the House feels that their work is any less urgent tomorrow than it is today. We need that conference report desperately, and I hope that we shall get it shortly.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. BOLAND].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

FEDERAL EMERGENCY MANAGEMENT AGENCY

FUNDS APPROPRIATED TO THE PRESIDENT

DISASTER RELIEF

For an additional amount for "Disaster relief", $250,000,000, to remain available until expended.

SALARIES AND EXPENSES

(TRANSFER OF FUNDS)

For an additional amount for "Salaries and expenses", $2,920,000, to be derived by transfer from "Emergency management planning and assistance".

Mr. BOLAND. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I wanted to take just a minute or two to stress how important the provisions carried in the HUD chapter of this bill are. I don't think it is any secret here that we

are recommending that all deferrals proposed for the Department of Housing and Urban Development be overturned. Of these, the most critical and the most far reaching is the $2,300 million deferral which is proposed for annual contributions for assisted housing. In addition, that account also was proposed for a rescission of $4,416 million. That totals almost $7 billion of the $10 billion appropriated for subsidized housing in 1986.

Of course, the rescission was not approved—and so as of April 15 the $4.4 billion, at least in theory, was made available to HUD.

But, Mr. Chairman, what is so distressing is that last year our subcommittee struggled for 6 months to deliver a balanced—a reasonable—and what we felt was a very responsible 1986 HUD-Independent Agencies Appropriations Act.

Let me tell you it wasn't easy. I can assure you of that. When we got down to the last few hours of negotiations with the Senate—we were forced to come up with an additional $800 million in outlay savings. We received a clear signal from the Office of Management and Budget that if we came up with those savings the bill was acceptable and would be signed by the President.

And, Mr. Chairman, we did exactly that—and the bill was signed and—guess what—within 2 months the President had proposed deferring or rescinding $7 billion of the $10 billion of the new budget authority provided for assisted housing.

And what is the impact of that action?

The administration's proposed deferral and rescission would reduce public housing construction from 5,000 units to 350.

It would reduce the 12,000 units of housing for the elderly to 100 units.

It would cut the 32,500 section 8 existing units to 2,300.

It would reduce the 10,000 section 8 moderate rehabilitation units to 1,100.

It would reduce the 2,000 public housing units for Indians to zero.

Now, Mr. Chairman, after all that work to get a bill agreed to—it is simply wrong to come back within a month or two and undo all our hard work.

I want to make clear, however, that we have no problem with the application of the 4.3-percent Gramm-Rudman reduction to assisted housing. That was the underlying principle of Gramm-Rudman—that all programmatic areas would be cut essentially the same—but not 70 percent. That is wrong.

So, Mr. Chairman, what we have done in overturning the $2.3 billion deferral for subsidized housing—and overturning the $500 million deferral for community development block grants—is to restore the appropriations in the HUD and independent agencies bill to the levels that met the test in the Senate and were agreed to by OMB last November—as reduced, of course, by Gramm-Rudman.

In short, what we are doing here is to restore the balance and equity that was in the HUD bill when it left this House and went to the President for his signature.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

RESEARCH AND PROGRAM MANAGEMENT

(TRANSFERS OF FUNDS)

For an additional amount for "Research and program management", $38,100,000, of which $24,000,000 shall be derived by transfer from "Research and development" and $14,100,000 shall be derived by transfer from "Space flight, control and data communications".

VETERANS ADMINISTRATION

COMPENSATION AND PENSIONS

For an additional amount for "Compensation and pensions", $272,000,000, to remain available until expended.

READJUSTMENT BENEFITS

For an additional amount for "Readjustment benefits", $91,000,000, to remain available until expended.

MEDICAL CARE

(TRANSFER OF FUNDS)

For an additional amount for "Medical care", $30,000,000, to be derived by transfer from "Construction, major projects".

GENERAL OPERATING EXPENSES

(TRANSFER OF FUNDS)

For an additional amount for "General operating expenses", $6,000,000, to be derived by transfer from "Construction, minor projects".

VETERANS JOB TRAINING

(TRANSFER OF FUNDS)

For payments to defray the costs of training and provision of incentives to employers to hire and train certain veterans as authorized by the Veterans' Job Training Act, as amended (27 U.S.C. 1721), $35,000,000, to remain available until September 30, 1987, and to be derived by transfer from "Construction, minor projects".

FEDERAL HOME LOAN BANK BOARD

LIMITATIONS ON ADMINISTRATIVE EXPENSES, FEDERAL HOME LOAN BANK BOARD

The limitation on administrative expenses for fiscal year 1986 is increased by $3,429,000.

CHAPTER VI

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

LAND ACQUISITION

(DEFERRAL)

Of the funds previously appropriated under this head, $3,000,000 shall not become available for obligation until October 1, 1986.

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

For an additional amount for "Resource management", $90,000.

LAND ACQUISITION

(DEFERRAL)

Of the funds previously appropriated under this head, $4,432,000 shall not become available for obligation until October 1, 1986.

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

For an additional amount for "Operation of the national park system", $13,900,000.

LAND AND WATER CONSERVATION FUND

(RESCISSION)

The contract authority provided for fiscal year 1986 by 16 U.S.C. 4601-10a is rescinded.

ADMINISTRATIVE PROVISIONS

None of the funds made available by this or any other Act may be used to plan or implement the closure of the Pacific Northwest Regional Office in Seattle, Washington: *Provided*, That the Cape Cod National Seashore Advisory Commission established under Section 8(a) of the Act of August 7, 1961 (P.L. 87-126; Stat. 292) is reestablished and extended through February 28, 1996.

MINERALS MANAGEMENT SERVICE

LEASING AND ROYALTY MANAGEMENT

For an additional amount for "Leasing and royalty management". $800,000.

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

REGULATION AND TECHNOLOGY

(RESCISSION)

Of available funds under this head, $710,000 are rescinded.

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

For an additional amount for "Operation of Indian programs", not to exceed $31,368,000, of which $1,500,000 shall be transferred to the Chippewa-Ottawa Treaty Fishery Management Authority (COTFMA) to provide the Federal contribution related to the compromise agreement resulting from the U.S. v. Michigan fishery litigation: *Provided*, That these funds shall be made available to COTFMA after receipt and approval by the Secretary of the Interior or his designated representative of an investment plan for establishing a fund, which shall be invested at interest: *Provided further*, That only the interest income from such fund is to be available for fisheries management activities by the Chippewa-Ottawa Treaty Fishery Management Authority: *Provided further*, That funds appropriated hereunder shall be repaid to the Federal government after a fifteen (15) year period: *Provided further*, That should the Chippewa-Ottawa Treaty Fishery Management Authority dissolve at any time during the fifteen (15) year period, funds appropriated hereunder shall immediately be repaid to the Federal government.

TERRITORIAL AND INTERNATIONAL AFFAIRS

COMPACT OF FREE ASSOCIATION

For grants and necessary expenses for the Federated States of Micronesia and the Marshall Islands, as provided for in Sections 177, 122, 221, and 223 of the Compact of Free Association, $178,750,000, as authorized by Public Law 99-239: *Provided*, That for purposes of economic assistance as provided pursuant to the Compact, the effective date of the Compact shall be October 1, 1985.

For grants and necessary expenses for the Federated States of Micronesia and the Marshall Islands, as provided for in Sections 211, 212, 213, 214, 215, 216, 217, and 231 of the Compact of Free Association, and Section 111(b) of Title I of the Compact of Free Association Act of 1985 (Public Law 99-239), all sums that are or may be required in this and subsequent years are appropriated, and shall be drawn from the Treasury, as authorized by Public Law 99-239: *Provided*, That $50,493,000 of the amount made available to the "Trust Territory of the Pacific Islands" appropriation pursuant to Public Law 99-190 shall be considered to have been made available for the purposes of this appropriation for fiscal year 1986 and expended as provided for by the Compact of Free Association: *Provided further*, That for pur-

poses of economic assistance as provided pursuant to the Compact, the effective date of the Compact shall be October 1, 1985.

RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

STATE AND PRIVATE FORESTRY

For an additional amount for "State and private forestry", $161,000.

NATIONAL FOREST SYSTEM

For an additional amount for "National forest system", $165,700,000.

LAND ACQUISITION

For an additional amount for "Land acquisition", $4,436,000, to remain available until expended.

TIMBER SALVAGE SALES

(DISAPPROVAL OF DEFERRAL)

The Congress disapproves $3,153,000 of the proposed deferral D86-3 relating to the Department of Agriculture, U.S. Forest Service, "Timber Salvage Sales", as set forth in the message of October 1, 1985, which was transmitted to the Congress by the President. The disapproval shall be effective upon enactment into law of this bill and the amount of the proposed deferral disapproved herein shall be made available for obligation.

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Provisions of 7 U.S.C. 147(b) shall apply to appropriations available to the Forest Service only to the extent that the proposed transfer is approved by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in House Report 97-942.

POINT OF ORDER

Mr. CONTE. Mr. Chairman, I make a point of order that the paragraph directly changes the application of existing law, violates clause 2 of rule XXI.

The CHAIRMAN. Does the gentleman from Mississippi [Mr. WHITTEN] desire to be heard on the point of order?

Mr. WHITTEN. I do not, Mr. Chairman.

The CHAIRMAN (Mr. BROWN of California). If not, for the reasons stated by the gentleman from Massachusetts [Mr. CONTE], the point of order is sustained and the language will be stricken.

The Clerk will read.

The Clerk read as follows:

DEPARTMENT OF ENERGY

FOSSIL ENERGY RESEARCH AND DEVELOPMENT

(DISAPPROVAL OF DEFERRAL)

The Congress disapproves $62,205,000 of the proposed deferral D86-6A relating to the Department of Energy, "Fossil energy research and development", as set forth in the message of February 5, 1986, which was transmitted to the Congress by the President. The disapproval shall be effective upon enactment into law of this bill and the amount of the proposed deferral disapproved herein shall be made available for obligation.

ENERGY CONSERVATION

(DISAPPROVAL OF DEFERRAL)

The Congress disapproves deferral D86-9A relating to the Department of Energy, "Energy conservation", as set forth in the message of March 12, 1986, which was transmitted to the Congress by the President. The disapproval shall be effective upon enactment into law of this bill and the amount of the proposed deferral disapproved herein shall be made available for obligation.

STRATEGIC PETROLEUM RESERVE

(DISAPPROVAL OF DEFERRAL)

The Congress disapproves deferral D86-37 relating to the Department of Energy, "Strategic petroleum reserve", as set forth in the message of February 5, 1986, which was transmitted to the Congress by the President. The disapproval shall be effective upon enactment into law of this bill and the amount of the proposed deferral disapproved herein shall be made available for obligation.

SPR PETROLEUM ACCOUNT

(DISAPPROVAL OF DEFERRAL)

The Congress disapproves $315,000,000 of the proposed deferral D86-10A relating to the Department of Energy, "SPR petroleum account", as set forth in the message of February 5, 1986, which was transmitted to the Congress by the President. The disapproval shall be effective upon enactment into law of this bill and the amount of the proposed deferral disapproved herein shall be made available for obligation.

Notwithstanding any other provision of law, upon enactment into law of this bill the minimum required rate of fill is 100,000 barrels a day until the funds made available by this Act are expended.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH RESOURCES AND SERVICES ADMINISTRATION

INDIAN HEALTH SERVICES

For an additional amount for "Indian health services", $20,000,000.

SMITHSONIAN INSTITUTION

NATIONAL GALLERY OF ART

SALARIES AND EXPENSES

(TRANSFER OF FUNDS)

For an additional amount for "Salaries and expenses", $136,000, to be derived by transfer from "Repair, restoration and renovation of buildings, National Gallery of Art".

AMENDMENT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONTE: On page 27, after line 14, insert:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

NATIONAL INSTITUTES OF HEALTH

NATIONAL CANCER INSTITUTE

For an additional amount for "National Cancer Institute", for grants for National Cancer Research and Demonstration Centers as authorized by section 414 of Public Law 99-158, $6,000,000.

Mr. CONTE. Mr. Chairman, since our committee originally reported this bill to the House, a matter of critical importance has come to our attention concerning the Nation's ability to fight and prevent cancer in our people. The sequester earlier this year cut more than $52 million from the amount we approved for the National Cancer Institute. As with many of our worthiest programs, NCI has had to reduce and delay some very important activities to weather the storm.

But we now know, Mr. Chairman, that the storm will claim permanent losses if the House does not act today to add back a small fraction of that money. The $6 million I am asking the House to approve today will prevent the closing of nearly half the 10 existing basic and clinical cancer centers up for renewal this year. These centers have all been approved by peer-review committees, but because of the mindless sequester, will not get funded.

Mr. Chairman, Americans have invested decades of hope and many millions of dollars in the work of these centers. With them we have developed a blueprint of the cancer cell, a blueprint that is taking us down the road to controlling and preventing this dreadful life-destroying disease. Without them our grand plans will be left to rot and decay, and the loss will be measured not just in dollars but in lives.

We can prevent these losses here today. Approving this amendment will ensure that the centers' phenomenal work will continue, and the ambitious course we've set to prevent cancer in our people can be maintained. Without it, nearly half these centers will be lost, not just for 1 year, but forever.

Mr. Chairman, we are well within the authorization levels, and will remain well below our Labor/HHS Subcommittee's 302(b) allocation if this amendment is approved.

By failing to act, however, we will foolishly allow the best investment of years of Federal dollars in these centers to go to waste. I urge adoption of the amendment.

□ 1525

Mr. NATCHER. Mr. Chairman, I move the strike the requisite number of words.

Mr. Chairman, we have in operation in this country today about 534 research centers supported by the National Institutes of Health. I believe we have 58 cancer research centers.

As the Members of the House know, Mr. Chairman, an application for a research center has to go through peer review. It has to compete with other projects for funding on the basis of scientific merit. It has to go through the necessary requirements provided for under the law and the regulations issued by the National Institutes of Health, and all down through the years on our Subcommittee on Labor, Health and Human Services and Education we very carefully have seen to it that we did not earmark any project, we did not set aside any provision of law or interfere with peer review. All along we have said that the law must be complied with in full as far as peer review is concerned.

As I understand, at the present time there are some 14 research centers that could be affected by this $6 mil-

lion. But it is my understanding from talking to the gentleman from Massachusetts [Mr. CONTE], the ranking minority member on the Appropriations Committee, and the ranking minority member on our subcommittee, this amendment, if adopted, Mr. Chairman, does not waive any provision as far as peer review. It waives no provision of the law. It does not designate any one project that is to remain in operation or that is to be funded in preference to other projects. It simply places $6 million additional into the bill, Mr. Chairman, for fiscal year 1986 for cancer research centers.

We have no objection on this side, with the understanding that none are designated, no provision of the law or of peer review is waived. This is not a directive to the National Cancer Institute or to the National Institutes of Health, to fund any particular project and with that understanding, Mr. Chairman, we made no objection to the $6 million.

Now Mr. Chairman, as I pointed out a few minutes ago, the reason why we have been able to bring this bill to the House each year, sometimes passing it in less than 2 hours, always within a day, Mr. Chairman, not 3 days, 5 days, or 6 days like it used to be a number of years ago, is because, Mr. Chairman, in all of these matters we have simply complied with the law, and we have said to all of the Members of the House we are not designating, we are not earmarking, and we are not waiving any provision of the law. This amendment does not do that, and when adopted, Mr. Chairman, no provision will be waived.

I believe the gentleman from Massachusetts [Mr. CONTE] will agree with my statement.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, certainly I agree wholeheartedly. These centers have to go through peer review, they have to go through competitive process.

I want to just take this opportunity to thank the gentleman from Kentucky, for accepting this amendment. It has been a real pleasure working with the gentleman all these years. It has just been a joy for me.

Mr. NATCHER. I thank the gentleman and I yield back the balance of my time.

Mr. EARLY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just want to rise in support of the amendment and thank my colleague, the gentleman from Massachusetts [Mr. CONTE] for offering the amendment, because in that particular area the funding has decreased so much. Of the approved centers, we are only approving at a rate of close to 30 percent. We are rejecting 70 percent of requests that are approved, good potential science.

But I also want to thank the Chairman for this event and the history of what he has done so far as not avoiding peer review in this process now, not only those that are up for renewal, but it is open to everyone just the way it should be. Peer review at NIH is probably the best that I have ever seen. It is not perfect, but it certainly goes in the direction of letting everyone apply, with the best science approved.

I just want to rise in support of the amendment and thank the Chairman for reiterating that there is no earmarking.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. CONTE].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CHAPTER VII

DEPARTMENT OF EDUCATION

IMPACT AID

For an additional amount, for "Impact Aid", $20,000,000, which shall remain available until expended, for making payments under section 7 of title I of the Act of September 30, 1950, as amended: *Provided*, That payments made under section 2 of said Act for the fiscal years 1978 through 1983, which were based on entitlements that included State-levied real property taxes shall stand: *Provided further*, That in a State where a portion of an existing local real property tax levy had been assumed and levied by the State as a real property tax, that these State taxes shall be allowed in the computation of entitlements under section 2 of said act for the fiscal years 1984 and 1985: *Provided further*, That recovery of any overpayments to any school district of less than $5,000 arising out of payments made under said Act for fiscal year 1978 shall be obtained only from any future year payments to such school district under said Act.

AMENDMENT OFFERED BY MR. STRANG

Mr. STRANG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STRANG: On page 28, after line 6 insert the following new chapter VIII, and renumber the succeeding chapters accordingly.

CHAPTER VIII

DEPARTMENT OF LABOR

ADMINISTRATIVE PROVISION

No Job Corps Center operating under part B of title IV of the Job Training Partnership Act shall be closed, nor shall the aggregate service level of such centers for any fiscal or program year fall below 40,544 service years. Nothing in this section shall permit the Secretary to excede funding levels established for carring out part B of title IV of the Job Training Partnership Act pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 (P.L. 99-177).

Mr. STRANG. Mr. Chairman, this amendment deals with an emergency issue which has arisen. The Department of Labor has chosen to meet its Gramm-Rudman responsibilities by closing 6 of its 106 job-training centers.

This particular action is devastating in that it comes to many States which are currently experiencing severe economic problems and job problems: Oregon, Washington, Missouri, Kentucky, Oklahoma, and my own State of Colorado.

We recognize that it is important for this body to meet its responsibilities under the provisions of the Deficit Control Act of 1985, Gramm-Rudman, and we do not feel that it is appropriate to try to duck that. However, it is true that the Department has available to it some $300 million in construction funds at a time when they are talking about closing centers, some $12.3 million in a pilot program which they apparently are not going to use, and we feel that this language will enable, will require, in fact, the Department to meet the provisions of Gramm-Rudman without sending that dreadful message out into the heartland of rural America by closing these six centers.

I would urge and certainly would appreciate the support of this body on this amendment.

I yield back the balance of my time.

Mr. SYNAR. Mr. Chairman, I rise in strong support of the amendment proposed by the gentleman from Colorado [Mr. STRANG] to prohibit the Department of Labor from closing Job Corps centers.

Because of Gramm-Rudman budget cuts, the Department of Labor has announced plans to close the Talking Leaves Job Corps Center in Tahlequah along with five other Job Corps centers.

This is an example of what happens when computers make decisions about people, and this is why Gramm-Rudman is wrong. The Senate has included full Job Corps funding in their budget proposal. The Talking Leaves Job Corps Center serves more than 400 disadvantaged young people each year. It teaches them educational and job skills and gives them the tools to become productive citizens. The Job Corps Program has strong support around the country.

Unemployment is 11 percent in Cherokee County. The State is making large budget cuts in social services. Oklahoma's economy is facing some tough times. In times like these, it is senseless to cut a program that serves young people and the surrounding community. Let's put people back in charge of the Government.

Mr. AuCOIN. Mr. Chairman, I rise in support of the amendment. I'm completely opposed to the Department of Labor plan to close six Job Corps centers—an action they claim is necessary to make the 4.3-percent budget cut mandated by Gramm-Rudman.

I voted for Gramm-Rudman. As a supporter, I resent seeing the administration use this law as an excuse to cut the Job Corps. Saying that "Gramm-Rudman made me do it" is a phony argument. The Department of Labor

doesn't need to shut down six centers to save $27 million.

Look at the facts. Even as they prepare to string a "Going Out of Business" sign across Oregon's Angell Center, DOL is dreaming up new ways to spend $12 million on experimental Job Corps projects and sitting atop a $30 million construction kitty.

If that's not enough, the Department admits its going to have to spend $4.5 million to close these centers. And how much will they save? Only $8.5 million this fiscal year. Hardly the bargain of the century, especially when you consider that they'll have to turn away hundreds of students.

But the biggest irony of all? The fiscal year 1987 budget passed by the Senate allocates $676 million for the Job Corps—a sum that will more than enable the Job Corps to keep all its centers open.

If they'd clip coupons or shop a couple sales, DOL wouldn't have to hand over the mortgage on six Job Corps centers. But that's not the Department's way of doing business.

Unfortunately, those who have to pay are the residents of my congressional district who depend on the Angell Job Corps Center.

If the Angell Center is one of the most inefficient in the Job Corps, then we haven't been spending enough money on this program. The Angell Center has a student population of 200, a graduation rate of 70 percent and a job placement rate of over 90 percent.

In 1984, the center constructed over 1 million dollars' worth of shelters and other facilities in Oregon forests. Last year, center students put the finishing touches on the new library in Yachats, OR—a library that couldn't have been built without center support.

The center has the strong support of people in Yachats and along the Oregon coast. They know that the Job Corps is a bargain—returning $1.42 to the Federal Treasury for every $1 spent.

As one who voted for Gramm-Rudman, I believe that the Department of Labor has a responsibility to make the $27 million cut mandated by this law for fiscal year 1986. But not this way. I'll continue fighting to force the Department to draw from other sources to make the cut—and stop their plans to close down Job Corps centers.

Mr. EMERSON. Mr. Chairman, I am pleased to join the gentleman form Colorado in raising this important amendment to prevent the unnecessary closing of 6 of the 106 Job Corps centers, one of which is the Mingo Job Corp center. I am unhappy with the way in which the DOL has arrived at its conclusions and believe the amendment before us will clarify the intent of Congress on the subject. I strongly urge adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado [Mr. STRANG].

The amendment was agreed to.

□ 1535

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CHAPTER VIII

LEGISLATIVE BRANCH

HOUSE OF REPRESENTATIVES

CONTINGENT EXPENSES OF THE HOUSE

STANDING COMMITTEES, SPECIAL AND SELECT

For an additional amount for "Standing committees, special and select", $350,000.

JOINT ITEMS

CONTINGENT EXPENSES OF THE HOUSE

JOINT COMMITTEE ON TAXATION

For an additional amount for "Joint Committee on Taxation", $912,000.

ARCHITECT OF THE CAPITOL

CAPITOL BUILDINGS

For an additional amount for "Capitol Buildings", $8,000,000, to remain available until expended: *Provided*, That this additional amount shall be available for obligation without regard to section 3709 of the Revised Statutes, as amended.

CAPITOL POWER PLANT

For an additional amount for "Capitol Power Plant", $1,583,000: *Provided*, That not to exceed $2,150,000 of the funds credited or to be reimbursed to this appropriation pursuant to Public Law 99-151 shall be available for obligation during fiscal year 1986.

CHAPTER IX

DEPARTMENT OF TRANSPORTATION

COAST GUARD

OPERATING EXPENSES

For an additional amount, for "Coast Guard, Operating expenses", $35,500,000.

FEDERAL AVIATION ADMINISTRATION

OPERATIONS

(INCLUDING TRANSFERS OF FUNDS)

For an additional amount for "Operations", $85,000,000, of which $2,000,000 shall be derived by transfer from "Coast Guard, Retired pay", $2,250,000 shall be derived by transfer from "Coast Guard, Research, development, test, and evaluation", and $750,000 shall be derived by transfer from "Office of the Secretary, Salaries and expenses".

AMENDMENT OFFERED BY MR. COUGHLIN

Mr. COUGHLIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COUGHLIN: On page 31, line 19 strike out the period and insert the following: ": *Provided*, That the immediately preceding transfer shall not become effective until June 1, 1986, and shall not go into effect if by that date the Secretary of Transportation and the appropriate local governmental authorities for those projects identified in section 320 of the Department of Transportation and Related Agencies Appropriations Act, 1986, have reached agreement on the execution of full funding contracts.

Mr. COUGHLIN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. COUGHLIN. Mr. Chairman, this is a technical amendment that has already been agreed to by the distinguished chairman of the Subcommittee on Transportation and Related Agencies.

Mr. LEHMAN of Florida. Will the gentleman yield?

Mr. COUGHLIN. I yield to the gentleman.

Mr. LEHMAN of Florida. We are familiar with the amendment, we have examined the amendment, and we are happy to accept the amendment, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. COUGHLIN].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

RELATED AGENCY

PANAMA CANAL COMMISSION

OPERATING EXPENSES

For an additional amount, for "Panama Canal Commission, Operating expenses", $20,000,000, to be derived from the Panama Canal Commission Fund.

CHAPTER X

DEPARTMENT OF THE TREASURY

INTERNAL REVENUE SERVICE

PROCESSING TAX RETURNS

For an additional amount for "Processing tax returns", $194,564,000.

EXAMINATIONS AND APPEALS

For an additional amount for "Examinations and appeals", $68,706,000.

INVESTIGATION, COLLECTION AND TAXPAYER SERVICE

For an additional amount for "Investigation, collection and taxpayer service", $76,730,000.

ADMINISTRATIVE PROVISIONS—INTERNAL REVENUE SERVICE

Section 1. Notwithstanding any other provision of this title, any appropriations made available to the Internal Revenue Service for the current fiscal year may be transferred to any other Internal Revenue Service appropriation to the extent necessary for increased pay costs authorized by law.

Section 2. Not to exceed 5 per centum of any appropriation made available to the Internal Revenue Service for the current fiscal year may be transferred to any other Internal Revenue Service appropriation.

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $30,831,000: *Provided*, That no funds appropriated by this or any other Act may be used to implement single eight hour shifts at airports and that all current services as provided by the Customs Service shall continue through September 30, 1986: *Provided further*, That none of the funds made available by this or any other Act shall be available for administrative expenses to reduce the personnel level of the Customs Service during fiscal year 1986 below an average of 14,041 full time equivalent positions.

OPERATION AND MAINTENANCE, AIR INTERDICTION PROGRAM

For an additional amount for "Operation and Maintenance, Air Interdiction Program", $3,225,000.

TITLE II
GENERAL PROVISIONS

SEC. 201. Section 1013 of the Budget and Impoundment Control Act (31 U.S.C. 1403) shall not apply to funds herein and subsequently appropriated.

AMENDMENT OFFERED BY MR. ARMEY

Mr. ARMEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ARMEY: Page 33, lines 19 through 21, strike section 201.

Mr. ARMEY. Mr. Chairman, I rise today to offer an amendment to strike section 201 of title II, a provision which would repeal the President's authority to defer certain spending. I must say the rule bringing H.R. 4515 to the floor is better than past rules on this bill, but it is by no means perfect. Because the section I seek to strike violates clause 2 of rule XXI, it could have been removed through a point of order. But the rules of the House have again been waived, leaving this legislative provision protected from a point of order.

I'm fully aware of the controversy Presidential impoundments stir up. President Nixon's decision to delay spending funds was a real sore spot around here for a number of years. But following the Nixon years, the impoundment controversy abated as Congress and the executive branch reached a carefully crafted compromise. That carefully crafted agreement brought us the Impoundment Control Act, and a systematic and sensible rescission and deferral policy.

Since the formalization of procedures to deal with Presidential impoundments, Congress has frequently acted to overturn deferral proposals with which it disagrees. Let me point out, however, its not just this President who has had deferrals overturned, Presidents Ford and Carter had them as well.

Mr. Chairman, I count 20 specific deferral disapprovals totaling some $5.3 billion in the bill before us. Many of these deferrals are in fact controversial. Some I support, some I disagree with, but I, like the rest of the House, will have the opportunity to vote on the items selected by the Appropriations Committee for disapproval.

But let me make it perfectly clear that these specific deferral disapprovals are not the issue before us. The Appropriations Committee would have us go much farther than just rejecting a few current deferrals, they would have us reject this authority altogether.

Mr. Chairman, I find this proposal unacceptable.

As the U.S. Chamber of Commerce said in a recent letter to me, which I'd like to enter into the RECORD, "Deferral authority is an integral part of the Budget and Impoundment Control Act, giving the President the leeway to administer and achieve economies in Federal programs." And, as the National Federation of Independent Business pointed out in urging support of my amendment, deferral authority has been used by both Republican and Democratic Presidents to save taxpayers over $60 billion.

The ICA establishes procedures by which the President may temporarily defer funds, and requires the President to report to the Congress on his deferral actions. More importantly, the act gives Congress the opportunity to pass judgment of the President's decision to defer funds and the prerogative to overturn this decision if it so chooses.

I've heard it argued that President Reagan has abused his deferral authority and that we should repeal it altogether. I'm forced to disagree with both this charge and final conclusion. First, I don't believe the President has abused deferral authority. More importantly, repealing this authority—even if you think abuses abound—is equivalent to throwing the baby out with the bath water.

Let me, though, address for a moment the charge that this President has abused the deferral authority granted under the Impoundment Control Act. In the 6-year period following the passage of the act, Presidents Ford and Carter proposed some 642 deferrals. In a similar 6-year period, President Reagan recommended 636, an almost equal number.

Let's look closely at this year's proposed deferrals. The President proposed 66 specific deferrals totaling $24.7 billion. More than half of these, some $14 billion, were "Antideficiency Act" or technical deferrals. Of the remaining $10.7 billion in "policy" deferrals, $5.8 billion have been released. Many of these deferrals were made only until rescission proposals could be announced in the President's budget. Once these rescissions were announced, these deferrals were canceled.

This leaves us with $4.9 billion. While this isn't insignificant, a look at past Presidents shows it's in line with the norm. Carter proposed $7.3 billion in policy deferrals for 1980 and Ford proposed $21.6 billion in 1975.

But let me remind Members that the numbers are almost irrelevant. Because the Congress has—and has always had—the opportunity to reject proposed deferrals.

As I mentioned earlier, there are 20 specific deferral disapprovals in this supplemental. Yet the President proposed 66 deferrals for 1986. If the Appropriations Committee is so adamant about eliminating this Presidential authority, why haven't they brought the entire 66 deferrals before the House? The fact is that since this authority was first granted to the President, the Congress has only rejected 17 percent of proposed deferrals. Hardly, it would seem, compelling evidence that this authority should be totally repealed.

I understand the President's deferral authority is currently being challenged in court by several Members of Congress. This is clearly a delicate area. But why don't we wait until a final determination is reached by the courts before we proceed with a backhanded attempt to totally repeal this section of the Impoundment Control Act.

The gentleman who offered this amendment in the Appropriations Committee made the point that the Appropriations Committee has been dealing with deferrals for years, and had no difficulty until the Chadha decision changed the procedures. As Jim Miller at OMB pointed out, however, Congress began the practice of not overturning deferrals by use of the one-House legislative veto before Chadha. "In fact, in 1981—2 years before the Chadha decision—all 15 of the deferrals overturned by Congress were disapproved in appropriations measures."

One last point. Clearly this language was aimed at repealing the President's power to defer spending. However, there is a great deal of discussion as to its ability to achieve this end. The American Law Division of the Congressional Research Service believes this language would, and I quote: "effectively repeal the applicability of the reporting requirements imposed on the President when he defers spending. . . . The amendment would not repeal the President's authority to defer spending which finds its source in statutes other than the Impoundment Control Act. At most, section 1013 of the ICA is a vehicle for some residual impoundment authority. The primary source of authority to impound are the appropriations laws themselves and the Antideficiency Act and that authority would remain intact under (the Yates amendment adopted by the Appropriations Committee)."

Under this interpretation, section 201 language would only have the effect of relieving the President of his reporting responsibilities. And I hardly think this is what the committee intended. I know it's not the type of "reform" I want to see.

Let me sum up briefly why I would ask Members to support my amendment to strike this language. First, deferral authority is a valuable tool allowing the President to achieve economies in administering our Federal Government. As our colleague, Mr. PANETTA, said: "Generally, the deferral process has worked well—what we need is a tune up, not a new engine or no engine at all."

Second, even if you are concerned about the way this President has exercised deferral authority, I think you'll

have to agree that a supplemental is not the place to debate and vote on this far-reaching proposal. Deferral reform should be a product of deliberation and discussion. It should not be tacked on to a supplemental appropriation.

Finally, let's be sure about what we are doing here before we pass language that won't achieve its intended end.

U.S. CHAMBER OF COMMERCE,
Washington, DC, April 15, 1986.

Hon. RICHARD K. ARMEY,
House of Representatives, Washington, DC.

DEAR REPRESENTATIVE ARMEY: Upcoming supplemental legislation, H.R. 4515, contains a provision that repeals the President's deferral authority. Title II, Section 201, of H.R. 4515 states that the President's deferral power granted under the Congressional Budget and Impoundment Control Act of 1974 "shall not apply to funds herein and subsequently appropriated." The U.S. Chamber believes that deferral authority is an integral part of the Congressional Budget and Impoundment Control Act. It gives the President leeway to administer and achieve economies in federal programs. Consequently, the Chamber supports your amendment that upholds the President's deferral authority.

Over the past six fiscal years, Congress has surpassed its own budget resolution by an average of $24 billion. Given this record, we cannot afford to amend the current budget process in a way that could lead to even more spending. Deferrals have saved close to $60 billion over the last ten years and have had, at least, a modest effect in achieving economy in the federal budget.

The Chamber also believes that the Congressional Budget and Impoundment Control Act provides sufficient procedures that enable Congress to overturn Presidential deferrals and, thus, allows the President to administer federal programs without infringing upon legislative authority.

The Chamber strongly endorses your efforts to uphold the deferral powers contained in the Congressional Budget and Impoundment Control Act of 1974.

Sincerely,

ALBERT D. BOURLAND.

□ 1545

Mr. WHITTEN. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, section 201 of the bill now before the House suspends the deferral authority conferred on the administration by section 1013 of the Impoundment Control Act. We have taken this action in order to end the improper use of this authority that is now occurring—in effect a line-item veto. Our action should be viewed as a temporary measure until the appropriate committees, mainly Rules and Government Operations, are able to resolve the problems associated with the deferral process.

Members are aware that the Supreme Court in its Chadha decision struck down the so-called one-House veto. As a result the deferral process as it was originally intended has been derailed. The administration is left with the power to defer, but the Congress' ability to overturn the deferrals as envisioned by the Budget Act has been eliminated. This obviously is not a satisfactory situation.

I think that it is important for Members to understand what the committee is and is not recommending.

We are recommending that the deferral process under the Budget Act be suspended.

We are not recommending that the ability of the administration to defer spending be eliminated. The ability to defer for sound management reasons will continue to exist, through the Antideficiency Act.

We are not changing the rescission process in the Budget Act. The administration will continue to have the authority to recommend rescission to the Congress.

This administration has abused the deferral process and our action is intended to correct this. Unless the amendment by Mr. ARMEY is defeated and the committee position is sustained, in effect, the Congress will be subjecting itself to the need to obtain a two-thirds vote for any spending. This is as unconstitutional a situation as the very matter that the Chadha decision intended to correct.

The two committees of legislative jurisdiction—Government Operations and Rules—have held hearings on how to resolve the imbalance. Both committees support section 201 as a temporary measure while they work on a permanent legislative solution.

In times past, we have seen many Presidents hold up funds. When we had the Budget Act up, it was my suggestion that we not give any authority to suspend or rescind or defer because, while we knew they did it, I hesitated to give any color of right. I do think we made a mistake to give it as a matter of right because it has led to abuse. May I repeat again, we ask that it be suspended until the matter is worked out.

Mr. COBEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, at this time I would like to address a question to the gentleman from Texas relative to section 201.

Would the gentleman from Texas explain to me what section 1013 of the Budget Impoundment Control Act does, how does that apply?

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. COBEY. I yield to the gentleman from Texas.

Mr. ARMEY. I thank the gentleman for yielding.

Mr. Chairman, I hate to begin by pointing out that that in fact is what some of the confusion is about. The particular provisions in this supplemental that I move to strike would indeed repeal those provisions of the Impoundment Control Act that the gentleman questioned. It is not clear in my mind. Certainly those provisions do allow some residual deferral authority, and I think that specific deferral authority is against which complaints have been waged of Presidential abuse.

But they also have reporting requirements imposed on that. My guess is that this probably goes back to the controversy that surrounded the impoundment decisions of President Nixon some years ago before the gentleman in the well and I were in this House.

But the question that is really being contested here, I think, and I think it is really clear: would this provision in the supplemental appropriations bill, if passed, diminish the President's deferral authority, or would it, as the American Law Division of the Congressional Research Service believes and as others in this House and on staff regarding the work of this House believe, effectively repeal the applicability of the reporting requirements imposed on the President when he defers spending?

The amendment would not repeal the President's authority to defer which finds its source in statutes other than the Impoundment Control Act, according to the Law Division of the Congressional Research Service.

Now I have no doubt, when we see people like Mr. PANETTA and Mr. MICHEL and we see others, including in fact Mr. YATES, who is clearly a student of this area and is clearly concerned and, I suspect, probably with some very good reason, when I see people rise and say that we must have some reforms, some changes, then I see this is a serious issue germane to my interests and to the interests of the American people and one that I want to be involved in.

I must say, quite frankly, I believe there is confusion regarding what would be indeed the legal upshot of this action.

I have to say also that, in my discussion earlier today with the Director of the Office of Management and Budget, that, if there is confusion in the legislative record regarding exactly what does happen here, then they would feel compelled to test it in the courts.

Now that, as I understand this isssue, is part of our problem. I do not want to use all of the gentleman's time, but we do have pending litigation now. We have the Chadha decision. It is not clear to me exactly what that does other than perhaps define the law as opposed to changing the behavior of the Congress. We have had hearings in the Committee on Rules, and I for one would rather not see us take action today where we are not really informed, we do not have an-

swers to our questions, we do not have a clear understanding; rather than do that and in the process make the supplemental appropriations bill clearly veto-bait for the President, and unnecessarily, in my opinion. Rather than do that, I would see us take these provisions out of the supplemental, go to the Committee on Rules, where the studies are.

I would like to read the studies. I happen to be particularly interested in this, and I would like to learn more, know more, and when, indeed, we settle this issue, I would like to know in my mind that I clearly and fully understand every dimension of this issue because I think it is important. It has been controversial in the past. I was fascinated by the controversy as a citizen who was not in this House. I have now the opportunity and the responsibility to learn what this controversy is all about, to become well informed. On that basis, that is a decision that has a direct impact on the relative power over spending of the administration and the Congress.

I take that very seriously, and I would regret our taking action today that would help not one bit in fulfilling my responsibility and at the same time imperil this urgent supplemental.

Mr. YATES. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I have listened to the arguments of the distinguished gentleman from Texas. He has shifted his attack. When he got up to address this question earlier in the afternoon, he spoke about the billions of dollars that the deferral process was saving the people of the country. He made no reference to that in his argument a few moments ago.

Now he speaks about the learning process, that he wants the opportunity to be considered a participant in the process by which this section of the law is changed. I do not believe that the Congress should hold itself in abeyance purely for the purpose of permitting the gentleman from Texas to learn what this issue is all about and to permit him to cast a vote on that. The issue is much too important for that. The issue is one that is important enough to be addressed at the present time. That is the reason that it was addressed in this appropriations bill. He, himself, acknowledged that the Committee on Rules is the committee or original jurisdiction in considering the legislative changes that ought to be made. The Rules Committee is going to consider those changes. But the issue is important enough, the Committee on Rules concluded, that my amendment should be allowed to be debated on the floor by the gentleman from Texas and myself and not be allowed to be stricken by a point of order. It permitted the waiver to be made.

Now why is that important? The gentleman from Texas said that he had a conversation a few minutes ago with the distinguished Director of the Office of Management and Budget, and he was told at that time that my amendment makes this bill veto-bait.

Well, I can understand the Director's position on that matter because the Director of the Office of Management and Budget is the one who is violating the law. He is the one who is perpetrating the actions that require our consideration of this matter at the present time. He is the one who is violating the law by not adhering to procedures, by using the deferral process instead of the rescission process in order to stop particular programs.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman, yes.

Mr. ARMEY. I thank the gentleman for yielding.

Perhaps I am too noble. I would not want to confess to this body that I believe myself to be the only one confused. I believe there is a lot of confusion out here, and a great many of us take this responsibility very seriously and would like the advantage of the normal processes.

I still have questions even from what the gentleman just told me. No. 1, if indeed the gentleman who is the Director of the Office of Management and Budget is violating the law, then in my humble opinion it would be better that we prosecute him for those violations rather than to resort to changing the law. I might also say that the one thing that began my whole process of investigating is this question: why are we legislating in an appropriations bill, when it is such a matter that is so controversial? That seems to me to be a critical question here.

Mr. YATES. The gentleman is exactly right, it is a critical question. Let me say if the gentleman who is the head of the Office of Management and Budget is to be prosecuted, the Department of Justice, of course, will consider that. But I suggest that the gentleman may be naive in addition to being noble because I cannot see this Department of Justice taking time to prosecute the Director of the Office of Management and Budget for any violations of the law that he may have had.

The point I want to make to the gentleman and I want to find out and would yield to him for that purpose: what is it he is trying to accomplish other than being given the opportunity to debate this issue in a legislative forum? This is a legislative forum now. The Rules Committee has made it as legislative forum.

The gentleman said earlier that he wants to save money and that what the Yates amendment does is deprive the President of the opportunity to save money by taking away from him the deferral process.

That is not true. That is not true, and, as I pointed out to the gentleman in my statement during general debate, the deferral process by which the President may save money on questions other than policy is still in the law, and that is in the Antideficiency Act.

Let me read what I read to the gentleman before; the provisions of the law. And I would repeat them for the benefit of the gentleman.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. YATES] has expired.

(By unanimous consent, Mr. YATES was allowed to proceed for 3 additional minutes.)

Mr. YATES. Section 1512 tells what the President can do under the Antideficiency Act, and it says this: "In apportioning or reapportioning an appropriation, a reserve may be established only to provide for contingencies." That is the deferral process. That is what the gentleman would want the President to be able to do, what I would want the President to be able to do when he has an appropriation and he thinks it would serve the country better to put the money aside temporarily in a contingency account. He can do that under the law as it exists at the present time. A second reason for a reserve under the Antideficiency Act, is:

"(B) to achieve savings made possible by or through changes in requirements or greater efficiency of operations"—That is what the gentleman wants and that is what I want. If the opportunity is there to save money, he can defer it under this process. I will suggest to the gentleman that it becomes infinitely more difficult to overturn the President's action in making such a deferral, just as exists at the present time, because now the procedure that is present is that we follow the one-house or the two-house process and we go through the resolution so that ultimately you have a passage of another bill, a reappropriations process that you did not have when Congress originally contemplated it.

What would happen now under the Antideficiency Act is that you have that same process.

In order for Congress to overturn a deferral under the Antideficiency Act, you would have to have a completely new bill passed, a completely new law passed, approved by the House, approved by the other body and signed into law by the President.

□ 1600

That is a very difficult process.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Texas.

Mr. ARMEY. The gentleman asked me what I would want.

Mr. YATES. That is right.

Mr. ARMEY. Certainly I would want to save money every way possible.

Mr. YATES. That is why the gentleman wrote the letter to the Members of the House. As I remember the letter the gentleman wrote, the gentleman talked about the billions of dollars that could be saved and, therefore, the gentleman opposed my amendment.

I suggest to the gentleman that is possible at the present time under the Antideficiency Act, and the gentleman's action striking my amendment does not change anything.

Mr. ARMEY. If the gentleman will continue to yield, that is the wonderment of this issue, how much I have learned since I wrote those early letters.

Mr. YATES. Mr. Chairman, I think that is an excellent confession on the gentleman's part.

Mr. ARMEY. If the gentleman will continue to yield, I would like to answer the gentleman's question. The gentleman asked earlier what I would want.

I would want to have had hearings, legislation proposed as a free-standing piece of legislation and this House take it up in the normal procedure. Barring that, I would like to have seen this body in this bill consider the Michel amendment or the Panetta amendment, which were denied by the Rules Committee as they protected this provision from noting other than my strike amendment which could not be denied in the rules.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

(By unanimous consent, Mr. YATES was allowed to proceed for 3 additional minutes.)

Mr. YATES. I want to point out to the gentleman that if the gentleman wants to learn about this process, I have since identified this 6-inch report. I identified that during the course of my earlier address, in which I pointed out this is the legislative history of the Budget and Impoundment Control Act, and one-third of it is devoted to the question of the deferral. The gentleman could learn that without the necessity of having to have the formality of the bill coming to the floor and the gentleman undergo the learning process.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, if the gentleman can assure me, not only myself but the other concerned Members of this body, that we will have time to read and digest that report before the final vote is taken today, I will feel much reassured.

Mr. YATES. Mr. Chairman, I do not know whether the gentleman has had a rapid reading course. If the gentleman has had a rapid reading course, perhaps the gentleman could get through with it by the time we finish this today. But at any rate, I do not think the gentleman ought to hold up the House in order to read this. Rather than reading the opinion of the Congressional Research Service, I think the gentleman might have looked at the origins of this bill and found out the actual history of it to lay the foundation for the gentleman's attack.

But at any rate, the point I want to make is the White House is being deprived of no action. The only thing the White House is being deprived, the President is being deprived of, is the opportunity to defer on the basis of policy, of sending a deferral to the Congress which is, in its essence, a violation of the law, by sending to the Congress what it calls a deferral which is actually a rescission, a rescission of an appropriation that the Congress approved and the President signed into law. The President signed everyone of these matters that are being deferred into law himself. Now he wants the opportunity of what he calls a deferral on a policy matter, on a matter where he differs with Congress on a question of whether the law is a good or a bad one, not for the purpose of deferring the expenditure of any money. He wants to kill the actual appropriation itself by calling it a deferral when that is a violation of the law.

Mr. Chairman, I think the gentleman has made an error in trying to preserve that kind of an approach to the President in seeking to kill my resolution.

The opportunity will be afforded for the gentleman to participate in debate. The Rules Committee has said that it will consider at a future time whether this act should be changed, but the Rules Committee, in its wisdom, they being the forum for making legislation, has said the amendment that I have offered should be approved at the present time and voted on.

Mr. DELAY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I've just got to use the cliche one more time—there you go again. What we have here is a supplemental appropriations bill—not an authorization bill—this is not where we should be making broad policy changes—we all know that. If my colleagues feel that the President is abusing his deferral power, which I might add—I don't think he's doing, but if you feel that way, and you feel that you have a strong case, why not go through the normal process where this can be debated at the subcommittee, committee and floor levels?

I am a member of the Subcommittee on Legislation and National Security of the Committee on Government Operations, where some of my distinguished colleagues from the appropriations committee, at least started the process. I listened to their testimony and found that between the comments, such as—"This is an unprecedented abuse of power"—there was an obvious lack of comparative figures. Sure they came armed with figures showing that the President is deferring an "unprecedented" $23 billion, but how much of that figure is antideficiency or necessary deferrals, as opposed to policy deferrals. Further—what is this figure compared to—past administrations? If it is, what is the difference between administrations.

The answer, Mr. Chairman is the size of the budget. The budget has grown greatly, and of course, so has the amount of deferrals, both antideficiency and policy deferrals. I have a chart here Mr. Chairman that I submitted to the subcommittee and would like to include it in the RECORD following my remarks. The chart, most of which was provided by the Office of Management and Budget, shows the amounts and numbers of deferrals, both antideficiency and policy. I took the liberty of adding an additional column to express policy deferrals—the controversial ones—as a percentage of the budget for specific years and for administrations. Low and behold, I found that President Ford's percentage was 2.15 percent of the budgets, President Carter's were 0.5 percent of the budgets, and the abusive President Reagan's was 0.6 of the budgets—a whole one-tenth of 1 percent more than Jimmy Carter. Can we reasonably call that abusive?

Obviously there is more that we must consider and study before we abuse our legislative system. Let's not make broad legislative changes without the necessary procedure that allows for discussion, debate and compromise. I urge my colleagues in the strongest manner to support the Armey amendment—support the legislative process.

DEFERRALS UNDER THE IMPOUNDMENT CONTROL ACT OF 1974

[Budget authority, dollars in millions]

	Number			Amount			
	Policy	Anti-deficiency	Total	Policy	Percent budget	Anti-deficiency	Total
Ford:							
1975	87	74	161	21,586	6.5	3,746	25,333
Percent	54	46		85		15	
1976 and TQ	61	56	117	1,325	0.3	6,820	8,145
Percent	52	48		16		84	
1977	16	36	52	992	0.2	6,056	7,048
Percent	31	69		1.4		86	
Total	164	166	330	23,903	2.15	16,622	40,526
Percent	50	50		59		41	
Carter:							
1977	5	57	62	248	0.06	4,753	5,001
Percent	8	92		5		95	
1978	22	44	66	1,074	0.2	3,893	4,967
Percent	33	66		22		78	
1979	13	56	69	1,010	0.2	3,676	4,685
Percent	19	81		22		78	
1980	34	39	73	7,318	1.2	3,206	10,524
Percent	47	53		70		30	
1981	17	24	41	3,255	0.5	2,415	5,670
Percent	41	59		57		43	
Total	91	220	311	12,905	0.5	17,943	30,848
Percent	29	71		42		58	
Reagan:							
1981	56	34	90	1,992	0.3	1,822	3,814
Percent	62	38		52		48	
1982	213	40	253	4,797	0.6	3,419	8,215
Percent	84	16		58		42	
1983	26	57	83	5,774	0.7	7,834	13,608
Percent	31	69		42		58	
1984	17	50	67	4,586	0.5	3,349	7,936
Percent	25	75		58		42	
1985	20	57	77	1,030	0.1	15,753	16,783
Percent	26	74		6		94	
1986	22	36	58	10,013	1.0	13,376	23,389
Percent	38	62		43		57	
Total	354	274	628	28,192	0.6	45,553	73,745
Percent	56	44		38		62	
Memorandum:							
Currently deferred:							
1986	16	33	49	4,929		10,485	15,414
Percent	33	67		32		68	
Awaiting transmittal:							
1986 [1]	2	4	6	727		557	1,284
Percent	33	67		57		43	
Total pending:							
1986	18	37	55	5,656		11,042	16,698
Percent	33	67		34		66	

[1] The numbers shown are net. Revisions of earlier deferrals do not add to the number of deferrals, and the amounts are only the added amounts.

Note.—The figures for percent of budget were supplied by Mr. DeLay.

Mr. BROOKS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I want to say to my distinguished friends from Texas, my colleagues and my fellow Texans, Mr. ARMEY and Mr. DELAY, that I have the highest regard for the gentlemen and I love the gentlemen and I like the gentlemen, but on this occasion I feel constrained to disagree.

Mr. Chairman, I have been here a long time and I do want to correct the record and say that there have been substantial hearings on this subject. The Government Operations Committee had a hearing on this matter of deferral. We heard Jim Miller representing the administration lay out his position, which I will later describe. We heard Mr. Socolar from the General Accounting Office. We heard the gentleman from Mississippi [Mr. WHITTEN], who has spent a good many years in Congress. We heard the gentleman from Illinois [Mr. YATES], who is here today, a distinguished subcommittee Chairman on Appropriations. We heard Mr. MORRISON, a distinguished Member and we heard Mrs. BOXER. It was an interesting hearing. So a hearing has been held in an appropriate committee that does have jurisdiction.

I might add the Committee on Government Operations has full jurisdiction on deferral matters as fully as the Committee on Rules, amd our major effort in supporting this is to work toward a reasonable accord on this matter. Nobody thinks that a President should have absolutely no authority. But nobody in their right mind believes we should give him a line item veto in a democracy.

Now I rise in opposition of a motion to strike that section 201, because it is essential to remedying the most urgent problem of executive abuse of what is the judicially crippled deferral mechanism in the Impoundment Control Act.

□ 1610

Director Miller made it very clear that the President fully intends to exploit the judicially maimed deferral mechanism to gut provisions of appropriations bill that Congress has passed and that the President has signed. This absolute line-item veto that the President has grabbed is creating budgetary chaos throughout the Government and has completely disrupted the balance of power between Congress and the Executive.

As I have noted at every opportunity, the line-item veto that the President is currently wielding is far more dangerous than any line-item veto that the President might have been granted by Congress.

First, there is no opportunity to override the veto.

Second, under the existing situation, the line-item veto does not have to be exercised at the time a bill is signed, but can be exercised months after Congressman MYERS and the Appropriations Committee has made such a

decision. And that would be pretty difficult for us to second guess.

In my opinion, Congress has an emergency on its hands, and the President is not going to willingly negotiate with Congress to bargain away the line-item veto that he has so coveted. Only if Congress has the courage to suspend this authority under the statutory vehicle that the President is abusing will be able to force him and his people, Mr. MILLER and his advisors, to sit down and work out a new method of equitably allowing Congress and the Executive to share in the spending process.

Government Operations and the Rules Committee are perfectly willing, in cooperation with the Appropriations Committee which previously had worked out a workable temporary solution, to sit down, we will sit down and work with them. We think the President ought to have plenty of authority. But I would not give a Democratic President and I would not give a Republican President and I would not give any other kind of President a line-item veto to circumvent the authority of our own Appropriations Committee, the Congress of the United States and the President when he signs it.

It is clear that the unintentional shift of congressional prerogatives to the President has occurred. And it is also very clear that Congress must take swift and decisive action to correct this situation. We cannot afford to strike section 201 because we need it as a catalyst to force the administration to work with us in seeking a balanced and constitutionally valid mechanism for managing Government expenditures.

I urge you to join with me in defeating this motion to strike.

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the amendment would strike section 201 of the bill, which provides that section 1013 of the Impoundment Control Act shall not apply to funds herein and subsequently appropriated.

The administration strongly opposes the bill language on the grounds that it repeals the President's authority to defer funds under section 1013.

However, before my colleagues take a position in this issue, I suggest a very careful look at the deferral process, and at the language itself.

The deferral process is set forth in title X of the Budget Act, which was enacted in 1974 in response to deferrals by the executive which were based on policy disagreements with the Congress.

Title X amended the Antideficiency Act to strike the reference to "other developments" which had been cited as authority for policy deferrals, established a procedure for reporting deferrals to Congress, and provided that deferrals could be disapproved by a simple resolution of the House or the Senate.

It is my view, supported by two studies by the Congressional Research Service, that title X does not provide any independent authority to defer. That authority is derived from the Antideficiency Act, and from individual appropriations that are discretionary in nature, taking into account the terms of the Appropriation Act and any other applicable laws.

The Antideficiency Act specifies that:

> In apportioning any appropriation, reserves may be established solely to provide for contingencies, or to effect savings whenever savings are made possible by or through changes in requirements or greater efficiency of operations * * *.
>
> Except as specifically provided by particular appropriations Acts or other laws, no reserves shall be established other than as authorized by this subsection.

That language cannot be reasonably construed as legal authority for policy deferrals.

Nevertheless, every year since title X was enacted OMB has proposed deferrals based on policly disagreements with the Congress.

In my view, when OMB has recommended that an appropriation bill be signed by the President, they also accept the funding levels for individual programs in that bill that have been negotiated with the Congress.

Those funds should be obligated consistent with the terms of the appropriation Act, other applicable laws, and the requirements for prudent financial management set forth in the Antideficiency Act.

Until the Chadha decision, we could use a simple resolution, privileged for consideration, to disapprove deferrals on a case-by-case basis.

However, under Chadha the one-House veto of proposed deferrals appears to be unconstitutional. We have not passed a resolution of disapproval since Chadha.

The Chadha decision was handed down in June 1983, almost 3 years ago.

During those 3 years we have seen an endless stream of hearings, studies, and legal analyses, but no solution to the problem of policy deferrals, and no process through which we can promptly respond.

That is why the committee adopted section 201.

I do not suggest that the bill language is an effective solution.

In fact, if you read section 1013 of title X, you may wonder what all of the commotion is about.

Section 1013 only establishes the procedure for reporting deferrals, and requires that budget authority proposed for deferral be made available if the deferral is disapproved by simple resolution.

The bill language applies only to section 1013, which cannot be read or construed as authority to defer.

The bill language does not take away any authority for the simple reason that section 1013 does not confer any.

The bill language does not solve the problem of policy deferrals, and does not provide a legislative vehicle for the prompt disposition of deferrals.

At best, this is a vote to send OMB a message.

If you think that the current deferral process is acceptable, then vote for the pending amendment to strike the bill language.

If you think that we should send OMB a message about deferrals, then vote against the amendment and for the language in the bill.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. CONTE] has expired.

(On request of Mr. ARMEY and by unanimous consent, Mr. CONTE was allowed to proceed for 1 additional minute.)

Mr. ARMEY. If the gentleman will yield, as always, in the case of this provision in my amendment, there is going to be somebody who says, "I think something different." And could it be possible that I might argue that if you think that the President ought not to be required to fulfill what is now existent by way of reporting to this Congress on his deferrals, that is, not give us the information regarding his deferrals that he is required to under current law, if you want to accept that the President can do that without reporting to us, then you could vote against this amendment; is that correct?

Mr. CONTE. No, I would not say that.

Mr. ARMEY. Well, that is my understanding of what that does, it takes away or diminishes the President's reporting requirements. That is what you said just a minute ago. That is all this thing does.

Mr. CONTE. Well, as I understand it, under section 1012 the President has other reporting authority.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Illinois.

Mr. YATES. Section 1013 is the critical section. The deferrals themselves acknowledge that the legal authority of the President to make the deferrals rests on section 1013. The President's own documents sustain that viewpoint. The Director of Office of Management and Budget has threatened a Presidential veto because he thinks section 1013 gives him the deferral authority.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. CONTE] has again expired.

(On request of Mr. ARMEY and by unanimous consent, Mr. CONTE was al-

lowed to proceed for 2 additional minutes.)

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Texas.

Mr. ARMEY. It appears, then, that despite the fact that GAO has confirmed in its study that OMB does have that deferral authority that is at issue here, I guess maybe what I am saying is that you have said then that you are willing, the Rules Committee is willing to have this urgent supplemental appropriations bill risk a veto for a provision that does nothing. If that is the case, then I would suggest that nobody criticize me for using the House's time unnecessarily.

Mr. YATES. If the gentleman will yield, nobody is criticizing the gentleman.

Mr. CONTE. I certainly am not critizing the gentleman.

Mr. ARMEY. I know you have not.

Mr. YATES. Mr. Chairman, I have not criticized the gentleman for it.

Mr. ARMEY. I do not mean to be critical, but what I am saying is that this goes back to the point. We have so much confusion, so much misunderstanding, so much apprehension and miscomprehension that we ought not to be bedeviling a supplemental appropriations bill with a waiver against the rule against legislating in order to legislate in a manner that is not at all clear to any of us here and will probably end up in the courts while the bill is being vetoed.

Mr. CONTE. I might say, in answer, that when I appeared before the Rules Committee I asked that no waivers be granted on any amendment to this bill.

But let me say that the Antideficiency Act provides the authority for the President to make deferrals.

Mr. ARMEY. Right.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. CONTE] has again expired.

(On request of Mr. YATES and by unanimous consent, Mr. CONTE was allowed to proceed for 2 additional minutes.)

Mr. YATES. The reason I say that is, I want to point out to the gentleman from Texas that there is no confusion on this. The confusion is in the gentleman's mind. It is clear that under section 1012 there is still the requirement by the President to make reports to the Congress as to what he proposes to defer and why he proposes to defer it. So the reporting requirements are still there. He has to do it. The only difference is, as a result of my amendment, the President will not be able to send down deferrals based on matters of policy. If he is interested in saving money, the vehicle is still in the bill. As the gentleman from Massachusetts points out, he still has the antideficiency law, which he may use for the purpose of sending deferrals to the Congress, except he can no longer send deferrals down on the basis of disagreement in policy with the Congress.

□ 1625

He has to send it on the basis of showing that it is good management to send it to defer for a period of time, and that is the reason for deferral. I think that this is originally what the gentleman from Texas wanted in his argument. He wanted money to be saved. This section permits that to be done without any changes.

Mr. PANETTA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we are not faced with very good options today in the choice between the Armey amendment and the committee amendment. The process on deferrals was set up through the impoundment act to create a balance between the legislative and the executive branch in trying to determine how the deferrals would proceed. That is the purpose of setting up the process under the impoundment act. Yes, the Antideficiency Act is there, but when it was abused by past executives, that was the reason that the process was set up in the course of the impoundment act.

The problem now is that we are facing two very difficult choices here. The Armey amendment basically says let us restore the existing deferral process as it exists today. The problem is that that process is in chaos as a result of the Chadha decision. The problem that has resulted from Chadha is that with the constitutional question raised with regard to the legislative veto, we are no longer able as an institution to challenge the deferrals that are set up by the executive branch. Into that vacuum a President has emerged who is basically taking the approach that he can defer anything, whether it is a management decision or a policy decision, and is doing the equivalent of a line-item veto under the shadow of the deferral process. That is wrong. We recognize it as wrong in terms of the balance of powers, and what was intended by the deferral process.

The committee amendment on the other hand strikes the process itself, and there is, I think, a legitimate reason, obviously, for having a deferral process. Yes, I know that the antideficiency act is still in existence, but let us understand that we do not know anymore what that process would be. It has not been carefully outlined. We do not know what our powers would be if the President uses the antideficiency act in broad terms, and that is the concern. Doing away with the existing process basically creates a situation in which Members have to go on record as being against the deferral process as it exists.

Deferrals make sense. Let us all agree that deferrals make sense. They are a good management tool, because a President can make a judgment, based on whether a project has been delayed or the equipment for a project is not there, to defer those funds for a period. That is legitimate, and that ought to continue; it is just a good management tool for any President.

So we are faced with these choices. The point is that we ought to have a reform of the deferral process. There were recommended amendments that were presented to the Rules Committee. Both the gentleman from Illinois [Mr. MICHEL] and myself presented amendments to try to reform the process.

Admittedly, the committees ought to move forward with it. The Government Operations Committee, the Rules Committee ought to be proceeding with reforms on the referral process. It is needed. It is needed. We need to put limits on the deferral process.

First of all, we ought to say, as my amendment said, we ought not to allow the deferral process for policy purposes. If you want to implement a decision on a policy basis, send us a rescission. That is what a rescission is for. But we ought to limit it in terms of the policy-versus-management question.

Second, we ought to set up, as the GAO has recommended, a fixed timeframe for those kinds of deferrals. If they are going to defer, they ought to say we are going to defer for so many days—40 days, 45 days. At the end of that period of time, those funds ought to be restored, and the administration ought to be prevented from redeferring, which is a game that they have been playing under the present deferral process. That ought to be a limitation.

Third, we ought to allow for some kind of joint resolution by both the House and the Senate to set aside management deferrals that the House or the Senate may not agree with.

Now those are some of the steps that I think ought to be incorporated in reforms on this process. Unfortunately, we do not have the opportunity. We urge that the committees and the Rules Committee try to proceed with those kinds of reforms. So the question that we are faced with here is what step will now force action to try to reform the deferral process. That is really the question that we ought to be asking: What makes the most sense in terms of forcing action? Does the Armey amendment? Is that going to force action, returning to the status quo, or is the committee amendment going to force action by eliminating the deferral process?

I come down on the basis that we have to send a clear message to the administration that we are fedup with this process, and that, it seems to me, is contained in the committee approach, which says that we are going to get rid of this process, we are willing to listen, we are willing to deal, but we are fed up with the way it has been handled.

The CHAIRMAN. The time of the gentleman from California [Mr. PANETTA] has expired.

(By unanimous consent, Mr. PANETTA was allowed to proceed for 2 additional minutes.)

Mr. PANETTA. If we do that, if we send that message, then I think whether it is done in conference or whether it is done by the responsible committees, we can then develop an approach that will truly reform the deferral process. We have to restore the balance of powers—that is absolutely essential—and we have to restore good management to government. I think the way to do that is to support the committee approach.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I listened with great interest to the statement of the gentleman from California [Mr. PANETTA], and right up until he drew his conclusion, I was with him all the way. I believe that he outlined the dilemma that the Congress finds itself in, the difficulties since the Chadha case, and our dissatisfaction with what seems to us to be a feature of the Budget and Anti-impoundment Act that is a perversion of the original intent.

But then the gentleman from California said it is better to send a message to the President by leaving pernicious language in this bill than it is to be forcing on us the right kind of language by taking it out of the bill.

I believe that there is no question that the amendment of the gentleman from Texas [Mr. ARMEY] will be a stimulus to this House to do what it should have done since the Chadha case—that is, have the proper committees sit down and work out a proper change to the Budget and Anti-impoundment Act instead of letting a committee of the House without jurisdiction in this area legislate on an appropriations bill, and an urgent supplemental appropriations bill at that: to do something which the House may not want to do.

I think that the gentleman from California has a very interesting amendment. I think I like it better than the alternatives we are faced with today. But I find it again disconcerting, Mr. Chairman, that day after day, year after year, we continue to go back to legislating on appropriations bills. The committees of jurisdiction, be the Rules, Government Operations, Budget, whoever they are, sit here and let other committees write their rules for them because they are unwilling to do the work that is necessary, and then when this kind of legislation comes to the floor, I am horrified and shocked that those committees who have jurisdiction do not claim it and try to get it back.

I am horrified and shocked, I am not surprised, Mr. Chairman, because the normal path for this House is that of least resistance. That is what we are taking today. If we want to really stand up for writing law that we believe in, then I think that we have to accept the Armey amendment and demand that the committees of proper jurisdiction do the responsible job.

I urge support of the Armey amendment.

Mr. MORRISON of Connecticut. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to speak in opposition to the amendment, and I first want to commend the Appropriations Committee, in particular the gentleman from Illinois [Mr. YATES] for bringing this matter to a head and for moving us forward on the question of deferrals. The Appropriations Committee is not trampling on anyone's jurisdiction with respect to this issue. It is taking the bull by the horns and dealing with a situation that has been allowed to go on for too long already. The chairmen of the two committees with substantive jurisdiction support the language in the committee bill. They understand that it is necessary if we are to succeed in restoring the balance of power between the Congress and the President in the appropriations process.

As a member of the Housing Subcommittee of the Banking Committee, I have particular interest in this issue. That is because the President has targeted the areas of housing and community development for some of the largest deferrals that have taken place. The $8.7 billion that the administration proposes to defer can in these two areas can only be described as policy deferral. They do not reflect any kind of legitimate antideficiency of legitimate management goal. I commend the committee for the language, read earlier today, which specifically disapproves these deferrals.

As a result of President's deferrals this year, I and three other Members of the House, Mrs. BOXER, Mr. SCHUMER, and Mr. LOWRY, joined with the National League of Cities, the U.S. Conference of Mayors and a host of individual cities in bringing litigation in the Federal district court here in Washington challenging the entire constitutionality of the deferral process in light of the Chadha decision. I have also filed legislation, H.R. 4205, which would require the President to obtain the consent of Congress for any proposed deferral not specifically permitted under the Antideficiency Act.

The lawsuit is based on our view that the deferral power established by the Budget and Impoundment Control Act of 1974 cannot be severed from the one-House veto which was designed to give the Congress the power to limit and control its use.

□ 1635

Regardless of the fate of that litigation, however, it is quite clear as a policy matter that Congress must retain the ultimate authority to decide what appropriations it is going to send to the President and should not allow the President to exercise a backdoor line-item veto power.

The action that the House will take in rejecting this amendment is more than sending a signal. Since policy deferrals have no basis in law other than section 1013, the committee language would ensure that policy deferrals would not take place unless Congress established a new mechanism to provide for them. Should the President veto this legislation, he would make clear to the American people and to the Congress that he does not choose to be bound by the constitutionally ordained method for deciding on taxing and spending measures. I hope he will not take the advice of the Director of OMB to veto this legislation when it reaches his desk, at least not on the basis of the deferral language.

There is wisdom in what the committee has proposed. Continuation of this unconstitutional procedure is undermining the way in which we decide on what is appropriate to be spent and we should take this opportunity to put some balance back in the process. I urge that the amendment be rejected.

Mr. MYERS of Indiana. Mr. Chairman, I move to strike the requisite number of words.

I am not going to take all the time. I am reluctant to rise, but with the number of people talking today on this issue, once again identifies the problem that this Congress has long suffered with, and I use the word "suffer" because I think that is the most appropriate way to describe it.

Words have been used that it is an abuse of the system of rescissions and deferrals. It has also been identified this afternoon that this administration is not the first to abuse it. This is quite true. Through the years we have all been concerned about it. This is the reason we had the Budget Impoundment Control Act to further identify, to limit the authority of the Executive.

I must say, Yes; this administration has in my judgment abused the deferral process. I think this has been identified this afternoon. This means that we have to do something, that the number of witnesses, the number of

people we have had to testify this afternoon on this, the chairman of the Government Operations Committee, the gentleman from Texas [Mr. BROOKS]; the Rules Committee, certainly the Appropriations Committee under Chairman WHITTEN have all identified this as being a problem; so I think something is going to be done to further identify this.

Most of us, those on the Appropriations Committee, anyway, do not agree with the line-item veto. We think that destroys the balance of power that our Constitution duly provides for.

The Chadha case, the Budget and Impoundment Control Act, as well as many other acts here and court decisions have told us that we have to do something about it.

Now, where does policy and management, where does one stop and the other one start? I think we are getting into a gray area here that needs to be defined. It may be management, and it may be policy, but the need for the right to deferral of the Executive, the right to rescind, certainly should be protected.

I object to one feature, the General Accounting Office being the referee. Under the Budget and Impoundment Control Act, it provides that the rescissions and deferrals—deferrals, anyway—go to the General Accounting Office. They decide whether to send them on to the Appropriations Committee and in what manner. That is our responsibility in the Congress, not someone never elected. I have always objected to that procedure. That is one area I think we need to work on.

Now, it has been said that the President will veto this. Do you really think whether this is in or out of the bill if the President has asked for a billion and a half dollars here and it is vital, it is urgent, that the President is going to veto this bill whether he gets this language in or out, if he has a commitment from this Congress that we are going to do something about this problem of further defining what limitations are on the President, what the limitations are on Congress? I think not.

I think we have a commitment this afternoon. Something will be done very soon about this to limit the authority, so we will not have this gray area again. I think this bill will be signed in.

I personally am going to vote against the amendment offered by the gentleman from Texas, but I think the gentleman has provided a very necessary service.

We have a problem on our hands here. We have a hot potato, and it will not go away today. It will be back, so I hope that we will do something about it. I am sure we will. I have been talking to the leadership here, that this will not end today. We will do something about it.

I think we only further muddy the water and make it more difficult if we strike section 301, even though the words "and subsequently appropriated", those words bother me very much; but nevertheless, I am not going to vote to strike section 301.

Mrs. BOXER. Mr. Chairman, in this era of deficit-reduction that has already seen Congress move to limit its budget decisionmaking authority through Gramm-Rudman, we now have before us an amendment that goes even further than Gramm-Rudman. The Armey amendment would allow the President to continue to withhold funds already appropriated by Congress for any reason he chooses.

If we pass the Armey amendment, we make a mockery of the appropriations process.

I feel strongly about this issue. In fact, along with three of my colleagues, I have filed a lawsuit challenging the constitutionality of the deferral process as implemented by this administration after the Chadha decision. As it now stands, it is in violation of the intent of Congress. If we allow that intent to be violated—which this amendment would accomplish—we establish a dangerous precedent.

The deferral of billions of dollars, which the President is currently undertaking, has enormous impact on programs and people in our society—impact not intended by Congress. Let me quote from the affidavit of Mayor Diane Feinstein of San Francisco in the lawsuit challenging the current deferral process:

> The deferral of funds under the CDBG program will compel San Francisco to impose a 16 percent cut on its community development programs, which will mean that 24 families with disabled persons will not be placed in handicapped accessible housing; that plans to develop 75 units of housing for handicapped persons will be cancelled; that 414 elderly persons living in substandard or unsuitable housing will be deprived of housing counselling; that about 2,400 families living in substandard housing will not have housing in city developed housing; that job counselling programs will be sharply curtailed; that approximately 860 workers presently employed in housing, economic development and community facility construction will lose their jobs; and that other basic social services will be cut.

Congress intended for this program to be funded. It expressed its intent in the normal authorization and appropriations process.

The Armey amendment would allow the President to preserve appropriations he likes and eliminate those he does not like even after Congress has passed a measure and the President has signed it into law. The people of this country elected us to do our jobs and make the tough budgetary decisions. Let us not let the Armey amendment abdicate our responsibilities. I urge my colleagues to vote "no."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. ARMEY].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ARMEY. Mr Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 163, noes 224, not voting 46, as follows:

[Roll No. 115]

AYES—163

Andrews	Hall, Ralph	Ray
Archer	Hamilton	Ridge
Armey	Hammerschmidt	Ritter
Bartlett	Hansen	Roberts
Barton	Heftel	Roemer
Bateman	Hendon	Rogers
Bereuter	Henry	Roth
Bilirakis	Hillis	Roukema
Bliley	Holt	Rowland (CT)
Boehlert	Hopkins	Saxton
Boulter	Hubbard	Schaefer
Breaux	Hughes	Schuette
Broomfield	Hunter	Schulze
Brown (CO)	Hyde	Sensenbrenner
Broyhill	Ireland	Sharp
Burton (IN)	Johnson	Shaw
Callahan	Jones (OK)	Shumway
Carney	Kasich	Shuster
Chandler	Kemp	Siljander
Chappie	Kindness	Skeen
Cheney	Kolbe	Slattery
Coats	Kramer	Slaughter
Cobey	Lagomarsino	Smith (NE)
Coble	Latta	Smith, Denny (OR)
Coleman (MO)	Leach (IA)	Smith, Robert (NH)
Combest	Lewis (FL)	Smith, Robert (OR)
Coughlin	Lightfoot	Snyder
Courter	Livingston	Spence
Craig	Lott	Stallings
Crane	Lowery (CA)	Stangeland
Dannemeyer	Lungren	Stenholm
Daub	Mack	Strang
Davis	Madigan	Stump
DeLay	Marlenee	Sundquist
DeWine	Martin (IL)	Sweeney
Dickinson	Martin (NY)	Swindall
DioGuardi	McCain	Tauke
Dorgan (ND)	McCandless	Tauzin
Dreier	McCollum	Taylor
Duncan	McKernan	Thomas (CA)
Eckert (NY)	McMillan	Vander Jagt
Emerson	Meyers	Vucanovich
Fawell	Michel	Walker
Fields	Miller (OH)	Weber
Fish	Molinari	Whittaker
Fowler	Moore	Wolf
Frenzel	Moorhead	Wortley
Gallo	Nielson	Wylie
Gekas	Oxley	Young (AK)
Gilman	Packard	Young (FL)
Gingrich	Parris	Zschau
Goodling	Pashayan	
Gordon	Penny	
Gradison	Petri	
Gregg	Pickle	
Gunderson	Porter	

NOES—224

Ackerman	Bentley	Burton (CA)
Akaka	Berman	Bustamante
Anderson	Bevill	Byron
Annunzio	Biaggi	Carper
Anthony	Boggs	Carr
Applegate	Boland	Chapman
Aspin	Boner (TN)	Chappell
Atkins	Bonior (MI)	Clay
AuCoin	Bonker	Clinger
Barnard	Borski	Coelho
Barnes	Boucher	Coleman (TX)
Bates	Brooks	Collins
Bedell	Brown (CA)	Conte
Beilenson	Bruce	Conyers
Bennett	Bryant	Cooper

Coyne	Kostmayer	Robinson
Crockett	LaFalce	Rodino
Daniel	Lantos	Roe
Darden	Lehman (CA)	Rose
Daschle	Lehman (FL)	Rostenkowski
de la Garza	Leland	Rowland (GA)
Dellums	Levin (MI)	Roybal
Derrick	Levine (CA)	Russo
Dicks	Lipinski	Sabo
Dingell	Lloyd	Savage
Dixon	Long	Scheuer
Downey	Lowry (WA)	Schneider
Durbin	Luken	Schroeder
Dwyer	Lundine	Schumer
Dymally	MacKay	Seiberling
Dyson	Markey	Shelby
Early	Martinez	Sikorski
Eckart (OH)	Matsui	Sisisky
Edwards (CA)	Mavroules	Smith (FL)
Edwards (OK)	Mazzoli	Smith (IA)
English	McCloskey	Smith (NJ)
Erdreich	McCurdy	Snowe
Evans (IL)	McDade	Solarz
Fascell	McHugh	Spratt
Fazio	McKinney	St Germain
Feighan	Mica	Staggers
Flippo	Mikulski	Stark
Florio	Miller (CA)	Stokes
Foglietta	Miller (WA)	Studds
Foley	Mineta	Swift
Ford (MI)	Moakley	Synar
Ford (TN)	Mollohan	Tallon
Frank	Montgomery	Thomas (GA)
Garcia	Moody	Torres
Gaydos	Morrison (CT)	Torricelli
Gejdenson	Morrison (WA)	Towns
Gonzalez	Mrazek	Traficant
Gray (IL)	Murphy	Udall
Gray (PA)	Murtha	Valentine
Green	Myers	Vento
Guarini	Natcher	Visclosky
Hall (OH)	Nelson	Volkmer
Hayes	Nowak	Walgren
Hefner	O'Brien	Watkins
Hertel	Oakar	Waxman
Horton	Oberstar	Weaver
Howard	Obey	Weiss
Hoyer	Olin	Wheat
Huckaby	Ortiz	Whitley
Hutto	Owens	Whitten
Jacobs	Panetta	Williams
Jeffords	Pease	Wilson
Jenkins	Perkins	Wirth
Kanjorski	Price	Wise
Kaptur	Pursell	Wolpe
Kastenmeier	Rahall	Wyden
Kennelly	Regula	Yates
Kildee	Reid	Yatron
Kleczka	Richardson	Young (MO)
Kolter	Rinaldo	

NOT VOTING—46

Alexander	Glickman	Mitchell
Badham	Grotberg	Monson
Bosco	Hartnett	Neal
Boxer	Hatcher	Nichols
Campbell	Hawkins	Pepper
Donnelly	Hiler	Quillen
Dornan (CA)	Jones (NC)	Rangel
Dowdy	Jones (TN)	Rudd
Edgar	Leath (TX)	Skelton
Evans (IA)	Lent	Solomon
Fiedler	Lewis (CA)	Stratton
Franklin	Loeffler	Traxler
Frost	Lujan	Whitehurst
Fuqua	Manton	Wright
Gephardt	McEwen	
Gibbons	McGrath	

□ 1650

The Clerk announced the following pairs:

On this vote:

Mr. McGrath for, with Mr. Glickman against.

Mr. Campbell for, with Mr. Skelton against.

Mr. Monson for, with Mr. Gibbons against.

Mr. Rudd for, with Mrs. Boxer against.

Mr. Hiler for, with Mr. Pepper against.

Mr. Hartnett for, with Mr. Manton against.

Mr. WORTLEY and Mr. CONYERS changed their votes from "aye" to "no."

Mr. McMILLAN and Mr. WORTLEY changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1700

AMENDMENT OFFERED BY MR. LOTT

Mr. LOTT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LOTT: On page 33, at line 21, strike the words "and subsequently".

Mr. LOTT. Mr. Chairman, the amendment I have offered is really quite simple: It confines the deferral repealer in section 201 to funds contained in this bill only, instead of to all future appropriations as the YATES language would do.

Mr. Chairman, I offer this amendment in deference to the intention of its proponents that this be only a temporary measure until the committees of jurisdiction—Rules and Government Operations—can develop a more permanent solution.

Chairman WHITTEN, in testifying before the Rules Committee on April 9 said the following of the YATES language:

As a temporary measure, the Appropriations Committee has included language which removes the administration's authority to defer future spending under title X of the Budget Act. In effect this suspends the process until something permanent can be worked out under the leadership of your committee.

And Chairman WHITTEN went on, and again I quote:

We need a permanent workable solution. I am hopeful that out of these hearings and efforts by both our committees and others, we will come up with the workable solution.

Chairman BROOKS of the Government Operations Committee testified on the same date that the purpose of the YATES language was to bring OMB to the negotiating table over the problem. He reaffirmed this intention most recently in a letter of May 6 to Chairman PEPPER in which he said, and I quote:

As you know, this section was added to the supplemental appropriations bill by Congressman Yates to force the President to sit down with Congress to resolve the current crisis * * *.

And, Chairman BROOKS went on to write:

Section 201 is not designed to be the final solution to this problem, but is intended to remedy the immediate crisis and to precipitate negotiations between the President and Congress.

Finally, the author of section 201, Mr. YATES, has indicated on several occasions that he would be happy to work with Rules and Government Operations on developing a more permanent solution.

The amendment I have offered conforms the Yates provision to the intention of its proponents that it be a temporary stopgap solution. As it now stands, section 201 applies to this bill and all future appropriations bills—hardly temporary language.

My amendment confines the applicability of section 201 to this bill and this bill only, which will carry us through September. I can't imagine it will take Rules and Government Operations more than 5 months to enact a new deferral reform provision.

On the other hand, if we don't adopt my amendment, there will be no incentive for our committees to act now or at any time in the future since the Yates language will be with us now and for everymore—world without deferrals, amen.

So I would urge my colleagues to make this language the temporary measure its proponents claim it was meant to be by adopting my sunset amendment. Only by doing so will we ensure that the committees of jurisdiction will have the incentive and prod to develop a truly constructive and thoughtful deferral reform process.

Mr. YATES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the purpose of this amendment is to gut the action that was just taken by the House and the vote just taken.

If this amendment is adopted, you will have to go through the same fight on every appropriation bill.

It is true, it is my intention that the legislative committees take this matter up as expeditiously as possible.

Mr. LOTT. Mr. Chairman, will the gentleman yield?

Mr. YATES. Of course I yield to the gentleman from Mississippi.

Mr. LOTT. Mr. Chairman, what reason would there be to take it up in the Rules Committee or the Government Operations Committee if we have already acted unilaterally and on a permanent basis in the urgent supplemental appropriations bill?

Mr. YATES. Because I will concede that my amendment is a temporary solution, and one that will hold in abeyance policy deferrals, pending action by the legislation committee. We know that the legislative committee, the Rules Committee, has already indicated that it will consider it. The gentleman from Florida, Chairman PEPPER, on the floor a few days ago indicated that the Rules Committee would consider it. The gentleman from Texas, Chairman BROOKS, of the Committee on Government Operations, said that his committee will consider it.

But the fact remains that pending their action, I am sure that both those chairmen, and I am sure that a majority of those committees would want the

action of the House has just voted to remain, to stay there, until they have a chance to look at it thoroughly and decide it.

What the gentleman's amendment does is to vitiate the action of the House for all bills other than this.

Mr. LOTT. Mr. Chairman, will the gentleman yield further?

Mr. YATES. Of course I yield to the gentleman from Mississippi.

Mr. LOTT. Would the gentleman concede that my amendment would say that your language would be applicable to this bill?

Mr. YATES. Yes; that is true.

Mr. LOTT. But it would then say that it would not be applicable to the future bills, so it is not a permanent solution, right?

Mr. YATES. My amendment is not intended to be a permanent solution. It is intended to be a stopgap solution, and it acts like that.

The administration can sign appropriation bills into law and send these bills and rescissions up after those bills are approved by the President, and with the gentleman's amendment accepted, we would have to go through the entire fight again if the legislative committee has not acted.

□ 1710

The gentleman must remember that the appropriations process is on our doorstep at the present time. Most House Appropriations subcommittees have finished their hearings. They are now on the threshold of marking up their bills and of bringing their appropriations bills to the floor.

This is necessary to protect them against deferrals at such time as their bills go through. I do not see anything to be gained by this. I think that just as my amendment in its original form will permit, will have a leverage effect on OMB; so, too, will it act as a driver for the legislative committees.

Mr. LOTT. Will the gentleman yield?

Mr. YATES. I yield to the gentleman.

Mr. LOTT. One more point. I appreciate the gentleman's courtesy in yielding the way he has.

One thing that really bothers me is that the gentleman is aware that the Chadha decision, as a matter of fact, was handed down I believe in September 1983.

Mr. YATES. That is correct.

Mr. LOTT. And yet the Committee on Rules and the Committee on Government Operations have not acted. Now we are acting in the urgent supplemental.

Why have not they acted in that period of time; and does the gentleman not feel that with this action, which is permanent language, there is a further disincentive for the Committee on Rules and the Committee on Government Operations to find a permanent solution?

Mr. YATES. No, I feel just the contrary. I feel that they now more than ever, those committees now more than ever will have to consider it because it is stopgap legislation, and that they will consider it.

Mr. FRANK. Will the gentleman yield?

Mr. YATES. I yield to the gentleman.

Mr. FRANK. I would like to ask the gentleman from Mississippi [Mr. LOTT] a question. If his amendment is adopted, there would be no authority to change the deferral process after this bill. Are we getting some offer from OMB that they will not engage in any deferral?

Because if the gentleman's amendment is adopted, as I understand it, we will not have the power to deal with any future deferrals. So that is what the gentleman from Illinois [Mr. YATES] is saying; he wants us not just to deal with these deferrals, but to hold others in abeyance until a permanent solution is worked out.

Mr. YATES. Correct.

Mr. FRANK. My question to the gentleman from Mississippi is: Is the White House promising that if we adopt his amendment, which means we will have no change in deferral after this bill, that they will not be sending any further deferrals until something is worked out?

Mr. YATES. I yield to the gentleman from Mississippi.

Mr. LOTT. Certainly I would hope that the administration and OMB would never make a commitment——

Mr. FRANK. Hope?

Mr. LOTT. Not to send deferrals up here. It is one of the few restraints on this body.

(On request of Mr. FRANK, and by unanimous consent, Mr. YATES was allowed to proceed for 2 additional minutes.)

Mr. YATES. I yield to the gentleman from Mississippi [Mr. LOTT].

Mr. LOTT. Having said that, speaking for myself and I know for our distinguished leader on this side of the aisle, we recognize this problem needs to be addressed. We are not satisfied with the way some of these decisions are or will be acted on in the policy area.

The gentleman from Illinois had an amendment that he tried to get made in order, that would have put a $5 billion limit on the policy area. We would like to work, in good faith, and I know that OMB would like to work in good faith, to try to find a solution on a permanent basis to this problem; but it should not be done in an urgent supplemental, and we do need deferrals.

Mr. FRANK. Will the gentleman yield?

Mr. YATES. I yield to the gentleman.

Mr. FRANK. I thank the gentleman for yielding, because the gentleman from Mississippi [Mr. LOTT], I think, has refuted the argument he had advanced. What he is saying is, "Don't adopt the gentleman from Illinois' solution here, let's talk about it afterwards with OMB, but OMB will continue at the direction of the President to send down deferrals."

If the President was prepared to say, "I'll hold off on deferrals until we work something out," that might be a good faith argument—I know it is a good faith argument; it is just not a good argument.

What the gentleman from Illinois [Mr. YATES] is saying is, we cannot continue to leave ourselves naked. A $5 billion cap on policy deferrals; there are a lot of programs in this budget where a $5 billion cap would allow him to wipe out the whole program.

There are a lot of less than $5 billion programs. Typically, all that would protect would be the Pentagon. Other programs do not get into the over-$5 billion range.

The key point is this: The gentleman from Mississippi's amendment would leave us exactly where we were after today with regard to deferrals. OMB and the President could defer at will, and because of the distortion of the process of Chadha, we would have no defense.

So I hope the amendment, which really in effect kills everything; because the affect of the amendment of the gentleman from Mississippi is similar to the one we just voted on; it does not deal with any future deferrals and leaves us very vulnerable.

(On request of Mr. BROOKS and by unanimous consent, Mr. YATES was allowed to proceed for 3 additional minutes.)

Mr. YATES. I yield to the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. I want to say that I think that Chairman YATES has said very clearly, and stated very clearly and objectively what the fact situation is. If you do not want to have to have this same kind of legislation restraining a President from arbitrarily one-line-item-vetoing anything in the appropriation bill, you would have to pass the same legislation in every bill that comes up. We would have to go to the Rules Committee and get a waiver; it is a total waste of time. We should leave it like it is.

I am perfectly willing, and I want Mr. LOTT to understand this, to meet with the administration on working out an accord on this; I believe a President should have some flexibility, and I think that Chairman PEPPER said the same thing; Messrs. WHITTEN, YATES, and MORRISON, all of them have been perfectly willing to sit down and hammer out a workable accord.

The only way to encourage them to do that is to pass this, as is, today, and to defeat this motion to hurt it.

Mr. YATES. Mr. Chairman, the gentleman from Texas [Mr. BROOKS] is exactly right. If the gentleman from Mississippi's amendment is adopted, OMB will have no incentive to sit down with the appropriate legislative committee to work out this solution. This provides the spur to OMB to sit down and work it out.

What we want to do is work it out; I am in favor of working it out, and I think this language is necessary to do so.

Mr. MYERS of Indiana. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, the previous colloquy on the previous amendment offered by the gentleman from Texas, which I opposed, my objection, and I have talked to the chairman of the committee is, and subsequently, it does bother me. I completely agree with all the argument used, but if it is true, we will assume for a moment that OMB will not be willing to negotiate with us if we take this language out. Conversely we can say the Congress will not be very apt to pass legislation because we protect it all this year.

I have faith in both willing to do something.

Mr. YATES. Will the gentleman yield?

Mr. MYERS of Indiana. I yield to the gentleman.

Mr. YATES. I do not think that is true. In the first place, one of the basic arguments that the gentleman and I have encountered in our years on the Committee on Appropriations is that we should not legislate on an appropriations bill. If there is one thing that we know, it is that the legislative committees are jealous of their turf, of their jurisdiction, as they should be. They are not going to leave this. They are going to come forward with a bill that is a good bill; one that the House will consider.

I think that if we adopt the amendment of Mr. LOTT, I think that OMB will not come up; OMB will oppose anything that comes along. This gives the incentive to OMB to cooperate with us in trying to reach a solution.

Mr. MYERS of Indiana. The gentleman and I completely agree upon the approach; what direction we take, we are going down different tracks. We are both headed in the same direction. I am going to vote for this; but I tell you right now, and I will tell OMB if they should be watching, if we do not work together and get some resolve to this very complex, difficult problem, I will be willing, and I will vote to, subsequently when we bring up other appropriations bills, to put the same language on that bill until we get something done.

Mr. YATES. If the gentleman will yield further, the gentleman is going to have to go through the same kind of a fight we had a few minutes ago. If his amendment passes, I will have to put the same provision into every approriations bill, and you will have the same fight.

Mr. MYERS of Indiana. If we do not do something, I will tell the gentleman, we will have to make that same fight, anyway, I am quite sure.

I agree with the folks on my side of the aisle who are objecting to this. I agree with your side of the aisle that it has been abused. I think we have got to protect the right, as every one of us for the Executive to defer and rescind; but we cannot use deferral as rescinding, and that is what they have been doing; and I completely agree.

I will support this, and I do say it: I will support the same language on every appropriations bill if we cannot get together with the Executive, OMB; but I would like to put pressure on both of us, equally. I think we have to.

If the bill is vetoed because that language is or is not on there, then I am not sure we are going to get another appropriation bill around here for a while, a supplemental.

I completely agree, but we will put the language, with my vote anyway, on all future legislation. I think we need to put pressure on both sides, equally.

The CHAIRMAN. The question is on the amendment offerred by the gentleman from Mississippi [Mr. LOTT].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. LOTT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 179, noes 203, not voting 51, as follows:

[Roll No. 116]

AYES—179

Andrews	Coughlin	Goodling
Archer	Courter	Gordon
Armey	Craig	Gradison
Bartlett	Crane	Gregg
Barton	Daniel	Gunderson
Bateman	Dannemeyer	Hall, Ralph
Bentley	Daub	Hamilton
Bereuter	DeLay	Hammerschmidt
Bilirakis	DeWine	Hansen
Bliley	Dickinson	Heftel
Boehlert	DioGuardi	Hendon
Boulter	Dorgan (ND)	Henry
Breaux	Dreier	Hillis
Broomfield	Duncan	Holt
Brown (CO)	Dyson	Hopkins
Broyhill	Eckert (NY)	Horton
Burton (IN)	Edwards (OK)	Hubbard
Callahan	Emerson	Hughes
Carney	Erdreich	Hunter
Chandler	Fawell	Hutto
Chappie	Fields	Hyde
Cheney	Fish	Ireland
Clinger	Fowler	Jeffords
Coats	Frenzel	Johnson
Cobey	Gallo	Jones (OK)
Coble	Gekas	Kasich
Coleman (MO)	Gilman	Kemp
Combest	Gingrich	Kindness
Kolbe	Nielson	Smith, Robert (NH)
Kramer	Oxley	Smith, Robert (OR)
Lagomarsino	Packard	Snowe
Latta	Parris	Snyder
Leach (IA)	Pashayan	Spence
Lewis (FL)	Penny	Stallings
Lightfoot	Petri	Stangeland
Livingston	Pickle	Stenholm
Lloyd	Porter	Strang
Lott	Pursell	Stump
Lowery (CA)	Ray	Sundquist
Lungren	Ridge	Sweeney
Mack	Ritter	Swindall
Madigan	Roberts	Tauke
Marlenee	Roemer	Tauzin
Martin (IL)	Rogers	Taylor
Martin (NY)	Roukema	Thomas (CA)
McCain	Rowland (CT)	Valentine
McCandless	Saxton	Vander Jagt
McCollum	Schuette	Vucanovich
McDade	Schulze	Walker
McKernan	Sensenbrenner	Weber
McMillan	Sharp	Whittaker
Meyers	Shaw	Wolf
Michel	Shumway	Wortley
Miller (OH)	Shuster	Wylie
Miller (WA)	Siljander	Young (AK)
Molinari	Skeen	Young (FL)
Montgomery	Slattery	Zschau
Moore	Slaughter	
Moorhead	Smith (NE)	
Morrison (WA)	Smith (NJ)	
Myers	Smith, Denny (OR)	

NOES—203

Ackerman	Edwards (CA)	Mikulski
Akaka	English	Miller (CA)
Anderson	Evans (IL)	Mineta
Annunzio	Fascell	Moakley
Anthony	Fazio	Mollohan
Applegate	Feighan	Moody
Aspin	Flippo	Morrison (CT)
Atkins	Florio	Mrazek
AuCoin	Foglietta	Murphy
Barnard	Foley	Murtha
Barnes	Ford (MI)	Natcher
Bates	Ford (TN)	Nelson
Bedell	Frank	Nowak
Beilenson	Garcia	O'Brien
Bennett	Gaydos	Oakar
Berman	Gejdenson	Oberstar
Bevill	Gonzalez	Obey
Biaggi	Gray (IL)	Olin
Boggs	Gray (PA)	Ortiz
Boland	Green	Owens
Boner (TN)	Guarini	Panetta
Bonior (MI)	Hall (OH)	Pease
Bonker	Hayes	Perkins
Borski	Hefner	Price
Boucher	Hertel	Rahall
Brooks	Howard	Regula
Brown (CA)	Hoyer	Reid
Bruce	Huckaby	Richardson
Bryant	Jacobs	Rinaldo
Burton (CA)	Jenkins	Robinson
Bustamante	Kanjorski	Rodino
Byron	Kaptur	Roe
Carper	Kastenmeier	Rose
Carr	Kennelly	Rostenkowski
Chapman	Kildee	Roth
Chappell	Kleczka	Rowland (GA)
Clay	Kolter	Roybal
Coelho	Kostmayer	Russo
Coleman (TX)	LaFalce	Sabo
Collins	Lantos	Savage
Conte	Lehman (FL)	Schneider
Conyers	Leland	Schroeder
Cooper	Levin (MI)	Schumer
Coyne	Levine (CA)	Seiberling
Crockett	Long	Shelby
Darden	Lowry (WA)	Sikorski
Daschle	Luken	Sisisky
de la Garza	Lundine	Smith (FL)
Dellums	MacKay	Smith (IA)
Derrick	Markey	Solarz
Dicks	Martinez	Spratt
Dingell	Matsui	St Germain
Dixon	Mavroules	Staggers
Downey	Mazzoli	Stark
Durbin	McCloskey	Stokes
Dwyer	McCurdy	Stratton
Dymally	McHugh	Studds
Early	McKinney	Swift
Eckart (OH)	Mica	Synar

Tallon	Volkmer	Wilson
Thomas (GA)	Walgren	Wirth
Torres	Watkins	Wise
Torricelli	Waxman	Wolpe
Towns	Weaver	Wyden
Traficant	Weiss	Yates
Udall	Wheat	Yatron
Vento	Whitten	Young (MO)
Visclosky	Williams	

NOT VOTING—51

Alexander	Glickman	McGrath
Badham	Grotberg	Mitchell
Bosco	Hartnett	Monson
Boxer	Hatcher	Neal
Campbell	Hawkins	Nichols
Davis	Hiler	Pepper
Donnelly	Jones (NC)	Quillen
Dornan (CA)	Jones (TN)	Rangel
Dowdy	Leath (TX)	Rudd
Edgar	Lehman (CA)	Schaefer
Evans (IA)	Lent	Scheuer
Fiedler	Lewis (CA)	Skelton
Franklin	Lipinski	Solomon
Frost	Loeffler	Traxler
Fuqua	Lujan	Whitehurst
Gephardt	Manton	Whitley
Gibbons	McEwen	Wright

□ 1735

The Clerk announced the following pairs:

On this vote:

Mr. McGrath for, with Mr. Alexander against.

Mr. Campbell for, with Mr. Mitchell against.

Mr. Monson for, with Mr. Gibbons against.

Mr. Rudd for, with Mrs. Boxer against.

Mr. Hiler for, with Mr. Pepper against.

Mr. Hartnett for, with Mr. Manton against.

Mr. Schaefer for, with Mr. Rangel against.

Mr. Davis for, with Mr. Hawkins against.

Mrs. LLOYD, Mr. EDWARDS of Oklahoma, and Mr. VALENTINE changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. WATKINS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to have a colloquy with the chairman of the Energy and Water Subcommittee of the Appropriations Committee, Mr. BEVILL, and also the ranking minority member of the Energy and Water Subcommittee, Mr. MYERS of Indiana.

I would ask the gentleman from Alabama [Mr. BEVILL] and the gentleman from Indiana [Mr. MYERS] is it correct that when the committee reported the Fiscal Year 1986 Energy and Water Development Appropriations Act, funds were provided to establish food irradiation demonstration projects in six locations, including Hawaii, Florida, Iowa, California, Washington, and Oklahoma, and particularly and specifically at the Red-Ark Development Authority in Oklahoma?

Mr. BEVILL. Mr. Chairman, if the gentleman will yield, the answer is yes, the gentleman is correct.

Mr. MYERS of Indiana. Mr. Chairman, if the gentleman will yield, the answer is yes, the gentleman is absolutely right.

The gentleman from Oklahoma has been a long-time supporter of irradiation, as the committee has. For a number of years, we have been studying this procedure, because it is an exciting procedure and it would expand our ability to export agricultural products, meat and other perishable products, going into areas that do not have refrigeration and that do not even have electricity. So it would give a great opportunity for us to expand our exports. It is an exciting area and we certainly do support it wholeheartedly.

Mr. Chairman, I thank the gentleman for bringing this up.

Mr. WATKINS. Mr. Chairman, I thank the gentleman from Indiana [Mr. MYERS] for his support, and also the gentleman from Alabama [Mr. BEVILL] for his remarks.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 202. None of the funds appropriated by this or any other Act to carry out part A of title IV of Public Law 92-318 (Indian Education Act) may be expended in violation of the provisions of H. Con. Res. 276 of the Ninety-ninth Congress.

SEC. 203. None of the funds in this Act, or any other Appropriations Act for fiscal year 1986, may be used to implement changes to OMB Circular A-21 made subsequent to February 11, 1986.

SEC. 204. None of the funds appropriated by this Act or any other Act shall be used for preparing, promulgating or implementing new regulations dealing with organization participation in the 1986 Combined Federal Campaign other than repromulgating and implementing the 1984 and 1985 Combined Federal Campaign regulations, unless such regulations provide that any charitable organization which participated in any prior campaign shall be allowed to participate in the 1986 campaign.

SEC. 205. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

AMENDMENT OFFERED BY MR. ROSTENKOWSKI

Mr. ROSTENKOWSKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROSTENKOWSKI: Page 34, after line 18, insert the following new section:

SEC. 206. Subsections (a)(4) and (g)(1) of section 1886 of the Social Security Act (42 U.S.C. 1395ww) are amended by striking "1986" each place it appears and inserting "1987".

Mr. ROSTENKOWSKI. Mr. Chairman, I appreciate this opportunity to explain the Medicare amendment which I am offering to H.R. 4515, the urgent supplemental appropriation bill.

This amendment is necessary because of some imminent regulatory actions that have been proposed by the administration.

In 1983 we enacted a new system for reimbursing hospitals for the costs of treating Medicare patients. Under this prospective payment system, Medicare sets in advance how much it will pay for a given episode of hospital care. At the time of enactment, we specifically excluded reimbursement for hospitals' capital related costs from the new payment system. This exclusion, however, was limited until October 1, 1986.

The clear intent of this time-limited exclusion was to give Congress time to review the existing capital reimbursement system, consider alternative methods, and to provide an incentive for Congress to legislate on this matter within a reasonable period of time. At least since 1983, hospitals have been on notice that Congress could at any time enact major changes in Medicare payments for capital costs, with the expectation that capital costs would be incorporated into the prospective payment system.

The 1983 legislation directed the Secretary of HHS to submit a report on hospital capital costs to Congress by October 1984. This report was to include legislative recommendations on methods by which capital costs could be included in the new payment system. It was the clear intent that a change this significant was to be processed through the normal legislative process—not by a change in regulations.

The report that HHS was supposed to submit to Congress in 1984 was received just a few weeks ago. In the meantime, the administration's fiscal year 1987 budget assumes that reimbursement to hospitals for their capital costs will be incorporated into the Medicare prospective payment system through a regulatory initiative. This clearly circumvents the intent of the 1983 amendments.

The administration's proposed regulatory change dramatically alters the way in which we have reimbursed hospitals for capital-related costs under the Medicare program since its enactment in 1965. And, as proposed by the administration, it will have a disasterous effect on hospitals throughout the country. It is the position of the Committee on Ways and Means that, as intended in the legislation enacted in 1983, a change this significant should be addressed through the normal legislative process. This is the sole purpose of the amendment I have offered.

The amendment that I am offering today would continue the exclusion of capital-related costs from the prospective payment system for 1 additional year. The purpose of this amendment would be to prohibit the Secretary, during this 1-year period, from using the regulatory process to incorporate capital payments into the prospective payment system.

The amendment provides Congress with the necessary time to review the HHS report we received only a few weeks ago and then legislate a system which would ensure that Medicare

fairly reimburses hospitials for necessary and Appropriate capital costs.

Several things should be clearly understood regarding the intent of my amendment. Its purpose is to prohibit for 1 year, until October 1, 1987, the administration from incorporating capital payments into the prospective payment system through the regulatory process. This does not mean, however, that Congress will not act during that time to legislate changes along the lines of those proposed by the Administraton. In fact, we intend to legislate in this area this year, and these legislative changes could be implemented before October 1987. Furthermore, hospitals have been on notice since 1983 that their existing as well as future capital costs could be subject to changes in reimbursement methods enacted at any point in the future.

The Subcommittee on Health of the Committee on Ways and Means has already begun the legislative process with public hearings on February 24, 1986, which focused on proposals that would include capital into the prospective payment system. Clearly, our intent is to legislate on this issue this year. However, implementation of the administration's proposed regulations would severely hamper our ability to develop a system which is both fair and equitable.

Mr. Chairman, as you know, I oppose legislative riders to appropriation bills. My presence here today should not be seen as establishing any precedent with regard to other legislative riders that may be attached to the appropriation bill before us today or future bills.

This Medicare situation is extraordinary. A major change that will severely impact hospitals in this Nation is about to be accomplished through regulations which clearly circumvent congressional intent. A change of such magnitude must be subjected to the legislative process. Time is short. Prompt action is needed if we are going to prevent the implementation of the proposed regulatory change. As no other legislative vehicle is currently available, I must take this course of action.

I urge the members to support this amendment.

□ 1745

Mr. STARK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the distinguished gentleman from Ohio [Mr. GRADISON], the ranking minority member of the Health Subcommittee, for a short colloquy.

Mr. GRADISON. I thank the subcommittee chairman for yielding.

As you know, I support the amendment offered by the distinguished chairman of the Committee on Ways and Means, Mr. ROSTENKOWSKI. This amendment provides us with the time needed to develop carefully a legislative proposal which would incorporate capital-related hospital costs into the PPS system. It was clearly our intent from the outset to address this matter through legislation.

I am concerned, however, that some in the industry may view this amendment as an indication that Congress does not intend to incorporate capital-related costs into the PPS system. I am also concerned that this amendment may be seen as a guarantee that Congress does not intend to act on this issue before October 1, 1987. I would ask the gentleman for clarifaction of these points of concern.

Mr. STARK. Mr. Chairman, I would be glad to respond to the gentleman by saying that the issue is not whether Congress will alter the manner in which hospitals are reimbursed for their capital costs, but rather when and how it will be done.

I would like to reiterate that the purpose of this amendment is to prohibit the Secretary from incorporating capital-costs into the prospective payment system by regulations.

Further, this amendment should not be seen as a guarantee that payments to hospitals for capital-related cost will continue on a reasonable costs basis until October 1, 1987. We clearly intend to legislate on this matter this year.

Mr. GRADISON. I thank the gentleman from California for these assurances.

Mr. STARK. Mr. Chairman, I appreciate this chance to rise today in support of the amendment to the urgent supplemental appropriation bill offered by Mr. ROSTENKOWSKI.

This amendment would continue the exclusion of captial-related costs from the prospective payment system for 1 additional year. The purpose of the amendment is to prohibit the Secretary from implementing regulations which would incorporate such costs into the PPS system.

In a letter to all Members yesterday, Secretary Bowen of HHS indicated the administration's strong opposition to this amendment. He alleges that it will cost Medicare over $10 billion in the next 5 years if the Congress passes this amendment. Respectfully, this is not true.

The committee fully intends, as Chairman ROSTENKOWSKI has indicated, to report legislation on this issue at the earliest possible date. This legislation, while treating hospitals equitably, will close the open-ended situation referred to by Secretary Bowen and will result in savings as necessary.

The congressional provision adopted by the Congress, will however, be equitable and not have the devastating effect on hospitals as would the administration's proposal.

The action taken by the administration clearly circumvents the intent of Congress that changes in capital reimbursement be accomplished through legislation, not regulation.

The Subcommittee on Health of the Committee on Ways and Means intends to develop a proposal which would incorporate capital into the PPS system. As a part of that process, we held public hearings on February 24, 1986, on proposals on how capital could be included into the PPS system.

During the hearings we also heard from several hospitals what the impact of the administration's proposal would have on their institution. The impact was disasterous.

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am pleased that the Committee on Ways and Means is offering this amendment. I have been chastised by them so often when we offer an amendment that affects their committee, that I am glad they are using our Appropriations Committee to do this at this time.

Mr. Chairman, I rise in support of the amendment to provide a 1-year moratorium before bringing hospital capital cost reimbursement under the Medicare prospective payment system.

According to hospitals in my State, there are very serious problems with the reimbursement formula currently being prepared by HCFA for release next month. As I understand it, the consequences of the HCFA proposal, according to HCFA's own figures, would result by 1991 in hospitals being reimbursed for less than half of their expected capital costs. This could mean that hospitals would find it difficult to meet the tab on their current facilities, let alone making any further improvements.

And since the driving force behind the HCFA proposal appears to be the need to obtain the savings proposed in the President's fiscal year 1987 budget, much higher than Congress is likely to adopt, a delay would have two benefits: First, it would give Congress the opportunity to decide upon the 1987 budget target for any savings in this area; and second, it would provide encouragement for all interested parties to sit down and work out an arrangement more likely to be accepted by all parties, with less disastrous consequences over time.

Mr. DAUB. Mr. Chairman, I rise in strong support of the amendment offered by Mr. ROSTENKOWSKI, chairman of the House Ways and Means Committee. As a member of the Health Subcommittee, I particularly recognize the imperative need to take action on the hospital capital cost issue.

When Congress enacted the Medicare prospective payment system [PPS] in 1983, we deferred action on incorporating hospital capital-related costs into this system until October 1986. The final goal of incorporating these costs into PPS is containing their rate of growth and creating incentives for cost-effective capital expenditures by hospitals.

I want to point out to my colleagues that when we made this decision to purposely exclude capital from inclusion in PPS, we directed the Department of Health and Human Services to study the capital issue and report back to Congress by October 1, 1984. Finally, under the auspices of a fiscal 1987 budget request, Congress learned of the administration's plan for treatment of the capital issue.

Further, as indicated in their testimony before the Health Subcommittee on February 24, the Department of Health and Human Services intends to implement their capital-cost plan through the regulation process, effective October 1, 1986.

It is to this process that I strongly object. For that reason, I wholeheartedly endorse the Rostenkowski amendment, which will block implementation of these regulations and retain the current reimbursement schedule through October 1, 1987.

Mr. MATSUI. Mr. Chairman, I rise in strong support of this amendment. The administration claims that Chairman ROSTENKOWSKI's amendment would keep paying hospitals for their capital costs on an open-ended basis. This is not true. The Rostenkowski amendment would simply ensure that Congress, not the administration, sets our policy regarding capital reimbursement for hospitals.

When Congress first considered the prospective payment system for the Medicare Program, we understood that capital costs were significantly different from operating costs. While we devised a new incentive system to pay hospitals for their operating costs we decided to set aside any decisions on capital payments until the Department of HHS could study the issue and report back to Congress.

Mr. Chairman, it's been nearly 2 years now, and the administration still has not delivered that congressionally mandated study. Instead, they are trying to bypass Congress on capital reimbursement by proposing new regulations for the prospective payment.

The administration thinks that they can subvert the legislative process and set policy through regulation. The Rostenkowski amendment says they are wrong.

Hospitals have responded well to the incentives provided by PPS. However, the wrong capital payment arrangement could undermine the achievements we have made so far. It could endanger the fiscal health of hospitals and ultimately damage the quality of care for our senior citizens. The difference in access to or the quality of care our Medicare beneficiaries receive depends on the steps hospitals take in response to PPS incentives.

My colleagues on the Ways and Means Health Subcommittee are exploring methods to ensure that capital reimbursement under the prospective payment system is implemented in a manner that is both adequate and equitable to our hospital industry. In a changing health care delivery system, we must strive to provide access to the most advanced practices and modernized technology our public deserves. We must ensure that PPS has an unbiased effect on technological advancement and that payment levels do not inhibit the development or diffusion of new technologies and practices.

The administration's proposal, however, is based solely on short-term budget savings without foresight to the long-term expense of implementing a defective and inequitable system. It does not reflect sound health policy, and in fact, its effect on hospitals would be devastating and would undermine the access to and quality of care for beneficiaries. Hospitals would lose over $456 million in Medicare capital reimbursement in fiscal year 1987 alone and over $4 billion by fiscal year 1991.

In light of the disastrous impact the administration's proposals would have on hospitals and thus on Medicare beneficiaries, I strongly urge that Congress preserve its jurisdiction and prerogatives. I urge my colleagues to act immediately to rescind the administration's authority to implement a new capital policy through regulation.

If this Nation's health care delivery system is to continue to have the ability and capacity to serve the Medicare population and others, Congress, not the administration, must provide a balanced solution to the problem of capital reimbursement. I urge my colleagues to support the Rostenkowski amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. ROSTENKOWSKI].

The amendment was agreed to.

The CHAIRMAN. The clerk will read.

The Clerk read as follows:

This Act may be cited as the "Urgent Supplemental Appropriations Act, 1986."

The CHAIRMAN. Are there further amendments to the bill?

Mr. WHITTEN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore. [Mr. FOLEY] having assumed the chair, Mr. BROWN of California, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H.R. 4515) making urgent supplemental appropriations for the fiscal year ending September 30, 1986, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that bill, as amended, do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

Pursuant to House Resolution 448, the amendments to strike out the following provisions in the bill are considered as having been adopted: Beginning on page 5, lines 11 through 25, and beginning on page 28, line 19, through page 30, line 16.

Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. PURSELL

Mr. PURSELL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. PURSELL. I am, Mr. Speaker, in its present form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. PURSELL. Moves to recommit H.R. 4515 to the Committee on Appropriations, with instructions to that committee to report the bill back to the House promptly, amended so that the bill does not add to the deficit for the 1986 fiscal year.

PARLIAMENTARY INQUIRY

Mr. WHITTEN. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WHITTEN. Mr. Speaker, a member of the committee, the gentleman from California [Mr. FAZIO], was unavoidably absent.

Would it be in order to ask unanimous consent that the action be vacated at this time so the gentleman could offer his amendment? The gentleman has been with another committee. We were unable to locate him. The gentleman was busy and on his way here.

I, therefore, ask unanimous consent that the action be vacated and that it be in order for the gentleman from California [Mr. FAZIO] to offer his amendment.

The SPEAKER pro tempore. The Chair will advise the gentleman from Mississippi that his request is available only by unanimous consent and only if the gentleman from Michigan [Mr. PURSELL] were willing to withdraw his motion to recommit temporarily to permit consideration of the Fazio amendment in the House as in Committee of the Whole. The gentleman's rights will be protected.

Does the gentleman from Mississippi make that unanimous consent request?

Mr. WHITTEN. I make that unanimous consent request at this time, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. CONTE. Mr. Speaker, reserving the right to object—and I do not intend to object—if the unanimous consent request of the gentleman from Mississippi is granted, then the gentleman from California [Mr. FAZIO] will

offer an amendment, and I will offer an amendment which may be a little bit different than the other amendment that I had in mind. Does the gentleman understand?

Mr. WHITTEN. Mr. Speaker, I will add to my unanimous consent request the suggestion of the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER pro tempore. Is the gentleman from Michigan [Mr. PURSELL] willing to withdraw his motion to recommit?

Mr. PURSELL. Mr. Speaker, on behalf of our side, in fairness to the gentleman from California [Mr. FAZIO] and the effort he has made, I will withdraw the motion temporarily.

The SPEAKER pro tempore. The gentleman's rights will be protected.

Without objection, the action of the House in ordering the previous question will be vacated, and the gentleman from California [Mr. FAZIO] will be recognized to offer his amendment, in the House as in Committee of the Whole.

There was no objection.

AMENDMENT OFFERED BY MR. FAZIO

Mr. FAZIO. Mr. Speaker, with great appreciation, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FAZIO: On page 34, after line 20, add the following new section:

SEC. . No funds appropriated, or made available, under this or any other act shall be used for soliciting proposals, preparing or reviewing studies or drafting proposals designed to transfer out of federal or public ownership, management or control in whole or in part the facilities and functions of the Federal Power Marketing Administrations located within the contiguous 48 states, and the Tennessee Valley Authority, until such activities have been specifically authorized and in accordance with terms and conditions established by an Act of Congress hereafter enacted; *Provided*, That this provision shall not apply to the authority granted under section 2(e) of the Bonneville Project Act of 1937; or to the authority of the Tennessee Valley Authority pursuant to any law under which it may dispose of property in the normal course of business in carrying out the purposes of the Tennessee Valley Authority Act of 1933, as amended; or to the authority of the Administrator of the General Services Administration pursuant to the Federal Property and Administrative Service Act of 1949, as amended and the Surplus Property Act of 1944 to sell or otherwise dispose of surplus property.

Mr. FAZIO (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. CONTE. Mr. Speaker, reserving the right to object, am I going to be protected and allowed to offer my amendment to the gentleman's amendment?

The SPEAKER pro tempore. The House is operating under the 5-minute rule by unanimous consent.

The gentleman from Massachusetts [Mr. CONTE] will be protected in offering an amendment to the amendment.

Mr. CONTE. I thank the Chair.

The SPEAKER pro tempore. The gentleman from California [Mr. FAZIO] is recognized for 5 minutes in support of his amendment.

Mr. FAZIO. Mr. Speaker, I offer on behalf of Mr. MILLER of California, Mr. CHENEY of Wyoming, Mrs. SMITH of Nebraska, Mr. BEVILL of Alabama, and others representing all regions of the country, an amendment to reserve for Congress the decision whether the Federal Power Marketing Administrations should be sold, which the administration has proposed in this year's budget request.

We do not necessarily terminate efforts to sell the PMA's, nor do we attack the concept of privatization in general, though many of us have strong individual views on these matters.

We ask only that Congress review this concept before the administration goes forward with it, and before utilities and others in the private sector go forward with it too. If the administration feels confident enough about this proposal to project $12 billion in outyear budget savings from the sales, we too should be able to make the same decision.

Therefore, the amendment blocks the sale of the four PMA's in the lower 48 States and allows $250,000 to enable the administration to perform basic reconaissance studies so it can present to the Congress its ideas for the sale. This is as far as our expenditure of resources should extend for now.

Additional activity is suspended while Congress has a chance to review the matter. The reconaissance study funding would be a ceiling under which all the following costs should be incurred: all Federal staff time, including DOE and PMA and other agency staffs, as well as the Alaska Railroad and Conrail staffs to the extent their time is used to consult with this PMA sale study; any outside consultants necessary, clerical and office material and service costs, and in general the incidental costs of doing business.

Before going further, let me clarify that we in no way affect sale of the Alaska Power Marketing Administration, a small entity on which consensus to sell already exists. We do include within the scope of the amendment the Tennessee Valley Authority, though it has not been formally proposed for sale. We did so at the request of members from that region who have a basis to expect that a proposal to sell the TVA would logically follow a proposal to sell the PMA's, and to anticipate that if told to desist efforts with the PMA's, the administration would likely try to sell the TVA.

We also preserve for the Power Marketing Administration their ability to dispose routinely of surplus property under existing General Service Administration, Bonneville Power Administration, and Tennessee Valley Authority statutes. I intend on having a colloquy with Mr. DUNCAN of Tennessee to establish that the amendment in no way encumber the TVA Board of Directors from exercising any authority it might have to transfer ownership, management, or control of TVA facilities or functions in the normal course of business pursuant to any law under which it may dispose of property.

I also intend on having a colloquy with Mr. WEAVER which would establish that the amendment does allow for consideration of other forms of pubilc ownership than Federal.

If there are any opponents of this amendment, they might argue that we are being hypocritical. How can we say that the idea of selling the PMA's has too many problems, and yet seem to restrict research into ways to solve the problems? We may be likened to book burners, knowledge supressors, repressers bent on thwarting what might be a healthy dialogue over a proposal with great potential merits.

First, the administration felt comfortable enough with the merits of this scheme to propose it in its budget together with $12 billion in outyear proceeds. An issue that is ripe enough for the administration is ripe enough for the Congress, too. We ask only to be able to make the analogous decision: shall we proceed? If so, along what guidelines? We would be doing the taxpayer and all those interested in pursuing this idea a favor by giving them a clear signal.

Second, there are basic policy issues which the Congress should decide before the planning and studying and promotions go further. The Congress can deal with them now on the conceptual level:

For instance, we might determine that there is a significant public interest in maintaining the integrity of the national electrical transmission grid as a coherent system. If so, we might want to provide that no sale proposals contemplate rupture of this national grid by sale of key elements to non-Federal entities.

We may also want to establish the price basis on which these enormously valuable entities might be sold. The budget proposal contemplates only from $12 to $13 billion in revenue from their disposal, which is a price determined merely by the amount of capital investment yet to be repaid.

Yet others, including the Heritage Foundation—otherwise a staunch proponent of the sales—estimates their value well in excess of $60 billion.

In my view, the existence of networks makes the PMA's even more valuable than their nominal replacement costs. The whole is greater than the sum of its parts. Even if the parts are worth over $60 billion, that would mean, the existence of rights of way and facilities as a unit makes them worth far more.

So, should Congress stipulate a price basis for any sales? The value of the hardware and the lands on the open market? Or the additional intangible value of the network as a network? Or should we agree with the net book value premise contained in the budget proposal?

And, we should realize before going into this process that the sale of the PMA's would entail, essentially, their refinancing at new interest rates. Interest rates have dropped recently, but they are still far higher than they were when these facilities were initially financed. The higher rates almost assuredly mean that the capital repayment for the same facilities would jump enormously, to something closer to a total reflecting the current market value of alternate energy sources. My own utility, the Sacramento Municipal Utility District estimates that its rates would have to go up 27 percent just to pay for energy at new, conventional prices from the same sources.

Congress really should assess whether rate increases of these sorts, where nothing new is developed other than new financing burdens, is worth the potential benefits of selling the PMA's.

A last example of a basic policy issue would be the extent to which the sales would honor existing contracts, or provide for the renewal of existing contracts along the lines of existing or new allocation policies.

These are vital matters. Now that the administration has taken its position, Congress should decide these policy matters before the Government charges ahead and potentially leads both itself and the private sector down the primrose path. At a minimum here, the executive and legislative branchees of Government should speak the same on this matter. Far better that the Nation know now rather than later that we are, or are not, together.

Third, we do allow funds easily sufficient for the administration to pursue basic reconaissance studies of the concepts. As with many public projects of this sort, we ask only that the administration return to us for guidance before it proceeds into what might be called the detailed feasibility studies prepatory to assembling sale proposals.

Still, our opponents might argue, what harm is done merely by allowing the Department of Energy to proceed? After all, the administration proposes to come to Congress for authority to sell the PMA's when it has the packages finally assembled, We are asked to relax, and wait for this authority request.

In fact, considerable harm would be done if the administration proceeds hastily, or in the wrong direction. It will be 2 or 3 years before final packages could be presented to the Congress, let alone the time it might take Congress to approve, modify or disapprove the proposal. It could well take longer, Many harmful things would occur during this protracted limbo; many positive things would not occur.

My colleagues do understand the stakes here. The significance of the PMA's is seldom appreciated. The PMA's sell the electrical output of the dams operated by the Corps of Engineers and the Bureau of Reclamation: 33,400 megawatts, 6 percent of the Nation's entire energy supply, 45 percent of its entire hydroelectricity supply, the equivalent of nearly 30 nuclear powerplants.

In addition, these PMA's operate 31,600 miles of high voltage transmission lines, linking region to region and allowing the national hydroelectric resource to be distributed widely to benefit 38 million people directly and many more people indirectly through the sale of surplus power.

They produce revenues for the Government: in 1984, the last year for which records are completed, the PMA's sold 155.4 billion kilowatt hours of electricity for revenues of $3.4 billion. Costs were $2.7 billion; $631 million was repaid to the Government in principle and interest.

In my own immediate region, the Bureau of Reclamation's Central Valley project is projected to have operating costs of $117 million in fiscal 1987, against revenues over twice that: $271 million.

Since 1985, moreover, all the Power Marketing Administrations are returning improved profits to the Treasury. Once the relatively small amount of $12.7 billion in outstanding debt is repaid, the systems will be even more powerful deficit reducers.

Because the PMA's are such high stakes, subjecting them to disruption and the economies they serve to protracted uncertainty does considerable damage.

First there are the Federal resources consumed. The Department of Energy has created a full-time task force to analyze and promote the idea. Members of that task force attend meetings with financial houses and other interested private parties around the country,, for instance a large workshop in Denver in April.

The task force is also placing significant staffing burdens on the existing personnel of the PMA's.

More important to me is the disruption the proposal causes the ongoing PMA Program. We are familiar with the debilitating stresses upon the Department of Energy over the period of years when the fiction was presumed that the DOE would be abolished, and then melded with the Department of Commerce.

The effects on these vast programs for the marketing of 45 percent of the Nation's hydroelectricity to many millions of people would be similar as the effects of the DOE expungement proposal on the DOE.

Valuable intertie lines would probably be canceled, requiring construction of more powerplants in certain places while energy is wasting in other places. For instance, I would question the fate of a line from northern California to Oregon which would help the Bonneville Power Administration pay off its debt faster, which would transmit 1,400 megawatts directly and which would make feasible the transmission of 1,400 additional megawatts over existing lines. That's the equivalent of two conventional nuclear plants, which would cost many billions. The cost of this line: $500 million.

Conservation programs, in many cases instituted as matters of public policy via the federally controlled PMA's would logically be terminated.

Employee morale would be damaged. For instance, the proposal to sell the PMA's has resulted in the abrupt resignation of the DOE's senior power marketing attorney, Richard K. Pelz, who said the proposal to sell the PMA's is "economically disruptive, fiscally irresponsible, administratively harmful and intellectually dishonest." We need people in Government who are motivated by a sense of service, since their pay falls far behind that of people with comparable responsibilities in the private sector.

We should not let all this occur during the 2 or 3 years while the administration submits even interim authority requests to the Congress and waits for the answer. If the proposal were submitted tomorrow it is doubtful that the Congress would act before the end of this session. Then we would spend another year or two reviewing it before we act in the 100th Congress.

For all these reasons this amendment is supported by my colleagues Mr. GEORGE MILLER, Mr. WEAVER, and Mr. CHEYNEY of the Interior Committee, Mr. BEVILL, Mrs. SMITH, Mr. DICKS, Mr. AUCOIN and myself of the Appropriations Committee, and Mr. MARKEY, Mr. SWIFT, Mr. WYDEN, Mr. LOWERY and others of the Energy and Commerce Committee, as well as a number of others who will talk here

today, including our majority whip, Mr. FOLEY.

The amendment is also supported by a significant number of groups who are familar with the implications of this issue: Environmental Action; the American Public Power Association, the Rural Electrical Cooperatives, the National Grange, the Southwestern Power Resources Association, the National Farmers' Union, the Consumer Federation of America, the Consumer Energy Council of America, and the American Federation of State, County and Municipal Employees, among others.

I urge your support.

Mrs. SMITH of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. FAZIO. I yield to the gentlewoman from Nebraska.

Mrs. SMITH of Nebraska. I thank the gentleman for yielding.

Mr. Speaker, I rise to express my strong support for this amendment, which would prohibit the use of funds to sell or transfer the Power Marketing Administrations [PMA's] unless Congress authorizes this action.

Mr. Speaker, the Department of Energy has already taken funds from other energy programs to put together an extensive and elaborate plan to study the PMA sale and to solicit bid proposals.

But selling the Federal Power Program would require the approval of the Congress, and if statements by the members of my Appropriations Subcommittee on Energy and Water are any indication, Congress has no intention of selling the PMA's.

The bottom line is that Congress must have a chance to study the issue and decide whether it merits further action before allowing these expensive administration studies and the Federal power sale to go any farther.

I believe there are many serious questions that must be answered by the Congress before we approve the sale of the PMA's.

First, I am concerned that selling the PMA's would result in drastic increases in electricity rates for the consumers who depend on federally generated hydropower.

Administration officials testified that customers served by the Western Area Power Administration [WAPA] would not see a substantial rate increase if it were sold, but I have to disagree. Private owners would surely charge what the traffic would bear. I find it hard to believe that private owners would sell the power at cost, as it is now.

And while the PMA's now repay their debts to the Treasury at the low interest rates negotiated when the hydroelectric dams were built, private owners would have to pay current interest rates on their debt.

It is my understanding that paying current interest rates would cost PMA consumers nationwide as much as $12.6 billion each year in higher utility rates. And under one set of assumptions, paying current interest rates could cost consumers in my State of Nebraska at least $57 million more each year. Our economy, and particularly our agricultural industry, is already deeply distressed, and we don't need higher electricity costs to finish us off.

Second, I wonder about the wisdom of selling off valuable, revenue-producing public assets like the PMA's at a price far below their market value.

The Administration would sell the five marketing administrations for $13.9 billion. This assumes that the PMA's would be sold for the Government's remaining investment in the projects, which is like a homeowner selling his house for the remaining mortgage payments. And I think that is ridiculous.

The Heritage Foundation says that $65.9 billion is a more reasonable price tag. But if the five PMA's were sold at this price, Federal power costs would rise about 390 percent, or about $12.6 billion annually. I don't think that anyone could stand an increase like that.

Third, the multipurpose dams managed by the Federal Power Program provide a number of public benefits, including flood control, navigation, recreation, irrigation, and industrial and municipal water supply. At this point, we don't know who would be responsible for coordinating these important functions if the PMA's were sold.

And finally, I doubt that private owners could do a better job of managing the operations of the PMA's. In fact, no one seems to be criticizing their present management.

Nebraska is the only State in the Nation that is served exclusively by public power entities. I will say that in our State, public power has been extremely successful. We have some of the lowest utility costs in the Nation.

Nationwide, customers of private power companies have paid higher rates than public power customers in every year since 1946. In 1983, the most recent comparison year available, private power customers paid 42.5 percent more for their electricity.

I don't think there is any point in giving the administration carte blanche to study ways to double or triple our electricity rates. If at some time, Congress agrees that selling the PMA's is in the best interest of the American people, that's fine. But for now, let's put a stop to it—or at the very least, put a cap on the studies.

I urge my colleagues to support this amendment.

AMENDMENT OFFERED BY MR. CONTE AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. FAZIO

Mr. CONTE. Mr. Speaker, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. CONTE as a substitute for the amendment offered by Mr. FAZIO: In lieu of an amendment to H.R. 4515 offered by Mr. Fazio, substitute the following new section:

On page 34, after line 20, add the following new section:

SEC. . No funds appropriated or made available under this or any other act shall be used by the executive branch for soliciting proposals, preparing or reviewing studies or drafting proposals designed to transfer out of federal or public ownership, management or control in whole or in part the facilities and functions of the Federal Power Marketing Administrations located within the contiguous 48 states, and the Tennessee Valley Authority, until such activities have been specifically authorized and in accordance with terms and conditions established by an Act of Congress hereafter enacted, except that nothing in this amendment shall prohibit an expenditure after May 8, 1986 of $400,000 for preparing or reviewing studies for the purpose of drafting enabling legislation designed to transfer out of federal ownership or control the facilities or functions of the federal power marketing administrations located within the 48 states and the Tennessee Valley Authority; *Provided,* That this provision shall not apply to the authority granted under section 2(e) of the Bonneville Project Act of 1937; or to the authority of the Tennessee Valley Authority pursuant to any law under which it may dispose of property in the normal course of business in carrying out the purposes of the Tennessee Valley Authority Act, of 1933, as amended; or to the authority of the Administrator of the General Services Administration pursuant to the Federal Property and Administrative Service Act of 1949, as amended, and the Surplus Property Act of 1944 to sell or otherwise dispose of surplus property.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the amendment offered as a substitute for the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. (Mr. BROWN of California). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CONTE. Mr. Speaker, this amendment would perfect the amendment offered by the gentleman from California by permitting the Congress to continue studies of Power Marketing Administration divestiture. It would also permit the expenditure of an additional $400,000 by the executive branch for preparing or reviewing PMA divestiture studies.

Although this is not a large amount, compared to the scope of the issues that need to be studied in connection with this proposal, it will permit a limited amount of additional work to proceed. In addition, it is a small enough

amount that the Department of Energy will be required to come back to the Congress relatively quickly for additional authority and funding. In effect, it ensures that Congress will be able to keep tight control on this process, and I believe addresses the concerns of the gentleman from California.

I urge the adoption of this perfecting amendment.

As I understand it, the author of the prior amendment agrees with this amendment.

I yield to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. The gentleman would indicate that he is simply asking for a limit on the studies done by the administration to the extent of $400,000 now instead of $250,000?

Mr. CONTE. That is exactly right.

Mr. FAZIO. Is that the extent to which the gentleman changed his amendment?

Mr. CONTE. That is all.

Mr. FAZIO. I understand, and I accept the gentleman's amendment.

□ 1800

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to my good friend the gentleman from Indiana.

Mr. MYERS of Indiana. I had promised the gentleman from California that I would not speak on this, even though I had some reservations about his amendment. It does come under our section as the gentleman knows, this is a provision at the end of the bill under general provisions, but it does affect a section of our bill under energy and water.

Could the gentleman explain what his amendment does? I just now at this moment saw the amendment, so I am not familiar with the amendment. I heard something about it.

Mr. CONTE. I am trying to get to church, John.

Mr. MYERS of Indiana. I know, but I wish I had seen a copy of it. I just now finally got a copy.

Mr. CONTE. This amendment would perfect the amendment offered by the gentleman from California [Mr. FAZIO] by permitting the Congress to continue studies of Power Marketing Administration divestiture. It would also permit the expenditure of an additional $400,000 by the executive branch for preparing or reviewing PMA divestiture studies only.

Mr. MYERS of Indiana. Mr. Speaker, if the gentleman will yield further, I have read it now. In other words, the gentleman does not take a position one way or the other. We just allow that money for a study to come back to Congress?

Mr. CONTE. That is all.

Mr. MYERS of Indiana. Well, that is reasonable. I am sorry, I did not have a chance to see it. I thank the gentleman.

Mr. AUCOIN. Mr. Speaker, I move to strike the requisite number of words, and I rise in support of the amendments.

Mr. Speaker, I just wish to say that I compliment the gentleman from California [Mr. FAZIO] and the gentleman from Massachusetts [Mr. CONTE] for the agreement that they have reached. What they have simply said is that before assets such as these are sold off, that Congress shall make a determination based on findings, based on facts, based on evidence, that it makes sense in the long run for the Government. It keeps Congress in the driver's seat, I think that it is absolutely sound policy, and I support their amendment and compliment them for their leadership.

Like a rerun of a bad movie, the administration is again proposing that we sell off valuable national assets, including Oregon's Bonneville Power Administration.

We've seen this movie before—they've just changed the script a little. Administration officials don't say they want to "sell" BPA. Instead, they insist they only want to "privatize" Bonneville.

Well, whatever you call it, I'm here to tell this body that it's still bad economic policy.

BPA is a business that serves thousands of Oregonians. It is a good business. And, I'd be the first to say we should let BPA go if it were a losing proposition for the Federal Government and a burden on the ratepayers of Oregon.

But that isn't the case.

First of all, the administration wants to put on the auction block power marketing administrations that do not cost the U.S. Treasury 1 cent. In fact, they are proven moneymakers for Uncle Sam.

Last year all of the PMA's returned more that $1 billion in principal and interest to the Government. Bonneville alone paid over $600 million to the Treasury and is now current on all of its obligations.

Second of all, this proposal ignores the hard economic realities of my State. The President refuses to understand that Oregon is one of the last States to finally start to shake off the shackles of the 1981 recession. We are just now beginning to recapture some of the thousands of jobs and the millions of dollars in tax revenues that were lost in the last few years.

Unlike the rest of the country, morning is just now starting to dawn in Oregon.

But what is the administration's response to this situation?

They say let's put BPA on the market, let's put 15,000 people out of work, let's take away $78 million in tax revenues from the States and, while we're at it, let's impose a hidden tax on Oregonians in the form of higher electric rates.

In other words, let's throw the Northwest back into a recession.

I think this proves that the administration's privatization argument is one driven by misguided ideology, rather than good business sense.

Mr. Speaker, don't the folks at OMB understand that any short-term increase in Federal revenue generated by selling BPA is only going to be offset by increased unemployment costs and a reduced tax base?

Don't they realize that the potential private buyers of BPA will have to borrow billions of dollars at today's interest rates and will undoubtedly pass the cost of refinancing on to the ratepayers?

Don't they understand that just proposing this idea every January is enough to create financial instability or paralysis in our economically sensitive region?

Mr. Speaker, I'm tired of seeing BPA put on the perennial auction block. It's time we got rid of that Sword of Damocles that continues to hang over the heads of the power marketing administrations.

I say that we should not sell BPA.

I say we shouldn't waste precious Federal dollars even studying the idea of selling BPA.

I say let the Pentagon find other ways to fill their petty cash drawers.

I rise in strong support of the Fazio amendment, which will put a lid on any notion the administration might have of selling the Federal Power Marketing Administrations, at least until the Congress establishes the ground rules of such a sale.

I urge my colleagues to support the Fazio amendment.

Mr. DICKS. Mr. Speaker, will the gentleman yield?

Mr. AUCOIN. I yield to my friend, the gentleman from Washington.

Mr. DICKS. We strongly support the Fazio amendment, all of us in the Northwest. We think it is a good, solid piece of legislation. I am very interested to hear from our colleague, the gentleman from Oregon, who is on the authorizing committee.

Mr. CRAIG. Mr. Speaker, will the gentleman yield?

Mr. AUCOIN. I yield to the gentleman from Idaho.

Mr. CRAIG. Mr. Speaker, I rise in support of the Fazio amendment as amended by my colleague, the gentleman from Massachusetts.

Mr. DENNY SMITH. Mr. Speaker, will the gentleman yield?

Mr. AUCOIN. I yield to the gentleman from Oregon.

Mr. DENNY SMITH. I thank the gentleman for yielding.

I appreciate the Fazio amendment. I think that the country will be better off, especially since there are a lot of contracts that could not be modified according to the President's budget that came down.

Mr. SWIFT. Mr. Speaker, will the gentleman yield?

Mr. AUCOIN. I yield to my friend, the gentleman from Washington.

Mr. SWIFT. Mr. Speaker, I rise in strong support of the Fazio-Miller amendment. This amendment would prevent the administration from wasting taxpayer or ratepayer dollars in pursuit of a sale of the Tennessee Valley Authority, the Bonneville Power Administration, and the other Federal power marketing admin-

istrations. Only if the administration gets specific authorization from Congress would it be able to go forward with these proposals.

This amendment should not be necessary. It is clear from the reaction to the administration's privatization proposals that the planned sale of the power marketing administrations is not supported by the public. It is opposed by both liberal and conservative economists. Newspapers in every part of the country have editorialized against it.

Pursuit of privatization without specific authorization by Congress is opposed not only by the American Public Power Association and the National Rural Electric Cooperative Association, whose members are direct users of the power marketing administrations. It is also opposed by consumer groups, environmentalists, labor unions, and farmers. The following organizations are among those supporting this amendment: Consumer Federation of America, American Federation of State, County and Municipal Employees, National Farmers Union, Consumer Energy Council of America, National Grange, and Environmental Action. Environmental Action wrote a particularly informative letter to Members of Congress a few weeks ago, and I include that to be inserted in the RECORD at the conclusion of my remarks.

Nevertheless, the administration continues to pursue the idea of privatization without any indication of interest or support from Congress or the Nation. It has set up a privatization task force within the Department of Energy—which, incidentally, appears to be a violation of section 505 of the fiscal 1986 Energy and Water Appropriations Act. It is devoting substantial resources, both in terms of funds and people, to its efforts to sell the power marketing administrations. Clearly, unless Congress acts affirmatively to prohibit these activities, taxpayer and ratepayer money will continue to be devoted to a proposal which is probably not feasible, arguably unwise, and definitely controversial.

It is important to keep in mind that our amendment does not ban studies of privatization proposals. It simply requires the administration to live up to its commitment to work with Congress from the start, by laying out its plans, and obtaining congressional authorization. This should not be objectional to the administration, which claims that it intends to work with Congress—and particularly the affected delegations—in the development of its pians. All that this amendment does is to say to the administration that it must come to Congress to lay out the parameters and ground rules of a study before it devotes substantial resources to it.

I would have thought that the administration would have taken the course of working with Congress on this matter anyway; but instead of working with Congress, the administration is making every effort to keep Congress in the dark. For example, in a hearing of the Energy Conservation and Power Subcommittee on February 26, Secretary of Energy Herrington assured me that under no circumstances would the privatization studies even contemplate a sale that would in any way change the rate structure of the Federal power marketing administrations—which would be illegal. The Secretary of Energy, in an open hearing, further promised me that within two weeks he would provide the Congress with a description of the administration's privatization plans.

It is now 10 weeks and counting. For weeks, my office received continual assurances from DOE that the information promised by the Secretary would arrive within a matter of days. But while DOE has found plenty of time to devise ways of spending taxpayer and ratepayer dollars on these studies, it has somehow not gotten around to providing us with information promised to us by the Secretary of Energy himself. I understand that other committees have had a similar lack of success in getting information on privatization from DOE.

The administration shows every sign of trying to do an end-run around Congress, rather than working with us. This amendment would not be necessary otherwise. Unfortunately, it seems to be the only way that we can ensure that privatization efforts involve Congress up front, before significant resources are devoted to unnecessary and wasteful activities.

ENVIRONMENTAL ACTION,
Washington, DC, April 18, 1986.

DEAR MEMBER OF CONGRESS: Tuesday, April 21, the House is scheduled to continue consideration of HR 4515, the FY 1986 supplemental appropriations bill. At that time Representatives Vic Fazio, George Miller, Virginia Smith and Dick Cheney will offer an amendment to prohibit the use of funds for the purpose of proceeding to sell the federal power marketing administrations, until such activity is specifically authorized by Congress. We urge your support for this amendment.

We support the Fazio amendment because we believe funds used to proceed with privatization of the federal power program will divert money from already authorized energy programs and because the Administration should not be allowed to proceed on privatization before such a fundamental shift in federal energy policy is authorized by Congress. Further, allowing this process to go forward without Congressional directive creates needless uncertainty for millions of electric consumers and disrupts planning by utilities, businesses and industries that are served by federal power. We are particularly concerned that the precedent-setting conservation planning taking place in the Northwest under the Northwest Power Planning Act could be thrown into turmoil.

We believe that the power marketing agencies can and should be made to conserve our energy and water resources as their primary mission, and that such activities will prove a tremendous asset to regional economies. By contrast, we believe that privatization of the power marketing agencies could dramatically increase electric rates and have a severe impact on regional economies.

We urge you to support the Fazio amendment to prevent this process from going forward without full consideration by Congress of the merits of such proposed privatization and of its potential impact on local economies.

Sincerely,

RUTH CAPLAN,
Executive Director.

Mr. WEAVER. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, as chairman of the Legislative Subcommittee with jurisdiction over the largest power marketing agency, the Bonneville Power Administration, I strongly support the Fazio amendment and compliment the gentleman on it.

I would like to colloquy with the gentleman from California [Mr. FAZIO].

The amendment states that no Federal funds shall be used on proposals designed to transfer the facilities and functions of the Federal power marketing administrations "out of Federal or public ownership, management or control" and that only $400,000 could be spent on preparing or reviewing certain preliminary studies on such proposals. Would this spending limitation apply to studies on or proposals for transferring ownership, management, or control of the Federal power marketing administrations to governmental entities, such as interstate compacts approved by Congress, or to nonprofit cooperative organizations?

Mr. FAZIO. If the gentleman will yield, the answer is "No." The amendment would limit the use of Federal funds on studies on or proposals for transferring the Federal power marketing administrations to private entities, such as investor-owned utilities or private corporations.

Mr. WEAVER. So the amendment would allow the Federal Government to prepare or review studies on transferring the power marketing administrations to public entities. And by public, it means governmental or nonprofit cooperative organizations. It does not mean publicly traded private corporations.

Mr. FAZIO. That is correct.

Mr. WEAVER. Mr. Speaker, on August 1, 1985, Representative LOWRY and I introduced H.R. 3215, the Pacific Northwest Power Authority Act, to grant the approval of Congress for an interstate compact of the Pacific Northwest States—Washington, Oregon, Idaho, and Montana—to purchase the Federal Columbia River Power System, which now produces and transmits most of the power sold by the Bonneville Power Administration [BPA]. In essence, this bill would enable the Northwest to buy Bonneville and bring it home.

At the first hearing on this bill, conducted by the House Interior Subcommittee on General Oversight, Northwest Power, and Forest Management, in Washington, DC, on January 30, the testimony by BPA, the Army Corps of Engineers, the Bureau of Reclamation, the Fish and Wildlife Service, and the National Marine Fisheries Service was highly positive toward this proposal. None of the witnesses raised any insurmountable objections to implementing a regional public purchase of BPA.

At the second subcommittee hearing, in Portland, OR, on February 10, however, several witnesses representing BPA customer groups expressed apprehension. While most did not oppose regional control of BPA, they feared that any legislation would prompt the

administration to "privatize" the Federal system by selling it to private corporations or California utilities. I adamantly oppose any such plan, and no such scheme will be enacted by Congress. The administration should abandon privatization and should instead support Pacific Northwest regional purchase.

At the third subcommittee hearing, in Washington, DC, on March 4, the Office of Management and Budget [OMB] testified that the administration could change BPA's repayment system and raise BPA's required payments to the Treasury without legislation. The Pacific Northwest should acquire the Federal system in order to remove this threat of unilateral administration action, which creates uncertainty that undermines growth of the region's economy.

Why should the Northwest buy Bonneville? To escape from the relentless Federal mismanagement of the region's most valuable natural resource—the Columbia River. In the 1970's, I urged BPA not to spend billions of dollars on the WPPSS nuclear projects. But the Federal Government didn't listen. Instead, it approved $6.1 billion of WPPSS bonds for WPPSS 1, 2, and 3, a mountain of debt which has produced but one plant now producing surplus power and two essentially worthless hulks.

Nearly 70 percent of the entire debt burden for WPPSS 1, 2, and 3 was created by this administration in 1981 and 1982. BPA triggered this avalanche of debt in order to circumvent the expressed will of the people of the State of Washington, who in 1981, by a 2–1 margin enacted Initiative 394, calling a halt to any additional sale of WPPSS bonds without specific voter approval. BPA rushed the bond sales to beat the July 1982 deadline for the voter approval requirement established by Initiative 394 and, in the meantime, succeeded in having the courts declare initiative 394 unconstitutional. The Federal Government had nothing but contempt for the people of the Pacific Northwest.

In 1983, BPA wanted to create a new WPPSS to float more billions of dollars of debt to finance continued construction of WPPSS 1 and 3. This proposal, supported by all of the Senators from the Pacific Northwest, was finally defeated on the floor of the Senate. In 1984, BPA again contracted to pay the WPPSS 1, 2, and 3 debt, even if the courts were to rule the original obligation invalid. In 1985, BPA then acquired the 30-percent share of WPPSS 3 owned by the region's private utilities. Instead of "privatizing," BPA "federalized" this rusting mass in exchange for providng the private utilities with low-priced power for 30 years.

Earlier, in 1976, BPA had pressured the region's public utilities into financing WPPSS 4 and 5 by issuing the infamous "Notice of Insufficiency," telling the municipalities, PUD's and co-ops that they would run out of BPA power in 1983, unless they signed up for WPPSS 4 and 5. This notice was justified by BPA's wildly erroneous load forecasting. Former BPA Administrator Donald Hodel testified before this subcommittee in August 1984 that these load forecasts brought about the WPPSS fiasco and stifled economic growth by causing Mr. Hodel and others to say that the region would not have enough power to serve new business; $2.3 billion of WPPSS 4 and 5 bonds went into default in 1983, although the people of the Pacific Northwest may well end up paying huge judgments in the resulting securities litigation.

By 1983, WPPSS had essentially collapsed of its own weight. Then the administration noticed that BPA had not been repaying much of its Federal debt and last year proposed to increase BPA's repayment requirements by $600 million in fiscal year 1986 and lesser amounts thereafter. After OMB Director David Stockman appeared before the subcommittee in March 1985, the administration abandoned this plan. The administration's new plan is to raise BPA's revenue requirements by $139 million in fiscal year 1987 and by similar amounts thereafter. This constant effort to change what BPA owes will only intensify as the administration and Congress continue their deficit showdown. Despite this, BPA claims that it has entered a period of rate stability.

In 1984, BPA unilaterally turned over 200 megawatts of the valuable Pacific Intertie to Basin Electric Co-op and the Western Area Power Administration's California service area. Now BPA is proposing to "privatize" 800 megawatts of the Pacific Intertie expansion by offering it for long-term subscription.

OMB has also repeatedly opposed the use of BPA's authority to borrow from the U.S. Treasury to finance investment in cost-effective conservation, even though BPA customers are required to repay the amounts borrowed at high interest rates, often 2–3 percentage points higher than the Treasury pays on its own long-term bonds.

The Pacific Northwest needs to control its premier natural resource—running water. The Federal Government doesn't own the oil in Texas, the farmland of Iowa or the sunshine in Flordia. If the Northwest must pay, the Northwest must have a say. The people of the region should decide whether to build new dams or irrigate new lands.

Mr. DUNCAN. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I would like to ask one question of the gentleman from California [Mr. FAZIO]. It is my understanding that the proviso of this amendment ensures that to carry out the purposes of the TVA Act the TVA Board of Directors may continue to exercise any authority they may have to transfer ownership, management, or control of TVA facilities or functions in the normal course of business pursuant to any law under which they may dispose of property.

Mr. FAZIO. Mr. Speaker, if the gentleman will yield, the answer is "Yes," that is the intent of the proviso. TVA may continue to carry out its normal functions under the TVA Act with whatever authority it possesses. The prohibitions of this amendment affect only activities not in furtherance of its continuing responsibilities under the TVA Act.

Mr. ROBERT F. SMITH. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, colleagues, I rise in strong support of the amendment offered by our colleague from California.

While I agree with the belief expressed in this amendment, that too many questions are without answers to allow any consideration of the sale of the Bonneville Power Administration, I need to disagree with my colleague's premise that a sale might be feasible sometime in the future if the numbers happen to fall in the right place.

I can say with confidence, that I cannot foresee any point in the future when the transfer of Federal ownership, management or control of BPA will benefit either the Federal Government or the northwest power user and ratepayer.

Whether it's this year or next; whether it's done with or without a great deal of study; whether it's explained away as "privatization" or simply for the single-minded purpose of fattening the Federal Treasury for a couple of penny-pinching years, the fact remains the same: nobody will benefit by putting BPA on the market as the administration's proposals today would do.

I can't speak for the other power marketing administrations proposed for sale, but I am familiar with Bonneville, the largest of all PMA's and the obvious target of these sales proposals.

The Bonneville system has been portrayed as a sweet deal that doesn't deserve to pay below-market interest rates on its $8 billion debt to the Government.

Those who rely on power from the BPA have been portrayed as taking advantage of the Federal Treasury for cheap electricity and people who don't pay their bills.

Well, I'm here to tell you that it just isn't so.

BPA ratepayers are paying back the loans that allowed construction of these magnificent systems.

Indeed, the average repayment interest rate is only five-percent because borrowing was done at the time of each element's construction. The key word here is "average."

Some of those loans look like real bargains today, just as any 30- or 40-year loan would be. But on the other side of the ledger, every loan since 1974 has been secured at a minimum rate equal to the going rate of T-bills and up to one point above T-bills, no more bargain that what is available to any prime borrower today.

Efforts to raise BPA interest payments to current market levels are no more fair than it would be for the bank to increase the rate on a fixed-rate mortgage taken out 30 years ago.

Last year, the BPA paid $686 million on its debt to the Government. $237 million of that was a direct payment on principal. In fiscal year 1986, the total will again be $600 million, $190 million of which will be on principal.

A sale of these facilities would most certainly double the rate which northwest users would have to pay. And for all intents and purposes, it would not significantly enhance this Government's long-term financial picture in the least.

It would simply replace old debts with new debts.

But it would also help eliminate one of the very reasons that power-intensive industries located in the Northwest in the first place.

It should be obvious by now, after all of the similar "quick-fix" money making schemes we've seen backfire in government's hands in the past, that killing off jobs costs far more than it brings in.

This Congress should demonstrate, here and now, that it cares more about the long-term than the quick-fix. And it can demonstrate by approving this amendment that it will be paying attention to any attempt to make an "end-run" around the legislative branch with a sale proposal.

I urge my colleagues to join with me in approving Mr. FAZIO'S amendment.

Mr. ARMEY. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I would like to engage the gentleman from California [Mr. FAZIO] in a brief colloquy.

I am concerned that this amendment could be interpreted as a judgment on privatization in general as a policy alternative. As I understand the gentleman's amendment, it deals only with the process of exploring the possibility of privatizing PMA's, and not with the desirability of looking at privatization as an option. Is that an accurate interpretation of the amendment?

Mr. FAZIO. Mr. Speaker if the gentleman from Texas will yield, that is correct. My amendment is simply intended to bring Congress into the decisionmaking process. I'm not sure whether the privatization plans proposed by the administration are feasible or not. That is not at issue here. This amendment does not pass judgment on the desirability of privatization. It simply states that Congress should be involved in the exploration of various privatization alternatives and in the basic decision to defederalize itself.

Mr. ARMEY. Does that mean that this amendment precludes all study or research into the feasibility of privatizing the PMA's?

Mr. FAZIO. No, in fact I feel there is a general lack of information concerning this matter and my amendment, as amended by the amendment of Mr. CONTE, would not prohibit preliminary study of the privatization of PMA's. It simply emphasizes that Congress should be involved in conducting and analyzing such studies and fully retain the decision as to whether we move any further on this matter.

Mr. ARMEY. I appreciate the gentleman's remarks and I agree. I think this represents a possible opportunity for the Congress to make decisions that will affect and increase the well-being of the American people, and I appreciate the gentleman's assistance.

Mr. DICKS. Mr. Speaker, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. DICKS. Mr. Speaker, I am here to add my strongest support to the amendment offered by Mr. FAZIO. This administration has sent Congress a budget request that reduces funding for many important programs under the banner of "fiscal responsibility." The budget claims to be "lean and mean," stripped of all nonessential funding and programs, with only critical funding priorities included. Yet at the same time, right this very moment, funds are being siphoned away from these already "bare bones" programs at an ever increasing rate by personnel working on privatization. There are task force members already conducting preliminary negotiations with private companies interested in purchasing the Federal assets currently managed by the Power Marketing Administrations.

Mr. Speaker, I am not before you here today to argue either for or against the concept of privatization—I believe this is not the proper time for this debate. However, I do believe that this is the right place for this debate and Congress, not agency staff, is the appropriate organization to have this debate.

Mr. Speaker, I object to the large amounts of funding and staff time that are being diverted away from legitimate, congressionally approved and supported programs to promote a concept which this body has not yet debated and approved. I believe there is a proper order that must be followed if Congress is to retain its proper role in determining Federal policy in this area. If we allow the Federal agencies to continue along their current course, we will be abrogating our responsibility to properly evaluate the policy of privatization.

I believe we have a good precedent we can use in the example of the sale of Conrail. Congress debated the principle of defederalization of this railroad in the Committee process and on this House floor, without massive agency expenditures to conduct what they call studies but what are actually promotional efforts to sell the concept. Only after Congress determined that the sale of Conrail was in the national interest and directed that the sale take place, only then did the agencies proceed with the effort required to implement the Congressional directive.

I believe this is the proper way to formulate Federal policy, Mr. Speaker, not the back-door way that is being conducted by agencies where privatization is concerned. In order to retain this congressional perogative, I would therefore urge my colleagues to support the Fazio amendment and put a stop to the drain on congressionally approved programs.

Mr. DORGAN of North Dakota. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I rise today to offer my strong support for the gentleman from California's amendment to prohibit the sale of the Federal Power Marketing Administrations. The Reagan administration's proposal to sell off—in their words—"privatize"—the Nation's Power Marketing Administrations is just one more example of their misplaced budget priorities. Selling the Government's revenue-producing assets is the wrong way to reduce the deficit; we need a sound tax base and responsible spending practices.

The Power Marketing Administrations do not cost the Federal Government anything; in fact the opposite is true, they provide income. The operating costs are paid by those who benefit from the facilities—not the taxpayer. Those who purchase electricity from the Power Marketing Administrations are repaying, with interest, all of the investment costs. For example, of the $3.9 billion invested in the Western Area Power Administration, $1.5 billion has been repaid, that is, 39 percent plus $1.1 billion in interest. The profits are then used to help pay for non-revenue-producing programs. It is ludicrous that the administration is suggesting that we dispose of the income producer that supports other projects. We must also remember that once the investment is completely repaid, all income will be profit.

Not only does the administration's proposal fail to make any fiscal sense, but it threatens the economical availability of electricity for over 60 million Americans in at least 34 States. The sale of the Power Marketing Administrations could mean an increase of as much as 390 percent for those who purchase their power from rural electric cooperatives and other municipally owned utilities. Such an increase would have a devastating effect on already faltering rural and farm economies. Farmers should not be asked to pay double and triple what they currently pay for electricity so that the Government can take a small, philosophical step toward reducing the deficit.

In short, the very ideas of selling the Federasl Power Marketing Administrations is, as a top DOE Power Marketing attorney who resigned because of this proposal said, "economically disruptive, fiscally irresponsible * * * and intellectually dishonest." Selling the Federal Power Marketing Administrations hurts consumers and farmers while doing nothing to reduce the deficit.

Mr. BEVILL. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I rise in strong support of this amendment to suspend sale of the Power Marketing Administrations and TVA until Congress has had a chance to determine whether this privatization idea is worth pursuing.

During hearings before the Energy and Water Development Appropriations Subcommittee, we heard witnesses explain the real problems of such a sale.

The administration has been unable to state why the sale of the Power Marketing Administrations might be in the public interest.

The amendment would provide Congress an opportunity to examine the idea before the administration proceeds to devote a lot of resources to it.

Continuing to prepare for the sale without a clear mandate from Congress causes:

Damage to morale of PMA and TVA employees because of uncertainty as to their future as Federal employees.

Considerable difficulty in making long range plans for development of PMA's because of uncertainty of their future.

Since we have good reason to be skeptical about the merits of this idea, I would urge my colleagues to support the amendment stopping this process until the Congress has a chance to assess whether the benefits are worth the costs.

Mr. MILLER of Washington. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I rise in support of the amendment of the gentleman from California [Mr. FAZIO] as amended and interpreted.

Mrs. LLOYD. Mr. Speaker, I rise in support of the amendment offered by my distinguished colleague from California. Whether the Power Marketing Authorities [PMA's] and the Tennessee Valley Authority [TVA] should be privatized as the administration has suggested is not an issue to be decided without proper consideration and extensive scrutiny. Since TVA power headquarters is in my district, I can give a firsthand endorsement as to the important role that TVA has played in the lives and economics of those from the region. To simply concur with a blanket endorsement of the privatization concept is, I believe, an abrogation of our congressional responsibility.

There is little evidence that the administration has thought this approach through so that they can even estimate the impacts on regional ratepayers and other parties. Questions such as the impact of privatization on consumer rate bases and continued uninterrupted power are still unresolved. I believe that only after we have given careful consideration to these and other unanswered questions will we have a basis for decisions on privatization.

Endorsement of the Fazio amendment will allow us the time to address these important issues. I urge my colleagues to vote in favor of the amendment.

Mr. MILLER of California. Mr. Speaker, I am pleased to cosponsor this amendment to prohibit the sale of the Power Marketing Administrations—excluding Alaska—and the Tennessee Valley Authority [TVA]. The amendment would prevent the administration from soliciting or drafting proposals designed to transfer out of Federal or public ownership the Power Marketing Administrations or the TVA until such activities are specifically authorized by Congress.

As chairman of the Subcommittee on Water and Power Resources, I have thoroughly reviewed the administration's sale proposals. Our subcommittee's analysis has revealed that the administration's proposals to privatize the PMA's are vague and premature. It is clear, however, that the administration's proposals will not protect the taxpayer's investment.

As planned, the administration would sell the PMA's for a mere $12.7 billion. In contrast, other estimates suggest that the PMA's are much more valuable, perhaps as much as $65 billion. If TVA is included as a sale item, the Heritage Foundation believes the total price tag should be $100 billion.

Before the administration gives away the store at fire sale prices, the Congress ought to have the opportunity to decide whether it is in the public interest to sell these assets. Congress should also establish the ground rules determining who is eligible to buy the PMA's and at what price. We ought to know whether a Wall Street investment house or the local utility in Tulsa should have the first opportunity at purchasing the power or the assets.

The administration's sketchy proposal is also complicated. Any proposal to sell the PMA's would involve thousands of existing power sale contracts, many of which may have to be radically modified.

The administration's proposal could also decrease Federal revenues. The PMA's raise significant revenues for the Treasury each year. They recover their operating costs, plus they return to the Treasury other badly needed revenues. In 1984, the PMA's sold $155.4 billion kilowatt hours raising $3.4 billion in revenues.

In reality, the administration's proposal amounts to a refinancing of the system for no real gain. If the PMA's were sold, the price of electricity would rise due to the higher rate of interest which the new owners would have to pay to finance their purchase of facilities such as hydroelectric generators, substations, and transmission lines. The American Public Power Association estimates the consumer's electric rates would increase from $2.2 to $12.6 billion annually.

Mr. Speaker, before we give away the store, the Congress needs to consider the many public policy issues involved in the sale. It's a very complicated proposal which deserves our close attention. The Congress must have the opportunity to decide that the PMA's should indeed be sold, and then lay the ground rules for the sale. To sell the PMA's by 1991 as the administration has proposed would be to act in haste.

I believe it is essential that we avoid the situation where the administration brings in sweetheart deals which the Congress is forced to rubberstamp. As chairman of the subcommittee with primary jurisdiction over the PMA's, I don't believe the Congress should be placed in such an untenable position.

Mr. Speaker, I urge my colleagues to support the amendment.

Mr. DAUB. Mr. Speaker, I appreciate this opportunity to lend my support to the amendment to the supplemental appropriations bill that would prohibit the use of funds for the purpose of proceeding to sell—or privatize—the Federal Power Marketing agencies [PMA's] unless Congress adopts specific authorizing legislation to do so.

I have heard from several constituents from my district and across the State of Nebraska who have expressed their strong opposition to the sale of the PMA's. As you my know, Mr. Speaker, 57 public power systems and rural electric cooperatives in the State of Nebraska purchase electricity from the Western Area Power Administration, ranking the State second among the 34 purchasing power from the PMA's.

The sale of the PMA's would increase electricity costs for the people of Nebraska and several other agricultural States that are already financially strapped—all without assisting in deficit reduction. Moreover, allowing the process initiated by the administration to proceed without congressional authorization causes disruption for businesses and industries served by Federal power that need to forecast energy costs for long-term planning. The PMA's themselves are also impacted in this regard.

Although I do not support the privatization of the Federal Power Program, I nonetheless want to commend the administration for the consistency of its 1987 budget. The proposed sale of the PMA's is indicative of this proposal in that it does not discriminate between the various regions of the country—all, not just some, of the PMA's are proposed for sale by the administration.

It is not the function of the executive branch to prioritize the Federal budget—that is our obligation as elected Members of Congress. The administration has produced a budget that has stimulated beneficial debate, and we all know that every single program must be examined as the deficit is addressed.

Mr. BONKER. Mr. Speaker, I rise in support of the amendment offered by Mr. FAZIO and others to prohibit the Federal Government from soliciting proposals or preparing studies for the sale for Federal Power Marketing Agencies [PMA's] unless specifically authorized by Congress to do so.

In its fiscal 1987 budget, the Reagan administration proposes to sell off five Federal Power Marketing Agencies, including the Bonneville Power Administration [BPA], which supplies nearly half the electricity consumed in the Northwest. The proposal to privatize PMA's is a desperate and ill-advised pawning of valuable public assets to finance a fiscal binge that will not end until we deal with its underlying causes.

BPA IS PAYING ITS WAY

The Power Marketing Agencies, including the Bonneville Power Administration, are repaying their debt in a responsible and business-like manner. BPA sends hundreds of millions of dollars to the Treasury every year. BPA paid $682 million to the Treasury at the end of the fiscal year—$374 million for interest on the capital invested in the Federal Columbia River Power System, $82 million to cover the annual operations and maintenance costs of the Corps of Engineers and the Bureau of Reclamation, and a return of $226 million in capital to the Treasury. This is exactly the amount BPA pledged to pay to the Treasury in 1985. BPA pays its way and makes money for the Federal Government.

PRIVATIZATION WOULD HURT THE ECONOMY

Selling off BPA would result in a one-time payment to the Treasury, but the long-term effect would be damaging to the regional and national economy and could reduce revenues to the Treasury. Northwest ratepayers cannot take the additional uncertainty and rate shock that would be an inevitable consequence of privatization. While electric rates in the Northwest are low by national standards, the region is far more dependent upon electricity than other parts of the country. Hydropower is our only indigenous energy source. The area is still reeling from a 700-percent rate hike in just 5 years. And despite incentive rates to keep energy dependent aluminum plants in the region, any further uncertainty or rate increases could be the death knell for this vital part of the Northwest's economy, which has never recovered from a serious recession in the forest products industry.

In Vancouver, WA, the biggest city in my congressional district, the Alcoa aluminum plant has just announced that it can no longer

afford to operate at a loss. The Alcoa plant is the third largest employer in the Vancouver area. If the aluminum industry, which consumes one-third of BPA power, leaves the Northwest, the power surplus will be greatly aggravated, causing even higher rates for the remaining ratepayers. The regional economic dislocations would mean greater Federal outlays and reduced revenues from the Northwest. From an economic and fiscal perspective, the privatization of BPA makes no sense at all.

PRIVATIZATION WOULD CREATE A PROCEDURAL NIGHTMARE

The sale of BPA would make the sale of Conrail look simple and would require reformation of scores of statutes. BPA has a host of unassignable contracts that would keep an army of lawyers busy for years litigating legal issues raised by a sale of BPA. In addition, BPA has statutory duties and powers that simply could not be transferred to a private purchaser. Fish and wildlife mitigation, water use and policy, treaty obligations with Canada and various Indian tribe, and conservation programs are but a few examples of such duties and powers. There are some areas where privatization makes no sense. This is one of them.

CONGRESS SHOULD PLAY PRIMARY ROLE IN ANY DECISION TO SELL PMA'S

The Fazio amendment would prohibit the administration from soliciting proposals or preparing studies for selling the PMA's in the lower 48 States unless specifically authorized. The amendment prevents the administration from making the proposal a fait accompli by doing its own studies and making its recommendations without adequate congressional participation and oversight. The amendment is not intended to prohibit forever the sale of PMA, but it will give Congress a chance to lay the ground rules for consideration of this ill-considered proposal.

I trust my colleagues understand the folly of the proposal to auction of the Nation's power marketing agencies and will vote for the Fazio amendment.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Massachusetts [Mr. CONTE] as a substitute for the amendment offered by the gentleman from California [Mr. FAZIO].

The amendment offered as a substitute for the amendment was agreed to.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from California [Mr. FAZIO], as amended.

The amendment as amended, was agreed to.

The SPEAKER pro tempore.Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. PURSELL

Mr. PURSELL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. PURSELL. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. PURSELL moves to recommit H.R. 4515 to the Committee on Appropriations with instructions to that committee to report that bill back to the House promptly, amended so that the bill does not add to the deficit for the 1986 fiscal year.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. PURSELL] is recognized for 5 minutes in support of his motion.

□ 1810

Mr. PURSELL. Mr. Speaker, I am not going to take up the total five minutes, but basically it is very clear in our minds that we are about $1.3 billion over the Gramm-Rudman figures. It would be our hope that the committee would take a good look at this and at least establish a basic freeze on our program.

I think in light of the big national deficit, the time of day this evening, and I know we are rushed to go home, but I think it is prudent fiscally and responsibly to recommit this bill and I ask that the House do so.

Mr. WHITTEN. Mr. Speaker, I rise in opposition to the motion.

Mr. Speaker, I would call my colleagues' attention to the fact that if this motion carries, it will force us back into the committee because of the general terms in which it is covered.

What I would like to tell you is that in this bill we are not adding to the deficit. We are under our 302 allocation. We are below the President's budget request.

The administration asked for $2.1 billion in new funding and we are under that figure.

Approximately $585 million is being provided for mandatory items, such as veterans and so forth.

I call attention to the fact that our committee reported this bill out on March 20. Some complaint has been made about whether this is an urgent supplemental. At the rate we are progressing, the whole rest of the Government will be urgent.

I respectfully submit we should turn down this motion to recommit.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to my friend.

Mr. SMITH of Iowa. Mr. Speaker, I would like to point out that a vote for this motion to recommit is in effect a vote against the State Department Diplomatic Security Initiative of $702 million. A vote for this is in effect a vote against the funds for Radio Free Liberty and Radio Free Europe which they so badly need because of downward currency fluctuations, against the funds needed by the Federal Courts to pay fees of jurors, and against the funds needed for the Federal Prison System because of the sharply increased number of Federal prisoners. In addition a vote for this motion is in effect a vote against providing the Internal Revenue Service with the $340 million they need to process tax returns, enforce the law and send out refunds. They cannot wait until next week or next month. They need it now to mail out these refunds. Then there is the $20 million for the Women, Infants and Children [WIC] Program, the $250 million for the Federal Emergency Management Agency's Disaster Relief Program and the $272 million needed for the Veteran's Administration for increased compensation benefits for veterans, then spouses and dependents as authorized by law.

I think the Members ought to think very, very seriously about voting for this motion.

The SPEAKER pro tempore. (Mr. FOLEY). Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. PURSELL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidentally a quorum is not present. Pursuant to the provisions of clause 5, rule XV, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on final passage.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 168, nays 212, answered "present" 1, not voting 52, as follows:

[Roll No. 117]

YEAS—168

Applegate	Cheney	Emerson
Archer	Coats	English
Armey	Cobey	Fawell
Barnard	Coble	Fields
Bartlett	Coleman (MO)	Fish
Barton	Combest	Frenzel
Bateman	Coughlin	Gallo
Bates	Courter	Gekas
Bentley	Craig	Gingrich
Bereuter	Crane	Goodling
Bilirakis	Daniel	Gradison
Bliley	Dannemeyer	Gregg
Boehlert	Daub	Gunderson
Broomfield	DeLay	Hall, Ralph
Brown (CO)	DeWine	Hansen
Broyhill	Dickinson	Hendon
Burton (IN)	DioGuardi	Henry
Callahan	Dreier	Hillis
Carney	Duncan	Holt
Chandler	Dyson	Hopkins
Chapman	Eckert (NY)	Hubbard
Chappie	Edwards (OK)	Hughes

Hunter
Hyde
Ireland
Johnson
Jones (OK)
Kasich
Kemp
Kindness
Kolbe
Lagomarsino
Latta
Leach (IA)
Lewis (FL)
Lightfoot
Lloyd
Lott
Lowery (CA)
Lundine
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCain
McCandless
McCollum
McCurdy
McDade
McKernan
McKinney
McMillan
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Montgomery
Moore
Moorhead
Morrison (WA)
Myers
Nielson
Oxley
Packard
Parris
Pashayan
Penny
Petri
Porter
Pursell
Ray
Regula
Ridge
Ritter
Roberts
Roemer
Rogers
Roth
Roukema
Rowland (CT)
Saxton
Schneider
Schroeder
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Siljander
Skeen
Slaughter
Smith (NE)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solomon
Spence
Stangeland
Stenholm
Strang
Stump
Sundquist
Sweeney
Swindall
Tauke
Tauzin
Thomas (CA)
Thomas (GA)
Vander Jagt
Vucanovich
Walker
Whittaker
Wirth
Wolf
Wortley
Wylie
Young (FL)
Zschau

NAYS—212

Ackerman
Akaka
Anderson
Andrews
Annunzio
Anthony
Aspin
Atkins
AuCoin
Barnes
Bedell
Beilenson
Bennett
Berman
Bevill
Biaggi
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Boucher
Boulter
Breaux
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Carper
Carr
Chappell
Clay
Clinger
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coyne
Crockett
Darden
Daschle
de la Garza
Dellums
Derrick
Dicks
Dingell
Dixon
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart (OH)
Edwards (CA)
Erdreich
Evans (IL)
Fascell
Fazio
Feighan
Flippo
Florio
Foglietta
Foley
Ford (MI)
Fowler
Frank
Garcia
Gaydos
Gejdenson
Gilman
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hamilton
Hammerschmidt
Hayes
Hefner
Heftel
Hertel
Horton
Howard
Hoyer
Huckaby
Hutto
Jacobs
Jeffords
Jenkins
Kanjorski
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lipinski
Long
Lowry (WA)
Luken
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McHugh
Mica
Mikulski
Miller (CA)
Mineta
Moakley
Mollohan
Moody
Morrison (CT)
Murtha
Natcher
Nelson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Panetta
Pease
Perkins
Pickle
Price
Rahall
Reid
Richardson
Rinaldo
Rodino
Roe
Rose
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Savage
Schumer
Seiberling
Sharp
Shelby
Sikorski
Sisisky
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Taylor
Torres
Torricelli
Towns
Traficant
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (AK)
Young (MO)

ANSWERED "PRESENT"—1

MacKay

NOT VOTING—52

Alexander
Badham
Bosco
Boxer
Campbell
Davis
Donnelly
Dornan (CA)
Dowdy
Edgar
Evans (IA)
Fiedler
Ford (TN)
Franklin
Frost
Fuqua
Gephardt
Gibbons
Glickman
Grotberg
Hartnett
Hatcher
Hawkins
Hiler
Jones (NC)
Jones (TN)
Kramer
Leath (TX)
Lent
Lewis (CA)
Livingston
Loeffler
Lujan
Manton
McEwen
McGrath
Mitchell
Monson
Neal
Nichols
Pepper
Quillen
Rangel
Robinson
Rudd
Schaefer
Scheuer
Skelton
Traxler
Whitehurst
Whitley
Wright

□ 1825

The Clerk announced the following pairs:

On this vote:

Mr. Davis for, with Mr. Hawkins against.

Mr. McGrath for, with Mr. Alexander against.

Mr. Schaefer for, with Mr. Rangel against.

Mr. Hartnett for, with Mr. Manton against.

Mr. Campbell for, with Mr. Robinson against.

Mr. Livingston for, with Mr. Jones of Tennessee against.

Mr. Hiler for, with Mr. Pepper against.

Mr. Badham for, with Mr. Skelton against.

Mr. Rudd for, with Mrs. Boxer against.

Mr. Monson for, with Mr. Gibbons against.

Mr. WEBER changed his vote from "yea" to "nay."

Mr. BATES and Mrs. SCHROEDER changed their votes from "nay" to "yea."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FRENZEL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. The Chair will remind Members that this will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 242, noes 132, not voting 59, as follows:

[Roll No. 118]

AYES—242

Ackerman
Akaka
Anderson
Annunzio
Anthony
Applegate
Aspin
AuCoin
Barnes
Bedell
Beilenson
Bennett
Bentley
Bereuter
Bevill
Biaggi
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Boucher
Boulter
Breaux
Brooks
Brown (CA)
Bruce
Bryant
Burton (CA)
Bustamante
Byron
Carper
Carr
Chappell
Clay
Clinger
Coble
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coyne
Crockett
Darden
Daschle
de la Garza
Dellums
Derrick
Dicks
Dingell
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Edwards (CA)
Emerson
English
Erdreich
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Garcia
Gaydos
Gejdenson
Gilman
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Green
Guarini
Hamilton
Hammerschmidt
Hayes
Hefner
Heftel
Hendon
Hertel
Holt
Horton
Howard
Hoyer
Huckaby
Hutto
Jacobs
Jeffords
Jenkins
Johnson
Jones (OK)
Kanjorski
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lightfoot
Lipinski
Lloyd
Long
Lowry (WA)
Luken
Lundine
MacKay
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McHugh
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Mikulski
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Nelson
Nowak
O'Brien
Oakar
Oberstar
Ortiz
Owens
Parris
Pashayan
Pease
Perkins
Pickle
Price
Rahall
Reid
Richardson
Ridge
Rinaldo
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland (GA)
Roybal
Sabo
Savage
Saxton
Schneider
Schuette
Seiberling
Sharp
Shelby
Sikorski
Sisisky
Skeen
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Snowe
Solarz
Spratt
St Germain
Staggers
Stangeland
Stark
Stokes
Strang
Stratton
Studds
Swift
Synar
Tallon
Taylor
Torres
Torricelli
Towns
Traficant
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Yates
Yatron
Young (AK)
Young (MO)

NOES—132

Andrews
Archer
Armey
Barnard
Bartlett
Barton
Bateman
Bates
Bilirakis
Bliley
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Callahan
Carney
Chandler
Chapman
Chappie
Cheney
Coats
Cobey
Coleman (MO)
Combest
Coughlin
Courter
Craig

Crane	Kindness	Schroeder
Daniel	Kolbe	Schulze
Dannemeyer	Lagomarsino	Sensenbrenner
Daub	Latta	Shaw
DeLay	Leach (IA)	Shumway
DeWine	Lewis (FL)	Shuster
Dickinson	Lott	Siljander
DioGuardi	Lowery (CA)	Slattery
Dorgan (ND)	Lungren	Slaughter
Dreier	Mack	Smith, Denny (OR)
Duncan	Madigan	Smith, Robert (NH)
Eckart (OH)	Marlenee	Smith, Robert (OR)
Eckert (NY)	Martin (IL)	Snyder
Edwards (OK)	McCain	Solomon
Fields	McCandless	Spence
Fowler	McCollum	Stallings
Frenzel	Miller (OH)	Stenholm
Gallo	Molinari	Stump
Gekas	Moore	Sundquist
Gingrich	Moorhead	Sweeney
Goodling	Nielson	Swindall
Gradison	Olin	Tauke
Gregg	Oxley	Tauzin
Gunderson	Packard	Thomas (CA)
Hall (OH)	Penny	Thomas (GA)
Hall, Ralph	Petri	Vander Jagt
Hansen	Porter	Vucanovich
Henry	Pursell	Walker
Hopkins	Ray	Whittaker
Hubbard	Regula	Wirth
Hughes	Ritter	Wylie
Hunter	Roberts	Young (FL)
Hyde	Roemer	Zschau
Ireland	Roth	
Kasich	Rowland (CT)	
Kemp	Russo	

NOT VOTING—59

Alexander	Gibbons	Mitchell
Atkins	Glickman	Monson
Badham	Grotberg	Neal
Berman	Hartnett	Nichols
Bosco	Hatcher	Obey
Boxer	Hawkins	Panetta
Campbell	Hiler	Pepper
Davis	Hillis	Quillen
Dixon	Jones (NC)	Rangel
Donnelly	Jones (TN)	Robinson
Dornan (CA)	Kramer	Rudd
Dowdy	Leath (TX)	Schaefer
Edgar	Lent	Scheuer
Evans (IA)	Lewis (CA)	Schumer
Fiedler	Livingston	Skelton
Ford (TN)	Loeffler	Traxler
Franklin	Lujan	Whitehurst
Frost	Manton	Whitley
Fuqua	McEwen	Wright
Gephardt	McGrath	

□ 1835

The Clerk announced the following pairs:

On this vote:

Mr. Jones of Tennessee for, with Mr. Livingston against.

Mr. Gibbons for, with Mr. Schaefer against.

Mr. Robinson for, with Mr. Hartnett against.

Mrs. Boxer for, with Mr. Hiler against.

Mr. Skelton for, with Mr. Badham against.

Mr. Davis for, with Mr. Monson against.

Mr. McGrath for, with Mr. Rudd against.

Mr. Jones of North Carolina for, with Mr. Campbell against.

Mr. SAXTON changed his vote from "no" to "aye."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mrs. BOGGS. Mr. Speaker, I was attending a meeting in the other body today during rollcall 113 on House Resolution 448. My beeper did not activate and I missed the vote.

Had I been present, I would have voted "aye."

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO HAVE UNTIL 5 P.M. FRIDAY, MAY 9, 1986, TO FILE REPORT ON H.R. 4745, SEXUAL ABUSE ACT OF 1986

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary have until 5 p.m. tomorrow, Friday, May 9, 1986, to file a report on the bill, H.R. 4745, the Sexual Abuse Act of 1986.

The SPEAKER pro tempore. (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from California?

There was no objection.

DEAUTHORIZATION OF PROJECT FOR IMPROVEMENTS AT RACINE HARBOR, WI

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation be discharged from further consideration of the bill (H.R. 4767) to deauthorize the project for improvements at Racine Harbor, WI, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

Mr. STANGELAND. Mr. Speaker, reserving the right to object, I yield to the gentleman from Wisconsin [Mr. ASPIN] for an explanation of the legislation.

Mr. ASPIN. Mr. Speaker, I thank the gentleman for yielding and would like to thank the members of the Committee on Public Works and Transportation. I very much appreciate the cooperation of the gentleman from New Jersey [Mr. HOWARD] on this project.

What we have here, and what I would like to explain to the Members, is a deauthorization by the Corps of Engineers for a harbor in Racine, WI. That deauthorization is in the water quality bill that we passed in the House. The exact same provision is in the water quality bill that passed the other body. So we are just waiting for a conference.

The problem is the conference on the water quality bill looks like it is going to take some time, and there is a very, very important activity at the harbor at Racine this summer. We have a lot of Federal, State, local money that is involved in the harbor project. We have private industry that is involved in the harbor project, and so as not to miss this construction season and lose the advantages of it, I went to the gentleman from New Jersey [Mr. HOWARD] and asked if we could get some help in dealing with this issue. The gentleman was very, very cooperative.

I would also like to thank the ranking minority member for his cooperation and the whole committee. This is a very, very important project in Racine, and I appreciate everything that you have done.

Mr. STRANG. I thank the gentleman for his explanation.

Mr. HOWARD. Mr. Speaker, H.R. 4767 deauthorizes the project for improvements at Racine Harbor, WI.

This bill is necessary because Racine, WI, plans to redevelop the area around the harbor, including the construction of a small boat harbor. The deauthorization of the Corps of Engineers navigation project is required because a permit for construction cannot be granted while the project remains authorized. The deauthorization is urgently needed so that construction in the redevelopment area will not have to be halted.

This redevelopment is occurring with local funding and this bill will result in no Federal spending. I urge my colleagues to support this measure and allow Racine, WI, to continue the initiative it has shown.

Mr. STANGELAND. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the bill, as follows:

H.R. 4767

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the project for improvements at Racine Harbor, Wisconsin, authorized by section 2 of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 2, 1907 (34 Stat. 1075, 1100), is not authorized after the date of the enactment of this Act.

(b) The Secretary of the Army, acting through the Chief of Engineers, shall transfer without consideration to Racine County, Wisconsin, title to any facilities constructed by the United States as part of the project described in subsection (a).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I ask to proceed for the purpose of inquiring of the distinguished majority whip the program for the balance of the week, if there is any, and for next week.

Mr. FOLEY. Mr. Speaker, will the Republican leader yield?

Mr. MICHEL. I am happy to yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, the action just completed concludes the business for this week.

The House will meet tomorrow at 11 o'clock in pro forma session, and we will meet at noon on Monday next to consider six bills under suspension:

H.J. Res. 613, providing for naturalization of qualified persons at Ellis Island on July 4;

H.R. 512, Vietnam veterans charter bill;

H.R. 2224, to permit alien fishing crews to stop temporarily in Guam;

H.R. 4745, Sexual Abuse Act;

H.R. 1338, to allow suits against the United States for damages by contractors in atomic weapons testing programs, and

H.R. 2246, National Institutes of Education.

□ 1845

On Tuesday, the House will meet at noon and consider the conference report on S. 124, the Safe Drinking Water Amendments of 1985, and the conference report on S. 974, the protection and advocacy of mentally ill persons, and H.R. 1, the Housing Act, open rule, 2 hours of debate, the rule and general debate only.

Now, if I may point out that we had originally intended to order votes on suspensions on Monday to be considered for actual voting on Tuesday, we have decided to move those suspension votes, if ordered on Monday, to Wednesday.

Mr. MICHEL. Would that be because of primary elections?

Mr. FOLEY. Yes; there are several States with primary elections on Tuesday.

We will be considering the conference reports I mentioned; we will be considering the rule on H.R. 1, so there may be votes on Tuesday; there will not be votes on suspensions.

On Wednesday and the balance of the week, the House will meet at 11 a.m. on Wednesday and at 10 a.m. during the balance of the week; and immediately after the House convenes on Wednesday, there will be a recess for the purpose of receiving former Members of Congress. The House will reconvene for legislative business at approximately 12 noon, and we will consider those recorded votes, if any are ordered, on suspensions debated on Monday, May 12, and an unnumbered H.R. ——, the omnibus trade bill of 1986, subject to a rule being granted.

I should also point out that there is a distinct possibility that a budget resolution may be considered on Wednesday or the balance of the week.

Mr. MICHEL. May I inquire of the distinguished gentleman, as I recall—maybe I heard wrong—that 72 hours after the budget had passed the other body, we would be considering it over in this body. I think we have had that period of time pass already. I am just wondering—and the possibility that we may not even be considering it next week. Is there any explanation for that?

Mr. FOLEY. Well, I think we were a little ambitious in our 72-hour projection, as the gentleman knows. It has turned out to be a few hours more than 72; the spirit was willing, but it was not possible to actually report the bill to the House, and it may be that it will be tonight that the bill is reported. The Budget Committee has been working all day. I cannot predict it will be tonight, but it is very possible that it may be; in which case we would take up the budget next week.

Mr. MICHEL. Would there be any intention of taking the Democratic budget on the road, like the President's budget was taken on the road? Is there any plan for that?

Mr. FOLEY. If the gentleman would like to suggest that, I know we would consider it; but I do not think we have any plans to do that.

Mr. MICHEL. Well, I thought maybe in fairness that might be what you all had in mind.

On the trade bill, I really have to be a bit concerned. From my understanding there are going to be at least five committees involved in putting together an omnibus trade bill; and I suspect the only reason we are really having a pro forma session tomorrow is to get that clean package on your side introduced so that it could be brought up under some expedited procedure.

Now there really does not seem to be all that urgent a schedule as I look down the road on the week following or beyond. My feeling is that a trade bill as comprehensive as this one, I would think we would schedule a whole week for trade and probably a day per title.

When I see it scheduled here—well, as ad hoc; when we get through with all the other business next week, we will be taking up the trade bill; and probably at most 1 day—I have to ask myself: What opportunity is there around here for the minority to really help legislate in a positive way by offering amendments and the normal things we do to craft a good piece of legislation? Particularly one that if we are serious about getting signed by the President, would have at least some measure, modicum of support from our side.

Mr. FOLEY. If the gentleman would yield further, I think the intention is to try to craft a bipartisan trade bill, and it is not a desire on this side to prevent adequate consideration of it. I am sure it is a bill that is going to come to the floor in a bipartisan spirit, and if it requires additional time, the probability is it would go over to the following week, if we take up the budget next week.

The reason I cannot be more definite about it is I do not know at this moment whether the Budget Committee will conclude its work in time to bring the budget bill to the floor next week. If it does so, there is perhaps even some likelihood that the trade bill may continue to the week after next.

On the other hand, if the budget is not ready by some reason next week, then I think it would be our intention to bring it up and provide sufficient time for the conclusion of the trade bill.

Mr. MICHEL. Well, I appreciate the gentleman's speaking candidly as he has, because I personally happen to think that on an issue as significant as a comprehensive trade bill ought to be deserving of more time than what has preliminarily been scheduled.

I do not know if the gentleman has any idea what kind of rule under which we would be proceeding? I know there is going to have to be significant titles by committees, and then whether or not there is at least one opportunity for amending the measure by title. Has the gentleman got any intelligence at all on how that may be orchestrated next week? It would be helpful for us, I think.

Mr. FOLEY. I think the probable intention would be to seek a rule on Tuesday of next week; and I am sure it would be a matter of our interest to consult with the gentleman and other members of the leadership, and the distinguished members on the Committee on Rules as to what the gentleman feels would be an appropriate rule under which to consider the bill.

I am not personally advised at this time of what the proposals might be for a rule. A bill of this complication would probably require some special rule rather than a straight open rule, but it is one on which we would desire to have concurrence with the Republican leadership on the appropriate rule; and we will consult with you for that purpose.

Mr. MICHEL. Well, I would say again to the gentleman, I hope it will not be so closely structured that Members on both sides of the aisle—the gentleman has divisions on his side; we have divisions on our side, and if there was ever a complicated piece of legislation to be put together, particularly

when we are talking about five committees coming together, I just think the legislative process is demeaned when we give it such short shrift treatment as hoping, "Well, we'll come in at 10 and we'll ram it through by evening," that is not my way of legislating.

Mr. BARTLETT. Will the gentleman yield?

Mr. MICHEL. I yield to the gentleman.

Mr. BARTLETT. In reviewing and in listening to the schedule, my question would be on H.R. 1. I note that the gentleman has announced that H.R. 1, the Housing Act of 1985, would be considered on next Tuesday for the rule and general debate only. Under that schedule, then, H.R. 1 could not be considered and would not be considered for amendments in completion of consideration during next week. Is that correct?

Mr. FOLEY. If the minority leader would yield, we do not plan to resume consideration of it next week at this time.

The announcement that I have made in response to the questions from the distinguished Republican leader is, of course, subject to change; but at the present time we plan to consider the rule and general debate only next week.

Mr. BARTLETT. If the gentleman would further yield, the amendments and completion of consideration would occur at some subsequent time, perhaps even after the Memorial Day recess. Is that the gentleman's general intent?

Mr. FOLEY. I do not want to go beyond next week, but we do not plan to resume consideration of H.R. 1 next week, beyond the rule and general debate.

Mr. BARTLETT. I thank the gentleman for yielding.

Mr. MICHEL. Let me ask the gentleman a final question here. The gentleman mentioned the Memorial Day recess; and somewhere along the line today I heard there might have been a change in the plans of the extent of that recess.

Could the gentleman enlighten the Members on what the plans are now for Memorial Day?

Mr. FOLEY. Yes; I am glad to have an opportunity to do that.

The original intention was to return on the 28th of May, but we have been advised by the other body that they intend to continue the recess until the 3d of June, and it is our intention to comport, in the interests of comity between the two bodies, to comport the schedules as closely as possible between the other body and ourselves.

So in that spirit, we have made the adjustment to return from the district work period on the 3d of June. The 3d of June is a primary day, and it would be our intention to move votes normally taken on that day on suspensions or other matters ordered to Wednesday.

Mr. MICHEL. Now, the other body of course, they have completed their action on a budget, and there is still some uncertainty as to whether or not we will even get to ours next week; and so I have to raise the question as to how we can continue to let these matters drift, when frankly we seem to be running behind schedule from that which the other body has proceeded upon.

□ 1855

Mrs. JOHNSON. Would the gentleman from Illinois yield?

Mr. MICHEL. I am happy to yield to the gentlewoman from Connecticut.

Mrs. JOHNSON. I thank the gentleman for yielding.

Mr. Speaker, I do not believe that I speak only for myself when I say that I would strongly object to the extent of that rescheduling of our recess. We are already many days behind our own Gramm-Rudman target. That is a serious matter. We made a law; we have broken the law, we are breaking the law day after day.

For us to consider rescheduling our recess without our budget resolution passed is, I think——

Mr. FOLEY. If the gentlewoman will permit, it is the intention to complete budget action before we recess. We have 2 weeks before us before the beginning of the Memorial Day recess, and there is no intention that the Budget would be going over that, that it would not be completed in that time.

Mrs. Johnson. If the gentleman will yield further, when you look at the number of hours and the number of days and how that boils down into weeks, that it takes those weeks to pass the appropriation bills to meet the next Gramm-Rudman deadline, which is more important than the April 15 deadline, I would strongly object. And I would hope you would reconsider extending that recess.

Mr. FOLEY. Mr. Speaker, will the gentleman yield further?

Mr. MICHEL. I will be happy to yield further to the gentleman from Washington.

Mr. FOLEY. I thank the gentleman for yielding.

I think the gentlewoman's concerns are perhaps a bit extended beyond the reality. We intend to finish the budget resolution before the Memorial Day recess is taken up in any form, and the trade bill. We have 2 weeks in which to accomplish it. Those are two major items for consideration. I am sure the gentleman from Illinois would agree with me that 1 week should be sufficient time to complete an action on the trade bill or an action on the budget.

So assuming that the bill is completed, we have the entire month of June for the action on appropriation bills. And we intend to program those appropriation bills expeditiously as they are reported from the Committee on Appropriations and consider them during the month of June and to conclude House action on those during that month.

Mr. MICHEL. I should underscore the point of the necessity of, if we are going to do that, have that kind of schedule in June, we ought to have some benchmark by which the Appropriations Committee is guided and we then get cracking on that budget resolution so that we do have some guidelines under we can proceed.

Mr. LUNGREN. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I will be happy to yield to the gentleman from California.

Mr. LUNGREN. I thank the gentleman for yielding.

Mr. Speaker, I would just tell the gentlewoman from Connecticut that she ought not to worry. I have been informed that the Budget Committee is meeting today. That means this is the second day they have met this year. On that schedule we ought not to worry about whether we will accomplish our work in time.

Mr. FOLEY. Mr. Speaker, will the gentleman yield further?

Mr. MICHEL. I will be happy to yield to the gentleman from Washington.

Mr. FOLEY. I thank the gentleman for yielding further.

I think I would have to say in response to the somewhat facetious comments made by the gentleman from California that we intend to see to it that the budget is promptly scheduled. And in view of the remarks of the gentleman from Illinois, the distinguished Republican leader, as far as I have seen the proposals advanced from our side on the budget, we would be proud to take it to the country and proud to have it examined in every detail. It is going to be a very tight budget. It is going to be one that reduces the deficits beyond the levels required by Gramm-Rudman, and if it is adopted by the Budget Committee, will provide an opportunity for even substantially further reductions beyond that required by Gramm-Rudman.

Under those circumstances I think when the country learns of the budget proposal of this side, they will find it acceptable in every way. As far as the requirements of Gramm-Rudman and as far as the economy is concerned, it will be tough. It is not going to be an easy budget. But I assume those on the other side agree that having adopted Gramm-Rudman, we should be very, very assiduous in meeting those targets, and we intend to be.

I would also say that we are going to schedule the matters which I have dis-

cussed in a way that will permit expeditious consideration of the appropriation bills.

As the gentleman knows, once we have adopted a budget, we have the opportunity to consider the House budget for guidelines under 302(b) to the Appropriations Committees, and they can proceed to do their work.

Mr. MICHEL. The comments of the gentleman from Washington have obviously prompted the gentleman from Pennsylvania to inquire a further question.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I will be happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding, because what I just heard described by the gentleman from Washington is a budget substantially different from the budget passed by the other body, which means that there is going to have to at least be a conference on the budget. We were supposed to have the budget in place by April 15. So now we are talking about something where we could end up with a good deal of controversy in a conference committee and meantime we are supposed to have all the appropriation bills passed by June 10 under the provisions of law. So we now will not have only broken the law with regard to the April 15 deadline, we will now be in a position of breaking the law with regard to our appropriations bills. It seems to be that we are rapidly becoming an outlaw Congress on this process and that the gentlewoman from Connecticut is absolutely correct in raising the question of whether or not we ought to be taking more vacation time when the Congress cannot meet the deadlines that we imposed on ourselves just a matter of about 6 months ago. And I thank the gentleman for yielding.

Mr. FOLEY. Mr. Speaker, will the gentleman yield further?

Mr. MICHEL. I yield to the gentleman from Washington.

Mr. FOLEY. I thank the gentleman for yielding.

Under Gramm-Rudman the appropriation bills were not even intended to reach the floor until May 15. Granted, the April 15 target was missed. It was missed in the other body as well as here. I want to commend the other body for their work on the budget. I think it was, personally, speaking out of my own reaction to it, I think it was a very important and very meaningful step forward reflected obviously by a strong vote there. There will undoubtedly have to be a conference between the two bodies, probably. That is normal.

But in the meantime we are not prevented from going foward with the appropriation bills under the rules of the House; we would be guided by any budget resolution passed on our side prior to passage or adoption of a conference report in the consideration of appropriation bills.

So I think there is perhaps too much emphasis on the technical dates which are in any bill for guideline purposes. This is not an outlaw Congress because it meets or fails to meet some of the guidelines in terms of time. I wish, we all wish that we could do it precisely, but that has not been true in any Congress that anyone in this room has served in. The essential question is whether we get a good budget, a good solid budget, one that meets the Gramm-Rudman targets and does the substantive work that needs to be done on the budget, and I think that will be accomplished. Whether that is accomplished on the exact date of April 15 or not is less important than the substance.

Mr. WALKER. Mr. Speaker, will the gentleman yield further?

Mr. MICHEL. I yield one more time to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

I assure the gentleman from Washington, however, if my constituents fail to meet the April 15 deadline with their taxes, it would be regarded by this Government as more than a technical problem, that in fact they would be regarded as being in criminal violation, and they would have some real problems. We have a lot of dates that we are very, very firm about. It seems to me when we pass a law arround here with regard to ourselves, we ought to be just as firm about some of those dates, that they ought not to be just matters to technical problems when we have left them behind. We are not just 1 or 2 days over what we were supposed to do; we are now a month past what we were supposed to do. And I suggest that we have become an outlaw Congress.

Mr. FOLEY. Well, if the gentleman will note, since he brings up the April 15 deadline, that any taxpayer, by an application without reference to any permission, may extend his tax return date from April 15 by 4 months.

Mr. WALKER. I say to the gentleman it might have been nice if we had come to the floor and debated a resolution as to whether or not we ought to extend the budget.

Mr. FOLEY. We are not proposing a 4-month extension. If the gentleman wants to use the example of tax returns, there is a 4-month extension available to every taxpayer on his or her own application.

Mr. WALKER. Under the law.

Mr. FOLEY. So the analogy is a false one. I do not think we should continue to debate this matter.

Mr. WALKER. Under the law I would say to to the gentleman that is true, but we did not put in an extension under the law of Gramm-Rudman, plus the fact that we have not asked an extension on this floor. We have debated that as to whether or not we ought to have done an extension. So it seems to me the analogy raised by the gentleman is a false one. The fact is we are supposed to meet a date and we did not meet the date, and we have not yet met the date, and it does not appear we are going to meet the date.

Mr. FOLEY. The gentleman might work himself into a high degree of excess and excitement over the fact that we have not met the date. It is obviously true that we have not met the date. I think we ought to address ourselves to substance rather than empty form. The substance of the budget is what is important, that is what the American people want to see. They want to see a responsible budget that meets the requirements of the Gramm-Rudman law, not some fatuous focussing on the dates themselves as if a bad budget on the right date is better than a good budget a little later. I think they want a good budget product, and I think we can bring that forward here. We will have an opportunity before the recess.

Mrs. JOHNSON. Mr. Speaker, will the gentleman yield further?

The SPEAKER pro tempore. The gentleman from Illinois [Mr. MICHEL] controls the time.

Mr. MICHEL. I yield to the gentlewoman one more time. I think my minute is running out.

Mrs. JOHNSON. I thank the gentleman for yielding.

Mr. Speaker, behind all of this record lies a very bad track record on the part of Congress in terms of timely action on budgets. I would hope that the gentleman would reconsider his decision to extend our recess when our track record of accomplishments on budgetary matters is abysmal. I urge the gentleman and I know I speak for many of my colleagues, to reconsider that decision. And I hope next week he will announce a change of heart and of plan.

Mr. FOLEY. Well, I hope that the gentlewoman will speak to some of her colleagues on the other side because we were being warmly congratulated by Members on her side on this decision this afternoon in private; and I know that she speaks of her own views in public, but I must say she does not represent many of the Members that I spoke with this afternoon who were quite enthusiastic about this announcement.

Mr. MICHEL. Mr. Speaker, lest I run beyond my target date, and if I have any time left out of my allocated minute, I yield back the balance of my time.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that business under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

ADJOURNMENT TO MONDAY, MAY 12, 1986

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Friday, May 9, 1986, it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

THE RURAL HEALTH CARE IMPROVEMENT ACT

(Mr. JONES of Oklahoma asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONES of Oklahoma. Mr. Speaker, I am today introducing the Rural Health Care Improvement Act of 1986. Six of our colleagues are original cosponsors of this legislation, and Senators BAUCUS and GRASSLEY have introduced an identical bill in the Senate.

This bill is only a beginning. Small rural and sole community provider hospitals are suffering from serious problems. Many institutions are suffering from a lack of cashflow, uncertainty over proposals to change reimbursement of capital costs, and because of Medicare reimbursement policies are forced to discontinue services for many severe cases.

When health care policy decisions are made, rural hospitals are often overlooked. This legislation addresses this problem, and ensures that they will not be forgotten in the future.

Access to quality health care is becoming one of the major setbacks for development in many rural areas. Much of rural America is losing ground in the area of health care, and access to care is better in many Third World nations than in parts of our own great Nation. Rural hospitals, for instance, are closing in record numbers.

Health care expenses in small rural hospitals remain relatively low compared with the industry as a whole; however, the decline in rural patient admissions means that the cost per admission in small hospitals has increased drastically. Last year, the per admission costs in small hospitals were up by 13 percent over the previous year, compared to 9 percent for all hospitals in the Nation.

Nearly 70 percent of the Nation's small rural hospitals failed to cover their costs with patient revenue in 1984.

Some rural hospitals simply have no other choice but to close—there just aren't enough people for them to serve—but, others can and should survive. And Congress should make every effort to help the viable ones survive. This bill does just that, in a fiscally sound manner, within the framework of the prospective payment system.

This legislation is a solid first step in addressing many of the concerns of small rural hospitals and in helping to preserve access to health care for rural Americans. We hope that it will also serve as a catalyst for a new debate on the health care concerns of those Americans who do not have the luxury of living within a few minutes' drive of a hospital.

We welcome any of our colleagues who are concerned about rural health care to join as cosponsors of this important legislation.

RURAL HEALTH CARE ACT OF 1986

(1) *Impact analysis on small rural hospitals by the Secretary of HHS on Medicare and Medicaid regulations.*—Under current law a regulatory flexibility analysis is required, but HHS rarely performs such a study.

(2) *Retain current law for capital payments to Sole Community Provider Hospitals.*—Until the Administration's proposal on capital reimbursement is studied and analyzed, this provision would protect sole community providers from being adversely affected by changes in current treatment of capital costs.

(3) *Outlier Payments for small rural hospitals and Sole Community Providers.*—Outlier payments currently account for one (1) percent of all PPS payments to small rural and Sole Community Provider hospitals. The average for all hospitals is 5-6 percent.

The bill raises outlier payments to small rural and Sole Community Provider hospitals to match the percentage paid to all hospitals. This would shift about $40 million in FY 1987 from the total pool of $2.3 billion of outlier payments, and increase the total outlier payments to small rurals and Sole Community Providers to approximately $60 million.

(4) *Rural Health Research Set-Aside.*—This amendment requires no new funds. It only requires HCFA to devote annually 10 percent of existing research funds to rural health concerns.

These issues include access to care in rural communities, examining staffing requirements in small rural hospitals, and attracting and retaining physicians and other health care professionals in rural areas. Requires HCFA to develop an annual agenda of projects funded under the set-aside authority.

(5) *Timely payments to Small Rural and Sole Community Provider Hospitals.*—Slowdowns in payments to these hospitals have greatly aggravated their cashflow problems.

All Medicare claims submitted in proper form and timely fashion by small rural and Sole Community Provider hospitals will be required to be paid within thirty days.

(6) *Establishment of Office on Rural Health Care.*—Within the office of the Administrator of HCFA, there will be established an office of rural health care. This office would be responsible for implementing the provisions of this bill.

The office will not be a large bureaucracy, but will provide a focus and prevent HCFA from continuing to overlook the problems faced by rural health care providers, particularly hospitals.

THE LESSON LEARNED IN THE PHILIPPINES SHOULD BE APPLIED TO THE SITUATION IN SOUTH KOREA

(Mr. FRANK asked and was given permission to address the House for 1 minute and include extraneous matter.)

Mr. FRANK. Mr. Speaker, I hope it was extreme jet lag that affected George Shultz' judgment to the point where he saw fit to become an outspoken defender of the lack of democracy as it currently exists in South Korea. I was saddened by his refusal to meet with Kim Dae Jung and other opposition leaders, and I was particularly saddened to see him defending the current snail's pace toward a genuine democracy in South Korea.

I believe that the electorate of South Korea is ready, given the chance, to elect in free and democratic elections a pro-Western democratic government.

The lesson of the Philippines ought to be that we need not fear democracy, we ought to be encouraging it.

George Shultz, uncharacteristically, yesterday made statements which I think embarrassed us and himself. It is not up to the standards of which I think he is capable.

Coincidentally, I have recently received a letter from Kim Dae Jung, an enormously brave and courageous man who is fighting in a legitimate, nonviolent, peaceful way for democracy is South Korea.

Mr. Speaker, I ask that the statement that he sent to me be included, and I hope George Shultz will reconsider. It simply is not appropriate for him, within a few days, to be critical of the effort of the Aquino Government to struggle toward democracy and criticize their attitude toward Marcos and then approving wholeheartedly of the repression in South Korea.

He knows better.

KIM DAE JUNG
178-1 DONG KYO-DONG
Mapo-ku, Seoul, Korea, March 27, 1986

HON. BARNEY FRANK,
House of Representatives,
Washington, DC

DEAR MR. FRANK: You are always in my memory, and I am looking forward to seeing you again. I feel grateful to you whenever I think about how kindly you have aided me and how much you have supported our efforts for the recovery of democracy.

I have lived in persistent strict surveillance and restriction since I returned home

in February last year. My civil rights are not restored yet and the hitch of 17 and half years still remains against me. That has prevented me from doing party activities and I have put under house arrest as much as 12 times during past year. However, I have exerted the best efforts possible for the recovery of our democracy by overcoming such difficulties with patience and courage. Such efforts of mine are completely attributable to the ardent support of the Korean people and the encouragement of my friends of the world including you. I feel really grateful.

Although I am still in trouble, I think it has been better that I returned home and have stayed here. Now I am really happy. That is because I can share trouble and difficulties with our people and directly encourage and help them in this land.

The Korean people have been greatly encouraged by the recent recovery of democracy in the Philippines and are consolidating the resolution to exert further efforts believing that it is time for us to recover democracy in this land of Korea. The Korean government is dazzling our people and international public opinions by alternately appropriating suppression and appeasement.

Faced by such circumstances, I have felt it necessary to explain the current situation of Korea to my most intimate friends of limited number; therefore I have executed a memorandum as attached. I sincerely hope the writing will help you grasp the Korean situation.

If you have something to inquire or inform, please write me via your Embassy in Seoul. Unfortunately, it is not safe to use normal mail.

Sincerely yours,

KIM DAE JUNG,
Co-chairman of the Council for Promotion of Democracy.

SEOUL, KOREA.

RECENT POLITICAL STATE OF KOREA

MR. KIM DAE JOONG,
COCHAIRMAN OF THE COUNCIL FOR PROMOTION OF DEMOCRACY,
March 8, 1986.

1. Suppression of Government and 10-million Signature Movement

(A) Increasement of Suppression—Government has been increasing Suppression on the opposition party and general democratic forces since the latter half of the last year. Now the democratic forces are on the brink of extinction.

(B) Infringement of Human Rights—Now more than 1000 political prisoners are in jails; and tortures are inflicted frequently in investigating organizations and jails; and about 500 dissidents have been deprived of civil rights; and tortures on anti-government persons, closing of their offices, and confiscation of anti-government bulletins are occurring every day.

(C) Denial of Fundamental Rights—Freedom of press, and freedom of assembly and association are denied completely. Because local selfgovernment does not exist, all public servants are under control of President and Government. People are deprived of their fundamental rights systematically, and live under the control and intimidation of Government.

(D) Suppression on 10-million-person-signature Movement—As the 10-million-person-signature Movement by the opposition party to petition the parliament for revision of constitution into a direct presidential election system seems to be met by people's eager agreement, Government tried to stop it with undisguised suppression. However, as the resistance of the opposition party and people is strong and criticism from foreign countries boils up, Government gave up undisguised suppression, but instead switched to disguised one, mobilizing all the employees of Government organizations, government-run firms and big private firms. It instructed those organizations and firms to fire any member of them who signed for revision of constitution. It is also increasing all kinds of intimidations on general people not to sign.

2. Real Purpose of Government in Insisting on Constitutional Revision in 1989

(A) Change of Attitude—Government had opposed the revision of Constitution all along. But since January of this year, it has been proposing that Constitution be revised in 1989 into one among presidential government system, parliamentary government system, and double executive system; and the president who will swear in 1988 step down with the revision of Constitution in 1989.

(B) Election in 1988 and the real purpose of the Government—This means that Government wants the presidential election in 1988 be done by the method of indirect election in accordance with the current Constitution. The indirect election in Korea is different from that of the United States of America. Its results rely absolutely upon Government. The reasons are: First, Korean population is 40 millions but its electoral college are more than 5000, which is ten times of American electorate college. Second, people should vote to each elector, not to the presidential candidate as in America. Third, electors' election campaigns are limited, and the presidential candidates cannot even go out on the stump. Third, Opposition presidential candidates cannot secure more than 5000 reliable elector candidates throughout the country, because local self-rule governments do not exist in Korea. Therefore, if the Government's line of maintaining current election system is not changed, people's ardent wish for direct election system and a change of regime will be obstructed.

(C) Constitutional Revision in 1989 and Chun's Reappearance—Current Constitution rules only one term of the President and its amendment rules that term-lengthening or another term be denied to President Chun Doo-Hwan if those systems will be newly added to the constitution. Therefore, political analysts think, the present Government, which plans Chun's permanent rule, is proposing revision of constitution in 1989, expecting that one who will follow Chun's line obediently be revised in 1989, and after that the 1-year term President resign, and Chun grasp power again under the new Constitution.

(D) Our Opinion—Everyone knows that Korean people supported eagerly revision of Constitution into direct presidential election system in the Parliamentary election done in February last year. People know that direct presidential election, in which all the people can rise around one opposition candidate, is the only way of realizing a change of regime on the present state in which basic conditions of democracy such as freedom of press, local self-rule government, institutional guarantee of fair election do not exist. On the other hand, we want that Olympic of 1988 will be held successfully. We expect to realize democracy first and carry out the Olympic successfully on the basis of stabilized political state. To do so, we think the revision of Constitution into direct presidential election system by the autumn of 1986, election of the President in the autumn of 1987, and the Olympics in the autumn of 1988 is the most reasonable and surest schedule for success.

3. The Philippines' Political State and Korea

(A) Reasons of Success in the Philippines on our Viewpoint—We welcome eagerly restoration of democracy in the Philippines, and list reasons of its success as follows:

First, great democratic ability of the Philippino people; second, the opposition parties' success in nominating one candidate for presidency; third, acquisition of overall support, home and abroad, through nonviolent struggle; fourth, the Philippino people's cherished memory and sympathy for the late Mr. Aquino; fifth, American efficient aid to Philippino people's efforts for the restoration of democracy, respecting the wish of the majority of the Philippino people.

(B) Encouragement and Model for Us—The Philippino democratic revolution gave us a great deal of encouragement and courage. It is thought to be the Korean people who have expressed greatest interest and pleasure in the recent Philippino political state. The process of the Philippino democratic revolution is a good model for us. To achieve democracy in Korea, the power of the people should lead a struggle for restoration of democracy as it did in Philippine, and the violent and radical line should be avoided absolutely, and our basic line of peaceful struggle, anti-Communism, and cooperation with friendly nations including the United States of America should be clearly declared to the people and the world, because it conforms to the wish of the absolute majority of our people, and with the wish of democratic friendly nations.

(C) Our Fears—The reason that the Filipino revolution could be settled smoothly without severe confusion or encounters consists not only in efforts and attitudes of Anti-Marcos forces led by Corazon Aquino. Also in Marcos regime there were some passable points. In spite of severe dishonesty in voting and counting of the votes, the Philippines guaranteed considerably free atmosphere of election such as freedom of assembly and demonstration, direct election of president, and freedom of election campaign. However, none of them exists in Korea. Therefore, we fear, struggle for democratization and its result in Korea would become much more radical than in the Philippines.

4. Korea People's Opinion of the United States of America

(A) Opinion in the Past—So far, Koreans, especially students, intellectuals and workers were convinced that the United States of America was supporting the autocratic regime partially. This opinion brought violent criticisms on the United States of America, and in some Koreans' mind anti-American sentiments were growing remarkably.

(B) Beginning of New Preception—However, with the Philippino revolution as a start, considerable change begins to appear in the Koreas' opinion on the United States of America. Everyone concedes that the Philippino democratic revolution could not result in success without the positive role of the United States of America. Majority of Koreans think that American role in favor of the Filipino people's human rights and fundamental political rights cannot be regarded as intervention in the domestic affairs of another country. They believe it is the duty of

friendly nations which share democratic ideal and common interests as free nations.

(C) Historical Outlook—Although there were many ups and downs, American attitudes shown through the whole process of the Filipino presidential election and appearance of Aquino regime, were a far cry from the former ones. This transformation was more clearly displayed in contrast with the Soviet Union's foolish support for Marcos. Now the United States of America seems to depart from old political failures of supporting autocrats and minority around them of the Third World countries, for spirit of American Revolution of being on the side of majority of the people and justice. We hope such expectation of ours be met for the interests of us, Korean people, American people, and all the peoples of the world, who love freedom.

5. Future Course of Korean Democratic Forces

(A) Basic Line—We support democracy, and oppose Communism. We advocate economic, social justice, but believe that justice could be achieved richly only through free economic system. We insist on strict neutrality of the Army in politics, and seek for powerful security preparedness which will erase any miscalculation of the Communists.

(B) Right Way of Security—We absolutely oppose war, and believe permanent peace should be realized in Korean peninsula through direct dialogue between South and North Korea and agreement of four great nations—the United States of America, Japan, China, the Soviet Union. The basis of security is democracy. Forced security without giving the people the value to defend, that is democracy, will help Communists as proved in China, Vietnam, and Cuba. We guaranteed people's democratic freedom even during the Korean War, and so could beat off the invasion of one million Chinese Communist army and North Korean army. Then our per capita income was $60 but now it amounts to $2,000.

(C) Realization of Common Interests of Korea and the United States of America—We believe political stability and security could be realized only under a democratic government, successful, smooth economic cooperation with the developed countries including the United States of America could be possible, as proved in the European countries and Japan after World War II. Also in the fields of security and economic cooperation, democracy is the only way of realizing common interests of Korea and the United States of America.

(D) To Achieve Restoration of Democracy in Korea—Now we have no reasons for postponing restoration of democracy in Korea, and should not postpone it. For the peaceful change of regime through free, honest election, and for the successful Olympic Games in 1988, the schedule of Revision of Constitution in 1986, Presidential Election in 1987, Olympics in 1988 should be followed. True democratization requires democratic revision of Constitution including direct presidential election, effectuation of local self-rule government, restoration of freedom of press, revision of parliamentary and presidential election laws that make possible honest election, and guarantee of equal opportunities for obtaining money for political activities, as preconditions. We are convinced that democracy will be restored in Korea by the people's forces by 1988. How smooth and peaceful the process will be depends on the attitude of the Government. That's because our demand is nothing more than guarantee of least preconditions for free election.

RESOLUTION INTRODUCED TO MAINTAIN THE ABM TREATY

(Mr. DICKS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DICKS. Mr. Speaker, today I have introduced a concurrent resolution stating that U.S. defense programs should remain in conformance with the restrictions of the 1972 Antiballistic Missile Treaty concerning the development, testing and deployment of systems, or components of systems, that are sea-based, air-based, space-based, or mobile land-based.

I am pleased to be joined in this effort by the gentleman from Maryland [Mr. HOYER], the gentleman from Texas [Mr. BUSTAMANTE], the gentleman from Pennsylvania [Mr. FOGLIETTA], the gentleman from North Carolina [Mr. NEAL], the gentleman from California [Mr. FAZIO], and the gentleman from Wisconsin [Mr. ASPIN].

The President has repeatedly stated his intention that our defense programs, including the Strategic Defense Initiative, will be conducted in compliance with our treaty obligations, including the ABM Treaty. We welcome this commitment and commend the President for his judgment on this matter.

The ABM Treaty is widely recognized as one of the most successful arms control efforts to date. The President's Commission on Strategic Forces, the Scowcroft Commission, noted:

> Through arms control it may sometimes be possible to avoid some expenditures on weapon systems which otherwise would be deployed. A prime example is the Antiballistic Missile Treaty of 1972. It allowed both sides to avoid heavy expenditures on systems which, at that stage of technology would have been of only marginal effectiveness.

The Commission concludes:

> No move in the direction of deployment of active defense should be made without the most careful consideration of the possible strategic and arms control implications.

However, certain elements in the administration have developed a novel interpretation of the application of the ABM Treaty to advanced technologies, such as those being explored by SDI. This new interpretation argues that the only restrictions on such technologies come at deployment. Some officials have reportedly questioned whether even deployment is restricted.

This novel reading of the treaty contradicts the interpretation put forth in congressional hearings by those who participated in the actual negotiation of the Treaty. It is counter to the explanation provided to the Senate during the debate on ratification of the treaty. It is inconsistent with the explanations included in the President's Arms Control Impact Statements to the Congress for over a decade.

But more important than the technical legalistic arguments, this new reading of the ABM Treaty undermines its fundamental purpose. If a nation is allowed to proceed to the brink of deployment without violating the treaty, then it loses its protection against rapid breakout. Both the United States and the Soviet Union would have no choice but to operate on the assumption that the other side would have an advanced technology ABM system in place, and the race would be on to see who could get there first.

The administration has resolved this debate in a curious manner. It has agreed to proceed with the traditional application of the Treaty's restrictions for advanced technologies, but advised that it feels that legally it would proceed through development and testing of such systems without violating the Treaty. It has reserved the option to change its policy at any point. This had led many, including myself, to be concerned that the Soviets could observe the less restrictive interpretation and not violate the Treaty by our administration's own admission. This could give the Soviets an advantage in this sensitive area strategic relations. But it could also provide a convenient excuse for those here in the United States whose objective is to undercut the effectiveness of the ABM Treaty by having us throw off these restrictions as well. It looks to some as if we are telling the Soviets, "Make my day," in preparation for a major strategic offensive/defensive arms race.

Both the President, and the Director of the Strategic Defense Initiative, General Abrahamson, have stated that the objective of the SDI is to provide the basis for making a decision on whether to proceed with development in the early 1990's. If we are to make an objective decision, there has to be a reasonable option not to proceed if the research effort fails to meet the Nitze criteria of survivability or cost effectiveness.

However, if we have undermined the ABM Treaty to the point of ineffectiveness, the pressures to proceed despite whatever problems SDI may have encountered will be immense. We must avoid making this decision a fait accompli before we have the answers to the questions that the research is intended to provide.

We need to reach a clear understanding of how the ABM Treaty applies to the development and testing of advanced technologies. We need to make sure the Soviets don't move to the brink of deployment with our blessing. Uncertainties during the re-

search and development phase will only lead to accusations and paranoia that will fuel a defensive/offensive arms race.

The ABM Treaty as traditionally, and I believe properly, interpreted provides the basis for an understanding of how both sides should proceed with research into these technologies. It represents a responsible middle ground between the absurd, and unverifiable, Soviet assertion that even basic research is prohibited on advanced technologies, and the new idea that you can go to the very brink of deployment without restriction.

There are a wide range of forums where this common understanding can be reached, the negotiations underway in Geneva, the Standing Consultative Commission, and the regular 5-year review of the ABM Treaty scheduled for next year.

This resolution provides Members of the House an opportunity to go on record in support of adhering to the current administration policy on commitment to the ABM Treaty. It signals our desire that this policy continue as we conduct research under the SDI Program. And it indicates our desire that the United States work to insure that this standard applies to the Soviets as well.

It is not an effort to undercut the Strategic Defense Initiative. General Abrahamson has testified repeatedly that we can do the research needed to make an informed decision on development in the 1990's without any change in the current policy. It is rather an effort to reinforce the President in his decision to proceed in a rational manner on this issue.

CARGO PREFERENCE IN THE EMPEROR'S NEW CLOTHES—H.R. 3662

The SPEAKER pro tempore (Mrs. LONG). Under a previous order of the House, the gentlewoman from Nebraska [Mrs. SMITH] is recognized for 5 minutes.

Mrs. SMITH of Nebraska. Madam Speaker, we all know what cargo preference is. Cargo preference is an desperate attempt by noncompetitive U.S. shipowners and maritime unions to force Uncle Sam to guarantee them a hefty share of the commercial cargos in our export and import trades. This way, the shipping interests don't have to meet the lower cost and more efficient services offered by other vessels in those trades.

But if you're like me, you'll see a problem with this. Because creating a market for high cost, inefficient vessels creates headaches for shippers and consumers when freight rates skyrocket.

And from experience, we know they do skyrocket. We saw it happen under the cargo preference program for U.S. Government-impelled agricultural exports.

In some cases, cargo preference has allowed rates in the captive market to exceed open market rates by more than $50 per ton. While Government-impelled cargos represent a minor percentage of U.S. agricultural exports, the lesson of cargo preference is there for all of us to learn.

This is why I, as well as virtually all organizations representing the agricultural community, have been steadfast in our efforts to guard against any attempts to foist cargo preference requirements on agricultural exports, or, for that matter, exports or imports of any commercial cargos.

I have opposed various cargo preference bills that were introduced over the years at the behest of the maritime lobby. Each would have required the Government to allocate shares of our foreign seaborne commerce to high cost U.S.-flag carriers. For American consumers and exporters, it is fortunate that in each case, our arguments carried the day.

I am especially pleased that the Reagan administration has stood alongside the agricultural community in our firm opposition to any extension of cargo preference to privately owned commercial cargos.

But while we have been successful in our fights against cargo preference, and while we do have the support of the administration, we cannot be complacent. The maritime lobby continues to clamor for the extension of cargo preference into the private sector, as it has for more than a quarter of a century. If nothing else, they have been persistent.

And they're at it again. On April 23, the Subcommittee on Merchant Marine reported H.R. 3662 to the full committee. This bill, which was introduced last October 31, is called the Maritime Agreements Act of 1985.

This bill, though it does not mention the words "cargo preference," is as much a cargo preference bill as any of the earlier proposals we succeeded in scuttling. In fact, in certain respects, it is even more objectionable than some of its predecessors.

You see, this time around, cargo preference has been dressed up in the new clothes of "bilateral agreements."

While earlier bills would have required the United States to take unilateral action in allocating a share of export and import cargos to U.S. flag vessels, H.R. 3662 would require the President, within 2 years from the date of enactment, to enter into a so-called maritime agreement with every one of our trading partners that accounts for at least 1 percent of our total seaborne trade if at least one-third of that trade is not carried by U.S.-flag vessels.

In addition, the President would be required to enter into a maritime agreement if requested to do so by any trading partner, even if the trade in question fails to meet the 1 percent threshold or even if U.S.-flag vessels already carry one-third of that trade.

What is a maritime agreement, according to H.R. 3662? It is "an instrument . . . that allocates cargo shares of the waterborne import and export trade between the United States and that trading partner."

Well, you can call that a maritime agreement or anything else you like, but it's a cargo preference agreement.

And what are the shares that H.R. 3662 would require to be allocated in a maritime agreement? These percentages should please the maritime lobby: as much as one-third to U.S.-flag vessels, as much a one-third to the trading partner, and the remaining unallocated share to vessels of other nations.

And what would happen if our trading partners refused to enter into maritime agreements? Under H.R. 3662, the President would be required to "declare that one-third of the U.S. waterborne trade with the trading partner is reserved to . . . U.S.-flag vessels." In addition, the Federal Maritime Commission would have to determine whether remedial action should be taken—such as barring the trading partners' vessels from entering U.S. ports—to ensure that U.S.-flag vessels get their one-third share of the trade.

These may be new clothes for cargo preference, but, much like the proverbial emperor, H.R. 3662 really has no clothes.

Listen, for example, to this language in H.R. 3662: the President "may enter into a maritime agreement with a trading partner of the United States whenever an opportunity exists to promote free, fair, and open competition in international ocean shipping services."

Come on. There is absolutely no "free, fair, and open competition" in a bill that seeks to bludgeon our trading partners into accepting high cost, inefficient vessels in their trade with our country.

Nor is there anything "free, fair, and open" for American exporters and consumers in a system that would superimpose a one-third U.S. flag cargo perference requirement on U.S. exports and imports.

For example, consider our agricultural commodities, which must compete in world markets against exports from countries like Canada, Australia, the EEC, and Brazil.

Suppose that H.R. 3662 were enacted, and the President were compelled to enter into maritime agreements with our trading partners, including those who buy from us.

You can be sure that our competitors would not be so foolish as to enter into similar cargo sharing arrangements with each other, because they want to increase their export sales, not decrease them in order to appease their shipowners and maritime union leaders.

What would happen next under this scenario is predictable. The landed cost of American farm exports would increase, and our buyers would naturally turn to our competitors with lower landed costs.

And the same, sorry fate would befall other American exporters of coal, phosphate rock, lumber, chemicals, and manufactured goods. We would lose our overseas markets at the very time our Nation desperately needs to expand them.

As for other imports, such as oil, chemical feedstocks, iron ore, bauxite and alumina, gypsum, and manufactured goods, H.R. 3662 would simply sock it to American consumers who, in the long run, must pay for the cost of transporting the products they purchase.

In certain cases, they could be hit twice, because imports from countries with high cost merchant fleets—Australia, for example—as well as imports from countries whose fleets would raise their rates in the captive market shares gratuitously accorded them under these maritime agreements, also would have higher landed costs in the United States.

In addition, consumers would have no guarantee that they would continue to receive imports from the nations that would refuse to enter into the maritime agreements and whose vessels were denied access to U.S. ports by the Federal Maritime Commission.

If nothing else, H.R. 3662 promises to stifle our seaborne commercial trade with the heavy hand of legislated Government intervention, as well as the Government bureaucracy and controls that such intervention would spawn.

H.R. 3662 is a sorry bill, one that is diametrically opposed to the national interest. It is my hope that our colleagues on the Merchant Marine and Fisheries Committee give this bill the short shrift it so eminently deserves.

I urge my colleagues to join me in assuring that H.R. 3662 is scuttled in the same fashion as other earlier version of cargo preference.

WHITE HOUSE CONFERENCE ON NARCOTICS ABUSE AND CONTROL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. RODINO] is recognized for 5 minutes.

Mr. RODINO. Madam Speaker, today I am introducing a bill calling on the President to convene a White House Conference on Narcotics Abuse and Control in order to develop strategy for further action in the war on drugs.

Joining me as sponsors are Representative CHARLES RANGEL, chairman of the House Select Committee on narcotics Abuse and Control, Representative WILLIAM HUGHES, chairman of the Judiciary Subcommittee on Crime, and Representative FRANK GUARINI and BENJAMIN GILMAN, both members of the Select Committee on Narcotics Abuse and Control.

The severity of our drug problem requires no less than a concerted national effort led and coordinated by the President. This bill will ensure that the drug problem is addressed at the highest level of Government in a comprehensive manner.

The legislation calls on the President to convene the Conference within 6 months of its enactment into law, with a final report due to the President 6 months thereafter. The President will then be expected to report to Congress in each of the following 3 years on the status and implementation of the findings and recommendations of the Conference.

The Conference will review the recommendations on drug control made by the President's Commission on Organized Crime and it will also consider the role of drug control in our foreign policy, particularly with regard to foreign aid decisions. And it will assess the impact of the Gramm-Rudman budget cutting law and the Comprehensive Crime Control Act of 1984 on the war on drugs.

Participants in the Conference will include cabinet officers and other Federal officials working on the drug problem, Governors, Mayors, and individuals distinguished in medicine, law, sociology, education and law enforcement.

The drug problem is pervasive, afflicting all of us either directly or indirectly—whether through crime, street violence, corruption, lowered productivity, health care costs, or drug abuse by friends and family members. The purpose of this Conference is to bring together people from every part of our society, to pool the collective wisdom of our people with the goal of developing a coherent national strategy to combat drugs. It will be a national nerve center for planning, information, recommendations, and public awareness.

I am asking the President to call this Conference because only the President can focus national attention on this problem and provide the resources necessary to combat it. Right now, the Federal response to drugs is too fragmented, involving several different agencies without any central coordination. Moreover, funds are drying up for drug enforcement, treatment and education at all levels of government. Drug enforcement officials, prosecutors, courts, prisons and drug counselors all report they are overwhelmed. The President's leadership is essential, particularly when one considers that this problem is important to our rational security.

The sad truth today is that despite all our efforts, the illicit importation of narcotics is increasing every year. The amount of cocaine smuggled into our country has increased almost sixfold since 1980. New smuggling routes are springing up all along our southwest border. Drugs of all kinds are available on the streets of our major cities, and it is estimated that there are half-a-million heroin addicts, 4 million regular cocaine users, and 20 million regular marijuana smokers here in the United States. Moreover, hundreds of thousands of addicts and users who want to kick their habit cannot get treatment because of inadequate funding.

The social and economic costs of drug abuse are staggering, yet we have never been able to commit the financial resources necessary to implement an effective and balanced strategy to reduce the supply and demand for drugs.

Drug trafficking and production is also causing problems overseas, spreading violence and corruption and threatening the stability of friendly nations.

The only winner under the status quo is organized crime. While they're reaping $110 billion a year in drug profits, drugs are costing our society billions of dollars in health care, lost productivity and other social costs.

Neither States and localities, nor parents and schools can combat drugs alone. We need a strong and effective presence to help reduce the demand for drugs and to control and restrict the supply. We need a White House Conference on Narcotics Abuse and Control.

For the benefit of my colleagues, I am including the text of the bill at this point in the RECORD:

H.J. RES. 631

Joint resolution providing for a White House Conference on Narcotics Abuse and Control

Whereas the illicit production and trafficking of narcotics abroad and the illicit importation of narcotics into the United States is increasing each year;

Whereas the social and economic cost in the United States of narcotics abuse, including increased health care costs, lost productivity, and related crime and violence, is estimated to be more than $100 billion annually, and there is a direct relationship between narcotics abuse and criminal activity and street violence;

Whereas the National Drug Enforcement Policy Board recently stated that drug abuse is a major health problem that damages our social institutions and threatens our most valuable human resource—our young people;

Whereas narcotics of all kinds are readily available on the streets of major cities in the United States, it is estimated that there are 500,000 heroin addicts, 4,000,000 regular cocaine users, and 20,000,000 regular marijuana users in the United States, and the amount of cocaine available for export to the United States increased by over 50 percent in 1984 and the number of cocaine-related deaths in the United States in 1984 increased by 77 percent;

Whereas the President's Commission on Organized Crime, in its final report, stated that narcotics trafficking is the most serious organized crime problem in the world today and is the most widespread and lucrative organized crime activity in the United States, producing revenues exceeding $110 billion annually, and that insofar as the violence and corruption associated with narcotics trafficking threatens the stability of friendly nations, our own national security is jeopardized;

Whereas President Reagan has repeatedly emphasized the importance of the fight against narcotics abuse and has called narcotics abuse one of the gravest problems facing the nation;

Whereas the International Narcotics Control Board and the United States State Department have found that the illicit production, trafficking, and abuse of narcotics is international in scope and affects almost every country, and that these activities undermine the economic and social order, spread violence and corruption, and jeopardize the very political stability of some countries;

Whereas the Federal effort in narcotics law enforcement involves 14 different Federal agencies but lacks coordination and has not fully utilized the resources and expertise of State and local law enforcement officials;

Whereas the failure of the Federal Government to stem the flow of narcotics into the United States places overwhelming burdens on Federal, State, and local police, prosecutors, and courts and represents a threat to the national security; and

Whereas, in order to address these narcotics control and abuse issues in a coordinated manner and in a manner that responds to the crisis situation at hand, it is necessary to convene at the highest level of Government a conference: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This resolution may be cited as the "White House Conference on Narcotics Abuse and Control Resolution of 1986".

SEC. 2. AUTHORIZATION OF CONFERENCE.

The President shall call a White House Conference on Narcotics Abuse and Control (in this resolution referred to as the "Conference"), in accordance with this resolution, not later than 6 months after the date of the approval of this resolution in order to develop recommendations for further action to control the illicit production, trafficking, and distribution of narcotics internationally and in the United States and to prevent and treat narcotics abuse.

SEC. 3. PURPOSES OF CONFERENCE.

(a) IN GENERAL.—The purposes of the Conference are—

(1) to increase public awareness of, and to focus attention on, various aspects of the problems of narcotics abuse and control (including issues of enforcement of narcotics laws and of prevention, treatment, and rehabilitation of narcotics abusers);

(2) to pool information and experiences in order vigorously and directly to attack narcotics abuse at all levels, local, State, Federal, and international; and

(3) to assist in formulating a national strategy (encompassing international, Federal, State, and local activities) to control trafficking in narcotics and to prevent and treat narcotics abuse.

(b) SPECIFIC CONSIDERATIONS.—The Conference shall specifically review—

(1) the impact of recently enacted laws (including the Comprehensive Crime Control Act of 1984 and the Balanced Budget and Emergency Deficit Reduction Act of 1985) on efforts to control trafficking in narcotics and to prevent and treat narcotics abuse,

(2) the recommendations of the President's Commission on Organized Crime as they relate to narcotics abuse and control, and

(3) the extent to which the sanctions in section 481 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291) have been, or should be, used in encouraging foreign states to comply with their international responsibilities respecting narcotics control.

SEC. 4. CONFERENCE REPORT AND FOLLOW-UP ACTIONS.

(a) FINAL REPORT.—Not more than 6 months after the date on which the Conference is convened, a final report of the Conference shall be submitted to the President and the Congress. The report shall include the findings and recommendations of the Conference as well as proposals for any legislative action necessary to implement the recommendations of the Conference. The final report of the Conference shall be available to the public.

(b) FOLLOW-UP ACTIONS.—The President shall report to the Congress annually, during the 3-year period following the submission of the final report of the Conference, on the status and implementation of the findings and recommendations of the Conference.

SEC. 5. ORGANIZATION OF CONFERENCE.

(a) PARTICIPATION OF APPROPRIATE CABINET OFFICERS AND OTHER OFFICIALS.—The President shall—

(1) ensure the active participation in the Conference of appropriate cabinet officers, and

(2) shall provide for the involvement in the Conference of—

(A) the Governors of States,

(B) the mayors of major cities, and

(C) individuals distinguished in medicine, law, sociology, education, and law enforcement.

(b) ASSISTANCE OF FEDERAL AGENCIES.—All Federal departments, agencies, and instrumentalities shall provide such support and assistance as may be necessary to facilitate the planning and administration of the Conference.

(c) NO PAYMENT OF INDIVIDUAL EXPENSES.—Each participant in the Conference shall be responsible for his or her expenses related to attending the Conference and shall not be reimbursed from funds appropriated to carry out this resolution.

(d) DETAIL OF STAFF.—Appropriate cabinet officers may detail employees to work on the planning and administering of the Conference without regard to section 3341(b) of title 5, United States Code.

(e) RESTRICTION ON EXPENDITURES AND CONTRACTING.—New spending authority or authority to enter contracts as provided in this resolution shall be effective only to such extent and in such amounts as are provided in advance in appropriation Acts.

SEC. 6. EFFECTIVE DATE.

This resolution shall become effective on October 1, 1986.

SEC. 7. DEFINITIONS.

In this resolution:

(1) NARCOTICS.—The term "narcotics" includes—

(A) a narcotic drug (as defined in section 102(17) of the Controlled Substances Act, 21 U.S.C. 802(17)),

(B) a drug (as defined in section 1 of Article I of the Single Convention on Narcotics Drugs, signed at New York, New York, on March 30, 1961), and

(C) a drug or substance listed in a schedule under the Convention on Psychotropic Substances signed at Vienna, Austria, on February 21, 1971.

(2) APPROPRIATE CABINET OFFICER.—The term "appropriate cabinet officers" means the Attorney General, the Secretary of State, the Secretary of Health and Human Services, the Secretary of Defense, the Secretary of the Treasury, the Secretary of Transportation, the Secretary of Education, and such other cabinet officers as have responsibilities respecting narcotics abuse and control (including combating illicit production, trafficking, or distribution of narcotics).

(3) STATE.—The term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Northern Mariana Islands, the Virgin Islands, Guam, and American Samoa.

TERCENTENARY CELEBRATION OF THE GLORIOUS REVOLUTION AND THE REIGN OF KING WILLIAM III AND QUEEN MARY II

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. BATEMAN] is recognized for 5 minutes.

Mr. BATEMAN. Madam Speaker, today I am introducing a joint resolution designating the College of William and Mary as the official United States representative to the Tercentenary Celebration of the Glorious Revolution to be celebrated jointly in the United States, the Netherlands, and the United Kingdom. The Glorious Revolution in 1688 brought on a new era in democratic government with the dethroning of the British tyrant King James II and the accession to the throne by King William III and Queen Mary II.

As you know, Mr. Speaker, our own constituional government and Bill of Rights were based in part on the English Bill of Rights and the writings of John Locke, both of which resulted from the Glorious Revolution. The College of William and Mary was established by royal charter in 1693 by King William and Queen Mary making the institution the ideal American representative for the commemoration of this important historical event.

The great Virginian Thomas Jefferson, author of our Declaration of Independence and one of our Founding Fathers, attended the College of William and Mary where he learned many of the democratic theories that later produced the American Revolution. We still hold these ideals of freedom, equality, and justice as the core of American government. Jefferson and his colleagues studied the philosophers of the Glorious Revolution such as John Locke. Locke espoused a government which could be held accountable for its actions to insure that it served the rights and needs of the citizens, not the random desires of its leaders.

We are greatly indebted to our English and Dutch ancestors and I request that my colleagues join with me in celebrating the Tercentenary Celebration of the Glorious Revolution by designating the College of William and Mary as the official United States representative to the yearlong event.

DOMESTIC OIL INDUSTRY IS SUFFERING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ANTHONY] is recognized for 5 minutes.

Mr. ANTHONY. Madam Speaker, The domestic oil industry is suffering through its most difficult time in recent history. Since early December 1985, crude oil spot market prices have fallen by more than one-half. The price fall has been so severe that, after adjustment for inflation and tax changes, some recent prices received by domestic crude oil producers have been about the same as the prices they received in the late 1960's

Activity in the oil patch already has been reduced substantially. The number of active drilling rigs in the United States has plummeted from almost 2,000 at the end of last year to under 1,000 today. This compares with a peak figure of about 4,500 in late 1981. The active rig count now is near its 1971 level, the lowest recorded in the post-World War II era. Furthermore, advance indicators of drilling activity suggest that the decline in drilling may have further to go. The number of active seismic crews and the number of applications for permits to drill wells have fallen precipitously during the past few months.

Not only are fewer new wells being drilled, but many producing wells are being shut in. Shut-ins occur because the value of the oil produced is not sufficient to cover the costs of maintaining production. Stripper wells—wells producing less than 10 barrels of oil per day—are particularly vulnerable, as are wells producing heavy oil or those using incremental

tertiary methods of production. A survey taken earlier this year by the National Stripper Well Association indicated that about 100,000 of the Nation's 460,000 stripper wells would be shut in at wellhead prices of $15 per barrel or less. Indeed, the closing of many of these wells already has occurred. Since stripper wells, on average produce about 3 barrels per day, the closing of 100,000 such wells would reduce domestic oil production by about 300,000 barrels per day. Because environmental regulations typically require secure plugging of inactive wells to prevent possible damage to water supplies, it probably will be uneconomic ever to reopen most shut-in wells.

Less drilling and more shut-ins will reduce domestic oil production. Such production already is down about 110,000 barrels per day in 1986. Estimates of future production vary, but analysts agree that continuation of low oil prices will drastically lower U.S. oil production. For example, Data Resources, Inc., a leading economic consulting firm, projects that U.S. oil production would fall from its 1985 level of 10.5 MMB/D to 8.1 MMB/D in 1995 if the price of oil is in the $13–15 range in 1986–88 and then rises to $29 per barrel by 1995. Assuming somewhat higher oil prices, the Energy Information Administration recently projected domestic oil production of only 7.1 MMB/D in 1995. An American Petroleum Institute survey of oil companies suggests that domestic production could fall by at least this much if oil prices stay at relatively low levels, such as those recently experienced.

Employment has fallen markedly in the oil industry and related industries. Recently released U.S. Labor Department figures indicated that 24,000 jobs were lost in the oil and gas producing industry during March alone.

Clearly, the decline in the domestic oil industry that is underway does not augur well for the Nation's energy security. Every day that we delay action, more wells are being shut in, and more needed production permanently lost. Moreover, if low oil prices persist, oil consumption would be stimulated. Higher consumption combined with declining domestic oil production would lead to a substantial rise in U.S. oil imports.

The bill which I am introducting today with several of my colleagues, is designed to address directly some of the most serious problems faced by the industry. It will secure part of our future energy needs by maximizing production from marginal wells that are otherwise likely to be capped prematurely. Furthermore, it will offer some relief to producers who find themselves insolvent due to current industry conditions. The bill does this by recognizing that it is inappropriate to impose tax on capital gains of insolvent producers realized in the course of liquidating their holdings to satisfy indebtedness.

I urge my colleagues to give careful consideration to the legislation, and to join me in helping to secure our Nation's energy independence.

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COMPREHENSIVE REFORM OF IMMIGRATION LAWS IN A STATE OF LIMBO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. LUNGREN] is recognized for 60 minutes.

Mr. LUNGREN. Mr. Speaker, over the last 6 months those of us who have sought a comprehensive reform of our immigration laws have been somewhat chagrined by the fact that the process has been in a state of limbo. We have been told that the waiting will prove to have been justified by the conclusion of a compromise agreement on the agricultural labor provisions of the bill which are argued to be the chief obstacle to progress.

As I argued in my special order 2 days ago the very premise of the delay itself is without foundation. Both Houses on separate occasions have passed guestworker programs in the last two Congresses and there is every reason to believe that this body like the Senate last year will once again approve a temporary foreign worker program for agriculture. The truth of the matter is that it is the likelihood of success that has led opponents of such a program to delay consideration of an immigration reform bill rather than any stalemate over the matter itself.

However, that is water under the bridge and it will be clear to all who have been responsible for holding up the legislative process, should a reform bill suffer a fate similar to that in the previous two Congresses.

My focus here today will be somewhat different in that I think it would be beneficial to review the entire question of how the agricultural issue relates to the question of comprehensive immigration reform. I think that this is particularly important in light of the reports concerning ongoing negotiations—possibly even at this very moment as I speak. As I hope to demonstrate not only is the issue an integral aspect of reform, but is further complicated by the fact that the problems differ very significantly in different parts of the country.

Testimony before our subcommittee could have one to believe that somewhere between 50 and 70 percent of the total agricultural work force in the Southwestern United States comes to work here from outside the country and without benefit of papers. However, the undocumented population in agriculture is estimated to be only about 15 percent of the total undocumented population. In other words, while a small portion of the total number is undocumented aliens work in agriculture, the agricultural industry is heavily dependent on an illegal workplace.

As former INS Commissioner Leonel Castillo eloquently characterized the situation, "the U.S. is experiencing the world's largest temporary worker program, larger than the guestworker progams of France, Holland and Germany. Only ours is unregulated * * * resulting in the Immigration Service having to arrest over a million persons annually * * * whose crime is that they want to work in this country."

It should be noted that this flow of undocumented human beings is not a recent phenomena.

The reality of a migrationary flow of labor from Mexico is not going to disappear. In the Western United States, this pattern has deep historical roots that date back into the early 1880's. In fact, our laws have periodically reflected a cognizance of this longstanding phenomenon. Specifically, Mexicans were exempt from the $4-head tax imposed on each immigrant by the Immigration Act of 1907. Mexican agricultural workers were exempt from all restrictions imposed by the 1971 act—such as the literacy test, $8-head tax, and prohibition against entry by contract labor.

The provisions of the 1924 act requiring all entrants to obtain visas and the prohibitions against entry by anyone having more than 50-percent Indian blood were not enforced against persons from Mexico. Between 1942 and 1964, in excess of 4 million Mexican workers make the journey to the United States for temporary work under the much maligned bracero program. As mentioned previously, the flow of undocumented workers continues today on a sub rosa basis.

The question remains, in the context of immigration reforms how will we address this reliance on undocumented labor by the agricultural industry?

First of all, I would like to make it clear, that it is simply not possible for us to ignore the problem. We simply cannot bury our heads in the sand and pretend that this acute reliance on undocumented labor does not exist. It is essential that if immigration reform is to be truly comprehensive these issues must be hit "head on" and in a responsible way.

To do otherwise would result in two entirely untenable alternatives. We would either place those in the industry of going out of business or intentionally violating the employer sanctions provisions of the bill in order to remain in business if they are unable to find a sufficent quantity of domestic workers to harvest their crops.

Second, we must not lose sight of the fact that conditions may differ between crops for different regions of the country with respect to the types of crops that need to be harvested as well as their demands for labor. However, before I address the specific nature of this issue let me reiterate

that regardless of any other factors the controlling consideration with respect to any temporary foreign worker program must be based on an adequate supply of domestic workers who are available and willing to do the work.

The United States produces more than $130 billion of agricultural produce annually. Nearly $14 billion of that amount is accounted for by fruit, vegetables, and other labor intensive commodities. More than 800,000 farmers employ hired workers and more than 2 million U.S. residents earn some or all of their income from farm work. Many millions more are employed in supplying inputs to agricultural production or handling agricultural products. All of these people, indeed the entire nation, have a stake in an adequate agricultural work force.

The jobs of many year-round and seasonal American farmworkers and of many farmers are dependent on an adequate supply of seasonal agricultural labor. Hundreds of millions of dollars of domestic payroll and farm income will be lost to producers in other countries if adequate seasonal labor is not available to U.S. farmers.

Let me make very clear what I am saying. A lot of jobs of American citizens and those who are permanent resident aliens in the United States are dependent upon work that is already done in the agricultural area by those who are here from foreign countries. And if we were merely to say they should no longer be here and given no alternative adequate source of labor, then not only would we impact the agricultural growers, but we would, of course, impact those many millions of American jobs which are dependent upon these first actions now filled by those who are here from foreign countries.

Agricultural employers in many cases of the United States cannot obtain adequate seasonal labor to meet their needs. I say that as a fact. Every study shows that, both detailed studies and anecdotal studies.

Many U.S. workers are unwilling or unable for some reason to accept short-term seasonal agricultural employment out-of-doors in jobs that often are physically taxing. Many of these jobs are in rural areas that would require U.S. workers to remain away from home as migratory workers. The U.S. migratory agricultural work force has declined dramatically in recent years, while the demand for labor in seasonally labor intensive fruit, vegetables, and other commodities has increased.

Since not enough domestic labor is available for agriculture needs, many areas of the country depend on foreign workers to supplement domestic labor.

The Immigration and Nationality Act of 1952 authorizes the temporary admission and employment of aliens in jobs for which there are not sufficient qualified and available U.S. workers if the employment of the alien will not adversely affect U.S. workers similarly employed. In recent years about 60 to 75 thousand of these "H-2" workers have been admitted to the United States annually, about one-third of them for agricultural jobs.

Admission of H-2 workers is governed by regulations of the Immigration and Naturalization Service. The labor certification process is governed by regulations of the U.S. Department of Labor. Nonagricultural labor certifications, which make up about two-thirds of the total are subject only to local recruitment and local prevailing wages and benefits. Agricultural H-2 labor certifications however are governed by a much more stringent set of requirements.

The H-2 Program makes it possible to produce agricultural commodities requiring labor intensive seasonal operations in areas where sufficient domestic labor is not available for these operations. This expands the economic base in these areas, creating more year round and long-term seasonal agricultural jobs for U.S. farmers, farmworkers, and workers in agri-business industries. For example, without H-2 workers on hand to harvest sugar cane on the heavy organic soils of south Florida, the raw sugar produced there would have to be imported, with the loss of thousands of year-round and seasonal jobs for U.S. workers and a $115 million payroll in 1984. The H-2 cane harvesters in south Florida earned a payroll of $35 million in 1984, and averaged more than $7 per hour.

Pending legislation in the House would codify modifications to the H-2 program. However, the 20,000 or so H-2 agricultural workers make up only a small part of our foreign agricultural labor force. The majority of this foreign labor force are undocumented foreign migrant workers who come here during certain times of the year to earn higher wages in U.S. agriculture. It is difficult to estimate exactly how many of these foreign workers and their families actually came to the United States at any one time. However, we do know that the number is several hundred thousand.

The critical concern for us supporting immigration reform legislation is: how do we control the number of foreign workers coming into this country and still meet the legitimate needs of agriculture—especially for those who find that the current H-2 program is not adequate to serve their agricultural needs?

Although the H-2 program works well for some growers, it has proven to be too inflexible to be workable for the producers of perishable commodities. It is recognized in the agricultural and food industries that a separate program, other than H-2, is required for certain types of agricultural crops.

This program must include two basic ingredients. First, it must give farmers enough labor at critical times in the agricultural season and, second, this labor force must consist of domestic and documented foreign workers of employees are to avoid the employers sanctions currently a part of the immigration reform legislation in both the House and the Senate.

For example, in my own State of California the H-2 program has not been used to any degree. Except for about 200 shepherds, those in western agriculture have found it is more convenient to rely on this undocumented population that is for all intents and purposes beyond the protection of our labor laws. Those in western agriculture have made the argument that the perishable nature of their crops—unlike sugar—makes the regulatory maize of the current H-2 irrelevant to their needs. While there are some exceptions to this general rule, such as Peter Martori, who grows vegetables in Arizona, the H-2 program has just not been used in my part of the country. And I should point out that Mr. Martori himself has testified before our subcommittee that he deems it necessary for us to make changes in the law in order to streamline the operation of the H-2 program.

Therefore, this is the context within which we must consider comprehensive immigration reform legislation. In the last three Congresses both the House and Senate bills have sought to regularize the flow of undocumented aliens into a legal framework that will afford legal protection of foreign workers, as well as protection of domestic workers from displacement. In all three instances an attempt to streamline the H-2 program in order to broaden its use has been made. In addition, in the last two Congresses, on separate occasions, both bodies have adopted guestworker programs to address the concerns of those who grow perishable commodities.

The point I would like to emphasize is that the agricultural issue, if it is to be addressed in a realistic and effective manner, must continue to address two entirely separate agricultural needs. It is beyond the realm of possibility that a guestworker program will have any more relevance in southern Florida than the H-2 program currently has in the San Joaquin Valley of California. The labor needs of both areas differ significantly enough to require two separate programs. Therefore, all-encompassing legislation offered as the solution must acknowledge that fact.

I might mention that on a recent trip to Florida, a member of my staff noticed that while H-2 workers were used to harvest cane, they—as in the

case of California—were not used to harvest other crops of a more perishable nature. The same agricultural operation had two entirely separate work forces. While it is not possible to know whether the workers in the lettuce field were undocumented, I am told that among the work force English was not the spoken language. The point is that the same growers who use the H-2 program in some operations do not do so where crop spoilage and perishability are critical. While I feel that we should broaden the appeal of the H-2 program—in cases where U.S. workers are not available—we cannot ignore the fact that in some cases it may not be enough to satisfy all legitimate agricultural needs. While some may consider the alternative of putting growers out of business, a viable option if employer sanctions are as effective as I believe they will be, in my estimation such an option is not a basis for sound public policy.

Our agricultural needs require us to consider this issue on two separate tracks. This body should be allowed to vote separately on changes to the H-2 program as well as on the question of whether we should adopt a guestworker program for perishable commodities. While reasonable people can disagree on the merits of the case on either issue, it is essential that we not blur the distinct issues of two very different programs.

Much to their credit, the H-2 Coalition, a group of agricultural interests working to try to come up with legislation, has supported S. 1200, the Simpson bill, along with the reform of the H-2 program adopted in the other body. They have also worked constructively with our subcommittee to bring about similar provisions to streamline our version of the bill as well. This is a welcome departure from the activities of some in the agriculture industry in the last Congress who lobbied, both publicly and behind the scenes, feverishly throughout the conference last year to kill immigration reform when it became apparent they would not get everything they wanted in the guestworker program. I should note once again for clarity, however, that the conference itself resolved the agricultural labor issues with relative ease.

Since the conference, I think that it is instructive to note that the challenges posed by uncontrolled illegal immigration have not subsided. Quite to the contrary. As I noted in my special order 2 days ago, apprehensions are up over 40 percent compared with the previous year. In one 66-mile sector of the border that is in the sector that includes San Diego more than 270,000 undocumented aliens have been arrested in the last 6 months.

In other words, those who have a vested interest in the status quo are, in my estimation, sadly mistaken if they feel they can bury their heads in the sand and hope the problem will simply go away. Perhaps they don't care, but we as elected officials of the U.S. Government must care, because it is absolutely an essential challenge facing our constituents around the country.

Similarly, if the agricultural labor issue is to be addressed in the context of immigration reform legislation, it is also necessary to examine all proposals not only from the standpoint of whether they are good public policy but also with an eye toward their political feasibility.

In this regard, proposals for a dual legalization program—known euphemistically as a green card proposal—are a nonsolution, in my judgment. Are we supposed to believe that this Congress would create a revolving door for potentially millions of people based solely on a tangential contract they may have had with agricultural work? As I mentioned in a previous special order, if one figures that a work force of 300,000 at minimum will be required and each worker brings in three family persons, the initial group alone could total over 1 million persons. The initial group could actually be far more than that. Are we supposed to believe that this body would consciously adopt such an approach with the knowledge that it would create havoc with the current preference system where those who have already waited for 6, 7, or 8 years would essentially be told that they will have to go to the back of a new line we have formed as a result of this legislation? I can't imagine this body buying off on any dual legalization scheme—particularly in light of the controversy over the legalization issue itself in the last Congress. Such a proposal cannot by any stretch of the imagination be characterized as a vehicle to move immigation reform legislation. To the contrary, I believe it will heap coals on the fiery debate over legalization which has always been more controversial than the agricultural labor issues to begin with.

In sum, what we have here is a fake stalemate over agricultural labor with a solution—the dual legalization program—which will in fact add to the contentiousness of the debate over immigration reform legislation.

Again, while I would certainly not question anyone's motives, the fact that a so-called compromise is centered around this dual legalization concept leaves me with a great deal of anxiety and doubt as to the seriousness of this compromise effort and certainly as to the ability of this compromise effort to be finalized in a way that would be adopted on the floor of this House.

I would also suggest that while a guaranteed replenishment of labor may have a superficial appeal to some in agriculture, I would not want to stake the future of an entire industry on the unlikely event that Congress will swallow such a proposal. I might add that it would be shortsighted to think that even if the dual legalization proposal fails, it will also forever doom immigration legislation forever and thus provide for an indefinite extension of the status quo.

Those in agriculture who believe that the status quo is something they can live with ought not to believe that we will have a status quo forever. I have tried to suggest to them that their legitimate interests will not be met if in fact we do not have a comprehensive immigration reform package in the near term. But if we go beyond the near term, I am fearful that we will have a much different measure and with much different consequences.

What I fear to be the more likely scenario is that as the pressures of illegal immigration continue to mount, the environment will become less conducive to a reasoned debate. Under such circumstances, many of the legitimate concerns of those in agriculture could be sacrificed for the larger struggle to regain control of our borders. In the interim, INS would be almost certain to concentrate its resources on illegal aliens where they are most likely to be found—that is, in the fields. Thus, the problem of illegal immigration is not going to go away. It cannot be wished away. As pressures on the border mount, it is likely that the stability of the work force in agriculture will become increasingly tenuous. It is therefore not only in the national interest, but I would suggest also in the interest of agriculture itself for us to adopt a workable immigration reform bill in this Congress.

Finally, I would like to dissuade anyone from the illusion that if the green card proposal of 1986 falters, "punting" on the agricultural issue altogether will be the next available option.

It just seems to me that faltering of that type will not necessarily inexorably lead us into the possibility that somehow we will excise agriculture from the bill at all.

As I mentioned earlier from a policy standpoint, it is simply not possible to divorce consideration of the agricultural labor issue from any attempt to attain comprehensive immigration reform. Simply pretending that a problem does not exist is not usually associated with political courage.

In addition, it is likely that a bill which seeks to deal with the agricultural labor issue will have greater support in this body than one which seeks to ignore it. Based on the 228 to 172 vote on the Panetta-Morrison amendment in the last Congress, this should be self-evident. This may, therefore,

be one of those occasions where good public policy also makes good political sense.

The only appropriate course of action available is to do what this body—the people's House—is charged to do by those who have elected us: Allow policy differences to be resolved by voting. Democratic institutions are supposed to operate freely and openly in the light of public scrutiny. The cowardly attempt to stifle debate by tyrants is not something we ever want to have assocated with this country or this institution. If nothing else, regardless of our partisan or ideological differences, the one thing that should have our individual commitment should be the integrity of the legislative process.

This is particularly true with respect to an issue such as this when everyone involved has more than a suspicion that ultimate outcome would be to prohibit the agricultural issue from being debated and taken up for a vote. This act would constitute a blatant attempt to override the will of a likely majority. I suggest that if such an attempt were made that this would be clear indication that the majority sentiment which supports addressing the needs of agriculture were being intentionally excluded. Otherwise, why would there be a need for such hardball tactics?

In short, there is by definition one, and only one, way to move comprehensive immigration reform legislation—vote on it. And vote on it now.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ALEXANDER (at the request of Mr. WRIGHT) for today on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. JOHNSON) to revise and extend their remarks and include extraneous material:)

Mrs. SMITH of Nebraska, for 5 minutes, today.

Mr. GILMAN, for 60 minutes, on May 13.

Mr. BEREUTER, for 5 minutes, today.

Mr. BATEMAN, for 5 minutes, today.

(The following Members (at the request of Mr. MONTGOMERY) to revise and extend their remarks and include extraneous material:)

Mr. RODINO, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. ANTHONY, for 5 minutes, today.

Mr. ST GERMAIN, for 5 minutes, on May 12.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. DAUB, on the Rostenkowski amendment to H.R. 4515, in the Committee of the Whole, today.

Mr. DAUB, on the Fazio amendment to H.R. 4515, in the House, today.

Mr. FISH, prior to the vote on the Walker amendment to H.R. 4515, in the Committee of the Whole, today.

Mr. AUCOIN, prior to the vote on the Strang amendment to H.R. 4515, in the Committee of the Whole, today.

Mr. BONIOR of Michigan, during general debate on H.R. 4515, in the Committee of the Whole, today.

Mr. DELAY, to include extraneous material on the Armey amendment to H.R. 4515, in the Committee of the Whole, today.

Mrs. LLOYD, prior to the vote on the Fazio amendment to H.R. 4515, in the House, today.

Mrs. BOGGS, prior to vote on Fazio amendment to H.R. 4515, in the House, today.

Mr. EMERSON, prior to the vote on the Strang amendment to H.R. 4515, in the Committee of the Whole, today.

(The following Members (at the request of Mrs. JOHNSON) and to include extraneous matter:)

Mr. COURTER in two instances.
Mr. BEREUTER.
Mr. PETRI.
Mr. JEFFORDS.
Mr. BROOMFIELD in two instances.
Mr. SCHULZE.
Mr. PURSELL.
Ms. SNOWE.
Mr. LEWIS of California.
Mr. SENSENBRENNER.
Mr. SMITH of New Hampshire.
Mr. LENT.
Mr. COATS.
Mr. RINALDO.
Mr. DORNAN of California.
Mr. MCCOLLUM.
Mr. KEMP.
Mr. SAXTON.
Mr. WOLF.
Mr. CRANE.
Mrs. ROUKEMA.
Mr. HORTON.
Mr. O'BRIEN.
Mr. WORTLEY.
Mr. SMITH of New Jersey.
Mr. YOUNG of Florida.

(The following Members (at the request of Mr. MONTGOMERY) and to include extraneous matter:)

Mr. YATRON.
Mr. MATSUI in three instances.
Mr. MONTGOMERY.
Mr. BORSKI.
Mr. FASCELL.
Mr. JENKINS.
Mr. VENTO.
Mrs. KENNELLY.
Mr. DE LA GARZA.
Mr. MORRISON of Connecticut.
Mr. KANJORSKI.
Mr. LEVINE of California.
Mr. UDALL.
Mr. CLAY.
Mr. WILLIAMS.
Mr. TOWNS.
Mr. SOLARZ.
Mr. GUARINI.
Mr. SKELTON.
Mr. ROE.
Mr. KOLTER.
Mr. GARCIA.
Mr. FLORIO.
Mr. LIPINSKI.
Mr. BRYANT.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2416. An act to revise further the limitation applicable to chapter 37 of title 38, United States Code, for fiscal year 1986, for the purpose of implementing any order issued by the President for such fiscal year under any law providing for the sequestration of new loan guarantee commitments; to the Committee on Veterans' Affairs.

ADJOURNMENT

Mr. LUNGREN. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 32 minutes p.m.) the House adjourned until tomorrow, Friday, May 9, 1986, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3461. A letter from the Chairman, District of Columbia Retirement Board, transmitting a personal financial disclosure statement for a member of the Board, pursuant to Public Law 96-122, sections 162 and 164(a)(1)(A); to the Committee on the District of Columbia.

3462. A letter from the Secretary of Education, transmitting notification of proposed final funding priorities—Handicapped Children's Early Education Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

3463. A communication from the Assistant Secretary of the Army (Civil Works), transmitting a letter from the Chief of Engineers, Department of the Army, dated May 22, 1985, submitting a report, together with accompanying papers and illustrations, on Virginia Beach, VA. These reports are in response to section 1(a) of the 1974 Water Resources Development Act (H. Doc. 99-216); to the Committee on Public Works and Transportation and ordered to be printed.

3464. A letter from the Fiscal Assistant Secretary, Department of the Treasury, transmitting the Airport and Airway, Black Lung Disability, Hazardous Substance Response, Highway, Inland Waterways, Nuclear Waste, and Reforestation annual trust fund reports, pursuant to 26 U.S.C. 9602(a), 42 U.S.C. 9633(b)(1), 33 U.S.C. 1801(c)(1), 42 U.S.C. 10222(e)(1), and 16 U.S.C.

1606a(c)(1); jointly, to the Committees on Agriculture, Education and Labor, Energy and Commerce, Interior and Insular Affairs, Public Works and Transportation, and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WHEAT: Committee on Rules. H. Res. 450. Resolution providing for the consideration of H.R. 1, a bill to amend and extend certain laws relating to housing, and for other purposes. (Rept. 99-590). Referred to the House Calendar.

Mr. GLICKMAN: Committee on the Judiciary. H.R. 512. A bill, to grant a Federal charter to the Vietnam Veterans of America, Incorporated. (Rept. 99-591. Referred to the House Calendar.

Mr. MAZZOLI: Committee on the Judiciary. H.R. 2224. A bill to amend the Immigration and Nationality Act to permit nonmimmigrant alien crewmen on fishing vessels to stop temporarily at ports in Guam; with an amendment. (Rept. 99-592). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government Operations. Federal Grazing Program: All Is Not Well On the Range. (Rept. 99-593). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANTHONY (for himself, Mr. COELHO, Mr. FOWLER, Mr. SHELBY, Mr. PICKLE, Mr. JONES of Oklahoma, Mr. LOWRY of Washington, Mr. ROBINSON, and Mr. BREAUX):

H.R. 4780. A bill to amend the Internal Revenue Code of 1954 to provide a credit against income tax for producing oil from certain marginal wells, to repeal the net income limitation on percentage depletion on oil and gas wells, to provide relief from the minimum tax for insolvent oil producers, and to provide that certain tax benefits will not be lost where an oil or gas property is transferred; to the Committee on Ways and Means.

By Mr. BENNETT (for himself, Mr. SPENCE, Mr. DYSON, Mr. SISISKY, Mr. BUSTAMANTE, Mr. ORTIZ, Mr. HUNTER, Mr. CARNEY, Mr. BATEMAN, Mr. PRICE, Mrs. LLOYD, Mr. BLAZ, Mr. HARTNETT, and Mr. FOGLIETTA):

H.R. 4781. A bill to provide for the establishment by law of the requirements for strategic and critical materials to be stockpiled in the National Defense Stockpile, and for other purposes; to the Committee on Armed Services.

By Mr. BREAUX (for himself, Mrs. LONG, Mrs. BOGGS, Mr. MOORE, Mr. HUCKABY, Mr. LIVINGSTON, Mr. TAUZIN, and Mr. ROEMER):

H.R. 4782. A bill to designate the United States Post Office Building being constructed in La Place, LA, as the "Gillis W. Long Post Office Building"; to the Committee on Post Office and Civil Service.

By Mr. BRYANT (for himself, Mr. WYDEN, Mr. SIKORSKI, Mr. SLATTERY, Mr. LEVINE of California, and Mrs. BOXER):

H.R. 4783. A bill to strengthen the prohibition of kickbacks relating to subcontracts under Federal Government contracts; jointly, to the Committee on Government Operations and the Judiciary.

By Mrs. COLLINS (for herself and Mr. WEISS):

H.R. 4784. A bill to require the transfer of jurisdiction to the District of Columbia over certain property to permit such property to be used as a shelter for the homeless; to the Committee on Government Operations.

By Mr. FASCELL (by request):

H.R. 4785. A bill to amend the United States Institute of Peace Act in order to provide authorization for appropriations for fiscal years 1987 and 1988; jointly, to the Committees on Foreign Affairs, and Education and Labor.

By Mr. HUGHES (for himself, Mr. MCCOLLUM, Mr. MAZZOLI, Mr. LUNGREN, Mr. SHAW, and Mr. GEKAS):

H.R. 4786. A bill to amend title 18, United States Code, to provide additional tools for the battle against terrorism, and for other purposes; jointly, to the Committees on the Judiciary, and Foreign Affairs.

By Mrs. JOHNSON (for herself, Mr. GRADISON, Mr. CHANDLER, Mr. CLINGER, Mr. COATS, Mr. CARPER, Mr. CONTE, Mr. COUGHLIN, Mr. FISH, Mr. FORD of Tennessee, Mr. FRENZEL, Mr. GREEN, Mr. HENRY, Mr. HILLIS, Mr. HORTON, Mr. IRELAND, Mr. LIVINGSTON, Mr. MCDADE, Ms. KAPTUR, Mrs. MARTIN of Illinois, Mr. MCKERNAN, Mr. PETRI, Mr. WHITEHURST, Mr. ROWLAND of Connecticut, Mrs. VUCANOVICH, Mr. RIDGE, and Mrs. SCHNEIDER):

H.R. 4787. A bill to amend the Internal Revenue Code of 1954 to restrict the credit for dependent care services to taxpayers with adjusted gross incomes of $50,000 or less, to provide for a voucher system for low income individuals for child care services, to provide for mandatory State registration (and voluntary State certification) of child care providers, and for other purposes; to the Committee on Ways and Means.

By Mr. JONES of Oklahoma (for himself, Mr. DORGAN of North Dakota, Mr. TAUKE, Mr. SYNAR, Mr. SKELTON, Mr. WATKINS, and Mr. BOULTER):

H.R. 4788. A bill to amend the Social Security Act to provide for improved treatment of small rural hospitals and sole community hospitals under title XVIII and XIX of such Act, and for other purposes; jointly to the Committees on Ways and Means and Energy and Commerce.

By Mrs. KENNELLY:

H.R. 4789. A bill to amend the Fair Labor Standards Act of 1938 to exempt from the minimum wage and overtime requirements of that Act employees of pubiic agencies whose earning or productive capacity is impaired by a physical or mental deficiency or injury; to the Committee on Education and Labor.

By Mrs. KENNELLY:

H.R. 4790. A bill to amend the Internal Revenue Code of 1954 to improve simplified employee pensions; to the Committee on Ways and Means.

By Mr. MARLENEE (for himself, Mr. EMERSON, and Mr. ROBERT F. SMITH):

H.R. 4791. A bill to require the Federal Crop Insurance Corporation to determine insurance units for the 1986 and 1987 crop years in the same manner as the Corporation determined insurance units for the 1984 crop year; to the Committee on Agriculture.

By Mr. MONTGOMERY:

H.R. 4792. A bill to amend title 10, United States Code, to prescribe the period for eligibility for use of commissary stores attributable to performance of active duty for training by members of the Selected Reserve; to the Committee on Armed Services.

By Mr. PETRI (for himself and Mr. JEFFORDS):

H.R. 4793. A bill to establish a system to provide workers with additional information concerning their exposure to hazards in the workplace, and for other purposes; to the Committee on Education and Labor.

By Mr. RICHARDSON (for himself, Mr. BROWN of Colorado, Mr. WHEAT, Mr. JONES of Oklahoma, Mr. ROBERTS, Mr. WIRTH, Mr. STRANG, Mr. CLAY, Mr. SYNAR, Mr. TAYLOR, Mr. ENGLISH, Mr. YOUNG of Missouri, Mr. SLATTERY, Mr. GLICKMAN, and Mr. SKELTON):

H.R. 4794. A bill to amend the National Trails System Act to designate the Santa Fe Trail as a National Historic Trail; to the Committee on Interior and Insular Affairs.

By Mr. ST GERMAIN:

H.R. 4795. A bill to amend the Internal Revenue Code of 1954 to permit pension and annuity plans to make distributions to participants for purposes of acquiring a principal residence; to the Committee on Ways and Means.

By Mr. SCHULZE:

H.R. 4796. A bill to enhance the ability of businesses, professionals, associations, and State and local governments to obtain liability insurance and to amend the Internal Revenue Code of 1954 to provide a deduction for contributions to a fund for payment of certain liability claims and to provide that certain restrictions on consolidated returns shall not apply to insurance companies doing business with risk retention groups; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. WALGREN: (for himself, Mr. WAXMAN, and Mr. GEPHARDT):

H.R. 4797. A bill to amend title XVIII of the Social Security Act to provide for research with respect to the outcomes of specific medical treatments and surgical procedures; jointy, to the Committees on Ways and Means and Energy and Commerce.

By Mr. BATEMAN:

H.J. Res. 630. A joint resolution designating the College of William and Mary as the official United States representative to the Tercentenary celebration of the Glorious Revolution to be celebrated jointly in the United States, the Netherlands, and the United Kingdom; to the Committee on Foreign Affairs.

By Mr. RODINO: (for himself, Mr. RANGEL, Mr. GUARINI, Mr. HUGHES, and Mr. GILMAN):

H.J. Res. 631. A joint resolution providing for a White House Conference on Narcotics Abuse and Control; jointly, to the Committees on the Judiciary, Foreign Affairs, and Energy and Commerce.

By Mr. BURTON of Indiana (for himself, Mr. WRIGHT, Mr. MICHEL, Mr. FOLEY, Mr. LOTT, Mr. ROSTENKOWSKI, Mr. KEMP, Mr. COELHO, Mr. VANDER JAGT, Mr. UDALL, Mr. FASCELL, Mr. MURTHA, Mr. LUNGREN, Mr.

OXLEY, Mr. HALL of Ohio, and Mr. JACOBS):

H. Con. Res. 335. Concurrent resolution honoring Lester R. Brown for his many years of service to his country; to the Committee on Post Office and Civil Service.

By Mr. DICKS (for himself, Mr. HOYER, Mr. BUSTAMANTE, Mr. NEAL, Mr. FOGLIETTA, Mr. FAZIO, and Mr. ASPIN):

H. Con. Res. 336. Concurrent resolution stating that United States defense programs should remain in conformance with the restrictions of the 1972 Anti-Ballistic Missile Treaty concerning development, testing, and deployment of systems (or components for systems) that are sea-based, air-based, space-based, or mobile land-based; to the Committee on Armed Services.

By Mr. HALL of Ohio (for himself, Ms. OAKAR, and Mr. WOLF):

H. Res. 451. Resolution expressing the sense of the House of Representatives with respect to the effective date of any change in the taxation of employees' annuities; to the Committee on Ways and Means.

By Mr. TAUZIN:

H. Res. 452. Resolution to express the sense of the House that the administration should broaden its interpretation of the Trade Adjustment Assistance Act to include employees of the U.S. oil and gas industry and oil and gas service industry to qualify for certification; to the Committee on Ways and Means.

By Mr. WOLF (for himself and Mr. PARRIS):

H. Res. 453. Resolution expressing the sense of the House of Representatives that the Federal Government should refund that part of the contributions which are required to be made by certain officers and employees of the Federal Government to the Civil Service Retirement and Disability Fund (and certain other retirement funds), but which would not be so required if the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 had been extended; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. BORSKI introduced a bill (H.R. 4798) for the relief of Toufic Maurice Hakim; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 585: Mr. WHEAT.

H.R. 615: Mr. ECKERT of New York, Mr. JACOBS, and Mr. SOLARZ.

H.R. 864: Mr. RODINO, Mr. YATRON, and Mr. HUGHES.

H.R. 1089: Mr. FUSTER, Mr. FAUNTROY, Mr. RODINO, Mr. KASTENMEIER, and Mr. BEVILL.

H.R. 1213: Mr. BARNES.

H.R. 1294: Mr. MONSON.

H.R. 1309: Mr. GEPHARDT, Mrs. SCHROEDER, Mr. HOWARD, Mr. TORRICELLI, Mr. DYMALLY, Mr. LANTOS, Mr. LEVIN of Michigan, Mr. CONTE, and Mr. BERMAN.

H.R. 1400: Mr. SMITH of New Jersey.

H.R. 1666: Mr. LOTT, Mr. WALKER, Mr. CONTE, Mr. PETRI, Mr. O'BRIEN, Mr. GOODLING, Mr. HAMMERSCHMIDT, Mr. WOLF, Mr. GINGRICH, Mrs. VUCANOVICH, Mr. MCMILLAN, Mr. BARTLETT, Mr. SUNDQUIST, Mrs. ROUKEMA, Mr. MYERS of Indiana, Mr. ROGERS, Mr. COBLE, Mrs. SMITH of Nebraska, Mr. TAYLOR, Mr. SOLOMON, Mr. SENSENBRENNER, Mr. LEWIS of California, Mr. MILLER of Washington, Mr. SPENCE, Mr. BROOMFIELD, Mr. CRAIG, Mrs. MEYERS of Kansas, Mr. ROBERTS, Mr. BATEMAN, Mr. GALLO, Mr. BLILEY, Mr. COATS, Mr. BROYHILL, Mr. HUNTER, Mr. LEACH of Iowa, Mr. CHANDLER, Mr. EDWARDS of Oklahoma, and Mr. TAUKE.

H.R. 1840: Mr. DYSON.

H.R. 2042: Mr. GEKAS.

H.R. 2582: Mr. BONIOR of Michigan.

H.R. 2873: Mr. DORNAN of California and Mr. SCHEUER.

H.R. 2952: Mr. DOWNEY of New York and Mr. TORRES.

H.R. 3006: Mr. GARCIA, Mr. GILMAN, and Mr. YOUNG of Alaska.

H.R. 3349: Mr. ROWLAND of Georgia.

H.R. 3470: Mr. COUGHLIN, Mr. DYMALLY, and Mr. MOLLOHAN.

H.R. 3593: Mrs. BENTLEY and Mr. LELAND.

H.R. 3626: Mr. PURSELL and Mr. DEWINE.

H.R. 3644: Mr. COOPER and Mr. HOWARD.

H.R. 3766: Mr. KASICH.

H.R. 3799: Mr. GEJDENSON, Mrs. SCHROEDER, Mr. JACOBS, Mr. COUGHLIN, Mr. BARNES, Mr. PENNY, Mr. FORD of Tennessee, Mr. BOLAND, Mr. HAMILTON, and Mr. NOWAK.

H.R. 3800: Mr. HAMILTON, Mr. FROST, and Mr. HILLIS.

H.R. 3822: Mr. MATSUI.

H.R. 3866: Mr. TAUKE.

H.R. 4000: Mr. BOEHLERT and Mr. RINALDO.

H.R. 4076: Mr. CRANE.

H.R. 4194: Mr. PEASE.

H.R. 4257: Mr. DAVIS.

H.R. 4278: Mr. DAUB.

H.R. 4300: Mr. CLINGER, Mr. GILMAN, and Mr. SOLARZ.

H.R. 4312: Mr. RITTER and Mr. BARNARD.

H.R. 4343: Mr. HYDE, Mr. PORTER, Mr. SHUMWAY, Mr. KINDNESS, Mr. WORTLEY, Mr. MACK, and Mr. NIELSON of Utah.

H.R. 4344: Mr. DIOGUARDI, Mr. YOUNG of Alaska, and Mr. WHITTAKER.

H.R. 4346: Mrs. BYRON.

H.R. 4349: Mr. KOLBE and Mr. WHITEHURST.

H.R. 4391: Mrs. HOLT.

H.R. 4393: Mr. BATEMAN, Mr. BLAZ, Mr. BUSTAMANTE, Mr. COATS, Mr. CONYERS, Mr. DANIEL, Mr. DANNEMEYER, Mr. EVANS of Illinois, Mr. FAZIO, Mr. HILLIS, Mr. HOPKINS, Mr. HUNTER, Mr. JEFFORDS, Mr. LEVINE of California, Mr. MOAKLEY, Mr. MRAZEK, Mr. REID, Mr. RICHARDSON, and Mr. WOLF.

H.R. 4394: Mr. JONES of North Carolina, Mr. GORDON, Mr. CHANDLER, Mr. MATSUI, Mrs. VUCANOVICH, Mr. SENSENBRENNER, Mr. REID, Mr. MILLER of Washington, and Mr. SMITH of New Hampshire.

H.R. 4397: Mr. WIRTH, and Mr. MINETA.

H.R. 4545: Mr. TOWNS, Mr. MOLLOHAN, Mr. COELHO, Mr. BROWN of California, Mr. ACKERMAN, Mr. MITCHELL, Mr. RAHALL, Mrs. BURTON of California, Mrs. COLLINS, and Mr. GARCIA.

H.R. 4556: Mr. BLILEY, Mr. JONES of North Carolina, Mr. MCCAIN, and Mr. ZSCHAU.

H.R. 4591: Mr. CHAPMAN.

H.R. 4610: Mr. THOMAS of Georgia, Mr. MARTINEZ, and Mr. LIGHTFOOT.

H.R. 4611: Mr. LOTT, Mr. KEMP, Mr. BADHAM, Mrs. BENTLEY, Mr. LAGOMARSINO, Mr. BLILEY, Mr. SMITH of New Hampshire, Mr. SWINDALL, Mr. BURTON of Indiana, Mr. HANSEN, Mr. DORNAN of California, Mr. COURTER, Mr. PACKARD, Mr. GEKAS, Mr. RUDD, Mr. CRANE, Mr. DANNEMEYER, Mr. DELAY, Mr. DREIER of California, Mr. KINDNESS, Mr. OXLEY, Mr. MONSON, Mr. LUNGREN, Mr. SHUMWAY, Mr. MOORHEAD, Mr. FIELDS, Mr. LIGHTFOOT, Mr. NIELSON of Utah, Mr. MACK, Mr. WALKER, Mr. GINGRICH, Mr. MCCOLLUM, Mr. SCHAEFER, Mr. COBLE, Mr. BOULTER, Mrs. VUCANOVICH, Mr. KOLBE, Mr. WILSON, Mr. PARRIS, and Mr. WHITEHURST.

H.R. 4616: Mr. HUNTER.

H.R. 4631: Mr. WHITTAKER.

H.R. 4647: Mr. CLINGER.

H.R. 4650: Mr. TORRICELLI and Mr. EDWARDS of Oklahoma.

H.R. 4660: Mr. EVANS of Illinois, Mr. SHUMWAY, Mr. IRELAND, Mr. FUSTER, Mr. MCCOLLUM, Mr. MCGRATH, and Mr. MONSON.

H.R. 4675: Mr. BOEHLERT, Mr. CRAIG, Mr. DIOGUARDI, Mr. SCHAEFER, Mr. SHAW, Mr. STAGGERS, and Mr. VALENTINE.

H.R. 4683: Mr. JONES of Tennessee.

H.R. 4694: Mr. HENRY, Mr. GUNDERSON, and Mr. DAUB.

H.R. 4703: Mr. RAHALL, Mr. WISE, Mr. MITCHELL, Mr. MURPHY, and Mr. MOLLOHAN.

H.R. 4711: Mr. GREEN, Mr. FRANK, Mr. LEVIN of Michigan, Mr. MORRISON of Connecticut, Mr. MAZZOLI, Ms. KAPTUR, Mr. SEIBERLING, Mr. NIELSON of Utah, and Mrs. SCHROEDER.

H.R. 4753: Mr. GRADISON.

H.R. 4773: Mr. LEACH of Iowa and Mr. EVANS of Illinois.

H.J. Res. 7: Mr. DREIER of California.

H.J. Res. 244: Mr. VALENTINE, Ms. SNOWE, Mrs. JOHNSON, and Mr. MOLINARI.

H.J. Res. 417: Mr. WALGREN, Mr. WIRTH, Mr. JEFFORDS, Mr. SMITH of New Jersey, Mr. GILMAN, Mr. MOODY, Mr. GEJDENSON, and Mr. DYMALLY.

H.J. Res. 435: Mr. WOLF, Mr. PARRIS, Mr. BROWN of California, and Mr. ACKERMAN.

H.J. Res. 484: Mr. LIPINSKI, Mr. COURTER, Mr. WALKER, Mr. BRUCE, Mr. LAGOMARSINO, Ms. OAKAR, and Mr. ROWLAND of Georgia.

H.J. Res. 498: Mr. PARRIS.

H.J. Res. 511: Mr. JEFFORDS, Mr. TOWNS, Mr. GUARINI, Mr. HUGHES, Mr. NIELSON of Utah, Mr. SHUMWAY, Mr. CHAPPELL, Mr. THOMAS of California, Mr. WOLF, Mr. LOTT, Mr. KINDNESS, Mr. MCEWEN, Mr. STENHOLM, and Mr. ROWLAND of Georgia.

H.J. Res. 558: Mr. KRAMER.

H.J. Res. 577: Mr. DOWDY of Mississippi, Mr. BONIOR of Michigan, Mr. JONES of North Carolina, Mr. BROWN of Colorado, Mr. KOLTER, Mr. KASICH, Mr. KOSTMAYER, Mr. VANDER JAGT, Mr. MONSON, Ms. OAKAR, Mr. DIXON, Mr. HOYER, and Mr. FUQUA.

H.J. Res. 579: Mr. GRAY of Illinois, Mr. KLECZKA, Mr. WAXMAN, Mr. LEHMAN of Florida, Mr. O'BRIEN, Mr. DIXON, Mr. FUSTER, Mr. FUQUA, Mr. LAGOMARSINO, Mr. SMITH of Florida, Mr. LUNDINE, Mr. HAYES, Mr. TOWNS, Mr. KOSTMAYER, Mrs. BOXER, Mr. ROE, Mrs. BENTLEY, Mr. WOLPE, Mr. WORTLEY, Mr. DE LA GARZA, Mr. FAZIO, Mrs. BURTON of California, Mr. MINETA, Mr. LEVIN of Michigan, Mr. BONIOR of Michigan, Mr. BIAGGI, Mr. NIELSON of Utah, Mrs. COLLINS, Ms. OAKAR, Mr. MARTINEZ, Mr. FISH, Mr. KASICH, Mr. MRAZEK, Mr. MCEWEN, Mr. SAVAGE, Mr. GEKAS, Mr. ANDREWS, Mr. HUGHES, and Mr. LAFALCE.

H.J. Res. 580: Mr. DYMALLY, Mr. FEIGHAN, Mr. GREEN, Mr. BORSKI, Mr. BROWN of Colorado, Mr. MCHUGH, Mr. CARPER, Mr. BERMAN, Mr. HALL of Ohio, Mrs. COLLINS, Mr. BEDELL, Mr. OWENS, Mr. HOYER, Mr. WILSON, Mr. UDALL, Mr. LANTOS, Mr. LEHMAN of California, Mrs. KENNELLY, Mr. LEHMAN of Florida, Mr. THOMAS of Georgia, Mr. DARDEN, Mr. HEFTEL of Hawaii, Mr. HAYES, Mr. LIPINSKI, Mr. ANNUNZIO, Mr. BRUCE, Mr. DURBIN, Mr. VISCLOSKY, Mr.

HAMILTON, Mr. NATCHER, Mr. ROEMER, Mr. BOLAND, Mr. ATKINS, Mr. MARKEY, Mr. HERTEL of Michigan, Mr. SABO, Mr. WHITTEN, Mr. CLAY, Mr. VOLKMER, Mr. REID, Mr. ACKERMAN, Mr. HEFNER, Mr. TRAFICANT, Mr. SYNAR, Mr. WATKINS, Mr. KOLTER, Mr. COYNE, Mr. TALLON, Mr. GORDON, Mr. BROOKS, Mr. STENHOLM, Mr. LELAND, Mr. GONZALEZ, Mr. OLIN, Mr. BOUCHER, Mr. FOLEY, Mr. DICKS, Mr. GUNDERSON, and Mr. PETRI.

H.J. Res. 591: Mr. BLAZ, Mr. RODINO, Mr. CLINGER, Mr. LOWERY of California, Mr. STRANG, Mr. O'BRIEN, Mrs. JOHNSON, Mr. WATKINS, Mr. SLAUGHTER, and Mr. LEWIS of California.

H.J. Res. 592: Mr. WHITEHURST, Mr. WORTLEY, Mr. BURTON of Indiana, Mr. KINDNESS, Mr. DORNAN of California, Mr. LEWIS of Florida, Mr. COURTER, Mr. GEKAS, and Mr. COBEY.

H.J. Res. 593: Mr. SMITH of New Jersey, Mr. WHITEHURST, Mr. WORTLEY, Mr. ROBERT F. SMITH, Mr. BURTON of Indiana, Mr. KINDNESS, Mr. HALL of Ohio, Mr. SMITH of New Hampshire, Mr. LEWIS of Florida, Mr. SOLOMON, Mr. DENNY SMITH, Mr. CRAIG, Mr. MONSON, Mr. KEMP, Mr. DYSON, Mr. ARMEY, Mr. PARRIS, Mr. RUDD, and Mr. HUTTO.

H.J. Res. 622: Mr. WATKINS, Mr. SCHUETTE, Mr. WEBER, Mr. DORGAN of North Dakota, Mr. LAGOMARSINO, and Mr. DENNY SMITH.

H.J. Res. 629: Mr. HEFTEL of Hawaii, Mr. CALLAHAN, Mr. COATS, Mr. KOSTMAYER, Mr. FUSTER, Mr. GILMAN, Mr. MANTON, Mr. NEAL, Mr. ROBERT F. SMITH, Mr. HAYES, Mr. MRAZEK, Mr. FUQUA, Mr. FOWLER, Mr. CONYERS, Mr. MACKAY, Mr. DARDEN, Mr. BRYANT, Mr. LEWIS of Florida, Mr. SHAW, Mr. ROEMER, Mr. BLILEY, Mr. DIOGUARDI, Mr. GONZALEZ, Mr. AKAKA, Mr. DIXON, Mr. BEILENSON, Mr. DYMALLY, Mr. WORTLEY, Mr. HUNTER, Mr. DENNY SMITH, Mr. FLIPPO, Mr. WOLF, Mr. SCHUMER, Mr. SHUMWAY, Mr. SMITH of Florida, Mr. BATES, Mr. MARTINEZ, Mr. GEJDENSON, Mr. DYSON, Mr. LIPINSKI, Mr. HORTON, Mr. COLEMAN of Missouri, Mr. FASCELL, Mr. TRAXLER, Mr. BENNETT, Mr. KEMP, Mr. MONSON, Mr. OXLEY, Mr. DANIEL, Mrs. BOXER, Mr. MCCLOSKEY, Mr. ROE, Mr. FEIGHAN, Mr. MOORE, Mr. MARKEY, Mr. YOUNG of Alaska, Mr. MCCANDLESS, Mr. GREEN, Mr. LEVIN of Michigan, Mr. CAMPBELL, Mr. HATCHER, Mr. COLEMAN of Texas, Mr. MINETA, Mr. WYLIE, Mr. MILLER of Washington, Mr. SOLOMON, Mr. CHAPPIE, Mr. PARRIS, Mr. ANDERSON, Mr. MURPHY, Mr. LEHMAN of California, Mr. SOLARZ, Mr. KRAMER, Mr. LENT, Mr. BLAZ, Mr. DANNEMEYER, Mr. ROWLAND of Georgia, Mr. OWENS, Mr. JONES of North Carolina, Mr. RODINO, Mr. THOMAS of Georgia, Mr. SCHEUER, Mr. KOLTER, Mr. MCCOLLUM, Mr. SUNIA, Mr. LEWIS of California, Mr. ROSE, Mr. MCDADE, and Mr. BEVILL.

H. Con. Res. 208: Mr. RANGEL and Mr. LOWRY of Washington.

H. Con. Res. 261: Mrs. BURTON of California, Mr. GREEN, Mr. SIKORSKI, Mr. LUNDINE, Mr. RAHALL, and Mr. MOLLOHAN.

H. Con. Res. 321: Mr. FAUNTROY, Mr. DIOGUARDI, Mrs. BURTON of California, and Mrs. SCHROEDER.

H. Con. Res. 330: Mr. FAUNTROY, Mr. NOWAK, and Mr. COELHO.

H. Con. Res. 331: Mr. GOODLING.

H. Res. 68: Mr. BURTON of Indiana and Mr. LENT.

H. Res. 394: Mr. DIOGUARDI.

H. Res. 404: Mr. PICKLE.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1

Amendment Offered By Mr. GARCIA:

(To the amendment in the nature of a substitute to H.R. 1.)

—Page 13, after line 19, insert the following new sections (and redesignate the subsequent sections, and conform the table of contents, accordingly):

SEC. 123. REFINANCING MORTGAGE INSURANCE FOR HOSPITALS, NURSING HOMES, INTERMEDIATE CARE FACILITIES, AND BOARD AND CARE HOMES.

(a) STATE CERTIFICATION REQUIREMENT.—Section 223(f)(4)(D) of the National Housing Act is amended to read as follows:

"(D) such existing hospital has received such certification from the State in which the hospital is located as is comparable to the certification required for hospitals under section 242.".

(b) REFINANCING INSURANCE FOR NURSING HOMES, INTERMEDIATE CARE FACILITIES, AND BOARD AND CARE HOMES.—Section 223(f) of the National Housing Act (as amended by subsection (a) of this section) is further amended—

(1) in paragraph (1), by inserting after "existing hospital" the following: ", existing nursing home, existing intermediate care facility, or existing board and care home"; and

(2) in paragraph (4)—

(A) by inserting after "existing hospital" each place it appears the following: ", existing nursing home, existing intermediate care facility, or existing board and care home";

(B) by inserting after "the hospital" the following: ", nursing home, intermediate care facility, or board and care home"; and

(C) by inserting after "section 242" the following: "or for nursing homes, intermediate care facilities, or board and care homes insured under section 232, as the case may be".

(c) REGULATIONS.—The Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out the amendments made by this section by not later than the expiration of the 90-day period following the date of the enactment of this Act.

SEC. 124. MORTGAGE INSURANCE FOR NURSING HOMES, INTERMEDIATE CARE FACILITIES, AND BOARD AND CARE HOMES.

(a) INSURANCE FOR PUBLIC NURSING HOMES.—Section 232(b)(1) of the National Housing Act is amended by inserting "public facility," before "proprietary".

(b) REQUIREMENT OF STATE APPROVAL.—Section 232(d)(4)(A) of the National Housing Act is amended by adding at the end the following new sentence: "If the State agency is not empowered to provide a certification that there is a need for the home or facility or combined home and facility, the Secretary shall accept in lieu of such certification a feasibility study prepared for the home or facility or combined home and facility in accordance with the principles established for feasibility studies by the American Institute of Certified Public Accountants.".

(c) REGULATIONS.—The Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out the amendments made by this section by not later than the expiration of the 90-day period following the date of the enactment of this Act.

SEC. 125. REQUIREMENT OF STATE APPROVAL FOR MORTGAGE INSURANCE FOR HOSPITALS.

(a) IN GENERAL.—Section 242(d)(4) of the National Housing Act is amended by adding at the end the following new sentence: "If the State agency is not empowered to provide a certification that there is a need for the hospital, the Secretary shall accept in lieu of such certification a feasibility study prepared for the hospital in accordance with the principles established for feasibility studies by the American Institute of Certified Public Accountants.".

(b) REGULATIONS.—The Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out the amendment made by this section by not later than the expiration of the 90-day period following the date of the enactment of this Act.

EXTENSIONS OF REMARKS

GROVE CITY—ABORTION CONNECTION

HON. F. JAMES SENSENBRENNER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. SENSENBRENNER. Mr. Speaker, I want to draw the attention of my colleagues to an April 19 ruling by Connecticut Superior Court Judge Robert I. Berdon. His decision in Roe versus Maher holds that Connecticut's equal rights amendment [ERA] requires the State to pay for abortions for low-income women.

Judge Berdon explained that a State welfare department regulation permitting funding of abortion only to save the mother's life "is sex oriented discrimination" and thus violated the Connecticut ERA. Berdon's ruling requires the State to pay for a Medicaid-eligible woman's abortion if a doctor feels it would benefit her "psychological health"—a policy equivalent to abortion on demand.

This decision shows that the Tauke-Sensenbrenner amendment does not raise a "red herring" by addressing the Civil Rights Restoration Act (H.R. 700)—abortion connection. The Civil Rights Restoration Act or Grove City bill revises title IX, which prohibits discrimination "on the basis of sex" in federally funded educational programs.

Title IX has already been interpreted to require federally funded colleges to provide abortion. The opinion of Judge Berdon in Roe versus Maher clearly demostrates that judges would be willing to accept the argument that a hospital's refusal to provide abortions would be discrimination "on the basis of sex." This decision—as well as a similar 1984 Pennsylvania decision—confirms my worst fears regarding the strengthening of abortion rights without an abortion neutralization amendment.

Mr. Speaker, I insert in the RECORD the exerpted portion of Judge Berdon's opinion that shows banning discrimination "on the basis of sex" can be used as a proabortion battering ram.

EXCERPT FROM DECISION ROE VERSUS MAHER, CONNECTICUT SUPERIOR COURT

EQUAL PROTECTION AND THE EQUAL RIGHTS AMENDMENT

The plaintiffs also argue that the Regulation violates the Equal Protection Clauses of our state constitution contained in Sections 1 and 20 of Article First and more specifically under the Equal Rights Amendment (hereinafter "E.R.A.") adopted as an amendment to Sec. 20 in 1974.

The five member majority in *Harris* v. *McRae*, held that the Hyde Amendment did not violate the federal equal protection clause. 448 U.S. 297 (1980). In *McRae*, the Court held that since the restriction on Medicaid abortions does not impinge on the constitutional right of liberty and the classification is not predicated on "criteria that are, in a constitutional sense, 'suspect' . . .", the validity of this classification must stand unless it fails to meet the rational basis test. *Id.* at 322. The Court found that such discriminatory restrictions on funding medically necessary abortions were rationally related to the legitimate governmental objective of "protecting the potential life of the fetus." *Id.* at 324.

This court also finds it difficult to accept the rationale of the majority of the Supreme Court in *McRae*, even under the traditional two-tiered equal protection review. Indeed, Justice Stevens vigorously dissented in *McRae* and argued that the Hyde Amendment was violative of the federal equal protection clause. He stated the following: "If a woman has a constitutional right to place a higher value on avoiding either serious harm to her own health or perhaps an abnormal childbirth than on protecting potential life, the exercise of that right cannot provide the basis for the denial of a benefit to which she would otherwise be entitled. The Court's sterile equal protection analysis evades this critical though simple point. The Court focuses exclusively on the 'legitimate interest in protecting the potential life of the fetus.' It concludes that since the Hyde Amendments further that interest, the exclusion they create is rational and therefore constitutional. But it is misleading to speak of the Government's legitimate interest in the fetus without reference to the context in which that interest was held to be legitimate. For *Roe* v. *Wade* squarely held that the States may not protect that interest when a conflict with the interest in a pregnant woman's health exists. It is thus perfectly clear that neither the Federal Government nor the States may exclude a woman from medical benefits to which she would otherwise be entitled solely to further an interest in potential life when a physician, 'in appropriate medical judgment', certifies that an abortion is necessary 'for the preservation of the life or health of the mother.' The Court totally fails to explain why this reasoning is not dispositive here." (citation omitted). *Wade*, 448 U.S. at 351-52.

The Connecticut Equal Protection Clauses require the state when extending benefits to keep them " 'free of unreasoned distinctions that can only impede (the) open and equal' " exercise of fundamental rights. *D'Amico* v. *Manson*, 193 Conn. 144, 147 (1984) (quoting *Rinaldi* v. *Yeager*, 384 U.S. 305, 310 (1966)); *Gaines* v. *Manson*, 194 Conn. 510, 516 (1984). The Regulation does not satisfy this requirement. Clearly, the Regulation discriminates by funding all medically necessary procedures and services except the therapeutic abortions. As the court held in part VII of this decision, the selective funding of medically necessary abortions and the willingness of the state to fund all necessary medical procedures to bring the fetus to term at least implicitly impinges on the fundamental right of privacy guaranteed to all pregnant women—rich and poor alike—and that is, the right to choose whether to have an abortion. Since it impinges on a fundamental right, the defendants must establish both a compelling state interest in support of the classification and that no less restrictive alternative is available. *Carofano* v. *Bridgeport*, 196 Conn. 623, 640 (1985). Just as the state lacks a compelling reason under due process analysis to exclude abortion from Medicaid funding at any stage of the pregnancy when the health of the woman is at stake, it also lacks such an interest for equal protection purposes. Under either analysis, the Regulation which encourages a woman through financial coercion to bear children at the risk of their health does not meet constitutional standards.

The case of the plaintiff class of poor women is even stronger given Connecticut's E.R.A. By adopting the E.R.A., the "people of this state and their legislators have unambiguously indicated an intent to abolish sex discrimination." *Evening Sentinel* v. *National Organization for Women*, 169 Conn. 26, 34 (1975).

The Regulation discriminates on the basis of sex in several ways. First, under the Medicaid program, all the medical expenses necessary to restore the male to health are paid and likewise for the female *except* for therapeutic abortions that are not life-threatening. Second, all the male's medical expenses associated with their reproductive health, for family planning and for conditions unique to his sex are paid and the same is provided for woman *except* for the medically necessary abortion that does not endanger her life.

The third, and the most important way in which the Regulation violats the E.R.A., requires some background. Since time immemorial, women's biology and ability to bear children have been used as a basis for discrimination against them. *See generally.* Law, *Rethinking Sex and the Constitution*, 132 U Pa. L. Rev. 955 (1984). For some outrageous examples of this see: *Hoyt* v. *Florida*, 368 U.S. 57, 62 (1961) (upheld a statute exempting women from jury duty because they are "regarded as the center of home and family life"); *Muller* v. *Oregon*, 208 U.S. 412, 421 (1908) (upheld a statute that restricted the hours women could work but did not place similar restrictions on men); *Bradwell* v. *Illinois*, 83 U.S. 130, 141-42 (1873) (upheld a decision prohibiting women from the practice of law because of "natural" differences between the sexes). This discrimination has had a devastating effect upon women.

Since only women become pregnant, discrimination against pregnancy by not funding abortion when it is medically necessary and when all other medical expenses are paid by the State for both men and women, is sex oriented discrimination. "Pregnancy is a condition unique to women, and the ability to become pregnant is a primary characteristic of the female sex. Thus any classification which relies on pregnancy as the determinative criterion is a distinction based on sex." *Massachusetts Electric Co.* v. *Massachusetts Commission Against Discrimination*, 375 Mass. 160, 375 N.E. 2d 1192 1198 (1978). *See also General Electric Co.* v. *Gilbert*, 429 U.S. 125, 149 (1976) (Brennan, J., dissenting); Tribe, American Constitutional Law, Sec. 16.27; Johnsen, *The Creation of*

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Fetal Rights: Conflicts with Women's Constitutional Rights to Liberty, Privacy, and Equal Protection, 95 Yale L.J. 599, 621-22 (1986). Professor Tribe put it well when he wrote: "If one were . . . to recognize, as the Supreme Court sometimes has, that 'the grossest discrimination can lie in treating things that are different as though they were exactly alike' (quoting from *Jenness* v. *Fortson*, 403 U.S. 431, 442 (1971)), then it might be possible to discern an invidious discrimination against women, or at least a constitutionally problematic subordination of women, in the law's very indifference to the biological reality that sometimes requires them, but never requires their male counterparts, to resort to abortion procedures if they are to avoid pregnancy and childbearing." Tribe, *Constitutional Choices*, p. 244 (1985).

It is absolutely clear that the framers intended that pregnancy discrimination would come within the purview of the sex discrimination prohibited by Connecticut's E.R.A. and should be subject to heightened judicial review. Senator Joseph I. Lieberman, who led the E.R.A. debate on the floor of the Senate, used as an example a law denying women "unemployment compensation two months before and after childbirth," as an example of a law that would be barred by the E.R.A. 1972 Conn. G.A. Senate Proc., Vol. 15, pt. 4, p. 1526. Senator Lawrence J. DeNardis expressed the intention of the vast majority of the Senate as follows: "There often comes a point when in the life of a body politic, it must reassert the values that are inherent in the spirit of the Constitution." *Id.* at 1543. In sum, by adopting the E.R.A., Connecticut determined that the State should no longer be permitted to disadvantage women because of their sex including their reproductive capabilities. It is therefore clear, under the Connecticut E.R.A., that the Regulation excepting medically necessary abortions from the Medicaid program discriminates against woman, and, indeed, poor women.

Having concluded that the Regulation discriminates based upon sex, the court must next determine the appropriate level of judicial review to apply in order to determine whether it offends the E.R.A. The defendants argue, based up *Harris* v. *McRae*, that the rational relationship test should be applied. Although the Supreme Court of Connecticut has often stated that the equal protection provisions of the Connecticut and United States Constitution "have the same meaning and limitations"; *Keogh* v. *Bridgport*, 187 Conn. 53, 66 (1982); those pronouncements were made without reference to the E.R.A. Since the adoption of the E.R.A. those decisions of the Supreme Court of Connecticut which paid lip service to this traditional language did not involve gender classification. To equate our E.R.A. with the equal protection clause of the federal constitution would negate its meaning given that our State adopted an E.R.A. while the federal government failed to do so. Such a construction is not reasonable.

Some jurisdictions have interpreted their state E.R.A.'s as requiring *absolute scrutiny*, that is, the court will not consider any justification for sex discrimination once it has been found. For example, the Supreme Court of Washingtion has held that "(t)he E.R.A. on the other hand, is a very different animal from the equal protection clause—indeed, it has no counterpart in the federal constitution. The E.R.A. absolutely prohibits discrimination on the basis of sex and is not subject to even the narrow exceptions permitted under traditional 'strict scrutiny.' The E.R.A. mandates equality in the strongest of terms and absolutely prohibits the sacrifice of equality for *any* state interest, no matter now compelling, through separate equality may be permissible in some very limited circumstances." *Southwest Wash, Chapter, National Electric Contractors Ass'n.* v. *Pierce County*, 100 Wash. 2d 109, 667 P.2d 1092, 1102 (1983); *See also, Rand* v. *Rand*, 280 Md. 508, 374 A.2d 900 (1977); Brown, Emerson, Falk and Freedman, *The Equal Rights Amendment: A Constitutonal Basis for Equal Rights for Women*, 80 Yale L.J. 871, 904 (1971). Although the argument for absolute scrutiny is impressive, the court need not decide whether it is required by the Connecticut E.R.A. since the Regulation cannot survive strict scrutiny and indeed, not even an intermediate review.

At the very least, the standard for judicial review of sex classifications under our E.R.A. is strict scrutiny. Surely the effect of the E.R.A. was to raise the standard of review. In *Page* v. *Welfare Commissioner*, 170 Conn. 258 (1976), the Supreme Court of Connecticut made a point of noting that the state did not deny "that the passage of the equal rights amendment mandates the use of the 'strict scrutiny' test. . . ." *Id.* at 267. In *Page*, however, the court did not need to decide whether strict scrutiny applied because it concluded that the legislation could not survive any test. Likewise, in *Stern* v. *Stern*, 165 Conn. 190, 193 (1973), Justice Loiselle, speaking for a unanimous court, acknowledged that the level of review would be a different ball game under E.R.A. *See also R.McG.* v. *J.W.*, 200 Colo. 345, 615 P.2d 666 (1980); *People* v. *Ellis*, 57 III. 2d 127, 311 N.E. 2d 98 (1974); *Attorney Gen.* v. *Massachusetts Interscholastic Athletic Assn.*, 378 Mass. 342, 393 N.E. 2d 284 (1979). It is certain, as previously stated in section VII of this decision, the defendants are unable to meet their burden of proving that a compelling state interest supports the classification and that no less restrictive alternative is available.

The court concludes that the Regulation that restricts the funding for medically necesary abortions except when the woman's life is endangered violates the Equal Protection Clause of the Constitution of the State of Connecticut and more specifically Connecticut's Equal Rights Amendment.

CONCLUSION AND REMEDY

The court finds the issues in favor of the plaintiff classes of poor women and physicians. The court does not take lightly the issuance of this injunction against the defendants, but the circumstances here are compelling. *Monroe* v. *Middlebury Conservation Commission*, 187 Conn. 476, 480 (1982). The Commissioner has clearly acted in excess of his statutory authority which has resulted in the deprivation of the plaintiff classes of their constitutional rights. For the plaintiff class of poor woman, the Regulation has jeopardized their health and could reach a level for them where it becomes life-threatening. We do not deal here with mere property or privileges—but with life itself. Furthermore, an important consideration is that the action which the court finds to be illegal and unconstitutional is not predicated upon a legislative enactment, but that which first had its existence as a mere policy of the Commissioner. It is clear, and the court so finds, that the enforcement of the Regulation would cause the plaintiffs irreparable injury and they have no adequate remedy at law. *Connecticut Mobile Home Association, Inc.* v. *Jensens, Inc.*, 178 Conn. 586, 592 (1979).

The court declares that the Regulation. (Policy 275 of Chapter III, Manual Chapter III, Manual Vol. 3) which provides for the funding of abortion under the Medicaid program only when necessary to preserve the physical life of the woman or when pregnancy is the result of rape or incest, to be—

(a) contrary to the statutory provisions of the Medicaid program (Medical Assistance Program, Part IV of Ch. 302, General Statutes, Secs. 17-134a *et seq.*) and specifically sec. 17-134b of the General Statutes, and that therefore the Commissioner of Income Maintenance exceeded his authority in adopting it;

(b) in violation of the plaintiff class of poor women's and class of physicians' constitutional rights of due process under Article First, Sec. 10 of the constitution of the State of Connecticut;

(c) in violation of the plaintiff class of poor women's constitutional right of equal protection under Article First, Secs. 1 and 20 (including the Equal Rights Amendment, Article Five of the Amendments) of the Constitution of the State of Connecticut.

The court enjoins the defendant Commissioner from enforcing said Regulation and orders that the defendants pay for the costs of all medically-necessary abortions (as defined in footnote 4 of this decision) on the same basis, to the same extent and with the same limitations as the defendant pays for all other medical expenses under the Medicaid program.

Counsel for the plaintiffs, within seven days, shall prepare a judgment file and submit it to counsel for the defendants for their comments as to form. The court will hear the parties on the form of the judgment at the time the bifurcated issue of attorney's fees is considered.

The court wishes to express its appreciation to counsel for their thorough and competent preparation and presentation of the evidence and their exceptional and outstanding briefs.

ROBERT I. BERDON,
Judge.

REDEFINING NATIONAL SECURITY

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. VENTO. Mr. Speaker, one of the most alarming phenomena of recent years has been the reallocation of an increasingly large share of the world's economic resources toward military purposes. In the United States, there has been a pronounced shift in the balance of our foreign aid programs away from economic development assistance and toward military assistance. Other countries, including a number of the world's developing nations—which are in a much more precarious position economically than the United States—have rushed headlong to purchase large stockpiles of weapons and military equipment while essentially ignoring their own social and economic development. While there can be no doubt that there are certain legitimate military security needs which must be met, we must ask ourselves whether we have truly en-

hanced our national security or whether we have in fact weakened ourselves because of this misallocation of economic resources.

We have generally tended to take a narrow view of national security as being defined only in terms of our military strength relative to that of our potential adversaries. It is becoming increasingly clear, however, that our national security encompasses much more than just our military strength. Our domestic economy and its basic industries play a large role in our security and well-being not only here at home but in other countries around the world as well. Our national security is contingent upon our own economic and political stability as well as that of other countries around the world.

We must begin to realize that the arms race between the superpowers and between many of the world's developing nations is sapping our economic resources and diverting valuable human and economic resources from truly productive long-term enterprises.

A recent provocative article by Lester R. Brown, president of the Worldwatch Institute, argues that the United States and Soviet Union have failed to notice that global politics are being "reshaped in a way that defines security more in economic than in traditional military terms." In fact, several of the world's developing nations, with widely divergent political ideologies, have actually moved to reduce military spending in real terms and as a percentage of their gross national product; that is, China, Argentina, and Peru.

Mr. Speaker, certainly Congress should not embrace any form of unilateral reduction of our defense capabilities but should carefully consider the implications for enhancing our national security by strengthening our economy and redirecting more of the world's economic and political resources toward more productive ventures. I ask unanimous consent that the following article be printed in the RECORD.

[From the Nuclear Times, May-June 1986]

REDEFINING NATIONAL SECURITY—AMERICA WILL SINK OR SWIM WITH ITS ECONOMY, NOT ITS MILITARY

(By Lester R. Brown)

Preoccupied with each other, the United States and the Soviet Union have apparently failed to notice that global geopolitics are being reshaped in a way that defines security more in economic than in traditional military terms. Now, quite apart from the positive contributions of the peace movement, worsening economic conditions may become the key motivation for reversing the militarization of the past generation.

Throughout most of the post-war period, an expanding economy permitted the world to have more guns and more butter. For many countries, however, this age has come to an end. Governments can no longer both boost expenditures on armaments and deal effectively with the forces that are undermining their economies.

The choices now are between continued militarization of the economy and restoration of its environmental support systems; between continued militarization and attempts to halt growth of the U.S. debt; between continued militarization and new initiatives to deal with the dark cloud of Third World debt. The world has neither the financial resources nor the time to militarize and to deal with these new threats to security.

DEBTS OF DESPAIR

"National security" has become a commonplace expression, a concept regularly appealed to. It is used to justify the maintenance of armies, the development of new weapon systems, and the manufacture of armaments. One-fourth of all the federal taxes in the United States and at least an equivalent amount in the Soviet Union are levied in its name.

Since World War II, the concept of national security has acquired an over-whelmingly military character, rooted in the assumption that the principal threat to security comes from other nations. Commonly veiled in secrecy, consideration of military threats has become so dominant that new threats to the security of nations—threats with which military forces cannot cope—are being ignored.

For the United States and the Soviet Union, the cost of the arms race goes beyond mere fiscal reckoning. It is draining their treasuries, weakening their economies, and lowering their positions in the international economic hierarchy. This long, drawn-out conflict is contributing to a realignment of the leading industrial countries, with Japan assuming a dominant position in the world economy. One of the keys to Japan's emergence as an economic superpower is its negligible military expenditures—less than one percent of its gross national product (GNP), compared with seven percent of the GNP in the United States and 14 percent in the Soviet Union.

The doubling of the U.S. national debt, from $914 billion in 1980 to $1,841 billion in 1985, is due more to the growth of military expenditures than to those of any other sector. The growing federal debt is mortgaging the country's economic future and, consequently, its position in the world economy.

An overvalued dollar and the lack of investment is new industrial capacity have dramatically altered America's position in world trade. As recently as 1975, the United States had a small trade surplus. In 1980, it registered a trade deficit of $36 billion. The trade deficit climbed to $70 billion in 1983, and to a staggering $150 billion in 1985.

This ballooning trade deficit and the associated borrowing abroad to finance the federal debt have cost the country its position as the world's leading international investor. While Japan's external holdings during this decade have grown from $12 billion to more than $120 billion, the net foreign assets of the United States have plummetted to minus $120 billion. Almost overnight, the United States has become a debtor nation—a precipitous, and unprecedented, fall from leadership.

This is a worrisome shift for a country whose international leadership role since World War II has derived in large part from its economic strength and prestige. The military expenditures that are weakening the United States economically are diminishing both its stature within the international community and its capacity to lead.

The Soviet Union, too, is paying a heavy price for its role in the arms race, retaining second-class economic status despite its wealth of natural resources. Military spending channels roughly one-seventh of the nation's resources to nonproductive uses. From the early 1950s through the late 1970s the Soviet economy grew at roughly five percent annually, a rate of expansion that brought progress on many fronts. Today, Soviet industrial growth has slowed to a crawl. In agriculture, less grain is being produced now than in the late 1970s.

While the United States and the Soviet Union have been preoccupied with each other militarily, Japan has been moving to the fore economically. By some economic indicators, it now leads both military superpowers. In a world where the enormous investment in nuclear arsenals has no practical use, the terms denoting leadership and dominance are shifting in Japan's favor. Governors and mayors in the United States now compete vigorously for Japanese investment. And Third World delegations seeking investment and technology from abroad regularly journey to Tokyo. For developing countries, the Japanese model is far more attractive than either the problem-ridden Soviet economy or the debt-ridden American one.

The U.S. economy is still twice as large as Japan's, and the country has a vastly superior indigenous resource base of land, energy fuels, minerals, and forest products. Nonetheless, a country that is a net debtor, borrowing heavily from the rest of the world, cannot effectively exercise economic or political leadership.

Unfortunately, the two superpowers that are perpetuating the arms race are not its only victims. To the extent that the arms competition diverts attention from the Third World debt that is weakening the international financial system, or from the ecological deterioration that is undermining the global economy, the entire world suffers. The extensive deterioration of national support systems and the declining economic conditions evident in much of the Third World pose threats to national and international security that now rival the traditional military ones.

HOPEFUL SIGNS

Yet, a few governments have begun to redefine national security, putting more emphasis on economic progress and less on buying arms. At a time when global military expenditures are rising, some countries are actually cutting military outlays. A handful are reducing them sharply, not only as a share of GNP, but in absolute terms as well. Among these are China, Argentina, and Peru.

As recently as 1972, China was spending 14 percent of its GNP for military purposes, one of the highest rates in the world at the time. Beginning in 1975, however, China systematically began to reduce its military expenditures, and except for 1979 has done so for the last eight years. By 1985, military spending had fallen to 7.5 percent of its gross national product.

There are indications that this trend may continue throughout the 1980s. In July 1985, Beijing announced a plan to invest $360 million over two years to retrain one million soldiers for return to civilian life. Such a move would cut the armed forces in China from 4.2 million in 1985 to 3.2 million in 1987, a drop of 24 percent. At the same time, the leaders in Beijing have stepped up the effort to restore and protect the economy's environmental support systems by increasing expenditures on agriculture, reforestation and desert reclamation. In effect, China is defining security in economic and ecological terms.

In Argentina, one of the first things that Raul Alfonsin did as newly elected president in late 1983 was to announce a plan to steadily lower military spending. When he took office there was broad public support for a

reduction in arms expenditures, partly because of the ill-fated Falklands War, which undermined the military's credibility. By 1984, arms outlays had been cut to half the peak level of 1980, earning Alfonsin a well-deserved reputation for reordering priorities and shifting resources to social programs.

More recently, Peru has joined the ranks of those announcing plans to cut military expenditures. One of the first actions of President Alan Garcia on taking office in the summer of 1985 was a call to halt the regional arms race. Garcia is convinced of the need to reduce the five percent of Peru's GNP allotted to the military, a sum that consumed one-fourth of its federal budget. As an indication of his sincerity, President Garcia announced that he was cancelling half of an order for 26 French Mirage fighter planes.

Encouragingly, the reductions in military expenditures undertaken by these three governments were independent of any negotiated reductions in neighboring countries. China lowered military outlays unilateraly, despite its 3000 kilometer border with the Soviet Union, which has continued to increase its military might. Over the next few years, as governments everywhere face difficulties in maintaining or improving living standards, others may also choose to reduce military expenditures.

RESHAPING GEOPOLITICS

Understanding the new threats to security and economic progress will challenge the analytical skills of governments. Sadly, the decision-making apparatus in most governments is not organized to balance threats of a traditional military nature with those of an ecological and economic origin. Non-military threats are much less clearly defined. And national defense establishments are useless against them.

The key to demilitarizing the world economy and shifting resources is defusing the arms race between the United States and the Soviet Union. Whether this can be achieved in the forseeable future remains to be seen. But as the costs of maintaining the arms race multiply, both for the superpowers and for the world at large, the likelihood of reducing tensions may be improving.

In East Asia, for example, traditional adversaries China and Japan appear to be in the process of establishing strong economic ties. In contrast to the United States, China appears to be abandoning military competition with the Soviet Union. With Japan showing little interest in becoming a military power, the stage is being set for peace in the region. Both countries have redefined security and reshaped their geopolitical strategies.

If ideology gives way to pragmatism, as it is doing in China, then the conflicts and insecurities bred by the ideological distinctions between East and West can lessen. If the Soviet Union adopts the reforms needed to get its economy moving again, a similar ideological softening may result. Turning more towards a market-oriented economy to allocate resources and boost productivity could not only restructure the Soviet economy, but also reorient Soviet politics. Although pragmatism has typically taken a back seat to ideology in the Soviet Union, the leaders have demonstrated that they can be pragmatic when circumstances require, as when they import grain from the United States, their ideological rival.

For the world as a whole, the past generation has seen an overwhelming movement toward militarization. Apart from the heavy claim on public resources, the East-West conflict contributes to a psychological climate of suspicion and distrust that makes the cooperative, international assessment of new threats to the security of nations next to impossible. China, Argentina and Peru may provide the models for the future. If demilitarization could replace militarization, national governments would be free to reorder their priorities, and could return to paths of sustained progress.

Ironically, for the United States and the Soviet Union, maintaining a position of leadership may now depend on reducing military expenditures to strengthen their faltering economies. Acting thus in their own interest, they could set the stage for demilitarizing the world economy. Once it starts, demilitarization—like militarization—could feed on itself.

UNDERSTANDING VARIATIONS IN MEDICAL PRACTICE

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. WALGREN. Mr. Speaker, today, Congressman WAXMAN, Congressman GEPHARDT and I are introducing a bill to encourage research on variations in medical practice. The practice of medicine, especially whether or not surgery is performed, varies widely around the country—sometimes with reason but often without reason.

How do we explain some of the following facts:

Physicians are more likely to perform caesarean sections on women if they are solo practitioners where there are lots of obstetricians and malpractice awards are high.

In one community nearly 70 percent of the children had their tonsils removed, while, in another, fewer than 8 percent of the children had their tonsils removed.

People in Omaha are three times as likely to be hospitalized as people in San Diego.

Americans are twice as apt to undergo surgery as Britains.

Medicare patients in South Dakota have 69 percent more surgery than those in South Carolina.

Women in one part of the country are four times as likely to have a hysterectomy than those living in another area.

In Maine the rate of hospitalization of young children with pneumonia varies as much as twentyfold from community to community only a few miles apart.

In Iowa the rate of prostate surgery in 85-year-old men varies from 15 to 50 percent, depending on where you live.

PRACTICE VARIATION

Researchers conclude that differences in the way doctors practice medicine account for much of the variation. That is, some doctors are much more prone—for whatever reason—to hospitalize a patient or perform surgery for the same condition than another doctor. Physicians' treatment of the same condition varies.

SOME VARIATION UNDERSTOOD

There are, of course, good explanations for some differences in medical practice. Some communities will have higher rates of certain operations because of demographics—such as a large number of elderly people—or a predominant occupation, such as coal miners.

Because medical practice is continually changing and new procedures are always being introduced, some variation is a consequence of the healthy pluralism of our medical system. And, most importantly, medicine is often more of an art than a science. According to a former president of the American Medical Association, "The existence of variations in the delivery of health care services is not a new phenomenon. It has long been recognized that medicine, while based on a broad scientific foundation, still retains significant elements of choice and uncertainty." And it must be remembered that every patient brings to a doctor a unique set of facts and a unique medical history.

One researcher, Dr. John Wennberg of Dartmouth College, found that, where the medical consensus about appropriate treatment was clear, such as appendicitis, heart attack, or stroke, there was little variation. But in those cases where the medical profession has not reached a consensus, patients are likely to receive varying and even conflicting opinions from different physicians.

LEGISLATION

The bill my colleagues and I are introducing today would earmark $6 million from the Medicare Program to conduct research on variation in medical practice and patient outcomes of selected medical treatments to assess their appropriateness, necessity and effectiveness.

Our intent is to examine the extent and the reasons for variations in medical practice with emphasis on the most costly and higher risk and the scientific basis for procedures, along with the scientific basis for them.

Senator PROXMIRE has introduced a similar bill.

WHY STUDY VARIATION?

Why do we need this research? The primary goal of this bill is to promote improved quality of care. The AMA has testified, in a hearing on this subject:

We believe that this hearing can serve a beneficial purpose if judgments founded on proper studies are pursued and if all concerned look at these variations in the delivery of the appropriate level of care to meet the individual needs of patients.

Our bill would provide the medical community, Medicare beneficiaries and public policymakers with state of the art information about variations in medical practice. My bill would involve the medical community in evaluating variation, reaching a consensus about the most efficacious procedure, and in implementing decisions. In fact, it is practicing physicians who must take the lead by objectively examining practice variation, understanding it and choosing appropriate treatment for their patients.

INFORMED PATIENTS

Better understanding of variations can aid patients, giving them information to discuss medical procedures with their physicians and become more informed about their choices. Patients who understand and participate in decisions about their treatment are healthier patients in the end.

Everyone should understand if treatments are medically questionable. This is particularly critical for the elderly who may have chronic illnesses or be frail. Unnecessary surgery for them can be especially dangerous.

According to Dr. John Bunker of Stanford University:

All elective surgery and drugs carry risks. For surgery, in particular, these risks are substantial. Most of the operations for which the large variations are observed can be assumed to be elective or discretionary. The large majority of surgery, perhaps 85-90%, is for non life-saving purposes: relief of discomfort, disability, or disfigurement.

While such surgery is not intended to prolong life, it may nevertheless shorten it, since all surgery carries some risk of death. The net impact of such surgery is, therefore, to shorten life expectancy of the population as whole.

This effect was dramatically demonstrated during the Los Angeles physician slowdown of 1976 during which emergency but not elective surgery was performed. Total populations mortality for Los Angeles County fell by approximately ⅓ during the 5-week slowdown and rose again after it ended and elective surgery was resumed.

More knowledge of variations can certainly mean cost savings to the Medicare and Medicaid Programs, which together spend almost a $100 billion a year. If out of this research more consensus on effective medical practice emerges, some unnecessary procedures could be eliminated, saving money for both the Federal Government and beneficiaries. At present, the Medicare Program is predicted to run out of money in the mid-1990's, requiring increased revenues of 48 percent or reduced benefits of 32 percent. Perhaps more awareness of variations can help reduce some costs.

VOLUNTARY MODIFICATION

It should be clear that the sponsors of this bill are not suggesting there should be Federal standards for medical practice. Understanding variation and outcome of medical practices will result in public education and voluntary practice modification when modification is appropriate. This bill is meant to document, to educate, and to encourage consensus.

The medical community has been responsive to research on the variation in medical practice. For example, in Vermont tonsillectomies declined 46 percent in 4 years and inappropriate antibiotic injections declined 60 percent in New Mexico when a physician feedback program helped the medical community arrive at a consensus about appropriate treatment. In both cases, the medical community learned—and applied—research findings.

We want to emphasize that more research could mean the elimination of certain procedures or the reduction in certain questionable procedures. But we do not mean to suggest that health care should be driven by budget considerations. In recent years, cost-cutting in the Medicare and Medicaid Programs has taken the forefront in health policymaking. While health care is expensive, there is hardly a better place to devote our resources. Health care is one area where we can always do better.

DATELINE TOKYO: PROGRESS IN THE BATTLE AGAINST TERRORISM

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. BROOMFIELD. Mr. Speaker, I want to commend the President and the Secretary of State for their tireless work in crafting a strong statement on terrorism at the recent Tokyo economic summit. By any standard, America, and her allies have taken a firm stand against terrorism. There is clearly no turning back.

While international progress in combating terrorism has been growing very slowly over the years, the recent document adopted by the seven leading industrial democracies has opened the door to more cooperation in the struggle against that international menace. The recently issued statement in Tokyo clearly condemned state-supported terrorism and specifically mentioned Libya as a leading proponent of terrorism. The document also pledged cooperation in the fight against the terrorist threat.

The success of American diplomatic efforts in working with our allies on drafting this strong statement is an example of the administration's deep commitment to facing up to the terrorist problem. Since the early days of his administration, President Reagan has committed himself to doing something about terrorism, not just turning and running from it.

By any standard, terrorism is a complex and difficult issue which must be dealt with by using a variety of tools. The administration has exerted economic and political pressure on Libya and has encouraged our allies to close their embassies in that country and shut down the Libyan People's Bureaus in various European cities. After trying to convince our allies that serious economic and diplomatic pressures should be exerted on Libya, the President resorted to another option, military action.

The international nature of terrorism requires a solution which can only be formulated with international cooperation. The Tokyo statement is definitely a step in the right direction. Our allies have decided to bite the bullet and deal with the terrorism problem head-on. Our Government's persistence in working with out friends in Europe and encouraging them to cooperate against terrorism has paid off. While much more remains to be done in this long twilight struggle, a commendable beginning has been made, thanks to the hard work of the White House and the State Department.

Overall, Tokyo was a success, especially in the important area of getting our allies to cooperate in the battle against terrorism.

With these comments in mind, I commend the following New York Times newspaper article on the Tokyo summit to my colleagues in the House.

[From the New York Times, May 6, 1986]

REAGAN WINS THE DAY AS LIBYA IS DENOUNCED

(By R.W. Apple, Jr.)

TOKYO, May 6.—The document on terrorism adopted today by the seven leading industrial democracies was the product of a long night of haggling over different drafts and a last-minute change by summit leaders that added a denunciation of Libya, diplomats said.

In the drafting sessions, the United States and Britain, each with its own document, held out for condemnation of Libya, and Japan and France took a more measured view, the diplomats said.

The United States draft was put together aboard Air Force One on the flight to Tokyo from Bali after a long discussion in the Presidential party. President Reagan handed the document on Sunday evening to each of the six other leaders attending the summit meeting here, asking them to read it overnight. It played a major role, Administration officials contended, in persuading the conferees to adopt the kind of statement on terrorism that Mr. Reagan wanted.

"YOU'VE HAD IT, PAL"

While the final statement fell short of committing America's allies to specific economic action against Libya and other alleged sponsors of terrorism and contained no explicit endorsement of military measures against terrorism—two things the United States would have welcomed—it so delighted Secretary of State George P. Shultz that he cast aside his usual taciturnity to declare that it sent a message to the Libyan leader Muammar el-Qaddafi, "You've had it, pal."

From the American point of view, a key element was the statement's declaration that "terrorism has no justification." Some of the Europeans have long argued that terrorism could be combated effectively only by understanding that it arose from legitimate political grievances that could be dramatized in no other way.

The statement on terrorism seemed at least a modest advance on the one adopted by the seven nations at their meeting in London two years ago.

"It is not difficult to stop terrorism," the United States document asserted. "Terrorism's strategy is to launch attack after attack; when such attacks yield only punishment, that strategy fails. And terrorism's policy is to create fear; when fear is replaced with courage, terrorism is finished."

HOW DRAFT WAS WORKED OUT

In one of its bolder and more surprising passages, the paper conceded that one thing that might well motivate other countries to fight terrorism "is the need to do something so that the crazy Americans won't take matters into their own hands again." Some European leaders believe that Mr. Reagan might not have ordered the bombing of Tripoli and Benghazi on April 15 if European nations had taken earlier economic or diplomatic steps against the Libyans.

According to a ranking White House official, who disclosed the existence of the American draft document and its genesis on the condition that he not be named, the session on Air Force One involved Donald T. Regan, the White House chief of staff; John M. Poindexter, the national security adviser, and Mr. Shultz, with the President joining the conversation later. Mr. Shultz was reportedly the draftsman.

At Sunday night's dinner, the seven leaders spent an hour discussing terrorism, with Prime Minister Margaret Thatcher arguing for what one Briton called a "severe" approach. Mrs. Thatcher, who has been under heavy attack at home for having permitted United States jets to take off from her country for the raids on Libya, clearly felt

that she needed unanimity with her six colleagues to ease the isolation of her position as the only European leader who had backed Mr. Reagan's decision to bomb Libya.

A CHANGE IN TONE

When the dinner ended, the British, American, West German and Canadian delegations, at least were all convinced that there was general agreement on a muscular approach.

But when the matter was passed to the "sherpas"—the aides who are charged with reaching a consensus on disputed questions that can then be presented to the leaders—the tone changed, according to several sources. An American said that in the early hours of this morning, as the aides argued the issue, "they fell under the influence of the French, and what they came up with condemned terrorism all right, but not with very much force."

French officials denied they had tried to tone things down, but other Europeans said they had. The British were particularly displeased; a Downing Street official said the sherpas' document was "much too wet"—too limp and unspecific—and blamed the American negotiator, W. Allen Wallis, Under Secretary of State for Economic Affairs, for failing to take a firm enough line with the French.

The ranking White House official said, however, that Mr. Wallis was simply reflecting the approach the United States had decided upon well before the summit meeting. The State Department man, the official said, was "just being careful, trying to get the best he could without banging heads."

BRITON EXPRESSES DISAPPOINTMENT

Another American involved in the sherpas' deliberations gave a slightly different account. The problem, he said, was that Mr. Wallis was excessively cautious because he is an expert on economics, not terrorism, and that the British, especially Sir Robert Armstrong, the Cabinet Secretary, voiced no complaints until the 18 participants were about to end their two-hour discussion at 5 o'clock this morning.

At that moment, the American reported, Sir Robert said, "I shall tell the Prime Minister of my disappointment."

According to a number of American officials, it was clear from the start that there was no chance to persuade Britain, West Germany, Italy or Japan to endorse economic sanctions against Libya. Mrs. Thatcher dislikes sanctions not only because she is convinced that they do not work but also because she does not want to be maneuvered into supporting them against South Africa. Italy and West Germany have substantial economic stakes in Libya, and Japan, which imports all its oil, feels it must avoid offending the Arab countries that supply much of it.

Indeed, the White House aide said, Mr. Reagan was not even sure that he could persuade his six colleagues to name Libya in the terrorism statement.

LEADERS REVISE DRAFT

The draft produced by the sherpas did not mention Libya, and even though Larry Speakes, the White House spokesman, praised it this morning and said Mr. Reagan considered it a "significant step forward," the President, Mrs. Thatcher, Chancellor Helmut Kohl of West Germany and Prime Minister Brian Mulroney of Canada wanted something stronger.

So the summit session that was to have begun considering economic questions was delayed, and the leaders went to work on the draft, in the words of one participant, "like a board of editors."

Despite what officials of three countries described as ill-concealed French reluctance and Japanese worries, the group eventually decided to include Libya's name in the statement and to toughen the language in some other ways.

"It was Ronald Reagan who suggested it," the White House official said. "The President played it very cleverly. He didn't push, he didn't thump the table, he let them discuss it, reject it, then he brought it back, and after quite a while, realism set in."

UNITED STATES-MEXICO RELATIONS

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. DE LA GARZA. Mr. Speaker, it is a pleasure for me to respond to my colleague from Texas, Representative RON COLEMAN, and present some remarks on the unique relationship between the United States and Mexico. As you know, my congressional district is next to Mexico and I have a longstanding interest in affairs that involve our two nations.

So I thought that my colleagues in the House might want to read some remarks I recently submitted to the International Trade Commission when it met in McAllen, TX, on April 7, 1986. McAllen is a major city in my district and the ITC chose it as the location for some hearings on Texas-Mexico relations. My written statement to the ITC reflects my belief in the importance of Mexico to Texas—and of course the entire United States. I submit my ITC statement in its entirety:

Madam Chairman, I thank you for inviting me to submit testimony before your Commission pursuant to its charge from the Senate Committee on Finance to investigate several aspects of our country's trade relationship with Mexico.

Just as U.S. citizens are moving in record numbers to the border areas of Texas' Rio Grande Valley and north to Laredo; so, too, are Mexican citizens migrating to this region. For every fast growing Texas border city, there is an equally fast paced Mexican sister-city on the rise. By the year 2000, the Rio Grande Valley will be above 1 million in population and our twin cities on the Mexican side of the border will have matched and exceeded that figure.

Only Canada and Japan outrank Mexico in overall trade with the U.S.—so I appreciate the Commission selecting a Texas border city for one of its hearings to highlight this economic and strategic importance of Mexico.

The interdependence of the U.S. and Mexico is nowhere better illustrated than in Texas. Just prior to the first Mexican Peso devaluation in 1982, imports from Mexico through Texas border cities had a value of $3.2 billion and exports from Texas border cities to Mexico were valued at $5.7 billion! And I know this interdependence is appreciated by the Commission else it would not have chosen this city for the purpose of investigative hearings.

We are still running a deficit with Mexico in all products and materials traded but it is improving. In 1985, Mexico increased its importation of U.S. goods and services by an impressive 10%. And this action was taken despite Mexico's falling oil revenues and cash earnings! Granted, Mexico has some restrictive tariffs and import rules on important items—but Mexico is stepping in the proper direction and that is proven by the 10% increase in its U.S. imports.

Most important to Texas is the recent decision by the federal government of Mexico to accede to the General Agreement on Tariffs and Trade. This Mexican decision came unilaterally on November 26, 1985. It is highly significant. Mexico, as a GATT signatory, will enjoy a Most Favored Nation status that is far more comprehensive than what it could gain bilaterally and it will benefit from bindings on tariffs maintained in the schedules of other GATT nations with which it trades.

By joining the GATT family, Mexico will be with us at the next round of Multi-lateral Trade Negotiations as a full international partner in trade. But most significantly, GATT membership means that Mexico will open itself to greater involvement with the U.S. and the world. It is a big step for a nation that has protected itself in past trading practices—but will prove a big help to the Mexican economy as it attempts to diversify beyond oil and agriculture.

And finally, to further highlight positive Mexican steps, we must point out that in July 1985, the Mexican government signed an agreement with the U.S. which provides for Mexico's gradual phasing-out of export subsidies on some articles in return for access to the U.S. injury test whenever the U.S. begins a countervailing duty investigation on any Mexican import.

In recognition of Mexico's importance, the U.S. has given it a handsome status as one of our Most Favored Nations and we grant Mexico duty free treatment under the Generalized System of Preferences on about 2,000 imported items! For the year ending December 31, 1985, our GSP duty free treatment on 2,000 items accounted for about $1.1 billion in U.S. imports from Mexico.

This hearing takes place in a city which acts as flagship for a major Foreign Trade Zone. For the fiscal year ending September 30, 1985, the McAllen FTZ reported that once again Mexico leads all other nations in value of material entered. Mexico accounted for $76.4 million worth of goods brought into the FTZ—higher than even Japan and Taiwan.

During the first three quarters of 1985, the twin-plant program known popularly as the Maquiladora program generated over $1.1 billion in foreign exchange earnings for Mexico and became its second largest source of foreign earnings. At the end of 1984, there were some 641 border Maquila plants in operation. The liberal tariff concessions to U.S. companies have made the Maquila program very important to our country. Also, the Maquila in-bond assembly program is one instance where Mexico allows 100% foreign equity investments. We hope, as noted earlier by Mexico's willingness to join the GATT, that further Mexican steps to allow increased foreign investments will be forthcoming.

It is my belief that once Mexico's economy is fully diversified, we will see a much healthier trade relationship evolve. Right now—petroleum exports to the U.S. from Mexico have skewed our trade figures and is responsible in large part for the $5 billion

deficit we had with Mexico in 1985. Over the last five years, agriculture has been one big trading feature with Mexico wherein the U.S. has registered a positive balance of trade statistic (exports to Mexico of $8.72 billion and imports of $6.43 billion). In the manufacturing area, we have also done well over the last 5 years (exporting $64.5 billion and importing $40.3 billion). So not everything is on the downside as far as the U.S. trade statistics are concerned.

But this brings me to my conclusion, Madam Chairman. Once Mexico's economy has fully diversified, there will be not only the chance of vastly increased U.S. manufacturing and agriculture exports—but the opportunity to prove our friendship by importing what a renewed Mexican economy can produce.

As I noted earlier, last year Mexico increased its imports of U.S. goods and services by 10%. And in the not too distant future, the Mexican economy will achieve diversification and that will require a broader highway of trade between our two nations.

To foster and build this broader highway, we need direct and regular contact between U.S. and Mexican industrial leaders. Our trade officials meet regularly—but so too should our captains of industry. The U.S. is way ahead of Mexico in the post-industrial forum and we need to encourage greater cooperation with the industrial leaders to fine-tune the export and import scheme. We can achieve an equilibrium in trade if we recognize that because Mexico is an important next-door neighbor, we must meet and talk as often as necessary to achieve harmony.

We already do this in the border areas. And it bears mentioning that the international border is truly just a political division. It does not divide two dissimilar nations—it merely demarcates two neighbors. Like a fence that is only chest-high. We know this in South Texas—and it was pounded home the hard way during Mexico's financial crisis of 1982/1983 when retail sales in Texas border cities fell through the floor. At that time there was not a single South Texan who did not instantly realize the critical importance of Mexico to the economic health of this border region. While debates on U.S.-Mexico trade relations take place in our respective Capitals, the day to day reality of two economies meshed together continues in the border area.

It would be my hope that while you and the other Commissioners are here in McAllen and the Valley, you would have the opportunity to see one of the many international bridges in the area and view the pulse of traffic and commerce that is a feature of our daily life down in this part of the U.S.

Life in this border region is similar to the life of twins—one knows what the other is sensing and what the other needs. We need to continue efforts at building a legal and regulatory framework that allows for the development of more cooperation, more understanding, and increased mutual projects and efforts.

Thank you again, Madam Chairman and Commissioners, for giving me this opportunity to voice my belief in perpetual U.S. and Mexican friendship.

STAN EVANS LOOKS ASKANCE AT SALT II DECISION

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. COURTER. Mr. Speaker, the recent Presidential decision to extend U.S. compliance with the unratified and expired SALT II Treaty is emblematic of the many national security and foreign policy cross-currents that pull the Reagan administration in opposite directions. As the following article by M. Stanton Evans in Human Events illustrates, it is difficult to fathom what motivates the President "to take a hard line toward the lesser terrorist in Tripoli while seeking accommodation with the greater one in Moscow."

The answer, of course, is that various factions in the administration's national security apparatus jockey for ascendancy on each pressing issue, alternately standing firm or making strategic concessions, as each situation warrants. Unfortunately, the appearance is that of a Reagan administration "deeply divided against itself. The net result is incoherence—which cannot lead, and which no one can follow." I urge my colleagues to consider the full text of Stan Evans' thought-provoking piece.

The article follows:

[From Human Events, May 3, 1986]

SALT II Decision Signals Incoherence

(By M. Stanton Evans)

Just when it seems the Reagan Administration has got its act together and charted a sensible course in defense and foreign policy, it invariably reverses itself once more and heads off in the opposite direction.

The latest case of apparent resolve diffused into a blur of indecision is the tough line staked out by Mr. Reagan in striking back at Libya's Qaddafi. Whatever else might be said about this episode, it was a clear example of decisive leadership in action. And, despite the protests of the Third World and the Europeans, there is evidence that this leadership has had beneficial impact on the alliance we are supposed to head.

Comes now, however, the inevitable reversal—a determination by the Reagan planners to continue abiding by the unratified SALT II agreement. The reason for this is to go yet another "extra mile" in trying to persuade the Soviets of our *bona fides* in the realm of arms control. The ironies involved in this endeavor—and the negative signals imparted in terms of leadership—are almost too numerous to mention. Among the more obvious:

Continued attempts to seek detente with Moscow go directly contrary to the tough line on Qaddafi. The Soviets and the East bloc generally are his foremost backers. Libya is stuffed with Soviet weapons and advisors. The head of its secret police is an East German. The Soviets are also behind such terrorist as Syria, Cuba, Nicaragua and the African National Congress, shot down an unarmed passenger liner, are savaging Afghanistan, etc. What sense does it make to take a hard line toward the lesser terrorist in Tripoli while seeking accommodation with the greater one in Moscow?

Quite apart from the terrorism question, the SALT decision is irrational on the face of it. The treaty was rejected by the U.S. Senate in 1979 and has never been ratified. If it had been ratified, it would have by now expired. President Reagan said in 1980 that it was "fatally flawed," and shouldn't be adopted. His Administration now says the Soviets are violating it, along with numerous other arms accords. Why, in view of all of this, should we abide by it?

In the matter of Soviet violations, the Reagan regime has recently issued a report detailing the numerous transgressions of the Soviets and asserting that "for one side (the United States) to adhere and for the other side (the Soviet Union) not to adhere does not constitute real arms control at all. Rather, it constitutes a dangerous form of bilateral disarmament in the guise of bilateral arms control." Exactly so. But if the Reagan Administration keeps adhering to SALT II despite the Soviets' violations, what incentive do they have to change?

The Administration has talked at length about the need to refurbish our defenses, and about the shortage of necessary funds to get the job done. Yet in order to abide by the SALT II limits, we have already dismantled one Poseidon submarine and are now scheduled to dismantle two more. These subs cost hundreds of millions of dollars to build, and still more millions to destroy. If our defenses are really in such disrepair, can we afford to be dismantling perfectly usable weapons in this fashion?

Reagan spokesmen and numerous people in Congress have lamented the vulnerability of our land-based missiles, leading to endless wrangles over the MX-Peacekeeper program and a "basing mode" that would protect it from Soviet first strike. It is generally agreed that our submarine-borne missiles are more "survivable" than our land-based one, since they are harder to find. Why should we be taking such missiles out of service even as we bewail the growing problem of vulnerability?

The centerpiece of the Reagan doctrine in matters pertaining to nuclear deterrence is the Strategic Defense Initiative, which would protect us from a Soviet missile attack and repudiate the folly of "mutual assured destruction." But if SDI is ever to become reality, the United States will have to get out of the ABM treaty of 1972, which forbids the deployment of missiles defenses. Our unwillingness to abandon SALT II, which has never been ratified, makes it most unlikely that we would have the fortitude to break out of an accord that is still extant and binding.

There are more such paradoxes that could be cited, but none of these, as important as they are, is as significant as the central message of SALT II adherence by this Administration. The Reagan regime, in terms of policy and personnel, is deeply divided against itself. The net result is incoherence—which cannot lead, and which no one can follow.

NEW YORK LAW PROHIBITS CONTRACTS WITH FIRMS ENFORCING APARTHEID

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. OWENS. Mr. Speaker, New York City is having a problem with the U.S. Department of

Transportation. The Department of Transportation insists that Federal highway funds be conserved by awarding contracts to the lowest responsible bidder. New York City, however, insists upon applying local law 19 which prohibits contracts between New York City and firms which supply South African agencies which enforce apartheid and firms which use products from South Africa.

The Department of Transportation, in an April 22, 1986, letter signed by Jim J. Marquez, general counsel, counters that this is merely a problem of preemption when there is a conflict between local and Federal law. The letter notes,

Indeed, as a matter of the policy of this administration, President Reagan has issued two Executive orders to limit dealings with South Africa, saying that apartheid "is wrong and we condemn it."

However, when we are discussing the bottom line, the administration's policy is to preach virtue and practice sin.

This body must come to grips with the difficult problems which flow from a condemnation of apartheid. I have not heard any of our colleagues get up on this floor and proclaim the virtues of apartheid. There is universal disgust with this appalling system. Yet, one finds hesitation when it comes down to deciding on what actions can be taken. Apartheid is an evil force. It must end. Its supporters do not merit any support from the American Government, State and local government, or our private sector. There may be costs to this position—we may be asked to put some money on the line. However, that is little compared to what the oppressed majority in South Africa is being asked to bear. No one is coming after us with guns, tear gas, or metal whips. We are not being summarily arrested and subjected to the most horrendous physical and mental abuse. We are not being asked to bleed. We are being asked to accept minimal financial costs to support the fight against the evil of apartheid.

The administration may take any position that it wishes. It can condemn apartheid in any forum that it chooses, including through Executive orders. However, condemnation, stinging though it may be, is simply a series of words strung together which may not be worth the breath taken to utter them or the paper to write them down. Apartheid is a monumental evil which can only be defeated by the concerted efforts of men and women of good will who as individuals and whole societies take the necessary action to cut off its lifeblood.

New York City has taken a stand similar to that of other localities and States. That stand incurs costs. New York accepts those costs even though they bring a certain amount of pain. Why, if this administration is opposed to apartheid does it resist putting its money where its mouth is and begin to accept the costs of standing up for principle? Talk is cheap. Principles cost money, time, and effort. I am opposed to apartheid and I am appalled that my tax dollars, and that is what we are talking about, are being used to support that evil. That the Department of Transportation would dare to cite the administration's opposition to apartheid while ordering that Federal funds be used to support it is almost beyond belief. It is for that reason that I have appended the letter from Mr. Marquez so that all of my colleagues will be fully aware of its despicable contents.

The letter follows:

U.S. DEPARTMENT OF TRANSPORTATION,
Washington, DC, April 22, 1986.

Hon. EDWARD I. KOCH,
Mayor of New York City,
New York City, NY.

DEAR MAYOR KOCH: Secretary Dole has asked me to respond to your recent correspondence and telephone conversation requesting our review of a decision by the Director of the Office of Highway Operations, Federal Highway Administration (FHWA), concerning the inclusion by New York City of anti-apartheid provisions in Federal-aid contracts.

FWHA has determined that these special anti-apartheid contract provisions required by New York City Local Law 19 could result in situations where City contracts using Federal-aid funds are awarded to other than the lowest responsible bidder. In these circumstances, such awards would violate provisions of Title 23, United States Code, and implementing regulations thereto in Title 23, Code of Federal Regulations. As you are aware, Federal contracting procedures are designed to assure maximum competition, except where Congress has explicitly directly otherwise. Congress has not provided any exception to this general rule based on a company's doing business with South Africa.

Please be assured that we are sympathetic to the City's concerns with South African apartheid policies and its efforts to ensure that public monies do not further such policies. Indeed, as a matter of the policy of this Administration, President Reagan has issued two Executive Orders to limit dealings with South Africa, saying that apartheid "is wrong and we comdemn it." However, the issue we are faced with here is not the Administration's position on the City's anti-apartheid policies, but rather the conflict between current local and Federal laws. It is also important to point out that the issue here concerning a conflict between Federal and local laws is not unique. The Department, in recent years, has also addressed conflicts between Federal requirements and local ordinances that limit competition by restricting awards to local contractors or imposing residency requirements.

As you know, members of my staff recently met with City officials and have had numerous additional conversations on this issue. We have given serious consideration to your views and the possible impact to scheduled Federal-aid highway projects in the City, although I remain concerned about the legality of these special provisions for use in Federal-aid contracts. Despite your assurances that these anti-apartheid provisions may not deter potential bidders from submitting bids on City contracts, they do appear to conflict with requirements for competitive bidding as set forth in 23 U.S.C. § 112 and 23 CFR §§ 635.108(a) and 635.111.

Since a number of Federal agencies provide financial assistance to New York City, this is not an issue that is limited to the Department of Transportation and its particular implementing laws and regulations. We have, therefore, asked the Department of Justice for its views on the applicability of Local Law 19 not only to the Federal-aid highway program but to other Federal assistance programs so as to provide consistent legal interpretation of applicable Federal law. I have asked that the Justice Department expedite its review of this matter.

Pending Department of Justice review, I believe that the application of provisions of New York State Constitutional and Highway Law may also prevent Local Law 19 from applying to Federal-aid highway contracts. We have discussed in detail with your staff how these provisions might operate in the current situation. I strongly encourage you and your legal staff to explore further this issue. Should you desire to proceed immediately with pending contracts, you might discuss with the New York State Department of Transportation (NYDOT) the possibility of its administering these contracts. Since contracts administered by NYDOT are not subject to Local Law 19, this procedure could lead to expeditious processing of these contracts.

I look forward to a mutually satisfactory resolution of this issue.

Sincerely,

JIM J. MARQUEZ,
General Counsel.

WHAT AMERICA MEANS TO ME

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. BORSKI. Mr. Speaker, I rise today to share with my colleagues the award-winning themes of four students from the Philadelphia area. They recently participated in an essay contest sponsored by the Philadelphia Irish Society, entitled "What America Means to Me." In all, more than 30,000 students submitted entries in the competition. The four winners have captured a special sense of America in their compositions and I urge my colleagues to read them. With young people like these, we can feel secure in the knowledge that our future is in good hands.

WHAT AMERICA MEANS TO ME

(By Caroline Ann Johnson)

America, America, I love you
Your flag waves the colors of red, white and blue.
America is wonderful and looks great too
And all the people who live here love you.
Your mountains stand very high
They reach out and almost touch the sky.
Your trees and forests are beautiful and green
Refreshed by the water from your sparkling streams.
The people of America take pride in all they do
They love the land they live in and all their neighbors too.
And so, that is why, America, I love you!

WHAT AMERICA MEANS TO ME

(By Florentine Marie Mason)

As I was walking across the schoolyard one beautiful afternoon, I heard a voice near the flagpole. "Good afternoon, America."

"Who said that?" I yelled, looking around very frightened!

"Up here, at the top of the flagpole," said the voice.

Looking up, all I saw was the American flag.

"Yes me your flag; I salute you America!"

"I am not America, I'm Tina," I said.

"No, you are America," the flag called back.

"I can't be America," I said, "America is made up of cities and towns, big mountains and wide rivers."

"You're wrong," said the flag. "America is you and your family and friends. People like your father and grandfather who went into the service to fight for freedom. People like your mother and grandmother who helped strangers and the people in need when they were asked. People like your priests and sisters at your church and schools, who taught you that this is One Nation, Under God. It is the people that is America."

"But all countries have people," I said.

"That's true," said the flag, "but not all people in different countries are willing to die to keep their freedom like the American people have! You can go to church without any one stopping you. Is that because your country said so? No, it is because you said so 200 years ago, and continue to demand freedom even today."

I called back, "My teachers have taught us to salute and respect you, the American flag, but you are saluting me. Why?"

"Because when you salute and honor me, you are really honoring yourself and the American people because without you Tina, I am nothing by colored cloth.

With you, I am your symbol of freedom, your emblem of truth, love and hope for all peoples who look to America for strength."

Feeling very proud, I called up to our flag saying, "From now on, when I salute you, the American flag, I'll remember who I am honoring, the people of America, because America is her people."

WHAT AMERICA MEANS TO ME

(By Toni Lee Cavanagh)

The United States of America represents 210 years of the fusing of numerous diverse ancestries. Collaborating the brilliance of countless nationalities with the determination of one human race, a truly extraordinary nation was built. It is almost impossible to fathom the overwhelming sense of brotherhood our beautiful country, America, possesses and exudes.

The 1800's saw the immigration of peoples from all over the world. Among these immigrants were my ancestors, proud and brave Irishmen. Scores of hopeful men, women, and children voyaged to America from their homelands in pursuit of a happier, more productive existence in the New World. Free of religious oppression and a stifling economic environment, the Irish were able to thrive in the United States of America.

I am proud to be an American just as I am proud to be an Irishman. America is much more than just a great nation. America is a strong union of people working together in a continuous effort to improve itself. Innumerable ethnic groups played an essential role in America's success story. The intrinsic factor in America's triumphs was and is the people's willingness to work together.

For hundreds of years differences have been cast aside to allow negotiations between America and foreign countries in order to cultivate friendships. Similarly, immigrants from all over the world made an incredible effort to avoid dissension within infant America. Having the foresight to see what a grand nation was in the making, men became devoted to seeing this blueprint become a reality. Language barriers, social and political differences, and many other obstacles were overcome in order to create an America that each man could call his own.

With 210 years of age, America has become a haven for all mankind. Our beautiful country offers freedom of religion, speech, and the press, opportunities to achieve business success, and a healthy environment in which families can thrive. Above all, America encourages man to take risks, to believe in himself and his country enough to be an individual as well as an American.

A striking mixture of cultures, the rich aiding the poor, people helping themselves and others to attain their goals and set yet higher ones; all of this is America. Being of Irish descent and having grown up in America, nursed on stories of my Irish ancestors, I am proud to be living the dreams my forefathers had for their futures. Opportunity, equal rights, freedom, and happiness are all part of my life as an American. Every generation that lives and works in America gets closer to realizing the ultimate goals of their ancestors. This utopia, however, seems to elude us somehow; it is an interminable quest. Perhaps this is because with each new success it is a natural instinct for America to set even higher goals for herself. Her continuous prosperity sparks incentive for posterity to carry on America's determination to become a stronger, wiser, more beautiful nation.

WHAT AMERICA MEANS TO ME

(By Robert Morgan)

I am a 15-year-old blind person who has been blessed with the privilege of living in the United States of America. I had partial sight until the age of 11, when I lost my sight completely. I was frustrated and found it very hard to accept my visual handicap. Throughout my schooling as a mainstreamed student, with the patience and professionalism of my teachers, and along with the guidance and love of my family, I have been able to function independently. I have come to realize that in other countries, a person with a handicap such as mine would not have the same opportunities as a handicapped person in America. The programs for the visually impaired that our system has provided afford me the benefit of endless knowledge and possibilities.

America is a place where people, regardless of their disabilities, have constitutional rights that make them equal human beings. Although I lack outer vision I have inner vision which enables me to feel the way I do about America. The United States of America is the greatest country that God could have created on this great planet of ours.

CHASTISING PINOCHET

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. MORRISON of Connecticut. Mr. Speaker, as the following report from the Council on Hemisphere Affairs [COHA] explains, the United States' March 6 introduction of a United Nations resolution ciriticizing Chile's human rights record is an encouraging sign that the Reagan administration may finally take meaningful steps to bring about democratic change in Chile. However, in the past the Reagan White House has stressed "quiet diplomacy" as a response to Santiago's human rights abuses, in marked contrast to its vociferous attacks on left-leaning regimes charged with reaching civil rights. Overturning the policy set by the Carter administration, this administration has consistently voted in favor of multilateral development bank [MDB] loans to the Pinochet government, in disregard of section 701 of the International Financial Institutions Act, a 1977 amendment that bars the United States from supporting MDB loans to nations guilty of "a pattern of gross violations of internationally recognized human rights." The report was written by COHA research associate Louise Silberling and first appeared in the April 16, 1986 issue of COHA's biweekly publication, Washington Report on the Hemisphere. I commend it to my colleagues.

CHASTISING PINOCHET

(By Louise Silberling)

Into the midst of heated Congressional debate over funds for the Nicaraguan contras, the Reagan administration March 14 issued a document on "regional security" pledging to "oppose tyranny in whatever form, whether of the left or the right." Several days before, on March 6, the United States, for the first time, introduced a resolution critical of Chile's performance at the U.N. Commission on Human Rights.

On Feb. 28, Assistant Secretary of State for Inter-American Affairs Elliott Abrams, one of the most conservative members of the Administration, went as far as to say that Washington hopes that tactics used on Chile "will be as successful . . . as those applied in Haiti and the Philippines." What Mr. Abrams must have had in mind was that Washington ardently supported those two repressive dictatorships until shortly before they were overthrown due to popular protests.

As the Chilean government of Gen. Augusto Pinochet reacted angrily, some observers saw a virtual return to the Carter administration's human rights policy, while others argued that the moves were tactical in nature, intended to lend moral authority to the Reagan administration's policy of topping the Nicaraguan government.

Those close to State Department thinking told COHA that Abrams was attempting to build U.S. credentials with the Chilean opposition without seriously damaging relations with Pinochet. This dual policy, say these experts, is based on the conviction that while Pinochet's demise is not imminent, his years are numbered. The administration's success in finessing transfers of power in the Philippines and Haiti has apparently persuaded policymakers that it may be easier to attempt to co-opt opposition movements than prop up dictators.

The U.S.-backed U.N. resolution condemned "the persistence of serious violations of human rights in Chile," especially "such violations as disappearances and torture and abuses by security forces." Yet on Dec. 8, 1985, the United States voted against a U.N. resolution on Chile, and abstained from its key vote from a similar resolution in front of the Organization of American States. Since 1981, State has either abstained on, or opposed, all resolutions on Chile because, a State Department official told COHA, they were "unbalanced and strident."

The U.N. Human Rights Commission resolution, following a pull-no-punches report by the Inter-American Commission on Human Rights in October, to which Santiago also reacted angrily, did reflect Pino-

chet's increasing international isolation, a reflection, and partial result, of the success of the Church-supported coalition of moderate political parties gathered together by the National Accord in depriving Pinochet of political support within Chile.

Social Democracy leader Rene Abeliuk said March 26 that Santiago is attempting to get Washington "to go back to the silent diplomacy that was so comfortable for the dictatorship—to be scolded privately while in public there was silence." Commenting on a meeting that day between U.S. Ambassador to Chile Harry Barnes and Chilean Foreign Minister Jaime del Valle, Abeliuk said that the Pinochet regime was negotiating to "recover the system of support that the United States used to provide," and offset the "tremendous and internally catastrophic defeat" represented by the U.S. human rights resolution.

Congressional liberals were pleased by the U.N. resolution, but doubtful that it represented a fundamental shift. Conflict over Chile policy has raged between State and members of Congress ever since Reagan took office and former Secretary of State Alexander Haig normalized relations with the Santiago dictatorship, lifting the bans on Eximbank and other loans. During the Carter administration, funding prohibitions were imposed because of Chile's refusal to extradite three Chileans indicted by the United States for the murder of former Chilean Ambassador to the U.S. Orlando Letelier and an American colleague.

In 1977, a bipartisan majority at the Congress approved Section 701 of the International Financial Institutions Act, an amendment proposed by then-Representative Tom Harkin (D-Iowa.) It required United States representatives at the World Bank and the Inter-American Development bank (IDB), but not the IMF, to "advance the cause of human rights," opposing loans to countries guilty of "a pattern of gross violations of internationally recognized human rights." Votes on multilateral development bank (MDB) loans are the key indicator of U.S. policy toward larger third world countries like Chile, which do not receive significant amounts of bilateral aid.

The Carter administration consistently opposed MDB loans to Chile, but never made a formal determination that Santiago was engaging in "a pattern of gross violations" of human rights. This failure to set an unambiguous policy precedent has been exploited by the Reagan administration. In July 1981, the Reagan administration reversed Carter administration practice and began supporting MDB loans to Chile, as well as then military-ruled Paraguay, Uruguay, and Argentina.

In testimony, Abrams has contended that the Carter administration's opposition to MDB loans was only symbolic because all the loans passed anyway, and that it can better "promote the cause of human rights," stated at the beginning of Section 701, by interpreting the rest of the amendment broadly. "What is a pattern of gross violations?" asked Abrams in testimony Dec. 5. "That is a judgement call."

Critics retort that the U.S. attitude determines the amount of loans proposed to the boards of the MDBs, and point to the vastly greater sums approved for Chile under Reagan as compared with the Carter years. They also argue that the Reagan administration has accomplished little in the way of human rights improvements in Chile, while disregarding "the spirit and the letter of Section 701," as Harkin himself put it Dec. 5.

Even the Treasury Department, which bears ultimate responsibility for MDB votes, has been uneasy. On January 10 a memo was leaked from Asst. Treasury Secretary David Mulford to Abrams urging "a review of our policy regarding U.S. voting on MDB loans to Chile," citing an "unfavorable development in the human rights situation."

TEXAS LAW DAY

HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. ANDREWS. Mr. Speaker, I rise today to acknowledge two significant events we have celebrated in Texas recently—the sesquicentennial, celebrated on April 29, and Law Day, commemorated on May 1. The ideals represented by our State's legal tradition and revolutionary heritage are strongly held by Texans everywhere. In the best tradition of the original Texas lawyers and legislators, we strive today to continue our great tradition of democracy, freedom, and reliance on the rule of law.

It is to these precepts, and to the memory of our Texas forbears, that we in Texas have dedicated this sesquicentennial year. It is their exceptional vision and commitment to the rule of law that we still honor today.

The Congress of the Republic of Texas from the time of independence to the time of statehood established a legislative history unequaled by any other American State. In a revolutionary and visionary spirit, Texas was the first nation to declare another nation's failure to provide a system of public education as a cause for revolution. The Texas Declaration of Independence responding to Mexico's failure in this regard stated:

Unless a people are educated and enlightened, it is idle to expect the continuance of civil liberty or the capacity for self-government.

The constitution of the republic reflected the English heritage of the majority of the Congress by establishing "by statute the common law of England," as the law of the land. However the Texans added one qualification that is significant in our laws to this day. They incorporated the common law except as they stated, "* * * with such modifications as our circumstances may require."

One of those modifications required in the wisdom of the Texas Congress was the adoption of the civil law of marital rights rather than that found in English common law. By preserving the law of community property and recognizing a woman's equal right to the earnings of her spouse, Texas moved ahead of even the United States. The republic also passed the first homestead law in any English-speaking jurisdiction exempting the family homestead from foreclosure to pay general debts.

In a matter of jurisdiction that perhaps only lawyers can appreciate the constitution of the republic provided that:

All courts shall be open and every man for an injury done him * * * shall have remedy by due course of law.

This "open courts" provision not found in the U.S. Constitution or Bill of Rights gives Texans to this day a special protection against any attempt to bar a cause of action because of political pressure or legislative convenience.

Even in the simple act of defining the boundaries of the republic, the Congress showed its wisdom and boldness. By including in its western boundary the Rio Grande to its source, Texas received $10 million for its New Mexico lands from the United States in the Compromise of 1850. With this money Texas paid off the debts of the republic, built the Governor's mansion and put $2 million into the permanent school fund.

By including a boundary extending three leagues, about 10½ miles, into the gulf, Texas' permanent school fund has received over a billion dollars from this "tidelands" revenue. By recent congressional action Texas will receive $416 million in revenues from this source this year and will receive millions more in the future.

Like the Texans of that revolutionary decade, our generation has a vision for and a confidence in our future. One key to that future lies in space and high technology developments. I believe Texas is uniquely suited to take advantage of such space markets. Our area has a most obvious and important resource—the Johnson Space Center. The value to our community of that center is apparent though I think we must make greater use of its potential.

Also in Houston is the Texas Medical Center, a tremendous resource for biomedical and pharmaceutical research. Moreover, Texas possesses a number of world-class universities like the University of Texas, Texas A&M, Rice, and the University of Houston—all growing from an education system made possible because of the commitments to education made in Texas 150 years ago.

Despite these inherent resources and advantages, Texans will have to make a concerted effort to realize the benefits of high technology growth. We need long-range planning, incentives to new companies, and improvements in education in Texas.

We must ensure that our educational system enhances scientific and technical training. We cannot compete in the high-tech economy without having a high-tech work force. On this front, I look to Governor White's Select Committee on Higher Education for strong recommendations.

On the Federal level, Senator BENTSEN and I have introduced the National Space Grant College Act, a bill designed to promote further alliances between our universities and businesses and to foster the growth of space science expertise in our institutions of research and education. The State could also help pave the way for the space-grant college program by dedicating funds to match future Federal moneys in the same way that Texas created a technology fund to foster a wide variety of research.

Each of our universities could develop specific technological specialties in areas like biomedical research, materials processing, or communication. In this way, new high-tech businesses could share resources and expertise, and avoid squandering our resources on redundant research programs.

Finally, I feel there is an important role for local communities in this drive for economic diversifications. By providing economic development plans, supporting a base of new business incubators, fostering business-to-business and business-to-government communication, cities like Pasadena can play an important role in our future. If we can enhance our education system, harness the entrepreneural skill and research resources of Texas, we can make a diversified and robust Texas economy a reality for our next 150 years.

FOOD FOR THOUGHT ABOUT COMMUNISM

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. BROOMFIELD. Mr. Speaker, the record clearly shows that the Communist Sandinistas in Nicaragua have essentially destroyed that poor country. The Nicaraguan economy is on its last legs, the Catholic Church there is under seige, human rights are being denied and the last free newspaper is routinely being censored.

True to form, the Marxist-Leninists of Managua are doing to that country what was done by similar totalitarian regimes in Vietnam, Cambodia, Cuba, Ethiopia and in many other countries around the world that have been added to the long list of captive nations.

All too often, Americans and others around the world forget about the seamy side of communism. They forget the lessons of the past and focus on the promises of that failed ideology. Built into the theory of communism is the idea of class struggle and the need to export that ideology.

History appears to be repeating itself today in Central America. Comandante Ortega and company are aggressively exporting their failed revolution to the surrounding countries in that region. They call themselves internationalists and believe that they must force their revolution upon the small and poor countries of Central America. Sad but true, many Americans are enamored by the revolutionary glamor of Daniel Ortega. His claims of bringing progress to Nicaragua are seductive and lull many of the innocent into believing that his brand of Marxism-Leninism will cure the ills of Nicaragua and other countries in the region.

I submit that history has shown that communism brings sadness and despair. A visit to any Communist country will prove my point. I am determined that history will not repeat itself again in this hemisphere. I don't want more Cuban police states near our southern borders.

I hope that the Congress will wake up before it is too late. Let's do something now to stem the tide of communism in Central America.

With these concerns in mind, I commend the following insightful article from the Washington Times to my colleagues in the House.

HISTORY BELIES HER PROPHECY

(By John Pitney Jr.)

On April 28, 1975, Frances FitzGerald came to Schenectady, N.Y., to lecture Union College students about Vietnam. In her Pulitizer Prize book, *Fire in the Lake*, she had referred to the Viet Cong as "liberation forces," blamed the war's ferocity on the "latent sadism" of American troops, and longed for the day when "the narrow flame of revolution" would "cleanse the lake of Vietnamese society from the corruption and disorder of the American war."

It was fitting that she made her appearance on this day. Within hours, Communist troops would take Saigon.

A Union College sophomore, I interviewed Ms. FitzGerald for the student newspaper. Recently I played the tape of that conversation to learn how her remarks would sound 11 years later.

If the Communists are liberators, I ask, why are Vietnamese civilians trying to escape?

They are running from the Communists because they still fear the Americans, she explains. "Every single time the North Vietnamese or the PRG [Viet Cong] have come into a city, that place has been bombed." Others flee out of shame. "Of course there were a lot of people who were benefiting from the regime and the American presence. A lot of them now feel guilty."

Communist brutality does not create refugees, she suggests. "There have been no confirmed atrocity stories." In fact, any bloodbath would be America's fault. "I really think that American policy has been directed toward creating a massacre. Not only militarily, but by making a political settlement so difficult as to create as much bloodshed as possible."

What happens when the North Vietmanese take over the South?

"It's precisely what they're trying not to do. What they don't want to do is to create their own government in the South. What they see is the creation of an indigenous sovereign government which will negotiate with Hanoi before an eventual reunification of the country.

"This will be an interim government. It will be in charge of carrying out elections."

This statement is surprising. "What kind of elections?" I ask.

"National elections for a new government."

"Multiparty?"

"Probably."

So there is was. The Communists had fought for decades in order to bring democracy to Southeast Asia, and only the Americans stood in their way.

History has belied Ms. FitzGerald's ghastly delusions. Thousands of boat people tried to flee the country; though some reached freedom, many died at sea. Those who stayed behind were often sent to "reeducation camps," where they remain. The North Vietnamese not only dominated the South, but Cambodia and Laos as well. Now they threaten Thailand. And there have been no free elections.

Eleven years later her comments are memorable not because they are so unusual, but because they are so typical. Time and again for nearly 70 years, Communist crimes have escaped many liberal eyes:

In 1919, American journalist Lincoln Steffens returned from Lenin's Russia and said, "I have been over into the future—and it works!"

Joseph Davies, the U.S. ambassador to the Soviet Union, reported Josef Stalin as having "insisted on the liberalization of the constitution" and "projecting actual secret and universal suffrage." Mr. Davies also endorsed Stalin's infamous show trials.

In the late 1950s, New York Times reporter Herbert Matthews presented Fidel Castro as the T.E. Lawrence of the Caribbean.

Mr. Steffens, Mr. Davies, and Mr. Matthews were not bad Americans, just bad prophets.

And now the sequel. Although many administration critics have finally conceded that the Central American Communists are not just agrarian reformers, the critics still think that the Communists can be brought to the table by good intentions alone.

Ms. FitzGerald herself discussed Central America in a 1985 issue of Harper's: "The problem in El Salvador is not the guerrillas but the government—the military-dominated government that actually created the guerrillas and now can't get rid of them without American help."

So it's America's fault again. Cuba and the Soviet Union apparently have nothing to do with it. I hope she will not go on to claim that the Salvadoran guerrillas and the Sandinistas are aiming for free multiparty elections. Or that refugees are fleeing to America because they fear Americans.

THE SELF-INSURANCE ENHANCEMENT ACT OF 1986

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. SCHULZE. Mr. Speaker, 1 month ago today, I introduced legislation, H.R. 4524, to establish a national commission to examine our Nation's current insurance availability crisis. The Commission would examine the need for long-term solutions to ensure insurance availability for American businesses and professionals. In the past month over 40 of my colleagues have joined me in this effort. While the Commission would require action on its recommendations by the Congress within 6 months of enactment, I am now offering a short-term solution to ease the current insurance crisis.

As extensive hearings before the Oversight Subcommittee of the Ways and Means Committee have shown, the insurance crisis is complex. It involves insurance companies and purchasers of insurance, courts, and lawyers, U.S. companies and foreign reinsurers, as well as others.

My bill addresses the short-term availability crisis in two ways. First, it makes changes in the Internal Revenue Code. It provides tax incentives for small businesses or professionals to self-insure where a line of insurance is either unaffordable or unavailable. My legislation establishes what can essentially be called self-insurance individual retirement accounts or IRA's. To utilize this IRA, a business would have to have faced unaffordable premium increases within the last year, been canceled by an insurance company without prior substantiated claims within the past 3 years, or have simply been unable to find coverage at any cost.

The second provision is to enhance the use of self-insurance by expanding the Product Liability Risk Retention Act of 1981. It would allow similarly situated businesses or groups

to form their own insurance cooperatives across State lines.

It would also allow those facing unaffordable rates or who have had their policies canceled to purchase liability insurance on a group basis. Safeguards are included in the legislation to oversee the solvency and viability of these groups as well as to ensure their formation will avoid adversely impacting an already ailing insurance industry.

A provision in my bill separates it from other risk-retention legislation before Congress. It eliminates unjustified restrictions on full tax consolidation for insurance companies which offer administrative services or insurance to risk-retention groups. This provision not only eliminates bad tax policy, but more importantly, offers incentives to the insurance industry to participate and support risk retention groups.

This legislation takes off where other proposals have fallen short, it ensures some kind of insurance availability where none may be currently available. It provides the incentives necessary to make risk retention work. In the past, risk-retention cooperatives formed under the 1981 act have done poorly; in many cases folding and actually making things much worse for their members. The tax provisions of my legislation will ensure that professional management services, risk-assessment services, and reinsurance and insurance coverage will be available from the insurance industry for risk-retention groups. To provide a better understanding of how the tax provisions of my legislation work, I have included a detailed description.

I firmly believe that either of the changes to existing law will help alleviate the present shortage of insurance coverage. Both could cause a profound improvement in what is the most frightening problem facing American businesses today, the high cost of nonavailability of commercial liability insurance coverage.

I urge my colleagues to support my legislation and to support an immediate short-term solution to the insurance availability crisis. While I feel strongly a national commission is needed to address a long-term answer to this problem, enhancement of self-insurance is an immediate concern which the Congress must address.

IN SUPPORT OF TAX REFORM

HON. DOUGLAS H. BOSCO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. BOSCO. Mr. Speaker, as a strong supporter of tax reform I agree with President Reagan's goal of creating a new system that is fairer and provides for greater economic growth. The House-passed bill does, I believe, accomplish this. Fortunately, the recent plan approved by the Senate Finance Committee takes an important step in this direction as well. Senator PACKWOOD should be applauded for moving his committee away from consideration of an earlier draft plan that represented the antithesis of real tax reform. A notable case in point was this draft plan's treatment of our domestic wine industry.

In order to pay for restoring several tax expenditures, the wine industry had been singled out as the only agricultural-based product asked to absorb enormous new tax increases. Not once, not twice, but three times. The excise tax on wine would be raised 400 percent from 17 cents to 87 cents a gallon, excise taxes would be eliminated as business deductions, and future taxes would be indexed to price changes. Studies indicate that these and other excise tax increases would be highly regressive, with low-income households who account for only 3 percent of income forced to pay 8 percent of the tax increase. In effect, the excise tax increases would result in households receiving a much smaller net tax cut for low-income households than under either the House bill or the President's plan. Clearly, massive excise tax increases on wine would not bring fairness to the Tax Code.

Nor would it provide for greater productivity and growth. It is estimated that these provisions would reduce the wine market by at least 10 percent, with the loss of 400 vineyards and 20,000 jobs. That is an unacceptable burden for an industry that is already heavily taxed at the State level and has seen table wine drop from 281 million gallons to 264 million gallons in the last 2 years.

In closing, Mr. Speaker, I would remind Members of both bodies that the wine industry is not like that depicted on the television show Falcon Crest. In fact, it is mostly small family vineyards that are passed on from generation to generation. These small vineyards would be the first to go under such excise tax provisions. With this in mind, I would hope that the full Senate strikes a note for fairness and productivity by endorsing the Senate Finance Committee's decision to omit any additional excise tax increases on wine from its tax reform package.

ADDRESS OF CONGRESSMAN WYCHE FOWLER, JR., BEFORE NORTH GEORGIA COLLEGE

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. SKELTON. Mr. Speaker, this past Friday evening I had the privilege to be present at the North Georgia College awards ceremony. Our colleague Hon. WYCHE FOWLER, JR., gave an excellent address on personal advancement and individualism a copy of which I insert into the RECORD:

ADDRESS OF REPRESENTATIVE WYCHE FOWLER, JR., NORTH GEORGIA COLLEGE

I want to first of all congratulate the students here today on your achievements here at North Georgia College. And in addition I would like to commend your parents who have also made a major contribution (including the financial one!) in getting you here today.

I know that all of you have better things to do with your time on this festive occasion than to listen to some long-winded speech so I will try to be uncharacteristically brief.

Addresses of this kind are generally given to a look ahead, an examination of future prospects for those who have accomplished so much and of whom we expect so much.

But I am not going to talk to you about the future, for you literally are the future. You will live there and whatever guesses or estimates I could try to give you about how your lives will be as individuals or as parts of the larger community would in all likelihood be far off the mark from the reality you will find for yourselves.

I propose to talk to you about the past, for this is also a time for reflection on what has gone before. As T. S. Eliot wrote:

"Time present and time past
"Are both perhaps present in time future,
"And time future contained in time past.

Just three years ago, in 1983, Georgia celebrated the 250th anniversary of its founding. Next year, in 1987, we will commemorate the 200th anniversary of our State's ratification of the U.S. Constitution. These milestones serve as reminders of our unique identity as well as of our common heritage as Americans, of the historical continuity linking us to the Founding Fathers as well as of the progression of years that have brought us to the present.

The world of the Eighteenth Century, the era of democratic revolutions, Indian Wars, sailing ships, and candle lights, seems very remote to us. Yet the Georgia of just fifty years ago was in truth almost equally remote to our current circumstances.

Think about it a moment. Just fifty years ago in Georgia two-thirds of the population lived on farms; our per capita income of $317 ranked near the very bottom of all states; fewer than one half of all homes and only 3 percent of rural homes had electricity;

Only 1 home in 4 had a refrigerator; only 1 out of 16 farmers lived near a paved road; 60 percent of Georgia's textile workers lived in drab, company-owned housing and were paid 30 to 40 percent less than their counterparts in other parts of the country; race relations were characterized by legalized segregation and discrimination, disenfranchisement of Black citizens; and violence; only 36 of the State's 159 counties had full-time health departments;

Only 1 out of 3 cities, and 1 out of 4 rural communities had sanitary sewer systems; the State ranked in the top 3 States in the nation in deaths from malaria; the infant mortality rate was 57.8 per thousand, nearly the worst record in the U.S.; public spending for education was only $73 per pupil for Whites and $17 for Blacks; annual average teacher salaries were $930 for Whites and $430 for Blacks.

It is hard to believe how far we have come. I say we, but it was mainly the work of today's senior citizens and their parents who brought us to where we now are. In the mind 1980s, we have much to be thankful for as Georgians and as Americans known. We live in a land where freedom of expression is considered so deeply ingrained that we now often take it for granted. We live in a nation where the rule of law reigns supreme, even over the highest officials of government. We live in a country which has the world's longest-lived constitutional democracy, and which has never abandoned those democratic traditions whether in war, civil war, or economic depression.

For these and the many other blessings that we enjoy, we must give thanks. But, let us not forget that these achievements have not come easy. Each generation has had to fight to maintain and expand our freedoms and opportunities. I'm sure the Georgians of fifty years ago felt that they had come a long way in the State's first 200 years, yet

looking back, how limited their horizons seem to us today when we have walked on the moon, spanned the earth with transportation and communication networks, and found cures for many of the deadliest diseases of the past.

When we measure the progress of the past 50 years, it is a measure of the aspirations and efforts of the men and women who wanted something better for themselves, their children, and their country. That idea, that we can do better, that we should strive to do better, is perhaps the essence of the American spirit.

It is now 113 years since North Georgia College began holding classes. Much has changed in the intervening years both in the State, as I've just discussed, and here at North Georgia. The school here in Dahlonega has grown in size, in scope and in statute. Its growth and progress have mirrored and indeed contributed to the State's move ahead.

As Honor Students, you are at the very heart of this growth and progress. You have both contributed to it, and benefited from it. And this is certainly in the tradition of Education at North Georgia and throughout our State, a tradition of returning something of value to the community which helped support your education.

I speak to you as one who strongly believes in personal advancement and in individualism. Yet I also have an absolute belief that we all have obligations to our country, to our community, to our families. The phrase "No man is an island, entire of itself; every man is a piece of the continent, a part of the main," is as true today as it was 360 years ago when John Donne penned the words for the first time.

None of us lives in isolation from the world around us. All of us have benefited from those who have come before, whether the inventors who have advanced human technology to the point where we can now reach for the stars, to the political, business, and other leaders who have helped to build an unparalleled system of personal freedom and affluence, to our own grandparents and parents who have sacrified to give us a better life than they experienced.

I hold with the Apostle Luke, "For unto whomsoever much is given, of him shall be much required; and to whom men have committed much, of him they will ask the more." We, your generation and mine, have been given more material benefits than any other groups in history. We have the greatest debts to pay and the awesome responsibility of enriching the future for those who are to follow us.

Are we up to the challenge? I would like to think that we are. There is no shortage of societal problems that need attention, from the threat of nuclear proliferation, to the danger of environmental contamination, to the question of industrial competitiveness, to the quest for a cure for cancer, to a host of other concerns. I would like to hope that your generation will do a better job of responding to President Kennedy's call to my generation almost a quarter century ago:

"Since this country was founded, each generation of Americans has been summoned to give testimony to its national loyalty. The graves of young Americans who answered the call to service surround the globe. Now the trumpet summons us again—not as a call to bear arms, though arms we need—not as a call to battle, though embattled we are—but a call to bear the burden of a long twilight struggle year in and year out, rejoicing in hope, patient in tribulation—a struggle against the common enemies of man: tyranny, poverty, disease and war itself . . . The energy, the faith, the devotion which we bring to this endeavor will light our country and all who serve it—and the glow from that fire can truly light the world. And so, my fellow Americans: ask not what your country can do for you—ask what you can do for your country."

I have been very pleased to see the rekindling of patriotism across the country over the past few years, but for this patriotism to have any real meaning it must be more than merely a good feeling. It must be coupled with a commitment for national service. Freedom is not only a right, it is a responsibility.

I urge you to reflect upon those whose contributions have made your academic successes possible: first of all, your parents and family who have seen you through these past four years, in good times as well as bad; your teachers from kindergarten through college who have taught you how to learn; your state and your community who have helped to finance your education; and your country which has provided you with the freedom and the opportunity to choose your own direction.

Think of what you owe them, and others who have helped, either directly or indirectly, to bring you to where you are today. And, to paraphrase President Kennedy, ask what you can do to repay your debt.

As I said before, the challenges are there, the needs are great. But I think you are up to it. And when you attend the honors nights of your children and grandchildren you will be able to look back in pride to your accomplishments in making our land an even more luminous "shining city on a hill."

Thank you very much for allowing me to be with you here today.

RENAISSANCE OF THE WICKES COMPANIES

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. LEVINE of California. Mr. Speaker, one of the most remarkable business success stories of recent years is the renaissance of the Wickes Companies.

Less than 2 years ago, Wickes was in chapter II, teetering on the brink of extinction. In an effort to salvage the situation, Sanford C. Sigoloff, a uniquely gifted businessman, was asked to bring his managerial magic to bear and keep Wickes afloat.

Today, the Wickes Companies are no longer in chapter II. They have been revitalized and rejuvenated. Not only has Wickes again become a vital competitive force in this country, but it is now preparing to do battle to win back markets lost to foreign competition.

All of this is a mighty tribute to the talents of Sandy Sigoloff. The current issue of Business Week magazine contains a brief profile of this remarkable businessman and a short summary of his impressive accomplishments.

I ask unanimous consent to include the text of this article, and ask my colleagues to join with me in paying tribute to Sanford Sigoloff—a great American success story.

[From Business Week, May 12, 1986]

"COMPANY DOCTOR" SIGOLOFF HAS AN RX FOR WICKES: ACQUISITIONS

Now that Sanford C. Sigoloff is running a nice, normal company for the first time in his life, is the high-energy "company doctor" going soft? There are startling signs at Wickes Cos., the retailer he guided out of bankruptcy court last year: Chairman Sigoloff now tolerates vacations and lets executives take Sundays off. (Not Saturday, to be sure.) Recently, Sigoloff left his Santa Monica (Calif.) office to spend three days in Bermuda at a party for 400 employees. Fifteen months after Wickes emerged from Chapter 11, "things are a bit more relaxed around here," says Lawrence P. Friedman, a Wickes senior vice-president.

The calm may be temporary. Having fixed three broken companies over the years—partly through chopping and dumping—Sandy Sigoloff wants to show that he can build companies up as well as tear them down. His plans for Wickes include at least one major acquisition and a number of smaller ones. A big one recently got away: Sigoloff bid $1.4 billion for National Gypsum Co., but dropped out when management of the wallboard maker offered more. He clearly has other candidates. "We'll be back at it before our annual meeting [on May 28]," says Sigoloff. "We intend to make a major acquisition this year."

DEEP POCKETS

Wickes, in fact, can afford to pursue quarry even larger than National Gypsum, says Wilhelm A. Mallory, senior executive vice-president and Sigoloff's second-in-command. Wickes will go ahead with a $600 million debenture issue, originally intended to help pay for National Gypsum. Wickes already has $300 million in cash from selling operations, and Drexel Burnham Lambert Inc. is readying a private debt offering. Wickes's ease in raising money is striking evidence of its recovery.

Sigoloff's urge to acquire stems partly from a huge tax-loss carryforward that will relieve Wickes of paying taxes on its next $469 million of earnings. The tax credit piled up after Wicke's 1980 takeover of retailer Gamble-Skogmo Inc., a debt-laden deal that led to heavy losses and bankruptcy court. Sigoloff, who took over a month before taking Wickes into Chapter 11 in 1982, say it may be nine years before the tax credit is used up by current operations, which include furniture and building-material stores and apparel and auto-parts production.

By Sigoloff's reckoning, acquisitions would help Wickes utilize the tax credits more quickly—perhaps within three years. Using up the credits and building acquisition debt could also discourage a once-bizarre notion—a takeover of Wickes. Its stock now trades at about 6 a share—double the price when it came out of Chapter 11 in early 1985. Still, for about $1 billion, a buyer could get the tax loss, the $300 million in cash, and a profitable company. Wickes earned $76 million in a year ended Jan. 25 on sales of $2.8 billion. The last company Sigoloff salvaged, drug retailer Daylin Inc., fell in a hostile buyout by W.R. Grace & Co. Could Wickes suffer the same fate? "Bite your tongue!" snaps Sigoloff.

A former nuclear physicist, Sigoloff, 55, is hunting acquisitions with typical precision through computer analysis. Tight-lipped, he won't say who came up with National Gypsum, although apparently it was Drexel Buyrnham Lambert. Nor will he say why he

let a Gymsum management buyout offer sit on the table for four months before entering a last-minute bid. For the normally outgoing Sigoloff, such reticence is revealing. "He appears relaxed," says a colleague, "but he's tense inside."

As he weighs possible buys, Sigoloff leans toward manufacturing, preferably of consumer goods. "We want brand recognition, shelf space, and a good marketing force," he says. "And we want something where the payoff of automated manufacturing is starting. There are enormous opportunites in manufacturing." He's intrigued by recapturing markets lost to foreigners—as Wickes is trying to do in high-performance auto pistons dominated by West Germany.

MISSED CHANCES

Sigoloff's one big success was buying consumer and industrial units from Gulf & Western Industries for $1 billion last fall. But he lost the cleaning-products business of Purex Industries Inc. to Greyhound Corp. last year—and a W.R. Grace home-improvement chain this year. The missed chances show prudent bidding, says Sigoloff. "The chase makes you want to keep going," he says, "but never, never, never overbid."

Divestitures have been easier. Sigoloff has sold 19 operations—including supermarkets, drug stores, and a mail-order unit. Four more on the block, including clothing stores and mattress manufacturing, should end the major spinoffs.

Can Sigoloff switch from strategic maneuvering to become a day-to-day manager? Chances seem good, thanks to a prodigious memory and an operating manager's eye for detail. In meetings he takes nonstop notes—and saves them. "Then he'll say to a manager, 'But two years ago you said this . . .'" says James M. Van Tatenhove, a Wickes senior vice-president. "It can be very disconcerting." Sigoloff also calls up daily computer runs on inventories and manufacturing efficiency.

Sigoloff is chairman, chief executive, and president—and plans to keep those jobs at least several more years. He won't get bored, he says, "because I keep changing the company." Some stockholders may hope his acquisition hunt doesn't change things too fast. After all, ambitious growth is what got Wickes into trouble in the first place.

COSMIC OBJECT DISCOVERED

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. UDALL. Mr. Speaker, evidence of a giant cosmic object has been gathered at the Kitt Peak Observatory in Tucson, AZ. I commend the scientists behind this discovery as I believe that their findings are crucial to further understanding of the universe, past, present, and future.

Early this March, the 4-meter Mayall optical telescope spotted the object which appeared as a double image in the sky. Working on Einstein's theory that gravity bends light, scientists believe that the double image they see is caused by "an intervening object whose gravity is so powerful that it bends the quasar's light * * *." It is estimated that the gravity of this object matches that of a thousand galaxies.

An article in the May 6, 1986, issue of the Washington Post describes this discovery and its implications for science. I submit the article to the RECORD for the interest of my colleagues.

GIANT COSMIC OBJECT DISCOVERED

(By Michael Lemonick)

PRINCETON, NJ, May 5.—Princeton University astronomers have found evidence that a mysterious, extremely large mass is drifting in space halfway between Earth and the edge of the observable universe.

Although the object has not been seen directly, the discoverers estimate that its gravity is that of a thousand large galaxies combined.

The discovery near the constellation Virgo could lead to a revolution in understanding of the universe. The object is impossible to classify, according to Edwin L. Turner, a Princeton astrophysicist and principal author of a report of the find in this week's issue of the British journal Nature.

"The most conservative explanation would be that it's a cluster of galaxies as large and dense as any we've ever seen," he said. "The problem is that we should be able to see such a big cluster quite easily in our telescopes, and we don't." Observations with more sensitive radio telescopes have also failed to see evidence of such a cluster.

The other possibilities, considered extremely exotic by astronomers, are a black hole with the mass of 1 quadrillion stars and something called a cosmic string, a sort of crack in space itself.

"We may be seeing something that has only existed in our theories until now," said J.R. Gott, another Princeton astrophysicist.

Evidence of the new object, gathered in early March with the four-meter Mayall optical telescope at Kitt Peak National Observatory near Tucson, is in the form of a double image in the sky. What seems to be two quasars, galactic cores so bright they are visible even at the universe's edge, is really just one.

The double image, a kind of space mirage, is caused by an intervening object whose gravity is so powerful that it bends the quasar's light, like a distorting lens. Predicted by Albert Einstein and others in the 1930's, the phenomenon was found first in 1979 and has been seen five times since. None of these so-called gravitational lenses, however, has been as powerful as this one.

The newly discovered lens separates the quasar images by about 2½ minutes of arc, about 30 times the separation caused by the other lenses. The full moon is about 30 minutes of arc, or half a degree, in diameter.

Astronomers have said they are convinced by the size of the separation that the unseen object, the source of the gravity causing the double image, must be unprecedentedly massive. When the dual image was first noted in 1979, it was not investigated as a candidate for the lens effect because of the improbably wide separation.

Turner acknowledged a slim possibility that the double images might be two distinct objects but said the evidence makes this extremely unlikely. Spectral analyses of both images, in which their light is separated into its component colors, show that each has essentially identical component wave lengths. Quasars usually are quite different in spectra.

"It would be too much of a coincidence for two quasars to be so nearly identical," he said.

Jeremiah Ostriker, chairman of Princeton's department of astrophysical sciences, agreed, saying, "I don't think nature is playing tricks on us."

"Whatever the object is, its mass makes it quite unusual," said Alexander Vilenkin, a Tufs University physicist. "If this actually is a lens, its enormous separation means we will almost certainly learn a great deal about the way the universe has evolved."

Word about the new lens has spawned a flurry of papers exploring its consequences for prevailing theories about the universe. The 200-inch telescope atop Mount Palomar in California is being trained toward the lensing object and is also seeking evidence that other, fainter nearby quasars may have been lensed into double or triple images.

The number of images is important. If the lens is a cluster of galaxies, it will produce three or more images. If it is a black hole or cosmic string, it will produce two.

Moreover, all pairs of string-generated images would be arrayed with one image on each side of an invisible line. But if the object is a black hole, the images would be paired around a common center. Preliminary searches have revealed only the pair of images, making it impossible to answer the question.

Cosmic strings and black holes are two of the newest additions to astronomy's menagerie of theoretical objects in the cosmos. Both are thought possible, but neither has been for certain.

Of the two, black holes are thought more likely. They are born when stars run out of fuel and collapse. If the star has enough mass, collapse is inexorable. Instead of stopping when the mass is compressed into a solid, compression continues indefinitely, beyond the point at which atoms lose their identity.

Finally, the gravity is so strong that light cannot escape. The star, now only a few miles wide, is black. Black holes can grow to enormous size by pulling in other stars, but astonomers calculate that it would take longer than the universe has existed for one to accumulate enough mass to be as powerful as the newly discovered object. Cosmic strings, much more speculative, are strings of matter left after formation of the universe and far thinner than a subatomic particle but with a mass of billions of tons per inch of length. "Cosmic strings are a very exciting possibility in this case," Gott said, "because they should produce images with just this kind of [image] splitting."

Astronomers at AT&T Bell Labs in Holmdel, N.J., are seeking evidence of a cosmic string by searching for distortions that it would theoretically produce in faint microwave radiation that pervades the universe as a leftover from the "Big Bang" explosion in which the universe is believed to have begun. The radiation's intensity from one side of the string to the other should change slightly.

"Our detector is more sensitive than any other currently set up," said Bell Labs' Anthony A. Stark, "and we don't see any compelling evidence either way." Stark and Robert W. Wilson, who won a 1978 Nobel Prize for discovering this background radiation, plan more detailed observations next year.

The background of microwaves also can give clues about the other candidates. If the lensing mass is a cluster of galaxies, its gas should produce a noticeable dimming of the microwaves. But Bell Labs' search has not found this.

If the mass is a black hole, it will appear as a void in the sky but too small to be seen with anything but the Very Large Array radio telescope near Socorro, N.M., which may be used this summer.

If none of the proposed theories about the mass proves correct, the unsolved puzzle could keep astronomers busy for years.

"My personal guess," Princeton astrophysicist Bohdan Paczynski said, "is that this is what will happen."

THE "NEW" HAITI

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. TOWNS. Mr. Speaker, today we adopted an amendment which will provide $21.7 million in economic assistance to the Government of Haiti. This assistance is sorely needed for two reasons. First, the country faces a serious balance of payments problem as well as unemployment and food needs. Second, the United States must demonstrate that it is as willing to support governments in their effort to move toward democracy as they are to support dictatorships merely for the sake of "stability."

While we need to support the Government of Haiti in its transition to democracy, we must also guard against shoring up the very Haitian forces who are opposing the transition to democracy. At this time, it is clear from recent actions by the military police, regular army units and even the U.S.-trained leopard forces, that military forces in Haiti are incapable of exercising restraint in dealing with Haitian citizens who are engaged in legitimate protests against the actions of their government. We cannot expect to protect the right of assembly for ourselves and then deny it to others by supporting repressive forces against them. In this vein, I would like to bring to my colleagues' attention an editorial from the Nation in their April 19 issue which speaks to this issue of military assistance to Haiti. I commend it to my colleagues.

THE "NEW" HAITI

The sound of the Reagan Doctrine Part II is ringing in Haitian ears, and it evokes memories of the island's occupation by U.S. Marines from 1915 through 1934. Worried about the prolonged popular protests in Port-au-Prince and the provincial cities, the Administration sent Assistant Secretary of State for Inter-American Affairs Elliott Abrams to the capital. On April 3, Abrams announced that the United States will help the Haitian junta upgrade its internal security forces.

After Jean-Claude Duvalier fled the island on a U.S. Air Force jet on February 7, a military junta was installed with Washington's blessing. Following their liberation, the Haitian people took to the streets in a bloody campaign against Duvalier's hated police force, the Tontons Macoute. Thus preoccupied, they took a few days to notice that the junta was composed almost entirely of former Duvalier satraps.

The *New York Times* story reporting Abram's remarks noted, "Both the Haitian military and police forces . . . will begin a recruiting program this month to fill the vacuum left by the Duvalier militia known as the Tontons Macoute . . . [which] was widely believed to have been the vital instrument for maintaining stability." That vacuum is not one the majority of Haitians abhor, but it is one that the Reagan Administration fears. Stability, not democracy, is what Reagan II is all about. The State Department's painless Haitian coup is now being threatened by the people it was intended to placate. Since the day they realized who was in the junta, Haitians have been opposing it. Not satisfied with a few cosmetic changes at the top—leaving Gen. Henry Namphy, the former commander of Duvalier's army, in charge—they are clamoring for a civilian junta to rule until elections are held. But the present junta has so far failed to set a date for the promised elections.

Rather than pressuring it to do so, the State Department talks about sending military advisers and aid to shore it up. Abrams acknowledged that Haiti's urgent need is for food but called for guns as well: "If you want to maintain order in the country, then the military is going to have to modernize and professionalize, which it wishes to. Obviously a new, democratic Haiti will need a new, professional force to maintain order."

Obviously, any government, democratic or totalitarian, needs an armed force, and Haiti's present one is negligible—7,800 poorly equipped, poorly trained, poorly paid men, including an outmoded and inefficient fire department. But Haiti is not yet "new [and] democratic"; it is the same old Haiti, starving and powerless.

What is new is that completely disenfranchised poeple have seen the power they can wield simply by going on strike, organizing demonstrations and running fearlessly into the bullets fired by troops and the Tontons. The Haitians struck and protested for three months and dislodged a dictatorship that had been in power for nearly three decades. People who have overthrown an oppressor as malevolent as Duvalier are not likely soon to subside beneath the rule of another, albeit lesser, evil. The United States is ready to provide the new junta with the means to put down any serious popular eruptions. An easier way to end the chaos in the streets would be to hold popular elections. There is no dearth of declared presidential candidates who were opposed to Duvalier, including Gregoire Eugene, Sylvio Claude and Hubert de Ronceray. But Abrams made no mention of elections.

Haiti is not threatened by an outside power; the United States should not be arming the junta with weapons intended for use against Haitians. In the end, the island's stability depends on its people. And they are no longer docile.

SAVING SIX JOB CORPS CENTERS

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. WILLIAMS. Mr. Speaker, the administration has announced the closing of six Job Corps centers in the States of Washington, Oregon, Kentucky, Colorado, Missouri, and Oklahoma. The amendment accepted today in the supplemental appropriation is our chance to preserve the prerogatives of the Congress on this issue. Unless the Congress acts now, they will succeed.

Just last week 75 Members of the House signed a letter to Chairman Natcher on this issue. This letter was signed by the chairmen and ranking members of the Education and Labor Committee and its Subcommittee on Employment Opportunities. I would like to insert this letter in the RECORD at this point:

HOUSE OF REPRESENTATIVES,
Washington, DC, April 30, 1986.

Hon. WILLIAM NATCHER,
Chairman, House Appropriations Subcommittee on Labor-HHS-Education, Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: We urge you to write Secretary Brock authorizing the expenditure of Job Corps construction funds to maintain current slot levels while preventing the closing of Job Corps centers. The Department's policy, soon to be activated, will overturn completely the actions of the Congress which voted to fully fund 107 centers training almost 100,000 youth annually.

What makes the Department's plans particularly onerous is that their policy places the Administration in the position of both judge and jury concerning Job Corps' future. The use of these construction funds would preserve the prerogatives of the Congress on this issue by allowing your subcommittee the opportunity to act on its FY 1987 appropriations bill. Unless the Congress intervenes immediately, six or more centers will be closed before the end of FY 1986.

With youth unemployment approaching 20 percent and minority youth unemployment over 40 percent, there is no justification for reducing slot levels or closing Job Corps centers.

We appreciate your continued, long-term support for the Job Corps.

Pat Williams, MT, Chairman, Select Ed. Subc.; Augustus F. Hawkins, CA, Chairman, Ed. and Labor Committee; Matthew G. Martinez, CA, Chairman, Employment Opportunities Subcommittee; James M. Jeffords, VT, Ranking Member, Ed. and Labor Committee; Steve Gunderson, WI, Ranking Member, Employment Opps. Subc.; Bill Nichols, AL; John M. Spratt, Jr., SC; Paul E. Kanjorski, PA; Albert G. Bustamante, TX; Harley O. Staggers, Jr., WV; Carl C. Perkins, KY; Al Swift, WA; Charles A. Hayes, IL; John McKernan, Jr., ME; Barney Frank, MA; Stephen J. Solarz, NY; Bill Emerson, MO; Howard Wolpe, MI; Frederick C. Boucher, VA; Vic Fazio, CA; Bruce A. Morrison, CT; Jaime B. Fuster, PR; John J. LaFalce, NY; Jim Olin, VA; Charles E. Bennett, FL; Marcy Kaptur, OH; James Weaver, OR; Martin Frost, TX; Edward F. Feighan, OH; John McCain, AZ; Sid Morrison, WA.

J.J. Pickle, TX; Robert T. Matsui, CA; Gerald D. Kleczka, WI; Wayne Dowdy, MS; Roy Dyson, MD; Joe Kolter, PA; William J. Coyne, PA; Sander M. Levin, MI; Ronald D. Coleman, TX; Alan Wheat, MO; Paul B. Henry, MI; Lane Evans, IL; William Hill Boner, TN; Buddy Roemer, LA; Mel Levine, CA; James A. Traficant, Jr., OH; Major R. Owens, NY; James V. Hansen, UT; Cecil Heftel, HI; Carroll Hubbard, Jr., KY; Ronald V. Dellums, CA; Walter E. Fauntroy, DC; Austin J. Murphy, PA; Doug Walgren, PA; Robert A. Young, MO; Ron de Lugo, VI; Mike Lowry, WA; Bruce F. Vento,

MN; Thomas A. Daschle, SD; Stan Lundine, NY; William Clay, MO; Bill Chappell, FL; Norman Y. Mineta, CA; Don Edwards, CA; Kenneth J. Gray, IL; Benjamin A. Gilman, NY; George E. Brown, Jr., CA; Henry B. Gonzalez, TX; Dale E. Kildee, MI; Mike Synar, OK; John Conyers, Jr., MI; John J. Duncan, TN; Samuel S. Stratton, NY; George W. Crockett, Jr., MI.

The Job Corps works. It returns $1.45 for every dollar invested. The record is clear, 85 percent of Job Corps terminees are placed in jobs, the military or further education. In addition, Job Corps workers provide needed work on Federal lands; they fight fires, clear trails and streams, and build shelters. In urban areas, they build park benches and provide other needed public services. These centers are a credit to their community.

We should not be shutting down centers when youth unemployment is at 18.2 percent. Although the teenage population in the United States declined by 12.9 percent between 1979 and 1985, the number of employed teens fell by 20.4 percent.

TOKYO AND THE DEBT CRISIS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. GARCIA. Mr. Speaker, in his column today in the Washington Post, Hobart Rowan points out that there was no discussion of the Third World debt crisis at Tokyo. This was a mistake.

There is no more pressing problem to many developing nations than the overextension of their national debts, particularly to nations in this hemisphere. It will take a great deal of imagination and patience to work through this problem. The Tokyo summit would have been the perfect place to begin a dialog on this issue.

In his essay, Mr. Rowan also discusses the Baker plan, comparing it to alternative suggestions being offered by banker Felix Rohatyn and Senator BILL BRADLEY. Mr. Rowan makes a strong case for both of their alternatives. Whatever program for easing this crisis that is finally agreed upon, one thing is certain: The time for action is now.

I am submitting Mr. Rowan's article for the RECORD.

WHAT ABOUT THE DEBTS?

(By Hobart Rowen)

TOKYO.—Despite the hopeful words of the economic summit communique, the world's leaders took no new or significant action to deal with the critical Third World debt problem, beyond a routine endorsement of the now-famous "Baker initiative" announced last October.

Prior to the summit, Uruguayan President Julio Maria Sanguinetti wrote host Yasuhiro Nakasone on behalf of the Cartagena group of debtor nations. He labeled the Baker plan "insufficient" and appealed, without success, for lower interest rates.

Given the history of economic summitry, it is not too surprising that the really tough problems get swept under the rug. And the Tokyo summit was overwhelmed by the Soviet nuclear explosion and the terrorism issue.

But whatever the limits of summitry, the debt problem remains a real one. As Sen. Bill Bradley (D-NJ) has observed, the Baker debt initiative was a significant step because it recognized that the administration's earlier approach to the problem, stressing austerity rather than economic growth, had "reached a dead end."

But the Baker plan is not broad enough in scope, and too demanding on the 15 debtor nations involved: It insists that they make drastic changes in their economies so as to become more "market-oriented" and "growth-oriented." If that "privatization" test is met, Baker proposed an injection of just under $10 billion a year in new capital in the 15 nations (over and above what had been planned) for the next three years, from commercial banks and international organizations such as the World Bank.

The critical problem the Baker plan fails to address is that the developing countries have been forced to become large net exporters of capital to the industrial nations. What the Third World needs is relief from this burden.

Since the debt crisis broke onto the world's consciousness in 1982 when Mexico couldn't pay interest on its debt, these interest payments have been "rescheduled,"—that is, added onto the total debt owed. In banker Felix Rohatyn's apt phrase, "This device is a bridge to nowhere." Despite great effort to boost exports and reduce imports, the total debt has continued to expand.

The Catch-22 is that if relief is provided by cutting interest rates and stretching out the terms, many American banks will have to adjust their books to reality and accept damaging losses. Rohatyn and Bradley approach the problem somewhat differently, but both call for dramatic changes in the Baker plan.

Rohatyn wants to cut current interest rates to Latin American countries by four percentage points, saving them about $15 billion annually. That would cut the profits of American banks, he figures, by $4.5 billion.

To compensate, he proposes a guarantee of the banks' loans by either the United States or the World Bank. In effect, "the banks would exchange current profits for long-term financial security." And to add new capital, Rohatyn would put the bite on Japan—which is running huge international trade surpluses—for $100 billion over five years, funneled through the World Bank and the Inter-American Development Bank.

Thus, together with $75 billion in interest-rate relief, Rohatyn is talking of the injection of an aid package of $175 billion of new capital—$35 billion annually against Baker's $10 billion.

Bradley emphasizes relief from the existing debt, more than new loans, for countries that initiate their own programs to "rekindle growth and nurture democratic institutions." A critical test would be the ability of the Third World nations to stop the existing, devastating flight of capital out of their countries to safer havens.

If the citizens of the developing nations plainly believe their own countries are a lousy risk, why should foreigners continue to pump new money in? Bradley is convinced that his plan would encourage real economic reform from within the affected countries, because it would not be dictated from the outside. If the Baker initiative has stalled, it can be attributed to the political inability of most debtor nations to admit that they're knuckling under to Uncle Sam and the big bankers.

To heads of state and industrial nations' finance ministers, ideas such as Rohaty's and Bradley's appear to be off the wall. But as Rohatyn says, the banks have already become prisoners of their big borrowers. Peru and Nigeria have taken the situation in their own hands, and placed a "cap" on their interest payments. Mexico, a neighbor and partner of the United States, all agree, is a special case. A collapse there could have untold consequences.

THE GREENBERGS: AN AMERICAN SUCCESS STORY

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. SOLARZ. Mr. Speaker, today I rise in tribute to one of Brooklyn's most cherished citizens, Marvin Greenberg. Rarely have I known an individual who has given more of himself to better the lives of those around him. Not only is he a great humanitarian who has been involved in every aspect of Brooklyn life, he is also a businessman of the highest caliber now celebrating the 50th anniversary of a firm he propelled to extraordinary success.

His parents were Russian Jews, citizens of a land that, instead of giving them the opportunity to realize their tremendous potential, had denied them their rights and hopes. In the early part of this century they decided to give up all that they had, their friends, their family, and their home. Their single purpose was to come to a land of hope and freedom that held so much promise for them. They came here, to America.

After settling in New York, Marvin's father entered the cigar manufacturing business. It was a hard life. Some would say that the rewards were small, that Mr. Greenberg wasn't paid well, or that he worked too long. But the Greenberg family was happy with their life here, for having had freedom denied them, they knew its true value. They knew that in America talent and hard work is rewarded with success and, most importantly, that their children would have opportunities even greater than those they had had.

Every day after school, Marvin went to the factory to help with his father's business. As Marvin now tells it, it was his work here that taught him the values that became so important in his later life. It was in seeing the dedication of his coworkers, many of whom came from families poorer than his own, that he slowly developed an overriding concern for the welfare of those around him.

The willpower of Marvin and his brother Arthur was greatly tested, and strengthened, by experiences they had in the depression years of the 1930's. Marvin was starting his second semester at New York University's business-law program when he was struck with acute appendicitis, the severity of which required a 4-month period of recuperation. Obviously he could not continue his schooling under such circumstances and had to break off. At the same time, Arthur had graduated

from the premed program at NYU with an excellent record and applied to a number of medical schools around the country. Because of his good record, he was taken back to learn that prejudicial religious quotas at these schools resulted in his not being admitted to any of them.

Their father was now faced with an agonizing situation. Both his sons, through no fault of their own, were out of school and unemployed. The year was 1936, and with the country in the depths of the depression, it was impossible to know what their future would be. He also knew that, given the chance, his sons were capable of great success. Finally, his mind made up, he went to his bank and withdrew money from his family's life savings. He purchased the Baltic Linen Co. with it and simply told Marvin and Arthur to do their best with it.

Being told to resuscitate the 2-year old Baltic Linen Co. in the economic environment of the times was similar to being given Pandora's box and being told to open it. When Marvin and his brother took over, it had one employee, saw $200 in weekly business and was increasingly losing money. The very little equipment it had was in poor condition, and the quality of its products had fallen to a point where it had lost many of its customers.

In spite of the difficulties, the Greenbergs used their tremendous energy and talents to put the business back in shape. They dramatically increased product quality, worked continually to earn the trust of new and old customers, and increased its work force. Their resulting success was tremendous, and better than even their father had hoped for. In 1986, Baltic's 50th year, they expect to do $50 million in business, or more than $1 million a week, and have 90 employees. Baltic is, in short, a model of success and a keystone in the economy of Brooklyn.

Yet economic success in not, nor has it ever been, the major aim of Marvin Greenberg. Greatly affected by their own family's struggle when they were young, as well as that of many of the people their family employed, they have been deeply involved for decades in improving the life of their Brooklyn neighbors. Marvin has chaired the United Jewish Appeal and Federation periodically since 1954, and made great efforts in expanding its civic outreach programs. His work there, as well as with other groups, contributed to his election as president of the Seagate Association, which he held for 6 years from 1962-68. His tremendous success there resulted in his being named the honorary president of their senior board of directors executive committee.

Marvin has always had a great interest in medicine and devotes much of his time to improving the area's medical and psychiatric capabilities. He served on the board of visitors of the Southbeach Psychiatric Center for 4 years and made great strides in improving the depth and quality of the center's services. Though a man who has never looked for honors, his superb work at Southbeach necessarily brought him to the attention of former New York Governor Carey, who appointed him vice president of the 900-bed Kingsbrook Medical Center. Since assuming this position in 1978, he has helped make Kingsbrook a nationally respected facility of highest caliber. I cannot adequately express my admiration for Marvin's work on behalf of these organizations. He has improved the life of thousands of Brooklynites and I thank him deeply for it.

In looking at the contribution the Greenberg family has made to our city and country, one cannot help but wonder what similar contributions could be made by any of the thousands of other Soviet citizens presently wishing to come to America. The United States should do everything in its powers to help them realize their dreams, just as the Greenbergs realized theirs. Luckily, the Greenbergs were able to come here, and I honor them today for making Brooklyn a better and more humane place.

INTRODUCTION OF THE SANTA FE NATIONAL HISTORIC TRAIL BILL

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. RICHARDSON. Mr. Speaker, it is with great pleasure that I am introducing a bill today that will give the Santa Fe Trail the national recognition and attention it deserves. I am being joined in a bipartisan effort, with 13 original cosponsors.

The Santa Fe National Historic Trail bill is relatively simple. It gives national trail designation status to the entire trail. It requires that 1 year after the enactment of the legislation, the Secretary of the Interior shall submit to Congress a comprehensive management and use plan for the trail. It does not contemplate nor authorize any property acquisition. The bill recognizes and respects all current land uses.

The opening of the Santa Fe Trail in 1821 marked the first of America's great trans-Mississippi pathways to the West. The Trail starts at a point near Arrow Rock, MO, runs through Kansas, Oklahoma, and Colorado to Santa Fe, NM—approximately 950 miles. The Santa Fe Trail is unique and differed from the Oregon and California Trails in that it was a highway of commerce. The Oregon and California Trails were used by pioneer settlers, ranchers, farmers, and miners who went in search of new homes. The Santa Fe Trail, on the other hand, was established by a merchant who foresaw profits to be made in transporting American goods across the southern prairies to eager customers in what was then the Republic of Mexico's far north. Within a short time the Santa Fe trade ballooned into a million-dollar-a-year business, pouring money and raw products into the State of Missouri and creating a minor economic boom in what had been a depressed area on the American frontier.

Mr. Speaker, a constituent of mine Marc Simmons from Cerrillos, NM, has written a marvelous book entitled, "Following the Santa Fe Trail," which makes history come alive and allows travelers an opportunity to savor the adventure, history, and intrigue that is unveiled along this historic route. Marc made his first trip on the trail in 1978. I would like to share with my colleagues a bit of his enthusiasm about the trail:

By the conclusion of my first round-trip tour of the Trail to Missouri and back to Santa Fe I had become a confirmed Santa Fe Trail addict. My reading and my own experience had convinced me that some mysterious force laid hold of travelers' affections and drew them back again and again to the historic old wagon road. Ofelia Sloan, who made 10 or more crossings of the prairies in the 1850's and 1860's, her daughter wrote years afterward: "My mother, on one pretext or another, would join a new caravan, for she was never happier than when passing to and fro over the Santa Fe Trail." Eliza's case was somewhat unique, but persons who became enamoured of trail life and remained wedded to it for much of their lives were fairly common.

The 'force' leading to addiction curiously has persisted to the present day. More and more I encounter people best described as 'trail junkies,' persons who still find excitement and adventure in exploring today's remains of the Santa Fe Trail. Perhaps some of the explanation lies in traveling with a purpose, which offers a stimulating and fulfilling experience in contrast to random sightseeing. And then of course one must take into account the magic and beauty that persists in much of the landscape through which the Santa Fe Trail passes.

One of the real values of the bill is in the promotion of tourism for the States involved. In "following the Santa Fe Trail" author Marc Simmons describes the kind of vacation experience that one might enjoy along the trail:

If you are open, receptive, and courteous you will have a splendid opportunity to become acquainted with America at its grassroots. I think you will also find that traveling with a purpose, pursuing a single theme like that Santa Fe Trail, is far more rewarding than the usual vacation spent visiting popular and much-frequented tourist spots.

Mr. Speaker, I hope that my colleagues who have a spirit of adventure will join with me in the days ahead to cosponsor the Santa Fe National Historic Trail bill so that future generations of Americans can appreciate the past and revisit the events of the 1800's. Thank you.

PREMATURE AMNESTY MAKES TRAVESTY OF IMMIGRATION BILL

HON. ROBERT C. SMITH

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. SMITH of New Hampshire. Mr. Speaker, I want to bring to the attention of my colleagues an article written by William G. Hollingsworth that appeared in the April 3 issue of the Christian Science Monitor regarding the problem of illegal immigration. While I do not support granting amnesty to illegal aliens at any time, I agree wholeheartedly with Mr. Hollingsworth that if Congress decides to grant amnesty, it should do so only after it brings illegal immigration under control. Granting amnesty without knowing that we have our borders under control is a prescription for disas-

ter, and I urge my colleagues interested in this issue to read Mr. Hollingsworth's article to find out why.

PREMATURE AMNESTY MAKES TRAVESTY OF IMMIGRATION BILL

(By William G. Hollingsworth)

In show business, and in granting a large-scale amnesty to illegal immigrants, the same adage applies: Timing is everything.

To prevent a fiasco that proves the above adage true, Congress should adopt a "triggered amnesty" amendment to immigration legislation now pending. With such an amendment, illegal aliens would gain amnesty when illegal immigration was substantially curtailed. Lacking this type of amendment, the Rodino-Mazzoli House Immigration bill would initiate an early and massive amnesty well before illegal immigration could possibly be brought under actual control. And in the Senate-approved Simpson bill, amnesty could be delayed no longer than three years—even if illegal immigration was still out of control.

In their present form, both bills promise a bitter lesson in terrible timing. Granting a large-scale amnesty before immigration is actually under control is as sensible an idea as offering amnesty to draft evaders while a war still rages.

Of course the amnesty now proposed purports only to cover persons who arrived before a specified date (Senate, pre-1980; House version, pre-1982). And of course the amnesty would be proclaimed as a one-time-only event. But unless actual control over immigration is achieved before amnesty, who could possibly believe such a proclamation? Unless control over immigration first becomes an accomplished fact, amnesty would be an irresistible magnet to attract still more people to enter or stay illegally. Enticed by the profiteer's offers of backdated leases and other false papers, many would come in order to meet the deadline for claiming the enacted amnesty, albeit fraudulently. After the deadline, millions more would come and stay, convinced that a nation as befuddled as this one will sooner or later have to enact a massive amnesty for them as well. They would be right.

Apparently, many in Congress believe the proposed sanctions to deter employers from hiring illegals, plus a possibly better-funded Immigration and Naturalization Service, are so certain to succeed that amnesty can be granted blindly—without first seeing that adequate control over immigration is anything but a hope. Unfortunately, there is simply no basis for such optimism.

In the first place, any system of employer sanctions that Congress enacts will be fraught with uncertainty. The sanctions may prove a semi-success. Or they may prove a dismal failure for any number of reasons. As but one example, unreliable verification: With millions of counterfeit IDs already in use—easy buys in any border town or city—a fraudproof means for employers to verify workers' legal status is essential, else the hiring of illegals will continue en masse. Yet, in the Senate bill a secure verification system would require later action by Congress—which could easily mean never, or nearly so. Although the House bill more wisely attempts to mandate such a system, reliability is unproved. Until a plausible verification system exits nationwide and proves reliable, and until their other components are proved in practice, employer sanctions offer no assurance of anything.

Even if Congress passes a workable sanctions bill, employer sanctions alone have never been thought to be sufficient to stop illegal immigration. A second essential is greatly to enhance border control. But the current bill authorizes increased funds only for later appropriation—funds that, given current and expected budgetary constraints, may not materialize, and may prove insufficient even if they do. A third essential is an adequate system (financed by visa fees) for ensuring the timely exist of millions of nonimmigrant visa holders each year, of whom more than a million have been unaccounted for in a single year. The current bill wholly ignores this need.

Realistically, there is no bill Congress could pass that offers prior assurance of success in controlling immigration. Accordingly, the sole amnesty Congress can responsibly enact is one that can only be activated by a finding that illegal immigration has been reduced to an insubstantial level.

Under the approach, until actual control triggered the amnesty, those who arrived before, say, 1980 could receive provisional but nonexpirable residency and (for nondependents) work permits. Government benefits and visas to admit absent family members could be phased in after the actual amnesty had begun.

It is totally unfair to say that a triggered amnesty would keep longtime illegal residents in limbo. It is the perverse failure to pass adequate control legislation that postpones a workable and fair legalization program. Those who are calling for a pre-control amnesty have the political clout to help pass all the measures that may prove needed to control immigration, thereby soon enabling a sensible amnesty.

Unless amnesty is made contingent upon control, those who don't really want immigration control will have little or no incentive to help pass the needed bills over the next very few years. Increased immigration chaos, and another massive amnesty, are the probable outcomes. And, once again, unemployed and poor Americans will be the prime victims. A Congress that would risk causing these outcomes deserves no confidence.

DAYS OF REMEMBRANCE

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. GEJDENSON. Mr. Speaker, I rise today in order to join my colleagues in a special commemoration of the Holocaust.

While it is my nature to internalize my feelings about this tragic period in human history, I am grateful that there are others who are more able to remind and to educate the world about the Holocaust. One of those people is my friend Sigmund Strochlitz, the cochairman of the Days of Remembrance Committee. Sigmund, more than anyone I know, is able to articulate the horror and the shame of the Holocaust in a way that is profoundly touching and human. This ability and willingness to articulate what a generation saw and felt is central to understanding the Holocaust. By recalling the horror of Hitler's reign we can begin to understand. And we have to understand it, as unpleasant as that may be, if we are to prevent a holocaust from ever happening again.

Let me also say that remembrance itself is crucial, for it is in remembering that we best pay tribute to those who suffered and to those who died in the Holocaust.

Mr. Speaker, I would like to include in the CONGRESSIONAL RECORD today the remarks made by Sigmund Strochlitz in the Capitol rotunda on the occasion of the Days of Remembrance, May 6, 1986. The remarks are as follows:

REMARKS OF SIGMUND STROCHLITZ

In this magnificent hall of freedom and democracy we gather for this Nation to remember.

To remember that in the heart of Europe a regime conceived in hatred murdered millions of innocent people.

That slaughter was brought to an end by the American and Allied armies that rescued the remnants of European Jewry and others destined to be annihilated.

The Nazi's aim was to enslave Europe and eliminate all its Jewish inhabitants. Not just kill but erase all traces, past and present and make sure that their criminal deeds will never come to light.

The Nazis took pleasure in telling us that we have no chance of coming out alive. A point they emphasized with particular relish by insisting that after the war the rest of the world would not believe what happened. There would be rumors, speculations, but no clear evidence. All traces would be removed and people would conclude that evil on such a scale was just not possible.

They would have succeeded if not for the wisdom and foresight of those men and women who liberated the camps and reported what they have found.

One of the most poignant reports can be found in the letter written by General Dwight D. Eisenhower, Supreme Commander of the Allied Forces in Europe to the Chief of Staff—General George Marshal—4/12/45 and here I quote:

"The things I saw beggar description. The visual evidence and the verbal testimony of starvation, cruelty and bestiality were so over-powering as to leave me sick. In one room where they were piled up twenty or thirty naked men killed by starvation, George Patton would not even enter. He said he would get sick if he did so.

"I made the visit deliberately in order to be in a position to give firsthand evidence of these things, if ever in the future there develops a tendency to charge the allegations merely to propaganda."

And yet we are lately faced with a new phenomenon. There are those who deny that the Holocaust ever took place despite the gas chambers and crematoria, despite the eye witnesses account, despite everything.

They preach lies, while we survivors, the witnesses of a crime that has no parallel in history, are still alive.

We have no intention to engage in any discussion with those deranged minds. It is beneath our dignity and the dignity of the dead even to refute those lies.

Just be strong are the voices coming out from the ashes of Auschwitz, Treblinka, Majadenk.

Just dedicate your lives to remember the inhabitants of the large and small Jewish communities that for centuries were part of the European landscape.

From Brest-Litowsk in Russia to the French city of Brest on the Atlantic Coast

in Brittany, Europe is drenched in blood of the six million of our people for whom there are not even tombstones and only our memories are their cemeteries.

We survivors cannot forget events others wish us to forget and must remember events others don't want us to remember.

Not for our sake.

Hatred is again on the rise and madness again entering history and what was possible to happen remains possible to happen again.

Human beings are forgetful, even the best forget. Even those who are sincere in their revulsion of the Holocaust are tempted to forget. To declare this ugly chapter of history closed, done with, over.

To forget the Gypsies who were destined to be annihilated and the Russians, Poles, Frenchmen, Dutchmen who perished in the camps or all the millions of others who died fighting, challenging the Nazi regime would be a victory for our enemies.

Alone each of us can do little, but together we can make all the difference.

The danger is in forgetfulness.

THE OLDER WOMEN'S LEAGUE CELEBRATES MOTHER'S DAY

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Ms. SNOWE. Mr. Speaker, I would like to take this opportunity to congratulate the Older Women's League [OWL] on the release of an important new Mother's Day study, "Report on the Status of Midlife and Older Women in America." OWL has helped us to refocus the way in which we view midlife and older women, and in the process our view of Mother's Day. Traditionally a time for cards, candy and flowers, Mother's Day is also a time to consider the problems and challenges that face women as they age.

The OWL report underscores the grim reality for many of today's midlife and older women. Recent reports which have painted a rosy picture of the status of the elderly fail to address the fact that millions of women spend a good portion of their old age alone, with limited incomes, suffering from multiple chronic conditions and with inadequate access to health care. For example, the total median income for women 45 to 49 was $9,443 as compared to $25,094 for men of the same age. For women 65 or over, total median income was only $6,020 as compared with $10,450 for their male counterparts. Furthermore, after years of childrearing and interrupted work careers, many women resume their caregiving responsibilities by providing care to their frail, elderly spouses and/or parents. The average age of caregivers is 57 years of age, and many have either quit work, reduced their hours, rearranged their work schedules or taken off time without pay in order to care for family members.

Thus, it is fitting that OWL has chosen Mother's Day as a time to draw attention to the issues facing midlife and older women. In that spirit I introduced a bill, which is awaiting the President's signature, designating the week of May 11–17, 1986, as "National Osteoporosis Awareness Week." This initiative, beginning Mother's Day, is designed to bring attention to a bone condition which strikes 15 to 20 million older Americans, most of whom are women. It is estimated that osteoporosis costs the Nation over $6 billion annually in health care expenditures and lost earnings.

This essentially preventable disease is the major cause of bone fractures among women over the age of 45. These fractures are often accompanied by physical pain, deformity, and emotional stress. More than 50,000 women die every year of complications related to hip fractures which is 10,000 more than those who die from breast cancer. With "National Osteoporosis Awareness Week" I hope to encourage mothers, daughters, and grandmothers to pay special attention to this problem by stressing the intergenerational aspects of osteoporosis.

Additionally, in recognition of the contribution of the midlife and older woman in keeping the family together through the caregiving role, I have introduced House Joint Resolution 555 designating the week of Thanksgiving as "National Family Caregivers Week." Research is exploding the myth that most older persons have been abandoned by their families and placed in institutions. Data now show that between 80 and 90 percent of the medically related care, personal care, household maintenance, transportation, and shopping needed by older persons is provided by caregiving family members.

We know, too, that the caregiving tasks are often done at a high cost in both financial and emotional terms. A recent study of the working family caregiver conducted by the Travelers Corp., of Hartford, CT, revealed that 28 percent of those surveyed spent an average of 10.2 hours per week providing care to an elderly relative or friend. Many caregivers are torn between the competing demands of family, job, and caregiving.

I want to recognize the Older Women's League for the important contribution they are making in educating and advocating on behalf of midlife and older women. Through their efforts, Mother's Day is no longer just reserved for symbolic gestures of appreciation. Indeed, Mother's Day has also become a time for action. In the words of OWL president Lou Glasse, "Your mother didn't bring you up to let other mothers down."

HOUSE OF REPRESENTATIVES—*Friday, May 9, 1986*

The House met at 11 a.m. and was called to order by the Speaker pro tempore [Mr. WRIGHT].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
May 7, 1986.

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore on Friday, May 9, 1986.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We place before You, gracious God, the concerns and wonders and fears and hopes of our lives. Forgive us as needful, comfort us and bless us and may Your loving spirit be ever with us. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment bills and a concurrent resolution of the House of the following titles:

H.R. 737. An act for the relief of Ms. Chang Ai Bae;

H.R. 1207. An act to award a special gold medal to the family of Harry Chapin; and

H. Con. Res. 329. Concurrent resolution welcoming Natan (Anatoly) Shcharansky to the United States.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1874. An act to authorize quality educational programs for deaf individuals, to foster improved educational programs for deaf individuals throughout the United States, to reenact and codify certain provisions of law relating to the education of the deaf, and for other purposes.

TRIBUTE TO ROY B. BERRY OF CLINTON, KY

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, I speak today in tribute to a longtime dear friend of mine, Roy B. Berry of Clinton, KY, who died April 3 at Murray-Calloway County Hospital in Murray, KY.

Roy Berry was active during his 86 years until the very end.

I attended his funeral and burial in Clinton on April 5.

Rev. Steve Stone, pastor of Clinton's First United Methodist Church, spoke to a large crowd at both the funeral and burial ceremonies, telling the relatives and friends of Roy Berry of the many ways he touched thousands of lives during his lifetime.

Roy Berry was a great man. He was successful as the longtime owner and operator of R.B. Berry & Sons Stockyard in Clinton and as a farmer and landowner in Hickman County, KY.

Roy Berry was a leader at and a generous contributor to his Methodist Church in Clinton. He was active in community affairs and for several years was chairman of the Hickman County Democratic Party.

Among those on the front row at his funeral were former Kentucky Lt. Gov. Harry Lee Waterfield and his wife Laura of Frankfort, KY. Governor and Mrs. Waterfield for many years lived at Clinton, KY, and were very close to and fond of Roy Berry and his lovely wife Elizabeth—who preceded Roy in death.

This Member of Congress was very fond of Roy Berry. He was my active supporter each time I've been a candidate for public office since 1967. In fact, when I ran at age 29 (in 1967) for State senator, Roy Berry was one of my cochairmen in Hickman County.

Roy Berry is survived by one daughter, Mrs. Mary Sue McKendree of Clinton; two sons, Jerry Berry of Route 5, Murray, and Jimmy Berry of Clinton; one brother, Moss Berry of Arlington; one sister, Mrs. Ann Glaser of Dallas, TX; 9 grandchildren and 10 great-grandchildren.

My wife Carol and I join with the many friends of this outstanding Kentuckian in expressing our sympathy to the family of Roy Berry. He will be missed by all of us.

DESIGNATION OF HON. JIM WRIGHT TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS UNTIL MAY 13, 1986

The SPEAKER pro tempore laid before the House the following communication from the Speaker.

WASHINGTON, DC,
May 7, 1986.

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore to sign enrolled bills and joint resolutions until May 13, 1986.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

The SPEAKER pro tempore. Without objection, the designation is agreed to.

There was no objection.

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore (Mr. HUBBARD). Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, I have not taken the floor on this very privileged and highly privileged permission that the House for quite a number of years, as a custom, has given to various individual Members of this very numerous House in order to more extensively proclaim their views, participate in the issues confronting the House.

I have not taken advantage of this great privilege for about 6 weeks, the reason being that the last time that I did address the House, it was to advise my colleagues of my continued and sustained concern about the well-being, rather the threat to the well-being, and the dangers hovering over the heads of some 2,000 of our military, mostly, if not all, airborne, that we have, in company with about 500 Fiji Islanders, 500 Colombians and small contingents of perhaps a dozen or so French and British, as peacekeepers in the Sinai.

I have been asking this since the resolution, which was a mandate from the Congress for the first time in the history of the Congress mandating a troop deployment, and that is the consideration and debate of that resolution in the House was sometime around December 12, 1981; and the record will show that as an individual Member present, and there were just a handful, a score or so present on the floor, I was the one to raise the questions that to this day remain unanswered.

Since then the group was formed, the motions were followed of doing it under and in the name of the United Nations though it is really the United States. The United States is putting up 100 percent of the moneys.

Let me recall to my colleagues briefly a summary of the events that led to the congressional action: In December, the House Committee on Foreign Affairs, in a rather quick fashion, presented for floor action in a period of time in which the House was ready to terminate that particular session, a matter that was explained to us as a request from President Reagan in deference to a suggestion and promised activity on the part of his predecessor, President Jimmy Carter, who had written a letter after the Camp David agreements but which was not part of the coterie of side memoranda, codicils, and the like that usually accompany these types of agreements, and, naturally, because the agreement known as the Camp David agreement is between Israel and Egypt, and the United States is not a party signatory.

However, there must have been some doubts expressed by both parties after the agreement was announced so that a letter was drafted and sent in the name of President Carter to the then Egyptian leader, Mr. Sadat, and the then Israeli leader, Mr. Begin, advising that President Carter would seek the formation of a peacekeeping group in order to ensure that there would be some backing of this Camp David agreement.

On its face, it was to me rather strange that President Reagan would ask the Congress to do something that had been initiated by President Carter, since, from the very beginning, he had excoriated Carter for every single thing, including carbuncles, fallen arches, and even to this day.

□ 1115

So that when I saw that presented that particular afternoon, and there being present only some 16 or 17 Members at the most, and most of those being members of the committee that had the business on hand, and that was the Foreign Affairs Committee of the House of Representatives, I then read the report accompanying the resolution or bill, and I could not believe it; first, because I had been extremely concerned about the rather nebulous mission that the President had outlined for the Marine contingent that subsequently was announced for Lebanon.

I have been sensitive since I came to Congress and long before the sequela of wars. The reason is that ever since before I ever dreamed I would be in such a place as the Congress, much less in active politics, which is something I have said on several occasions had never been planned or intended by me, but ever since the Korean conflict, and my recollection vividly as if it were today of those fellow San Antonians that volunteered, that went over in great numbers, fought, or imprisoned in Communist prisons in mainland China, languished in those prisons, and attempts made to brainwash them, and the preponderant majority of those citizens being of that particular ethnic group that we call Mexican-American back home, and not one of those captured ever, ever turncoated. And the newspapers had story after story about how many American prisoners of war had been brainwashed or they were charged with having been brainwashed.

Some of those who had gone over had been members of the Scout troop that I had been Scoutmaster of, right after the war, in 1946 and 1947. And when they came back, they sought me out, and I began to see the anamoly. Of course, everybody forgets, because even what happened last year is ancient history today. The way we live, the events are so telescoped that who remembers the shooting down of the commercial airliner not too long ago or the basic reasons why it had been shot down. Who remembers now the 241 marines who died, murdered needlessly because of the headstrong, abdurate, self-willed Commander in Chief who willfully, not for 14 hours, not for 14 days, not for 14 weeks, but for 14 months overlooked and callously disregarded the unanimous advice of the chief military experts we have, the Joint Chiefs of Staff?

Now, with that situation not having happened at the time, but with the experiences still vivid all during the Vietnam war and having been sort of a burr under the saddle for those in power, including my near neighbor and great friend and great leader from Texas—I think that history will show that from a domestic standpoint, probably one of the greatest Presidents we will ever have had, Lyndon Johnson. I know that I was a bother, because I was the one and the only voice in this Congress who all through that period was voicing my opinion that it was unconstitutional for a President to impress an unwilling conscript to serve in an undeclared war outside of the continental United States. It still remains an unaddressed issue.

In fact, the record will show it is not what I am saying now, that when the act permitting the drafting of these unwilling conscripts was up for renewal in 1967, I was the one who took this floor. I was the one who offered the amendment. I could not even get 17 Members to stand up to get a rollcall. But in 1971, when the act was up for renewal again, and I presented the same amendment, I then obtained 151 Members to go along with the amendment.

So what I am saying is that, like everything else in a democracy, unless we reach and penetrate the level of consciousness, either among our citizens or among ourselves, we tend to get lost in the bramble patch of collateral issues that besiege us and plague and confront us, a plethora of them every day.

But we have to set some priorities. And my whole complaint has been in the last 10 years that we have maintained a perversion of priorities. We have become perverted in our priorities. We will send $8 billion to some foreign country so that they can have low interest 40-year loans at 1 and 3 percent, while we deny our rural folks even a 9-percent loan so that they can construct a sewage system. That is a perversion of priorities if ever I have seen it.

So the same thing happens on this other level. Who at this time is even remembering that we have 2,000 or thereabout of our troops in the Sinai? What is their mission? What are they supposed to do? This is the question I ask.

They are not peacekeepers. They are hostages. They are there as hostages. And with the situation as deteriorated as it is now in that part of the world, and ever since our compelling the Egyptian airliner to land in Italy where our soldiers there almost got to the shooting point with the Italian soldiers, the mood in Egypt has been strongly anti-American.

So one can imagine after the bombing of Libya what the Arab world feels, because it is now seen as an overt, aggressive action for the first time on the part of our country against an Arabic nation.

We can dismiss Qadhafi as a nut. We can dismiss him as a flibbertigibbet. But the truth is that he is the leader of that nation, that he had shown no mean expertise, even in diplomacy.

For example, when have we had it reported around here that, to the great distress of our CIA and our State Department, Qadhafi brought about a mutual aid agreement with Morocco and its leader, the Sultan of Morocco, Hassan II, where Morocco and Libya had not been on that kind of amicable agreement for years? As of August 13, 1984, there is this mutual aid agreement between Morocco and Libya, despite all of the efforts that our CIA, that our State Department did to prevent it. It happened.

Now that means to me that there is more going on, and that the activities of a nut and that bombs are no substitute for brains. But Mr. Reagan, as I have said many times, not only here on the floor, but back home where I pass review before the citizens who vote for me, I have said that President Reagan has chosen to lust after that false bitch goddess of war. He is drunk with the sense of military power.

□ 1125

And military power can only do so much for certain stated purposes that almost always must be clearly and coherently stated. We are not going to

bomb communism out of existence anyplace, including Central America. Our military approach, which has been the choice of President Reagan from the beginning, clearly has not worked in the smallest country in the New World, in El Salvador, where, without any attempt to follow a collective approach, where we would exert our last remaining vestige of moral suasive leverage with our neighbors, and with the very organization that we helped found, the Organization of American States, President Reagan has never opted, from the beginning.

His first Secretary of State was talking like our Secretary of Defense. He said, "I draw the line in El Salvador, and if necessary, we will go to the source of the evil," referring to Cuba.

Well, we have. We have put in $4 billion plus. We have had some of our soldiers dying already in El Salvador, and we are no closer to a resolution in El Salvador, Duarte notwithstanding, than we were 5½ years ago. Clearly these activities are bankrupt. There is no such thing as a policy, so that we must consider the fact that incrementally the potential hazard for activities of those that we would designate as terrorists to do great harm in the Sinai is there every day. As I am speaking today, that potential is there. I have begged, I have requested my colleagues to review. In the first place, I raised the fundamental issue on December 12, 1981, as the record will reflect.

What were the purposes of these people when and if the multinational peacekeeping group was formed?

And it was some time later—we never got a report about that—but it was not until I made an inquiry of the Library of Congress research service that I found that, sure enough, we had 2,000, and that was the limit that we stipulated in the resolution, mostly airborne, if not all. We at first persuaded the President of Colombia to lend us 1,000 Colombian soldiers, but then they had a lot of trouble and mischief last year, so they recalled 500 of them to protect the Presidential palace in Colombia, and they have 500 now. And then we have 500 Fiji Islanders. We have about a dozen or so French, a dozen or so British. And that is it. They do not have armor. They do not have aircraft.

What does that mean? It means they are highly vulnerable to an attack by any particularly trained and organized group. A company-sized group, with the right kind of equipment, can do great mischief, and our people, our soldiers are gravely exposed.

I think that ought to be the concern of those of us in this Congress that mandated. We ought to review. What is their mission now? Well, what was it then?

The only answer I could get was that President Reagan wanted us to do this because he wanted to respect the wishes of President Carter's promise in the letter he had sent.

Now, when had the Congress mandated the deployment directly of troops? I asked that. The members of the committee could not answer, even though they said that during discussion in committee that question had been asked. And, finally, it was decided—and I was finally informed—that, no, it was unprecedented, as I thought it was.

The next question: Why is the Armed Services Committee not referring this, referred to also as a copartner in the legislation? No answer was forthcoming other than that no protest or no particular request had been forthcoming from the Armed Services Committee.

I commented and antagonized the then chairman of the Foreign Affairs Committee, who was a close personal friend of mine; he became very angry with me. I said, "Well, if they had as little notice as we have, then there is no reason to expect the Armed Services Committee to have interposed."

But it seems to me that it is still proper to at least get some input from the Armed Services Committee that should have a better review from the military standpoint.

You are not sending a football team. This is what I used to tell President Reagan on the floor:

> Mr. President, you are not the Gipper, you are not sending a football team to Beirut, you have got military and you have got fighting men, you have got marines. They are not politicians, they are not diplomats, they cannot be peacekeepers if at the same time you say they are in there to shore up the Gemayel regime, because the Gemayel regime is one of four factions, so if you are going into that kind of fight, you are not a peacekeeper, you are taking sides, and if you are militarily vulnerable, you are asking for these men to suffer serious bodily harm or death or both.

And there was no satisfaction to me.

Now, I never have been one to come around and say, "I told you so." I think we learn or should learn from mistakes. But President Reagan does not seem to show that he has at all. And this is why I am concerned, because I think the danger is so great that we can be more embarrassed in one blow in the Sinai than any kind of terroristic attack that can be forthcoming anywhere else. I think that either the Commander in Chief, who is supposed to be looking out for troops—but I will never feel that President Reagan gives a tinker's darn, because I remember those 14 months and how frustrating it was to get up here and say, "Mr. President, what is the mission of those marines in Beirut?"

I wrote a letter to the President in the very beginning, in 1982. And, of course, this President is the first of six that I have had the great privilege of serving with since I have been a Member of this House who does not reply to a Congressman's letter. So I did not expect an answer, and I did not get one. But later and subsequently, in answering a reporter's question, he said they were there as peacekeepers and also to shore up the Gemayel regime which was considered a friend.

Well, to me, if the Joint Chiefs of Staff were saying, "Mr. President, we advise against it because you are asking the military to be in an area of great hostility with a potential for hostile action, in which we are like sitting ducks," I would expect the Commander in Chief to at least give some thought. This President did not. And he cannot deny that the Joint Chiefs of Staff unanimously advised against that deployment under those circumstances.

It is just unbelievable. Yet it is true. And I have learned, ever since I did enter into the field of politics, that power does mighty strange things to people's minds. I think that the fact that the President has not hesitated to either be so grossly misinformed or so deliberately attempting to deceive that it is a continuing embarrassment to our country throughout the world.

I now refer to his course of action in which he has publicly made many statements and then will come out with a statement such as appeared in the New York Times on Sunday, March 23, of this year, front page, righthand column lead, "Reagan, Angered, Denies His Policy Aims at Latin War.

"An 'outright falsehood.'" In interview, he also voices his opposition to granting Marcos any immunity.

What he was referring to in this headline was that he was maintaining that he had no intent of using any kind of military action against the Nicaraguan regime, which is popularly called the Sandinista regime.

I will include for the RECORD a more complete account of the New York Times article:

[From the New York Times, Mar. 23, 1986]

REAGAN, ANGERED, DENIES HIS POLICY AIMS AT LATIN WAR

(By Gerald M. Boyd)

WASHINGTON, March 22.—President Reagan says some opponents of aid to the Nicaraguan rebels have engaged in "scurrilous" attacks on him and in outright falsehoods exceeding the bounds of fairness.

In an interview Friday with The New York Times, Mr. Reagan displayed rare anger and his voice shook with emotion as he characterized some of the language used in the House of Representatives before his request for $100 million in aid was defeated on Thursday 222 to 210.

Although the President declined to be specific, he appeared to be talking about the Democratic leadership of the House, including Speaker Thomas P. O'Neill, Jr.

RESENTFUL OF PERSONAL ATTACKS

The President said opponents "hungry for victory" had made "flat declarations" that his policy was aimed at sending troops against Nicaragua.

"I am not impugning the motives at all," he said, "but some of the opponents of our program engaged in some of the most scurrilous, personal attacks against me, for example, the most dishonest use of distortions and outright falsehoods that I have heard in a legislative battle."

On domestic politics, Mr. Reagan said he intended to involve himself deeply in the Congressional elections this year, traveling and speaking in support of Republican candidates. He said he planned "to do everything I can do on behalf of our candidates and everything that I am asked to do."

LAW TO TAKE "ITS COURSE"

On the disclosures of documents showing that Ferdinand E. Marcos might have amassed a fortune during his 20-year rule, Mr. Reagan said he did not plan to grant immunity to the former Philippine leader for violations of American law.

The law should take "its course," he said, although he added that he did not want to engage in "hearsay or gossip" in assessing whether reports about corruption were true.

Aside from his burst of anger over the House debate on the Nicaraguan aid issue, Mr. Reagan seemed relaxed during the 30-minute session in an Oval Office decorated with spring flowers.

He himself was appealing for private help less than 2 years ago when the Congress attached a rider to one of the bills prohibiting the President from using any of the funds appropriated for the CIA and its attempts in the assassination attempts of the Nicaraguan leaders in the direct military aid to the so-called Contras that were marauding alongside and in the Nicaraguan border, killing peasants, women, children, raping women. And he was on the front page of the paper saying, "Well, I think that private individuals who want to do it * * *." So he backed the retired general who had been in command in Korea when Carter had to transfer him because of the statements he was making of a political nature when he was commander of the troops in South Korea, American troops, and who is, like Mr. Reagan, an ideologue.

You say, "communism," and immediately it is like triggering them, like giving them a hot foot.

Well, we need more than that at this time in this country.

The President was advocating what? He was advocating this general and his group and other groups to raise moneys, arms, all of which have been raised, all the way from recoilless rifles to cannon, to helicopters, all through private donations, all of those in violation of the Logan Act.

What is more shameful for our country is that the President is on record as being a violator of law and order. The World Court, the Tribunal, the International Tribunal of Justice, has adjudicated the complaints in Nicaragua, initiated 3 years or more ago when, through the CIA, we were bombing their harbors, mining their harbors, attempting to blow up their public buildings, attempting to assassinate some of their leaders. Nicaragua appealed to the World Court. We appealed and answered. The World Court deliberated, found us guilty of gross violations of aggression against what we ourselves were proclaiming to the world was an accepted government, because we still had a duly accepted, documented and with-portfolio Ambassador in Managua from the United States. And all the while we were saying to the world, "We have our official representative," recognizing the fact that that is the official regime in Nicaragua, we were trying to destroy them.

Now, we just cannot have it both ways. We do not have world opinion supporting us. We have terrorized that part of the world. But fear is the only thing that is brought about by this kind of force, naked, raw force. And if people fear long enough, they will fight. And woe to us when that point is reached, because we are totally unprepared, we cannot stand up to the world and say that we will bomb everybody we do not like or that we are trying to prove something.

□ 1140

It just will not work. It has not worked thus far and it certainly will not work any longer in the future.

Bombs cannot be substituted for brains. What we need is an assertion of leadership from our leaders, real leadership, constructive and creative leadership.

In a world that has radically changed, we have in the mind of the President the world of 1946 and 1947. With respect to Latin America, we have a President that has Calvin Coolidge's concept, the last President to send the Marines into Nicaragua. We occupied them there for 13 years so that we could install the regime that finally crumbled all around our ears in 1979.

I placed in the RECORD the white paper that the Secretary of State for Calvin Coolidge issued in an attempt to rationalize the sending of the Marines. I published it in the RECORD. I dug it out. In it he was saying that we have got to stem the exportation of Mexican Bolshevism in Latin America. So that Mexico in 1929 was the Cuba that we so much talk about and sometimes fear, most of the time hate, and do not know what to do with and have not. As a result, we have made leaders out of men in that part of the world who were never considered much more than third rate. We have made them.

I will give you an example. In 1981 when General Haig as Secretary of State drew the line, it was going to be in El Salvador. Remember, it was 1981. The so-called Sandinistas were still not an elected group of leaders. It was a quadrumvirate. It was a junta that had about one or two priests, one or two Marxist-Leninists, whatever you want to call them, and one or two moderates, whatever you want to call them. They had not consolidated anything. They had kicked out Somoza. They had defeated the national guard. Their economy was in shambles, and it was still fresh.

Mr. Haig decides that he is going to play the old divide and conquer politics that we had been following before 1929 and up to 1929 in Latin America.

So what does he do? He knows Honduras is the poorest country there. He knows that it is owned, run and operated by United Fruit, which is what the fuss is all about, if you want to know the truth, like it was in Guatemala in 1954 when we knocked out Colonel Arbenz in Guatemala. He quit when some of the aircraft hired by the CIA, mercenary American pilots by the CIA, but paid for by United Fruit. They bombed Guatemala City.

Colonel Arbenz says, "I would rather leave than see innocent children bombed," and he left. Where did he go? He went to Cuba.

But in the meanwhile, General Haig decides that he is not going to send American troops. This is before we decided we would make Honduras a training ground and before we really occupied Honduras, as we are now. We are actually occupying Honduras. We are no different than the Russians are in Afghanistan at this time in Central America, only in degree, and that is that Afghanistan is right next to Russia, like Mexico is to us and sooner or later we are going to have to address that dilemma; but unfortunately, after it blows up, instead of anticipating as some of us have been trying to do for 15 years.

But in any event, General Haig is going to be the big wizard, so he persuades whom? Why, those big military junta leaders in Argentina who were abducting thousands of Argentinians, knocking them off, putting them in a plane and dropping them over the sea because they were dissidents. He gets them to loan him some soldiers to bring to Honduras to try to destabilize the Sandinistas.

Well, lo and behold, all that did was kind of reinforce the military junta in Argentina that, boy, they were good enough to go over and take the Falklands, as they felt they owned them, and of course that brought Maggie Thatcher and the fellow tory, Mr. Reagan, and we had to make a choice and we did, as perhaps there was no other thing to do.

We helped Britain very much, overtly, covertly and in every other way; but that antagonized the Argentinians, so that just the year before last, that the generals were kicked out, the

leading group of these generals who were supposed to be the most anti-Castro people in the whole word were in Havana, Cuba, toasting Fidel Castro.

Now, does that mean that Castro was such a great politician, such a great diplomat that he could turn around these enemies? No. It was our folly. It was our stupidity. It was our continued and sustained condescending, insulting, and ignorant view of the countries that destiny says we must share the future with and who for the past 15 to 20 years now outnumber us in total count by about some 75 or 80 million people and who are not going to be constrained.

We talk about the American hegemony. Well, there is no way that we are going to have enough troops without calling in the Reserves, without maybe having a little draft called eventually, if the President continues and he is insistent on doing it, that will directly involve ourselves in an invasion in Nicaragua and if he wishes to knock out physically that government, that is the only way it is going to be done.

But when it is, what are we going to do about El Salvador, the smallest country? What are we going to do about Guatemala, which at present has a leader—who has done what? The newly elected president has just convoked a meeting of all the heads, including the Sandinistas, to get together to seek a peaceful solution.

Their first advice is, "Look, United States, get your troops out. We don't want bombs. We don't want rifles. We want to take care of this."

What did Nicaragua do in February? It got together with Costa Rica, despite our serious opposition, and they signed a treaty between Costa Rica and Nicaragua, forming a joint commission to resolve their differences along the border.

That has angered the State Department so much that they reprimanded the Costa Rican leaders, and which further convinced them.

We have militarized or attempted to militarize Costa Rica. Costa Rica is the only country south of our border that never bothered to have an army. Now we have Green Berets and everything else trying to train for one; but despite that, the leaders saw fit to sit down and discuss with the Nicaraguan leaders whatever differences they had.

They were going to do that just a couple of weeks ago with Honduras. You can imagine how happy our leaders are about that.

But the President of Guatemala has convoked this meeting of all these heads of States of the Central American States.

Now, if he stays in power long enough, like Duarte, Duarte is empowered by the grace of our having muffled the military who are still in control and the radical right representing those vested landholders who did not hesitate in 1932 to kill 30,000 Salvadorans then, but the world was not as small as it is today and they could get away with it, and they did.

Now, 14 families owning, controlling that whole country, half of them sent all their capital over to Miami. From there, they have been shipping arms and shipping out hit men and everybody else. We have had a murderous expedition, including the murder of Archbishop Romero in El Salvador. The CIA was with the murderers of Archbishop Romero.

And the five American nuns, who thinks of that now?

What are we doing right now in El Salvador? We have given the Huey night seeing attack helicopters doing the same thing the Russians are doing in Afghanistan, hovering over these innocent peasants, shooting them down without any distinction.

In Guatemala we are also resorting to the Vietnam tactics of these preserved hamlets, safeguarding, shifting entire populations. Sure, they are rural populations, but these are populations that have lived in those lands for centuries, for decades, and we have now uprooted them and have compelled them to go to what the Salvadoran Army would consider a safe haven.

But it is our arms, they are not Russian rifles, they are not Russian helicopters, they are not Russian bombs and bayonets.

As I reported here 3 years ago, in Guatemala has anybody ever charged that whatever there is considered a leftist has imported guns from Cuba, Russian or any other Communist source? No.

Yet, the Bishop of Chiapas told me 3 years ago in December of the horrors there. He was trying to have a refugee program for help for 20,000 of the poorest of the poor in the world, the Indians in the mountains, that the Guatemalan Army has committed genocide with American bayonets, ripping open the bellies of 6-month old Marxist-Leninists? That is what we are condoning. This is all done in the name of what? Anticommunism that the United States says they must swear to.

War is a horrible thing. We have been fortunate that we have escaped the real horror. Civil wars are much worse. When we talk about a civil war, which is what these things are in Central America, we are talking about father against son, brother against brother, daughter against mother, uncle against nephew, and nobody can imagine because our own Civil War which was horrible and up until World War I was the most brutal of all wars, those who remember their grandfathers talking about it might have some dim idea about it, but this is what is going on there.

We are identified with all the forces of retrogression. I am not surprised. President Reagan represents retrogression. They talk about a Reagan revolution. It is a counterrevolution. He has attempted to do away with every single housing program that this country has put in place, the Congresses for 40 and 44 years—to do what? To provide shelter for the poor in our country. The President for 2 years has asked us to eliminate every one of what we call assisted housing programs in my district where I saw what targeting education programs do.

□ 1155

In 1964, I was the coauthor of the National Economic Development Act, known as the War Against Poverty. I was the author of most of one title, half of another, and what were those? Work, study, neighborhood youth, all employment programs, so that kids could stay in high school.

In my district at that time, among the Mexican-American ethnic minority, which is now not really a minority but was then, the dropout rate was 76 percent in high school. In a matter of a decade, mostly with the help of these programs, if not totally, that was reversed completely, where we now have 18 and even an unacceptable 20, but in the last 3 years my district, from 2,000 to 2,300 young men, young ladies, highly motivated, academically competent, have not been able to stay in or go into or are being compelled to drop out of the community college, 95 percent from this group, because Mr. Reagan has cut back. The student loan program alone is almost wrecked at this moment.

The Congress has had to compel safeguarding what is left, and for that we are accused of being spenders or budget busters, while the real budget buster, Mr. Reagan's discretionary budget, has increased 750 percent in 2 years. It coincided with the cutoff of the money to the CIA for the Contras, because the money has been going but it has been going in a different way. It does not have to be accounted for because the President uses his discretionary funding. And the man who says the Congress is overspending has had his own discretionary spending increased 750 percent, and not one Member here have I heard get up, except myself, and protest that. It is wrong. It is sinful. It is a crime against the people, in the greatest interest of the greatest number.

I am asked, "Why is it that you have not supported, and you have the lowest support?"

When the President presents me, as other Presidents have, with any kind of a program that is beneficial to the greatest interest of the greatest number, he will not have to lobby me. I will be right there. I have yet to re-

ceive such a recommendation from President Reagan.

Of course, I was not going to go along with his tax giveaway in 1981. That is the reason we have the monstrous deficit. A $750 billion tax write-off for whom? For the richest people and corporations in this country, $750 billion. That is not spendthrift? That is not irresponsibility? What a perversion in our ability to determine what is a spending or a true economy from a false economy.

To compound that, the Congress, indeed, has been most disappointing. The fact remains that if we continue to fail to understand what it is the civil wars are to the south of us, if we continue, as President Reagan does, with a General Custer mentality—as my colleagues know, General Custer was the one who was proud of the fact that if he made a Custer decision, that was it. You know what happened to him. President Reagan is no different.

I have said all of this back home as well as here, but I think we need to be reminded that the danger of this false leadership to the lives and well being of some of our elite of our troops, airborne, continues very great. Up to now, the Congress, which did an unprecedented thing when it mandated that, they could rationalize by saying the President requested it. Ironically, most Americans did not even know until the disaster in Newfoundland at Gander last December, when almost a whole company-size group of that military on duty was killed in an accident involving what? An airline that the Department of Defense had continued and still does, mind you, contract even though at one point when I was speaking about it I had one of my colleagues from Michigan report that that airline had had a near catastrophe right there in his home town, and that the Defense Department was not interested in doing anything.

When I wrote a letter to the Defense Department, I had a reply from the Assistant Secretary of Defense for Procurement. I put that letter in the RECORD, because it is unbelievable. I also sent a message to the President. I knew he would not answer it, but I sent it anyway, and said, "Mr. President, for the good of the troops you are supposed to be looking out for, take $450 million from that multibillion dollar discretionary fund you have and use military aircraft for military purposes."

The Defense Department tells me that is what they are paying each year for this purpose in commercial flights, but what are these commercial companies? These are all companies that are formed ad hoc for that purpose. They are put together in order to get that very lucrative Army contract.

I have spoken with pilots and with flight attendants that quit because they knew their lives were in danger. They could see that it was deficient and they quit. I got their messages.

But what was his answer? The Secretary said, "We are looking into it, but we are going to continue, and we see no reason why we should not."

I might tell you this, because I asked the question. I said, "What are you going to do in case you have an eventuality in which you have a war situation?" It is astounding. He says, "Even in war, we intend to use 90 percent of the transportation of our troops in private craft."

So what did I say? I said, "Then the only way you use military craft is like you did in Vietnam, and I protested then to President Johnson: Only when the men come back in body sacks." Then is when they use a military craft. They will use a military craft to ship equipment, cannon, and whatnot, but not live and kicking soldiers who ought to have the assurance that they are going to be transported as safely as it is humanly possible to be transported.

Who remembers the Gander disaster now? Yes, the Congress had some committees that had hearings and they brought some testimony and showed that the Arrow Airlines was bad, and the Air Force said, "We will suspend temporarily," but I want to announce to my colleagues, they are in business today. What do we want to wait for? What more do we want than the official spokesman for the Defense Department saying, "We do not care. That is the way we are going to do it."

What was the reason he gave me in the letter? One, it saves money principally. And second, that small component of craft which is used in training will give us valuable experience in case of war. It is all in his letter. If that is not Alice-in-Wonderland gobbledegook, I do not know what is.

So I appealed to my colleagues, particularly those I have written to that have responsibilities in the committee, that they initiate a review, at least ask questions, about the continuing purpose of the mission of these men in the Sinai. They are in peril.

□ 1205

I pray to the Lord Almighty every morning and every evening and they are in my prayers. I recall with great anguish the case of the Marines in Lebanon, and I just feel that I would be greatly remiss if I did not speak out. I have used strong language.

But I believe, like the great abolitionist, Garrison, that I will speak, sure, as harsh as truth and as uncompromising as justice, for if I am rebutted and if I am shown to be wrong, I will take this same forum, admit to it as best as I can the error of my thinking or actions. But until then, I say it is the height of irresponsibility to ignore these fellow Americans.

Let us just for the moment visualize an attack on this contingent. Let us say, through some fortuitous cause only members of the Fiji Island contingent or Colombia contingent get hurt. What are we going to do? Are we going to say well, it is too bad. Or if we do not know exactly what type of a nameless group did the attacking, who are we going to bomb? Are we going to send more troops, and if so what will be their purpose?

The legislation approved in 1981 limited that contingent to no more than 2,000. Now I asked this question, I said "Well, you are supposed to be there for the purposes of peacekeeping, but keeping the peace between whom?" Between two allies, or erstwhile allies, Egypt and Israel.

Suppose that Israel accuses Egypt of violating. What are we going to do, send troops into Egypt or what?

Suppose Egypt complains that Israel has violated, are we going to send troops into Israel, and what is the purpose? What is the mission? What is the military mission?

You are not sending civilians. You are not asking the United Nations to patrol or watch the peace. You are specifying in this legislation that they must be active duty military, meaning prepared for what? For a military purpose. Well, what is it?

If they do confront a hostile military action, what have they got going for them? No armor, no aircraft. They have nothing. Indeed, they are hostages. That is what they are.

The only difference between this and the Tehran case is that our folks could not do anything about it because they were kept imprisoned in the middle of Tehran in the American Embassy. And then there were less than 100. But over here we have got 2,000 military plus 500 plus 500. You have got 3,000 plus, and with no clear, stated and coherent military purpose.

But we have said since the Korean war that when you do call in the military, the military, trained, able, competent to perform along with their expertise, must have a clearly defined mission or purpose. That has not happened in the postwar period.

I had been a student ever since the 1947 Defense Reorganization Act. Though I never dreamed I would be in the Congress, I certainly was not in politics, but I was interested from statutory and what not. My predecessor had been the ranking member of the Armed Services Committee, and I remember I was in the State Senate, and in later, subsequent years, and sent a resolution memorializing Congress that we ought to do justice by trying to correct some of the injustices in the 1958 compensation reform or Pay Reform Act, and particularly with respect to the pension. So, as an aside remark, I asked my predecessor if he

could tell me what was being done by the Congress to review the 1947 Defense Reorganization Act. I had been very careful to note that in the change from the old War Department, Secretary of War, to the Defense Department, that a very elaborate system was set up, but which in the light of post-World War II active shooting phase was unrealistic, that we needed continual oversight.

The SPEAKER pro tempore. The time of the gentleman from Texas [Mr. GONZALEZ] has expired.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. LEVIN of Michigan in three instances.

Mr. BONER of Tennessee.

Mr. DE LA GARZA.

SENATE ENROLLED JOINT RESOLUTIONS SIGNED

The SPEAKER pro tempore announced his signature to enrolled joint resolutions of the Senate of the following title:

S.J. Res. 247. Joint resolution to designate the week of June 1 through June 7, 1986, as "National Theatre Week";

S.J. Res. 267. Joint resolution designating the week of May 26, 1986, through June 1, 1986, as "Older Americans Melanoma/Skin Cancer Detection and Prevention Week";

S.J. Res. 281. Joint resolution to designate the week of May 11 through May 17, 1986, as "Senior Center Week";

S.J. Res. 288. Joint resolution to designate the month of May 1986, as "National Birds of Prey Month";

S.J. Res. 316. Joint resolution prohibiting the sale to Saudi Arabia of certain defense articles and related defense services; and

S.J. Res. 324. Joint resolution to designate the week beginning May 18, 1986, as "National Digestive Diseases Awareness Week."

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 12 minutes p.m.), under its previous order, the House adjourned until Monday, May 12, 1986, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3465. A letter from the Comptroller General of the United States, transmitting a report on the status of budget authority withheld pursuant to the rescission proposals submitted by the President in his third special message for fiscal year 1986, pursuant to 2 U.S.C. 685; to the Committee on Appropriations and ordered to be printed.

3466. A letter from the Executive Director, Pennsylvania Avenue Development Corporation, transmitting a report on the corporation's activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3467. A letter from the Secretary, Postal Rate Commission, transmitting a report on the Commission's compliance with the laws relating to open meetings on agencies of the Government (Government in the Sunshine Act) during calendar year 1985, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

3468. A letter from the Secretary, the Commission of Fine Arts, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar years 1984 and 1985, pursuant to 5 U.S.C. 552(d); to the Committee on the Government Operations.

3469. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to repeal section 4 of the Fish and Wildlife Act of 1956, as amended, and for other purposes; to the Committee on Merchant Marine and Fisheries.

3470. A letter from the Secretary of Transportation, transmitting the Urban Mass Transportation Administration Quarterly Report for the fourth quarter of fiscal year 1985, pursuant to 49 U.S.C. app. 1603(h)(1); to the Committee on Public Works and Transportation.

3471. A letter from the Secretary of Transportation, transmitting the Urban Mass Transportation Administration Quarterly Report for the first quarter of fiscal year 1986, pursuant to 49 U.S.C. app. 1603(h)(1); to the Committee on Public Works and Transportation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CONYERS: Committee on the Judiciary. H.R. 4745. A bill to amend title 18, United States Code, with respect to sexual abuse; with an amendment (Rept. 99-594). Referred to the Committee of the Whole House on the State of the Union.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

(Submitted May 9, 1986)

Under clause 5 of rule X the following action was taken by the Speaker:

The Committee on Foreign Affairs discharged from further consideration of H.R. 4574; H.R. 4574 referred to the Committee of the Whole House on the State of the Union.

The Committees on Agriculture, Banking, Finance and Urban Affairs, Energy and Commerce and the Judiciary discharged from further consideration of H.R. 4708; H.R. 4708 referred to the Committee of the Whole House on the State of the Union.

The Committees on Energy and Commerce and the Judiciary discharged from further consideration of H.R. 4750; H.R. 4750 referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PENNY (for himself, Mr. BEDELL, and Mr. PANETTA):

H.R. 4799. A bill to condition certain loans under the Consolidated Farm and Rural Development Act upon a requirement that States establish procedures for mediating farm loans made by Federal entities; to the Committee on Agriculture.

By Mr. WRIGHT (for himself, Mr. ROSTENKOWSKI, Mr. FASCELL, Mr. DINGELL, Mr. ST GERMAIN, Mr. DE LA GARZA, Mr. HAWKINS, Mr. GIBBONS, Mr. PICKLE, Mr. RANGEL, Mr. STARK, Mr. FORD of Tennessee, Mr. JENKINS, Mr. GEPHARDT, Mr. DOWNEY of New York, Mr. HEFTEL of Hawaii, Mr. FOWLER, Mr. GUARINI, Mr. RUSSO, Mr. PEASE, Mr. MATSUI, Mr. ANTHONY, Mr. FLIPPO, Mr. DORGAN of North Dakota, Mrs. KENNELLY, Mr. DONNELLY, Mr. COYNE, Mr. LUNDINE, Mr. GORDON, Mr. HUBBARD, Mr. KLECZKA, Mr. KANJORSKI, Mr. LUKEN, Mr. SYNAR, Mr. BONKER, Mr. MICA, Mr. BEDELL, Mr. MANTON, Ms. OAKAR, Mr. LAFALCE, Mr. LEVIN of Michigan, Ms. KAPTUR, Mr. FAUNTROY, Mr. ERDREICH, Mr. FORD of Michigan, Mr. CLAY, Mr. BIAGGI, Mr. MURPHY, Mr. KILDEE, Mr. MARTINEZ, Mr. HAYES, Mr. PERKINS, Mr. BRUCE, Mr. ECKART of Ohio, Mr. DOWDY of Mississippi, Mr. FLORIO, Mr. FRANK, Mr. ROSE, Mr. JONES of Tennessee, Mr. COELHO, Mr. MURTHA, and Mr. WILLIAMS):

H.R. 4800. A bill to enhance the competitiveness of American industry; and for other purposes; referred jointly to the Committees on Ways and Means, Foreign Affairs, Banking, Finance and Urban Affairs, Education and Labor, Agriculture, and Energy and Commerce for consideration of such provisions of the bill as fall within the jurisdiction of those committees pursuant to paragraphs (v), (i), (d), (g), (a), and (h) of clause 1 of rule X, respectively.

By Mr. AUCOIN:

H. Res. 454. Resolution expressing the sense of the House of Representatives that the Government of Japan should grant the United States semiconductor industry free access to the Japanese semiconductor market; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 4122: Mr. CLINGER.

H.R. 4191: Mr. DENNY SMITH.

H.R. 4488: Mr. LOWRY of Washington, Mr. BLAZ, Mr. MONSON, Mr. PACKARD, and Mr. ANDERSON.

H.R. 4696: Mr. BONIOR of Michigan, Mr. ASPIN, Mr. RAHALL, Mr. DUNCAN, Mr. HAYES, Mr. EARLY, Mr. WOLF, and Mr. ST GERMAIN.

H.J. Res. 90: Mr. WAXMAN, Mr. EDGAR, Mr. MOODY, Mr. CONYERS, Mr. FRENZEL, and Mr. RANGEL.

H.J. Res. 590: Mr. HUTTO, Mr. EARLY, Mr. CLINGER, Mr. GARCIA, Mr. BEVILL, Mr. MCCLOSKEY, Mr. HERTEL of Michigan, Ms. KAPTUR, and Mr. JONES of Tennessee.

PETITIONS, ETC.

Under clause 1 of rule XXII,

345. The SPEAKER presented a petition of the commission of the city of Coral Gables, FL, relative to the Senate tax reform bill; which was referred to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

COCA-COLA CELEBRATES 100 YEARS

HON. ED JENKINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. JENKINS. Mr. Speaker, Atlanta, GA, is awash in Coca-Cola this week—not just in the figurative sense as it always is, but in the literal sense. The Coca-Cola Co., its employees, the 24,000 Coca-Cola bottlers and their employees are celebrating the 100th birthday of Coca-Cola in its birthplace.

One hundred years ago today, Dr. John Pemberton hauled a jug of the syrupy liquid he had mixed up in a three-legged brass pot in his backyard down to the soda fountain at Jacob's Pharmacy at Five Points where he mixed one glass with ice water and another with soda water. The carbonated version at 5 cents a glass won the taste test. Frank Robinson, Pemberton's bookkeeper and partner, is credited with having given the brew its name and having chosen the Spencerian script we all know as the logo and trademark of Coca-Cola.

Alas, Dr. Pemberton died 2 years later without really realizing what he had created. Having a common business problem of cashflow, he sold shares of his Coca-Cola business to several investors, one of them another Atlanta pharmacist, Asa G. Candler. Candler managed to become sole proprietor of Coca-Cola by 1891 with a total cost of $2,300.

From the Candler acquisition until today, the history of Coca-Cola presents itself as a case study for advertising and marketing. Candler put the logo on anything people would see, and where it would fit, a suggestion to drink it. Candler took Coca-Cola from the soda fountains of Atlanta to every State and territory in the United States by 1895, but not without first incorporating his company and registering the logo trademark.

With soda fountain sales booming at more than $100,000 annually, Candler accepted a proposition in 1899 from two Chattanooga, TN men for exclusive rights to bottle Coca-Cola and sell it throughout the country. Benjamin F. Thomas and Joseph B. Whitehead quickly realized they did not have the capital to implement their rights and formulated what is now Coca-Cola's independent bottlers network by selling perpetual contracts and exclusive territories in which to distribute to local entrepreneurs across the United States.

When a group of businessmen led by Ernest Woodruff of the Trust Co. of Georgia bought the Coca-Cola Co. from Candler in 1919 for $25 million, the company entered another expansion phase, going abroad with its bottling operations. From the first 379 independent bottlers in the first 10 years, Coca-Cola's bottling operation has grown to 24,000, and the Coca-Cola Co. invited them and their 325,000 employees to Atlanta this week.

Robert W. Woodruff, who was elected president of Coca-Cola 4 years after his father's group bought the company, envisioned Coca-Cola's worldwide availability and translated that vision into reality watching over its expansion for almost six decades. He set up a foreign sales department in 1926, which became the Coca-Cola Export Corp. in 1930. When World War II could have proven a setback, Woodruff saw it as a chance to permeate the European market by putting Coca-Cola in the hands of U.S. servicemen "whatever it costs the company."

The Coca-Cola overseas operations developed into a worldwide network so resourceful in providing contacts and information on foreign policy that a native Georgian seeking insight on foreign policy used that Coca-Cola in-house state department as a training ground in his bid for President of the United States in 1976. When President Jimmy Carter opened the trading doors to China, Coca-Cola was right behind him.

Although Woodruff retired as chairman in 1956, he effectively still controlled the company from a board of directors for almost two decades through the 1960's, when new products with names other than Coca-Cola emerged.

Wall Street called Coca-Cola the "sleeping giant" of the 1970's, but the worldwide structure which leaped into the 1980's drew enough attention to propel Coca-Cola from the business page to the front page. Not only did 13 new American drink products line the shelves, but company executives diversified, acquiring Columbia Pictures Industries, Inc., and made a daring move to change the formula of Coco-Cola. What they found was that no matter what the new wave of consumer taste-testing had told them, all the previous years of indoctrination of the soft-drinking public had created a fiercely loyal constituency. Never let it be said that the Coca-Cola Co. doesn't give the consumers what they want, and it did, returning the old formula as Coca-Cola Classic, but also keeping the new Coke.

Coca-Cola not only leaped into the 1980's but literally leaped off the face of the Earth with its technology to dispense carbonated beverages in the weightless atmosphere of a spaceship. Somewhere, no doubt, within the research walls of the Coca-Cola Co., the technology is being developed or already has been developed to set up the first independent bottler in a space station. The marketing department's strategy surely must be safely locked away in anticipation of that day, since the company must live up to its own promotional material—"When you don't see a Coca-Cola sign, you have passed the borders of civilization." After all, that's the way it is, Coke, that is.

We have been conditioned to expect Coca-Cola to take a leap, and if it stumbles, to see it right itself in a gracefully profitable manner. If we can order its products in 155 countries in 80 languages, why not expect to take it along with us when we begin to inhabit space and other parts of the universe? What else should we expect from the company who wanted and did teach the world to sing and bought the world a Coke?

FRANK DROZAK ON AMERICA'S MERCHANT MARINE FLEET

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. COURTER. Mr. Speaker, few citizens realize the vital role that the merchant vessel plays in defending America and her allies abroad. There is simply no alternative to tankers and merchant vessels for transporting vital supplies to crisis locations, or for supporting deployments like the 6th Fleet in the Mediterranean off Libya.

However, as Frank Drozak, of the AFL-CIO Maritime Trades Department, notes in the following Letter to the Editor in the Washington Times, the Congress and the Reagan administration have not been willing to take the steps now to ensure that the U.S. flag fleet is up to the task of defending our vital interests.

Our vulnerability is very real: For example, according to Mr. Drozak, we only have 143 useful petroleum tankers in the U.S. flag fleet, available for use in a crisis. The Soviet Union and her allies have available almost 300 attack submarines for sinking tankers. In 1942, Nazi Germany only had 14 U-boats available for sinking Allied vessels, but they managed to torpedo 450 of our ships in only 7 months. A 1980's reenactment of the Battle of the Atlantic could have devastating consequences. Accordingly, we should heed Mr. Drozak's warnings.

[From the Washington Times, May 8, 1986]

MERCHANT MARINE VITAL TO U.S.

Your misguided, one-sided April 30 editorial "Saving our oil industry" might have been more appropriately titled "Destroying our merchant marine," an action for which *The Washington Times* seems to have a penchant.

The U.S.-flag tankers that carry Alaska North Slope oil are part of the nation's domestic merchant marine. Although you have often editorialized in favor of a strong national security posture, you defy your own logic when you advocate export of ANS oil.

According to the Joint Chiefs of Staff, "Sealift will bear the brunt of the workload in deployment, reinforcement, and resupply efforts . . . in any major overseas deployment. Ships from the U.S. Merchant Marine represent the single largest domestic source of this sealift. Militarily useful petroleum

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

tankers in the U.S.-flag merchant fleet number 143. Most of these tankers are involved in U.S. coastal trade."

Although *The Timers* is apparently unaware of the national security value of a viable merchant marine, our principal adversary, the Soviet Union, is acutely aware of those factors.

According to the Chief of Naval Operations, "The Soviet Union has carefully directed the growth of its merchant fleet, not allowing purely commercial pressures of modern trade to dictate its composition.

"As a result, the Soviets today possess one of the few major merchant fleets which can perform either a peacetime commercial mission or satisfy military logistics requirements effectively and efficiently should a conflict arise. This has been achieved by accepting some economic disadvantages in exchange for functional versatility."

In addition, your simplistic economic arguments ignore several important realities. For instance, the federal, state, and local taxes paid by the U.S. companies which own and operate those tankers, and the crewmembers working on them, will be lost if ANS oil is exported, thus contributing to the U.S. deficit. Also, the revenues earned from the sale of ANS oil would merely be transferred to other foreign producers from whom we would have to import oil to replace the losses associated with ANS exports. The tankers which carry those imports would be foreign-flag so the nation's trade deficit would worsen while the United States, rather than Japan, would increase its dependence on energy from the war-torn Middle East.

Further, although ANS exports might prevent Japan from developing Siberian oil fields, the Soviets would likely develop them on their own as they did with the gas pipelines to Western Europe when they were deprived of access to U.S. and Western technology. When those Siberian fields are developed, the cost-sensitive Japanese economy would import from the U.S.S.R. in any event.

FRANK DROZAK,
President, Maritime Trades Department, AFL-CIO, Washington.

IT'S TIME FOR A SUPERFUND COMPROMISE

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. LENT. Mr. Speaker, there has been a great deal of talk about the Superfund Program. Despite all of the talk, however, the facts remain unchanged. It has now been over 7 months since authority for the Superfund Program expired last September. It has been over 3 months since conferees were appointed to resolve the differences between the House and Senate passed reauthorization bills. In the past 7 months, the Environmental Protection Agency has been forced to severely cut back its efforts to clean up hazardous waste sites which are endangering the health and safety of the American people.

Mr. Speaker, the time for talk is past. It is time for action. It is time for us to enact legislation that will provide a comprehensive 5-year reauthorization of Superfund that will enable the Environmental Protection Agency to get on with its job of protecting the public.

With that goal in mind, I commend to my colleagues' attention the following editorial which appeared in the May 7, 1986 edition of Newsday.

[From Newsday, May 7, 1986]

IT'S TIME FOR A SUPERFUND COMPROMISE

At long last, Congress seems to be making some progress on a compromise bill to extend and expand the Superfund program for cleaning up hazardous wastes. But diehard environmentalists and their friends in the House seem intent on shooting down any agreement that's not entirely to their liking.

The original Superfund program called for $1.6 billion in spending over five years. It expired Oct. 1, but a temporary extension remains in effect through this month.

Last year, the House passed a $10-billion, five-year program; the Senate opted for $7.5 billion. After months of haggling without any apparent movement, Senate conferees recently proposed an $8.5-billion plan. House conferees led by Reps. Norman Lent (R-East Rockaway) and John Dingell (D-Mich.) countered last week with a $9-billion proposal.

But instead of halting this progress, spokesman for environmental groups accused the House conferees of making "backroom deals." Daniel Becker of Environmental Action even suggested that the House proposal "jeopardizes the health of millions of Americans," while Leslie Dach of the National Audubon Society said it "damages the chances of passing any Superfund bill this year."

If anything jeopardizes final passage by Congress of strong legislation that would be acceptable to President Ronald Reagan or at least have enough support to override a veto, it's the environmentalists' refusal to consider any modifications of the bill the House approved last year.

Both the Senate and House negotiating proposals deal only with the programmatic aspects of Superfund. Another set of conferees is supposed to concern itself with the funding mechanisms, on which the two houses differ sharply. That effort has barely begun, largely because Senate Finance Committee members have been tied up with tax revision. But without some kind of agreement on the nature of the program, there'll be little incentive to work out of the complex and controversial funding arrangements.

All the Superfund proposals currently before Congress represent vast improvements over the original program. And every day that passes before Superfund is reauthorized means the Environmental Protection Agency falls further behind on the cleanup.

COMPENSATED FOR PAST INJURY

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. DE LA GARZA. Mr. Speaker, today the House will be a forum of last resort for Mr. Joe Herring of Wellington, TX—a citizen whose livelihood was irrevocably changed by the actions of a Federal Government agency more than 10 years ago.

Mr. Herring has patiently waited for some sort of restitution and in that connection I had introduced H.R. 1260 over 1 year ago. But sadly my bill will only provide monetary compensation to Mr. Herring. There is nothing we can do to alleviate the injury he and his family have suffered through actions of the U.S. Department of Agriculture's Farmers Home Administration—and I am talking about the injury of losing one's farm and home, and all the heritage behind it.

In 1968, Mr. Herring received an operating loan in the amount of $17,300 from the FmHA in Hillsboro, TX. Mr. Herring's loan, the balance on which was about $5,500, was foreclosed on April 1, 1975. He lost his farm which secured the loan and had been in his family since the 1890's.

At the foreclosure sale, there were only two bidders for the Herring farm: The FmHA county supervisor and a friend of the county supervisor's who had been told of the upcoming sale through previous contact with the county supervisor.

According to USDA's inspector general, the county supervisor had told the Texas FmHA State director that: (1) Mr. Herring failed to account for security for the loan; (2) Mr. Herring refused to make loan payments; and (3) Mr. Herring had no assets other than the real estate securing the loan. All three representations by the county supervisor were patently false. But the State director—not knowing anything to contrary—accepted the report of his county supervisor and ordered a foreclosure on the Herring farm.

The Herring farm was sold to the county supervisor's real estate friend for the grand sum of $5,600. Mr. Herring received a refund after satisfaction of his meager FmHA debt in the amount of $68.12. The county supervisor's real estate acquaintance turned around and sold the farm in the following month for $96,000.

The USDA inspector general was incensed at this series of transactions and approached the U.S. attorney in Texas for purposes of prosecution—but sadly the statute of limitations had run out on Mr. Herring.

But at this point it must be mentioned that although USDA agreed there had been a grave injustice done to Mr. Herring—the Department has no legal authority to provide monetary relief for injuries in which there are no infirmities.

It is my understanding that the USDA's favorable report on my bill had languished for quite some time over at the Office of Management and Budget, and throughout this time the USDA leadership had continued to maintain the unique position that Mr. Herring had been the victim of administrative impropriety and should get some relief—relief the USDA feels it has no authority to provide.

Over the years, Mr. Herring's family farm has passed through several hands so we cannot restore to him what was his birthright. But we can do right by this man and provide him some money that is justly his. And that is all H.R. 1260 is designed to do.

As for the Hillsboro County Supervisor and his real estate friend—I have no knowledge of their subsequent situation. I do know, however, that both of them have broken the Lord's

commandment that "You shall not covet your neighbor's house. * * *" And there is but one judge who can relieve them of their transgression.

CHILD CARE—A BETTER ALTERNATIVE

HON. DAN COATS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. COATS. Mr. Speaker, today the gentlelady from Connecticut, Mrs. JOHNSON, has introduced the Child Care Act of 1986, a bill to help low-income families in need of child care assistance. I am pleased to be an original cosponsor of this legislation because I believe it is a giant step in the right direction.

I do not want to see the Federal Government influencing families' decisions to place children in day care. This is too important and too sensitive a decision for the Federal Government to be guiding with its large and clumsy hand.

I believe that we are seeing in our society the ill-effects of underestimating the family. One aspect of this phenomenon is the lack of emphasis placed on parental care of children. It is not enough that a child be fed, clothed, sheltered, and educated. As child development specialists have told the Select Committee on Children, Youth, and Families, children have to be cared for by people who are just crazy about them. Children's notions of their own worth depend primarily upon the irrational, unqualified, and absolutely permanent devotion of the adults who care for them. The quality of this attachment will affect them for the rest of their lives.

Therefore, the decision to put a child into the care of an adult who is not his parent or family member for most of his waking hours is indeed a delicate and important one. I would not wish to find myself in the position of influencing that decision.

Yet, we know that many families do not have much choice about who takes care of their children. Many low-income single-parent and two-parent families have no choice but day care, and have no day care alternative other than that offered by the title XX funded day care center.

At the same time, we also know that the largest source of Federal funds for the day care, larger than all other sources combined, is the dependent care tax credit; and we know that about two-thirds of the money from that credit goes to families with above-average incomes.

This is a situation which needs to be changed. The Federal Government is now in the position of offering large incentives to middle- and upper-income families to use day care, but gives low-income families, very little help and very few alternatives. The dependent care tax credit, as now designed, is not much help to the people who need help the most.

One method of remedying this topsy-turvy policy is proposed today by the gentlelady from Connecticut. The Child Care Act of 1986 would make families with income over $50,000 ineligible for the dependent care tax credit and, with the money saved by that change, create a voucher program for low-income families. These vouchers could be used at large day care centers or small family day care programs run by churches. Low-income parents would finally have more of the choices that are now available to middle and upper income parents.

The gentlelady from Connecticut has made very effort to include in this bill those things which are most important to its real purpose and exclude those which are extraneous. I thank her especially for the consideration and accommodation she has made with regard to my own concerns about some provisions.

Federal policy on day care ought to be guided by two principles: First, we should not influence, through financial incentives or any other means, the decision of a family to place a child in day care. This decision is far too personal and has far too many consequences, for the Federal Government to be influencing the choice, and second, we should help those low-income families who must use day care to secure the kind of care which they believe is best suited to them.

Following these principles, I would say that the cap on the dependent care tax credit should probably be lower than the cap proposed by this legislation. I would also say that the voucher might be even better targeted to low-income families by reducing the eligibility level from 200 percent of poverty to a lower level. I would suggest that vouchers are most truly Federal financial assistance to the individual rather than to the day care provider who serves the individual.

In summary, I find the Child Care Act of 1986 an important piece of legislation because it, more than any legislation I have seen to date, serves those two principles which I believe should guide Federal policy in this area. For this reason, I hail its introduction as a major achievement, and I am proud to be one of its original cosponsors.

OLDER AMERICANS MONTH

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. GREEN. Mr. Speaker, many commemorative resolutions come before us for consideration, but few give us as broad an opportunity as we have today to focus on all issues which affect our Nation's elderly. I should like to express my appreciation to my colleagues, Mr. KOLBE and Mr. MCCOLLUM, for sponsoring this special order to celebrate the month of May 1986 as "Older Americans Month."

On Thursday, May 22, in conjunction with Older Americans Month, I, along with the Congressional Arts Caucus, am sponsoring a special presentation of paintings by the late Friedy Becker-Wegeli to the collections of the White House and the National Museum of Women in the Arts. Ms. Helen Hayes will narrate the life of the artist. This event commemorates Older Americans Month and the extraordinary talent of a woman who only began painting at the age of 79 and within a short period developed a style reminiscent of the 17th, 18th century Dutch masters of Floral Still Lifes. The consummate artistry of these two enterprising octogenarians, their courage and dedication, exemplify the contributions older Americans continue to make to the fabric of our society.

Mr. Speaker, our society has been aging while medical technology has been improving rapidly. This means that people now are living longer than ever before. But it also means that we have a larger, older population which poses diverse challenges to public policy makers and private citizens alike.

Just this week, the New York State Office for the Aging released a report on the economic status of the elderly in New York. It states that, in 1983, the per capita income of the elderly in New York State was $10,130, but half of the elderly had incomes below $6,929. Add to this bare statistic the cost of living in New York—housing, health care, food, heat, electricity, transportation—and it becomes clear that our senior citizens' golden years are not quite the easy times one might imagine.

Those of us who represent New York City are especially cognizant of the economic difficulties which confront so many of the elderly. Budget cuts necessary to reduce the deficit make the standard solution of throwing money at the problem a thing of the past. This means that we at the Federal level must work closely with State and local officials and the private sector to develop alternatives.

I believe that one of the greatest burdens placed on the elderly today is premature institutionalization. This puts a financial and emotional drain on citizens who could remain in their homes and communities if they only had some basic resources. An integral component of any plan to reach this goal is improving home attendant care, that is, the provision of basic household and personal assistance services. Many of today's seniors could remain independent if they only had some help with routine tasks such as bathing, dressing, shopping, cooking, and cleaning.

While the list of issues affecting senior citizens is long and varied, I believe there is one key thing we must remember as we celebrate Older Americans Month: this group of people is diverse, and has diverse needs. We should keep this in mind during Older Americans Month, and throughout the year.

OLDER AMERICANS MONTH

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mrs. HOLT. Mr. Speaker, a recent op-ed column in the Washington Post credits President Reagan with a successful exercise in mass psychology. The only President to reach his 75th birthday while still in office, Mr. Reagan has made his tenure what David S. Broder calls "the era of the geezer."

How else can one explain the wondrous events of the past few weeks, including Jack Nicklaus' winning his sixth Masters golf

tournament at the age of 46 and jockey Bill Shoemaker riding his fourth Kentucky Derby winner at 54? * * * (and) 81-year-old pianist Vladimir Horowitz playing himself onto the cover of Time magazine with triumphal homecoming concerts in Moscow and Leningrad. * * *

Mr. Broder goes on to cite several other luminaries in sports, politics, and the arts, who achieved distinction and advancing age simultaneously in this decade.

Can it be that Mr. Reagan, who launched a career as a politician when he was well past the retirement age, has sent a hopeful message to all the others facing "the supposed barriers of age"?

The columnist phrases it this way: "Try something impossible, and you may be surprised what happens."

I think that's a wonderful message to contemplate as we again celebrate Older Americans Month.

OLDER AMERICANS MONTH

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. DWYER of New Jersey. Mr. Speaker, I am pleased and honored to join my colleagues in this special order commemorating the month of May as "Older Americans Month," a time set aside each year to express this Nation's gratitude to its senior citizens for their many contributions to our society.

Older Americans Month is also a time to call attention to the special concerns of this growing population and reaffirm the steadfast support of the Congress to the many important programs that have been enacted over the years to protect and enhance the quality of life for Americans in their retirement years.

These vital programs include Social Security, Medicare, and the many services provided through the network of State and local area offices on aging authorized under the landmark Older Americans Act. These programs have helped older Americans to maintain their independence and security in their later years, and it is crucial that our commitment to these programs remains strong.

In the important area of health care, research supported by the National Institutes of Health has helped immeasurably to increase our knowledge and understanding of the special problems which afflict the elderly. A solid framework for continued research into the causes and effective treatments for the tragic victims of Alzheimer's disease has been established through NIH-supported Alzheimer's research centers. It is vital that the momentum that has been established in combating this disease, as well as in fighting such diseases as arthritis and osteoporosis, be continued by providing adequate resources to health research and training efforts nationwide.

Mr. Speaker, it is clear that there is still a long way to go in ensuring that all of our Nation's elderly can spend their retirement years securely and in good health. Yet, we have come a great distance toward this goal. As we recognize Older Americans Month, it is appropriate to note the great progress that has been made and the urgent need to protect these programs for one of our Nation's most precious resources, our older Americans.

GI BILL IMPORTANT TO STRONG NATIONAL DEFENSE

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. MONTGOMERY. Mr. Speaker, I am confident that Congress will reject the administration's proposed plan to terminate the new GI bill. Our committee is hearing from military leaders in almost every State urging that the administration's plan be rejected.

Let me cite you an example of the significant benefits derived from the new GI bill. Recently, I was privileged to hear from the adjutant general of the Commonwealth of Massachusetts, Maj. Gen. Anthony C. Spadorcia. As to the impact of the new GI bill in his State, General Spadorcia says:

. . . the Massachusetts National Guard's retention rates have increased based on the fact that already 316 individuals on our rolls are actually reaping the benefits of the "bill". You may ask, what does that do for us? Simply put, in addition to the financial benefits gained by our soldiers which are then passed on to our colleagues and universities, it gives us a marvelous recruiting and retention tool and most importantly allows for the upgrading of professional skills of our citizen soldiers, which will in turn help them upgrade and improve their civilian job status; thereby increasing their salaries and improving their job status in the civilian community; creating an overall increase in consumer spending within the Commonwealth of Massachusetts. Based on this, and the impact of the bill on our strength figures both in the recruiting and retention efforts it is important that everything be done to maintain and promote this bill. By far, it is probably the best program seen in the Reserve Forces and repeal would be disastrous to our overall efforts to maintain and increase strength.

Mr. Speaker, the impact of the new GI bill on the Reserve and National Guard programs in Massachusetts is fairly typical of the positive effect the new education program is having in every State of our great Nation. If the administration is seriously interested in maintaining a strong national defense, it should immediately proceed to withdraw its plan to repeal the new GI bill—a program that has proven to be effective in getting quality individuals to join all branches of the military.

A TRIBUTE TO 40 YEARS OF CARING

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. BEREUTER. Mr. Speaker, for 40 years, the hungry and hopeless of this world have been the recipients of relief and development assistance from the pioneer among private voluntary organizations, CARE. It is my pleasure today to congratulate this fine humanitarian group, and express my sense of pride that the American generosity of spirit found expression in such an approach to helping those less fortunate than ourselves.

Several years ago, when I became a member of the Foreign Affairs Committee, I turned to CARE and a few other sources to learn more about how the United States and the world donor community really deliver food aid and technical assistance to needy countries around the globe on a massive enough scale to make a difference. As a Member of Congress from the Nation's breadbasket, I knew that the bounty produced in Nebraska alone could feed the starving in the world, but I did not know about the details on how CARE and the other private voluntary organizations really functioned. While I still do not know how to fully solve the persistant and paradoxical problem of world hunger, I do know more now about the yeoman efforts by CARE to fight against international hunger and poverty.

CARE reaches out to all Americans, inviting them to join in projects that not only help the recipients but leaves those giving assistance feeling positive about themselves and their role in the human community. CARE's ethic generates a sense that binds us all together and helps us understand that fortunes and misfortunes are our common lot, and that those who prosper or suffer today may not prosper or suffer tomorrow.

Again, I congratulate CARE, and my committed friends there. Americans generally, and this Member of Congress, look forward to the next 40 years of CARE's efforts for mankind.

NEW JERSEY PRIDE AWARDS

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. RINALDO. Mr. Speaker, the State of New Jersey produces many outstanding individuals who have contributed to the reputation of our State in the arts, community projects, economic development, education, the professions, energy, the environment, health care, science, technology, and social services.

An organization of distinguished New Jersey citizens has selected a number of residents for the annual New Jersey Pride Awards. Among them are two outstanding residents of the Seventh Congressional District, Eva Gottscho and Dr. David M. Goldenberg, both of Short Hills.

Founder of the Ruth Gottscho Kidney Foundation, Eva Gottscho has been instrumental in organizing and developing a program that has saved the lives of hundreds of people by providing them with artificial kidney machines for home use. Eva Gottscho has earned the admiration, respect and affection of many families who have benefited from this important health care program.

The other recipient of the New Jersey Pride Award, Dr. Goldenberg, is among the most respected and widely read researchers in the field of cancer detection, control and cure. He was a founder of the Center for Molecular

Medicine and Immunology, which he began in Kentucky and has since moved to the Newark, N.J. campus of the University of Medicine and Dentistry.

The National Cancer Institute recently named Dr. Goldenberg an outstanding investigator and awarded a $9.7 million research grant for his project. Dr. Goldenberg's studies and writings are contributing significantly to the Nation's commitment to learn more about the causes, prevention, and treatment of cancer.

I commend the selection committee of the New Jersey Pride Awards on their choice of these two outstanding individuals and the other award winners who will be honored at an awards dinner May 11. That will benefit the New Jersey Special Olympics, a sports training and athletic competition program for mentally retarded children and adults.

JAMES URATA RETIRES JUNE 1, 1986

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. LEWIS of California. Mr. Speaker, on the first of June of this year, James H. Urata will retire from his post as director of administrative affairs at California State University, San Bernardino.

One of the original eight administrators charged with building a new State college to serve the San Bernardino and Riverside areas, Jim Urata played a major role in the completion of what we now know as Cal State, San Bernardino. He served as the building program coordinator, guiding the evolution of the master plan for Cal State and overseeing the construction of the first facilities on campus.

Jim's forward thinking and leadership were valuable tools in the completion of the construction and the landscaping of the campus. In 1979, Jim was named supervisor of plant operations. Later, having many times proven his administrative talents, Jim became acting executive dean and headed the Department of Public Safety and Community Relations. One short year later, Jim was named director of administrative affairs.

Jim was born in Los Angeles, and lived with his family in Poston, AZ. He served his Nation as an interpreter with the Military Intelligence Language Service and was an Army volunteer. A graduate of San Diego State University, Jim went on to teach industrial arts to high school students there.

Jim has been an active member of the community for many years. Currently, he is serving on the San Bernardino City Water Commission, the Community Hospital Corporate Board, and as president of the San Bernardino Community Scholarship Association, evidence of Jim's commitment to helping his friends and neighbors.

After more than 20 years of dedicated service to Cal State and his community, Jim Urata's retirement will certainly be felt; he will be sorely missed. We know, however, that Jim's efforts, along with those of his colleagues, have only benefited our community and our children.

Mr. Speaker, I'd like to take this opportunity to ask my colleagues here in the House of Representatives to join with me in wishing Jim Urata a very happy and healthy retirement.

CONGRESSIONAL SALUTE TO THE 30TH ANNIVERSARY OF THE FOLSOM DAM

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. MATSUI. Mr. Speaker, I rise to call to the attention of my colleagues in the House of Representatives a May 3, 1986 ceremony sponsored by the U.S. Bureau of Reclamation to commemorate the 30th anniversary of the Central Valley project's Folsom Dam.

Folsom Dam, Folsom Lake, and the Folsom powerplant, located on the American River in Sacramento, Placer, and El Dorado counties, were originally authorized by the Flood Control Act of 1944 and were later reauthorized on a larger scale by the American River Basin Developmental Act of 1949 to be constructed by the U.S. Corps of Engineers. Upon its completion, the project was to be operated by the Bureau of Reclamation.

Today, under the Bureau's authority, the Folsom project is an integral part of the Central Valley project. It provides water for irrigation, domestic, municipal, industrial and power production and provides flood protection for the Sacramento metropolitan area. The project also helps to maintain navigation along the lower reaches of the Sacramento River while Folsom Lake offers an extensive array of recreational opportunities for the public to enjoy.

Construction of the project began in the fall of 1948 and was completed in 1956. By then, the historic flood of December 1955 had already proven the dam worthy of its task. In 1964, it again held back the flood waters when the Hell Hole Dam upstream on the Rubican River failed, and once again prevented disaster in 1986. The operation of Folsom Lake to control the overflow is generally credited by engineers and public officials with preventing what would otherwise have been catastrophic flooding in the California State Capital and the Sacramento-San Joaquin Delta areas.

Mr. Speaker, Sacramento is truly fortunate to receive the outstanding service of the Folsom project along with the protection and opportunities that it provides. On behalf of the citizens of Sacramento, I extend my personal thanks and congratulations on a job well done and I look forward to the Folsom project's continued service and success in the future.

HAPPY BIRTHDAY, CARE

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. FASCELL. Mr. Speaker, 40 years ago this week, on May 11, 1946, the world's first CARE packages were received on the docks of Le Havre, France, and distributed to needy survivors of World War II. In the years since then, CARE has become the leading symbol of American generosity to those in need. In congratulating CARE, we also pay tribute to the many individuals who have supported it, and who continue to share generously from their own pockets to provide assistance to individuals wherever it is needed.

Today, CARE packages are a symbol of the past in Europe, where many nations have for several years been organized to donate through CARE, rather than to receive from it. CARE itself is still very much alive and active in 35 countries in Latin America, Africa, and Asia. Originally, CARE stood for Cooperative for American Remittances to Europe. In keeping with its evolving role, the name was changed many years ago to Cooperative for American Relief Everywhere.

CARE still plays an important role in distributing food to needy people, much of it Public Law 480, title II supplies made available from U.S. agricultural surpluses, which CARE combines with donations it raises privately. Its approach has changed over the years as the organization has moved beyond simple distribution of the familiar CARE package. Now, food distribution is the foundation for a wide variety of development activities, from forestry, where CARE is a leader in this vital field in Africa, to health and nutrition, education and small enterprise development.

Any tribute to CARE's 40 years of efforts at improving living conditions for the poor around the world must include a reference to the remarkable individual who has headed the organization throughout its history, Wallace J. Campbell. Wally was honored in 1983 as one of the first recipients of the Presidential End Hunger Award and has been recognized around the world for his efforts. I can think of no other American who has devoted a lifetime to helping others around the world, and who continually remains open to new ideas and approaches as Wally has. He has good reason to be proud of his life's work.

I am honored to join with many others around the world in congratulating CARE—its staff and the individuals who have supported it many varried ways—on its 40 years of achievements.

THE 40TH ANNIVERSARY OF CARE

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. YATRON. Mr. Speaker, May 11, 1986, marks the 40th anniversary of the delivery of the first CARE package in Le Havre, France. Since this date, CARE has delivered over $4 billion in goods and services around the world. This important occasion affords us an excellent opportunity to reflect upon and honor CARE's long-time commitment to providing people-to-people support for the world's poorest individuals.

When CARE was first founded 40 years ago, its letters stood for Cooperative for

American Remittances to Europe. As the name indicates, CARE's main duty at that time was assisting in the reconstruction of war-torn Europe. However, CARE's great success soon prompted an expansion of its services worldwide and the name was changed to Cooperative for American Relief Everywhere, which better described its expanded responsibilities.

Over the years, CARE's operations continued to grow and flourish. A particularly important event was the passage of Public Law 480, the "food-for-peace" law. This measure enabled CARE for the first time to sponor large-scale food assistance programs in the Third World. Most of CARE's existing programs were made possible by this landmark legislation.

CARE has been involved in nearly every field of development and emergency relief and has been at the forefront of innovative development techniques and strategies. At present, CARE operates the world's largest agroforestry program which is geared toward reviving overworked or denuded land.

Currently, CARE is the largest nonsectarian, nongovernmental, nonprofit development and relief organization in the world. CARE has affiliates in several nations with a staff of 270 in the United States, 250 international staff in overseas missions and approximately 4,000 nationals to oversee various projects throughout the world. With programs in 35 countries on three continents, CARE reached over 23 million people in 1985.

In October 1985, CARE received a Presidential World Hunger Award in recognition of its 40 year commitment to developing long-range solutions to the problems of hunger, poverty and disease throughout the world. While CARE faces many challenges today, their past success in combating these problems is certainly a cause for optimism. On CARE's 40th anniversary, I know that my colleagues will join me in honoring their dedication and commitment to helping individuals the world over.

CONGRESSMAN FAZIO COMMENDED FOR DISASTER ASSISTANCE AMENDMENTS

HON. DOUGLAS H. BOSCO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. BOSCO. Mr. Speaker, last February, California was hit by one of the worst storms in its history. The cost of damages to homes, businesses, schools, public facilities, and roads has far exceeded the amount of funds presently available for Federal disaster assistance.

For this reason, I strongly endorse Congressman FAZIO's disaster assistance amendments to the urgent supplement appropriations bill. This vital disaster assistance package would provide $250 million for the Federal Emergency Management Agency (FEMA). FEMA provides disaster assistance to individuals and localities, and will run out of revenues in May without this infusion of money. FEMA field personnel estimate that California alone will need $50 million for these additional funds. The Fazio amendment also provides $20 million for the Department of Education's disaster assistance program. Much of the damage to schools occurred in my district, and this fund is the sole source of Federal relief. The California Department of Education has preliminarily identified $8.7 million in damages to schools in 21 counties. The need for additional money is obvious.

Mr. FAZIO's package also supplements: The Corps of Engineers ($25 million); the Soil Conservation Service ($25 million); and the Agricultural Stabilization and Conservation Service ($10 million).

On behalf of the citizens of the First Congressional District, and the residents of northern California, I want to commend Mr. FAZIO for including this urgent Federal assistance package in H.R. 4515, the supplemental appropriations bill.

SALUTE TO ROBERT DEMATTIA

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. PURSELL. Mr. Speaker, I would like to take this opportunity to bring to the attention of this honorable body the work, dedication, and service of a gentleman from my district.

During my years in public service, I have had the opportunity to meet and represent various persons whose love for this Nation and desire to make it great deserve public acknowledgement. Mr. Robert DeMattia is one of those persons.

Besides dutifully serving America as a member of our armed services duirng the Vietnam conflict, Mr. DeMattia now serves the interests of this Nation in a different way.

A resident of western Wayne County, Mr. DeMattia believes in the American dream, and even symbolizes what it means. His company—the R.A. DeMattia Co.—has become a vital force and catalyst for economic development both in my district and the State of Michigan.

With foresight and diligence, he has taken an area that once lay vacant and unused and built a thriving, growing industrial park which, in my opinion, is the hallmark of development—being built in partnership with the people of the community.

He has successfully weaved together the requirements of business with the needs of residents. His park provides an attractive, practical location for a wide range of firms. But more importantly, it was built to community standards with leaders of the community involved in the planning, selling, and building processes.

The creation of the park and subsequent influx of firms has resulted in more jobs for the community, as well as saving others. It also provides an industrial tax base which will help ease the local tax burden while ensuring quality services and education for years to come.

It deserves noting that Mr. DeMattia also has become an ambassador of good will—helping foreign firms locate in the United States and become established as American companies. He correctly helps us all realize that such companies aren't "foreign firms," they have invested in America and are as much a part of our Nation as other employers.

The success of his efforts can be measured in one very simple way, he's already started work on a second park in the same area.

And this, Mr. Speaker, this industrial park, is but one of many projects he has undertaken.

Robert DeMattia is a man dedicated to making America a better place to live and work. I salute him for his efforts and ask my colleagues to join with me in thanking him for his contribution to our society.

THE MAN WHO MADE WAR ON A WEAPON

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. LEVINE of California. Mr. Speaker, today's Washington Post contains a lengthy profile of a remarkable man—Col. James Burton. Despite intense pressure from his superiors in the military, and some Members of Congress, Colonel Burton has worked tirelessly to ensure that the M–2 Bradley fighting vehicle is tested under realistic battlefield conditions.

His commitment and dedication to this worthy goal has cost him his career in the military. Rather than recognizing Colonel Burton's efforts, the Pentagon has done everything it can to keep him from testing the Bradley. They have reneged on promises to Congress. They have harassed him. They have even tried to send him to Alaska.

Colonel Burton's treatment is a scandal and a national embarrassment. I urge my colleagues to take the time to read the important Post article about Colonel Burton.

[From the Washington Post, May 8, 1986]

THE MAN WHO MADE WAR ON A WEAPON

AIR FORCE COL. JAMES BURTON AND HIS COSTLY, CONTROVERSIAL BATTLE OVER THE BRADLEY FIGHTING VEHICLE

(By Myra MacPherson)

The Hollywood version—sexy, but oversimplified—might go like this:

As the credits roll, a bespectacled man walks through the Pentagon maze to a small cubicle in Ring C. He's no one to notice in particular, just one of thousands who work in the bureaucracy of weapons and war. But then this military Clark Kent ducks into an invisible phone booth and comes out fighting.

Zap! A left to the generals. Pow! A right to the defense contractors, Bam! A frontal attack on the Bradley Fighting Vehicle, the controversial armored troop carrier that has gained a reputation in some circles as a dangerous lemon. It's "Whistleblower: The Motion Picture," coming soon to combat theaters near you.

The real story is more complex, but it certainly doesn't lack drama. It is the story of Air Force Col. James Gordon Burton—who was forced into retirement, his supporters say, after relentlessly pushing for realistic tests of the Bradley and incurring the wrath of Defense Department secretaries and un-

dersecretaries, four-star generals and defense contractors alike. It is a tale about charges of suppression and coercion, about leaked documents, about billions in defense funds, about outraged Bradley defenders and about an angry band of influential congressmen on the Hill and a handful of military reformers in the Pentagon who see in Burton's saga the Ultimate Raw Deal.

Burton's supporters view him as a lone voice trying to save the lives of the estimated 50,000 infantrymen who would ride in the vehicles. "The Bradley is a mobile ammunition dump that would blow with catastrophic results," says a tester present at some of the Bradley tests. Burton's opponents call the vehicle "an infantryman's dream"—faster and more powerful than any personnel carriers ever built.

Since the Bradley controversy erupted, the Pentagon has several times attempted to transfer Burton out of arms way; once it tried to send him to Alaska, the U.S. equivalent of Siberia. Last month he was ordered to move to Ohio's Wright-Patterson Air Force Base or retire. He chose retirement. The weapons tester, who turned 49 on May 3, will be out of work on July 1, his retirement date. Until then he'll continue to answer questions from a team of investigators from various Armed Services subcommittees sifting all the charges and countercharges. Last week, Sen. David Pryor (D-Ark.), a leader of the Military Reform Caucus, and Sen. William V. Roth Jr. (R-Del.), chairman of the Governmental Affairs Committee, requested that the Defense Department inspector general's office investigate the events surrounding Burton's resignation.

The Pentagon vociferously denies that he is being harassed for his views on Bradley testing. "There is a mythology being created about the Bradley and the individual involved," declares U.S. Army public affairs officer Maj. Phillip Soucy, a principal spokesman for the Bradley. "He is saying his sole interest is the safety of the soldiers; it's all cloaked in the purest white, but that doesn't cloud over ignorance."

Except for his congressional testimony, Burton himself is silent. He has adamantly refused to talk to the news media. Friends portray him as a man who tried to work through the system and is particularly sensitive to charges of grandstanding that typically follow those labeled "whistleblowers." Foes accuse him of hiding behind leaked documents.

"There's no question in my mind that Jim is dedicated to doing things right on behalf of the country as he sees them," says one of Burton's former bosses. "On the other hand, there is a shrillness of zeal in Jim's approach . . . The system has difficulty with such zeal; I can see where those in power might feel they have the right to fire him."

The Bradley Fighting Vehicle, built by FMC Corp., is a 25-ton armored personnel carrier with a 25 mm cannon and antitank missiles mounted on top; it looks like a small tank, though its primary purpose is still to carry infantrymen into combat. The Army plans to buy almost 7,000 Bradleys at a total cost of $10.6 billion. So far 3,000 Bradleys have been purchased at $1.5 million apiece.

To Soucy, the Bradley "represents the best chance the infantryman has ever had on any battlefield to actually influence the outcome of the battle. It is the best tool we've handed to the infantry since the longbow."

To its critics, the vehicle is a deathtrap—they've nicknamed it "the Ronson"—that could incinerate the men inside if hit by enemy fire.

The Bradley fight features plenty of the usual posturing and positioning, vested interests and verbal jabs. But there is an exceptional, angry rawness to the rhetoric coming out of Congress and the Pentagon in this case.

Burton's supporters on the Hill, citing documents generated by the colonel, talk about rigged tests of "survivability" and a pattern of "stonewalling and deception" by the Army. Says Soucy: "Members of Congress have stood on the floor of the House—a nice convenient place where they can't be held accountable—and said the Army lied, cheated, gilded, misrepresented."

The Army contends that Burton and his supporters misrepresent the facts through half-truths and misinterpretation of data—partly out of ignorance and partly (in the case of the politicians) because Pentagon-bashing plays well to constituents. And in a rare four-star rebuttal to congressional charges of deliberate deception by the military, Gen. John A. Wickham, Jr., the Army chief of staff, protested that "Honor is not an empty word to the soldiers of the United States Army. We stake our lives and the freedom of our country on our sacred honor."

Sen. Pryor has been particularly outspoken. "It is not Colonel Burton we should be getting rid of," Pryor said in one statement. "Instead, it is those who have tried to rig tests, those who have tolerated rigged tests and those who have conspired to unload Colonel Burton that we should be showing the door."

Sandy-haired and slender, quiet and nonflamboyant, Burton seems an unlikely figure to inspire the kind of controversy that surrounds him today. But conversations with friends, colleagues and family members confirm that Burton's unassuming manner belies a stubborn competitiveness that helps keep him fighting against long odds.

Born in Normal, Ill., at the tag end of the Depression, Burton knew success early. He collected straight A's from first grade through high school and was also a star athlete who received offers from professional baseball teams.

"The scouts were after him all the time," recalls his mother, Aileen Fowler. "They said, 'He's awfully thin, put a lot of weight on him.' And I'd say, 'You just stay away from him. I want him to go to college.' "

Though small (he is now only 5 feet 9), Burton also played basketball, and he was honored as the best high school quarterback in the area. He was in the National Honor Society, was president of the student council and of the junior and senior class, and won the American Legion award for outstanding character and dependability.

Because his parents separated when Burton was 4 and his mother had to go to work, his grandmother cared for him much of the time. His grandfather, a railroad engineer who was also a state legislator, was steeped in Abraham Lincoln lore and there was much talk of books and politics at the dinner table.

When he heard the Air Force was starting an academy, Burton applied. Of 6,000 Illinois applicants, he was the first picked.

The first Air Force Academy class, which graduated in 1959, was a little like the first crop of astronauts, a competitive Right Stuff crowd with high visibility and high expectations. The academy was full of World War II memories, patriotism, and unquestioning loyalty to all things military. "And no one was more straight-arrow than Jimmy," recalls a former roommate, John Howell. "Compromise was not his strong suit."

Burton believed fully in the Air Force honor system and was horrified by the academy's recent cheating scandals. "It's a wonderful thing," he told his home-town newspaper while still a cadet, "to know that the code is so strong. My best buddy served three months confinement to his room because he misread a reg on drinking. He turned himself in."

As the smallest and first class—300 started, 100 didn't make it—the pressure to make good was intense, Howell recalls. "Eisenhower said we were going to build this academy, and the Air Force had a charter to handpick everyone from instructors to students."

Burton's photo album contains a picture of him at the White House with Mamie and Ike, standing ramrod stiff in his dress uniform one of the four outstanding members of the class picked for this occasion.

Burton's wife Nancy was his high school sweetheart, though they broke up while he was at the academy and she was getting her master's in music at the University of Illinois. Burton was engaged to someone else when he heard that Nancy was about to be married; he promptly broke his engagement and put on a full court press to get her back.

The straight-arrow image remains. Burton is an usher at Springfield United Methodist and Nancy is choir director. He was a Methodist Youth Counselor and coached Little League baseball teams when his son—now a 25-year-old architecture student—was small. A 19-year-old daughter is studying biology.

He would probably not be giving the big guns at the Pentagon trouble today except for an illness that changed the course of his career 20 years ago. No one knew what was wrong when Burton, who had become increasingly weak and pale, nearly fainted one day. His blood count was dangerously low, and he was bleeding internally. Because he was born with a malformed stomach, the source was difficult to locate. If he had a bleeding ulcer, for example, it did not show up. Doctors decided to treat him as if he had an ulcer, and eventually the bleeding stopped. But it took a long time, and by then, Burton had been grounded.

"It just really killed him," says one friend. "He *loved* flying." Friends and relatives say that Burton doesn't talk much about his feelings, but they sense that an "introverted spirituality" pulled him through.

"What a loser!" That was the first impression of two of Burton's colleagues when they met the newcomer to the Development Plans Office in the mid-'70s. They were part of a new wave of military analysts taking a fresh and more independent look at how to decide what to buy. "We had to cut out all the malarkey and get down to what was needed and not needed," says one.

Burton had moved rapidly through the ranks, and at least one coworker, cost analyst Charles Spinney, suspected that a don't-rock-the-boat attitude might have helped him in his ascent. Spinney says he "had this strong impression that [Burton] lived and died by the system; a real defender of the farm. I thought he was hopeless."

The new officer didn't have much impact at first, "We always had to fight for what we wanted," recalls another R&D aide. "I remember after a screaming session with a

two-star general, he finally looked me straight in the eye and said, 'You're right.' But during the argument, I thought Burton was going to *die*, pulling at my sleeve to back off."

But he changed, "It was like watching a child grow up before your eyes," the aide says. "Burton's turned out to be better than all of us . . . [he] knows when someone's feeding him a line of bull and how to tell them exactly what they're doing and what to do with it."

A moment of truth came when Burton realized that an officer he considered a friend was lying and using him to push ineffective projects. Boyd laid out the case for and against the man and told Burton, "that guy is no friend." It took a few days before Burton agreed.

"There was a fork in the road and he made a decision," says Boyd. "And I might add he's done magnificently."

Decision made, however, Burton found himself facing the classic whistleblower's dilemma. For while Defense officials have for years maintained that waste, fraud and abuse in Pentagon spending is best uncovered by conscientious bureaucrats working within the system, the short list of critics who have actually spoken out have done so at high personal cost in a decidedly hostile atmosphere.

Knowing Burton's reputation for speaking out against current doctrine, a number of generals tried to block his appointment to the Bradley testing job. "There were 14 stars in all trying to keep him from getting that testing and evaluation job," said Boyd. Dr. Alton Keel, an assistant secretary of the Air Force and Burton's boss at the time, refused to bow to the pressure.

Burton "has absolutely the purest motives of any officer in the Pentagon that I know of," says one military critic of the DIVAD—the diversion artillery antiaircraft gun long defended by the Army until Defense Secretary Caspar Weinberger decided last year that it didn't work. "[He] could see I was under stress, beating my forehead against my desk," says the critic with a laugh. "He would come by with words of encouragement: 'As long as you're sure you're right then go ahead.' "

But sometimes, the man adds, "[Burton] can make enemies by saying things in exaggerated form." The Army consistently says that its computer models rebut Burton's testing points, for example; his response, according to the DIVAD critic, was to call the computer models so useless that "you might as well cut open a goat and read the entrails."

When Burton read this article he thought, let's test the Bradley to see if these charges are true. It took him nearly three years to force the Army to conduct live-fire tests.

This January, after results of the classified tests were sent to Congress, members of Congress quickly released a report in which Burton charged that the tests had been carefully set up to avoid serious damage.

Shots fired at the vehicle were "not random nor representative of the locations of combat impacts," the report stated. "Each of the 10 live fire shots was aimed so as to avoid intentionally striking the explosive elements of internally stowed ammunition—even though there are likely to be a fair number of direct hits on ammunition in real combat." And according to Rep. Charles E. Bennett (D-Fla.), the Army put water cans inside the Bradley instead of ammunition boxes that might explode during tests.

The Army says that Burton and Bennett misread the test reports, "Both of those statements are made in ignorance," says Army spokesman Soucy. After one test in which ammunition was hit and the Bradley blew up, the Army stated, ammunition was deliberately moved from the "aim point, the center of mass of the vehicle [the point where an attacker would most likely aim]," thus making it less likely that the ammunition would be hit in combat.

Ridiculous, scoffs one congressional aide involved in the Bradley fight. Moving the ammunition "makes a terrific difference in survivability during the test—but all combat data shows actual hits are all over the goddam place," Burton followed up with a dense memo concluding, "Instead of most of the hits falling inside the ellipse, as the Army has claimed, clearly most of the hits fall outside."

"Burton does not accept the fact that there are casualties in war," says Soucy. That argument's a "red herring," counters the aide. "The question is whether the vehicle is so constructed that undue casualties occur."

Among the numerous other conflicts over the Bradley test results, one of the most controversial and least convoluted concerns the watering down of dummies.

Burton revealed that dummies—placed in the Bradley to see if aluminum vapors from the hull could posion soldiers when the vehicle was hit—had been hosed down before the tests. The hosing meant that Army fatigues were less likely to catch fire and, critics charged, produced far more favorable results.

Soucy says that "fumes from burning clothes were stronger than the vaporifics we were trying to test. We wanted to get the vaporifics, not the smell of cotton burning." One tester who was at the site says "that's b.s.," arguing that burning uniforms would not have any effect on the sensing devices.

The Bradley testing has focused, for the most part, on fairly narrow questions. But much of the ferocity of the dispute has to do with what both sides believe are the larger stakes. The Army sees the Bradley as too crucial a weapon to lose, and argues that it is less vulnerable, faster and more maneuverable than the vehicle it replaces (the M-113, which was used in Vietnam).

Retired brigadier general E.M. Lynch, an armored infantry squad leader in World War II and a veteran of Korea and Vietnam, maintains that the Bradley—far from an improvement on past personnel carriers—was ill-conceived from the start. "These Beltway Bandits came up with this dumb concept, 'force multiplier,' it's supposed to be able to do a number of things; including not only carrying troops but fighting too," Lynch says, "So they put the turret and gun on it and all the other things, had to cut down on the size of the squad in order to carry all the ammo . . . Compared to the tank it is so vulnerable but it has to operate in the same environment. So they came up with 'overwatch.' Which means it will sit back [hundreds of yards] and 'overwatch' the squad with the big turret gun. It's the most ludicrous thing in the world . . .

"Someone asked if I could get a squad into it. I said, 'Maybe the first—but not the second. Their first introduction would be watching a complete squad annihilated.' "

When Burton was given the Ohio-or-else transfer order, influential Hill backers shot off a letter to Weinberger. Colleagues have described the job Burton was to assume at Wright-Patterson—"deputy director of mission area analysis"—as "being in charge of counting gas masks and parachutes."

Defense officials note that Burton has served far more time in the Washington area (16 years) than the normal tour (three years, sometimes expanded to six)—but that time includes service at Andrews Air Force Base and at the Industrial College of the Armed Forces at Fort McNair. In any case, members of Congress say they had Weinberger's assurance that Burton would remain through the testing and that this transfer "comes at a crucial time in the Bradley testing," which had come about "entirely due to the effort of Col. Burton."

Burton foes in the Army protest that he is playing the martyr when he really just doesn't want to relocate. "Part of the deal all along," they claim, was that even after his transfer, he would be called back to work on the Bradley tests until their completion. They produce a letter, written by Weinberger to complaining congressmen, stating that Burton was "advised of this possibility on 7 April." Close friends and family members, however, insist that Burton was told about it only after he had turned in his resignation papers.

Both Burton's and the Bradley's futures remain uncertain. Burton has suggested configuration changes that would store fuel and ammuntion on the outside of the Bradley, which would add to the cost. Some Bradley critics in the Pentagon and on the Hill believe the congressional investigation will be a whitewash. They note that a principal investigator is on the staff of the Armed Services procurement and military nuclear systems subcommittee, headed by Rep. Sam Stratton (D-NY), who is sympathetic to the Bradley and not to Burton.

"When he leaves there will be a huge void," says Spinney. "Hard-core testing will just go down the tubes. There is just such tremendous institutional pressure, I don't know of another colonel as tough in the building."

Friends say the pressure is getting to Burton, who is looking more and more tired these days. He and his wife have no idea what they will do after July.

"I think he'll come out of this all right," Spinney says. "It is a fundamentally moral question for him; not giving in to inferior equipment that will needlessly kill more people."

Burton loves to sail, unwinding by himself on his boat on the Chesapeake. "If this were a movie," says a friend, "it would end with the Bradley demolished—and Jim sailing off into the sunset."

OCCUPATIONAL HAZARD COMMUNICATION ACT OF 1986

HON. THOMAS E. PETRI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. PETRI. Mr. Speaker, the bill I am introducing today with the gentleman from Vermont [Mr. JEFFORDS], has a dual purpose. First, the bill establishes a Federal program requiring employers to notify workers that they are at risk because of a hazardous occupational exposure to toxic materials. Second, the bill establishes protections for workers against discrimination on the basis of notification of occupational health hazards.

We intend to offer this bill as a substitute for H.R. 1309, a bill that is scheduled for joint markup on Wednesday, May 14, 1986, by the Subcommittees on Labor Standards and Health and Safety, of the Education and Labor Committee. An earlier draft of our bill was widely circulated to the business community, organized labor, and Federal regulatory agencies. Every effort has been made to incorporate suggested changes where possible while staying within our goal of safeguarding worker health without creating unnecessary Federal bureaucracy and expense.

The bill we are introducing requires the Secretary of Labor to amend the OSHA hazards communication standard. This approach is far more cost effective than H.R. 1309 and yet will provide workers with the information necessary to take precautions against being exposed to dangerous levels of hazardous substances.

SECTION-BY-SECTION

Section 1. Title. "Occupational Hazard Communication Act of 1986."

Section 2. Findings and Purposes.

Section 3. Research. The National Institute for Occupational Safety and Health (NIOSH) is required to conduct research in improving the means of surveillance of employees exposed to occupational health hazards, and research in improving the means of medical monitoring and treatment of employees exposed to occupational hazards.

Section 4. Hazard Communication Standard. Not later than 6 months after the date of enactment, the Secretary of Labor shall amend the hazard communication standard so that the standard—

(1) Applies to all employers, including manufacturing, mining, construction, and transportation;

(2) Requires that employers provide notice and training to current employees concerning health hazards to which employees are exposed in the employees' work areas;

(3) Requires that employers transmit a notice to former employees whose addresses are known by the employer identifying health hazards that were present in the employees' work areas during their employment and of which they were not previously informed or informing such employees that copies of a list of such hazards are available to the employee upon written request received within one year after the date of such notice; and

(4) Requires that training of employees with respect to hazards emphasizes the chronic and acute health effects associated with such hazards in a manner which promotes early detection and treatment.

Notice to former employees shall not be used as evidence that an employee was exposed to that hazard in any judicial or administrative proceeding.

Section 5. Employee Discrimination. No employer shall discharge or discriminate against any employee on the basis of notification that he or she is at risk of any occupational disease.

Any employee who is determined to have been discriminated against shall be restored to his or her employment and shall be compensated for any lost wages.

Any such discrimination complaint shall be reviewed in the same manner as a complaint filed under section 11(c) of the Occupational Safety and Health Act.

Section 6. Enforcement Authority. Except as otherwise provided, this standard shall be administered and enforced under the act in the same manner as a standard prescribed pursuant to section 6 of the act.

Penalties. The failure of a chemical manufacturer or other employer to make a hazard determination, to have a written hazard communication program, to properly label or use other warnings, to record on a material safety data sheet the information required with respect to any chemical, or to establish and conduct an employee training and information program shall be treated as a serious violation under section 17(k) of the Occupational Safety and Health Act.

Any person who willfully violates such standard shall, upon conviction, be punished by a fine of not more than $25,000 or by imprisonment for not more than one year, or both; except that a second conviction shall be punishable by a fine of not more than $50,000 or by imprisonment for not more than five years, or both.

Any person who knowingly makes a false statement in any material safety data sheet required by such standard which could result in serious physical harm or death shall be punished by a fine of not more than $25,000 or not more than 1 year imprisonment, or both; except that a second conviction shall be punishable by a fine of not more than $50,000 or by imprisonment for not more than 5 years, or both.

For purposes of any coal of other mine, the hazard communication standard as amended pursuant to this act shall be treated as a mandatory standard pursuant to section 101 of the Federal Mine Safety and Health Act and shall be administered and enforced in the same manner as a standard prescribed under section 101 of such act.

Notwithstanding section 506 of the Federal Mine Safety and Health Act, such standard shall preempt any state or local law pertaining to evaluation and communication of health hazards in coal or other mines.

Section 7. Effect on Other Laws. Notification of an employee under the standard shall not commence the tolling of any statute of limitations with respect to any legal claim, except as may be specifically provided by State law.

Section 8. Definitions.

H.R. 4793

A bill to establish a system to provide workers with additional information concerning their exposure to hazards in the workplace, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Occupational Hazard Communication Act of 1986".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) potentially harmful substances and physical agents are in wide industrial and commercial use in the United States;

(2) workers may suffer disability or death or both from occupational diseases caused by hazardous occupational exposures;

(3) protecting occupational safety and health facilitates interstate commerce and promotes the general welfare;

(4) early notification of exposure to harmful substances and physical agents often permits medical intervention in the biological process of disease to either prevent or, by early detection, successfully treat some disease conditions;

(5) workers should be informed of exposure to an occupational hazard and the risks of contracting an occupational disease from such exposure;

(6) there is a need for increased research to identify the causes of occupational diseases; and

(7) prevention and early detection of occupational disease may reduce the costs of medical treatment and care in the United States.

(b) PURPOSES.—It is the purpose of this Act—

(1) to establish a Federal program to require employers to notify workers that they are at risk because of a hazardous occupational exposure; and

(2) to establish a set of worker protections against discrimination on the basis of notification of occupational health hazards.

SEC. 3. RESEARCH.

The Secretary shall, primarily through the National Institute for Occupational Safety and Health, conduct research into improving the means of surveillance of employees exposed to occupational health hazards, and research into improved means of medical monitoring and treatment of employees exposed to occupational hazards. Such research shall include but not be limited to the following areas—

(1) studying the etiology and development of occupationally related diseases, and the development of disabilities resulting from such diseases;

(2) developing means of medical surveillance of employees exposed to occupational health hazards;

(3) examining the types of medical treatment available to workers exposed to occupational health hazards, and the means of medical intervention to prevent the deterioration of the health and functional capacity of employees disabled by occupational diseases;

(4) studying and developing medical treatment and allied social services to be made available to employees exposed to occupational health hazards; and

(5) developing educational programs designed to advise employers, employees, and employees' families to take measures which ameliorate the effects of those hazards and diseases.

SEC. 4. HAZARD COMMUNICATION STANDARD.

(a) REQUIRED STANDARD.—Not later than six months after the date of enactment of this Act, the Secretary shall amend the hazard communication standard contained in section 1910.1200 of title 29 of the Code of Federal Regulations so that such standard—

(1) applies, notwithstanding section 4(b)(1) of the Act, to all employers, including manufacturing, mining, construction, and transportation;

(2) requires that employers provide notice and training to current employees concerning health hazards to which employees are exposed in the employees' work areas;

(3) requires that employers transmit a notice to former employees whose addresses are known by the employer—

(A) identifying health hazards that were present in the employees' work area during their employment and of which they were not previously informed; or

(B) informing such employees that copies of a list of such hazards are available to the employee upon written request received within one year after the date of such notice; and

(4) requires that training of employees with respect to hazards emphasizes the chronic and acute health effects associated

with such hazards in a manner which promotes early detection and treatment.

(b) USE OF NOTICE.—Notice given under subsection (a)(3) of the presence of a health hazard in the workplace shall not be used as evidence that an employee was exposed to that hazard in any judicial or administrative proceeding.

SEC. 5. EMPLOYEE DISCRIMINATION.

(a) DISCRIMINATION PROHIBITED.—No employer shall discharge or in any manner discriminate against any employee on the basis that the employee has been notified that he or she is at risk of any occupational disease.

(b) REINSTATEMENT.—Any employee who is determined to have been discriminated against in violation of this section shall be restored to his or her employment and shall be compensated for any lost wages (including fringe benefits and seniority).

(c) REVIEW OF DISCRIMINATION COMPLAINTS.—Any employee who believes he or she has been discriminated against by any employer in violation of subsection (a) of this section, may, within 30 days after such violation occurs, file a complaint with the Secretary alleging such discrimination. Any such complaint shall be reviewed in the same manner as a complaint filed under section 11(c) of the Act.

SEC. 6. ENFORCEMENT AUTHORITY.

(a) IN GENERAL.—Except as provided in subsection (c), the hazard communication standard amended by the Secretary in accordance with section 4 of this Act shall be treated as a standard prescribed by the Secretary to section 6 of the Act. Except as provided in subsections (b) and (c), such standard shall be administered and enforced under the Act in the same manner as a standard prescribed pursuant to section 6 of the Act (but without regard to section 4(b)(1) of the Act).

(b) PENALTIES.—Except as provided in subsection (c), a violation of such hazard communication standard shall, for purposes of section 17 of the Act, be treated as a violation of a standard prescribed pursuant to section 6 of such Act, except that—

(1) the failure of an employer—

(A) to make a hazard determination,

(B) to have a written hazard communication program,

(C) to properly label or use other warnings,

(D) to record on a material safety data sheet the information required with respect to any chemical, or

(E) to establish and conduct an employee training and information program,

shall be treated as a serious violation under section 17(k) of such Act; and

(2) any person who willfully violates such standard, or who knowingly makes a false statement in any material safety data sheet required by such standard if there is substantial probability that death or serious physical harm could result, shall, upon conviction, be punished by a fine of not more than $25,000, or by imprisonment for not more than 1 year, or both, except that if the conviction is for a violation committed after a first conviction under this paragraph, the employer shall be punished by a fine of not more than $50,000, or by imprisonment for not more than 5 years, or both.

(c) ENFORCEMENT IN COAL AND OTHER MINES.—(1) For purposes of any coal or other mine (as such terms are defined in section 3(h) of the Federal Mine Safety and Health Act of 1977), the hazard communication standard as amended by the Secretary in accordance with section 4 of this Act shall be treated as a mandatory standard prescribed by the Secretary pursuant to section 101 of the Federal Mine Safety and Health Act of 1977. Except as provided in paragraph (2), such standard shall be administered and enforced under such Act in the same manner as a standard prescribed under section 101 of such Act, subject to such additional regulations as the Secretary may prescribe to carry out the purposes of this subsection.

(2) A violation of such hazard communication standard at such a coal or other mine shall, for purposes of section 110 of such Act, be treated as a violation of a standard prescribed pursuant to section 101 of such Act, except that any person who wilifully violates such standard, or who knowingly makes a false statement in any material safety data sheet required by such standard if there is substantial probability that death or serious physical harm could result, shall, upon conviction, be punished by a fine of not more than $25,000, or by imprisonment for not more than 1 year, or both, except that if the conviction is for a violation committed after a first conviction under this paragraph, the employer shall be punished by a fine of not more than $50,000, or by imprisonment for not more than 5 years, or both.

(3) Notwithstanding section 506 of the Federal Mine Safety and Health Act of 1977, such hazard communication standard shall preempt any State or local law pertaining to evaluation and communication of health hazards in coal or other mines.

SEC. 7. EFFECT ON OTHER LAWS.

The notification of an employee under the standard prescribed pursuant to this Act shall not commence the tolling of any statute of limitations with respect to any legal claim, except as may be specifically provided by State law.

SEC. 8. DEFINITIONS.

As used in this Act—

(1) the terms "Secretary", "employer", and "employee" have the meaning given by section 3 of the Act; and

(2) the term "the Act" means the Occupational Safety and Health Act of 1970.

TRIBUTE TO RABBI SAMUEL BERMAN

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. GUARINI. Mr. Speaker, I am pleased to rise to inform this body that an outstanding citizen of my district is being honored for 50 years of dedicated service.

The individual I speak of is my friend, Rabbi Samuel Berman, who will be honored by his congregation, Temple Beth-El of Jersey City, at a weekend-long celebration which will bring the congregation, community, and our State and Nation together.

I am pleased to have been invited to attend this observance, along with Jersey City's Mayor Anthony R. Cucci, U.S. Senator FRANK LAUTENBERG, and others.

With the assistance of Milton Gottlieb, a member of Temple Beth-El, and the Jewish Standard, I am providing biographical information of our honoree.

Born and raised in New Haven, CT, his interest in the rabbinate was fostered during his early years by his maternal grandfather, Rabbi Frommer—who at that time was the chief Orthodox rabbi of New Haven—and by his paternal grandfather, the chief Orthodox rabbi in Baltimore. "I come from a long line," he states. "Even my great-grandfathers were rabbis." He credits this family tradition for his own career choice and that of his later brother, Morton Berman, who also chose the rabbinate.

At the age of 18 he moved to New York, where he attended New York University. After earning his bachelor's degree from NYU, he went on to receive a master's degree from Columbia. Subsequently, he completed his rabbinical training and was ordained by the Jewish Institute of Religion—Hebrew Union College. In 1955, he was awarded the honorary degree of Doctor of Divinity.

Though he is presently considered to be the dean of New Jersey's reform rabbis, Rabbi Berman describes his early career as slow to burgeon. He assumed the post of rabbi at Temple Emanuel in Englewood when the Jewish community there was still quite small, and then moved on to his position at Temple Beth-El, Jersey City, where the Jewish community, at the time was large and thriving.

Under Rabbi Berman's leadership the congregation's involvement in community, interfaith, interracial, and Jewish affairs reached its pinnacle.

In 1941, an overflow crowd packed the Jewish Community Center to attend a rally organized by Rabbi Berman to protest the plight of the European Jews under the Nazi regime. Senator Alben W. Barkley, who later became Vice President, was the featured speaker.

Rabbi Berman's outreach efforts, however, have not been limited to the Jewish community. For numerous years he conducted interracial services honoring the birthday of Dr. Martin Luther King, Jr., and this year he invited all community clergy to attend his Temple's Sabbath service honoring Dr. King.

Temple Beth-El was also the first religious institution to establish a special fund for the restoration of the Statue of Liberty and Ellis Island, as well as a fund-raising campaign for Ethiopian relief.

Further, Rabbi Berman and his congregation recognize the significant role played by women in community life. Another first was achieved in electing Blanche Dohrman president of the temple.

Rabbi Berman has not only served his community from the pulpit, but has been chairman of Jersey City Medical Center Board of Managers for 10 years as well as board member of "Can Do," Jersey City's antipoverty agency. He has also been involved in both the Jewish Family Services Association and the Jewish Hospital and Rehabilitation Center of Jersey City. Although he avoids political involvement, he served as chairman of the mayor's advisory committee but refused the position of chaplain when it was offered to him.

Dedicated service is common in the Berman family. Rabbi Berman's wife of 53 years, Florence, was honored on May 5 by the UJA as Woman of the Year for her active participation in the organization. A former radio actress and commentator, her career began in 1934 when she played dramatic roles with such famous personalities as Sam Levine.

Although he is celebrating a golden anniversary of service, Rabbi Berman sees his work as far from complete. He is currently working on a translation and critical editing of the "Midrash Tanchuma," a collection of legends relating to the Torah. He hopes to complete this project when he retires, though he has no plans to slow down at this time.

I am certain that the people of Jersey City and Hudson County and indeed the entire State are pleased with the report that Rabbi Berman does not plan to slow down. His dedication—his spirit—his strength—which have been displayed time and time again in so many social and community causes over the past 50 years, are needed now more than ever.

His 50th anniversary is of special significance to me during 1986, the 100th anniversary year of our beloved Statue of Liberty. While the entire world joins in the salute to this gracious lady, who is 100 years old, standing tall and proud and noble, we must remember and thank people like Rabbi Berman who indeed have stood tall for America.

Let us echo the words of Bishop Frank J. Rodimer of the Diocese of Paterson who wrote:

Who is America and where? Is she white or black, oriental or native American? Is she Catholic, Protestant or Jew, or some other faith, or even a skeptic? Is she to be found in the city, in the suburbs or in the country; at the shore, in the mountains, on the plains? America, whom we hail today, is not one of these people, is not one of these places, yet she is all of them in all places that form these United States of America. That is why she is so marvelous.

Our country's name is more technical than beautiful, but we treasure it today. It is a miracle that people with such diverse backgrounds could live in any one state and that fifty such states could come together for a national government. Dictators and emperors through the ages have held peoples together with iron fists, but only for a time. Never before, however, has a nation of people, by the people, for the people continued for two centuries to live, thrive and grow. The United States of America, for all her faults, is the best there is. The name sounds great to us, especially today.

America is our country, and we are America. She is not a statue, she is not a document, she is not a goddess either. She is human and fallible, for she is over 217 million people, not only different but bred on the right to individual expression. The concept hasn't worked perfectly, but it has worked, and it will continue to work for as long as Americans believe in freedom and the right of each person to live in freedom.

It is the opinion of all of us who have been fortunate to have been touched in our lives by Rabbi Berman that he is America. He symbolizes what America is all about—working for equal opportunity, the dignity of man, brotherhood, understanding, community service, and most of all for the peace on Earth which is within the reach of all nations.

Despite man's many advances in air, space, and technological fields during Rabbi Berman's 50 years of serving, there are many men and nations which persist with their misconceptions, prejudices and suspicions and narrow self-interest—there are those who are heavily involved with prejudice, with threats of war, with terrorism, with exploitation.

Rabbi Berman has been one of the great influences on our community, preaching and living the spirit of America, fighting the social wrongs, working for democracy and social justice, knowing that "Liberty is the only thing you cannot have unless you are willing to give it to others."

With Rabbi Berman's community and religious leadership we have been privileged to witness an inner light—an inner air. Perhaps Adlai Stevenson had Rabbi Berman in mind when he wrote:

When an American says that he loves his country, he means not only that he loves the New England hills, the prairies glistening in the sun, the wide and rising plains, the great mountains and the sea. He means that he loves an inner air, an inner light in which freedom lives and in which a man can draw the breath of self-respect.

On every occasion when I visit Temple Beth-El or any of the other great synagogues throughout the world, I am reminded of the important part that the Touro Synagogue played, whereat George Washington made the remarks in 1763 in Newport, RI:

To bigotry, no sanction.
To persecution, no assistance.

In closing, I refer to Rabbi Berman, in his giving, has added to the greatness of America, as echoed in the words of Rabbi Abba Hillel Silver:

God built him a continent of glory, and filled it with treasures untold. He studded it with sweet-flowing fountains, traced it with long-winding streams. He carpeted it with soft-rolling prairies, and columned it with thundering mountains. He graced it with deep-shadowed forests, and filled them with song.

Then He called unto a thousand peoples, and summoned the bravest among them. They came from the ends of the earth, each bearing a gift and a hope. The glow of adventure was in their eyes, and in their hearts the glory of hope.

And out of the bounty of earth, and the labor of men; out of the longing of heart, and the prayer of souls, out of the memory of ages, and the hopes of the world, God fashioned a nation in love, and blessed it with purpose sublime.

And they called it America.

We hope to have Rabbi Berman with us for many years, continuing to light candles of hope for our troubled world.

I am certain that my colleagues here present in the House of Representatives wish to join me in this salute to this great servant of God and man.

THE ANTIKICKBACK ENFORCEMENT ACT OF 1986: THE TIME IS RIGHT TO STRENGTHEN THE HAND OF OUR LAW ENFORCEMENT OFFICERS

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. BRYANT. Mr. Speaker, there are many examples of waste, fraud, and abuse in the Federal procurement system—too many in the area of defense acquisition to readily list new instances coming to light all too regularly. Many of my colleagues and I have worked long and hard to uncover these abuses for public scrutiny and then to correct the system which permitted the abuses in the first place. None of these abuses is more insidious and intolerable than the discovery of the extent to which kickbacks are paid by subcontractors to middlemen buyers who peddle subcontracts for the prime or major contractor. To date, the House Energy and Commerce Subcommittee on Oversight and Investigations has uncovered many such abuses in the defense industry, but the presumption is that kickbacks of this sort are pervasive throughout the entire Federal procurement system. This assumption is shared by my colleagues in the Senate, Mr. LEVIN and Mr. COHEN, who have done yeoman's work on this issue and have already introduced legislation in that body to stop this abuse.

In public statements delivered in hearings held in the Senate earlier this year—reinforced by findings soon to be released in hearings before the Energy and Commerce Subcommittee on Oversight and Investigations—kickback fraud in Federal contract procurement is beyond belief. Robert Bonner, the U.S. attorney for southern California, has stated that up to 50 percent of frontline procurement personnel are on the take—figures based on his office's investigations. When you consider that the top 10 prime defense contractors alone employ 6,200 such procurement personnel and let over $47 billion in subcontracts in 1984, it is not hard to appreciate the phenomenal extent of the problem. If each contract subject to a kickback costs the taxpayer the estimated 5 to 10 percent of the contract's dollar amount, Americans are being defrauded of hundreds of millions of dollars every year.

The information provided by Mr. Bonner has already been substantiated by the U.S. attorney for the Eastern District of Louisiana, John Votlz. In on-going nationwide investigations, the Federal Bureau of Investigation has documented numerous kickback and bid-rigging schemes, which constitute a national scandal. Since the data already made public in the Senate and uncovered by House Energy and Commerce Committee investigators deal almost exclusively with defense industry contracts, the proportions of the problem become astronomical when we add in the potential for abuse throughout the Federal procurement system.

We have heard from officials in the Justice Department and other law enforcement agencies that the current law is inadequate to deal with the problem—the only law on the books which deals specifically with kickbacks is the Anti-Kickback Act of 1945, which has not been amended for 25 years. This act has been described as confusing and restrictive, with weak criminal and civil penalties. Such a state of affairs forces our law enforcement officers to use alternative statutes to prosecute offenders when they are caught.

The legislation I am introducing today will give our law enforcement officers assistance from prime contractors who generally do not know of and do not profit from the fraudulent

activities of their procurement employees. The measure encourages prime contractors to report possible kickback schemes to the Federal Government and makes the contractor liable for civil penalties when they are aware of misconduct which they do not report in a timely fashion to the proper authorities. Major contractors are also required to set up procedures to detect and terminate any such schemes. To reinforce this internal monitoring system, prime contractors are also required to submit annual sworn statements to the Government detailing any gifts and/or gratuities that their employees involved in Federal procurement have received from subcontractors during the previous year.

The Anti-Kickback Act is also strengthened by clarifying the statutory language, excising overly restrictive provisions and increasing both civil and criminal penalties. I have attached a summary of the bill's provisions with this statement.

With only the broadest estimates of the cost to American taxpayers for various kickback schemes used by subcontractors for the Federal Government—or the buyers for the prime contractors with whom they deal—it is evident that we are facing a growing national scandal. The legislation I am introducing will assist us greatly in stemming the flow of tax dollars into criminal's pockets and stop the system of defrauding the Government through various kickback and bid-rigging schemes.

I commend this legislation to my colleagues' attention and actively solicit their support to preserve the integrity of our Federal procurement process.

SUMMARY OF THE ANTI-KICKBACK ENFORCEMENT ACT OF 1986

The Anti-Kickback Enforcement Act of 1986 amends the existing Anti-Kickback Act by reorganizing its provisions and adding new language. In particular, the bill:

(1) Adds a definition section to the Act;

(2) Clarifies language prohibiting the payment of kickbacks, the acceptance of kickbacks, and the inclusion of kickback costs in contract expenses ultimately borne by the United States;

(3) Makes it clear that the Act applies to kickbacks paid by independent sales representatives and by companies that furnish general supplies to prime contractors;

(4) Expands the Act to prohibit attempted as well as completed kickbacks;

(5) Expands the Act to prohibit kickbacks paid in connection with any government contract, removing the Act's present restriction to "negotiated contracts";

(6) Expands the Act to prohibit kickbacks paid to obtain any type of favorable treatment in connection with a government contract, removing the Act's present restriction to kickbacks paid to induce or acknowledge the award of a subcontract;

(7) Increases the Act's criminal penalties from a maximum of two years imprisonment and a $10,000 fine to a maximum of ten years imprisonment and a $250,000 fine for individuals and a $1 million fine for corporations;

(8) Expands the Act's civil remedies, now limited to the recovery of kickbacks charged to the United States, to permit the United States to recover twice the amount of such kickbacks plus a $10,000 civil fine for each occurrence of prohibited conduct;

(9) Expands the Act's civil remedies to make prime contractors liable for their employees' misconduct unless, prior to any criminal prosecution or other civil suit on the matter, the prime contractor promptly provides the United States with any information it obtains on the case, cooperates with any government investigation, and, at the time the misconduct occurred, had implemented and was following reasonable procedures to prevent and detect such misconduct;

(10) Clarifies the statute of limitations for filing civil actions, stating that it shall be a period of 6 years;

(11) Codifies existing case law from the Supreme Court, *United States* v. *Acme Process Equipment Co.*, 385 U.S. 138 (1966), enabling the United States to terminate prime contracts tainted by subcontractor kickbacks;

(12) Clarifies language allowing the United States to use administrative offsets to recover the cost of kickbacks charged to the government;

(13) Adds language requiring prime contractors to report possible violations of the Act to the government;

(14) Adds language requiring employees of prime contractors to file annual, sworn declarations with the United States listing any fees, gifts or other compensation received from subcontractors during the previous year; and

(15) Maintains a provision authorizing the General Accounting Office to conduct audits to investigate violations of the Act and extends the same authorization to other federal agencies.

SOLIDARITY SUNDAY FOR SOVIET JEWRY

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. YOUNG of Florida. Mr. Speaker, our Nation unites Sunday to commemorate Solidarity Sunday for Soviet Jewry. There is a time for the American people to join together and express our support for the thousands of Soviet Jews who are being denied permission to emigrate by the Soviet Government.

Solidarity Sunday is a moving reminder of the continuing denial of the God-given human rights of these refuseniks—Soviet Jews who have been refused permission to emigrate. Soviet leaders and their powerful propaganda and disinformation campaigns would have the world believe that the Soviets have a newfound commitment to promote human rights within their country. Soviet emigration figures, however, tell the true story.

The Soviets, despite their rhetoric, show no interest in improving their human rights record, especially with regard to Soviet Jews. Soviet authorities deny thousands of emigration requests by Soviet Jews each year. Only 1,100 Soviet Jews were permitted to emigrate last year and just 900 were granted permission in 1984.

Symbolic of the Soviet Jews' continuing struggle for religious freedom is the plight of Nadezhda Fradkova, a 38-year-old Soviet woman who repeatedly has been denied permission to emigrate since 1979. Throughout the years, I have followed with sorrow Nadezhda's personal difficult battle to keep alive her dream of one day being allowed to worship freely in the country of her choice.

Upon applying to Soviet authorities for permission to emigrate, Nadezhda was fired from her job as a computer analyst. After waiting 4 years with no response from Soviet authorities to her request, she began a hunger strike in March 1983 to protest Soviet inaction. Her hunger strike lasted 6 weeks, during which time Soviet Jews inside the Soviet Union and abroad became aware of her situation and petitioned the Soviet Government to grant Nadezhda's request to emigrate. The Soviets responded on April 13, 1983, by breaking into Nadezhda's apartment and taking her to a hospital where she was drugged and force fed intravenously.

Following her release from the hospital, Nadezhda renewed her request to Soviet authorities to grant her permission to emigrate. Her appeal met with inaction and on December 24, 1983, she began her second hunger strike. Ten days later, the Soviets responded by again breaking into her apartment and forcibly removing her. She was taken to the Leningrad Psychiatric Hospital No. 9 where she was drugged and force fed.

Eventually she was released and returned home. Despite her strong mathematical background and years of study in Soviet schools and universities, she was unable to find work. Soviet authorities, as so often is the case, issued orders not to hire Nadezhda, so she was able to find only scattered work babysitting or cleaning homes.

On August 25, 1984, Nadezhda was arrested by Soviet police in Leningrad and charged with parasitism, a Soviet criminal offense for those people without jobs who are deemed to be living off the state. She was tried on these charges, found guilty, and sentenced on December 18, 1984, to 2 years in prison.

She began serving her sentence in a Leningrad prison, but last May was transferred to a facility in the far north of the Soviet Union near the Arctic Circle. From time to time, we know that she was placed in solitary confinement, and protested each time by going on a hunger strike. According to our latest information, she continues to serve out her sentence in the outer reaches of the Soviet Union.

Many of my colleagues and I wrote the Soviet Ambassador in Washington last month to renew our request that Nadezhda be allowed to emigrate and to ask for an update on her status and condition. To date, we have received no response.

Nadezhda, to our knowledge, is the only woman in the Soviet Union who is incarcerated as a Jewish prisoner of conscience. She has no close family and no job in the Soviet Union, and her emigration to another country would pose no security risk to the Soviet Union. Yet Nadezhda, like thousands of other Soviet Jews, is being denied permission to emigrate.

Mr. Speaker, the courageous ongoing efforts of these Soviet Jews must never be forgotten. Their continuing struggle to achieve religious freedom is an inspiration to us all. It is through our prayers, vigils, letters, and solidarity gatherings like the one planned Sunday that we can provide moral support to Soviet

Jews, like Nadezhda Fradkova, who are determined to one day realize their lifelong dreams to emigrate to a nation like the United States or Israel, where the freedom to worship freely is a sacred God-given liberty.

THE 40TH ANNIVERSARY OF CARE

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mrs. ROUKEMA. Mr. Speaker, this year marks the 40th anniversary of the founding of CARE, a private voluntary organization that has aided millions of needy people throughout the world. I want to commend the thousands of people who have worked for and with CARE in its first 40 years, congratulate them on their many achievements, and wish them success in the years ahead.

CARE is the largest nonsectarian, nongovernmental relief organization in the world. It sponsors programs in 35 countries that emphasize a wide range of developing country needs including nutrition, health, education, small enterprise development, and agroforestry.

In 1985, CARE food programs reached 23,875,000 people in 19 countries. CARE delivered and monitored over 600,000 tons of food through supplementary and emergency food distribution and food-for-work programs. This effort included 17 countries in Africa, many of which faced a particularly critical food situation in the past year. Inadequate and inefficient transportation systems often slowed the delivery of food aid to famine victims in many regions of Africa. CARE responded by developing major transportation networks in Mauritania, Mali, Chad, Sudan, Ethiopia, Mozambique, Somalia, and Kenya to aid in the timely delivery of food to drought-affected areas.

An entire generation of Americans has grown to appreciate the goodies contained in a "care package" sent from home; whether they be children in summer camp or students away at college. But few in this generation realize how the term "care package" came into use. On May 11, 1946, the first packages labeled CARE were delivered at LeHavre, France, from North America to aid the survivors of World War II. These CARE packages contained sugar, flour, coffee, and essential canned goods that helped meet the needs of grateful Europeans. This month marks the 40th anniversary of that first shipment, and the start of an endeavor that continues to seek long-range solutions to the problems of hunger, poverty, and disease throughout the world.

Today we all know what joy a "care package" from our loved ones can bring. Think how much these CARE packages must have meant to victims of strife, war, and oppression. It is that same spirit of giving and concern that guides the work of CARE today in Asia, Africa, and Latin America. Two million people worldwide have entrusted CARE with their private contributions, because they are confident the money will be used in effective, fully integrated development programs.

The cornerstones of CARE's development strategy are community participation and self-help. The implementation of such ideas is essential, or developing countries, especially in Africa, will become increasingly dependent on large donations of western food aid. Such dependency can serve only to slow the economic development of these nations. CARE has been an innovator in using the Food-for-Work Program to foster self-sufficiency in food production by African communities. In both Niger and Chad this program helped farmers in arid regions remain productive.

It was not without reason that CARE received the 1985 Presidential World Without Hunger Award as an outstanding private organization. Last year an estimated 6 million Africans benefited from assistance provided by CARE. The value of resources delivered by CARE to Africa's starving people exceeded $150 million. In over 40 years of operation, CARE has provided more than 4 billion dollars' worth of goods and services to 86 nations and territories on four continents. Once again I want to acknowledge all those who made CARE's achievements of the past 40 years possible and commend them for their diligence and success. Through continued programs such as CARE's, we can make a difference for the better in the lives of the world's poorest and neediest citizens.

A TRIBUTE TO EPHRAIM TOMLINSON II

HON. H. JAMES SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. SAXTON. Mr. Speaker, I would like to take this opportunity to pay tribute to Ephraim Tomlinson II, who recently received the Humanitarian Award from the Burlington County, NJ, chapter of the Knights of Columbus.

Known better to his friends, colleagues, and neighbors as "Eph" or "The Mayor," this dedicated citizen of the proud township of Medford, NJ, is being appropriately recognized and honored for his long and distinguished career of public service and civic involvement.

His public service to the community of Medford actually spans a period of 40 years, beginning in 1940 when he first served as solicitor. He was subsequently elected to township committee and, before retiring from the local governing body in 1980, put in 16 years as mayor.

Eph has also given generously of his time to an extensive list of social and civic organizations, including the Rotary, Masonic orders, Girl Scouts, Boy Scouts, the YMCA, several local organizations, and the Burlington County, NJ, and American Bar Associations.

Eph's personal background is interesting in itself. Born in southern New Jersey on January 25, 1914, he was only 8 years old when he slipped under a moving train while boarding. He was rushed to a hospital and his life and badly damaged leg were saved. Twenty-six years later, the leg had deteriorated badly and had to be amputated. Eph rose above this setback.

Fitted with an artificial leg, Eph's level of activity only increased. He would become a "hands-on" type of public servant, thinking nothing of hooking up a plow to his own vehicle to clear Medford's snow-covered streets and roads, or donating his own labor and equipment to youth camps.

Eph practiced law from his home on one of Medford's shady streets, and his wife, Alice, taught school in the local elementary system. They had four children, including Mary, Ephraim III, Richard, and Joseph, who died at a very early age.

Already a recipient of such awards as Rotary Man of the Year and the Boy Scout's Silver Beaver, Eph easily qualified for the recent Humanitarian Award, and I commend and thank the Knights of Columbus for paying him this honor.

But, Mr. Speaker, I should add that further recognition of "The Mayor" is yet in store. In 6 weeks, the scene will shift to the park off Main Street in Medford. Medford's park system is but another example of Eph Tomlinson's work.

It all began when he donated to the township that land which included Medford's "old swimming hole." Then, with his own labor and that of hundreds of other Medford citizens, Eph worked to develop Medford Park into a beautiful recreation area in the center of town.

On this very site, on June 22, 1986, a gathering of friends and neighbors will witness the unveiling of a sign identifying "Tomlinson Park." A plaque with a likeness of Eph Tomlinson will also mark the site, and there will be an appropriate inscription to remind all Medford residents—present and future—of the generous contributions of this good citizen and gentleman.

KHOMEINI REGIME WAGING WAR AGAINST HUMANKIND

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. CLAY. Mr. Speaker, the Khomeini regime recently launched a huge offensive onto Iraqi territory which cost 50,000 human lives, a high percentage of whom were schoolchildren. The Khomeini government's domestic and foreign policies are characterized by terrorism and grand scale human rights violations. Officials of the regime have admitted to involvement in international terrorist operations and they pose a constant threat to the peace and stability of the Middle East region.

The recent increase in compulsory conscription to Khomeini's death fronts has escalated the military action. Officials of the Khomeini regime are no longer limiting their verbal on slaughts to the takeover of Iraq and the toppling of the Iraqi Government, but have extended their threats to include the gulf countries, especially Kuwait and Saudi Arabia, and have publicly admitted to the possibility of resorting to terrorist activities in those nations.

Today, it is clear that a just peace between Iran and Iraq is within reach. But this hope is dashed by Khomeini's persistence in creating an ongoing state of crisis. There is every reason to think that Khomeini's belligerent ef-

forts to prolong this war stem from his need to overshadow the civil unrest and vicious human rights violations occurring within his own nation.

The people of Iran, the countries of the Persian Gulf region and the international community have persistently and actively condemned Khomeini. The victims of this regime, domestically, regionally and internationally have demanded that appropriate measures be taken.

Recently, more than 5,000 political dignitaries from 57 countries of the world signed a statement declaring that a just peace is achievable and condemning Khomeini's belligerence. The U.N. Security Council and the International Conference for Peace held in Amman, Jordan, have also condemned the Khomeini regime's bellicosity. The growing resistance of the Iranian people against Khomeini best attest to their condemnation of his policies. The growing resistance is an active response to 5 years of brutal repression as Khomeini has tried, in vain, to annihiliate the democratic movement that threatens his existence.

Over the past 5 years, the Khomeini regime has executed 50,000 people. Today, 150,000 political prisoners are being subject to medieval tortures. The statistics and reports on these crimes are horrifying. In December 1985, the U.N. General Assembly condemned the Khomeini regime's human rights violations after examining voluminous evidence of abuses and considering the firsthand testimony of three torture victims who escaped from Iranian jails.

One of these victims, Mr. Dadkhah was tortured and his wife executed. He continues to suffer from the effects of torture. Ironically, Mr. Dadkhah was tortured in the same notorious Evin prison where he had also been tortured under the Shah. His case exemplifies the many cases which show a continuation of the Shah's policies by the Khomeini regime.

According to a November 18, 1985, report by Amnesty International:

Torture often begins immediately after arrest, usually in buildings operated by local Komitehs or Pasdaran (Revolutionary Guards). Many such buildings were previously used by SAVAK, the National Intelligence and Security Organization operating during the time of the Shah.

The Khomeini regime is waging war against humankind on three fronts—domestic repression, regional war-mongering, and terrorism abroad.

As Members of the U.S. Congress, we should, and I hope will take a firm stand and condemn these atrocities and work toward ending the vicious violation of human rights which has become a way of life for the people of Iran.

ETHNIC AMERICANS DESERVE RECOGNITION

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. LIPINSKI. Mr. Speaker, I rise before my colleagues today so that I may call to their attention what I and many other Americans feel to be a gross oversight on the part of the Statue of Liberty Commission. This July 4, the commission will honor 12 foreign-born Americans at the Statue of Liberty Centennial Celebration. While we applaud the honorees for the awards they will receive, we feel that a great number of American ethnic groups are being excluded from this important celebration.

Recently, the commission announced the 12 award recipients and the ethnic groups they will represent. It was found that these 12 represent only about 20 percent of all American ethnic groups. Particularly noteworthy in their absence of representation were Americans of Irish, Italian, Polish, and Greek descent among others. Over 60 million Americans claim ancestry from one of these four major ethnic groups. In spite of this astounding figure, the commission risks alienating about 40 percent of the American population by not including these ethnic groups in the awards presentation.

The crucial role that the Irish, Italian, Polish, and other ethnic groups played in the building of our country is a well known story in our history. These groups quite literally built the foundations upon which our Nation grew from when one considers their efforts in the building of the roads, rails, and canals which connected the major markets from coast to coast. For this and many other reasons these major American ethnic groups are vitally important to our country. In addition, the Statue of Liberty itself serves as a revered symbol to these peoples as a reminder of the freedom and opportunity that brought them to America in the first place.

It seems clear to me that an event filled with so much patriotism, as our Statue of Liberty Centennial Celebration will certainly be, should make an appeal to as broad a base of Americans as possible. Presently, the commission is ignoring a large and important segment of the American population. If we are going to honor some foreign-born Americans at the centennial celebration, we should be sure to honor all Ethnic-Americans as well. I hope my fellow Members of Congress agree that this is a matter of concern for all of us as Americans.

CIVIL SERVICE RETIREMENT REIMBURSEMENT

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. WOLF. Mr. Speaker, today I am introducing a resolution to express the sense of Congress that Federal employees hired on or after January 1, 1984, should be reimbursed for amounts paid to the Civil Service Retirement System during the period when neither a permanent nor authorized temporary supplemental retirement system is in place.

As my colleagues know, legislation enacted in 1983 to amend the Social Security Act mandated that a new retirement system for civil servants hired on or after January 1, 1984, must be developed. We adopted an interim plan in 1984 which was extended to April 30, 1986. That interim solution expired last week, without a permanent plan in place. Congressional negotiators are working around the clock with administration officials to develop such a supplemental retirement system.

Without a new system or an agreement on a new system, however, the employees affected must contribute not only to Social Security and Medicare, but also to the Civil Service Retirement System. For many Federal workers, this translates into an additional 6 percent of salary being removed from disposable income. Although I am confident that a compromise will be reached and an extension of the previous temporary system will be authorized, I want to make clear through this resolution that the employees hit unexpectedly by this lapse in the interim retirement program will be reimbursed for any additional amounts they pay while Congress and the administration work out the new system.

I say unexpectedly because most Federal workers hired after 1983, some 300,000 plus, were not advised that their retirement system would be altered within 2 years. Many of the employees are young people, just out of college, who are settling into the concept of supporting themselves. A sudden 6 percent cut from disposable income will be devastating to many of these employees because they have had no time to plan financially for such a jolt to their budgets.

This resolution expresses congressional intent that when an agreement is reached and a new supplemental retirement system is enacted, that any sums lost during the period when no system was in place will be reimbursed.

I hope my colleagues will join me in support of this action to ease the anxiety of new employees hit by this sudden pay cut.

H. RES. 453

Resolution expressing the sense of the House of Representatives that the Federal Government should refund that part of the contributions which are required to be made by certain officers and employees of the Federal Government to the Civil Service Retirement and Disability Fund (and certain other retirement funds), but which would not be so required if the Federal Employees Retirement Contribution Temporary Adjustment act of 1983 had been extended

Resolved, That it is the sense of the House of Representatives that, upon the enactment of a law establishing a new retirement system for officers and employees of the Federal Government who would be subject to the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 if such Act had been extended with respect to Government service performed during the period beginning May 1, 1986, and ending on the effective date of such law, the Government should refund to each such officer or employee an amount equal to the excess of—

(1) the amount deducted and withheld from the pay of such officer or employee under section 8334(a)(1) of title 5, United States Code, or any other provision of law referred to in the first sentence of section 204(a) of such Act, for such service, over

(2) the amount that would have been deducted and withheld from the pay of such officer or employee for credit to the Civil Service Retirement and Disability Fund (or

another covered retirement system, as defined by section 203(a)(2) of such Act) during such period if such Act had been extended with respect to such service.

SALUTE TO HAL ENGLISH

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. SMITH of New Jersey. Mr. Speaker, I would like to take a moment to recognize and honor a very good friend of mine—Hal English.

This past year, Mr. Speaker, Hal served as a Delaware Valley United Way fundraising cochairman. As a member of United Auto Workers Local 731, in Ewing, NJ, it was Hal's responsibility to see to it that the local's contribution reached its goal of $250,000. I am proud to say that with the help of other union officials and with the help of the majority of workers at the Fisher Auto Body Plant in Ewing, Hal and local 731 not only reached the $250,000 goal, but exceeded it and brought in a total of $332,261. This, Mr. Speaker, is not only a record high for the Fisher Auto Body Plant and local 731, but it was also the highest amount contributed by any single organization within the Delaware Valley division this year.

Mr. Speaker, the United Way's history traces back to the late 19th century when 2 ministers, a priest and a rabbi, developed the first local community wide organization to coordinate social services and to combine fund raising efforts to help the disadvantaged. Through the 20th century the United Ways, as we know them today, continued to evolve and sought the advice and help of the American business community. Corporate and labor leaders joined together and now continue to work together to conduct a single, efficient, work place fundraising drive, so that the number of charitable appeals is reduced while the number of those served and benefited continues to grow.

Mr. Speaker, today contributions to the United Ways result in financial support for some 37,000 human care service-providing groups. Tens of millions of people are helped each year by United Way services and communities across America are all better off because of the leadership and financial support provided by United Ways.

Mr. Speaker, next to the U.S. Government, United Ways support the greatest variety of human services in our country. Vital, vital programs such as adoption promotion, adult education, suicide prevention, rape crisis relief, mental health education, job training, domestic violence counseling, food banks, drug abuse services, day care, crime prevention, alcoholism services—just to name a few, are all supported and made possible through the United Way's funding pattern. I know in my own district that 35 prime agencies, and many more emergency programs benefit from the support of the Delaware Valley United Way.

In fact, Mr. Speaker, in 1985, alone, the United Way provided $1,829,469 just in Trenton, the largest city in my district, for programs which truly help people in my district. These programs include, Red Cross, Catholic Welfare Bureau, Big Brothers and Big Sisters, the Jewish Community Center, Homes for Unwed Mothers, elderly services, nursing homes, day care centers, the Urban League, Salvation Army, Mercer Street Friends and others. Each of them, Mr. Speaker, provides great social services for Trenton, and each of these programs is better able to meet the needs of the area because of the assistance they get from the United Ways.

Mr. Speaker, many people believe that one person cannot make a difference. This theory is wrong and can be proven so when we follow the impact that a fundraising drive can have on a community. Each member of the fundraising drive at local 731, including the chairman, Hal English, should be commended and certainly can take pride in knowing, that the work they've done in 1986 has fostered a service that will either help a child find a home; an alcoholic resist a drink; a senior citizen find a friend care, or a hungry neighbor enjoy a meal.

Mr. Speaker, I congratulate Hal and local 731 for their work and I thank them for making our community a better place to live.

SOVIET JEWRY

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. PICKLE. Mr. Speaker, I am pleased to participate again this year in the Congressional Call to Conscience.

In recent years, more and more well-publicized refuseniks have been released in an attempt to lure us into satisfaction. However, over the last 7 years, there has been a dramatic decrease in the number of Jews allowed to emigrate, from 51,000 in 1979 to 894 in 1984. In 1985 there was a small increase to 1,100. The Soviets are hoping that Congress will be lulled into complacency because a few prominent refuseniks were allowed to emigrate. They are wrong. Instead, we must all make refuseniks an issue of prominence. Through efforts like the Congressional Call to Conscience Vigil and Solidarity Sunday, we can reaffirm to the Soviets that Congress will not forget about the thousands of Jews enduring persecution.

One of those thousands is a man named Alexander Maryasin. Since 1974, he has applied 20 times for an exit visa to Israel—each time a rejection notice has been returned. The Russian authorities have promised three times to release Alexander and his family. Three times they reneged. His wife Leah has recently been diagnosed as having a brain tumor. Now more than every they need to emigrate so as to receive advanced medical treatment.

This issue holds a special significance to me as I have seen first hand, the plight of Soviet Jews. During a trip to the U.S.S.R. in 1983, I saw the faces of persecuted Jews; the harsh lines of suffering, the bold looks of defiance. They told me of unwarranted searches, job harrasment, and false arrests. I am still amazed by the seemingly unconquerable strength and conviction these refuseniks hold.

It is for these people and others like them I speak today. We must always keep the human rights issue on top of any agenda between the United States and Russia.

Special orders of this sort are essential to the future of mistreated Soviet Jews. If we continue to emphasize this issue, progress can be made and I sincerely believe, progress will be made.

HAPPY 25TH ANNIVERSARY, FATHER MICHAEL WRENN

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. BIAGGI. Mr. Speaker, I have had many occasions to rise before you and share with you the accomplishments of my constituents from the 19th Congressional District of New York. Today, it is my pleasure to share with you the special achievements of a very special man, Father Michael J. Wrenn.

Father Wrenn will celebrate the 25th anniversary of his ordination into the priesthood on May 25, 1986, at the Church of St. Philip Neri in the Bronx, which is the church that I, my wife, and my family have attended for over 30 years.

Father Wrenn has more than one reason, however, to be proud as he is surrounded by friends, family, and congregation on that date. He was recently designated by Pope John Paul II as a Chaplain to His Holiness, an honor that many clergymen work toward, dream of, but never experience. I know that Father Wrenn's outstanding background and his service to his community are only a few of the reasons that he is held in such high regard.

For over a quarter of a century, Father Wrenn has served God and God's people as a parish priest, and then a high school administrator of the Monsignor Scanlan High School, where he founded and directed in 1972 a drug prevention education program which became the prototype for the Archdiocesan Drug Education Prevention Office. In addition, he is a permanent representative of the International Catholic Education Office at the United Nations, director of religious education for the Archdiocese of New York and founder of the Graduate School of Religious Studies at St. Joseph's Seminary, Dunwoodie in Yonkers, NY.

But Father Wrenn's special talents and accomplishments do not end there. He has mastered the French language and in doing so, has served as a translator of a significant number of articles and books dealing with religious themes, the most recent of which is The Way of My Cross, the homilies of the valiant Polish priest and patriot, Jerzy Popieluszko, who was brutally murdered in Poland on October 19, 1984. In addition, he has coauthored and edited many works that themselves have been translated into the French language.

In a year that we observe the centennial celebration of the most famous French heroine, the Statue of Liberty, we are grateful to

Father Wrenn for his contribution to the ongoing cultural exchange between our great Nation and the Republic of France.

It is my pleasure to extend hearty congratulations to Father Wrenn as he is honored on May 25. He is a distinctive man, a man who is looked up to by adults and children alike; he has served as an inspiration for daily living and for life's design. I wish him much continued success and happiness, and many more such happy occasions.

FORTY YEARS OF CARE-ING

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. DORGAN of North Dakota. Mr. Speaker, on the occasion of its 40th anniversary, I today salute CARE for its unflagging and unequaled leadership in the twin causes of relief and development around the world.

CARE's record embodies the very best of the human spirit and the heart of American idealism. Created 40 years ago as the Cooperative for American Relief Everywhere, it has become just that. In its first year alone, CARE fed some 3.4 million hungry survivors of wartorn Europe. Since the first CARE package reached France, it has delivered some $4 billion in goods and services around the world.

CARE has made the life-or-death difference in such disasters as the Biafra food emergency in 1969, the Guatemalan earthquake of 1976, and the recent African famine. Its timely hand of help has served as the lifeline for millions of desperate people around the globe.

Today, CARE reaches out to 40 million people in 35 countries with benefits as diverse as emergency food aid, refugee relief, famine recovery, agroforestry, and family nutrition. Its long-term goal has always been to help low-income and devastated populations to get back on their own feet. But it has never forgotten that "people don't eat in the future, they eat every day."

FOOD FOR PEACE MAKES A DIFFERENCE

Since Congress passed the Public Law 480 "Food for Peace" law in 1954, CARE has creatively used American farm surpluses to feed the hungry throughout the developing world. This has helped family farmers while it relieved human misery in poor nations. This has involved careful planning.

As a member of the House Select Committee on Hunger, I have worked closely with CARE in crafting the right kind of foreign aid. We have struggled together not only to provide adequate food aid for famine emergencies, but also to ensure that food aid contributes to long-term development.

For example, I have strongly supported CARE's innovative approach to food aid as a dietary supplement to improve the nutrition of mothers and children. Improving diets in poor nations offers the surest means of improving health. And healthy people make more productive workers and more attentive students.

Similary, CARE has pioneered the Food for Work Program by which food aid advances specific, well-planned development projects. Such an incentive for participation in development not only extends our aid dollars, but also contributes to local pride in the accomplishment of self-benefiting projects.

Nor has CARE overlooked the mutual interaction of sound diets and quality medical care. For 25 years, its MEDICO affiliates have provided medical training and treatment to help fight the interlocking problems of hunger, poverty, and disease.

A WORLD WITHOUT HUNGER

In a word, CARE has created a shining example of the right kind of foreign aid. It's the kind of aid that builds bridges with hungry nations, without leaving them dependent on external aid. Its the kind of aid which addresses total human needs, not only the emergency response to hunger. Its the kind of aid which meets the kaleidoscope of human needs without losing a singleness of vision.

Its the kind of aid which has drawn other countries—Canada, Norway, and Germany, among others—to begin their own CARE programs. These CARE international affiliates alone provided $18 million to feed and aid starving Africans during the continental famine.

So, Mr. Speaker, I commend CARE President Wallace J. Campbell, the CARE staff, and its entire international organization for making this world a better one.

CARE is people helping people at its very best. For its noble work CARE won the Presidential Award for a World Without Hunger in 1985. But this is work CARE has done every year for 40 years and which I am sure that it will do for 40 more.

WETLANDS IN DANGER

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. KOLTER. Mr. Speaker, the future of our Nation's Wetlands Protection Program is in jeopardy. Nearly 100 million acres of wetlands in this country stabilize groundwater discharge, protect against floods, improve water quality, and provide the home and spawning ground for thousands of plant and animal species. Section 404 of the Clean Water Act was created to protect the wetlands from development which could otherwise be carried out on "upland" sites. For some time now, the Army Corps of Engineers administration of 404 has served only to challenge the law's fortitude. Now, the Army Corps has struck a blow which could likely put 404 in its grave forever. Today, I look to the EPA to stand up for wetlands protection as Congress has directed it to.

Before EPA Administrator now is a 404 "dredge and fill" permit application from a developer to fill a wetland in Massachusetts. Contrary to the recommendations of the New England Army Corps of Engineers, the Army Corps' Washington Headquarters issued the original permit; accepting a new interpretation of the 404 administrative guidelines put forth by the developer. As a result of the Region I EPA Administrator initiated the established review and veto process and recommended the permit be vetoed. The final decision now rests on the desk of EPA Administrator Lee Thomas.

The demise of 404's ability to protect wetlands will come about in two ways. First, it is highly inappropriate to permit the developer and the Army Corps to reinterpret the guidelines they clearly are not charged with promulgating. Second, if Mr. Thomas acquiesces to the Army Corps' wishes in this case he will turn over responsibility for 404 to an authority that has come under fire for its lack of enthusiasm for 404's stated goals.

While the Army Corps is charged with the responsibility of issuing permits to fill wetland sites, the EPA was directed by section 404 to include a "water dependency tests" which assumes that "practicable alternatives" exists if the project is clearly not water dependent. In the case of the shopping mall, the project is clearly not water dependent. As discussed in the guidelines, practicable alternatives are those that serve the general purposes of the project. The developer in this case has claimed that the alternatives sites originally shown to exist do not meet his specific needs.

Additionally, the developer has offered to mitigate damages to the wetland by creating a new wetland site several miles away. Without even beginning to address the unlikelyhood of success or the fact that there are no standards set by which to shape or judge such an undertaking: the guidelines do not offer mitigation as an alternative to avoiding destruction of an already existing wetland. Common sense dictates that it makes more sense to move a project that is still in its blueprint stage, than to try and move a 35-acre swamp.

The EPA must make their final decision based on the clearly stated intentions of the developer and the guidelines created by their own staff. If the Army Corps' permit is allowed to go through, in clear violation of the guidelines, the message will also be clear * * * the Army Corps will take control of a program which it does not have the expertise to handle.

I urge the EPA to uphold its own guidelines and the proper interpretation of congressional intent for the 404 program.

OCCUPATIONAL HAZARD COMMUNICATION ACT OF 1986

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. JEFFORDS. Mr. Speaker, millions of workers handle hazardous substances in their daily working routines. In order to prevent workers from becoming ill as a result of their working with these substances, they must know what these substances are, what the chronic and acute health effects are, and how to handle these substances properly.

Today I am joining the gentleman from Wisconsin, Mr. PETRI, in introducing the "Occupational Hazard Communication Act of 1986."

It is our intent to offer this bill as a substitute for H.R. 1309, the "High Risk Occupational Disease Notification and Prevention Act of 1986," which was introduced by our colleague Mr. GAYDOS and which is scheduled

for subcommittee markup on May 14, 1986. I think many of the goals of this bill and Mr. GAYDOS' are the same, however, we differ on how to approach the issue and what would constitute a workable system.

Our bill requires that employers, through a hazard communication standard, notify current and former workers of the potential hazards and the safest way to handle potentially hazardous materials. It seems to me that this is the logical way to prevent workers from being exposed to hazardous substances.

By contrast, H.R. 1309 does not do enough for current employees. To be fair, it is designed to be more comprehensive with respect to former employees. However, the best approach is a preventive one. By educating workers before they encounter a potentially hazardous substance, we can protect workers more successfully and at a lower cost.

I urge my colleagues to take a close look at this issue, and join us in supporting the legislation which we are introducing today.

THE UNITED STATES SHOULD TAKE ACTION AGAINST LIBYA'S ABUSE OF DIPLOMATIC STATUS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. KEMP. Mr. Speaker, the recent murder of a U.S. soldier in the Berlin disco bombing and the thwarted submachinegun and grenade attacks on the U.S. Embassy in Paris and the U.S. officer's club in Turkey had an important common characteristic; they were conducted by diplomatic personnel assigned to Libya's foreign embassies. Similarly, the Libyan Embassies in Rome and Vienna were used for logistic support for other Middle Eastern terrorists who conducted the murderous assault on the Rome and Vienna airports earlier this year. It is unlikely that these operations could have been carried out in the absence of Libya's ability to use the cover of its diplomatic status to conceal its campaign of terror. Indeed, evidence now exists which suggests that abuse of its diplomatic status abroad is the cornerstone of Libya's international terrorist activities. This should no longer be tolerated by the United States, and the means currently exist within existing international law and practice to stop it.

First, the United States should encourage its allies to close any Libyan diplomatic entity where its personnel have acted in support—direct or indirect—of terrorist activity. Diplomatic contact can still be maintained by establishing a Libyan interests section in another embassy in the affected country, but without the presence of terrorists posing as diplomats.

Second, accreditation of any Libyan diplomat known to have been associated with terrorist activity should be denied anywhere in the world. This will require the cooperation of other nations—a process we should seek to influence. We have seen too often the practice of Libyan diplomats being expelled from one nation for terrorist activity simply continuing their murderous craft in another nation when they are reassigned to a new post.

Third, rights of transit or entry for Libyan diplomats associated with terrorist activity should be denied. This will limit the ability of Libyan diplomatic cover to be used for brief visits to facilitate terrorist operations in target nations.

Mr. Speaker, this week's summit meeting of the leaders of the Western World presages improved coordination and unity in the fight against terrorism. Building on that consensus, the time is ripe to take these minimal measures to end Libyan abuse of diplomatic status. The United States should place these efforts on the top of its diplomatic agenda when campaigning for effective antiterrorist action by allies and other friendly nations.

AMELIA BRASKIE HONORED

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. KANJORSKI. Mr. Speaker, many generations of immigrants from around the world have contributed to the rich cultural diversity of our country, and I would like to take this opportunity to draw to your attention the accomplishments of one such immigrant who brought a bit of her homeland to America.

On Sunday, May 4, the Tirolesi Alpini of Hazleton, PA, honored their founder, Mrs. Amelia DeFant Braskie, at their 18th annual "Festa Tirolesa." It is a pleasure for me to join with this fine organization of Old World culture in commemorating Mrs. Braskie for her efforts in establishing Tirolesi Alpini.

In 1920 and at the age of 13, Amelia DeFant left her homeland of Taio, Val di Non, region of Trento Province (then a part of Austria) for America. Amelia, her six brothers and sisters, and her parents first settled in the small mining town of Anvil Location, MI. After 2 years in Michigan, the DeFants were drawn to Hazleton, PA, where many other Tiroleans worked in the heart of the anthracite coal region. They attended the first and only Tirolean Church in the United States, Our Lady of Mount Carmel, which is still in existence and is a Pennsylvania historical site.

Amelia married a baker, Walter S. Braskie, and had two children, Jean and Eileen. In 1968 she founded the nonprofit social organization Tirolesi Alpini of Hazleton, PA, to continue the Tirolean heritage she loved. Recognized by the Autonomus Province of Tento, the Tirolesi Alpini of Hazleton is in association with the "Greater Trentino" in North America, and is devoted to maintaining close ties with the people of Trento, Italy. Mrs. Braskie has acted as a liaison between the Tiroleans of the Old World and the New; fluent in her native tongue, she has visited her homeland on numerous occasions and introduced the government officials of the Autonomous Province of Trento to the Tiroleans in America.

The Tirolesi Alpini of Hazleton now has 500 members and is the host to the Seventh International Tirolean-Trentine Organization Convention this July 4, 5, and 6. The 17-year history of this organization is testimony to the enduring strength of the Tirolean heritage, and exemplifies the rich diversity of our American culture.

Mr. Speaker, Mrs Amelia Braskie deserves our recognition of her outstanding contribution to the cultural life of our Nation, and I am pleased to bring her accomplishments to the attention of my colleagues in the House of Representatives.

HONDURANS AND COSTA RICANS FAVOR AID TO THE CONTRAS

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. McCOLLUM. Mr. Speaker, we often hear that our Latin American friends do not favor U.S. support to the democratic Nicaraguan resistance. This assessment is wrong, as public opinion polls have repeatedly shown. Here's what the public in two Central American "frontline states"—Honduras and Costa Rica—have said: Nicaragua is the major threat to their future and democratic society; the Nicaraguan resistance should be supported and that Nicaragua would be better off with a victory by the resistance; and the United States is a positive force in Central America.

These findings were confirmed by a 1985 poll released earlier this year by our colleague, BOB LIVINGSTON. They were reconfirmed in a poll taken during the last 3 weeks of February by Gallup International's Costa Rican affiliate, Consultoria Interdisciplinaria en Desarrollo [CID]. Based on a representative sampling of 1,228 Costa Ricans and 1,200 Hondurans, the poll's major findings are:

Costa Ricans overwhelmingly favor U.S. military and financial aid to the anti-Sandinista Contra forces by a 50 to 11 percent margin, and Hondurans favor such aid by 57 to 10 percent. The rest have no opinion.

Six persons in ten in the survey countries think Nicaragua will be better off if the Contra forces win the conflict, and less than 2 in 10 favor victory by the Sandinista government. Over 6 in 10 say their own countries will be better off if the Contra forces win, and less than 1 in 10 disagrees.

Two-thirds of the Costa Rican public and half the Hondurans believe that the majority of the people in Nicaragua favor the Contra cause; 10 percent in Costa Rica and less than one-fifth in Honduras think that a majority in Nicaragua favors a Sandinista government victory.

More Costa Ricans, 57 percent, think the Contra forces treat people with consideration in the war zones than do the Sandinista government troops, 5 percent. One-quarter denies either side respects the people. In Honduras, while 4 in 10 say the Contra forces treat the people with more respect than the Sandinista forces, an equal number claims both sides demonstrate lack of respect for the populace; 1 in 10 speaks more highly of the Sandinistas than the Contras, and even fewer speak well of both.

Costa Ricans and Hondurans are far more inclined to believe a Contra victory would result in free elections and return to democracy than doubt this 51 to 9 percent in Costa

Rica, 57 to 6 percent in Honduras. The rest have no opinion.

An estimated 8 in every 10 Costa Ricans and Hondurans see Nicaragua acting as a tool of Cuba and the Soviet Union, not pursuing an independent policy.

OPTIMIST INTERNATIONAL PRESIDENT JAMES E. "JAY" ATTARIAN HONORED

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. DORNAN of California. Mr. Speaker, on May 23 through May 25, the Pacific Southwest District of Optimist International will be hosting their international president, James E. "Jay" Attarian and his wife Virginia.

Mr. Attarian has distinguished himself among those leaders who unselfishly dedicate their lives to the betterment of their nation and community. A veteran of the Korean war, Mr. Attarian is a highly respected member of the Woodland Hills, CA, business community where he is president of Jayson Realty Co. In 1962, Mr. Attarian joined the Optimist Club of Downtown Wilshire, CA, and has served the Optimists with distinction in various leadership positions until becoming international president in 1985.

As you know, Mr. Speaker, the motto of the Optimist's is "Friend of Youth." For over 60 years now the Optimists have indeed been a friend of youth by sponsoring youth clubs, sporting events, community project awards, essay contests and many other important programs.

Through their many community programs, the Optimists successfully promote good citizenship, respect for law, and the giving of one's self in service to others to advance the well-being of man, his community and world.

It is with great honor and pride that I congratulate Mr. James Attarian for his leadership as president of Optimist International. And I congratulate Optimists everywhere for 67 years of distinguished service.

NATIONAL CONFERENCE OF COMPETITIVENESS

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. HORTON. Mr. Speaker, on April 18–20 Representative HOWARD WOLPE and I attended the National Conference on Competitiveness both as Members of Congress and in our capacity as cochairs of the Northeast-Midwest Congressional Coalition. The conference and the entire process leading up to it was a splendid example of what can be accomplished when we work closely with private-sector leaders on issues that face us as a nation.

I was impressed not only by the involvement of so many corporate and academic leaders in the process but also by the apparent commitment of the conference participants to see it through. Given the difficulty of the competitiveness problem, and the long period over which it has developed, we cannot expect instant success. However, through the coalition we will pursue those actions that can be taken by Congress to give American businesses and workers a better chance to compete on the world market. And we will coordinate our activities with the efforts of corporate and academic officials who have a vital stake in this issue.

I especially want to give credit to the members of the Business-Higher Education Forum who were instrumental in carrying out this project: Father Ted Hesburgh of Notre Dame, who chaired the forum in 1985, when we held our first meeting in Scottsdale, AZ, and our regional discussions; Ed Donley of Air Products and Chemicals, Inc., who is the forum's chair this year; Ruben Mettler of TRW, Inc., who cochaired the steering committee for the conference; and Doug Danforth of Westinghouse, Bob Rosenzweig of the Association of American Universities; Frank Rhodes of Cornell, and David Saxon of MIT, who also served on the steering committee.

My greatest hope, Mr. Speaker, is that this unique joint effort will help us overcome the ideological and political differences that have divided us in so many areas related to competitiveness, and allow us to take steps that will better integrate our domestic and foreign economies.

A CONGRESSIONAL SALUTE TO NICK BETANCOURT

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. ANDERSON. Mr. Speaker, on May 24, the Mexican-American Democratic Club will host a dinner in honor of Mr. Nick Betancourt for his many contributions to the community.

A native of California, Nick moved to San Pedro in 1928. Ten years later, he began 37 years of employment at Todd Shipyards. In concert with his work at the shipyard, Nick became a very active member of the Industrial Union of Marine & Shipbuilding Workers of America, AFL–CIO, Local 9.

Nick is a cofounder and charter member of the Mexican-American Democratic Club and has been active in the League of United Latin American Clubs, Mexican-American Political Action, and the Harbor Area Political Coalition.

Mr. Speaker, Nick Betancourt has been a positive force in the Los Angeles Harbor Area for well over 50 years. His list of accomplishments following a lifetime of commitment to his family, his trade union, and the Democratic agenda is long and impressive. And many of the good things that have happened in our community over the years came into being through the involvement of dedicated volunteers and community activists like Nick Betancourt.

My wife, Lee, joins me in congratulating Nick Betancourt on this special occasion. He is truly deserving of this special recognition by the Mexican-American Democratic Club and we are lucky to have him as a member of our community. We wish Nick and his wife, Clementina, and their children, Margaret, Trinidad, Tony, and Joe, continued success and happiness in all their future endeavors.

CHIEF ANGELINI HONORED

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. FLORIO. Mr. Speaker, it is with great pleasure that I take the opportunity today to bring to your attention the record of my constituent, William C. Angelini, who has been honored by his colleagues for his service as a member of the Gibbstown, NJ, Volunteer Fire Co.

Mr. Angelini has been a dedicated member of the fire company for 10 years and presently serves as chief. In this capacity as always, Mr. Angelini gives beyond that which is required.

His years of community service and in particular his tenure with the fire company are well worthy of recognition. His selfless and untiring efforts are illustrative of his dedication to the fire company and to improving the quality of life for the community of Gibbstown.

Certainly Mr. Angelini is worthy of our recognition, respect, and thanks for his work, rendered without compensation, in providing such a necessary and significant service to the community.

SIMPLIFIED EMPLOYEE PENSIONS

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mrs. KENNELLY. Mr. Speaker, today I am introducing legislation to simplify simplified employee pensions. These retirement savings vehicles function like employer-provided individual retirement accounts and are frequently attractive to small employers because they are relatively easy to administer.

Nevertheless, there are still some areas of the law which could be clarified to improve the administration of SEP's and to encourage more employers to put them in place. This bill would provide that employees would no longer have to take into income the amounts contributed to a SEP on their behalf and then exclude that amount on their tax returns. This new provision would mean that SEP contributions were essentially treated the same as other pension contributions.

In addition, the employer contribution to a SEP could be made on the basis of the employer's fiscal year rather than in relation to the calendar year ending within the employer's fiscal year. Likewise, the requirement that the SEP cover employees who have worked for the employer in 3 of the last 5 calendar years would be modified to apply on the basis of either the calendar year or the employer's fiscal year, with the requirement that this would be applied consistently. Finally, under current law, employers are not required to

make SEP contributions for employees who earn $200 or less in a particular year. This bill would increase the de minimis provision to $300 and index it for inflation.

SEP's have the potential to fill some of the gaps in the current private pension system because of how well they can fit the needs of small businesses. I hope that by making simplified plans simpler we can encourage their establishment and help provide more meaningful retirement security to workers not currently benefiting from the private pension system.

TRIBUTE TO JOHN HOULIHAN

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. O'BRIEN. Mr. Speaker, recently John Houlihan, for many years a widely known and respected resident of Will County, IL, retired from the Washington headquarters of the Veterans' Administration after 8 years of distinguished service. He filled the difficult position of program analyst in that enormous organization which is of such immense importance to all American veterans. He has other extraordinary credits, not the least of which include chairmanship of the Democratic Party of Will County for a considerable period of time and a member of our State legislature in the late sixties and early seventies.

It must be noted that he distinguished himself in the Marine Corps during World War II, suffering the enormous loss of a limb in the fierce island warfare we had with the Japanese in 1944.

One can say many things about John, and I know of nothing unfavorable. He is highly intelligent, completely honest, and has a tremendous sense of fair play no matter with whom he is dealing. Like his many friends in Joliet and Will County, I am happy that he's coming back home, as he can only be a credit to the community in which he resides.

I know my colleagues in the House join me in wishing John Houlihan continued success in the future.

CONGRESSIONAL SALUTE TO CALIFORNIA-ASIAN PACIFIC ISLANDER HERITAGE WEEK

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. MATSUI. Mr. Speaker, I would like to call your attention to a very special celebration in my home State of California-Asian Pacific Islander Heritage Week. Gov. George Deukmejian has set aside May 4–10, 1986, to celebrate the rich and diverse Asian Pacific cultures that have contributed to this great State.

In addition to memorializing the history and contributions of the Asian Pacific communities in our State, Heritage Week will serve to promote a greater understanding of the contemporary needs and concerns of the Asian Pacific peoples in American society.

Asian Pacific Islander Heritage Week is celebrated annually on the national, State and local community levels. In an effort to commemorate this event in a meaningful way, a broad-based ad hoc committee has been established to plan events that will enrich Americans of all ethnic backgrounds. This year's Heritage Week will include exhibits, speeches, and a film series—all created to enhance American awareness of Asian Pacific Islander culture.

Clearly, Asian Pacific Islander Heritage Week will be both fun and entertaining. Even more importantly, however, it will serve to create understanding and appreciation between diverse American cultures.

Mr. Speaker, I highly commend Ida Tsujikawa and Judie Miyao, cochairpersons for this year's Heritage Week, for the magnificent job they have done in organizing this enlightening and educational event. On behalf of the people of Sacramento, I thank those who have made this event possible and wish Asian Pacific Islander Heritage Week every success.

THE 40TH ANNIVERSARY OF CARE

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. DASCHLE. Mr. Speaker, I rise today to call to the attention of my colleagues the 40th anniversary of CARE, which is being recognized by my home State of South Dakota during the week of May 11–17, 1986.

CARE was created 40 years ago because of the conviction of many religious, service, and cooperative organizations that a people-to-people approach was required to assist war-torn Europe. Today, CARE, a cooperative organization owned by 23 national, economic, religious and ethnic organizations, is the largest private, voluntary, relief and development organization in the world.

CARE is continuing to meet the needs of as many as 40 million people in 35 countries around the world. For their good works, commitment to personal attention, and assistance to those in need, I commend CARE and wish them many productive years ahead.

Finally, there are a number of States in addition to South Dakota which are celebrating CARE week. They include Alabama, Arizona, Florida, Idaho, Kentucky, Louisiana, Massachusetts, Nevada, North Carolina, North Dakota, Ohio, and South Carolina.

A TRIBUTE TO MR. ANTHONY DeLUCA

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. COURTER. Mr. Speaker, I would like to call to your attention a lifesaving act of mercy undertaken by one of my constituents. Mr. Anthony DeLuca was at home on December 10, 1985, when his 8-year-old brother, Michael, began to choke on a piece of food. Upon realizing his brother could not breathe, Anthony began a sequence of first aid maneuvers to open the obstructed airway. His actions, without doubt, saved his brother's life.

Mr. DeLuca who has trained in Red Cross CPR, has been named to receive the Red Cross Certificate of Merit and accompanying pin. This is the highest award given by the American Red Cross to a person who saves or sustains life using skills and knowledge learned in a volunteer training program offered by the Red Cross.

The presentation of the award is taking place May 12, 1986, at the Raritan Valley American Red Cross Chapter annual dinner in Bridgewater, NJ. I would like to take this opportunity on behalf of this body to congratulate and thank Anthony DeLuca for this act of bravery and the care and concern for humanity which it represents.

DAYS OF REMEMBRANCE

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 6, 1986

Mr. DE LA GARZA. Mr. Speaker, memory is a gift of intellect in each human being—but sadly some of our remembrances are sorrowful. But the memory cannot be halted—it cannot be told to forget or ignore.

And during the current week we observe Days of Remembrance of the Victims of the Holocaust during World War II. As successive generations move farther away from the atrocities of World War II, the memory can only grasp the significance of the Jewish Holocaust in the context of a historical teaching. But in that history and its recollection, we learn about ourselves and prepare for a better future.

Today I join my colleagues in acknowledging not just the suffering of the 6 million during World War II, but the hope that through growth there is a measure of perfection attained by humankind and never again will such misery be inflicted by one person against another.

DONALD F. MORTON, SAVINGS AND LOAN HEAD, HONORED

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. CRANE. Mr. Speaker, Donald F. Morton, chairman and president of Arlington Federal Savings & Loan, was recently honored by officers and staff to commemorate his 30th year of leadership. Unique in the northwest suburbs, Arlington Federal is the only financial institution still governed and led by the original management. Mr. Morton is an exemplary American, involved and active in national and local affairs. A respected gentleman who has led AFS through the past turbulence and has brought his institution to a high of $400

million in assets. He is a man who honors his wife, is devoted to his family, who drives his grandson to school every morning, and has always recognized and promoted women to officer status. He is a respected leader who speaks softly and uses his power wisely and gently. He is a close personal friend upon whose board I have served in the past. In this capacity I came to recognize the unique qualities of this truly unusual man.

SALUTE TO PAULINE FRIEDMAN

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 8, 1986

Mr. YATRON. Mr. Speaker, on Friday, June 13, 1986, Temple Oheb Sholom in Reading, PA, will be holding a special service to celebrate the 90th birthday of Mrs. Pauline Friedman.

In addition to the birthday celebration, the congregation will also be honoring Mrs. Friedman's 60 years of service to Temple Oheb Sholom. She has been a leader in many local organizations and has dedicated her life to the Temple. Her many years of hard work have paid off as the Temple continues to grow and flourish. Pauline Friedman's life has been devoted to selfless community service and she provides us with an example which all should try to emulate. I know that my colleagues will want to join me in wishing her a happy 90th birthday as well as continued success and good fortune in the years to come.

ENFORCE FAIR TRADE LAWS

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, May 9, 1986

Mr. AuCOIN. Mr. Speaker, when the Congress begins its consideration of the omnibus trade bill next week, one of the major topics of discussion will be how we can deal more effectively with nations that engage in unfair trading practices.

I am a supporter of the concept of free trade. But I also believe that trade should be fair as well. And when there is incontrovertible evidence that U.S. industries have been harmed by nations that play by different trading rules, we have to be prepared to take swift and effective action to stop the practice.

Today I am introducing legislation concerning a specific case of unfair trading practices. And on another front, I'm joining with Congressman MICA in addressing ways to encourage foreign nations to play more fairly in the international marketplace.

BREAKING THE IMPASSE ON THE U.S. SEMICONDUCTOR INDUSTRY CASE

Almost 1 year ago the Semiconductor Industry Association presented evidence to the United States Trade Representative that the Government of Japan had denied United States companies full access to their markets. In doing so, they asked the President to take action to eliminate those barriers pursuant to section 301 of the Trade Act of 1974.

In response to these charges, the administration initiated a formal investigation. At this time, the U.S. Government has not officially determined whether or not the charges made by the semiconductor industry are, in fact, true. If such an affirmative finding were made, however, the President would then have to decide whether or not to take reciprocal action against that nation.

I have been following this case very close since its inception. I have continued to write letters encouraging both the Japanese and United States Trade Representative Clayton Yeutter to resolve this important issue. I have been a member of an informal working group of Senators and Members of Congress organized to keep pressure on both parties to resolve this case. And just a few weeks ago I had the opportunity to discuss this matter face to face with Japanese Prime Minister Nakasone while he was visiting Washington, DC.

Personally, I would rather not see the President have to resort to retaliatory action against our friends in Japan. Retaliation is counterproductive and only invites further retaliation.

I would rather see the United States and Japan reach an agreement whereby Japan would expand their markets to our semiconductor industry. And, in fact, there was reason to believe that such an agreement was possible when the United States and Japan immediately entered into negotiations after the filing of this petition.

But progress on the talks has been extremely slow. And now it seems that the discussions have actually reached an impasse.

This stalemate is counterproductive for all the parties involved. But I'm especially concerned that the breakdown of the negotiations will only add more uncertainty to an already confusing and tenuous economic situation the semiconductor industry finds itself in today.

This industry has been under siege. The Department of Commerce has made a preliminary finding that Japanese firms have been dumping semiconductor chips in this country. At the same time they've been denied substantial access to Japanese markets. Eight thousand jobs in Oregon and over a hundred thousand others across this country are threatened by failure to implement remedies to this situation.

It is time now to try to break the logjam.

Today I am introducing a sense of the House resolution that encourages the Governments of the United States and Japan to once and for all resolve this issue.

My resolution does two things:

It calls upon the Government of Japan to guarantee full and substantial access to their markets for the United States semiconductor industry. There's no reason why our friends shouldn't grant U.S. businesses the same access we grant them. It makes no sense that one-third of the United States trade deficit is with the Japanese. There is absolutely no reason why exporters of our products should be hitting a brick wall once they cross the Pacific Ocean.

It also directs the President to immediately determine if the complaints made by the Semiconductor Industry Association are true and whether Japan's actions constitute "unfair trade" under section 301 of our trade laws. Once such a determination is made, the President would then have the option of ordering reciprocal action by the United States.

In other words, let's fish or cut bait.

The 8,000 workers in the State of Oregon employed by the semiconductor industry are anxious to see a resolution to this problem. They deserve a resolution to this problem.

Theirs is an industry that is absolutely vital to our national security. The United States semiconductor industry is a world leader in new and advanced technologies and has demonstrated its competitiveness in all markets to which it has had free access. But they've been working hard to recover from some hard financial times. In Oregon alone, one manufacturer of semiconductor chips had to recently lay off 800 workers in my district. To the extent that unfair trading practices of other nations have contributed to those economic woes, they deserve to have someone in the U.S. Government to go to bat for them.

We put these laws, such as section 301 actions, on the books for a reason. And that was to give us a tool to enforce fair trade. We better make these laws work or else the protectionist fervor is going to take over and I believe that would spell disaster, ultimately, for U.S. exporters.

I am introducing this resolution today because I don't trust the machinery of government to move as fast as it should when it comes to responding to unfair trading practices. There have been cases in the past where the pleas for relief from unfair trade practices have gone unanswered in Washington for too long. In fact, the U.S. semiconductor industry is involved in another unresolved case involving the dumping of certain semiconductor chips—and some companies have, in the interim, closed down their operations on those products.

Mr. Speaker, this is not protectionism. When other nations do not let us compete on a level playing field, my patience starts to wear thin. It reaches a boiling point when our own Government fails to vigorously pursue remedies to provide safeguards against those unfair trading practices.

One important note: This resolution does not call upon the President to retaliate. It is merely meant to force a final solution to a problem that has affected the semiconductor industry for years. This at least will give the semiconductor industry some sense of what the future holds.

The clock is running out on this. It's time for action. Either Japan and the United States must reach an accommodable solution to this problem, or the United States must take official action.

That's what my resolution seeks to accomplish.

I encourage my colleagues to cosponsor this resolution and join me in sending a strong message to the Governments of Japan and the United States.

PRYING FOREIGN MARKETS OPEN

In mid-March the United States Department of Commerce issued a preliminary finding that several Japanese companies had been dumping certain semiconductor chips in the United States. This decision found that the margin of dumping semiconductors onto U.S. markets had ranged up to 188 percent.

But under current law, Commerce's findings do nothing for the companies that are actually harmed by the practices. That's because current antidumping laws do not allow financial compensation to go to the U.S. companies which have been injured. Instead, the money goes into the U.S. Treasury.

What happens, therefore, is that a U.S. company might win their case, but they could still go out of business because they haven't gotten compensation.

Meanwhile, foreign companies that have been found to dump products in the United States can come back time and time again. In other words, there is no punishment for repeat offenders.

I recently cosponsored legislation that addresses both of these problems.

This bill establishes a mechanism whereby foreign producers found to have engaged in dumping which caused injury to U.S. companies would be assessed damages that would be payable to the U.S. Treasury, but which U.S. firms could recover through U.S. district court action. That will ensure an opportunity for the victims of unfair trading practices to seek compensation.

This bill also sets up a "three strikes and you're out" scheme whereby firms found to have engaged in dumping in the U.S. market on three or more occasions would be excluded from the U.S. market for 5 years. There's a point where you have to say "enough is enough". Repeat offenders should not be given the privilege of having full access to our open markets.

GILLIS W. LONG POST OFFICE BUILDING

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 9, 1986

Mr. BREAUX. Mr. Speaker, the Louisiana delegation has introduced legislation, H.R. 4782, to honor our late friend and colleague, Gillis W. Long. Our bill proposes to name in his honor the U.S. Post Office at LaPlace, LA, which is under construction now.

For Gillis, who did so much for the Eighth Congressional District, for his State, Louisiana, for the House, and for this Nation, this is a fitting memorial. One of the most meaningful tributes which can be paid to individuals is to cherish their memory after they are gone. Through words and deeds, we are able to remember them.

Gillis always served with distinction, in all his endeavors and pursuits. In recognition of his service, in remembrance of his distinguished career, and in memory of him as a U.S. Representative from Louisiana's Eighth Congressional District, the Louisiana delegation proposes, therefore, to remember Gillis W. Long by dedicating a public building in his name.

Mr. Speaker, at the beginning of the 99th Congress, many of us gathered in the House Chamber to speak in memory of Gillis. As you stated then, his "memory lives on in our minds, in our hearts and in our enduring respect and admiration for him and what he stood for." Our legislation will allow for a public and visible testimony to Gillis, demonstrating our enduring respect and admiration.

Gillis Long had a life filled with achievement. One of his most outstanding achievements is that the people he served and with whom he worked remember him. Naming this public building in his honor will enable us to perpetuate his memory.

We also have all been fortunate to have served with our colleague, Representative CATHY LONG, who has succeeded Gillis and continued his fine tradition of service to people throughout the Nation and the State. We are pleased to have her join with us in support of the legislation.

Mr. Speaker, we hope that legislation which we have introduced will be acted on expeditiously and we welcome our colleagues to join us in support and cosponsorship of the bill.

PUBLIC SERVICE CAREER

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 9, 1986

Mr. LEVIN of Michigan. Mr. Speaker, it is a pleasure for me to pay tribute to my constituent, Mary Mautner. Ms. Mautner is retiring from public service after serving the State of Michigan and the city of Detroit for over 40 years.

In 1941, Ms. Mautner joined the Wayne County Bureau of Social Aid where she provided assistance to ADC families. She became a nonsettlement worker for the department of public welfare in 1947 where she remained until 1966. Ms. Mautner then began working as a resource consultant, handling investigations of insurance, workers compensation and unemployment claims. In 1968, she became a special investigator and assisted State auditors in conducting various audits, the collection of welfare payments, and handling claims for Social Security, serving as a liaison for the agency. She joined the missing warrant unit in 1979 to investigate stolen and missing ADC and GA warrants.

Ms. Mautner began working with the Community Work Experience Training Program in 1980, assigning clients to work sites and monitoring those work sites. She will retire from the contract management unit of the department of social services. Throughout her years of service with the DSS, she has worked to improve the system, and to directly benefit those in need. Her record of public service is commendable, and I wish to congratulate Mary Mautner and wish her a happy, healthy retirement.

CONNECTICUT AWARDED $6.5 MILLION TO ESTABLISH CANCER CONTROL RESEARCH UNIT

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, May 9, 1986

Mr. MORRISON of Connecticut. Mr. Speaker, the creation of the Cancer Control Research Unit for Connecticut at Yale University represents a landmark in the fight against cancer, not only for the people of Connecticut but for all Americans.

The program is being funded by a $6.5 million grant from the National Cancer Institute. Connecticut is only the second State to receive such a grant, attesting to the standard of excellence achieved by the medical community in our State.

The agencies participating in the new Cancer Control Research Unit include the Yale Comprehensive Cancer Center, the State of Connecticut Department of Health Services, the University of Connecticut Health Center, and the Department of Epidemiology and Public Health of the Yale University School of Medicine. Also associated with this effort are the Connecticut Hospital Association, the Connecticut State Medical Society, the Connecticut Division of the American Cancer Society, and the State University of New York at Stony Brook.

The Yale Comprehensive Cancer Center is one of 20 nationally designated comprehensive cancer centers in the United States. The University of Connecticut's Health Center is one of 30 leading cancer programs in the Nation that comprise the Children's Cancer Study Group. The Connecticut Tumor Registry is the oldest population-based tumor registry in the world, and will be a major asset to the new unit. Dr. Dwight T. Janerich, professor of epidemiology and public health at the Yale University School of Medicine, will be directing the new Cancer Control Research Unit.

The program will have seven major projects: First, improving early detection of cervical cancer, two, decreasing use of smokeless tobacco, third, effects of race and social factors on stage at diagnosis, fourth, interventions to improve use of breast cancer screening, fifth, case-control study of lethal melanoma and skin examinations, sixth, microbial and biochemical predictors of colorectal carcinoma, and seventh, a paired-community approach to colorectal cancer control. These projects are exemplary in that they explore the potential of earlier diagnosis and prevention in cancer management. The establishment of the new cancer control research unit is a great honor for Connecticut and another step forward in the fight to prevent and cure cancer.

OLDER AMERICANS' MONTH

HON. WILLIAM HILL BONER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 7, 1986

Mr. BONER of Tennessee. Mr. Speaker, since May 1986 is Older Americans' Month, I would like to take this opportunity to express my concern over administration reports and rumors that the elderly of America are no longer a disadvantaged segment of our society.

It is true that there are many well-off older people. But it is also true that there are many more who live in or very near poverty. Social Security and other Federal programs have been successful in drastically reducing poverty among the elderly. However, it is these very same programs that critics now wish to eliminate or cut, once again threatening the income security of the elderly.

Older women, mostly widows, make up 71 percent of the elderly poor. Only 23 percent of older women receive both Social Security and a private pension. I contacted the Census Bureau and was informed that for the year 1984, the median income for women over 65, who were on Social Security or other pensions, was $6,131—which is less than $900 over the poverty line of $5,250.

The elderly are particularly susceptible to inflation. The rising cost of health care places much more of burden on the elderly, who need medical care more than most younger citizens. As of this year, for example, Medicare patients will be paying $492 for their first day's stay in the hospital. That is an increase of 23 percent from the 1985 rate. Out-of-pocket health care costs for the elderly have risen at the rate of 11.4 percent per year since 1980. With only a average 3.5 percent Social Security cost-of-living-allowance, the elderly are out 8 percent annually. While the majority of Americans are now benefiting from lower gasoline prices, which has a direct bearing on the consumer, how many senior citizens even drive. Have you seen a decrease in taxi or transit fares? I have not!

We must be optimistic that we do live in the greatest country in the world, but we must not lose sight of the fact that our country is the greatest because of the contributions of those people who are no longer young. We cannot rose-color the fact that our elderly need the help of those of us here in Congress to ensure that they can live out their retirement years in a dignity which they so richly deserve.

THE GOVERNMENT IS ABOUT TO LOSE ONE OF ITS OUTSTANDING SERVANTS

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, May 9, 1986

Mr. DE LA GARZA. Mr. Speaker, the U.S. Government is about to lose one of its most outstanding employees. Time marches on and retirement looms for Joseph F. Friedkin, who, after having served nearly 24 years as U.S. Commissioner of the International Boundary and Water Commission, United States and Mexico, leaves today for justifiable peace and quiet.

His history with the IBWC spans 52 years beginning in 1934 when he joined the U.S. section of the Commission as a career employee. He served with the U.S. Army Corps of Engineers in World War II, and in 1947, he resumed his employment with the IBWC as its resident engineer in San Diego, CA. Then, in 1952, he became the section's principal engineer at the supervising headquarters office in El Paso, TX, a position second only to the Commissioner. It was in April 1962 that President Kennedy appointed him Commissioner of the IBWC, an appointment confirmed upon him by each of the five subsequent administrations.

As head administrator of the United States and Mexico International Boundary and Water Commission's U.S. Section, Commissioner Friedkin has worked tirelessly in carrying out a broad program of engineering objectives for the solution of water and boundary problems arising along the 1,900-mile border with Mexico. He is largely responsible for bringing to fruition over 50 international agreements with Mexico; among them, the design and execution of the Chamizal Boundary Settlement, the Falcon and Amistad Dams, powerplants on the Rio Grande, flood control improvement measures, the 1970 Boundary Treaty, and treatment solutions for border sanitation and water pollution problems.

To his position, Commissioner Friedkin brought vigor, dedication, and diplomacy. He was instrumental in improving not only the economic well-being of the peoples living on either side of the United States-Mexico border, but in cultivating social ties as well. President Johnson, in 1968, so noted Commissioner Friedkin's diplomatic skills by according him the personal rank of ambassador.

If Commissioner Friedkin's achievements were measured in terms of the number of lives he has enhanced from an environmental standpoint, the accounting would be endless. Today, thousands of people of either side of the United States-Mexico border lead healthier lives thanks to the strides made by the IBWC in protecting the lands of the two countries. These were projects promoted and brought to fruition by Commissioner Friedkin.

Although Commissioner Friedkin will be gone from the IBWC shortly, his many works will remain as a testament to his leadership. I hope the future holds for him the same success and rewards as the past has provided. He will be sorely missed. Speaking personally, I shall be deprived of his counsel, his direction, his boundless enthusiasm, and the ability he had to project his faith and his confidence into every undertaking.

MADISON HEIGHTS LAMPHERE SUPERINTENDENT RETIRES

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 9, 1986

Mr. LEVIN of Michigan. Mr. Speaker, it is my pleasure to pay tribute to the Lamphere Schools Superintendent Frank A. Agnello. Superintendent Agnello is retiring after 26 years in the field of education.

A native of Pennsylvania, he served in the U.S. Army and was discharged in 1948. Following military service, he attended Indiana University. After graduation, he came to Michigan and began his career as a classroom teacher in Garden City. In 1957, he joined the Ferndale School District and continued teaching there until 1960 when he began his tenure with the Lamphere Schools as a teacher. In 1963, he became the principal of an elementary school and was named administrative assistant of the Lamphere District in 1968. Frank was selected to serve as superintendent in 1978 and has responded to the challenge with innovative ideas, dedication to the quality of education for all students, and concern for the future of public education.

On June 16, the Lamphere School District will honor Superintendent Agnello for his outstanding years of service and dedication to the welfare and education of our children and youth. I have had the privilege of knowing Frank Agnello for over 20 years and I congratulate him on his exemplary career, and wish him a happy and healthy retirement.

CELEBRATING THE 20TH ANNIVERSARY OF THE FIRST CONDOMINIUM CONVERSION

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, May 9, 1986

Mr. ACKERMAN. Mr. Speaker, two decades ago, a group of men and women took advantage of a new idea in American real estate by completing the first condominium conversion in the United States. Now, as the residents of this building prepare to celebrate its 20th anniversary, they can look back proudly at having set the standard that all other real estate conversions would do well to emulate.

This historic building is located at 9410 64th Road, in Rego Park, Queens County, NY. Its residents have had true success by allowing tenants a real choice; in fact, one tenant who decided not to buy his apartment lived on under rent control protection for almost 20 years.

Mr. Speaker, in the story of this modest structure in Rego Park and of the creative people who transformed it, I think we can see a truly American spirit of inventiveness and the can-do ethic. It is precisely this kind of innovation to meet challenges that has allowed this Nation to sustain such a tremendous history of growth.

As always, it was the people involved in this enterprise who made the difference. David Wolfenson was the landlord of the building 20 years ago; it was his initiative that started the entire process. Edward Schiff gave the expert legal advise necessary to complete the project; 20 years later, he still represents both sponsors and tenants groups.

Mr. Speaker, I call now on all of my colleagues in the U.S. House of Representatives to join me in congratulating the men and women of 9410 64th Road on the 20th anni-

versary of their successful conversion, and in wishing them the best of luck for the future.

ARMENIAN GENOCIDE

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 9, 1986

Mr. CARR. Mr. Speaker, April 24, 1986, marked the 71st anniversary of the Armenian Genocide of 1915–23. By the time the genocide ended, 1.5 million men, women and children, nearly one-half of the world's Armenian population, had been slaughtered in their ancestral homeland. In the 71 years since the massacre by the Ottoman Turkish Government, we have seen the Armenians continue their struggle to escape persecution. The contributions to society by the Armenian people, in America and elsewhere, are a testimony to the resiliency and determination of the human spirit.

There are those who deny that the genocide of the Armenians occurred, in the belief that such an admission will give justification for terrorist attacks against Turkish Government officials. While I in no way support terrorist's actions, I feel this fear is unjustified.

The attacks, to the best of my understanding, are not an attempt to avenge the atrocities of 71 years ago. They are, instead, borne out of frustration due to the present Turkish Government's refusal to acknowledge the genocide committed by their predecessors. It is this denial which has prompted the terrorist attacks. The Armenians do not want revenge, they simply ask that the Turkisk Government admit that the genocide occurred, just as present-day Germany has admitted the crimes of Nazi Germany against the Jews. By admitting to the genocide, Turkey will avoid further bloodshed.

Even as we strive toward the prevention of mass human destruction, we must not forget or deny the horrors of the past. George Santayana, in 1905, wrote: "Those who cannot remember the past are condemned to repeat it." The massacre of the Armenians was the 20 century's first act of genocide, but unfortunately not the last. Stalin's slaughter of millions of Russians, the horrors of the Nazi Holocaust and Pol Pot's massacre of Cambodians offer mute evidence to the price of ignorance. It is a price we cannot afford tc pay.

So long as the people of Earth continue to discriminate against one another based on differences in race, religion or politics, the potential for such atrocities remains. We may forgive but we must not forget.

VETERAN FERNDALE OFFICER RETIRES

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 9, 1986

Mr. LEVIN of Michigan. Mr. Speaker, it is with pride that I offer my congratulations to Detective Dan R. Bolen on the occasion of his retirement from the Ferndale Police Department. Detective Bolen has given 30 years of his life to public service as a law enforcement officer.

Dan Bolen is a lifelong resident of the city of Ferndale, taking time away to serve in the U.S. Air Force from 1951 to 1955. He joined the police force in November 1955, was promoted to the rank of detective in 1969, and retired late last year. On May 17, the Ferndale Police Department will honor Detective Bolen at a testimonial dinner to thank him for his years of service and celebrate his outstanding career.

I extend my best wishes to Dan Bolen; his wife, Margaret; and their children, Jeffrey, Alan, and Eric on this special occasion; and a hearty "well done" to Detective Bolen. May he enjoy a healthy and happy retirement.